



America's Future Since 1781

Annual Comprehensive
Financial Report for the
Fiscal Year Ended
June 30, 2021



ANNUAL COMPREHENSIVE FINANCIAL REPORT

COUNTY OF YORK, VIRGINIA

For the Fiscal Year Ended June 30, 2021

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

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June 30, 2021

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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, 2021

The Board of Supervisors
County of York, Virginia

Dear Members of the Board:

On behalf of the staff, I am submitting the York County's Annual Comprehensive Financial Report for the fiscal year ended June 30, 2021, 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. Cherry Bekaert 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 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, human 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 require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement 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. 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 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 also is 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 in the notes to 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 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 County received an allocation from the Coronavirus Relief Fund (CRF) through the State, which was established as part of the Coronavirus Aid, Relief and Economic Security (CARES) Act of 2020 to assist in the pandemic response efforts. The County received two allocations of CARES funding in the amount of \$5,957,167 each for a total of \$11,914,334. The first allocation was received in June 2020 and the second one in August 2020. These funds were expended by December 30, 2021. On March 11, 2021, the American Rescue Plan Act (ARPA) was signed into law. This Act established the Coronavirus State Fiscal Recovery Fund (CSFR) and the Coronavirus Local Fiscal Recovery Fund (CLFRF) known together as the State and Local Fiscal Recovery Funds (SLFRF). These funds build on and expand the support provided to governments over the last year, including the CRF funds. On June 7, 2021, the County received its first allocation of CLFRF funds in the amount of \$6,631,295. The first allocation was fully expended for government operations in FY2021 under the revenue loss provision of the Act. The second allocation of \$6,631,295 is expected in June 2022. These federal dollars along with strong fiscal management measures taken early on have ensured that the County's financial condition remains strong despite the ongoing uncertainty surrounding COVID-19.

Sales and historic triangle sales tax have remained strong throughout the pandemic. Lodging and meals tax saw a significant drop, however, by June 2021, both taxes were at the pre-pandemic level. Regarding employment, the areas of Leisure & Hospitality, Scientific & Technical, and Transportation & Utilities are three areas that continue to grow. The County's unemployment rate in 2021 was more favorable than 2020. The County's annual unemployment rate from the U.S. Bureau of Labor Statistics of 3.9% in June 2021 was more favorable than both the Virginia Beach-Norfolk-Newport News, VA MSA and the Commonwealth's rate of 5.0% and 4.5%, respectively.

STRATEGIC PRIORITIES

The Board developed Strategic Priorities in January of 2016 with revisions in January of 2020 that guided and influenced the development of the fiscal year 2022 budget and funding decisions.

1. Devote leadership and resources necessary to ensure and sustain EXEMPLARY PUBLIC SAFETY functions.
2. Facilitate EXCELLENT EDUCATIONAL OPPORTUNITIES for all County citizens.
3. Facilitate VALUE-DRIVEN ECONOMIC DEVELOPMENT that is sensitive to community character and the environment.
4. MAXIMIZE 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.
5. Protect and respect the County's natural and built attributes through balanced and cost-effective ENVIRONMENTAL STEWARDSHIP with a FOCUS on RESILIENCY.
6. Promote QUALITY TECHNOLOGY INVESTMENTS to support the efficient operation of County government.

The FY2022 Adopted Budget was prepared with the mindset that the budget environment continued to feature an unusual degree of uncertainty with contradictory economic signals and potential shifts in national fiscal policy. It represented a carefully considered fiscal plan and reflected a plan that invests in all of the Board's strategic priorities without a tax rate increase. There were inflationary increases in various building and zoning fees and the implementation of a cigarette tax. Also, the sewer maintenance fee increased by a \$1 per month.

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, as well as various County programs and operations. For example, the Economic Development Authority's focus on revitalization of 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 5-year review process for the Comprehensive Plan has begun and will continue through 2021 and beyond.

Economic Development

During Fiscal Year 2021, the Board of Supervisors continued to strongly support economic development as one of its six Strategic Priorities – *Facilitate VALUE DRIVEN ECONOMIC DEVELOPMENT that is sensitive to community character and the environment*. In support of this objective, the EDA, the Office of Economic Development (OED), and the entire County organization focused on sustaining our business base impacted by the COVID-19 pandemic. The County's economic development emphasis continued to be providing assistance to our business community through timely and comprehensive information about available resources, promoting existing business operations, and administering a third round of grant assistance.

- **COVID-19 Small Business Recovery Grant Program:** Led by the County's Housing and Neighborhood Revitalization Division (HNR), with assistance from the OED, an application was made to the state Department of Housing and Community Development for a Community Development Block Grant (CDBG) to support a business recovery grant program. The application was made on a regional basis on behalf of York, Williamsburg and Poquoson. The request was successful and \$1,150,000 was made available for the three localities. The grant program was launched in mid-July 2020 and, by the end of November 2020, 110 York County small businesses had received grants totaling \$504,207. The County's HNR Division applied for a second phase of funding in June 2021 and York County was awarded an additional \$560,000. Under this phase, the maximum grant amount was increased to \$15,000 per business and only covered rent/mortgage expenses, no longer reimbursing for personal protective equipment. In Phase Two, 26 new businesses were assisted, totaling \$552,762. In September 2021, the County was awarded an additional \$525,000 and, as of October 22, 2021, \$254,660 has been provided to 14 new businesses.
- **Home-Based Business Support:** Due to the COVID-19 pandemic, the OED in partnership with the five other Peninsula localities and Gloucester County, was forced to cancel the 5th annual Home-Based Business Conference, planned for late March 2020. The conference had planned to resume again in 2021, however, due to uncertainty surrounding the Delta Variant and the inability to secure event space, the group now plans to reschedule the event for spring 2022. The seven localities successfully transitioned the monthly Home-based Business Lunch & Learn sessions to a virtual format and continued to host that popular series from April 2021 forward. The new and more flexible format allowed more participants to attend than ever before.

- **START Peninsula:** In the entrepreneurial arena, the 9th annual Peninsula-wide business plan competition, START Peninsula, was held virtually as well, in November 2020. Several people pitched their business ideas and three startups were awarded a combined total of \$15,000, free membership in the local chamber of commerce of their choice, as well as extensive business counseling and mentorship services.
- **Regional Economic Development:** In November 2018, the Peninsula localities and Gloucester officially established the Eastern Virginia Regional Industrial Facility Authority (EVRIFA). The EVRIFA grew to 10 localities in FY2020 by adding Isle of Wight, Franklin and Chesapeake. In FY 2021 six of the EVRIFA members, including York County, agreed to participate in acquiring 432 acres of surplus state property in York County formerly known as the “Fuel Farm”. The EVRIFA plans to lease 250 acres to CI Renewables for a 20 megawatt solar facility and develop the remaining acreage as a light industrial park. An approved GO Virginia grant to do the initial design for an unmanned systems testing and demonstration facility on the property was amended to support general light industrial development of the property. The grant was also extended to June 30, 2022.
- **Residential Development Activity:** In FY2021, the value of residential building permits was \$92.2 million compared to \$67 million in FY2020. Single family detached home construction outpaced all other types of residential development. Townhouse development doubled from the level of investment in FY2020. Ryan Homes continued to dominate the housing construction market in York County in FY2021 with continued development in Arbordale, Carrington Meadows, and Marquis Hills.
- **Commercial Development Activity.** Commercial construction rebounded significantly in FY2021 with permit values of \$45.3 million compared to \$24.3 million in FY2020. The EDA closed on two properties in the York River Commerce Park South and went under contract on a third parcel. These sales will add 22,000 sq. ft. of new light industrial space to the County. The EDA closed with the Miller Group on three acres in Busch Industrial Park for a 20,000 sq. ft. flex space building. Waukeshaw Development broke ground for the Beale’s East Brew Pub on Rt. 17 and plans to open in the spring of 2022. The branding effort for the “Edge District” in upper York County, James City County, and Williamsburg received additional funding through two Virginia Tourism Grants. The owner of Kingsgate Green Shopping Center announced new leases with Ollies and Ashley Furniture that will back fill two thirds of the vacant Big K space.

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 the expansion of sewer facilities, renovation and expansion of county and school facilities, maintenance of buildings, emergency services and communications, and drainage improvements.

However, due to COVID-19, it was especially important to protect the County’s cash flow and limit the use of reserves as much as possible during uncertain times. Thus, all years of the capital projects fund were shifted out one year in FY2021 which established a baseline for the FY2022 CIP which was very similar to the pre-pandemic FY2021 recommended CIP except that the years were changed.

FINANCIAL INFORMATION

The County's accounting records for general governmental operations are maintained on the modified accrual basis. This essentially involves the recording of 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 (utility systems) and internal service (motor vehicle pool, information technology, health/dental insurance and workers' compensation) funds are maintained on the 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

For fiscal year 2021, the County has adopted GASB Statement No. 84, *Fiduciary Activities*. "The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. Additional information can be found on GASB 84 in Note 15.

In addition, the County has early implemented GASB Statement No. 98, *The Annual Comprehensive Financial Report*, which changes the wording of the report from Comprehensive Annual Financial Report to Annual Comprehensive Financial Report (ACFR). Additional information can be found on GASB 98 in Note 1.

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 independent auditors' report on the "Single Audit" for the County will be available in a separate report.

AWARDS

The County continued to be recognized for excellence in operational and fiscal management during fiscal year 2021. The following awards were received:

- 2021 National Association of Counties awards for AED Management Program; Fire Academy Collaboration with York County, Virginia's Fitness Ambassador; Peninsula COVID-19 Operations Center
- 2021 Virginia Association of Counties award for Peninsula COVID-19 Operations Center
- York County was named one of the nation's top digital counties in July 2020 by The Center for Digital Government (CDG) and the National Association of Counties (NACo). York County placed third in the category of counties with a population of 150,000 or less.
- VA Sheriff's Association awarded a York County employee with the 2021 Dispatcher of the Year Award
- Unanimously selected from all of the nominations, York County was awarded the International Association of Fire Chiefs Award for a Heart Safe Community in the small to medium sized department category.
- Several awards were received as a result of the Community Vaccination Clinics for the COVID-19 pandemic:
 - York County Senior Center was chosen to receive the 2021 Peninsulas Emergency Medical Services (PEMS) Special Recognition Award
 - Operation Vaccination the Peninsula was chosen to receive the 2021 Peninsulas Emergency Medical Services (PEMS) Special Recognition Award
 - Greater Williamsburg COVID-19 Vaccination Clinic which included York County was chosen to receive the 2021 PEMS EMS Regional Award for Innovation Excellence in EMS.
- Various awards were provided to employees of the Sheriff's office including the Top Cop Award in November 2020 and July 2021.

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, 2020. This was the 35th 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, 2020. This was the 18th 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

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Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

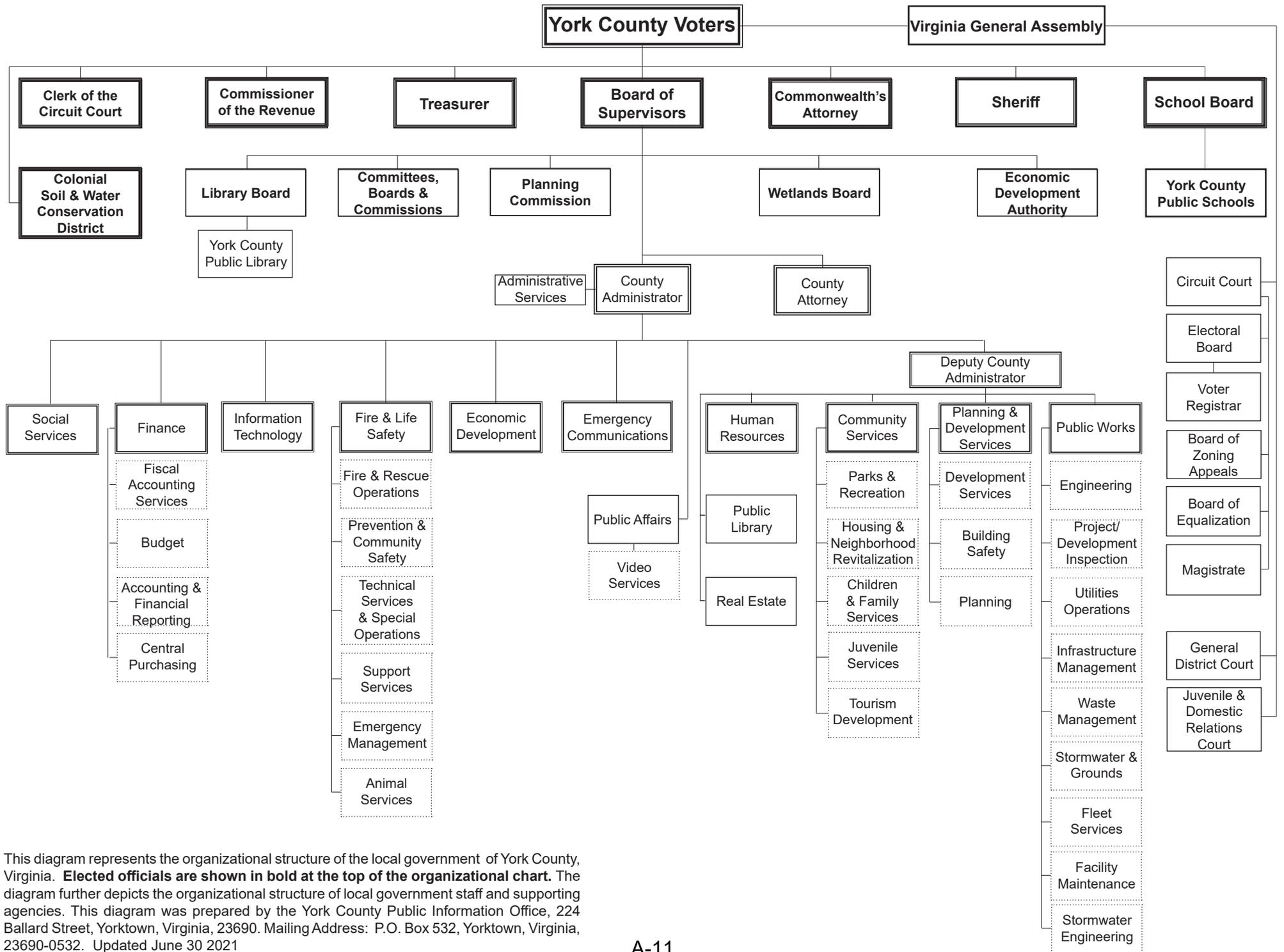
**County of York
Virginia**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morill

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 2021

COUNTY OF YORK, VIRGINIA
Principal Officials
For the Fiscal Year Ended June 30, 2021

Board of Supervisors

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

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	Benjamin M. Hahn
Sheriff	J. D. Diggs

County Officials

County Administrator	Neil A. Morgan
County Attorney	James E. Barnett, Jr.
Deputy County Administrator	Mark L. Bellamy, Jr.
Director of Community Services	Brian P. Fuller
Director of Economic Development	James W. Noel, Jr.
Director of Emergency Communications	Donald T. Hall
Director of Finance	Theresa S. Owens
Fire Chief	Stephen P. Kopczynski
Director of Human Resources	Amy R. Etheridge
Director of Information Technology	Adam A. Frisch
Director of Library Services	Kevin W. Smith
Director of Planning and Development Services	Susan D. Kassel
Director of Public Works	Brian K. Woodward
Director of York-Poquoson Social Services	Margaret Mack-Yaroch

School Board

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

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 Secondary Instruction	Angela Seiders
Director of Student Services	Dr. Elaine B. Gould

Report of Independent Auditor

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

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

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

Emphasis of Matter

As discussed in Note 15 to the basic financial statements, the County adopted the provisions of Governmental Accounting Standards Board Statement No. 84, *Fiduciary Activities*, effective July 1, 2020. As a result, related net position and fund balance has been restated. Our opinions are not modified with respect to this matter.

OTHER MATTERS***Required Supplementary Information***

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The Introductory Section, Other Supplementary Information, and Statistical Section, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Other Supplementary 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Other Supplementary Information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 29, 2021 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Handwritten signature of Cheryl Bekaert LP in cursive script.

Virginia Beach, Virginia
November 29, 2021

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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, 2021. 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 2021 (FY2021)

- 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, 2021 by \$172,912,065 (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 \$82,529,933 in school debt without the related assets.
- The County's total net position increased by \$15,738,494. Governmental activities increased by \$13,259,232, primarily due to General Fund expenditures being offset with Coronavirus Aid, Relief and Economic Security Act (CARES) and American Rescue Plan Act (ARPA) funding and an increase in General Fund property tax revenues, sales tax and taxes on recordation and wills. Business-type activities increased by \$2,479,262, mainly attributable to capital contributions of sewer lines in FY2021.
- As of June 30, 2021, the County's governmental funds reported combined ending fund balances of \$83,914,488, an increase of \$15,146,951 from the prior year. Unassigned fund balance totaled \$14,730,706 and is available for spending at the County's discretion. This amount reflects a General Fund unassigned fund balance of \$18,240,000, or 13.6% of total General Fund expenditures and an unassigned fund deficit of \$3,509,294 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 and net pension liability at June 30, 2021, were \$182,539,214, which is an increase of \$9,766,100 from the prior year. The key factors in this increase was the issuance of new debt for the School Division capital projects and the increase for pension 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, which is a major fund. Data for the other seven 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 2021, 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-96 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, 2021 and 2020

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>FY2021</u>	<u>FY2020</u>	<u>FY2021</u>	<u>FY2020</u>	<u>FY2021</u>	<u>FY2020</u>
Current and other assets	\$ 127,926,084	\$ 109,711,992	\$ 20,113,295	\$ 17,756,691	\$ 148,039,379	\$ 127,468,683
Capital assets	91,018,245	90,080,979	128,221,425	128,272,615	219,239,670	218,353,594
Total assets	<u>\$ 218,944,329</u>	<u>\$ 199,792,971</u>	<u>\$ 148,334,720</u>	<u>\$ 146,029,306</u>	<u>\$ 367,279,049</u>	<u>\$ 345,822,277</u>
Deferred outflows of resources	<u>\$ 26,655,976</u>	<u>\$ 25,080,471</u>	<u>\$ 2,901,934</u>	<u>\$ 2,767,915</u>	<u>\$ 29,557,910</u>	<u>\$ 27,848,386</u>
Current and other liabilities	\$ 26,821,770	\$ 26,755,875	\$ 2,425,259	\$ 2,239,142	\$ 29,247,029	\$ 28,995,017
Long-term liabilities	158,752,331	148,997,468	23,786,883	23,775,646	182,539,214	172,773,114
Total liabilities	<u>\$ 185,574,101</u>	<u>\$ 175,753,343</u>	<u>\$ 26,212,142</u>	<u>\$ 26,014,788</u>	<u>\$ 211,786,243</u>	<u>\$ 201,768,131</u>
Deferred inflows of resources	<u>\$ 11,137,972</u>	<u>\$ 13,491,099</u>	<u>\$ 1,000,679</u>	<u>\$ 1,237,862</u>	<u>\$ 12,138,651</u>	<u>\$ 14,728,961</u>
Net position:						
Net investment in capital assets	\$ 67,685,243	\$ 63,819,651	\$ 110,749,120	\$ 110,685,466	\$ 178,434,363	\$ 174,505,117
Restricted	8,951,725	3,484,204	-	-	8,951,725	3,484,204
Unrestricted (deficit)	<u>(27,748,736)</u>	<u>(31,674,855)</u>	<u>13,274,713</u>	<u>10,859,105</u>	<u>(14,474,023)</u>	<u>(20,815,750)</u>
Total net position	<u>\$ 48,888,232</u>	<u>\$ 35,629,000</u>	<u>\$ 124,023,833</u>	<u>\$ 121,544,571</u>	<u>\$ 172,912,065</u>	<u>\$ 157,173,571</u>

The County's net position totaled \$172,912,065, an increase of \$15,738,494. This result is comprised of an increase of net position in governmental activities of \$13,259,232, and an increase of \$2,479,262 in business-type activities. The increase in governmental activities was primarily due to General Fund expenditures being offset with CARES and ARPA and an increase in General Fund property tax revenues, sales tax and taxes on recordation and wills. The increase for business-type activities was mainly attributable to capital contributions of sewer lines in FY2021.

Approximately 5.2% 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, 2021, the County reported an unrestricted deficit of \$14,474,023. The decrease in the unrestricted deficit of \$6,341,727 is primarily due to an increase in capital contributions in the Sewer Fund and General Fund increases in property tax, sales tax and taxes on recordation and wills with expenditures being offset with CARES and ARPA funding.

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 \$82,529,933 in school debt without the related assets.

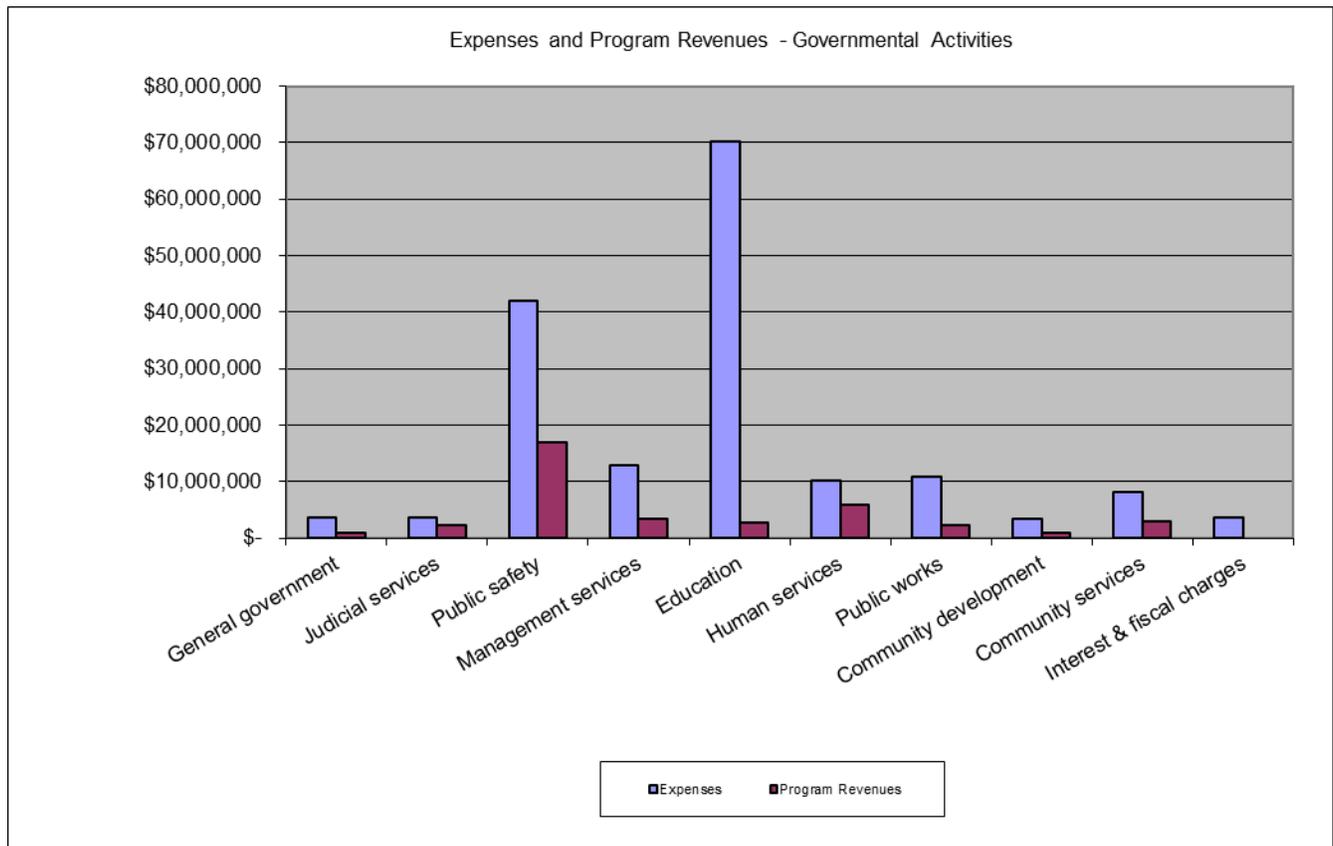
Summary of Changes in Net Position - Years Ended June 30, 2021 and 2020

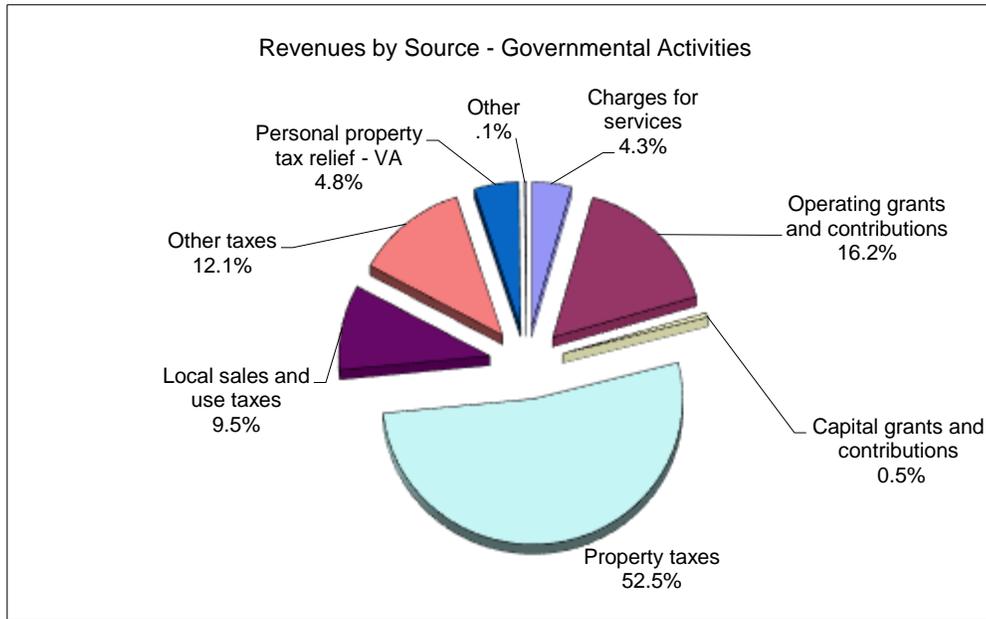
	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>FY2021</u>	<u>FY2020</u>	<u>FY2021</u>	<u>FY2020</u>	<u>FY2021</u>	<u>FY2020</u>
Revenues:						
Program revenues:						
Charges for services	\$ 7,858,320	\$ 8,152,973	\$ 21,185,080	\$ 20,426,879	\$ 29,043,400	\$ 28,579,852
Operating grants and contributions	29,664,580	15,103,972	90,492	292,221	29,755,072	15,396,193
Capital grants and contributions	911,612	2,443,417	2,179,427	1,144,164	3,091,039	3,587,581
General revenues:						
Property taxes	96,141,095	93,017,827	-	-	96,141,095	93,017,827
Other taxes	39,554,043	37,578,694	937,343	1,493,198	40,491,386	39,071,892
Commonwealth of Virginia, net						
Local Aid to Commonwealth	8,741,680	8,741,680	-	-	8,741,680	8,741,680
Unrestricted investment earnings	(19,787)	859,654	25,086	133,285	5,299	992,939
Miscellaneous	372,731	162,593	8,534	11,841	381,265	174,434
Gain on sale of capital assets	4,391	14,378	23,769	-	28,160	14,378
Total revenues	<u>183,228,665</u>	<u>166,075,188</u>	<u>24,449,731</u>	<u>23,501,588</u>	<u>207,678,396</u>	<u>189,576,776</u>
Expenses:						
Governmental activities:						
General administration	3,753,814	4,468,101	-	-	3,753,814	4,468,101
Judicial services	3,704,339	3,721,294	-	-	3,704,339	3,721,294
Public safety	42,065,399	43,575,955	-	-	42,065,399	43,575,955
Management services	12,923,458	11,861,804	-	-	12,923,458	11,861,804
Education	70,239,829	68,609,783	-	-	70,239,829	68,609,783
Human services	10,111,077	9,834,859	-	-	10,111,077	9,834,859
Public works	10,943,599	14,572,672	-	-	10,943,599	14,572,672
Community development	3,498,074	3,012,762	-	-	3,498,074	3,012,762
Community services	8,106,746	5,682,266	-	-	8,106,746	5,682,266
Interest and fiscal charges on noncurrent debt	3,577,368	3,518,196	-	-	3,577,368	3,518,196
Business-type activities:						
Sewer Utility	-	-	11,992,147	12,245,651	11,992,147	12,245,651
Water Utility	-	-	324,391	326,842	324,391	326,842
Solid Waste	-	-	6,055,946	5,742,136	6,055,946	5,742,136
Yorktown Operations	-	-	157,317	158,295	157,317	158,295
Sanitary Districts	-	-	418,134	418,134	418,134	418,134
Regional Radio System	-	-	4,068,264	4,208,960	4,068,264	4,208,960
Total expenses	<u>168,923,703</u>	<u>168,857,692</u>	<u>23,016,199</u>	<u>23,100,018</u>	<u>191,939,902</u>	<u>191,957,710</u>
Change in net position, before transfers	14,304,962	(2,782,504)	1,433,532	401,570	15,738,494	(2,380,934)
Transfers	<u>(1,045,730)</u>	<u>(1,087,134)</u>	<u>1,045,730</u>	<u>1,087,134</u>	<u>-</u>	<u>-</u>
Change in net position	13,259,232	(3,869,638)	2,479,262	1,488,704	15,738,494	(2,380,934)
Net position, beginning	<u>35,629,000</u>	<u>39,498,638</u>	<u>121,544,571</u>	<u>120,055,867</u>	<u>157,173,571</u>	<u>159,554,505</u>
Net position, ending	<u>\$ 48,888,232</u>	<u>\$ 35,629,000</u>	<u>\$ 124,023,833</u>	<u>\$ 121,544,571</u>	<u>\$ 172,912,065</u>	<u>\$ 157,173,571</u>

Governmental Activities - For the fiscal year ended June 30, 2021, revenues from governmental activities totaled \$183,228,665. The \$3,123,268 increase from fiscal year 2020 in property taxes is comprised primarily of two revenue sources: real estate and personal property tax revenues. Real estate tax revenue, the County's largest revenue source, was \$78,351,752. The County's assessed real property tax base for calendar year 2021 was \$9,662,298,100. The County's second largest revenue source is personal property taxes, with total current year collections of \$26,070,926. The Commonwealth of Virginia provides a constant \$8,741,680 as an entitlement grant under the provisions of the Personal Property Tax Relief Act (PPTRA), which is included in the total current year collections.

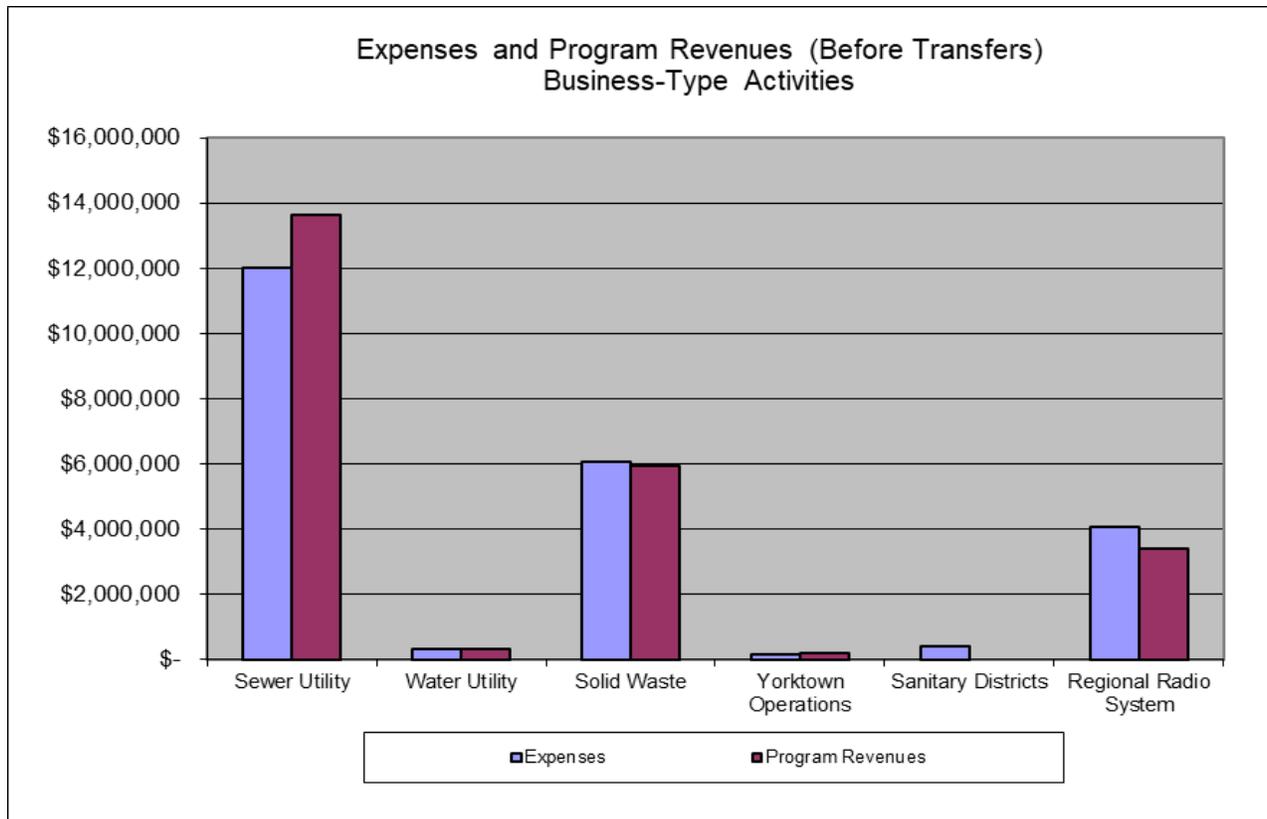
Other taxes increased by \$1,975,349 from the prior year as a result of increases in sales taxes, restaurant food taxes and taxes on recordation and wills.

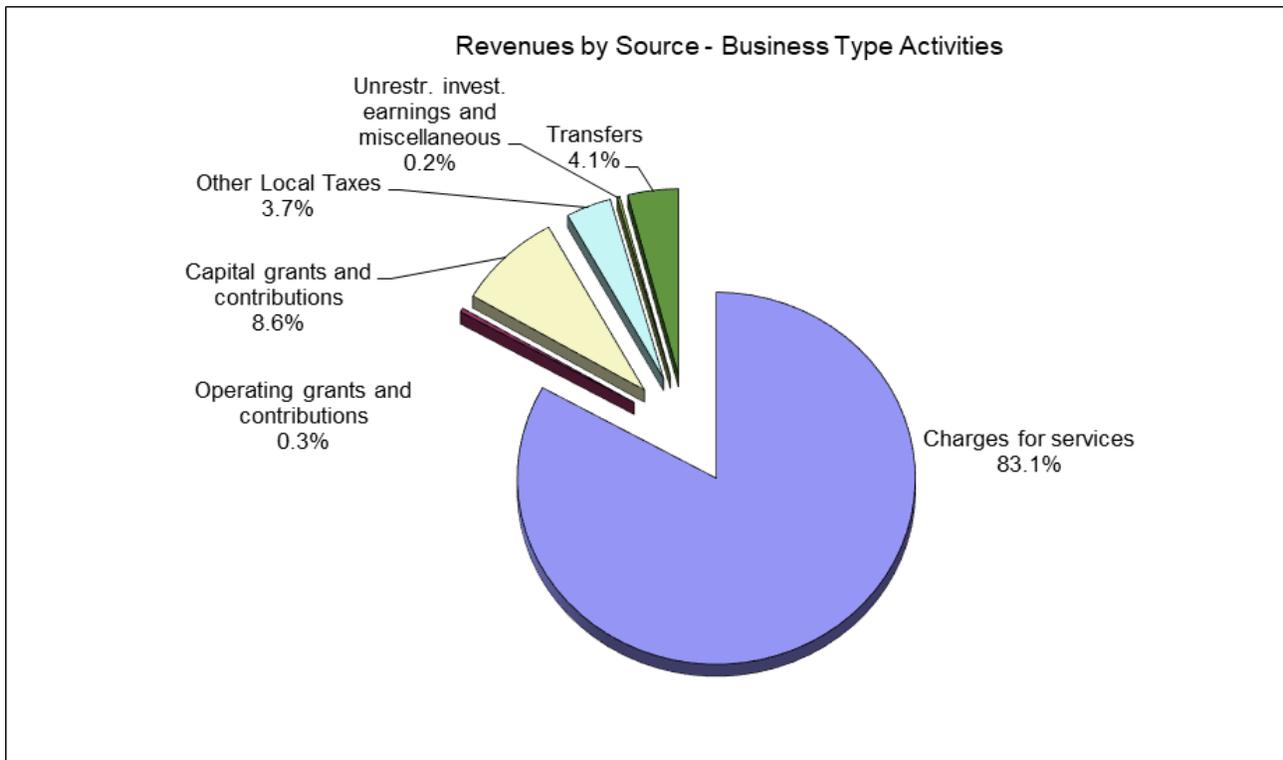
For the fiscal year ended June 30, 2021, expenses for governmental activities totaled \$168,923,703, including the following payments to the component unit - School Division: \$55,093,852 for operations and capital projects; the component unit - Economic Development Authority: \$66,385 for operations and capital, and the component unit - Community Development Authority: \$1,177,003 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 \$2,479,262 for the fiscal year ended June 30, 2021. This increase is primarily attributable to capital contributions of sewer lines in FY2021. Significant transfers include \$1,045,730 for the maintenance on the emergency radio system in the Regional Radio System Fund.



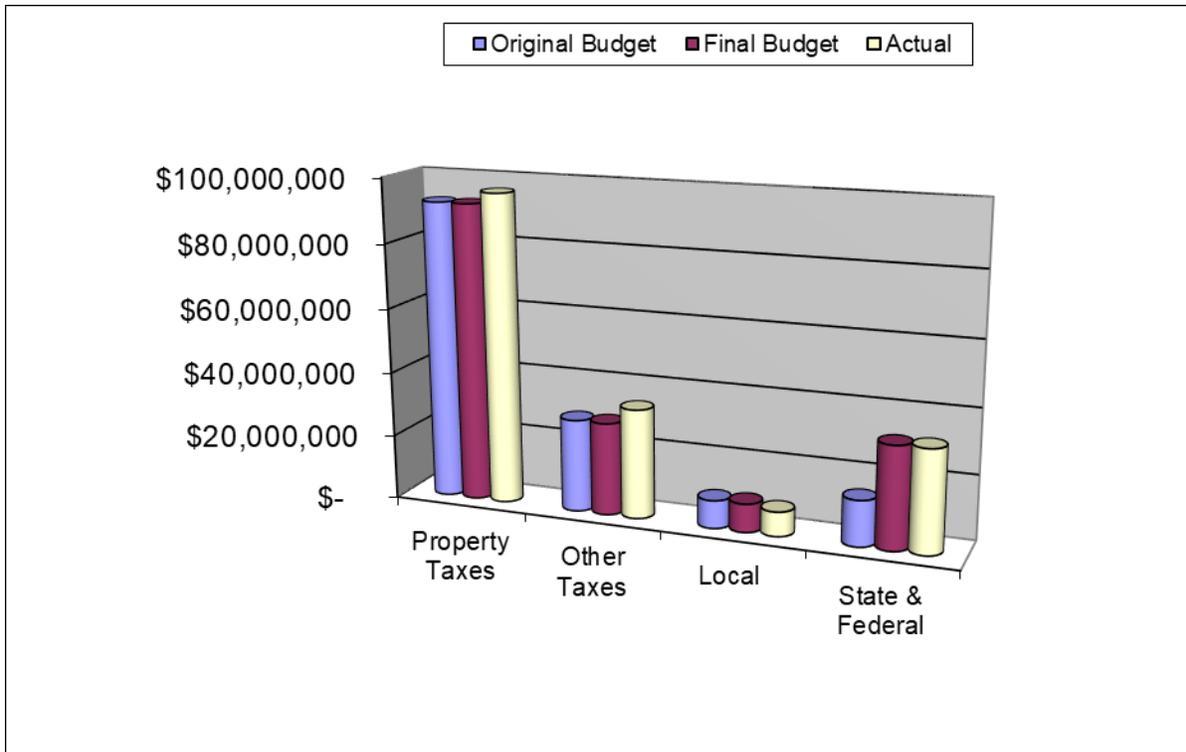


GENERAL FUND

As of June 30, 2021, the County's governmental funds reported combined ending fund balances of \$83,914,488, an increase of \$15,146,951 from the prior year. Unassigned fund balance totaled \$14,730,706 and is available for spending at the County's discretion. Of the remainder of fund balance, \$6,396,239 is nonspendable, \$8,928,711 is restricted, \$17,370,859 is committed and \$36,487,973 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 \$18,240,000 and total fund balance was \$44,630,114. 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 13.6% of total General Fund expenditures while total fund balance represents 33.2% 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

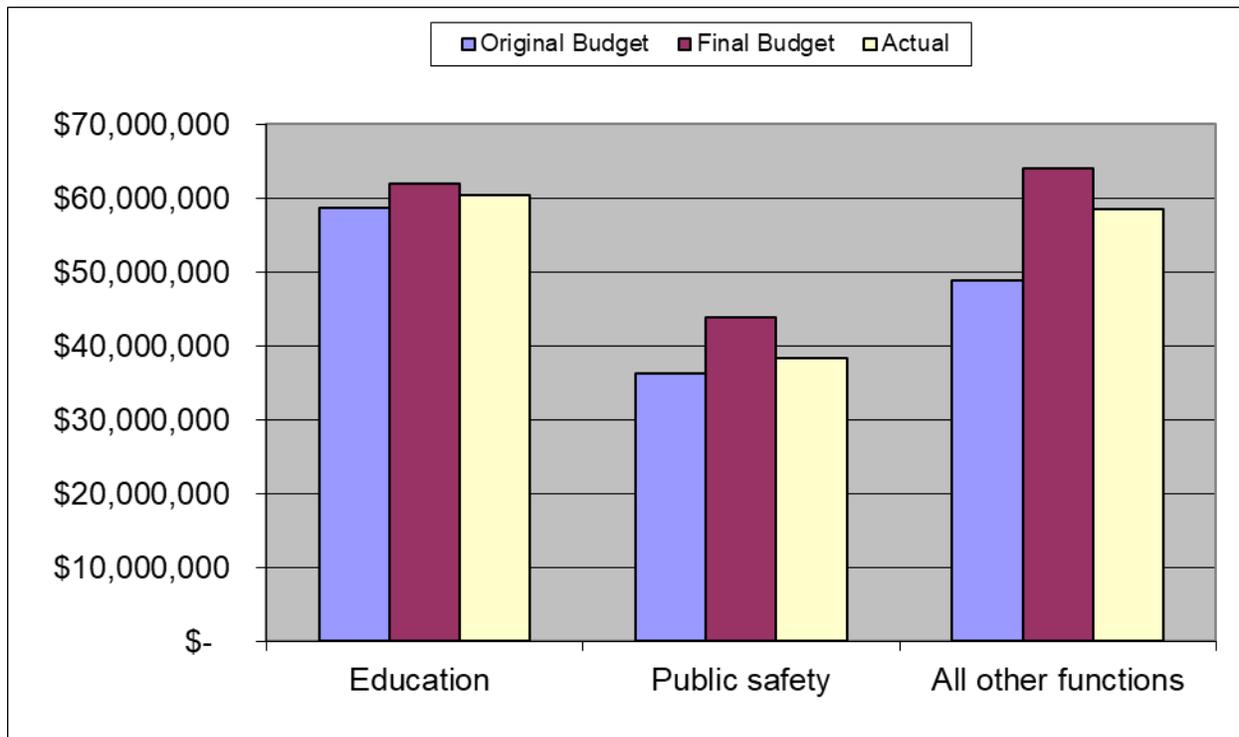


The total change in General Fund final budgeted revenues and other financing sources were \$17,629,304 or 12.3% over the original budget. The majority of the increase was driven by the appropriation of approximately \$6 million for the second allocation of the CARES Act Coronavirus Relief Funding (CRF); \$3 million from the first allocation of CRF not expended in FY2020; approximately \$6.6 million for the first allocation of ARPA Funding; and \$1.2 million of a Community Development Block Grant from the CARES Act as part of the FY2021 amended budget.

