York County
VIRGINIA

*America's Future Since 1781*

# Annual Comprehensive Financial Report for the Fiscal Year Ended June 30, 2023

# ANNUAL COMPREHENSIVE FINANCIAL REPORT

# COUNTY OF YORK, VIRGINIA

**For the Fiscal Year Ended June 30, 2023**


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

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Director of Finance

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Deputy Director of Finance

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**COUNTY OF YORK, VIRGINIA**
Annual Comprehensive Financial Report
June 30, 2023

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**COUNTY ADMINISTRATOR**
Neil A. Morgan

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

November 29, 2023

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

On behalf of the staff, I am submitting the York County's Annual Comprehensive Financial Report for the fiscal year ended June 30, 2023, as required by the Code of Virginia. The Finance Department has prepared this report in accordance with generally accepted accounting principles (GAAP) in the United States, the standards of financial reporting prescribed by the Governmental Accounting Standards Board, and those of the Auditor of Public Accounts of the Commonwealth of Virginia. Brown, Edwards & Company, LLP, an independent certified public accounting firm, has audited the financial statements, and the firm's opinions are contained within this report.

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

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

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

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

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***A Hampton Roads Community***

## PROFILE OF THE GOVERNMENT

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

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

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

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

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

## COVID-19, ECONOMIC CONDITION AND OUTLOOK

The County continues to monitor the impacts of the novel Coronavirus pandemic, COVID-19, which began in March 2020. The Coronavirus Relief Funds (CRF) and the Coronavirus Local Fiscal Recovery Funds (CLFRF) received by the County along with strong fiscal management measures taken early on, have ensured that the County's financial condition remains strong despite some continuing uncertainty surrounding COVID-19.

Sales tax continues to increase and remain strong. Lodging and meals tax remain strong and are above the pre-pandemic level. The cigarette tax was allowed for counties by the prior year's General Assembly action in FY2022 and remains a strong revenue source. Regarding employment, the areas of most significant gains were Healthcare and Social Assistance, Scientific and Technical followed by Leisure and Hospitality services. The County's unemployment rate in 2023 remained the same as in 2022. The County's annual unemployment rate from the U.S. Bureau of Labor Statistics of 2.8% in June 2023 was more favorable than the Virginia Beach-Norfolk-Newport News, VA MSA of 3.0% and was comparable to the Commonwealth's civilian noninstitutional rate of 2.8%.

## STRATEGIC PRIORITIES

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

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

The FY2024 Adopted Budget was prepared with the mindset that the County may still face uncertainty about the impact the economic recovery will have on the County's finances as we continue to emerge from the economic effects of a historic health emergency. The adopted budget represented a carefully considered fiscal plan and reflected a plan that invests in all of the Board's strategic priorities while lowering tax rates. The budget also fully funds the School Division's request and provides a meaningful compensation package for County staff.

## Operations

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

## Economic Development

- **Organizational Restructuring:** As a result of the County's decision in December of 2021 to combine the Office of Economic Development and the Office of Tourism into a combined department, there has been a focus on leveraging strategic partnerships in an effort to capture regional benefits and opportunities related to tourism and economic development. The newly formed Department has used this focus to achieve goals that are not only directly related to the strategic priorities of York County's Board of Supervisors, such as quality of life and placemaking, but also those related to the five pillars of health, education, environmental/recreational opportunities, social and cultural activities, and information/communications technology.

- **Regional Economic Development:** The site assessment and pre-engineering work was completed for the new solar array to be installed on a portion of the Kings Creek Commerce Center site. The Eastern Virginia Regional Industrial Facility Authority (EVRIFA) entered into an agreement to complete site assessment work, develop conceptual site layout options, and begin the design of transportation and utility infrastructure plans for the remaining portion of the Kings Creek Commerce Center property. Once completed, this work will provide EVRIFA with a substantial amount of information to assist with marketing the property and demonstrating the ability for a prospective project to come to fruition on the site quickly.

- **Hampton Roads Alliance:** York County continued to be an active participant in Hampton Roads Alliance activities during FY2023. Beyond engagement in the Alliance's recurring meetings, staff from York County participated in various subgroup meetings, including the quarterly Business Retention Roundtable. In September 2022, York County sent a representative as part of an Alliance marketing mission trip to the International Manufacturing Trade Show in Chicago, Illinois, where they were able to meet with site selection consultants along with business leaders from domestic and international firms to promote the benefits of locating facilities in Hampton Roads.

- **Commercial Development Activity:** In FY2023, commercial development in York County remained strong, despite the economic headwinds of increasing interest rates and ongoing supply chain challenges. Just over 1,400 commercial permits were issued in FY2023, with a total permit value of over $103 million. While down from FY2022's numbers, mainly due to a substantial decrease in demolition permit values, the value of FY2023 permits was nearly double the permit value of FY2019 – the last full year prior to the pandemic-related drop and rebound cycle. In FY 2023, substantial construction was completed on two new industrial buildings located in Busch Industrial Park – one owned by Southport Holdings and the other by Perry Junction. Each building offers approximately 20,000 square feet of flex space in close proximately to I-64. The Southport Holdings property is capable of supporting an additional 35,000 - 40,000 square feet of industrial flex space development, which the developer intends to bring online in the next few years. Both spaces provide much-needed industrial space in York County's portfolio of available facilities. In addition, the owner of Chilled Ponds Ice Sports Complex in Chesapeake completed the acquisition of the former Iceplex facility in the Kiln Creek area of York County. In association with the acquisition, work began on an estimated $3 million renovation of the facility that will upgrade and modernize the new Chilled Ponds Yorktown, and allow the facility to be better positioned to operate in partnership with the Chesapeake facility to attract regional ice hockey tournaments.

## Capital Improvements Program

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

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

## FINANCIAL INFORMATION

The County's accounting records for general governmental operations are maintained on a modified accrual basis. This essentially involves recording revenues when they become measurable and available and the recording of expenditures when the goods and/or services are received, or related fund liability is incurred. Accounting records for the County's enterprise and internal service funds are maintained on an accrual basis.

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

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

## POLICIES/SIGNIFICANT CHANGES

In fiscal year 2023, the County has adopted GASB Statement No. 96 ("GASB 96"), *Subscription-Based Information Technology Arrangements* (SBITAs). It provides guidance on the accounting and financial reporting for SBITAs. Additional information can be found on GASB 96 in Notes 1 and 10.

## INDEPENDENT AUDIT

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

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

## AWARDS

The County continued to be recognized for excellence in operational and fiscal management during fiscal year 2023. The following awards were received:

- 2023 National Association of Counties achievement award for the Department of Fire & Life Safety's "Take 3 Steps to Save a Life" initiative.
- The Fire Chief was the recipient of the 2023 Virginia Fire Chief's Association (VFCA) President's Award.
- York County won the VDOT 2023 Hampton Roads District Local Project Partnership Award.
- Various awards were provided to employees of Fire and Life Safety and the Sheriff's office for outstanding leadership and performance.
- The Clerk of Court with the York-Poquoson Juvenile & Domestic Relations District Court was certified as a fellow of the Institute for Court Management at the National Center for State Courts.

## CERTIFICATE OF ACHIEVEMENT

The Government Finance Officers' Association of the United States and Canada (GFOA) awarded the *Certificate of Achievement for Excellence in Financial Reporting* to York County for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2022. This was the 37th consecutive year that the County has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Annual Report. This report must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current Annual Report continues to meet the Certificate of Achievement program requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

## DISTINGUISHED BUDGET PRESENTATION

The GFOA presented a Distinguished Budget Presentation Award to York County for its annual budget for the fiscal year beginning July 1, 2022. This was the 20th consecutive year that the County has achieved this prestigious award. In order to receive this award, a governmental entity must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device. This award is valid for a period of one year only. We believe that our current budget continues to conform to program requirements, and it has been submitted to the GFOA to determine its eligibility for another award.

## ACKNOWLEDGMENTS

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

Respectfully submitted,

Neil A. Morgan
County Administrator

Theresa S. Owens, CPA
Finance Director

Government Finance Officers Association

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

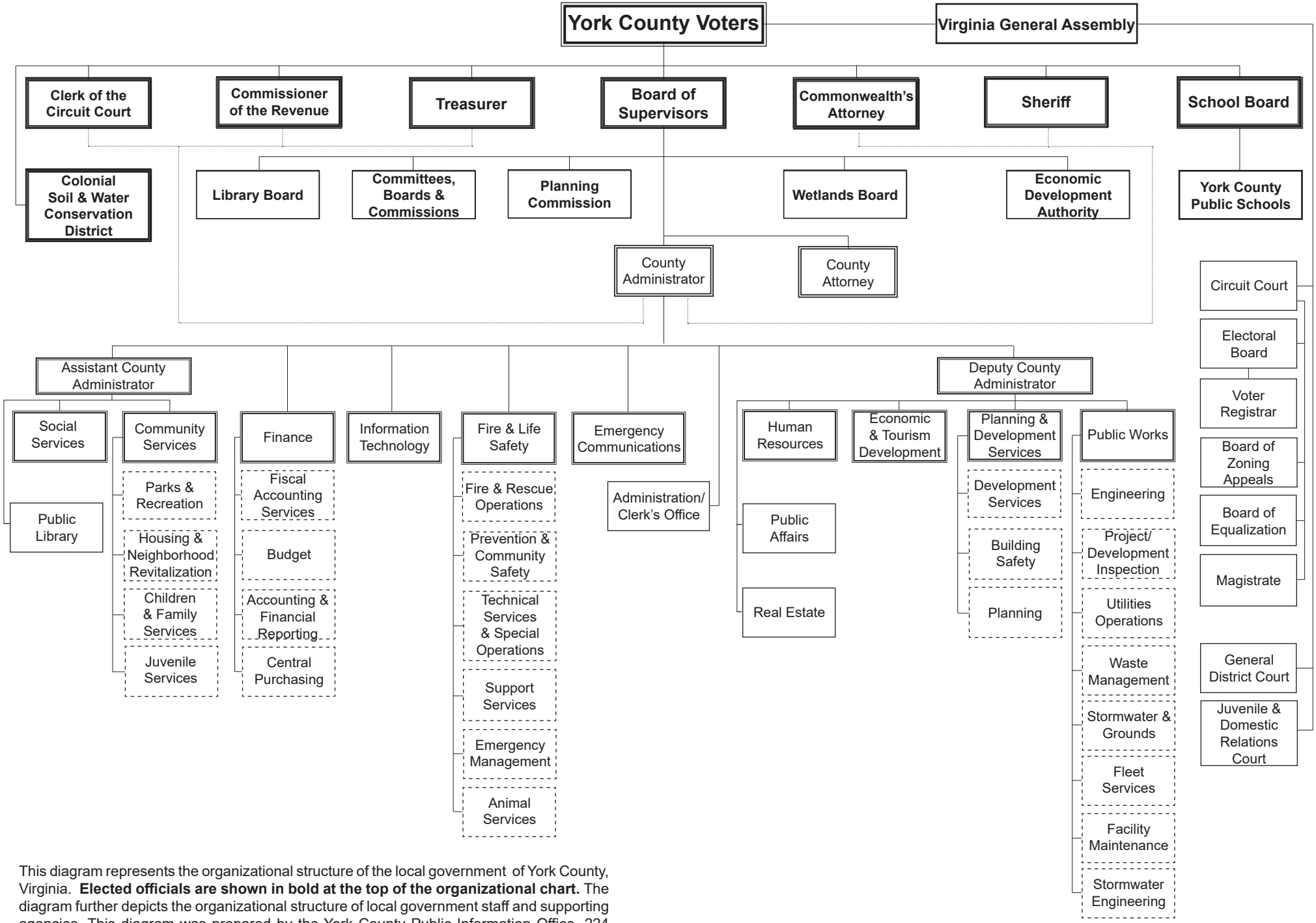
**County of York**
**Virginia**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morrill

Executive Director/CEO




This diagram represents the organizational structure of the local government of York County, Virginia. **Elected officials are shown in bold at the top of the organizational chart.** The diagram further depicts the organizational structure of local government staff and supporting agencies. This diagram was prepared by the York County Public Information Office, 224 Ballard Street, Yorktown, Virginia, 23690. Mailing Address: P.O. Box 532, Yorktown, Virginia, 23690-0532. Updated June 30 2023

**COUNTY OF YORK, VIRGINIA**
Principal Officials
For the Fiscal Year Ended June 30, 2023

**Board of Supervisors**

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

**Constitutional Officers**

| | |
|---|---|
| Clerk of the Circuit Court | Kristen N. Nelson |
| Commissioner of the Revenue | Ann H. Thomas |
| County Treasurer | Candice D. Kelley |
| Commonwealth's Attorney | Krystyn L. Reid |
| Sheriff | Ronald G. Montgomery |

**County Officials**

| | |
|---|---|
| County Administrator | Neil A. Morgan |
| County Attorney | Richard E. Hill, Jr. |
| Deputy County Administrator | Mark L. Bellamy, Jr. |
| Director of Community Services/Assistant County Administrator | Brian P. Fuller |
| Director of Economic and Tourism Development | Kristina R. Olsen |
| Director of Emergency Communications | Donald T. Hall |
| Director of Finance | Theresa S. Owens |
| Fire Chief | Stephen P. Kopczynski |
| Director of Human Resources | Rose M. McKinney |
| Director of Information Technology | Timothy D. Wyatt |
| Director of Library Services | Kevin W. Smith |
| Director of Planning and Development Services | Susan D. Kassel |
| Director of Public Works | Robert L. Krieger, III |
| Director of York-Poquoson Social Services | Margaret Mack-Yaroch |

**School Board**

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

**School Officials**

| | |
|---|---|
| Superintendent of Schools | Dr. Victor D. Shandor |
| Chief Academic Officer | Candi L. Skinner |
| Chief Financial Officer | William Bowen |
| Chief Human Resources Officer | Dr. Anthony Vladu |
| Chief Operations Officer | Dr. James Carroll |
| Director of Elementary Instruction | Dr. David Reitz |
| Director of Information Technology | Douglas E. Meade |
| Director of School Administration | Dr. Aaron Butler |
| Director of Curriculum and Instruction | Dr. Karen Cagle |
| Director of Student Services | Christy Morgan |

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BROWNEDWARDS
*certified public accountants*

# INDEPENDENT AUDITOR'S REPORT

To the Honorable Members of the Board of Supervisor's
County of York, Virginia
Yorktown, Virginia

## Report on the Audit of the Financial Statements

### *Opinions*

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

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

### *Basis for Opinions*

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

### *Responsibilities of Management 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, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

**Report on the Audit of the Financial Statements (Continued)**

***Auditor's Responsibilities for the Audit of the Financial Statements***

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

***Required Supplementary Information***

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

**Report on the Audit of the Financial Statements (Continued)**

***Supplementary Information***

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

***Other Information***

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated November 29, 2023, 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.

Brown, Edwards & Company, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

Newport News, Virginia
November 29, 2023, except as to the schedule of expenditures of federal awards and related notes, which is as of June 16, 2025.

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## MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the County of York's (the "County's") Annual Comprehensive Financial Report (ACFR) presents management's discussion and analysis of the County's financial performance during the fiscal year ended June 30, 2023. Please read it in conjunction with the transmittal letter on pages A-1 through A-8 at the front of this report and the County's basic financial statements, which begin on page D-1.

## FINANCIAL HIGHLIGHTS FOR FISCAL YEAR 2023 (FY2023)

- The assets and deferred outflows of resources of the County on a government-wide basis, excluding component units, exceeded its liabilities and deferred inflows of resources as of June 30, 2023 by $205,462,123 (net position). Under Virginia law, School Divisions hold title to all school property and local governments incur financial obligations for school property. The assets are reported on the School Division's Statement of Net Position and the related debt is reported on the County's Statement of Net Position. Consequently, the County reports $80,560,591 in school debt without the related assets.

- The County's total net position increased by $3,041,925. Governmental activities increased by $361,049, primary due to an increase in General Fund property tax revenues, sales tax, hotel and motel room taxes, business license taxes and cigarette taxes in FY2023 offset by increases in operating expenditures. Business-type activities increased by $2,680,876 mainly attributable to an increased allocation from restaurant food taxes to support sewer projects, increases in charges for services and approximately $1.5 million in capital contributions.

- As of June 30, 2023, the County's governmental funds reported combined ending fund balances of $102,102,383, a decrease of $25,783,494 from the prior year. Unassigned fund balance totaled $21,972,760 and is available for spending at the County's discretion. This amount reflects a General Fund unassigned fund balance of $24,472,361, or 16.3% of total General Fund expenditures and an unassigned fund deficit of $2,499,601 in the Yorktown Capital Improvements Fund, attributable to a long-term advance payable to another fund.

- The County's noncurrent liabilities, which includes the net OPEB liability, net pension liability, lease liability and subscription liability at June 30, 2023, were $198,051,185, which is an increase of $10,515,456 from the prior year. The key factors in this increase were the issuance of new general obligation bonds, subscription liability, and an increase in the pension and OPEB liabilities based on actuarial calculations.

## OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

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

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

- Governmental activities - Most of the County's basic services are reported here, including general government, judicial services, public safety, management services including finance, education, human services, public works, community development including planning and community services. Property taxes, other local taxes, and state and federal grants finance most of these activities.

- Business-type activities - The County charges a fee to customers to help cover the majority of the costs of services it provides. The County's water and sewer utilities, solid waste, Yorktown operations, the two Sanitary Districts, and Regional Radio System operations are reported here.

- Component units - The County includes three separate legal entities in its report - the York County School Division, the Economic Development Authority of York County and the Marquis Community Development Authority. Although legally separate, the County is financially accountable for the School Division and the Economic Development Authority component units and provides operating and capital funding. The County provides the financial reporting for the Marquis Community Development Authority.

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

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

The County has three kinds of funds:

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

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

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

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

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

  During fiscal year 2023, the County used four internal service funds (the other type of proprietary fund) to report activities that provide supplies and services for the County's other programs and activities. The Vehicle Maintenance Fund provides for the accumulation of resources to replace capital equipment and maintenance services for the County's vehicle fleet. The Health and Dental Insurance fund provides for the revenues and expenses of the health and dental programs. The Workers' Compensation fund accounts for the claims and related expenses for workers' compensation. The Information Technology fund accounts for the costs of providing computer technical support, software support, and internet and telecommunications services. The internal service funds are presented as a separate column in the proprietary fund financial statements, on pages E-5 through E-7 of this report. Individual fund data for each of these internal service funds is provided in the form of combining statements on pages J-2 through J-4 of this report.

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

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

**Notes to the Basic Financial Statements** - The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages F-1 through F-102 of this report.

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

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

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

### Summary of Statement of Net Position - As of June 30, 2023 and 2022

| | Governmental Activities | | Business-type Activities | | Total | |
|---|---|---|---|---|---|---|
| | FY2023 | FY2022 Restated | FY2023 | FY2022 | FY2023 | FY2022 Restated |
| Current and other assets | $ 139,077,035 | $ 166,861,145 | $ 29,206,921 | $ 26,791,797 | $ 168,283,956 | $ 193,652,942 |
| Capital assets | 131,999,271 | 110,417,096 | 127,268,168 | 128,317,669 | 259,267,439 | 238,734,765 |
| Total assets | $ 271,076,306 | $ 277,278,241 | $ 156,475,089 | $ 155,109,466 | $ 427,551,395 | $ 432,387,707 |
| Deferred outflows of resources | $ 18,798,541 | $ 23,767,689 | $ 1,977,063 | $ 2,590,717 | $ 20,775,604 | $ 26,358,406 |
| Current and other liabilities | $ 18,660,356 | $ 22,237,802 | $ 2,675,986 | $ 2,591,808 | $ 21,336,342 | $ 24,829,610 |
| Long-term liabilities | 178,000,907 | 167,485,534 | 20,050,278 | 20,050,195 | 198,051,185 | 187,535,729 |
| Total liabilities | $ 196,661,263 | $ 189,723,336 | $ 22,726,264 | $ 22,642,003 | $ 219,387,527 | $ 212,365,339 |
| Deferred inflows of resources | $ 18,660,832 | $ 37,130,891 | $ 4,816,517 | $ 6,829,685 | $ 23,477,349 | $ 43,960,576 |
| Net position: | | | | | | |
| Net investment in capital assets | $ 84,196,086 | $ 71,969,177 | $ 110,744,207 | $ 110,911,421 | $ 194,940,293 | $ 182,880,598 |
| Restricted | 18,671,536 | 31,721,148 | - | - | 18,671,536 | 31,721,148 |
| Unrestricted (deficit) | (28,314,870) | (29,498,622) | 20,165,164 | 17,317,074 | (8,149,706) | (12,181,548) |
| Total net position | $ 74,552,752 | $ 74,191,703 | $ 130,909,371 | $ 128,228,495 | $ 205,462,123 | $ 202,420,198 |

- The County's net position totaled $205,462,123, an increase of $3,041,925. This result is comprised of an increase of net position in governmental activities of $361,049, and an increase of $2,680,876 in business-type activities. The minimal increase in governmental activities was primarily due to General Fund expenditures being offset with increases in General Fund property tax revenues, sales tax, hotel and motel room taxes, business license taxes and cigarette taxes in FY2023. The increase for business-type activities was mainly attributable to an increased allocation from restaurant food taxes to support sewer projects and increases in charges for service revenues in FY2023.

Approximately 9.1% of net position represented resources that are subject to external restrictions. Restrictions do not significantly affect the availability of fund resources for future use. The majority of the County's net position reflected its investment in capital assets, less any related debt used to acquire those assets that were still outstanding. These assets are used to provide services to citizens and consequently are not available for future spending. At June 30, 2023, the County reported a decrease of $4,031,842 in the unrestricted deficit.

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

With the County opting out of Senate Bill 276, the asset values are reported on the School Division's Statement of Net Position and the related debt or liability are reported on the County's Statement of Net Position. Consequently, the County reports $80,560,591 in school debt without the related assets.

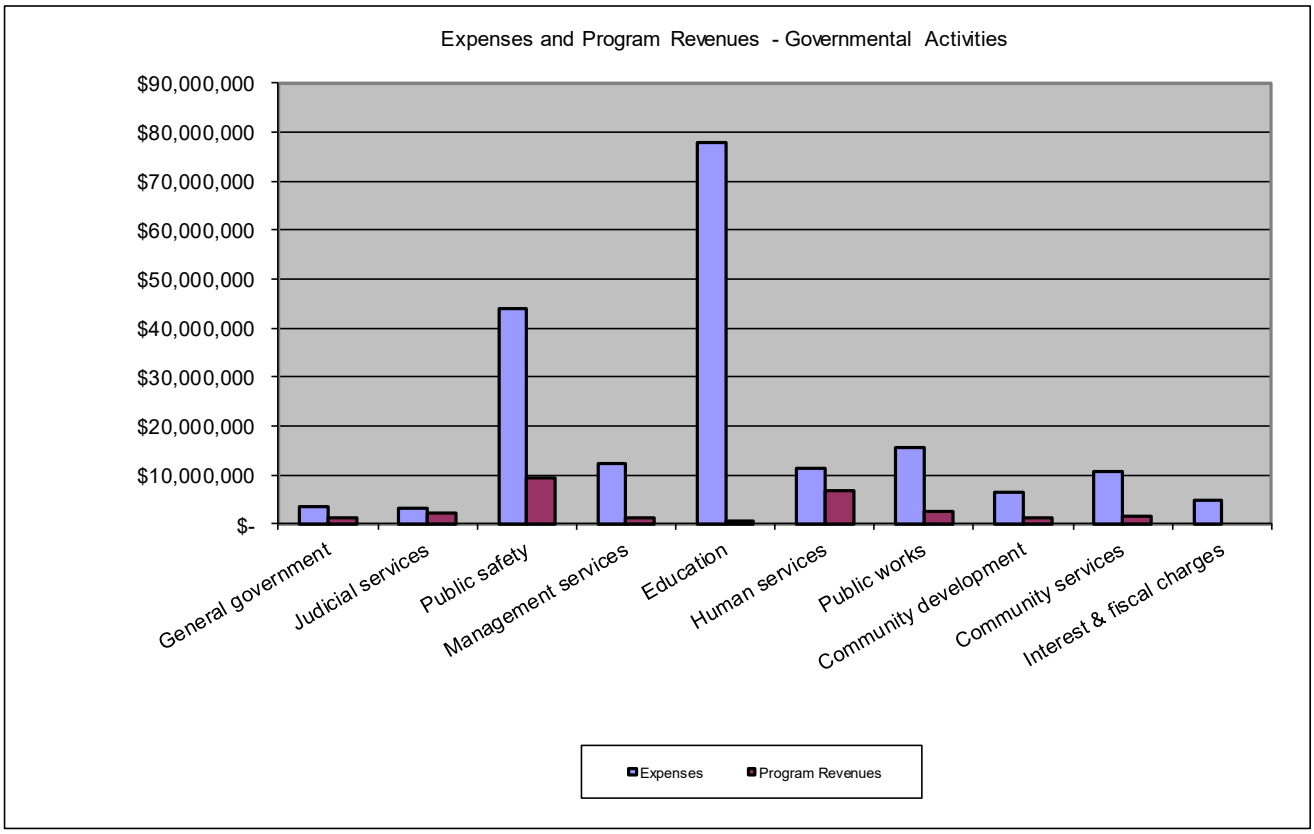
## Summary of Changes in Net Position - Years Ended June 30, 2023 and 2022

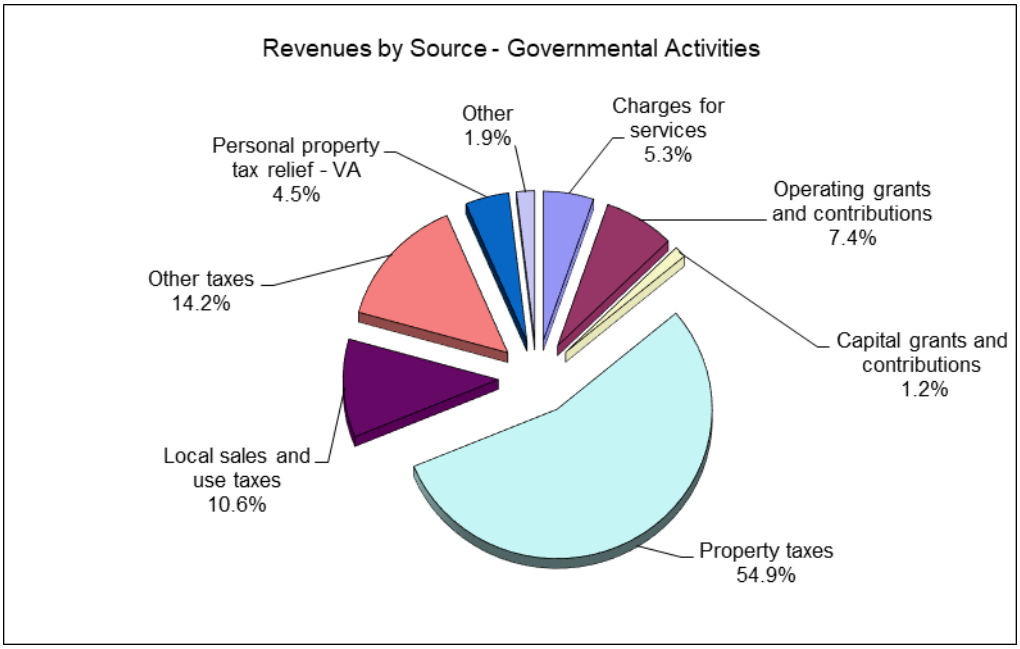
| | Governmental Activities | | Business-type Activities | | Total | |
|---|---|---|---|---|---|---|
| | FY2023 | FY2022 | FY2023 | FY2022 | FY2023 | FY2022 |
| Revenues: | | | | | | |
| Program revenues: | | | | | | |
| Charges for services | $ 10,066,009 | $ 9,174,673 | $ 22,042,838 | $ 20,568,792 | $ 32,108,847 | $ 29,743,465 |
| Operating grants and contributions | 14,152,174 | 23,546,282 | 21,451 | 184,946 | 14,173,625 | 23,731,228 |
| Capital grants and contributions | 2,383,225 | 1,130,423 | 1,513,343 | 2,424,823 | 3,896,568 | 3,555,246 |
| General revenues: | | | | | | |
| Property taxes | 105,094,920 | 103,616,113 | - | - | 105,094,920 | 103,616,113 |
| Other taxes | 47,532,553 | 46,622,154 | 3,452,007 | 2,589,804 | 50,984,560 | 49,211,958 |
| Commonwealth of Virginia, net Local Aid to Commonwealth | 8,741,680 | 8,741,680 | - | - | 8,741,680 | 8,741,680 |
| Unrestricted investment earnings | 3,283,062 | (294,364) | 213,915 | 56,802 | 3,496,977 | (237,562) |
| Miscellaneous | 302,711 | 207,247 | 24,373 | 37,265 | 327,084 | 244,512 |
| Gain on sale of capital assets | - | - | 4,051 | - | 4,051 | - |
| Total revenues | 191,556,334 | 192,744,208 | 27,271,978 | 25,862,432 | 218,828,312 | 218,606,640 |
| Expenses: | | | | | | |
| Governmental activities: | | | | | | |
| General administration | 3,613,973 | 4,031,287 | - | - | 3,613,973 | 4,031,287 |
| Judicial services | 3,316,809 | 3,352,664 | - | - | 3,316,809 | 3,352,664 |
| Public safety | 44,115,833 | 46,324,046 | - | - | 44,115,833 | 46,324,046 |
| Management services | 12,294,428 | 12,139,466 | - | - | 12,294,428 | 12,139,466 |
| Education | 77,686,788 | 58,348,697 | - | - | 77,686,788 | 58,348,697 |
| Human services | 11,349,243 | 10,624,676 | - | - | 11,349,243 | 10,624,676 |
| Public works | 15,680,912 | 12,784,193 | - | - | 15,680,912 | 12,784,193 |
| Community development | 6,449,962 | 3,514,026 | - | - | 6,449,962 | 3,514,026 |
| Community services | 10,658,545 | 10,765,249 | - | - | 10,658,545 | 10,765,249 |
| Interest and fiscal charges on noncurrent debt | 4,886,205 | 4,179,779 | - | - | 4,886,205 | 4,179,779 |
| Business-type activities: | | | | | | |
| Sewer Utility | - | - | 12,776,052 | 12,120,219 | 12,776,052 | 12,120,219 |
| Water Utility | - | - | 328,547 | 722,641 | 328,547 | 722,641 |
| Solid Waste | - | - | 6,276,265 | 5,898,184 | 6,276,265 | 5,898,184 |
| Yorktown Operations | - | - | 214,403 | 225,797 | 214,403 | 225,797 |
| Sanitary Districts | - | - | 416,142 | 417,138 | 416,142 | 417,138 |
| Regional Radio System | - | - | 5,722,280 | 3,650,445 | 5,722,280 | 3,650,445 |
| Total expenses | 190,052,698 | 166,064,083 | 25,733,689 | 23,034,424 | 215,786,387 | 189,098,507 |
| Change in net position, before transfers | 1,503,636 | 26,680,125 | 1,538,289 | 2,828,008 | 3,041,925 | 29,508,133 |
| Transfers | (1,142,587) | (1,376,654) | 1,142,587 | 1,376,654 | - | - |
| Change in net position | 361,049 | 25,303,471 | 2,680,876 | 4,204,662 | 3,041,925 | 29,508,133 |
| Net position, beginning | 74,191,703 | 48,888,232 | 128,228,495 | 124,023,833 | 202,420,198 | 172,912,065 |
| Net position, ending | $ 74,552,752 | $ 74,191,703 | $ 130,909,371 | $ 128,228,495 | $ 205,462,123 | $ 202,420,198 |

**Governmental Activities** - For the fiscal year ended June 30, 2023, revenues from governmental activities totaled $191,556,334. The $1,478,807 increase from fiscal year 2022 in property taxes is comprised primarily of two revenue sources: real estate and personal property tax revenues. The increases for both real estate and personal property taxes were driven by increases in local assessment values as well as new development and new vehicles adding to the tax bases. Calendar year 2022 was a reassessment year and therefore fiscal year 2023 resulted in increased assessment values of 7.16% for half of the fiscal year. Real estate tax revenue, the County's largest revenue source, was $81,699,599. The County's assessed real property tax base for calendar year 2023 was $10,555,619,500. The County's second largest revenue source is personal property taxes, with total current year collections of $30,925,125, which includes the Commonwealth of Virginia's constant $8,741,680 as an entitlement grant under the provisions of the Personal Property Tax Relief Act (PPTRA).

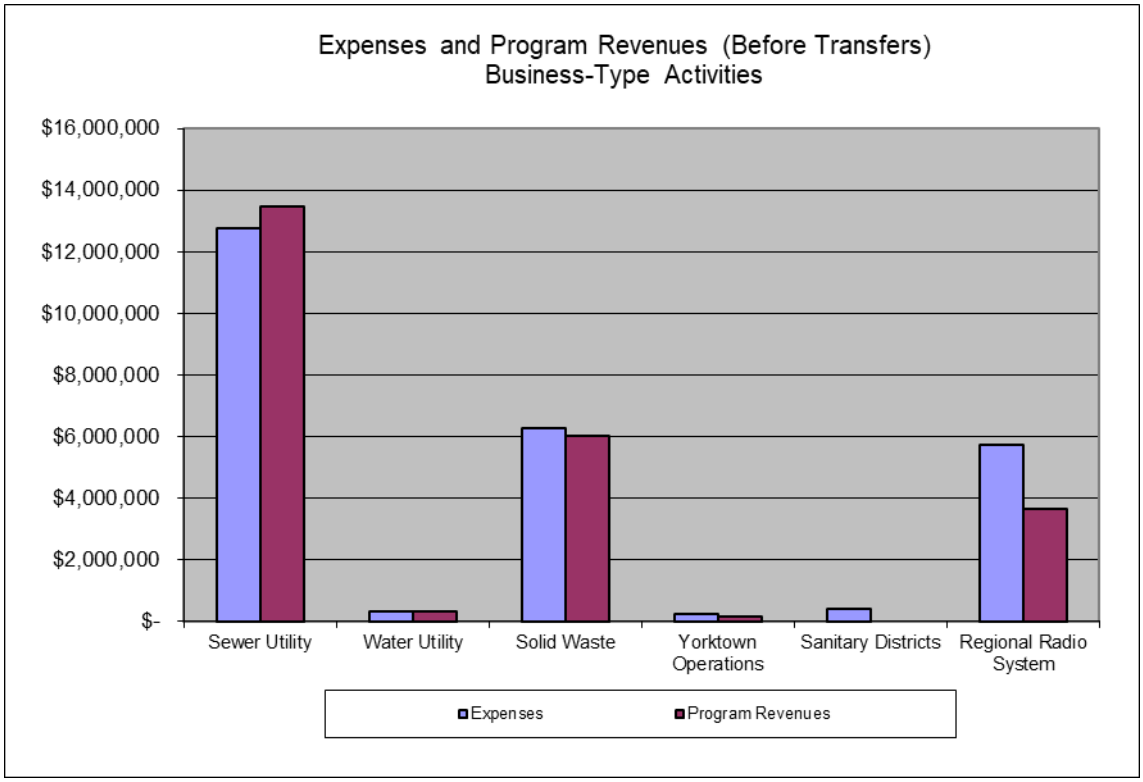
Other taxes increased by $910,399 from the prior year. This increase was attributable to increases in sales taxes, hotel and motel room taxes and restaurant food taxes due to continuing strong economic trends. Also, included in the increase from prior year was the continuing growth of the newly implemented cigarette tax in FY2022 and a strong trend in business license taxes. Unrestricted investment earnings increased by $3,577,426 as a result of the improved, higher national interest rate environment.

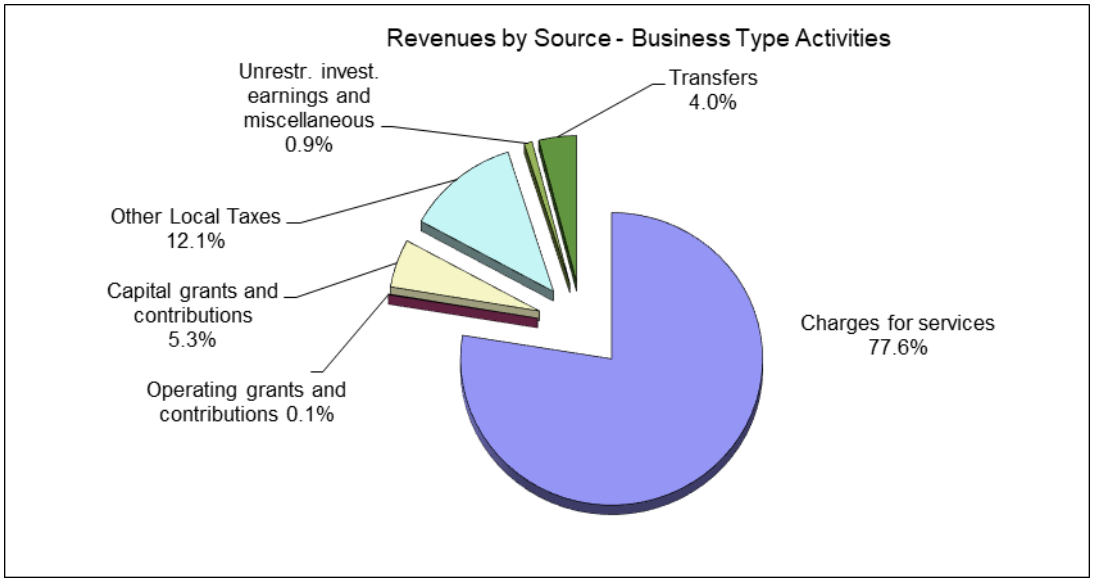
For the fiscal year ended June 30, 2023, expenses for governmental activities totaled $190,052,698, including the following payments to the component unit - School Division: $64,145,805 for operations, technology, and capital projects and $9,727,130 of bond proceeds for construction; the component unit - Economic Development Authority: $3,047,535 for operations and capital projects, and the component unit - Community Development Authority: $842,537 in incremental taxes and special assessments. For further discussion on changes from the prior year for the governmental funds, see page C-12.






**Business-type Activities** - Business-type activities increased the County's net position by $2,680,876 for the fiscal year ended June 30, 2023. This increase is primarily attributable to restaurant food taxes allocated to sewer projects, increases in charges for services and approximately $1.5 million of capital contributions. Significant transfers include $1,142,587, of which the majority is for the maintenance on the emergency radio system in the Regional Radio System Fund.



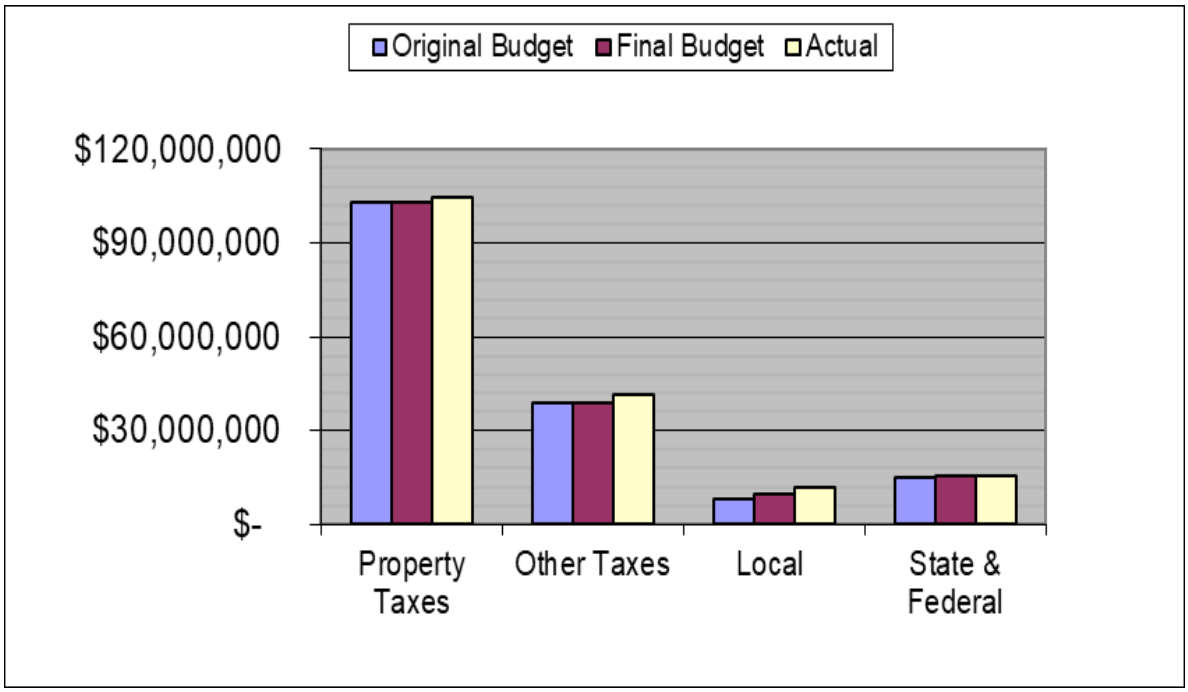



**GENERAL FUND**

As of June 30, 2023, the County's governmental funds reported combined ending fund balances of $102,102,383, a decrease of $25,783,494 from the prior year. Unassigned fund balance totaled $21,972,760 and is available for spending at the County's discretion. Of the remainder of fund balance, $5,530,334 is nonspendable, $18,565,067 is restricted, $16,888,317 is committed and $39,145,905 is assigned. The General Fund is the chief operating fund of the County. At the end of the current fiscal year, unassigned fund balance of the General Fund was $24,472,361 and total fund balance was $40,741,544. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 16.3% of total General Fund expenditures while total fund balance represents 27.2% of the same amount.

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

**General Fund Revenue - Comparison of Budget to Actual**



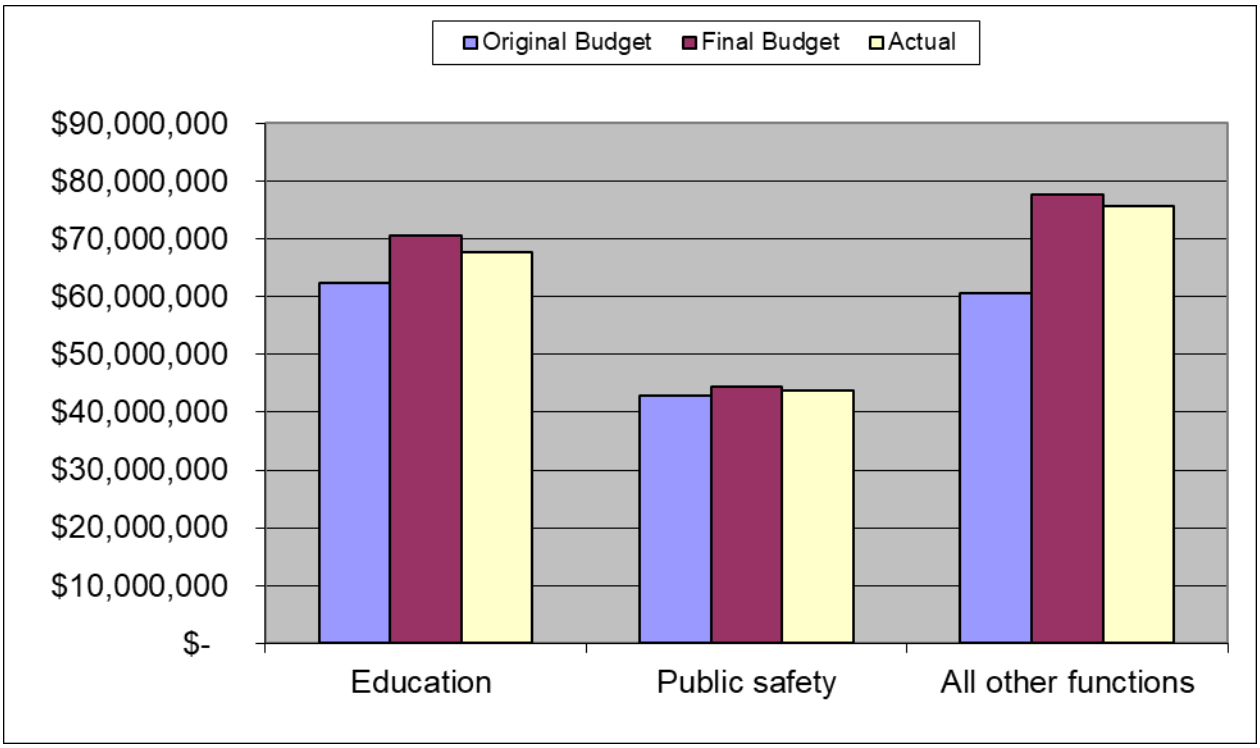

The total change in General Fund final budgeted revenues and other financing sources were $1,395,305 or .8% over the original budget. The majority of the increase was driven by the appropriation of approximately $255,000 for additional state and federal funds; $469,000 for emergency medical services; $193,000 for parks and recreation fees and $421,000 for law enforcement extra duty officers.

The total General Fund actual revenues and other financing sources were $6,233,101 or 3.7% over the final budget. Significant variances include the following:

- General property taxes including penalties and interest were higher than the final budget by $1,578,479 or 1.5%, which was primarily driven by higher than anticipated personal property tax collections, penalties and interest offset by real estate taxes not realized.

- Other local taxes were higher than the final budget by $2,374,657 or 6.1%, primarily due to higher than anticipated local sales and use tax as well as the historic triangle sales tax, hotel and motel room taxes, restaurant food taxes and business license taxes.

**General Fund Expenditures - Comparison of Budget to Actual**




The total change in General Fund final budgeted expenditures and other financing uses were $26,609,028 or 16.1% over the original budget. The majority of the increase was driven by the appropriation of approximately $25 million of carryovers for continuing capital and special projects and approximately $1.3 million for additional funds received.

The total General Fund actual expenditures and other financing uses were $5,268,435 or 2.7% under the final budget. A portion of the variance, $992,235 is attributable to outstanding encumbrances at June 30, 2023, which are not reflected in the budgetary comparison schedule. Other significant variances include the following:

- Education: the payment to the School Division is under budget due to the return of unspent funds to the County per State code.

- Additional Functions with significant variances:

    - Judicial Administration: The Clerk of Circuit Court was also under budget due to unspent information technology funding.

    - Management Services: Accounting and Financial Reporting and Real Estate Assessment were under budget as a result of vacancies and due to funding set aside for appraisal services yet to occur, respectively.

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

## GOVERNMENTAL FUNDS

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

The General Fund decreased by $13,712,187 primarily due to increases in transfers from the General Fund to support major county capital projects including the law enforcement building, renovations at the Yorktown Library and Fire Station #7.

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

For fiscal year ended June 30, 2023, the Tourism Fund had increases in fund balance of $1,254,792 due to increases in lodging and $2.00 room tax revenues as well as a General Fund transfer to support the operations of the Office of Economic Development. The County Capital Fund had a decrease of $11,497,559 due to several large capital projects including the Law Enforcement Building, the renovations at the Yorktown Library and Fire Station #7. The Yorktown Capital Improvements Fund had a decrease in fund deficit of $503,776, mainly due to transfers from the General Fund for a repayment of an interfund loan for Riverwalk Landing.

## PROPRIETARY FUNDS

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

During fiscal year 2023, the internal service funds were used to account for the operation of the centralized motor vehicle pool, for health and dental insurance programs, claims and related expenses for workers' compensation and costs of providing computer technical support, software support, internet and telecommunications.

The Sewer Utility Fund earned $11,936,220 through charges for services and $3,430,829 from restaurant food taxes. The Vehicle Maintenance Fund (internal service fund) collects its revenues through charges for services imposed on the various County departments to which fleet vehicles are assigned. The expenses relate directly to the maintenance and depreciation of the County's fleet of vehicles. The Health and Dental Insurance Fund, accounts for the health and dental insurance claims, payments to the insurance providers and the IRS as required by the Affordable Care Act, and the contributions from the County and employees. The Workers' Compensation Fund accounts for the claims associated with workers compensation. The Information Technology Fund collects its revenues through charges for services imposed on the various County departments to which computer and network software and hardware are assigned and a transfer from the General Fund for overall operations.

The enterprise funds in the aggregate had an increase in net position during the fiscal period of $2,680,876, and the internal service funds reported an increase in net position of $2,568,968. The net position for the enterprise funds and internal service funds were $130,909,371 and $15,346,262, respectively, at the end of the fiscal year.

## CAPITAL ASSETS AND DEBT ADMINISTRATION

### Capital Assets

At the end of fiscal year 2023, the County's investment in capital assets for its governmental and business-type activities amounts to $259,267,439 (net of accumulated depreciation and amortization). This investment in capital assets includes land, easements, construction in progress, land improvements, buildings and improvements, infrastructure, equipment, vehicles and computer software. The increase in governmental activities is mainly attributable to the completion of the Yorktown Library expansion and an increase in construction in progress projects including the law enforcement building, and other public safety and management services projects not yet completed.

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

The slight decrease in capital assets for business-type activities is driven by an increase for a full year of depreciation for assets entered into service during the previous year and offset by any additions to capital assets.

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

| | Governmental Activities | | Business-type Activities | | Total | |
|---|---|---|---|---|---|---|
| | FY2023 | FY2022 | FY2023 | FY2022 | FY2023 | FY2022 |
| Land | $ 12,854,926 | $ 12,854,926 | $ 3,946,755 | $ 3,946,755 | $ 16,801,681 | $ 16,801,681 |
| Easements | 833,199 | 828,199 | 718,853 | 718,853 | 1,552,052 | 1,547,052 |
| Construction in progress | 30,468,517 | 15,691,817 | 3,542,794 | 5,528,449 | 34,011,311 | 21,220,266 |
| Land improvements | 7,009,845 | 6,020,280 | 42,758 | 46,529 | 7,052,603 | 6,066,809 |
| Buildings | 26,509,748 | 27,400,452 | 4,266,825 | 4,957,987 | 30,776,573 | 32,358,439 |
| Building improvements | 19,047,894 | 11,942,300 | 2,938,493 | 430,828 | 21,986,387 | 12,373,128 |
| Infrastructure | 6,910,766 | 6,547,802 | 105,829,563 | 107,095,162 | 112,740,329 | 113,642,964 |
| Equipment | 7,602,681 | 7,740,501 | 3,619,297 | 3,977,408 | 11,221,978 | 11,717,909 |
| Vehicles | 12,255,312 | 12,271,574 | 1,469,331 | 1,615,698 | 13,724,643 | 13,887,272 |
| Right-to-use leased assets | 7,529,268 | 7,949,019 | - | - | 7,529,268 | 7,949,019 |
| Right-to-use subscriptions | 78,458 | - | - | - | 78,458 | - |
| Computer software | 898,657 | 1,170,226 | 893,499 | - | 1,792,156 | 1,170,226 |
| Total | $ 131,999,271 | $ 110,417,096 | $ 127,268,168 | $ 128,317,669 | $ 259,267,439 | $ 238,734,765 |

### Capital Project Funds

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

*Yorktown Capital Improvements Fund*

This fund had a $2,499,601 deficit at June 30, 2023, resulting from a prior year advance from the Tourism Fund.

*County Capital Fund*

For fiscal year 2023, a transfer of $16,153,483 was from the General Fund for future projects. Capital expenditures of $29,997,017 included the following significant expenditures: law enforcement building; communication equipment; fire and life safety apparatus; Yorktown Library expansion; dark fiber buildout; fire station #7 improvements; and the contribution to EDA for Riverwalk Landing renovations.

Additional information on the County's capital assets can be found in note 5 beginning on page F-19 of this report.

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

At the end of the fiscal year, the County had total bonded debt of $149,628,421. Leases, compensated absences, claims liabilities, net pension liability and net OPEB obligation are not included in these figures.

| | Governmental Activities | | Business-type Activities | | Total | |
|---|---|---|---|---|---|---|
| | FY2023 | FY2022 | FY2023 | FY2022 | FY2023 | FY2022 |
| Bonds payable | $ 132,829,210 | $ 132,064,174 | $ 16,799,211 | $ 17,801,109 | $ 149,628,421 | $ 149,865,283 |
| Total | $ 132,829,210 | $ 132,064,174 | $ 16,799,211 | $ 17,801,109 | $ 149,628,421 | $ 149,865,283 |

Under Virginia state law, school divisions do not have the authority to issue debt. Therefore, all school debt is issued by and is a liability of the County. In fiscal year 2023, the County paid debt service of $5,780,000 and $2,745,225 for education related principal and interest and fiscal charges, respectively, through the Education Debt Service Fund.

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

Additional information on the County's long-term debt can be found in note 7 beginning on page F-23 of this report.

## ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND TAX RATES

The County's staff and Board of Supervisors considered many factors when developing the fiscal year 2024 budget. The fiscal year 2024 approved budget for the General Fund is $174,642,161, a 5.3% increase from the fiscal year 2023 originally-approved budget.

The fiscal year 2024 Budget was adopted on May 2, 2023 and represents a cautious fiscal plan taking into consideration the shifting economic trends and unique aspects of the Hampton Roads economy. It reflects a plan that invests in all of the Board's strategic priorities as outlined in the Letter of Transmittal while lowering tax rates. The Adopted Budget maintains York County's position as the lowest taxed, major full-service locality in Hampton Roads.

The School Division's request for funding in FY2024 was fully funded. Also, the FY2024 Budget provided a meaningful compensation package for County staff. Preparations for the next budget cycle are underway for FY2025.

