

COUNTY OF BRUNSWICK, VIRGINIA



FINANCIAL REPORT YEAR
ENDED JUNE 30, 2023

County of Brunswick, Virginia

Financial Report

For the Year Ended June 30, 2023

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COUNTY OF BRUNSWICK, VIRGINIA

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BOARD OF SUPERVISORS

Glenda Jackson Gilliam	Dr. Alfonzo R. Seward, Chairperson	Dr. Barbara Jarrett-Harris
Reggie Owens		Welton Tyler

COUNTY SOCIAL SERVICES BOARD

Bernard Jones	Jacqueline Tyler, Chairperson	Maurice Wesson
Benjamin Spence	Audrey Jarrett-Nelson	Wilhelmina Jones

COUNTY SCHOOL BOARD

Dr. Carolyn P. Jones	Dr. Elizabeth Burns, Chairman	Timothy Puryear
Tracie Seward		Roy Warwick

OTHER OFFICIALS

Chief Judge for 6th Judicial Circuit Court	W. Edward Tomko, III
Clerk of the Circuit Court	Jacqueline S. Morgan
Commonwealth's Attorney	Lezlie S. Green
Commissioner of the Revenue	Camilla Clayton-Bright
Treasurer	Jacqueline Mangrum
Sheriff	Brian K. Roberts
Superintendent of Schools	Dr. Kristy Somerville-Midgette
Director of Social Services	Rich Blankenship
County Administrator	Leslie R. Weddington
Chief Judge of the General District Court	Elbert D. Mumphery
Chief Judge of the Juvenile and Domestic Relations Court	Jacqueline R. Waymack
Clerk of the School Board	Amy Clary

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Independent Auditors' Report

**The Honorable Members of
The Board of Supervisors
County of Brunswick, Virginia**

Report on the Audit of the Financial Statements

Opinions

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

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

We did not audit the financial statements of the school activity funds, which represent .74 percent, -6.83 percent, and 1.27 percent, respectively, of the assets, net position, and revenues of the component unit School Board as of June 30, 2023, and the respective changes in financial position thereof for the year then ended. Those statements were audited by other auditors whose report has been furnished to us, and our opinions, insofar as it relates to the amounts included for component unit School Board, are based solely on the report of the other auditors.

Basis for Opinions

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

Change in Accounting Principles

As described in Note 23 to the financial statements, in 2023, the County adopted new accounting guidance, GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITAs)*. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

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

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 6, 2024, on our consideration of County of Brunswick, Virginia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of County of Brunswick, Virginia's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering County of Brunswick, Virginia's internal control over financial reporting and compliance.

Robinson, Finner, Cox Associates

Richmond, Virginia
March 6, 2024

**COUNTY OF BRUNSWICK, VIRGINIA
MANAGEMENT'S DISCUSSION AND ANALYSIS**

**To the Citizens of Brunswick, County
County of Brunswick, Virginia**

As management of County of Brunswick, Virginia we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended June 30, 2023.

Financial Highlights

Government-wide Financial Statements

- On a government-wide basis for governmental activities, the liabilities and deferred inflows of resources of the County exceeded its assets and deferred outflows of resources at the close of the most recent fiscal year by \$22,636,282(net position), an increase of \$3,034,698 over the prior year.

Fund Financial Statements

In the Governmental Funds, on a current financial resource basis, expenditures and other financing uses exceeded revenues and other financing sources by \$2,311,520 (Exhibit 5) after making contributions totaling \$7,104,303 to the School Board.

- As of the close of the current fiscal year, the County's governmental funds reported ending fund balances of \$75,159,396 an increase of \$2,311,520 in comparison with the prior year.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$16,923,669 or 60% of total general fund expenditures.
- Combined long-term obligations for the governmental funds increased \$718,409 during the current fiscal year. Debt balances decreased by \$1,360,728.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements are comprised of three components:

1. Government-wide financial statements,
2. Fund financial statements, and
3. Notes to the financial statements.

This report also contains required and other supplementary information in addition to the basic financial statements themselves.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Overview of the Financial Statements: (Continued)

The statement of net position presents information on all of the County's a) assets and deferred outflows of resources and b) liabilities and deferred inflows of resources, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The statement of activities presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in the statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

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

The Government-wide financial statements include not only County of Brunswick, Virginia itself (known as the primary government), but also a legally separate school district for which County of Brunswick, Virginia is financially accountable and a legally separate industrial development authority for which the County appoints a majority of its board members. Financial information for these component units are reported separately from the financial information presented for the primary government itself.

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

Governmental Funds - Governmental Funds are used to account for essentially the same functions or services reported as governmental activities in the government-wide financial statements. Whereas the government-wide financial statements are prepared on the accrual basis of accounting, the governmental fund financial statements are prepared on the modified accrual basis of accounting. The focus of modified accrual reporting is on near-term inflows and outflows of financial resources and the balance of financial resources available at the end of the fiscal year. Since the governmental funds focus is narrower than that of the government-wide financial statements, a reconciliation between the two methods is provided following the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances. The County's major funds are the General Fund, the Virginia Public Assistance Fund, the Debt Service Fund, and the County Capital Improvements Fund.

Proprietary Funds – Proprietary Funds account for operations that are financed in a manner similar to private business enterprises. The Proprietary Funds utilize the accrual basis of accounting where the measurement focus is upon determination of net income, financial position, and changes in financial position. The County has no Proprietary Funds.

Fiduciary funds - The County is the trustee, or fiduciary, for the County's custodial funds. It is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the County's fiduciary activities are reported in a separate statement of fiduciary net position. The County excludes these activities from the County's government-wide financial statements because the County cannot use these assets to finance its operations. Custodial funds are used to provide accountability of various monies for which the County is custodian.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Overview of the Financial Statements: (Continued)

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

Other information - In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information for budgetary comparison schedules, funding schedules for the Virginia Retirement System and other postemployment benefits. Other supplementary information presented includes various combining financial statements for the County's non-major funds and the discretely presented component unit - School Board, supporting schedules, and statistical information. The School Board does not issue separate financial statements. The Component Unit IDA's stpg atements can be obtained by contacting the Authority's Executive Director, 116 West Hicks Street, Lawrenceville, VA 23868.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a County's financial position. In the case of the County's governmental activities, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$22,636,282 at the close of the most recent fiscal year.

Summary Statement of Net Position

	<u>Governmental Activities</u>	
	<u>2023</u>	<u>2022</u>
Current and other assets	\$ 89,991,329	\$ 84,995,092
Capital assets	<u>22,421,777</u>	<u>22,613,128</u>
Total assets	\$ <u>112,413,106</u>	\$ <u>107,608,220</u>
Deferred outflows of resources	\$ <u>4,034,588</u>	\$ <u>2,757,143</u>
Current liabilities	\$ 5,731,173	\$ 3,001,854
Long-term liabilities	<u>76,417,335</u>	<u>75,698,926</u>
Total liabilities	\$ <u>82,148,508</u>	\$ <u>78,700,780</u>
Deferred inflows of resources	\$ <u>11,662,904</u>	\$ <u>12,062,999</u>
Net position:		
Net investment in capital assets	\$ 11,127,203	\$ 7,161,866
Restricted	400,137	354,452
Unrestricted	<u>11,108,942</u>	<u>12,085,266</u>
Total net position	\$ <u>22,636,282</u>	\$ <u>19,601,584</u>

At the end of the current fiscal year, the County's net investment in capital assets was \$11,127,203. The County uses these capital assets to provide services to citizens: therefore, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Government-wide Financial Analysis: (Continued)

Governmental Activities - Governmental activities increased the County's net position by \$3,034,698.

Summary Statement of Change in Net Position

	Governmental Activities	
	2023	2022
Revenues:		
Program revenues:		
Charges for services	\$ 3,451,271	\$ 3,384,452
Operating grants and contributions	6,456,350	6,523,782
Capital grants and contributions	267,629	239,724
General revenues:		
General property taxes	21,126,888	19,726,462
Other local taxes	1,936,674	1,952,633
Grants and other contributions not restricted	1,826,341	1,808,797
Use of money and property	2,230,941	154,967
Miscellaneous	201,665	819,265
Total revenues	<u>\$ 37,497,759</u>	<u>\$ 34,610,082</u>
Expenses:		
General government administration	\$ 2,944,988	\$ 2,381,985
Judicial administration	2,258,775	1,992,778
Public safety	10,125,878	10,237,615
Public works	3,648,395	2,696,137
Health and welfare	3,784,328	3,360,532
Education	7,431,240	8,773,939
Parks, recreation, and cultural	637,625	515,069
Community development	1,205,121	1,596,228
Interest on long-term debt	2,426,711	1,206,795
Total expenses	<u>\$ 34,463,061</u>	<u>\$ 32,761,078</u>
Increase (decrease) in net position	<u>\$ 3,034,698</u>	<u>\$ 1,849,004</u>
Net position, July 1	<u>\$ 19,601,584</u>	<u>\$ 17,752,580</u>
Net position, June 30	<u>\$ 22,636,282</u>	<u>\$ 19,601,584</u>

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Financial Analysis of the County's Funds

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

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

As of the end of the current fiscal year, the County's governmental funds reported fund balances of \$72,847,876, an increase of \$2,311,520 from the prior year. Approximately 23% of the total fund balance constitutes unassigned fund balance, which is available for spending at the County's discretion. The remainder of fund balance is segregated to indicate that it is not available for new spending because it has already been committed or assigned.

General Fund Budgetary Highlights

During the year, budgetary estimates exceeded revenues and other financing sources by \$693,791. Budgetary estimates exceeded expenditures and other financing uses by \$3,825,579. The combination of the two resulted in a positive variance of \$3,131,788.

Capital Asset and Debt Administration

Capital assets - The County's investment in capital assets for its governmental operations as of June 30, 2023 amounted to \$22,421,777 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings and improvements, leased equipment, leased infrastructure, and machinery and equipment. The County's capital assets increased by \$1,005,445 during the current fiscal year, while accumulated depreciation increased by \$1,196,796, resulting in a net decrease of \$191,351.

Additional information on the County's capital assets can be found in note 7 of this report.

Long-term debt and other obligations - At the end of the current fiscal year, the County had total long-term debt and other obligations outstanding of \$76,417,335 for its governmental operations. Of this amount \$67,785,149 comprises obligations backed by the full faith and credit of the County. The remainder of the County's debt for governmental operations (\$8,632,186) represents bonds secured solely by specified revenue sources (i.e., revenue bonds).

The County's total debt and other long-term obligations outstanding increased by \$718,409 during the current fiscal year. Required payments made on outstanding principal balances were offset by the changes in pension and OPEB liabilities.

Additional information on County of Brunswick, Virginia's long-term debt can be found in Note 9 of this report.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate for the County is currently 4.3 percent, which is an increase from a rate of 4.72 percent a year ago. This is slightly higher than the state's average unemployment rate of 3.0 percent and the national average rate of 3.7 percent.
- Inflationary trends in the region compare favorably to national indices.

All of these factors were considered in preparing the County's budget for the 2024 fiscal year.

The County's fiscal year 2024 budget amounted to \$88,165,773 (net of interfund transfers and transfers to the Component Unit School Board and does not include expenditures of the Component Unit School Board).

Requests for Information

This financial report is designed to provide a general overview of the County of Brunswick, Virginia's finances for all those with an interest in the County's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the County Administrator, 228 North Main Street, P.O. Box 399, Lawrenceville, Virginia 23868.

BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

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Statement of Net Position
June 30, 2023

	Primary Government		
	Governmental Activities	School Board	IDA
ASSETS			
Cash and cash equivalents	\$ 24,519,971	\$ 1,552,440	\$ 1,717,410
Receivables (net of allowance for uncollectibles):			
Taxes receivable	10,040,697	-	-
Accounts receivable	559,628	12,596	1,137
Lease receivable	210,719		35,332
Opioid receivable	98,919	-	-
Interest receivable	232	-	-
Due from primary government	-	1,040,421	
Due from other governmental units	810,531	945,144	-
Prepaid items	10,584	-	-
Restricted assets:			
Cash and cash equivalents	53,740,048	-	-
Other assets:			
Land and improvements held for sale	-	-	3,219,974
Investment in industrial assets	-	-	7,097,173
Notes receivable	-	-	746,155
Net pension asset	-	560,297	28,032
Capital assets (net of accumulated depreciation):			
Land	4,268,265	25,822	13,194
Buildings and improvements	9,550,429	7,401,231	-
Machinery, equipment, and vehicles	3,090,769	1,441,253	14,321
Lease equipment	40,268	-	-
Lease infrastructure	1,966,029	-	-
Subscription assets	-	2,986	-
Intangibles	99,643	-	-
Construction in progress	3,406,374	-	-
Total assets	\$ 112,413,106	\$ 12,982,190	\$ 12,872,728
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charge on refunding	\$ 315,264	\$ -	\$ -
Pension related items	1,658,384	2,326,814	13,770
OPEB related items	244,659	324,733	6,028
Total deferred outflows of resources	\$ 2,218,307	\$ 2,651,547	\$ 19,798
LIABILITIES			
Accounts payable	\$ 672,463	\$ 158,527	\$ 10,000
Accrued liabilities	-	976,301	-
Escrow accounts	-	-	750
Accrued interest payable	1,162,270	-	-
Due to component unit	1,040,421	-	-
Unearned revenue	2,856,019	-	-
Long-term liabilities:			
Due within one year	2,459,525	93,804	-
Due in more than one year	73,957,810	11,550,590	10,716
Total liabilities	\$ 82,148,508	\$ 12,779,222	\$ 21,466
DEFERRED INFLOWS OF RESOURCES			
Deferred revenue-property taxes	\$ 8,721,934	\$ -	\$ -
Lease related items	206,377	-	32,943
Pension related items	755,015	3,656,861	16,031
OPEB related items	163,297	609,285	3,110
Total deferred inflows of resources	\$ 9,846,623	\$ 4,266,146	\$ 52,084
NET POSITION (DEFICIT)			
Net investment in capital assets	\$ 11,127,203	\$ 8,531,905	\$ 7,124,688
Restricted:			
Anti-litter	604	-	-
Electronic summons	118,689	-	-
Emergency Services	88,314	-	-
Law library	26,317	-	-
Drug enforcement	72,827	-	-
Courthouse maintenance	91,617	-	-
Employee benefits - sheriff	1,769	-	-
School activity funds	-	96,484	-
Pension asset	-	560,297	28,032
Unrestricted (deficit)	11,108,942	(10,600,317)	5,666,256
Total net position (deficit)	\$ 22,636,282	\$ (1,411,631)	\$ 12,818,976

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

COUNTY OF BRUNSWICK, VIRGINIA

Statement of Activities
For the Year Ended June 30, 2023

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
PRIMARY GOVERNMENT:				
Governmental activities:				
General government administration	\$ 2,944,988	\$ 150,263	\$ 666,709	\$ -
Judicial administration	2,258,775	2,107,617	748,280	-
Public safety	10,125,878	266,938	1,461,316	-
Public works	3,648,395	925,347	-	-
Health and welfare	3,784,328	-	2,965,807	-
Education	7,431,240	-	447,002	61,319
Parks, recreation, and cultural	637,625	-	163,513	-
Community development	1,205,121	92,829	3,723	206,310
Interest on long-term debt	2,426,711	-	-	-
Total governmental activities	\$ 34,463,061	\$ 3,542,994	\$ 6,456,350	\$ 267,629
COMPONENT UNITS:				
School Board	\$ 25,701,956	\$ 73,431	\$ 19,816,361	\$ -
Industrial Development Authority	799,362	30,457	106,308	-
Total component units	\$ 26,501,318	\$ 103,888	\$ 19,922,669	\$ -

General revenues:
 General property taxes
 Local sales and use tax
 Consumer's utility taxes
 Motor vehicle licenses
 Other local taxes
 Payment from County of Brunswick
 Unrestricted revenues from use of money and property
 Miscellaneous
 Grants and contributions not restricted to specific programs
 Total general revenues
 Change in net position
 Net position (deficit) - beginning
 Net position (deficit) - ending

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

Net (Expense) Revenue and Changes in Net Position			
Primary	Component Units		
Government			
Governmental	School		
Activities	Board	IDA	
\$ (2,128,016)			
597,122			
(8,397,624)			
(2,723,048)			
(818,521)			
(6,922,919)			
(474,112)			
(902,259)			
(2,426,711)			
<u>\$ (24,196,088)</u>			
	\$ (5,812,164)	\$ -	
	-	(662,597)	
	<u>\$ (5,812,164)</u>	<u>\$ (662,597)</u>	
\$ 21,126,888	\$ -	\$ -	
1,092,120	-	-	
252,141	-	-	
378,247	-	-	
214,166	-	-	
-	7,387,376	-	
2,139,218	691	19,075	
201,665	694,127	109,324	
1,826,341	-	-	
<u>\$ 27,230,786</u>	<u>\$ 8,082,194</u>	<u>\$ 128,399</u>	
3,034,698	2,270,030	(534,198)	
19,601,584	(3,681,661)	13,353,174	
<u>\$ 22,636,282</u>	<u>\$ (1,411,631)</u>	<u>\$ 12,818,976</u>	

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FUND FINANCIAL STATEMENTS

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Balance Sheet
 Governmental Funds
 June 30, 2023

	General	Virginia Public Assistance	School Debt Service	County Capital Improvements	Other Governmental Funds	Total
ASSETS						
Cash and cash equivalents	\$ 20,409,676	\$ -	\$ -	\$ 4,196,263	\$ 7,023	\$ 24,612,962
Receivables (net of allowance for uncollectibles):						
Taxes receivable	10,040,697	-	-	-	-	10,040,697
Accounts receivable	559,306	322	-	-	-	559,628
Lease receivable	210,719	-	-	-	-	210,719
Opioid receivable	98,919	-	-	-	-	98,919
Interest receivable	232	-	-	-	-	232
Due from other funds	228,944	-	-	-	-	228,944
Due from other governmental units	488,114	185,969	-	18,425	118,023	810,531
Prepaid items	-	5,364	-	-	5,220	10,584
Restricted assets:						
Temporarily restricted:						
Cash and cash equivalents	-	-	-	53,740,048	-	53,740,048
Total assets	\$ 32,036,607	\$ 191,655	\$ -	\$ 57,954,736	\$ 130,266	\$ 90,313,264
LIABILITIES						
Accounts payable	\$ 553,698	\$ -	\$ -	\$ 56,143	\$ 62,622	\$ 672,463
Overdraft	-	23,366	68,401	-	1,224	92,991
Unearned revenue	2,856,019	-	-	-	-	2,856,019
Due to other funds	-	168,289	-	-	60,655	228,944
Due to component unit	1,040,421	-	-	-	-	1,040,421
Total liabilities	\$ 4,450,138	\$ 191,655	\$ 68,401	\$ 56,143	\$ 124,501	\$ 4,890,838
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue - property taxes	\$ 9,957,734	\$ -	\$ -	\$ -	\$ -	\$ 9,957,734
Opioid	98,919	-	-	-	-	98,919
Lease related items	206,377	-	-	-	-	206,377
Total deferred inflows of resources	10,263,030	-	-	-	-	10,263,030
FUND BALANCES						
Nonspendable:						
Prepaid items	\$ -	\$ 5,364	\$ -	\$ -	\$ 5,220	\$ 10,584
Restricted:						
Anti-litter	604	-	-	-	-	604
Electronic summons	118,689	-	-	-	-	118,689
Emergency Services	88,314	-	-	-	-	88,314
Law library	26,317	-	-	-	-	26,317
Drug enforcement	72,827	-	-	-	-	72,827
Courthouse maintenance	91,617	-	-	-	-	91,617
Employee benefits - sheriff	-	-	-	-	1,769	1,769
Committed:						
DMV Select	1,402	-	-	-	-	1,402
Other capital projects	-	-	-	57,898,593	-	57,898,593
Unassigned:						
General fund	16,923,669	-	-	-	-	16,923,669
Special revenue funds	-	(5,364)	-	-	(1,224)	(6,588)
Debt service funds	-	-	(68,401)	-	-	(68,401)
Total fund balances	\$ 17,323,439	\$ -	\$ (68,401)	\$ 57,898,593	\$ 5,765	\$ 75,159,396
Total liabilities, deferred inflows of resources and fund balances	\$ 32,036,607	\$ 191,655	\$ -	\$ 57,954,736	\$ 130,266	\$ 90,313,264

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

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

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

Total fund balances per Exhibit 3 - Balance Sheet - Governmental Funds \$ 75,159,396

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

Land	\$	4,268,265	
Construction in progress		3,406,374	
Buildings and improvements		9,550,429	
Machinery, equipment, and vehicles		3,090,769	
Leased equipment		40,268	
Leased infrastructure		1,966,029	
Intangibles		<u>99,643</u>	22,421,777

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

Unavailable revenue - property taxes	\$	1,235,800	
Unavailable revenue - opioid settlement		<u>98,919</u>	1,334,719

The deferred charge on refunding is to be amortized as interest expense over the life of the debt.

315,264

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

Pension related items	\$	1,658,384	
OPEB related items		<u>244,659</u>	1,903,043

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

Lease revenue bonds	\$	(8,305,000)	
Plus: (Premium) discount on issuance		(327,186)	
General obligation bonds		(55,666,183)	
Plus: Premium on issuance		(2,722,807)	
Brodnax sewer capacity agreement		(104,832)	
Lease liabilities		(2,099,174)	
Arbitrage liability		(129,704)	
Compensated absences		(745,416)	
Landfill closure/postclosure liability		(747,362)	
Net OPEB liabilities		(1,311,097)	
Net pension liability		(4,258,574)	
Accrued interest payable		<u>(1,162,270)</u>	(77,579,605)

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

Pension related items	\$	(755,015)	
OPEB related items		<u>(163,297)</u>	(918,312)

Net position of governmental activities \$ 22,636,282

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

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

REVENUES	General	Virginia Public Assistance	School Debt Service	County Capital Improvements	Other Govern- mental Funds	Total
General property taxes	\$ 18,540,534	\$ -	\$ -	\$ 2,199,804	\$ -	\$ 20,740,338
Other local taxes	1,936,674	-	-	-	-	1,936,674
Permits, privilege fees, and regulatory licenses	73,038	-	-	-	-	73,038
Fines and forfeitures	1,609,240	-	-	-	-	1,609,240
Revenue from the use of money and property	87,638	-	-	2,143,303	-	2,230,941
Charges for services	1,768,993	-	-	-	-	1,768,993
Miscellaneous	180,203	1,846	-	2,515	17,101	201,665
Recovered costs	431,879	-	-	100	-	431,979
Intergovernmental:						
Local government	447,002	-	-	-	-	447,002
Commonwealth	4,388,341	847,883	-	1,890	494,490	5,732,604
Federal	544,938	1,350,314	61,319	206,310	108,914	2,271,795
Total revenues	<u>\$ 30,008,480</u>	<u>\$ 2,200,043</u>	<u>\$ 61,319</u>	<u>\$ 4,553,922</u>	<u>\$ 620,505</u>	<u>\$ 37,444,269</u>
EXPENDITURES						
Current:						
General government administration	\$ 2,626,817	\$ -	\$ -	\$ -	\$ -	\$ 2,626,817
Judicial administration	2,217,807	-	-	-	-	2,217,807
Public safety	10,091,885	-	-	-	19,777	10,111,662
Public works	3,444,372	-	-	-	34,372	3,478,744
Health and welfare	250,079	2,621,326	-	-	850,039	3,721,444
Education	7,174,108	-	-	-	-	7,174,108
Parks, recreation, and cultural	562,206	-	-	-	-	562,206
Community development	981,941	-	-	-	-	981,941
Capital projects	5,377	-	-	1,013,452	-	1,018,829
Debt service:						
Principal retirement	665,175	-	502,536	-	-	1,167,711
Interest and other fiscal charges	308,326	-	143,939	1,619,215	-	2,071,480
Total expenditures	<u>\$ 28,328,093</u>	<u>\$ 2,621,326</u>	<u>\$ 646,475</u>	<u>\$ 2,632,667</u>	<u>\$ 904,188</u>	<u>\$ 35,132,749</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 1,680,387</u>	<u>\$ (421,283)</u>	<u>\$ (585,156)</u>	<u>\$ 1,921,255</u>	<u>\$ (283,683)</u>	<u>\$ 2,311,520</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	\$ 156,340	\$ 577,623	\$ 585,930	\$ 365,126	\$ 274,388	\$ 1,959,407
Transfers out	(1,803,067)	(156,340)	-	-	-	(1,959,407)
Total other financing sources (uses)	<u>\$ (1,646,727)</u>	<u>\$ 421,283</u>	<u>\$ 585,930</u>	<u>\$ 365,126</u>	<u>\$ 274,388</u>	<u>\$ -</u>
Net change in fund balances	\$ 33,660	\$ -	\$ 774	\$ 2,286,381	\$ (9,295)	\$ 2,311,520
Fund balances - beginning	17,289,779	-	(69,175)	55,612,212	15,060	72,847,876
Fund balances - ending	<u>\$ 17,323,439</u>	<u>\$ -</u>	<u>\$ (68,401)</u>	<u>\$ 57,898,593</u>	<u>\$ 5,765</u>	<u>\$ 75,159,396</u>

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

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

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

Net change in fund balances - total governmental funds \$ 2,311,520

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which the capital outlays exceeded depreciation in the current period.