The total General Fund actual revenues and other financing sources were \$7,768,867 or 4.8% over the final budget. Significant variances include the following:

- General property taxes were higher than the final budget by \$3,654,866 or 4.0%, which was primarily driven by higher than anticipated real estate and personal property tax collections.
- Other local taxes were higher than the final budget by \$5,244,151 or 18.3%, primarily due to higher than anticipated local sales and use tax as well as the historic triangle sales tax and business license taxes.
- Charges for services were lower than the final budget by \$582,658 or 13.3%, which was driven by lower emergency medical services fees and school closures resulting in school resources officers not working at the middle and high schools.
- Intergovernmental revenue was \$90,452 or 0.3% above the final budget.

General Fund Expenditures - Comparison of Budget to Actual



The total change in General Fund final budgeted expenditures and other financing uses were \$26,308,860 or 18.3% over the original budget. The majority of the increase was driven by the appropriation of approximately \$6 million for the second allocation of the CRF Funding; \$3 million from the first allocation of CRF Funding not expended in FY2020; approximately \$6.6 million for the first allocation of ARPA Funding; \$1.2 million of a Community Development Block Grant from the CARES; and approximately \$8.7 million of carryovers for continuing capital and special projects.

The total General Fund actual expenditures and other financing uses were \$12,833,805 or 7.6% under the final budget. A portion of the variance, \$779,238 is attributable to outstanding encumbrances at June 30, 2021, 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.
- All Functions: The majority of all the cost centers were under budget as a result of additional funding received to support government operating personnel and fringe benefit costs through the revenue loss provision of the ARPA Act.
- Additional Functions with significant variances:
 - Judicial Administration: The Clerk of Circuit Court was also under budget due to unspent information technology funding.
 - Public Safety: Fire and Life Safety were also under budget as a result of additional funding received through the CARES Act to support personnel costs for public health and safety employees.

- Management Services: In addition, Budget and Human Resources were under budget as a result of vacancies and due to funding set aside for management training yet to occur.
- Public Works: this department realized savings from operations and personnel due to turnover and vacancies.
- Community Services: the department had savings from operations due to the cancellation of parks and recreation programs as a result of the coronavirus pandemic.

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 increased by \$11,923,116 primarily due to an increase in property taxes and other local taxes and expenditures were offset by the CARES Act and ARPA Act funding received and expended in FY2021.

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, 2021, the Tourism Fund and the County Capital Fund had increases in fund balance of \$455,876 and \$590,586 due to transfers from the General Fund. The Yorktown Capital Improvements Fund had a decrease in fund deficit of \$7,024, mainly due to interest received 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 2021, 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 \$11,380,626 through charges for services and \$874,583 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 \$2,479,262, and the internal service funds reported an increase in net position of \$2,972,165. The net position for the enterprise funds and internal service funds were \$124,023,833 and \$14,894,245, respectively, at the end of the fiscal year.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal year 2021, the County's investment in capital assets for its governmental and business-type activities amounts to \$219,239,670 (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 equipment associated with a capital lease.

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 fewer additions compared to the prior year; and an increase for a full year of depreciation for assets entered into service during the previous year.

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

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>FY2021</u>	<u>FY2020</u>	<u>FY2021</u>	<u>FY2020</u>	<u>FY2021</u>	<u>FY2020</u>
Land	\$ 12,854,926	\$ 12,854,926	\$ 3,946,755	\$ 3,946,755	\$ 16,801,681	\$ 16,801,681
Easements	821,664	789,666	704,453	688,253	1,526,117	1,477,919
Construction in progress	3,157,559	1,339,091	3,961,322	3,991,047	7,118,881	5,330,138
Land improvements	4,965,567	5,475,389	39,576	43,020	5,005,143	5,518,409
Buildings	28,293,133	29,161,191	5,660,268	6,374,786	33,953,401	35,535,977
Building improvements	12,051,882	10,573,604	294,017	125,530	12,345,899	10,699,134
Infrastructure	6,803,391	7,277,552	107,727,109	106,937,960	114,530,500	114,215,512
Equipment	8,645,500	8,959,741	4,212,498	4,509,182	12,857,998	13,468,923
Vehicles	12,086,907	12,218,918	1,675,427	1,656,082	13,762,334	13,875,000
Computer software	1,337,716	1,430,901	-	-	1,337,716	1,430,901
Total	<u>\$ 91,018,245</u>	<u>\$ 90,080,979</u>	<u>\$ 128,221,425</u>	<u>\$ 128,272,615</u>	<u>\$ 219,239,670</u>	<u>\$ 218,353,594</u>

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 \$3,509,294 deficit at June 30, 2021, resulting from a prior year advance from the Tourism Fund.

County Capital Fund

For fiscal year 2021, a transfer of \$3,748,694 was from the General Fund for future projects. Capital expenditures of \$4,127,680 included the following: software replacement for records management in the Sheriff's office; radios; fire and life safety apparatus; public safety building design work; county administration building renovations; trolley replacement; Yorktown pier improvements; heating and air conditioning repairs/replacement; roof, building, parking lot and grounds repairs/maintenance; sidewalk projects; and VDOT intersection and road related projects.

Additional information on the County's capital assets can be found in note 5 beginning on page F-17 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 \$124,585,413. Capital leases, compensated absences, claims liabilities, net pension liability and net OPEB obligation are not included in these figures.

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>FY2021</u>	<u>FY2020</u>	<u>FY2021</u>	<u>FY2020</u>	<u>FY2021</u>	<u>FY2020</u>
Bonds payable	\$ 105,817,406	\$ 103,489,477	\$ 18,768,007	\$ 19,604,905	\$ 124,585,413	\$ 123,094,382
Total	\$ 105,817,406	\$ 103,489,477	\$ 18,768,007	\$ 19,604,905	\$ 124,585,413	\$ 123,094,382

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 2021, the County paid debt service of \$4,705,000 and \$2,958,195 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-21 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 2022 budget including the economic impact from the coronavirus pandemic. The fiscal year 2022 approved budget for the General Fund is \$152,000,000, a 5.8% increase from the fiscal year 2021 budget.

The fiscal year 2022 Budget was adopted on May 4, 2021 and represents a cautious fiscal plan taking into consideration the uncertainty of the economic impacts of the coronavirus pandemic. It reflects a plan that invests in all of the Board's strategic priorities as outlined in the Letter of Transmittal without a tax rate increase. There were, however, inflationary increases in various building and zoning fees and the implementation of a cigarette tax. In addition, there was a \$1 per month increase in the sewer maintenance fee with all other fees remaining the same.

The School Division's request for funding in FY2022 was fully funded. The budget also provided for pay increases for over 900 employees. Preparations for the next budget cycle are underway for FY2023.

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, 2021

	Primary Government			Discretely Presented Component Units		
	Governmental	Business-type	Total	School	Economic	Marquis
	Activities	Activities		Division	Development Authority	Community Development Authority
ASSETS						
Cash and investments	\$ 104,499,830	\$ 17,683,030	\$ 122,182,860	\$ 14,561,481	\$ 1,412,487	\$ -
Restricted cash	1,019,011	936,224	1,955,235	-	24,121	334,826
Receivables, net	19,611,481	3,768,074	23,379,555	5,531,404	47,673	6
Due from Primary Government	-	-	-	17,469,975	-	456,222
Due from component unit - EDA	-	51,484	51,484	-	-	-
Prepaid expenses	445,762	24,483	470,245	586,000	13	-
Other assets	-	-	-	-	1,726,399	-
Net OPEB asset	-	-	-	5,177,881	-	-
Internal balances	2,350,000	(2,350,000)	-	-	-	-
Capital assets:						
Nondepreciable/nonamortizable	16,834,149	8,612,530	25,446,679	17,917,419	-	20,366,995
Depreciable/amortizable	159,777,458	204,280,687	364,058,145	259,718,842	860,517	9,000
Less accumulated depreciation/amortization	(85,593,362)	(84,671,792)	(170,265,154)	(108,475,302)	(274,940)	(9,000)
Total assets	<u>218,944,329</u>	<u>148,334,720</u>	<u>367,279,049</u>	<u>212,487,700</u>	<u>3,796,270</u>	<u>21,158,049</u>
DEFERRED OUTFLOWS OF RESOURCES						
Debt refundings resulting in loss transactions, net of accumulated amortization	1,056,153	359,477	1,415,630	-	-	-
OPEB costs	10,567,283	1,077,425	11,644,708	3,736,853	-	-
Pension costs	15,032,540	1,465,032	16,497,572	33,254,092	-	-
Total deferred outflows of resources	<u>26,655,976</u>	<u>2,901,934</u>	<u>29,557,910</u>	<u>36,990,945</u>	<u>-</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>\$ 245,600,305</u>	<u>\$ 151,236,654</u>	<u>\$ 396,836,959</u>	<u>\$ 249,478,645</u>	<u>\$ 3,796,270</u>	<u>\$ 21,158,049</u>
LIABILITIES						
Accounts payable	\$ 2,265,754	\$ 851,155	\$ 3,116,909	\$ 3,857,224	\$ 15,968	\$ 13,686
Retainage payable	20,635	-	20,635	41,764	-	-
Deposits payable	594,872	58,036	652,908	634	24,121	-
Salaries, taxes and benefits payable	1,984,516	191,738	2,176,254	16,785,538	-	-
Unearned revenues	2,511,008	1,142,551	3,653,559	228,027	525	17,117
Due to Primary Government	-	-	-	-	51,484	-
Due to component unit - School Division	17,469,975	-	17,469,975	-	-	-
Due to component unit - CDA	414,616	-	414,616	-	-	-
Accrued interest payable	1,560,394	181,779	1,742,173	-	-	409,600
Noncurrent liabilities:						
Due within one year	10,282,470	984,398	11,266,868	3,666,000	20,000	-
Due in more than one year	148,469,861	22,802,485	171,272,346	149,758,664	16,667	38,978,885
Total liabilities	<u>185,574,101</u>	<u>26,212,142</u>	<u>211,786,243</u>	<u>174,337,851</u>	<u>128,765</u>	<u>39,419,288</u>
DEFERRED INFLOWS OF RESOURCES						
Prepaid taxes, fees and receivables	1,350,054	-	1,350,054	-	-	-
OPEB costs	9,787,918	1,000,679	10,788,597	3,126,609	-	-
Pension costs	-	-	-	8,733,916	-	-
Total deferred inflows of resources	<u>11,137,972</u>	<u>1,000,679</u>	<u>12,138,651</u>	<u>11,860,525</u>	<u>-</u>	<u>-</u>
NET POSITION						
Net investment in capital assets	67,685,243	110,749,120	178,434,363	169,160,959	585,577	(17,383,090)
Restricted for:						
Community services	186,637	-	186,637	-	-	-
Public safety	1,599,447	-	1,599,447	-	-	-
Tourism	739,568	-	739,568	-	-	-
Judicial services	88,464	-	88,464	-	-	-
Transportation improvements	705,800	-	705,800	-	-	-
Library renovations	5,592,247	-	5,592,247	-	-	-
Other purposes	39,562	-	39,562	6,649,611	-	-
Food service	-	-	-	3,256,436	-	-
Unrestricted (deficit)	(27,748,736)	13,274,713	(14,474,023)	(115,786,737)	3,081,928	(878,149)
Total net position (deficit)	<u>48,888,232</u>	<u>124,023,833</u>	<u>172,912,065</u>	<u>63,280,269</u>	<u>3,667,505</u>	<u>(18,261,239)</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 245,600,305</u>	<u>\$ 151,236,654</u>	<u>\$ 396,836,959</u>	<u>\$ 249,478,645</u>	<u>\$ 3,796,270</u>	<u>\$ 21,158,049</u>

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, 2021

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position			Discretely Presented Component Units		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Primary Government		School Division	Economic Development Authority	Marquis Community Development Authority
						Business-type Activities	Total			
Primary Government:										
Governmental activities:										
General administration	\$ 3,753,814	\$ 250,352	\$ 499,643	\$ 243,621	\$ (2,760,198)	\$ -	\$ (2,760,198)	\$ -	\$ -	\$ -
Judicial services	3,704,339	651,790	1,640,150	-	(1,412,399)	-	(1,412,399)	-	-	-
Public safety	42,065,399	3,496,404	13,324,828	45,000	(25,199,167)	-	(25,199,167)	-	-	-
Management services	12,923,458	496,213	2,846,463	-	(9,580,782)	-	(9,580,782)	-	-	-
Education	70,239,829	16,364	2,479,523	331,998	(67,411,944)	-	(67,411,944)	-	-	-
Human services	10,111,077	312,338	5,566,170	-	(4,232,569)	-	(4,232,569)	-	-	-
Public works	10,943,599	1,445,206	807,818	43,342	(8,647,233)	-	(8,647,233)	-	-	-
Community development	3,498,074	787,606	244,869	-	(2,465,599)	-	(2,465,599)	-	-	-
Community services	8,106,746	402,047	2,255,116	247,651	(5,201,932)	-	(5,201,932)	-	-	-
Interest and fiscal charges on noncurrent debt	3,577,368	-	-	-	(3,577,368)	-	(3,577,368)	-	-	-
Total governmental activities	<u>168,923,703</u>	<u>7,858,320</u>	<u>29,664,580</u>	<u>911,612</u>	<u>(130,489,191)</u>	<u>-</u>	<u>(130,489,191)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Business-type activities:										
Sewer Utility	11,992,147	11,380,626	78,797	2,174,548	-	1,641,824	1,641,824	-	-	-
Water Utility	324,391	310,542	-	-	-	(13,849)	(13,849)	-	-	-
Solid Waste	6,055,946	5,911,272	11,695	4,879	-	(128,100)	(128,100)	-	-	-
Yorktown Operations	157,317	183,713	-	-	-	26,396	26,396	-	-	-
Sanitary Districts	418,134	-	-	-	-	(418,134)	(418,134)	-	-	-
Regional Radio System	4,068,264	3,398,927	-	-	-	(669,337)	(669,337)	-	-	-
Total business-type activities	<u>23,016,199</u>	<u>21,185,080</u>	<u>90,492</u>	<u>2,179,427</u>	<u>-</u>	<u>438,800</u>	<u>438,800</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Primary Government	<u>\$ 191,939,902</u>	<u>\$ 29,043,400</u>	<u>\$ 29,755,072</u>	<u>\$ 3,091,039</u>	<u>(130,489,191)</u>	<u>438,800</u>	<u>(130,050,391)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Component units:										
School Division	\$ 168,125,447	\$ 826,336	\$ 87,431,532	\$ 20,881	-	-	-	\$ (79,846,698)	\$ -	\$ -
Economic Development Authority	618,725	360,742	-	-	-	-	-	-	(257,983)	-
Marquis Community Development Authority	6,376,193	-	-	127	-	-	-	-	-	(6,376,066)
Total component units	<u>\$ 175,120,365</u>	<u>\$ 1,187,078</u>	<u>\$ 87,431,532</u>	<u>\$ 21,008</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(79,846,698)</u>	<u>(257,983)</u>	<u>(6,376,066)</u>
General revenues:										
Taxes:										
Property taxes					96,141,095	-	96,141,095	-	-	-
Local sales and use taxes					17,389,034	-	17,389,034	-	-	-
Hotel and motel room taxes					3,549,512	-	3,549,512	-	-	-
Restaurant food taxes					5,338,091	937,343	6,275,434	-	-	-
Business license taxes					7,513,546	-	7,513,546	-	-	-
Motor vehicle licenses					1,647,098	-	1,647,098	-	-	-
Taxes on recordation and wills					2,207,395	-	2,207,395	-	-	-
Other local taxes					1,909,367	-	1,909,367	-	-	-
Personal property tax relief from Commonwealth of Virginia, net Local Aid to Commonwealth					8,741,680	-	8,741,680	-	-	-
Payment from Primary Government					-	-	-	64,822,756	66,385	1,218,609
Unrestricted shared intergovernmental revenues					-	-	-	15,266,600	-	-
Unrestricted investment earnings					(19,787)	25,086	5,299	15,805	7,636	-
Miscellaneous					372,731	8,534	381,265	3,937,730	500	-
Gain on disposal of capital assets					4,391	23,769	28,160	-	-	-
Transfers					(1,045,730)	1,045,730	-	-	-	-
Total general revenues and transfers					<u>143,748,423</u>	<u>2,040,462</u>	<u>145,788,885</u>	<u>84,042,891</u>	<u>74,521</u>	<u>1,218,609</u>
Change in net position					13,259,232	2,479,262	15,738,494	4,196,193	(183,462)	(5,157,457)
Net position (deficit), beginning, as restated					35,629,000	121,544,571	157,173,571	59,084,076	3,850,967	(13,103,782)
Net position (deficit), ending					<u>\$ 48,888,232</u>	<u>\$ 124,023,833</u>	<u>\$ 172,912,065</u>	<u>\$ 63,280,269</u>	<u>\$ 3,667,505</u>	<u>\$ (18,261,239)</u>

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

COUNTY OF YORK, VIRGINIA
Balance Sheet
Governmental Funds
June 30, 2021

	Capital Project						
ASSETS	General	Tourism Special Revenue	Yorktown Capital Improvements	County Capital	Debt Service Education	Nonmajor Governmental Funds	Total Governmental Funds
Cash and investments	\$ 48,124,409	\$ 383,071	\$ 487,836	\$ 26,335,923	\$ 372,699	\$ 16,659,375	\$ 92,363,313
Restricted cash	17,025	-	-	1,001,986	-	-	1,019,011
Receivables, net	16,383,906	418,764	36,667	722,641	-	1,390,916	18,952,894
Prepaid expenditures	12,442	-	-	-	-	17,117	29,559
Advances to other funds	6,383,797	4,033,797	-	-	-	-	10,417,594
Total assets	\$ 70,921,579	\$ 4,835,632	\$ 524,503	\$ 28,060,550	\$ 372,699	\$ 18,067,408	\$ 122,782,371
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities:							
Accounts payable	\$ 1,166,050	\$ 6,884	\$ -	\$ 338,041	\$ 16,025	\$ 321,775	\$ 1,848,775
Retainage payable	-	-	-	-	-	10,549	10,549
Deposits payable	594,872	-	-	-	-	-	594,872
Salaries, taxes and benefits payable	1,816,999	28,534	-	-	-	96,191	1,941,724
Unearned revenues	16,788	41,726	-	2,287,521	-	164,973	2,511,008
Due to component unit - School Division	17,469,975	-	-	-	-	-	17,469,975
Due to component unit - CDA	-	-	-	-	-	414,616	414,616
Advances from other funds	-	4,033,797	4,033,797	-	-	-	8,067,594
Total liabilities	21,064,684	4,110,941	4,033,797	2,625,562	16,025	1,008,104	32,859,113
Deferred inflows of resources:							
Unavailable revenues - property taxes, fees and grants	4,605,519	8,137	-	-	-	45,060	4,658,716
Prepaid taxes, fees and receivables	621,262	-	-	711,675	-	17,117	1,350,054
Total deferred inflows of resources	5,226,781	8,137	-	711,675	-	62,177	6,008,770
Fund balances (deficit):							
Nonspendable	6,396,239	-	-	-	-	-	6,396,239
Restricted	13,104	716,554	-	6,927,926	-	1,271,127	8,928,711
Committed	1,252,245	-	-	2,189,112	-	13,929,502	17,370,859
Assigned	18,728,526	-	-	15,606,275	356,674	1,796,498	36,487,973
Unassigned	18,240,000	-	(3,509,294)	-	-	-	14,730,706
Total fund balances (deficit)	44,630,114	716,554	(3,509,294)	24,723,313	356,674	16,997,127	83,914,488
Total liabilities, deferred inflows of resources and fund balances (deficit)	\$ 70,921,579	\$ 4,835,632	\$ 524,503	\$ 28,060,550	\$ 372,699	\$ 18,067,408	\$ 122,782,371

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, 2021

Fund balances - Total governmental funds		\$ 83,914,488
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental fund activities are not financial resources and, therefore, are not reported in the funds.		87,272,663
Other noncurrent assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.		
Unavailable revenue property taxes, fees and grants	\$ 4,658,716	
Less allowance for doubtful accounts, fees	<u>(226,077)</u>	4,432,639
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	\$ 10,351,720	
Deferred inflows of resources related to OPEB costs	(9,589,320)	
Deferred outflows of resources related to pension costs	<u>14,701,147</u>	15,463,547
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	<u>(993,546)</u>	1,056,153
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	\$ 13,437,384	
Capital assets	9,880,225	
Less accumulated depreciation/amortization	(6,134,643)	
Deferred outflows of resources	<u>546,956</u>	
	17,729,922	
Liabilities	(2,637,079)	
Deferred inflows of resources	<u>(198,598)</u>	14,894,245
Noncurrent assets/liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Accrued interest payable	\$ (1,560,394)	
Net OPEB liability	(8,103,202)	
Net pension liability	(35,468,004)	
General obligation bonds, net	(82,529,933)	
Capital leases	(919,423)	
Lease revenue bonds, net	(23,287,473)	
Compensated absences	<u>(6,277,074)</u>	<u>(158,145,503)</u>
Total net position - Statement of Net Position		<u>\$ 48,888,232</u>

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, 2021

	General	Tourism Special Revenue	Capital Project			Debt Service Education	Nonmajor Governmental Funds	Total Governmental Funds
			Yorktown Capital Improvements	County Capital				
REVENUES								
General property taxes	\$ 95,895,866	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 337,562	\$ 96,233,428
Other local taxes	33,899,151	2,474,063	-	-	-	-	3,026,402	39,399,616
Intergovernmental:								
Federal	17,936,952	-	-	25,852	56,082	-	4,315,794	22,334,680
State	13,771,197	30,000	-	215,917	170,696	-	2,015,362	16,203,172
Permits, fees, and licenses	968,829	-	-	-	-	-	-	968,829
Fines and forfeitures	268,429	-	-	-	-	-	-	268,429
Use of money and property	192,309	68,739	7,024	38,717	-	-	22,677	329,466
Charges for services	3,809,465	-	-	-	-	-	114,329	3,923,794
Miscellaneous	381,180	4,324	-	-	-	-	339,409	724,913
Recovered costs	1,749,468	-	-	87,586	105,220	-	285,516	2,227,790
Total revenues	<u>168,872,846</u>	<u>2,577,126</u>	<u>7,024</u>	<u>368,072</u>	<u>331,998</u>	<u>-</u>	<u>10,457,051</u>	<u>182,614,117</u>
EXPENDITURES								
Current:								
General administration	3,177,263	-	-	-	-	-	-	3,177,263
Judicial services	3,081,640	-	-	-	-	-	19,224	3,100,864
Public safety	38,294,900	185,000	-	-	-	-	619,712	39,099,612
Management services	10,643,221	438,600	-	-	-	-	-	11,081,821
Education	60,364,608	-	-	-	9,728,904	-	5,151	70,098,663
Human services	1,617,918	-	-	-	-	-	7,917,946	9,535,864
Public works	8,910,041	70,000	-	-	-	-	-	8,980,041
Community development	2,501,995	-	-	-	-	-	1,562	2,503,557
Community services	4,176,185	1,884,983	-	-	-	-	368,618	6,429,786
Non-departmental	1,681,126	-	-	-	-	-	1,005,897	2,687,023
Capital outlay	-	-	-	4,127,680	-	-	714,550	4,842,230
Debt service:								
Principal retirement	-	42,667	-	-	4,705,000	-	3,049,090	7,796,757
Interest and fiscal charges	-	-	-	-	2,882,277	-	1,006,187	3,888,464
Debt issuance costs	-	-	-	-	75,918	-	-	75,918
Total expenditures	<u>134,448,897</u>	<u>2,621,250</u>	<u>-</u>	<u>4,127,680</u>	<u>17,392,099</u>	<u>-</u>	<u>14,707,937</u>	<u>173,297,863</u>
Excess (deficiency) of revenues over (under) expenditures	<u>34,423,949</u>	<u>(44,124)</u>	<u>7,024</u>	<u>(3,759,608)</u>	<u>(17,060,101)</u>	<u>-</u>	<u>(4,250,886)</u>	<u>9,316,254</u>
OTHER FINANCING SOURCES (USES)								
Insurance recovery	14,119	-	-	265,500	-	-	-	279,619
Transfers in	171,106	500,000	-	3,748,694	7,506,166	6,356,454	-	18,282,420
Issuance of debt	-	-	-	-	8,580,000	-	-	8,580,000
Premium on bonds issued	-	-	-	-	1,209,822	-	-	1,209,822
Capital lease	-	-	-	336,000	-	-	-	336,000
Transfers out	(22,686,058)	-	-	-	-	-	(171,106)	(22,857,164)
Total other financing sources and (uses), net	<u>(22,500,833)</u>	<u>500,000</u>	<u>-</u>	<u>4,350,194</u>	<u>17,295,988</u>	<u>-</u>	<u>6,185,348</u>	<u>5,830,697</u>
Net change in fund balance	11,923,116	455,876	7,024	590,586	235,887	-	1,934,462	15,146,951
Fund balance (deficit), beginning of year	32,706,998	260,678	(3,516,318)	24,132,727	120,787	-	15,062,665	68,767,537
Fund balance (deficit), end of year	<u>\$ 44,630,114</u>	<u>\$ 716,554</u>	<u>\$ (3,509,294)</u>	<u>\$ 24,723,313</u>	<u>\$ 356,674</u>	<u>\$ -</u>	<u>\$ 16,997,127</u>	<u>\$ 83,914,488</u>

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, 2021

Net change in fund balances - total governmental funds \$ 15,146,951

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	\$ 6,747,282	
Transfer of capital asset to proprietary fund	(4,879)	
Depreciation and amortization expenses	(5,425,248)	
Loss on disposal of capital assets	<u>(743,348)</u>	573,807

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. 317,518

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	\$ 7,796,757	
Issuance of debt	(8,580,000)	
Capital lease	(336,000)	
Premium on issuance of noncurrent debt, net	(1,209,822)	
Amortization of premium on issuance of noncurrent debt	596,892	
Amortization of deferred charge on refunded debt	<u>(186,591)</u>	(1,918,764)

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	\$ (23,288)	
Net OPEB liability	492,910	
Net pension liability	(4,673,892)	
Compensated absences	<u>371,825</u>	(3,832,445)

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. 2,972,165

Change in net position of governmental activities \$ 13,259,232

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

COUNTY OF YORK, VIRGINIA
Statement of Net Position
Proprietary Funds
June 30, 2021

ASSETS	Business-type Activities			Governmental Activities
	Sewer Utility	Nonmajor Enterprise Funds	Total	Internal Service Funds
ASSETS				
Current assets:				
Cash and investments	\$ 15,013,115	\$ 2,669,915	\$ 17,683,030	\$ 12,136,517
Restricted cash	936,224	-	936,224	-
Receivable, net	2,125,889	1,642,185	3,768,074	884,664
Due from component unit - EDA	-	51,484	51,484	-
Prepaid expenses	6,263	18,220	24,483	416,203
Total current assets	18,081,491	4,381,804	22,463,295	13,437,384
Noncurrent assets:				
Nondepreciable capital assets:				
Land	501,353	3,445,402	3,946,755	-
Construction in progress	3,961,322	-	3,961,322	394,700
Easements	693,508	10,945	704,453	-
Depreciable capital assets:				
Land improvements	68,920	-	68,920	262,573
Buildings	18,155,052	5,033,608	23,188,660	-
Buildings improvements	309,011	295,438	604,449	-
Infrastructure	143,438,788	23,422,860	166,861,648	-
Equipment	5,483,144	4,627,292	10,110,436	1,696,215
Vehicles	1,976,687	1,399,615	3,376,302	7,396,145
Intangibles	70,272	-	70,272	130,592
Less accumulated depreciation	(57,517,046)	(27,084,475)	(84,601,521)	(6,030,223)
Less accumulated amortization	(70,271)	-	(70,271)	(104,420)
Total noncurrent assets	117,070,740	11,150,685	128,221,425	3,745,582
DEFERRED OUTFLOWS OF RESOURCES				
Debt refundings resulting in loss transactions, net of accumulated amortization				
	359,477	-	359,477	-
Deferred outflows related to OPEB costs	902,761	174,664	1,077,425	215,563
Deferred outflows related to pension costs	1,186,902	278,130	1,465,032	331,393
Total deferred outflows	2,449,140	452,794	2,901,934	546,956
Total assets and deferred outflows of resources	\$ 137,601,371	\$ 15,985,283	\$ 153,586,654	\$ 17,729,922
LIABILITIES				
Current liabilities:				
Accounts payable	\$ 469,933	\$ 381,222	\$ 851,155	\$ 416,979
Retainage payable	-	-	-	10,086
Deposits payable	46,036	12,000	58,036	-
Salaries, taxes and benefits payable	152,076	39,662	191,738	42,792
Unearned revenues	1,075,461	67,090	1,142,551	-
Accrued interest payable	181,779	-	181,779	-
Revenue bonds	966,898	-	966,898	-
Claims payable	-	-	-	1,065,000
Compensated absences	15,000	2,500	17,500	6,000
Total current liabilities	2,907,183	502,474	3,409,657	1,540,857
Noncurrent liabilities:				
Revenue bonds	17,801,109	-	17,801,109	-
Compensated absences	545,828	76,143	621,971	122,374
Net OPEB liability	688,458	143,350	831,808	173,549
Net pension liability	2,878,689	668,908	3,547,597	800,299
Advance from other fund	-	2,350,000	2,350,000	-
Total noncurrent liabilities	21,914,084	3,238,401	25,152,485	1,096,222
Total liabilities	24,821,267	3,740,875	28,562,142	2,637,079
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows related to OPEB costs	840,374	160,305	1,000,679	198,598
Total deferred inflows of resources	840,374	160,305	1,000,679	198,598
NET POSITION				
Net investment in capital assets	99,598,434	11,150,686	110,749,120	3,745,582
Unrestricted	12,341,296	933,417	13,274,713	11,148,663
Total net position	111,939,730	12,084,103	124,023,833	14,894,245
Total liabilities, deferred inflows of resources and net position	\$ 137,601,371	\$ 15,985,283	\$ 153,586,654	\$ 17,729,922

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, 2021

	Business-type Activities			Governmental
	Sewer Utility	Nonmajor Enterprise Funds	Total	Activities Internal Service Funds
Operating Revenues				
Use of property	\$ -	\$ 3,664,837	\$ 3,664,837	\$ -
Charges for services	11,380,626	6,139,617	17,520,243	19,038,350
Miscellaneous	201	8,333	8,534	126,967
Total operating revenues	11,380,827	9,812,787	21,193,614	19,165,317
Operating Expenses				
Personal services	5,047,527	1,200,500	6,248,027	2,479,316
Contractual services	566,978	8,497,570	9,064,548	15,025,982
Materials and supplies	1,912,319	452,823	2,365,142	1,622,550
Depreciation	3,888,688	873,159	4,761,847	633,582
Total operating expenses	11,415,512	11,024,052	22,439,564	19,761,430
Operating loss	(34,685)	(1,211,265)	(1,245,950)	(596,113)
Nonoperating Revenues (Expenses)				
Other local taxes	874,853	62,490	937,343	-
Federal subsidy for interest on debt	78,797	-	78,797	-
Grant income	-	11,695	11,695	-
Interest income	22,105	2,981	25,086	13,020
Amortization of debt premium	236,898	-	236,898	-
Interest and fiscal charges	(813,533)	-	(813,533)	-
Gain on disposal of capital assets	-	23,769	23,769	4,391
Total nonoperating revenues, net	399,120	100,935	500,055	17,411
Income (loss) before contributions and transfers, net	364,435	(1,110,330)	(745,895)	(578,702)
Capital Contributions	2,174,548	4,879	2,179,427	21,853
Transfers In	-	1,045,740	1,045,740	3,529,014
Transfers Out	(10)	-	(10)	-
Change in net position	2,538,973	(59,711)	2,479,262	2,972,165
Total net position, beginning of year	109,400,757	12,143,814	121,544,571	11,922,080
Total net position, end of year	\$ 111,939,730	\$ 12,084,103	\$ 124,023,833	\$ 14,894,245

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, 2021

	Business-type Activities			Governmental Activities
	Sewer Utility	Nonmajor Enterprise Funds	Total	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	\$ 11,058,630	\$ 9,143,294	\$ 20,201,924	\$ 18,190,008
Other receipts	201	8,333	8,534	126,967
Payments to suppliers for goods and services	(2,165,663)	(9,043,059)	(11,208,722)	(16,646,097)
Payments to employees for services	(4,657,404)	(1,137,703)	(5,795,107)	(2,329,543)
Payment for interfund activity	-	(50,000)	(50,000)	-
Net cash provided by (used in) operating activities	<u>4,235,764</u>	<u>(1,079,135)</u>	<u>3,156,629</u>	<u>(658,665)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Grant income	-	11,695	11,695	-
Transfers in	-	1,045,740	1,045,740	3,529,014
Transfers out	(10)	-	(10)	-
Net cash provided by (used in) noncapital financing activities	<u>(10)</u>	<u>1,057,435</u>	<u>1,057,425</u>	<u>3,529,014</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and construction of capital assets	(2,545,961)	-	(2,545,961)	(1,013,442)
Net proceeds from the disposal of capital assets	-	38,500	38,500	42,645
Other receipts	874,853	62,490	937,343	-
Federal subsidy for interest on debt	78,797	-	78,797	-
Deferred charge from capital debt	4,471	-	4,471	-
Principal paid on capital debt	(600,000)	-	(600,000)	-
Interest paid on capital debt	(709,249)	-	(709,249)	-
Net cash provided by (used in) capital and related financing activities	<u>(2,897,089)</u>	<u>100,990</u>	<u>(2,796,099)</u>	<u>(970,797)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest income	22,105	2,981	25,086	13,020
Net cash provided by investing activities	<u>22,105</u>	<u>2,981</u>	<u>25,086</u>	<u>13,020</u>
Net increase in cash and cash equivalents	1,360,770	82,271	1,443,041	1,912,572
Cash and cash equivalents, beginning of year	14,588,569	2,587,644	17,176,213	10,223,945
Cash and cash equivalents, end of year	<u>\$ 15,949,339</u>	<u>\$ 2,669,915</u>	<u>\$ 18,619,254</u>	<u>\$ 12,136,517</u>
Reconciliation of cash and cash equivalents to the Statement of Net Position:				
Cash and investments	\$ 15,013,115	\$ 2,669,915	\$ 17,683,030	\$ 12,136,517
Restricted cash	936,224	-	936,224	-
Cash and cash equivalents, end of year	<u>\$ 15,949,339</u>	<u>\$ 2,669,915</u>	<u>\$ 18,619,254</u>	<u>\$ 12,136,517</u>
Reconciliation of operating loss to net cash provided by (used in) operating activities:				
Operating loss	\$ (34,685)	\$ (1,211,265)	\$ (1,245,950)	\$ (596,113)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation	3,888,688	873,159	4,761,847	633,582
Decrease (increase) in:				
Receivables	(196,259)	(643,702)	(839,961)	(848,342)
Due from/to component unit - EDA	-	(38,189)	(38,189)	-
Prepaid expenses	(324)	14,911	14,587	(39,203)
Increase (decrease) in:				
Accounts payable	350,982	(92,666)	258,316	56,452
Retainage payable	(34,172)	-	(34,172)	10,086
Deposits payable	(2,852)	-	(2,852)	-
Salaries, taxes and benefits payable	11,401	3,699	15,100	7,122
Unearned revenues	(125,737)	5,820	(119,917)	-
Net OPEB liability and related outflows/inflows	(37,745)	(8,862)	(46,607)	(875)
Net pension liability and related outflows/inflows	431,195	69,182	500,377	143,713
Claims payable	-	-	-	(24,900)
Compensated absences	(14,728)	(1,222)	(15,950)	(187)
Advance from other fund	-	(50,000)	(50,000)	-
Net cash provided by (used in) operating activities	<u>\$ 4,235,764</u>	<u>\$ (1,079,135)</u>	<u>\$ 3,156,629</u>	<u>\$ (658,665)</u>
Noncash investing, capital, and financing activities:				
Contributions of capital assets	\$ 2,174,548	\$ 4,879	\$ 2,179,427	\$ 21,853

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, 2021

	Other Postemployment Benefits Trust Fund	Custodial Funds
ASSETS		
Cash	\$ -	\$ 6,527,794
Investments at fair value:		
Investment in pooled funds - County		
Fixed Income	2,764,069	-
Stocks	7,107,604	-
Real Estate	921,356	-
Alternative Investments	2,369,202	-
Investment in pooled funds - School Division		
Fixed Income	2,186,848	-
Stocks	5,623,324	-
Real Estate	728,949	-
Alternative Investments	1,874,441	-
Investment in pooled funds - Colonial Behavioral Health		
Fixed Income	52,065	-
Stocks	133,882	-
Real Estate	17,355	-
Alternative Investments	44,627	-
Accounts receivable	-	15,855
Total assets	23,823,722	6,543,649
LIABILITIES		
Accounts payable	-	1,252,977
Salaries, taxes and benefits payable	-	112,238
Deferred revenue	-	75,449
Total liabilities	-	1,440,664
NET POSITION		
Restricted for:		
Postemployment benefits other than pensions	23,823,722	-
Individuals, organizations and other governments	-	5,102,985
Total net position	\$ 23,823,722	\$ 5,102,985

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, 2021

	Other Postemployment Benefits Trust Fund	Custodial Funds
ADDITIONS		
Contributions:		
County	\$ 1,175,136	\$ -
School Division	635,431	-
Colonial Behavioral Health	167,514	-
Federal receipts for other agencies & individuals	-	1,292,988
State receipts for other agencies & individuals	-	7,315,415
Payments from other governments, agencies & local sources	-	11,484,209
Interest earned on cash balances	-	1,240
Total contributions	<u>1,978,081</u>	<u>20,093,852</u>
Investment earnings:		
Net increase in fair value of investments	5,429,044	-
Less administrative expenses	<u>(21,929)</u>	<u>-</u>
Total investment earnings, net	<u>5,407,115</u>	<u>-</u>
Total additions	<u>7,385,196</u>	<u>20,093,852</u>
DEDUCTIONS		
Retirement benefits	1,536,671	-
Payments to other governments, agencies & individuals	<u>-</u>	<u>19,301,524</u>
Total deductions	<u>1,536,671</u>	<u>19,301,524</u>
Change in net position	<u>5,848,525</u>	<u>792,328</u>
Total net position, beginning of year, as restated	<u>17,975,197</u>	<u>4,310,657</u>
Total net position, end of year	<u>\$ 23,823,722</u>	<u>\$ 5,102,985</u>

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

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COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2021

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 2021, GASB Statement No. 84 ("GASB 84"), *Fiduciary Activities*, was implemented to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. Additional information about GASB 84 can be found in Note 15. In addition, the County has early implemented GASB Statement No. 98 ("GASB 98"), *The Annual Comprehensive Financial Report*, which changes the wording of this reporting package to Annual Comprehensive Financial Report (ACFR). This Statement was developed in response to concerns raised by stakeholders that the common pronunciation of the acronym from the prior reporting package sounded like a profoundly objectionable racial slur.

The Reporting Entity

The County's financial reporting entity is defined and its financial statements are presented in accordance with GAAP where 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.

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (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.

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (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.

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(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.

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 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.

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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).

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.

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2021

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

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

The County reports the following major enterprise fund:

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

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.

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

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 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 Group Home 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.

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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, 2020 and June 25, 2021, less an allowance for uncollectible amounts and taxes not collected within 45 days after year-end. The tax rate for calendar year 2020 and 2021 was \$0.795, 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, 2020, and June 25, 2021, less an allowance for uncollectible amounts and taxes not collected within 45 days after year-end. The tax rate for calendar years 2020 and 2021 was \$4.00 per \$100 of assessed value.

The County's property tax collection records show that 95.45% 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.

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2021

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

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.