## REQUESTS FOR INFORMATION

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

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**COUNTY OF YORK, VIRGINIA**
Statement of Net Position
June 30, 2023

| | Primary Government | | | Discretely Presented Component Units | | |
|---|---|---|---|---|---|---|
| | Governmental Activities | Business-type Activities | Total | School Division | Economic Development Authority | Marquis Community Development Authority |
| **ASSETS** | | | | | | |
| Cash and investments | $ 100,986,392 | $ 24,656,307 | $ 125,642,699 | $ 25,687,879 | $ 871,235 | $ - |
| Restricted cash | 13,999,282 | - | 13,999,282 | - | 3,014,121 | 220,506 |
| Receivables, net | 19,061,001 | 3,195,407 | 22,256,408 | 5,634,432 | 174,008 | 751 |
| Due from Primary Government | - | - | - | 4,243,919 | - | 259,592 |
| Due from component unit - EDA | - | 227,046 | 227,046 | - | - | - |
| Due from component unit - CDA | 176,865 | - | 176,865 | - | - | - |
| Prepaid expenses | 555,917 | 24,159 | 580,076 | 90,000 | 11 | - |
| Other assets | - | - | - | - | 1,423,856 | - |
| Net Pension asset | - | - | - | 1,017,763 | - | - |
| Net OPEB asset | - | - | - | 3,707,725 | - | - |
| Lease receivables | 1,995,035 | 3,396,084 | 5,391,119 | 6,666,396 | 99,647 | - |
| Lease interest receivables | 2,543 | 7,918 | 10,461 | 12,754 | 157 | - |
| Internal balances | 2,300,000 | (2,300,000) | - | - | - | - |
| Capital assets: | | | | | | |
| Nondepreciable/nonamortizable | 44,156,642 | 8,208,402 | 52,365,044 | 37,867,684 | 287,552 | - |
| Depreciable/amortizable | 184,587,404 | 213,267,203 | 397,854,607 | 268,550,502 | 951,712 | 20,375,995 |
| Less accumulated depreciation/amortization | (96,744,775) | (94,207,437) | (190,952,212) | (122,063,272) | (335,558) | (1,366,800) |
| Total assets | 271,076,306 | 156,475,089 | 427,551,395 | 231,415,782 | 6,486,741 | 19,490,044 |
| **DEFERRED OUTFLOWS OF RESOURCES** | | | | | | |
| Debt refundings resulting in loss transactions, net of accumulated amortization | 695,750 | 281,250 | 977,000 | - | - | - |
| OPEB costs | 8,857,504 | 838,206 | 9,695,710 | 4,149,101 | - | - |
| Pension costs | 9,245,287 | 857,607 | 10,102,894 | 21,396,887 | - | - |
| Total deferred outflows of resources | 18,798,541 | 1,977,063 | 20,775,604 | 25,545,988 | - | - |
| Total assets and deferred outflows of resources | $ 289,874,847 | $ 158,452,152 | $ 448,326,999 | $ 256,961,770 | $ 6,486,741 | $ 19,490,044 |
| **LIABILITIES** | | | | | | |
| Accounts payable | $ 4,328,897 | $ 940,567 | $ 5,269,464 | $ 4,076,573 | $ 20,905 | $ 8,171 |
| Retainage payable | 682,985 | 18,598 | 701,583 | 959,218 | - | - |
| Deposits payable | 894,227 | 60,759 | 954,986 | 848 | 14,121 | - |
| Salaries, taxes and benefits payable | 3,659,779 | 351,068 | 4,010,847 | 6,733,356 | - | - |
| Unearned revenues | 2,454,368 | 1,142,265 | 3,596,633 | 285,778 | 22,839 | 17,942 |
| Due to Primary Government | - | - | - | - | 227,046 | 176,865 |
| Due to component unit - School Division | 4,243,919 | - | 4,243,919 | - | - | - |
| Due to component unit - CDA | 259,592 | - | 259,592 | - | - | - |
| Accrued interest payable | 2,136,589 | 162,729 | 2,299,318 | 4,046 | - | 1,824,088 |
| Noncurrent liabilities: | | | | | | |
| Due within one year | 12,034,949 | 1,079,548 | 13,114,497 | 4,287,762 | - | - |
| Due in more than one year | 165,965,958 | 18,970,730 | 184,936,688 | 97,244,551 | - | 39,791,750 |
| Total liabilities | 196,661,263 | 22,726,264 | 219,387,527 | 113,592,132 | 284,911 | 41,818,816 |
| **DEFERRED INFLOWS OF RESOURCES** | | | | | | |
| Leases | 1,969,859 | 3,349,489 | 5,319,348 | 6,436,686 | 98,177 | - |
| Prepaid taxes, fees and receivables | 1,418,288 | - | 1,418,288 | - | - | - |
| OPEB costs | 5,400,723 | 510,908 | 5,911,631 | 2,949,801 | - | - |
| Pension costs | 9,871,962 | 956,120 | 10,828,082 | 20,338,520 | - | - |
| Total deferred inflows of resources | 18,660,832 | 4,816,517 | 23,477,349 | 29,725,007 | 98,177 | - |
| **NET POSITION** | | | | | | |
| Net investment in capital assets | 84,196,086 | 110,744,207 | 194,940,293 | 182,323,332 | 903,706 | (20,782,555) |
| Restricted for: | | | | | | |
| Community services | 152,088 | - | 152,088 | - | - | - |
| Public safety | 13,847,720 | - | 13,847,720 | - | - | - |
| Tourism | 2,742,636 | - | 2,742,636 | - | - | - |
| Judical services | 109,075 | - | 109,075 | - | - | - |
| Transportation improvements | 898,240 | - | 898,240 | - | - | - |
| Facility renovations and repairs | 229,513 | - | 229,513 | - | - | - |
| Proffer projects | 646,046 | - | 646,046 | | | |
| Other purposes | 46,218 | - | 46,218 | 6,620,344 | 3,000,000 | - |
| Food service | - | - | - | 5,754,435 | - | - |
| Unrestricted (deficit) | (28,314,870) | 20,165,164 | (8,149,706) | (81,053,480) | 2,199,947 | (1,546,217) |
| Total net position (deficit) | 74,552,752 | 130,909,371 | 205,462,123 | 113,644,631 | 6,103,653 | (22,328,772) |
| Total liabilities, deferred inflows of resources, and net position | $ 289,874,847 | $ 158,452,152 | $ 448,326,999 | $ 256,961,770 | $ 6,486,741 | $ 19,490,044 |

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

**COUNTY OF YORK, VIRGINIA**
Statement of Activities
For the Year Ended June 30, 2023

| | | Program Revenues | | | Net (Expenses) Revenues and Changes in Net Position | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Primary Government | | | Discretely Presented Component Units | | |
| **Functions/Programs** | **Expenses** | **Charges for Services** | **Operating Grants and Contributions** | **Capital Grants and Contributions** | **Governmental Activities** | **Business-type Activities** | **Total** | **School Division** | **Economic Development Authority** | **Marquis Community Development Authority** |
| **Primary Government:** | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| General administration | $ 3,613,973 | $ 108,447 | $ 89,704 | $ 974,135 | $ (2,441,687) | $ - | $ (2,441,687) | $ - | $ - | $ - |
| Judicial services | 3,316,809 | 593,809 | 1,515,528 | - | (1,207,472) | - | (1,207,472) | - | - | - |
| Public safety | 44,115,833 | 4,918,665 | 4,529,239 | 70,000 | (34,597,929) | - | (34,597,929) | - | - | - |
| Management services | 12,294,428 | 673,789 | 500,279 | - | (11,120,360) | - | (11,120,360) | - | - | - |
| Education | 77,686,788 | 20,402 | 208,234 | 339,731 | (77,118,421) | - | (77,118,421) | - | - | - |
| Human services | 11,349,243 | 359,367 | 6,565,318 | - | (4,424,558) | - | (4,424,558) | - | - | - |
| Public works | 15,680,912 | 1,442,283 | 50,200 | 999,359 | (13,189,070) | - | (13,189,070) | - | - | - |
| Community development | 6,449,962 | 1,197,543 | - | - | (5,252,419) | - | (5,252,419) | - | - | - |
| Community services | 10,658,545 | 751,704 | 693,672 | - | (9,213,169) | - | (9,213,169) | - | - | - |
| Interest and fiscal charges on noncurrent debt | 4,886,205 | - | - | - | (4,886,205) | - | (4,886,205) | - | - | - |
| Total governmental activities | 190,052,698 | 10,066,009 | 14,152,174 | 2,383,225 | (163,451,290) | - | (163,451,290) | - | - | - |
| Business-type activities: | | | | | | | | | | |
| Sewer Utility | 12,776,052 | 11,936,220 | - | 1,513,343 | - | 673,511 | 673,511 | - | - | - |
| Water Utility | 328,547 | 303,518 | - | - | - | (25,029) | (25,029) | - | - | - |
| Solid Waste | 6,276,265 | 5,992,705 | 21,451 | - | - | (262,109) | (262,109) | - | - | - |
| Yorktown Operations | 214,403 | 166,416 | - | - | - | (47,987) | (47,987) | - | - | - |
| Sanitary Districts | 416,142 | - | - | - | - | (416,142) | (416,142) | - | - | - |
| Regional Radio System | 5,722,280 | 3,643,979 | - | - | - | (2,078,301) | (2,078,301) | - | - | - |
| Total business-type activities | 25,733,689 | 22,042,838 | 21,451 | 1,513,343 | - | (2,156,057) | (2,156,057) | - | - | - |
| Total Primary Government | $ 215,786,387 | $ 32,108,847 | $ 14,173,625 | $ 3,896,568 | (163,451,290) | (2,156,057) | (165,607,347) | - | - | - |
| **Component units:** | | | | | | | | | | |
| School Division | $ 163,337,079 | $ 3,917,813 | $ 96,454,284 | $ 4,698,091 | - | - | - | $ (58,266,891) | $ - | $ - |
| Economic Development Authority | 835,607 | 391,755 | - | - | - | - | - | - | (443,852) | - |
| Marquis Community Development Authority | 3,048,935 | - | - | 7,235 | - | - | - | - | - | (3,041,700) |
| Total component units | $ 167,221,621 | $ 4,309,568 | $ 96,454,284 | $ 4,705,326 | - | - | - | (58,266,891) | (443,852) | (3,041,700) |
| General revenues: | | | | | | | | | | |
| Taxes: | | | | | | | | | | |
| Property taxes | | | | | 105,094,920 | - | 105,094,920 | - | - | - |
| Local sales and use taxes | | | | | 20,341,848 | - | 20,341,848 | - | - | - |
| Hotel and motel room taxes | | | | | 6,538,036 | - | 6,538,036 | - | - | - |
| Restaurant food taxes | | | | | 5,041,755 | 3,452,007 | 8,493,762 | - | - | - |
| Cigarette taxes | | | | | 1,697,929 | - | 1,697,929 | - | - | - |
| Business license taxes | | | | | 9,075,714 | - | 9,075,714 | - | - | - |
| Motor vehicle licenses | | | | | 1,664,644 | - | 1,664,644 | - | - | - |
| Taxes on recordation and wills | | | | | 1,364,751 | - | 1,364,751 | - | - | - |
| Other local taxes | | | | | 1,807,876 | - | 1,807,876 | - | - | - |
| Personal property tax relief from Commonwealth of Virginia, net Local Aid to Commonwealth | | | | | 8,741,680 | - | 8,741,680 | - | - | - |
| Payment from Primary Government | | | | | - | - | - | 73,872,935 | 3,047,535 | 842,537 |
| Unrestricted shared intergovernmental revenues | | | | | - | - | - | 17,536,017 | - | - |
| Unrestricted investment earnings | | | | | 3,283,062 | 213,915 | 3,496,977 | 399,376 | 28,929 | - |
| Miscellaneous | | | | | 302,711 | 24,373 | 327,084 | 3,328,716 | 2,500 | - |
| Gain on disposal of capital assets | | | | | - | 4,051 | 4,051 | - | - | - |
| Transfers | | | | | (1,142,587) | 1,142,587 | - | - | - | - |
| Total general revenues and transfers | | | | | 163,812,339 | 4,836,933 | 168,649,272 | 95,137,044 | 3,078,964 | 842,537 |
| Change in net position | | | | | 361,049 | 2,680,876 | 3,041,925 | 36,870,153 | 2,635,112 | (2,199,163) |
| Net position (deficit), beginning | | | | | 74,191,703 | 128,228,495 | 202,420,198 | 76,774,478 | 3,468,541 | (20,129,609) |
| Net position (deficit), ending | | | | | $ 74,552,752 | $ 130,909,371 | $ 205,462,123 | $ 113,644,631 | $ 6,103,653 | $ (22,328,772) |

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

**COUNTY OF YORK, VIRGINIA**
Balance Sheet
Governmental Funds
June 30, 2023

| | | | Capital Project | | | | |
|---|---|---|---|---|---|---|---|
| **ASSETS** | **General** | **Tourism Special Revenue** | **Yorktown Capital Improvements** | **County Capital** | **Debt Service Education** | **Nonmajor Governmental Funds** | **Total Governmental Funds** |
| Cash and investments | $ 34,000,507 | $ 2,488,760 | $ 534,196 | $ 37,229,244 | $ 803,227 | $ 13,457,071 | $ 88,513,005 |
| Restricted cash | 17,122 | - | - | 13,935,321 | - | 46,839 | 13,999,282 |
| Receivables, net | 16,139,114 | 498,427 | - | 1,003,965 | - | 1,581,364 | 19,222,870 |
| Lease receivables | 1,995,035 | - | - | - | - | - | 1,995,035 |
| Lease interest receivables | 2,543 | - | - | - | - | - | 2,543 |
| Prepaid expenditures | 11,537 | - | - | 185,000 | - | 17,942 | 214,479 |
| Due from other funds | 176,865 | - | - | - | - | - | 176,865 |
| Due from component unit - CDA | - | - | - | - | - | 176,865 | 176,865 |
| Advances to other funds | 5,333,797 | 3,033,797 | - | - | - | - | 8,367,594 |
| Total assets | $ 57,676,520 | $ 6,020,984 | $ 534,196 | $ 52,353,530 | $ 803,227 | $ 15,280,081 | $ 132,668,538 |
| **LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES** | | | | | | | |
| Liabilities: | | | | | | | |
| Accounts payable | $ 877,378 | $ 32,832 | $ - | $ 2,274,785 | $ - | $ 596,412 | $ 3,781,407 |
| Retainage payable | - | - | - | 599,751 | - | 83,234 | 682,985 |
| Deposits payable | 894,227 | - | - | - | - | - | 894,227 |
| Salaries, taxes and benefits payable | 3,176,022 | 63,304 | - | - | - | 344,819 | 3,584,145 |
| Unearned revenue | 22,549 | 44,150 | - | 2,167,846 | - | 219,823 | 2,454,368 |
| Due to other funds | - | - | - | - | - | 176,865 | 176,865 |
| Due to component unit - School Division | 4,243,919 | - | - | - | - | - | 4,243,919 |
| Due to component unit - CDA | - | - | - | - | - | 259,592 | 259,592 |
| Advances from other funds | - | 3,033,797 | 3,033,797 | - | - | - | 6,067,594 |
| Total liabilities | 9,214,095 | 3,174,083 | 3,033,797 | 5,042,382 | - | 1,680,745 | 22,145,102 |
| Deferred inflows of resources: | | | | | | | |
| Leases | 1,969,859 | - | - | - | - | - | 1,969,859 |
| Unavailable revenues - property taxes, fees and grants | 4,972,351 | 57,701 | - | - | - | 2,854 | 5,032,906 |
| Prepaid taxes, fees and receivables | 778,671 | - | - | 621,675 | - | 17,942 | 1,418,288 |
| Total deferred inflows of resources | 7,720,881 | 57,701 | - | 621,675 | - | 20,796 | 8,421,053 |
| Fund balances (deficit): | | | | | | | |
| Nonspendable | 5,345,334 | - | - | 185,000 | - | - | 5,530,334 |
| Restricted | - | 2,636,167 | - | 13,935,321 | - | 1,993,579 | 18,565,067 |
| Committed | 2,771,171 | - | - | 4,456,608 | - | 9,660,538 | 16,888,317 |
| Assigned | 8,152,678 | 153,033 | - | 28,112,544 | 803,227 | 1,924,423 | 39,145,905 |
| Unassigned | 24,472,361 | - | (2,499,601) | - | - | - | 21,972,760 |
| Total fund balances (deficit) | 40,741,544 | 2,789,200 | (2,499,601) | 46,689,473 | 803,227 | 13,578,540 | 102,102,383 |
| Total liabilities, deferred inflows of resources and fund balances (deficit) | $ 57,676,520 | $ 6,020,984 | $ 534,196 | $ 52,353,530 | $ 803,227 | $ 15,280,081 | $ 132,668,538 |

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

**COUNTY OF YORK, VIRGINIA**

Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position

June 30, 2023

| | | |
|---|---|---|
| Fund balances - Total governmental funds | | $ 102,102,383 |
| Amounts reported for governmental activities in the Statement of Net Position are different because: | | |
| Capital assets including right to use assets used in governmental fund activities are not financial resources and, therefore, are not reported in the funds. | | 126,462,566 |
| Reclassification of prepaid expense as right-to-use asset | | (185,000) |
| Unavailable revenue property taxes, fees and grants | $ 5,032,906 | |
| Less allowance for doubtful accounts, fees | (203,989) | 4,828,917 |
| Deferred outflows and inflows of resources related to the net pension and OPEB obligations are not recognized in the funds. | | |
| Deferred outflows of resources related to OPEB costs | $ 8,706,811 | |
| Deferred inflows of resources related to OPEB costs | (5,307,690) | |
| Deferred outflows of resources related to pension costs | 9,052,949 | |
| Deferred inflows of resources related to pension costs | (9,658,649) | 2,793,421 |
| Costs incurred from the issuance of long-term debt are recognized as expenditures in the fund statements, but are deferred in the government-wide statements. | | |
| Deferred charge on refunded debt | $ 2,049,699 | |
| Less accumulated amortization | (1,353,949) | 695,750 |
| Internal Service Funds are used by management to provide certain goods and services to governmental funds. The assets and liabilities of the Internal Service Funds are included in the governmental activities in the Statement of Net Position. | | |
| Assets | | |
| Current assets | $ 13,041,945 | |
| Capital assets | 12,206,501 | |
| Less accumulated depreciation/amortization | (6,669,796) | |
| Deferred outflows of resources | 343,031 | |
| | 18,921,681 | |
| Liabilities | (3,269,073) | |
| Deferred inflows of resources | (306,346) | 15,346,262 |
| Noncurrent assets/liabilities are not due and payable in the current period and, therefore, are not reported in the funds. | | |
| Accrued interest payable | $ (2,136,589) | |
| Lease liability | (7,449,959) | |
| Subscription liability | (32,638) | |
| Net OPEB liability | (10,243,826) | |
| Net pension liability | (16,056,755) | |
| General obligation bonds, net | (80,560,591) | |
| Direct financing leases | (2,403,836) | |
| Lease revenue bonds, net | (52,268,619) | |
| Compensated absences | (6,338,734) | (177,491,547) |
| Total net position - Statement of Net Position | | $ 74,552,752 |

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

**COUNTY OF YORK, VIRGINIA**
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2023

| | | | Capital Project | | | | |
|---|---|---|---|---|---|---|---|
| **REVENUES** | **General** | **Tourism Special Revenue** | **Yorktown Capital Improvements** | **County Capital** | **Debt Service Education** | **Nonmajor Governmental Funds** | **Total Governmental Funds** |
| General property taxes | $ 104,678,479 | $ - | $ - | $ - | $ - | $ 351,679 | $ 105,030,158 |
| Other local taxes | 41,512,702 | 4,413,708 | - | - | - | 1,509,738 | 47,436,148 |
| Intergovernmental: | | | | | | | |
| Federal | 980,629 | - | - | 399,167 | 56,298 | 5,288,576 | 6,724,670 |
| State | 14,473,373 | 5,000 | - | 388,456 | 177,950 | 3,476,576 | 18,521,355 |
| Permits, fees, and licenses | 1,379,399 | - | - | - | - | - | 1,379,399 |
| Fines and forfeitures | 433,515 | - | - | - | - | - | 433,515 |
| Use of money and property | 2,039,362 | 171,207 | 3,776 | 1,348,247 | - | 87,047 | 3,649,639 |
| Charges for services | 5,315,757 | 2,600 | - | - | - | 14,691 | 5,333,048 |
| Miscellaneous | 414,249 | - | - | 173,859 | - | 314,501 | 902,609 |
| Recovered costs | 1,888,845 | - | - | 73,112 | 105,483 | 331,531 | 2,398,971 |
| Total revenues | 173,116,310 | 4,592,515 | 3,776 | 2,382,841 | 339,731 | 11,374,339 | 191,809,512 |
| **EXPENDITURES** | | | | | | | |
| Current: | | | | | | | |
| General administration | 3,168,861 | - | - | - | - | - | 3,168,861 |
| Judicial services | 3,408,763 | - | - | - | - | 2,975 | 3,411,738 |
| Public safety | 43,825,734 | 83,000 | - | - | - | 745,504 | 44,654,238 |
| Management services | 10,310,758 | 828,754 | - | - | - | - | 11,139,512 |
| Education | 67,678,555 | - | - | 173,859 | 9,727,130 | 5,527 | 77,585,071 |
| Human services | 2,067,173 | - | - | - | - | 9,386,399 | 11,453,572 |
| Public works | 10,630,921 | 70,000 | - | - | - | - | 10,700,921 |
| Community development | 2,925,082 | - | - | - | - | - | 2,925,082 |
| Community services | 3,232,933 | 2,347,156 | - | - | - | 589,808 | 6,169,897 |
| Non-departmental | 2,067,039 | - | - | - | - | 896,831 | 2,963,870 |
| Capital outlay | - | - | - | 29,997,017 | - | 4,803,381 | 34,800,398 |
| Debt service: | | | | | | | |
| Principal retirement | 443,183 | 52,000 | - | - | 5,780,000 | 3,442,230 | 9,717,413 |
| Interest and fiscal charges | 143,139 | - | - | - | 2,745,225 | 2,271,936 | 5,160,300 |
| Lease financing | 3,701 | - | - | - | - | 43,929 | 47,630 |
| Subscription financing | 123,994 | - | - | - | - | - | 123,994 |
| Debt issuance costs | - | - | - | - | 63,474 | - | 63,474 |
| Total expenditures | 150,029,836 | 3,380,910 | - | 30,170,876 | 18,315,829 | 22,188,520 | 224,085,971 |
| Excess (deficiency) of revenues over (under) expenditures | 23,086,474 | 1,211,605 | 3,776 | (27,788,035) | (17,976,098) | (10,814,181) | (32,276,459) |
| **OTHER FINANCING SOURCES (USES)** | | | | | | | |
| Insurance recovery | 25,225 | - | - | 136,993 | - | - | 162,218 |
| Transfers in | 181,525 | 543,187 | 500,000 | 16,153,483 | 8,242,168 | 8,592,937 | 34,213,300 |
| Issuance of debt | - | - | - | - | 9,080,000 | - | 9,080,000 |
| Premium on bonds issued | - | - | - | - | 680,454 | - | 680,454 |
| Direct financing lease | - | - | - | - | - | - | - |
| Lease financing | 3,701 | - | - | - | - | 43,929 | 47,630 |
| Subscription financing | 123,245 | - | - | - | - | - | 123,245 |
| Transfers out | (37,132,357) | (500,000) | - | - | - | (181,525) | (37,813,882) |
| Total other financing sources and (uses), net | (36,798,661) | 43,187 | 500,000 | 16,290,476 | 18,002,622 | 8,455,341 | 6,492,965 |
| Net change in fund balance | (13,712,187) | 1,254,792 | 503,776 | (11,497,559) | 26,524 | (2,358,840) | (25,783,494) |
| Fund balance (deficit), beginning of year | 54,453,731 | 1,534,408 | (3,003,377) | 58,187,032 | 776,703 | 15,937,380 | 127,885,877 |
| Fund balance (deficit), end of year | $ 40,741,544 | $ 2,789,200 | $ (2,499,601) | $ 46,689,473 | $ 803,227 | $ 13,578,540 | $ 102,102,383 |

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

**COUNTY OF YORK, VIRGINIA**

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

For the Year Ended June 30, 2023

| | | |
|---|---|---|
| Net change in fund balances - total governmental funds | | $ (25,783,494) |
| Amounts reported for governmental activities in the Statement of Activities are different because: | | |
| Governmental funds report capital outlays as expenditures. In the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. Capital outlay expenditures, depreciation and amortization expenses and the loss on disposal of capital assets in the current period are provided below. | | |
| Capital outlay expenditures | $ 27,451,263 | |
| Capital outlay expenditure reclassed as right-of-use asset | 5,000 | |
| Depreciation and amortization expenses | (6,203,018) | |
| Loss on disposal of capital assets | (229,547) | 21,023,698 |
| Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. Unavailable revenues changed by this amount in the current year. | | (416,676) |
| The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has an effect on net position. Governmental funds report the effect of premiums, discounts and similar items when debt is issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of those differences in the treatment of long-term debt and related items. | | |
| Principal repayments | $ 9,717,445 | |
| Issuance of debt | (9,080,000) | |
| Lease and subscription financing | (170,875) | |
| Premium on issuance of noncurrent debt, net | (680,454) | |
| Amortization of premium on issuance of noncurrent debt | 785,418 | |
| Amortization of deferred charge on refunded debt | (173,813) | 397,721 |
| Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. Retirement liabilities, accrued interest and compensated absences changed by the amounts provided below in the current year. | | |
| Accrued interest payable | $ (316,431) | |
| Net change in OPEB liability and related deferrals | 190,125 | |
| Net change in pension liability and related deferrals | 2,767,082 | |
| Compensated absences | (69,944) | 2,570,832 |
| The internal service funds are used by management to charge the costs of certain activities to individual funds. The net income of the internal service funds are reported with governmental activities. | | 2,568,968 |
| Change in net position of governmental activities | | $ 361,049 |

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

**COUNTY OF YORK, VIRGINIA**
Statement of Net Position
Proprietary Funds
June 30, 2023

| | Business-type Activities | | | | Governmental Activities |
|---|---|---|---|---|---|
| | Sewer Utility | Solid Waste | Nonmajor Enterprise Funds | Total | Internal Service Funds |
| **ASSETS** | | | | | |
| Current assets: | | | | | |
| Cash and investments | $ 21,895,914 | $ 1,539,800 | $ 1,220,593 | $ 24,656,307 | $ 12,473,387 |
| Receivable, net | 2,226,735 | 908,991 | 59,681 | 3,195,407 | 42,120 |
| Lease receivables | - | 3,396,084 | - | 3,396,084 | - |
| Lease interest receivables | - | 7,918 | - | 7,918 | - |
| Due from component unit - EDA | - | - | 227,046 | 227,046 | - |
| Prepaid expenses | 5,939 | 2,545 | 15,675 | 24,159 | 526,438 |
| Total current assets | 24,128,588 | 5,855,338 | 1,522,995 | 31,506,921 | 13,041,945 |
| Noncurrent assets: | | | | | |
| Nondepreciable capital assets: | | | | | |
| Land | 501,353 | 413,902 | 3,031,500 | 3,946,755 | - |
| Construction in progress | 3,542,794 | - | - | 3,542,794 | 75,197 |
| Easements | 707,908 | - | 10,945 | 718,853 | - |
| Depreciable capital assets: | | | | | |
| Land improvements | 79,584 | - | - | 79,584 | 1,312,152 |
| Buildings | 18,155,052 | 1,550,467 | 3,483,141 | 23,188,660 | - |
| Buildings improvements | 3,007,275 | 295,438 | - | 3,302,713 | - |
| Infrastructure | 148,234,681 | 163,209 | 23,259,651 | 171,657,541 | - |
| Equipment | 6,060,521 | 822,574 | 3,819,348 | 10,702,443 | 2,144,133 |
| Vehicles | 2,034,671 | 1,269,089 | - | 3,303,760 | 8,435,112 |
| Intangibles | 1,032,502 | - | - | 1,032,502 | 239,907 |
| Less accumulated depreciation | (65,499,307) | (3,317,008) | (25,252,119) | (94,068,434) | (6,530,319) |
| Less accumulated amortization | (139,003) | - | - | (139,003) | (139,477) |
| Total noncurrent assets | 117,718,031 | 1,197,671 | 8,352,466 | 127,268,168 | 5,536,705 |
| **DEFERRED OUTFLOWS OF RESOURCES** | | | | | |
| Debt refundings resulting in loss transactions, net of accumulated amortization | 281,250 | - | - | 281,250 | - |
| Deferred outflows related to OPEB costs | 705,419 | 123,407 | 9,380 | 838,206 | 150,693 |
| Deferred outflows related to pension costs | 717,083 | 128,561 | 11,963 | 857,607 | 192,338 |
| Total deferred outlfows of resources | 1,703,752 | 251,968 | 21,343 | 1,977,063 | 343,031 |
| Total assets and deferred outflows of resources | $ 143,550,371 | $ 7,304,977 | $ 9,896,804 | $ 160,752,152 | $ 18,921,681 |
| **LIABILITIES** | | | | | |
| Current liabilities: | | | | | |
| Accounts payable | $ 401,234 | $ 486,554 | $ 52,779 | $ 940,567 | $ 547,490 |
| Retainage payable | 18,598 | - | - | 18,598 | - |
| Deposits payable | 48,759 | 12,000 | - | 60,759 | - |
| Salaries, taxes and benefits payable | 287,684 | 55,682 | 7,702 | 351,068 | 75,634 |
| Unearned revenue | 1,054,749 | 34,315 | 53,201 | 1,142,265 | - |
| Accrued interest payable | 162,729 | - | - | 162,729 | - |
| Revenue bonds | 1,041,898 | - | - | 1,041,898 | - |
| Claims payable | - | - | - | - | 1,970,000 |
| Compensated absences | 33,000 | 4,650 | - | 37,650 | 2,500 |
| Total current liabilities | 3,048,651 | 593,201 | 113,682 | 3,755,534 | 2,595,624 |
| Noncurrent liabilities: | | | | | |
| Revenue bonds | 15,757,313 | - | - | 15,757,313 | - |
| Compensated absences | 543,622 | 78,010 | 16,579 | 638,211 | 133,631 |
| Net OPEB liability | 829,571 | 145,842 | 10,318 | 985,731 | 185,201 |
| Net pension liability | 1,317,662 | 234,011 | 37,802 | 1,589,475 | 354,617 |
| Advance from other fund | - | - | 2,300,000 | 2,300,000 | - |
| Total noncurrent liabilities | 18,448,168 | 457,863 | 2,364,699 | 21,270,730 | 673,449 |
| Total liabilities | 21,496,819 | 1,051,064 | 2,478,381 | 25,026,264 | 3,269,073 |
| **DEFERRED INFLOWS OF RESOURCES** | | | | | |
| Deferred inflows related to leases | - | 3,349,489 | - | 3,349,489 | - |
| Deferred inflows related to OPEB costs | 429,973 | 75,322 | 5,613 | 510,908 | 93,033 |
| Deferred inflows related to pension costs | 792,616 | 140,765 | 22,739 | 956,120 | 213,313 |
| Total deferred inflows of resources | 1,222,589 | 3,565,576 | 28,352 | 4,816,517 | 306,346 |
| **NET POSITION** | | | | | |
| Net investment in capital assets | 101,194,070 | 1,197,671 | 8,352,466 | 110,744,207 | 5,536,705 |
| Unrestricted (deficit) | 19,636,893 | 1,490,666 | (962,395) | 20,165,164 | 9,809,557 |
| Total net position | 120,830,963 | 2,688,337 | 7,390,071 | 130,909,371 | 15,346,262 |
| Total liabilities, deferred inflows of resources and net position | $ 143,550,371 | $ 7,304,977 | $ 9,896,804 | $ 160,752,152 | $ 18,921,681 |

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

**COUNTY OF YORK, VIRGINIA**
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2023

| | Business-type Activities | | | | Governmental Activities |
|---|---|---|---|---|---|
| | Sewer Utility | Solid Waste | Nonmajor Enterprise Funds | Total | Internal Service Funds |
| **Operating Revenues** | | | | | |
| Use of property | $ - | $ 236,691 | $ 3,683,529 | $ 3,920,220 | $ - |
| Charges for services | 11,936,220 | 5,756,014 | 430,384 | 18,122,618 | 21,903,380 |
| Miscellaneous | 6,799 | 12,485 | 5,089 | 24,373 | 192,229 |
| Total operating revenues | 11,943,019 | 6,005,190 | 4,119,002 | 22,067,211 | 22,095,609 |
| **Operating Expenses** | | | | | |
| Personal services | 5,204,547 | 973,758 | 228,952 | 6,407,257 | 3,041,867 |
| Contractual services | 677,490 | 4,970,162 | 5,388,714 | 11,036,366 | 15,417,398 |
| Materials and supplies | 2,316,956 | 162,029 | 350,049 | 2,829,034 | 2,898,794 |
| Depreciation and amortization | 4,109,396 | 170,316 | 713,657 | 4,993,369 | 808,923 |
| Total operating expenses | 12,308,389 | 6,276,265 | 6,681,372 | 25,266,026 | 22,166,982 |
| Operating income (loss) | (365,370) | (271,075) | (2,562,370) | (3,198,815) | (71,373) |
| **Nonoperating Revenues (Expenses)** | | | | | |
| Other local taxes | 3,430,829 | - | 21,178 | 3,452,007 | - |
| Grant income | - | 21,451 | - | 21,451 | - |
| Interest income | 142,102 | 62,194 | 9,619 | 213,915 | 84,907 |
| Interest and fiscal charges | (467,663) | - | - | (467,663) | - |
| Gain on disposal of capital assets | 4,051 | - | - | 4,051 | - |
| Loss on disposal of capital assets | - | - | - | - | (12,248) |
| Total nonoperating revenues (expenses), net | 3,109,319 | 83,645 | 30,797 | 3,223,761 | 72,659 |
| Income (loss) before contributions and transfers, net | 2,743,949 | (187,430) | (2,531,573) | 24,946 | 1,286 |
| **Capital Contributions** | 1,513,343 | - | - | 1,513,343 | 109,687 |
| **Transfers In** | 5,171 | 50,000 | 1,102,592 | 1,157,763 | 2,457,995 |
| **Transfers Out** | (10,005) | (5,171) | - | (15,176) | - |
| Change in net position | 4,252,458 | (142,601) | (1,428,981) | 2,680,876 | 2,568,968 |
| Total net position, beginning of year | 116,578,505 | 2,830,938 | 8,819,052 | 128,228,495 | 12,777,294 |
| Total net position, end of year | $ 120,830,963 | $ 2,688,337 | $ 7,390,071 | $ 130,909,371 | $ 15,346,262 |

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

**COUNTY OF YORK, VIRGINIA**
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2023

| | Business-type Activities | | | | Governmental Activities |
|---|---|---|---|---|---|
| | Sewer Utility | Solid Waste | Nonmajor Enterprise Funds | Total | Internal Service Funds |
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | | | | |
| Receipts from customers and users | $ 12,349,083 | $ 5,961,898 | $ 4,083,461 | $ 22,394,442 | $ 22,033,475 |
| Other receipts | 6,799 | 12,485 | 5,089 | 24,373 | 192,229 |
| Payments to suppliers for goods and services | (3,331,229) | (5,172,532) | (5,689,572) | (14,193,333) | (17,953,132) |
| Payments to employees for services | (5,301,945) | (986,954) | (189,813) | (6,478,712) | (3,145,464) |
| Net cash provided by (used in) operating activities | 3,722,708 | (185,103) | (1,790,835) | 1,746,770 | 1,127,108 |
| **CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES** | | | | | |
| Grant income | - | 21,451 | - | 21,451 | - |
| Interest income related to leases | - | 52,364 | - | 52,364 | - |
| Transfers in | - | 50,000 | 1,102,592 | 1,152,592 | 2,448,000 |
| Transfers out | (10) | - | - | (10) | - |
| Net cash provided by (used in) noncapital financing activities | (10) | 123,815 | 1,102,592 | 1,226,397 | 2,448,000 |
| **CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES** | | | | | |
| Acquisition and construction of capital assets | (2,408,894) | (31,626) | - | (2,440,520) | (1,361,907) |
| Net proceeds from the disposal of capital assets | 4,051 | - | - | 4,051 | 96,941 |
| Grant income related to capital project | - | - | - | - | - |
| Other local taxes to support capital projects | 3,430,829 | - | 21,178 | 3,452,007 | - |
| Federal subsidy for interest on debt | - | - | - | - | - |
| Deferred charge from capital debt | 4,472 | - | - | 4,472 | - |
| Principal paid on capital debt | (765,000) | - | - | (765,000) | - |
| Interest paid on capital debt | (679,668) | - | - | (679,668) | - |
| Net cash used in capital and related financing activities | (414,210) | (31,626) | 21,178 | (424,658) | (1,264,966) |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | | | | |
| Interest income | 142,102 | 9,830 | 9,619 | 161,551 | 84,907 |
| Net cash provided by investing activities | 142,102 | 9,830 | 9,619 | 161,551 | 84,907 |
| Net increase (decrease) in cash and cash equivalents | 3,450,590 | (83,084) | (657,446) | 2,710,060 | 2,395,049 |
| Cash and cash equivalents, beginning of year | 18,445,324 | 1,622,884 | 1,878,039 | 21,946,247 | 10,078,338 |
| Cash and cash equivalents, end of year | $ 21,895,914 | $ 1,539,800 | $ 1,220,593 | $ 24,656,307 | $ 12,473,387 |
| **Reconciliation of cash and cash equivalents to the Statement of Net Position:** | | | | | |
| Cash and investments | $ 21,895,914 | $ 1,539,800 | $ 1,220,593 | $ 24,656,307 | $ 12,473,387 |
| Cash and cash equivalents, end of year | $ 21,895,914 | $ 1,539,800 | $ 1,220,593 | $ 24,656,307 | $ 12,473,387 |
| **Reconciliation of operating loss to net cash provided by (used in) operating activities:** | | | | | |
| Operating income (loss) | $ (365,370) | $ (271,075) | $ (2,562,370) | $ (3,198,815) | $ (71,373) |
| Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities: | | | | | |
| Depreciation and amortization | 4,109,396 | 170,316 | 713,657 | 4,993,369 | 808,922 |
| Decrease (increase) in: | | | | | |
| Receivables | 133,387 | (15,030) | (14,370) | 103,987 | 130,095 |
| Lease receivables and related outflows/inflows | - | (28,211) | - | (28,211) | - |
| Due from/to component unit - EDA | - | - | (17,531) | (17,531) | - |
| Prepaid expenses | - | - | - | - | (107,907) |
| Increase (decrease) in: | | | | | |
| Accounts payable | (341,687) | (40,341) | 49,191 | (332,837) | (212,032) |
| Retainage payable | 2,127 | - | - | 2,127 | - |
| Deposits payable | 2,777 | - | - | 2,777 | - |
| Salaries, taxes and benefits payable | 108,253 | 19,796 | 452 | 128,501 | 20,839 |
| Unearned revenues | 279,476 | 12,434 | 1,449 | 293,359 | - |
| Net OPEB liablility and related outflows/inflows | (72,052) | (603) | (665) | (73,320) | (34,811) |
| Net pension liablility and related outflows/inflows | (194,697) | (42,072) | 35,676 | (201,093) | (84,882) |
| Claims payable | - | - | - | - | 683,000 |
| Compensated absences | 61,098 | 9,683 | 3,676 | 74,457 | (4,743) |
| Net cash provided by (used in) operating activities | $ 3,722,708 | $ (185,103) | $ (1,790,835) | $ 1,746,770 | $ 1,127,108 |
| **Noncash investing, capital, and financing activities:** | | | | | |
| Contributions of capital assets | $ 1,513,343 | $ - | $ - | $ 1,513,343 | $ 109,687 |
| Transfer in of capital assets | $ 5,171 | $ - | $ - | $ 5,171 | $ 9,995 |
| Transfer out of capital assets | $ 9,995 | $ 5,171 | $ - | $ 15,166 | $ - |

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

**COUNTY OF YORK, VIRGINIA**
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2023

| | Other Postemployment Benefits Trust Fund | Custodial Funds |
|---|---|---|
| **ASSETS** | | |
| Cash | $ - | $ 8,044,284 |
| Investments at fair value: | | |
| Investment in pooled funds - County | | |
| Fixed Income | 2,607,637 | - |
| Stocks | 6,388,710 | - |
| Real Estate | 1,955,728 | - |
| Alternative Investments | 2,086,110 | - |
| Investment in pooled funds - School Division | | |
| Fixed Income | 2,073,509 | - |
| Stocks | 5,080,096 | - |
| Real Estate | 1,555,131 | - |
| Alternative Investments | 1,658,807 | - |
| Investment in pooled funds - Colonial Behavioral Health | | |
| Fixed Income | 109,108 | - |
| Stocks | 267,316 | - |
| Real Estate | 81,831 | - |
| Alternative Investments | 87,287 | - |
| Accounts receivable | - | 57,831 |
| Total assets | 23,951,270 | 8,102,115 |
| **LIABILITIES** | | |
| Accounts payable | - | 365,833 |
| Salaries, taxes and benefits payable | - | 289,455 |
| Unearned revenue | - | 104,315 |
| Total liabilities | - | 759,603 |
| **NET POSITION** | | |
| Restricted for: | | |
| Postemployment benefits other than pensions | 23,951,270 | - |
| Individuals, organizations and other governments | - | 7,342,512 |
| Total net position | $ 23,951,270 | $ 7,342,512 |

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

**COUNTY OF YORK, VIRGINIA**
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended June 30, 2023

| | Other Postemployment Benefits Trust Fund | Custodial Funds |
|---|---|---|
| **ADDITIONS** | | |
| Contributions: | | |
| County | $ 1,700,744 | $ - |
| School Division | 388,148 | - |
| Colonial Behavioral Health | 181,000 | - |
| Federal receipts for other agencies & individuals | - | 1,080,892 |
| State receipts for other agencies & individuals | - | 9,100,444 |
| Payments from other governments, agencies & local sources | - | 13,380,699 |
| Interest earned on cash balances | - | 4,051 |
| Total contributions | 2,269,892 | 23,566,086 |
| Investment earnings: | | |
| Net increase in fair value of investments | 1,683,918 | - |
| Less administrative expenses | (24,129) | - |
| Total investment earnings, net | 1,659,789 | - |
| Total additions | 3,929,681 | 23,566,086 |
| **DEDUCTIONS** | | |
| Retirement benefits | 2,069,892 | - |
| Payments to other governments, agencies & individuals | - | 22,269,945 |
| Total deductions | 2,069,892 | 22,269,945 |
| Change in net position | 1,859,789 | 1,296,141 |
| Total net position, beginning of year | 22,091,481 | 6,046,371 |
| Total net position, end of year | $ 23,951,270 | $ 7,342,512 |

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

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## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

In fiscal year 2023, GASB Statement No. 96 ("GASB 96"), *Subscription-Based Information Technology Arrangements* (SBITAs), was implemented to improve the usefulness of financial statements by establishing a definition for SBITAs and providing uniform guidance for accounting and financial reporting for transactions that meet that definition, which will result in greater consistency in practice. GASB 96 also will enhance the relevance and reliability of our financial statements by requiring governments to report a subscription asset and subscription liability for a SBITA and to disclose essential information about the arrangement. The disclosures will allow users to understand the scale and important aspects of the government's SBITA activities and evaluate the government's obligations and assets resulting from SBITAs.

### The Reporting Entity

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

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

The Reporting Entity (Continued)

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

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

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

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

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

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

The Reporting Entity (Continued)

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

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

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

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

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Joint Venture Government Organizations (Continued)

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

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

The **Historic Triangle Recreational Facilities Authority (HTRFA)** was formed to oversee the construction and management of regional recreational facilities as part of the redevelopment of 160+ acres alongside the Colonial Williamsburg Visitor Center. The Authority is tasked with leasing the property, procuring the construction and financing for the project, and managing the operations of the facility once it has been constructed. The governing bodies are the City of Williamsburg, which is the fiscal agent, James City County and York County. The Authority will have members from the three localities to oversee the regional indoor sports facility planned for property near the Colonial Williamsburg Visitor Center. The HTRFA is in the process of approving a funding agreement with the three localities, which should be finalized in January 2024.

Government-wide and Fund Financial Statements

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

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

The Statement of Net Position provides information on assets and deferred outflows of resources, liabilities and deferred inflows of resources and the net position. The Statement of Activities presents a comparison between direct expenses of a function and program revenues. Direct expenses are those that are specifically associated with a specific function or segment. Program revenues include fees, fines and charges paid by the recipients of goods or services offered by the function or segment; and grants and contributions that are restricted to meet the operations

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Government-wide and Fund Financial Statements (Continued)
or capital requirements of a particular function or segment. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues. Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, Financial Statement Presentation
The government-wide, proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

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

The County reports the following major governmental funds:

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

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

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

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

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Measurement Focus, Basis of Accounting, Financial Statement Presentation (Continued)

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

The County reports the following nonmajor governmental funds:

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

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

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

The County reports the following major enterprise funds:

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

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

The County reports the following nonmajor enterprise funds:

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

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

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

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

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

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

The County reports the following additional fund types:

Internal Service Funds: The Vehicle Maintenance Fund accounts for the operation of the vehicle maintenance and replacement services provided to County departments on a cost reimbursement basis. The Health and Dental Insurance Fund accounts for the payment of claims and other expenses related to medical and dental benefits provided to employees and retirees. The Workers' Compensation Fund accounts for the claims and related expenses for

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Measurement Focus, Basis of Accounting, Financial Statement Presentation (Continued)

Internal Service Funds (Continued): workers' compensation. The Information Technology Fund accounts for the costs of providing computer technical support, software support, internet and telecommunications services.

Fiduciary Funds:

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

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

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

Property Taxes
The two major sources of property taxes are described below:

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

Real estate taxes are billed in semi-annual installments due June 25 and December 5. Liens are placed on the property on the date real estate taxes are delinquent, June 26 and December 6, and must be satisfied prior to the sale or transfer of the property. Real estate taxes reported as revenue are for the assessment due December 5, 2022 and June 25, 2023, less an allowance for uncollectible amounts and taxes not collected within 45 days after year-end. The tax rate for calendar year 2022 was $0.78, per $100 of assessed value and for calendar year 2023 was $0.77, per $100 of assessed value.

Personal Property: The County levies personal property taxes on motor vehicles and tangible personal business property. These levies are made each year as of January 1. Personal property taxes are billed in equal semi-annual installments due June 25 and December 5. Personal property taxes do not create a lien on property. The personal property taxes reported as revenue are for the levies due December 5, 2022, and June 25, 2023, less an allowance for uncollectible amounts and taxes not collected within 45 days after year-end. The tax rate for calendar year 2022 was $4.00, per $100 of assessed value and for calendar year 2023 was $3.90, per $100 of assessed value.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Property Taxes, Continued
The County's property tax collection records show that 95.85% of the property taxes due for the current tax year were collected.

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

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

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

Prepaids
Prepaid items occur when certain payments to vendors reflect costs applicable to future accounting periods and are recorded as expenditures when consumed.

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

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

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Leases: Lessee

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

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

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

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

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

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

Leases: Lessor

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

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

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

- The County uses its estimated incremental borrowing rate as the discount rate for leases.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Leases: Lessor (Continued)

- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

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

Subscription-Based Information Technology Arrangements

The County enters into subscription-based information technology arrangements. The County recognizes a subscription liability and an intangible right-to-use subscription asset in the government-wide financial statements. The County recognizes a subscription liability with values of $5,000 or more.

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

Key estimates and judgments related to subscriptions include how the County determines (1) the discount rate it uses to discount the expected subscription payments to present value, (2) subscription term, and (3) subscription payments. The County monitors changes in circumstances that would require a remeasurement of its subscriptions, and will remeasure the subscription asset and liability if certain changes occur that are expected to significantly affect the amount of the subscription liability.

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

Compensated Absences

County employees are granted vacation and sick pay in varying amounts as services are provided. They may accumulate, subject to certain limitations, unused vacation and sick pay earned and, upon retirement, termination or death, may be compensated for certain amounts at their then current rates of pay. A liability for these amounts is reported in governmental funds only if they have matured, for the reasons stated above. The current and noncurrent liability for accrued vacation and sick leave benefits at June 30, 2023 has been reported in the government-wide statements, representing the County's commitment to fund such costs from future operations. In the proprietary funds, the amount of compensated absences recognized is the amount earned. Such benefits are included in the government-wide statements. The amount due within one year has been estimated based on historic trends.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Other Deferred Outflows and Inflows of Resources

Deferred outflows of resources represent a consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources until then. The County's deferred outflows of resources may consist of the amount by which the principal and premium of a refunding bond exceed the net carrying amount of the refunded debt and amounts related to pension and OPEB costs. The deferred outflow associated with the refunded debt is being amortized over the remaining life of the refunded debt. Changes of assumptions, differences between projected and actual earnings on investments, differences between expected and actual experience, and changes in proportion and differences between employer contributions and proportionate share of contributions on pension plan investments are actuarially determined and recorded as deferred outflows. Additionally, employer contributions subsequent to the measurement date will be recognized as a reduction of the liability in the following fiscal year. Other amounts reported as deferred outflows of resources will be amortized according to the actuarial amortization calculation. See note 11 and 12 for further details.

Deferred inflows of resources represent an acquisition of net assets that applies to future periods and so will not be recognized as an inflow of resources until then. Under the modified accrual basis of accounting, the County has revenues, which are applicable to a future period, and will not be recognized until the period they become available. These revenues may include amounts recorded on the governmental funds' Balance Sheet as a deferred inflow of resources.

Deferred revenue for prepaid taxes, fees and receivables are recorded as deferred inflows in the government-wide financial statements. Additionally, amounts related to pension and OPEB costs are actuarially determined and recorded as deferred inflows in the government-wide financial statements and proprietary funds' Statement of Net Position. These inflows include differences between expected and actual experience, differences between projected and actual earnings, changes of assumptions and changes in proportionate share. Other amounts reported as deferred inflows of resources will be amortized according to the actuarial amortization calculation. See note 11 and 12 for further details.

Fund Balances

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

Nonspendable: Amounts that cannot be spent because they are not in spendable form, or are legally or contractually required to be maintained intact.

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

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

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Fund Balances (Continued)

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

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

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

Net Position

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

Statement of Cash Flows

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

Use of Estimates

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

Credit Risk

The assessed value of real estate and personal property for the County's ten largest taxpayers comprises 9.45% of the County's tax base. Concentration of credit risk with respect to receivables is limited due to the large number of customers comprising the County's customer base. The *Code of Virginia (*Code), as amended, requires the election of a County Treasurer. The County's Treasurer is the custodian of cash and investments for the County, EDA and School Division. Oversight for investment activity is the responsibility of the Treasurer.

## 2. DEPOSITS AND INVESTMENTS

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

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

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

The carrying amount of the Primary Government's cash and investments at June 30, 2023 is as follows:

| | Amount |
|---|---|
| Restricted cash | $ 13,999,282 |
| Investments | 70,697,922 |
| Deposits with financial institutions | 54,940,592 |
| Petty cash | 4,185 |
| Total cash and investments | $ 139,641,981 |

## 2. DEPOSITS AND INVESTMENTS *(Continued)*

A reconciliation to the basic financial statements is as follows:

| | Primary Government | School Division Component Unit | Economic Development Authority Component Unit | Community Development Authority Component Unit | Total |
|---|---|---|---|---|---|
| Cash and investments | $ 125,642,699 | $ 25,687,879 | $ 871,235 | $ - | $ 152,201,813 |
| Restricted cash | 13,999,282 | - | 3,014,121 | 220,506 | 17,233,909 |
| Total cash and investments | $ 139,641,981 | $ 25,687,879 | $ 3,885,356 | $ 220,506 | $ 169,435,722 |

Restricted Cash

The County's restricted cash of $13,999,282 at June 30, 2023 consisted of the following: $4,000 of surety deposits for junkyards held in the County and junkyards' names; $13,122 of surety deposits for developments; and $13,935,321 for debt reserves on the 2022 bonds; and $46,839 of retainage held by others.

Credit Risk

As required by state statute, the policy requires that commercial paper be rated "prime quality" by at least two nationally recognized statistical rating organizations (A-1 by both Standard & Poor's and Moody's Investor Service) and corporate notes and bonds must be rated in the AAA or AA categories by both Standard & Poor's and Moody's Investor Service. The County's policy further limits credit risk by limiting investments in securities that have higher credit risks. As of June 30, 2023, the County's investments as rated by Standard & Poor's were as follows:

| Investment Type | AAA | AA+ | Unrated |
|---|---|---|---|
| LGIP | $ 28,512,529 | $ - | $ - |
| Money market | - | - | 2,207,794 |
| Treasury bills | - | 7,672,656 | - |
| Municipal bonds | - | - | - |
| Federal agency bonds and notes | - | 32,304,943 | - |
| Total investments | $ 28,512,529 | $ 39,977,599 | $ 2,207,794 |

Concentration of Credit Risk

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

## 2. DEPOSITS AND INVESTMENTS *(Continued)*

Interest Rate Risk

As a means of limiting exposure to fair value losses arising from rising interest rates, the County's policy limits the investment portfolio holdings to no more than 24 months, unless approved by the Treasurer. As of June 30, 2023, the carrying values and weighted average maturity of the County's investments were as follows:

| Investment Type | Fair Value | Weighted Average Maturity in Years |
|---|---|---|
| Money market | $ 2,207,794 | 0.02 |
| Treasury bills | 7,672,656 | 0.81 |
| Federal agency bonds and notes | 32,304,943 | 1.58 |
| Total investments | $ 42,185,393 | |
| Weighted average of portfolio | | 0.81 |

Custodial Credit Risk

The policy requires that all investment securities purchased by the County be held by an independent third-party custodian and evidenced by safekeeping receipts in the County's name. As of June 30, 2023, all of the County's investments were held in a bank's trust department in the County's name.

Fair Value Hierarchy

GAAP establishes a hierarchy (3 Levels) of valuation techniques used to measure fair value. The hierarchy is based on the valuation inputs used to measure the fair value of an asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are inputs other than quoted prices that are observable either directly or indirectly. Level 3 inputs are unobservable inputs. The County has the following fair value measurements as of June 30, 2023:

| | Fair Value Measurements Using | | |
|---|---|---|---|
| Investments - At fair value | June 30, 2023 | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) |
| Money market | $ 2,207,794 | $ 2,207,794 | $ - |
| Treasury bills | 7,672,656 | 7,672,656 | - |
| Federal agency bonds and notes | 32,304,943 | 13,785,881 | 18,519,062 |
| Total investments | $ 42,185,393 | $ 23,666,331 | $ 18,519,062 |

In addition, investments held by the Virginia Pooled OPEB Trust Fund in the pool in which the County and the School Division participate (Portfolio I) as reported by the Fund's investment advisor, Asset Consulting Group, at June 30, 2023 are $1.715 billion, of which the County, School Division and the Colonial Behavioral Health have $23,951,270 invested.

## 2. DEPOSITS AND INVESTMENTS *(Continued)*

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

Discretely Presented Component Units

At June 30, 2023, the School Division's total cash of $25,687,879 consisted of bank deposits of $23,608,189; investments of $184,234 in LGIP, with a Standard and Poor's rating of AAA; and petty cash of $600, held by the Treasurer and other cash not held by the Treasurer of $1,894,856 for School Activity Funds. Cash and investments of the School Division's Pension Trust fund consisted of $1,355,852, which is not included in the School Division's total cash.

At June 30, 2023, the EDA had bank deposits of $3,181,187 (includes restricted cash of $14,121 for tenant security deposits and $3,000,000 for a transfer from the County Capital Fund for capital improvements to Riverwalk Landing) and investments in LGIP of $704,169, rated AAAm by Standard & Poor's.

The CDA had restricted cash and investments of $220,506 at June 30, 2023 for debt reserves and administrative expenses. The total amount was invested in the U.S. Treasury money market funds. The U.S. Treasury money market funds are rated AAAm by Standard & Poor's and were stated at cost, which approximates fair value.