Capital asset additions	\$	1,544,044	
Depreciation		(1,430,684)	
Adjustment for jointly owned assets		(502,536)	
Depreciation adjustment for jointly owned assets		219,463	(169,713)

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

Capital asset disposals			(21,638)
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Increase (decrease) in property taxes	\$	386,550	
Increase (decrease) in opioid settlement		98,919	485,469

The issuance of long-term obligations (e.g. bonds, loans) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term obligations and related items.

Amortization of premium (discount) on issuance	\$	193,017	
Issuance of arbitrage liability		(129,704)	
Principal retired on lease liabilities		66,439	
Principal retired on bonds		1,101,272	1,231,024

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.

Decrease (increase) in compensated absences	\$	(104,138)	
Pension expense		(10,320)	
OPEB expense		(66,003)	
Decrease (increase) in landfill closure/postclosure care liability		(73,255)	
Amortization of deferred charge on refunding		(45,732)	
Decrease (increase) in accrued interest payable		(502,516)	(801,964)

Change in net position of governmental activities	\$		3,034,698
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The notes to the financial statements are an integral part of this statement.

Statement of Fiduciary Net Position
 Fiduciary Funds
 June 30, 2023

	<u>Custodial Funds</u>
ASSETS	
<hr/>	
Cash and cash equivalents	\$ 32,662
Total assets	<u>\$ 32,662</u>
LIABILITIES	
<hr/>	
Accounts payable	\$ 132
Escrow deposits payable	28,550
Due to other governmental units	12
Total liabilities	<u>\$ 28,694</u>
NET POSITION	
<hr/>	
Restricted for:	
Special welfare	\$ 3,968
Total net position	<u>\$ 3,968</u>

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

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

	<u>Custodial Funds</u>
ADDITIONS	
Special welfare collections	\$ 9,975
Sheriff fees	10,846
Total additions	<u>\$ 20,821</u>
DEDUCTIONS	
Welfare costs	\$ 32,494
Miscellaneous	8,500
Sheriff fees remitted to State	10,846
Total deductions	<u>\$ 51,840</u>
Net increase (decrease) in fiduciary net position	\$ (31,019)
Net position - beginning	<u>34,987</u>
Net position - ending	<u><u>\$ 3,968</u></u>

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

COUNTY OF BRUNSWICK, VIRGINIA

Notes to Financial Statements

As of June 30, 2023

Note 1-Summary of Significant Accounting Policies:

County of Brunswick, Virginia was formed in 1720 and is governed by an elected five-member Board of Supervisors. The Board of Supervisors is responsible for appointing the County Administrator. The County provides a full range of services for its citizens. These services include police and volunteer fire protection; sanitation services; recreational activities; cultural events; education and social services.

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

A. Description of Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

B. Financial Reporting Entity

The basic criterion for determining whether a governmental department, agency, institution, commission, public authority, or other governmental organization should be included in a primary governmental unit's reporting entity for general purpose financial statements is financial accountability. Financial accountability includes the appointment of a voting majority of the organization's governing body and the ability of the primary government to impose its will on the organization or if there is a financial benefit/burden relationship. In addition, an organization which is fiscally dependent on the primary government should be included in its reporting entity. These financial statements present County of Brunswick, Virginia (the primary government) and its component units. Blended component units, although legally separate entities, are, in substance, part of the government's operations and so data from these units are combined with data of the primary government. Each discretely presented component unit, on the other hand, is reported in a separate column in the government-wide financial statements to emphasize it is both legally and substantively separate from the government.

C. Individual Component Unit Disclosures

Blended Component Unit. The County has no blended component units to be included for the fiscal year ended June 30, 2023.

The School Board members are elected by the citizens of Brunswick County and are responsible for the operations of the County's School System. The School Board is fiscally dependent on the County. The County has the ability to approve its budget and any amendments. The primary funding is from the General Fund of the County. The School Fund does not issue a separate financial report. The financial statements of the School Board are presented as a discrete presentation of the County financial statements for the fiscal year ended June 30, 2023.

COUNTY OF BRUNSWICK, VIRGINIA

Notes to Financial Statements
As of June 30, 2023 (Continued)

Note 1-Summary of Significant Accounting Policies: (Continued)

C. Individual Component Unit Disclosures: (Continued)

The Brunswick County Industrial Development Authority assists in promoting Brunswick County for Industrial Development. The Authority is comprised of members that are appointed by the County's Board of Supervisors. Accordingly, the Authority is considered a component unit of the County and is included as a discrete presentation in the County's financial report. A complete set of financial statements for the Industrial Development Authority is available from the Authority.

D. Other Related Organizations

Included in the County's Financial Report: None

Excluded from the County's Financial Report:

Jointly Governed Organizations

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

The financial activities of the following organizations are excluded from the accompanying financial statements for the reasons indicated:

Meherrin Regional Library

The Meherrin Regional Library is considered a jointly governed organization and therefore its operations are not included in the County's financial statements. The Counties of Brunswick, Greenville and the City of Emporia provide the financial support for the Library and appoint its governing Board, in which is vested the ability to execute contracts and to budget and expend funds. The County appoints five (5) of the ten (10) members of the Board. The County provided \$212,885 in operating funds to the Library in 2023.

Southside Community Services Board

The Board, created by resolution pursuant to state statute, is considered a jointly governed organization and therefore its operations are not included in the County's financial statements. The County appoints two of the board members; however, the County cannot impose its will on the Board since it does not have the ability to modify or approve the budget or overrule or modify the decisions of the Board. The Board is fiscally independent and there is no financial benefit or burden relationship with the County. Therefore, it is not included in the County's financial statements. Brunswick County contributed \$80,477 as operating grants to the Southside Community Services Board for the fiscal year ended June 30, 2023.

COUNTY OF BRUNSWICK, VIRGINIA

Notes to Financial Statements
As of June 30, 2023 (Continued)

Note 1-Summary of Significant Accounting Policies: (Continued)

D. Other Related Organizations: (Continued)

Excluded from the County's Financial Report: (Continued)

Meherrin River Regional Jail Authority

The Authority, created by resolution pursuant to state statute, is considered a jointly governed organization and therefore its operations are not included in the County's financial statements. The Counties of Brunswick, Dinwiddie, and Mecklenburg participate in the Authority. The County Administrator and Sheriff of each participating locality serve on the Authority; however, the Authority is fiscally independent and there is no financial benefit or burden relationship with the participating localities. Therefore, it is not included in the County's financial statements. The regional jail bills each participating locality a per diem rate based upon the number of inmates housed at the facility. The per diem rates include components for both operating and debt service expenses. Brunswick County paid \$2,569,493 to the Jail for the fiscal year ended June 30, 2023.

Obtaining of Financial Statements for Jointly Governed Organizations

Complete financial statements of the jointly governed organizations may be obtained by contacting the County of Brunswick, Virginia, County Administrator, P.O. Box 399, 228 North Main Street, Lawrenceville, VA 23868.

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

E. Basis of Presentation - Government-Wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from enterprise funds. 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.

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

F. Basis of Presentation - Fund Financial Statements

The fund financial statements provide information about the County of Brunswick, Virginia's funds, including its fiduciary funds. Separate statements for each fund category - governmental and fiduciary - are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

Note 1-Summary of Significant Accounting Policies: (Continued)

F. Basis of Presentation - Fund Financial Statements: (Continued)

During the course of operations, the County has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. Further, certain activity occurs during the year involving transfers of resources between funds reported at gross amounts as transfers in/out. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column.

G. Measurement Focus, Basis of Accounting and Financial Statement Presentation

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

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

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

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

Note 1-Summary of Significant Accounting Policies: (Continued)

G. Measurement Focus, Basis of Accounting and Financial Statement Presentation: (Continued)

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the County.

1. Governmental Funds

Governmental Funds are those through which most governmental functions typically are financed. The government reports the following governmental funds.

a. General Fund

The General Fund is the primary operating fund of the County. This fund is used to account for and report all financial resources except those required to be accounted for and reported in another fund. Revenues are derived primarily from property and other local taxes, state and federal distributions, licenses, permits, charges for services, and interest income. A significant part of the General Fund's revenues are used principally to finance the operations of the Component Unit School Board. The General Fund is considered a major fund for reporting purposes.

b. Special Revenue Funds

The Special Revenue Funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The special revenue funds consist of the Virginia Public Assistance Fund, the Airport Commission Fund, the Sheriff's Employee Fund, and the Comprehensive Services Act Fund. The Virginia Public Assistance Fund is the only special revenue fund considered to be a major fund at June 30, 2023.

c. Capital Projects Fund

The County Capital Improvements Fund account for and report all financial resources that are restricted, committed, or assigned to expenditure for capital outlays, except for those financed by proprietary funds or for assets held in trust for individuals, private organizations, or other governments. The county capital improvements fund is considered a major fund.

d. Debt Service Fund

The Debt Service Fund accounts for and reports financial resources that are restricted, committed, or assigned to expenditure for principal and interest. Debt service funds should also be used to report financial resources being accumulated for future debt service. The school debt service fund is considered a major fund.

COUNTY OF BRUNSWICK, VIRGINIA

Notes to Financial Statements
As of June 30, 2023 (Continued)

Note 1-Summary of Significant Accounting Policies: (Continued)

G. Measurement Focus, Basis of Accounting and Financial Statement Presentation: (Continued)

2. Fiduciary Funds (Trust and Custodial Funds)

Fiduciary Funds (Trust and Custodial Funds) account for assets held by the County in a trustee capacity or as custodian for individuals, private organizations, other governmental units, or other funds. These funds include Custodial Funds consisting of the special welfare fund, sheriff funds, and the bond escrow fund. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs.

3. Component Unit:

The Brunswick County School Board has the following funds:

Governmental Funds:

School Operating Fund - This fund is the primary operating fund of the School Board and accounts for and reports all revenues and expenditures applicable to the general operations of the public school system. Revenues are derived primarily from charges for services, appropriations from the County of Brunswick and state and federal grants. The School Operating Fund is considered a major fund of the School Board for financial reporting purposes.

Special Revenue Funds: Special revenue funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

School Cafeteria Fund - This fund accounts for the operations of the School Board's food service program. Financing is provided primarily by food and beverage sales and state and federal grants. This fund is considered a major fund.

School Activity Fund - This fund accounts for and reports funds collected at the schools in connection with student athletics, clubs, various fundraising activities, and private donations. This fund is considered a nonmajor fund.

Capital Projects Fund: Capital projects funds account for and report financial resources that are restricted, committed or assigned to expenditure for capital outlays, except for those financed by proprietary funds or for assets held in trust for individuals, private organizations, or other governments. This fund is considered a major fund.

School Capital Projects Fund - This fund accounts for all financial resources used for the acquisition or construction of major capital needs. This fund is considered a major fund.

H. Program Revenues

Amounts reported as program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided or fines imposed by a given function or segment, and (2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

Note 1-Summary of Significant Accounting Policies: (Continued)

I. Budgetary Comparison Schedules

Demonstrating compliance with the adopted budget is an important component of a government's accountability to the public. Many citizens participate in one way or another in the process of establishing the annual operating budgets of state and local governments and have a keen interest in following the actual financial progress of their governments over the course of the year. Many governments revise their original budgets over the course of the year for a variety of reasons. Budgetary comparison information is included in the annual report, including the government's original budget and a comparison of final budget and actual results.

J. Budgets and Budgetary Accounting

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

1. Prior to March 30, the County Administrator submits to the Board of Supervisors a proposed operating and capital budget for the fiscal year commencing the following July 1. The operating and capital budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain citizen comments.
3. Prior to June 30, the budget is legally enacted through passage of an Appropriations Resolution.
4. The Appropriations Resolution places legal restrictions on expenditures at the department level or category level. The appropriation for each department or category can be revised only by the Board of Supervisors. The County Administrator is authorized to transfer budgeted amounts within general government departments; however, the School Board is authorized to transfer budgeted amounts within the school system's categories.
5. Formal budgetary integration is employed as a management control device during the year and budgets are legally adopted for the General Fund, Comprehensive Services Act Fund, VPA Fund, Airport Fund, the General Capital Projects Fund and the School Debt Service Fund of the primary government and the School Operating Fund, School Cafeteria Fund and School Capital Projects Fund of the School Board.
6. All budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).
7. Appropriations lapse on June 30, for all county units.
8. All budgetary data presented in the accompanying financial statements is the original budget at June 30. Several supplemental appropriations were necessary during the year and at year end because they were not included in the original budget.
9. The expenditure budget is enacted through an annual appropriations ordinance. Appropriations are made at the departmental level for the primary government and at the function level for the School Board. State law requires that if budget amendments exceed 1% of the original adopted budget the Board of Supervisors may legally amend the budget only by following the procedures used in the adoption of the original budget. There were budget amendments during the year that exceeded the 1% limitation, for which a public hearing was held to approve the purchase of property and a building. The Board of Supervisors must approve all appropriations and transfers of appropriated amounts.