Prepays

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the basic financial statements. Prepaid items 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 and computer software. 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).

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, 2021 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.

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2021

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

Deferred Outflows and Inflows of Resources

Deferred outflows of resources represent a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. The County's deferred outflows of resources 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 10 and 11 for further details.

Deferred inflows of resources represent an acquisition of net position that applies to a future period and so will not be recognized as revenue 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 amounts are 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' Balance Sheet. 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 10 and 11 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.

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

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2021

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

Fund Balances *(Continued)*

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 10.47% 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.

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2021

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, 2021 is as follows:

	Amount
Restricted cash	\$ 1,955,235
Investments	58,623,575
Deposits with financial institutions	63,554,940
Petty cash	4,345
Total cash and investments	\$ 124,138,095

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2021

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	\$ 122,182,860	\$ 14,561,481	\$ 1,412,487	\$ -	\$ 138,156,828
Restricted cash	1,955,235	-	24,121	334,826	2,314,182
Total cash and investments	<u>\$ 124,138,095</u>	<u>\$ 14,561,481</u>	<u>\$ 1,436,608</u>	<u>\$ 334,826</u>	<u>\$ 140,471,010</u>

Restricted Cash

The County's restricted cash of \$1,955,235 at June 30, 2021 consisted of the following: \$4,000 of surety deposits for junkyards held in the County and junkyards' names; \$13,025 of surety deposits for developments; \$1,001,986 for debt reserves on the 2020 bonds; and \$936,224 for debt reserves on the 2020 sewer revenue bonds.

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, 2021, the County's investments as rated by Standard & Poor's were as follows:

Investment Type	AAA	AA+	Unrated
LGIP	\$ 20,299,433	\$ -	\$ -
Money market	-	-	66,223
Treasury bills	-	1,377,179	-
Municipal bonds	2,543,797	-	-
Federal agency bonds and notes	-	37,660,678	-
Total investments	<u>\$ 22,843,230</u>	<u>\$ 39,037,857</u>	<u>\$ 66,223</u>

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.

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2021

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, 2021, 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	\$ 66,223	0.02
Treasury bills	1,377,179	1.09
Federal agency bonds and notes	37,660,678	1.39
Municipal Bonds	2,543,797	1.05
Total investments	\$ 41,647,877	
Weighted average of portfolio		0.96

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, 2021, 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, 2021:

Fair Value Measurements Using

Investments - At fair value	June 30, 2021	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
Money market	\$ 66,223	\$ 66,223	\$ -
Treasury bills	1,377,179	1,377,179	-
Federal agency bonds and notes	37,660,678	10,922,421	26,738,257
Municipal Bonds	2,543,797	-	2,543,797
Total investments	\$ 41,647,877	\$ 12,365,823	\$ 29,282,054

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2021

2. DEPOSITS AND INVESTMENTS (Continued)

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, 2021 are \$1.366 billion, of which the County, School Division and the Colonial Behavioral Health have \$23,823,722 invested.

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, 2021, and excluding Pension Trust funds of \$1,737,977 and other cash not held by the Treasurer of \$1,471,730, the School Division's investments held by the County Treasurer consisted of \$176,734 invested in LGIP, with a Standard and Poor's rating of AAA. At June 30, 2021, the EDA had bank deposits of \$512,682 (\$24,121 of which was restricted for tenant security deposits) and investments in LGIP of \$923,926, rated AAAM by Standard & Poor's. The CDA's restricted cash and investments of \$334,826 at June 30, 2021, consisted of unspent bond proceeds. 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, 2021, receivables were as follows:

	<u>General</u>	<u>Tourism</u>	<u>Yorktown Capital Imps</u>	<u>County Capital</u>	<u>Nonmajor Governmental Funds</u>	<u>Sewer Utility</u>	<u>Nonmajor Enterprise Funds</u>	<u>Internal Service Funds</u>
Property taxes	\$ 7,107,490	\$ -	\$ -	\$ -	\$ 1,330	\$ -	\$ -	\$ -
Vehicle registration fees	655,521	-	-	-	-	-	-	-
Other taxes	4,145,462	448,155	-	-	338,506	213,269	-	-
Accounts	491,430	-	-	-	85,986	2,008,100	1,690,971	884,664
Interest	-	-	-	-	-	-	-	-
Notes	-	-	36,667	711,675	-	-	-	-
Intergovernmental:								
Federal	849,386	-	-	5,928	627,443	-	-	-
State	4,454,286	20,000	-	5,038	337,651	-	-	-
Receivables, gross	17,703,575	468,155	36,667	722,641	1,390,916	2,221,369	1,690,971	884,664
Less allowance for doubtful accounts	(1,319,669)	(49,391)	-	-	-	(95,480)	(48,786)	-
Receivables, net	<u>\$ 16,383,906</u>	<u>\$ 418,764</u>	<u>\$ 36,667</u>	<u>\$ 722,641</u>	<u>\$ 1,390,916</u>	<u>\$ 2,125,889</u>	<u>\$ 1,642,185</u>	<u>\$ 884,664</u>

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2021

4. INTERFUND AND COMPONENT UNIT TRANSACTIONS

The composition of interfund balances as of June 30, 2021 is as follows:

<u>Advance from Fund</u>	<u>Advance to Fund</u>	<u>Purpose</u>	<u>Amount</u>
General	Tourism	Infrastructure	\$ 4,033,797
	Nonmajor Enterprise Funds	Land purchase	<u>2,350,000</u>
Total Advances to other funds			<u>\$ 6,383,797</u>
Tourism	Yorktown Capital Improvements	Infrastructure	<u>\$ 4,033,797</u>

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 have begun from the lodging tax revenue generated by tourism. There was no repayment made in FY2021 due to the decline in Tourism revenues related to the coronavirus pandemic. Repayments for the land purchase have also begun, 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:

<u>Due from Entity</u>	<u>Due to Entity</u>	<u>Purpose</u>	<u>Amount</u>
County of York	School Division	Operations	<u>\$ 17,469,975</u>
EDA	County of York	Riverwalk Landing lease	<u>\$ 51,484</u>
County of York	CDA	Incremental tax revenues	<u>\$ 456,222</u>

Transfers In and Out:

<u>Fund</u>	<u>Transfers Out Fund</u>	<u>Transfers In Fund</u>
General	\$ 22,686,058	\$ 171,106
Tourism	-	500,000
County Capital	-	3,748,694
Debt Service Education	-	7,506,166
Nonmajor governmental	171,106	6,356,454
Sewer Utility	10	-
Nonmajor enterprise	-	1,045,740
Internal service	-	3,529,014
Total	<u>\$ 22,857,174</u>	<u>\$ 22,857,174</u>

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2021

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

Significant transactions between the Primary Government and component units during fiscal year 2021 were as follows:

Payments from County to School Division for School operations	\$	56,346,097
Payments to County from School Division - year-end reversion entry		<u>(1,252,245)</u>
Total General Fund	\$	<u>55,093,852</u>
Bond proceeds from County to School Division for construction -		
Education Debt Service	\$	<u>9,728,904</u>
Statement of Activities - Payment from County of York	\$	<u>64,822,756</u>
Payment from County General Fund to Economic Development Authority		
for operations; Statement of Activities - Payment from County of York	\$	<u>66,385</u>
Payment from County Nonmajor Governmental Fund to Community Development Authority		
for incremental tax revenue; Statement of Activities - Payment from County of York	\$	<u>1,218,609</u>

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2021

5. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2021 was as follows:

Primary Government:

Governmental Activities:	Balance			Balance
Capital assets not being depreciated/amortized:	July 1, 2020	Additions	Reductions	June 30, 2021
Land	\$ 12,854,926	\$ -	\$ -	\$ 12,854,926
Easements	789,666	31,998	-	821,664
Construction in progress	1,339,091	3,532,116	(1,713,648)	3,157,559
Total capital assets not being depreciated/amortized	<u>14,983,683</u>	<u>3,564,114</u>	<u>(1,713,648)</u>	<u>16,834,149</u>
Capital assets being depreciated/amortized:				
Land improvements	24,026,835	507,481	-	24,534,316
Buildings	45,440,197	24,623	-	45,464,820
Building improvements	14,442,367	1,924,540	-	16,366,907
Infrastructure	15,142,791	-	-	15,142,791
Equipment	30,337,260	1,357,157	(688,169)	31,006,248
Vehicles	24,804,560	1,941,943	(2,467,153)	24,279,350
Computer software	2,811,537	171,489	-	2,983,026
Total capital assets being depreciated/amortized	<u>157,005,547</u>	<u>5,927,233</u>	<u>(3,155,322)</u>	<u>159,777,458</u>
Less accumulated depreciation/amortization for:				
Land improvements	(18,551,446)	(1,017,303)	-	(19,568,749)
Buildings	(16,279,006)	(892,681)	-	(17,171,687)
Building improvements	(3,868,763)	(446,262)	-	(4,315,025)
Infrastructure	(7,865,239)	(474,161)	-	(8,339,400)
Equipment	(21,377,519)	(1,528,439)	545,210	(22,360,748)
Vehicles	(12,585,642)	(1,435,310)	1,828,509	(12,192,443)
Computer software	(1,380,636)	(264,674)	-	(1,645,310)
Total accumulated depreciation/amortization	<u>(81,908,251)</u>	<u>(6,058,830)</u>	<u>2,373,719</u>	<u>(85,593,362)</u>
Total capital assets being depreciated/amortized, net	<u>75,097,296</u>	<u>(131,597)</u>	<u>(781,603)</u>	<u>74,184,096</u>
Governmental activities capital assets, net	<u>\$ 90,080,979</u>	<u>\$ 3,432,517</u>	<u>\$ (2,495,251)</u>	<u>\$ 91,018,245</u>

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2021

5. CAPITAL ASSETS (Continued)

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

General administration	\$	840,585
Judicial services		328,664
Public safety		2,283,938
Management services		392,737
Education		96,509
Human services		4,780
Public works		346,793
Community services		1,131,242
Internal Service Fund - charged to functions based on usage		<u>633,582</u>
Total depreciation and amortization expenses - governmental activities	\$	<u>6,058,830</u>

Business-type Activities:	Balance			Balance
Capital assets not being depreciated/amortized:	July 1, 2020	Additions	Reductions	June 30, 2021
Land	\$ 3,946,755	\$ -	\$ -	\$ 3,946,755
Easements	688,253	16,200	-	704,453
Construction in progress	<u>3,991,047</u>	<u>1,582,413</u>	<u>(1,612,138)</u>	<u>3,961,322</u>
Total capital assets not being depreciated/amortized	<u>8,626,055</u>	<u>1,598,613</u>	<u>(1,612,138)</u>	<u>8,612,530</u>
Capital assets being depreciated/amortized:				
Land improvements	68,920	-	-	68,920
Buildings	23,188,660	-	-	23,188,660
Building improvements	426,257	178,191	-	604,448
Infrastructure	162,814,757	4,046,891	-	166,861,648
Equipment	9,931,145	319,833	(140,541)	10,110,437
Vehicles	3,249,292	225,215	(98,205)	3,376,302
Computer software	<u>70,272</u>	<u>-</u>	<u>-</u>	<u>70,272</u>
Total capital assets being depreciated/amortized	<u>199,749,303</u>	<u>4,770,130</u>	<u>(238,746)</u>	<u>204,280,687</u>
Less accumulated depreciation/amortization for:				
Land improvements	(25,900)	(3,444)	-	(29,344)
Buildings	(16,813,874)	(714,518)	-	(17,528,392)
Building improvements	(300,727)	(9,704)	-	(310,431)
Infrastructure	(55,876,797)	(3,257,742)	-	(59,134,539)
Equipment	(5,421,963)	(585,300)	109,324	(5,897,939)
Vehicles	(1,593,210)	(191,139)	83,474	(1,700,875)
Computer software	<u>(70,272)</u>	<u>-</u>	<u>-</u>	<u>(70,272)</u>
Total accumulated depreciation/amortization	<u>(80,102,743)</u>	<u>(4,761,847)</u>	<u>192,798</u>	<u>(84,671,792)</u>
Total capital assets being depreciated/amortized, net	<u>119,646,560</u>	<u>8,283</u>	<u>(45,948)</u>	<u>119,608,895</u>
Business-type activities capital assets, net	<u>\$ 128,272,615</u>	<u>\$ 1,606,896</u>	<u>\$ (1,658,086)</u>	<u>\$ 128,221,425</u>

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2021

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	\$	370,660
Solid waste		157,509
Sewer utility		3,888,688
York Sanitary District		31,733
Upper County utility		15,741
Water utility		5,586
Regional radio		<u>291,930</u>
Total depreciation and amortization expenses (excluding amortization on capitalized debt costs) - business-type activities		<u>\$ 4,761,847</u>

Discretely Presented Component Unit - School Division

	<u>Balance</u>		<u>Balance</u>
Capital assets not being depreciated:	<u>July 1, 2020</u>	<u>Additions</u>	<u>June 30, 2021</u>
Land	\$ 4,824,818	\$ -	\$ 4,824,818
Construction in progress	12,967,657	3,114,485	13,092,601
Total capital assets not being depreciated	<u>17,792,475</u>	<u>3,114,485</u>	<u>17,917,419</u>
Capital assets being depreciated:			
Buildings	223,767,342	2,989,541	226,756,883
Building improvements	14,907,006	-	14,907,006
Equipment	2,553,264	53,139	2,606,403
Vehicles	14,996,826	1,618,127	15,448,550
Total capital assets being depreciated	<u>256,224,438</u>	<u>4,660,807</u>	<u>259,718,842</u>
Less accumulated depreciation for:			
Buildings	(89,164,498)	(4,411,367)	(93,575,865)
Building improvements	(3,897,786)	(667,892)	(4,565,678)
Equipment	(1,748,517)	(130,531)	(1,879,048)
Vehicles	(8,610,931)	(994,950)	(8,454,711)
Total accumulated depreciation	<u>(103,421,732)</u>	<u>(6,204,740)</u>	<u>(108,475,302)</u>
Total capital assets being depreciated, net	<u>152,802,706</u>	<u>(1,543,933)</u>	<u>151,243,540</u>
School Division capital assets, net	<u>\$ 170,595,181</u>	<u>\$ 1,570,552</u>	<u>\$ 169,160,959</u>

Discretely Presented Component Unit - EDA

	<u>Balance</u>		<u>Balance</u>
Capital assets not being depreciated:	<u>July 1, 2020</u>	<u>Additions</u>	<u>June 30, 2021</u>
Capital assets being depreciated:			
Land improvements	9,604	-	9,604
Infrastructure	850,913	-	850,913
Total capital assets being depreciated	<u>860,517</u>	<u>-</u>	<u>860,517</u>
Less accumulated depreciation for:			
Land improvements	(5,441)	(640)	(6,081)
Infrastructure	(240,558)	(28,301)	(268,859)
Total accumulated depreciation	<u>(245,999)</u>	<u>(28,941)</u>	<u>(274,940)</u>
Total capital assets being depreciated, net	<u>614,518</u>	<u>(28,941)</u>	<u>585,577</u>
Economic Development Authority capital assets, net	<u>\$ 614,518</u>	<u>\$ (28,941)</u>	<u>\$ 585,577</u>

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2021

5. CAPITAL ASSETS (Continued)

	<u>July 1, 2020</u>	<u>Additions</u>	<u>Transfers</u>	<u>Reductions</u>	<u>June 30, 2021</u>
Capital assets not being depreciated:					
Construction in progress	\$ 18,561,448	\$ -	\$ (15,014,735)	\$ (3,546,713)	\$ -
Capitalized interest expense	2,821,491	-	(2,290,692)	(530,799)	-
Less interest revenue on investments	(496,139)	-	402,801	93,338	-
Public improvements 2015 to be transferred	3,530,000	-	-	(65,630)	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 not being depreciated	<u>24,416,800</u>	<u>-</u>	<u>-</u>	<u>(4,049,805)</u>	<u>20,366,995</u>
Capital assets being amortized:					
Computer software	9,000	-	-	-	9,000
Less accumulated amortization	<u>(9,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(9,000)</u>
Total capital assets being amortized, net	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Community Development Authority capital assets, net	<u>\$ 24,416,800</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (4,049,805)</u>	<u>\$ 20,366,995</u>

6. UNEARNED REVENUE AND DEFERRED INFLOWS

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, 2021, unearned revenues and deferred inflows are provided in the table below.

	<u>General</u>	<u>Tourism</u>	<u>County Capital</u>	<u>Nonmajor Governmental Funds</u>	<u>Sewer Utility</u>	<u>Nonmajor Enterprise Funds</u>
<u>Unearned Revenues</u>						
Advance payments for fees, services and rents	<u>\$ 16,788</u>	<u>\$ 41,726</u>	<u>\$ 2,287,521</u>	<u>\$ 164,973</u>	<u>\$ 1,075,461</u>	<u>\$ 67,090</u>
<u>Deferred Inflows</u>						
Unavailable property taxes and fees	\$ 4,248,433	\$ 8,137	\$ -	\$ 41,606	\$ -	\$ -
Unavailable grants	357,086	-	-	3,454	-	-
Prepaid taxes and services	621,262	-	-	17,117	-	-
Long-term notes receivable	<u>-</u>	<u>-</u>	<u>711,675</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 5,226,781</u>	<u>\$ 8,137</u>	<u>\$ 711,675</u>	<u>\$ 62,177</u>	<u>\$ -</u>	<u>\$ -</u>

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2021

7. LONG-TERM DEBT

The following is a summary of changes in long-term debt during the year ended June 30, 2021:

Primary Government:	Balance			Balance	Due Within
<u>Governmental Activities:</u>	<u>July 1, 2020</u>	<u>Additions</u>	<u>Reductions</u>	<u>June 30, 2021</u>	<u>One Year</u>
General obligation bonds	\$ 73,700,000	\$ 8,580,000	\$ (4,705,000)	\$ 77,575,000	\$ 5,250,000
Premium on bonds	4,033,259	1,209,822	(288,148)	4,954,933	338,557
Capital leases	1,515,179	336,000	(931,756)	919,423	554,169
Lease revenue bonds	22,740,000	-	(2,160,000)	20,580,000	2,320,000
Premium on bonds	3,016,218	-	(308,745)	2,707,473	308,744
Compensated absences	6,777,460	5,511,372	(5,883,384)	6,405,448	446,000
Claims liabilities, IBNR	1,089,900	1,065,000	(1,089,900)	1,065,000	1,065,000
Net pension liability	25,371,455	20,096,200	(9,199,352)	36,268,303	-
Net OPEB liability	10,753,997	21,975,312	(24,452,558)	8,276,751	-
Total Governmental Activities	<u>\$ 148,997,468</u>	<u>\$ 58,773,706</u>	<u>\$ (49,018,843)</u>	<u>\$ 158,752,331</u>	<u>\$ 10,282,470</u>

Primary Government:	Balance			Balance	Due Within
<u>Business-type Activities:</u>	<u>July 1, 2020</u>	<u>Additions</u>	<u>Reductions</u>	<u>June 30, 2021</u>	<u>One Year</u>
Revenue bonds	\$ 16,130,000	\$ -	\$ (600,000)	\$ 15,530,000	\$ 730,000
Premium on bonds	3,474,905	-	(236,898)	3,238,007	236,898
Compensated absences	655,421	434,666	(450,616)	639,471	17,500
Net pension liability	2,432,880	1,985,952	(871,235)	3,547,597	-
Net OPEB liability	1,082,440	2,255,731	(2,506,363)	831,808	-
Total Business-type Activities	<u>\$ 23,775,646</u>	<u>\$ 4,676,349</u>	<u>\$ (4,665,112)</u>	<u>\$ 23,786,883</u>	<u>\$ 984,398</u>

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2021

7. LONG-TERM DEBT (Continued)

<u>Discretely Presented</u>	<u>Balance</u>			<u>Balance</u>	<u>Due Within</u>
<u>Component Units:</u>	<u>July 1, 2020</u>	<u>Additions</u>	<u>Reductions</u>	<u>June 30, 2021</u>	<u>One Year</u>
School Division					
Compensated absences	\$ 3,253,908	\$ 1,320,410	\$ (1,066,557)	\$ 3,507,761	\$ 1,110,000
Claims liabilities	4,658,830	441,807	(266,496)	4,834,141	2,556,000
Net pension liability *	112,675,325	48,800,392	(34,511,000)	126,964,717	-
Net OPEB liability	<u>17,873,640</u>	<u>4,027,183</u>	<u>(3,782,778)</u>	<u>18,118,045</u>	<u>-</u>
	<u>\$ 138,461,703</u>	<u>\$ 54,589,792</u>	<u>\$ (39,626,831)</u>	<u>\$ 153,424,664</u>	<u>\$ 3,666,000</u>
* Beginning balance restated to add York County Public Schools - Option plan, which was a net pension asset in the prior year.					
Economic Development Authority					
Notes payable	<u>\$ 56,667</u>	<u>\$ -</u>	<u>\$ (20,000)</u>	<u>\$ 36,667</u>	<u>\$ 20,000</u>
Community Development Authority					
Refunding bonds payable	\$ 28,875,000	\$ -	\$ -	\$ 28,875,000	\$ -
Capital Appreciation bonds payable	<u>4,404,482</u>	<u>-</u>	<u>-</u>	<u>4,404,482</u>	<u>-</u>
Total bonds payable	<u>\$ 33,279,482</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 33,279,482</u>	<u>\$ -</u>
Accretion of interest payable:					
Refunding bonds	\$ 3,046,875	\$ 365,625	\$ -	\$ 3,412,500	\$ -
Capital Appreciation bonds	<u>1,811,890</u>	<u>475,013</u>	<u>-</u>	<u>2,286,903</u>	<u>-</u>
Total accretion of interest payable	<u>\$ 4,858,765</u>	<u>\$ 840,638</u>	<u>\$ -</u>	<u>\$ 5,699,403</u>	<u>\$ -</u>
Total bonds and accretion of interest payables	<u>\$ 38,138,247</u>	<u>\$ 840,638</u>	<u>\$ -</u>	<u>\$ 38,978,885</u>	<u>\$ -</u>

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2021

7. LONG-TERM DEBT (Continued)

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, 2021, there was no rebate liability.

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, 2021 of the Primary Government governmental activities are as follows:

<u>GOB Series</u>	<u>Purpose</u>	<u>Bond Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Balance June 30, 2021</u>
VPSA 05	York High and School Board renovations	11/10/05	07/15/25	4.60-5.10%	\$ 5,225,000
VPSA 10	Grafton Bethel Elementary	07/08/10	06/01/27	1.09-1.93%	405,000
VPSA 12	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	2.55-5.05%	4,900,000
VPSA 14	Various schools HVAC, roofs, kitchens, gyms and repairs	11/20/14	01/15/35	2.05-5.05%	6,810,000
VPSA 14B	Yorktown Middle and New Horizons renovations	05/15/14	07/15/26	3.60-5.35%	4,430,000
VPSA 15	Dare, Magruder, Yorktown Elementary classrooms	02/17/15	07/15/28	4.10-5.35%	2,840,000
VPSA 16	Waller Mill roof and Magruder HVAC and roof	05/17/16	07/15/36	2.30-5.05%	9,975,000
VPSA 16B	Dare and Mt. Vernon Elementary and Tabb High	11/17/16	07/15/29	3.05-4.05%	2,240,000
VPSA 17	York HVAC, roof and Bethel Manor roof, renovation Tabb Elementary HVAC; Grafton Complex, Yorktown Elementary Roofs, York High School Interior doors, modular classrooms	04/30/17	07/15/37	3.05-5.05%	7,300,000
VPSA 18A	Tabb, Dare, Mt. Vernon, Coventry Elementary, Tabb Middle, and Grafton Complex various renovations	04/15/18	07/15/38	3.05-5.05%	7,345,000
VPSA 19A	Bruton High	05/21/19	07/15/39	3.05-5.05%	7,525,000
VPSA 19B	Queens Lake	05/21/19	07/15/22	2.35-5.10%	1,145,000
VPSA 19B	Various schools HVAC, roofs, interior doors, security vestibules, parking lot and other repairs	05/21/19	07/15/23	3.10-5.35%	855,000
VPSA 20		04/16/20	07/15/40	2.90%	8,000,000
VPSA 21	Coventry Elementary Grafton Complex	04/25/21	07/15/41	2.05-5.05%	8,580,000
					<u>\$ 77,575,000</u>

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2021

7. LONG-TERM DEBT (Continued)

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

<u>Year</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2022	\$ 5,250,000	\$ 2,913,402
2023	5,780,000	2,734,930
2024	5,435,000	2,471,460
2025	5,385,000	2,218,830
2026	5,640,000	1,961,122
2027-2031	20,445,000	6,682,626
2032-2036	18,410,000	3,025,547
2037-2041	10,670,000	646,254
2042-2046	560,000	5,740
	<u>\$ 77,575,000</u>	<u>\$ 22,659,911</u>

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, 2021 of the Primary Government governmental activities are as follows:

<u>Series</u>	<u>Purpose</u>	<u>Bond Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Balance June 30, 2021</u>
2014	Communications system and building, equipment, parking garage	02/27/14	07/15/23	2.000-4.500%	\$ 2,440,000
2016	Sports Field Complex-Partial refunding of Series 2008	05/25/16	10/01/29	4.163-5.125%	8,870,000
2018A	Fire Apparatus, Grafton Fire Station and Carver Gardens	05/23/18	10/01/38	1.918%-5.125%	7,085,000
2020	Fire Apparatus, Yorktown Library, Sheriff Building	06/03/20	10/01/40	4.125%-5.125%	<u>2,185,000</u>
					<u>\$ 20,580,000</u>

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2021

7. LONG-TERM DEBT (Continued)

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

<u>Year</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2022	\$ 2,320,000	\$ 896,029
2023	2,430,000	789,034
2024	1,255,000	676,709
2025	1,310,000	610,981
2026	1,380,000	543,625
2027-2031	6,710,000	1,686,031
2032-2036	2,855,000	744,050
2037-2041	2,320,000	173,525
	<u>\$ 20,580,000</u>	<u>\$ 6,119,984</u>

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 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, 2021 of the Primary Government business-type activities are as follows:

<u>Series</u>	<u>Purpose</u>	<u>Bond Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Balance June 30, 2021</u>
2016C	Sewer systems refunding	11/16/16	10/01/28	2.125-5.125%	\$ 4,775,000
2020	Sewer systems refunding	06/03/20	10/01/39	4.125-5.125%	9,510,000
2020	SCADA system	06/03/20	10/01/30	5.125%	1,245,000
					<u>\$ 15,530,000</u>

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

<u>Year</u>	<u>Business-type Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2022	\$ 730,000	\$ 712,406
2023	765,000	674,097
2024	805,000	633,865
2025	790,000	592,994
2026	635,000	556,478
2027-2031	3,795,000	2,241,703
2032-2036	4,095,000	1,260,116
2037-2041	3,915,000	330,516
	<u>\$ 15,530,000</u>	<u>\$ 7,002,175</u>

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2021

7. LONG-TERM DEBT (Continued)

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.

Economic Development Authority

In November 2012, the Authority executed a property lease for the Riverwalk Restaurant and an adjacent vacant space for another restaurant to a new private company. As part of the negotiations, the Authority also entered into an equipment lease. The lease is for \$200,000, with repayments starting on May 1, 2013 for 120 months and with interest on the outstanding balance of 3.14% per annum. The balance at June 30, 2021 is \$36,667.

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 June 30,	Series A Bonds 5.100%		Series B Bonds 5.625%		Series C Bonds 5.625%	
	Principal	Interest	Principal	Interest	Principal	Interest
2022	\$ -	\$ 289,425	\$ -	\$ 939,375	\$ -	\$ -
2023	-	289,425	-	939,375	-	-
2024	-	289,425	-	939,375	-	-
2025	-	289,425	-	939,375	-	-
2026	-	289,425	-	939,375	-	-
2027-2031	2,200,000	1,177,845	-	4,696,875	-	-
2032-2036	2,820,000	540,600	6,365,000	3,840,609	-	-
2037-2041	655,000	16,703	8,370,000	1,781,156	-	-
2042	-	-	1,965,000	55,266	6,500,000	26,890,476
Total	<u>\$ 5,675,000</u>	<u>\$ 3,182,273</u>	<u>\$ 16,700,000</u>	<u>\$ 15,070,781</u>	<u>\$ 6,500,000</u>	<u>\$ 26,890,476</u>

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 will initially be issued as capital appreciation bonds and will convert 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

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
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7. LONG-TERM DEBT (Continued)

Marquis Community Development Authority (Continued)

the conversion date will be \$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%.

The Authority's long-term debt activity for the 2015 Bonds for the year ended June 30, 2021 was as follows:

	<u>Balance</u> <u>July 1, 2020</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>June 30, 2021</u>
Series 2015 CAB Bonds	\$ 4,404,482	\$ -	\$ -	\$ 4,404,482
Accretion of interest payable	<u>1,811,890</u>	<u>475,013</u>	<u>-</u>	<u>2,286,903</u>
Total	<u>\$ 6,216,372</u>	<u>\$ 475,013</u>	<u>\$ -</u>	<u>\$ 6,691,385</u>

Mandatory debt service requirements after conversion consist of the following:

<u>Year Ending</u> <u>June 30,</u>	<u>Series 2015 CAB Bonds</u>	
	<u>Principal</u>	<u>Interest</u>
2022	\$ -	\$ 253,998
2023	-	507,975
2024	-	507,975
2025	-	507,975
2026	-	507,975
2027-2031	-	2,539,875
2032-2036	-	2,539,875
2037-2041	-	2,539,875
2042-2046	<u>6,773,000</u>	<u>1,777,838</u>
Total	<u>\$ 6,773,000</u>	<u>\$ 11,683,361</u>

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:

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
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8. FUND BALANCE (DEFICIT) (Continued)

<u>Purpose</u>	<u>General</u>	<u>Tourism</u>	<u>Yorktown Capital Imps</u>	<u>County Capital</u>	<u>Debt Service Education</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Nonspendable:							
Prepaid expenditures	\$ 12,442	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,442
Advances	6,383,797	-	-	-	-	-	6,383,797
Total nonspendable	<u>\$ 6,396,239</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,396,239</u>
Restricted:							
Judicial services and Commonwealth's Attorney grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 88,464	\$ 88,464
Interest earned on CARES Act funding received in advance	13,104	-	-	-	-	-	13,104
Public safety grants and donations	-	-	-	606,782	-	969,568	1,576,350
Library renovation & expansion	-	-	-	5,592,247	-	-	5,592,247
Fire equipment	-	-	-	23,097	-	-	23,097
Community services grants and donations	-	-	-	-	-	186,637	186,637
Tourism projects	-	716,554	-	-	-	-	716,554
Proffer projects	-	-	-	705,800	-	-	705,800
Other purposes	-	-	-	-	-	26,458	26,458
Total restricted	<u>\$ 13,104</u>	<u>\$ 716,554</u>	<u>\$ -</u>	<u>\$ 6,927,926</u>	<u>\$ -</u>	<u>\$ 1,271,127</u>	<u>\$ 8,928,711</u>
Committed:							
School reversion	\$ 1,252,245	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,252,245
Intergovernmental revenue shortfalls for School Division	-	-	-	-	-	8,585,686	8,585,686
Meals tax for drainage projects	-	-	-	-	-	5,343,816	5,343,816
Environmental and transportation improvements	-	-	-	2,189,112	-	-	2,189,112
Total committed	<u>\$ 1,252,245</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,189,112</u>	<u>\$ -</u>	<u>\$ 13,929,502</u>	<u>\$ 17,370,859</u>
Assigned:							
Active Transportation Projects	\$ -	\$ -	\$ -	\$ 411,490	\$ -	\$ -	\$ 411,490
Backup power emergency shelter support	-	-	-	250,000	-	-	250,000
Capital outlay/one time expenditures	10,644,093	-	-	2,112,251	-	-	12,756,344
Capital and operating one time expenditures	6,631,295	-	-	-	-	-	6,631,295
Communications system	-	-	-	1,060,286	-	-	1,060,286
Community Services and Tourism Improvements	-	-	-	356,571	-	-	356,571
Contractual services	473,568	-	-	-	-	-	473,568
Economic development	-	-	-	1,637,090	-	-	1,637,090
Emergency communications operations	81,348	-	-	343,309	-	-	424,657
Environmental and transportation improvements	-	-	-	1,918,231	-	-	1,918,231
Facility maintenance and repair	-	-	-	1,401,432	-	-	1,401,432
Facility renovation & relocation	-	-	-	543,334	-	-	543,334
Facility security	-	-	-	87,299	-	-	87,299
Fire & Life Safety equipment and operations	194,599	-	-	386,986	-	-	581,585
Fire Alarm System	-	-	-	171,150	-	-	171,150
Fire Station #7	-	-	-	1,693,694	-	-	1,693,694
Grounds maintenance repairs, operations and equipment	-	-	-	143,237	-	-	143,237
Head Start and Social Services programs	-	-	-	-	-	901,848	901,848
Information technology: hardware/software	-	-	-	1,027,900	-	-	1,027,900
Other purposes/miscellaneous	242,729	-	-	-	356,674	894,650	1,494,053
Public works operations	28,188	-	-	-	-	-	28,188
Sheriff operations, equipment and training facility	242,706	-	-	2,050,000	-	-	2,292,706
Video services equipment	-	-	-	12,015	-	-	12,015
Waste management equipment	190,000	-	-	-	-	-	190,000
Total assigned	<u>\$ 18,728,526</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,606,275</u>	<u>\$ 356,674</u>	<u>\$ 1,796,498</u>	<u>\$ 36,487,973</u>
Unassigned:	<u>\$ 18,240,000</u>	<u>\$ -</u>	<u>\$ (3,509,294)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,730,706</u>
Total fund balances (deficit)	<u>\$ 44,630,114</u>	<u>\$ 716,554</u>	<u>\$ (3,509,294)</u>	<u>\$ 24,723,313</u>	<u>\$ 356,674</u>	<u>\$ 16,997,127</u>	<u>\$ 83,914,488</u>

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2021

9. LEASES

County as Lessee

The County leases certain land, equipment and office space under noncancellable operating lease agreements. A summary of future minimum rental payments under these noncancellable operating leases as of June 30, 2021 is as follows:

<u>Year</u>	<u>Primary Government</u>	<u>Discretely Presented Component Unit - School Division</u>
2022	\$ 605,265	\$ 198,054
2023	606,966	185,547
2024	607,311	33,156
2025	547,354	2,677
2026	520,207	2,454
2027-2031	2,560,754	-
2032-2036	2,599,536	-
2037-2041	2,105,332	-
2042-2046	1,202,552	-
2047-2051	937,801	-
2052-2056	76,150	-
2057-2061	55,805	-
Total minimum lease payments	<u>\$ 12,425,033</u>	<u>\$ 421,888</u>

Rental expenditures for the year ended June 30, 2021 for all operating leases were \$592,606 and \$231,055 for the County and Discretely Presented Component Unit-School Division, respectively.

County as Lessor

The County leases the usage of its communication towers under operating lease agreements. The towers are included in capital assets as communications equipment with a cost of \$9,392,690 and accumulated depreciation of \$9,378,223 for a carrying amount of \$14,467 at June 30, 2021. A summary of the future minimum rental receipts under noncancellable operating leases as of June 30, 2021 is as follows:

<u>Year</u>	<u>Primary Government</u>	<u>Discretely Presented Component Unit - School Division</u>
2022	\$ 579,278	\$ 374,304
2023	577,684	376,767
2024	430,826	379,613
2025	406,460	381,641
2026	309,270	385,258
2027-2031	1,550,512	-
2032-2036	1,419,445	-
2037-2041	717,279	-
2042-2046	398,959	-
2047-2051	207,006	-
2052-2056	10	-
Total minimum lease payments	<u>\$ 6,596,729</u>	<u>\$ 1,897,583</u>

Rental revenue receipts for all operating leases were \$582,306 for the County and \$852,341 for the School Division for the year ended June 30, 2021.

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2021

9. LEASES (Continued)

Capital Leases

The County leases certain equipment and a building under capital lease agreements. In July 2016, the County executed a lease-purchase agreement with Motorola for 800 MHz system upgrades on behalf of York, James City and Gloucester Counties with the final payment scheduled to end in FY2022. 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 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. A summary of future minimum lease payments under capital leases together with the present value of the net minimum lease payments as of June 30, 2021 is as follows:

<u>Year</u>	<u>Primary Government - Governmental Activities</u>
2022	\$ 574,995
2023	52,000
2024	52,000
2025	55,921
2026	28,000
2027-2031	140,000
2032-2036	<u>37,333</u>
Total minimum lease payments	940,249
Less amount representing interest	<u>(20,826)</u>
Present value of principal	<u>\$ 919,423</u>

The gross value of capital assets under capital lease agreements is as follows: Governmental Activities - \$8,105,303 (equipment) with Accumulated Depreciation of \$5,019,595.

10. 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

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2021

10. DEFINED BENEFIT PENSION PLANS (Continued)

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.

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 VRS 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 Retirement Plan Provisions	PLAN 2 Retirement Plan Provisions	HYBRID Retirement Plan Provisions
<p><u>About Plan 1</u> 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.</p>	<p><u>About Plan 2</u> 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.</p>	<p><u>About the Hybrid Plan</u> The Hybrid Retirement Plan combines the features of a defined benefit plan and a defined contribution plan.</p> <ul style="list-style-type: none"> • The defined benefit is based on a member's age, service credit and average final compensation at retirement using a formula. • The benefit from the defined contribution component of the plan depends on the member and employer contributions made to the plan and the investment performance of those contributions. • In addition to the monthly benefit payment payable from the defined benefit plan at retirement, a member may start receiving distributions from the balance in the defined contribution account, reflecting the contributions, investment gains or losses, and any required fees.