## 3. RECEIVABLES

At June 30, 2023, receivables other than lease receivables were as follows:

| | General | Tourism | County Capital | Nonmajor Governmental Funds | Sewer Utility | Solid Waste | Nonmajor Enterprise Funds | Internal Service Funds |
|---|---|---|---|---|---|---|---|---|
| Property taxes | $ 7,333,208 | $ - | $ - | $ 22,223 | $ - | $ - | $ - | $ - |
| Vehicle registration fees | 681,542 | - | - | - | - | - | - | - |
| Other taxes | 4,406,104 | 501,753 | - | 305,507 | 274,297 | - | - | - |
| Accounts | 465,396 | - | 2,169 | 78,639 | 2,050,467 | 956,562 | 59,713 | 42,120 |
| Notes | - | - | 621,675 | - | - | - | - | - |
| Intergovernmental: | | | | | | | | |
| Federal | 200,652 | - | 167,060 | 683,616 | - | - | - | - |
| State | 4,513,606 | - | 213,061 | 491,379 | - | - | - | - |
| Receivables, gross | 17,600,508 | 501,753 | 1,003,965 | 1,581,364 | 2,324,764 | 956,562 | 59,713 | 42,120 |
| Less allowance for doubtful accounts | (1,461,394) | (3,326) | - | - | (98,029) | (47,571) | (32) | - |
| Receivables, net | $ 16,139,114 | $ 498,427 | $ 1,003,965 | $ 1,581,364 | $ 2,226,735 | $ 908,991 | $ 59,681 | $ 42,120 |

## 4. INTERFUND AND COMPONENT UNIT TRANSACTIONS

The composition of interfund balances as of June 30, 2023 is as follows:

| Advance from Fund | Advance to Fund | Purpose | Amount |
|---|---|---|---|
| General | Tourism | Infrastructure | $ 3,033,797 |
| | Nonmajor Enterprise Funds | Land purchase | 2,300,000 |
| Total Advances to other funds | | | $ 5,333,797 |
| Tourism | Yorktown Capital Improvements | Infrastructure | $ 3,033,797 |

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

**Due to/from Primary Government:**

| Due from Entity | Due to Entity | Purpose | Amount |
|---|---|---|---|
| County of York | School Division | Operations | $ 4,243,919 |
| EDA | County of York | Riverwalk Landing lease | $ 227,046 |
| County of York | CDA | Incremental tax revenues | $ 259,592 |
| CDA | County of York | Overpayment | $ 176,865 |

**Transfers In and Out:**

| Fund | Transfers Out Fund | Transfers In Fund |
|---|---|---|
| General | $ 37,132,357 | $ 181,525 |
| Tourism | 500,000 | 543,187 |
| County Capital | - | 16,153,483 |
| Yorktown Capital | - | 500,000 |
| Debt Service Education | - | 8,242,168 |
| Nonmajor governmental | 181,525 | 8,592,937 |
| Sewer Utility | 10,005 | 5,171 |
| Solid Waste | 5,171 | 50,000 |
| Nonmajor enterprise | - | 1,102,592 |
| Internal service | - | 2,457,995 |
| Total | $ 37,829,058 | $ 37,829,058 |

## 4. INTERFUND AND COMPONENT UNIT TRANSACTIONS *(Continued)*

Significant transactions between the Primary Government and component units during fiscal year 2023 were as follows:

| | | |
|---|---|---|
| Payments from County to School Division for school operations | $ | 59,287,094 |
| Payments from County to School Division for school capital projects | | 3,466,023 |
| Payments from County to School Division for school technology | | 3,990,000 |
| Payments to County from School Division - year-end reversion entry | | (2,771,171) |
| Total General Fund | $ | 63,971,946 |
| | | |
| Payments from County to School Division for school capital projects | | |
| Total County Capital Fund | $ | 173,859 |
| Bond proceeds from County to School Division for construction - | | |
| Education Debt Service | $ | 9,727,130 |
| Statement of Activities - Payment from County of York | $ | 73,872,935 |
| | | |
| Payment from County General Fund to Economic Development Authority | | |
| for operations; Statement of Activities - Payment from County of York | $ | 3,047,535 |
| Payment from County Nonmajor Governmental Fund to Community Development Authority | | |
| for incremental tax revenue; Statement of Activities - Payment from County of York | $ | 842,537 |

## 5. CAPITAL ASSETS

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

**Primary Government:**

| Governmental Activities: | Balance July 1, 2022 | Additions | Reductions | Balance June 30, 2023 |
|---|---|---|---|---|
| Capital assets not being depreciated/amortized: | | | | |
| Land | $ 12,854,926 | $ - | $ - | $ 12,854,926 |
| Easements | 828,199 | 5,000 | - | 833,199 |
| Construction in progress | 15,691,817 | 23,925,304 | (9,148,604) | 30,468,517 |
| Total capital assets not being depreciated/amortized | 29,374,942 | 23,930,304 | (9,148,604) | 44,156,642 |
| Capital assets being depreciated/amortized: | | | | |
| Land improvements | 26,395,151 | 2,050,905 | - | 28,446,056 |
| Buildings | 45,464,820 | - | - | 45,464,820 |
| Building improvements | 16,763,705 | 7,752,365 | - | 24,516,070 |
| Infrastructure | 15,366,441 | 855,956 | - | 16,222,397 |
| Equipment | 31,113,326 | 1,562,354 | (915,604) | 31,760,076 |
| Vehicles | 25,695,567 | 1,703,304 | (932,403) | 26,466,468 |
| Right-to-use leased assets | 8,406,802 | 47,631 | (1,646) | 8,452,787 |
| Right-to-use subscription assets | - | 166,389 | - | 166,389 |
| Computer software | 3,092,341 | - | - | 3,092,341 |
| Total capital assets being depreciated/amortized | 172,298,153 | 14,138,904 | (1,849,653) | 184,587,404 |
| Less accumulated depreciation/amortization for: | | | | |
| Land improvements | (20,374,871) | (1,061,340) | - | (21,436,211) |
| Buildings | (18,064,368) | (890,704) | - | (18,955,072) |
| Building improvements | (4,821,405) | (646,771) | - | (5,468,176) |
| Infrastructure | (8,818,639) | (492,992) | - | (9,311,631) |
| Equipment | (23,372,825) | (1,515,738) | 731,168 | (24,157,395) |
| Vehicles | (13,423,993) | (1,577,514) | 790,351 | (14,211,156) |
| Right-to-use leased assets | (457,783) | (467,382) | 1,646 | (923,519) |
| Right-to-use subscription assets | - | (87,931) | - | (87,931) |
| Computer software | (1,922,115) | (271,569) | - | (2,193,684) |
| Total accumulated depreciation/amortization | (91,255,999) | (7,011,941) | 1,523,165 | (96,744,775) |
| Total capital assets being depreciated/amortized, net | 81,042,154 | 7,126,963 | (326,488) | 87,842,629 |
| Governmental activities capital assets, net | $ 110,417,096 | $ 31,057,267 | $ (9,475,092) | $ 131,999,271 |

## 5. CAPITAL ASSETS (*Continued*)

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

| | |
|---|---|
| General administration | $ 879,893 |
| Judicial services | 323,759 |
| Public safety | 2,536,997 |
| Management services | 434,018 |
| Education | 222,155 |
| Human services | 13,946 |
| Public works | 340,247 |
| Community services | 1,452,003 |
| Internal Service Fund - charged to functions based on usage | 808,923 |
| Total depreciation and amortization expenses - governmental activities | $ 7,011,941 |

| Business-type Activities: | Balance July 1, 2022 | Additions | Reductions | Balance June 30, 2023 |
|---|---|---|---|---|
| Capital assets not being depreciated/amortized: | | | | |
| Land | $ 3,946,755 | $ - | $ - | $ 3,946,755 |
| Easements | 718,853 | - | - | 718,853 |
| Construction in progress | 5,528,449 | 1,969,654 | (3,955,309) | 3,542,794 |
| Total capital assets not being depreciated/amortized | 10,194,057 | 1,969,654 | (3,955,309) | 8,208,402 |
| Capital assets being depreciated/amortized: | | | | |
| Land improvements | 79,584 | - | - | 79,584 |
| Buildings | 23,188,660 | - | - | 23,188,660 |
| Building improvements | 755,417 | 2,547,296 | - | 3,302,713 |
| Infrastructure | 169,553,839 | 2,103,702 | - | 171,657,541 |
| Equipment | 10,470,225 | 266,266 | (34,048) | 10,702,443 |
| Vehicles | 3,245,776 | 57,984 | - | 3,303,760 |
| Computer software | 70,272 | 962,230 | - | 1,032,502 |
| Total capital assets being depreciated/amortized | 207,363,773 | 5,937,478 | (34,048) | 213,267,203 |
| Less accumulated depreciation/amortization for: | | | | |
| Land improvements | (33,055) | (3,771) | - | (36,826) |
| Buildings | (18,230,673) | (691,162) | - | (18,921,835) |
| Building improvements | (324,589) | (39,631) | - | (364,220) |
| Infrastructure | (62,458,677) | (3,369,301) | - | (65,827,978) |
| Equipment | (6,492,817) | (616,422) | 26,093 | (7,083,146) |
| Vehicles | (1,630,078) | (204,351) | - | (1,834,429) |
| Computer software | (70,272) | (68,731) | - | (139,003) |
| Total accumulated depreciation/amortization | (89,240,161) | (4,993,369) | 26,093 | (94,207,437) |
| Total capital assets being depreciated/amortized, net | 118,123,612 | 944,109 | (7,955) | 119,059,766 |
| Business-type activities capital assets, net | $ 128,317,669 | $ 2,913,763 | $ (3,963,264) | $ 127,268,168 |

## 5. CAPITAL ASSETS *(Continued)*

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

| | |
|---|---|
| Sanitary District No. 2 | $ 370,659 |
| Solid waste | 170,316 |
| Sewer utility | 4,109,396 |
| York Sanitary District | 31,733 |
| Upper County utility | 13,749 |
| Water utility | 5,586 |
| Regional radio | 291,930 |
| Total depreciation and amortization expenses (excluding amortization on capitalized debt costs) - business-type activities | $ 4,993,369 |

| Discretely Presented Component Unit - School Division | Balance July 1, 2022 as restated* | Additions | Reductions | Balance June 30, 2023 |
|---|---|---|---|---|
| Capital assets not being depreciated: | | | | |
| Land | $ 4,824,818 | $ - | $ - | $ 4,824,818 |
| Construction in progress | 20,458,535 | 14,950,364 | (2,366,033) | 33,042,866 |
| Total capital assets not being depreciated | 25,283,353 | 14,950,364 | (2,366,033) | 37,867,684 |
| Capital assets being depreciated/amortized: | | | | |
| Buildings | 227,166,231 | 688,908 | - | 227,855,139 |
| Building improvements | 16,373,671 | 1,677,127 | - | 18,050,798 |
| Equipment | 2,826,184 | 1,015,585 | (140,678) | 3,701,091 |
| Vehicles | 16,110,218 | 551,991 | - | 16,662,209 |
| Right-of-use leased assets | 1,874,107 | - | - | 1,874,107 |
| Right-of-use subscriptions | 34,630 | 372,528 | - | 407,158 |
| Total capital assets being depreciated/amortized | 264,385,041 | 4,306,139 | (140,678) | 268,550,502 |
| Less accumulated depreciation/amortization for: | | | | |
| Buildings | (97,938,455) | (4,283,745) | - | (102,222,200) |
| Building improvements | (5,235,356) | (818,616) | - | (6,053,972) |
| Equipment | (1,940,744) | (208,961) | 124,904 | (2,024,801) |
| Vehicles | (9,393,424) | (1,019,842) | - | (10,413,266) |
| Right-of-use leased assets | (601,318) | (601,318) | - | (1,202,636) |
| Right-of-use subscriptions | - | (146,397) | - | (146,397) |
| Total accumulated depreciation/amortization | (115,109,297) | (7,078,879) | 124,904 | (122,063,272) |
| Total capital assets being depreciated/amortized, net | 149,275,744 | (2,772,740) | (15,774) | 146,487,230 |
| School Division capital assets, net | $ 174,559,097 | $ 12,177,624 | $ (2,381,807) | $ 184,354,914 |

* The beginning balances have been restated to reflect the implementation of GASB 96, *Subscription-Based Information Technology Arrangements,* to reflect the beginning balance of the School Division's subscriptions.

## 5. CAPITAL ASSETS *(Continued)*

| Discretely Presented Component Unit - EDA | Balance July 1, 2022 | Additions | Reductions | Balance June 30, 2023 |
|---|---|---|---|---|
| Capital assets not being depreciated: | | | | |
| Construction in progress | $ 268,135 | $ 19,417 | $ - | $ 287,552 |
| Total capital assets not being depreciated | 268,135 | 19,417 | - | 287,552 |
| Capital assets being depreciated: | | | | |
| Land improvements | 9,604 | - | - | 9,604 |
| Infrastructure | 942,108 | - | - | 942,108 |
| Total capital assets being depreciated | 951,712 | - | - | 951,712 |
| Less accumulated depreciation for: | | | | |
| Land improvements | (6,721) | (640) | - | (7,361) |
| Infrastructure | (298,072) | (30,125) | - | (328,197) |
| Total accumulated depreciation | (304,793) | (30,765) | - | (335,558) |
| Total capital assets being depreciated, net | 646,919 | (30,765) | - | 616,154 |
| Economic Development Authority capital assets, net | $ 915,054 | $ (11,348) | $ - | $ 903,706 |

| Discretely Presented Component Unit - MCDA | Balance July 1, 2022 | Additions | Reductions | Balance June 30, 2023 |
|---|---|---|---|---|
| Capital assets being amortized/depreciated: | | | | |
| Computer software | $ 9,000 | $ - | $ - | $ 9,000 |
| Public improvements 2015 | 3,464,370 | - | - | 3,464,370 |
| Roads | 7,524,128 | - | - | 7,524,128 |
| BMP Basins | 4,442,390 | - | - | 4,442,390 |
| Storm Drain | 4,936,107 | - | - | 4,936,107 |
| Total capital assets being amortized/depreciated | 20,375,995 | - | - | 20,375,995 |
| Less accumulated amortization/depreciation for: | | | | |
| Computer software | (9,000) | - | - | (9,000) |
| Public improvements 2015 | (115,479) | (115,479) | - | (230,958) |
| Roads | (250,804) | (250,804) | - | (501,608) |
| BMP Basins | (148,080) | (148,080) | - | (296,160) |
| Storm Drain | (164,537) | (164,537) | - | (329,074) |
| Total accumulated amortization/depreciation | (687,900) | (678,900) | - | (1,366,800) |
| Total capital assets being amortized/depreciated, net | $ 19,688,095 | $ (678,900) | $ - | $ 19,009,195 |

## 6. UNEARNED REVENUE AND DEFERRED INFLOWS OF RESOURCES

Unearned revenue represents amounts for which asset recognition criteria have been met, but for which revenue recognition criteria have not been met. Unearned revenue at the fund level arises when potential revenue does not meet both the “measurable” and “available” criteria for recognition in the current period. In subsequent periods, when both revenue recognition criteria are met, or when the government has a legal claim to the resources, the liability for unearned revenue is removed from the balance sheet and revenue is recognized. Deferred inflows represent an acquisition of net position that will not be recognized as revenue until a future period. At June 30, 2023, unearned revenues and deferred inflows are provided in the table below.

## 6. UNEARNED REVENUE AND DEFERRED INFLOWS OF RESOURCES *(Continued)*

| | General | Tourism | County Capital | Nonmajor Governmental Funds | Sewer Utility | Solid Waste | Nonmajor Enterprise Funds |
|---|---|---|---|---|---|---|---|
| **Unearned Revenues** | | | | | | | |
| Advance payments for fees, services and rents | $ 22,549 | $ 44,150 | $ 2,167,846 | $ 219,823 | $ 1,054,749 | $ 34,315 | $ 53,201 |
| **Deferred Inflows** | | | | | | | |
| Unavailable property taxes and fees | $ 4,972,351 | $ 57,701 | $ - | $ - | $ - | $ - | $ - |
| Unavailable grants | - | - | - | 2,854 | - | - | - |
| Prepaid taxes and services | 778,671 | - | - | 17,942 | - | - | - |
| Long-term notes receivable | - | - | 621,675 | - | - | - | - |
| Total | $ 5,751,022 | $ 57,701 | $ 621,675 | $ 20,796 | $ - | $ - | $ - |

## 7. LONG-TERM DEBT

The following is a summary of changes in long-term debt during the year ended June 30, 2023:

| **Primary Government: Governmental Activities:** | Balance July 1, 2022 | Additions | Reductions | Balance June 30, 2023 | Due Within One Year |
|---|---|---|---|---|---|
| General obligation bonds | $ 72,325,000 | $ 9,080,000 | $ (5,780,000) | $ 75,625,000 | $ 5,610,000 |
| Premium on bonds | 4,616,376 | 680,454 | (361,239) | 4,935,591 | 372,580 |
| Direct financing leases | 3,454,792 | - | (1,050,956) | 2,403,836 | 558,922 |
| Leases | 7,768,211 | 47,630 | (365,882) | 7,449,959 | 376,910 |
| Subscriptions | - | 123,245 | (90,607) | 32,638 | 32,638 |
| Lease revenue bonds | 50,425,000 | - | (2,430,000) | 47,995,000 | 2,225,000 |
| Premium on bonds | 4,697,798 | - | (424,179) | 4,273,619 | 341,399 |
| Compensated absences | 6,409,664 | 6,160,256 | (6,095,055) | 6,474,865 | 547,500 |
| Claims liabilities, IBNR | 1,287,000 | 1,970,000 | (1,287,000) | 1,970,000 | 1,970,000 |
| Net pension liability | 6,210,690 | 36,740,283 | (26,539,601) | 16,411,372 | - |
| Net OPEB liability | 10,291,003 | 18,603,145 | (18,465,121) | 10,429,027 | - |
| Total Governmental Activities | $ 167,485,534 | $ 73,405,013 | $ (62,889,640) | $ 178,000,907 | $ 12,034,949 |

| **Primary Government: Business-type Activities:** | Balance July 1, 2022 | Additions | Reductions | Balance June 30, 2023 | Due Within One Year |
|---|---|---|---|---|---|
| Revenue bonds | $ 14,800,000 | $ - | $ (765,000) | $ 14,035,000 | $ 805,000 |
| Premium on bonds | 3,001,109 | - | (236,898) | 2,764,211 | 236,898 |
| Compensated absences | 601,404 | 613,917 | (539,460) | 675,861 | 37,650 |
| Net pension liability | 588,840 | 3,543,206 | (2,542,571) | 1,589,475 | - |
| Net OPEB liability | 1,058,842 | 1,778,384 | (1,851,495) | 985,731 | - |
| Total Business-type Activities | $ 20,050,195 | $ 5,935,507 | $ (5,935,424) | $ 20,050,278 | $ 1,079,548 |

## 7. LONG-TERM DEBT *(Continued)*

| Discretely Presented Component Units: | Balance July 1, 2022 as restated* | Additions | Reductions | Balance June 30, 2023 | Due Within One Year |
|---|---|---|---|---|---|
| **School Division** | | | | | |
| Compensated absences | $ 3,426,523 | $ 1,327,107 | $ (1,138,024) | $ 3,615,606 | $ 1,280,000 |
| Claims liabilities | 4,751,582 | 294,707 | (1,317,607) | 3,728,682 | 2,331,000 |
| Lease liability | 1,371,235 | - | (498,100) | 873,135 | 580,507 |
| Subscriptions liability | 34,630 | 280,269 | (115,670) | 199,229 | 96,255 |
| Net pension liability | 65,339,532 | 12,635,915 | - | 77,975,447 | - |
| Net OPEB liability | 15,628,352 | - | (488,138) | 15,140,214 | - |
| | $ 90,551,854 | $ 14,537,998 | $ (3,557,539) | $ 101,532,313 | $ 4,287,762 |

*The beginning balances have been restated to reflect the implementation of GASB 96, *Subscription-Based InformationTechnology Arrangements,* to reflect the beginning balance of the School Division's subscriptions.

| | | | | | |
|---|---|---|---|---|---|
| **Community Development Authority** | | | | | |
| Refunding bonds payable | $ 28,875,000 | $ - | $ - | $ 28,875,000 | $ - |
| Capital Appreciation bonds payable | 6,773,000 | - | - | 6,773,000 | - |
| Total bonds payable | $ 35,648,000 | $ - | $ - | $ 35,648,000 | $ - |
| Accretion of interest payable: | | | | | |
| Refunding bonds | $ 3,778,125 | $ 365,625 | $ - | $ 4,143,750 | $ - |

### Arbitrage

Arbitrage is the difference between the yield on an issuer's tax-exempt bonds and the investment income earned on the proceeds. Arbitrage restrictions imposed by the federal government prohibit an issuer from retaining arbitrage profits when investing bond proceeds at a yield that exceeds the yield on the bonds. Any excess arbitrage must be rebated to the U.S. Treasury. As of June 30, 2023, the estimated rebate liability was calculated at $65,325.88 on the VRA Series 2022A and $50,031.30 on the VPSA Series 2022B.

## 7. LONG-TERM DEBT *(Continued)*

General Obligation Bonds

General obligations bonds (GOB) are backed by the full faith and credit of the County. There are no sinking fund requirements. Outstanding general obligation bonds at June 30, 2023 of the Primary Government governmental activities are as follows:

| GOB Series | Purpose | Bond Date | Maturity Date | Interest Rate | Balance June 30, 2023 |
|---|---|---|---|---|---|
| VPSA 05 | York High and School Board renovations | 11/10/05 | 07/15/25 | 4.60-4.85% | $ 3,285,000 |
| VPSA 10 | Grafton Bethel Elementary | 07/08/10 | 12/01/27 | 1.93% | 275,000 |
| VPSA 12B | Coventry Elementary and New Horizons HVAC; Coventry Elem. gymnasium (gym), Grafton Bethel and Grafton Complex gym roof; Tabb Elementary classrooms | 05/10/12 | 07/15/32 | 3.05-5.05% | 4,255,000 |
| VPSA 14C | Various schools HVAC, roofs, kitchens, gyms and repairs | 11/04/14 | 07/15/34 | 3.55-5.05% | 6,080,000 |
| VPSA 14B | Yorktown Middle and New Horizons renovations | 05/15/14 | 07/15/26 | 4.475-4.60% | 3,080,000 |
| VPSA 15 | Dare, Magruder, Yorktown Elementary classrooms | 02/17/15 | 07/15/28 | 5.10-5.35% | 2,240,000 |
| VPSA 16 | Waller Mill roof and Magruder HVAC and roof | 05/01/16 | 07/15/36 | 2.05-5.05% | 9,045,000 |
| VPSA 16B | Dare and Mt. Vernon Elementary and Tabb High | 11/17/16 | 07/15/29 | 3.45-4.05% | 1,800,000 |
| VPSA 17A | York HVAC, roof and Bethel Manor roof, renovation | 04/30/17 | 07/15/37 | 3.05-5.05% | 6,695,000 |
| VPSA 18A | Tabb Elementary HVAC; Grafton Complex, Yorktown Elementary Roofs, York High School Interior doors, modular classrooms | 04/29/18 | 07/15/38 | 3.05-5.05% | 6,785,000 |
| VPSA 19A | Tabb, Dare, Mt. Vernon, Coventry Elementary, Tabb Middle, and Grafton Complex various renovations | 05/05/19 | 07/15/39 | 3.05-5.05% | 7,010,000 |
| VPSA 19B | Bruton High & Queens Lake renovations | 05/21/19 | 07/15/23 | 5.10% | 300,000 |
| VPSA 20 | Various schools HVAC, roofs, interior doors, security vestibules, parking lot and other repairs | 04/22/20 | 07/15/40 | 2.90% | 7,390,000 |
| VPSA 21 | Coventry Elementary Grafton Complex | 04/25/21 | 07/15/41 | 2.05-5.05% | 8,305,000 |
| VPSA 22 | Seaford Elementary, York High renovations, Bruton High roof repair, and Tabb Middle HVAC | 10/23/22 | 07/15/42 | 4.05-5.05% | 9,080,000 |
| | | | | | $ 75,625,000 |

## 7. LONG-TERM DEBT *(Continued)*

General Obligation Bonds (Continued)

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

| | Governmental Activities | |
|---|---|---|
| Year | Principal | Interest |
| 2024 | $ 5,610,000 | $ 3,003,491 |
| 2025 | 5,675,000 | 2,639,597 |
| 2026 | 5,945,000 | 2,366,866 |
| 2027 | 5,025,000 | 2,113,647 |
| 2028 | 4,320,000 | 1,877,301 |
| 2029-2033 | 21,575,000 | 6,627,245 |
| 2034-2038 | 18,980,000 | 2,916,496 |
| 2039-2043 | 8,495,000 | 574,490 |
| | $ 75,625,000 | $ 22,119,133 |

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

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

Lease Revenue Bonds
Principal payments will be made in annual installments and interest payments will be made in semi-annual installments. Outstanding lease revenue bonds at June 30, 2023 of the Primary Government governmental activities are as follows:

| Series | Purpose | Bond Date | Maturity Date | Interest Rate | Balance June 30, 2023 |
|---|---|---|---|---|---|
| 2016 | Sports Field Complex-Partial refunding of Series 2008 | 05/25/16 | 10/01/29 | 4.163-5.125% | $ 7,220,000 |
| 2018A | Fire Apparatus, Grafton Fire Station and Carver Gardens | 05/23/18 | 10/01/38 | 3.125-5.125% | 6,560,000 |
| 2020 | Fire Apparatus, Yorktown Library, Law Enforcement Building | 05/03/20 | 10/01/40 | 4.125-5.125% | 2,050,000 |
| 2022 | Fire Apparatus, Yorktown Library, Law Enforcement Building | 05/25/22 | 10/01/42 | 4.316-5.125% | 32,165,000 |
| | | | | | $ 47,995,000 |

## 7. LONG-TERM DEBT *(Continued)*

Lease Revenue Bonds (Continued)

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

| | Governmental Activities | |
|---|---|---|
| **Year** | **Principal** | **Interest** |
| 2024 | $ 2,225,000 | $ 2,157,959 |
| 2025 | 2,330,000 | 2,041,238 |
| 2026 | 2,455,000 | 1,920,197 |
| 2027 | 2,575,000 | 1,794,528 |
| 2028 | 2,705,000 | 1,664,328 |
| 2029-2033 | 11,795,000 | 6,464,297 |
| 2034-2038 | 11,910,000 | 3,943,922 |
| 2039-2043 | 12,000,000 | 1,301,193 |
| | $ 47,995,000 | $ 21,287,662 |

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

Revenue Bonds

The County anticipates that the amounts required for the payment of interest and principal on the bonds will be provided by the respective enterprise funds revenues. Revenue bonds at June 30, 2023 of the Primary Government business-type activities are as follows:

| Series | Purpose | Bond Date | Maturity Date | Interest Rate | Balance June 30, 2023 |
|---|---|---|---|---|---|
| 2016C | Sewer systems refunding | 09/22/16 | 10/01/28 | 5.13% | $ 3,485,000 |
| 2020 | Sewer systems refunding | 05/03/20 | 10/01/39 | 4.125-5.125% | 9,510,000 |
| 2020 | SCADA system | 05/03/20 | 10/01/30 | 5.125% | 1,040,000 |
| | | | | | $ 14,035,000 |

## 7. LONG-TERM DEBT *(Continued)*

Revenue Bonds (Continued)

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

| | Business-type Activities | |
|---|---|---|
| **Year** | **Principal** | **Interest** |
| 2024 | $ 805,000 | $ 633,866 |
| 2025 | 790,000 | 592,994 |
| 2026 | 635,000 | 556,478 |
| 2027 | 665,000 | 523,166 |
| 2028 | 700,000 | 488,188 |
| 2029-2033 | 3,960,000 | 1,844,388 |
| 2034-2038 | 4,450,000 | 892,031 |
| 2039-2043 | 2,030,000 | 84,561 |
| | $ 14,035,000 | $ 5,615,672 |

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

Marquis Community Development Authority

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

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

| Year Ending | Series A Bonds 5.100% | | Series B Bonds 5.625% | | Series C Bonds 5.625% | |
|---|---|---|---|---|---|---|
| June 30, | Principal | Interest | Principal | Interest | Principal | Interest |
| 2024 | $ - | $ 289,425 | $ - | $ 939,375 | $ - | $ - |
| 2025 | - | 289,425 | - | 939,375 | - | - |
| 2026 | - | 289,425 | - | 939,375 | - | - |
| 2027 | 395,000 | 279,353 | - | 939,375 | - | - |
| 2028 | 420,000 | 258,570 | - | 939,375 | - | - |
| 2029-2033 | 2,430,000 | 941,715 | 2,340,000 | 4,566,938 | - | - |
| 2034-2038 | 2,430,000 | 255,510 | 7,100,000 | 3,083,906 | - | - |
| 2039-2043 | - | - | 7,260,000 | 844,312 | 6,500,000 | 26,890,476 |
| Total | $ 5,675,000 | $ 2,603,423 | $ 16,700,000 | $ 13,192,031 | $ 6,500,000 | $ 26,890,476 |

## 7. LONG-TERM DEBT *(Continued)*

Marquis Community Development Authority (Continued)

On October 27, 2015, the CDA issued convertible capital appreciation revenue bonds in the amount of $4,404,482 to finance additional public infrastructure improvements located within the District. The 2015 Bonds were initially be issued as capital appreciation bonds and converted to current interest bonds on September 1, 2021, the "conversion date". Prior to the conversion date, the 2015 Bonds will not pay interest on a current basis, but will increase in value by the accumulation of earned interest from their initial principal amounts on the issue date to the conversion date. Interest will be compounded each March 1 and September 1, commencing March 1, 2016 at a rate of 7.5% according to the table of accreted values. The accreted value at the conversion date was $6,773,000. Following the conversion date, interest on the 2015 Bonds will be payable semiannually on each March 1 and September 1, commencing March 1, 2022 at a rate of 7.5%. Interest due on March 1, 2022 was $253,988, however because of insufficient TIF revenues and limitations on special assessments used to pay debt service, only $152,091 was paid. Interest due during FY23 was $507,975, however, because of insufficient TIF revenues and limitations on special assessments used to pay debt service only $245,685 was paid. The Authority's long-term debt activity for the 2015 Bonds for the year ended June 30, 2023 was as follows:

| | Balance July 1, 2022 | Additions | Reductions | Balance June 30, 2023 |
|---|---|---|---|---|
| Series 2015 CAB Bonds | $ 6,773,000 | $ - | $ - | $ 6,773,000 |
| Total | $ 6,773,000 | $ - | $ - | $ 6,773,000 |

Mandatory debt service requirements after conversion consist of the following:

| June 30, | Principal | Interest |
|---|---|---|
| 2024 | $ - | $ 507,975 |
| 2025 | - | 507,975 |
| 2026 | - | 507,975 |
| 2027 | - | 507,975 |
| 2028 | - | 507,975 |
| 2029-2033 | - | 2,539,875 |
| 2034-2038 | - | 2,539,875 |
| 2039-2043 | - | 2,539,875 |
| 2044-2047 | 6,773,000 | 761,888 |
| Total | $ 6,773,000 | $ 10,921,388 |

## 8. FUND BALANCE (DEFICIT)

Fund balance (deficit) is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the County is bound to observe constraints imposed upon the use of the resources in the governmental funds. The constraints placed on fund balance (deficit) for the major governmental funds and all other governmental funds are presented below:

## 8. FUND BALANCE (DEFICIT) *(Continued)*

| Purpose | General | Tourism | Yorktown Capital Imps | County Capital | Debt Service Education | Nonmajor Governmental Funds | Total Governmental Funds |
|---|---|---|---|---|---|---|---|
| **Nonspendable:** | | | | | | | |
| Prepaid expenditures | $ 11,537 | $ - | $ - | $ 185,000 | $ - | $ - | $ 196,537 |
| Advances | 5,333,797 | - | - | - | - | - | 5,333,797 |
| Total nonspendable | 5,345,334 | - | - | 185,000 | - | - | 5,530,334 |
| **Restricted:** | | | | | | | |
| Judicial services and Commonwealth's Attorney grants | - | - | - | - | - | 109,075 | 109,075 |
| Public safety grants and donations | - | - | - | 11,701,522 | - | 1,686,198 | 13,387,720 |
| Facility renovation & relocation | - | - | - | 91,870 | - | - | 91,870 |
| Facility maintenance & repair | - | - | - | 137,643 | - | - | 137,643 |
| Environmental and transportation improvements | - | - | - | 898,240 | - | - | 898,240 |
| Sheriff operations, equipment & training | - | - | - | 10,080 | - | - | 10,080 |
| Shelter generator | - | - | - | 449,920 | - | - | 449,920 |
| Community services grants and donations | - | - | - | - | - | 152,088 | 152,088 |
| Tourism projects | - | 2,636,167 | - | - | - | - | 2,636,167 |
| Proffer projects | - | - | - | 646,046 | - | - | 646,046 |
| Other purposes | - | - | - | - | - | 46,218 | 46,218 |
| Total restricted | - | 2,636,167 | - | 13,935,321 | - | 1,993,579 | 18,565,067 |
| **Committed:** | | | | | | | |
| School reversion | 2,771,171 | - | - | - | - | - | 2,771,171 |
| Intergovernmental revenue shortfalls for School Division | - | - | - | - | - | 7,061,428 | 7,061,428 |
| Meals tax for drainage projects | - | - | - | - | - | 2,599,110 | 2,599,110 |
| Environmental and transportation improvements | - | - | - | 4,456,608 | - | - | 4,456,608 |
| Total committed | 2,771,171 | - | - | 4,456,608 | - | 9,660,538 | 16,888,317 |
| **Assigned:** | | | | | | | |
| Active Transportation Projects | - | - | - | 719,832 | - | - | 719,832 |
| Capital outlay/one time expenditures | 5,510,000 | - | - | 10,433,476 | - | - | 15,943,476 |
| Capital and operating one time expenditures | 1,030,443 | - | - | - | - | - | 1,030,443 |
| Community Services and Tourism Improvements | - | - | - | 846,077 | - | - | 846,077 |
| Contractual services | 443,980 | - | - | - | - | - | 443,980 |
| Economic development | - | 153,033 | - | 852,090 | - | - | 1,005,123 |
| Emergency communications operations | 26,997 | - | - | 1,000,000 | - | - | 1,026,997 |
| Facility maintenance and repair | - | - | - | 2,364,653 | - | - | 2,364,653 |
| Facility renovation & relocation | - | - | - | 3,896,787 | - | - | 3,896,787 |
| Facility security | - | - | - | 552,938 | - | - | 552,938 |
| Fire & Life Safety equipment and operations | 103,366 | - | - | 2,175,737 | - | - | 2,279,103 |
| Fire Alarm System | - | - | - | 209,620 | - | - | 209,620 |
| Fire Station #7 | - | - | - | 63,957 | - | - | 63,957 |
| Grounds maintenance repairs, operations and equipment | - | - | - | 292,083 | - | - | 292,083 |
| Head Start and Social Services programs | - | - | - | - | - | 1,367,332 | 1,367,332 |
| Information technology: hardware/software | - | - | - | 440,330 | - | - | 440,330 |
| Library renovation & expansion | - | - | - | 252,849 | - | - | 252,849 |
| Lighting upgrades | - | - | - | 54,278 | - | - | 54,278 |
| Other purposes/miscellaneous | 423,971 | - | - | - | 803,227 | 557,091 | 1,784,289 |
| Public works operations | 261,104 | - | - | - | - | - | 261,104 |
| Public Safety Building | - | - | - | 3,375,336 | - | - | 3,375,336 |
| Sheriff operations, equipment and training facility | 352,817 | - | - | 398,911 | - | - | 751,728 |
| Video services equipment | - | - | - | 183,590 | - | - | 183,590 |
| Total assigned | 8,152,678 | 153,033 | - | 28,112,544 | 803,227 | 1,924,423 | 39,145,905 |
| **Unassigned:** | 24,472,361 | - | (2,499,601) | - | - | - | 21,972,760 |
| **Total fund balances (deficit)** | $40,741,544 | $2,789,200 | $(2,499,601) | $46,689,473 | $ 803,227 | $ 13,578,540 | $ 102,102,383 |

## 9. LEASES

Leases Receivable

Governmental Activities:

The County leases the usage of its infrastructure with lease terms ranging from 2 years to 31 years. As of June 30, 2023, the value of the lease receivable was $1,041,824. The value of the deferred inflow of resources as of June 30, 2023 was $1,046,131 and the County recognized lease revenue of $140,785 during the fiscal year.

The County leases the usage of its building with a lease term of 13 years. As of June 30, 2023, the value of the lease receivable was $141,941. The value of the deferred inflow of resources as of June 30, 2023 was $138,317 and the County recognized lease revenue of $12,480 during the fiscal year.

The County leases the usage of its land with a lease term of 22 years. As of June 30, 2023, the value of the lease receivable was $811,270. The value of the deferred inflow of resources as of June 30, 2023 was $785,411 and the County recognized lease revenue of $38,823 during the fiscal year.

The future principal and interest receipts as of June 30, 2023, were as follows:

| | Governmental Activities | | |
|---|---|---|---|
| **Year** | **Principal** | **Interest** | **Total** |
| 2024 | $ 138,168 | $ 15,362 | $ 153,530 |
| 2025 | 91,351 | 14,301 | 105,652 |
| 2026 | 92,752 | 13,572 | 106,324 |
| 2027 | 98,663 | 12,809 | 111,472 |
| 2028 | 99,461 | 12,011 | 111,472 |
| 2029-2033 | 468,313 | 48,187 | 516,500 |
| 2034-2038 | 352,714 | 33,930 | 386,644 |
| 2039-2043 | 383,079 | 21,579 | 404,658 |
| 2044-2048 | 151,390 | 10,834 | 162,224 |
| 2049-2053 | 119,144 | 2,846 | 121,990 |
| Totals | $ 1,995,035 | $ 185,431 | $ 2,180,466 |

Business-type Activities:

The County leases the usage of its building with a lease term of 20 years. As of June 30, 2023, the value of the lease receivable was $2,252,896. The value of the deferred inflow of resources as of June 30, 2023 was $2,210,810 and the County recognized lease revenue of $122,823 during the fiscal year.

## 9. LEASES *(Continued)*

Leases Receivable *(Continued)*

The County leases the usage of its land with a lease term of 12 years. As of June 30, 2023, the value of the lease receivable was $1,143,188. The value of the deferred inflow of resources as of June 30, 2023 was $1,138,679 and the County recognized lease revenue of $113,868 during the fiscal year.

The future principal and interest receipts as of June 30, 2023, were as follows:

| | Business-type Activities | | |
|---|---|---|---|
| Year | Principal | Interest | Total |
| 2024 | $ 214,798 | $ 46,046 | $ 260,844 |
| 2025 | 217,226 | 43,618 | 260,844 |
| 2026 | 219,693 | 41,151 | 260,844 |
| 2027 | 222,199 | 38,645 | 260,844 |
| 2028 | 224,745 | 36,099 | 260,844 |
| 2029-2033 | 1,163,373 | 140,847 | 1,304,220 |
| 2034-2038 | 672,296 | 76,504 | 748,800 |
| 2039-2043 | 461,754 | 13,447 | 475,201 |
| | $ 3,396,084 | $ 436,357 | $ 3,832,441 |

Discretely Presented Component Unit – EDA:

The EDA rents building space to various businesses at Riverwalk Landing with lease terms ranging from 17 to 78 months. As of June 30, 2023, the value of the lease receivable is $99,647. The value of the deferred inflow of resources as of June 30, 2023 was $98,177 and the EDA recognized lease revenue of $87,192 during the fiscal year.

A summary of future principal and interest receipts as of June 30, 2023, were as follows:

| | EDA | | |
|---|---|---|---|
| Year | Principal | Interest | Total |
| 2024 | 49,455 | 906 | 50,361 |
| 2025 | 29,315 | 302 | 29,617 |
| 2026 | 8,151 | 75 | 8,226 |
| 2027 | 8,433 | 38 | 8,471 |
| 2028 | 4,293 | 6 | 4,299 |
| Total minimum lease payments | $ 99,647 | $ 1,327 | $ 100,974 |

Discretely Presented Component Unit – School Division:

The School Division leases certain land where radio towers are located with varying terms ranging from 24 to 40 years. The School Division does not own the radio towers but does own the land. The School Division also leases space in certain schools for before and after school childcare. As of June 30, 2023, the value of the lease receivable for all leases of the School Division is $6,666,396. The value of the deferred inflow of resources as of June 30, 2023 was $6,436,686, and the School Division recognized lease revenue of $333,957 during the fiscal year.

## 9. LEASES *(Continued)*

Leases Receivable *(Continued)*

A summary of future principal and interest receipts for the School Division as of June 30, 2023, were as follows:

| | School Division | | |
|---|---|---|---|
| **Year** | **Principal** | **Interest** | **Total** |
| 2024 | $ 243,511 | $ 151,152 | $ 394,663 |
| 2025 | 252,762 | 146,797 | 399,559 |
| 2026 | 261,887 | 142,280 | 404,167 |
| 2027 | 180,948 | 137,855 | 318,803 |
| 2028 | 168,143 | 133,933 | 302,076 |
| 2029-2033 | 965,714 | 605,621 | 1,571,335 |
| 2034-2038 | 1,180,761 | 478,115 | 1,658,876 |
| 2039-2043 | 1,356,443 | 328,557 | 1,685,000 |
| 2044-2048 | 1,366,319 | 163,090 | 1,529,409 |
| 2049-2053 | 276,395 | 65,734 | 342,129 |
| 2054-2058 | 277,327 | 33,945 | 311,272 |
| 2059-2061 | 136,186 | 3,887 | 140,073 |
| Total minimum lease payments | $ 6,666,396 | $ 2,390,966 | $ 9,057,362 |

Leases Payable

Governmental Activities:

The County leases infrastructure with a lease term of 3 years. An initial lease liability was recorded in the amount of $126,815. As of June 30, 2023, the value of the lease liability was $43,555. The value of the right to use asset as of June 30, 2023 was $126,815 with accumulated amortization of $82,258.

The County leases certain buildings with lease terms ranging from 8 years to 39 years. An initial lease liability was recorded in the amount of $3,915,100. As of June 30, 2023, the value of the lease liability was $3,573,984. The value of the right to use asset as of June 30, 2023 was $4,110,100 with accumulated amortization of $462,290.

The County leases land with lease terms ranging from 24 years to 28 years. An initial lease liability was recorded in the amount of $4,097,285. As of June 30, 2023, the value of the lease liability was $3,752,878. The value of the right to use asset as of June 30, 2023 was $4,097,285 with accumulated amortization of $339,371.

The County leases equipment with lease terms ranging from 1.2 years to 4.3 years. An initial lease liability was recorded in the amount of $118,587. As of June 30, 2023, the value of the lease liability was $79,542. The value of the right to use asset as of June 30, 2023 was $118,587 with accumulated amortization of $39,600.

## 9. LEASES *(Continued)*

Leases Payable *(Continued)*

The future principal and interest payments as of June 30, 2023, were as follows:

| | Governmental Activities | | |
|---|---|---|---|
| **Year** | **Principal** | **Interest** | **Total** |
| 2024 | $ 376,910 | $ 137,327 | $ 514,237 |
| 2025 | 337,184 | 130,860 | 468,044 |
| 2026 | 339,624 | 124,594 | 464,218 |
| 2027 | 330,122 | 118,465 | 448,587 |
| 2028 | 335,194 | 112,555 | 447,749 |
| 2029 - 2033 | 1,708,813 | 472,209 | 2,181,022 |
| 2034 - 2038 | 2,003,848 | 306,984 | 2,310,832 |
| 2039 - 2043 | 1,569,759 | 127,217 | 1,696,976 |
| 2044 - 2048 | 441,090 | 16,042 | 457,132 |
| 2049 - 2053 | 7,415 | 102 | 7,517 |
| Totals | $ 7,449,959 | $ 1,546,355 | $ 8,996,314 |

Discretely Presented Component Unit – School Division:

The School Division leases computer equipment under a 37-month non-cancelable operating lease agreement. An initial lease liability was recorded in the amount of $1,874,107. As of June 30, 2023, the value of the lease liability is $873,135. The value of the right to use asset as of June 30, 2023 was $1,874,107 with accumulated amortization of $1,202,636.

The future principal and interest payments as of June 30, 2023, were as follows:

| | School Division | | |
|---|---|---|---|
| **Year** | **Principal** | **Interest** | **Total** |
| 2024 | $ 580,507 | $ 7,940 | $ 588,447 |
| 2025 | 292,628 | 1,595 | 294,223 |
| Totals | $ 873,135 | $ 9,535 | $ 882,670 |

## 9. LEASES *(Continued)*

Direct Financing Leases

The County leases certain equipment under direct financing lease agreements that were excluded from GASB 87 based on the terms on the leases. The County executed two lease-purchase agreements in July 2016 and January 2022 with Motorola for 800 MHz system upgrades on behalf of York, James City and Gloucester Counties with the final payment scheduled to end in FY2023 and FY2027, respectively. Also, a Memorandum of Understanding was executed with the County's partner Counties that will empower York to act as their fiscal agent for purposes of this contract and committing the local government partners to make their proportional contributions over the next five fiscal years. The total cost of the 2016 upgrade is $10,492,814, and York and James City County's shares are each $4,736,044 and Gloucester's share is $1,020,276. The total cost of the 2022 upgrade is $10,982,234 and York County's share is $5,087,369, James City County's share is $4,953,268 and Gloucester's share is $941,598. A summary of future minimum lease payments under direct financing leases together with the present value of the net minimum lease payments as of June 30, 2023 are as follows:

| Year | Primary Government - Governmental Activities |
|---|---|
| 2024 | $ 601,569 |
| 2025 | 605,490 |
| 2026 | 577,570 |
| 2027 | 577,570 |
| 2028 | 28,000 |
| 2029-2033 | 121,333 |
| Total minimum lease payments | 2,511,532 |
| Less amount representing interest | (107,696) |
| Present value of principal | $ 2,403,836 |

## 10. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITAs)

For the year ended June 30, 2023, the financial statements include the adoption of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITAs)*. The statement establishes that a SBITA results in a right-to-use subscription asset (an intangible asset) and a corresponding subscription liability. A SBITA is defined as a contract that conveys control of the right to use another party's (a SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction. Under this Statement, a government should recognize amortization of the discount on the subscription liability as an outflow of resources (for example, interest expense) in subsequent financial reporting periods. A government should recognize amortization of the subscription asset as an outflow of resources over the subscription term.

## 10. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITAs), Continued

Subscriptions Payable - Governmental Activities:

The County subscribes to the use of software with terms ranging from 19 to 34 months. An initial subscription liability was recorded in the amount of $123,245. As of June 30, 2023, the value of the subscription liability was $32,638. The value of the right to use asset as of June 30, 2023 was $166,389 with accumulated amortization of $87,931.

The future principal and interest payments as of June 30, 2023, were as follows:

| | Governmental Activities | | |
|---|---|---|---|
| Year | Principal | Interest | Total |
| 2024 | $ 32,638 | $ 648 | $ 33,286 |
| Totals | $ 32,638 | $ 648 | $ 33,286 |

Discretely Presented Component Unit – School Division:

The School Division subscribes to the use of communication software. An initial subscription liability was recorded in the amount of $34,630. Additionally, during 2023, the School Division entered into an additional subscription arrangement recognizing a related subscription liability of $280,269. As of June 30, 2023, the cumulative value of the subscription liability was $199,229. The value of the right to use assets as of June 30, 2023 was $407,158 with accumulated amortization of $146,397.

The future principal and interest payments as of June 30, 2023, were as follows:

| | School Division | | |
|---|---|---|---|
| Year | Principal | Interest | Total |
| 2024 | $ 96,255 | $ 4,046 | $ 100,301 |
| 2025 | 102,974 | 2,092 | 105,066 |
| Totals | $ 199,229 | $ 6,138 | $ 205,367 |

## 11. DEFINED BENEFIT PENSION PLANS

Virginia Retirement System

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

## 11. DEFINED BENEFIT PENSION PLANS (*Continued*)

Virginia Retirement System *(Continued)*

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

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

| **PLAN 1**<br>**Retirement Plan Provisions** | **PLAN 2**<br>**Retirement Plan Provisions** | **HYBRID**<br>**Retirement Plan Provisions** |
|---|---|---|
| **About Plan 1**<br>Plan 1 is a defined benefit plan. The retirement benefit is based on a member's age, service credit and average final compensation at retirement using a formula. | **About Plan 2**<br>Plan 2 is a defined benefit plan. The retirement benefit is based on a member's age, service credit and average final compensation at retirement using a formula. | **About the Hybrid Plan**<br>The Hybrid Retirement Plan combines the features of a defined benefit plan and a defined contribution plan.<br>• The defined benefit is based on a member's age, service credit and average final compensation at retirement using a formula.<br>• 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. |

## 11. DEFINED BENEFIT PENSION PLANS *(Continued)*

Virginia Retirement System *(Continued)*

| PLAN 1<br>Retirement Plan Provisions | PLAN 2<br>Retirement Plan Provisions | HYBRID<br>Retirement Plan Provisions |
|---|---|---|
| | | • 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**<br>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.<br><br>**Hybrid Opt-In Election**<br>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.<br><br>The Hybrid Retirement Plan's effective date for eligible Plan 1 members who opted in was July 1, 2014.<br><br>If eligible deferred members returned to work during the election window, they were also eligible to opt into the Hybrid Retirement Plan.<br><br>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**<br>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.<br><br>**Hybrid Opt-In Election**<br>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.<br><br>The Hybrid Retirement Plan's effective date for eligible Plan 2 members who opted in was July 1, 2014.<br><br>If eligible deferred members returned to work during the election window, they were also eligible to opt into the Hybrid Retirement Plan.<br><br>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**<br>Employees are in the Hybrid Retirement Plan if their membership date is on or after January 1, 2014. This includes:<br>• County & School employees<br>• Members in Plan 1 or Plan 2 who elected to opt into the plan during the election window held January 1-April 30, 2014; the plan's effective date for opt-in members was July 1, 2014.<br><br>**Non-Eligible Members**<br>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.<br><br>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. |

## 11. DEFINED BENEFIT PENSION PLANS *(Continued)*

Virginia Retirement System *(Continued)*

| PLAN 1<br>Retirement Plan Provisions | PLAN 2<br>Retirement Plan Provisions | HYBRID<br>Retirement Plan Provisions |
|---|---|---|
| **Retirement Contributions**<br>Members 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**<br>Same as Plan 1. | **Retirement Contributions**<br>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. |
| **Service Credit**<br>Service credit includes active service. Members earn service credit for each month they are employed in a covered position. It also may include credit for prior service the member has purchased or additional service credit the member was granted. A member's total service credit is one of the factors used to determine their eligibility for retirement and to calculate their retirement benefit. It also may count toward eligibility for the health insurance credit in retirement, if the employer offers the health insurance credit. | **Service Credit**<br>Same as Plan 1. | **Service Credit**<br>Defined Benefit Component:<br>Under the defined benefit component of the plan, service credit includes active service. Members earn service credit for each month they are employed in a covered position. It also may include credit for prior service the member has purchased or additional service credit the member was granted. A member's total service credit is one of the factors used to determine their eligibility for retirement and to calculate their retirement benefit. It also may count toward eligibility for the health insurance credit in retirement, if the employer offers the health insurance credit.<br><br>Defined Contributions Component:<br>Under the defined contribution component, service credit is used to determine vesting for the employer contribution portion of the plan. |

## 11. DEFINED BENEFIT PENSION PLANS *(Continued)*

Virginia Retirement System *(Continued)*

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

## 11. DEFINED BENEFIT PENSION PLANS *(Continued)*

Virginia Retirement System *(Continued)*

| PLAN 1<br>Retirement Plan Provisions | PLAN 2<br>Retirement Plan Provisions | HYBRID<br>Retirement Plan Provisions |
|---|---|---|
| **Calculating the Benefit**<br>The basic benefit is determined using the average final compensation, service credit and plan multiplier. An early retirement reduction is applied to this amount if the member is retiring with a reduced benefit. In cases where the member has elected an optional form of retirement payment, an option factor specific to the option chosen is then applied. | **Calculating the Benefit**<br>See definition under Plan 1. | **Calculating the Benefit**<br>Defined Benefit Component:<br>See definition under Plan 1<br><br>Defined Contribution Component:<br>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**<br>A member's average final compensation is the average of the 36 consecutive months of highest compensation as a covered employee. | **Average Final Compensation**<br>A member's average final compensation is the average of the 60 consecutive months of highest compensation as a covered employee. | **Average Final Compensation**<br>Same as Plan 2. It is used in the retirement formula for the defined benefit component of the plan. |
| **Service Retirement Multiplier**<br>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%.<br><br>**Sheriffs**<br>The retirement multiplier for sheriffs is 1.85%.<br><br>**Hazardous Duty Employees**<br>The retirement multiplier of eligible political subdivision hazardous duty employees other than sheriffs is 1.85% as elected by the employer. | **Service Retirement Multiplier**<br>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.<br><br>**Sheriffs and Hazardous Duty Employees**<br>Same as Plan 1. | **Service Retirement Multiplier**<br>Defined Benefit Component:<br>The retirement multiplier for the defined benefit component is 1.00%.<br><br>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.<br><br>**Sheriffs and Hazardous Duty Employees**<br>Not applicable.<br><br>Defined Contribution Component:<br>Not applicable. |

## 11. DEFINED BENEFIT PENSION PLANS *(Continued)*

Virginia Retirement System *(Continued)*

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

## 11. DEFINED BENEFIT PENSION PLANS *(Continued)*

Virginia Retirement System *(Continued)*

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

## 11. DEFINED BENEFIT PENSION PLANS *(Continued)*

Virginia Retirement System *(Continued)*

| PLAN 1<br>Retirement Plan Provisions | PLAN 2<br>Retirement Plan Provisions | HYBRID<br>Retirement Plan Provisions |
|---|---|---|
| **Exceptions to COLA Effective Dates** (continued):<br>• The member dies in service and the member's survivor or beneficiary is eligible for a monthly death-in-service benefit.<br>• 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. | | |
| **Disability Coverage**<br>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**<br>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**<br>Employees of political subdivisions (including Plan 1 and Plan 2 opt-ins) participate in the Virginia Local Disability Program (VLDP) unless their local governing body provides an employer-paid comparable program for its members.<br><br>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. |

## 11. DEFINED BENEFIT PENSION PLANS *(Continued)*

Virginia Retirement System *(Continued)*

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

1. Employees Covered by Benefit Terms

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

| | County | (Nonprofessional) Schools |
|---|---|---|
| Inactive Members or Their Beneficiaries | | |
| Currently Receiving Benefits | 606 | 252 |
| Inactive Members: | | |
| Vested Inactive Members | 141 | 37 |
| Non-Vested Inactive Members | 257 | 162 |
| Long-term Disability | - | 1 |
| Inactive Members Active Elsewhere in VRS | 266 | 62 |
| Total Inactive Members | 664 | 262 |
| Active Members | 784 | 246 |
| Total Covered Employees | 2,054 | 760 |

## 11. DEFINED BENEFIT PENSION PLANS *(Continued)*

Virginia Retirement System *(Continued)*

2. Contributions

The contribution requirement for active employees is governed by §51.1-145 of the Code, as amended, but may be impacted as a result of funding options provided to 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, 2023 was 13.35% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2021.

The School Division's contractually required contribution rate for the year ended June 30, 2023 was 16.62% of covered employee compensation (professional employees). This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2021. The actuarially determined rate, when combined with employee contributions, was expected to finance the costs of benefits earned by employee during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the School Division were $12,923,612 and $12,558,998 for the years ended June 30, 2023 and June 30, 2022, respectively.

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

In addition, for the Nonprofessional (non-teacher) employees, the School Division is contractually required to contribute the remaining amounts necessary to fund its participation in the VRS using the actuarial basis specified by the Code and approved by the VRS Board of Trustees. The School Division contribution rate for the fiscal year ended 2023 was 5.87% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2021.

These rates, when combined with employee contributions, were expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the County were $6,434,504 and $5,178,141 for the years ended June 30, 2023 and 2022, respectively. Contributions to the pension plan from the School Division were $337,518 and $405,782 for the years ended June 30, 2023 and June 30, 2022, respectively.

## 11. DEFINED BENEFIT PENSION PLANS *(Continued)*

Virginia Retirement System *(Continued)*

3. Net Pension Liability

The County and School Division's net pension liability (NPL) is calculated separately for each employer and represents that particular employer's total pension liability determined in accordance with GAAP, less that employer's fiduciary net position. The County's net pension liability was measured as of June 30, 2022 and totaled $18,000,847. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of June 30, 2021, rolled forward to the measurement date of June 30, 2022.

At June 30, 2023, the School Division reported a net pension liability of $77,962,278 for its proportionate share of the net pension liability of the Teacher Retirement Plan (Professional). The net pension liability was measured as of June 30, 2022 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021, and rolled forward to the measurement date of June 30, 2022. The School Division's proportion of the net pension liability was based on the School Division's actuarially determined employer contributions to the pension plan for the year ended June 30, 2022, relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2022, the School Division's proportion was 0.81888% as compared to 0.84025% at June 30, 2021.

In addition, the School Division's net pension asset for the Nonprofessional (non-teacher) Retirement Plan was measured as of June 30, 2022. The net pension asset is calculated separately for each employer and represents that particular employer's total pension liability determined in accordance with U.S. GAAP, less that employer's fiduciary net position. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation performed as of June 30, 2021, rolled forward to the measurement date of June 30, 2022. At June 30, 2023, the School Division reported an asset of $1,017,763 for the Nonprofessional (non-teacher) Retirement Plan.

4. Pension Expense

For the year ended June 30, 2023, the County recognized pension expense of $3,297,366.