COUNTY OF BRUNSWICK, VIRGINIA

Notes to Financial Statements
As of June 30, 2023 (Continued)

Note 1-Summary of Significant Accounting Policies: (Continued)

J. Budgets and Budgetary Accounting (Continued)

10. Expenditures exceeded appropriations in the Virginia Public Assistance Fund and the School Capital Projects Fund at June 30, 2023.

K. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition by the government.

L. Investments

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

M. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e. the current portion of interfund loans). All other outstanding balances between funds are reported as “advances to/from other funds.”

All trade and property tax receivables are shown net of an allowance for uncollectibles. The County calculates its allowance for uncollectible accounts using historical collection data and, in certain cases, specific account analysis. The allowance amounted to approximately \$144,200 at June 30, 2023 and is comprised solely of property taxes.

Property is assessed at its value on January 1. Property taxes attach as an enforceable lien on property as of January 1. Taxes are payable December 5th. The County bills and collects its own property taxes.

N. Prepaid Items

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

O. Capital Assets

Capital assets are tangible and intangible assets, which include property, plant, equipment, lease, subscriptions, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), and are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets, except for infrastructure assets, are defined by the County and Component Unit School Board as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. For infrastructure asset the same estimated minimum useful life is used (in excess of two years), but only those infrastructure projects that cost more than \$50,000 are reported as capital assets.

COUNTY OF BRUNSWICK, VIRGINIA

Notes to Financial Statements
As of June 30, 2023 (Continued)

Note 1-Summary of Significant Accounting Policies: (Continued)

O. Capital Assets (Continued)

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

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

<u>Assets</u>	<u>Years</u>
Building improvements	20-40
Buildings	40
Buses	8
Intangibles	35-40
Lease equipment	2-5
Lease infrastructure	22
Subscription assets	2
Office and computer equipment	5
Police vehicles	3
Vehicles	5

P. Leases and Subscription-Based IT Arrangements

The County has various lease assets and subscription-based IT arrangements (SBITAs) requiring recognition. A lease is a contract that conveys control of the right to use another entity’s nonfinancial asset. Lease recognition does not apply to short-term leases, contracts that transfer ownership, leases of assets that are investments, or certain regulated leases. A SBITA is defined as a contract that conveys control of the right to use another party’s (a SBITA vendor’s) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction.

Lessee

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

Note 1-Summary of Significant Accounting Policies: (Continued)

P. Leases and Subscription-Based IT Arrangements (Continued)

Lessor

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

Subscriptions

The County recognizes intangible right-to-use subscription assets (subscription assets) and corresponding subscription liabilities with an initial value of \$5,000, in individually or in the aggregate, in the government-wide financial statements. At the commencement of the subscription, the subscription liability is measured at the present value of payments expected to be made during the subscription liability term (less any contract incentives). The subscription liability is reduced by the principal portion of payments made. The subscription asset is measured at the initial amount of the subscription liability payments made to the SBITA vendor before commencement of the subscription term, and capitalizable implementation costs, less any incentives received from the SBITA vendor at or before the commencement of the subscription term. The subscription asset is amortized over the shorter of the subscription term or the useful life of the underlying IT asset.

Key Estimates and Judgments

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

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

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

Note 1-Summary of Significant Accounting Policies: (Continued)

Q. Compensated Absences

Vacation

The County's policy permits employees to accumulate earned but unused vacation benefits, which are eligible for payment upon separation from government service. The liability for such leave is reported as incurred in the government-wide financial statements. A liability for those amounts is recorded in the governmental funds only if the liability has matured as a result of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable.

Sick Leave

Accumulated sick leave lapses when employees leave the employ of the County and, upon separation from service, limited monetary obligation exists. Generally, sick leave payout is capped at 25% or \$5,000 for County employees and \$25 per day for 125 days for School Board employees.

An estimate of ten percent of the liability has been classified as current in the government-wide financial statements.

R. Long-term Obligations

In the government-wide financial statements, long-term obligations are reported as liabilities in the applicable governmental activities. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued and premiums on issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

S. Fund Balance

In governmental fund types, the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources is called "fund balance." The County's governmental funds report the following categories of fund balance, based on the nature of any limitations requiring the use of resources for specific purposes:

- Nonspendable fund balance - amounts that are either not in spendable form (such as inventory and prepaids) or are legally or contractually required to be maintained intact (corpus of a permanent fund);
- Restricted fund balance - amounts that can be spent only for the specific purposes stipulated by external resource providers such as grantors or enabling federal, state, or local legislation. Restrictions may be changed or lifted only with the consent of the resource providers;
- Committed fund balance - amounts that can be used only for the specific purposes determined by the adoption of an ordinance committing fund balance for a specified purpose by the Board of Supervisors prior to the end of the fiscal year. Once adopted, the limitation imposed by the ordinance remains in place until the resources have been spent for the specified purpose or the Board adopts another ordinance to remove or revise the limitation;

Note 1-Summary of Significant Accounting Policies: (Continued)

S. Fund Balance (Continued)

- Assigned fund balance - amounts a government intends to use for a specific purpose but do not meet the criteria to be classified as committed; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment;
- Unassigned fund balance - amounts that are available for any purpose; positive amounts are only reported in the general fund. Additionally, any deficit fund balance within the other governmental fund types is reported as unassigned.

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

The Board of Supervisors establishes (and modifies or rescinds) fund balance commitments by passage of an ordinance/resolution. This is typically done through adoption and amendment of the budget. A fund balance commitment, which does not lapse at year end, is further indicated in the budget document as a designation or commitment of the fund (such as for special incentives). Assigned fund balance is established by the Board of Supervisors through adoption or amendment of the budget as intended for specific purpose (such as the purchase of capital assets, construction, debt service, or for other purposes) or other official to which the Board has delegated the authority to assign amounts including but limited to the County Administrator and the Director of Finance.

T. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

U. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position includes a separate section for deferred outflows of resources. Deferred outflows of resources represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County has multiple items that qualify for reporting in this category. One item is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding resulted from the difference between the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The other item is comprised of certain items related to pension and OPEB. For more detailed information on these items, reference the related notes.

Note 1-Summary of Significant Accounting Policies: (Continued)

U. Deferred Outflows/Inflows of Resources (Continued)

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

V. Pensions

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the County's and School Board's Retirement Plan and the additions to/deductions from the County's and School Board's Retirement Plan's net fiduciary position have been determined on the same basis as they were reported by the Virginia Retirement System (VRS). For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

W. Other Postemployment Benefits (OPEB)

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

X. Net Position

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

- Net investment in capital assets consists of capital assets, net of accumulated depreciation/amortization and reduced by outstanding balances of bonds, notes, and other debt that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are included in this component of net position.
- Restricted net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Assets are reported as restricted when constraints are placed on asset use either by external parties or by law through constitutional provision or enabling legislation.
- Unrestricted net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that does not meet the definition of the two preceding categories.

COUNTY OF BRUNSWICK, VIRGINIA

Notes to Financial Statements
As of June 30, 2023 (Continued)

Note 1-Summary of Significant Accounting Policies: (Continued)

X. Net Position

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

Y. Upcoming Pronouncements

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

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

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

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

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

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

Note 2-Deposits and Investments:

Deposits

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

COUNTY OF BRUNSWICK, VIRGINIA

Notes to Financial Statements
As of June 30, 2023 (Continued)

Note 2-Deposits and Investments: (Continued)

Investments

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

Custodial Credit Risk (Investments)

The County’s investments at June 30, 2023 were held in the County’s name by the County’s custodial banks.

Credit Risk of Debt Securities

The County’s policy stipulates that investments in prime quality institutions must be rated no lower than A-1 by Standard & Poor’s Inc., no lower than AA by Moody’s Investors Service, Inc., and no lower than Aa by Moody’s. Investments in high quality corporate notes must be rated no lower than AA by Standard & Poor’s and no lower than Aa by Moody’s.

The County’s and IDA’s rated debt investments as of June 30, 2023 were rated by Standard & Poor’s and/or an equivalent national rating organization and the ratings are presented below using the Standard & Poor’s rating scale.

Rated Debt Investments' Values	
Rated Debt Investments	Ratings
	AAAm
Governmental Activities:	
Local government investment pool	\$ 3,972
	AAAm
Component Unit Industrial Development Authority:	
Local government investment pool	\$ 406,796

Interest Rate Risk

The County’s investment policy concerning interest rate risk stipulates that unless matched to a specific cash flow, the County will not directly invest in securities maturing more than five years from the date of purchase. Reserve funds may be invested in securities exceeding 5 years if the maturity of such investments is made to coincide as nearly as practicable with the expected use of funds.

COUNTY OF BRUNSWICK, VIRGINIA

Notes to Financial Statements
As of June 30, 2023 (Continued)

Note 2-Deposits and Investments: (Continued)

Interest Rate Risk (Continued)

Investment Maturities (in years)		
Investment Type	Value	Less Than 1 Year
Governmental Activities:		
Local government investment pool	\$ 3,972	\$ 3,972
Component Unit Industrial Development Authority:		
Local government investment pool	\$ 406,796	\$ 406,796

External Investment Pool

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

Note 3-Property Taxes:

Real property taxes are assessed on property values as of January 1 and attach as an enforceable lien on property as of the date levied by the Board of Supervisors. Personal property taxes are assessed based on ownership as of January 1.

Real estate and personal property taxes are due on December 5.

A ten percent penalty is levied on all taxes not collected on or before their due date. An interest charge of ten percent per annum is also levied on such taxes beginning on their due date.

Property taxes for calendar year 2023 were levied by the County Board of Supervisors in August 2022, on the assessed value listed as of January 1, 2022.

Property taxes levied in the prior year have been recorded as receivables as of the date the County has the legal right to receive payments thereon. The receivables collected during the fiscal year and during the first 60 days of the succeeding fiscal year are recognized as revenues in the current fiscal year. Taxes receivable as of the end of the year (June 30) and not collected until the succeeding year are reported as deferred inflows of resources.

COUNTY OF BRUNSWICK, VIRGINIA

Notes to Financial Statements
As of June 30, 2023 (Continued)

Note 4-Receivables:

Receivables at June 30, 2023 consist of the following:

	Primary Government		Component Units	
	Governmental Activities		School Board	IDA
	General	Total		
Property taxes	\$ 10,184,897	\$ 10,184,897	\$ -	\$ -
Allowance for uncollectibles	(144,200)	(144,200)	-	-
Net taxes receivable	\$ 10,040,697	\$ 10,040,697	\$ -	\$ -
Accounts receivable:				
Landfill host fees	\$ 231,334	\$ 231,334	\$ -	\$ -
Landfill inspection costs	43,867	43,867	-	-
Utility and consumption taxes	23,802	23,802	-	-
Courthouse security	31,705	31,705	-	-
Court fines	138,520	138,520	-	-
Transport billing services	15,573	15,573	-	-
Airport recovery	-	-	-	-
Insurance proceeds	2,675	2,675	-	-
Recordation tax	11,874	11,874	-	-
Expenditure refunds	-	-	2,067	-
Electronic summons	6,881	6,881	-	-
Interest	-	-	-	-
Lease receivable	-	-	-	35,332
Other	53,397	53,397	10,529	-
Total accounts receivable	\$ 559,628	\$ 559,628	\$ 12,596	\$ 35,332
Notes receivable:				
300 N. Main Street	\$ -	\$ -	\$ -	\$ 64,541
304 Hicks Street	-	-	-	64,543
319 N. Main Street	-	-	-	8,831
315 & 319 N. Main Street	-	-	-	388,043
139 Hicks Street	-	-	-	214,131
Others	-	-	-	6,066
Total notes receivable	\$ -	\$ -	\$ -	\$ 746,155

COUNTY OF BRUNSWICK, VIRGINIA

Notes to Financial Statements
As of June 30, 2023 (Continued)

Note 5-Due from Other Governmental Units:

At June 30, 2023, the County had receivables from other governments as follows:

	Governmental Activities				Component Unit
	General	Special Revenue	Capital Projects	Total	School Board
Commonwealth of Virginia:					
Local sales taxes	\$ 192,140	\$ -	\$ -	\$ 192,140	\$ -
State sales taxes	-	-	-	-	368,501
Communication sales taxes	46,128	-	-	46,128	-
Public assistance	-	71,153	-	71,153	-
Comprehensive services	-	118,022	-	118,022	-
Shared expenses and grants	164,619	-	-	164,619	-
Wireless E911 revenues	13,404	-	-	13,404	-
Mobile home taxes	7,227	-	-	7,227	-
Victim witness	8,715	-	-	8,715	-
E-Rate	-	-	-	-	9,450
Technology	20,119	-	-	20,119	-
DMV commission	3,217	-	-	3,217	-
Other	12,211	-	-	12,211	15,163
Federal government:					
Victim witness	20,334	-	-	20,334	-
Public assistance	-	114,817	-	114,817	-
CDBG funds	-	-	18,425	18,425	-
Title I	-	-	-	-	164,166
Title II - Part A	-	-	-	-	12,751
Title VI-B	-	-	-	-	148,693
Education stabilization	-	-	-	-	175,641
Vocational education	-	-	-	-	13,910
Nutrition	-	-	-	-	17,061
Other	-	-	-	-	19,808
Total	\$ 488,114	\$ 303,992	\$ 18,425	\$ 810,531	\$ 945,144

COUNTY OF BRUNSWICK, VIRGINIA

Notes to Financial Statements
As of June 30, 2023 (Continued)

Note 6-Leases Receivable

The county leases building space to a tenant under a lease contract. In fiscal year 2023, the County recognized lease and interest revenue in the amount of \$89,909 and \$1,441, respectively. A description of the lease is as follows:

Lease Description	Start Date	End Date	Payment Frequency	Discount Rate	Receivable Balance	Amounts Owed Within One Year
Fiberbright Building Lease	October 2021	December 2025	Monthly	0.555%	\$ 210,719	\$ 92,241

There are no variable payment for the lease receivable above.