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
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10. DEFINED BENEFIT PENSION PLANS (Continued)

PLAN 1 Retirement Plan Provisions	PLAN 2 Retirement Plan Provisions	HYBRID Retirement Plan Provisions
<p><u>Eligible Members</u> 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.</p> <p><u>Hybrid Opt-In Election</u> 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.</p> <p>The Hybrid Retirement Plan's effective date for eligible Plan 1 members who opted in was July 1, 2014.</p> <p>If eligible deferred members returned to work during the election window, they were also eligible to opt into the Hybrid Retirement Plan.</p> <p>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.</p>	<p><u>Eligible Members</u> 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.</p> <p><u>Hybrid Opt-In Election</u> 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.</p> <p>The Hybrid Retirement Plan's effective date for eligible Plan 2 members who opted in was July 1, 2014.</p> <p>If eligible deferred members returned to work during the election window, they were also eligible to opt into the Hybrid Retirement Plan.</p> <p>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.</p>	<p><u>Eligible Members</u> Employees are in the Hybrid Retirement Plan if their membership date is on or after January 1, 2014. This includes:</p> <ul style="list-style-type: none"> • County employees • Members in Plan 1 or Plan 2 who elected to opt into the plan during the election window held January 1-April 30, 2014; the plan's effective date for opt-in members was July 1, 2014. <p><u>Non-Eligible Members</u> 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.</p> <p>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.</p>

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
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10. DEFINED BENEFIT PENSION PLANS (Continued)

PLAN 1 Retirement Plan Provisions	PLAN 2 Retirement Plan Provisions	HYBRID Retirement Plan Provisions
<p><u>Retirement Contributions</u> Members contribute 5% of their compensation each month to their member contribution account through a pre-tax salary reduction. Some school divisions and political subdivisions elected to phase in the required 5% member contribution; all employees pay the full 5% as of July 1, 2016. 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.</p>	<p><u>Retirement Contributions</u> Same as Plan 1.</p>	<p><u>Retirement Contributions</u> 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.</p>
<p><u>Service Credit</u> 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.</p>	<p><u>Service Credit</u> Same as Plan 1.</p>	<p><u>Service Credit</u> <u>Defined Benefit Component:</u> 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.</p> <p><u>Defined Contributions Component:</u> Under the defined contribution component, service credit is used to determine vesting for the employer contribution portion of the plan.</p>

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
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10. DEFINED BENEFIT PENSION PLANS (Continued)

PLAN 1 Retirement Plan Provisions	PLAN 2 Retirement Plan Provisions	HYBRID Retirement Plan Provisions
<p><u>Vesting</u> 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.</p> <p>Members are always 100% vested in the contributions that they make.</p>	<p><u>Vesting</u> Same as Plan 1.</p>	<p><u>Vesting</u> <u>Defined Benefit Component:</u> 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.</p> <p><u>Defined Contributions Component:</u> 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.</p> <p>Members are always 100% vested in contributions they make.</p> <p>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.</p> <ul style="list-style-type: none"> • After two years, a member is 50% vested and may withdraw 50% of employer contributions. • After three years, a member is 75% vested and may withdraw 75% of employer contributions. • After four or more years, a member is 100% vested and may withdraw 100% of employer contributions. <p>Distributions not required, except as governed by law.</p>

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
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10. DEFINED BENEFIT PENSION PLANS (Continued)

PLAN 1 Retirement Plan Provisions	PLAN 2 Retirement Plan Provisions	HYBRID Retirement Plan Provisions
<p><u>Calculating the Benefit</u> 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 chose in then applied.</p>	<p><u>Calculating the Benefit</u> See definition under Plan 1.</p>	<p><u>Calculating the Benefit</u> <u>Defined Benefit Component:</u> See definition under Plan 1</p> <p><u>Defined Contribution Component:</u> 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.</p>
<p><u>Average Final Compensation</u> A member's average final compensation is the average of the 36 consecutive months of highest compensation as a covered employee.</p>	<p><u>Average Final Compensation</u> A member's average final compensation is the average of their 60 consecutive months of highest compensation as a covered employee.</p>	<p><u>Average Final Compensation</u> Same as Plan 2. It is used in the retirement formula for the defined benefit component of the plan.</p>
<p><u>Service Retirement Multiplier</u> 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%.</p> <p><u>Sheriffs</u> The retirement multiplier for sheriffs is 1.85%.</p> <p><u>Hazardous Duty Employees</u> The retirement multiplier of eligible political subdivision hazardous duty employees other than sheriffs is 1.85% as elected by the employer.</p>	<p><u>Service Retirement Multiplier</u> 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.</p> <p><u>Sheriffs and Hazardous Duty Employees</u> Same as Plan 1.</p>	<p><u>Service Retirement Multiplier</u> <u>Defined Benefit Component:</u> The retirement multiplier for the defined benefit component is 1.00%.</p> <p>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.</p> <p><u>Sheriffs and Hazardous Duty Employees</u> Not applicable.</p> <p><u>Defined Contribution Component:</u> Not applicable.</p>

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
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10. DEFINED BENEFIT PENSION PLANS (Continued)

PLAN 1 Retirement Plan Provisions	PLAN 2 Retirement Plan Provisions	HYBRID Retirement Plan Provisions
<p><u>Normal Retirement Age</u> Age 65.</p> <p><u>Hazardous Duty Employees</u> Age 60.</p>	<p><u>Normal Retirement Age</u> Normal Social Security retirement age.</p> <p><u>Hazardous Duty Employees</u> Same as Plan 1.</p>	<p><u>Normal Retirement Age</u> <u>Defined Benefit Component:</u> Same as Plan 2.</p> <p><u>Hazardous Duty Employees</u> Not applicable.</p> <p><u>Defined Contribution Component:</u> Members are eligible to receive distributions upon leaving employment, subject to restrictions.</p>
<p><u>Earliest Unreduced Retirement Eligibility</u> 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.</p> <p><u>Hazardous Duty Employees</u> Age 60 with at least five years of service credit or age 50 with at least 25 years of service credit.</p>	<p><u>Earliest Unreduced Retirement Eligibility</u> 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.</p> <p><u>Hazardous Duty Employees</u> Same as Plan 1.</p>	<p><u>Earliest Unreduced Retirement Eligibility</u> <u>Defined Benefit Component:</u> 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.</p> <p><u>Hazardous Duty Employees</u> Not applicable.</p> <p><u>Defined Contribution Component:</u> Members are eligible to receive distributions upon leaving employment, subject to restrictions.</p>
<p><u>Earliest Reduced Retirement Eligibility</u> 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.</p> <p><u>Hazardous Duty Employees</u> Age 50 with at least five years of service credit.</p>	<p><u>Earliest Reduced Retirement Eligibility</u> Members may retire with a reduced benefit as early as age 60 with at least five years (60 months) of service credit.</p> <p><u>Hazardous Duty Employees</u> Same as Plan 1.</p>	<p><u>Earliest Reduced Retirement Eligibility</u> <u>Defined Benefit Component:</u> Members may retire with a reduced benefit as early as age 60 with at least five years (60 months) of service credit.</p> <p><u>Hazardous Duty Employees</u> Not applicable.</p> <p><u>Defined Contribution Component:</u> Members are eligible to receive distributions upon leaving employment, subject to restrictions.</p>

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
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10. DEFINED BENEFIT PENSION PLANS (Continued)

PLAN 1 Retirement Plan Provisions	PLAN 2 Retirement Plan Provisions	HYBRID Retirement Plan Provisions
<p><u>Cost-of-Living Adjustment (COLA) in Retirement</u> 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%.</p> <p><u>Eligibility:</u> 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.</p> <p>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.</p> <p><u>Exceptions to COLA Effective Dates:</u> The COLA is effective July 1 following one full calendar year (January 1 to December 31) under any of the following circumstances:</p> <ul style="list-style-type: none"> • The member is within 5 years of qualifying for an unreduced retirement benefit as of Jan. 1, 2013. • The member retires on disability. • The member retires directly from short-term or long-term disability. • The member is involuntarily separated from employment for causes other than job performance or misconduct and is eligible to retire under the Workforce Transition Act or the Transitional Benefits Program. 	<p><u>Cost-of-Living Adjustment (COLA) in Retirement</u> 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%.</p> <p><u>Eligibility:</u> Same as Plan 1.</p> <p><u>Exceptions to COLA Effective Dates:</u> Same as Plan 1.</p>	<p><u>Cost-of-Living Adjustment (COLA) in Retirement</u> <u>Defined Benefit Component:</u> Same as Plan 2.</p> <p><u>Defined Contribution Component:</u> Not applicable.</p> <p><u>Eligibility:</u> Same as Plan 1 and Plan 2.</p> <p><u>Exceptions to COLA Effective Dates:</u> Same as Plan 1 and Plan 2.</p>

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
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10. DEFINED BENEFIT PENSION PLANS (Continued)

PLAN 1 Retirement Plan Provisions	PLAN 2 Retirement Plan Provisions	HYBRID Retirement Plan Provisions
<p><u>Exceptions to COLA Effective Dates</u> (continued):</p> <ul style="list-style-type: none"> • The member dies in service and the member's survivor or beneficiary is eligible for a monthly death-in-service benefit. • The COLA will go into effect on July 1 following one full calendar year (January 1 to December 31) from the date the monthly benefit begins. 		
<p><u>Disability Coverage</u> 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.</p>	<p><u>Disability Coverage</u> 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.</p>	<p><u>Disability Coverage</u> 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.</p> <p>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.</p>

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2021

10. DEFINED BENEFIT PENSION PLANS (Continued)

PLAN 1 Retirement Plan Provisions	PLAN 2 Retirement Plan Provisions	HYBRID Retirement Plan Provisions
<p><u>Purchase of Prior Service</u> 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.</p>	<p><u>Purchase of Prior Service</u> Same as Plan 1.</p>	<p><u>Purchase of Prior Service</u> <u>Defined Benefit Component:</u> Same as Plan 1, with the following exceptions: • Hybrid Retirement Plan members are ineligible for ported service.</p> <p><u>Defined Contribution Component:</u> Not applicable.</p>

1. Employees Covered by Benefit Terms

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

	<u>County</u>	<u>(Nonprofessional) Schools</u>
Inactive Members or Their Beneficiaries		
Currently Receiving Benefits	539	226
Inactive Members:		
Vested Inactive Members	127	36
Non-Vested Inactive Members	220	163
Inactive Members Active Elsewhere in VRS	264	57
Total Inactive Members	611	256
Active Members	791	271
Total Covered Employees	<u>1,941</u>	<u>753</u>

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2021

10. DEFINED BENEFIT PENSION PLANS *(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 school divisions by the Virginia General Assembly. Employees are required to contribute 5.00% of their compensation toward their retirement. Prior to July 1, 2012, all or part of the 5.00% member contribution may have been assumed by the employer. Beginning July 1, 2012 new employees were required to pay the 5% member contribution. In addition, for existing employees, employers were required to begin making the employee pay the 5% member contribution. This could have been phased in over a period of up to 5 years and the employer was required to provide a salary increase equal to the amount of the increase in the employee-paid member contribution.

The County's contractually required contribution rate for the year ended June 30, 2021 was 16.87% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2019.

The School Division's contractually required contribution rate for the year ended June 30, 2021 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, 2019. 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 \$12,234,048 and \$11,359,571 for the years ended June 30, 2021 and June 30, 2020, respectively.

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 2021 was 6.27% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2019.

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 \$5,003,134 and \$4,448,949 for the year ended June 30, 2021 and 2020, respectively. Contributions to the pension plan from the School Division were \$392,338 and \$324,157 for the years ended June 30, 2021 and June 30, 2020, respectively.

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
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10. DEFINED BENEFIT PENSION PLANS *(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, 2020 and totaled \$39,815,900. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of June 30, 2019, rolled forward to the measurement date of June 30, 2020.

At June 30, 2021, the School Division reported a net pension liability of \$124,749,477 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, 2020 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019, and rolled forward to the measurement date of June 30, 2020. 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, 2020 relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2020, the School Division's proportion was 0.85723% as compared to 0.85177% at June 30, 2019.

In addition, the School Division's net pension liability for the Nonprofessional (non-teacher) Retirement Plan was measured as of June 30, 2020. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of June 30, 2019, rolled forward to the measurement date of June 30, 2020. At June 30, 2021, the School Division reported a liability of \$2,000,679 for the Nonprofessional (non-teacher) Retirement Plan.

4. Pension Expense

For the year ended June 30, 2021, the County recognized pension expense of \$10,237,138.

For the year ended June 30, 2021, the School Division recognized pension expense of \$14,434,898 of the Teacher Retirement Plan (Professional). Since there was a change in proportionate share between measurement dates, a portion of the pension expense was related to deferred amounts from changes in proportion and from differences between employer contributions and the proportionate share of employer contributions.

In addition, for the year ended June 30, 2021, the School Division recognized pension expense of \$938,297 for the Nonprofessional (non-teacher) Retirement Plan.

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2021

10. DEFINED BENEFIT PENSION PLANS *(Continued)*

5. Deferred Outflows/Inflows of Resources

At June 30, 2021, 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	\$ 2,790,763	-
Difference between projected and actual earnings on pension plan investments	6,102,617	-
Change in assumptions	2,601,058	-
Employer contributions subsequent to the measurement date	5,003,134	-
Total	\$ 16,497,572	\$ -

\$5,003,134 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, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	Deferred Amounts
2022	\$ 3,890,435
2023	3,409,452
2024	2,243,374
2025	1,951,177
Total	\$ 11,494,438

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2021

10. DEFINED BENEFIT PENSION PLANS *(Continued)*

5. Deferred Outflows/Inflows of Resources

At June 30, 2021, 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	\$ -	\$7,312,242
Change of assumptions	8,515,716	-
Net difference between projected and actual earnings on pension plan investments	9,488,579	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	1,649,197	1,404,850
Employer contributions subsequent to the measurement date	12,234,048	-
Total	\$ 31,887,540	\$ 8,717,092

The \$12,234,048 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, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	Deferred Amounts
2022	\$ (49,016)
2023	3,154,560
2024	4,458,159
2025	3,489,124
2026	(116,427)
Total	\$ 10,936,400

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2021

10. DEFINED BENEFIT PENSION PLANS *(Continued)*

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

In addition, at June 30, 2021, 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	\$ 107,409	\$ -
Changes of assumptions	107,738	-
Net difference between projected and actual earnings on pension plan investments	759,067	-
Employer contributions subsequent to the measurement date	392,338	-
Total	\$ 1,366,552	\$ -

The \$392,338 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, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	Deferred Amounts
2022	\$ 219,122
2023	254,949
2024	257,310
2025	242,833
Total	\$ 974,214

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2021

10. DEFINED BENEFIT PENSION PLANS *(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, 2019, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2020:

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

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

Mortality rates:

Largest 10 – Non-Hazardous Duty: 20% of deaths are assumed to be service related

Pre-Retirement:

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

Post-Retirement:

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

Post-Disablement:

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

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

Pre-Retirement:

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

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2021

10. DEFINED BENEFIT PENSION PLANS *(Continued)*

6. Actuarial Assumptions *(Continued)*

Post-Retirement:

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

Post-Disablement:

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

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

Largest 10 – Non-Hazardous Duty:

Mortality Rates (Pre-retirement, post-retirement healthy, and disabled)	Updated to a more current mortality table – RP-2014 projected to 2020
Retirement Rates	Lowered rates at older ages and changed final retirement from 70 to 75
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates	Lowered rates
Salary Scale	No change
Line of Duty Disability	Increase rate from 14% to 20%
Discount Rate	Decrease rate from 7.00% to 6.75%

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

Mortality Rates (Pre-retirement, post-retirement healthy, and disabled)	Updated to a more current mortality table – RP-2014 projected to 2020
Retirement Rates	Lowered rates at older ages and changed final retirement from 70 to 75
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates	Lowered rates
Salary Scale	No change
Line of Duty Disability	Increase rate from 14% to 15%
Discount Rate	Decrease rate from 7.00% to 6.75%

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2021

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

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

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

Mortality rates:

Largest 10 - Hazardous Duty: 70% of deaths are assumed to be service related

Pre-Retirement:

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

Post-Retirement:

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

Post-Disablement:

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

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

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
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10. DEFINED BENEFIT PENSION PLANS *(Continued)*

6. Actuarial Assumptions *(Continued)*

Pre-Retirement:

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

Post-Retirement:

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

Post-Disablement:

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

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

Largest 10 – Hazardous Duty:

Mortality Rates (Pre-retirement, post-retirement healthy, and disabled)	Updated to a more current mortality table – RP-2014 projected to 2020
Retirement Rates	Lowered rates at older ages
Withdrawal Rates	Adjusted rates to better fit experience
Disability Rates	Increased rates
Salary Scale	No change
Line of Duty Disability	Increased rate from 60% to 70%
Discount Rate	Decrease rate from 7.00% to 6.75%

All Others (Non 10 Largest) – Hazardous Duty:

Mortality Rates (Pre-retirement, post-retirement healthy, and disabled)	Updated to a more current mortality table – RP-2014 projected to 2020
Retirement Rates	Increased age 50 rates, and lowered rates at older ages
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates	Adjusted rates to better fit experience
Salary Scale	No change
Line of Duty Disability	Decreased rate from 60% to 45%
Discount Rate	Decrease rate from 7.00% to 6.75%

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2021

10. DEFINED BENEFIT PENSION PLANS *(Continued)*

6. Actuarial Assumptions *(Continued)*

Public Safety Employees with Hazardous Duty Benefits

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

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

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

Mortality rates Teachers:

Pre-Retirement:

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

Post-Retirement:

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

Post-Disablement:

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

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

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

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

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

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
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10. DEFINED BENEFIT PENSION PLANS *(Continued)*

6. Actuarial Assumptions *(Continued)*

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

Teachers:

Mortality Rates (pre-retirement, post-retirement healthy and disabled)	Update to a more current mortality table – RP-2014 projected to 2020
Retirement Rates	Lowered rates at older ages and changed final retirement from age 70 to 75
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates	Adjusted rates to better match experience
Salary Scale	No change
Discount Rate	Decrease rate from 7.00% to 6.75%

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

Mortality Rates (pre-retirement, post-retirement healthy and disabled)	Update to a more current mortality table – RP-2014 projected to 2020
Retirement Rates	Lowered rates at older ages and changed final retirement from age 70 to 75
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates	Lowered rates
Salary Scale	No change
Line of Duty Disability	Increase from 14% to 15%
Discount Rate	Decrease from 7.00% to 6.75%

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
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10. DEFINED BENEFIT PENSION PLANS *(Continued)*

7. 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:

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

* The above allocation provides a one-year return of 7.14%. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected return 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 7.11%, including expected inflation of 2.50%. On October 10, 2019, the VRS Board elected a long-term rate of 6.75% which is roughly at the 40th percentile of expected long-term results of the VRS fund asset allocation. More recent capital market assumptions compiled for the FY2020 actuarial valuations, provide a median return of 6.81%.

COUNTY OF YORK, VIRGINIA
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9. DEFINED BENEFIT PENSION PLANS *(Continued)*

8. 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, 2020, the alternate rate was the employer contribution rate used in FY2012 or 100% of the actuarially determined employer contribution rate from the June 30, 2017, actuarial valuations, whichever was greater. From July 1, 2020 on, participating employers are assumed to 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.

9. 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	\$ 70,240,897	\$ 39,815,900	\$ 14,457,982

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	\$ 183,035,500	\$ 124,749,477	\$ 76,539,567

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10. DEFINED BENEFIT PENSION PLANS *(Continued)*

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

In addition, the following presents the net pension liability of the Nonprofessional (non-teacher) Retirement Plan 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%)
School Division's Proportionate Share of the Net Pension Liability (Asset) for the Nonprofessional Plan	\$ 5,149,129	\$ 2,000,679	\$ (651,077)

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, 2019	\$ 231,973,062	\$ 204,168,727	\$ 27,804,335
Changes for the fiscal year:			
Service cost	4,974,047	-	4,974,047
Interest	15,295,937	-	15,295,937
Difference between expected and actual experience	2,016,305	-	2,016,305
Contribution – employer	-	4,364,971	(4,364,971)
Contribution – employee	-	2,169,677	(2,169,677)
Net investment income	-	3,879,115	(3,879,115)
Benefit payments	(10,733,177)	(10,733,177)	-
Administrative expenses	-	(133,317)	133,317
Other changes	-	(5,722)	5,722
Net Changes	11,553,112	(458,453)	12,011,565
Balance – June 30, 2020	\$ 243,526,174	\$ 203,710,274	\$ 39,815,900

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10. DEFINED BENEFIT PENSION PLANS *(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, 2019	\$ 26,054,776	\$ 25,467,177	\$ 587,599
Changes for the fiscal year:			
Service cost	612,876	-	612,876
Interest	1,716,651	-	1,716,651
Difference between expected and actual experience	180,378	-	180,378
Contribution – employer	-	322,379	(322,379)
Contribution – employee	-	308,119	(308,119)
Net investment income	-	483,529	(483,529)
Benefit payments	(1,245,823)	(1,245,823)	-
Administrative expenses	-	(16,631)	16,631
Other changes	-	(571)	571
Net Changes	<u>1,264,082</u>	<u>(148,998)</u>	<u>1,413,080</u>
Balance – June 30, 2020	<u>\$ 27,318,858</u>	<u>\$ 25,318,179</u>	<u>\$ 2,000,679</u>

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 2020 Annual Comprehensive Financial Report (Annual Report). A copy of the 2020 VRS Annual Report may be downloaded from the VRS website at <http://www.varetire.org/pdf/Publications/2020-annual-report.pdf>, or by writing to the System’s Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

13. Pension Plan Data

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

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10. DEFINED BENEFIT PENSION PLANS *(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 – At June 30, 2021, optional plan membership consisted of the following:

Active plan members	7
Retirees and beneficiaries	65
Number of vested terminations	4
	76
	76

Benefits Provided – The School Division provides retirement benefits. Retirement benefits for plan members are calculated as 1.5% of final 3-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, 2021, 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.

Summary of Significant Accounting Policies

Method Used to Value Investments - Investments are reported at fair value. Short-term investments are recorded at cost, which approximates fair value. Securities traded on a national securities exchange are valued at the last reported sales price on the last business day of the School Division’s fiscal year. Investments that do not have an established market are reported at estimated fair value.

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.

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10. DEFINED BENEFIT PENSION PLANS *(Continued)*

Rate of Return – For the year ended June 30, 2021, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense was 24.69%. 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, 2020, the components of the net pension liability of the School Division’s Optional Plan at June 30, 2021 were as follows:

	Total Pension Liability (a)	Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) – (b)
Balance – June 30, 2020	\$ 1,735,362	\$ 1,745,408	\$ (10,046)
Changes for the fiscal year:			
Service cost	646	-	646
Interest	115,237	-	115,237
Difference between expected and actual experience	34,647	-	34,647
Change of assumptions	79,355	-	79,355
Net investment income	-	23,675	(23,675)
Benefit payments	(179,529)	(179,529)	-
Administrative expenses	-	(18,397)	18,397
Net Changes	<u>50,356</u>	<u>(174,251)</u>	<u>224,607</u>
Balance – June 30, 2021	<u>\$ 1,785,718</u>	<u>\$ 1,571,157</u>	<u>\$ 214,561</u>

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
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10. DEFINED BENEFIT PENSION PLANS *(Continued)*

Actuarial Assumptions – The total pension liability was determined by an actuarial valuation as of July 1, 2020, using the following actuarial assumptions applied to all periods included in the measurement:

Interest	7.00%
General Inflation	2.50%
Cost of Living Adjustment (COLA)	2.00%
Salary Scale	N/A

Mortality rates were based on the Pub 2010, “Teachers” Classification table under Scale MP-2019.

Discount Rate – From July 1, 2018 on, 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 7.00%.

Pension Expense and Deferred Outflows/Inflows of Resources

At June 30, 2021, for the Optional 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
Net difference between projected and actual earnings on pension plan investments	\$ -	\$ 16,824

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, 2022. Other amounts reported as deferred outflows of resources related to the Optional Plan will be recognized in pension expense as follows:

	Deferred Amounts
2022	\$ (22,796)
2023	(18,270)
2024	5,926
2025	18,316
Total	\$ (16,824)

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10. DEFINED BENEFIT PENSION PLANS (Continued)

For the year ended June 30, 2021, the School Division recognized pension expense for the Optional Plan of \$110,619.

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 7.00%, 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 (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	1.00% Decrease (6.00%)	Current Discount Rate (7.00%)	1.00% Increase (8.00%)
School Division’s Net Pension Liability (Asset) for the Optional Plan	\$ 336,111	\$ 214,561	\$ 106,832

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:

	County Retirement Plan	School Division			School Combined Totals
		VRS Professional Plan	VRS Nonprofessional Plan	Optional Plan	
Net pension liability	\$ 39,815,900	\$ 124,749,477	\$ 2,000,679	\$ 214,561	\$ 126,964,717
Pension expense	\$ 10,237,138	\$ 14,434,898	\$ 938,297	\$ 110,619	\$ 15,483,814
Deferred outflows of resources:					
Differences between expected and actual experience	\$ 2,790,763	\$ -	\$ 107,409	\$ -	\$ 107,409
Changes in assumptions	2,601,058	8,515,716	107,738	-	8,623,454
Net difference between projected and actual earnings on pension plan investments	6,102,617	9,488,579	759,067	-	10,247,646
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	1,649,197	-	-	1,649,197
Employer contributions subsequent to the measurement date	5,003,134	12,234,048	392,338	-	12,626,386
Total deferred outflows of resources	\$ 16,497,572	\$ 31,887,540	\$ 1,366,552	\$ -	\$ 33,254,092
Deferred inflows of resources:					
Differences between expected and actual experience	\$ -	\$ 7,312,242	\$ -	\$ -	\$ 7,312,242
Net difference between projected and actual earnings on pension plan investments	-	-	-	16,824	16,824
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	1,404,850	-	-	1,404,850
Total deferred inflows of resources	\$ -	\$ 8,717,092	\$ -	\$ 16,824	\$ 8,733,916

COUNTY OF YORK, VIRGINIA
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11. OTHER POSTEMPLOYMENT BENEFITS (OPEB)

County and School Division OPEB Liability – VRS Plans

The County participates in a cost-sharing multiple employer Group Life Insurance (GLI) Program and an Employee Health Insurance Credit (HIC) Program 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 most recent report may be obtained from the VRS website at <http://www.varetire.org>, or by writing to VRS' Chief Financial Officer at P.O. Box 2500, Richmond, Virginia 23218-2500.

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

Inflation	2.5%
Salary increases, including inflation –	
General state employees	3.5% – 5.35%
Teachers	3.5% – 5.95%
SPORS & VaLORS employees	3.5% – 4.75%
JRS employees	4.5%
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*

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

Mortality rates – Teachers

Pre-Retirement:

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

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11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

Post-Retirement:

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

Post-Disablement:

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

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

Mortality Rates (Pre-retirement, post-retirement healthy, and disabled)	Updated to a more current mortality table – RP-2014 projected to 2020
Retirement Rates	Lowered rates at older ages and changed final retirement from 70 to 75
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates	Adjusted rates to better match experience
Salary Scale	No change
Discount Rate	Decreased rate from 7.00% to 6.75%

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

Pre-Retirement:

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

Post-Retirement:

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

Post-Disablement:

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

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11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

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

Mortality Rates (Pre-retirement, post-retirement healthy, and disabled)	Updated to a more current mortality table – RP-2014 projected to 2020
Retirement Rates	Lowered retirement rates at older ages and extended final retirement age from 70 to 75.
Withdrawal Rates	Adjusted termination rates to better fit experience at each age and service year
Disability Rates	Lowered disability rates
Salary Scale	No change
Line of Duty Disability	Increased rate from 14 to 20% (Largest); increased rate from 14 to 15% (Non-Largest)
Discount Rate	Decrease rate from 7.00% to 6.75%

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

Pre-Retirement:

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

Post-Retirement:

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

Post-Disablement:

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

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

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11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

Mortality Rates (Pre-retirement, post-retirement healthy, and disabled)	Updated to a more current mortality table – RP-2014 projected to 2020
Retirement Rates	Lowered retirement rates at older ages (Largest); increased age 50 rates and lowered rates at older ages (Non-Largest)
Withdrawal Rates	Adjusted termination rates to better fit experience at each age and service year
Disability Rates	Increased disability rates (Largest); adjusted rates to better match experience (Non-Largest)
Salary Scale	No change
Line of Duty Disability	Increased rate from 60 to 70% (Largest); Decreased rate from 60% to 45% (Non-Largest)
Discount Rate	Decrease rate from 7.00% to 6.75%

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:

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

* The above allocation provides a one-year return of 7.14%. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected return 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 7.11%, including expected inflation of 2.50%. On October 10, 2019, the VRS Board elected a long-term rate of 6.75% which is roughly at the 40th percentile of expected long-term results of the VRS fund asset allocation. More recent capital market assumptions compiled for the FY2020 actuarial valuations, provide a median return of 6.81%.

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2021

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

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:

GROUP LIFE INSURANCE PROGRAM PLAN PROVISIONS
<p>Eligible Employees</p> <p>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:</p> <ul style="list-style-type: none"> • City of Richmond • City of Portsmouth • City of Roanoke • City of Norfolk • Roanoke City School Board <p>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.</p>
<p>Benefit Amounts</p> <p>The benefits payable under the Group Life Insurance Program have several components.</p> <ul style="list-style-type: none"> • <u>Natural Death Benefit</u> – The natural death benefit is equal to the employee's covered compensation rounded to the next highest thousand and then doubled. • <u>Accidental Death Benefit</u> – The accidental death benefit is double the natural death benefit. • <u>Other Benefit Provisions</u> – In addition to the basic natural and accidental death benefits, the program provides additional benefits provided under specific circumstances. These include: <ul style="list-style-type: none"> ○ Accidental dismemberment benefit ○ Safety belt benefit ○ Repatriation benefit ○ Felonious assault benefit ○ Accelerated death benefit option

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2021

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

Reduction in Benefit Amounts

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)

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 \$8,616 as of June 30, 2021.

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 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, 2021 was 0.54% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2019. The actuarially determined rate, when combined with employee contributions, was expected to finance the costs of benefits payable during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the GLI Program from the County were \$234,716 and \$233,351 for the years ended June 30, 2021 and June 30, 2020, respectively. Contribution to the GLI Program from the School Division for nonprofessional employees were \$34,603 and \$34,895 for the years ended June 30, 2021 and June 30, 2020, respectively. Contributions to the GLI Program from the School Division for professional employees were \$398,328 and \$387,637 for the years ended June 30, 2021 and June 30, 2020, respectively.

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

At June 30, 2021, the County reported a liability of \$3,638,898 for its proportionate share of the Net GLI OPEB Liability. At June 30, 2021, the School Division reported a liability of \$544,207 for its proportionate share of the Net GLI OPEB Liability for nonprofessional employees. At June 30, 2021, the School Division reported a liability of \$6,044,858 for its proportionate share of the Net GLI OPEB Liability for professional employees. The Net GLI OPEB Liability was measured as of June 30, 2020 and the total GLI OPEB liability used to calculate the Net GLI OPEB Liability was determined by an actuarial valuation performed as of June 30, 2019, and rolled forward to the measurement date of June 30, 2020. The covered 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, 2020 relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2020, the participating employer's proportion was 0.21805% as compared to 0.22168% at June 30, 2019. At June 30, 2020, the participating employer's proportion was 0.03261% as compared to 0.03328% at June

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11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

30, 2019 for nonprofessional employees. At June 30, 2020, the participating employer's proportion was 0.36222% as compared to 0.36358% at June 30, 2019 for professional employees.

For the year ended June 30, 2021, the County recognized GLI OPEB expense of \$159,123. For the year ended June 30, 2021, the School Division recognized GLI OPEB expense of \$12,424 for nonprofessional employees. For the year ended June 30, 2021, the School Division recognized GLI OPEB expense of \$214,734 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.

At June 30, 2021, 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	\$ 233,402	\$ 32,684
Net difference between projected and actual earnings on GLI OPEB program investments	109,309	-
Change in assumptions	181,987	75,982
Changes in proportionate share	112,363	55,125
Employer contributions subsequent to the measurement date	234,716	-
Total	\$ 871,777	\$ 163,791

\$234,716 reported as deferred outflows of resources related to the GLI OPEB resulting from the employer's contributions subsequent to the measurement date will be recognized as a reduction of the Net GLI OPEB Liability in the Fiscal Year ending June 30, 2022 for 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
2022	\$ 75,166
2023	106,035
2024	136,189
2025	130,412
2026	25,434
Thereafter	34
Total	\$ 473,270

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11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

At June 30, 2021, 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	\$ 34,906	\$ 4,889
Net difference between projected and actual earnings on OPEB plan investments	16,348	-
Changes of assumptions	27,217	11,363
Changes in proportionate share	-	32,274
Employer contributions subsequent to the measurement date	34,603	-
Total	\$ 113,074	\$ 48,526

\$34,603 reported as deferred outflows of resources related to the GLI OPEB resulting from the employer's contributions subsequent to the measurement date will be recognized as a reduction of the Net GLI OPEB Liability in the Fiscal Year ending June 30, 2022 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
2022	\$ (132)
2023	4,485
2024	10,183
2025	13,311
2026	2,162
Thereafter	(64)
Total	\$ 29,945

At June 30, 2021, 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:

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June 30, 2021

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 387,722	\$ 54,294
Net difference between projected and actual earnings on OPEB plan investments	181,582	-
Changes of assumptions	302,313	126,220
Changes in proportionate share	63,944	115,267
Employer contributions subsequent to the measurement date	398,328	-
Total	\$ 1,333,889	\$ 295,781

\$398,328 reported as deferred outflows of resources related to the GLI OPEB resulting from the employer's contributions subsequent to the measurement date will be recognized as a reduction of the Net GLI OPEB Liability in the Fiscal Year ending June 30, 2022 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:

	Deferred Amounts
2022	\$ 75,267
2023	126,547
2024	182,494
2025	202,543
2026	50,255
Thereafter	2,674
Total	\$ 639,780

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, 2020, NOL amounts for the Group Life Insurance Program is as follows (amounts expressed in thousands):

	Group Life Insurance OPEB Program
Total GLI OPEB Liability	\$ 3,523,937
Plan Fiduciary Net Position	1,855,102
Employers' Net GLI OPEB Liability	\$ 1,668,835

Plan Fiduciary Net Position as a Percentage of the Total GLI OPEB Liability	52.64%
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COUNTY OF YORK, VIRGINIA
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June 30, 2021

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

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 member contributions will be made per the VRS guidance and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Through the fiscal year ending June 30, 2020, the rate contributed by the 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, 2020 on, employers are assumed to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the GLI OPEB’s fiduciary net position was projected to be available to make all projected future benefit payments of eligible employees. Therefore, the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total GLI OPEB liability.

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	\$ 4,783,610	\$ 3,638,898	\$ 2,709,284

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:

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11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

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	\$ 715,402	\$ 544,207	\$ 405,181

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	\$ 7,946,431	\$ 6,044,858	\$ 4,500,604

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:

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11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

POLITICAL SUBDIVISION HEALTH INSURANCE CREDIT PROGRAM (HIC) PLAN PROVISIONS
<p>Eligible Employees 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.</p> <p>Eligible employees are enrolled automatically upon employment. They include:</p> <ul style="list-style-type: none"> • Full-time permanent salaried employees of the County who are covered under the VRS pension plan.
<p>Benefit Amounts The County's Retiree Health Insurance Credit Program provides the following benefits for eligible employees:</p> <ul style="list-style-type: none"> • 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. • 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.
<p>Health Insurance Credit Program Notes:</p> <ul style="list-style-type: none"> • The monthly Health Insurance Credit benefit cannot exceed the individual premium amount. • 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. • 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:

TEACHER EMPLOYEE HEALTH INSURANCE CREDIT PROGRAM (HIC) PLAN PROVISIONS
<p>Eligible Employees – Teacher Employee (Professional) The Teacher Employee Retiree Health Insurance Credit Program was established July 1, 1993 for retired Teacher Employees covered under VRS who retire with at least 15 years of service credit.</p> <p>Eligible employees are enrolled automatically upon employment. They include:</p> <ul style="list-style-type: none"> • Full-time permanent (professional) salaried employees of public school divisions covered under VRS. <p>Eligible Employees – Political Subdivision (Nonprofessional) The political subdivision's Retiree HIC was established July 1, 1993 for retired political subdivision employees of employers who elect the benefit and who retire with at least 15 years of service credit.</p> <p>Eligible employees are enrolled automatically upon employment. They include:</p> <ul style="list-style-type: none"> • Full-time permanent salaried employees of public school divisions covered under the VRS pension plan.

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Notes to Basic Financial Statements
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11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

TEACHER EMPLOYEE HEALTH INSURANCE CREDIT PROGRAM (HIC) PLAN PROVISIONS (Continued)
<p>Benefit Amounts – Teacher Employee (Professional) The Teacher Employee Retiree Health Insurance Credit Program provides the following benefits for eligible employees:</p> <ul style="list-style-type: none"> • <u>At Retirement</u> – 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. • <u>Disability Retirement</u> – 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: <ul style="list-style-type: none"> ○ \$4.00 per month, multiplied by twice the amount of service credit, or ○ \$4.00 per month, multiplied by the amount of service earned had the employee been active until age 60, whichever is lower.
<p>Benefit Amounts – Political Subdivision (Nonprofessional) The political subdivision’s Retiree HIC provides the following benefits for eligible employees:</p> <ul style="list-style-type: none"> • <u>At Retirement</u> – 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. • <u>Disability Retirement</u> – 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.
<p>Health Insurance Credit Program Notes:</p> <ul style="list-style-type: none"> • The monthly Health Insurance Credit benefit cannot exceed the individual premium amount. • Employees who retire after being on long-term disability under VLDP must have at least 15 year of service credit to qualify for the health insurance credit as a retiree. • 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)

Employees Covered by Benefit Terms

As of the June 30, 2019 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	172	38
Active Members	553	271
Total Covered Employees	725	309

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11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

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, 2020 was 0.17% 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, 2021 was 1.21% of covered employee compensation for employees in the VRS Teacher Employee Health Insurance Credit Program (Professional) and 0.66% 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, 2019. The actuarially determined rate was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions from the County to the VRS Health Insurance Credit Program were \$51,730 and \$53,656 for the years ended June 30, 2021 and June 30, 2020, respectively. Contributions from the school division to the VRS Teacher Employee Health Insurance Credit Program were \$890,686 and \$892,376 for the years ended June 30, 2021 and June 30, 2020, respectively. For nonprofessional employees, contributions from the School Division to the HIC were \$41,299 and \$34,311 for the years ended June 30, 2021 and June 30, 2020, 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, 2021, the County reported a HIC Program Net OPEB liability of \$374,831 measured as of June 30, 2020. The total HIC OPEB liability was determined by an actuarial valuation performed as of June 30, 2019, using updated actuarial assumptions, applied to all periods included in the measurement date and rolled forward to the measurement date of June 30, 2020. At June 30, 2021, the School Division reported a liability of \$11,065,692 for its proportionate share of the VRS Teacher Employee HIC Program Net OPEB Liability and \$435,877 for the Nonprofessional HIC Program Net OPEB Liability. The School Division's Net HIC Program OPEB Liability was measured as of June 30, 2020 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, 2019 and rolled forward to the measurement date of June 30, 2020. 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, 2020, relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2020, the school division's proportion of the VRS Teacher Employee HIC Program was 0.84826% as compared to 0.84659% at June 30, 2019.

For the year ended June 30, 2021, the County recognized VRS HIC Program OPEB expense of \$51,791. Since there was a change in proportionate share between June 30, 2019 and June 30, 2020 a portion of the VRS HIC Program Net OPEB expense was related to deferred amounts from changes in proportion. At June 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to the VRS HIC Program OPEB from the following sources:

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11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 15,291	\$ 9,273
Net difference between projected and actual earnings on HIC OPEB program investments	32,557	-
Change in assumptions	21,720	16,531
Employer contributions subsequent to the measurement date	51,730	-
Total	\$ 121,298	\$ 25,804

\$51,730 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, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the HIC OPEB will be recognized in the HIC OPEB expense in future reporting periods as follows:

	Deferred Amounts
2022	\$ 2,973
2023	10,121
2024	15,036
2025	16,626
2026	(841)
Thereafter	(151)
Total	\$ 43,764

For the year ended June 30, 2021, the school division recognized VRS nonprofessional HIC Program OPEB expense of \$117,628. At June 30, 2021 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	\$ 315,866	\$ -
Net difference between projected and actual earnings on OPEB plan investments	849	-
Changes of assumptions	6,265	-
Employer contributions subsequent to the measurement date	41,299	-
Total	\$ 364,279	\$ -

COUNTY OF YORK, VIRGINIA
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11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

\$41,299 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, 2022. 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
2022	\$ 78,640
2023	78,640
2024	78,638
2025	78,727
2026	8,335
Thereafter	-
Total	\$ 322,980

For the year ended June 30, 2021, the school division recognized VRS Teacher Employee HIC Program OPEB expense of \$876,970. 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, 2021, 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:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 147,778
Net difference between projected and actual earnings on OPEB plan investments	49,039	-
Changes of assumptions	218,753	60,460
Changes in proportionate share	110,548	220,480
Employer contributions subsequent to the measurement date	890,686	-
Total	\$ 1,269,026	\$ 428,718

\$890,686 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, 2022. 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:

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11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

	Deferred Amounts
2022	\$ (29,239)
2023	(24,379)
2024	(26,007)
2025	(7,387)
2026	25,932
Thereafter	10,702
Total	\$ (50,378)

Net HIC OPEB Liability

The net OPEB liability (NOL) for the County's HIC Program represents the program's total OPEB liability determined in accordance with GAAP, less the associated fiduciary net position. As of June 30, 2020, NOL amounts for the VRS HIC Program is as follows (amounts expressed in thousands):

	HIC OPEB Program
Total HIC OPEB Liability	\$ 77,490,000
Plan Fiduciary Net Position	24,468,000
Employers' Net HIC OPEB Liability	53,022,000
Plan Fiduciary Net Position as a Percentage of the Total HIC OPEB Liability	31.58%

The total 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 HIC OPEB liability is disclosed in accordance with the requirements of GAAP in the System's notes to the financial statements and required supplementary information.

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, 2020, 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	\$ 1,448,676
Plan Fiduciary Net Position	144,160
Teacher Employee Net HIC OPEB Liability	1,304,516
Plan Fiduciary Net Position as a Percentage of the Total Teacher Employee HIC OPEB Liability	9.95%

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2021

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

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, 2020, the rate contributed by the entity for the HIC OPEB will be subject to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly, which was 100% of the actuarially determined contribution rate. From July 1, 2020 on, employers are assumed 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.

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, 2019	\$ 1,351,888	\$ 986,102	\$ 365,786
Changes for the fiscal year:			
Service cost	24,734	-	24,734
Interest	88,266	-	88,266
Difference between expected and actual experience	(10,087)	-	(10,087)
Contribution – employer	-	76,063	(76,063)
Net investment income	-	19,702	(19,702)
Benefit payments	(88,479)	(88,479)	-
Administrative expenses	-	(1,888)	1,888
Other changes	-	(9)	9
Net Changes	14,434	5,389	9,045
Balance – June 30, 2020	\$ 1,366,322	\$ 991,491	\$ 374,831

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2021

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

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, 2019	\$ 326,336	\$ 19,963	\$ 306,373
Changes for the fiscal year:			
Service cost	11,482	-	11,482
Interest	21,325	-	21,325
Changes of benefits	7,946	-	7,946
Difference between expected and actual experience	124,238	-	124,238
Contribution – employer	-	35,120	(35,120)
Net investment income	-	431	(431)
Benefit payments	(20,815)	(20,815)	-
Administrative expenses	-	(64)	64
Net Changes	<u>144,176</u>	<u>14,672</u>	<u>129,504</u>
Balance – June 30, 2020	<u>\$ 470,512</u>	<u>\$ 34,635</u>	<u>\$ 435,877</u>

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	\$ 518,653	\$ 374,831	\$ 252,154

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:

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2021

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

	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	\$ 12,386,888	\$ 11,065,692	\$ 9,942,771
	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	\$ 486,857	\$ 435,877	\$ 392,100

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.

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
<p>Eligible Employees</p> <p>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</p> <p>Eligible employees are enrolled automatically upon employment, unless their employer has elected to provide comparable coverage. They include:</p> <ul style="list-style-type: none"> • 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. • Teachers (professional) – Teachers and other full-time permanent salaried employees of public school division covered under VRS.

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2021

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

Benefit Amounts

Virginia Disability Local Program (VLDP) provides the following benefits for eligible employees:

Short-Term Disability –

- 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.
- During the first five years of continuous participation in VLDP with their current employer, employees are eligible for 60% of their pre-disability income if they go out on non-work-related or work-related disability.
- Once the eligibility period is satisfied, employees are eligible for higher income replacement levels

Long-Term Disability –

- 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.
- 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:

- 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.
- VLDP Long-Term Care Plan is a self-funded program that assists with the cost of covered long-term care services.

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2021

11. OTHER POSTEMPLOYMENT BENEFITS *(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, 2021 was 0.83% 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, 2019. The actuarially determined rate was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions were \$17,919 and \$15,907 for the years ended June 30, 2021 and June 30, 2020, 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, 2021 was 0.47% 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, 2019. The actuarially determined rate was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions were \$84,455 and \$64,967 for the years ended June 30, 2021 and June 30, 2020, respectively.

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

Nonprofessional - At June 30, 2021, the political subdivision reported a liability of \$5,919 for its proportionate share of the VRS Political Subdivision Employee Virginia Local Disability Program Net OPEB Liability. The Net VRS Political Subdivision Employee VLDP OPEB Liability was measured as of June 30, 2020 and the total VRS Political Subdivision Employee VLDP OPEB liability used to calculate the Net VRS Political Subdivision Employee VLDP OPEB Liability was determined by an actuarial valuation as of June 30, 2019, and rolled forward to the measurement date of June 30, 2020. The School Division's proportion of the Net VLDP OPEB Liability was based on the School Division's actuarially determined employer contributions to the VLDP OPEB plan for the year ended June 30, 2020 relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2020, the School Division's proportion of VLDP was 0.59289% as compared to 0.56622% at June 30, 2019.

For the year ended June 30, 2021, the School Division recognized VLDP OPEB expense of \$17,095. 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.