For the year ended June 30, 2023, the School Division recognized pension expense of $2,923,601 for the Teacher Retirement Plan (Professional). In addition, for the year ended June 30, 2023, the School Division recognized pension expense (recovery) of $(166,136) for the Nonprofessional (non-teacher) Retirement Plan.

## 11. DEFINED BENEFIT PENSION PLANS *(Continued)*

Virginia Retirement System *(Continued)*

5. Deferred Outflows/Inflows of Resources

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

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|---|
| Differences between expected and actual experience | $ 177,728 | $ 3,534,981 |
| Difference between projected and actual earnings on pension plan investments | - | 7,293,101 |
| Change in assumptions | 3,490,662 | - |
| Employer contributions subsequent to the measurement date | 6,434,504 | - |
| Total | $ 10,102,894 | $ 10,828,082 |

$6,434,504 reported as deferred outflows of resources related to pensions results from the County's contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| | Deferred Amounts |
|---|---|
| 2024 | $ (1,568,880) |
| 2025 | (3,755,686) |
| 2026 | (5,259,986) |
| 2027 | 3,424,860 |
| Total | $ (7,159,692) |

## 11. DEFINED BENEFIT PENSION PLANS *(Continued)*

Virginia Retirement System *(Continued)*

5. Deferred Outflows/Inflows of Resources

At June 30, 2023, for the Teacher Retirement Plan (Professional), the School Division reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|---|
| Differences between expected and actual experience | $ - | $ 5,375,807 |
| Change of assumptions | 7,350,272 | - |
| Net difference between projected and actual earnings on pension plan investments | - | 10,164,648 |
| Changes in proportion and differences between employer contributions and proportionate share of contributions | 687,008 | 3,534,662 |
| Employer contributions subsequent to the measurement date | 12,923,612 | - |
| Total | $ 20,960,892 | $ 19,075,117 |

The $12,923,612 reported as deferred outflows of resources related to pensions resulting from the School Division's contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| | Deferred Amounts |
|---|---|
| 2024 | $ (3,286,163) |
| 2025 | (4,212,094) |
| 2026 | (7,666,330) |
| 2027 | 4,126,750 |
| Total | $ (11,037,837) |

## 11. DEFINED BENEFIT PENSION PLANS *(Continued)*

Virginia Retirement System *(Continued)*

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

In addition, at June 30, 2023, for the Nonprofessional (non-teacher) Retirement Plan, the School Division reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|---|
| Difference between expected and actual experience | $ 1,516 | $ 352,876 |
| Changes of assumptions | 87,181 | - |
| Net difference between projected and actual earnings on pension plan investments | - | 910,527 |
| Employer contributions subsequent to the measurement date | 337,518 | - |
| Total | $ 426,215 | $ 1,263,403 |

The $337,518 reported as deferred outflows of resources related to pensions resulting from the School Division's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| | Deferred Amounts |
|---|---|
| 2024 | $ (586,494) |
| 2025 | (400,952) |
| 2026 | (611,706) |
| 2027 | 424,446 |
| Total | $ (1,174,706) |

## 11. DEFINED BENEFIT PENSION PLANS *(Continued)*

Virginia Retirement System *(Continued)*

6. Actuarial Assumptions

**County Retirement Plan**

The total pension liability for the County Retirement Plan was based on an actuarial valuation as of June 30, 2021, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2022:

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

Mortality rates:

Non-Hazardous Duty: 15% of deaths are assumed to be service related

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

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

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

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

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

## 11. DEFINED BENEFIT PENSION PLANS *(Continued)*

Virginia Retirement System *(Continued)*

6. Actuarial Assumptions (*Continued*)

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

Non-Hazardous Duty:

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

## 11. DEFINED BENEFIT PENSION PLANS *(Continued)*

Virginia Retirement System *(Continued)*

6. Actuarial Assumptions (*Continued*)

**Public Safety Employees with Hazardous Duty Benefits**

The total pension liability for Public Safety employees with Hazardous Duty Benefits in the Political Subdivision Retirement Plan was based on an actuarial valuation as of June 30, 2021, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2022.

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

Mortality rates:

Hazardous Duty: 45% of deaths are assumed to be service related

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

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

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

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

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

## 11. DEFINED BENEFIT PENSION PLANS *(Continued)*

Virginia Retirement System *(Continued)*

6. Actuarial Assumptions (*Continued*)

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

All Others (Non 10 Largest) – Hazardous Duty:

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

## 11. DEFINED BENEFIT PENSION PLANS *(Continued)*

Virginia Retirement System *(Continued)*

6. Actuarial Assumptions *(Continued)*

**School Division Retirement Plan**

The total pension liability for the VRS Teacher Retirement Plan and Nonprofessional Retirement Plan (non-teacher) was based on an actuarial valuation as of June 30, 2021, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2022.

| | |
|---|---|
| Inflation | 2.5% |
| General employees - salary increases, including Inflation | 3.5% to 5.35% |
| Teacher cost sharing plan - salary increases including inflation | 3.5% - 5.95% |
| Investment rate of return | 6.75%, net of pension plan investment expense, including inflation |

Mortality rates: General employees – 15 to 20% of deaths are assumed to be service related. Mortality is projected using the applicable Pub-2010 Mortality Table with various setbacks or set forwards for both males and females.

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

General employees – Non-Hazardous Duty and All Others (Non-10 Largest): Updated mortality table; adjusted retirement rates; adjusted withdrawal rates to better fit experience at each year age and service through 9 years of service; no change to disability rates; no change to salary scale; no change to line of duty disability; and no change to discount rate.

## 11. DEFINED BENEFIT PENSION PLANS *(Continued)*

Virginia Retirement System *(Continued)*

6. Long-Term Expected Rate of Return

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

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

* The above allocation provides a one-year expected return of 7.83%. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected return of the system, stochastic projections are employed to model future returns under various economic conditions. The results provide a range of returns over various time periods that ultimately provide a median return of 6.72%, including expected inflation of 2.50%. On October 10, 2019, the VRS Board elected a long-term rate of return of 6.75% which is roughly at the 40$^{th}$ percentile of expected long-term results of the VRS fund asset allocation at that time, providing a median return of 7.11%, including expected inflation of 2.50%.

## 11. DEFINED BENEFIT PENSION PLANS *(Continued)*

Virginia Retirement System *(Continued)*

7. Discount Rate

The discount rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made per the VRS Statutes and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Consistent with the phased-in funding provided by the General Assembly for state and teacher employer contributions; political subdivisions were also provided with an opportunity to use an alternate employer contribution rate. For the year ended June 30, 2023, the alternate rate was the employer contribution rate used in FY2012 or 100% of the actuarially determined employer contribution rate from the June 30, 2021, actuarial valuations, whichever was greater. From July 1, 2022 on, participating employers are assumed to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

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

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

| | 1.00% Decrease (5.75%) | Current Discount Rate (6.75%) | 1.00% Increase (7.75%) |
|---|---|---|---|
| County's Net Pension Liability | $ 52,567,798 | $ 18,000,847 | $ (10,350,107) |

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

| | 1.00% Decrease (5.75%) | Current Discount Rate (6.75%) | 1.00% Increase (7.75%) |
|---|---|---|---|
| School Division's Proportionate Share of the Net Pension Liability for the VRS Teacher Retirement Plan | $ 139,246,597 | $ 77,962,278 | $ 28,063,366 |

## 11. DEFINED BENEFIT PENSION PLANS *(Continued)*

Virginia Retirement System *(Continued)*

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

In addition, the following presents the net pension liability (asset) of the Nonprofessional (non-teacher) Retirement Plan using the discount rate of 6.75%, as well as what the net pension asset would be if it were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate:

| | 1.00% Decrease (5.75%) | Current Discount Rate (6.75%) | 1.00% Increase (7.75%) |
|---|---|---|---|
| School Division's Net Pension Liability (Asset) for the Nonprofessional Plan | $ 2,633,443 | $ (1,017,763) | $ (4,017,032) |

10. Changes in Net Pension Liability – County Retirement Plan

| | Total Pension Liability (a) | Fiduciary Net Position (b) | Net Pension Liability (a) – (b) |
|---|---|---|---|
| Balance – June 30, 2021 | $ 260,475,361 | $ 253,675,831 | $ 6,799,530 |
| Changes for the fiscal year: | | | |
| Service cost | 5,118,785 | - | 5,118,785 |
| Interest | 17,484,291 | - | 17,484,291 |
| Changes of assumptions | - | - | - |
| Difference between expected and actual experience | (4,529,087) | - | (4,529,087) |
| Contribution – employer | - | 5,094,060 | (5,094,060) |
| Contribution – employee | - | 2,136,779 | (2,136,779) |
| Net investment income | - | (205,599) | 205,599 |
| Benefit payments | (13,135,216) | (13,135,216) | - |
| Administrative expenses | - | (158,381) | 158,381 |
| Other changes | - | 5,813 | (5,813) |
| Net Changes | 4,938,773 | (6,262,544) | 11,201,317 |
| Balance – June 30, 2022 | $ 265,414,134 | $ 247,413,287 | $ 18,000,847 |

## 11. DEFINED BENEFIT PENSION PLANS *(Continued)*

Virginia Retirement System *(Continued)*

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

| | Total Pension Liability (a) | Fiduciary Net Position (b) | Net Pension Liability (a) – (b) |
|---|---|---|---|
| Balance – July 1, 2021 | $ 29,269,967 | $ 31,502,000 | $ (2,232,033) |
| Changes for the fiscal year: | | | |
| Service cost | 541,141 | - | 541,141 |
| Interest | 1,961,360 | - | 1,961,360 |
| Changes of assumptions | - | - | - |
| Difference between expected and actual experience | (673,672) | - | (673,672) |
| Contribution – employer | - | 360,068 | (360,068) |
| Contribution – employee | - | 298,632 | (298,632) |
| Net investment income | - | (25,148) | 25,148 |
| Benefit payments | (1,507,833) | (1,507,833) | - |
| Administrative expenses | - | (19,712) | 19,712 |
| Other changes | - | 719 | (719) |
| Net Changes | 320,996 | (893,274) | 1,214,270 |
| Balance – June 30, 2022 | $ 29,590,963 | $ 30,608,726 | $ (1,017,763) |

12. Pension Plan Fiduciary Net Position – Teacher Retirement Plan

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

13. Pension Plan Data

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

## 11. DEFINED BENEFIT PENSION PLANS *(Continued)*

Virginia Retirement System *(Continued)*

***York County Public Schools - Optional Plan***

### *Plan Description*

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

*Plan Membership* – As of the July 1, 2022, actuarial valuation date, optional plan membership consisted of the following:

| | |
|---|---|
| Active plan members | 5 |
| Retirees and beneficiaries | 58 |
| Number of vested terminations | 3 |
| | 66 |

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

*Contributions* – 2.50% of pay contribution was required as a condition of participation; however, no employee contributions were required after June 30, 1992. Employee contributions are accumulated with interest at 5.00%. For the year ended, June 30, 2023, the average active member contribution rate was 0% of annual payroll, and the School Division's average contribution rate was 0% percent of annual payroll.

### *Investments*

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

## 11. DEFINED BENEFIT PENSION PLANS *(Continued)*

Virginia Retirement System *(Continued)*

*Rate of Return* – For the year ended June 30, 2023, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense was 5.68%. The money-weighted return expresses investment performance net of investment expense, adjusted for the changing amounts actually invested.

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

Based on a measurement date of June 30, 2022, the components of the net pension liability of the School Division's Optional Plan at June 30, 2023 were as follows:

| | Total Pension Liability (a) | Fiduciary Net Position (b) | Net Pension Liability (a) – (b) |
|---|---|---|---|
| Balance – June 30, 2021 | $ 1,845,700 | $ 1,735,593 | $ 110,107 |
| Changes for the fiscal year: | | | |
| Service cost | 963 | - | 963 |
| Interest | 105,566 | - | 105,566 |
| Difference between expected and actual experience | (205,194) | - | (205,194) |
| Change of assumptions | (66,190) | - | (66,190) |
| Net investment income | - | (78,776) | 78,776 |
| Benefit payments | (177,057) | (177,057) | - |
| Contributions - employer | - | 29,445 | (29,445) |
| Administrative expenses | - | (18,586) | 18,586 |
| Net Changes | (341,912) | (244,974) | (96,938) |
| Balance – June 30, 2022 | $ 1,503,788 | $ 1,490,619 | $ 13,169 |

## 11. DEFINED BENEFIT PENSION PLANS *(Continued)*

Virginia Retirement System *(Continued)*

*Actuarial Assumptions* – The total pension liability was determined by an actuarial valuation as of July 1, 2022, using the following actuarial assumptions applied to all periods included in the measurement:

| | |
|---|---|
| General Inflation | 2.40% |
| Expected return on assets | 6.75% |

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

*Discount Rate* – From July 1, 2019, forward, it is assumed the School Division will contribute 100% of the actuarially determined contribution rates. Based on those assumptions the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate used to measure the total pension liability was 6.75%.

*Pension Expense and Deferred Outflows/Inflows of Resources*

At June 30, 2023, for the Optional Retirement Plan, the School Division reported deferred outflows of resources related to pensions from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|---|
| Net difference between projected and actual earnings on pension plan investments | $ 9,780 | $ - |

The School Division did not have any contributions subsequent to the measurement date to be reported as a deferred outflow of resources that will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources related to the Optional Plan will be recognized in pension expense as follows:

| | Deferred Amounts |
|---|---|
| 2024 | $ (10,779) |
| 2025 | 1,609 |
| 2026 | (16,705) |
| 2027 | 35,655 |
| Total | $ 9,780 |

## 11. DEFINED BENEFIT PENSION PLANS *(Continued)*

Virginia Retirement System *(Continued)*

For the year ended June 30, 2022, the School Division recognized a pension recovery for the Optional Plan of $280,750.

*Sensitivity of the Net Pension Liability to Changes in the Discount Rate* – The following presents the net pension liability of the School Division's Optional Plan, calculated using the discount rate of 6.75%, as well as what the School Division's Optional Plan net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (5.75%) or 1-percentage-point higher (7.75%) than the current rate:

| | 1.00% Decrease (5.75%) | Current Discount Rate (6.75%) | 1.00% Increase (7.75%) |
|---|---|---|---|
| School Division's Net Pension Liability (Asset) for the Optional Plan | $ 104,478 | $ 13,169 | $ (67,806) |

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

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

| | | School Division | | | |
|---|---|---|---|---|---|
| | County Retirement Plan | VRS Professional Plan | VRS Nonprofessional Plan | Optional Plan | School Combined Totals |
| Net pension asset | $ - | $ - | $ (1,017,763) | $ - | $ (1,017,763) |
| Net pension liability | $ 18,000,847 | $ 77,962,278 | $ - | $ 13,169 | $ 77,975,447 |
| Pension expense (revenue) | $ 3,297,366 | $ 2,923,601 | $ (166,136) | $ (280,750) | $ 2,476,715 |
| Deferred outflows of resources: | | | | | |
| Differences between expected and actual experience | $ 177,728 | $ - | $ 1,516 | $ - | $ 1,516 |
| Changes in assumptions | 3,490,662 | 7,350,272 | 87,181 | - | 7,437,453 |
| Net difference between projected and actual earnings on pension plan investments | - | - | - | 9,780 | 9,780 |
| Changes in proportion and differences between employer contributions and proportionate share of contributions | - | 687,008 | - | - | 687,008 |
| Employer contributions subsequent to the measurement date | 6,434,504 | 12,923,612 | 337,518 | - | 13,261,130 |
| Total deferred outflows of resources | $ 10,102,894 | $ 20,960,892 | $ 426,215 | $ 9,780 | $ 21,396,887 |
| Deferred inflows of resources: | | | | | |
| Differences between expected and actual experience | $ 3,534,981 | $ 5,375,807 | $ 352,876 | $ - | $ 5,728,683 |
| Net difference between projected and actual earnings on pension plan investments | 7,293,101 | 10,164,648 | 910,527 | - | 11,075,175 |
| Changes in proportion and differences between employer contributions and proportionate share of contributions | - | 3,534,662 | - | - | 3,534,662 |
| Total deferred inflows of resources | $ 10,828,082 | $ 19,075,117 | $ 1,263,403 | $ - | $ 20,338,520 |

## 12. OTHER POSTEMPLOYMENT BENEFITS (OPEB)

County and School Division OPEB Liability – VRS Plans

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

VRS issues a publicly available Annual Report that includes financial statements and required supplementary information for the plans administered by VRS. A copy of the 2022 VRS annual report may be downloaded from the VRS website at varetire.org/pdf/publications/2022-annual-report.pdf, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, Virginia 23218-2500.

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

*Actuarial Assumptions*
The VRS OPEB liability was based on an actuarial valuation as of June 30, 2021, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2022.

| | |
|---|---|
| Inflation | 2.5% |
| Salary increases, including inflation – | |
| General state employees | 3.5% – 5.35% |
| Teachers | 3.5% – 5.95% |
| SPORS & VaLORS employees | 3.5% – 4.75% |
| JRS employees | 4.0% |
| Locality – General employees | 3.5% – 5.35% |
| Locality – Hazardous Duty employees | 3.5% – 4.75% |
| Investment rate of return | 6.75%, net of plan investment expenses, including inflation |

**Mortality rates – Teachers**

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

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

## 12. OTHER POSTEMPLOYMENT BENEFITS *(Continued)*

County and School Division OPEB Liability – VRS Plans *(Continued)*

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

Beneficiaries and Survivors:
Pub-2010 Amount Weighted Teachers Contingent Annuitant Rates projected generationally

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

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

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

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

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

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

## 12. OTHER POSTEMPLOYMENT BENEFITS *(Continued)*

County and School Division OPEB Liability – VRS Plans *(Continued)*

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

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

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

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

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

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

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

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

## 12. OTHER POSTEMPLOYMENT BENEFITS *(Continued)*

County and School Division OPEB Liability – VRS Plans *(Continued)*

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

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

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

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

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

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

## 12. OTHER POSTEMPLOYMENT BENEFITS *(Continued)*

County and School Division OPEB Liability – VRS Plans *(Continued)*

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

* The above allocation provides a one-year return of 7.83%. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected return of the system, stochastic projections are employed to model future returns under various economic conditions. The results provide a range of returns over various time periods that ultimately provide a median return of 6.72%, including expected inflation of 2.50%. On October 10, 2019, the VRS Board elected a long-term rate of 6.75% which is roughly at the 40th percentile of expected long-term results of the VRS fund asset allocation at that time, providing a median return of 7.11%, including expected inflation of 2.50%.

***Virginia Retirement System – Group Life Insurance Program***

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

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

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

## 12. OTHER POSTEMPLOYMENT BENEFITS *(Continued)*

County and School Division OPEB Liability – VRS Plans *(Continued)*

*Virginia Retirement System – Group Life Insurance Program (Continued)*

| GROUP LIFE INSURANCE PROGRAM PLAN PROVISIONS |
|---|
| **Eligible Employees**<br>The Group Life Insurance Program was established July 1, 1960, for state employees, teachers and employees of political subdivisions that elect the program, including the following employers that do not participate in VRS for retirement:<br>• City of Richmond<br>• City of Portsmouth<br>• City of Roanoke<br>• City of Norfolk<br>• Roanoke City School Board<br>Basic group life insurance coverage is automatic upon employment. Coverage ends for employees who leave their position before retirement eligibility or who take a refund of their member contributions and accrued interest. |
| **Benefit Amounts**<br>The benefits payable under the Group Life Insurance Program have several components.<br>• **Natural Death Benefit** – The natural death benefit is equal to the employee's covered compensation rounded to the next highest thousand and then doubled.<br>• **Accidental Death Benefit** – The accidental death benefit is double the natural death benefit.<br>• **Other Benefit Provisions** – In addition to the basic natural and accidental death benefits, the program provides additional benefits provided under specific circumstances. These include:<br>  o Accidental dismemberment benefit<br>  o Seatbelt benefit<br>  o Repatriation benefit<br>  o Felonious assault benefit<br>  o Accelerated death benefit option |
| **Reduction in Benefit Amounts**<br>The benefit amounts provided to members covered under the Group Life Insurance Program are subject to a reduction factor. The benefit amount reduces by 25% on January 1 following one calendar year of separation. The benefit amount reduces by an additional 25% on each subsequent January 1 until it reaches 25% of its original value. |
| **Minimum Benefit Amount and Cost-of-Living Adjustment (COLA)**<br>For covered members with at least 30 years of service credit, there is a minimum benefit payable under the Group Life Insurance Program. The minimum benefit was set at $8,000 by statute in 2015. This amount is increased annually based on the VRS Plan 2 cost-of-living adjustment calculation. The minimum benefit adjusted for the COLA was $8,984 (County) as of June 30, 2023. |

***Contributions***

The contribution requirements for the GLI Program are governed by §51.1-506 and §51.1-508 of the Code of Virginia, as amended, but may be impacted as a result of funding provided to state agencies and school divisions by the Virginia General Assembly. The total rate for the GLI

## 12. OTHER POSTEMPLOYMENT BENEFITS *(Continued)*

County and School Division OPEB Liability – VRS Plans *(Continued)*

*Virginia Retirement System – Group Life Insurance Program (Continued)*

Program was 1.34% of covered employee compensation. This was allocated into an employee and an employer component using a 60/40 split. The employee component was 0.80% (1.34% X 60%) and the employer component was 0.54% (1.34% X 40%). Employers may elect to pay all or part of the employee contribution; however the employer must pay all of the employer contribution. Each employer's contractually required employer contribution rate for the year ended June 30, 2023 was 0.54% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2021. The actuarially determined rate, when combined with employee contributions, was expected to finance the costs of benefits payable during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the GLI Program from the County were $270,704 and $242,869 for the years ended June 30, 2023 and June 30, 2022, respectively. Contribution to the GLI Program from the School Division for nonprofessional employees were $37,419 and $35,511 for the years ended June 30, 2023 and June 30, 2022, respectively. Contributions to the GLI Program from the School Division for professional employees were $439,536 and $409,496 for the years ended June 30, 2023 and June 30, 2022, respectively.

In June 2022, the Commonwealth made a special contribution of approximately $30.4 million to the Group Life Insurance plan. This special payment was authorized by a Budget Amendment included in Chapter 1 of the 2022 Appropriations Act.

***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, 2023, the County reported a liability of $2,489,590 for its proportionate share of the Net GLI OPEB Liability. At June 30, 2023, the School Division reported a liability of $363,998 for its proportionate share of the Net GLI OPEB Liability for nonprofessional employees. At June 30, 2023, the School Division reported a liability of $4,197,601 for its proportionate share of the Net GLI OPEB Liability for professional employees. The Net GLI OPEB Liability was measured as of June 30, 2022 and the total GLI OPEB liability used to calculate the Net GLI OPEB Liability was determined by an actuarial valuation performed as of June 30, 2021, and rolled forward to the measurement date of June 30, 2022. The covered employer's proportion of the Net GLI OPEB Liability was based on the covered employer's actuarially determined employer contributions to the GLI Program for the year ended June 30, 2022 relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2022, the participating employer's proportion was 0.20676% as compared to 0.21053% at June 30, 2021. At June 30, 2022, the participating employer's proportion was 0.03023% as compared to 0.03104% at June 30, 2021 for nonprofessional employees. At June 30, 2022, the participating employer's proportion was 0.34861% as compared to 0.35728% at June 30, 2021 for professional employees. For the year ended June 30, 2022, the County recognized GLI OPEB expense of $70,517. For the year ended June 30, 2022, the School Division recognized GLI OPEB revenue of $2,780 for nonprofessional employees. For the year ended June 30, 2022, the School Division recognized GLI OPEB expense of $82,515 for professional employees. Since there was a change in proportionate share between measurement dates, a portion of the GLI OPEB expense was related to deferred amounts from changes in proportion.

## 12. OTHER POSTEMPLOYMENT BENEFITS *(Continued)*

County and School Division OPEB Liability – VRS Plans *(Continued)*

*Virginia Retirement System – Group Life Insurance Program (Continued)*

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

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|---|
| Difference between expected and actual experience | $ 197,144 | $ 99,876 |
| Net difference between projected and actual earnings on GLI OPEB program investments | - | 155,563 |
| Change in assumptions | 92,858 | 242,496 |
| Changes in proportionate share | 54,345 | 148,974 |
| Employer contributions subsequent to the measurement date | 270,704 | - |
| Total | $ 615,051 | $ 646,909 |

$270,704 reported as deferred outflows of resources related to the GLI OPEB resulting from the employer's contributions subsequent to the measurement date will be recognized as a reduction of the Net GLI OPEB Liability in the Fiscal Year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the GLI OPEB will be recognized in the GLI OPEB expense in future reporting periods as follows:

| | Deferred Amounts |
|---|---|
| 2024 | $ (50,646) |
| 2025 | (56,488) |
| 2026 | (156,827) |
| 2027 | (11,266) |
| 2028 | (27,335) |
| Total | $ (302,562) |

At June 30, 2023, the School Division reported deferred outflows of resources and deferred inflows of resources related to the GLI OPEB for nonprofessional employees from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|---|
| Difference between expected and actual experience | $ 28,824 | $ 14,603 |
| Net difference between projected and actual earnings on OPEB plan investments | - | 22,745 |
| Changes of assumptions | 13,577 | 35,455 |
| Changes in proportionate share | - | 39,519 |
| Employer contributions subsequent to the measurement date | 37,419 | - |
| Total | $ 79,820 | $ 112,322 |

## 12. OTHER POSTEMPLOYMENT BENEFITS *(Continued)*

County and School Division OPEB Liability – VRS Plans *(Continued)*

*Virginia Retirement System – Group Life Insurance Program (Continued)*

$37,419 reported as deferred outflows of resources related to the GLI OPEB resulting from the employer's contributions subsequent to the measurement date will be recognized as a reduction of the Net GLI OPEB Liability in the Fiscal Year ending June 30, 2024 for nonprofessional employees. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the GLI OPEB will be recognized in the GLI OPEB expense in future reporting periods as follows:

| | Deferred Amounts |
|---|---|
| 2024 | $ (19,299) |
| 2025 | (16,186) |
| 2026 | (26,356) |
| 2027 | (3,484) |
| 2028 | (4,596) |
| Total | $ (69,921) |

At June 30, 2023, the School Division reported deferred outflows of resources and deferred inflows of resources related to the GLI OPEB for professional employees from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|---|
| Difference between expected and actual experience | $ 332,397 | $ 168,398 |
| Net difference between projected and actual earnings on OPEB plan investments | - | 262,288 |
| Changes of assumptions | 156,564 | 408,863 |
| Changes in proportionate share | 34,408 | 192,804 |
| Employer contributions subsequent to the measurement date | 439,536 | - |
| Total | $ 962,905 | $ 1,032,353 |

$439,536 reported as deferred outflows of resources related to the GLI OPEB resulting from the employer's contributions subsequent to the measurement date will be recognized as a reduction of the Net GLI OPEB Liability in the Fiscal Year ending June 30, 2024 for professional employees. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the GLI OPEB will be recognized in the GLI OPEB expense in future reporting periods as follows:

## 12. OTHER POSTEMPLOYMENT BENEFITS *(Continued)*

County and School Division OPEB Liability – VRS Plans *(Continued)*

*Virginia Retirement System – Group Life Insurance Program (Continued)*

| | Deferred Amounts |
|---|---|
| 2024 | $ (115,966) |
| 2025 | (95,995) |
| 2026 | (242,691) |
| 2027 | (2,888) |
| 2028 | (51,444) |
| Total | $ (508,984) |

*Net GLI OPEB Liability*

The net OPEB liability (NOL) for the Group Life Insurance Program represents the program's total OPEB liability determined in accordance with U.S. GAAP, less the associated fiduciary net position. As of the measurement date of June 30, 2022, NOL amounts for the Group Life Insurance Program is as follows (amounts expressed in thousands):

| | Group Life Insurance OPEB Program |
|---|---|
| Total GLI OPEB Liability | $ 3,672,085 |
| Plan Fiduciary Net Position | 2,467,989 |
| Employers' Net GLI OPEB Liability | $ 1,204,096 |
| Plan Fiduciary Net Position as a Percentage of the Total GLI OPEB Liability | 67.21% |

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

*Discount Rate*

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

## 12. OTHER POSTEMPLOYMENT BENEFITS *(Continued)*

County and School Division OPEB Liability – VRS Plans *(Continued)*

*Virginia Retirement System – Group Life Insurance Program (Continued)*
*Sensitivity of the County's Proportionate Share of the Net GLI OPEB Liability to Changes in the Discount Rate*

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

| | 1.00% Decrease (5.75%) | Current Discount Rate (6.75%) | 1.00% Increase (7.75%) |
|---|---|---|---|
| County's Proportionate Share of the GLI Program Net OPEB Liability | $ 3,622,645 | $ 2,489,590 | $ 1,573,926 |

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

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

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

| | 1.00% Decrease (5.75%) | Current Discount Rate (6.75%) | 1.00% Increase (7.75%) |
|---|---|---|---|
| School Division's Proportionate Share of the GLI Program Net OPEB Liability - nonprofessional | $ 529,660 | $ 363,998 | $ 230,121 |

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

| | 1.00% Decrease (5.75%) | Current Discount Rate (6.75%) | 1.00% Increase (7.75%) |
|---|---|---|---|
| School Division's Proportionate Share of the GLI Program Net OPEB Liability - professional | $ 6,108,000 | $ 4,197,601 | $ 2,653,736 |

## 12. OTHER POSTEMPLOYMENT BENEFITS *(Continued)*

County and School Division OPEB Liability – VRS Plans *(Continued)*

***Virginia Retirement System – Health Insurance Credit Program***

*Plan Description*
The HIC Program is a multiple-employer, agent defined benefit plan that provides a credit toward the cost of health insurance coverage for retired political subdivision employees of participating employers. All full-time, salaried permanent employees of participating political subdivisions are automatically covered by the VRS Political Subdivision HIC Program upon employment. This plan is administered by the Virginia Retirement System (the System), along with pension and other OPEB plans, for public employer groups in the Commonwealth of Virginia. Members earn one month of service credit toward the benefit for each month they are employed and for which their employer pays contributions to VRS. The health insurance credit is a tax-free reimbursement in an amount set by the General Assembly for each year of service credit against qualified health insurance premiums retirees pay for single coverage, excluding any portion covering the spouse or dependents. The credit cannot exceed the amount of the premiums and ends upon the retiree's death. The specific information about the Political Subdivision HIC Program OPEB, including eligibility, coverage, and benefits is set out in the table below:

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

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

## 12. OTHER POSTEMPLOYMENT BENEFITS *(Continued)*

County and School Division OPEB Liability – VRS Plans *(Continued)*

*Virginia Retirement System – Health Insurance Credit Program (Continued)*

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

## 12. OTHER POSTEMPLOYMENT BENEFITS *(Continued)*

County and School Division OPEB Liability – VRS Plans *(Continued)*

*Virginia Retirement System – Health Insurance Credit Program (Continued)*

*Employees Covered by Benefit Terms*

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

| | County | (Nonprofessional) Schools |
|---|---|---|
| Inactive Members or Their Beneficiaries | | |
| Currently Receiving Benefits | 185 | 53 |
| Inactive Members vested | 5 | 2 |
| Active Members | 557 | 246 |
| Total Covered Employees | 747 | 301 |

*Contributions*
The contribution requirement for active employees is governed by §51.1-1402(E) of the *Code of Virginia*, as amended, but may be impacted as a result of funding provided to school divisions by the Virginia General Assembly. The County's contractually required employer contribution rate for the year ended June 30, 2023 was 0.12% of covered employee compensation for employees in the VRS Health Insurance Credit Program. Each school division's contractually required employer contribution rate for the year ended June 30, 2023 was 1.21% of covered employee compensation for employees in the VRS Teacher Employee Health Insurance Credit Program (Professional) and 0.12% of covered compensation for the School Division's nonprofessional employees. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2021. The actuarially determined rate was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions from the County to the VRS Health Insurance Credit Program were $41,875 and $53,802 for the years ended June 30, 2023 and June 30, 2022, respectively. Contributions from the school division to the VRS Teacher Employee Health Insurance Credit Program were $979,466 and $914,343 for the years ended June 30, 2023 and June 30, 2022, respectively. For nonprofessional employees, contributions from the School Division to the HIC were $48,936 and $42,714 for the years ended June 30, 2023 and June 30, 2022, respectively.

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

At June 30, 2023, the County reported a HIC Program Net OPEB liability of $254,251 measured as of June 30, 2022. The total HIC OPEB liability was determined by an actuarial valuation performed as of June 30, 2021, using updated actuarial assumptions, applied to all periods included in the measurement date and rolled forward to the measurement date of June 30, 2022. At June 30, 2023, the School Division reported a liability of $10,127,019 for its proportionate share of the VRS Teacher Employee HIC Program Net OPEB Liability and $451,596 for the Nonprofessional HIC Program Net OPEB Liability. The School Division's Net HIC Program

## 12. OTHER POSTEMPLOYMENT BENEFITS *(Continued)*

County and School Division OPEB Liability – VRS Plans *(Continued)*

*Virginia Retirement System – Health Insurance Credit Program (Continued)*

OPEB Liability was measured as of June 30, 2022 and the total HIC OPEB liability used to calculate the net HIC OPEB Liability was determined by an actuarial valuation performed as of June 30, 2021 and rolled forward to the measurement date of June 30, 2022. The School Division's proportion of the Net VRS Teacher Employee HIC Program OPEB Liability was based on the school division's actuarially determined employer contributions to the VRS Teacher Employee HIC Program OPEB plan for the year ended June 30, 2022, relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2022, the school division's proportion of the VRS Teacher Employee HIC Program was 0.81078% as compared to 0.83233% at June 30, 2021.

For the year ended June 30, 2023, the County recognized VRS HIC Program OPEB expense of $22,563. At June 30, 2023, the County reported deferred outflows of resources and deferred inflows of resources related to the VRS HIC Program OPEB from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|---|
| Differences between expected and actual experience | $ 21,616 | $ 67,924 |
| Net difference between projected and actual earnings on HIC OPEB program investments | - | 30,758 |
| Change in assumptions | 109,205 | 2,401 |
| Employer contributions subsequent to the measurement date | 41,875 | - |
| Total | $ 172,696 | $ 101,083 |

$41,875 reported as deferred outflows of resources related to the HIC OPEB resulting from the County's contributions subsequent to the measurement date will be recognized as a reduction of the Net HIC OPEB Liability in the Fiscal Year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the HIC OPEB will be recognized in the HIC OPEB expense in future reporting periods as follows:

| | Deferred Amounts |
|---|---|
| 2024 | $ 3,900 |
| 2025 | 5,490 |
| 2026 | (11,977) |
| 2027 | 27,012 |
| 2028 | 4,778 |
| Thereafter | 535 |
| Total | $ 29,738 |

## 12. OTHER POSTEMPLOYMENT BENEFITS *(Continued)*

County and School Division OPEB Liability – VRS Plans *(Continued)*

*Virginia Retirement System – Health Insurance Credit Program (Continued)*

For the year ended June 30, 2022, the school division recognized VRS nonprofessional HIC Program OPEB expense of $110,513. At June 30, 2023 the School Division reported deferred outflows of resources and deferred inflows of resources related to the School Division's HIC from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|---|
| Difference between expected and actual experience | $ 166,857 | $ 5,793 |
| Net difference between projected and actual earnings on OPEB plan investments | 293 | - |
| Changes of assumptions | 34,196 | - |
| Employer contributions subsequent to the measurement date | 48,936 | - |
| Total | $ 250,282 | $ 5,793 |

$48,936 reported as deferred outflows of resources related to the HIC OPEB resulting from the school division's contributions subsequent to the measurement date will be recognized as a reduction of the nonprofessional HIC OPEB Liability in the Fiscal Year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the nonprofessional HIC OPEB will be recognized in the nonprofessional HIC OPEB expense in future reporting periods as follows:

| | Deferred Amounts |
|---|---|
| 2024 | $ 85,258 |
| 2025 | 85,347 |
| 2026 | 14,955 |
| 2027 | 8,463 |
| 2028 | 1,530 |
| Total | $ 195,553 |

For the year ended June 30, 2023, the school division recognized VRS Teacher Employee HIC Program OPEB expense of $702,099. Since there was a change in proportionate share between measurement dates a portion of the VRS Teacher Employee HIC Program Net OPEB expense was related to deferred amounts from changes in proportion.

At June 30, 2023, the School Division reported deferred outflows of resources and deferred inflows of resources related to the VRS Teacher Employee HIC Program OPEB from the following sources:

## 12. OTHER POSTEMPLOYMENT BENEFITS *(Continued)*

County and School Division OPEB Liability – VRS Plans *(Continued)*

*Virginia Retirement System – Health Insurance Credit Program (Continued)*

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|---|
| Difference between expected and actual experience | $ - | $ 412,793 |
| Net difference between projected and actual earnings on OPEB plan investments | - | 10,165 |
| Changes of assumptions | 295,862 | 25,861 |
| Changes in proportionate share | 71,346 | 498,196 |
| Employer contributions subsequent to the measurement date | 979,466 | - |
| Total | $ 1,346,674 | $ 947,015 |

$979,466 reported as deferred outflows of resources related to the Teacher Employee HIC OPEB resulting from the school division's contributions subsequent to the measurement date will be recognized as a reduction of the Net Teacher Employee HIC OPEB Liability in the Fiscal Year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Teacher Employee HIC OPEB will be recognized in the Teacher Employee HIC OPEB expense in future reporting periods as follows:

| | Deferred Amounts |
|---|---|
| 2024 | $ (138,140) |
| 2025 | (119,739) |
| 2026 | (86,523) |
| 2027 | (52,907) |
| 2028 | (96,683) |
| Thereafter | (85,815) |
| Total | $ (579,807) |

## 12. OTHER POSTEMPLOYMENT BENEFITS *(Continued)*

County and School Division OPEB Liability – VRS Plans *(Continued)*

*Virginia Retirement System – Health Insurance Credit Program (Continued)*

***Net Teacher Employee HIC OPEB Liability***
The net OPEB liability (NOL) for the Teacher Employee HIC Credit Program represents the program's total OPEB liability determined in accordance with U.S. GAAP, less the associated fiduciary net position. As of June 30, 2022, the amounts for the VRS HIC Program is as follows (amounts expressed in thousands):

| | Teacher Employee HIC OPEB Program |
|---|---|
| Total Teacher Employee HIC OPEB Liability | $ 1,470,891 |
| Plan Fiduciary Net Position | 221,845 |
| Teacher Employee Net HIC OPEB Liability | 1,249,046 |
| Plan Fiduciary Net Position as a Percentage of the Total Teacher Employee HIC OPEB Liability | 15.08% |

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

*Discount Rate*
The discount rate used to measure the total HIC OPEB liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Through the fiscal year ending June 30, 2022, the rate contributed by the entity for the HIC OPEB was 100% of the actuarially determined contribution rate. From July 1, 2022 on, employers are assumed to continue to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the HIC OPEB 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.

## 12. OTHER POSTEMPLOYMENT BENEFITS *(Continued)*

County and School Division OPEB Liability – VRS Plans *(Continued)*

*Virginia Retirement System – Health Insurance Credit Program (Continued)*

County's Changes in Net HIC OPEB Liability:

| | Total HIC OPEB Liability (a) | Plan Fiduciary Net Position (b) | Net HIC OPEB Liability (a) – (b) |
|---|---|---|---|
| Balance – June 30, 2021 | $ 1,428,716 | $ 1,224,918 | $ 203,798 |
| Changes for the fiscal year: | | | |
| Service cost | 26,831 | - | 26,831 |
| Interest | 94,959 | - | 94,959 |
| Changes of assumptions | 98,252 | - | 98,252 |
| Difference between expected and actual experience | (74,653) | - | (74,653) |
| Contribution – employer | - | 77,410 | (77,410) |
| Net investment income | - | 1,847 | (1,847) |
| Benefit payments | (97,489) | (97,489) | - |
| Administrative expenses | - | (2,113) | 2,113 |
| Other changes | - | 17,792 | (17,792) |
| Net Changes | 47,900 | (2,553) | 50,453 |
| Balance – June 30, 2022 | $ 1,476,616 | $ 1,222,365 | $ 254,251 |

Nonprofessional Changes in Net HIC OPEB Liability:

| | Total HIC OPEB Liability (a) | Plan Fiduciary Net Position (b) | Net HIC OPEB Liability (a) – (b) |
|---|---|---|---|
| Balance – June 30, 2021 | $ 486,966 | $ 63,244 | $ 423,722 |
| Changes for the fiscal year: | | | |
| Service cost | 8,178 | - | 8,178 |
| Interest | 32,525 | - | 32,525 |
| Changes of assumptions | 33,853 | - | 33,853 |
| Difference between expected and actual experience | 5,927 | - | 5,927 |
| Contribution – employer | - | 42,739 | (42,739) |
| Net investment income | - | (418) | 418 |
| Benefit payments | (26,575) | (26,575) | - |
| Administrative expenses | - | (142) | 142 |
| Other changes | - | 10,430 | (10,430) |
| Net Changes | 53,908 | 26,034 | 27,874 |
| Balance – June 30, 2022 | $ 540,874 | $ 89,278 | $ 451,596 |

## 12. OTHER POSTEMPLOYMENT BENEFITS *(Continued)*

County and School Division OPEB Liability – VRS Plans *(Continued)*

*Virginia Retirement System – Health Insurance Credit Program (Continued)*

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

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

| | 1.00% Decrease (5.75%) | Current Discount Rate (6.75%) | 1.00% Increase (7.75%) |
|---|---|---|---|
| County's Proportionate Share of the HIC Program Net OPEB Liability | $ 409,411 | $ 254,251 | $ 122,175 |

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

| | 1.00% Decrease (5.75%) | Current Discount Rate (6.75%) | 1.00% Increase (7.75%) |
|---|---|---|---|
| School Division's Proportionate Share of the HIC Program Net OPEB Liability - professional employees | $ 11,413,267 | $ 10,127,019 | $ 9,036,700 |

| | 1.00% Decrease (5.75%) | Current Discount Rate (6.75%) | 1.00% Increase (7.75%) |
|---|---|---|---|
| School Division's Proportionate Share of the HIC Program Net OPEB Liability - nonprofessional employees | $ 510,186 | $ 451,596 | $ 401,556 |

***Virginia Retirement System – Virginia Local Disability Program***

*Plan Description*

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

## 12. OTHER POSTEMPLOYMENT BENEFITS *(Continued)*

County and School Division OPEB Liability – VRS Plans *(Continued)*

*Virginia Retirement System – Virginia Local Disability Program (Continued)*

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

| VIRGINIA LOCAL DISABILITY PROGRAM (VLDP) PLAN PROVISIONS |
|---|
| **Eligible Employees**<br>The Virginia Local Disability Program was implemented January 1, 2014 to provide short-term and long-term disability benefits for non-work-related and work-related disabilities for employees with Hybrid retirement benefits<br><br>Eligible employees are enrolled automatically upon employment, unless their employer has elected to provide comparable coverage. They include:<br>• Political subdivision (non-professional) - Full-time general employees; including local law enforcement officers, firefighters, or emergency medical technicians who do not have enhanced hazardous duty benefits; of public political subdivisions covered under VRS.<br>• Teachers (professional) – Teachers and other full-time permanent salaried employees of public school division covered under VRS. |
| **Benefit Amounts**<br>Virginia Disability Local Program (VLDP) provides the following benefits for eligible employees:<br>**Short-Term Disability** –<br>• 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.<br>• 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 of work-related disability.<br>• Once the eligibility period is satisfied, employees are eligible for higher income replacement levels<br>**Long-Term Disability** –<br>• 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.<br>• Members approved for long-term disability will receive 60% of their pre-disability income. If approved for work-related long-term disability, the VLDP benefit will be offset by the workers' compensation benefit. Members will not receive a VLDP benefit if their workers' compensation benefit is greater than the VLDP benefit. |
| **Virginia Local Disability Program Notes:**<br>• 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.<br>• VLDP Long-Term Care Plan is a self-funded program that assists with the cost of covered long-term care services. |

## 12. OTHER POSTEMPLOYMENT BENEFITS *(Continued)*

County and School Division OPEB Liability – VRS Plans *(Continued)*

*Virginia Retirement System – Virginia Local Disability Program (Continued)*

*Contributions*
Nonprofessional - The contribution requirement for active Hybrid employees is governed by §51.1-1178(C) of the *Code of Virginia*, as amended, but may be impacted as a result of funding provided to political subdivisions by the Virginia General Assembly. Each political subdivision's contractually required employer contribution rate for the year ended June 30, 2023 was 0.85% of covered employee compensation for employees in the VRS Political Subdivision Employee Virginia Local Disability Program. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2021. The actuarially determined rate was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions were $24,631 and $20,783 for the years ended June 30, 2023 and June 30, 2022, respectively.

Professional - The contribution requirement for active Hybrid employees is governed by §51.1-1178(C) of the *Code of Virginia*, as amended, but may be impacted as a result of funding provided to political subdivisions by the Virginia General Assembly. Each political subdivision's contractually required employer contribution rate for the year ended June 30, 2023 was 0.85% of covered employee compensation for employees in the VRS Political Subdivision Employee VLDP. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2021. The actuarially determined rate was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions were $127,029 and $100,189 for the years ended June 30, 2023 and June 30, 2022, respectively.

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

Nonprofessional - At June 30, 2023, the political subdivision reported an asset of $3,142 for its proportionate share of the net VLDP OPEB Asset. The Net VLDP OPEB Asset was measured as of June 30, 2022 and the total VLDP OPEB Asset used to calculate the Net VLDP OPEB Asset was determined by an actuarial valuation as of June 30, 2021, and rolled forward to the measurement date of June 30, 2022. The School Division's proportion of the Net VLDP OPEB Asset was based on the School Division's actuarially determined employer contributions to the VLDP OPEB plan for the year ended June 30, 2022 relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2022, the School Division's proportion of VLDP was 0.5345% as compared to 0.5374% at June 30, 2021.

For the year ended June 30, 2023, the School Division recognized VLDP OPEB expense of $17,091. Since there was a change in proportionate share between measurement dates a portion of the VRS Political Subdivision Employee VLDP Net OPEB expense was related to deferred amounts from changes in proportion.

## 12. OTHER POSTEMPLOYMENT BENEFITS *(Continued)*

County and School Division OPEB Liability – VRS Plans *(Continued)*

*Virginia Retirement System – Virginia Local Disability Program (Continued)*

At June 30, 2023, the School Division nonprofessional plan reported deferred outflows of resources and deferred inflows of resources related to VLDP from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|---|
| Difference between expected and actual experience | $ 4,418 | $ 6,724 |
| Net difference between projected and actual earnings on OPEB plan investments | - | 14 |
| Changes of assumptions | 120 | 1,127 |
| Changes in proportionate share | 242 | 452 |
| Employer contributions subsequent to the measurement date | 24,631 | - |
| Total | $ 29,411 | $ 8,317 |

$24,631 reported as deferred outflows of resources related to the VLDP OPEB resulting from the School Division's contributions subsequent to the measurement date will be recognized as an increase of the Net VLDP OPEB Asset in the Fiscal Year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to VLDP will be recognized in VLDP OPEB expense in future reporting periods as follows:

| | Deferred Amounts |
|---|---|
| 2024 | $ (323) |
| 2025 | (368) |
| 2026 | (1,578) |
| 2027 | 166 |
| 2028 | (197) |
| Thereafter | (1,237) |
| Total | $ (3,537) |

Professional - At June 30, 2023, the School Division reported an asset of $2,978 for its proportionate share of the net VLDP OPEB Asset. The net VLDP OPEB Asset was measured as of June 30, 2022 and the total VLDP OPEB Asset used to calculate the net VLDP OPEB Asset was determined by an actuarial valuation as of June 30, 2021, and rolled forward to the measurement date of June 30, 2022. The School Division's proportion of the Net VLDP OPEB Asset was based on the School Division's actuarially determined employer contributions to the VLDP OPEB plan for the year ended June 30, 2022 relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2022, the School Division's proportion of VLDP was 2.64852% as compared to 2.67037% at June 30, 2021.

For the year ended June 30, 2023, the School Division recognized VLDP OPEB expense of $75,918. Since there was a change in proportionate share between measurement dates a portion of the VRS Teacher Employee VLDP Net OPEB expense was related to deferred amounts from changes in proportion.

## 12. OTHER POSTEMPLOYMENT BENEFITS *(Continued)*

County and School Division OPEB Liability – VRS Plans *(Continued)*

*Virginia Retirement System – Virginia Local Disability Program (Continued)*

At June 30, 2023, the School Division professional plan reported deferred outflows of resources and deferred inflows of resources related to VLDP OPEB from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|---|
| Difference between expected and actual experience | $ 35,120 | $ 9,035 |
| Net difference between projected and actual earnings on OPEB plan investments | - | 828 |
| Changes of assumptions | 8,883 | - |
| Changes in proportionate share | 435 | 481 |
| Employer contributions subsequent to the measurement date | 127,029 | - |
| Total | $ 171,467 | $ 10,344 |

$127,029 reported as deferred outflows of resources related to VLDP OPEB resulting from the School Division's subsequent to the measurement date will be recognized as an increase of the net VLDP OPEB Asset in the Fiscal Year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the VLDP OPEB will be recognized in the VLDP OPEB expense in future reporting periods as follows:

| | Deferred Amounts |
|---|---|
| 2024 | $ 2,302 |
| 2025 | 2,327 |
| 2026 | 1,757 |
| 2027 | 5,885 |
| 2028 | 3,275 |
| Thereafter | 18,548 |
| Total | $ 34,094 |

*Net School Division's VLDP OPEB Liability*
The net VLDP OPEB liabilities represents the program's total OPEB liability determined in accordance with U.S. GAAP, less the associated fiduciary net position. As of June 30, 2022, net VLDP OPEB liabilities are as follows (amounts expressed in thousands):

## 12. OTHER POSTEMPLOYMENT BENEFITS *(Continued)*

County and School Division OPEB Liability – VRS Plans *(Continued)*

*Virginia Retirement System – Virginia Local Disability Program (Continued)*

| | Political Subdivision Employee VLDP OPEB Plan | Teacher Employee VLDP OPEB Plan |
|---|---|---|
| Total VLDP OPEB Liability | $ 7,360 | $ 7,207 |
| Plan Fiduciary Net Position | 7,948 | 7,320 |
| Net VLDP OPEB Liability (Asset) | $ (588) | $ (113) |
| Plan Fiduciary Net Position as a Percentage of the Total VLDP OPEB Liability | 107.99% | 101.57% |

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

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

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

| | 1.00% Decrease (5.75%) | Current Discount Rate (6.75%) | 1.00% Increase (7.75%) |
|---|---|---|---|
| School Division's Proportionate Share of the net VLDP OPEB liability (asset) - nonprofessional employees | $ 333 | $ (3,142) | $ (6,160) |

| | 1.00% Decrease (5.75%) | Current Discount Rate (6.75%) | 1.00% Increase (7.75%) |
|---|---|---|---|
| School Division's Proportionate Share of the net VLDP OPEB liability (asset) - professional employees | $ 21,574 | $ (2,978) | $ (24,212) |

## 12. OTHER POSTEMPLOYMENT BENEFITS (OPEB) *(Continued)*

County and School Division OPEB Liability – Health and Dental Insurance

*Plan Description*

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

*Benefits Provided*

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

At June 30, 2023, 134 retirees were participating in this program. The School Division's contribution for retirees having 20 or more years of service with the School Division is 50% of the medical premium and 100% of the dental premium cost, regardless of the plan or coverage tier elected. The School Division's contribution is reduced by the amount of any VRS HIC received by the retiree.

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

*Contributions*

Contribution requirements are established and may be amended by the Board of Supervisors and School Board. The required contributions were actuarially determined and are based upon projected pay-as-you-go financing requirements. Contributions to the County and School Division plans were $1,700,744 and $388,148, respectively, for the year ended June 30, 2023. The actuarially determined contribution at June 30, 2023 was $782,027 and $86,606 for the County

## 12. OTHER POSTEMPLOYMENT BENEFITS (OPEB) *(Continued)*

County and School Division OPEB Liability – Health and Dental Insurance (Continued)

and School Division, respectively.

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

At June 30, 2023, the County reported an OPEB liability of $8,670,917 for its share of the Net OPEB Liability. The Net OPEB Liability was measured as of June 30, 2023 and the total OPEB liability used to calculate the Net OPEB Liability was determined by an actuarial valuation as of July 1, 2021.

For the year ended June 30, 2023, the County recognized OPEB expense of $1,708,529. OPEB expense was calculated as follows:

| | OPEB Expense |
|---|---|
| Service cost | $ 290,665 |
| Interest | 1,315,058 |
| Effect of plan changes | - |
| Administrative expenses | 12,800 |
| Expected Investment Return Net of Investment Expenses | (781,744) |
| Recognition of Deferred Inflows/Outflows of Resources | |
| Economic/demographic gains or losses | 1,481,948 |
| Assumption changes or inputs | (635,518) |
| Investment gains or losses | 25,320 |
| OPEB Expense | $ 1,708,529 |

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

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|---|
| Difference between expected and actual experience | $ 4,712,534 | $ - |
| Net difference between projected and actual earnings | 253,408 | - |
| Change in assumptions | 3,942,021 | 5,163,639 |
| Total | $ 8,907,963 | $ 5,163,639 |

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

## 12. OTHER POSTEMPLOYMENT BENEFITS (OPEB) *(Continued)*

County and School Division OPEB Liability – Health and Dental Insurance (Continued)

| | Deferred Amounts |
|---|---|
| 2024 | $ 827,096 |
| 2025 | 759,493 |
| 2026 | 1,093,715 |
| 2027 | 497,367 |
| 2028 | 486,991 |
| Thereafter | 79,662 |
| Total | $ 3,744,324 |

For the year ended June 30, 2022, the School Division recognized OPEB expense of $178,778. At June 30, 2023, the School Division reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|---|
| Difference between expected and actual experience | $ 301,044 | $ 43,865 |
| Changes of assumptions | 776,659 | 789,792 |
| Net difference between projected and actual earnings on OPEB plan investements | 230,839 | - |
| Total | $ 1,308,542 | $ 833,657 |

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

| | Deferred Amounts |
|---|---|
| 2024 | $ 40,424 |
| 2025 | (11,870) |
| 2026 | 357,279 |
| 2027 | 22,750 |
| 2028 | 44,436 |
| Thereafter | 21,866 |
| Total | $ 474,885 |

## 12. OTHER POSTEMPLOYMENT BENEFITS (OPEB) *(Continued)*

County and School Division OPEB Liability – Health and Dental Insurance (Continued)

*Net OPEB Liability* – The components of the net OPEB liability for the year ended June 30, 2023 were as follows:

| | | |
|---|---|---|
| Total OPEB liability | $ | 21,709,102 |
| Plan fiduciary net position | $ | 13,038,185 |
| Net OPEB liability | $ | 8,670,917 |
| Fiduciary net position as a percent of total OPEB liability | | 60.06% |

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

In the County's July 1, 2021 actuarial valuation, the projected unit credit method was used. The actuarial assumptions included a 6.5% investment rate of return (annual returns net of both investment and non-actuarial administrative expenses), general inflation of 2.5% and an annual healthcare cost trend rate of 5.5% for Pre-Medicare eligible, grading to a rate of 3.9% for fiscal year ending June 30, 2074 and 5.00% for Post-Medicare eligible, grading to a rate of 3.9% for fiscal year ending June 30, 2074. The dental cost trend rate assumption is the lesser of 4.0% and the pre-Medicare trend rates for all fiscal 2023 and thereafter.