Year Ending June 30,	Governmental Activities		
	Principal	Interest	Total
2024	\$ 92,241	\$ 936	\$ 93,177
2025	94,622	418	95,040
2026	23,856	22	23,878
Total	\$ 210,719	\$ 1,376	\$ 212,095

COUNTY OF BRUNSWICK, VIRGINIA

Notes to Financial Statements
As of June 30, 2023 (Continued)

Note 7-Capital Assets:

The following is a summary of changes in the capital assets during the year:

Primary Government:

	<u>Balance July 1, 2022</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance June 30, 2023</u>
Capital assets not being depreciated:				
Land	\$ 4,268,265	\$ -	\$ -	\$ 4,268,265
Construction in Progress	2,966,348	440,026	-	3,406,374
Total capital assets not being depreciated	<u>\$ 7,234,613</u>	<u>\$ 440,026</u>	<u>\$ -</u>	<u>\$ 7,674,639</u>
Other capital assets:				
Buildings and improvements	\$ 15,437,227	\$ 573,759	\$ -	\$ 16,010,986
Machinery, equipment and vehicles	10,771,021	530,259	36,063	11,265,217
Intangibles	344,214	-	-	344,214
Lease equipment	68,798	-	-	68,798
Lease infrastructure	2,162,632	-	-	2,162,632
Jointly owned assets	2,668,719	-	502,536	2,166,183
Total other capital assets	<u>\$ 31,452,611</u>	<u>\$ 1,104,018</u>	<u>\$ 538,599</u>	<u>\$ 32,018,030</u>
Accumulated depreciation:				
Buildings and improvements	\$ 7,203,668	\$ 420,296	\$ -	\$ 7,623,964
Machinery, equipment and vehicles	7,372,595	816,278	14,425	8,174,448
Intangibles	235,513	9,058	-	244,571
Lease equipment	12,184	16,346	-	28,530
Lease infrastructure	98,301	98,302	-	196,603
Jointly owned assets	1,151,835	70,404	219,463	1,002,776
Total accumulated depreciation	<u>\$ 16,074,096</u>	<u>\$ 1,430,684</u>	<u>\$ 233,888</u>	<u>\$ 17,270,892</u>
Other capital assets, net	<u>\$ 15,378,515</u>	<u>\$ (326,666)</u>	<u>\$ 304,711</u>	<u>\$ 14,747,138</u>
Net capital assets	<u>\$ 22,613,128</u>	<u>\$ 113,360</u>	<u>\$ 304,711</u>	<u>\$ 22,421,777</u>
Depreciation is allocated to:				
General government administration		\$ 259,297		
Judicial administration		34,916		
Public safety		763,720		
Public works		182,800		
Health and welfare		19,843		
Education		70,404		
Parks and recreation		92,675		
Community Development		7,029		
Total		<u>\$ 1,430,684</u>		

COUNTY OF BRUNSWICK, VIRGINIA

Notes to Financial Statements
As of June 30, 2023 (Continued)

Note 7-Capital Assets: (Continued)

Component Unit-School Board:

	Balance July 1, 2022	GASB 96 Adjust- ments	Adjusted Balance July 1, 2022	Increases	Decreases	Balance June 30, 2023
Capital assets not being depreciated:						
Land	\$ 25,822	\$ -	\$ 25,822	\$ -	\$ -	\$ 25,822
Total capital assets not being depreciated	\$ 25,822	\$ -	\$ 25,822	\$ -	\$ -	\$ 25,822
Other capital assets:						
Buildings and improvements	\$ 11,726,494	\$ -	\$ 11,726,494	\$ -	\$ -	\$ 11,726,494
Machinery, equipment and vehicles	6,404,877	-	6,404,877	432,668	-	6,837,545
Subscription assets	-	20,899	20,899	-	-	20,899
Jointly owned assets	7,401,695	-	7,401,695	-	(502,536)	7,904,231
Total other capital assets	\$ 25,533,066	\$ 20,899	\$ 25,553,965	\$ 432,668	\$ (502,536)	\$ 26,489,169
Accumulated depreciation:						
Buildings and improvements	\$ 8,385,852	\$ -	\$ 8,385,852	\$ 175,736	\$ -	\$ 8,561,588
Machinery, equipment and vehicles	4,874,619	-	4,874,619	521,673	-	5,396,292
Subscription assets	-	-	-	17,913	-	17,913
Jointly owned assets	3,228,837	-	3,228,837	219,606	(219,463)	3,667,906
Total accumulated depreciation	\$ 16,489,308	\$ -	\$ 16,489,308	\$ 934,928	\$ (219,463)	\$ 17,643,699
Other capital assets, net	\$ 9,043,758	\$ 20,899	\$ 9,064,657	\$ (502,260)	\$ (283,073)	\$ 8,845,470
Net capital assets	\$ 9,069,580	\$ 20,899	\$ 9,090,479	\$ (502,260)	\$ (283,073)	\$ 8,871,292
Depreciation is allocated to education		\$		\$ 934,928		

- 1) Legislation enacted during the year ended June 30, 2002, Section 15.2-1800.1 of the Code of Virginia (1950), as amended, has changed the reporting of local capital assets and related debt for financial statement purposes. Historically, debt incurred by local governments “on-behalf” of school boards was reported in the school board’s discrete column along with the related capital assets. Under the law, local governments have a “tenancy in common” with the school board whenever the locality incurs any financial obligation for any school property which is payable over more than one year. For financial reporting purposes, the legislation permits the locality to report the portion of school property related to any outstanding financial obligation eliminating any potential deficit from capitalizing assets financed with debt. The effect on the County of Brunswick, Virginia for the year ended June 30, 2023, is that school financed assets in the amount of \$1,163,407 net are reported in the Primary Government for financial reporting purposes.

COUNTY OF BRUNSWICK, VIRGINIA

Notes to Financial Statements
As of June 30, 2023 (Continued)

Note 7-Capital Assets: (Continued)

Component Unit-Industrial Development Authority:

	<u>Balance July 1, 2022</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance June 30, 2023</u>
Capital assets not being depreciated:				
Land	\$ 13,194	\$ -	\$ -	\$ 13,194
Other capital assets:				
Machinery, equipment and vehicles	\$ 49,434	\$ -	\$ -	\$ 49,434
Total other capital assets	\$ 49,434	\$ -	\$ -	\$ 49,434
Accumulated depreciation:				
Machinery, equipment and vehicles	\$ 30,340	\$ 4,773	\$ -	\$ 35,113
Total accumulated depreciation	\$ 30,340	\$ 4,773	\$ -	\$ 35,113
Other capital assets, net	\$ 19,094	\$ (4,773)	\$ -	\$ 14,321
Net capital assets	<u>\$ 32,288</u>	<u>\$ (4,773)</u>	<u>\$ -</u>	<u>\$ 27,515</u>
Depreciation is allocated to the Industrial Development Authority			<u>\$ 4,773</u>	

COUNTY OF BRUNSWICK, VIRGINIA

Notes to Financial Statements
As of June 30, 2023 (Continued)

Note 8-Unearned and Unavailable Revenue:

The government's unearned and unavailable revenue consist of the following at June 30, 2023:

	<u>Statement of Net Position</u> <u>Governmental Activities</u>	<u>Balance Sheet</u> <u>Governmental Funds</u>
Primary Government:		
Unearned revenue:		
This amount represents the amount of unspent CARES Act funding at year-end.	\$ 2,856,019	\$ 2,856,019
Unavailable property tax revenue:		
Unavailable revenue representing uncollected property tax billings for which asset recognition criteria has not been met. The uncollected tax billings are not available for the funding of current expenditures.	\$ -	\$ 1,235,800
Taxes levied during the fiscal year due in December 2023	8,669,242	8,669,242
Prepaid property taxes due in December 2023, but paid in advance by the taxpayers	<u>52,692</u>	<u>52,692</u>
Total deferred revenue/unavailable revenue	<u>\$ 8,721,934</u>	<u>\$ 9,957,734</u>

COUNTY OF BRUNSWICK, VIRGINIA

Notes to Financial Statements
As of June 30, 2023 (Continued)

Note 9-Long-Term Obligations:

The following is a summary of long-term obligation transactions for the County for the year ended June 30, 2023.

	Balance July 1, 2022	GASB 96 Adjust- ments	Adjusted Balance July 1, 2022	Issuances/ Increases	Retirements/ Decreases	Balance June 30, 2023
Primary Government:						
Bonds payable (direct borrowings and direct placements):						
Lease revenue bonds	\$ 8,895,001	\$ -	\$ 8,895,001	\$ -	\$ 590,001	\$ 8,305,000
Premium on issuance	410,075	-	410,075	-	75,197	334,878
Discount on issuance	(8,984)	-	(8,984)	-	(1,292)	(7,692)
General obligation bonds:						
School	56,168,718	-	56,168,718	-	502,535	55,666,183
Premium on issuance	2,841,919	-	2,841,919	-	119,112	2,722,807
Total bonds payable	\$ 68,306,729	\$ -	\$ 68,306,729	\$ -	\$ 1,285,553	\$ 67,021,176
Sewer capacity agreement	113,568	-	113,568	-	8,736	104,832
Lease liabilities	2,165,613	-	2,165,613	-	66,439	2,099,174
Arbitrage liability	-	-	-	129,704	-	129,704
Compensated absences	641,278	-	641,278	168,266	64,128	745,416
Landfill closure/postclosure liability	674,107	-	674,107	73,255	-	747,362
Net OPEB liabilities	1,205,074	-	1,205,074	356,207	250,184	1,311,097
Net pension liability	2,592,557	-	2,592,557	2,803,618	1,137,601	4,258,574
Total obligations from governmental activities	\$ 75,698,926	\$ -	\$ 75,698,926	\$ 3,531,050	\$ 2,812,641	\$ 76,417,335
Component Units:						
School Board						
Equipment loan - buses	\$ -	\$ -	\$ -	\$ 432,668	\$ 93,281	\$ 339,387
Subscription liabilities	-	20,899	20,899	-	20,899	-
Compensated absences	101,482	-	101,482	55,161	10,148	146,495
Net OPEB liabilities	2,426,213	-	2,426,213	766,740	872,413	2,320,540
Net pension liability	7,764,650	-	7,764,650	7,608,398	6,535,076	8,837,972
Total payable from School Board	\$ 10,292,345	\$ 20,899	\$ 10,313,244	\$ 8,862,967	\$ 7,531,817	\$ 11,644,394
Industrial Development Authority:						
Net OPEB liability	\$ 8,965	\$ -	\$ 8,965	\$ 10,856	\$ 9,105	\$ 10,716
Total obligations from component units	\$ 10,301,310	\$ 20,899	\$ 10,322,209	\$ 8,873,823	\$ 7,540,922	\$ 11,655,110
Total long-term obligations	\$ 86,000,236	\$ 20,899	\$ 86,021,135	\$ 12,404,873	\$ 10,353,563	\$ 88,072,445

COUNTY OF BRUNSWICK, VIRGINIA

Notes to Financial Statements
As of June 30, 2023 (Continued)

Note 9-Long-Term Obligations: (Continued)

Primary Government:

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

Year Ending June 30,	Direct Borrowings and Placements		Sewer Agreement		Lease Liabilities	
	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 2,298,978	\$ 2,380,825	\$ 8,736	\$ -	\$ 77,269	35,577
2025	2,337,044	2,320,077	8,736	-	76,695	34,333
2026	2,399,072	2,258,762	8,736	-	77,202	33,070
2027	2,471,145	2,194,336	8,736	-	70,533	31,811
2028	2,163,516	2,135,755	8,736	-	68,580	30,607
2029-2033	11,421,007	9,963,041	43,680	-	438,946	131,383
2034-2038	9,282,562	7,616,644	17,472	-	567,944	87,933
2039-2043	10,386,151	5,889,308	-	-	722,005	32,253
2044-2048	12,472,929	3,650,164	-	-	-	-
2049-2053	11,788,772	973,215	-	-	-	-
Total	\$ 67,021,176	\$ 39,382,126	\$ 104,832	\$ -	\$ 2,099,174	\$ 416,967

Note: The above includes long-term obligations, deferred charges and premiums. Compensated absences, pension, OPEB and landfill closure/postclosure liability are not included.