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2021

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

At June 30, 2021, the School Division 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	\$ 4,795	\$ 6,949
Net difference between projected and actual earnings on OPEB plan investments	629	-
Changes of assumptions	274	395
Changes in proportionate share	337	-
Employer contributions subsequent to the measurement date	17,919	-
Total	\$ 23,954	\$ 7,344

\$17,919 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 a reduction of the Net VLDP OPEB Liability in the Fiscal Year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to VLDP will be recognized in VLDP OPEB expense in future reporting periods as follows:

	Deferred Amounts
2022	\$ 614
2023	602
2024	613
2025	564
2026	(777)
Thereafter	(2,925)
Total	\$ (1,309)

Professional - At June 30, 2021, the School Division reported a liability of \$21,492 for its proportionate share of the net VLDP OPEB Liability. The net VLDP OPEB Liability was measured as of June 30, 2020 and the total VLDP OPEB liability used to calculate the net VLDP OPEB Liability was determined by an actuarial valuation as of June 30, 2019, and rolled forward to the measurement date of June 30, 2020. The School Division's proportion of the Net VLDP OPEB Liability was based on the School Division's actuarially determined employer contributions to the VLDP OPEB plan for the year ended June 30, 2020 relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2020, the School Division's proportion of VLDP was 2.67889% as compared to 2.60420% at June 30, 2019.

For the year ended June 30, 2021, the School Division recognized VLDP OPEB expense of \$58,487. 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.

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2021

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

At June 30, 2021, the School Division 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	\$ 10,162	\$ 1,661
Net difference between projected and actual earnings on OPEB plan investments	2,320	-
Changes of assumptions	2,411	-
Changes in proportionate share	383	602
Employer contributions subsequent to the measurement date	84,455	-
Total	<u>\$ 99,731</u>	<u>\$ 2,263</u>

\$84,455 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 a reduction of the net VLDP OPEB Liability in the Fiscal Year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the VLDP OPEB will be recognized in the VLDP OPEB expense in future reporting periods as follows:

	Deferred Amounts
2022	\$ 1,336
2023	1,282
2024	1,264
2025	1,289
2026	713
Thereafter	7,129
Total	<u>\$ 13,013</u>

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, 2020, net VLDP OPEB liabilities are as follows (amounts expressed in thousands):

	Political Subdivision Employee VLDP OPEB Plan	Teacher Employee VLDP OPEB Plan
Total VLDP OPEB Liability	\$ 4,317	\$ 3,687
Plan Fiduciary Net Position	3,317	2,886
Net VLDP OPEB Liability	<u>\$ 1,000</u>	<u>\$ 801</u>

Plan Fiduciary Net Position as a Percentage of the Total VLDP OPEB Liability	76.84%	78.28%
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COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2021

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

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.

Discount Rate

The discount rate used to measure the School Division’s VLDP 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 actuarially determined contribution rates adopted by the VRS Board of Trustees. Through the fiscal year ending June 30, 2019, the rate contributed by entity for the VRS Virginia Local Disability Program 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, 2019 on, employers are assumed to continue to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the VLDP OPEB plan’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 VRS VLDP OPEB liability.

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 - nonprofessional employees	\$ 7,938	\$ 5,919	\$ 4,159
	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 - professional employees	\$ 33,463	\$ 21,492	\$ 11,161

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2021

11. 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, 2020, the County had 789 active members and the School Division had 1,724 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), an agency 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, 2021, 122 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 spouses'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, 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 \$1,175,136 and \$635,431, respectively, for the year ended June 30, 2021. The actuarially determined contribution at June 30, 2021 was \$755,941 and \$260,789 for the County

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2021

11. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

and School Division, respectively.

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

At June 30, 2021, the County reported an OPEB liability of \$5,094,830 for its share of the Net OPEB Liability. The Net OPEB Liability was measured as of June 30, 2021 and the total OPEB liability used to calculate the Net OPEB Liability was determined by an actuarial valuation as of July 1, 2019. The covered employer's proportion of the Net OPEB Liability was based on the covered employer's actuarially determined employer contributions to the Program for the year ended June 30, 2021 relative to the total of the actuarially determined employer contributions.

For the year ended June 30, 2021, the County recognized OPEB expense of \$733,192. OPEB expense was calculated as follows:

	OPEB Expense
Service cost	\$ 268,714
Interest	1,147,607
Administrative expenses	11,889
Expected Investment Return Net of Investment Expenses	(653,122)
Recognition of Deferred Inflows/Outflows of Resources	
Economic/demographic gains or losses	1,061,666
Assumption changes or inputs	(702,227)
Investment gains or losses	(401,335)
OPEB Expense	\$ 733,192

At June 30, 2021, 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	\$ 4,692,429	\$ -
Net difference between projected and actual earnings	-	1,642,546
Change in assumptions	5,959,204	8,956,456
Total	\$ 10,651,633	\$ 10,599,002

Other 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:

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2021

11. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

	Deferred Amounts
2022	\$ (41,897)
2023	(1,994)
2024	(46,648)
2025	(114,251)
2026	219,970
Thereafter	37,451
Total	\$ 52,631

For the year ended June 30, 2021, the School Division recognized OPEB expense of \$(111,310). At June 30, 2021, 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	\$ 92,690	\$ 55,883
Changes of assumptions	440,210	1,007,758
Net difference between projected and actual earnings on OPEB plan investments	-	1,280,336
Total	\$ 532,900	\$ 2,343,977

Other 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
2022	\$ (352,799)
2023	(321,403)
2024	(356,792)
2025	(409,086)
2026	(39,936)
Thereafter	(331,061)
Total	\$ (1,811,077)

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2021

11. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

Net OPEB Liability – The components of the net OPEB liability for the year ended June 30, 2021 were as follows:

Total OPEB liability	\$	18,257,061
Plan fiduciary net position	\$	13,162,231
Net OPEB liability	\$	5,094,830
Fiduciary net position as a percent of total OPEB liability		72.09%

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 June 30, 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 6.1% for Pre-Medicare eligible, grading to a rate of 4.0% for fiscal year ending June 30, 2074 and 5.0% for Post-Medicare eligible, grading to a rate of 4.0% for fiscal year ending June 30, 2074. The dental cost trend rate assumption per year is 4.0%.

Long-Term Expected Rate of Return

Rate of Return – For the year ended June 30, 2021, the annual money-weighted rate of return on cash flows on the plan investments, net of OPEB plan investment expense was 30.07%. The money-weighted return expresses investment performance net of investment expense, adjusted for the changing amounts actually invested.

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2021

11. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (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 data used in the assessment of reasonability were Milliman's December 31, 2020 capital market assumptions (real returns) and the 2020 Social Security Trustees Report (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:

<u>Asset Class (Strategy)</u>	<u>Target Allocation</u>	<u>Long-Term Expected Arithmetic Real Rate of Return</u>	<u>Long-Term Expected Geometric Real Rate of Return</u>
US Core Fixed Income	21.00%	.83%	0.76%
US Large Caps	26.00%	3.93%	2.74%
US Small Caps	10.00%	5.09%	3.08%
Foreign Developed Equity	13.00%	5.73%	4.16%
Emerging Markets Equity	5.00%	7.51%	4.70%
Private Real Estate Property	7.00%	3.89%	3.18%
Private Equity	5.00%	8.99%	5.19%
Commodities	3.00%	2.29%	0.68%
Hedge FOF Strategic	10.00%	2.71%	2.20%
Total	<u>100.00%</u>		
Inflation		2.40%	2.40%
Portfolio Real Mean Return		<u>3.93%</u>	<u>3.27%</u>
Portfolio Nominal Mean Return		<u>6.33%</u>	<u>5.74%</u>
Portfolio Standard Deviation			11.60%
Long-Term Expected Rate of Return			6.50%

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2021

11. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (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, 2020	\$ 17,915,876	\$ 10,052,548	\$ 7,863,328
Changes for the fiscal year:			
Service cost	268,714	-	268,714
Interest	1,147,607	-	1,147,607
Contribution – employer	-	1,175,136	(1,175,136)
Net investment income	-	3,021,572	(3,021,572)
Benefit payments	(1,075,136)	(1,075,136)	-
Administrative expenses	-	(11,889)	11,889
Net Changes	341,185	3,109,683	(2,768,498)
Balance – June 30, 2021	\$ 18,257,061	\$ 13,162,231	\$ 5,094,830

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	\$ 7,389,294	\$ 5,094,830	\$ 3,183,473

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2021

11. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (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:

	<u>1.00% Decrease</u>	<u>Healthcare Cost Trend</u>	<u>1.00% Increase</u>
Net OPEB Liability	\$ 2,728,140	\$ 5,094,830	\$ 7,975,643

Changes in Net OPEB Liability (Asset) – School Division

	<u>Total OPEB Liability (a)</u>	<u>Fiduciary Net Position (b)</u>	<u>Net OPEB Asset (a) – (b)</u>
Balance – June 30, 2020	\$ 6,043,980	\$ 7,826,149	\$ (1,782,169)
Changes for the fiscal year:			
Service cost	339,426	-	339,426
Interest	402,318	-	402,318
Effect of economic demographic gains or losses	(61,892)	-	(61,892)
Effect of assumption changes or inputs	(1,094,130)	-	(1,094,130)
Contribution – employer	-	635,431	(635,431)
Net investment income	-	2,355,368	(2,355,368)
Benefit payments	(394,021)	(394,021)	-
Administrative expenses	-	(9,365)	9,365
Net Changes	<u>(808,299)</u>	<u>2,587,413</u>	<u>(3,395,712)</u>
Balance – June 30, 2020	<u>\$ 5,235,681</u>	<u>\$ 10,413,562</u>	<u>\$ (5,177,881)</u>

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate – The following presents the net OPEB liability 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:

	<u>1.00% Decrease (5.50%)</u>	<u>Current Discount Rate (6.50%)</u>	<u>1.00% Increase (7.50%)</u>
Net OPEB Asset	\$ (4,815,083)	\$ (5,177,881)	\$ (5,514,763)

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2021

11. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates – The following presents the net OPEB liability of the School Division, as well as what the School Division’s net OPEB liability would be if were calculated using healthcare cost trend rates that are 1-percentage-point lower (4.3% decreasing to 2.7%) or 1-percentage-point higher (6.3% decreasing to 4.7%) than the current healthcare cost trend rates:

	1.00% Decrease (4.3% decreasing to 2.7%)	Healthcare Cost Trend Rates (5.3% decreasing to 3.7%)	1.00% Increase (6.3% decreasing to 4.7%)
Net OPEB Asset	\$ (5,708,082)	\$ (5,177,881)	\$ (4,568,152)

Combining Net OPEB Liabilities, 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	\$ 3,638,898	\$ 374,831	\$ 5,094,830	\$ 9,108,559
OPEB expense	\$ 159,123	\$ 51,791	\$ 733,192	\$ 944,106
Deferred outflows of resources:				
Differences between expected and actual experience	\$ 233,402	\$ 15,291	\$ 4,692,429	\$ 4,941,122
Changes in assumptions	181,987	21,720	5,959,204	6,162,911
Net difference between projected and actual earnings	109,309	32,557	-	141,866
Changes in proportion and differences between Employer contributions and proportionate share of contributions	112,363	-	-	112,363
Employer contributions subsequent to the measurement date	234,716	51,730	-	286,446
Total deferred outflows of resources	\$ 871,777	\$ 121,298	\$ 10,651,633	\$ 11,644,708
Deferred inflows of resources:				
Differences between expected and actual experience	\$ 32,684	\$ 9,273	\$ 1,642,546	\$ 1,684,503
Changes in assumptions	75,982	16,531	8,956,456	9,048,969
Changes in proportion and differences between Employer contributions and proportionate share of contributions	55,125	-	-	55,125
Total deferred inflows of resources	\$ 163,791	\$ 25,804	\$ 10,599,002	\$ 10,788,597

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
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11. OTHER POSTEMPLOYMENT BENEFITS (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							Combined Totals
	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	
Net OPEB liability	\$ 6,044,858	\$ 544,207	\$ 11,065,692	\$ 435,877	\$ 21,492	\$ 5,919	\$ -	\$ 18,118,045
Net OPEB asset	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,177,881	\$ 5,177,881
OPEB expense	\$ 214,734	\$ 12,424	\$ 876,970	\$ 117,628	\$ 58,487	\$ 17,095	\$ (111,310)	\$ 1,186,028
Deferred outflows of resources:								
Differences between expected and actual experience	\$ 387,722	\$ 34,906	\$ -	\$ 315,866	\$ 10,162	\$ 4,795	\$ 92,690	\$ 846,141
Changes in assumptions	302,313	27,217	218,753	6,265	2,411	274	440,210	997,443
Net difference between projected and actual earnings	181,582	16,348	49,039	849	2,320	629	-	250,767
Changes in proportionate share	63,944	-	110,548	-	383	337	-	175,212
Employer contributions subsequent to the measurement date	398,328	34,603	890,686	41,299	84,455	17,919	-	1,467,290
Total deferred outflows of resources	\$ 1,333,889	\$ 113,074	\$ 1,269,026	\$ 364,279	\$ 99,731	\$ 23,954	\$ 532,900	\$ 3,736,853
Deferred inflows of resources:								
Differences between expected and actual experience	\$ 54,294	\$ 4,889	\$ 147,778	\$ -	\$ 1,661	\$ 6,949	\$ 55,883	\$ 271,454
Changes in assumptions	126,220	11,363	60,460	-	-	395	1,007,758	1,206,196
Net difference between projected and actual earnings on OPEB plan investments	-	-	-	-	-	-	1,280,336	1,280,336
Changes in proportionate share	115,267	32,274	220,480	-	602	-	-	368,623
Total deferred inflows of resources	\$ 295,781	\$ 48,526	\$ 428,718	\$ -	\$ 2,263	\$ 7,344	\$ 2,343,977	\$ 3,126,609

12. 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 21 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.

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2021

12. DEFERRED COMPENSATION PLAN (Continued)

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 10 investment options.

13. COMMITMENTS AND CONTINGENT LIABILITIES

Significant Commitments

Significant commitments as of June 30, 2021 were as follows:

	<u>Spent-to-date</u>	<u>Remaining Commitment</u>
Project:		
Library Addition/Renovation	\$ -	\$ 5,502,000
Records Management Software Upgrades	-	1,799,708
Fuel Station Rehabilitation	201,728	809,141
Radio Communications Upgrade (SCADA System)	726,590	577,900
Sheriff's Office Renovation	890,380	543,030
Bulk Fuel for Fuel Sites	781,918	519,082
Knuckleboom Truck	-	189,298
Charles Brown Park Stream Restoration	210,986	172,762
Truck-Mounted Fuel Tanks for Public Works	-	127,800
Learning Management System Software Fees	14,875	116,763
Radio Communications Support (SCADA System)	24,690	116,429
Vehicle Fleet Equipment Management Software	-	109,723
Public Works Linework Find and Fix Initiative	18,362	109,638
Underground Fuel Storage Tanks	-	99,750
Carver Gardens Housing Rehabilitation	-	97,500
Bypass Pump	-	94,466
Fort Eustis Pump Station Improvements	-	91,407
Tyler Munis Software Conversion	112,179	83,395
	<u>\$ 2,981,708</u>	<u>\$ 11,159,792</u>

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.

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2021

13. COMMITMENTS AND CONTINGENT LIABILITIES (Continued)

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, and up to \$500,000, with no aggregate, for each workers' compensation occurrence. 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 \$7,671,545 for health care and dental claims and \$1,000,000 for workers' compensation claims at June 30, 2021, which is considered sufficient.

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

	<u>2021</u>	<u>2020</u>
Claims payable/unrestricted net position, beginning of fiscal year	\$ 6,906,545	\$ 7,647,353
Claims and changes in estimates	16,408,705	13,468,533
Claims payments	<u>(14,643,705)</u>	<u>(14,209,341)</u>
Claims payable/unrestricted net position, end of fiscal year	<u>\$ 8,671,545</u>	<u>\$ 6,906,545</u>

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2021

13. COMMITMENTS AND CONTINGENT LIABILITIES (Continued)

The School Division’s health care claim liability of \$2,018,000 at June 30, 2021 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 \$2,816,141 at June 30, 2021 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, 2020 resulted from the following:

	<u>2021</u>	<u>2020</u>
Claims payable/committed fund balance, beginning of fiscal year	\$ 4,658,830	\$ 4,420,182
Claims and changes in estimates	441,807	608,976
Claims payment	<u>(266,496)</u>	<u>(370,328)</u>
Claims payable/committed fund balance, end of fiscal year	<u>\$ 4,834,141</u>	<u>\$ 4,658,830</u>

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 County has already refunded taxes and interest in the amount of approximately \$250,000. This matter is scheduled for trial in February 2022. Should the property owner prevail on the totality of its claim, then an additional tax refund by the County would be approximately \$1.5 million, plus interest.

Uncertainty

In March 2020, the World Health Organization declared COVID-19 a global pandemic. Due to the pandemic, the County undertook steps to limit non-essential spending, while continuing to provide safe and essential services to the county residents. As there is still a significant level of uncertainty associated with the pandemic, the County continues to actively monitor developments and will take steps to respond accordingly to the situation.

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2021

14. 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 incremental tax revenues. The terms of the restructuring have materially inhibited the Marquis CDA'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 impacts of COVID-19 on sales revenues, have resulted in lower-than-forecasted incremental tax revenues available for the Marquis CDA'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 September 30, 2021, the Series 2007 Debt Service Reserve Fund balance was \$3.60 and the Series 2015 Debt Service Reserve Fund balance has been depleted. The next scheduled debt service payment due on March 1, 2022, consists of an interest payment in the amount of \$614,400. Incremental tax 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 Marquis CDA 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.

15. RESTATEMENT OF PRIOR PERIOD NET POSITION

For fiscal year 2021, the County and School Division have adopted GASB Statement No. 84, *Fiduciary Activities*. "The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. An activity meeting the criteria should be reported in a fiduciary fund in the basic financial statements. Governments with activities meeting the criteria should present a statement of fiduciary net position and a statement of changes in fiduciary net position. An exception to that requirement is provided for a business-type activity that normally expects to hold custodial assets for three months or less. This Statement describes four fiduciary funds that should be reported, if applicable: (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds, and (4) custodial funds. Custodial funds generally should report fiduciary activities that are not held in a trust or equivalent arrangement that meets specific criteria."

As a result of the implementation of GASB 84, the County analyzed various activities to determine if they meet the criterion of fiduciary activities as defined in Statement No. 84. As a result of the implementation of this standard, the County revised its custodial activity presentation to denote Custodial Funds in place of Agency Funds. As a result of the change in accounting requirements, the fiscal year 2020 liabilities differ from the items presented in the previously issued fiscal year 2020 financial statements. The amounts held for others reported as a liability in fiscal year 2020 have been moved to net position. The 2020 ending balances for liabilities and net position are adjusted as follows:

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2021

15. RESTATEMENT OF PRIOR PERIOD LIABILITIES AND NET POSITION *(Continued)*

	Colonial Behavioral Health	Colonial Group Home Commission	Special Welfare	Regional Projects	Other Funds	Total
Liabilities, as previously reported, June 30, 2020	\$ 4,590,786	\$ 595,693	\$ 55,566	\$ 36,285	\$ 12,166	\$ 5,290,496
Adjustments:						
Net change in accounting principle	<u>(3,667,190)</u>	<u>(542,483)</u>	<u>(55,566)</u>	<u>(33,252)</u>	<u>(12,166)</u>	<u>(4,310,657)</u>
Liabilities, as restated, June 30, 2020	<u>\$ 923,596</u>	<u>\$ 53,210</u>	<u>\$ -</u>	<u>\$ 3,033</u>	<u>\$ -</u>	<u>\$ 979,839</u>

	Colonial Behavioral Health	Colonial Group Home Commission	Special Welfare	Regional Projects	Other Funds	Total
Net position, as previously reported, June 30, 2020	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjustments:						
Net change in accounting principle	<u>3,667,190</u>	<u>542,483</u>	<u>55,566</u>	<u>33,252</u>	<u>12,166</u>	<u>4,310,657</u>
Net position, as restated, June 30, 2020	<u>\$ 3,667,190</u>	<u>\$ 542,483</u>	<u>\$ 55,566</u>	<u>\$ 33,252</u>	<u>\$ 12,166</u>	<u>\$ 4,310,657</u>

Based on the criteria set forth, it was determined that the School Activity Fund of the School Division should be reported as a Special Revenue Fund. The fund was previously reported as an Agency Fund. The total effect of the restatement for the School Division is as follows:

	School Division Governmental Activities
Net position, as previously reported, June 30, 2020	<u>\$ 57,494,655</u>
Adjustments: School Activity Funds	<u>1,589,421</u>
Net position, as restated, June 30, 2020	<u>\$ 59,084,076</u>

	School Division Nonmajor Governmental Fund
Fund Balance, as previously reported, June 30, 2020	<u>\$ -</u>
Adjustments: School Activity Funds	<u>1,589,421</u>
Fund Balance as restated, June 30, 2020	<u>\$ 1,589,421</u>

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**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, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
General property taxes:				
Real property taxes	\$ 73,782,000	\$ 73,782,000	\$ 74,424,101	\$ 642,101
Real and personal property taxes-public service corporation	2,120,000	2,120,000	3,726,198	1,606,198
Personal property taxes	15,564,000	15,564,000	17,256,247	1,692,247
Machinery and tools taxes	150,000	150,000	145,152	(4,848)
Penalties and interest	<u>625,000</u>	<u>625,000</u>	<u>344,168</u>	<u>(280,832)</u>
Total general property taxes	<u>92,241,000</u>	<u>92,241,000</u>	<u>95,895,866</u>	<u>3,654,866</u>
Other local taxes:				
Local sales and use taxes	9,900,000	9,900,000	11,757,686	1,857,686
Historic Triangle local sales and use taxes	3,800,000	3,800,000	4,908,304	1,108,304
Hotel and motel room taxes	1,328,000	1,328,000	1,088,279	(239,721)
Restaurant food taxes	2,657,000	2,657,000	3,137,215	480,215
Business license taxes	5,950,000	5,950,000	7,406,723	1,456,723
Consumer utility taxes	232,000	232,000	230,278	(1,722)
Communications sales taxes	1,100,000	1,100,000	968,207	(131,793)
Vehicle registration fees	1,536,000	1,536,000	1,599,783	63,783
Bank stock taxes	350,000	350,000	367,400	17,400
Franchise taxes	2,000	2,000	4,464	2,464
Taxes on recordation and wills	1,640,000	1,640,000	2,207,395	567,395
Rental taxes	<u>160,000</u>	<u>160,000</u>	<u>223,417</u>	<u>63,417</u>
Total other local taxes	<u>28,655,000</u>	<u>28,655,000</u>	<u>33,899,151</u>	<u>5,244,151</u>
From the Federal Government:				
Payments in lieu of taxes	<u>11,000</u>	<u>11,000</u>	<u>11,363</u>	<u>363</u>
Categorical aid:				
Supplemental Local Emergency Management Program grant	50,335	50,335	50,335	-
Universal Service Library E-rate program	10,000	10,000	10,542	542
Violence Against Women Formula grant	27,400	27,400	27,366	(34)
Crime Victim Assistance grant	110,650	110,650	103,003	(7,647)
Community Development Block grant - CARES Act	-	1,230,000	1,219,052	(10,948)
DMV Traffic Enforcement grant	-	49,273	21,658	(27,615)
Section 8 Housing Choice Vouchers program	102,000	102,000	166,590	64,590
Assistance to Firefighters grant (SAFER)	217,584	217,584	363,406	145,822
Indirect Cost Allocation reimbursement	180,000	180,000	192,910	12,910
Edward Byrne Memorial State and Local Law Enforcement grant	-	-	14,326	14,326
FEMA Public Assistance - Coronavirus	-	403,338	36,688	(366,650)
Virginia Department of Elections grant - CARES Act	-	68,555	68,555	-
CARES Act Coronavirus Relief Funding (CRF)	-	9,019,863	9,019,863	-
ARPA American Rescue Plan Act Funding (SLFRF)	-	6,631,295	6,631,295	-
Total categorical aid	<u>697,969</u>	<u>18,100,293</u>	<u>17,925,589</u>	<u>(174,704)</u>
Total revenues from the Federal Government	<u>708,969</u>	<u>18,111,293</u>	<u>17,936,952</u>	<u>(174,341)</u>
From the Commonwealth of Virginia:				
Non-categorical aid:				
Mobile home taxes	10,000	10,000	15,315	5,315
Rolling stock taxes	20,000	20,000	18,363	(1,637)
Personal property tax relief	8,742,000	8,742,000	8,741,680	(320)
Skill games tax	-	-	70,560	70,560
Total non-categorical aid	<u>8,772,000</u>	<u>8,772,000</u>	<u>8,845,918</u>	<u>73,918</u>
Categorical aid:				
Shared expenses:				
Commonwealth's Attorney	572,000	572,000	565,874	(6,126)
Sheriff	2,576,000	2,576,000	2,769,688	193,688
Commissioner of the Revenue	215,000	215,000	208,557	(6,443)
Treasurer	162,000	162,000	154,875	(7,125)
Registrar	39,000	39,000	40,949	1,949
Electoral Board	9,000	9,000	8,967	(33)
Clerk of the Circuit Court	<u>484,000</u>	<u>541,065</u>	<u>541,718</u>	<u>653</u>
Total shared expenses	<u>4,057,000</u>	<u>4,114,065</u>	<u>4,290,628</u>	<u>176,563</u>
Other categorical aid:				
VA Department of Emergency Management FEMA Public Assistance - Coronavirus	-	-	(22,465)	(22,465)
Fire and life safety grants	-	-	2,013	2,013
Wireless E911 services	313,000	313,000	329,876	16,876
Crime Victim Assistance grant	37,000	37,000	34,335	(2,665)
VA Juvenile Community Crime Control Act grant	55,000	55,000	54,684	(316)
VA Supreme Court extradition	15,000	15,000	9,207	(5,793)
Emergency Home Repair grant	-	-	30,374	30,374
Arts Commission grant	-	4,500	4,500	-
Presidential election postage reimbursement	-	4,847	4,847	-
Library Aid	161,462	178,992	178,992	-
Court services postage reimbursement	<u>12,000</u>	<u>12,000</u>	<u>8,288</u>	<u>(3,712)</u>
Total other categorical aid	<u>593,462</u>	<u>620,339</u>	<u>634,651</u>	<u>14,312</u>
Total categorical aid	<u>4,650,462</u>	<u>4,734,404</u>	<u>4,925,279</u>	<u>190,875</u>
Total revenues from the Commonwealth of Virginia	<u>13,422,462</u>	<u>13,506,404</u>	<u>13,771,197</u>	<u>264,793</u>

(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, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Permits, privilege fees and regulatory licenses:				
Animal licenses	15,000	15,000	11,753	(3,247)
Permits and other licenses	<u>685,000</u>	<u>685,000</u>	<u>957,076</u>	<u>272,076</u>
Total permits, privilege fees and regulatory licenses	<u>700,000</u>	<u>700,000</u>	<u>968,829</u>	<u>268,829</u>
Fines and forfeitures	<u>478,000</u>	<u>478,000</u>	<u>268,429</u>	<u>(209,571)</u>
Revenues from use of money and property:				
Use of money	700,000	700,000	80,242	(619,758)
Unrealized gain on investment	-	-	(179,798)	(179,798)
Use of property	<u>333,000</u>	<u>333,000</u>	<u>291,865</u>	<u>(41,135)</u>
Total revenues from use of money and property	<u>1,033,000</u>	<u>1,033,000</u>	<u>192,309</u>	<u>(840,691)</u>
Charges for services:				
Court costs	75,000	75,000	110,064	35,064
Charges for Commonwealth's Attorney	13,000	13,000	11,367	(1,633)
Charges for fiscal accounting services	3,000	3,000	2,460	(540)
Charges for law enforcement and traffic control	153,000	244,773	107,727	(137,046)
Charges for emergency medical services	1,690,700	1,690,700	1,509,410	(181,290)
Charges for parks and recreation	367,000	367,000	402,037	35,037
Charges for library	36,000	36,000	5,847	(30,153)
Charges for mosquito control	1,000	1,000	-	(1,000)
Charges for information technology	5,000	5,000	4,505	(495)
Charges for grounds maintenance	1,134,650	1,134,650	1,134,650	-
Charges for law enforcement	525,000	525,000	172,004	(352,996)
Charges for video services	198,000	198,000	187,018	(10,982)
Charges for radio maintenance services	99,000	99,000	99,000	-
Charges for vehicle maintenance	-	-	63,334	63,334
Charges for other	-	-	42	42
Total charges for services	<u>4,300,350</u>	<u>4,392,123</u>	<u>3,809,465</u>	<u>(582,658)</u>
Miscellaneous:				
Miscellaneous	181,934	215,581	367,389	151,808
Sale of surplus property	-	-	13,791	13,791
Total miscellaneous revenues	<u>181,934</u>	<u>215,581</u>	<u>381,180</u>	<u>165,599</u>
Recovered costs:				
City of Poquoson shared court services	521,527	521,527	478,941	(42,586)
City of Poquoson E911 services	339,818	339,818	339,818	-
City of Poquoson cooperative extension services	10,855	10,855	10,515	(340)
City of Poquoson human resource services & other public safety	-	2,000	2,763	763
City of Williamsburg E911 services	584,732	584,732	584,732	-
City of Williamsburg public safety	1,200	3,200	37,308	34,108
City of Hampton E911 services	10,000	10,000	10,000	-
Assistance for fire & life safety training and other public safety	-	-	3,333	3,333
Fiscal agent fees	288,947	288,947	254,009	(34,938)
Streetlight operations	6,000	6,000	23,035	17,035
Signage	5,000	5,000	2,250	(2,750)
Riverwalk Landing repairs and maintenance	-	-	2,764	2,764
Total recovered costs	<u>1,768,079</u>	<u>1,772,079</u>	<u>1,749,468</u>	<u>(22,611)</u>
Total revenues	<u>143,488,794</u>	<u>161,104,480</u>	<u>168,872,846</u>	<u>7,768,366</u>
Other financing sources:				
Insurance recovery	-	13,618	14,119	501
Transfers in	<u>171,106</u>	<u>171,106</u>	<u>171,106</u>	<u>-</u>
Total other financing sources	<u>171,106</u>	<u>184,724</u>	<u>185,225</u>	<u>501</u>
 Total revenues and other financing sources	 <u>\$ 143,659,900</u>	 <u>\$ 161,289,204</u>	 <u>\$ 169,058,071</u>	 <u>\$ 7,768,867</u>

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, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Expenditures:				
General Administration:				
Legislative Department: Board of Supervisors	\$ 410,646	\$ 559,144	\$ 455,151	\$ 103,993
Executive Department:				
County Administrator	750,122	797,920	541,903	256,017
Public Affairs	401,432	438,802	356,501	82,301
Video Services	323,582	362,716	305,031	57,685
County Attorney	629,338	696,174	655,932	40,242
Registrar	462,576	582,366	742,074	(159,708)
Electoral Board	159,613	159,613	120,671	38,942
Total General Administration	<u>3,137,309</u>	<u>3,596,735</u>	<u>3,177,263</u>	<u>419,472</u>
Judicial Services:				
Circuit Court	110,089	125,211	71,858	53,353
General District Court	29,360	29,360	18,730	10,630
Juvenile and Domestic Relations Court	21,730	23,535	19,372	4,163
Clerk of the Circuit Court	950,589	1,391,688	947,654	444,034
Colonial Group Home Commission	488,700	488,700	494,540	(5,840)
Magistrate	2,000	2,000	492	1,508
Commonwealth's Attorney	1,244,158	1,377,320	1,242,064	135,256
Victim/Witness	237,190	254,222	239,791	14,431
Domestic Violence	54,316	55,317	47,139	8,178
Total Judicial Services	<u>3,138,132</u>	<u>3,747,353</u>	<u>3,081,640</u>	<u>665,713</u>
Public Safety:				
Sheriff General Operations	2,473,085	2,877,206	2,819,676	57,530
Law Enforcement	5,748,880	6,352,919	5,784,799	568,120
Investigations	1,680,976	1,840,078	1,646,306	193,772
Civil Operations/Court Security	1,652,365	1,813,054	1,489,947	323,107
Sheriff Community Services	1,221,364	1,362,044	1,331,567	30,477
Adult Corrections	2,382,808	2,382,808	2,382,369	439
Juvenile Corrections	319,247	319,247	275,736	43,511
Fire and Life Safety Administration	712,003	924,714	801,914	122,800
Fire and Rescue Operations	13,155,609	17,267,008	13,512,290	3,754,718
Technical Services and Special Operations	526,831	612,747	495,300	117,447
Prevention and Community Safety	421,826	464,449	397,974	66,475
Animal Control	502,964	519,546	493,862	25,684
Emergency Management	266,513	288,949	274,080	14,869
Support Services	596,406	645,401	629,845	15,556
Emergency Communications/911	4,264,502	5,920,800	5,762,024	158,776
Radio Maintenance	150,513	152,951	149,655	3,296
Telecom, Security and Services	135,000	135,000	47,556	87,444
Total Public Safety	<u>36,210,892</u>	<u>43,878,921</u>	<u>38,294,900</u>	<u>5,584,021</u>
Management Services:				
Finance Administration	349,941	398,033	318,043	79,990
Information Technology	2,385,500	3,581,951	3,406,502	175,449
Human Resources	997,087	1,235,594	762,793	472,801
Accounting and Financial Reporting	414,237	457,144	403,896	53,248
Budget	211,956	232,209	175,349	56,860
Fiscal Accounting Services	718,245	810,380	876,411	(66,031)
Commissioner of the Revenue	1,353,440	1,513,216	1,293,012	220,204
Treasurer	1,027,419	1,506,489	1,238,163	268,326
Real Estate Assessment	740,904	810,611	705,359	105,252
Central Purchasing	457,989	511,867	447,922	63,945
Central Insurance	162,100	162,100	146,019	16,081
Economic Development	134,360	384,283	384,283	-
Office of Economic Development	517,338	563,705	485,469	78,236
Total Management Services	<u>9,470,516</u>	<u>12,167,582</u>	<u>10,643,221</u>	<u>1,524,361</u>

(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, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Education:				
County of York Public School Division - Local	55,237,094	58,409,523	57,157,279	1,252,244
Library Services	3,280,121	3,527,809	3,156,237	371,572
Cooperative Extension	66,927	67,818	51,092	16,726
Total Education	<u>58,584,142</u>	<u>62,005,150</u>	<u>60,364,608</u>	<u>1,640,542</u>
Human Services:				
Social Services - payments to Board members	7,050	65,459	63,814	1,645
Contributions	1,565,108	1,565,108	1,554,104	11,004
Total Human Services	<u>1,572,158</u>	<u>1,630,567</u>	<u>1,617,918</u>	<u>12,649</u>
Public Works:				
Administration	209,846	226,018	214,430	11,588
Engineering and Facility Maintenance	3,523,944	3,751,950	3,286,381	465,569
Grounds Maintenance and Construction	3,501,827	3,914,175	3,471,475	442,700
Stormwater	1,158,533	1,274,803	1,028,591	246,212
Mosquito Control	993,918	1,137,397	909,164	228,233
Total Public Works	<u>9,388,068</u>	<u>10,304,343</u>	<u>8,910,041</u>	<u>1,394,302</u>
Community Development:				
Building Safety	1,167,819	1,285,362	1,071,231	214,131
Board of Zoning/Subdivision Appeals	7,025	7,025	1,693	5,332
Development and Compliance	806,844	885,514	764,663	120,851
Planning	325,018	364,613	328,445	36,168
Planning Commission	30,056	30,056	17,713	12,343
Planning and Development Admin	316,733	353,721	318,250	35,471
Total Community Development	<u>2,653,495</u>	<u>2,926,291</u>	<u>2,501,995</u>	<u>424,296</u>
Community Services:				
Administration	339,820	549,298	500,939	48,359
Housing & Neighborhood Revitalization	621,126	1,933,417	1,843,254	90,163
Parks and Recreation	2,237,998	2,396,135	1,772,805	623,330
Freight Shed and Tourism events	-	58,630	59,187	(557)
Total Community Services	<u>3,198,944</u>	<u>4,937,480</u>	<u>4,176,185</u>	<u>761,295</u>
Non-departmental:				
Employee benefits	115,881	1,021,696	1,003,011	18,685
Contributions	341,921	371,821	303,079	68,742
Appropriated reserves	314,476	325,476	86,317	239,159
Emergencies - Coronavirus	-	419,731	288,719	131,012
Total Non-departmental	<u>772,278</u>	<u>2,138,724</u>	<u>1,681,126</u>	<u>457,598</u>
Total expenditures	<u>128,125,934</u>	<u>147,333,146</u>	<u>134,448,897</u>	<u>12,884,249</u>
Other Financing Uses:				
Transfers out	15,533,966	22,635,614	22,686,058	(50,444)
Total other financing uses	<u>15,533,966</u>	<u>22,635,614</u>	<u>22,686,058</u>	<u>(50,444)</u>
Total expenditures and other financing uses	<u>\$ 143,659,900</u>	<u>\$ 169,968,760</u>	<u>\$ 157,134,955</u>	<u>\$ 12,833,805</u>

The accompanying notes are an integral part of the required supplementary information.