*Long-Term Expected Rate of Return*

*Rate of Return* – For the year ended June 30, 2023, the annual money-weighted rate of return on cash flows on the plan investments, net of OPEB plan investment expense was 7.62%. The money-weighted rate of return considers the changing amounts actually invested during a period and weights the amount of plan investments by the proportion of time they are available to earn a return during that period. External cash flows are determined on a monthly basis and are assumed to occur at the middle of each month. External cash inflows are netted with external cash outflows, resulting in a net external cash flow in each month. The money-weighted rate of return is calculated net of investment expenses.

## 12. OTHER POSTEMPLOYMENT BENEFITS (OPEB) *(Continued)*

County and School Division OPEB Liability – Health and Dental Insurance (Continued)

The long-term expected rate of return on OPEB investments was determined by adding inflation to expected long-term real returns and reflecting volatility and correlation. The capital market assumptions are per Milliman's investment consulting practice as of December 31, 2022. The target asset allocation and best estimate of arithmetic real rates of return for each major asset class are summarized in the following table:

| Asset Class (Strategy) | Target Allocation | Long-Term Expected Arithmetic Real Rate of Return | Long-Term Expected Geometric Real Rate of Return |
|---|---|---|---|
| US Core Fixed Income | 20.00% | 2.27% | 2.13% |
| US Large Cap Equity | 21.00% | 5.64% | 4.09% |
| US Small Cap Equity | 10.00% | 7.25% | 4.67% |
| Foreign Developed Equity | 13.00% | 6.90% | 5.15% |
| Emerging Markets Equity | 5.00% | 9.58% | 6.20% |
| Private Real Estate Property | 15.00% | 4.86% | 3.70% |
| Private Equity | 10.00% | 10.74% | 6.54% |
| Hedge Fund of Funds Strategic | 6.00% | 4.42% | 3.48% |
| Total | 100.00% | | |
| Assumed Inflation – Mean | | 2.33% | 2.33% |
| Assumed Inflation – Standard Deviation | | 1.41% | 1.41% |
| Portfolio Real Mean Return | | 5.81% | 4.90% |
| Portfolio Nominal Mean Return | | 8.14% | 7.34% |
| Portfolio Standard Deviation | | | 13.07% |
| Long-Term Expected Rate of Return | | | 6.50% |

## 12. OTHER POSTEMPLOYMENT BENEFITS (OPEB) *(Continued)*

County and School Division OPEB Liability – Health and Dental Insurance (Continued)

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

*Changes in Net OPEB Liability – County*

| | Total OPEB Liability (a) | Fiduciary Net Position (b) | Net OPEB Liability (a) – (b) |
|---|---|---|---|
| Balance – June 30, 2022 | $ 20,728,773 | $ 12,033,866 | $ 8,694,907 |
| Changes for the fiscal year: | | | |
| Service cost | 290,665 | - | 290,665 |
| Interest | 1,315,058 | - | 1,315,058 |
| Plan changes | - | - | - |
| Economic/Demographic Gains/Losses | - | - | - |
| Changes in assumptions | 975,350 | - | 975,350 |
| Contribution – employer | - | 1,700,744 | (1,700,744) |
| Net investment income | - | 917,119 | (917,119) |
| Benefit payments | (1,600,744) | (1,600,744) | - |
| Administrative expenses | - | (12,800) | 12,800 |
| Net Changes | 980,329 | 1,004,319 | (23,990) |
| Balance – June 30, 2023 | $ 21,709,102 | $ 13,038,185 | $ 8,670,917 |

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

| | 1.00% Decrease (5.50%) | Current Discount Rate (6.50%) | 1.00% Increase (7.50%) |
|---|---|---|---|
| Net OPEB Liability | $ 11,066,376 | $ 8,670,917 | $ 6,638,722 |

## 12. OTHER POSTEMPLOYMENT BENEFITS (OPEB) *(Continued)*

County and School Division OPEB Liability – Health and Dental Insurance (Continued)

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

| | 1.00% Decrease | Healthcare Cost Trend | 1.00% Increase |
|---|---|---|---|
| Net OPEB Liability | $ 6,118,185 | $ 8,670,917 | $ 11,726,677 |

*Changes in Net OPEB Asset – School Division*

| | Total OPEB Liability (a) | Fiduciary Net Position (b) | Net OPEB Asset (a) – (b) |
|---|---|---|---|
| Balance – June 30, 2022 | $ 6,049,885 | $ 9,643,035 | $ (3,593,150) |
| Changes for the fiscal year: | | | |
| Service cost | 317,574 | - | 317,574 |
| Interest | 401,469 | - | 401,469 |
| Effect of economic demographic gains or losses | 285,158 | - | 285,158 |
| Effect of assumption changes or inputs | - | - | - |
| Contribution – employer | - | 388,148 | (388,148) |
| Net investment income | - | 734,895 | (734,895) |
| Benefit payments | (388,148) | (388,148) | - |
| Administrative expenses | - | (10,387) | 10,387 |
| Net Changes | 616,053 | 724,508 | (108,455) |
| Balance – June 30, 2023 | $ 6,665,938 | $ 10,367,543 | $ (3,701,605) |

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

| | 1.00% Decrease (5.50%) | Current Discount Rate (6.50%) | 1.00% Increase (7.50%) |
|---|---|---|---|
| Net OPEB Asset | $ (3,287,340) | $ (3,701,605) | $ (4,090,572) |

## 12. OTHER POSTEMPLOYMENT BENEFITS (OPEB) *(Continued)*

County and School Division OPEB Liability – Health and Dental Insurance (Continued)

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

| | 1.00% Decrease (5.2% decreasing to 2.9%) | Healthcare Cost Trend Rates (6.2% decreasing to 3.9%) | 1.00% Increase (7.2% decreasing to 4.9%) |
|---|---|---|---|
| Net OPEB Asset | $ (4,377,314) | $ (3,701,605) | $ (2,927,193) |

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

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

| | County | | | |
|---|---|---|---|---|
| | VRS GLI Plan | VRS HIC Plan | County Health/Dental Plan | Combined Totals |
| Net OPEB liability | $ 2,489,590 | $ 254,251 | $ 8,670,917 | $ 11,414,758 |
| OPEB expense | $ 70,517 | $ 22,563 | $ 1,708,529 | $ 1,801,609 |
| Deferred outflows of resources: | | | | |
| Differences between expected and actual experience | $ 197,144 | $ 21,616 | $ 4,712,534 | $ 4,931,294 |
| Changes in assumptions | 92,858 | 109,205 | 3,942,021 | 4,144,084 |
| Net difference between projected and actual earnings | - | - | 253,408 | 253,408 |
| Changes in proportion and differences between Employer contributions and proportionate share of contributions | 54,345 | - | - | 54,345 |
| Employer contributions subsequent to the measurement date | 270,704 | 41,875 | - | 312,579 |
| Total deferred outflows of resources | $ 615,051 | $ 172,696 | $ 8,907,963 | $ 9,695,710 |
| Deferred inflows of resources: | | | | |
| Differences between expected and actual experience | $ 99,876 | $ 67,924 | $ - | $ 167,800 |
| Changes in assumptions | 242,496 | 2,401 | 5,163,639 | 5,408,536 |
| Net difference between projected and actual earnings on OPEB plan investments | 155,563 | 30,758 | - | 186,321 |
| Changes in proportion and differences between Employer contributions and proportionate share of contributions | 148,974 | - | - | 148,974 |
| Total deferred inflows of resources | $ 646,909 | $ 101,083 | $ 5,163,639 | $ 5,911,631 |

## 12. OTHER POSTEMPLOYMENT BENEFITS (OPEB) *(Continued)*

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

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

| | School Division | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | VRS GLI Professional Plan | VRS GLI Nonprofessional Plan | VRS HIC Professional Plan | VRS HIC Nonprofessional Plan | VRS VLDP Professional Plan | VRS VLDP Nonprofessional Plan | School Health/Dental Plan | Combined Totals |
| Net OPEB liability | $ 363,998 | $ 4,197,601 | $ 10,127,019 | $ 451,596 | $ - | $ - | $ - | $ 15,140,214 |
| Net OPEB asset | $ - | $ - | $ - | $ - | $ 2,978 | $ 3,142 | $ 3,701,605 | $ 3,707,725 |
| OPEB expense (revenue) | $ (2,780) | $ 82,515 | $ 702,099 | $ 110,513 | $ 75,918 | $ 17,091 | $ 178,778 | $ 1,164,134 |
| Deferred outflows of resources: | | | | | | | | |
| Differences between expected and actual experience | $ 332,397 | $ 28,824 | $ - | $ 166,857 | $ 35,120 | $ 4,418 | $ 301,044 | $ 868,660 |
| Changes in assumptions | 156,564 | 13,577 | 295,862 | 34,196 | 8,883 | 120 | 776,659 | 1,285,861 |
| Net difference between projected and actual earnings | - | - | - | 293 | - | - | 230,839 | 231,132 |
| Changes in proportionate share | 34,408 | - | 71,346 | - | 435 | 242 | - | 106,431 |
| Employer contributions subsequent to the measurement date | 439,536 | 37,419 | 979,466 | 48,936 | 127,029 | 24,631 | - | 1,657,017 |
| Total deferred outflows of resources | $ 962,905 | $ 79,820 | $ 1,346,674 | $ 250,282 | $ 171,467 | $ 29,411 | $ 1,308,542 | $ 4,149,101 |
| Deferred inflows of resources: | | | | | | | | |
| Differences between expected and actual experience | $ 168,398 | $ 14,603 | $ 412,793 | $ 5,793 | $ 9,035 | $ 6,724 | $ 43,865 | $ 661,211 |
| Changes in assumptions | 408,863 | 35,455 | 25,861 | - | - | 1,127 | 789,792 | 1,261,098 |
| Net difference between projected and actual earnings on OPEB plan investments | 262,288 | 22,745 | 10,165 | - | 828 | 14 | - | 296,040 |
| Changes in proportionate share | 192,804 | 39,519 | 498,196 | - | 481 | 452 | - | 731,452 |
| Total deferred inflows of resources | $ 1,032,353 | $ 112,322 | $ 947,015 | $ 5,793 | $ 10,344 | $ 8,317 | $ 833,657 | $ 2,949,801 |

## 13. DEFERRED COMPENSATION PLAN

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all County employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are held in trust for the participants. Investments are managed by the plan's trustee under one or a combination of 22 investment options. The participants make the choice of the investment options.

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

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

## 14. COMMITMENTS AND CONTINGENT LIABILITIES

Significant Commitments

Significant commitments as of June 30, 2023 were as follows:

| | Spent-to-date | Remaining Commitment |
|---|---|---|
| Project: | | |
| County Capital Fund: | | |
| Law Enforcement Building Phase Two | $ 11,245,027 | $ 10,827,973 |
| Law Enforcement Building Furniture | - | 860,345 |
| International Motor Vehicle / Road Rescues | - | 760,630 |
| York High School Emergency Shelter | - | 493,058 |
| Ambulance, 2024 International Motor Vehicle / Road Rescues | - | 435,387 |
| Avenity Software Implementation | 940,154 | 426,326 |
| Storage Solution System in Law Enforcement Building | - | 424,738 |
| Generators for Law Enforcement Building | 175,000 | 395,546 |
| Sidwalk Phase Two | 642,371 | 355,579 |
| Law Enforcement Building AV Upgrade Phase 1 | - | 349,017 |
| Records Management System | 1,619,736 | 230,329 |
| Law Enforcement Building Access Control System | 35,000 | 223,300 |
| Law Enforcement Building | 1,678,853 | 162,167 |
| West Queens Sidewalk | - | 132,748 |
| Law Enforcement Building Virtra Simulator | 7,854 | 129,791 |
| Back Creek Park - Tennis to Pickleball Conversion | - | 109,690 |
| Pierce Enforcer 107 Ladder Unit | 1,296,905 | 93,398 |
| Route 17 - Yorktown Library & Cook Rd Sidewalk | 56,396 | 90,540 |
| Law Enforcement Building Fire Alarm System | - | 88,000 |
| Total County Capital Fund commitments | | 16,588,562 |
| Nonmajor governmental funds: | | |
| Country Lane Stream Restoration | 274,897 | 296,252 |
| Randolph Street | - | 88,512 |
| Wormley Creek Edgehill Culvert Phase II Design | 27,024 | 81,504 |
| Total nonmajor governmental fund commitments | | 466,268 |
| Sewer Utility Fund: | | |
| Brandywine Pump Station Rehab | 149,547 | 2,248,473 |
| Kingsville Phase Three | - | 181,081 |
| Hickory Hills Pump Station - Three Phase Power | - | 160,079 |
| SCADA Support | 30,582 | 110,537 |
| Generator for Brandywine Pump Station | - | 88,566 |
| Total Sewer Utility Fund commitments | | 2,788,736 |
| Nonmajor enterprise funds: | | |
| Mid-Atlantic Waste Knuckleboom | - | 271,974 |
| Transfer Station and Waste Pickup | 1,084,053 | 99,447 |
| Total nonmajor enterprise fund commitments | | 371,421 |
| Internal Service fund: | | |
| Tabb Fire Station #2 Fuel Station | 23,069 | 1,053,077 |
| Bruton Underground Storage Tanks (UST) | - | 132,501 |
| UST's for Tabb | - | 89,392 |
| Total internal service fund commitments | | 1,274,970 |
| | $ 19,286,468 | $ 21,489,957 |

## 14. COMMITMENTS AND CONTINGENT LIABILITIES *(Continued)*

Risk Management

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

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

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

The School Division reports all of its risk management activities in its Operating Fund, except those related to health and dental benefits. The School Operating Fund retains the full risk for unemployment compensation, with a $400,000 deductible. All claims for retained risks are paid from Operating Fund resources. Risks related to health and dental benefits for employees and retirees are reported in an Internal Service Fund. The School Division's risk for each health care claim is $300,000.

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

The County's health care liability at June 30 has been included in claims payable in the County's internal service funds. The County had available $6,698,688 for health care and dental claims and $577,451 for workers' compensation claims at June 30, 2023, which is considered sufficient by management.

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

| | 2023 | 2022 |
|---|---|---|
| Claims payable/unrestricted net position, beginning of fiscal year | $ 6,419,654 | $ 8,671,545 |
| Claims and changes in estimates | 16,088,880 | 13,461,194 |
| Claims payments | (15,232,395) | (15,713,085) |
| Claims payable/unrestricted net position, end of fiscal year | $ 7,276,139 | $ 6,419,654 |

## 14. COMMITMENTS AND CONTINGENT LIABILITIES *(Continued)*

Risk Management (Continued)

The School Division's health care claim liability of $1,793,000 at June 30, 2023 is reasonably estimated and has been included in claims payable in the School Division's internal service fund. The School Division's workers' compensation claims liability of $1,935,682 at June 30, 2023 is included in long-term debt, and is considered sufficient to cover pending claims and incurred but not reported claims that may arise. Changes in the reported amounts since June 30, 2022 resulted from the following:

| | 2023 | 2022 |
|---|---|---|
| Claims payable/committed fund balance, beginning of fiscal year | $ 4,751,582 | $ 4,834,141 |
| Claims and changes in estimates | 294,707 | 284,856 |
| Claims payment | (517,607) | (367,415) |
| Transfers | (800,000) | - |
| Claims payable/committed fund balance, end of fiscal year | $ 3,728,682 | $ 4,751,582 |

Consent Order

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

Litigation

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

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

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

There have been regular draws on the Series 2007 Debt Service Reserve Fund and Series 2015 Debt Service Reserve Fund to make the regularly scheduled debt service payments on the Bonds each September and March since September 1, 2015. As of August 31, 2023, the Series 2007 Debt Service Reserve Fund was depleted and the balance in the Series 2015 Debt Service Reserve Fund was $3. Due to a shortfall in pledged revenues, only partial interest payments were made beginning on March 1, 2022. The total amount of the shortage was $348,388 as of June 30, 2022. As of June 30, 2023, the shortage for the September 1, 2022 bond interest payment totals $418,388 and the March 1, 2023 bond interest payment shortage totals $478,388.

The next scheduled debt service payment due on September 1, 2023, consists of an interest payment in the amount of $868,388. However, the bondholders directed the Trustee to only pay $400,000. This will result in a total interest shortage as of September 1, 2023 of $1,713,551. TIF revenues are not projected to be sufficient to make up the difference between the debt service requirements and the current balances in the trust accounts. Currently, the Authority does not have any plans to mitigate the shortfall in revenues and the expected default on the Bonds. Therefore, there is substantial doubt regarding the entity's ability to continue as a going concern.

## REQUIRED SUPPLEMENTARY INFORMATION – BUDGET COMPARISON SCHEDULE

## GENERAL FUND

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

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

**COUNTY OF YORK, VIRGINIA**

Required Supplementary Information - Budgetary Comparison Schedule

General Fund - Revenues and Other Financing Sources

Year Ended June 30, 2023

| | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---|---|---|---|---|
| General property taxes: | | | | |
| Real property taxes | $ 81,300,000 | $ 81,300,000 | $ 78,096,876 | $ (3,203,124) |
| Real and personal property taxes-public service corporation | 3,300,000 | 3,300,000 | 3,452,531 | 152,531 |
| Personal property taxes | 17,950,000 | 17,950,000 | 22,112,853 | 4,162,853 |
| Machinery and tools taxes | 150,000 | 150,000 | 206,096 | 56,096 |
| Penalties and interest | 400,000 | 400,000 | 810,123 | 410,123 |
| Total general property taxes | 103,100,000 | 103,100,000 | 104,678,479 | 1,578,479 |
| Other local taxes: | | | | |
| Local sales and use taxes | 13,500,000 | 13,500,000 | 14,072,978 | 572,978 |
| Historic Triangle local sales and use taxes | 5,500,000 | 5,500,000 | 5,663,665 | 163,665 |
| Hotel and motel room taxes | 1,770,000 | 1,770,000 | 2,051,969 | 281,969 |
| Restaurant food taxes | 3,957,345 | 3,957,345 | 4,251,104 | 293,759 |
| Cigarette taxes | 1,700,000 | 1,700,000 | 1,697,929 | (2,071) |
| Business license taxes | 7,259,000 | 7,259,000 | 8,964,208 | 1,705,208 |
| Consumer utility taxes | 230,000 | 230,000 | 227,598 | (2,402) |
| Communications sales taxes | 950,000 | 950,000 | 912,475 | (37,525) |
| Vehicle registration fees | 1,650,000 | 1,650,000 | 1,673,672 | 23,672 |
| Bank stock taxes | 350,000 | 350,000 | 441,022 | 91,022 |
| Franchise taxes | - | - | 3,592 | 3,592 |
| Taxes on recordation and wills | 2,111,700 | 2,111,700 | 1,364,751 | (746,949) |
| Rental taxes | 160,000 | 160,000 | 187,739 | 27,739 |
| Total other local taxes | 39,138,045 | 39,138,045 | 41,512,702 | 2,374,657 |
| From the Federal Government: | | | | |
| Payments in lieu of taxes | 11,000 | 11,000 | 12,469 | 1,469 |
| Categorical aid: | | | | |
| Supplemental Local Emergency Management Program grant | 50,335 | 50,335 | 50,335 | - |
| Universal Service Library E-rate program | 10,000 | 10,000 | 6,402 | (3,598) |
| Violence Against Women Formula grant | 27,400 | 27,400 | 31,520 | 4,120 |
| Crime Victim Assistance grant | 103,270 | 103,270 | 88,973 | (14,297) |
| DMV Traffic Enforcement grant | - | - | 21,411 | 21,411 |
| Alcohol Open Container Requirements | - | - | 5,419 | 5,419 |
| State Criminal Alien Assistance Program (SCAAP) | - | 12,896 | 12,896 | - |
| Section 8 Housing Choice Vouchers program | 120,000 | 120,000 | 168,173 | 48,173 |
| Assistance to Firefighters grant (SAFER) | 257,870 | 257,870 | 249,034 | (8,836) |
| Indirect Cost Allocation reimbursement | 180,000 | 180,000 | 214,006 | 34,006 |
| Edward Byrne Memorial State and Local Law Enforcement grant | - | - | 8,024 | 8,024 |
| FEMA Public Assistance - Coronavirus | - | - | 61,967 | 61,967 |
| Local Assistance and Tribal Consistency Fund (LATCF) | - | 50,000 | 50,000 | - |
| Total categorical aid | 748,875 | 811,771 | 968,160 | 156,389 |
| Total revenues from the Federal Government | 759,875 | 822,771 | 980,629 | 157,858 |
| From the Commonwealth of Virginia: | | | | |
| Non-categorical aid: | | | | |
| Mobile home taxes | 25,000 | 25,000 | 5,317 | (19,683) |
| Rolling stock taxes | 20,000 | 20,000 | 17,664 | (2,336) |
| Personal property tax relief | 8,742,000 | 8,742,000 | 8,741,680 | (320) |
| Total non-categorical aid | 8,787,000 | 8,787,000 | 8,764,661 | (22,339) |
| Categorical aid: | | | | |
| Shared expenses: | | | | |
| Commonwealth's Attorney | 617,515 | 617,515 | 597,748 | (19,767) |
| Sheriff | 3,237,350 | 3,237,350 | 3,092,722 | (144,628) |
| Commissioner of the Revenue | 269,980 | 269,980 | 284,370 | 14,390 |
| Treasurer | 179,180 | 179,180 | 209,507 | 30,327 |
| Registrar | 92,750 | 92,750 | 89,704 | (3,046) |
| Electoral Board | 9,000 | 9,000 | - | (9,000) |
| Clerk of the Circuit Court | 554,795 | 654,083 | 695,221 | 41,138 |
| Total shared expenses | 4,960,570 | 5,059,858 | 4,969,272 | (90,586) |
| Other categorical aid: | | | | |
| Fire and life safety grants | - | - | 1,663 | 1,663 |
| Wireless E911 services | 360,000 | 360,000 | 355,082 | (4,918) |
| Crime Victim Assistance grant | 36,900 | 36,900 | 38,004 | 1,104 |
| VA Juvenile Community Crime Control Act grant | 55,000 | 55,000 | 54,684 | (316) |
| VA Supreme Court extradition | 15,000 | 15,000 | 10,337 | (4,663) |
| Emergency Home and Accessibility Repair program | - | 70,240 | 67,145 | (3,095) |
| Library Aid | 180,000 | 202,312 | 202,312 | - |
| Court services postage reimbursement | 8,000 | 8,000 | 10,213 | 2,213 |
| Total other categorical aid | 654,900 | 747,452 | 739,440 | (8,012) |
| Total categorical aid | 5,615,470 | 5,807,310 | 5,708,712 | (98,598) |
| Total revenues from the Commonwealth of Virginia | 14,402,470 | 14,594,310 | 14,473,373 | (120,937) |

(Continued)

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

**COUNTY OF YORK, VIRGINIA**

Required Supplementary Information - Budgetary Comparison Schedule

General Fund - Revenues and Other Financing Sources

Year Ended June 30, 2023

| | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---|---|---|---|---|
| Permits, privilege fees and regulatory licenses: | | | | |
| Animal licenses | 5,000 | 5,000 | 12,727 | 7,727 |
| Permits and other licenses | 1,095,150 | 1,095,150 | 1,366,672 | 271,522 |
| Total permits, privilege fees and regulatory licenses | 1,100,150 | 1,100,150 | 1,379,399 | 279,249 |
| Fines and forfeitures | 467,500 | 467,500 | 433,515 | (33,985) |
| Revenues from use of money and property: | | | | |
| Use of money | 75,000 | 75,000 | 1,684,165 | 1,609,165 |
| Unrealized loss on investment | - | - | 71,315 | 71,315 |
| Use of property | 305,000 | 305,000 | 283,882 | (21,118) |
| Total revenues from use of money and property | 380,000 | 380,000 | 2,039,362 | 1,659,362 |
| Charges for services: | | | | |
| Court costs | 105,000 | 105,000 | 126,345 | 21,345 |
| Charges for Commonwealth's Attorney | 13,000 | 13,000 | 9,773 | (3,227) |
| Charges for fiscal accounting services | 3,000 | 3,000 | 3,105 | 105 |
| Charges for law enforcement and traffic control | 3,000 | 432,892 | 434,278 | 1,386 |
| Charges for emergency medical services | 1,717,000 | 2,185,747 | 2,203,202 | 17,455 |
| Charges for fire and life safety | - | - | 750 | 750 |
| Charges for parks and recreation | 557,000 | 749,917 | 750,694 | 777 |
| Charges for library | 10,000 | 10,000 | 9,891 | (109) |
| Charges for information technology | 4,000 | 4,000 | 20 | (3,980) |
| Charges for grounds maintenance | 1,206,600 | 1,206,600 | 1,206,600 | - |
| Charges for law enforcement | 539,000 | 539,000 | 363,646 | (175,354) |
| Charges for video services | 42,000 | 42,000 | 42,000 | - |
| Charges for radio maintenance services | 99,000 | 99,000 | 99,000 | - |
| Charges for vehicle maintenance | - | - | 66,447 | 66,447 |
| Charges for other | - | - | 6 | 6 |
| Total charges for services | 4,298,600 | 5,390,156 | 5,315,757 | (74,399) |
| Miscellaneous: | | | | |
| Miscellaneous | 204,000 | 204,000 | 377,826 | 173,826 |
| Sale of surplus property | - | - | 36,423 | 36,423 |
| Total miscellaneous revenues | 204,000 | 204,000 | 414,249 | 210,249 |
| Recovered costs: | | | | |
| City of Poquoson shared court services | 392,581 | 392,581 | 389,561 | (3,020) |
| City of Poquoson E911 services | 370,074 | 370,074 | 370,074 | - |
| City of Poquoson cooperative extension services | 10,330 | 10,330 | 10,330 | - |
| City of Poquoson other public safety | 32,000 | 32,000 | 33,500 | 1,500 |
| City of Williamsburg E911 services | 622,566 | 622,566 | 622,566 | - |
| City of Williamsburg public safety | 39,000 | 39,000 | 40,500 | 1,500 |
| City of Hampton E911 services | 5,619 | 5,619 | 5,628 | 9 |
| Assistance for fire & life safety training and other public safety | - | - | 60,325 | 60,325 |
| Other miscellaneous services | - | - | 5,637 | 5,637 |
| Fiscal agent fees | 292,260 | 292,260 | 304,179 | 11,919 |
| Streetlight operations | 20,000 | 43,788 | 43,788 | - |
| Signage | 5,000 | 5,000 | 1,050 | (3,950) |
| Riverwalk Landing repairs and maintenance | - | - | 1,707 | 1,707 |
| Total recovered costs | 1,789,430 | 1,813,218 | 1,888,845 | 75,627 |
| Total revenues | 165,640,070 | 167,010,150 | 173,116,310 | 6,106,160 |
| Other financing sources: | | | | |
| Insurance recovery | - | 25,225 | 25,225 | - |
| Lease financing | - | - | 3,701 | 3,701 |
| Subscription financing | - | - | 123,245 | 123,245 |
| Transfers in | 181,530 | 181,530 | 181,525 | (5) |
| Total other financing sources | 181,530 | 206,755 | 333,696 | 126,941 |
| Total revenues and other financing sources | $ 165,821,600 | $ 167,216,905 | $ 173,450,006 | $ 6,233,101 |

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

**COUNTY OF YORK, VIRGINIA**
Required Supplementary Information - Budgetary Comparison Schedule
General Fund - Expenditures and Other Financing Uses
Year Ended June 30, 2023

| | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---|---|---|---|---|
| Expenditures: | | | | |
| General Administration: | | | | |
| Legislative Department: Board of Supervisors | $ 369,087 | $ 406,692 | $ 404,789 | $ 1,903 |
| Executive Department: | | | | |
| County Administrator | 791,894 | 641,894 | 631,320 | 10,574 |
| Public Affairs | 869,205 | 869,205 | 774,622 | 94,583 |
| County Attorney | 692,962 | 837,250 | 778,786 | 58,464 |
| Registrar | 511,520 | 511,520 | 483,469 | 28,051 |
| Electoral Board | 168,408 | 168,408 | 95,875 | 72,533 |
| Total General Administration | 3,403,076 | 3,434,969 | 3,168,861 | 266,108 |
| Judicial Services: | | | | |
| Circuit Court | 174,391 | 174,391 | 136,008 | 38,383 |
| General District Court | 30,210 | 30,210 | 16,453 | 13,757 |
| Juvenile and Domestic Relations Court | 23,580 | 23,580 | 20,938 | 2,642 |
| Clerk of the Circuit Court | 1,122,733 | 1,440,404 | 1,200,903 | 239,501 |
| Colonial Juvenile Services Commission | 289,665 | 289,665 | 234,663 | 55,002 |
| Magistrate | 2,000 | 3,120 | 1,120 | 2,000 |
| Commonwealth's Attorney | 1,478,249 | 1,480,049 | 1,472,155 | 7,894 |
| Victim/Witness | 252,955 | 251,155 | 262,606 | (11,451) |
| Domestic Violence | 68,339 | 68,339 | 63,917 | 4,422 |
| Total Judicial Services | 3,442,122 | 3,760,913 | 3,408,763 | 352,150 |
| Public Safety: | | | | |
| Sheriff General Operations | 3,025,246 | 3,468,188 | 3,741,936 | (273,748) |
| Law Enforcement | 7,304,316 | 7,647,115 | 7,213,531 | 433,584 |
| Investigations | 1,725,380 | 1,732,414 | 1,717,944 | 14,470 |
| Civil Operations/Court Security | 1,568,635 | 1,566,635 | 1,612,960 | (46,325) |
| Sheriff Community Services | 1,777,499 | 1,774,299 | 1,788,127 | (13,828) |
| Adult Corrections | 2,677,379 | 2,690,275 | 2,690,025 | 250 |
| Juvenile Corrections | 259,500 | 259,500 | 248,630 | 10,870 |
| Fire and Life Safety Administration | 752,337 | 752,337 | 602,125 | 150,212 |
| Fire and Rescue Operations | 16,197,514 | 16,675,328 | 16,267,148 | 408,180 |
| Technical Services and Special Operations | 379,712 | 400,174 | 542,159 | (141,985) |
| Prevention and Community Safety | 392,762 | 396,462 | 440,694 | (44,232) |
| Animal Control | 560,764 | 560,764 | 534,257 | 26,507 |
| Emergency Management | 343,053 | 343,053 | 313,915 | 29,138 |
| Support Services | 660,916 | 714,116 | 701,063 | 13,053 |
| Emergency Communications/911 | 5,000,957 | 5,004,863 | 5,175,609 | (170,746) |
| Radio Maintenance | 111,440 | 111,440 | 107,107 | 4,333 |
| Telecom, Security and Services | 204,000 | 211,951 | 128,504 | 83,447 |
| Total Public Safety | 42,941,410 | 44,308,914 | 43,825,734 | 483,180 |
| Management Services: | | | | |
| Finance Administration | 359,085 | 271,940 | 251,864 | 20,076 |
| Information Technology | 2,814,006 | 2,850,439 | 2,856,180 | (5,741) |
| Human Resources | 935,698 | 1,161,132 | 1,133,514 | 27,618 |
| Accounting and Financial Reporting | 540,165 | 540,165 | 452,498 | 87,667 |
| Budget | 286,140 | 286,140 | 271,915 | 14,225 |
| Fiscal Accounting Services | 841,791 | 881,791 | 936,553 | (54,762) |
| Commissioner of the Revenue | 1,615,052 | 1,615,052 | 1,594,536 | 20,516 |
| Treasurer | 1,111,811 | 1,111,811 | 1,134,620 | (22,809) |
| Real Estate Assessment | 886,093 | 886,093 | 786,457 | 99,636 |
| Central Purchasing | 526,027 | 526,027 | 520,141 | 5,886 |
| Central Insurance | 196,258 | 196,258 | 171,260 | 24,998 |
| Economic Development | 203,129 | 203,129 | 201,129 | 2,000 |
| Office of Economic Development | - | - | 91 | (91) |
| Total Management Services | 10,315,255 | 10,529,977 | 10,310,758 | 219,219 |

(Continued)

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

**COUNTY OF YORK, VIRGINIA**
Required Supplementary Information - Budgetary Comparison Schedule
General Fund - Expenditures and Other Financing Uses
Year Ended June 30, 2023

| | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---|---|---|---|---|
| Education: | | | | |
| County of York Public School Division - Local | 58,637,094 | 66,743,117 | 63,971,946 | 2,771,171 |
| Library Services | 3,696,817 | 3,719,129 | 3,652,691 | 66,438 |
| Cooperative Extension | 68,383 | 68,383 | 53,918 | 14,465 |
| Total Education | 62,402,294 | 70,530,629 | 67,678,555 | 2,852,074 |
| Human Services: | | | | |
| Social Services - payments to Board members | 6,050 | 6,050 | 4,500 | 1,550 |
| Contributions | 2,092,875 | 2,114,088 | 2,062,673 | 51,415 |
| Total Human Services | 2,098,925 | 2,120,138 | 2,067,173 | 52,965 |
| Public Works: | | | | |
| Administration | 254,127 | 254,127 | 238,574 | 15,553 |
| Engineering and Facility Maintenance | 3,987,504 | 4,118,877 | 4,122,299 | (3,422) |
| Grounds Maintenance and Construction | 4,107,017 | 4,127,854 | 4,152,147 | (24,293) |
| Stormwater | 1,299,564 | 1,304,760 | 1,189,291 | 115,469 |
| Mosquito Control | 1,097,392 | 1,117,392 | 928,610 | 188,782 |
| Total Public Works | 10,745,604 | 10,923,010 | 10,630,921 | 292,089 |
| Community Development: | | | | |
| Building Safety | 1,318,787 | 1,324,813 | 1,247,737 | 77,076 |
| Board of Zoning/Subdivision Appeals | 6,025 | 6,025 | 2,286 | 3,739 |
| Development and Compliance | 894,885 | 1,054,885 | 879,653 | 175,232 |
| Planning | 370,327 | 385,327 | 406,579 | (21,252) |
| Planning Commission | 30,841 | 30,841 | 15,859 | 14,982 |
| Planning and Development Admin | 433,869 | 433,869 | 372,968 | 60,901 |
| Total Community Development | 3,054,734 | 3,235,760 | 2,925,082 | 310,678 |
| Community Services: | | | | |
| Administration | 408,236 | 408,236 | 385,105 | 23,131 |
| Housing & Neighborhood Revitalization | 778,014 | 848,254 | 850,294 | (2,040) |
| Parks and Recreation | 2,167,111 | 2,372,210 | 1,997,534 | 374,676 |
| Total Community Services | 3,353,361 | 3,628,700 | 3,232,933 | 395,767 |
| Non-departmental: | | | | |
| Employee benefits | 536,162 | 1,494,256 | 1,419,212 | 75,044 |
| Contributions | 395,960 | 481,360 | 385,431 | 95,929 |
| Appropriated reserves | 200,000 | 46,522 | 21,570 | 24,952 |
| Emergencies - Coronavirus | - | 216,500 | 240,826 | (24,326) |
| Total Non-departmental | 1,132,122 | 2,238,638 | 2,067,039 | 171,599 |
| Debt Service: | | | | |
| Principal retirement | 443,183 | 443,183 | 443,183 | - |
| Interest and fiscal charges | 143,139 | 143,139 | 143,139 | - |
| Lease financing | - | - | 3,701 | (3,701) |
| Subscription financing | - | - | 123,994 | (123,994) |
| Total Debt Service | 586,322 | 586,322 | 714,017 | (127,695) |
| Total expenditures | 143,475,225 | 155,297,970 | 150,029,836 | 5,268,134 |
| Other Financing Uses: | | | | |
| Transfers out | 22,346,375 | 37,132,658 | 37,132,357 | 301 |
| Total other financing uses | 22,346,375 | 37,132,658 | 37,132,357 | 301 |
| Total expenditures and other financing uses | $ 165,821,600 | $ 192,430,628 | $ 187,162,193 | $ 5,268,435 |

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

## REQUIRED SUPPLEMENTARY INFORMATION – BUDGET COMPARISON SCHEDULE

## TOURISM FUND

To account for the revenues and expenditures relating to the County's tourism and economic development programs. Of the lodging tax received in the County, 3/5 of the lodging tax is accounted for in the Tourism Fund and is restricted by the Commonwealth of Virginia for tourism activities. In addition, the County imposes a $2 per room per night tax. Per Section 58.1-3823 of the Code of Virginia, one-half of the revenues collected from the $2 additional tax shall be deposited into the Historic Triangle Marketing Fund. The other half is retained by the County. This fund is a major special revenue fund, with a legally adopted annual budget.

**COUNTY OF YORK, VIRGINIA**
Required Supplementary Information - Budgetary Comparison Schedule
Tourism Fund
For the Year Ended June 30, 2023

| | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---|---|---|---|---|
| **REVENUES** | | | | |
| Other local taxes | $ 3,710,800 | $ 3,710,800 | $ 4,413,708 | $ 702,908 |
| Intergovernmental: State | - | 25,000 | 5,000 | (20,000) |
| Use of money and property | 141,000 | 141,000 | 171,207 | 30,207 |
| Charges for services | - | - | 2,600 | 2,600 |
| Total revenues | 3,851,800 | 3,876,800 | 4,592,515 | 715,715 |
| **EXPENDITURES** | | | | |
| Current: | | | | |
| Public safety | 115,000 | 115,000 | 83,000 | 32,000 |
| Management services | 981,787 | 981,787 | 828,754 | 153,033 |
| Public works | 70,000 | 70,000 | 70,000 | - |
| Community services | 3,773,377 | 3,843,377 | 2,347,156 | 1,496,221 |
| Debt service - principal retirement | 52,000 | 52,000 | 52,000 | - |
| Total expenditures | 4,992,164 | 5,062,164 | 3,380,910 | 1,681,254 |
| Excess (deficiency) of revenues over (under) expenditures | (1,140,364) | (1,185,364) | 1,211,605 | 2,396,969 |
| **OTHER FINANCING SOURCES (USES)** | | | | |
| Transfers in | 543,187 | 543,187 | 543,187 | - |
| Transfers out | (937,231) | (892,231) | (500,000) | 392,231 |
| Total other financing sources and uses, net | (394,044) | (349,044) | 43,187 | 392,231 |
| Net change in fund balances | (1,534,408) | (1,534,408) | 1,254,792 | 2,789,200 |
| Fund balances, beginning of year | 1,534,408 | 1,534,408 | 1,534,408 | - |
| Fund balances, end of year | $ - | $ - | $ 2,789,200 | $ 2,789,200 |

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

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

| | County | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
| **Total Pension Liability** | | | | | | | | | |
| Service cost | $ 5,118,785 | $ 5,023,023 | $ 4,974,047 | $ 4,577,670 | $ 4,414,111 | $ 4,400,884 | $ 4,390,926 | $ 4,347,200 | $ 4,324,554 |
| Interest | 17,484,291 | 16,027,014 | 15,295,937 | 14,551,387 | 13,608,499 | 13,134,091 | 12,607,441 | 12,029,849 | 11,340,354 |
| Difference between expected and actual | (4,529,087) | (1,043,749) | 2,016,305 | 3,138,804 | 1,407,645 | (867,346) | (1,790,361) | (1,334,258) | - |
| Benefit payments | (13,135,216) | (12,177,865) | (10,733,177) | (9,548,874) | (9,473,846) | (8,050,116) | (7,318,772) | (6,264,165) | (5,365,786) |
| Other | | 9,120,764 | - | 6,602,686 | 3,550,930 | (1,128,389) | - | - | - |
| Net change in total pension liability | 4,938,773 | 16,949,187 | 11,553,112 | 19,321,673 | 13,507,339 | 7,489,124 | 7,889,234 | 8,778,626 | 10,299,122 |
| Total pension liability - beginning | 260,475,361 | 243,526,174 | 231,973,062 | 212,651,389 | 199,144,050 | 191,654,926 | 183,765,692 | 174,987,066 | 164,687,944 |
| Total pension liability - ending | $ 265,414,134 | $ 260,475,361 | $ 243,526,174 | $ 231,973,062 | $ 212,651,389 | $ 199,144,050 | $ 191,654,926 | $ 183,765,692 | $ 174,987,066 |
| **Plan Fiduciary Net Position** | | | | | | | | | |
| Contributions - employer | $ 5,094,060 | $ 4,923,161 | $ 4,364,971 | $ 4,260,368 | $ 4,166,554 | $ 3,593,323 | $ 4,373,897 | $ 4,288,412 | $ 4,332,603 |
| Contributions - employee | 2,136,779 | 2,099,693 | 2,169,677 | 2,116,844 | 1,990,383 | 1,906,698 | 1,955,396 | 1,871,311 | 1,851,612 |
| Net investment income | (205,599) | 55,254,220 | 3,879,115 | 12,930,127 | 13,562,714 | 20,266,521 | 2,893,068 | 7,259,533 | 21,563,882 |
| Benefit payments | (13,135,216) | (12,177,865) | (10,733,177) | (9,548,874) | (9,473,846) | (8,050,116) | (7,318,772) | (6,264,165) | (5,365,786) |
| Administrative expenses | (158,381) | (138,663) | (133,317) | (128,063) | (117,688) | (117,234) | (102,044) | (98,165) | (114,394) |
| Other changes | 5,813 | 5,011 | (5,722) | (8,149) | (12,075) | (18,023) | (1,221) | (1,538) | 1,136 |
| Net change in plan fiduciary net position | (6,262,544) | 49,965,557 | (458,453) | 9,622,253 | 10,116,042 | 17,581,169 | 1,800,324 | 7,055,388 | 22,269,053 |
| Plan fiduciary net position - beginning | 253,675,831 | 203,710,274 | 204,168,727 | 194,546,474 | 184,430,432 | 166,849,263 | 165,048,939 | 157,993,551 | 135,724,498 |
| Plan fiduciary net position - ending | $ 247,413,287 | $ 253,675,831 | $ 203,710,274 | $ 204,168,727 | $ 194,546,474 | $ 184,430,432 | $ 166,849,263 | $ 165,048,939 | $ 157,993,551 |
| Net pension liability (asset) * | $ 18,000,847 | $ 6,799,530 | $ 39,815,900 | $ 27,804,335 | $ 18,104,915 | $ 14,713,618 | $ 24,805,663 | $ 18,716,753 | $ 16,993,515 |
| Plan fiduciary net position as a percentage of total pension liability | 93.22% | 97.39% | 83.65% | 88.01% | 91.49% | 92.61% | 87.06% | 89.81% | 90.29% |
| Covered payroll | $ 46,961,263 | $ 44,480,850 | $ 45,217,918 | $ 43,554,938 | $ 41,074,204 | $ 39,079,963 | $ 38,259,805 | $ 37,197,611 | $ 37,009,571 |
| Net pension liability as a percentage of covered payroll | 38.33% | 15.29% | 88.05% | 63.84% | 44.08% | 37.65% | 64.83% | 50.32% | 45.92% |

Schedule is intended to show information for 10 years. Since 2023 is the ninth year for this presentation, only eight additional years of data are available. However, additional years will be included as they become available.

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

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

| | School Division Nonprofessional | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
| **Total Pension Liability** | | | | | | | | | |
| Service cost | $ 541,141 | $ 600,482 | $ 612,876 | $ 601,823 | $ 601,022 | $ 639,053 | $ 645,253 | $ 657,682 | $ 651,659 |
| Interest | 1,961,360 | 1,799,838 | 1,716,651 | 1,652,635 | 1,586,058 | 1,511,907 | 1,434,468 | 1,340,262 | 1,257,618 |
| Difference between expected and actual | (673,672) | 14,692 | 180,378 | 56,704 | (180,060) | 21,121 | (113,364) | 144,530 | - |
| Benefit payments | (1,507,833) | (1,309,188) | (1,245,823) | (1,143,487) | (968,357) | (883,431) | (836,736) | (756,608) | (700,700) |
| Changes in assumptions | - | 845,285 | - | 706,288 | - | (186,884) | - | - | - |
| Net change in total pension liability | 320,996 | 1,951,109 | 1,264,082 | 1,873,963 | 1,038,663 | 1,101,766 | 1,129,621 | 1,385,866 | 1,208,577 |
| Total pension liability - beginning | 29,269,967 | 27,318,858 | 26,054,776 | 24,180,813 | 23,142,150 | 22,040,384 | 20,910,763 | 19,524,897 | 18,316,320 |
| Total pension liability - ending | $ 29,590,963 | $ 29,269,967 | $ 27,318,858 | $ 26,054,776 | $ 24,180,813 | $ 23,142,150 | $ 22,040,384 | $ 20,910,763 | $ 19,524,897 |
| **Plan Fiduciary Net Position** | | | | | | | | | |
| Contributions - employer | $ 360,068 | $ 351,643 | $ 322,379 | $ 326,377 | $ 354,063 | $ 361,828 | $ 487,737 | $ 474,730 | $ 540,694 |
| Contributions - employee | 298,632 | 291,284 | 308,119 | 305,891 | 303,951 | 309,049 | 310,891 | 303,379 | 300,981 |
| Net investment income (loss) | (25,148) | 6,866,691 | 483,529 | 1,615,700 | 1,696,743 | 2,525,399 | 361,926 | 896,825 | 2,649,679 |
| Benefit payments | (1,507,833) | (1,309,188) | (1,245,823) | (1,143,487) | (968,357) | (883,431) | (836,736) | (756,608) | (700,700) |
| Administrative expenses | (19,712) | (17,255) | (16,631) | (16,095) | (14,629) | (14,499) | (12,543) | (12,064) | (14,022) |
| Other changes | 719 | 646 | (571) | (1,017) | (1,513) | (2,249) | (151) | (188) | 139 |
| Net change in plan fiduciary net position | (893,274) | 6,183,821 | (148,998) | 1,087,369 | 1,370,258 | 2,296,097 | 311,124 | 906,074 | 2,776,771 |
| Plan fiduciary net position - beginning | 31,502,000 | 25,318,179 | 25,467,177 | 24,379,808 | 23,009,550 | 20,713,453 | 20,402,329 | 19,496,255 | 16,719,484 |
| Plan fiduciary net position - ending | $ 30,608,726 | $ 31,502,000 | $ 25,318,179 | $ 25,467,177 | $ 24,379,808 | $ 23,009,550 | $ 20,713,453 | $ 20,402,329 | $ 19,496,255 |
| Net pension liability (asset) * | $ (1,017,763) | $ (2,232,033) | $ 2,000,679 | $ 587,599 | $ (198,995) | $ 132,600 | $ 1,326,931 | $ 508,434 | $ 28,642 |
| Plan fiduciary net position as a percentage of total pension liability | 103.44% | 107.63% | 92.68% | 97.74% | 100.82% | 99.43% | 93.98% | 97.57% | 99.85% |
| Covered payroll | $ 6,471,798 | $ 6,257,392 | $ 6,598,388 | $ 6,466,346 | $ 6,347,608 | $ 6,373,699 | $ 6,361,525 | $ 6,167,447 | $ 6,035,633 |
| Net pension liability as a percentage of covered payroll | -15.73% | -35.67% | 30.32% | 9.09% | -3.13% | 2.08% | 20.86% | 8.24% | 0.47% |

Schedule is intended to show information for 10 years. Since 2023 is the ninth year for this presentation, only eight additional years of data are available. However, additional years will be included as they become available.

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

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

| | School Division Optional | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
| **Total Pension Liability** | | | | | | | | | |
| Service cost | $ 963 | $ 702 | $ 646 | $ 1,138 | $ 1,206 | $ 1,385 | $ 1,834 | $ 1,731 | $ 2,224 |
| Interest | 105,566 | 118,665 | 115,237 | 117,944 | 120,762 | 127,986 | 132,210 | 120,051 | 124,341 |
| Difference between expected and actual | (205,194) | 25,735 | 34,647 | 40,567 | 47,716 | (2,386) | 2,076 | 74,161 | - |
| Benefit payments | (177,057) | (182,403) | (179,529) | (206,332) | (189,804) | (197,602) | (194,429) | (164,908) | (193,616) |
| Change in assumptions | (66,190) | 97,283 | 79,355 | (4,898) | (11,814) | (36,292) | - | 157,315 | - |
| Net change in total pension liability | (341,912) | 59,982 | 50,356 | (51,581) | (31,934) | (106,909) | (58,309) | 188,350 | (67,051) |
| Total pension liability - beginning | 1,845,700 | 1,785,718 | 1,735,362 | 1,786,943 | 1,818,877 | 1,925,786 | 1,984,095 | 1,795,745 | 1,862,796 |
| Total pension liability - ending | $ 1,503,788 | $ 1,845,700 | $ 1,785,718 | $ 1,735,362 | $ 1,786,943 | $ 1,818,877 | $ 1,925,786 | $ 1,984,095 | $ 1,795,745 |
| **Plan Fiduciary Net Position** | | | | | | | | | |
| Contributions - employer | $ 29,445 | $ - | $ - | $ - | $ - | $ 20,000 | $ 10,000 | $ - | $ 290,495 |
| Net investment income (loss) | (78,776) | 364,782 | 23,675 | 179,448 | 237,109 | 142,975 | 89,571 | 20,333 | - |
| Benefit payments | (177,057) | (182,403) | (179,529) | (206,332) | (189,804) | (197,602) | (194,429) | (164,908) | (177,455) |
| Refunds of contributions | - | - | - | - | - | - | - | - | (22,106) |
| Administrative expenses | (18,586) | (17,943) | (18,397) | (19,034) | (19,484) | (19,782) | (21,276) | (21,515) | - |
| Net change in plan fiduciary net position | (244,974) | 164,436 | (174,251) | (45,918) | 27,821 | (54,409) | (116,134) | (166,090) | 90,934 |
| Plan fiduciary net position - beginning | 1,735,593 | 1,571,157 | 1,745,408 | 1,791,326 | 1,763,505 | 1,817,914 | 1,934,048 | 2,100,138 | 2,009,204 |
| Plan fiduciary net position - ending | $ 1,490,619 | $ 1,735,593 | $ 1,571,157 | $ 1,745,408 | $ 1,791,326 | $ 1,763,505 | $ 1,817,914 | $ 1,934,048 | $ 2,100,138 |
| Net pension liability (asset) * | $ 13,169 | $ 110,107 | $ 214,561 | $ (10,046) | $ (4,383) | $ 55,372 | $ 107,872 | $ 50,047 | $ (304,393) |
| Plan fiduciary net position as a percentage of total pension liability (asset) | 99.12% | 94.03% | 87.98% | 100.58% | 100.25% | 96.96% | 94.40% | 97.48% | 116.95% |
| Covered payroll | $ 336,359 | $ 320,207 | $ 334,285 | $ 315,384 | $ 393,083 | $ 416,038 | $ 490,949 | $ 540,694 | $ 605,577 |
| Net pension liability (asset) as a percentage of covered payroll | 3.92% | 34.39% | 64.19% | -3.19% | -1.12% | 13.31% | 21.97% | 9.26% | -50.26% |

Schedule is intended to show information for 10 years. Since 2023 is the ninth year for this presentation, only eight additional years of data are available. However, additional years will be included as they become available.

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

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

| Date | (a) Employer's Proportion of the Net Pension Liability | (b) Employer's Proportionate Share of the Net Pension Liability | (c) Employer's Covered Payroll | (d) Employer's Proportionate Share of the NPL as a % of its Covered Payroll b / c | (e) Plan Fiduciary Net Position as a % of the Total Pension Liability |
|---|---|---|---|---|---|
| | | **Professional Employees** | | | |
| June 30, 2023 | 0.81888% | $ 77,962,278 | $ 75,656,571 | 103.05% | 82.61% |
| June 30, 2022 | 0.84025% | 65,229,425 | 73,610,398 | 88.61% | 85.46% |
| June 30, 2021 | 0.85723% | 124,749,477 | 74,340,993 | 167.81% | 71.47% |
| June 30, 2020 | 0.85177% | 112,097,772 | 70,985,747 | 157.92% | 73.51% |
| June 30, 2019 | 0.84051% | 98,844,000 | 67,691,857 | 146.02% | 74.81% |
| June 30, 2018 | 0.85148% | 104,715,000 | 66,894,061 | 156.54% | 72.92% |
| June 30, 2017 | 0.87024% | 121,956,000 | 66,367,678 | 183.76% | 68.28% |
| June 30, 2016 | 0.85504% | 107,618,000 | 63,559,725 | 169.32% | 70.68% |
| June 30, 2015 | 0.83118% | 100,445,000 | 60,755,750 | 165.33% | 70.88% |

Schedule is intended to show information for 10 years. Since 2023 is the ninth year for this presentation, only eight additional years of data are available. However, additional years will be included as they become available.

The covered payroll amounts above are for the measurement period, which is the twelve months prior to the school division's fiscal year.

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

| Date | (a) Contractually Required Contributions | (b) Contributions in Relation to Contractually Required Contributions | (c) Contribution Deficiency (Excess) (a) - (b) | (d) Employer's Covered Payroll | (e) Contributions as a Percentage of Covered Payroll (b) / (d) |
|---|---|---|---|---|---|
| | | | **County** | | |
| June 30, 2023 | $ 6,434,504 | $ 6,434,504 | $ - | $ 49,951,604 | 12.88% |
| June 30, 2022 | 5,178,141 | 5,178,141 | - | 46,961,263 | 11.03% |
| June 30, 2021 | 5,003,134 | 5,003,134 | - | 44,480,850 | 11.25% |
| June 30, 2020 | 4,448,949 | 4,448,949 | - | 45,217,918 | 9.84% |
| June 30, 2019 | 4,341,119 | 4,341,119 | - | 43,554,938 | 9.97% |
| June 30, 2018 | 4,170,856 | 4,170,856 | - | 41,074,204 | 10.15% |
| June 30, 2017 | 3,686,802 | 3,686,802 | - | 39,079,963 | 9.43% |
| June 30, 2016 | 4,480,621 | 4,480,621 | - | 38,259,805 | 11.71% |
| June 30, 2015 | 4,359,173 | 4,359,173 | - | 37,197,611 | 11.72% |
| June 30, 2014 | 6,183,660 | 6,183,660 | - | 37,009,571 | 16.71% |
| | | | **School Division Nonprofessional** | | |
| June 30, 2023 | $ 337,518 | $ 337,518 | $ - | $ 6,796,623 | 4.97% |
| June 30, 2022 | 405,782 | 405,782 | - | 6,471,798 | 6.27% |
| June 30, 2021 | 392,338 | 392,338 | - | 6,257,392 | 6.27% |
| June 30, 2020 | 324,157 | 324,157 | - | 6,598,388 | 4.91% |
| June 30, 2019 | 327,734 | 327,734 | - | 6,466,346 | 5.07% |
| June 30, 2018 | 355,364 | 355,364 | - | 6,347,608 | 5.60% |
| June 30, 2017 | 363,194 | 363,194 | - | 6,373,699 | 5.70% |
| June 30, 2016 | 489,081 | 489,081 | - | 6,361,525 | 7.69% |
| June 30, 2015 | 475,903 | 475,903 | - | 6,167,447 | 7.72% |
| June 30, 2014 | 542,604 | 542,604 | - | 6,035,633 | 8.99% |
| | | | **School Division Professional** | | |
| June 30, 2023 | $ 12,923,612 | $ 12,923,612 | $ - | $ 80,928,634 | 15.97% |
| June 30, 2022 | 12,558,998 | 12,558,998 | - | 75,565,571 | 16.62% |
| June 30, 2021 | 12,234,048 | 12,234,048 | - | 73,610,398 | 16.62% |
| June 30, 2020 | 11,359,571 | 11,359,571 | - | 74,340,993 | 15.28% |
| June 30, 2019 | 10,917,764 | 10,917,764 | - | 70,985,747 | 15.38% |
| June 30, 2018 | 10,867,762 | 10,867,762 | - | 67,691,857 | 16.05% |
| June 30, 2017 | 9,684,516 | 9,684,516 | - | 66,894,061 | 14.48% |
| June 30, 2016 | 9,271,511 | 9,271,511 | - | 66,367,678 | 13.97% |
| June 30, 2015 | 9,180,878 | 9,180,878 | - | 63,559,725 | 14.44% |
| June 30, 2014 | 7,081,843 | 7,081,843 | - | 60,755,750 | 11.66% |
| | | | **School Division Optional*** | | |
| June 30, 2023 | $ 1,923 | $ - | $ 1,923 | $ 265,269 | 0.00% |
| June 30, 2022 | 8,671 | 29,445 | (20,774) | 336,359 | 8.75% |
| June 30, 2021 | 19,821 | - | 19,821 | 320,207 | 0.00% |
| June 30, 2020 | - | - | - | 334,285 | 0.00% |
| June 30, 2019 | 79 | - | 79 | 315,384 | 0.00% |
| June 30, 2018 | 7,178 | - | 7,178 | 393,083 | 0.00% |
| June 30, 2017 | 10,884 | 20,000 | (9,116) | 416,038 | 4.81% |
| June 30, 2016 | 5,370 | 10,000 | (4,630) | 490,949 | 2.04% |
| June 30, 2015 | - | - | - | 540,694 | 0.00% |

*Schedule is intended to show information for 10 years. Since 2023 is the ninth year for this presentation, only eight additional years of data are available. However, additional years will be included as they become available.