COUNTY OF BRUNSWICK, VIRGINIA

Notes to Financial Statements
As of June 30, 2023 (Continued)

Note 9-Long-Term Obligations: (Continued)

Federal Arbitrage Regulations:

The County is in compliance with federal arbitrage regulations. As of June 30, 2023, the County reported an arbitrage liability of \$129,704.

Pledged Collateral:

The County provided a security interest in the County Government Building as collateral for the 2020 tax-exempt lease. The County Government Building also secures the County's 2018 tax-exempt lease with VRA. The County also provided a security interest in the Albertis. H. Harrison Courthouse as collateral for the 2020 taxable lease. The Albertis. H. Harrison Courthouse also secures the County's 2018 taxable lease with VRA.

Events of Default:

Upon the occurrence and continuation of an Event of Default for lease revenue bonds, the entire unpaid amount due can be demanded and with a possibility of the lender taking possession of the associated real estate and improvements.

In the event of default for any general obligation bond, the Commonwealth of Virginia may withhold state aid from the locality until such time that the event of default is cured in accordance with Section 15.2-2659 of the Code of Virginia, 1950 as amended.

Moral Obligations:

If the Meherrin River Regional Jail Authority lacks sufficient funds to pay scheduled Debt Service on the Bonds and Notes, or to pay any debt service reserve funding requirements, the Authority will promptly notify the Member Jurisdictions of the amount of such insufficiency. Upon such notification, the Member Jurisdictions each agree to pay, subject to certain conditions, a portion of such deficit equal to its Debt Service Component percentage then in effect. Any such payment will be subject to the appropriation of funds by the governing body of each Member Jurisdiction and shall constitute a moral non-binding payment obligation. The obligations of the Members shall expire only upon the payment of the Bonds and Notes or such earlier date provided therefore, if any, in the documents under which the bonds and notes are issued. In no event shall the obligation of any Member Jurisdiction be deemed to constitute a debt within the meaning of the Constitution of Virginia.

The Member Moral Obligation of the County and other Member Jurisdictions was extended to payment of the Note on the same proportionate basis as such commitment was made to the VRA Bond and the Carter Bank Note. The balance of outstanding debt at June 30, 2023 was \$31,665,000.

COUNTY OF BRUNSWICK, VIRGINIA

Notes to Financial Statements
As of June 30, 2023 (Continued)

Note 9-Long-Term Obligations: (Continued)

Details of Long-Term Obligations:

Type/ Project	Interest Rates	Issue Date	Principal Installments	Final Maturity Date	Amount of Original Issue	Balance Governmental Activities	Amount Due Within One Year
Primary Government:							
Lease revenue bonds:							
Direct Borrowings and Direct Placements:							
Old Courthouse Renovation Refunding	4.443%-5.125%	11/14/2018	Annual	10/1/2030	\$ 1,750,000	\$ 1,270,000	\$ 135,000
Unamortized premium on Issuance	n/a	n/a	n/a	n/a	245,552	107,185	24,205
Property Acquisition (Adirondack, Airport, etc.)	2.911%-4.404%	11/14/2018	Annual	10/1/2033	2,015,000	1,580,000	120,000
Unamortized discount on Issuance	n/a	n/a	n/a	n/a	(13,994)	(7,692)	(1,211)
Rt. 58 Infrastructure	.720%-5.121%	11/20/2013	Annual	10/1/2033	5,175,000	245,000	245,000
Taxable lease - refunding	.0561%-2.098%	11/18/2020	Annual	10/1/2033	3,760,000	3,760,000	40,000
Tax-exempt lease - refunding	2.143%-5.125%	11/18/2020	Annual	10/1/2032	1,645,000	1,450,000	115,000
Unamortized premium on Issuance	n/a	n/a	n/a	n/a	352,040	227,693	44,258
Total lease revenue bonds						\$ 8,632,186	\$ 722,252
General obligation school bonds:							
Direct Borrowings and Direct Placements:							
School bonds	3.10%-5.35%	11/6/2003	Annual	7/15/2023	\$ 1,388,892	\$ 88,640	\$ 88,640
Unamortized premium on Issuance	n/a	n/a	n/a	n/a	n/a	252	252
School bonds	4.225%-5.100%	11/9/2006	Annual	7/15/2016	6,009,753	1,427,543	344,154
Unamortized premium on Issuance	n/a	n/a	n/a	n/a	n/a	7,238	3,120
School bonds	4.25% *	12/1/2011	Annual	n/a	1,530,000	650,000	80,000
School bonds	3.550%-5.050%	5/17/2022	Annual	7/15/2051	53,500,000	53,500,000	900,000
Unamortized premium on Issuance	n/a	n/a	n/a	n/a	n/a	2,715,317	160,560
Net general obligation school bonds						\$ 58,388,990	\$ 1,576,726
* To be refunded by Federal Tax Credit							
Other Obligations:							
Town of Broadnax sewer capacity agreement**	n/a	1997	Monthly	6/2035	344,214	\$ 104,832	\$ 8,736
** To purchase 20,000 gpd of sewer capacity							
Alberta tower lease	1.733%	7/1/2021	Monthly	7/1/2043	772,740	736,148	22,865
Dixie Bridge tower lease	1.733%	7/1/2021	Monthly	7/1/2043	580,714	553,215	17,183
Edgerton tower lease	1.733%	7/1/2021	Monthly	7/1/2043	809,179	770,860	23,943
Copier lease - sheriff	2.29%	6/15/2022	Quarterly	6/15/2027	14,058	10,632	2,747
Equipment lease - administration	0.712%	12/6/2021	Quarterly	12/6/2026	13,829	9,028	2,756
Equipment lease - sheriff	0.411%	7/1/2021	Quarterly	5/1/2024	3,055	836	836
Copier lease - circuit court	0.687%	7/1/2021	Monthly	6/1/2026	6,771	4,043	1,377
Copier lease - commonwealth's attorney	0.687%	7/1/2021	Monthly	3/1/2026	8,799	5,062	1,887
Copier lease - finance	0.31%	7/1/2021	Monthly	10/1/2023	8,794	980	980
Copier lease - planning	0.687%	8/9/2021	Monthly	8/9/2026	13,492	8,370	2,695
Total Lease Liabilities						2,099,174	77,269
Arbitrage liability	n/a	n/a	n/a	n/a	n/a	129,704	-
Compensated absences	n/a	n/a	n/a	n/a	n/a	745,416	74,542
Landfill closure/postclosure liability	n/a	n/a	n/a	n/a	n/a	747,362	-
Net OPEB liabilities	n/a	n/a	n/a	n/a	n/a	1,311,097	-
Net pension liability	n/a	n/a	n/a	n/a	n/a	4,258,574	-
Total Other Obligations						\$ 9,396,159	\$ 160,547
Total long-term obligations, Primary Government						\$ 76,417,335	\$ 2,459,525
Component Unit School Board:							
Other Obligations:							
Capital lease - buses	3.680%	4/26/2023	Annual	5/15/2027	432,668	\$ 339,387	\$ 79,154
Compensated absences	n/a	n/a	n/a	n/a	n/a	146,495	14,650
Net OPEB liabilities	n/a	n/a	n/a	n/a	n/a	2,320,540	-
Net pension liability	n/a	n/a	n/a	n/a	n/a	8,837,972	-
Total long-term obligations, Component Unit School Board						\$ 11,644,394	\$ 93,804
Component Unit Industrial Development Authority:							
Other Obligations:							
Net OPEB liability						\$ 10,716	\$ -

COUNTY OF BRUNSWICK, VIRGINIA

Notes to Financial Statements
As of June 30, 2023 (Continued)

Note 10-Compensated Absences:

The County has accrued the liability arising from outstanding compensated absences.

County employees earn vacation and sick leave at various rates. See Note 9 for details of changes in compensated absences balances.

Note 11-Commitments and Contingencies:

Federal programs in which the County and discretely presented component units participate were audited in accordance with the provisions of Uniform Guidance. Pursuant to the provisions of Uniform Guidance, all major programs and certain other programs were tested for compliance with applicable grant requirements.

While no matters of noncompliance were disclosed by audit, the Federal Government may subject grant programs to additional compliance test which may result in disallowed expenditures. In the opinion of management, any future disallowance of current grant program expenditures, if any, would be immaterial.

Note 12-Risk Management:

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County joined together with other local governments in Virginia to form the Virginia Association of Counties Risk Management Program, a public entity risk pool currently operating as a common risk management and insurance program for participating local governments. The County pays an annual premium to the association for its workers compensation insurance, and general liability insurance.

In the event of a loss deficit and depletion of all available excess insurance, the Association may assess all members in the proportion which the premium of each bears to the total premiums of all members in the year in which such deficit occurs.

The County continues to carry commercial insurance for all other risks of loss, including employee health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Note 13-Litigation:

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

Note 14-Brunswick County School Bus Drivers and School Bus Aides Employer Contribution 401(a) Plan:

The School Board contributed \$19,500 to a 401(a) plan on behalf of the County's school bus drivers. \$500 per driver and bus aide was contributed during fiscal year 2023. The County has the responsibility of a prudent investor in regard to the plan but is not liable for losses arising from the plan and thus the value of the plan assets is not recorded in the County's financial report.

Note 15-Pension Plans:

Plan Description

All full-time, salaried permanent employees of the County and (nonprofessional) employees of public school divisions are automatically covered by a VRS Retirement Plan upon employment. This agent multiple-employer 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 pay contributions to VRS. Members are eligible to purchase prior service, based on specific criteria as defined in the Code of Virginia, as amended. Eligible prior service that may be purchased includes prior public service, active military service, certain periods of leave, and previously refunded service.

Benefit Structures

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

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

COUNTY OF BRUNSWICK, VIRGINIA

Notes to Financial Statements
As of June 30, 2023 (Continued)

Note 15-Pension Plans: (Continued)

Average Final Compensation and Service Retirement Multiplier

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

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

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

Employees Covered by Benefit Terms

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

	Primary Government	Component Unit School Board Nonprofessional
Inactive members or their beneficiaries currently receiving benefits	91	44
Inactive members:		
Vested inactive members	14	2
Non-vested inactive members	36	15
Inactive members active elsewhere in VRS	48	10
Total inactive members	98	27
Active members	136	38
Total covered employees	325	109

COUNTY OF BRUNSWICK, VIRGINIA

Notes to Financial Statements
As of June 30, 2023 (Continued)

Note 15-Pension Plans: (Continued)

Contributions

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

The County's contractually required employer contribution rate for the year ended June 30, 2023 was 12.87% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2021.

This rate, when combined with employee contributions, was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the County were \$895,461 and \$695,351 for the years ended June 30, 2023 and June 30, 2022, respectively.

The Component Unit School Board's contractually required employer contribution rate for nonprofessional employees for the year ended June 30, 2023 was 2.22% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2021.

This rate, when combined with employee contributions, was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the Component Unit School Board's nonprofessional employees were \$16,656 and \$16,878 for the years ended June 30, 2023 and June 30, 2022, respectively.

Net Pension Liability (Asset)

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

COUNTY OF BRUNSWICK, VIRGINIA

Notes to Financial Statements
As of June 30, 2023 (Continued)

Note 15-Pension Plans: (Continued)

Actuarial Assumptions - General Employees

The total pension liability for General Employees in the County's and Component Unit School Board's (nonprofessional) Retirement Plan was based on an actuarial valuation as of June 30, 2021, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2022.