**REQUIRED SUPPLEMENTARY INFORMATION –
BUDGET COMPARISON SCHEDULE**

TOURISM FUND

To account 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. Per Section 58.1-3823 of the Code of Virginia, one-half of the revenues collected from the 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, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Other local taxes	\$ 2,922,000	\$ 2,922,000	\$ 2,474,063	\$ (447,937)
Intergovernmental: State	-	30,000	30,000	-
Use of money and property	110,500	110,500	68,739	(41,761)
Miscellaneous	-	-	4,324	4,324
Total revenues	<u>3,032,500</u>	<u>3,062,500</u>	<u>2,577,126</u>	<u>(485,374)</u>
EXPENDITURES				
Current:				
Public safety	250,000	250,000	185,000	65,000
Management services	438,600	438,600	438,600	-
Public works	70,000	70,000	70,000	-
Community services	2,491,911	3,021,911	1,884,983	1,136,928
Debt service - principal retirement	42,667	42,667	42,667	-
Total expenditures	<u>3,293,178</u>	<u>3,823,178</u>	<u>2,621,250</u>	<u>1,201,928</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(260,678)</u>	<u>(760,678)</u>	<u>(44,124)</u>	<u>716,554</u>
OTHER FINANCING SOURCES				
Transfers in	-	500,000	500,000	-
Total other financing uses	<u>-</u>	<u>500,000</u>	<u>500,000</u>	<u>-</u>
Net change in fund balances	(260,678)	(260,678)	455,876	716,554
Fund balances, beginning of year	260,678	260,678	260,678	-
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 716,554</u>	<u>\$ 716,554</u>

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							School Division Nonprofessional						
	2021	2020	2019	2018	2017	2016	2015	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability														
Service cost	\$ 4,974,047	\$ 4,577,670	\$ 4,414,111	\$ 4,400,884	\$ 4,390,926	\$ 4,347,200	\$ 4,324,554	\$ 612,876	\$ 601,823	\$ 601,022	\$ 639,053	\$ 645,253	\$ 657,682	\$ 651,659
Interest	15,295,937	14,551,387	13,608,499	13,134,091	12,607,441	12,029,849	11,340,354	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	2,016,305	3,138,804	1,407,645	(867,346)	(1,790,361)	(1,334,258)	-	180,378	56,704	(180,060)	21,121	(113,364)	144,530	-
Benefit payments	(10,733,177)	(9,548,874)	(9,473,846)	(8,050,116)	(7,318,772)	(6,264,165)	(5,365,786)	(1,245,823)	(1,143,487)	(968,357)	(883,431)	(836,736)	(756,608)	(700,700)
Other	-	6,602,686	3,550,930	(1,128,389)	-	-	-	-	706,288	-	(186,884)	-	-	-
Net change in total pension liability	11,553,112	19,321,673	13,507,339	7,489,124	7,889,234	8,778,626	10,299,122	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	231,973,062	212,651,389	199,144,050	191,654,926	183,765,692	174,987,066	164,687,944	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	<u>\$ 243,526,174</u>	<u>\$ 231,973,062</u>	<u>\$ 212,651,389</u>	<u>\$ 199,144,050</u>	<u>\$ 191,654,926</u>	<u>\$ 183,765,692</u>	<u>\$ 174,987,066</u>	<u>\$ 27,318,858</u>	<u>\$ 26,054,776</u>	<u>\$ 24,180,813</u>	<u>\$ 23,142,150</u>	<u>\$ 22,040,384</u>	<u>\$ 20,910,763</u>	<u>\$ 19,524,897</u>
Plan Fiduciary Net Position														
Contributions - employer	\$ 4,364,971	\$ 4,260,368	\$ 4,166,554	\$ 3,593,323	\$ 4,373,897	\$ 4,288,412	\$ 4,332,603	\$ 322,379	\$ 326,377	\$ 354,063	\$ 361,828	\$ 487,737	\$ 474,730	\$ 540,694
Contributions - employee	2,169,677	2,116,844	1,990,383	1,906,698	1,955,396	1,871,311	1,851,612	308,119	305,891	303,951	309,049	310,891	303,379	300,981
Net investment income	3,879,115	12,930,127	13,562,714	20,266,521	2,893,068	7,259,533	21,563,882	483,529	1,615,700	1,696,743	2,525,399	361,926	896,825	2,649,679
Benefit payments	(10,733,177)	(9,548,874)	(9,473,846)	(8,050,116)	(7,318,772)	(6,264,165)	(5,365,786)	(1,245,823)	(1,143,487)	(968,357)	(883,431)	(836,736)	(756,608)	(700,700)
Administrative expenses	(133,317)	(128,063)	(117,688)	(117,234)	(102,044)	(98,165)	(114,394)	(16,631)	(16,095)	(14,629)	(14,499)	(12,543)	(12,064)	(14,022)
Other changes	(5,722)	(8,149)	(12,075)	(18,023)	(1,221)	(1,538)	1,136	(571)	(1,017)	(1,513)	(2,249)	(151)	(188)	139
Net change in plan fiduciary net position	(458,453)	9,622,253	10,116,042	17,581,169	1,800,324	7,055,388	22,269,053	(148,998)	1,087,369	1,370,258	2,296,097	311,124	906,074	2,776,771
Plan fiduciary net position - beginning	204,168,727	194,546,474	184,430,432	166,849,263	165,048,939	157,993,551	135,724,498	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	<u>\$ 203,710,274</u>	<u>\$ 204,168,727</u>	<u>\$ 194,546,474</u>	<u>\$ 184,430,432</u>	<u>\$ 166,849,263</u>	<u>\$ 165,048,939</u>	<u>\$ 157,993,551</u>	<u>\$ 25,318,179</u>	<u>\$ 25,467,177</u>	<u>\$ 24,379,808</u>	<u>\$ 23,009,550</u>	<u>\$ 20,713,453</u>	<u>\$ 20,402,329</u>	<u>\$ 19,496,255</u>
Net pension liability (asset) *	<u>\$ 39,815,900</u>	<u>\$ 27,804,335</u>	<u>\$ 18,104,915</u>	<u>\$ 14,713,618</u>	<u>\$ 24,805,663</u>	<u>\$ 18,716,753</u>	<u>\$ 16,993,515</u>	<u>\$ 2,000,679</u>	<u>\$ 587,599</u>	<u>\$ (198,995)</u>	<u>\$ 132,600</u>	<u>\$ 1,326,931</u>	<u>\$ 508,434</u>	<u>\$ 28,642</u>
Plan fiduciary net position as a percentage of total pension liability	<u>83.65%</u>	<u>88.01%</u>	<u>91.49%</u>	<u>92.61%</u>	<u>87.06%</u>	<u>89.81%</u>	<u>90.29%</u>	<u>92.68%</u>	<u>97.74%</u>	<u>100.82%</u>	<u>99.43%</u>	<u>93.98%</u>	<u>97.57%</u>	<u>99.85%</u>
Covered payroll	<u>\$ 45,217,918</u>	<u>\$ 43,554,938</u>	<u>\$ 41,074,204</u>	<u>\$ 39,079,963</u>	<u>\$ 38,259,805</u>	<u>\$ 37,197,611</u>	<u>\$ 37,009,571</u>	<u>\$ 6,598,388</u>	<u>\$ 6,466,346</u>	<u>\$ 6,347,608</u>	<u>\$ 6,373,699</u>	<u>\$ 6,361,525</u>	<u>\$ 6,167,447</u>	<u>\$ 6,035,633</u>
Net pension liability as a percentage of covered payroll	<u>88.05%</u>	<u>63.84%</u>	<u>44.08%</u>	<u>37.65%</u>	<u>64.83%</u>	<u>50.32%</u>	<u>45.92%</u>	<u>30.32%</u>	<u>9.09%</u>	<u>-3.13%</u>	<u>2.08%</u>	<u>20.86%</u>	<u>8.24%</u>	<u>0.47%</u>

Schedule is intended to show information for 10 years. Since 2021 is the seventh year for this presentation, only six 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 and Related Ratios, Continued
Years Ended June 30

	School Division Optional						
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total Pension Liability							
Service cost	\$ 646	\$ 1,138	\$ 1,206	\$ 1,385	\$ 1,834	\$ 1,731	\$ 2,224
Interest	115,237	117,944	120,762	127,986	132,210	120,051	124,341
Difference between expected and actual	34,647	40,567	47,716	(2,386)	2,076	74,161	-
Benefit payments	(179,529)	(206,332)	(189,804)	(197,602)	(194,429)	(164,908)	(193,616)
Change in assumptions	79,355	(4,898)	(11,814)	(36,292)	-	157,315	-
Net change in total pension liability	50,356	(51,581)	(31,934)	(106,909)	(58,309)	188,350	(67,051)
Total pension liability - beginning	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	<u>\$ 1,785,718</u>	<u>\$ 1,735,362</u>	<u>\$ 1,786,943</u>	<u>\$ 1,818,877</u>	<u>\$ 1,925,786</u>	<u>\$ 1,984,095</u>	<u>\$ 1,795,745</u>
Plan Fiduciary Net Position							
Contributions - employer	\$ -	\$ -	\$ -	\$ 20,000	\$ 10,000	\$ -	\$ 290,495
Net investment income	23,675	179,448	237,109	142,975	89,571	20,333	-
Benefit payments	(179,529)	(206,332)	(189,804)	(197,602)	(194,429)	(164,908)	(177,455)
Refunds of contributions	-	-	-	-	-	-	(22,106)
Administrative expenses	(18,397)	(19,034)	(19,484)	(19,782)	(21,276)	(21,515)	-
Net change in plan fiduciary net position	(174,251)	(45,918)	27,821	(54,409)	(116,134)	(166,090)	90,934
Plan fiduciary net position - beginning	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	<u>\$ 1,571,157</u>	<u>\$ 1,745,408</u>	<u>\$ 1,791,326</u>	<u>\$ 1,763,505</u>	<u>\$ 1,817,914</u>	<u>\$ 1,934,048</u>	<u>\$ 2,100,138</u>
Net pension liability (asset) *	<u>\$ 214,561</u>	<u>\$ (10,046)</u>	<u>\$ (4,383)</u>	<u>\$ 55,372</u>	<u>\$ 107,872</u>	<u>\$ 50,047</u>	<u>\$ (304,393)</u>
Plan fiduciary net position as a percentage of total pension liability (asset)	<u>87.98%</u>	<u>100.58%</u>	<u>100.25%</u>	<u>96.96%</u>	<u>94.40%</u>	<u>97.48%</u>	<u>116.95%</u>
Covered payroll	<u>\$ 334,285</u>	<u>\$ 315,384</u>	<u>\$ 393,083</u>	<u>\$ 416,038</u>	<u>\$ 490,949</u>	<u>\$ 540,694</u>	<u>\$ 605,577</u>
Net pension liability (asset) as a percentage of covered payroll	<u>64.19%</u>	<u>-3.19%</u>	<u>-1.12%</u>	<u>13.31%</u>	<u>21.97%</u>	<u>9.26%</u>	<u>-50.26%</u>

Schedule is intended to show information for 10 years. Since 2021 is the seventh year for this presentation, only six 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

(a)	(b)	(c)	(d)	(e)	
Employer's Proportion of the Net Pension Liability	Employer's Proportionate Share of the Net Pension Liability	Employer's Covered Payroll	Employer's Proportionate Share of the NPL as a % of its Covered Payroll b / c	Plan Fiduciary Net Position as a % of the Total Pension Liability	
Date					
Professional Employees					
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 2021 is the seventh year for this presentation, only six additional years of data are available. However, additional years will be included as they become available.

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

COUNTY OF YORK, VIRGINIA
Schedule of Employer Contributions - Pension
Years Ended June 30

(a)	(b)	(c)	(d)	(e)	
Date	Contractually Required Contributions	Contributions in Relation to Contractually Required Contributions	Contribution Deficiency (Excess) (a) - (b)	Employer's Covered Payroll	Contributions as a Percentage of Covered Payroll (b) / (d)
County					
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%
June 30, 2013	6,020,741	6,020,741	-	36,232,767	16.62%
June 30, 2012	4,887,296	4,887,296	-	34,397,352	14.21%
School Division Nonprofessional					
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%
June 30, 2013	519,830	519,830	-	5,782,294	8.99%
June 30, 2012	699,906	699,906	-	6,016,887	11.63%
School Division Professional					
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%
June 30, 2013	6,906,219	6,906,219	-	59,230,011	11.66%
June 30, 2012	6,876,567	6,876,567	-	60,693,441	11.33%
School Division Optional					
June 30, 2021	\$ 19,821	\$ -	\$ 19,821	\$ 320,207	0.00%
June 30, 2020	-	-	-	334,285	0.00%
June 30, 2019	-	-	-	315,384	0.00%
June 30, 2018	-	-	-	393,083	0.00%
June 30, 2017	20,000	20,000	-	416,038	4.81%
June 30, 2016	5,370	10,000	(4,630)	490,949	2.04%
June 30, 2015	-	-	-	540,694	0.00%
June 30, 2014	-	-	-	-	0.00%
June 30, 2013	-	-	-	-	0.00%
June 30, 2012	41,786	41,786	-	-	0.00%

No changes have been made since GASB 68 has become effective.

COUNTY OF YORK, VIRGINIA

Schedule of Changes in Employer's Net OPEB Liability and Related Ratios - Health/Dental
Year Ended June 30

	County					School Division				
	2021	2020	2019	2018	2017	2021	2020	2019	2018	2017
Total OPEB Liability										
Service cost	\$ 268,714	\$ 233,175	\$ 94,396	\$ 299,500	\$ 289,250	\$ 339,426	\$ 324,527	\$ 256,396	\$ 280,180	\$ 261,850
Interest	1,147,607	1,196,966	479,609	1,539,270	1,002,541	402,318	382,499	348,052	323,944	308,920
Liability gains or losses	-	1,558,131	-	6,981,442	-	(61,892)	-	131,855	-	-
Assumption changes or inputs	-	(1,192,982)	10,215,778	(15,941,922)	-	(1,094,130)	(25,368)	626,213	-	-
Benefit payments	(1,075,136)	(990,328)	(857,558)	(802,870)	(435,212)	(394,021)	(389,344)	(383,086)	(352,983)	(395,238)
Net change in total OPEB liability	341,185	804,962	9,932,225	(7,924,580)	856,579	(808,299)	292,314	979,430	251,141	175,532
Total OPEB liability - beginning	17,915,876	17,110,914	7,178,689	15,103,269	14,246,690	6,043,980	5,751,666	4,772,236	4,521,095	4,345,563
Total OPEB liability - ending	\$ 18,257,061	\$ 17,915,876	\$ 17,110,914	\$ 7,178,689	\$ 15,103,269	\$ 5,235,681	\$ 6,043,980	\$ 5,751,666	\$ 4,772,236	\$ 4,521,095
Plan Fiduciary Net Position										
Contributions - employer	\$ 1,175,136	\$ 1,070,691	\$ 930,691	\$ 1,183,144	\$ 812,312	\$ 635,431	\$ 389,344	\$ 593,608	\$ 563,505	\$ 589,228
Net investment income	3,021,572	294,017	423,140	776,228	911,857	2,355,368	232,409	325,272	602,829	700,174
Benefit payments	(1,075,136)	(990,328)	(857,558)	(802,870)	(435,212)	(394,021)	(389,344)	(383,086)	(352,983)	(395,238)
Administrative expenses	(11,889)	(11,270)	(10,499)	(9,596)	(6,740)	(9,365)	(8,907)	(8,187)	(7,558)	(5,292)
Net change in plan fiduciary net position	3,109,683	363,110	485,774	1,146,906	1,282,217	2,587,413	223,502	527,607	805,793	888,872
Plan fiduciary net position - beginning	10,052,548	9,689,438	9,203,664	8,056,758	6,774,541	7,826,149	7,602,647	7,075,040	6,269,247	5,380,376
Plan fiduciary net position - ending	\$ 13,162,231	\$ 10,052,548	\$ 9,689,438	\$ 9,203,664	\$ 8,056,758	\$ 10,413,562	\$ 7,826,149	\$ 7,602,647	\$ 7,075,040	\$ 6,269,248
Net OPEB liability (asset)	\$ 5,094,830	\$ 7,863,328	\$ 7,421,476	\$ (2,024,975)	\$ 7,046,511	\$ (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	72.09%	56.11%	56.63%	128.21%	53.34%	198.90%	129.49%	132.18%	148.25%	138.67%
Covered payroll	\$ 44,992,730	\$ 44,992,730	\$ 39,807,161	\$ 39,807,161	\$ 37,197,611	\$ 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	11.32%	17.48%	18.64%	-5.09%	18.94%	-6.63%	-2.46%	-2.55%	-3.14%	-2.38%

Schedule is intended to show information for 10 years. Since 2021 is the fifth year for this presentation, only four additional years are available. However, additional years will be included as they become available.

COUNTY OF YORK, VIRGINIA
Schedule of Employer Contributions
Other Postemployment Benefits - Health/Dental
Years Ended June 30

County						
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Actuarially determined contribution	\$ 755,941	\$ 720,577	\$ 80,363	\$ 73,133	\$ 816,365	\$ 762,958
Contributions in relation to the actuarially determined contribution	<u>1,175,136</u>	<u>1,070,691</u>	<u>930,691</u>	<u>1,183,144</u>	<u>812,312</u>	<u>7,146,558</u>
Contribution deficiency (excess)	<u>\$ (419,195)</u>	<u>\$ (350,114)</u>	<u>\$ (850,328)</u>	<u>\$ (1,110,011)</u>	<u>\$ 4,053</u>	<u>\$ (6,383,600)</u>
Covered payroll	<u>\$44,992,730</u>	<u>\$44,992,730</u>	<u>\$39,807,161</u>	<u>\$39,807,161</u>	<u>\$37,197,611</u>	<u>\$37,197,611</u>
Contribution as a % of covered employee payroll	<u>2.61%</u>	<u>2.38%</u>	<u>2.34%</u>	<u>2.97%</u>	<u>2.18%</u>	<u>19.21%</u>
School Division						
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Actuarially determined contribution	\$ 260,789	\$ 241,410	\$ 223,313	\$ 210,522	\$ 193,990	\$ 178,621
Contributions in relation to the actuarially determined contribution	<u>635,431</u>	<u>389,344</u>	<u>593,608</u>	<u>563,505</u>	<u>589,228</u>	<u>5,777,164</u>
Contribution deficiency (excess)	<u>\$ (374,642)</u>	<u>\$ (147,934)</u>	<u>\$ (370,295)</u>	<u>\$ (352,983)</u>	<u>\$ (395,238)</u>	<u>\$ (5,598,543)</u>
Covered payroll	<u>\$78,051,732</u>	<u>\$72,562,703</u>	<u>\$72,562,703</u>	<u>\$73,417,704</u>	<u>\$73,417,704</u>	<u>\$73,417,704</u>
Contribution as a % of covered employee payroll	<u>0.81%</u>	<u>0.54%</u>	<u>0.82%</u>	<u>0.77%</u>	<u>0.80%</u>	<u>7.87%</u>

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	
	2021	2020	2019	2018	2021	2020
Total OPEB Liability						
Service cost	\$ 24,734	\$ 23,113	\$ 22,681	\$ 25,337	\$ 11,482	\$ 11,130
Interest	88,266	85,890	84,301	84,360	21,325	(540)
Benefit changes	-	-	-	-	7,946	-
Assumption changes or inputs	-	32,340	-	(44,791)	-	9,367
Difference between expected and actual	(10,087)	22,769	(1,640)	-	124,238	321,805
Benefit payments	(88,479)	(78,442)	(86,835)	(44,700)	(20,815)	(15,426)
Net change in total OPEB liability	14,434	85,670	18,507	20,206	144,176	326,336
Total OPEB liability - beginning	1,351,888	1,266,218	1,247,711	1,227,505	326,336	-
Total OPEB liability - ending	\$ 1,366,322	\$ 1,351,888	\$ 1,266,218	\$ 1,247,711	\$ 470,512	\$ 326,336
Plan Fiduciary Net Position						
Contributions - employer	\$ 76,063	\$ 73,808	\$ 77,571	\$ 73,420	\$ 35,120	\$ 34,311
Net investment income	19,702	59,868	62,659	90,253	431	1,107
Benefit payments	(88,479)	(78,442)	(86,835)	(44,700)	(20,815)	(15,426)
Administrative expenses	(1,888)	(1,313)	(1,474)	(1,503)	(64)	(28)
Other changes	(9)	(71)	(4,438)	4,438	-	(1)
Net change in plan fiduciary net position	5,389	53,850	47,483	121,908	14,672	19,963
Plan fiduciary net position - beginning	986,102	932,252	884,769	762,861	19,963	-
Plan fiduciary net position - ending	\$ 991,491	\$ 986,102	\$ 932,252	\$ 884,769	\$ 34,635	\$ 19,963
Net OPEB liability	\$ 374,831	\$ 365,786	\$ 333,966	\$ 362,942	\$ 435,877	\$ 306,373
Plan fiduciary net position as a percentage of total OPEB liability	72.57%	72.94%	73.62%	70.91%	7.36%	6.12%
Covered payroll	\$ 31,562,625	\$ 30,253,324	\$ 28,521,474	\$ 26,950,520	\$ 6,473,737	\$ 6,441,833
Net OPEB liability as a percentage of covered payroll	1.19%	1.21%	1.17%	1.35%	6.73%	4.76%

Schedule is intended to show information for 10 years. Since 2021 is the fourth year for this presentation, only three additional years are available. Since the York County School Division nonprofessional employees began participating in the program in 2020, only two 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, 2012 through 2021

<u>Date</u>	<u>(a)</u> <u>Contractually</u> <u>Required</u> <u>Contributions</u>	<u>(b)</u> <u>Contributions</u> <u>in Relation to</u> <u>Contractually</u> <u>Required</u> <u>Contributions</u>	<u>(c)</u> <u>Contribution</u> <u>Deficiency</u> <u>(Excess)</u> <u>(a) - (b)</u>	<u>(d)</u> <u>Employer's</u> <u>Covered</u> <u>Payroll</u>	<u>(e)</u> <u>Contributions</u> <u>as a Percentage</u> <u>of Covered</u> <u>Payroll</u> <u>(b) / (d)</u>
County					
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%
June 30, 2013	57,577	57,577	-	35,985,373	0.16%
June 30, 2012	52,474	52,474	-	34,982,680	0.15%
School Division Professional					
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%
June 30, 2013	657,477	657,477	-	59,232,163	1.11%
June 30, 2012	364,850	364,850	-	60,808,301	0.60%
School Division Nonprofessional					
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 two 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				
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Employer's Proportion of the Net HIC OPEB Liability	0.84826%	0.84659%	0.83687%	0.84856%
Employer's Proportionate Share of the Net HIC OPEB Liability	\$ 11,065,692	\$ 11,082,687	\$ 10,626,000	\$ 10,765,000
Employer's Covered Payroll	\$ 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	14.88%	15.61%	15.70%	16.07%
Plan Fiduciary Net Position as a Percentage of the Total HIC OPEB Liability	9.95%	8.97%	8.08%	7.04%

Schedule is intended to show information for 10 years. Since 2021 is the fourth year for this presentation, only three 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

	<u>County</u>			
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Employer's Proportion of the Net GLI OPEB Liability	0.21805%	0.22168%	0.21566%	0.21034%
Employer's Proportionate Share of the Net GLI OPEB Liability	\$ 3,638,898	\$ 3,607,323	\$ 3,276,000	\$ 3,165,000
Employer's Covered Payroll	\$ 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	8.11%	8.30%	7.99%	8.16%
Plan Fiduciary Net Position as a Percentage of the Total GLI OPEB Liability	52.64%	52.00%	51.22%	48.86%

Schedule is intended to show information for 10 years. Since 2021 is the fourth year for this presentation, only three 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				
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Employer's Proportion of the Net GLI OPEB Liability	0.03261%	0.03328%	0.33990%	0.03505%
Employer's Proportionate Share of the Net GLI OPEB Liability	\$ 544,207	\$ 541,554	\$ 516,000	\$ 527,000
Employer's Covered Payroll	\$ 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	8.11%	8.30%	7.98%	8.15%
Plan Fiduciary Net Position as a Percentage of the Total GLI OPEB Liability	52.64%	52.00%	51.22%	48.86%

Schedule is intended to show information for 10 years. Since 2021 is the fourth year for this presentation, only three 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				
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Employer's Proportion of the Net GLI OPEB Liability	0.36222%	0.36358%	0.35768%	0.36412%
Employer's Proportionate Share of the Net GLI OPEB Liability	\$ 6,044,858	\$ 5,916,415	\$ 5,432,000	\$ 5,479,000
Employer's Covered Payroll	\$ 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	8.11%	8.30%	7.99%	8.16%
Plan Fiduciary Net Position as a Percentage of the Total GLI OPEB Liability	52.64%	52.00%	51.22%	48.86%

Schedule is intended to show information for 10 years. Since 2021 is the fourth year for this presentation, only three 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, 2012 through 2021

<u>Date</u>	<u>(a)</u> <u>Contractually</u> <u>Required</u> <u>Contributions</u>	<u>(b)</u> <u>Contributions</u> <u>in Relation to</u> <u>Contractually</u> <u>Required</u> <u>Contributions</u>	<u>(c)</u> <u>Contribution</u> <u>Deficiency</u> <u>(Excess)</u> <u>(a) - (b)</u>	<u>(d)</u> <u>Employer's</u> <u>Covered</u> <u>Payroll</u>	<u>(e)</u> <u>Contributions</u> <u>as a Percentage</u> <u>of Covered</u> <u>Payroll</u> <u>(b) / (d)</u>
County					
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%
June 30, 2013	173,173	173,173	-	36,077,655	0.48%
June 30, 2012	98,058	98,058	-	35,020,634	0.28%
School Division Nonprofessional					
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%
June 30, 2013	28,253	28,253	-	5,885,972	0.48%
June 30, 2012	16,918	16,918	-	6,042,070	0.28%
School Division Professional					
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%
June 30, 2013	284,574	284,574	-	59,286,277	0.48%
June 30, 2012	170,304	170,304	-	60,822,776	0.28%

COUNTY OF YORK, VIRGINIA
Schedule of Employer's Share of Net OPEB Liability
Virginia Local Disability Program - Nonprofessional Employees
Years Ended June 30

School Division				
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Employer's Proportion of the Net VLDP OPEB Liability	0.59289%	0.56622%	0.55393%	0.58111%
Employer's Proportionate Share of the Net VLDP OPEB Liability	\$ 5,919	\$ 11,471	\$ 4,000	\$ 3,000
Employer's Covered Payroll	\$ 2,209,330	\$ 1,749,657	\$ 1,344,986	\$ 1,067,079
Employer's Proportionate Share of the Net VLDP OPEB Liability as a Percentage of its Covered Payroll	0.27%	0.66%	0.30%	0.28%
Plan Fiduciary Net Position as a Percentage of the Total VLDP OPEB Liability	76.88%	49.21%	51.39%	38.40%

Schedule is intended to show information for 10 years. Since 2021 is the fourth year for this presentation, only three 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
Virginia Local Disability Program - Professional Employees
Years Ended June 30

School Division				
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Employer's Proportion of the Net VLDP OPEB Liability	2.67889%	2.60420%	2.70217%	2.91011%
Employer's Proportionate Share of the Net VLDP OPEB Liability	\$ 21,492	\$ 15,140	\$ 21,000	\$ 17,000
Employer's Covered Payroll	\$ 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	0.14%	0.12%	0.21%	0.21%
Plan Fiduciary Net Position as a Percentage of the Total VLDP OPEB Liability	78.25%	74.07%	46.18%	31.96%

Schedule is intended to show information for 10 years. Since 2021 is the fourth year for this presentation, only three 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 2021

<u>Date</u>	<u>(a)</u> <u>Contractually</u> <u>Required</u> <u>Contributions</u>	<u>(b)</u> <u>Contributions</u> <u>in Relation to</u> <u>Contractually</u> <u>Required</u> <u>Contributions</u>	<u>(c)</u> <u>Contribution</u> <u>Deficiency</u> <u>(Excess)</u> <u>(a) - (b)</u>	<u>(d)</u> <u>Employer's</u> <u>Covered</u> <u>Payroll</u>	<u>(e)</u> <u>Contributions</u> <u>as a Percentage</u> <u>of Covered</u> <u>Payroll</u> <u>(b) / (d)</u>
School Division Nonprofessional					
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, 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%

Schedule is intended to show information for 10 years. Since VLDP was implemented in January 2014, only eight years of data are available. However, additional years will be included as they become available.

COUNTY OF YORK, VIRGINIA
Schedule of Investment Returns
Other Postemployment Benefits - Health/Dental
Years Ended June 30

	County				
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Annual money-weighted rate of return, net of investment expense	30.07%	3.02%	4.60%	9.46%	12.93%

Schedule is intended to show information for 10 years. Since 2021 is the fifth year for this presentation, only five years of data are available. However, additional years will be included as they become available.

COUNTY OF YORK, VIRGINIA
Notes to Required Supplementary Information
June 30, 2021

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, 2021, 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 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, 2019, valuation were based on the results of an actuarial experience study for the period from July 1, 2012, through July 30, 2016, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

COUNTY OF YORK, VIRGINIA
Notes to Required Supplementary Information
June 30, 2021

2. PENSION DATA (Continued)

Largest 10 – Non-Hazardous Duty:

Mortality Rates (Pre-retirement, post-retirement healthy, and disabled)	Updated to a more current mortality table – RP-2014 projected to 2020
Retirement Rates	Lowered rates at older ages and changed final retirement from 70 to 75
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates	Lowered rates
Salary Scale	No change
Line of Duty Disability	Increase rate from 14% to 20%
Discount Rate	Decrease rate from 7.00% to 6.75%

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

Mortality Rates (Pre-retirement, post-retirement healthy, and disabled)	Updated to a more current mortality table – RP-2014 projected to 2020
Retirement Rates	Lowered rates at older ages and changed final retirement from 70 to 75
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates	Lowered rates
Salary Scale	No change
Line of Duty Disability	Increase rate from 14% to 15%
Discount Rate	Decrease rate from 7.00% to 6.75%

Largest 10 – Hazardous Duty:

Mortality Rates (Pre-retirement, post-retirement healthy, and disabled)	Updated to a more current mortality table – RP-2014 projected to 2020
Retirement Rates	Lowered rates at older ages
Withdrawal Rates	Adjusted rates to better fit experience
Disability Rates	Increased rates
Salary Scale	No change
Line of Duty Disability	Increase rate from 60% to 70%
Discount Rate	Decrease rate from 7.00% to 6.75%

All Others (Non 10 Largest) – Hazardous Duty:

Mortality Rates (Pre-retirement, post-retirement healthy, and disabled)	Updated to a more current mortality table – RP-2014 projected to 2020
Retirement Rates	Increased age 50 rates, and lowered rates at older ages
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates	Adjusted rates to better fit experience
Salary Scale	No change
Line of Duty Disability	Decrease rate from 60% to 45%
Discount Rate	Decrease rate from 7.00% to 6.75%

COUNTY OF YORK, VIRGINIA
Notes to Required Supplementary Information
June 30, 2021

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

Largest 10 – General Employees:

Mortality Rates (Pre-retirement, post-retirement healthy, and disabled)	Updated to a more current mortality table – RP-2014 projected to 2020
Retirement Rates	Lowered retirement rates at older ages and extended final retirement age from 70 to 75
Withdrawal Rates	Adjusted termination rates to better fit experience at each age and service year
Disability Rates	Lowered disability rates
Salary Scale	No change
Line of Duty Disability	Increase rate from 14% to 20%
Discount Rate	Decrease rate from 7.00% to 6.75%

Non-Largest – General Employees:

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

Largest 10 – Hazardous Duty:

Mortality Rates (Pre-retirement, post-retirement healthy, and disabled)	Updated to a more current mortality table – RP-2014 projected to 2020
Retirement Rates	Lowered retirement rates at older ages
Withdrawal Rates	Adjusted termination rates to better fit experience at each age and service year
Disability Rates	Increased disability rates
Salary Scale	No change
Line of Duty Disability	Increased rate from 60% to 70%
Discount Rate	Decrease rate from 7.00% to 6.75%

COUNTY OF YORK, VIRGINIA
Notes to Required Supplementary Information
June 30, 2021

3. OTHER POSTEMPLOYMENT BENEFITS HIC (OPEB) DATA (Continued)

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

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, 2021.

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

COUNTY OF YORK, VIRGINIA
Notes to Required Supplementary Information
June 30, 2021

4. OTHER POSTEMPLOYMENT BENEFITS (OPEB) DATA (Continued)

Medical cost trend:	Pre-65 is 6.10% for fiscal 2021, 5.30% for fiscal 2022, and then grading to an ultimate rate of 4.00% for fiscal 2074 Post-65 is 5.00% for fiscal 2021 and fiscal 2022, and then grading to an ultimate rate of 4.00% for fiscal 2074
Dental cost trend:	4.00% annual increase for fiscal 2021 and each fiscal year thereafter

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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, 2021

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	\$ 8,585,686	\$ 152,112	\$ 332,063	\$ 27,982	\$ 276,360	\$ 1,214,697	\$ 698,178	\$ 5,372,297	\$ 16,659,375
Receivables, net	-	138,296	607,364	456	179,862	274,908	-	190,030	1,390,916
Prepaid expenditures	-	-	-	-	17,117	-	-	-	17,117
Total assets	<u>\$ 8,585,686</u>	<u>\$ 290,408</u>	<u>\$ 939,427</u>	<u>\$ 28,438</u>	<u>\$ 473,339</u>	<u>\$ 1,489,605</u>	<u>\$ 698,178</u>	<u>\$ 5,562,327</u>	<u>\$ 18,067,408</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES									
Liabilities:									
Accounts payable	\$ -	\$ 40,334	\$ 179,829	\$ 77	\$ -	\$ 58,546	\$ -	\$ 42,989	\$ 321,775
Retainage payable	-	-	-	-	-	-	-	10,549	10,549
Salaries, taxes and benefits payable	-	42,326	53,865	-	-	-	-	-	96,191
Unearned revenue	-	-	-	-	-	-	-	164,973	164,973
Due to component unit - CDA	-	-	-	-	414,616	-	-	-	414,616
Total liabilities	<u>-</u>	<u>82,660</u>	<u>233,694</u>	<u>77</u>	<u>414,616</u>	<u>58,546</u>	<u>-</u>	<u>218,511</u>	<u>1,008,104</u>
Deferred inflows of resources:									
Unavailable revenues - property taxes, fees and grants	-	-	-	-	41,606	3,454	-	-	45,060
Prepaid taxes and grants received in advance	-	-	-	-	17,117	-	-	-	17,117
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>58,723</u>	<u>3,454</u>	<u>-</u>	<u>-</u>	<u>62,177</u>
Fund balances:									
Restricted	-	11,633	-	28,361	-	1,231,133	-	-	1,271,127
Committed	8,585,686	-	-	-	-	-	-	5,343,816	13,929,502
Assigned	-	196,115	705,733	-	-	196,472	698,178	-	1,796,498
Total fund balances	<u>8,585,686</u>	<u>207,748</u>	<u>705,733</u>	<u>28,361</u>	<u>-</u>	<u>1,427,605</u>	<u>698,178</u>	<u>5,343,816</u>	<u>16,997,127</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 8,585,686</u>	<u>\$ 290,408</u>	<u>\$ 939,427</u>	<u>\$ 28,438</u>	<u>\$ 473,339</u>	<u>\$ 1,489,605</u>	<u>\$ 698,178</u>	<u>\$ 5,562,327</u>	<u>\$ 18,067,408</u>

COUNTY OF YORK, VIRGINIA
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Nonmajor Governmental Funds
 For the Year Ended June 30, 2021

	Special Revenue							Stormwater Capital Project	Total Nonmajor Governmental Funds
	Revenue Stabilization	Children & Family Services	Virginia Public Assistance	Law Library	Community Development Authority Revenue Account	Grants and Donations	Debt Service County		
REVENUES									
General property taxes	\$ -	\$ -	\$ -	\$ -	\$ 337,562	\$ -	\$ -	\$ -	\$ 337,562
Other local taxes	-	-	-	-	839,269	-	-	2,187,133	3,026,402
Intergovernmental:									
Federal	-	1,267,987	2,549,096	-	-	498,711	-	-	4,315,794
State	-	-	1,502,268	-	-	512,338	-	756	2,015,362
Use of money and property	13,569	213	-	42	172	1,842	10	6,829	22,677
Charges for services	-	4,000	450	5,981	-	-	-	103,898	114,329
Miscellaneous	-	13,220	-	-	-	326,189	-	-	339,409
Recovered costs	-	-	285,516	-	-	-	-	-	285,516
Total revenues	<u>13,569</u>	<u>1,285,420</u>	<u>4,337,330</u>	<u>6,023</u>	<u>1,177,003</u>	<u>1,339,080</u>	<u>10</u>	<u>2,298,616</u>	<u>10,457,051</u>
EXPENDITURES									
Current:									
Judicial services	-	-	-	3,098	-	16,126	-	-	19,224
Public Safety	-	-	-	-	-	619,712	-	-	619,712
Education	-	-	-	-	-	5,151	-	-	5,151
Human services	-	1,618,080	6,299,866	-	-	-	-	-	7,917,946
Community development	-	-	-	-	-	1,562	-	-	1,562
Community services	-	-	-	-	-	368,618	-	-	368,618
Nondepartmental	-	-	-	-	1,005,897	-	-	-	1,005,897
Capital outlay	-	-	-	-	-	-	-	714,550	714,550
Debt service:									
Principal retirement	-	-	-	-	-	-	3,049,090	-	3,049,090
Interest and fiscal charges	-	-	-	-	-	-	1,006,187	-	1,006,187
Total expenditures	<u>-</u>	<u>1,618,080</u>	<u>6,299,866</u>	<u>3,098</u>	<u>1,005,897</u>	<u>1,011,169</u>	<u>4,055,277</u>	<u>714,550</u>	<u>14,707,937</u>
Excess (deficiency) of revenues over (under) expenditures	<u>13,569</u>	<u>(332,660)</u>	<u>(1,962,536)</u>	<u>2,925</u>	<u>171,106</u>	<u>327,911</u>	<u>(4,055,267)</u>	<u>1,584,066</u>	<u>(4,250,886)</u>
OTHER FINANCING SOURCES (USES)									
Transfers in	-	340,000	2,253,009	-	-	10,000	3,753,445	-	6,356,454
Transfers out	-	-	-	-	(171,106)	-	-	-	(171,106)
Total other financing sources (uses), net	<u>-</u>	<u>340,000</u>	<u>2,253,009</u>	<u>-</u>	<u>(171,106)</u>	<u>10,000</u>	<u>3,753,445</u>	<u>-</u>	<u>6,185,348</u>
Net change in fund balances	13,569	7,340	290,473	2,925	-	337,911	(301,822)	1,584,066	1,934,462
Fund balances, beginning of year	8,572,117	200,408	415,260	25,436	-	1,089,694	1,000,000	3,759,750	15,062,665
Fund balances, end of year	<u>\$ 8,585,686</u>	<u>\$ 207,748</u>	<u>\$ 705,733</u>	<u>\$ 28,361</u>	<u>\$ -</u>	<u>\$ 1,427,605</u>	<u>\$ 698,178</u>	<u>\$ 5,343,816</u>	<u>\$ 16,997,127</u>

COUNTY OF YORK, VIRGINIA
Budgetary Comparison Schedule
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2021

	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	\$ -	\$ -	\$ -	\$ -	\$ 1,214,362	\$ 1,492,386	\$ 1,267,987	\$ (224,399)
Use of money and property	-	-	13,569	13,569	1,800	1,800	213	(1,587)
Charges for services	-	-	-	-	21,450	21,450	4,000	(17,450)
Miscellaneous	-	-	-	-	2,400	13,220	13,220	-
Total revenues	<u>-</u>	<u>-</u>	<u>13,569</u>	<u>13,569</u>	<u>1,240,012</u>	<u>1,528,856</u>	<u>1,285,420</u>	<u>(243,436)</u>
EXPENDITURES								
Current:								
Human services	-	-	-	-	1,635,436	1,924,280	1,618,080	306,200
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,635,436</u>	<u>1,924,280</u>	<u>1,618,080</u>	<u>306,200</u>
Excess (deficiency) of revenues over (under) expenditures	-	-	13,569	13,569	(395,424)	(395,424)	(332,660)	62,764
OTHER FINANCING SOURCES								
Transfers in	-	-	-	-	340,000	340,000	340,000	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>340,000</u>	<u>340,000</u>	<u>340,000</u>	<u>-</u>
Net change in fund balances	-	-	13,569	13,569	(55,424)	(55,424)	7,340	62,764
Fund balances, beginning of year	-	-	8,572,117	8,572,117	55,424	55,424	200,408	144,984
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,585,686</u>	<u>\$ 8,585,686</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 207,748</u>	<u>\$ 207,748</u>

	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	\$ 2,502,128	\$ 2,502,128	\$ 2,549,096	\$ 46,968	\$ -	\$ -	\$ -	\$ -
State	1,748,699	1,748,699	1,502,268	(246,431)	-	-	-	-
Use of money and property	-	-	-	-	150	150	42	(108)
Charges for services	-	-	450	450	9,000	9,000	5,981	(3,019)
Miscellaneous	-	-	-	-	-	-	-	-
Recovered costs	304,000	304,000	285,516	(18,484)	-	-	-	-
Total revenues	<u>4,554,827</u>	<u>4,554,827</u>	<u>4,337,330</u>	<u>(217,497)</u>	<u>9,150</u>	<u>9,150</u>	<u>6,023</u>	<u>(3,127)</u>
EXPENDITURES								
Current:								
Judicial services	-	-	-	-	6,000	6,000	3,098	2,902
Human services	6,926,872	6,926,872	6,299,866	627,006	-	-	-	-
Total expenditures	<u>6,926,872</u>	<u>6,926,872</u>	<u>6,299,866</u>	<u>627,006</u>	<u>6,000</u>	<u>6,000</u>	<u>3,098</u>	<u>2,902</u>
Excess (deficiency) of revenues over (under) expenditures	(2,372,045)	(2,372,045)	(1,962,536)	409,509	3,150	3,150	2,925	(225)
OTHER FINANCING SOURCES								
Transfers in	2,372,045	2,372,045	2,253,009	(119,036)	-	-	-	-
Total other financing sources	<u>2,372,045</u>	<u>2,372,045</u>	<u>2,253,009</u>	<u>(119,036)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	-	290,473	290,473	3,150	3,150	2,925	(225)
Fund balances, beginning of year	-	-	415,260	415,260	(3,150)	(3,150)	25,436	28,586
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 705,733</u>	<u>\$ 705,733</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 28,361</u>	<u>\$ 28,361</u>

COUNTY OF YORK, VIRGINIA
 Budgetary Comparison Schedule
 Nonmajor Special Revenue Funds
 For the Year Ended June 30, 2021

	Community Development Authority Revenue Account				Grants and Donations			
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES								
General property taxes	\$ 302,923	\$ 302,923	\$ 337,562	\$ 34,639	\$ -	\$ -	\$ -	\$ -
Other local taxes	736,450	736,450	839,269	102,819	-	-	-	-
Intergovernmental								
Federal	-	-	-	-	310,370	1,973,902	498,711	(1,475,191)
State	-	-	-	-	402,460	513,020	512,338	(682)
Use of money and property	-	-	172	172	-	-	1,842	1,842
Miscellaneous	-	-	-	-	-	326,189	326,189	-
Total revenues	<u>1,039,373</u>	<u>1,039,373</u>	<u>1,177,003</u>	<u>137,630</u>	<u>712,830</u>	<u>2,813,111</u>	<u>1,339,080</u>	<u>(1,474,031)</u>
EXPENDITURES								
Current:								
Judicial services	-	-	-	-	57,248	76,230	16,126	60,104
Public Safety	-	-	-	-	1,347,761	2,298,307	619,712	1,678,595
Education	-	-	-	-	5,958	11,741	5,151	6,590
Public Works	-	-	-	-	-	2,428	-	2,428
Community development	-	-	-	-	-	2,000	1,562	438
Community services	-	-	-	-	253,939	1,329,086	368,618	960,468
Nondepartmental	868,267	868,267	1,005,897	(137,630)	80,916	200,369	-	200,369
Total expenditures	<u>868,267</u>	<u>868,267</u>	<u>1,005,897</u>	<u>(137,630)</u>	<u>1,745,822</u>	<u>3,920,161</u>	<u>1,011,169</u>	<u>2,908,992</u>
Excess (deficiency) of revenues over (under) expenditures	<u>171,106</u>	<u>171,106</u>	<u>171,106</u>	<u>-</u>	<u>(1,032,992)</u>	<u>(1,107,050)</u>	<u>327,911</u>	<u>1,434,961</u>
OTHER FINANCING SOURCES (USES)								
Transfers in	-	-	-	-	-	10,000	10,000	-
Transfers out	(171,106)	(171,106)	(171,106)	-	-	-	-	-
Total other financing sources (uses), net	<u>(171,106)</u>	<u>(171,106)</u>	<u>(171,106)</u>	<u>-</u>	<u>-</u>	<u>10,000</u>	<u>10,000</u>	<u>-</u>
Net change in fund balances	-	-	-	-	(1,032,992)	(1,097,050)	337,911	1,434,961
Fund balances, beginning of year	-	-	-	-	1,032,992	1,097,050	1,089,694	(7,356)
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,427,605</u>	<u>\$ 1,427,605</u>
	Total							
REVENUES								
General property taxes	\$ 302,923	\$ 302,923	\$ 337,562	\$ 34,639				
Other local taxes	736,450	736,450	839,269	102,819				
Intergovernmental								
Federal	4,026,860	5,968,416	4,315,794	(1,652,622)				
State	2,151,159	2,261,719	2,014,606	(247,113)				
Use of money and property	1,950	1,950	15,838	13,888				
Charges for services	30,450	30,450	10,431	(20,019)				
Miscellaneous	2,400	339,409	339,409	-				
Recovered costs	304,000	304,000	285,516	(18,484)				
Total revenues	<u>7,556,192</u>	<u>9,945,317</u>	<u>8,158,425</u>	<u>(1,786,892)</u>				
EXPENDITURES								
Current:								
Judicial services	63,248	82,230	19,224	63,006				
Public Safety	1,347,761	2,298,307	619,712	1,678,595				
Education	5,958	11,741	5,151	6,590				
Human services	8,562,308	8,853,580	7,917,946	935,634				
Community development	-	2,000	1,562	438				
Community services	253,939	1,329,086	368,618	960,468				
Nondepartmental	949,183	1,068,636	1,005,897	62,739				
Total expenditures	<u>11,182,397</u>	<u>13,645,580</u>	<u>9,938,110</u>	<u>3,707,470</u>				
Excess (deficiency) of revenues over (under) expenditures	<u>(3,626,205)</u>	<u>(3,700,263)</u>	<u>(1,779,685)</u>	<u>1,920,578</u>				
OTHER FINANCING SOURCES (USES)								
Transfers in	2,712,045	2,722,045	2,603,009	(119,036)				
Transfers out	(171,106)	(171,106)	(171,106)	-				
Total other financing sources, net	<u>2,540,939</u>	<u>2,550,939</u>	<u>2,431,903</u>	<u>(119,036)</u>				
Net change in fund balances	(1,085,266)	(1,149,324)	652,218	1,801,542				
Fund balances, beginning of year	1,085,266	1,149,324	10,302,915	9,153,591				
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,955,133</u>	<u>\$ 10,955,133</u>				

COUNTY OF YORK, VIRGINIA
 Budgetary Comparison Schedule
 Debt Service Funds
 For the Year Ended June 30, 2021

	County				Education			
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUE								
Intergovernmental - Federal	\$ -	\$ -	\$ -	\$ -	\$ 59,472	\$ 59,472	\$ 56,082	\$ (3,390)
Intergovernmental - State	-	-	-	-	170,698	170,698	170,696	(2)
Use of money and property	-	-	10	10	-	-	-	-
Recovered costs	-	-	-	-	105,119	105,119	105,220	101
Total revenues	<u>-</u>	<u>-</u>	<u>10</u>	<u>10</u>	<u>335,289</u>	<u>335,289</u>	<u>331,998</u>	<u>(3,291)</u>
EXPENDITURES								
Education	-	-	-	-	12,740,500	12,740,500	9,728,904	3,011,596
Debt service:								
Principal retirement	3,631,226	3,631,227	3,049,090	582,137	4,705,000	4,705,000	4,705,000	-
Interest and fiscal charges	1,049,478	1,049,477	1,006,187	43,290	2,976,455	2,976,455	2,882,277	94,178
Costs of issuance	-	-	-	-	160,000	160,000	75,918	84,082
Total expenditures	<u>4,680,704</u>	<u>4,680,704</u>	<u>4,055,277</u>	<u>625,427</u>	<u>20,581,955</u>	<u>20,581,955</u>	<u>17,392,099</u>	<u>3,189,856</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,680,704)</u>	<u>(4,680,704)</u>	<u>(4,055,267)</u>	<u>625,437</u>	<u>(20,246,666)</u>	<u>(20,246,666)</u>	<u>(17,060,101)</u>	<u>3,186,565</u>
OTHER FINANCING SOURCES (USES)								
Transfers in	3,253,445	3,753,445	3,753,445	-	7,506,166	7,506,166	7,506,166	-
Issuance of debt, net	-	-	-	-	12,740,500	12,740,500	8,580,000	(4,160,500)
Premium on bonds issued	-	-	-	-	-	-	1,209,822	1,209,822
Total other financing sources and uses, net	<u>3,253,445</u>	<u>3,753,445</u>	<u>3,753,445</u>	<u>-</u>	<u>20,246,666</u>	<u>20,246,666</u>	<u>17,295,988</u>	<u>(2,950,678)</u>
Net change in fund balances	<u>(1,427,259)</u>	<u>(927,259)</u>	<u>(301,822)</u>	<u>625,437</u>	<u>-</u>	<u>-</u>	<u>235,887</u>	<u>235,887</u>
Fund balances, beginning of year	1,427,259	927,259	1,000,000	72,741	-	-	120,787	120,787
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 698,178</u>	<u>\$ 698,178</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 356,674</u>	<u>\$ 356,674</u>
	Total							
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)				
REVENUE								
Intergovernmental - Federal	\$ 59,472	\$ 59,472	\$ 56,082	\$ (3,390)				
Intergovernmental - State	170,698	170,698	170,696	(2)				
Use of money and property	-	-	10	10				
Recovered costs	105,119	105,119	105,220	101				
Total revenues	<u>335,289</u>	<u>335,289</u>	<u>332,008</u>	<u>(3,281)</u>				
EXPENDITURES								
Education	12,740,500	12,740,500	9,728,904	3,011,596				
Debt service:								
Principal retirement	8,336,226	8,336,227	7,754,090	582,137				
Interest and fiscal charges	4,025,933	4,025,932	3,888,464	137,468				
Costs of issuance	160,000	160,000	75,918	84,082				
Total expenditures	<u>25,262,659</u>	<u>25,262,659</u>	<u>21,447,376</u>	<u>3,815,283</u>				
Excess (deficiency) of revenues over (under) expenditures	<u>(24,927,370)</u>	<u>(24,927,370)</u>	<u>(21,115,368)</u>	<u>3,812,002</u>				
OTHER FINANCING SOURCES (USES)								
Transfers in	10,759,611	11,259,611	11,259,611	-				
Issuance of debt, net	12,740,500	12,740,500	8,580,000	(4,160,500)				
Premium on bonds issued	-	-	1,209,822	1,209,822				
Total other financing sources, net	<u>23,500,111</u>	<u>24,000,111</u>	<u>21,049,433</u>	<u>(2,950,678)</u>				
Net change in fund balances	<u>(1,427,259)</u>	<u>(927,259)</u>	<u>(65,935)</u>	<u>861,324</u>				
Fund balances, beginning of year	1,427,259	927,259	1,120,787	193,528				
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,054,852</u>	<u>\$ 1,054,852</u>				

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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.