## COUNTY OF YORK, VIRGINIA

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

| | County | | | | | | |
|---|---|---|---|---|---|---|---|
| | **2023** | **2022** | **2021** | **2020** | **2019** | **2018** | **2017** |
| **Total OPEB Liability** | | | | | | | |
| Service cost | $ 290,665 | $ 296,818 | $ 268,714 | $ 233,175 | $ 94,396 | $ 299,500 | $ 289,250 |
| Interest | 1,315,058 | 1,154,829 | 1,147,607 | 1,196,966 | 479,609 | 1,539,270 | 1,002,541 |
| Effect of plan changes | - | 261,370 | - | - | - | - | - |
| Liability gains or losses | - | 2,984,001 | - | 1,558,131 | - | 6,981,442 | - |
| Assumption changes or inputs | 975,350 | (625,569) | - | (1,192,982) | 10,215,778 | (15,941,922) | - |
| Benefit payments | (1,600,744) | (1,599,737) | (1,075,136) | (990,328) | (857,558) | (802,870) | (435,212) |
| Net change in total OPEB liability | 980,329 | 2,471,712 | 341,185 | 804,962 | 9,932,225 | (7,924,580) | 856,579 |
| Total OPEB liability - beginning | 20,728,773 | 18,257,061 | 17,915,876 | 17,110,914 | 7,178,689 | 15,103,269 | 14,246,690 |
| Total OPEB liability - ending | $ 21,709,102 | $ 20,728,773 | $ 18,257,061 | $ 17,915,876 | $ 17,110,914 | $ 7,178,689 | $ 15,103,269 |
| **Plan Fiduciary Net Position** | | | | | | | |
| Contributions - employer | $ 1,700,744 | $ 1,699,737 | $ 1,175,136 | $ 1,070,691 | $ 930,691 | $ 1,183,144 | $ 812,312 |
| Net investment income | 917,119 | (1,214,098) | 3,021,572 | 294,017 | 423,140 | 776,228 | 911,857 |
| Benefit payments | (1,600,744) | (1,599,737) | (1,075,136) | (990,328) | (857,558) | (802,870) | (435,212) |
| Administrative expenses | (12,800) | (14,267) | (11,889) | (11,270) | (10,499) | (9,596) | (6,740) |
| Net change in plan fiduciary net position | 1,004,319 | (1,128,365) | 3,109,683 | 363,110 | 485,774 | 1,146,906 | 1,282,217 |
| Plan fiduciary net position - beginning | 12,033,866 | 13,162,231 | 10,052,548 | 9,689,438 | 9,203,664 | 8,056,758 | 6,774,541 |
| Plan fiduciary net position - ending | $ 13,038,185 | $ 12,033,866 | $ 13,162,231 | $ 10,052,548 | $ 9,689,438 | $ 9,203,664 | $ 8,056,758 |
| Net OPEB liability (asset) | $ 8,670,917 | $ 8,694,907 | $ 5,094,830 | $ 7,863,328 | $ 7,421,476 | $ (2,024,975) | $ 7,046,511 |
| Plan fiduciary net position as a percentage of total OPEB liability | 60.06% | 58.05% | 72.09% | 56.11% | 56.63% | 128.21% | 53.34% |
| Covered payroll | $ 45,056,364 | $ 45,056,364 | $ 44,992,730 | $ 44,992,730 | $ 39,807,161 | $ 39,807,161 | $ 37,197,611 |
| Net OPEB liability as a percentage of covered employee payroll | 19.24% | 19.30% | 11.32% | 17.48% | 18.64% | -5.09% | 18.94% |

Schedule is intended to show information for 10 years. Since 2023 is the seventh year for this presentation, only six additional years are available. However, additional years will be included as they become available.

## COUNTY OF YORK, VIRGINIA

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

| | School Division | | | | | | |
|---|---|---|---|---|---|---|---|
| | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 |
| **Total OPEB Liability** | | | | | | | |
| Service cost | $ 317,574 | $ 284,337 | $ 339,426 | $ 324,527 | $ 256,396 | $ 280,180 | $ 261,850 |
| Interest | 401,469 | 347,122 | 402,318 | 382,499 | 348,052 | 323,944 | 308,920 |
| Effect of plan changes | - | - | - | - | - | - | - |
| Liability gains or losses | - | 291,650 | (61,892) | - | 131,855 | - | - |
| Assumption changes or inputs | 285,158 | 256,189 | (1,094,130) | (25,368) | 626,213 | - | - |
| Benefit payments | (388,148) | (365,094) | (394,021) | (389,344) | (383,086) | (352,983) | (395,238) |
| Net change in total OPEB liability | 616,053 | 814,204 | (808,299) | 292,314 | 979,430 | 251,141 | 175,532 |
| Total OPEB liability - beginning | 6,049,885 | 5,235,681 | 6,043,980 | 5,751,666 | 4,772,236 | 4,521,095 | 4,345,563 |
| Total OPEB liability - ending | $ 6,665,938 | $ 6,049,885 | $ 5,235,681 | $ 6,043,980 | $ 5,751,666 | $ 4,772,236 | $ 4,521,095 |
| **Plan Fiduciary Net Position** | | | | | | | |
| Contributions - employer | $ 388,148 | $ 588,407 | $ 635,431 | $ 389,344 | $ 593,608 | $ 563,505 | $ 589,228 |
| Net investment income | 734,895 | (982,306) | 2,355,368 | 232,409 | 325,272 | 602,829 | 700,174 |
| Benefit payments | (388,148) | (365,094) | (394,021) | (389,344) | (383,086) | (352,983) | (395,238) |
| Administrative expenses | (10,387) | (11,534) | (9,365) | (8,907) | (8,187) | (7,558) | (5,292) |
| Net change in plan fiduciary net position | 724,508 | (770,527) | 2,587,413 | 223,502 | 527,607 | 805,793 | 888,872 |
| Plan fiduciary net position - beginning | 9,643,035 | 10,413,562 | 7,826,149 | 7,602,647 | 7,075,040 | 6,269,247 | 5,380,376 |
| Plan fiduciary net position - ending | $ 10,367,543 | $ 9,643,035 | $ 10,413,562 | $ 7,826,149 | $ 7,602,647 | $ 7,075,040 | $ 6,269,248 |
| Net OPEB liability (asset) | $ (3,701,605) | $ (3,593,150) | $ (5,177,881) | $ (1,782,169) | $ (1,850,981) | $ (2,302,804) | $ (1,748,153) |
| Plan fiduciary net position as a percentage of total OPEB liability | 155.53% | 159.39% | 198.90% | 129.49% | 132.18% | 148.25% | 138.67% |
| Covered payroll | $ 68,592,182 | $ 68,592,182 | $ 78,051,732 | $ 72,562,703 | $ 72,562,703 | $ 73,417,704 | $ 73,417,704 |
| Net OPEB liability as a percentage of covered employee payroll | -5.40% | -5.24% | -6.63% | -2.46% | -2.55% | -3.14% | -2.38% |

Schedule is intended to show information for 10 years. Since 2023 is the seventh year for this presentation, only six additional years are available. However, additional years will be included as they become available.

## COUNTY OF YORK, VIRGINIA
### Other Postemployment Benefits - Health/Dental
### Years Ended June 30

**County**

| | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 |
|---|---|---|---|---|---|---|---|---|
| Actuarially determined contribution | $ 782,027 | $ 744,843 | $ 755,941 | $ 720,577 | $ 80,363 | $ 73,133 | $ 816,365 | $ 762,958 |
| Contributions in relation to the actuarially determined contribution | 1,700,744 | 1,699,737 | 1,175,136 | 1,070,691 | 930,691 | 1,183,144 | 812,312 | 7,146,558 |
| Contribution deficiency (excess) | $ (918,717) | $ (954,894) | $ (419,195) | $ (350,114) | $ (850,328) | $ (1,110,011) | $ 4,053 | $ (6,383,600) |
| Covered payroll | $45,056,364 | $45,056,364 | $44,992,730 | $44,992,730 | $39,807,161 | $39,807,161 | $37,197,611 | $37,197,611 |
| Contribution as a % of covered employee payroll | 3.77% | 3.77% | 2.61% | 2.38% | 2.34% | 2.97% | 2.18% | 19.21% |

**School Division**

| | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 |
|---|---|---|---|---|---|---|---|---|
| Actuarially determined contribution | $ 86,606 | $ 148,716 | $ 260,789 | $ 241,410 | $ 223,313 | $ 210,522 | $ 193,990 | $ 178,621 |
| Contributions in relation to the actuarially determined contribution | 388,148 | 588,407 | 635,431 | 389,344 | 593,608 | 563,505 | 589,228 | 5,777,164 |
| Contribution deficiency (excess) | $ (301,542) | $ (439,691) | $ (374,642) | $ (147,934) | $ (370,295) | $ (352,983) | $ (395,238) | $ (5,598,543) |
| Covered payroll | $68,592,182 | $68,592,182 | $78,051,732 | $72,562,703 | $72,562,703 | $73,417,704 | $73,417,704 | $73,417,704 |
| Contribution as a % of covered employee payroll | 0.57% | 0.86% | 0.81% | 0.54% | 0.82% | 0.77% | 0.80% | 7.87% |

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

| | County | | | | | | School Division Nonprofessional | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2023 | 2022 | 2021 | 2020 |
| **Total OPEB Liability** | | | | | | | | | | |
| Service cost | $ 26,831 | $ 24,526 | $ 24,734 | $ 23,113 | $ 22,681 | $ 25,337 | $ 8,178 | $ 11,959 | $ 11,482 | $ 11,130 |
| Interest | 94,959 | 89,015 | 88,266 | 85,890 | 84,301 | 84,360 | 32,525 | 30,977 | 21,325 | (540) |
| Benefit changes | - | - | - | - | - | - | - | - | 7,946 | - |
| Assumption changes or inputs | 98,252 | 23,533 | - | 32,340 | - | (44,791) | 33,853 | 5,800 | - | 9,367 |
| Difference between expected and actual | (74,653) | 20,487 | (10,087) | 22,769 | (1,640) | - | 5,927 | (9,103) | 124,238 | 321,805 |
| Benefit payments | (97,489) | (95,167) | (88,479) | (78,442) | (86,835) | (44,700) | (26,575) | (23,179) | (20,815) | (15,426) |
| Net change in total OPEB liability | 47,900 | 62,394 | 14,434 | 85,670 | 18,507 | 20,206 | 53,908 | 16,454 | 144,176 | 326,336 |
| Total OPEB liability - beginning | 1,428,716 | 1,366,322 | 1,351,888 | 1,266,218 | 1,247,711 | 1,227,505 | 486,966 | 470,512 | 326,336 | - |
| Total OPEB liability - ending | $ 1,476,616 | $ 1,428,716 | $ 1,366,322 | $ 1,351,888 | $ 1,266,218 | $ 1,247,711 | $ 540,874 | $ 486,966 | $ 470,512 | $ 326,336 |
| **Plan Fiduciary Net Position** | | | | | | | | | | |
| Contributions - employer | $ 77,410 | $ 74,001 | $ 76,063 | $ 73,808 | $ 77,571 | $ 73,420 | $ 42,739 | $ 41,300 | $ 35,120 | $ 34,311 |
| Net investment income (loss) | 1,847 | 257,600 | 19,702 | 59,868 | 62,659 | 90,253 | (418) | 10,673 | 431 | 1,107 |
| Benefit payments | (97,489) | (95,167) | (88,479) | (78,442) | (86,835) | (44,700) | (26,575) | (23,179) | (20,815) | (15,426) |
| Administrative expenses | (2,113) | (3,007) | (1,888) | (1,313) | (1,474) | (1,503) | (142) | (185) | (64) | (28) |
| Other changes | 17,792 | - | (9) | (71) | (4,438) | 4,438 | 10,430 | - | - | (1) |
| Net change in plan fiduciary net position | (2,553) | 233,427 | 5,389 | 53,850 | 47,483 | 121,908 | 26,034 | 28,609 | 14,672 | 19,963 |
| Plan fiduciary net position - beginning | 1,224,918 | 991,491 | 986,102 | 932,252 | 884,769 | 762,861 | 63,244 | 34,635 | 19,963 | - |
| Plan fiduciary net position - ending | $ 1,222,365 | $ 1,224,918 | $ 991,491 | $ 986,102 | $ 932,252 | $ 884,769 | $ 89,278 | $ 63,244 | $ 34,635 | $ 19,963 |
| Net OPEB liability | $ 254,251 | $ 203,798 | $ 374,831 | $ 365,786 | $ 333,966 | $ 362,942 | $ 451,596 | $ 423,722 | $ 435,877 | $ 306,373 |
| Plan fiduciary net position as a percentage of total OPEB liability | 82.78% | 85.74% | 72.57% | 72.94% | 73.62% | 70.91% | 16.51% | 12.99% | 7.36% | 6.12% |
| Covered payroll | $ 31,648,096 | $ 30,429,429 | $ 31,562,625 | $ 30,253,324 | $ 28,521,474 | $ 26,950,520 | $ 6,471,798 | $ 6,257,392 | $ 6,473,737 | $ 6,441,833 |
| Net OPEB liability as a percentage of covered payroll | 0.80% | 0.67% | 1.19% | 1.21% | 1.17% | 1.35% | 6.98% | 6.77% | 6.73% | 4.76% |

Schedule is intended to show information for 10 years. Since 2023 is the sixth year for this presentation, only five additional years are available. Since the York County School Division nonprofessional employees began participating in the program in 2020, only four years of data are available. However, additional years will be included as they become available.

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

## COUNTY OF YORK, VIRGINIA
## Schedule of Employer HIC OPEB Contributions
### For the Years Ended June 30, 2014 through 2023

| Date | (a) Contractually Required Contributions | (b) Contributions in Relation to Contractually Required Contributions | (c) Contribution Deficiency (Excess) (a) - (b) | (d) Employer's Covered Payroll | (e) Contributions as a Percentage of Covered Payroll (b) / (d) |
|---|---|---|---|---|---|
| **County** | | | | | |
| June 30, 2023 | $ 41,875 | $ 41,875 | $ - | $ 34,895,925 | 0.12% |
| June 30, 2022 | 53,802 | 53,802 | - | 31,648,096 | 0.17% |
| June 30, 2021 | 51,730 | 51,730 | - | 30,429,429 | 0.17% |
| June 30, 2020 | 53,656 | 53,656 | - | 31,562,625 | 0.17% |
| June 30, 2019 | 51,431 | 51,431 | - | 30,253,324 | 0.17% |
| June 30, 2018 | 54,191 | 54,191 | - | 28,521,474 | 0.19% |
| June 30, 2017 | 51,206 | 51,206 | - | 26,950,520 | 0.19% |
| June 30, 2016 | 50,313 | 50,313 | - | 26,480,681 | 0.19% |
| June 30, 2015 | 49,503 | 49,503 | - | 26,054,442 | 0.19% |
| June 30, 2014 | 41,680 | 41,680 | - | 26,049,790 | 0.16% |
| **School Division Professional** | | | | | |
| June 30, 2023 | $ 979,466 | $ 979,466 | $ - | $ 80,947,643 | 1.21% |
| June 30, 2022 | 914,343 | 914,343 | - | 75,565,571 | 1.21% |
| June 30, 2021 | 890,686 | 890,686 | - | 73,610,398 | 1.21% |
| June 30, 2020 | 892,376 | 892,376 | - | 74,364,656 | 1.20% |
| June 30, 2019 | 852,109 | 852,109 | - | 71,009,117 | 1.20% |
| June 30, 2018 | 832,471 | 832,471 | - | 67,680,531 | 1.23% |
| June 30, 2017 | 743,350 | 743,350 | - | 66,968,466 | 1.11% |
| June 30, 2016 | 703,335 | 703,335 | - | 66,352,331 | 1.06% |
| June 30, 2015 | 673,859 | 673,859 | - | 63,571,618 | 1.06% |
| June 30, 2014 | 674,705 | 674,705 | - | 60,784,260 | 1.11% |
| **School Division Nonprofessional** | | | | | |
| June 30, 2023 | $ 48,936 | $ 48,936 | $ - | $ 6,796,623 | 0.72% |
| June 30, 2022 | 42,714 | 42,714 | - | 6,471,798 | 0.66% |
| June 30, 2021 | 41,299 | 41,299 | - | 6,257,392 | 0.66% |
| June 30, 2020 | 34,311 | 34,311 | - | 6,473,737 | 0.53% |

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

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

| | School Division | | | | | |
|---|---|---|---|---|---|---|
| | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 |
| Employer's Proportion of the Net HIC OPEB Liability | 0.81078% | 0.83233% | 0.84826% | 0.84659% | 0.83687% | 0.84856% |
| Employer's Proportionate Share of the Net HIC OPEB Liability | $10,127,019 | $10,683,531 | $11,065,692 | $11,082,687 | $10,626,000 | $10,765,000 |
| Employer's Covered Payroll | $75,565,571 | $73,610,398 | $74,364,656 | $71,009,117 | $67,680,531 | $66,968,466 |
| Employer's Proportionate Share of the Net HIC OPEB Liability as a Percentage of its Covered Payroll | 13.40% | 14.51% | 14.88% | 15.61% | 15.70% | 16.07% |
| Plan Fiduciary Net Position as a Percentage of the Total HIC OPEB Liability | 15.08% | 13.15% | 9.95% | 8.97% | 8.08% | 7.04% |

Schedule is intended to show information for 10 years. Since 2023 is the sixth year for this presentation, only five additional years of data are available. However, additional years will be included as they become available.

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

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

| | County | | | | | |
|---|---|---|---|---|---|---|
| | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 |
| Employer's Proportion of the Net GLI OPEB Liability | 0.20676% | 0.21053% | 0.21805% | 0.22168% | 0.21566% | 0.21034% |
| Employer's Proportionate Share of the Net GLI OPEB Liability | $ 2,489,590 | $ 2,451,140 | $ 3,638,898 | $ 3,607,323 | $ 3,276,000 | $ 3,165,000 |
| Employer's Covered Payroll | $ 44,975,660 | $ 43,465,887 | $ 44,875,227 | $ 43,457,502 | $ 41,007,670 | $ 38,797,164 |
| Employer's Proportionate Share of the Net GLI OPEB Liability as a Percentage of its Covered Payroll | 5.54% | 5.64% | 8.11% | 8.30% | 7.99% | 8.16% |
| Plan Fiduciary Net Position as a Percentage of the Total GLI OPEB Liability | 67.21% | 67.45% | 52.64% | 52.00% | 51.22% | 48.86% |

Schedule is intended to show information for 10 years. Since 2023 is the sixth year for this presentation, only five additional years of data are available. However, additional years will be included as they become available.

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

**COUNTY OF YORK, VIRGINIA**
**Schedule of Employer's Share of Net OPEB Liability**
**Group Life Insurance Program - Nonprofessional Employees**
**Years Ended June 30**

| | School Division | | | | | |
|---|---|---|---|---|---|---|
| | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 |
| Employer's Proportion of the Net GLI OPEB Liability | 0.03023% | 0.03104% | 0.03261% | 0.03328% | 0.33990% | 0.03505% |
| Employer's Proportionate Share of the Net GLI OPEB Liability | $ 363,998 | $ 361,390 | $ 544,207 | $ 541,554 | $ 516,000 | $ 527,000 |
| Employer's Covered Payroll | $ 6,576,091 | $ 6,407,980 | $ 6,710,645 | $ 6,524,499 | $ 6,464,042 | $ 6,465,629 |
| Employer's Proportionate Share of the Net GLI OPEB Liability as a Percentage of its Covered Payroll | 5.54% | 5.64% | 8.11% | 8.30% | 7.98% | 8.15% |
| Plan Fiduciary Net Position as a Percentage of the Total GLI OPEB Liability | 67.21% | 67.45% | 52.64% | 52.00% | 51.22% | 48.86% |

Schedule is intended to show information for 10 years. Since 2023 is the sixth year for this presentation, only five additional years of data are available. However, additional years will be included as they become available.

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

**COUNTY OF YORK, VIRGINIA**
**Schedule of Employer's Share of Net OPEB Liability**
**Group Life Insurance Program - Professional Employees**
**Years Ended June 30**

| | School Division | | | | | |
|---|---|---|---|---|---|---|
| | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 |
| Employer's Proportion of the Net GLI OPEB Liability | 0.34861% | 0.35728% | 0.36222% | 0.36358% | 0.35768% | 0.36412% |
| Employer's Proportionate Share of the Net GLI OPEB Liability | $ 4,197,601 | $ 4,159,709 | $ 6,044,858 | $ 5,916,415 | $ 5,432,000 | $ 5,479,000 |
| Employer's Covered Payroll | $ 75,832,600 | $ 73,764,438 | $ 74,545,554 | $ 71,274,389 | $ 68,011,166 | $ 67,163,557 |
| Employer's Proportionate Share of the Net GLI OPEB Liability as a Percentage of its Covered Payroll | 5.54% | 5.64% | 8.11% | 8.30% | 7.99% | 8.16% |
| Plan Fiduciary Net Position as a Percentage of the Total GLI OPEB Liability | 67.21% | 67.45% | 52.64% | 52.00% | 51.22% | 48.86% |

Schedule is intended to show information for 10 years. Since 2023 is the sixth year for this presentation, only five additional years of data are available. However, additional years will be included as they become available.

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

## COUNTY OF YORK, VIRGINIA
## Schedule of Employer GLI OPEB Contributions
### For the Years Ended June 30, 2014 through 2023

| Date | (a) Contractually Required Contributions | (b) Contributions in Relation to Contractually Required Contributions | (c) Contribution Deficiency (Excess) (a) - (b) | (d) Employer's Covered Payroll | (e) Contributions as a Percentage of Covered Payroll (b) / (d) |
|---|---|---|---|---|---|
| | | | **County** | | |
| June 30, 2023 | $ 270,704 | $ 270,704 | - | $ 50,130,397 | 0.54% |
| June 30, 2022 | 242,869 | 242,869 | - | 44,975,660 | 0.54% |
| June 30, 2021 | 234,716 | 234,716 | - | 43,465,887 | 0.54% |
| June 30, 2020 | 233,351 | 233,351 | - | 44,875,227 | 0.52% |
| June 30, 2019 | 225,979 | 225,979 | - | 43,457,502 | 0.52% |
| June 30, 2018 | 213,240 | 213,240 | - | 41,007,670 | 0.52% |
| June 30, 2017 | 201,745 | 201,745 | - | 38,797,164 | 0.52% |
| June 30, 2016 | 182,606 | 182,606 | - | 38,042,921 | 0.48% |
| June 30, 2015 | 179,206 | 179,206 | - | 37,334,631 | 0.48% |
| June 30, 2014 | 178,047 | 178,047 | - | 37,093,209 | 0.48% |
| | | | **School Division Nonprofessional** | | |
| June 30, 2023 | $ 37,419 | $ 37,419 | $ - | $ 6,929,380 | 0.54% |
| June 30, 2022 | 35,511 | 35,511 | - | 6,576,091 | 0.54% |
| June 30, 2021 | 34,603 | 34,603 | - | 6,407,980 | 0.54% |
| June 30, 2020 | 34,895 | 34,895 | - | 6,710,645 | 0.52% |
| June 30, 2019 | 33,927 | 33,927 | - | 6,524,499 | 0.52% |
| June 30, 2018 | 33,613 | 33,613 | - | 6,464,042 | 0.52% |
| June 30, 2017 | 33,621 | 33,621 | - | 6,465,629 | 0.52% |
| June 30, 2016 | 31,104 | 31,104 | - | 6,479,929 | 0.48% |
| June 30, 2015 | 29,858 | 29,858 | - | 6,220,361 | 0.48% |
| June 30, 2014 | 29,091 | 29,091 | - | 6,060,588 | 0.48% |
| | | | **School Division Professional** | | |
| June 30, 2023 | $ 439,536 | $ 439,536 | $ - | $ 81,395,515 | 0.54% |
| June 30, 2022 | 409,496 | 409,496 | - | 75,832,600 | 0.54% |
| June 30, 2021 | 398,328 | 398,328 | - | 73,764,438 | 0.54% |
| June 30, 2020 | 387,637 | 387,637 | - | 74,545,554 | 0.52% |
| June 30, 2019 | 370,627 | 370,627 | - | 71,274,389 | 0.52% |
| June 30, 2018 | 353,658 | 353,658 | - | 68,011,166 | 0.52% |
| June 30, 2017 | 349,251 | 349,251 | - | 67,163,557 | 0.52% |
| June 30, 2016 | 319,402 | 319,402 | - | 66,542,088 | 0.48% |
| June 30, 2015 | 306,106 | 306,106 | - | 63,772,157 | 0.48% |
| June 30, 2014 | 292,259 | 292,259 | - | 60,887,315 | 0.48% |

**COUNTY OF YORK, VIRGINIA**
**Schedule of Employer's Share of Net OPEB Liability (Asset)**
**Virginia Local Disability Program - Nonprofessional Employees**
**Years Ended June 30**

| | School Division | | | | | |
|---|---|---|---|---|---|---|
| | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 |
| Employer's Proportion of the Net VLDP OPEB Liability | 0.05345% | 0.05374% | 0.59289% | 0.56622% | 0.55393% | 0.58111% |
| Employer's Proportionate Share of the Net VLDP OPEB Liability (Asset) | $ (3,142) | $ (5,440) | $ 5,919 | $ 11,471 | $ 4,000 | $ 3,000 |
| Employer's Covered Payroll | $ 2,503,941 | $ 2,158,928 | $ 2,209,330 | $ 1,749,657 | $ 1,344,986 | $ 1,067,079 |
| Employer's Proportionate Share of the Net VLDP OPEB Liability (Asset) as a Percentage of its Covered Payroll | -0.13% | -0.25% | 0.27% | 0.66% | 0.30% | 0.28% |
| Plan Fiduciary Net Position as a Percentage of the Total VLDP OPEB Liability | 107.99% | 119.64% | 76.88% | 49.21% | 51.39% | 38.40% |

Schedule is intended to show information for 10 years. Since 2023 is the sixth year for this presentation, only five additional years of data are available. However, additional years will be included as they become available.

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

**COUNTY OF YORK, VIRGINIA**
**Schedule of Employer's Share of Net OPEB Liability (Asset)**
**Virginia Local Disability Program - Professional Employees**
**Years Ended June 30**

| School Division | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 |
|---|---|---|---|---|---|---|
| Employer's Proportion of the Net VLDP OPEB Liability | 2.64852% | 2.67037% | 2.67889% | 2.60420% | 2.70217% | 2.91011% |
| Employer's Proportionate Share of the Net VLDP OPEB Liability (Asset) | $ (2,978) | $ (18,799) | $ 21,492 | $ 15,140 | $ 21,000 | $ 17,000 |
| Employer's Covered Payroll | $21,316,819 | $17,969,082 | $15,845,658 | $12,487,933 | $10,075,546 | $ 8,212,334 |
| Employer's Proportionate Share of the Net VLDP OPEB Liability as a Percentage of its Covered Payroll | -0.01% | -0.10% | 0.14% | 0.12% | 0.21% | 0.21% |
| Plan Fiduciary Net Position as a Percentage of the Total VLDP OPEB Liability | 101.57% | 114.41% | 78.25% | 74.07% | 46.18% | 31.96% |

Schedule is intended to show information for 10 years. Since 2023 is the sixth year for this presentation, only five additional years of data are available. However, additional years will be included as they become available.

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

## COUNTY OF YORK, VIRGINIA
## Schedule of Employer Virginia Local Disability Program (VLDP)
### For the Years Ended June 30, 2014 through 2023

| Date | (a) Contractually Required Contributions | (b) Contributions in Relation to Contractually Required Contributions | (c) Contribution Deficiency (Excess) (a) - (b) | (d) Employer's Covered Payroll | (e) Contributions as a Percentage of Covered Payroll (b) / (d) |
|---|---|---|---|---|---|
| | | **School Division Nonprofessional** | | | |
| June 30, 2023 | $ 24,631 | $ 24,631 | $ - | $ 2,897,818 | 0.85% |
| June 30, 2022 | 20,783 | 20,783 | - | 2,503,941 | 0.83% |
| June 30, 2021 | 17,919 | 17,919 | - | 2,158,928 | 0.83% |
| June 30, 2020 | 15,907 | 15,907 | - | 2,209,330 | 0.72% |
| June 30, 2019 | 10,848 | 10,848 | - | 1,749,657 | 0.62% |
| June 30, 2018 | 8,070 | 8,070 | - | 1,344,986 | 0.60% |
| June 30, 2017 | 6,402 | 6,402 | - | 1,067,079 | 0.60% |
| June 30, 2016 | 4,505 | 4,505 | - | 750,816 | 0.60% |
| June 30, 2015 | 2,825 | 2,825 | - | 470,890 | 0.60% |
| June 30, 2014 | 461 | 461 | - | 76,841 | 0.60% |
| | | **School Division Professional** | | | |
| June 30, 2023 | $ 127,029 | $ 127,029 | $ - | $ 27,027,551 | 0.47% |
| June 30, 2022 | 100,189 | 100,189 | - | 21,316,819 | 0.47% |
| June 30, 2021 | 84,455 | 84,455 | - | 17,969,082 | 0.47% |
| June 30, 2020 | 64,967 | 64,967 | - | 15,845,658 | 0.41% |
| June 30, 2019 | 51,201 | 51,201 | - | 12,487,933 | 0.41% |
| June 30, 2018 | 31,234 | 31,234 | - | 10,075,546 | 0.31% |
| June 30, 2017 | 25,458 | 25,458 | - | 8,212,334 | 0.31% |
| June 30, 2016 | 18,227 | 18,227 | - | 6,285,203 | 0.29% |
| June 30, 2015 | 9,074 | 9,074 | - | 3,129,075 | 0.29% |
| June 30, 2014 | 336 | 336 | - | 115,993 | 0.29% |

**COUNTY OF YORK, VIRGINIA**
**Schedule of Investment Returns**
**Other Postemployment Benefits - Health/Dental**
**Years Ended June 30**

| | County | | | | | | |
|---|---|---|---|---|---|---|---|
| | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 |
| Annual money-weighted rate of return, net of investment expense | 7.62% | -9.23% | 30.07% | 3.02% | 4.60% | 9.46% | 12.93% |

Schedule is intended to show information for 10 years. Since 2023 is the seventh year for this presentation, only seven years of data are available. However, additional years will be included as they become available.

## 1. BUDGETARY DATA

Annual budget requests for the ensuing fiscal year are submitted to the County Administrator by department or agency heads during the second quarter of the fiscal year. The County Administrator reviews the requests and meetings are held with department heads and agencies for discussion. After work sessions with the Board of Supervisors and public hearings, the budget is amended as necessary and an appropriations resolution by functional level is adopted. The budget is required to be adopted by a majority vote of the Board of Supervisors prior to the end of the current fiscal year.

The budgetary data reported in the required supplementary information reflects the approved County Budget as adopted by the Board of Supervisors for the year ended June 30, 2023, as amended. The budget may be amended by the Board of Supervisors through supplemental appropriations or transfers as necessary. The legal level of budgetary control rests at the fund level with the exception of the General Fund, which is appropriated at the functional level. In addition, the County Code provides that the County Administrator may transfer funds within and between appropriation functions. These transfers may be made to allow the disbursement of funds for unanticipated costs incurred in daily County operations.

The budgets are prepared on a basis consistent with the modified accrual basis of accounting. The General Fund's budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America. According to the County Code, unexpended appropriations lapse at the end of the fiscal year. Encumbered balances, grants and donations, capital and maintenance, and other balances for specific purposes may be reappropriated in the following year by the Board of Supervisors.

The General, Special Revenue, Debt Service, Capital Projects, and Proprietary funds have legally adopted budgets, except for Proprietary funds (the York Sanitary District Fund, the Upper County Utility Fund, and the Sanitary District No. 2 Fund) in which the only expense is depreciation.

## 2. PENSION DATA

The supplemental information presented is intended to help users assess each system's funding status on a going concern basis, assess progress made in accumulating assets to pay benefits when due, and make comparisons with other public employee retirement systems. Information pertaining to the retirement systems can be found in the notes to the financial statements.

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

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

## 2. PENSION DATA (*Continued)*

Non-Hazardous Duty and Teachers (Professional):

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

Hazardous Duty:

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

## 3. OTHER POSTEMPLOYMENT BENEFITS GLI and HIC (OPEB) DATA

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

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

## 3. OTHER POSTEMPLOYMENT BENEFITS GLI and HIC (OPEB) DATA (*Continued)*

General Employees:

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

Hazardous Duty:

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

## 4. OTHER POSTEMPLOYMENT BENEFITS (OPEB) DATA

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The required schedule of funding progress presents multi-year trend information about whether the actuarial value of the plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits. Information pertaining to the OPEB plans can be found in the notes to the financial statements.

The County and School Division pre-fund benefits through contributions to the trust. The current funding policy is to contribute the Actuarially Determined Contribution as calculated by the actuary with exceptions if there is a contribution excess. The Actuarially Determined Contribution is the sum of the current year's normal cost plus an amount necessary to amortize the unfunded liability over a closed period. The following methods and assumptions were used to calculate the Actuarially Determined Contribution for the fiscal year ending June 30, 2023.

| | |
|---|---|
| Actuarial cost method: | Projected Unit Credit |
| Amortization method: | Layered approach, with each new base amortized over a closed 30-year period as a level percentage of payroll |
| Asset valuation method: | Market value |
| Inflation: | 2.5 percent |
| Payroll growth: | 3.0 percent |
| Discount rate: | 6.5 percent |
| Medical cost trend: | Pre-65 is 5.50% for fiscal 2023, and then grading to an ultimate rate of 3.90% for fiscal 2074<br>Post-65 is 5.00% for fiscal 2023, and then grading to an ultimate rate of 3.90% for fiscal 2074 |
| Dental cost trend: | 4.91% annual increase for fiscal 2022, then the lesser of the pre-Medicare medical trend and 4.00% for each fiscal year thereafter |

## NONMAJOR GOVERNMENTAL FUNDS

**Special Revenue Funds:**

Revenue Stabilization Fund – accounts for local funds equal to the excess of Federal Impact Aid receipts returned by the School Division at the close of any fiscal year. When applicable, expenditures reflect funds transferred to the School Division for school capital projects, which are typically repaid with future receipts.

Children and Family Services Fund - accounts for the receipt and disbursement of federal and local funds for the Head Start and USDA Food Service Programs.

Virginia Public Assistance Fund - accounts for the rendering of economic aid to qualifying citizens.

Law Library Fund - accounts for the receipt and disbursement of funds for the Law Library.

Community Development Authority Revenue Account Fund - accounts for the incremental tax revenues generated by the Marquis Lifestyle Center and paid to the Authority's trustee and for the payment to the County for services provided to the facilities in the project area.

Grants and Donations Fund - accounts for various grant-funded programs which include non-recurring grants as well as grants that cross multiple years and non-permanent personnel grants.

**Debt Service Funds:**

County Fund - accounts for the receipt and payment of bonds and loans issued for the construction and maintenance of County facilities and equipment.

Education Fund - accounts for the receipt and payment of bonds and loans issued for the construction and maintenance of educational facilities and equipment. This fund is a major governmental fund; however, it is shown here for budgetary comparison purposes.

**Capital Project Funds:**

Stormwater Fund - accounts for revenue and expenditures related to the drainage maintenance projects.

Yorktown Capital Improvements Fund - accounts for revenue and expenditures related to capital improvements in the historical Yorktown area. This fund is a major governmental fund; however, it is shown here for budgetary comparison purposes.

County Capital Fund - accounts for revenue and expenditures related to construction or acquisition of facilities and equipment in the general governmental areas such as facilities maintenance, public safety, and parks and recreation. This fund is a major governmental fund; however, it is shown here for budgetary comparison purposes.

**COUNTY OF YORK, VIRGINIA**
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2023

| | Special Revenue | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| **ASSETS** | **Revenue Stabilization** | **Children & Family Services** | **Virginia Public Assistance** | **Law Library** | **Community Development Authority Revenue Account** | **Grant and Donations** | **Debt Service County** | **Stormwater Capital Project** | **Total Nonmajor Governmental Funds** |
| Cash and investments | $ 7,061,428 | $ 262,695 | $ 876,272 | $ 35,426 | $ 90,025 | $ 1,703,696 | $ 473,304 | $ 2,954,225 | $ 13,457,071 |
| Restricted cash | - | - | - | - | - | - | - | 46,839 | 46,839 |
| Receivables, net | - | 143,780 | 694,719 | 633 | 169,567 | 382,118 | - | 190,547 | 1,581,364 |
| Due from component unit - CDA | - | - | - | - | 176,865 | - | - | - | 176,865 |
| Prepaid expenditures | - | - | - | - | 17,942 | - | - | - | 17,942 |
| Total assets | $ 7,061,428 | $ 406,475 | $ 1,570,991 | $ 36,059 | $ 454,399 | $ 2,085,814 | $ 473,304 | $ 3,191,611 | $ 15,280,081 |
| **LIABILITIES, DEFFERED INFLOWS OF RESOURCES AND FUND BALANCES** | | | | | | | | | |
| Liabilities: | | | | | | | | | |
| Accounts payable | $ - | $ 29,629 | $ 223,123 | $ 246 | $ - | $ 53,970 | $ - | $ 289,444 | $ 596,412 |
| Retainage payable | - | - | - | - | - | - | - | 83,234 | 83,234 |
| Salaries, taxes and benefits payable | - | 83,270 | 261,549 | - | - | - | - | - | 344,819 |
| Unearned revenue | - | - | - | - | - | - | - | 219,823 | 219,823 |
| Due to other funds | - | - | - | - | 176,865 | - | - | - | 176,865 |
| Due to component unit - CDA | - | - | - | - | 259,592 | - | - | - | 259,592 |
| Total liabilities | - | 112,899 | 484,672 | 246 | 436,457 | 53,970 | - | 592,501 | 1,680,745 |
| Deferred inflows of resources: | | | | | | | | | |
| Unavailable revenues - property taxes, fees and grants | - | - | - | - | - | 2,854 | - | - | 2,854 |
| Prepaid taxes and grants received in advance | - | - | - | - | 17,942 | - | - | - | 17,942 |
| Total deferred inflows of resources | - | - | - | - | 17,942 | 2,854 | - | - | 20,796 |
| Fund balances: | | | | | | | | | |
| Restricted | - | 12,563 | - | 35,813 | - | 1,945,203 | - | - | 1,993,579 |
| Committed | 7,061,428 | - | - | - | - | - | - | 2,599,110 | 9,660,538 |
| Assigned | - | 281,013 | 1,086,319 | - | - | 83,787 | 473,304 | - | 1,924,423 |
| Total fund balances | 7,061,428 | 293,576 | 1,086,319 | 35,813 | - | 2,028,990 | 473,304 | 2,599,110 | 13,578,540 |
| Total liabilities, deferred inflows of resources and fund balances | $ 7,061,428 | $ 406,475 | $ 1,570,991 | $ 36,059 | $ 454,399 | $ 2,085,814 | $ 473,304 | $ 3,191,611 | $ 15,280,081 |

**COUNTY OF YORK, VIRGINIA**
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2023

| | Special Revenue | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| **REVENUES** | **Revenue Stabilization** | **Children & Family Services** | **Virginia Public Assistance** | **Law Library** | **Community Development Authority Revenue Account** | **Grants and Donations** | **Debt Service County** | **Stormwater Capital Project** | **Total Nonmajor Governmental Funds** |
| General property taxes | $ - | $ - | $ - | $ - | $ 351,679 | $ - | $ - | $ - | $ 351,679 |
| Other local taxes | - | - | - | - | 726,154 | - | - | 783,584 | 1,509,738 |
| Intergovernmental: | | | | | | | | | |
| Federal | - | 1,493,745 | 2,932,531 | - | - | 862,300 | - | - | 5,288,576 |
| State | - | 13,389 | 1,911,647 | - | - | 555,293 | - | 996,247 | 3,476,576 |
| Use of money and property | 49,910 | 1,838 | - | 235 | 523 | 11,622 | 1,031 | 21,888 | 87,047 |
| Charges for services | - | 4,085 | 565 | 7,641 | - | - | - | 2,400 | 14,691 |
| Miscellaneous | - | 4,394 | - | - | - | 292,693 | - | 17,414 | 314,501 |
| Recovered costs | - | - | 331,531 | - | - | - | - | - | 331,531 |
| Total revenues | 49,910 | 1,517,451 | 5,176,274 | 7,876 | 1,078,356 | 1,721,908 | 1,031 | 1,821,533 | 11,374,339 |
| **EXPENDITURES** | | | | | | | | | |
| Current: | | | | | | | | | |
| Judicial services | - | - | - | 2,453 | - | 522 | - | - | 2,975 |
| Public Safety | - | - | - | - | - | 745,504 | - | - | 745,504 |
| Education | - | - | - | - | - | 5,527 | - | - | 5,527 |
| Human services | - | 1,876,050 | 7,510,349 | - | - | - | - | - | 9,386,399 |
| Community services | - | - | - | - | - | 589,808 | - | - | 589,808 |
| Nondepartmental | - | - | - | - | 896,831 | - | - | - | 896,831 |
| Capital outlay | - | - | - | - | - | - | - | 4,803,381 | 4,803,381 |
| Debt service: | | | | | | | | | |
| Principal retirement | - | - | 13,307 | - | - | - | 3,428,923 | - | 3,442,230 |
| Interest and fiscal charges | - | - | 1,094 | - | - | - | 2,270,842 | - | 2,271,936 |
| Lease financing | - | - | 43,929 | - | - | - | - | - | 43,929 |
| Total expenditures | - | 1,876,050 | 7,568,679 | 2,453 | 896,831 | 1,341,361 | 5,699,765 | 4,803,381 | 22,188,520 |
| Excess (deficiency) of revenues over (under) expenditures | 49,910 | (358,599) | (2,392,405) | 5,423 | 181,525 | 380,547 | (5,698,734) | (2,981,848) | (10,814,181) |
| **OTHER FINANCING SOURCES (USES)** | | | | | | | | | |
| Lease financing | - | - | 43,929 | - | - | - | - | - | 43,929 |
| Transfers in | - | 385,000 | 2,506,930 | - | - | 232,499 | 5,268,508 | 200,000 | 8,592,937 |
| Transfers out | - | - | - | - | (181,525) | - | - | - | (181,525) |
| Total other financing sources (uses),net | - | 385,000 | 2,550,859 | - | (181,525) | 232,499 | 5,268,508 | 200,000 | 8,455,341 |
| Net change in fund balances | 49,910 | 26,401 | 158,454 | 5,423 | - | 613,046 | (430,226) | (2,781,848) | (2,358,840) |
| Fund balances, beginning of year | 7,011,518 | 267,175 | 927,865 | 30,390 | - | 1,415,944 | 903,530 | 5,380,958 | 15,937,380 |
| Fund balances, end of year | $ 7,061,428 | $ 293,576 | $ 1,086,319 | $ 35,813 | $ - | $ 2,028,990 | $ 473,304 | $ 2,599,110 | $ 13,578,540 |

**COUNTY OF YORK, VIRGINIA**
Budgetary Comparison Schedule
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2023

| | Revenue Stabilization | | | | Children and Family Services | | | |
|---|---|---|---|---|---|---|---|---|
| | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
| **REVENUES** | | | | | | | | |
| Intergovernmental: | | | | | | | | |
| Federal | $ - | $ - | $ - | $ - | $ 1,419,877 | $ 1,419,877 | $ 1,493,745 | $ 73,868 |
| State | - | - | - | - | - | - | 13,389 | 13,389 |
| Use of money and property | - | - | 49,910 | 49,910 | 1,800 | 1,800 | 1,838 | 38 |
| Charges for services | - | - | - | - | 4,000 | 4,000 | 4,085 | 85 |
| Miscellaneous | - | - | - | - | 52,125 | 52,125 | 4,394 | (47,731) |
| Total revenues | - | - | 49,910 | 49,910 | 1,477,802 | 1,477,802 | 1,517,451 | 39,649 |
| **EXPENDITURES** | | | | | | | | |
| Current: | | | | | | | | |
| Education | - | - | - | - | - | - | - | - |
| Human services | - | - | - | - | 2,233,585 | 2,233,585 | 1,876,050 | 357,535 |
| Total expenditures | - | - | - | - | 2,233,585 | 2,233,585 | 1,876,050 | 357,535 |
| Excess (deficiency) of revenues over (under) expenditures | - | - | 49,910 | 49,910 | (755,783) | (755,783) | (358,599) | 397,184 |
| **OTHER FINANCING SOURCES** | | | | | | | | |
| Transfers in | - | - | - | - | 385,000 | 385,000 | 385,000 | - |
| Total other financing sources | - | - | - | - | 385,000 | 385,000 | 385,000 | - |
| Net change in fund balances | - | - | 49,910 | 49,910 | (370,783) | (370,783) | 26,401 | 397,184 |
| Fund balances, beginning of year | - | - | 7,011,518 | 7,011,518 | 370,783 | 370,783 | 267,175 | (103,608) |
| Fund balances, end of year | $ - | $ - | $ 7,061,428 | $ 7,061,428 | $ - | $ - | $ 293,576 | $ 293,576 |

| | Virginia Public Assistance | | | | Law Library | | | |
|---|---|---|---|---|---|---|---|---|
| | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
| **REVENUES** | | | | | | | | |
| Intergovernmental: | | | | | | | | |
| Federal | $ 2,662,064 | $ 2,662,064 | $ 2,932,531 | $ 270,467 | $ - | $ - | $ - | $ - |
| State | 1,836,348 | 2,065,332 | 1,911,647 | (153,685) | - | - | - | - |
| Use of money and property | - | - | - | - | 100 | 100 | 235 | 135 |
| Charges for services | - | - | 565 | 565 | 5,900 | 5,900 | 7,641 | 1,741 |
| Miscellaneous | - | - | - | - | - | - | - | - |
| Recovered costs | 302,000 | 302,000 | 331,531 | 29,531 | - | - | - | - |
| Total revenues | 4,800,412 | 5,029,396 | 5,176,274 | 146,878 | 6,000 | 6,000 | 7,876 | 1,876 |
| **EXPENDITURES** | | | | | | | | |
| Current: | | | | | | | | |
| Judicial services | - | - | - | - | 6,000 | 6,000 | 2,453 | 3,547 |
| Human services | 7,402,805 | 7,631,789 | 7,510,349 | 121,440 | - | - | - | - |
| Debt service: | | | | | | | | |
| Prinicpal retirement | 13,307 | 13,307 | 13,307 | - | - | - | - | - |
| Interest and fiscal charges | 1,094 | 1,094 | 1,094 | - | - | - | - | - |
| Lease financing | - | - | 43,929 | (43,929) | - | - | - | - |
| Total expenditures | 7,417,206 | 7,646,190 | 7,568,679 | 77,511 | 6,000 | 6,000 | 2,453 | 3,547 |
| Excess (deficiency) of revenues over (under) expenditures | (2,616,794) | (2,616,794) | (2,392,405) | 224,389 | - | - | 5,423 | 5,423 |
| **OTHER FINANCING SOURCES** | | | | | | | | |
| Lease financing | - | - | 43,929 | 43,929 | - | - | - | - |
| Transfers in | 2,506,930 | 2,506,930 | 2,506,930 | - | - | - | - | - |
| Total other financing sources | 2,506,930 | 2,506,930 | 2,550,859 | 43,929 | - | - | - | - |
| Net change in fund balances | (109,864) | (109,864) | 158,454 | 268,318 | - | - | 5,423 | 5,423 |
| Fund balances, beginning of year | 109,864 | 109,864 | 927,865 | 818,001 | - | - | 30,390 | 30,390 |
| Fund balances, end of year | $ - | $ - | $ 1,086,319 | $ 1,086,319 | $ - | $ - | $ 35,813 | $ 35,813 |

**COUNTY OF YORK, VIRGINIA**
Budgetary Comparison Schedule
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2023

| | Community Development Authority Revenue Account | | | | Grants and Donations | | | |
|---|---|---|---|---|---|---|---|---|
| **REVENUES** | **Original Budget** | **Final Budget** | **Actual** | **Variance with Final Budget Positive (Negative)** | **Original Budget** | **Final Budget** | **Actual** | **Variance with Final Budget Positive (Negative)** |
| General property taxes | $ 351,294 | $ 351,294 | $ 351,679 | $ 385 | $ - | $ - | $ - | $ - |
| Other local taxes | 803,000 | 803,000 | 726,154 | (76,846) | - | - | - | - |
| Intergovernmental | | | | | | | | |
| Federal | - | - | - | - | 1,471,464 | 1,949,929 | 862,300 | (1,087,629) |
| State | - | - | - | - | 413,000 | 618,979 | 555,293 | (63,686) |
| Use of money and property | - | - | 523 | 523 | - | - | 11,622 | 11,622 |
| Miscellaneous | - | - | - | - | 13,158 | 292,693 | 292,693 | - |
| Total revenues | 1,154,294 | 1,154,294 | 1,078,356 | (75,938) | 1,897,622 | 2,861,601 | 1,721,908 | (1,139,693) |
| **EXPENDITURES** | | | | | | | | |
| Current: | | | | | | | | |
| Judicial services | - | - | - | - | 61,596 | 133,391 | 522 | 132,869 |
| Public Safety | - | - | - | - | 2,573,249 | 3,369,479 | 745,504 | 2,623,975 |
| Education | - | - | - | - | 10,726 | 16,648 | 5,527 | 11,121 |
| Public Works | - | - | - | - | 2,428 | 2,428 | - | 2,428 |
| Community development | - | - | - | - | 438 | 438 | - | 438 |
| Community services | - | - | - | - | 560,828 | 833,360 | 589,808 | 243,552 |
| Nondepartmental | 972,764 | 972,764 | 896,831 | 75,933 | 104,301 | 154,301 | - | 154,301 |
| Total expenditures | 972,764 | 972,764 | 896,831 | 75,933 | 3,313,566 | 4,510,045 | 1,341,361 | 3,168,684 |
| Excess (deficiency) of revenues over (under) expenditures | 181,530 | 181,530 | 181,525 | (5) | (1,415,944) | (1,648,444) | 380,547 | 2,028,991 |
| **OTHER FINANCING SOURCES (USES)** | | | | | | | | |
| Transfers in | - | - | - | - | - | 232,499 | 232,499 | - |
| Transfers out | (181,530) | (181,530) | (181,525) | 5 | - | - | - | - |
| Total other financing sources (uses), net | (181,530) | (181,530) | (181,525) | 5 | - | 232,499 | 232,499 | - |
| Net change in fund balances | - | - | - | - | (1,415,944) | (1,415,945) | 613,046 | 2,028,991 |
| Fund balances, beginning of year | - | - | - | - | 1,415,944 | 1,415,945 | 1,415,944 | (1) |
| Fund balances, end of year | $ - | $ - | $ - | $ - | $ - | $ - | $ 2,028,990 | $ 2,028,990 |

| | Total | | | |
|---|---|---|---|---|
| **REVENUES** | **Original Budget** | **Final Budget** | **Actual** | **Variance with Final Budget Positive (Negative)** |
| General property taxes | $ 351,294 | $ 351,294 | $ 351,679 | $ 385 |
| Other local taxes | 803,000 | 803,000 | 726,154 | (76,846) |
| Intergovernmental | | | | |
| Federal | 5,553,405 | 6,031,870 | 5,288,576 | (743,294) |
| State | 2,249,348 | 2,684,311 | 2,480,329 | (203,982) |
| Use of money and property | 1,900 | 1,900 | 64,128 | 62,228 |
| Charges for services | 9,900 | 9,900 | 12,291 | 2,391 |
| Miscellaneous | 65,283 | 344,818 | 297,087 | (47,731) |
| Recovered costs | 302,000 | 302,000 | 331,531 | 29,531 |
| Total revenues | 9,336,130 | 10,529,093 | 9,551,775 | (977,318) |
| **EXPENDITURES** | | | | |
| Current: | | | | |
| Judicial services | 67,596 | 139,391 | 2,975 | 136,416 |
| Public Safety | 2,573,249 | 3,369,479 | 745,504 | 2,623,975 |
| Education | 10,726 | 16,648 | 5,527 | 11,121 |
| Human services | 9,636,390 | 9,865,374 | 9,386,399 | 478,975 |
| Public Works | 2,428 | 2,428 | - | 2,428 |
| Community development | 438 | 438 | - | 438 |
| Community services | 560,828 | 833,360 | 589,808 | 243,552 |
| Nondepartmental | 1,077,065 | 1,127,065 | 896,831 | 230,234 |
| Debt service: | | | | |
| Prinicpal retirement | 13,307 | 13,307 | 13,307 | - |
| Interest and fiscal charges | 1,094 | 1,094 | 1,094 | - |
| Lease financing | - | - | 43,929 | (43,929) |
| Total expenditures | 13,943,121 | 15,368,584 | 11,685,374 | 3,683,210 |
| Deficiency of revenues under expenditures | (4,606,991) | (4,839,491) | (2,133,599) | 2,705,892 |
| **OTHER FINANCING SOURCES (USES)** | | | | |
| Lease financing | - | - | 43,929 | 43,929 |
| Transfers in | 2,891,930 | 3,124,429 | 3,124,429 | - |
| Transfers out | (181,530) | (181,530) | (181,525) | 5 |
| Total other financing sources, net | 2,710,400 | 2,942,899 | 2,986,833 | 43,934 |
| Net change in fund balances | (1,896,591) | (1,896,592) | 853,234 | 2,749,826 |
| Fund balances, beginning of year | 1,896,591 | 1,896,592 | 9,652,892 | 7,756,300 |
| Fund balances, end of year | $ - | $ - | $ 10,506,126 | $ 10,506,126 |