Inflation	2.50%
Salary increases, including inflation	3.50% - 5.35%
Investment rate of return	6.75%, net of pension plan investment expenses, including inflation

Mortality rates:

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

Pre-Retirement:

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

Post-Retirement:

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

Post-Disablement:

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

Beneficiaries and Survivors:

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

Mortality Improvement:

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

COUNTY OF BRUNSWICK, VIRGINIA

Notes to Financial Statements
As of June 30, 2023 (Continued)

Note 15-Pension Plans: (Continued)

Actuarial Assumptions - General Employees (Continued)

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

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

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

Actuarial Assumptions - Public Safety Employees with Hazardous Duty Benefits

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

Inflation	2.50%
Salary increases, including inflation	3.50% - 4.75%
Investment rate of return	6.75%, net of pension plan investment expenses, including inflation

COUNTY OF BRUNSWICK, VIRGINIA

Notes to Financial Statements
As of June 30, 2023 (Continued)

Note 15-Pension Plans: (Continued)

Actuarial Assumptions - Public Safety Employees with Hazardous Duty Benefits: (Continued)

Mortality rates:

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

Pre-Retirement:

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

Post-Retirement:

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

Post-Disablement:

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

Beneficiaries and Survivors:

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

Mortality Improvement:

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

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

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

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

COUNTY OF BRUNSWICK, VIRGINIA

Notes to Financial Statements
As of June 30, 2023 (Continued)

Note 15-Pension Plans: (Continued)

Long-Term Expected Rate of Return

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

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

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

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

Discount Rate

The discount rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that System member contributions will be made per the VRS Statutes and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Consistent with the phased-in funding provided by the General Assembly for state and teacher employer contributions; the County and Component Unit School Board (nonprofessional) was also provided with an opportunity to use an alternative employer contribution rate. For the year ended June 30, 2022, the

COUNTY OF BRUNSWICK, VIRGINIA

Notes to Financial Statements
As of June 30, 2023 (Continued)

Note 15-Pension Plans: (Continued)

Discount Rate: (Continued)

alternate rate was the employer contribution rate used in FY 2012 or 100% of the actuarially determined employer contribution rate from the June 30, 2021 actuarial valuations, whichever was greater. Through the fiscal year ended June 30, 2022, the rate contributed by the school division for the VRS Teacher Retirement Plan was subject to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly, which was 100% of the actuarially determined contribution rate. From July 1, 2022 on, participating employers and school divisions are assumed to continue to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net Pension Liability (Asset)

	Primary Government		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balances at June 30, 2021	\$ 28,608,132	\$ 26,015,575	\$ 2,592,557
Changes for the year:			
Service cost	\$ 792,150	\$ -	\$ 792,150
Interest	1,933,639	-	1,933,639
Differences between expected and actual experience	38,514	-	38,514
Contributions - employer	-	695,354	(695,354)
Contributions - employee	-	441,645	(441,645)
Net investment income	-	(23,068)	23,068
Benefit payments, including refunds of employee contributions	(1,507,555)	(1,507,555)	-
Administrative expenses	-	(16,247)	16,247
Other changes	-	602	(602)
Net changes	\$ 1,256,748	\$ (409,269)	\$ 1,666,017
Balances at June 30, 2022	\$ 29,864,880	\$ 25,606,306	\$ 4,258,574

COUNTY OF BRUNSWICK, VIRGINIA

Notes to Financial Statements
As of June 30, 2023 (Continued)

Note 15-Pension Plans: (Continued)

Changes in Net Pension Liability (Asset): (Continued)

	Component School Board (nonprofessional)		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balances at June 30, 2021	\$ 5,908,055	\$ 6,766,911	\$ (858,856)
Changes for the year:			
Service cost	\$ 97,370	\$ -	\$ 97,370
Interest	394,342	-	394,342
Differences between expected and actual experience	(129,690)	-	(129,690)
Contributions - employer	-	17,734	(17,734)
Contributions - employee	-	53,102	(53,102)
Net investment income	-	(3,252)	3,252
Benefit payments, including refunds of employee contributions	(326,643)	(326,643)	-
Administrative expenses	-	(4,274)	4,274
Other changes	-	153	(153)
Net changes	\$ 35,379	\$ (263,180)	\$ 298,559
Balances at June 30, 2022	\$ 5,943,434	\$ 6,503,731	\$ (560,297)

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

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

	Rate		
	Current		
	1% Decrease (5.75%)	Discount (6.75%)	1% Increase (7.75%)
County Net Pension Liability	\$ 8,544,685	\$ 4,258,574	\$ 773,489
Component Unit School Board (nonprofessional) Net Pension Liability (Asset)	\$ 112,787	\$ (560,297)	\$ (1,116,367)

COUNTY OF BRUNSWICK, VIRGINIA

Notes to Financial Statements
As of June 30, 2023 (Continued)

Note 15-Pension Plans: (Continued)

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

For the year ended June 30, 2023, the County and Component Unit School Board (nonprofessional) recognized pension expense of \$905,784 and \$10,226 respectively. At June 30, 2023, the County and Component Unit School Board (nonprofessional) reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Primary Government		Component Unit School Board (nonprofessional)	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 313,162	\$ 14,706	\$ 43,882	\$ 67,933
Changes of assumptions	449,761	-	35,232	-
Net difference between projected and actual earnings on pension plan investments	-	740,309	-	203,840
Employer contributions subsequent to the measurement date	895,461	-	16,656	-
Total	\$ 1,658,384	\$ 755,015	\$ 95,770	\$ 271,773

\$895,461 and \$16,656 reported as deferred outflows of resources related to pensions resulting from the County's and Component Unit School Board's (nonprofessional) contributions, respectively, subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the fiscal year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future reporting periods as follows:

Year ended June 30	Primary Government	Component Unit School Board (nonprofessional)
2024	\$ 225,743	\$ (60,287)
2025	(77,098)	(87,548)
2026	(493,954)	(135,073)
2027	353,217	90,249
Thereafter	-	-

Pension Plan Data

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

COUNTY OF BRUNSWICK, VIRGINIA

Notes to Financial Statements
As of June 30, 2023 (Continued)

Note 15-Pension Plans: (Continued)

Component Unit School Board (Professional)

Plan Description

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

Contributions

The contribution requirement for active employees is governed by §51.1-145 of the Code of Virginia, as amended, but may be impacted as a result of funding provided to school divisions by the Virginia General Assembly. Employees are required to contribute 5.00% of their compensation toward their retirement. Each School Division's contractually required employer contribution rate for the year ended June 30, 2023 was 16.62% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2021. The actuarially determined rate, when combined with employee contributions, was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the school division were \$1,397,659 and \$1,429,810 for the years ended June 30, 2023 and June 30, 2022, respectively.

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

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

At June 30, 2023, the school division reported a liability of \$8,837,972 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2022 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation performed as of June 30, 2021 and rolled forward to the measurement date of June 30, 2022. The school division's proportion of the Net Pension Liability was based on the school division's actuarially determined employer contributions to the pension plan for the year ended June 30, 2022 relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2022, the school division's proportion was 0.09283% as compared to 0.10002% at June 30, 2021.

For the year ended June 30, 2023, the school division recognized pension expense of (\$302,023). Since there was a change in proportionate share between measurement dates, a portion of the pension expense was related to deferred amounts from changes in proportion and from differences between employer contributions and the proportionate share of employer contributions. Beginning with the June 30, 2022 measurement date, the difference between expected and actual contributions is included with the pension expense calculation.

COUNTY OF BRUNSWICK, VIRGINIA

Notes to Financial Statements
As of June 30, 2023 (Continued)

Note 15-Pension Plans: (Continued)

Component Unit School Board (Professional) (Continued)

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

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 609,413
Change of assumptions	833,243	-
Net difference between projected and actual earnings on pension plan investments	-	1,152,286
Changes in proportion and differences between employer contributions and proportionate share of contributions	142	1,623,389
Employer contributions subsequent to the measurement date	<u>1,397,659</u>	<u>-</u>
Total	<u>\$ 2,231,044</u>	<u>\$ 3,385,088</u>

\$1,397,659 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 fiscal year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future reporting periods as follows:

<u>Year ended June 30</u>	
2024	\$ (938,196)
2025	(849,424)
2026	(1,125,860)
2027	361,777
2028	-

COUNTY OF BRUNSWICK, VIRGINIA

Notes to Financial Statements
As of June 30, 2023 (Continued)

Note 15-Pension Plans: (Continued)

Component Unit School Board (Professional) (Continued)

Actuarial Assumptions

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

Inflation	2.50%
Salary increases, including inflation	3.50% - 5.95%
Investment rate of return	6.75%, net of pension plan investment expenses, including inflation

Mortality rates:

Pre-Retirement:

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

Post-Retirement:

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

Post-Disablement:

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

Beneficiaries and Survivors:

Pub-2010 Amount Weighted Teachers Contingent Annuitant Rates projected generationally

Mortality Improvement:

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

COUNTY OF BRUNSWICK, VIRGINIA

Notes to Financial Statements
As of June 30, 2023 (Continued)

Note 15-Pension Plans: (Continued)

Component Unit School Board (Professional) (Continued)

Actuarial Assumptions: (Continued)

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

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

Net Pension Liability

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

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

COUNTY OF BRUNSWICK, VIRGINIA

Notes to Financial Statements
As of June 30, 2023 (Continued)

Note 15-Pension Plans: (Continued)

Component Unit School Board (Professional) (Continued)

Net Pension Liability (Continued)

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

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

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

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

	Rate		
	1% Decrease	Current Discount	1% Increase
	(5.75%)	(6.75%)	(7.75%)
School division's proportionate share of the VRS Teacher Employee Retirement Plan Net Pension Liability	\$ 15,785,294	\$ 8,837,972	\$ 3,181,324

Pension Plan Fiduciary Net Position

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

COUNTY OF BRUNSWICK, VIRGINIA

Notes to Financial Statements
As of June 30, 2023 (Continued)

Note 15-Pension Plans: (Continued)

Primary Government and Component Unit School Board

Aggregate Pension Information

	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>	<u>Net Pension Liability (Asset)</u>	<u>Pension Expense</u>
Primary Government:				
VRS Pension Plans	\$ 1,658,384	\$ 755,015	\$ 4,258,574	\$ 905,784
Component Unit School Board:				
VRS Pension Plans:				
School Board Nonprofessional	\$ 95,770	\$ 271,773	\$ (560,297)	\$ 10,226
School Board Professional	2,231,044	3,385,088	8,837,972	(302,023)
Totals	<u>\$ 2,326,814</u>	<u>\$ 3,656,861</u>	<u>\$ 8,277,675</u>	<u>\$ (291,797)</u>

Note 16-Deferred Compensation Plan:

The County and School Board offer their employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan permits employees to defer the payment of a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. All amounts of compensation deferred, including the investments and earnings thereon, vest with the employee and are not subject to the claims of the County's and School Board's general creditors.

Note 17-Other Postemployment Benefits - Virginia Retirement System Cost-Sharing Plans:

Group Life Insurance (GLI) Plan (OPEB Plan):

Plan Description

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

In addition to the Basic 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 GLI Plan. 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 plan, it is not included as part of the GLI Plan OPEB.

COUNTY OF BRUNSWICK, VIRGINIA

Notes to Financial Statements
As of June 30, 2023 (Continued)

Note 17-Other Postemployment Benefits - Virginia Retirement System Cost-Sharing Plans:

Group Life Insurance (GLI) Plan (OPEB Plan): (Continued)

Plan Description (Continued)

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

Eligible Employees

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

Benefit Amounts

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

Contributions

The contribution requirements for the GLI Plan are governed by §51.1-506 and §51.1-508 of the Code of Virginia, as amended, but may be impacted as a result of funding provided to state agencies and school divisions by the Virginia General Assembly. The total rate for the GLI Plan was 1.34% of covered employee compensation. This was allocated into an employee and an employer component using a 60/40 split. The employee component was 0.80% (1.34% x 60%) and the employer component was 0.54% (1.34% x 40%). Employers may elect to pay all or part of the employee contribution; however, the employer must pay all of the employer contribution. Each employer's contractually required employer contribution rate for the year ended June 30, 2023 was 0.54% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2021. The actuarially determined rate, when combined with employee contributions, was expected to finance the costs of benefits payable during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the GLI Plan from the County, Component Unit School Board (nonprofessional), and Component Unit School Board (professional) were \$39,634, \$6,066 and \$47,691, and \$36,545, \$18,757 and \$46,497 for the years ended June 30, 2023 and June 30, 2022, respectively.

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

COUNTY OF BRUNSWICK, VIRGINIA

Notes to Financial Statements
As of June 30, 2023 (Continued)

Note 17-Other Postemployment Benefits - Virginia Retirement System Cost-Sharing Plans: (Continued)

Group Life Insurance (GLI) Plan (OPEB Plan): (Continued)

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

At June 30, 2023, the County, Component Unit School Board (nonprofessional), and Component Unit School Board (professional) reported a liability of \$374,594, \$63,335, and \$476,581, respectively, for its proportionate share of the Net GLI OPEB Liability. The Net GLI OPEB Liability was measured as of June 30, 2022 and the total GLI OPEB liability used to calculate the Net GLI OPEB Liability was determined by an actuarial valuation performed as of June 30, 2021, and rolled forward to the measurement date of June 30, 2022. The covered employer's proportion of the Net GLI OPEB Liability was based on the covered employer's actuarially determined employer contributions to the GLI Plan for the year ended June 30, 2022 relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2022, the County's Component Unit School Board (nonprofessional), and Component Unit School Board (professional) proportion was 0.03110%, 0.00530%, and 0.03960%, respectively as compared to 0.03070%, 0.00530%, and 0.04270% at June 30, 2021.

For the year ended June 30, 2023, the County, Component Unit School Board (nonprofessional), and Component Unit School Board (professional) recognized GLI OPEB expense of \$27,513, (\$104), and (\$17,514), respectively. Since there was a change in proportionate share between measurement dates, a portion of the GLI OPEB expense was related to deferred amounts from changes in proportion.