Solid Waste Fund - accounts for the operations of the County's solid waste disposal system.

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, 2021

	<u>Yorktown Operations</u>	<u>York Sanitary District</u>	<u>Upper County Utility</u>	<u>Solid Waste</u>	<u>Water Utility</u>	<u>Sanitary District No. 2</u>	<u>Regional Radio System</u>	<u>Total</u>
ASSETS								
Current assets:								
Cash and investments	\$ 158,605	\$ 322	\$ -	\$ 1,197,254	\$ 287,025	\$ -	\$ 1,026,709	\$ 2,669,915
Receivables, net	16,321	-	-	925,531	30,300	-	670,033	1,642,185
Due from component unit - EDA	51,484	-	-	-	-	-	-	51,484
Prepaid expenses	-	-	-	2,545	15,675	-	-	18,220
Total current assets	<u>226,410</u>	<u>322</u>	<u>-</u>	<u>2,125,330</u>	<u>333,000</u>	<u>-</u>	<u>1,696,742</u>	<u>4,381,804</u>
Noncurrent assets:								
Nondepreciable capital assets:								
Land	2,707,736	37,916	33,994	413,902	-	251,854	-	3,445,402
Easements	-	-	-	-	10,945	-	-	10,945
Depreciable capital assets:								
Buildings	-	783,982	-	1,550,467	-	2,699,159	-	5,033,608
Building improvements	-	-	-	295,438	-	-	-	295,438
Infrastructure	-	2,254,362	767,391	163,209	281,553	19,956,345	-	23,422,860
Equipment	-	446,216	-	807,944	-	453,831	2,919,301	4,627,292
Vehicles	-	-	-	1,399,615	-	-	-	1,399,615
Less accumulated depreciation	-	(2,995,578)	(593,596)	(3,260,667)	(88,372)	(19,416,437)	(729,825)	(27,084,475)
Total noncurrent assets	<u>2,707,736</u>	<u>526,898</u>	<u>207,789</u>	<u>1,369,908</u>	<u>204,126</u>	<u>3,944,752</u>	<u>2,189,476</u>	<u>11,150,685</u>
DEFERRED OUTFLOWS OF RESOURCES								
Deferred outflows related to OPEB costs	12,853	-	-	161,811	-	-	-	174,664
Deferred outflows related to pension costs	9,874	-	-	268,256	-	-	-	278,130
Total deferred outflows of resources	<u>22,727</u>	<u>-</u>	<u>-</u>	<u>430,067</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>452,794</u>
Total assets and deferred outflows of resources	<u>\$ 2,956,873</u>	<u>\$ 527,220</u>	<u>\$ 207,789</u>	<u>\$ 3,925,305</u>	<u>\$ 537,126</u>	<u>\$ 3,944,752</u>	<u>\$ 3,886,218</u>	<u>\$ 15,985,283</u>
LIABILITIES								
Current liabilities:								
Accounts payable	\$ 3,714	\$ -	\$ -	\$ 376,158	\$ 31	\$ -	\$ 1,319	\$ 381,222
Deposits payable	-	-	-	12,000	-	-	-	12,000
Salaries, taxes and benefits payable	4,493	-	-	35,169	-	-	-	39,662
Unearned revenue	13	-	-	21,737	45,340	-	-	67,090
Compensated absences - current	-	-	-	2,500	-	-	-	2,500
Total current liabilities	<u>8,220</u>	<u>-</u>	<u>-</u>	<u>447,564</u>	<u>45,371</u>	<u>-</u>	<u>1,319</u>	<u>502,474</u>
Noncurrent liabilities:								
Compensated absences - net current	-	-	-	76,143	-	-	-	76,143
Net OPEB liability	8,261	-	-	135,089	-	-	-	143,350
Net pension liability	23,890	-	-	645,018	-	-	-	668,908
Advance from other fund	2,350,000	-	-	-	-	-	-	2,350,000
Total noncurrent liabilities	<u>2,382,151</u>	<u>-</u>	<u>-</u>	<u>856,250</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,238,401</u>
Total liabilities	<u>2,390,371</u>	<u>-</u>	<u>-</u>	<u>1,303,814</u>	<u>45,371</u>	<u>-</u>	<u>1,319</u>	<u>3,740,875</u>
DEFERRED INFLOWS OF RESOURCES								
Deferred inflows related to OPEB costs	12,313	-	-	147,992	-	-	-	160,305
Total deferred inflows of resources	<u>12,313</u>	<u>-</u>	<u>-</u>	<u>147,992</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>160,305</u>
NET POSITION								
Net investment in capital assets	2,707,736	526,898	207,789	1,369,909	204,126	3,944,752	2,189,476	11,150,686
Unrestricted	(2,153,547)	322	-	1,103,590	287,629	-	1,695,423	933,417
Total net position	<u>554,189</u>	<u>527,220</u>	<u>207,789</u>	<u>2,473,499</u>	<u>491,755</u>	<u>3,944,752</u>	<u>3,884,899</u>	<u>12,084,103</u>
Total liabilities and net position	<u>\$ 2,956,873</u>	<u>\$ 527,220</u>	<u>\$ 207,789</u>	<u>\$ 3,925,305</u>	<u>\$ 537,126</u>	<u>\$ 3,944,752</u>	<u>\$ 3,886,218</u>	<u>\$ 15,985,283</u>

COUNTY OF YORK, VIRGINIA
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Nonmajor Enterprise Funds
For the Year Ended June 30, 2021

	<u>Yorktown Operations</u>	<u>York Sanitary District</u>	<u>Upper County Utility</u>	<u>Solid Waste</u>	<u>Water Utility</u>	<u>Sanitary District No. 2</u>	<u>Regional Radio System</u>	<u>Total</u>
Operating Revenues								
Use of property	\$ 121,910	\$ -	\$ -	\$ 144,000	\$ -	\$ -	\$ 3,398,927	\$ 3,664,837
Charges for services	61,803	-	-	5,767,272	310,542	-	-	6,139,617
Miscellaneous	-	-	-	8,333	-	-	-	8,333
Total operating revenues	<u>183,713</u>	<u>-</u>	<u>-</u>	<u>5,919,605</u>	<u>310,542</u>	<u>-</u>	<u>3,398,927</u>	<u>9,812,787</u>
Operating Expenses								
Personal services	77,185	-	-	1,158,938	-	-	(35,623)	1,200,500
Contractual services	75,757	-	-	4,623,662	17,205	-	3,780,946	8,497,570
Materials and supplies	4,375	-	-	115,837	301,600	-	31,011	452,823
Depreciation	-	31,733	15,741	157,509	5,586	370,660	291,930	873,159
Total operating expenses	<u>157,317</u>	<u>31,733</u>	<u>15,741</u>	<u>6,055,946</u>	<u>324,391</u>	<u>370,660</u>	<u>4,068,264</u>	<u>11,024,052</u>
Operating income (loss)	<u>26,396</u>	<u>(31,733)</u>	<u>(15,741)</u>	<u>(136,341)</u>	<u>(13,849)</u>	<u>(370,660)</u>	<u>(669,337)</u>	<u>(1,211,265)</u>
Nonoperating Revenues								
Other local taxes	-	-	-	-	62,490	-	-	62,490
Grant income	-	-	-	11,695	-	-	-	11,695
Interest income	277	-	-	1,808	404	-	492	2,981
Gain on disposal of capital assets	-	-	-	23,769	-	-	-	23,769
Total nonoperating revenues	<u>277</u>	<u>-</u>	<u>-</u>	<u>37,272</u>	<u>62,894</u>	<u>-</u>	<u>492</u>	<u>100,935</u>
Income before transfers	<u>26,673</u>	<u>(31,733)</u>	<u>(15,741)</u>	<u>(99,069)</u>	<u>49,045</u>	<u>(370,660)</u>	<u>(668,845)</u>	<u>(1,110,330)</u>
Capital Contributions	-	-	-	4,879	-	-	-	4,879
Transfers In	-	10	-	-	-	-	1,045,730	1,045,740
Change in net position	<u>26,673</u>	<u>(31,723)</u>	<u>(15,741)</u>	<u>(94,190)</u>	<u>49,045</u>	<u>(370,660)</u>	<u>376,885</u>	<u>(59,711)</u>
Total net position, beginning of year	<u>527,516</u>	<u>558,943</u>	<u>223,530</u>	<u>2,567,689</u>	<u>442,710</u>	<u>4,315,412</u>	<u>3,508,014</u>	<u>12,143,814</u>
Total net position, end of year	<u>\$ 554,189</u>	<u>\$ 527,220</u>	<u>\$ 207,789</u>	<u>\$ 2,473,499</u>	<u>\$ 491,755</u>	<u>\$ 3,944,752</u>	<u>\$ 3,884,899</u>	<u>\$ 12,084,103</u>

COUNTY OF YORK, VIRGINIA
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended June 30, 2021

	<u>Yorktown Operations</u>	<u>York Sanitary District</u>	<u>Upper County Utility</u>	<u>Solid Waste</u>	<u>Water Utility</u>	<u>Sanitary District No. 2</u>	<u>Regional Radio System</u>	<u>Total</u>
CASH FLOWS FROM OPERATING ACTIVITIES								
Receipts from customers and users	\$ 129,258	\$ -	\$ -	\$ 5,860,071	\$ 326,372	\$ -	\$ 2,827,593	\$ 9,143,294
Other receipts	-	-	-	8,333	-	-	-	8,333
Payments to suppliers for goods and services	(80,797)	-	-	(4,797,061)	(318,774)	-	(3,846,427)	(9,043,059)
Payments to employees for services	(71,760)	-	-	(1,064,913)	-	-	(1,030)	(1,137,703)
Payments for interfund activity	(50,000)	-	-	-	-	-	-	(50,000)
Net cash provided by (used in) operating activities	<u>(73,299)</u>	<u>-</u>	<u>-</u>	<u>6,430</u>	<u>7,598</u>	<u>-</u>	<u>(1,019,864)</u>	<u>(1,079,135)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES								
Grant income	-	-	-	11,695	-	-	-	11,695
Transfers in	-	10	-	-	-	-	1,045,730	1,045,740
Net cash provided by noncapital financing activities	<u>-</u>	<u>10</u>	<u>-</u>	<u>11,695</u>	<u>-</u>	<u>-</u>	<u>1,045,730</u>	<u>1,057,435</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES								
Net proceeds from the disposal of capital assets	-	-	-	38,500	-	-	-	38,500
Other receipts	-	-	-	-	62,490	-	-	62,490
Net cash provided by capital and related financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>38,500</u>	<u>62,490</u>	<u>-</u>	<u>-</u>	<u>100,990</u>
CASH FLOWS FROM INVESTING ACTIVITIES								
Interest income	277	-	-	1,808	404	-	492	2,981
Net cash provided by investing activities	<u>277</u>	<u>-</u>	<u>-</u>	<u>1,808</u>	<u>404</u>	<u>-</u>	<u>492</u>	<u>2,981</u>
Net increase (decrease) in cash and cash equivalents	(73,022)	10	-	58,433	70,492	-	26,358	82,271
Cash and cash equivalents, beginning of year	231,627	312	-	1,138,821	216,533	-	1,000,351	2,587,644
Cash and cash equivalents, end of year	<u>\$ 158,605</u>	<u>\$ 322</u>	<u>\$ -</u>	<u>\$ 1,197,254</u>	<u>\$ 287,025</u>	<u>\$ -</u>	<u>\$ 1,026,709</u>	<u>\$ 2,669,915</u>
Reconciliation of cash and cash equivalents to the Statement of Net Position:								
Cash and investments	\$ 158,605	\$ 322	\$ -	\$ 1,197,254	\$ 287,025	\$ -	\$ 1,026,709	\$ 2,669,915
Cash and cash equivalents, end of year	<u>\$ 158,605</u>	<u>\$ 322</u>	<u>\$ -</u>	<u>\$ 1,197,254</u>	<u>\$ 287,025</u>	<u>\$ -</u>	<u>\$ 1,026,709</u>	<u>\$ 2,669,915</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:								
Operating income (loss)	\$ 26,396	\$ (31,733)	\$ (15,741)	\$ (136,341)	\$ (13,849)	\$ (370,660)	\$ (669,337)	\$ (1,211,265)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:								
Depreciation	-	31,733	15,741	157,509	5,586	370,660	291,930	873,159
(Increase) decrease in:								
Receivables	(16,265)	-	-	(51,322)	(4,781)	-	(571,334)	(643,702)
Prepaid expenses	-	-	-	-	14,911	-	-	14,911
Due from/to component unit - EDA	(38,189)	-	-	-	-	-	-	(38,189)
Increase (decrease) in:								
Accounts payable	(665)	-	-	(57,562)	31	-	(34,470)	(92,666)
Salaries, taxes and benefits payable	2,051	-	-	2,678	-	-	(1,030)	3,699
Unearned revenues	(1)	-	-	121	5,700	-	-	5,820
Net OPEB liability and related outflows/inflows	284	-	-	(3,658)	-	-	(5,488)	(8,862)
Net pension liability and related outflows/inflows	3,090	-	-	96,227	-	-	(30,135)	69,182
Compensated absences	-	-	-	(1,222)	-	-	-	(1,222)
Advance from other fund	(50,000)	-	-	-	-	-	-	(50,000)
Net cash provided by (used in) operating activities	<u>\$ (73,299)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,430</u>	<u>\$ 7,598</u>	<u>\$ -</u>	<u>\$ (1,019,864)</u>	<u>\$ (1,079,135)</u>
Noncash investing, capital, and financing activities:								
Contributions of capital assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,879</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,879</u>

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, 2021

	Vehicle Maintenance Fund	Health and Dental Insurance Fund	Workers' Compensation Fund	Information Technology Fund	Total
ASSETS					
Current assets:					
Cash and investments	\$ 3,960,271	\$ 6,448,038	\$ 1,078,868	\$ 649,340	\$ 12,136,517
Receivable, net	17,486	867,178	-	-	884,664
Prepaid expenses	-	377,000	-	39,203	416,203
Total current assets	<u>3,977,757</u>	<u>7,692,216</u>	<u>1,078,868</u>	<u>688,543</u>	<u>13,437,384</u>
Noncurrent assets:					
Nondepreciable capital assets:					
Construction in progress	236,621	-	-	158,079	394,700
Depreciable capital assets:					
Intangibles	130,592	-	-	-	130,592
Land improvements	262,573	-	-	-	262,573
Equipment	1,468,472	-	-	227,743	1,696,215
Vehicles	7,396,145	-	-	-	7,396,145
Less accumulated depreciation	(5,962,342)	-	-	(67,881)	(6,030,223)
Less accumulated amortization	(104,420)	-	-	-	(104,420)
Total noncurrent assets	<u>3,427,641</u>	<u>-</u>	<u>-</u>	<u>317,941</u>	<u>3,745,582</u>
Deferred outflows of resources					
Deferred outflows related to OPEB costs	205,902	-	1,390	8,271	215,563
Deferred outflows related to pension costs	290,203	-	23,302	17,888	331,393
Total deferred outflows of resources	<u>496,105</u>	<u>-</u>	<u>24,692</u>	<u>26,159</u>	<u>546,956</u>
Total assets	<u>\$ 7,901,503</u>	<u>\$ 7,692,216</u>	<u>\$ 1,103,560</u>	<u>\$ 1,032,643</u>	<u>\$ 17,729,922</u>
LIABILITIES					
Current liabilities:					
Accounts payable	\$ 338,346	\$ 20,206	\$ 38,996	\$ 19,431	\$ 416,979
Retainage payable	10,086	-	-	-	10,086
Salaries, taxes and benefits payable	36,179	465	2,943	3,205	42,792
Claims payable	-	1,065,000	-	-	1,065,000
Compensated absences - current	6,000	-	-	-	6,000
Total current liabilities	<u>390,611</u>	<u>1,085,671</u>	<u>41,939</u>	<u>22,636</u>	<u>1,540,857</u>
Noncurrent liabilities:					
Compensated absences - net current	122,374	-	-	-	122,374
Net OPEB liability	160,437	-	5,614	7,498	173,549
Net pension liability	700,760	-	55,742	43,797	800,299
Total noncurrent liabilities	<u>983,571</u>	<u>-</u>	<u>61,356</u>	<u>51,295</u>	<u>1,096,222</u>
Total liabilities	<u>1,374,182</u>	<u>1,085,671</u>	<u>103,295</u>	<u>73,931</u>	<u>2,637,079</u>
Deferred inflows of resources					
Deferred inflows related to OPEB costs	190,901	-	265	7,432	198,598
	<u>190,901</u>	<u>-</u>	<u>265</u>	<u>7,432</u>	<u>198,598</u>
NET POSITION					
Net investment in capital assets	3,427,641	-	-	317,941	3,745,582
Unrestricted	2,908,779	6,606,545	1,000,000	633,339	11,148,663
Total net position	<u>6,336,420</u>	<u>6,606,545</u>	<u>1,000,000</u>	<u>951,280</u>	<u>14,894,245</u>
Total liabilities and net position	<u>\$ 7,901,503</u>	<u>\$ 7,692,216</u>	<u>\$ 1,103,560</u>	<u>\$ 1,032,643</u>	<u>\$ 17,729,922</u>

COUNTY OF YORK, VIRGINIA
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Internal Service Funds
For the Year Ended June 30, 2021

	Vehicle Maintenance Fund	Health and Dental Insurance Fund	Workers' Compensation Fund	Information Technology Fund	Total
Operating Revenues					
Charges for services	\$ 4,484,259	\$ 12,879,952	\$ -	\$ 1,674,139	\$ 19,038,350
Miscellaneous	108,606	-	18,361	-	126,967
Total operating revenues	<u>4,592,865</u>	<u>12,879,952</u>	<u>18,361</u>	<u>1,674,139</u>	<u>19,165,317</u>
Operating Expenses					
Personal services	1,202,582	1,098,166	82,362	96,206	2,479,316
Contractual services	564,193	13,180,764	282,413	998,612	15,025,982
Materials and supplies	1,399,669	-	-	222,881	1,622,550
Depreciation	593,586	-	-	39,996	633,582
Total operating expenses	<u>3,760,030</u>	<u>14,278,930</u>	<u>364,775</u>	<u>1,357,695</u>	<u>19,761,430</u>
Operating income (loss)	<u>832,835</u>	<u>(1,398,978)</u>	<u>(346,414)</u>	<u>316,444</u>	<u>(596,113)</u>
Nonoperating Revenues (Expenses)					
Interest income	4,765	5,083	1,195	1,977	13,020
Gain on disposal of capital assets	4,391	-	-	-	4,391
Total nonoperating revenues, net	<u>9,156</u>	<u>5,083</u>	<u>1,195</u>	<u>1,977</u>	<u>17,411</u>
Income before transfers	841,991	(1,393,895)	(345,219)	318,421	(578,702)
Capital Contributions	21,853	-	-	-	21,853
Transfers In	-	3,000,000	529,014	-	3,529,014
Change in net position	863,844	1,606,105	183,795	318,421	2,972,165
Total net position, beginning of year	<u>5,472,576</u>	<u>5,000,440</u>	<u>816,205</u>	<u>632,859</u>	<u>11,922,080</u>
Total net position, end of year	<u>\$ 6,336,420</u>	<u>\$ 6,606,545</u>	<u>\$ 1,000,000</u>	<u>\$ 951,280</u>	<u>\$ 14,894,245</u>

COUNTY OF YORK, VIRGINIA
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2021

	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	\$ 4,489,865	\$ 12,026,004	\$ -	\$ 1,674,139	\$ 18,190,008
Other receipts	108,606	-	18,361	-	126,967
Payments to suppliers for goods and services	(1,789,567)	(13,192,853)	(298,466)	(1,365,211)	(16,646,097)
Payments to employees for services	(1,098,976)	(1,097,701)	(72,433)	(60,433)	(2,329,543)
Net cash provided by (used in) operating activities	<u>1,709,928</u>	<u>(2,264,550)</u>	<u>(352,538)</u>	<u>248,495</u>	<u>(658,665)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers in	-	3,000,000	529,014	-	3,529,014
Net cash provided by noncapital financing activities	<u>-</u>	<u>3,000,000</u>	<u>529,014</u>	<u>-</u>	<u>3,529,014</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition and construction of capital assets	(831,730)	-	-	(181,712)	(1,013,442)
Net proceeds from the disposal of capital assets	42,645	-	-	-	42,645
Net cash used in capital and related financing activities	<u>(789,085)</u>	<u>-</u>	<u>-</u>	<u>(181,712)</u>	<u>(970,797)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest income	4,765	5,083	1,195	1,977	13,020
Net cash provided by investing activities	<u>4,765</u>	<u>5,083</u>	<u>1,195</u>	<u>1,977</u>	<u>13,020</u>
Net increase in cash and cash equivalents	925,608	740,533	177,671	68,760	1,912,572
Cash and cash equivalents, beginning of year	3,034,663	5,707,505	901,197	580,580	10,223,945
Cash and cash equivalents, end of year	<u>\$ 3,960,271</u>	<u>\$ 6,448,038</u>	<u>\$ 1,078,868</u>	<u>\$ 649,340</u>	<u>\$ 12,136,517</u>
Reconciliation of cash and cash equivalents to the Statement of Net Position:					
Cash and investments	\$ 3,960,271	\$ 6,448,038	\$ 1,078,868	\$ 649,340	\$ 12,136,517
Cash and cash equivalents, end of year	<u>\$ 3,960,271</u>	<u>\$ 6,448,038</u>	<u>\$ 1,078,868</u>	<u>\$ 649,340</u>	<u>\$ 12,136,517</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:					
Operating income (loss)	\$ 832,835	\$ (1,398,978)	\$ (346,414)	\$ 316,444	\$ (596,113)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation	593,586	-	-	39,996	633,582
Decrease (increase) in:					
Receivables	5,606	(853,948)	-	-	(848,342)
Prepaid expenses	-	-	-	(39,203)	(39,203)
Increase (decrease) in:					
Accounts payable	164,209	12,811	(16,053)	(104,515)	56,452
Retainage payable	10,086	-	-	-	10,086
Salaries, taxes and benefits payable	3,112	465	340	3,205	7,122
Claims payable	-	(24,900)	-	-	(24,900)
Compensated absences	(187)	-	-	-	(187)
Net OPEB liability and related outflows/inflows	(7,657)	-	123	6,659	(875)
Net pension liability and related outflows/inflows	108,338	-	9,466	25,909	143,713
Net cash provided by (used in) operating activities	<u>\$ 1,709,928</u>	<u>\$ (2,264,550)</u>	<u>\$ (352,538)</u>	<u>\$ 248,495</u>	<u>\$ (658,665)</u>
Noncash investing, capital, and financing activities:					
Contributions of capital assets	\$ 21,853	\$ -	\$ -	\$ -	\$ 21,853

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 Group Home 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, 2021

	Colonial Behavioral Health	Colonial Group Home Commission	Special Welfare	Regional Projects	Other Funds	Total
ASSETS						
Cash and investments	\$ 5,657,117	\$ 794,292	\$ 64,225	\$ -	\$ 12,160	\$ 6,527,794
Accounts receivable	<u>(8,328)</u>	<u>1,412</u>	<u>-</u>	<u>22,771</u>	<u>-</u>	<u>15,855</u>
Total assets	<u>5,648,789</u>	<u>795,704</u>	<u>64,225</u>	<u>22,771</u>	<u>12,160</u>	<u>6,543,649</u>
LIABILITIES						
Accounts payable	1,235,159	5,491	-	12,327	-	1,252,977
Salaries, taxes and benefits payable	86,195	26,043	-	-	-	112,238
Deferred revenue	<u>75,449</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>75,449</u>
Total liabilities	<u>1,396,803</u>	<u>31,534</u>	<u>-</u>	<u>12,327</u>	<u>-</u>	<u>1,440,664</u>
NET POSITION						
Restricted for:						
Individuals, organizations and other governments	<u>4,251,986</u>	<u>764,170</u>	<u>64,225</u>	<u>10,444</u>	<u>12,160</u>	<u>5,102,985</u>
Total net position	<u>\$ 4,251,986</u>	<u>\$ 764,170</u>	<u>\$ 64,225</u>	<u>\$ 10,444</u>	<u>\$ 12,160</u>	<u>\$ 5,102,985</u>

COUNTY OF YORK, VIRGINIA
Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
June 30, 2021

	Colonial Behavioral Health	Colonial Group Home Commission	Special Welfare	Regional Projects	Other Funds	Total
ADDITIONS						
Federal receipts for other agencies & individuals	\$ 1,275,134	\$ 339	\$ 17,515	\$ -	\$ -	\$ 1,292,988
State receipts for other agencies & individuals	7,315,415	-	-	-	-	7,315,415
Payments from other governments, agencies & local sources	8,726,208	1,563,787	48,377	1,145,837	-	11,484,209
Interest earned on cash balances	<u>-</u>	<u>1,221</u>	<u>-</u>	<u>-</u>	<u>19</u>	<u>1,240</u>
Total additions	<u>17,316,757</u>	<u>1,565,347</u>	<u>65,892</u>	<u>1,145,837</u>	<u>19</u>	<u>20,093,852</u>
DEDUCTIONS						
Payments to other governments, agencies & individuals	<u>16,731,961</u>	<u>1,343,660</u>	<u>57,233</u>	<u>1,168,645</u>	<u>25</u>	<u>19,301,524</u>
Total deductions	<u>16,731,961</u>	<u>1,343,660</u>	<u>57,233</u>	<u>1,168,645</u>	<u>25</u>	<u>19,301,524</u>
Change in net position	<u>584,796</u>	<u>221,687</u>	<u>8,659</u>	<u>(22,808)</u>	<u>(6)</u>	<u>792,328</u>
Net position, beginning, as restated	<u>3,667,190</u>	<u>542,483</u>	<u>55,566</u>	<u>33,252</u>	<u>12,166</u>	<u>4,310,657</u>
Net position, end of year	<u>\$ 4,251,986</u>	<u>\$ 764,170</u>	<u>\$ 64,225</u>	<u>\$ 10,444</u>	<u>\$ 12,160</u>	<u>\$ 5,102,985</u>

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STATISTICAL SECTION

This part of the County's comprehensive annual 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

	<u>2021 (3)</u>	<u>2020</u>	<u>2019</u>	<u>2018 (2)</u>	<u>Restated 2017</u>	<u>2016</u>	<u>2015 (1)</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Governmental Activities:										
Net investment in capital assets	\$ 67,685,243	\$ 63,819,651	\$ 61,388,220	\$ 54,032,029	\$ 59,070,221	\$ 57,048,477	\$ 55,705,954	\$ 55,437,501	\$ 57,401,484	\$ 57,208,246
Restricted	8,951,725	3,484,204	3,846,463	8,608,459	1,979,403	2,245,562	1,901,161	1,476,281	1,520,094	1,235,126
Unrestricted (deficit)	<u>(27,748,736)</u>	<u>(31,674,855)</u>	<u>(25,736,045)</u>	<u>(26,289,614)</u>	<u>(28,390,677)</u>	<u>(16,790,034)</u>	<u>(9,934,965)</u>	<u>21,674,899</u>	<u>13,599,525</u>	<u>8,878,056</u>
Total governmental activities net position	<u>\$ 48,888,232</u>	<u>\$ 35,629,000</u>	<u>\$ 39,498,638</u>	<u>\$ 36,350,874</u>	<u>\$ 32,658,947</u>	<u>\$ 42,504,005</u>	<u>\$ 47,672,150</u>	<u>\$ 78,588,681</u>	<u>\$ 72,521,103</u>	<u>\$ 67,321,428</u>
Business-type Activities:										
Net investment in capital assets	\$ 110,749,120	\$ 110,685,466	\$ 110,543,036	\$ 114,520,731	\$ 108,482,250	\$ 105,211,098	\$ 103,815,937	\$ 102,477,564	\$ 97,496,807	\$ 91,705,008
Restricted	-	-	122,713	117,043	105,906	141,802	177,154	177,139	174,935	182,087
Unrestricted	<u>13,274,713</u>	<u>10,859,105</u>	<u>9,390,118</u>	<u>6,112,669</u>	<u>7,905,567</u>	<u>8,314,320</u>	<u>6,630,921</u>	<u>5,817,374</u>	<u>7,734,278</u>	<u>12,061,259</u>
Total business-type activities net position	<u>\$ 124,023,833</u>	<u>\$ 121,544,571</u>	<u>\$ 120,055,867</u>	<u>\$ 120,750,443</u>	<u>\$ 116,493,723</u>	<u>\$ 113,667,220</u>	<u>\$ 110,624,012</u>	<u>\$ 108,472,077</u>	<u>\$ 105,406,020</u>	<u>\$ 103,948,354</u>
Primary Government:										
Net investment in capital assets	\$ 178,434,363	\$ 174,505,117	\$ 171,931,256	\$ 168,552,760	\$ 167,552,471	\$ 162,259,575	\$ 159,521,891	\$ 157,915,065	\$ 154,898,291	\$ 148,913,254
Restricted	8,951,725	3,484,204	3,969,176	8,725,502	2,085,309	2,387,364	2,078,315	1,653,420	1,695,029	1,417,213
Unrestricted (deficit)	<u>(14,474,023)</u>	<u>(20,815,750)</u>	<u>(16,345,927)</u>	<u>(20,176,945)</u>	<u>(20,485,110)</u>	<u>(8,475,714)</u>	<u>(3,304,044)</u>	<u>27,492,273</u>	<u>21,333,803</u>	<u>20,939,315</u>
Total Primary Government net position	<u>\$ 172,912,065</u>	<u>\$ 157,173,571</u>	<u>\$ 159,554,505</u>	<u>\$ 157,101,317</u>	<u>\$ 149,152,670</u>	<u>\$ 156,171,225</u>	<u>\$ 158,296,162</u>	<u>\$ 187,060,758</u>	<u>\$ 177,927,123</u>	<u>\$ 171,269,782</u>

(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

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Expenses (1)										
Governmental activities:										
General administration	\$ 3,753,814	\$ 4,468,101	\$ 4,195,707	\$ 5,589,064	\$ 5,713,262	\$ 5,281,219	\$ 3,408,038	\$ 8,717,434	\$ 3,469,315	\$ 3,852,265
Judicial services	3,704,339	3,721,294	3,102,522	2,739,760	3,104,169	2,925,400	3,256,745	3,190,077	2,974,509	2,983,284
Public safety	42,065,399	43,575,955	37,867,220	34,764,761	33,955,855	31,455,990	31,565,116	31,994,037	31,809,187	30,651,085
Environmental and development services	-	-	-	-	-	-	5,921,822	4,459,304	4,392,549	5,110,799
Management services	12,923,458	11,861,804	11,029,496	11,470,801	11,381,592	9,863,547	9,776,644	-	-	-
Finance and planning	-	-	-	-	-	-	-	11,071,656	9,605,982	9,246,805
Education	70,239,829	68,609,783	65,751,397	66,176,627	63,842,618	68,349,890	68,436,746	49,589,562	51,052,753	55,589,523
Human services	10,111,077	9,834,859	9,900,319	8,625,140	9,386,250	8,538,830	7,854,783	8,217,138	7,895,079	8,250,918
General services	-	-	-	-	-	-	6,884,634	6,707,865	6,400,928	7,185,728
Public works	10,943,599	14,572,672	11,607,674	8,543,538	9,486,304	9,918,224	-	-	-	-
Community development	3,498,074	3,012,762	4,551,850	-	-	-	-	-	-	-
Community services	8,106,746	5,682,266	7,201,508	7,011,085	7,044,559	6,479,836	6,449,967	6,263,573	6,333,119	6,667,688
Interest and fiscal charges on noncurrent debt	3,577,368	3,518,196	3,422,992	3,308,747	2,454,107	3,643,143	2,735,422	3,898,226	3,974,566	4,048,324
Total governmental activities	<u>168,923,703</u>	<u>168,857,692</u>	<u>158,630,685</u>	<u>148,429,523</u>	<u>146,368,716</u>	<u>146,456,079</u>	<u>146,289,917</u>	<u>134,108,872</u>	<u>127,907,987</u>	<u>133,586,419</u>
Business-type activities:										
Sewer Utility	11,992,147	12,245,651	11,582,981	10,210,063	11,036,541	10,792,409	10,705,774	10,505,293	10,086,788	10,467,392
Water Utility	324,391	326,842	4,036,161	1,751,336	443,414	332,253	339,656	349,496	1,002,427	346,275
Solid Waste	6,055,946	5,742,136	4,830,364	4,252,661	4,058,355	4,238,137	4,249,485	4,818,406	4,651,045	5,599,987
Yorktown Operations	157,317	158,295	72,335	77,918	92,828	85,983	77,434	74,718	98,893	112,258
Sanitary Districts	418,134	418,134	418,134	418,133	418,133	418,133	418,133	418,133	424,857	431,544
Regional Radio System	4,068,264	4,208,960	4,075,751	3,859,521	2,649,549	2,597,863	2,634,351	2,494,441	2,402,484	2,024,644
Total business-type activities	<u>23,016,199</u>	<u>23,100,018</u>	<u>25,015,726</u>	<u>20,569,632</u>	<u>18,698,820</u>	<u>18,464,778</u>	<u>18,424,833</u>	<u>18,660,487</u>	<u>18,666,494</u>	<u>18,982,100</u>
Total Primary Government	<u>\$ 191,939,902</u>	<u>\$ 191,957,710</u>	<u>\$ 183,646,411</u>	<u>\$ 168,999,155</u>	<u>\$ 165,067,536</u>	<u>\$ 164,920,857</u>	<u>\$ 164,714,750</u>	<u>\$ 152,769,359</u>	<u>\$ 146,574,481</u>	<u>\$ 152,568,519</u>
Program Revenues										
Governmental activities:										
Charges for services:										
General administration	\$ 250,352	\$ 260,592	\$ 179,970	\$ 1,030,633	\$ 667,530	\$ 734,113	\$ 141,697	\$ 121,888	\$ 86,198	\$ 77,019
Judicial services	651,790	842,850	602,875	560,272	551,142	540,591	496,240	528,711	606,118	854,103
Public safety	3,496,404	3,726,192	3,949,345	3,490,235	3,490,578	3,361,432	3,146,553	3,212,578	2,252,219	3,408,661
Environmental and development services	-	-	-	-	-	-	816,746	741,235	654,373	403,657
Management services	496,213	536,482	614,300	515,776	495,514	470,186	-	-	-	-
Finance and planning	-	-	-	-	-	-	447,610	449,041	447,077	411,139
Education	16,364	37,231	51,304	52,037	57,119	431,785	311,851	213,633	161,115	59,587
Human services	312,338	322,784	335,960	327,270	323,279	320,155	273,893	270,403	295,254	289,378
General services	-	-	-	-	-	-	1,289,908	1,257,665	1,404,091	1,181,949
Public works	1,445,206	1,339,954	1,337,489	1,305,091	1,285,384	1,308,871	-	-	-	-
Community development	787,606	832,921	862,596	-	-	-	-	-	-	-
Community services	402,047	253,967	680,005	659,451	631,672	576,602	500,144	514,474	503,702	443,227
Operating grants and contributions	29,664,580	15,103,972	11,737,764	11,226,226	10,845,577	10,631,197	10,188,235	10,521,429	10,205,585	10,146,333
Capital grants and contributions	911,612	2,443,417	2,742,089	2,514,487	872,828	797,833	1,369,785	317,128	1,668,035	2,727,017
Total governmental activities	<u>38,434,512</u>	<u>25,700,362</u>	<u>23,093,617</u>	<u>21,671,478</u>	<u>19,220,623</u>	<u>19,172,765</u>	<u>18,986,162</u>	<u>18,148,185</u>	<u>18,283,767</u>	<u>20,002,070</u>
Business-type activities:										
Charges for services:										
Sewer Utility	11,380,626	11,215,726	11,678,458	11,194,581	10,660,740	10,788,652	11,144,763	9,924,081	8,928,385	7,938,010
Water Utility	310,542	317,101	320,586	273,009	336,448	323,387	349,594	383,138	357,728	333,534
Solid Waste	5,911,272	5,847,097	4,676,104	4,439,291	4,460,309	4,626,276	4,626,082	4,856,961	3,739,588	3,505,246
Yorktown Operations	183,713	137,906	158,467	182,898	146,991	186,905	164,106	166,197	88,725	87,353
Regional Radio System	3,398,927	2,909,049	2,965,402	2,928,359	1,726,723	1,643,514	1,901,788	1,602,377	1,501,755	1,259,130
Operating grants and contributions	90,492	292,221	293,504	291,507	290,552	291,307	289,674	295,108	300,180	1,342,550
Capital grants and contributions	2,179,427	1,144,164	1,501,760	1,719,060	1,121,944	299,948	925,950	1,371,580	1,139,604	1,063,452
Total business-type activities	<u>23,454,999</u>	<u>21,863,264</u>	<u>21,593,831</u>	<u>21,028,705</u>	<u>18,743,707</u>	<u>18,159,989</u>	<u>19,401,957</u>	<u>18,599,442</u>	<u>16,055,965</u>	<u>15,529,275</u>
Total Primary Government	<u>\$ 61,889,511</u>	<u>\$ 47,563,626</u>	<u>\$ 44,687,448</u>	<u>\$ 42,700,183</u>	<u>\$ 37,964,330</u>	<u>\$ 37,332,754</u>	<u>\$ 38,388,119</u>	<u>\$ 36,747,627</u>	<u>\$ 34,339,732</u>	<u>\$ 35,531,345</u>
Net (expense)/revenue										
Governmental activities	\$ (130,489,191)	\$ (143,157,330)	\$ (135,537,068)	\$ (126,758,045)	\$ (127,148,093)	\$ (127,283,314)	\$ (127,303,755)	\$ (115,960,687)	\$ (109,624,220)	\$ (113,584,349)
Business-type activities	438,800	(1,236,754)	(3,421,895)	459,073	44,887	(304,789)	977,124	(61,045)	(2,610,529)	(3,452,825)
Total Primary Government net expense	<u>\$ (130,050,391)</u>	<u>\$ (144,394,084)</u>	<u>\$ (138,958,963)</u>	<u>\$ (126,298,972)</u>	<u>\$ (127,103,206)</u>	<u>\$ (127,588,103)</u>	<u>\$ (126,326,631)</u>	<u>\$ (116,021,732)</u>	<u>\$ (112,234,749)</u>	<u>\$ (117,037,174)</u>
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes:										
Property taxes	\$ 96,141,095	\$ 93,017,827	\$ 91,611,559	\$ 90,382,404	\$ 88,210,050	\$ 85,362,882	\$ 81,767,345	\$ 80,907,792	\$ 79,711,885	\$ 76,373,509
Local sales and use taxes	17,389,034	16,525,293	14,921,971	10,236,194	10,236,341	10,146,625	9,759,880	9,475,836	9,380,393	9,425,492
Hotel and motel room taxes	3,549,512	3,793,734	5,241,150	5,142,868	5,071,633	4,994,074	4,643,484	4,323,868	4,268,312	4,221,304
Restaurant food taxes	5,338,091	4,501,921	5,258,588	4,436,519	6,387,418	6,047,842	5,818,598	5,607,884	5,550,391	5,321,843
Business license taxes	7,513,546	7,633,724	7,330,820	6,952,681	6,603,695	6,187,990	6,240,330	6,410,146	6,720,592	5,855,061
Motor vehicle licenses	1,647,098	1,602,643	1,623,247	1,624,520	1,600,973	1,591,953	1,558,331	1,582,332	1,596,403	1,523,082
Taxes on recordation and wills	2,207,395	1,777,073	1,601,992	1,796,928	1,470,205	1,477,446	1,391,389	1,545,219	1,587,812	1,604,286
Other local taxes	1,909,367	1,744,306	1,893,226	1,921,574	1,935,553	1,938,974	1,925,269	1,956,544	1,966,816	1,969,937
Personal property tax relief - Commonwealth of Virginia	8,741,680	8,741,680	8,741,680	8,760,374	8,741,680	8,665,120	8,741,680	8,525,325	8,525,325	8,485,927
Unrestricted investment earnings	(19,787)	859,654	1,386,131	650,388	248,076	305,043	149,037	216,877	85,087	174,000
Miscellaneous	372,731	162,593	210,254	115,481	43,452	358,177	79,766	1,256,436	232,168	414,057
Gain (loss) on sale of capital assets	4,391	14,378	-	35,569	-	188,537	(118,576)	22,306	25,631	28,907
Transfers	(1,045,730)	(1,087,134)	(1,135,786)	(1,635,528)	(3,694,516)	(3,425,018)	(3,346,849)	(3,262,639)	(3,826,920)	(3,739,725)
Total governmental activities	<u>143,748,423</u>	<u>139,287,692</u>	<u>138,684,832</u>	<u>130,449,972</u>	<u>126,854,560</u>	<u>123,916,205</u>	<u>118,533,124</u>	<u>118,784,281</u>	<u>114,823,895</u>	<u>111,657,680</u>
Business-type activities:										
Restaurant food taxes	937,343	1,493,198	1,446,798	2,036,878	-	-	-	-	-	-
Unrestricted investment earnings	25,086	133,285	134,586	93,526	63,619	46,907	12,167	37,303	54,762	66,982
Miscellaneous	8,534	11,841	8,469	19,493	35,417	32,179	17,684	43,003	82,881	30,039
Gain on sale of capital assets	23,769	-	1,680	12,222	-	7,000	573	-	103,632	-
Transfers	1,045,730	1,087,134	1,135,786	1,635,528	3,694,516	3,425,018	3,346,849	3,262,639	3,826,920	3,739,725
Total business-type activities	<u>2,040,462</u>	<u>2,725,458</u>	<u>2,727,319</u>	<u>3,797,647</u>	<u>3,793,552</u>	<u>3,511,104</u>	<u>3,377,273</u>	<u>3,342,945</u>	<u>4,068,195</u>	<u>3,836,746</u>
Total Primary Government	<u>\$ 145,788,885</u>	<u>\$ 142,013,150</u>	<u>\$ 141,412,151</u>	<u>\$ 134,247,619</u>	<u>\$ 130,648,112</u>	<u>\$ 127,427,309</u>	<u>\$ 121,910,397</u>	<u>\$ 122,127,226</u>	<u>\$ 118,892,090</u>	<u>\$ 115,494,426</u>
Change in Net Position										
Governmental activities	\$ 13,259,232	\$ (3,869,638)	\$ 3,147,764	\$ 3,691,927	\$ (293,533)	\$ (3,367,109)	\$ (8,770,631)	\$ 2,823,594	\$ 5,199,675	\$ (1,926,669)
Business-type activities	2,479,262	1,488,704	(694,576)	4,256,720	3,838,439	3,206,315	4,354,397	3,281,900	1,457,666	383,921
Total Primary Government	<u>\$ 15,738,494</u>	<u>\$ (2,380,934)</u>	<u>\$ 2,453,188</u>	<u>\$ 7,948,647</u>	<u>\$ 3,544,906</u>	<u>\$ (160,794)</u>	<u>\$ (4,416,234)</u>	<u>\$ 6,105,494</u>	<u>\$ 6,657,341</u>	<u>\$ (1,542,748)</u>