**COUNTY OF YORK, VIRGINIA**
Budgetary Comparison Schedule
Debt Service Funds
For the Year Ended June 30, 2023

| | County | | | | Education | | | |
|---|---|---|---|---|---|---|---|---|
| | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
| **REVENUES** | | | | | | | | |
| Intergovernmental - Federal | $ - | $ - | $ - | $ - | $ 59,470 | $ 59,470 | $ 56,298 | $ (3,172) |
| Intergovernmental - State | - | - | - | - | 177,953 | 177,953 | 177,950 | (3) |
| Use of money and property | - | - | 1,031 | 1,031 | - | - | - | - |
| Recovered costs | - | - | - | - | 105,480 | 105,480 | 105,483 | 3 |
| Total revenues | - | - | 1,031 | 1,031 | 342,903 | 342,903 | 339,731 | (3,172) |
| **EXPENDITURES** | | | | | | | | |
| Education | - | - | - | - | 10,688,000 | 10,688,000 | 9,727,130 | 960,870 |
| Debt service: | | | | | | | | |
| Principal retirement | 3,221,787 | 3,723,956 | 3,428,923 | 295,033 | 5,780,000 | 5,780,000 | 5,780,000 | - |
| Interest and fiscal charges | 2,046,721 | 2,448,082 | 2,270,842 | 177,240 | 2,745,071 | 3,521,774 | 2,745,225 | 776,549 |
| Costs of issuance | - | - | - | - | 60,000 | 60,000 | 63,474 | (3,474) |
| Total expenditures | 5,268,508 | 6,172,038 | 5,699,765 | 472,273 | 19,273,071 | 20,049,774 | 18,315,829 | 1,733,945 |
| Deficiency of revenues under expenditures | (5,268,508) | (6,172,038) | (5,698,734) | 473,304 | (18,930,168) | (19,706,871) | (17,976,098) | 1,730,773 |
| **OTHER FINANCING SOURCES** | | | | | | | | |
| Transfers in | 5,268,508 | 5,268,508 | 5,268,508 | - | 8,242,168 | 8,242,168 | 8,242,168 | - |
| Issuance of debt, net | - | - | - | - | 10,688,000 | 10,688,000 | 9,080,000 | (1,608,000) |
| Premium on bonds issued | - | - | - | - | - | - | 680,454 | 680,454 |
| Total other financing sources | 5,268,508 | 5,268,508 | 5,268,508 | - | 18,930,168 | 18,930,168 | 18,002,622 | (927,546) |
| Net change in fund balances | - | (903,530) | (430,226) | 473,304 | - | (776,703) | 26,524 | 803,227 |
| Fund balances, beginning of year | - | 903,530 | 903,530 | - | - | 776,703 | 776,703 | - |
| Fund balances, end of year | $ - | $ - | $ 473,304 | $ 473,304 | $ - | $ - | $ 803,227 | $ 803,227 |

| | Total | | | |
|---|---|---|---|---|
| | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
| **REVENUES** | | | | |
| Intergovernmental - Federal | $ 59,470 | $ 59,470 | $ 56,298 | $ (3,172) |
| Intergovernmental - State | 177,953 | 177,953 | 177,950 | (3) |
| Use of money and property | - | - | 1,031 | 1,031 |
| Recovered costs | 105,480 | 105,480 | 105,483 | 3 |
| Total revenues | 342,903 | 342,903 | 340,762 | (2,141) |
| **EXPENDITURES** | | | | |
| Education | 10,688,000 | 10,688,000 | 9,727,130 | 960,870 |
| Debt service: | | | | |
| Principal retirement | 9,001,787 | 9,503,956 | 9,208,923 | 295,033 |
| Interest and fiscal charges | 4,791,792 | 5,969,856 | 5,016,067 | 953,789 |
| Costs of issuance | 60,000 | 60,000 | 63,474 | (3,474) |
| Total expenditures | 24,541,579 | 26,221,812 | 24,015,594 | 2,206,218 |
| Deficiency of revenues under expenditures | (24,198,676) | (25,878,909) | (23,674,832) | 2,204,077 |
| **OTHER FINANCING SOURCES (USES)** | | | | |
| Transfers in | 13,510,676 | 13,510,676 | 13,510,676 | - |
| Issuance of debt, net | 10,688,000 | 10,688,000 | 9,080,000 | (1,608,000) |
| Premium on bonds issued | - | - | 680,454 | 680,454 |
| Total other financing sources | 24,198,676 | 24,198,676 | 23,271,130 | (927,546) |
| Net change in fund balances | - | (1,680,233) | (403,702) | 1,276,531 |
| Fund balances, beginning of year | - | 1,680,233 | 1,680,233 | - |
| Fund balances, end of year | $ - | $ - | $ 1,276,531 | $ 1,276,531 |

**COUNTY OF YORK, VIRGINIA**
Budgetary Comparison Schedule
Capital Project Funds
For the Year Ended June 30, 2023

| | Stormwater Fund | | | | Yorktown Capital Improvements | | | |
|---|---|---|---|---|---|---|---|---|
| **REVENUES** | **Original Budget** | **Final Budget** | **Actual** | **Variance with Final Budget Positive (Negative)** | **Original Budget** | **Final Budget** | **Actual** | **Variance with Final Budget Positive (Negative)** |
| Intergovernmental: | | | | | | | | |
| State | $ 2,652,067 | $ 2,652,067 | $ 996,247 | $ (1,655,820) | $ - | $ - | $ - | $ - |
| Other local taxes | 730,000 | 730,000 | 783,584 | 53,584 | - | - | - | - |
| Use of money and property | - | - | 21,888 | 21,888 | - | - | 3,776 | 3,776 |
| Charges for services | 28,000 | 28,000 | 2,400 | (25,600) | - | - | - | - |
| Miscellaneous | - | - | 17,414 | 17,414 | - | - | - | - |
| Total revenues | 3,410,067 | 3,410,067 | 1,821,533 | (1,588,534) | - | - | 3,776 | 3,776 |
| **EXPENDITURES** | | | | | | | | |
| Capital outlay | 8,991,025 | 8,991,025 | 4,803,381 | 4,187,644 | 937,231 | 937,231 | - | 937,231 |
| Total expenditures | 8,991,025 | 8,991,025 | 4,803,381 | 4,187,644 | 937,231 | 937,231 | - | 937,231 |
| Excess (deficiency) of revenues over (under) expenditures | (5,580,958) | (5,580,958) | (2,981,848) | 2,599,110 | (937,231) | (937,231) | 3,776 | 941,007 |
| **OTHER FINANCING SOURCES** | | | | | | | | |
| Transfers in | 200,000 | 200,000 | 200,000 | - | 937,231 | 937,231 | 500,000 | (437,231) |
| Total other financing sources | 200,000 | 200,000 | 200,000 | - | 937,231 | 937,231 | 500,000 | (437,231) |
| Net change in fund balances | (5,380,958) | (5,380,958) | (2,781,848) | 2,599,110 | - | - | 503,776 | 503,776 |
| Fund balances (deficit), beginning of year | 5,380,958 | 5,380,958 | 5,380,958 | - | - | - | (3,003,377) | (3,003,377) |
| Fund balances (deficit), end of year | $ - | $ - | $ 2,599,110 | $ 2,599,110 | $ - | $ - | $ (2,499,601) | $ (2,499,601) |

| | County Capital | | | | Total | | | |
|---|---|---|---|---|---|---|---|---|
| **REVENUES** | **Original Budget** | **Final Budget** | **Actual** | **Variance with Final Budget Positive (Negative)** | **Original Budget** | **Final Budget** | **Actual** | **Variance with Final Budget Positive (Negative)** |
| Intergovernmental: | | | | | | | | |
| Federal | $ 384,650 | $ 991,115 | $ 399,167 | $ (591,948) | $ 384,650 | $ 991,115 | $ 399,167 | $ (591,948) |
| State | 1,157,902 | 1,761,931 | 388,456 | (1,373,475) | 3,809,969 | 4,413,998 | 1,384,703 | (3,029,295) |
| Other local taxes | - | - | - | - | 730,000 | 730,000 | 783,584 | 53,584 |
| Use of money and property | - | - | 1,348,247 | 1,348,247 | - | - | 1,373,911 | 1,373,911 |
| Charges for services | - | - | - | - | 28,000 | 28,000 | 2,400 | (25,600) |
| Miscellaneous | 250,000 | 423,859 | 173,859 | (250,000) | 250,000 | 423,859 | 191,273 | (232,586) |
| Recovered costs | 1,070,000 | 1,070,000 | 73,112 | (996,888) | 1,070,000 | 1,070,000 | 73,112 | (996,888) |
| Total revenues | 2,862,552 | 4,246,905 | 2,382,841 | (1,864,064) | 6,272,619 | 7,656,972 | 4,208,150 | (3,448,822) |
| **EXPENDITURES** | | | | | | | | |
| Education | - | 173,859 | 173,859 | - | - | 173,859 | 173,859 | - |
| Capital outlay | 70,782,718 | 78,131,695 | 29,997,017 | 48,134,678 | 80,710,974 | 88,059,951 | 34,800,398 | 53,259,553 |
| Debt service: costs of issuance | - | - | - | - | - | - | - | - |
| Total expenditures | 70,782,718 | 78,305,554 | 30,170,876 | 48,134,678 | 80,710,974 | 88,233,810 | 34,974,257 | 53,259,553 |
| Excess (deficiency) of revenues over (under) expenditures | (67,920,166) | (74,058,649) | (27,788,035) | 46,270,614 | (74,438,355) | (80,576,838) | (30,766,107) | 49,810,731 |
| **OTHER FINANCING SOURCES** | | | | | | | | |
| Insurance recovery | - | - | 136,993 | 136,993 | - | - | 136,993 | 136,993 |
| Transfers in | 4,000,000 | 16,153,483 | 16,153,483 | - | 5,137,231 | 17,290,714 | 16,853,483 | (437,231) |
| Issuance of debt | 22,750,000 | 22,750,000 | - | (22,750,000) | 22,750,000 | 22,750,000 | - | (22,750,000) |
| Total other financing sources | 26,750,000 | 38,903,483 | 16,290,476 | (22,613,007) | 27,887,231 | 40,040,714 | 16,990,476 | (23,050,238) |
| Net change in fund balances | (41,170,166) | (35,155,166) | (11,497,559) | 23,657,607 | (46,551,124) | (40,536,124) | (13,775,631) | 26,760,493 |
| Fund balances, beginning of year | 41,170,166 | 35,155,166 | 58,187,032 | 23,031,866 | 46,551,124 | 40,536,124 | 60,564,613 | 20,028,489 |
| Fund balances, end of year | $ - | $ - | $ 46,689,473 | $ 46,689,473 | $ - | $ - | $ 46,788,982 | $ 46,788,982 |

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## NONMAJOR ENTERPRISE FUNDS

**Yorktown Operations Fund** - accounts for the operations at the Yorktown waterfront.

**York Sanitary District Fund** - accounts for the capital assets as of January 1, 1992 of the Sanitary District No. 1 utility systems.

**Upper County Utility Fund** - accounts for the capital assets as of January 1, 1992 of the upper County utility systems.

**Water Utility Fund** - accounts for the operations of the County's water utility systems.

**Sanitary District No. 2 Fund** - accounts for the capital assets as of January 1, 1992 of the Sanitary District No. 2 utility systems.

**Regional Radio System Fund** - accounts for the County's joint emergency communication system with James City County and Gloucester County.

**COUNTY OF YORK, VIRGINIA**
Combining Statement of Net Position
Nonmajor Enterprise Funds
June 30, 2023

| | Yorktown Operations | York Sanitary District | Upper County Utility | Water Utility | Sanitary District No. 2 | Regional Radio System | Total |
|---|---|---|---|---|---|---|---|
| **ASSETS** | | | | | | | |
| Current assets: | | | | | | | |
| Cash and investments | $ 150 | $ 345 | $ - | $ 42,206 | $ - | $ 1,177,892 | $ 1,220,593 |
| Receivables, net | 1,590 | - | - | 27,851 | - | 30,240 | 59,681 |
| Due from component unit - EDA | 227,046 | - | - | - | - | - | 227,046 |
| Prepaid expenses | - | - | - | 15,675 | - | - | 15,675 |
| Total current assets | 228,786 | 345 | - | 85,732 | - | 1,208,132 | 1,522,995 |
| Noncurrent assets: | | | | | | | |
| Nondepreciable capital assets: | | | | | | | |
| Land | 2,707,736 | 37,916 | 33,994 | - | 251,854 | - | 3,031,500 |
| Easements | - | - | - | 10,945 | - | - | 10,945 |
| Depreciable capital assets: | | | | | | | |
| Buildings | - | 783,982 | - | - | 2,699,159 | - | 3,483,141 |
| Infrastructure | - | 2,254,362 | 767,391 | 281,553 | 19,956,345 | - | 23,259,651 |
| Equipment | - | 446,216 | - | - | 453,831 | 2,919,301 | 3,819,348 |
| Less accumulated depreciation | - | (3,059,045) | (622,090) | (99,543) | (20,157,756) | (1,313,685) | (25,252,119) |
| Total noncurrent assets | 2,707,736 | 463,431 | 179,295 | 192,955 | 3,203,433 | 1,605,616 | 8,352,466 |
| **DEFERRED OUTFLOWS OF RESOURCES** | | | | | | | |
| Deferred outflows related to OPEB costs | 9,380 | - | - | - | - | - | 9,380 |
| Deferred outflows related to pension costs | 6,460 | - | - | - | - | 5,503 | 11,963 |
| Total deferred outflows of resources | 15,840 | - | - | - | - | 5,503 | 21,343 |
| Total assets and deferred outflows of resources | $ 2,952,362 | $ 463,776 | $ 179,295 | $ 278,687 | $ 3,203,433 | $ 2,819,251 | $ 9,896,804 |
| **LIABILITIES** | | | | | | | |
| Current liabilities: | | | | | | | |
| Accounts payable | $ 44,539 | $ - | $ - | $ 126 | $ - | $ 8,114 | $ 52,779 |
| Salaries, taxes and benefits payable | 7,702 | - | - | - | - | - | 7,702 |
| Unearned revenue | 11 | - | - | 53,190 | - | - | 53,201 |
| Total current liabilities | 52,252 | - | - | 53,316 | - | 8,114 | 113,682 |
| Noncurrent liabilities: | | | | | | | |
| Compensated absences | 16,579 | - | - | - | - | - | 16,579 |
| Net OPEB liability | 10,318 | - | - | - | - | - | 10,318 |
| Net pension liability | 10,801 | - | - | - | - | 27,001 | 37,802 |
| Advance from other fund | 2,300,000 | - | - | - | - | - | 2,300,000 |
| Total noncurrent liabilities | 2,337,698 | - | - | - | - | 27,001 | 2,364,699 |
| Total liabilities | 2,389,950 | - | - | 53,316 | - | 35,115 | 2,478,381 |
| **DEFERRED INFLOWS OF RESOURCES** | | | | | | | |
| Deferred inflows related to OPEB costs | 5,613 | - | - | - | - | - | 5,613 |
| Deferred inflows related to pension costs | 6,497 | - | - | - | - | 16,242 | 22,739 |
| Total deferred inflows of resources | 12,110 | - | - | - | - | 16,242 | 28,352 |
| **NET POSITION** | | | | | | | |
| Net investment in capital assets | 2,707,736 | 463,431 | 179,295 | 192,955 | 3,203,433 | 1,605,616 | 8,352,466 |
| Unrestricted (deficit) | (2,157,434) | 345 | - | 32,416 | - | 1,162,278 | (962,395) |
| Total net position | 550,302 | 463,776 | 179,295 | 225,371 | 3,203,433 | 2,767,894 | 7,390,071 |
| Total liabilities and net position | $ 2,952,362 | $ 463,776 | $ 179,295 | $ 278,687 | $ 3,203,433 | $ 2,819,251 | $ 9,896,804 |

**COUNTY OF YORK, VIRGINIA**
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Nonmajor Enterprise Funds
For the Year Ended June 30, 2023

| | Yorktown Operations | York Sanitary District | Upper County Utility | Water Utility | Sanitary District No. 2 | Regional Radio System | Total |
|---|---|---|---|---|---|---|---|
| **Operating Revenues** | | | | | | | |
| Use of property | $ 39,550 | $ - | $ - | $ - | $ - | $ 3,643,979 | $ 3,683,529 |
| Charges for services | 126,866 | - | - | 303,518 | - | - | 430,384 |
| Miscellaneous | - | - | - | - | - | 5,089 | 5,089 |
| Total operating revenues | 166,416 | - | - | 303,518 | - | 3,649,068 | 4,119,002 |
| **Operating Expenses** | | | | | | | |
| Personal services | 116,212 | - | - | - | - | 112,740 | 228,952 |
| Contractual services | 90,774 | - | - | 16,379 | - | 5,281,561 | 5,388,714 |
| Materials and supplies | 7,417 | - | - | 306,583 | - | 36,049 | 350,049 |
| Depreciation | - | 31,734 | 13,749 | 5,585 | 370,659 | 291,930 | 713,657 |
| Total operating expenses | 214,403 | 31,734 | 13,749 | 328,547 | 370,659 | 5,722,280 | 6,681,372 |
| Operating income (loss) | (47,987) | (31,734) | (13,749) | (25,029) | (370,659) | (2,073,212) | (2,562,370) |
| **Nonoperating Revenues** | | | | | | | |
| Other local taxes | - | - | - | 21,178 | - | - | 21,178 |
| Interest income | - | 3 | - | 165 | - | 9,451 | 9,619 |
| Total nonoperating revenues | - | 3 | - | 21,343 | - | 9,451 | 30,797 |
| Income (loss) before transfers | (47,987) | (31,731) | (13,749) | (3,686) | (370,659) | (2,063,761) | (2,531,573) |
| **Transfers In** | - | 10 | - | - | - | 1,102,582 | 1,102,592 |
| Change in net position | (47,987) | (31,721) | (13,749) | (3,686) | (370,659) | (961,179) | (1,428,981) |
| Total net position, beginning of year | 598,289 | 495,497 | 193,044 | 229,057 | 3,574,092 | 3,729,073 | 8,819,052 |
| Total net position, end of year | $ 550,302 | $ 463,776 | $ 179,295 | $ 225,371 | $ 3,203,433 | $ 2,767,894 | $ 7,390,071 |

**COUNTY OF YORK, VIRGINIA**
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended June 30, 2023

| | Yorktown Operations | York Sanitary District | Upper County Utility | Water Utility | Sanitary District No. 2 | Regional Radio System | Total |
|---|---|---|---|---|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | | | | | | |
| Receipts from customers and users | $ 159,692 | $ - | $ - | $ 305,725 | $ - | $ 3,618,044 | $ 4,083,461 |
| Other receipts | - | - | - | - | - | 5,089 | 5,089 |
| Payments to suppliers for goods and services | (57,200) | - | - | (322,876) | - | (5,309,496) | (5,689,572) |
| Payments to employees for services | (114,813) | - | - | - | - | (75,000) | (189,813) |
| Net cash provided by (used in) operating activities | (12,321) | - | - | (17,151) | - | (1,761,363) | (1,790,835) |
| **CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES** | | | | | | | |
| Transfers in | - | 10 | - | - | - | 1,102,582 | 1,102,592 |
| Net cash provided by noncapital financing activities | - | 10 | - | - | - | 1,102,582 | 1,102,592 |
| **CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES** | | | | | | | |
| Other local taxes to support capital projects | - | - | - | 21,178 | - | - | 21,178 |
| Net cash provided by capital and related financing activities | - | - | - | 21,178 | - | - | 21,178 |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | | | | | | |
| Interest income | - | 3 | - | 165 | - | 9,451 | 9,619 |
| Net cash provided by investing activities | - | 3 | - | 165 | - | 9,451 | 9,619 |
| Net increase (decrease) in cash and cash equivalents | (12,321) | 13 | - | 4,192 | - | (649,330) | (657,446) |
| Cash and cash equivalents, beginning of year | 12,471 | 332 | - | 38,014 | - | 1,827,222 | 1,878,039 |
| Cash and cash equivalents, end of year | $ 150 | $ 345 | $ - | $ 42,206 | $ - | $ 1,177,892 | $ 1,220,593 |
| **Reconciliation of cash and cash equivalents to the Statement of Net Position:** | | | | | | | |
| Cash and investments | $ 150 | $ 345 | $ - | $ 42,206 | $ - | $ 1,177,892 | $ 1,220,593 |
| Cash and cash equivalents, end of year | $ 150 | $ 345 | $ - | $ 42,206 | $ - | $ 1,177,892 | $ 1,220,593 |
| **Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:** | | | | | | | |
| Operating income (loss) | $ (47,987) | $ (31,734) | $ (13,749) | $ (25,029) | $ (370,659) | $ (2,073,212) | $ (2,562,370) |
| Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities: | | | | | | | |
| Depreciation | - | 31,734 | 13,749 | 5,585 | 370,659 | 291,930 | 713,657 |
| (Increase) decrease in: | | | | | | | |
| Receivables | 10,808 | - | - | 757 | - | (25,935) | (14,370) |
| Due from/to component unit - EDA | (17,531) | - | - | - | - | - | (17,531) |
| Increase (decrease) in: | | | | | | | |
| Accounts payable | 40,991 | - | - | 86 | - | 8,114 | 49,191 |
| Salaries, taxes and benefits payable | 452 | - | - | - | - | - | 452 |
| Unearned revenues | (1) | - | - | 1,450 | - | - | 1,449 |
| Net OPEB liability and related outflows/inflows | (665) | - | - | - | - | - | (665) |
| Net pension liability and related outflows/inflows | (2,064) | - | - | - | - | 37,740 | 35,676 |
| Compensated absences | 3,676 | - | - | - | - | - | 3,676 |
| Net cash provided by (used in) operating activities | $ (12,321) | $ - | $ - | $ (17,151) | $ - | $ (1,761,363) | $ (1,790,835) |

## INTERNAL SERVICE FUNDS

To account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a cost-reimbursement basis. An internal service fund may also be used to account for all or a portion of a government's risk financing activities.

**Vehicle Maintenance Fund** - accounts for the operations of the vehicle maintenance and replacement services provided to County departments.

**Health and Dental Insurance Fund** – accounts for the claims and related expenses for health and dental benefits of County employees and retirees.

**Workers' Compensation Fund** – accounts for the claims and related expenses for workers' compensation.

**Information Technology Fund** – accounts for the costs of computer hardware and software, computer technical support, software support, internet and telecommunications services to county departments.

**COUNTY OF YORK, VIRGINIA**
Combining Statement of Net Position
Internal Service Funds
June 30, 2023

| | Vehicle Maintenance Fund | Health and Dental Insurance Fund | Workers' Compensation Fund | Information Technology Fund | Total |
|---|---|---|---|---|---|
| **ASSETS** | | | | | |
| Current assets: | | | | | |
| Cash and investments | $ 3,892,873 | $ 6,227,125 | $ 657,804 | $ 1,695,585 | $ 12,473,387 |
| Receivable, net | 36,364 | 5,756 | - | - | 42,120 |
| Prepaid expenses | - | 482,000 | - | 44,438 | 526,438 |
| Total current assets | 3,929,237 | 6,714,881 | 657,804 | 1,740,023 | 13,041,945 |
| Noncurrent assets: | | | | | |
| Nondepreciable capital assets: | | | | | |
| Construction in progress | 75,197 | - | - | - | 75,197 |
| Depreciable capital assets: | | | | | |
| Intangibles | 239,907 | - | - | - | 239,907 |
| Land improvements | 1,312,152 | - | - | - | 1,312,152 |
| Equipment | 1,575,180 | - | - | 568,953 | 2,144,133 |
| Vehicles | 8,435,112 | - | - | - | 8,435,112 |
| Less accumulated depreciation | (6,348,135) | - | - | (182,184) | (6,530,319) |
| Less accumulated amortization | (139,477) | - | - | - | (139,477) |
| Total noncurrent assets | 5,149,936 | - | - | 386,769 | 5,536,705 |
| Deferred outflows of resources | | | | | |
| Deferred outflows related to OPEB costs | 149,404 | - | 1,043 | 246 | 150,693 |
| Deferred ouflows related to pension costs | 178,459 | - | 13,879 | - | 192,338 |
| Total deferred outflows of resources | 327,863 | - | 14,922 | 246 | 343,031 |
| Total assets | $ 9,407,036 | $ 6,714,881 | $ 672,726 | $ 2,127,038 | $ 18,921,681 |
| **LIABILITIES** | | | | | |
| Current liabilities: | | | | | |
| Accounts payable | $ 416,673 | $ 16,193 | $ 49,326 | $ 65,298 | $ 547,490 |
| Salaries, taxes and benefits payable | 69,742 | - | 3,897 | 1,995 | 75,634 |
| Claims payable | - | 1,970,000 | - | - | 1,970,000 |
| Compensated absences - current | 2,500 | - | - | - | 2,500 |
| Total current liabilities | 488,915 | 1,986,193 | 53,223 | 67,293 | 2,595,624 |
| Noncurrent liabilities: | | | | | |
| Compensated absences - net current | 133,631 | - | - | - | 133,631 |
| Net OPEB liability | 180,613 | - | 3,592 | 996 | 185,201 |
| Net pension liability | 331,216 | - | 23,401 | - | 354,617 |
| Total noncurrent liabilities | 645,460 | - | 26,993 | 996 | 673,449 |
| Total liabilities | 1,134,375 | 1,986,193 | 80,216 | 68,289 | 3,269,073 |
| Deferred inflows of resources | | | | | |
| Deferred inflows related to OPEB costs | 91,791 | - | 983 | 259 | 93,033 |
| Deferred inflows related to pension costs | 199,237 | - | 14,076 | - | 213,313 |
| | 291,028 | - | 15,059 | 259 | 306,346 |
| **NET POSITION** | | | | | |
| Net investment in capital assets | 5,149,936 | - | - | 386,769 | 5,536,705 |
| Unrestricted | 2,831,697 | 4,728,688 | 577,451 | 1,671,721 | 9,809,557 |
| Total net position | 7,981,633 | 4,728,688 | 577,451 | 2,058,490 | 15,346,262 |
| Total liabilities and net position | $ 9,407,036 | $ 6,714,881 | $ 672,726 | $ 2,127,038 | $ 18,921,681 |

**COUNTY OF YORK, VIRGINIA**
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Internal Service Funds
For the Year Ended June 30, 2023

| | Vehicle Maintenance Fund | Health and Dental Insurance Fund | Workers' Compensation Fund | Information Technology Fund | Total |
|---|---|---|---|---|---|
| **Operating Revenues** | | | | | |
| Charges for services | $ 5,862,086 | $ 14,161,431 | $ - | $ 1,879,863 | $ 21,903,380 |
| Miscellaneous | 190,599 | - | 1,630 | - | 192,229 |
| Total operating revenues | 6,052,685 | 14,161,431 | 1,630 | 1,879,863 | 22,095,609 |
| **Operating Expenses** | | | | | |
| Personal services | 1,224,905 | 1,738,651 | 78,311 | - | 3,041,867 |
| Contractual services | 708,931 | 13,110,292 | 305,141 | 1,293,034 | 15,417,398 |
| Materials and supplies | 2,598,002 | - | - | 300,792 | 2,898,794 |
| Depreciation and amortization | 734,305 | - | - | 74,618 | 808,923 |
| Total operating expenses | 5,266,143 | 14,848,943 | 383,452 | 1,668,444 | 22,166,982 |
| Operating income (loss) | 786,542 | (687,512) | (381,822) | 211,419 | (71,373) |
| **Nonoperating Revenues (Expenses)** | | | | | |
| Interest income | 25,252 | 39,867 | 4,952 | 14,836 | 84,907 |
| Loss on disposal of capital assets | (12,248) | - | - | - | (12,248) |
| Total nonoperating revenues, net | 13,004 | 39,867 | 4,952 | 14,836 | 72,659 |
| Income (loss) before conributions and transfers | 799,546 | (647,645) | (376,870) | 226,255 | 1,286 |
| **Capital Contributions** | 109,687 | - | - | - | 109,687 |
| **Transfers In** | 509,995 | 1,000,000 | 198,000 | 750,000 | 2,457,995 |
| Change in net position | 1,419,228 | 352,355 | (178,870) | 976,255 | 2,568,968 |
| Total net position, beginning of year | 6,562,405 | 4,376,333 | 756,321 | 1,082,235 | 12,777,294 |
| Total net position, end of year | $ 7,981,633 | $ 4,728,688 | $ 577,451 | $ 2,058,490 | $ 15,346,262 |

**COUNTY OF YORK, VIRGINIA**
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2023

| | Vehicle Maintenance Fund | Health and Dental Insurance Fund | Workers' Compensation Fund | Information Technology Fund | Total |
|---|---|---|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | | | | |
| Receipts from customers and users | $ 5,861,498 | $ 14,292,114 | $ - | $ 1,879,863 | $ 22,033,475 |
| Other receipts | 190,599 | - | 1,630 | - | 192,229 |
| Payments to suppliers for goods and services | (3,329,983) | (12,713,449) | (280,752) | (1,628,948) | (17,953,132) |
| Payments to employees for services | (1,292,608) | (1,738,984) | (82,385) | (31,487) | (3,145,464) |
| Net cash provided by (used in) operating activities | 1,429,506 | (160,319) | (361,507) | 219,428 | 1,127,108 |
| **CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES** | | | | | |
| Transfers in | 500,000 | 1,000,000 | 198,000 | 750,000 | 2,448,000 |
| Net cash provided by noncapital financing activities | 500,000 | 1,000,000 | 198,000 | 750,000 | 2,448,000 |
| **CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES** | | | | | |
| Grant income | - | - | - | - | - |
| Acquisition and construction of capital assets | (1,194,139) | - | - | (167,768) | (1,361,907) |
| Net proceeds from the disposal of capital assets | 96,941 | - | - | - | 96,941 |
| Net cash used in capital and related financing activities | (1,097,198) | - | - | (167,768) | (1,264,966) |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | | | | |
| Interest income | 25,252 | 39,867 | 4,952 | 14,836 | 84,907 |
| Net cash provided by investing activities | 25,252 | 39,867 | 4,952 | 14,836 | 84,907 |
| Net increase in cash and cash equivalents | 857,560 | 879,548 | (158,555) | 816,496 | 2,395,049 |
| Cash and cash equivalents, beginning of year | 3,035,313 | 5,347,577 | 816,359 | 879,089 | 10,078,338 |
| Cash and cash equivalents, end of year | $ 3,892,873 | $ 6,227,125 | $ 657,804 | $ 1,695,585 | $ 12,473,387 |
| **Reconciliation of cash and cash equivalents to the Statement of Net Position:** | | | | | |
| Cash and investments | $ 3,892,873 | $ 6,227,125 | $ 657,804 | $ 1,695,585 | $ 12,473,387 |
| Cash and cash equivalents, end of year | $ 3,892,873 | $ 6,227,125 | $ 657,804 | $ 1,695,585 | $ 12,473,387 |
| **Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:** | | | | | |
| Operating income (loss) | $ 786,542 | $ (687,512) | $ (381,822) | $ 211,419 | $ (71,373) |
| Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities: | | | | | |
| Depreciation and amortization | 734,305 | - | - | 74,617 | 808,922 |
| Decrease (increase) in: | | | | | |
| Receivables | (588) | 130,683 | - | - | 130,095 |
| Prepaid expenses | - | (105,000) | - | (2,907) | (107,907) |
| Increase (decrease) in: | | | | | |
| Accounts payable | (23,050) | (181,157) | 24,389 | (32,214) | (212,032) |
| Retainage payable | - | - | - | - | - |
| Salaries, taxes and benefits payable | 18,621 | (333) | 556 | 1,995 | 20,839 |
| Claims payable | - | 683,000 | - | - | 683,000 |
| Compensated absences | (4,743) | - | - | - | (4,743) |
| Net OPEB liability and related outflows/inflows | (25,512) | - | (683) | (8,616) | (34,811) |
| Net pension liability and related outflows/inflows | (56,069) | - | (3,947) | (24,866) | (84,882) |
| Net cash provided by (used in) operating activities | $ 1,429,506 | $ (160,319) | $ (361,507) | $ 219,428 | $ 1,127,108 |
| **Noncash investing, capital, and financing activities:** | | | | | |
| Contributions of capital assets | $ 109,687 | $ - | $ - | $ - | $ 109,687 |
| Transfer in of capital assets | $ 9,995 | $ - | $ - | $ - | $ 9,995 |

## CUSTODIAL FUNDS

Custodial funds are a type of Fiduciary Fund. Custodial funds are maintained to account for funds held by the County on behalf of individuals, private organizations or other governments, as follows:

**Colonial Behavioral Health** - accounts for fiscal custodial funds held for the Colonial Behavioral Health.

**Colonial Juvenile Services Commission** - accounts for monies received for and expenditures made for the Commission.

**Special Welfare Fund** - accounts for monies received for and expenditures made on behalf of social service clients.

**Regional Projects** - accounts for monies received for and expenditures made on behalf of other agencies for regional projects.

**Other Funds** - the following funds are included in "Other Funds:"

**Peninsula Public Sports Facility Authority** - accounts for fiscal custodial funds held for the Peninsula Public Sports Facility Authority.

**Darby-Firby Neighborhood Corporation Fund** - accounts for fiscal custodial funds held for the Darby-Firby Neighborhood Corporation.

**COUNTY OF YORK, VIRGINIA**
Combining Statement of Fiduciary Net Position
Custodial Funds
June 30, 2023

| | Colonial Behavioral Health | Colonial Group Home Commission | Special Welfare | Regional Projects | Other Funds | Total |
|---|---|---|---|---|---|---|
| **ASSETS** | | | | | | |
| Cash and investments | $ 7,231,376 | $ 567,698 | $ 52,992 | $ 185,734 | $ 6,484 | $ 8,044,284 |
| Accounts receivable | 9,360 | 500 | - | 47,971 | - | 57,831 |
| Total assets | 7,240,736 | 568,198 | 52,992 | 233,705 | 6,484 | 8,102,115 |
| **LIABILITIES** | | | | | | |
| Accounts payable | 194,637 | 4,151 | - | 167,045 | - | 365,833 |
| Salaries, taxes and benefits payable | 243,482 | 45,973 | - | - | - | 289,455 |
| Unearned revenue | 104,315 | - | - | - | - | 104,315 |
| Total liabilities | 542,434 | 50,124 | - | 167,045 | - | 759,603 |
| **NET POSITION** | | | | | | |
| Restricted for: | | | | | | |
| Individuals, organizations and other governments | 6,698,302 | 518,074 | 52,992 | 66,660 | 6,484 | 7,342,512 |
| Total net position | $ 6,698,302 | $ 518,074 | $ 52,992 | $ 66,660 | $ 6,484 | $ 7,342,512 |

**COUNTY OF YORK, VIRGINIA**
Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
For the Year Ended June 30, 2023

| | Colonial Behavioral Health | Colonial Juvenile Services Commission | Special Welfare | Regional Projects | Other Funds | Total |
|---|---|---|---|---|---|---|
| **ADDITIONS** | | | | | | |
| Federal receipts for other agencies & individuals | $ 1,064,888 | $ - | $ 16,004 | $ - | $ - | $ 1,080,892 |
| State receipts for other agencies & individuals | 9,100,444 | - | - | - | - | 9,100,444 |
| Payments from other governments, agencies & local sources | 9,789,450 | 845,606 | 52,452 | 2,693,191 | - | 13,380,699 |
| Interest earned on cash balances | - | 4,030 | - | - | 21 | 4,051 |
| Total additions | 19,954,782 | 849,636 | 68,456 | 2,693,191 | 21 | 23,566,086 |
| **DEDUCTIONS** | | | | | | |
| Payments to other governments, agencies & individuals | 18,909,394 | 853,984 | 67,620 | 2,433,271 | 5,676 | 22,269,945 |
| Total deductions | 18,909,394 | 853,984 | 67,620 | 2,433,271 | 5,676 | 22,269,945 |
| Change in net position | 1,045,388 | (4,348) | 836 | 259,920 | (5,655) | 1,296,141 |
| Net position, beginning | 5,652,914 | 522,422 | 52,156 | (193,260) | 12,139 | 6,046,371 |
| Net position, end of year | $ 6,698,302 | $ 518,074 | $ 52,992 | $ 66,660 | $ 6,484 | $ 7,342,512 |

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## STATISTICAL SECTION

This part of the County's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the County's overall financial health.

**Contents:**

Financial Trends (pages L-3, L-4, L-5, L-6, L-7 and L-8)
These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.

Revenue Capacity (pages L-9, L-10, L-11 and L-12)
These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.

Debt Capacity (pages L-13 and L-14)
These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.

Demographic and Economic Information (pages L-15 and L-16)
These schedules offer demographic and economic indicators to help the reader understand how the environment within which the County's financial activities take place.

Operating Information (pages L-17, L-18 and L-19)
These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.

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**COUNTY OF YORK, VIRGINIA**
Net Position By Component - Accrual Basis of Accounting
Last Ten Fiscal Years

| | 2023 | 2022 | 2021 (3) | 2020 | 2019 | 2018 (2) | Restated 2017 | 2016 | 2015 (1) | 2014 |
|---|---|---|---|---|---|---|---|---|---|---|
| Governmental Activities: | | | | | | | | | | |
| Net investment in capital assets | $ 84,196,086 | $ 44,619,015 | $ 67,685,243 | $ 63,819,651 | $ 61,388,220 | $ 54,032,029 | $ 59,070,221 | $ 57,048,477 | $ 55,705,954 | $ 55,437,501 |
| Restricted | 18,671,536 | 31,721,148 | 8,951,725 | 3,484,204 | 3,846,463 | 8,608,459 | 1,979,403 | 2,245,562 | 1,901,161 | 1,476,281 |
| Unrestricted (deficit) | (28,314,870) | (2,148,460) | (27,748,736) | (31,674,855) | (25,736,045) | (26,289,614) | (28,390,677) | (16,790,034) | (9,934,965) | 21,674,899 |
| Total governmental activities net position | $ 74,552,752 | $ 74,191,703 | $ 48,888,232 | $ 35,629,000 | $ 39,498,638 | $ 36,350,874 | $ 32,658,947 | $ 42,504,005 | $ 47,672,150 | $ 78,588,681 |
| Business-type Activities: | | | | | | | | | | |
| Net investment in capital assets | $ 110,744,207 | $ 110,911,421 | $ 110,749,120 | $ 110,685,466 | $ 110,543,036 | $ 114,520,731 | $ 108,482,250 | $ 105,211,098 | $ 103,815,937 | $ 102,477,564 |
| Restricted | - | - | - | - | 122,713 | 117,043 | 105,906 | 141,802 | 177,154 | 177,139 |
| Unrestricted | 20,165,164 | 17,317,074 | 13,274,713 | 10,859,105 | 9,390,118 | 6,112,669 | 7,905,567 | 8,314,320 | 6,630,921 | 5,817,374 |
| Total business-type activities net position | $ 130,909,371 | $ 128,228,495 | $ 124,023,833 | $ 121,544,571 | $ 120,055,867 | $ 120,750,443 | $ 116,493,723 | $ 113,667,220 | $ 110,624,012 | $ 108,472,077 |
| Primary Government: | | | | | | | | | | |
| Net investment in capital assets | $ 194,940,293 | $ 155,530,436 | $ 178,434,363 | $ 174,505,117 | $ 171,931,256 | $ 168,552,760 | $ 167,552,471 | $ 162,259,575 | $ 159,521,891 | $ 157,915,065 |
| Restricted | 18,671,536 | 31,721,148 | 8,951,725 | 3,484,204 | 3,969,176 | 8,725,502 | 2,085,309 | 2,387,364 | 2,078,315 | 1,653,420 |
| Unrestricted (deficit) | (8,149,706) | 15,168,614 | (14,474,023) | (20,815,750) | (16,345,927) | (20,176,945) | (20,485,110) | (8,475,714) | (3,304,044) | 27,492,273 |
| Total Primary Government net position | $ 205,462,123 | $ 202,420,198 | $ 172,912,065 | $ 157,173,571 | $ 159,554,505 | $ 157,101,317 | $ 149,152,670 | $ 156,171,225 | $ 158,296,162 | $ 187,060,758 |

(1) Implemented GASB Statement No. 68, "Accounting and Financial Reporting for Pensions" and GASB Statement No. 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date."
(2) Implemented GASB Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions."
(3) Implemented GASB Statement No. 84, "Fiduciary Activities."

**COUNTY OF YORK, VIRGINIA**
Changes in Net Position - Accrual Basis of Accounting
Last Ten Fiscal Years

| | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Expenses (1)** | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| General administration | $ 3,613,973 | $ 4,031,287 | $ 3,753,814 | $ 4,468,101 | $ 4,195,707 | $ 5,589,064 | $ 5,713,262 | $ 5,281,219 | $ 3,408,038 | $ 8,717,434 |
| Judicial services | 3,316,809 | 3,352,664 | 3,704,339 | 3,721,294 | 3,102,522 | 2,739,760 | 3,104,169 | 2,925,400 | 3,256,745 | 3,190,077 |
| Public safety | 44,115,833 | 46,324,046 | 42,065,399 | 43,575,955 | 37,867,220 | 34,764,761 | 33,955,855 | 31,455,990 | 31,565,116 | 31,994,037 |
| Environmental and development services | - | - | - | - | - | - | - | - | 5,921,822 | 4,459,304 |
| Management services | 12,294,428 | 12,139,466 | 12,923,458 | 11,861,804 | 11,029,496 | 11,470,801 | 11,381,592 | 9,863,547 | - | - |
| Finance and planning | - | - | - | - | - | - | - | - | 9,776,644 | 11,071,656 |
| Education | 77,686,788 | 58,348,697 | 70,239,829 | 68,609,783 | 65,751,397 | 66,176,627 | 63,842,618 | 68,349,890 | 68,436,746 | 49,589,562 |
| Human services | 11,349,243 | 10,624,676 | 10,111,077 | 9,834,859 | 9,900,319 | 8,825,140 | 9,386,250 | 8,538,830 | 7,854,783 | 8,217,138 |
| General services | | - | - | - | - | - | - | - | 6,884,634 | 6,707,865 |
| Public works | 15,680,912 | 12,784,193 | 10,943,599 | 14,572,672 | 11,607,674 | 8,543,538 | 9,486,304 | 9,918,224 | - | - |
| Community development | 6,449,962 | 3,514,026 | 3,498,074 | 3,012,762 | 4,551,850 | - | - | - | - | - |
| Community services | 10,658,545 | 10,765,249 | 8,106,746 | 5,682,266 | 7,201,508 | 7,011,085 | 7,044,559 | 6,479,836 | 6,449,967 | 6,263,573 |
| Interest and fiscal charges on noncurrent debt | 4,886,205 | 4,179,779 | 3,577,368 | 3,518,196 | 3,422,992 | 3,308,747 | 2,454,107 | 3,643,143 | 2,735,422 | 3,898,226 |
| Total governmental activities | 190,052,698 | 166,064,083 | 168,923,703 | 168,857,692 | 158,630,685 | 148,429,523 | 146,368,716 | 146,456,079 | 146,289,917 | 134,108,872 |
| Business-type activities: | | | | | | | | | | |
| Sewer Utility | 12,776,052 | 12,120,219 | 11,992,147 | 12,245,651 | 11,582,981 | 10,210,063 | 11,036,541 | 10,792,409 | 10,705,774 | 10,505,293 |
| Water Utility | 328,547 | 722,641 | 324,391 | 326,842 | 4,036,161 | 1,751,336 | 443,414 | 332,253 | 339,656 | 349,496 |
| Solid Waste | 6,276,265 | 5,898,184 | 6,055,946 | 5,742,136 | 4,830,364 | 4,252,661 | 4,058,355 | 4,238,137 | 4,249,485 | 4,818,406 |
| Yorktown Operations | 214,403 | 225,797 | 157,317 | 158,295 | 72,335 | 77,918 | 92,828 | 85,983 | 77,434 | 74,718 |
| Sanitary Districts | 416,142 | 417,138 | 418,134 | 418,134 | 418,134 | 418,133 | 418,133 | 418,133 | 418,133 | 418,133 |
| Regional Radio System | 5,722,280 | 3,650,445 | 4,068,264 | 4,208,960 | 4,075,751 | 3,859,521 | 2,649,549 | 2,597,863 | 2,634,351 | 2,494,441 |
| Total business-type activities | 25,733,689 | 23,034,424 | 23,016,199 | 23,100,018 | 25,015,726 | 20,569,632 | 18,698,820 | 18,464,778 | 18,424,833 | 18,660,487 |
| Total Primary Government | $ 215,786,387 | $ 189,098,507 | $ 191,939,902 | $ 191,957,710 | $ 183,646,411 | $ 168,999,155 | $ 165,067,536 | $ 164,920,857 | $ 164,714,750 | $ 152,769,359 |
| **Program Revenues** | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Charges for services: | | | | | | | | | | |
| General administration | $ 108,447 | $ 123,351 | $ 250,352 | $ 260,592 | $ 179,970 | $ 1,030,633 | $ 667,530 | $ 734,113 | $ 141,697 | $ 121,888 |
| Judicial services | 593,809 | 614,571 | 651,790 | 842,850 | 602,875 | 550,272 | 551,142 | 540,591 | 496,240 | 528,711 |
| Public safety | 4,918,665 | 4,336,634 | 3,496,404 | 3,726,192 | 3,949,345 | 3,490,235 | 3,490,578 | 3,361,432 | 3,146,553 | 3,212,578 |
| Environmental and development services | - | - | - | - | - | - | - | - | 816,746 | 741,235 |
| Management services | 673,789 | 625,454 | 496,213 | 536,482 | 614,300 | 515,776 | 495,514 | 470,186 | - | - |
| Finance and planning | - | - | - | - | - | - | - | - | 447,610 | 449,041 |
| Education | 20,402 | 17,298 | 16,364 | 37,231 | 51,304 | 52,037 | 57,119 | 431,785 | 311,851 | 213,633 |
| Human services | 359,367 | 296,265 | 312,338 | 322,784 | 335,960 | 327,270 | 323,279 | 320,155 | 277,393 | 270,403 |
| General services | - | - | - | - | - | - | - | - | 1,289,908 | 1,257,665 |
| Public works | 1,442,283 | 1,422,935 | 1,445,206 | 1,339,954 | 1,337,489 | 1,305,091 | 1,285,384 | 1,308,871 | - | - |
| Community development | 1,197,543 | 1,098,220 | 787,606 | 832,921 | 862,596 | - | - | - | - | - |
| Community services | 751,704 | 639,945 | 402,047 | 253,967 | 680,005 | 659,451 | 631,672 | 576,602 | 500,144 | 514,474 |
| Operating grants and contributions | 14,152,174 | 23,546,282 | 29,664,580 | 15,103,972 | 11,737,764 | 11,226,226 | 10,845,577 | 10,631,197 | 10,188,235 | 10,521,429 |
| Capital grants and contributions | 2,383,225 | 1,130,423 | 911,612 | 2,443,417 | 2,742,009 | 2,514,487 | 872,828 | 797,833 | 1,369,785 | 317,128 |
| Total governmental activities | 26,601,408 | 33,851,378 | 38,434,512 | 25,700,362 | 23,093,617 | 21,671,478 | 19,220,623 | 19,172,765 | 18,986,162 | 18,148,185 |
| Business-type activities: | | | | | | | | | | |
| Charges for services: | | | | | | | | | | |
| Sewer Utility | 11,936,220 | 11,724,393 | 11,380,626 | 11,215,726 | 11,678,458 | 11,194,581 | 10,660,740 | 10,788,652 | 11,144,763 | 9,924,081 |
| Water Utility | 303,518 | 307,050 | 310,542 | 317,101 | 320,586 | 273,009 | 336,448 | 323,387 | 349,594 | 383,138 |
| Solid Waste | 5,992,705 | 5,988,733 | 5,911,272 | 5,847,097 | 4,676,104 | 4,439,291 | 4,460,309 | 4,626,276 | 4,626,082 | 4,856,961 |
| Yorktown Operations | 166,416 | 263,972 | 183,713 | 137,906 | 158,467 | 182,898 | 146,991 | 186,905 | 164,106 | 166,197 |
| Regional Radio System | 3,643,979 | 2,284,644 | 3,398,927 | 2,909,049 | 2,965,402 | 2,928,359 | 1,726,723 | 1,643,514 | 1,901,788 | 1,602,377 |
| Operating grants and contributions | 21,451 | 184,946 | 90,492 | 292,221 | 293,054 | 291,507 | 290,552 | 291,307 | 289,674 | 295,108 |
| Capital grants and contributions | 1,513,343 | 2,424,823 | 2,179,427 | 1,144,164 | 1,501,760 | 1,719,060 | 1,121,944 | 299,948 | 925,950 | 1,371,580 |
| Total business-type activities | 23,577,632 | 23,178,561 | 23,454,999 | 21,863,264 | 21,593,831 | 21,028,705 | 18,743,707 | 18,159,989 | 19,401,957 | 18,599,442 |
| Total Primary Government | $ 50,179,040 | $ 57,029,939 | $ 61,889,511 | $ 47,563,626 | $ 44,687,448 | $ 42,700,183 | $ 37,964,330 | $ 37,332,754 | $ 38,388,119 | $ 36,747,627 |
| **Net (expense)/revenue** | | | | | | | | | | |
| Governmental activities | $ (163,451,290) | $ (132,212,705) | $ (130,489,191) | $ (143,157,330) | $ (135,537,068) | $ (126,758,045) | $ (127,148,093) | $ (127,283,314) | $ (127,303,755) | $ (115,960,687) |
| Business-type activities | (2,156,057) | 144,137 | 438,800 | (1,236,754) | (3,421,895) | 459,073 | 44,887 | (304,789) | 977,124 | (61,045) |
| Total Primary Government net expense | $ (165,607,347) | $ (132,068,568) | $ (130,050,391) | $ (144,394,084) | $ (138,958,963) | $ (126,298,972) | $ (127,103,206) | $ (127,588,103) | $ (126,326,631) | $ (116,021,732) |
| **General Revenues and Other Changes in Net Position** | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Taxes: | | | | | | | | | | |
| Property taxes | $ 105,094,920 | $ 103,616,113 | $ 96,141,095 | $ 93,017,827 | $ 91,611,559 | $ 90,382,404 | $ 88,210,050 | $ 85,362,882 | $ 81,767,345 | $ 80,907,792 |
| Local sales and use taxes | 20,341,848 | 19,333,835 | 17,389,034 | 16,525,293 | 14,921,971 | 10,266,194 | 10,236,341 | 10,146,625 | 9,759,880 | 9,475,836 |
| Hotel and motel room taxes | 6,538,036 | 6,028,261 | 3,549,512 | 3,793,734 | 5,241,150 | 5,142,868 | 5,071,633 | 4,994,074 | 4,643,484 | 4,323,868 |
| Restaurant food taxes | 5,041,755 | 5,329,793 | 5,338,091 | 4,501,921 | 5,258,588 | 4,436,519 | 6,387,418 | 6,047,842 | 5,818,598 | 5,607,884 |
| Cigarette Taxes (2) | 1,697,929 | 1,544,370 | - | - | - | - | - | - | - | - |
| Business license taxes | 9,075,714 | 8,805,867 | 7,513,546 | 7,633,724 | 7,330,820 | 6,952,681 | 6,603,695 | 6,187,990 | 6,240,330 | 6,410,146 |
| Motor vehicle licenses | 1,664,644 | 1,689,691 | 1,647,098 | 1,602,643 | 1,623,247 | 1,624,520 | 1,600,973 | 1,591,953 | 1,558,331 | 1,582,332 |
| Taxes on recordation and wills | 1,364,751 | 2,097,909 | 2,207,395 | 1,777,073 | 1,601,992 | 1,796,928 | 1,470,205 | 1,477,446 | 1,391,389 | 1,545,219 |
| Other local taxes | 1,807,876 | 1,792,428 | 1,909,367 | 1,744,306 | 1,893,226 | 1,921,574 | 1,935,553 | 1,938,974 | 1,925,269 | 1,956,544 |
| Personal property tax relief - Commonwealth of Virginia | 8,741,680 | 8,741,680 | 8,741,680 | 8,741,680 | 8,741,680 | 8,760,374 | 8,741,680 | 8,741,680 | 8,665,120 | 8,741,680 |
| Unrestricted investment earnings | 3,283,062 | (294,364) | (19,787) | 859,654 | 1,386,131 | 650,388 | 248,076 | 305,043 | 149,037 | 216,877 |
| Miscellaneous | 302,711 | 207,247 | 372,731 | 162,593 | 210,254 | 115,481 | 43,452 | 358,177 | 79,766 | 1,256,436 |
| Gain (loss) on sale of capital assets | - | - | 4,391 | 14,378 | - | 35,569 | - | 188,537 | (118,576) | 22,306 |
| Transfers | (1,142,587) | (1,376,654) | (1,045,730) | (1,087,134) | (1,135,786) | (1,635,528) | (3,694,516) | (3,425,018) | (3,346,849) | (3,262,639) |
| Total governmental activities | 163,812,339 | 157,516,176 | 143,748,423 | 139,287,692 | 138,684,832 | 130,449,972 | 126,854,560 | 123,916,205 | 118,533,124 | 118,784,281 |
| Business-type activities: | | | | | | | | | | |
| Restaurant food taxes | 3,452,007 | 2,589,804 | 937,343 | 1,493,198 | 1,446,798 | 2,036,878 | - | - | - | - |
| Unrestricted investment earnings | 213,915 | 56,802 | 25,086 | 133,285 | 134,586 | 93,526 | 63,619 | 46,907 | 12,167 | 37,303 |
| Miscellaneous | 24,373 | 37,265 | 8,534 | 11,841 | 8,469 | 19,493 | 35,417 | 32,179 | 17,684 | 43,003 |
| Gain on sale of capital assets | 4,051 | - | 23,769 | - | 1,680 | 12,222 | - | 7,000 | 573 | - |
| Transfers | 1,142,587 | 1,376,654 | 1,045,730 | 1,087,134 | 1,135,786 | 1,635,528 | 3,694,516 | 3,425,018 | 3,346,849 | 3,262,639 |
| Total business-type activities | 4,836,933 | 4,060,525 | 2,040,462 | 2,725,458 | 2,727,319 | 3,797,647 | 3,793,552 | 3,511,104 | 3,377,273 | 3,342,945 |
| Total Primary Government | $ 168,649,272 | $ 161,576,701 | $ 145,788,885 | $ 142,013,150 | $ 141,412,151 | $ 134,247,619 | $ 130,648,112 | $ 127,427,309 | $ 121,910,397 | $ 122,127,226 |
| **Change in Net Position** | | | | | | | | | | |
| Governmental activities | $ 361,049 | $ 25,303,471 | $ 13,259,232 | $ (3,869,638) | $ 3,147,764 | $ 3,691,927 | $ (293,533) | $ (3,367,109) | $ (8,770,631) | $ 2,823,594 |
| Business-type activities | 2,680,876 | 4,204,662 | 2,479,262 | 1,488,704 | (694,576) | 4,256,720 | 3,838,439 | 3,206,315 | 4,354,397 | 3,281,900 |
| Total Primary Government | $ 3,041,925 | $ 29,508,133 | $ 15,738,494 | $ (2,380,934) | $ 2,453,188 | $ 7,948,647 | $ 3,544,906 | $ (160,794) | $ (4,416,234) | $ 6,105,494 |

(1) Expenditure categories were reclassified in FY2016. "Finance and planning" became "Management services" and Environmental and development services" and "General services" were combined into "Public works" except for building regulations and development and compliance expenditures were moved from "Environmental and development services" to "General government." In FY2019, planning and planning commission were moved from "Management services" to "Community development." Also in FY2019, building regulations and development services were moved from "General administration" to "Community development."

**COUNTY OF YORK, VIRGINIA**
Governmental Activities Tax Revenues By Source - Accrual Basis of Accounting
Last Ten Fiscal Years

| | 2023 | 2022 | 2021 | 2020 | 2019 (1) | 2018 | 2017 | 2016 | 2015 | 2014 |
|---|---|---|---|---|---|---|---|---|---|---|
| Property tax | $ 105,094,920 | $ 103,616,113 | $ 96,141,095 | $ 93,017,827 | $ 91,611,559 | $ 90,382,404 | $ 88,210,050 | $ 85,362,882 | $ 81,767,345 | $ 80,907,792 |
| Local sales and use tax | 20,341,848 | 19,333,835 | 17,389,034 | 16,525,293 | 14,921,971 | 10,266,194 | 10,236,341 | 10,146,625 | 9,759,880 | 9,475,836 |
| Hotel and motel room taxes | 6,538,036 | 6,028,261 | 3,549,512 | 3,793,734 | 5,241,150 | 5,142,868 | 5,071,633 | 4,994,074 | 4,643,484 | 4,323,868 |
| Restaurant food taxes | 5,041,755 | 5,329,793 | 5,338,091 | 4,501,921 | 5,258,588 | 4,436,519 | 6,387,418 | 6,047,842 | 5,818,598 | 5,607,884 |
| Cigarette tax (2) | 1,697,929 | 1,544,370 | - | - | - | - | - | - | - | - |
| Business license taxes | 9,075,714 | 8,805,867 | 7,513,546 | 7,633,724 | 7,330,820 | 6,952,681 | 6,603,695 | 6,187,990 | 6,240,330 | 6,410,146 |
| Motor vehicle licenses | 1,664,644 | 1,689,691 | 1,647,098 | 1,602,643 | 1,623,247 | 1,624,520 | 1,600,973 | 1,591,953 | 1,558,331 | 1,582,332 |
| Taxes on recordation and wills | 1,364,751 | 2,097,909 | 2,207,395 | 1,777,073 | 1,601,992 | 1,796,928 | 1,470,205 | 1,477,446 | 1,391,389 | 1,545,219 |
| Other local taxes | 1,807,876 | 1,792,428 | 1,909,367 | 1,744,306 | 1,893,226 | 1,921,574 | 1,935,553 | 1,938,974 | 1,925,269 | 1,956,544 |
| Total | $ 152,627,473 | $ 150,238,267 | $ 135,695,138 | $ 130,596,521 | $ 129,482,553 | $ 122,523,688 | $ 121,515,868 | $ 117,747,786 | $ 113,104,626 | $ 111,809,621 |

(1) Beginning in fiscal year 2019, local sales and use tax includes the historic triangle sales tax as established by Senate Bill 942.
(2) Beginning November 2021, a new cigarette tax of $0.40 per pack was assessed which was allowed for counties by the prior year's General Assembly action.

**COUNTY OF YORK, VIRGINIA**

Fund Balances of Governmental Funds - Modified Accrual Basis of Accounting

Last Ten Fiscal Years*

| | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
|---|---|---|---|---|---|---|---|---|---|---|
| General Fund | | | | | | | | | | |
| Nonspendable | $ 5,345,334 | $ 5,841,716 | $ 6,396,239 | $ 6,452,931 | $ 6,518,691 | $ 7,191,310 | $ 7,787,380 | $ 8,750,971 | $ 9,743,740 | $ 9,808,279 |
| Restricted | - | - | 13,104 | 13,872 | 11,645 | 948,861 | 1,069,702 | 1,106,571 | 991,058 | 940,152 |
| Committed | 2,771,171 | 5,699,023 | 1,252,245 | 1,109,003 | 3,327,357 | 11,567,875 | 12,479,603 | 12,027,362 | 13,315,169 | 12,664,460 |
| Assigned | 8,152,678 | 22,014,398 | 18,728,526 | 7,560,552 | 5,786,348 | 9,880,308 | 11,296,640 | 11,275,325 | 13,262,008 | 18,505,878 |
| Unassigned | 24,472,361 | 20,898,594 | 18,240,000 | 17,570,640 | 17,570,640 | 17,040,240 | 17,026,740 | 16,270,680 | 16,126,447 | 19,747,802 |
| Total General Fund | $ 40,741,544 | $ 54,453,731 | $ 44,630,114 | $ 32,706,998 | $ 33,214,681 | $ 46,628,594 | $ 49,660,065 | $ 49,430,909 | $ 53,438,422 | $ 61,666,571 |
| All Other Governmental Funds | | | | | | | | | | |
| Nonspendable | $ 185,000 | $ - | $ - | $ - | $ - | $ 107,390 | $ - | $ - | $ - | $ - |
| Restricted | 18,565,067 | 31,687,038 | 8,915,607 | 3,434,488 | 3,834,818 | 7,659,598 | 909,701 | 1,138,991 | 910,103 | 536,129 |
| Committed | 14,117,146 | 18,005,315 | 16,118,614 | 16,582,668 | 16,071,516 | 7,521,642 | 5,396,429 | 6,213,357 | 4,052,604 | 5,653,220 |
| Assigned | 30,993,227 | 26,743,170 | 17,759,447 | 19,559,701 | 20,059,989 | 13,384,755 | 14,777,136 | 12,844,980 | 11,745,879 | 11,931,032 |
| Unassigned | (2,499,601) | (3,003,377) | (3,509,294) | (3,516,318) | (3,278,362) | (3,947,179) | (4,736,725) | (5,638,008) | (6,637,510) | (6,716,787) |
| Total all other governmental funds | $ 61,360,839 | $ 73,432,146 | $ 39,284,374 | $ 36,060,539 | $ 36,687,961 | $ 24,726,206 | $ 16,346,541 | $ 14,559,320 | $ 10,071,076 | $ 11,403,594 |

**COUNTY OF YORK, VIRGINIA**
Changes in Fund Balances of Governmental Funds - Modified Accrual Basis of Accounting
Last Ten Fiscal Years

| | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Revenues** | | | | | | | | | | |
| General property taxes | $105,030,158 | $102,934,410 | $96,233,428 | $91,924,860 | $91,174,219 | $90,544,105 | $88,434,572 | $85,368,220 | $81,977,556 | $ 81,125,127 |
| Other local taxes | 47,436,148 | 46,492,446 | 39,399,616 | 37,544,954 | 37,842,737 | 32,189,944 | 33,181,367 | 32,343,857 | 31,318,061 | 30,891,414 |
| Intergovernmental | 25,246,025 | 32,387,266 | 38,537,852 | 26,052,098 | 22,896,708 | 20,513,452 | 20,157,138 | 19,884,521 | 19,612,174 | 19,413,247 |
| Permits, fees and licenses | 1,379,399 | 1,253,374 | 968,829 | 999,687 | 1,104,298 | 1,037,354 | 680,369 | 779,390 | 882,569 | 818,221 |
| Fines and forfeitures | 433,515 | 325,485 | 268,429 | 380,930 | 433,857 | 345,783 | 332,090 | 308,039 | 277,108 | 298,754 |
| Use of money and property | 3,649,639 | 140,826 | 329,466 | 1,165,293 | 1,748,352 | 1,006,387 | 604,377 | 912,391 | 523,982 | 547,159 |
| Charges for services | 5,333,048 | 4,930,343 | 3,923,794 | 3,827,605 | 4,507,835 | 4,100,646 | 3,985,157 | 3,841,821 | 3,659,811 | 3,802,981 |
| Miscellaneous | 902,609 | 457,856 | 724,913 | 731,463 | 561,346 | 2,300,983 | 428,328 | 566,588 | 360,608 | 1,013,034 |
| Recovered costs | 2,398,971 | 2,837,612 | 2,227,790 | 2,205,724 | 2,152,453 | 2,133,591 | 2,074,403 | 2,547,682 | 2,343,291 | 2,732,928 |
| Total revenues | 191,809,512 | 191,759,618 | 182,614,117 | 164,832,614 | 162,421,805 | 154,172,245 | 149,877,801 | 146,552,509 | 140,955,160 | 140,642,865 |
| **Expenditures (2)** | | | | | | | | | | |
| General administration | 3,168,861 | 3,225,635 | 3,177,263 | 2,861,717 | 2,860,531 | 4,571,362 | 4,266,942 | 4,125,373 | 2,117,469 | 2,203,303 |
| Judicial services | 3,411,738 | 2,969,179 | 3,100,864 | 3,199,581 | 3,008,038 | 2,909,235 | 2,753,613 | 2,607,584 | 2,788,807 | 2,741,134 |
| Public safety | 44,654,238 | 40,047,119 | 39,099,612 | 36,222,021 | 34,948,693 | 33,363,370 | 35,979,369 | 30,245,518 | 29,524,373 | 29,096,722 |
| Environmental and development services | - | - | - | - | - | - | - | - | 3,420,823 | 3,668,780 |
| Finance and planning | - | - | - | - | - | - | - | - | 8,687,984 | 9,613,082 |
| Management services | 11,139,512 | 9,989,290 | 11,081,821 | 9,779,528 | 9,619,413 | 10,798,169 | 10,180,894 | 8,863,808 | - | - |
| Education | 77,585,071 | 58,664,899 | 70,098,663 | 68,528,167 | 65,763,188 | 66,371,103 | 63,460,252 | 68,240,885 | 65,747,918 | 49,386,779 |
| Human services | 11,453,572 | 10,065,375 | 9,535,864 | 9,492,564 | 9,892,383 | 9,698,743 | 9,166,051 | 8,611,086 | 7,958,815 | 7,839,768 |
| Public works | 10,700,921 | 9,685,392 | 8,980,041 | 8,780,738 | 8,677,408 | 8,431,491 | 8,541,683 | 8,623,135 | - | - |
| General services | - | - | - | - | - | - | - | - | 6,640,288 | 6,323,547 |
| Community development | 2,925,082 | 2,616,737 | 2,503,557 | 2,534,211 | 4,030,153 | - | - | - | - | - |
| Community services | 6,169,897 | 8,885,580 | 6,429,786 | 5,428,488 | 5,818,632 | 5,769,126 | 5,572,438 | 5,151,517 | 5,089,962 | 4,796,824 |
| Non-departmental | 2,963,870 | 3,273,167 | 2,687,023 | 2,483,031 | 2,537,255 | 2,713,097 | 2,495,321 | 1,693,556 | 1,925,791 | 1,615,921 |
| Capital outlay | 34,800,398 | 20,828,669 | 4,842,230 | 15,313,579 | 11,083,627 | 6,128,438 | 4,635,455 | 5,988,334 | 6,955,577 | 7,784,015 |
| Debt service: | | | | | | | | | | |
| Principal | 9,717,413 | 8,065,591 | 7,796,757 | 6,821,895 | 7,091,646 | 8,649,276 | 7,143,707 | 5,425,023 | 6,882,404 | 7,182,911 |
| Interest and fiscal charges | 5,160,300 | 3,875,570 | 3,888,464 | 3,837,070 | 3,841,150 | 3,611,114 | 3,363,409 | 3,507,961 | 3,336,339 | 3,652,774 |
| Lease financing (3) | 47,630 | 8,211,802 | - | - | - | - | - | - | - | - |
| Subscription Financing (4) | 123,994 | - | - | - | - | - | - | - | - | - |
| Other costs of debt issuance | 63,474 | 514,776 | 75,918 | 98,183 | 45,918 | 153,611 | 63,044 | 180,516 | 25,822 | 188,219 |
| Total expenditures | 224,085,971 | 190,918,781 | 173,297,863 | 175,380,773 | 169,218,035 | 163,168,135 | 157,622,178 | 153,264,296 | 151,102,372 | 136,093,779 |
| Excess (deficiency) of revenues over (under) expenditures | (32,276,459) | 840,837 | 9,316,254 | (10,548,159) | (6,796,230) | (8,995,890) | (7,744,377) | (6,711,787) | (10,147,212) | 4,549,086 |
| **Other Financing Sources (Uses)** | | | | | | | | | | |
| Insurance recovery | 162,218 | 94,346 | 279,619 | 27,734 | 54,673 | 19,705 | 13,163 | 78,234 | 19,749 | 21,459 |
| Bonds issued | 9,080,000 | 32,165,000 | 8,580,000 | 10,185,000 | 7,765,000 | 15,405,000 | 11,135,000 | 21,950,000 | 21,125,000 | 9,865,000 |
| Premium on bonds issued | 680,454 | 2,308,689 | 1,209,822 | 491,419 | 879,737 | 1,178,493 | 606,063 | 3,312,073 | 974,672 | 827,791 |
| Direct financing lease/Capital leases | - | 2,587,369 | 336,000 | - | - | - | 4,736,044 | - | - | 300,376 |
| Lease financing (3) | 47,630 | 8,211,802 | - | - | - | - | - | - | - | - |
| Subscription Financing (4) | 123,245 | - | - | - | - | - | - | - | - | - |
| Transfers In | 34,213,300 | 31,375,909 | 18,282,420 | 23,710,598 | 25,975,972 | 26,722,915 | 19,253,176 | 20,304,143 | 17,065,038 | 13,989,217 |
| Deposits for refunding | | - | - | - | - | - | (3,035,000) | (12,598,700) | (12,595,000) | (10,500,116) |
| Transfers Out | (37,813,882) | (33,612,563) | (22,857,164) | (25,001,697) | (27,839,661) | (28,982,029) | (22,947,692) | (24,082,571) | (22,139,715) | (18,879,173) |
| Total other financing sources (uses), net | 6,492,965 | 43,130,552 | 5,830,697 | 9,413,054 | 6,835,721 | 14,344,084 | 9,760,754 | 8,963,179 | 4,449,744 | (4,375,446) |
| Net change in fund balances | $ (25,783,494) | $ 43,971,389 | $ 15,146,951 | $ (1,135,105) | $ 39,491 | $ 5,348,194 | $ 2,016,377 | $ 2,251,392 | $ (5,697,468) | $ 173,640 |
| Debt service as a percentage of noncapital expenditures (1) | 7.57% | 6.82% | 7.02% | 6.35% | 6.81% | 7.75% | 7.05% | 6.01% | 6.95% | 8.11% |

(1) Noncapital expenditures = total expenditures less amounts for capitalized assets on the Government-Wide Statement of Net Assets.
(2) Expenditure categories were reclassified in FY2016. "Finance and planning" became "Management services" and Environmental and development services" and "General services" were combined into "Public works" except for building regulations and development and compliance expenditures were moved from "Environmental and development services" to "General government." In FY2019, planning and planning commission were moved from "Management services" to "Community development." Also in FY2019, building regulations and development services were moved from "General administration" to "Community development."
(3) In FY2022, the County implemented GASB 87 - Leases.
(4) In FY2023, the County implemented GASB 96 - Subscription-Based Information Technology Arrangements

**COUNTY OF YORK, VIRGINIA**
General Government Tax Revenues By Source - Modified Accrual Basis of Accounting
Last Ten Fiscal Years

| | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
|---|---|---|---|---|---|---|---|---|---|---|
| Property tax | $ 105,030,158 | $ 102,934,410 | $ 96,233,428 | $ 91,924,860 | $ 91,174,219 | $ 90,544,105 | $ 88,434,572 | $ 85,368,220 | $ 81,977,556 | $ 81,125,127 |
| Local sales and use tax | 20,341,848 | 19,333,835 | 17,389,034 | 16,525,293 | 14,921,971 | 10,266,194 | 10,236,341 | 10,146,625 | 9,759,880 | 9,475,836 |
| Hotel and motel room taxes | 6,465,677 | 6,017,165 | 3,562,342 | 3,757,890 | 5,241,150 | 5,171,984 | 5,058,976 | 4,977,615 | 4,643,484 | 4,323,868 |
| Restaurant food taxes | 5,044,131 | 5,309,260 | 5,333,750 | 4,497,970 | 5,272,635 | 4,488,226 | 6,332,930 | 6,060,974 | 5,814,040 | 5,631,472 |
| Cigarette tax | 1,697,929 | 1,544,370 | - | - | - | - | - | - | - | - |
| Business license taxes | 9,075,714 | 8,805,867 | 7,513,546 | 7,633,724 | 7,330,820 | 6,952,681 | 6,603,695 | 6,187,990 | 6,240,330 | 6,410,146 |
| Communications sales tax | 912,475 | 939,749 | 968,207 | 1,090,046 | 1,115,481 | 1,202,410 | 1,241,212 | 1,272,490 | 1,311,310 | 1,322,868 |
| Motor vehicle licenses | 1,673,672 | 1,664,712 | 1,599,783 | 1,648,997 | 1,621,817 | 1,627,449 | 1,582,337 | 1,590,308 | 1,574,559 | 1,586,865 |
| Franchise taxes | 3,592 | 4,077 | 4,464 | 4,713 | 4,403 | 4,295 | 3,808 | 2,876 | 1,267 | 1,247 |
| Taxes on recordation and wills | 1,364,751 | 2,097,909 | 2,207,395 | 1,777,073 | 1,601,992 | 1,796,928 | 1,470,205 | 1,477,446 | 1,391,389 | 1,545,219 |
| Other local taxes | 856,359 | 775,502 | 821,095 | 609,248 | 732,468 | 679,777 | 651,863 | 627,533 | 581,802 | 593,893 |
| Total | $ 152,466,306 | $ 149,426,856 | $ 135,633,044 | $ 129,469,814 | $ 129,016,956 | $ 122,734,049 | $ 121,615,939 | $ 117,712,077 | $ 113,295,617 | $ 112,016,541 |

**COUNTY OF YORK, VIRGINIA**
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Calendar Years

| | Real Property | | | | Public Utility | | | |
|---|---|---|---|---|---|---|---|---|
| Year | Residential | Commercial | Personal Property | Mobile Home | Real Estate | Personal Property | Total Taxable Assessed Value | Total Direct Tax Rate |
| 2023 | $ 9,012,394,500 | $ 1,543,225,000 | $ 849,824,325 | $ 3,264,500 | $ 437,354,678 | $ 31,509 | $ 11,846,094,512 | $ 0.9946 |
| 2022 | 8,864,205,200 | 1,577,136,800 | 913,081,510 | 3,322,900 | 421,182,483 | 36,863 | 11,778,965,756 | 1.0296 |
| 2021 | 8,111,896,200 | 1,550,401,900 | 688,651,850 | 3,196,500 | 420,403,508 | 39,455 | 10,774,589,413 | 0.9999 |
| 2020 | 7,977,730,200 | 1,536,027,800 | 621,368,315 | 3,218,000 | 323,164,444 | 39,455 | 10,461,548,214 | 0.9854 |
| 2019 | 7,747,444,900 | 1,465,593,000 | 612,318,755 | 3,302,000 | 453,482,644 | 50,142 | 10,282,191,441 | 0.9859 |
| 2018 | 7,686,020,670 | 1,417,754,500 | 595,105,775 | 3,294,500 | 459,070,808 | 55,504 | 10,161,301,757 | 0.9827 |
| 2017 | 7,588,190,700 | 1,516,028,900 | 582,157,745 | 3,568,200 | 459,191,601 | 82,826 | 10,149,219,972 | 0.9789 |
| 2016 | 7,425,810,400 | 1,574,952,300 | 593,894,890 | 3,512,600 | 442,369,715 | 104,756 | 10,040,644,661 | 0.9437 |
| 2015 | 7,307,361,300 | 1,491,507,600 | 561,880,260 | 3,939,500 | 430,748,916 | 127,592 | 9,795,565,168 | 0.9379 |
| 2014 | 7,243,259,500 | 1,491,310,000 | 552,552,935 | 3,780,000 | 425,978,786 | 148,514 | 9,717,029,735 | 0.9363 |

Source: County Commissioner of Revenue.
Note: Values are net of tax exempt property. Property in the County is reassessed every two years. Property is assessed on a calendar year basis and at actual value; therefore, the assessed values are equal to actual value. Tax rates are per $100 of assessed value. Calendar year 2017 included a change to the boat tax in that all boats are taxed at $.000000001/$100; previously boats less than 5 tons were taxed in the same class as personal property.

**COUNTY OF YORK, VIRGINIA**
Property Tax Rates
Last Ten Fiscal Years

| Fiscal Year | Real Estate (1) (2) (3) | Personal Property (1) (4) | Mobile Home (1) (3) | Boats > 5 Tons (1) (5) | Total Direct Tax Rate |
|---|---|---|---|---|---|
| 2023 | $ 0.770 | $ 3.90 | $ 0.7700 | $ 0.000000001 | $ 0.9946 |
| 2022 | 0.780 | 4.00 | 0.7800 | 0.000000001 | 1.0296 |
| 2021 | 0.795 | 4.00 | 0.7950 | 0.000000001 | 0.9999 |
| 2020 | 0.795 | 4.00 | 0.7950 | 0.000000001 | 0.9854 |
| 2019 | 0.795 | 4.00 | 0.7950 | 0.000000001 | 0.9859 |
| 2018 | 0.795 | 4.00 | 0.7950 | 0.000000001 | 0.9827 |
| 2017 | 0.7515/0.795 | 4.00 | 0.7515/0.795 | 1.00/0.000000001 | 0.9789 |
| 2016 | 0.7515 | 4.00 | 0.7515 | 1.00 | 0.9437 |
| 2015 | 0.7515 | 4.00 | 0.7515 | 1.00 | 0.9379 |
| 2014 | 0.7515 | 4.00 | 0.7515 | 1.00 | 0.9363 |

(1) Tax rate per $100 of assessed valuation.
(2) The amount designated for school operating is $0.56 per $100 of valuation for fiscal year 2023.
(3) The tax rate, 1st half/2nd half, if different.
(4) The tax rate per $100 of assessed valuation for Disabled American Veterans has been $1.00 since 2008.
(5) Effective for calendar year 2017, all boats are taxed at $.000000001/$100. The boat tax rate has been effectively eliminated on all classes of boats.

Note: The County has no overlapping taxes with other governments.

**COUNTY OF YORK, VIRGINIA**
Principal Property Taxpayers
Calendar Year 2022 and Nine Years Prior*

| Taxpayer | Description | 2022 Taxable Assessed Value | Rank | Percentage of Total Taxable Assessed Value | 2013 Taxable Assessed Valuation | Rank | Percentage of Total Taxable Assessed Value |
|---|---|---|---|---|---|---|---|
| Virginia Power Company | Generating plant | $ 334,791,310 | 1 | 2.82% | $ 343,971,507 | 1 | 3.55% |
| Lawyers Title/Fairfield Resorts/Wyndham | Timeshare condominiums | 195,740,460 | 2 | 1.65% | 179,429,000 | 2 | 1.85% |
| City of Newport News ** | Water system | 134,027,100 | 3 | 1.13% | 76,053,500 | 6 | 0.79% |
| Kings Creek Plantation | Timeshare condominiums | 100,471,145 | 4 | 0.85% | 74,454,155 | 5 | 0.77% |
| GWR OP Lessee VA LLC (Great Wolf Lodge) | Hotel and water park | 83,118,140 | 5 | 0.70% | 80,326,935 | 4 | 0.83% |
| BP/Plains Marketing L P (former Refinery) | Former Refinery | 70,254,940 | 6 | 0.59% | 157,925,005 | 3 | 1.63% |
| Moyork LLC (Commonwealth Apartments) | Apartment complex | 57,413,100 | 7 | 0.48% | - | | 0.00% |
| Busch Entertainment/Water Country USA | Water Park | 57,173,135 | 8 | 0.48% | 45,508,275 | 7 | 0.47% |
| De Arbordale LLC | Apartment complex | 49,082,065 | 9 | 0.41% | - | | 0.00% |
| Walmart | Retail sales | 39,789,815 | 10 | 0.34% | 36,096,916 | 8 | 0.37% |
| 1991 Ashe Partnership | Apartment complex | - | | 0.00% | 39,660,815 | 9 | 0.41% |
| 852 LLC | Apartment complex | - | | 0.00% | 34,433,475 | 10 | 0.36% |
| Total | | $ 1,121,861,210 | | 9.45% | $ 1,067,859,583 | | 11.03% |

*The County's assessment cycle is on a calendar year basis.

** City of Newport News is the third largest taxpayer based on assessed value. However, the city pays a tax to the County according to a formula set out in the Code of Virginia section 58.1-3663, based on the proportion of its total revenues derived from outside York County. The applicable taxable percentage is approximately 56%.

Source: Commissioner of the Revenue of the County of York, Virginia.

**COUNTY OF YORK, VIRGINIA**
Property Tax Levies and Collections
Last Ten Fiscal Years

| Fiscal Year | Total Tax Levy | Current Tax Collections | Percent of Levy Collected | Collections in Subsequent Year | Total Collections to Date | |
|---|---|---|---|---|---|---|
| | | | | | Amount | Percentage of Levy |
| 2023 | $ 107,596,392 | $ 103,129,071 | 95.85% | $ - | $ 103,129,071 | 95.85% |
| 2022 | 103,326,263 | 98,607,357 | 95.43% | 3,531,147 | 102,138,504 | 98.85% |
| 2021 | 95,712,249 | 91,357,773 | 95.45% | 3,790,829 | 95,148,602 | 99.41% |
| 2020 | 92,019,828 | 88,843,578 | 96.55% | 2,704,658 | 91,548,236 | 99.49% |
| 2019 | 90,196,473 | 87,055,100 | 96.52% | 2,673,487 | 89,728,587 | 99.48% |
| 2018 | 89,691,238 | 87,216,407 | 97.24% | 1,926,071 | 89,142,478 | 99.39% |
| 2017 | 87,536,065 | 84,909,975 | 97.00% | 2,149,251 | 87,059,226 | 99.46% |
| 2016 | 84,110,482 | 81,503,407 | 96.90% | 2,067,057 | 83,570,464 | 99.36% |
| 2015 | 80,716,523 | 77,929,910 | 96.55% | 2,540,047 | 80,469,957 | 99.69% |
| 2014 | 79,831,923 | 77,513,973 | 97.10% | 1,970,263 | 79,484,236 | 99.56% |

Source: Commissioner of the Revenue and Treasurer, County of York, Virginia.

**COUNTY OF YORK, VIRGINIA**
Ratio of Outstanding Debt By Type (1)
Last Ten Fiscal Years

| | Governmental Activities | | | | | | Business-type Activities | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Fiscal Year | General Obligation Bonds | Literary Loans | Leases (3) | Subscriptions (4) | Direct Financing Leases | Lease Revenue Bonds | General Obligation Bonds | Revenue Bonds | Capital Leases | Total Primary Government | Percentage of Personal Income (2) | Per Capita (2) |
| 2023 | $ 80,560,591 | $ - | $ 7,449,959 | $ 32,638 | $ 2,403,836 | $ 52,268,619 | $ - | $ 16,799,211 | $ - | $ 159,514,854 | N/A | 2,213 |
| 2022 | 76,941,376 | - | 7,768,211 | - | 3,454,792 | 55,122,798 | - | 17,801,109 | - | 161,088,286 | N/A | 2,253 |
| 2021 | 82,529,933 | - | - | - | 919,423 | 23,287,473 | - | 18,768,007 | - | 125,504,836 | N/A | 1,785 |
| 2020 | 77,733,259 | - | - | - | 1,515,179 | 25,756,218 | - | 19,604,905 | - | 124,609,561 | 0.02412 | 1,778 |
| 2019 | 74,271,325 | - | - | - | 1,997,074 | 25,446,020 | - | 19,963,073 | - | 121,677,492 | 2.48% | 1,752 |
| 2018 | 69,812,399 | - | - | - | 3,423,720 | 28,136,579 | - | 20,616,187 | - | 121,988,885 | 2.62% | 1,769 |
| 2017 | 66,330,054 | - | - | - | 5,722,996 | 21,308,937 | - | 21,254,301 | - | 114,616,288 | 2.51% | 1,672 |
| 2016 | 61,906,639 | - | - | - | 2,420,659 | 23,247,569 | - | 21,169,120 | - | 108,743,987 | 2.44% | 1,602 |
| 2015 | 53,270,668 | - | - | - | 2,860,682 | 23,544,723 | - | 21,696,428 | 325,301 | 101,697,802 | 2.34% | 1,511 |
| 2014 | 49,619,991 | - | - | - | 3,113,086 | 24,847,309 | - | 22,207,989 | 638,542 | 100,426,917 | 2.38% | 1,503 |

N/A - This information is not available.

(1) Bonds are shown at net of related premiums and/or discounts and deferred amounts on refundings for 2013. Beginning in FY2014, bonds are shown at net of related premiums and/or discounts.

(2) See Population and Personal Income on Demographic and Economic Statistics table, page L-15.

(3) In FY2022, the County implemented GASB 87 - *Leases.*

(4) In FY2023, the County implemented GASB 96 - *Subscription-Based Information Technology Arrangements (SBITAs).*

**COUNTY OF YORK, VIRGINIA**
Ratio of General Bonded Debt Outstanding
Last Ten Fiscal Years

| Fiscal Year | General Obligation Bonds | Less Amounts Available in Debt Service Fund | Total | Percentage of Actual Taxable Value of Property (1) | Per Capita (2) |
|---|---|---|---|---|---|
| 2023 | $ 80,560,591 | $ - | 80,560,591 | 0.68% | 1,118 |
| 2022 | 76,941,376 | - | 76,941,376 | 0.65% | 1,076 |
| 2021 | 82,529,933 | - | 82,529,933 | 0.77% | 1,174 |
| 2020 | 77,733,259 | - | 77,733,259 | 0.74% | 1,109 |
| 2019 | 74,271,325 | - | 74,271,325 | 0.72% | 1,069 |
| 2018 | 69,812,399 | - | 69,812,399 | 0.69% | 1,012 |
| 2017 | 66,330,054 | - | 66,330,054 | 0.65% | 968 |
| 2016 | 61,906,639 | - | 61,906,639 | 0.62% | 912 |
| 2015 | 53,270,668 | - | 53,270,668 | 0.54% | 792 |
| 2014 | 49,619,991 | - | 49,619,991 | 0.51% | 743 |

(1) See Assessed Value table, page L-9.

(2) See Population on Demographic and Economic Statistics table, page L-15.

**COUNTY OF YORK, VIRGINIA**
Demographic and Economic Statistics
Last Ten Fiscal Years

| Fiscal Year | Population (1) | Personal Income (Thousands) (2) | Per Capita Income (2) | Median Age (3) | Education Level In Years of Formal Schooling (4) | Student Average Daily Membership (5) | Unemployment Rate (6) |
|---|---|---|---|---|---|---|---|
| 2023 | 72,077 | N/A | N/A | 39.80 | 13.20 | 12,855 | 2.80% |
| 2022 | 71,491 | N/A | N/A | 39.80 | 13.20 | 12,609 | 2.80% |
| 2021 | 70,319 | $ 5,557,088 | $ 66,561 | 39.80 | 13.20 | 12,244 | 3.30% |
| 2020 | 70,100 | 5,166,984 | 62,547 | 41.30 | 13.20 | 12,914 | 5.70% |
| 2019 | 69,460 | 4,909,015 | 59,960 | 39.20 | 13.20 | 12,756 | 2.60% |
| 2018 | 68,973 | 4,656,026 | 57,325 | 39.30 | 13.20 | 12,610 | 2.80% |
| 2017 | 68,537 | 4,565,095 | 56,368 | 39.50 | 13.20 | 12,584 | 3.50% |
| 2016 | 67,899 | 4,451,134 | 55,248 | 39.30 | 13.20 | 12,522 | 3.80% |
| 2015 | 67,286 | 4,346,955 | 53,989 | 40.10 | 13.20 | 12,519 | 4.20% |
| 2014 | 66,800 | 4,224,188 | 53,411 | 39.20 | 13.20 | 12,333 | 4.90% |

N/A - This information is not available.

Source:
(1) Weldon Cooper Center for Public Service; 2023 estimate derived from previous years' data.
(2) Bureau of Economic Analysis combined amount for York County/Poquoson.
(3) Median Age from U.S. Census Bureau
(4) Educational Attainment derived from data published by the U.S. Census Bureau.
(5) County School Division.
(6) Virginia Employment Commission; 2023 estimate per County Planning Division.

**COUNTY OF YORK, VIRGINIA**
Principal Employers
Current and Nine Years Prior

| | 2023 | | | 2014 | | |
|---|---|---|---|---|---|---|
| **Employer** | **Employees** | **Rank** | **Percentage of Total County Employment** | **Employees** | **Rank** | **Percentage of Total County Employment** |
| Naval Weapons Station/ Cheatham Annex | 2,731 | 1 | 11.65% | 3,420 | 1 | 15.75% |
| York County School Division | 1,874 | 2 | 8.00% | 1,730 | 2 | 7.97% |
| U.S. Coast Guard Station | 1,474 | 3 | 6.29% | 1,391 | 3 | 6.41% |
| York County Government | 862 | 4 | 3.68% | 721 | 7 | 3.32% |
| Sentara Williamsburg Regional Medical Center | 830 | 5 | 3.54% | 812 | 6 | 3.74% |
| Water Country | 758 | 6 | 3.23% | 820 | 5 | 3.78% |
| Great Wolf Lodge of Williamsburg, LLC | 439 | 7 | 1.87% | 463 | 8 | 2.13% |
| Walmart | 385 | 8 | 1.64% | 831 | 4 | 3.83% |
| YMCA | | | 0.00% | 443 | 9 | 2.04% |
| Kroger | 225 | 9 | 0.96% | | | |
| Food Lion | 212 | 10 | 0.90% | | | |
| Wyndham Vacation Ownership | - | | 0.00% | 276 | 10 | 1.27% |
| Total | 9,790 | | 41.76% | 10,907 | | 50.24% |

Source: County Office of Economic Development.
Source: York County School Division Annual Comprehensive Financial Report.

**COUNTY OF YORK, VIRGINIA**
Full-time Equivalent County Employees By Function
Last Ten Fiscal Years

| | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Function (1)** | | | | | | | | | | |
| General government | 20.50 | 24.50 | 22.00 | 23.00 | 24.00 | 46.00 | 44.00 | 46.00 | 20.00 | 19.00 |
| Judicial services | 35.00 | 34.75 | 33.00 | 32.00 | 32.00 | 32.00 | 31.00 | 31.50 | 32.50 | 32.50 |
| Public safety | 392.50 | 352.00 | 333.50 | 323.00 | 323.00 | 313.50 | 307.00 | 302.00 | 300.00 | 300.00 |
| Environmental and development services | - | - | - | - | - | - | - | - | 54.50 | 54.50 |
| Management services | 104.00 | 101.00 | 97.50 | 99.50 | 97.50 | 97.50 | 95.75 | 95.25 | - | - |
| Finance and planning | - | - | - | - | - | - | - | - | 92.25 | 91.25 |
| Education (Library) | 34.50 | 33.50 | 32.50 | 32.50 | 32.50 | 32.50 | 32.00 | 33.00 | 33.00 | 33.00 |
| Public works | 184.00 | 188.00 | 180.00 | 174.00 | 176.00 | 177.00 | 173.00 | 171.00 | - | - |
| General services | - | - | - | - | - | - | - | - | 72.00 | 72.00 |
| Community development | 27.00 | 27.00 | 26.00 | 26.00 | 26.00 | - | - | - | - | - |
| Community services | 64.10 | 53.20 | 53.70 | 53.20 | 51.40 | 51.40 | 50.20 | 50.20 | 50.20 | 50.20 |
| Sewer (Public Works) | - | - | - | - | - | - | - | - | 56.00 | 57.00 |
| Solid Waste (Public Works) | - | - | - | - | - | - | - | - | 12.00 | 12.00 |
| | 861.60 | 813.95 | 778.20 | 763.20 | 762.40 | 749.90 | 732.95 | 728.95 | 722.45 | 721.45 |

Source: County Human Resources. Includes full-time and part-time positions; excludes work-as-required staff.

(1) Functional categories were reclassified in FY2016. "Finance and planning" became "Management services" and Environmental and development services" and "General services" were combined into "Public works" except for building regulations and development and compliance were reclassified from "Environmental and development services" to "General government." In FY2019, "Community Development" was created and includes building, development, and planning services.

**COUNTY OF YORK, VIRGINIA**
Operating Indicators By Function
Last Ten Years

| Function | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
|---|---|---|---|---|---|---|---|---|---|---|
| General Government | | | | | | | | | | |
| Elections - Registered voters | 50,531 | 50,094 | 49,009 | 46,553 | 45,274 | 45,757 | 45,134 | 44,361 | 43,007 | 44,840 |
| Building Permits Issued | 5,364 | 5,333 | 5,287 | 4,077 | 4,774 | 4,380 | 3,570 | 3,648 | 4,175 | 4,822 |
| Building Permit Value | $ 254,849,754 | $ 302,107,370 | $ 137,491,800 | $ 91,355,798 | $ 171,001,866 | $ 153,764,229 | $ 64,886,424 | $ 68,300,485 | $ 91,568,396 | $ 78,778,858 |
| Judicial Services (Clerk of Court) | | | | | | | | | | |
| Criminal and civil cases filed | 4,958 | 3,489 | 4,414 | 3,127 | 4,674 | 4,137 | 3,307 | 3,361 | 2,886 | 2,501 |
| Land records filed | 20,267 | 24,016 | 26,360 | 22,157 | 21,242 | 24,273 | 25,576 | 22,857 | 22,821 | 23,023 |
| Sheriff | | | | | | | | | | |
| Physical arrests | 906 | 1,172 | 951 | 1,414 | 1,851 | 1,768 | 1,596 | 1,685 | 1,547 | 1,673 |
| Parking violations | 71 | 117 | 111 | 100 | 112 | 62 | 72 | 106 | 83 | 103 |
| Traffic violations | 3,185 | 3,712 | 2,209 | 3,900 | 5,095 | 3,965 | 3,565 | 3,768 | 2,675 | 2,126 |
| Fire and Life Safety | | | | | | | | | | |
| Number of calls | 13,088 | 12,072 | 11,266 | 10,942 | 11,558 | 11,464 | 10,919 | 9,969 | 9,707 | 9,550 |
| Fire dispatches | 4,847 | 4,661 | 4,284 | 4,411 | 4,971 | 4,992 | 4,743 | 4,117 | 4,076 | 4,007 |
| Rescue dispatches | 8,175 | 7,411 | 6,982 | 6,531 | 6,587 | 6,472 | 6,176 | 5,852 | 5,631 | 5,543 |
| Education | | | | | | | | | | |
| Library book circulation | 488,392 | 433,600 | 365,523 | 451,753 | 557,764 | 509,704 | 514,824 | 527,047 | 534,923 | 524,847 |
| Library registered patrons | 50,351 | 47,112 | 44,770 | 43,149 | 52,592 | 48,530 | 44,022 | 64,436 | 63,248 | 69,860 |
| School Division cost per pupil | $ 13,455 | $ 11,959 | $ 12,449 | $ 10,960 | $ 10,847 | $ 10,662 | $ 10,204 | $ 10,081 | $ 10,177 | $ 9,584 |
| Community services | | | | | | | | | | |
| Recreation program participation (1) | 38,865 | 27,824 | 22,307 | 110,683 | 151,048 | 160,280 | 131,205 | 105,032 | 121,587 | 100,542 |
| Sewer | | | | | | | | | | |
| New connections | 242 | 267 | 318 | 250 | 316 | 273 | 109 | 170 | 401 | 277 |
| Solid Waste | | | | | | | | | | |
| Refuse collections (tons) | 84,614 | 88,098 | 91,437 | 100,164 | 95,735 | 83,094 | 68,714 | 83,000 | 83,996 | 78,352 |
| Recyclables collected (tons) | 27,666 | 18,687 | 24,853 | 28,190 | 35,686 | 27,997 | 27,814 | 32,005 | 37,651 | 28,702 |

Source: Various County departments

(1) Recreation program participant numbers decreased in FY2021 due to the impacts of COVID-19.

**COUNTY OF YORK, VIRGINIA**
Capital Asset Statistics By Function
Last Ten Years

| Function | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
|---|---|---|---|---|---|---|---|---|---|---|
| Sheriff | | | | | | | | | | |
| Patrol units | 66 | 59 | 58 | 59 | 56 | 55 | 56 | 51 | 55 | 61 |
| Fire and Life Safety | | | | | | | | | | |
| Stations | 7 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 |
| Fire and rescue apparatus | 27 | 27 | 27 | 27 | 27 | 27 | 27 | 26 | 26 | 26 |
| Community services | | | | | | | | | | |
| Park acreage | 786 | 786 | 786 | 786 | 786 | 786 | 786 | 786 | 786 | 786 |
| Parks | 11 | 11 | 11 | 11 | 11 | 11 | 11 | 11 | 11 | 11 |
| Tennis courts | 36 | 34 | 36 | 36 | 36 | 36 | 36 | 36 | 36 | 36 |
| Basketball courts | 38 | 33 | 38 | 38 | 38 | 38 | 38 | 38 | 38 | 38 |
| Volleyball courts | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Athletic fields | 77 | 73 | 73 | 73 | 73 | 73 | 73 | 73 | 73 | 73 |
| Kayak launches | 1 | 1 | 1 | 1 | 1 | - | - | - | - | - |
| Education | | | | | | | | | | |
| School facilities | 19 | 19 | 19 | 19 | 19 | 19 | 19 | 19 | 19 | 19 |
| Sewer | | | | | | | | | | |
| Sanitary sewer (miles) | 418 | 415 | 406 | 393 | 390 | 389 | 384 | 381 | 377 | 367 |

Source: Various County departments.

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BROWNEDWARDS
certified public accountants

# 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 York, Virginia
Yorktown, 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, and the aggregate remaining fund information of the County of York, Virginia (the "County"), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated November 29, 2023.

## Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance that is required to be reported under *Government Auditing Standards,* which is described in the accompanying schedule of findings and questioned costs, as VA-2023-001.

**Purpose of this Report**

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

Brown, Edwards & Company, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

Newport News, Virginia
November 29, 2023

BROWNEDWARDS
*certified public accountants*

# INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Honorable Members of the Board of Supervisors
County of York, Virginia
Yorktown, Virginia

## Report on Compliance for Each Major Federal Program

*Opinion on Compliance for Each Major Federal Program*

We have audited the County of York, Virginia's (the "County") compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2023. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County of York, Virginia, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

*Emphasis of Matter*

This report is replacing the previously issued report dated November 29, 2023, due to the identification of an additional major program, AL# 21.027, subsequent to the initial date of the report. The Schedule of Findings and Questions Costs has been restated for this additional major program. Our opinion is not modified with respect to this matter.

*Basis for Opinion on Each Major Federal Program*

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

**Report on Compliance for Each Major Federal Program (Continued)**

*Basis for Opinion on Each Major Federal Program (Continued)*

We are required to be independent of the County of York, Virginia and to meet our other ethical responsibilities, in accordance with relevant ethical requirements related to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal documentation of the County's compliance with the compliance requirements referred to above.

*Responsibilities of Management for Compliance*

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the County's federal programs.

*Auditor's Responsibilities for the Audit of Compliance*

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards,* and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgement made by a reasonable user of the report on compliance about the County's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risk of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the County internal control over compliance. Accordingly, no such opinion is expressed.

**Report on Compliance for Each Major Federal Program (Continued)**

*Basis for Opinion on Each Major Federal Program (Continued)*

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

**Report on Internal Control over Compliance**

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that have not been identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

Brown, Edwards & Company, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

Newport News, Virginia
November 29, 2023, except for the Emphasis of Matter paragraph, as to which the date is June 16, 2025.

**COUNTY OF YORK, VIRGINIA**
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**
**Year Ended June 30, 2023**

| Federal Granting Agency/Recipient State Agency/Grant Program/Grant Number | Assistance Listing Number | | Federal Expenditures | Passed-Through to Subrecipients |
|---|---|---|---|---|
| Department of Agriculture: | | | | |
| Direct payments: Child and Adult Care Food Program | 10.558 | | $ 99,681 | $ - |
| Department of Agriculture: | | | | |
| Direct payments: Supplemental Nutrition Assistance Program (SNAP) | 10.551 | $ 311,443 | | - |
| Pass-through payments: | | | | |
| Department of Social Services: | | | | |
| State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (765-460-03; 765-460-010) | 10.561 | 1,168,175 | | - |
| Total SNAP Cluster | | | 1,479,618 | |
| Department of Agriculture: | | | | |
| National School Lunch Program (Donated Foods) * | 10.555 | 531,228 | | - |
| Department of Education: | | | | |
| National School Lunch Program (197-179-01) | 10.555 | 2,100,386 | | - |
| Subtotal Donated Foods and National School Lunch Program | 10.555 | 2,631,614 | | |
| School Breakfast Program (197-179-01) | 10.553 | 709,261 | | - |
| Total Child Nutrition Cluster | | | 3,340,875 | |
| Department of Commerce: | | | | |
| Direct Payments: | | | | |
| National Oceanic and Atmospheric Administration | | | | |
| Chesapeake Bay Studies | 11.457 | | 63,971 | - |
| Department of Defense: | | | | |
| Direct payments: | | | | |
| Naval Junior ROTC Program | 12.UNK | | 137,225 | - |
| Competitive Grants: Promoting K-12 Student Achievement at Military-Connected Schools | 12.556 | | 184,149 | - |
| Department of Housing and Urban Development: | | | | |
| Pass-through payments: | | | | |
| Department of Housing and Urban Development | | | | |
| Community Development Block Grants/State's Program (165-533-05) | 14.228 | | 79,338 | - |
| Virginia Housing Development Authority: | | | | |
| Section 8 Housing Choice Vouchers * | 14.871 | 168,173 | | - |
| Total Housing Voucher Cluster | | | 168,173 | |
| Department of Justice: | | | | |
| Direct payments: | | | | |
| State Criminal Alien Assistance Program | 16.606 | | 12,896 | - |
| Equitable Sharing Program | 16.922 | | 7,500 | - |
| Pass-through payments: | | | | |
| Department of Criminal Justice Services: | | | | |
| Crime Victim Assistance (140-390-01) | 16.575 | | 88,973 | - |
| Violence Against Women Formula Grants (140-390-01) | 16.588 | | 31,520 | - |
| Department of Transportation: | | | | |
| Pass-through payments: | | | | |
| Virginia Department of Transportation: | | | | |
| Highway Planning and Construction (EN17-099-667; EN22-099-705; EN20-099-684) | 20.205 | | 399,167 | - |
| Department of Motor Vehicles: | | | | |
| State and Community Highway Safety (530-605-07) | 20.600 | 21,411 | | - |
| Total Highway Safety Cluster | | | 21,411 | |
| Alcohol Open Container Requirements (ENF-AL-2023-53079-23079; 154AL-2022-52118-22118) | 20.607 | | 5,419 | - |
| Department of the Treasury: | | | | |
| Direct Payments: | | | | |
| Local Assistance and Tribal Consistency Fund | 21.032 | | 50,000 | - |
| Pass-through payments: | | | | |
| Virginia Tourism: | | | | |
| COVID-19 - Coronavirus State and Local Fiscal Recovery Fund (ARPA) * | 21.027 | 277,500 | | 234,250 |
| Virginia Department of Education: | | | | |
| COVID-19 - Coronavirus State and Local Fiscal Recovery Fund (ARPA) * | 21.027 | 1,292,672 | | - |
| Total COVID-19 - Coronavirus State and Local Fiscal Recovery Fund (ARPA)* | | | 1,570,172 | |
| Department of Education: | | | | |
| Direct payments: | | | | |
| Impact Aid | 84.041 | | 10,873,056 | - |
| Pass-through payments: | | | | |
| Department of Education (197-179-01): | | | | |
| Title I Grants to Local Educational Agencies | 84.010 | | 945,664 | - |

(continued)

See accompanying notes to Schedule of Expenditures of Federal Awards.

**COUNTY OF YORK, VIRGINIA**
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**
**Year Ended June 30, 2023**

| Federal Granting Agency/Recipient State Agency/Grant Program/Grant Number | Assistance Listing Number | | Federal Expenditures | Passed-Through to Subrecipients |
|---|---|---|---|---|
| Department of Education: | | | | |
| Special Education and Rehabilitative Services: | | | | |
| Special Education Grants to States | 84.027 | 2,179,602 | | - |
| Special Education Preschool Grants | 84.173 | 46,237 | | - |
| Total Special Education Cluster (IDEA) | | | 2,225,839 | |
| Department of Education: | | | | |
| Pass-through payments: | | | | |
| Department of Education (197-179-01): | | | | |
| Student Support and Academic Enrichment Program | 84.424 | | 57,455 | - |
| Vocational and Adult Education: | | | | |
| Career and Technical Education - Basic Grants to States | 84.048 | | 122,324 | - |
| English Language Acquisition State Grants | 84.365 | | 31,775 | - |
| Supporting Effective Instruction State Grants | 84.367 | | 227,037 | - |
| COVID-19 - Education Stabilization Fund | 84.425 | | 4,722,318 | - |
| Department of Health and Human Services: | | | | |
| Direct payments: | | | | |
| Administration for Children, Youth and Families: | | | | |
| Head Start | 93.600 | 1,394,064 | | - |
| Total Head Start Cluster | | | 1,394,064 | |
| Title IV-E Prevention Program | 93.472 | | 9,916 | - |
| Centers for Disease Control and Prevention: | | | | |
| Public Health Crisis Response Awards | 93.354 | | 144,268 | - |
| Pass-through payments: | | | | |
| Department of Health and Human Services: | | | | |
| MaryLee Allen Promoting Safe and Stable Families Program (765-460-10; 765-469-02) | 93.556 | | 38,010 | - |
| Temporary Assistance for Needy Families (765-452-12; 765-452-01; 765-460-10) | 93.558 | | 360,210 | - |
| Refugee and Entrant Assistance State/Replacement Designee Administered Programs (765-460-10; 765-491-02) | 93.566 | | 3,228 | - |
| Low-Income Home Energy Assistance (765-460-10) | 93.568 | | 64,067 | - |
| Child Care and Development Block Grant (765-452-15) | 93.575 | (820) | | - |
| Child Care Mandatory and Matching Funds of the Child Care and Development Fund (765-452-14; 765-452-15; 765-460-10) | 93.596 | 80,439 | | - |
| Total Child Care and Development Fund Cluster | | | 79,619 | |
| Chafee Education and Training Vouchers Program (ETV) (765-469-02) | 93.599 | | 6,000 | - |
| Stephanie Tubbs Jones Child Welfare Services Program (765-460-10) | 93.645 | | 355 | - |
| Foster Care - Title IV-E (765-460-10; 765-469-01; 765-469-02) | 93.658 | | 349,363 | - |
| Adoption Assistance (765-460-03; 765-460-10; 765-469-03) | 93.659 | | 118,786 | - |
| Social Services Block Grant (765-460-10; 765-468-02; 765-469-02; 765-469-03) | 93.667 | | 330,742 | - |
| John H.Chafee Foster Care Program for Successful Transition to Adulthood (765-460-10; 765-469-02) | 93.674 | | 3,554 | - |
| COVID-19 - Elder Abuse Prevention Interventions Program (765-468-02) | 93.747 | | 9,739 | - |
| Children's Health Insurance Program (765-460-10) | 93.767 | | 5,084 | - |
| Medical Assistance Program (765-460-03; 765-460-10) | 93.778 | 599,692 | | - |
| Department of Medical Assistance Services: | | | | |
| Medical Assistance Program * | 93.778 | 225,400 | | - |
| Subtotal Medical Assistance Program | | 825,092 | | |
| Total Medicaid Cluster | | | 825,092 | |
| Department of Homeland Security: | | | | |
| Direct payments: | | | | |
| Staffing for Adequate Fire and Emergency Response (SAFER) | 97.083 | | 249,034 | - |
| Pass-through payments: | | | | |
| Department of Homeland Security: | | | | |
| Emergency Management Performance Grants (127-775-01) | 97.042 | | 50,335 | - |
| Homeland Security Grant Program (127-775-01) | 97.067 | | 469,066 | - |
| Total | | | $ 31,456,088 | $ 234,250 |

* Pass-through identifying number is not available.

See accompanying notes to Schedule of Expenditures of Federal Awards.

**COUNTY OF YORK, VIRGINIA**
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**
**June 30, 2023**

## 1. GENERAL

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) presents the activity of all federal awards of the County. The County's reporting entity is defined in Note 1 to the basic financial statements. All amounts expended directly from federal agencies as well as monies passed through other government agencies are included on the Schedule.

## 2. BASIS OF ACCOUNTING

The accompanying Schedule is presented using the modified accrual basis of accounting, which is described in Note 1 to the County's basic financial statements.

## 3. SUBRECIPIENTS

Of the federal expenditures presented in the Schedule, the County provided federal awards to subrecipients as follows:

| Program Title | ALN | Subrecipient | Amount |
|---|---|---|---|
| Coronavirus State and Local Fiscal Recovery Fund (ARPA) (Unavailable) | 21.027 | Williamsburg Tourism Council | $ 234,250 |

## 4. UNIFORM GRANT GUIDANCE

The Uniform Administrative Requirements, Cost Principles, and Audit Requirement for Federal Awards, which is effective for new grants, issued after December 26, 2014, included changes to how indirect costs are awarded. In an effort to relieve administrative burden, the Office of Management and Budget (OMB) specified that non-federal entities that have never received a negotiated indirect cost rate may elect to charge a de minimis cost rate of 10 percent of modified total direct costs, which may be used indefinitely. The County elected not to apply the de minimis rate for fiscal year 2023.

## 5. RESTATEMENT

The Schedule has been restated to remove $6,402 of federal e-rate funding which is not subject to the Uniform Guidance audit standards (originally reported as expenditures of program #32.004 - Universal Service Fund - Schools and Libraries-E-rate). Note 3 above has been updated to report the total of the grant funds passed through to a subrecipient, Williamsburg Tourism Council. No amounts passed through to subrecipients were previously reported. Additionally, line items on the Schedule have been restated as follows:

| | | Originally Reported | | As Restated | |
|---|---|---|---|---|---|
| | | Expended | Amount passed through to subrecipients | Expended | Amount passed through to subrecipients |
| Department of the Treasury: | | | | | |
| Pass-through payments: | | | | | |
| Coronavirus State and Local Fiscal Recovery Fund (ARPA) | 21.027 | $1,570,172 | $ - | $ - | $ - |
| Pass-through payments: | | | | | |
| Virginia Tourism: | | | | | |
| Coronavirus State and Local Fiscal Recovery Fund (ARPA) | 21.027 | - | - | 277,500 | 234,250 |
| Virginia Department of Education: | | | | | |
| Coronavirus State and Local Fiscal Recovery Fund (ARPA) | 21.027 | - | - | 1,292,672 | - |
| Total 21.027 | | $1,570,172 | $ - | $ 1,570,172 | $ 234,250 |

**COUNTY OF YORK, VIRGINIA**

**SUMMARY OF COMPLIANCE MATTERS**
**June 30, 2023**

As more fully described in the 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,* we performed tests of the County's compliance with certain provisions of the laws, regulations, contracts, and grants shown below.

## STATE COMPLIANCE MATTERS

*Code of Virginia*

Budget and Appropriation Laws

Cash and Investment Laws

Conflicts of Interest Act

Local Retirement Systems

Debt Provisions

Procurement Laws

Uniform Disposition of Unclaimed Property Act

## FEDERAL COMPLIANCE MATTERS

Compliance Supplement for Single Audits of State and Local Governments

Provisions and conditions of agreements related to federal program selected for testing.

**COUNTY OF YORK, VIRGINIA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (RESTATED)**
**June 30, 2023**

## A. SUMMARY OF AUDITOR'S RESULTS

1. The auditor's report expresses an **unmodified opinion** on the financial statements.
2. **No significant deficiencies and no material weaknesses** relating to the audit of the financial statements were reported in the 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*.
3. **No instances of noncompliance** material to the financial statements were disclosed.
4. **No significant deficiencies and no material weaknesses** to the audit of the major federal award programs were reported in the Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance.
5. The auditor's report on compliance for the major federal award programs expresses an **unmodified opinion**.
6. The audit disclosed **no audit findings relating to the major programs**.
7. The program(s) tested as major were:

| Name of Program | Assistance Listing Number |
|---|---|
| Supplemental Nutrition Assistance Program (SNAP) Cluster | 10.551 / 10.561 |
| Education Stabilization Fund | 84.425 |
| Title I Grants to Local Educational Agencies | 84.010 |
| Special Education Cluster (IDEA) | 84.027/84.173 |
| Coronavirus State and Local Fiscal Recovery Fund | 21.027 |

8. The threshold for distinguishing Type A and B programs was **$943,683**.
9. The County was determined to be a **low-risk auditee**.

## B. FINDINGS - FINANCIAL STATEMENT AUDIT

None noted.

## C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAM AUDIT

None noted.

## D. FINDINGS - COMMONWEALTH OF VIRGINIA

### VA-2023-001 – Conflicts of Interest

*Condition:*

One out of thirty-five conflict of interest forms was not filed by the February 1, 2023, deadline. It was filed on February 10, 2023.

*Criteria:*

All conflict-of-interest forms should be completed and filed by the February 1, 2023, deadline.

*Recommendation:*

We recommend that applicable board members be contacted prior to the deadline to ensure forms are filed in a timely manner.

*Views of Responsible Officials and Planned Corrective Action:*

Management agrees with this finding and will work to ensure all forms are received by the deadline in the future.

## E. STATUS OF PRIOR YEAR FINDINGS

None noted.