(1) Ex

COUNTY OF YORK, VIRGINIA
 Governmental Activities Tax Revenues By Source - Accrual Basis of Accounting
 Last Ten Fiscal Years

	<u>2021</u>	<u>2020</u>	<u>2019 (1)</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Property tax	\$ 96,141,095	\$ 93,017,827	\$ 91,611,559	\$ 90,382,404	\$ 88,210,050	\$ 85,362,882	\$ 81,767,345	\$ 80,907,792	\$ 79,711,885	\$ 76,373,509
Local sales and use tax	17,389,034	16,525,293	14,921,971	10,266,194	10,236,341	10,146,625	9,759,880	9,475,836	9,380,393	9,425,492
Hotel and motel room taxes	3,549,512	3,793,734	5,241,150	5,142,868	5,071,633	4,994,074	4,643,484	4,323,868	4,268,312	4,221,304
Restaurant food taxes	5,338,091	4,501,921	5,258,588	4,436,519	6,387,418	6,047,842	5,818,598	5,607,884	5,550,391	5,321,843
Business license taxes	7,513,546	7,633,724	7,330,820	6,952,681	6,603,695	6,187,990	6,240,330	6,410,146	5,720,592	5,855,061
Motor vehicle licenses	1,647,098	1,602,643	1,623,247	1,624,520	1,600,973	1,591,953	1,558,331	1,582,332	1,596,403	1,523,082
Taxes on recordation and wills	2,207,395	1,777,073	1,601,992	1,796,928	1,470,205	1,477,446	1,391,389	1,545,219	1,587,812	1,604,286
Other local taxes	1,909,367	1,744,306	1,893,226	1,921,574	1,935,553	1,938,974	1,925,269	1,956,544	1,966,816	1,969,937
Total	<u>\$ 135,695,138</u>	<u>\$ 130,596,521</u>	<u>\$ 129,482,553</u>	<u>\$ 122,523,688</u>	<u>\$ 121,515,868</u>	<u>\$ 117,747,786</u>	<u>\$ 113,104,626</u>	<u>\$ 111,809,621</u>	<u>\$ 109,782,604</u>	<u>\$ 106,294,514</u>

(1) Beginning in fiscal year 2019, local sales and use tax includes the historic triangle sales tax as established by Senate Bill 942.

COUNTY OF YORK, VIRGINIA
Fund Balances of Governmental Funds - Modified Accrual Basis of Accounting
Last Ten Fiscal Years*

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
General Fund										
Nonspendable	\$ 6,396,239	\$ 6,452,931	\$ 6,518,691	\$ 7,191,310	\$ 7,787,380	\$ 8,750,971	\$ 9,743,740	\$ 9,808,279	\$ 10,518,258	\$ 10,578,620
Restricted	13,104	13,872	11,645	948,861	1,069,702	1,106,571	991,058	940,152	843,439	781,934
Committed	1,252,245	1,109,003	3,327,357	11,567,875	12,479,603	12,027,362	13,315,169	12,664,460	12,520,518	12,380,970
Assigned	18,728,526	7,560,552	5,786,348	9,880,308	11,296,640	11,275,325	13,262,008	18,505,878	14,064,015	18,997,964
Unassigned	<u>18,240,000</u>	<u>17,570,640</u>	<u>17,570,640</u>	<u>17,040,240</u>	<u>17,026,740</u>	<u>16,270,680</u>	<u>16,126,447</u>	<u>19,747,802</u>	<u>15,612,469</u>	<u>15,547,246</u>
Total General Fund	<u>\$ 44,630,114</u>	<u>\$ 32,706,998</u>	<u>\$ 33,214,681</u>	<u>\$ 46,628,594</u>	<u>\$ 49,660,065</u>	<u>\$ 49,430,909</u>	<u>\$ 53,438,422</u>	<u>\$ 61,666,571</u>	<u>\$ 53,558,699</u>	<u>\$ 58,286,734</u>
All Other Governmental Funds										
Nonspendable	\$ -	\$ -	\$ -	\$ 107,390	\$ -	\$ -	\$ -	\$ -	\$ 138,671	\$ 210,976
Restricted	8,915,607	3,434,488	3,834,818	7,659,598	909,701	1,138,991	910,103	536,129	676,655	432,829
Committed	16,118,614	16,582,668	16,071,516	7,521,642	5,396,429	6,213,357	4,052,604	5,653,220	9,937,427	851,246
Assigned	17,759,447	19,559,701	20,059,989	13,384,755	14,777,136	12,844,980	11,745,879	11,931,032	12,203,643	15,058,975
Unassigned	<u>(3,509,294)</u>	<u>(3,516,318)</u>	<u>(3,278,362)</u>	<u>(3,947,179)</u>	<u>(4,736,725)</u>	<u>(5,638,008)</u>	<u>(6,637,510)</u>	<u>(6,716,787)</u>	<u>(7,285,908)</u>	<u>(7,308,883)</u>
Total all other governmental funds	<u>\$ 39,284,374</u>	<u>\$ 36,060,539</u>	<u>\$ 36,687,961</u>	<u>\$ 24,726,206</u>	<u>\$ 16,346,541</u>	<u>\$ 14,559,320</u>	<u>\$ 10,071,076</u>	<u>\$ 11,403,594</u>	<u>\$ 15,670,488</u>	<u>\$ 9,245,143</u>

COUNTY OF YORK, VIRGINIA
Changes in Fund Balances of Governmental Funds - Modified Accrual Basis of Accounting
Last Ten Fiscal Years

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Revenues										
General property taxes	\$ 96,233,428	\$ 91,924,860	\$ 91,174,219	\$ 90,544,105	\$ 88,434,572	\$ 85,368,220	\$ 81,977,556	\$ 81,125,127	\$ 80,071,914	\$ 78,172,692
Other local taxes	39,399,616	37,544,954	37,842,737	32,189,944	33,181,367	32,343,857	31,318,061	30,891,414	30,012,365	29,997,922
Intergovernmental	38,537,852	26,052,098	22,896,708	20,513,452	20,157,138	19,884,521	19,612,174	19,413,247	20,114,231	20,720,210
Permits, fees and licenses	968,829	999,687	1,104,298	1,037,354	680,369	779,390	882,569	818,221	659,658	468,190
Fines and forfeitures	268,429	380,930	433,857	345,783	332,090	308,039	277,108	298,754	335,974	387,560
Use of money and property	329,466	1,165,293	1,748,352	1,006,387	604,377	912,391	523,982	547,159	393,980	438,442
Charges for services	3,923,794	3,827,605	4,507,835	4,100,646	3,985,157	3,841,821	3,659,811	3,802,981	3,821,047	3,772,679
Miscellaneous	724,913	731,463	561,346	2,300,983	428,328	566,588	360,608	1,013,034	251,048	779,129
Recovered costs	2,227,790	2,205,724	2,152,453	2,133,591	2,074,403	2,547,682	2,343,291	2,732,928	2,527,853	2,378,769
Total revenues	182,614,117	164,832,614	162,421,805	154,172,245	149,877,801	146,552,509	140,955,160	140,642,865	138,188,070	137,115,593
Expenditures (2)										
General administration	3,177,263	2,861,717	2,860,531	4,571,362	4,266,942	4,125,373	2,117,469	2,203,303	2,056,291	2,011,421
Judicial services	3,100,864	3,199,581	3,008,038	2,909,235	2,753,613	2,607,584	2,788,807	2,741,134	2,576,351	2,630,531
Public safety	39,099,612	36,222,021	34,948,693	33,363,370	35,979,369	30,245,518	29,524,373	29,096,722	28,296,119	27,595,816
Environmental and development services	-	-	-	-	-	-	3,420,823	3,668,780	3,512,884	3,441,640
Finance and planning	-	-	-	-	-	-	8,687,984	9,613,082	8,305,316	7,822,399
Management services	11,081,821	9,779,528	9,619,413	10,798,169	10,180,894	8,863,808	-	-	-	-
Education	70,098,663	68,528,167	65,763,188	66,371,103	63,460,252	68,240,885	65,747,918	49,386,779	50,780,591	55,271,680
Human services	9,535,864	9,492,564	9,892,383	9,698,743	9,166,051	8,611,086	7,958,815	7,839,768	7,663,060	7,875,456
Public works	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	6,086,730	6,747,125
Community development	2,503,557	2,534,211	4,030,153	-	-	-	-	-	-	-
Community services	6,429,786	5,428,488	5,818,632	5,769,126	5,572,438	5,151,517	5,089,962	4,796,824	4,758,072	5,271,976
Non-departmental	2,687,023	2,483,031	2,537,255	2,713,097	2,495,321	1,693,556	1,925,791	1,615,921	2,267,011	2,278,091
Capital outlay	4,842,230	15,313,579	11,083,627	6,128,438	4,635,455	5,988,334	6,955,577	7,784,015	4,646,213	4,091,765
Debt service:										
Principal	7,796,757	6,821,895	7,091,646	8,649,276	7,143,707	5,425,023	6,882,404	7,182,911	6,550,894	6,901,861
Interest and fiscal charges	3,888,464	3,837,070	3,841,150	3,611,114	3,363,409	3,507,961	3,336,339	3,652,774	3,959,671	4,078,062
Other costs of debt issuance	75,918	98,183	45,918	153,611	63,044	180,516	25,822	188,219	-	41,814
Total expenditures	173,297,863	175,380,773	169,218,035	163,168,135	157,622,178	153,264,296	151,102,372	136,093,779	131,459,203	136,059,637
Excess (deficiency) of revenues over (under) expenditures	9,316,254	(10,548,159)	(6,796,230)	(8,995,890)	(7,744,377)	(6,711,787)	(10,147,212)	4,549,086	6,728,867	1,055,956
Other Financing Sources (Uses)										
Insurance recovery	279,619	27,734	54,673	19,705	13,163	78,234	19,749	21,459	23,596	37,594
Bonds issued	8,580,000	10,185,000	7,765,000	15,405,000	11,135,000	21,950,000	21,125,000	9,865,000	-	6,925,000
Premium on bonds issued	1,209,822	491,419	879,737	1,178,493	606,063	3,312,073	974,672	827,791	-	1,047,456
Capital leases	336,000	-	-	-	4,736,044	-	-	300,376	-	-
Sale of capital and other assets	-	-	-	-	-	-	-	-	-	11,000
Transfers In	18,282,420	23,710,598	25,975,972	26,722,915	19,253,176	20,304,143	17,065,038	13,989,217	19,188,067	14,018,812
Deposits for refunding	-	-	-	-	(3,035,000)	(12,598,700)	(12,595,000)	(10,500,116)	-	-
Transfers Out	(22,857,164)	(25,001,697)	(27,839,661)	(28,982,029)	(22,947,692)	(24,082,571)	(22,139,715)	(18,879,173)	(24,243,220)	(19,085,520)
Total other financing sources (uses), net	5,830,697	9,413,054	6,835,721	14,344,084	9,760,754	8,963,179	4,449,744	(4,375,446)	(5,031,557)	2,954,342
Net change in fund balances	\$ 15,146,951	\$ (1,135,105)	\$ 39,491	\$ 5,348,194	\$ 2,016,377	\$ 2,251,392	\$ (5,697,468)	\$ 173,640	\$ 1,697,310	\$ 4,010,298
Debt service as a percentage of noncapital expenditures (1)	<u>7.02%</u>	<u>6.35%</u>	<u>6.81%</u>	<u>7.75%</u>	<u>7.05%</u>	<u>6.01%</u>	<u>6.95%</u>	<u>8.11%</u>	<u>8.27%</u>	<u>8.22%</u>

(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."

COUNTY OF YORK, VIRGINIA
 General Government Tax Revenues By Source - Modified Accrual Basis of Accounting
 Last Ten Fiscal Years

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Property tax	\$ 96,233,428	\$ 91,924,860	\$ 91,174,219	\$ 90,544,105	\$ 88,434,572	\$ 85,368,220	\$ 81,977,556	\$ 81,125,127	\$ 80,071,914	\$ 78,172,692
Local sales and use tax	17,389,034	16,525,293	14,921,971	10,266,194	10,236,341	10,146,625	9,759,880	9,475,836	9,380,393	9,425,492
Hotel and motel room taxes	3,562,342	3,757,890	5,241,150	5,171,984	5,058,976	4,977,615	4,643,484	4,323,868	4,302,250	4,278,426
Restaurant food taxes	5,333,750	4,497,970	5,272,635	4,488,226	6,332,930	6,060,974	5,814,040	5,631,472	5,563,010	5,381,266
Business license taxes	7,513,546	7,633,724	7,330,820	6,952,681	6,603,695	6,187,990	6,240,330	6,410,146	5,720,592	5,855,061
Communications sales tax	968,207	1,090,046	1,115,481	1,202,410	1,241,212	1,272,490	1,311,310	1,322,868	1,345,767	1,342,206
Motor vehicle licenses	1,599,783	1,648,997	1,621,817	1,627,449	1,582,337	1,590,308	1,574,559	1,586,865	1,525,026	1,514,549
Franchise taxes	4,464	4,713	4,403	4,295	3,808	2,876	1,267	1,247	1,028	735
Taxes on recordation and wills	2,207,395	1,777,073	1,601,992	1,796,928	1,470,205	1,477,446	1,391,389	1,545,219	1,587,812	1,604,286
Other local taxes	821,095	609,248	732,468	679,777	651,863	627,533	581,802	593,893	586,487	595,901
Total	\$ 135,633,044	\$ 129,469,814	\$ 129,016,956	\$ 122,734,049	\$ 121,615,939	\$ 117,712,077	\$ 113,295,617	\$ 112,016,541	\$ 110,084,279	\$ 108,170,614

COUNTY OF YORK, VIRGINIA
 Assessed Value and Estimated Actual Value of Taxable Property
 Last Ten Calendar Years

<u>Year</u>	<u>Real Property</u>		<u>Personal Property</u>	<u>Mobile Home</u>	<u>Public Utility</u>		<u>Total Taxable Assessed Value</u>	<u>Total Direct Tax Rate</u>
	<u>Residential</u>	<u>Commercial</u>			<u>Real Estate</u>	<u>Personal Property</u>		
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
2013	7,321,920,900	1,368,970,400	531,217,905	3,912,100	420,994,403	186,019	9,647,201,727	0.9304
2012	7,276,743,200	1,361,986,800	514,828,080	3,812,600	393,773,490	69,127	9,551,213,297	0.9172

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 2012 reflects an amendment to the Virginia State Code, which exempted CPC (Certified Pollution Control) equipment. 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
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
2013	0.7415/0.7515	4.00	0.7415/0.7515	1.00	0.9304
2012	0.6575/0.7415	4.00	0.6575/0.7415	1.00	0.9172

(1) Tax rate per \$100 of assessed valuation.

(2) The amount designated for school operating is \$0.605 per \$100 of valuation for fiscal year 2021.

(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 2020 and Nine Years Prior*

<u>Taxpayer</u>	<u>Description</u>	<u>2020 Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total Taxable Assessed Value</u>	<u>2011 Taxable Assessed Valuation</u>	<u>Rank</u>	<u>Percentage of Total Taxable Assessed Value</u>
Virginia Power Company	Generating plant	\$ 318,272,575	1	3.02%	\$ 319,517,999	1	3.20%
Lawyers Title/Fairfield Resorts/Wyndham	Timeshare condominiums	184,765,580	2	1.76%	186,798,600	2	1.87%
City of Newport News **	Water system	134,899,500	3	1.28%	132,589,700	3	1.33%
GWR OP Lessee VA LLC (Great Wolf Lodge)	Hotel and water park	120,491,445	4	1.15%	82,423,100	5	0.83%
BP/Western Refining/Plains Marketing	Former Refinery	87,711,770	5	0.83%	85,983,600	4	0.86%
Kings Creek Plantation	Timeshare condominiums	87,665,120	6	0.83%	73,000,400	6	0.73%
Premier Properties-Marquis	Retail sales	-		0.00%	35,324,200	10	0.35%
Moyork LLC (Commonwealth Apartments)	Apartment complex	49,743,200	7	0.47%			
Busch Entertainment/Water Country USA	Water Park	42,909,880	8	0.41%	47,692,800	7	0.48%
Walmart	Retail sales	40,092,965	9	0.38%	36,309,600	9	0.36%
Holiday Inn Club Vacations	Timeshare condominiums	36,175,395	10	0.34%			
1991 Ashe Partnership	Apartment complex	-		<u>0.00%</u>	<u>37,090,700</u>	8	<u>0.37%</u>
Total		<u>\$ 1,102,727,430</u>		<u>10.47%</u>	<u>\$ 1,036,730,699</u>		<u>10.38%</u>

*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

<u>Fiscal Year</u>	<u>Total Tax Levy</u>	<u>Current Tax Collections</u>	<u>Percent of Levy Collected</u>	<u>Collections in Subsequent Year</u>	<u>Total Collections to Date</u>	
					<u>Amount</u>	<u>Percentage of Levy</u>
2021	\$ 95,712,249	\$ 91,357,773	95.45%	\$ -	\$ 91,357,773	95.45%
2020	92,019,828	88,843,578	96.55%	2,328,463	91,172,041	99.08%
2019	90,196,473	87,055,100	96.52%	2,588,385	89,643,485	99.39%
2018	89,691,238	87,216,407	97.24%	1,875,595	89,092,002	99.33%
2017	87,536,065	84,909,975	97.00%	2,116,629	87,026,604	99.42%
2016	84,110,482	81,503,407	96.90%	2,059,580	83,562,987	99.35%
2015	80,716,523	77,929,910	96.55%	2,535,221	80,465,131	99.69%
2014	79,831,923	77,513,973	97.10%	1,957,047	79,471,020	99.55%
2013	78,390,079	75,580,443	96.42%	2,378,282	77,958,725	99.45%
2012	77,167,308	75,120,925	97.35%	1,562,934	76,683,859	99.37%

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

Fiscal Year	Governmental Activities					Business-type Activities			Total Primary Government	Percentage of Personal Income (2)	Per Capita (2)
	General Obligation Bonds	Literary Loans	Capital Leases	Lease Revenue Bonds	Note Payable	General Obligation Bonds	Revenue Bonds	Capital Leases			
2021	\$ 82,529,933	\$ -	\$ 919,423	\$ 23,287,473	\$ -	\$ -	\$ 18,768,007	\$ -	\$ 125,504,836	N/A	\$ 1,787
2020	77,733,259	-	1,515,179	25,756,218	-	-	19,604,905	-	124,609,561	N/A	1,785
2019	74,271,325	-	1,997,074	25,446,020	-	-	19,963,073	-	121,677,492	2.46%	1,753
2018	69,812,399	-	3,423,720	28,136,579	-	-	20,616,187	-	121,988,885	2.57%	1,775
2017	66,330,054	-	5,722,996	21,308,937	-	-	21,254,301	-	114,616,288	2.52%	1,664
2016	61,906,639	-	2,420,659	23,247,569	-	-	21,169,120	-	108,743,987	2.46%	1,586
2015	53,270,668	-	2,860,682	23,544,723	-	-	21,696,428	325,301	101,697,802	2.35%	1,464
2014	49,619,991	-	3,113,086	24,847,309	-	-	22,207,989	638,542	100,426,917	2.38%	1,490
2013	54,961,398	-	2,862,880	26,059,652	372,740	-	22,141,530	940,170	107,338,370	2.67%	1,603
2012	59,822,805	-	2,917,121	27,499,214	719,393	-	22,570,884	1,230,616	114,760,033	2.88%	1,728

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 2012 - 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-16.

COUNTY OF YORK, VIRGINIA
Ratio of General Bonded Debt Outstanding
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>Less Amounts Available in Debt Service Fund</u>	<u>Total</u>	<u>Percentage of Actual Taxable Value of Property (1)</u>	<u>Per Capita (2)</u>
2021	\$ 82,529,933	\$ -	\$ 82,529,933	0.77%	1,175
2020	77,733,259	-	77,733,259	0.74%	1,114
2019	74,271,325	-	74,271,325	0.72%	1,070
2018	69,812,399	-	69,812,399	0.69%	1,016
2017	66,330,054	-	66,330,054	0.65%	963
2016	61,906,639	-	61,906,639	0.62%	903
2015	53,270,668	-	53,270,668	0.54%	767
2014	49,619,991	-	49,619,991	0.51%	736
2013	54,961,398	-	54,961,398	0.57%	821
2012	59,822,805	-	59,822,805	0.63%	901

(1) See Assessed Value table, page L-9.

(2) See Population on Demographic and Economic Statistics table, page L-16.

COUNTY OF YORK, VIRGINIA
Demographic and Economic Statistics
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Personal Income (Thousands) (2)</u>	<u>Per Capita Income (2)</u>	<u>Median Age (3)</u>	<u>Education Level In Years of Formal Schooling (4)</u>	<u>Student Average Daily Membership (5)</u>	<u>Unemployment Rate (6)</u>
2021	70,230	N/A	N/A	39.20	13.20	12,244	3.40%
2020	69,792	N/A	N/A	39.20	13.20	12,914	5.60%
2019	69,407	\$ 4,938,435	\$ 61,308	39.00	13.20	12,756	2.60%
2018	68,725	4,756,232	59,345	38.80	13.20	12,610	2.80%
2017	68,890	4,541,816	56,729	38.80	13.20	12,584	3.50%
2016	68,585	4,415,578	55,344	39.30	13.20	12,522	3.80%
2015	69,466	4,326,498	54,201	39.40	13.20	12,519	4.20%
2014	67,396	4,216,899	53,697	39.40	13.20	12,333	4.90%
2013	66,955	4,014,425	51,418	39.40	13.20	12,226	5.30%
2012	66,428	3,983,237	51,107	39.40	13.20	12,410	5.70%

N/A - This information is not available.

Source:

- (1) Weldon Cooper Center for Public Service; 2021 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; 2021 estimate per County Planning Division.

COUNTY OF YORK, VIRGINIA

Principal Employers

Current and Nine Years Prior

<u>Employer</u>	<u>2021</u>			<u>2012</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>
Naval Weapons Station/ Cheatham Annex	3,787	1	17.68%	3,026	1	14.00%
York County School Division	1,874	2	8.75%	1,745	2	8.07%
U.S. Coast Guard Station	1,063	3	4.96%	1,437	3	6.65%
Sentara Williamsburg Regional Medical Center	787	4	3.67%	722	6	3.34%
York County Government	779	5	3.64%	733	5	3.39%
Walmart	752	6	3.51%	934	4	4.32%
Water Country	546	7	2.55%	676	7	3.13%
Great Wolf Lodge of Williamsburg, LLC	386	8	1.80%	624	8	2.89%
Kroger	275	9	1.28%	-		0.00%
YMCA	250	10	1.17%	298	9	1.38%
Wyndham Vacation Ownership				267	10	1.23%
Total	<u>10,499</u>		<u>49.01%</u>	<u>10,462</u>		<u>48.40%</u>

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

Function (1)	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
General government	22.00	23.00	24.00	46.00	44.00	46.00	20.00	19.00	18.00	20.00
Judicial services	33.00	32.00	32.00	32.00	31.00	31.50	32.50	32.50	32.50	32.75
Public safety	333.50	323.00	323.00	313.50	307.00	302.00	300.00	300.00	300.00	300.00
Environmental and development services	-	-	-	-	-	-	54.50	54.50	54.25	55.00
Management services	97.50	99.50	97.50	97.50	95.75	95.25	-	-	-	-
Finance and planning	-	-	-	-	-	-	92.25	91.25	91.25	89.25
Education (Library)	32.50	32.50	32.50	32.50	32.00	33.00	33.00	33.00	33.00	33.50
Public works	180.00	174.00	176.00	177.00	173.00	171.00	-	-	-	-
General services	-	-	-	-	-	-	72.00	72.00	71.00	80.00
Community development	26.00	26.00	26.00	-	-	-	-	-	-	-
Community services	53.70	53.20	51.40	51.40	50.20	50.20	50.20	50.20	50.20	54.20
Sewer (Public Works)	-	-	-	-	-	-	56.00	57.00	56.00	56.50
Solid Waste (Public Works)	-	-	-	-	-	-	12.00	12.00	12.00	12.00
	<u>778.20</u>	<u>763.20</u>	<u>762.40</u>	<u>749.90</u>	<u>732.95</u>	<u>728.95</u>	<u>722.45</u>	<u>721.45</u>	<u>718.20</u>	<u>733.20</u>

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	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
General Government										
Elections - Registered voters	49,009	46,553	45,274	45,757	45,134	44,361	43,007	44,840	45,165	45,540
Building Permits Issued	5,287	4,077	4,774	4,380	3,570	3,648	4,175	4,822	4,043	3,663
Building Permit Value	\$ 137,491,800	\$ 91,355,798	\$ 171,001,866	\$ 153,764,229	\$ 64,886,424	\$ 68,300,485	\$ 91,568,396	\$ 78,778,858	\$ 74,340,412	\$ 55,959,121
Judicial Services (Clerk of Court)										
Criminal and civil cases filed	4,414	3,127	4,674	4,137	3,307	3,361	2,886	2,501	1,651	1,773
Land records filed	26,360	22,157	21,242	24,273	25,576	22,857	22,821	23,023	26,117	21,061
Sheriff										
Physical arrests	951	1,414	1,851	1,768	1,596	1,685	1,547	1,673	1,655	1,768
Parking violations	111	100	112	62	72	106	83	103	71	92
Traffic violations	2,209	3,900	5,095	3,965	3,565	3,768	2,675	2,126	2,476	3,489
Fire and Life Safety										
Number of calls	11,266	10,942	11,558	11,464	10,919	9,969	9,707	9,550	9,289	9,070
Fire dispatches	4,284	4,411	4,971	4,992	4,743	4,117	4,076	4,007	3,567	3,504
Rescue dispatches	6,982	6,531	6,587	6,472	6,176	5,852	5,631	5,543	5,722	5,566
Education										
Library book circulation	365,523	451,753	557,764	509,704	514,824	527,047	534,923	524,847	529,718	562,212
Library registered patrons	44,770	43,149	52,592	48,530	44,022	64,436	63,248	69,860	65,057	70,684
School Division cost per pupil	\$ 12,449	\$ 10,960	\$ 10,847	\$ 10,662	\$ 10,204	\$ 10,081	\$ 10,177	\$ 9,584	\$ 9,743	\$ 9,424
Community services										
Recreation program participation (1)	22,307	110,683	151,048	160,280	131,205	105,032	121,587	100,542	108,590	101,650
Sewer										
New connections	318	250	316	273	109	170	401	277	339	366
Solid Waste										
Refuse collections (tons)	91,437	100,164	95,735	83,094	68,714	83,000	83,996	78,352	82,774	91,699
Recyclables collected (tons)	24,853	28,190	35,686	27,997	27,814	32,005	37,651	28,702	23,970	18,139

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	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Sheriff										
Patrol units	58	59	56	55	56	51	55	61	57	59
Fire and Life Safety										
Stations	6	6	6	6	6	6	6	6	6	6
Fire and rescue apparatus	27	27	27	27	27	26	26	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	36	36	36	36	36	36	36	36	36
Basketball courts	38	38	38	38	38	38	38	38	38	38
Volleyball courts	1	1	1	1	1	1	1	1	1	1
Athletic fields	73	73	73	73	73	73	73	73	73	73
Kayak launches	1	1	1	-	-	-	-	-	-	-
Education										
School facilities	19	19	19	19	19	19	19	19	19	19
Sewer										
Sanitary sewer (miles)	406	393	390	389	384	381	377	367	362	350

Source: Various County departments.

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COUNTY OF YORK, VIRGINIA

**COMPLIANCE AUDIT PURSUANT TO
2 CFR PART 200 (SINGLE AUDIT REPORT)**

For the Fiscal Year Ended June 30, 2021

(With Reports of Independent Auditor Thereon)

**COUNTY OF YORK, VIRGINIA
SINGLE AUDIT REPORT
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Report of Independent Auditor 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

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and the *Specifications for Audits of Counties, Cities, and Towns* issued by the Auditor of Public Accounts of the Commonwealth of Virginia, the financial statements of the governmental activities, the 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, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated November 29, 2021. That report recognizes that the County restated certain net position amounts due to the implementation of a new accounting standard effective July 1, 2020.

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 may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* or the *Specifications for Audits of Counties, Cities, and Towns*.

Purpose of this Report

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

A handwritten signature in black ink that reads "Cheryl Bekaert LLP". The signature is written in a cursive style with a large initial 'C' and 'B'.

Virginia Beach, Virginia
November 29, 2021

**Report of Independent Auditor on Compliance for Each Major
Federal 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

Report 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 described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2021. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated November 29, 2021, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is 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 financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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.



Virginia Beach, Virginia
February 22, 2022

COUNTY OF YORK, VIRGINIA
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2021

<u>Federal Granting Agency/Recipient State Agency/Grant Program/Grant Number</u>	<u>Assistance Listing Number</u>	<u>Federal Expenditures</u>
Department of Agriculture:		
Direct payments: Child and Adult Care Food Program	10.558	\$ 55,292
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	913,263
Department of Education:		
School Breakfast Program (197-179-01)	10.553	2,039,950
Department of Agriculture:		
National School Lunch Program (Donated Foods)	10.555	320,962
Department of Education:		
National School Lunch Program (197-179-01)	10.555	<u>3,825,825</u>
Subtotal Donated Foods and National School Lunch Program	10.555	<u>4,146,787</u>
Total Child Nutrition Cluster		6,186,737
Department of Defense:		
Direct payments:		
Naval Junior ROTC Program	12.UNK	126,578
National Defense Authorization Act	12.UNK	1,257,379
Forest Reserve	12.UNK	5,928
Competitive Grants: Promoting K-12 Student Achievement at Military-Connected Schools	12.556	186,763
Department of Housing and Urban Development:		
Pass-through payments:		
Department of Housing and Community Development		
Community Development Block Grants/State's Program (165-533-05)	14.228	1,470,073
Virginia Housing Development Authority:		
Section 8 Housing Choice Vouchers	14.871	<u>166,590</u>
Total Housing Voucher Cluster		166,590
Department of Justice:		
Direct payments:		
Bulletproof Vest Partnership Program	16.607	14,115
Equitable Sharing Program	16.922	29,475
Pass-through payments:		
Department of Criminal Justice Services:		
Crime Victim Assistance (140-390-01)	16.575	103,003
Violence Against Women Formula Grants (140-390-01)	16.588	27,366
Department of Transportation:		
Pass-through payments: Department of Transportation:		
Highway Planning and Construction	20.205	<u>25,852</u>
Total Highway Planning and Construction Cluster		25,852
Pass-through payments: Department of Motor Vehicles:		
State and Community Highway Safety (530-605-07)	20.600	<u>12,656</u>
Total Highway Safety Cluster		12,656
Alcohol Open Container Requirements	20.607	9,002
Department of the Treasury:		
Pass-through payments: Department of Accounts:		
Coronavirus Relief Fund	21.019	11,394,140
Coronavirus State and Local Fiscal Recovery Fund (ARPA)	21.027	6,631,295
Federal Communications Commission:		
Direct payments: Universal Service Fund - Schools and Libraries (E-rate)	32.004	10,542
Department of Education:		
Direct payments:		
Impact Aid	84.041	9,123,392
Pass-through payments:		
Department of Education (197-179-01):		
Title I Grants to Local Educational Agencies	84.010	755,511

(continued)

COUNTY OF YORK, VIRGINIA
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2021

<u>Federal Granting Agency/Recipient State Agency/Grant Program/Grant Number</u>	<u>Assistance Listing Number</u>	<u>Federal Expenditures</u>
Department of Education:		
Special Education and Rehabilitative Services:		
Special Education Grants to States	84.027	2,269,963
Special Education Preschool Grants	84.173	<u>47,709</u>
Total Special Education Cluster (IDEA)		2,317,672
Department of Education:		
Pass-through payments:		
Department of Education (197-179-01):		
School Safety National Activities	84.184	46,102
Vocational and Adult Education:		
Career and Technical Education - Basic Grants to States	84.048	115,819
English Language Acquisition State Grants	84.365	23,326
Supporting Effective Instruction State Grants	84.367	179,100
Education Stabilization Fund	84.425D	1,133,377
United States Election Assistance Commission:		
Pass-through payments:		
State Board of Elections		
HAVA Election Security Grants	90.404	68,555
Department of Health and Human Services:		
Direct payments:		
Administration for Children, Youth and Families: Head Start	93.600	1,212,695
Pass-through payments:		
Department of Social Services:		
MaryLee Allen Promoting Safe and Stable Families Program (765-460-10; 765-469-02)	93.556	15,410
Temporary Assistance for Needy Families (765-452-12; 765-452-01; 765-460-10)	93.558	319,443
Refugee and Entrant Assistance State/Replacement Designee Administered Programs (765-460-10; 765-491-02)	93.566	507
Low-Income Home Energy Assistance (765-460-10)	93.568	44,253
Child Care and Development Block Grant (765-452-15)	93.575	(1,874)
Child Care Mandatory and Matching Funds of the Child Care and Development Fund (765-452-14; 765-452-15; 765-460-10)	93.596	<u>69,682</u>
Total Child Care and Development Fund Cluster (93.575, 93.596)		67,808
Chafee Education and Training Vouchers Program (ETV) (765-469-02)	93.599	888
Stephanie Tubbs Jones Child Welfare Services Program (765-460-10)	93.645	312
Foster Care - Title IV-E (765-460-03; 765-460-10; 765-469-01; 765-469-02)	93.658	274,519
Adoption Assistance (765-460-03; 765-460-10; 765-469-03)	93.659	108,274
Social Services Block Grant (765-460-10; 765-468-02; 765-469-02; 765-469-03)	93.667	300,319
John H. Chafee Foster Care Program for Successful Transition to Adulthood (765-460-10; 765-469-02)	93.674	8,283
Children's Health Insurance Program (765-460-10)	93.767	8,033
Medical Assistance Program (765-460-03; 765-460-10)	93.778	680,694
Department of Medical Assistance Services: Medical Assistance Program	93.778	<u>182,308</u>
Subtotal Medical Assistance Program		<u>863,002</u>
Total Medicaid Cluster		863,002
Department of Homeland Security:		
Direct payments:		
Assistance to Firefighters Grant	97.044	36,688
Staffing for Adequate Fire and Emergency Response (SAFER)	97.083	363,406
Pass-through payments:		
Department of Homeland Security:		
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	490,958
Emergency Management Performance Grants (127-775-01)	97.042	50,335
Homeland Security Grant Program (127-775-01)	97.067	<u>234,858</u>
Total		<u>\$ 46,788,894</u>

See accompanying notes to Schedule of Expenditures of Federal Awards.

COUNTY OF YORK, VIRGINIA
Notes to Schedule of Expenditures of Federal Awards
June 30, 2021

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 no federal awards to a subrecipient during the year ended June 30, 2021.

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 2021.

COUNTY OF YORK, VIRGINIA
Schedule of Findings and Questioned Costs
Year Ended June 30, 2021

A. Summary of Auditor’s Results

Financial Statements:

Type of auditor’s report issued on the financial statements:	Unmodified
Internal control over financial reporting:	
Material weaknesses identified:	No
Significant deficiencies identified:	None reported
Noncompliance material to the financial statements noted?	No

Federal Awards:

Type of auditor’s report issued on compliance for major programs:	Unmodified
Internal control over financial reporting:	
Material weaknesses identified:	No
Significant deficiencies identified:	None reported
Noncompliance material to federal awards noted?	No
Any audit findings disclosed that are required to be reported in Accordance with Section 200.516(a) of the Uniform Guidance?	No

Identification of major federal programs:

<u>Name of Program</u>	<u>Assistance Listing #</u>
Department of Agriculture: Child Nutrition Cluster	10.553 and 10.555
Department of Housing and Urban Development: Community Development Block Grants/ State’s Program	14.228
Department of the Treasury: Coronavirus Relief Fund	21.019
Coronavirus State and Local Fiscal Recovery Fund	21.027
Department of Education: Education Stabilization Fund	84.425D
Department of Health and Human Services: Medicaid Cluster	93.778

Dollar threshold to distinguish between Types A and B Programs:	\$1,403,667
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The County of York was qualified as a low risk auditee in? Accordance with Section 200.520 of the Uniform Guidance?	Yes
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| B. Findings - Financial Statement Audit | None |
| C. Findings and Questioned Costs – Major Federal Awards | None |
| D. Findings and Questioned Costs – State Compliance | None |
| E. Resolution of Prior Year’s Findings | Not applicable |