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COUNTY OF BRUNSWICK, VIRGINIA

Notes to Financial Statements
As of June 30, 2023 (Continued)

Note 17-Other Postemployment Benefits - Virginia Retirement System Cost-Sharing Plans: (Continued)

Group Life Insurance (GLI) Plan (OPEB Plan): (Continued)

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

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Primary Government		
Differences between expected and actual experience	\$ 29,663	\$ 15,028
Net difference between projected and actual earnings on GLI OPEB plan investments	-	23,407
Change of assumptions	13,972	36,487
Changes in proportionate share	32,479	2,495
Employer contributions subsequent to the measurement date	39,634	-
Total	<u>\$ 115,748</u>	<u>\$ 77,417</u>
School Board - Nonprofessional		
Differences between expected and actual experience	\$ 5,015	\$ 2,541
Net difference between projected and actual earnings on GLI OPEB plan investments	-	3,958
Change of assumptions	2,362	6,169
Changes in proportionate share	1,576	7,618
Employer contributions subsequent to the measurement date	6,066	-
Total	<u>\$ 15,019</u>	<u>\$ 20,286</u>
School Board - Professional		
Differences between expected and actual experience	\$ 37,739	\$ 19,119
Net difference between projected and actual earnings on GLI OPEB plan investments	-	29,779
Change of assumptions	17,776	46,421
Changes in proportionate share	-	98,524
Employer contributions subsequent to the measurement date	47,691	-
Total	<u>\$ 103,206</u>	<u>\$ 193,843</u>

COUNTY OF BRUNSWICK, VIRGINIA

Notes to Financial Statements
As of June 30, 2023 (Continued)

Note 17-Other Postemployment Benefits - Virginia Retirement System Cost-Sharing Plans: (Continued)

Group Life Insurance (GLI) Plan (OPEB Plan): (Continued)

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

\$39,634, \$6,066 , and \$47,691 reported as deferred outflows of resources related to the GLI OPEB resulting from the County, Component Unit School Board (nonprofessional), and Component Unit School Board (professional)'s contributions subsequent to the measurement date will be recognized as a reduction of the Net GLI OPEB Liability in the fiscal year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the GLI OPEB will be recognized in the GLI OPEB expense in future reporting periods as follows:

Year Ended June 30		Primary Government		School Board (nonprofessional)		School Board (professional)
2024	\$	7,625	\$	(3,237)	\$	(40,592)
2025		3,351		(2,858)		(34,196)
2026		(15,372)		(4,107)		(41,865)
2027		4,874		(472)		(10,818)
2028		(1,781)		(659)		(10,857)
Thereafter		-		-		-

Actuarial Assumptions

The total GLI OPEB liability was based on an actuarial valuation as of June 30, 2021, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2022. The assumptions include several employer groups. Salary increases and mortality rates included herein are for relevant employer groups. Information for other groups can be referenced in the VRS Annual Report.

Inflation	2.50%
Salary increases, including inflation:	
Teachers	3.50%-5.95%
Locality - General employees	3.50%-5.35%
Locality - Hazardous Duty employees	3.50%-4.75%
Investment rate of return	6.75%, net of investment expenses, including inflation

COUNTY OF BRUNSWICK, VIRGINIA

Notes to Financial Statements
As of June 30, 2023 (Continued)

Note 17-Other Postemployment Benefits - Virginia Retirement System Cost-Sharing Plans: (Continued)

Group Life Insurance (GLI) Plan (OPEB Plan): (Continued)

Actuarial Assumptions: (Continued)

Mortality Rates - Teachers

Pre-Retirement:

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

Post-Retirement:

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

Post-Disablement:

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

Beneficiaries and Survivors:

Pub-2010 Amount Weighted Teachers Contingent Annuitant Rates projected generationally

Mortality Improvement Scale:

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

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

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

COUNTY OF BRUNSWICK, VIRGINIA

Notes to Financial Statements
As of June 30, 2023 (Continued)

Note 17-Other Postemployment Benefits - Virginia Retirement System Cost-Sharing Plans: (Continued)

Group Life Insurance (GLI) Plan (OPEB Plan): (Continued)

Actuarial Assumptions: (Continued)

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

Pre-Retirement:

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

Post-Retirement:

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

Post-Disablement:

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

Beneficiaries and Survivors:

Pub-2010 Amount Weighted Safety Contingent Annuitant Rates projected generationally

Mortality Improvement Scale:

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

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

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

COUNTY OF BRUNSWICK, VIRGINIA

Notes to Financial Statements
As of June 30, 2023 (Continued)

Note 17-Other Postemployment Benefits - Virginia Retirement System Cost-Sharing Plans: (Continued)

Group Life Insurance (GLI) Plan (OPEB Plan): (Continued)

Actuarial Assumptions: (Continued)

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

Pre-Retirement:

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

Post-Retirement:

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

Post-Disablement:

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

Beneficiaries and Survivors:

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

Mortality Improvement Scale:

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

COUNTY OF BRUNSWICK, VIRGINIA

Notes to Financial Statements
As of June 30, 2023 (Continued)

Note 17-Other Postemployment Benefits - Virginia Retirement System Cost-Sharing Plans: (Continued)

Group Life Insurance (GLI) Plan (OPEB Plan): (Continued)

Actuarial Assumptions: (Continued)

Mortality Rates - Non-Largest Ten Locality Employers - Hazardous Duty Employees: (Continued)

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

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

NET GLI OPEB Liability

The net OPEB liability (NOL) for the GLI Plan represents the plan’s total OPEB liability determined in accordance with GASB Statement No. 74, less the associated fiduciary net position. As of the measurement date of June 30, 2022, NOL amounts for the GLI Plan are follows (amounts expressed in thousands):

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

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

Note 17-Other Postemployment Benefits - Virginia Retirement System Cost-Sharing Plans: (Continued)

Teacher Employee Health Insurance Credit (HIC) Plan (OPEB Plan):

Plan Description

The Virginia Retirement System (VRS) Teacher Employee Health Insurance Credit (HIC) Plan was established pursuant to §51.1-1400 et seq. of the Code of Virginia, as amended, and which provides the authority under which benefit terms are established or may be amended. All full-time, salaried permanent (professional) employees of public school divisions are automatically covered by the VRS Teacher Employee HIC Plan. This is a cost-sharing multiple-employer plan administered by the Virginia Retirement System (the System), along with pension and other OPEB plans, for public employer groups in the Commonwealth of Virginia. Members earn one month of service credit toward the benefit for each month they are employed and for which their employer pays contributions to VRS. The 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 for the Teacher HIC Plan OPEB, including eligibility, coverage, and benefits is described below:

Eligible Employees

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

Benefit Amounts

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

HIC Plan Notes

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

Note 17-Other Postemployment Benefits - Virginia Retirement System Cost-Sharing Plans: (Continued)

Teacher Employee Health Insurance Credit (HIC) Plan (OPEB Plan): (Continued)

Contributions

The contribution requirements for active employees is governed by §51.1-1401(E) of the Code of Virginia, as amended, but may be impacted as a result of funding provided to school divisions by the Virginia General Assembly. Each school division's contractually required employer contribution rate for the year ended June 30, 2023 was 1.21% of covered employee compensation for employees in the VRS Teacher Employee HIC Plan. This rate was the final approved General Assembly rate, which was based on an actuarially determined rate from an actuarial valuation as of June 30, 2021. The actuarially determined rate was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions from the school division to the VRS Teacher Employee HIC Plan were \$106,546 and \$104,096 for the years ended June 30, 2023 and June 30, 2022, respectively.

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

Teacher Employee HIC Plan OPEB Liabilities, Teacher Employee HIC Plan OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the Teacher Employee HIC Plan OPEB

At June 30, 2023, the school division reported a liability of \$1,152,995 for its proportionate share of the VRS Teacher Employee HIC Plan Net OPEB Liability. The Net VRS Teacher Employee HIC Plan OPEB Liability was measured as of June 30, 2022 and the total VRS Teacher Employee HIC Plan OPEB liability used to calculate the Net VRS Teacher Employee HIC Plan OPEB Liability was determined by an actuarial valuation performed as of June 30, 2021 and rolled forward to the measurement date of June 30, 2020. The school division's proportion of the Net VRS Teacher Employee HIC Plan OPEB Liability was based on the school division's actuarially determined employer contributions to the VRS Teacher Employee HIC Plan OPEB plan for the year ended June 30, 2022 relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2022, the school division's proportion of the VRS Teacher Employee HIC Plan was 0.09231% as compared to 0.09974% at June 30, 2021.

For the year ended June 30, 2023, the school division recognized VRS Teacher Employee HIC Plan OPEB expense of \$35,471. Since there was a change in proportionate share between measurement dates, a portion of the VRS Teacher Employee HIC Plan Net OPEB expense was related to deferred amounts from changes in proportion.

COUNTY OF BRUNSWICK, VIRGINIA

Notes to Financial Statements
As of June 30, 2023 (Continued)

Note 17-Other Postemployment Benefits - Virginia Retirement System Cost-Sharing Plans: (Continued)

Teacher Employee Health Insurance Credit (HIC) Plan (OPEB Plan): (Continued)

Teacher Employee HIC Plan OPEB Liabilities, Teacher Employee HIC Plan OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the Teacher Employee HIC Plan OPEB: (Continued)

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 46,998
Net difference between projected and actual earnings on Teacher HIC OPEB plan investments	-	1,157
Change of assumptions	33,685	2,944
Changes in proportionate share and differences between actual and expected contributions	-	236,221
Employer contributions subsequent to the measurement date	<u>106,546</u>	<u>-</u>
Total	<u>\$ 140,231</u>	<u>\$ 287,320</u>

\$106,546 reported as deferred outflows of resources related to the Teacher Employee HIC OPEB resulting from the school division's contributions subsequent to the measurement date will be recognized as a reduction of the Net Teacher Employee HIC OPEB Liability in the fiscal year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Teacher Employee HIC OPEB will be recognized in the Teacher Employee HIC OPEB expense in future reporting periods as follows:

Year Ended June 30

2024	\$	(60,193)
2025		(58,367)
2026		(50,385)
2027		(33,330)
2028		(29,630)
Thereafter		(21,730)

COUNTY OF BRUNSWICK, VIRGINIA

Notes to Financial Statements
As of June 30, 2023 (Continued)

Note 17-Other Postemployment Benefits - Virginia Retirement System Cost-Sharing Plans: (Continued)

Teacher Employee Health Insurance Credit (HIC) Plan (OPEB Plan): (Continued)

Actuarial Assumptions

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

Inflation	2.50%
Salary increases, including inflation	3.50%-5.95%
Investment rate of return	6.75%, net of investment expenses, including inflation

Mortality Rates - Teachers

Pre-Retirement:

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

Post-Retirement:

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

Post-Disablement:

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

Beneficiaries and Survivors:

Pub-2010 Amount Weighted Teachers Contingent Annuitant Rates projected generationally

Mortality Improvement Scale:

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

COUNTY OF BRUNSWICK, VIRGINIA

Notes to Financial Statements
As of June 30, 2023 (Continued)

Note 17-Other Postemployment Benefits - Virginia Retirement System Cost-Sharing Plans: (Continued)

Teacher Employee Health Insurance Credit (HIC) Plan (OPEB Plan): (Continued)

Actuarial Assumptions: (Continued)

Mortality Rates - Teachers: (Continued)

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

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

Net Teacher Employee HIC OPEB Liability

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

	Teacher Employee HIC OPEB Plan
Total Teacher Employee HIC OPEB Liability	\$ 1,470,891
Plan Fiduciary Net Position	221,845
Teacher Employee HIC Net OPEB Liability (Asset)	<u>\$ 1,249,046</u>

Plan Fiduciary Net Position as a Percentage of the Total Teacher Employee HIC OPEB Liability	15.08%
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The total Teacher Employee HIC OPEB liability is calculated by the System’s actuary, and the plan’s fiduciary net position is reported in the System’s financial statements. The net Teacher Employee HIC OPEB liability is disclosed in accordance with the requirements of GASB Statement No. 74 in the System’s notes to the financial statements and required supplementary information.

COUNTY OF BRUNSWICK, VIRGINIA

Notes to Financial Statements
As of June 30, 2023 (Continued)

Note 17-Other Postemployment Benefits - Virginia Retirement System Cost-Sharing Plans: (Continued)

Long-Term Expected Rate of Return

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

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

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

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

Discount Rate

The discount rate used to measure the total GLI and Teacher Employee HIC OPEB liabilities 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 ended June 30, 2022, the rate contributed by the entity for the GLI OPEB and by each school division for the VRS Teacher Employee HIC Plan will be subject to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly, which was 100% of the actuarially determined contribution rate. From July 1, 2022 on, employers are assumed to continue to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the GLI OPEB’s

COUNTY OF BRUNSWICK, VIRGINIA

Notes to Financial Statements
As of June 30, 2023 (Continued)

Note 17-Other Postemployment Benefits - Virginia Retirement System Cost-Sharing Plans: (Continued)

Discount Rate (Continued)

and Teacher Employee HIC 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 GLI and Teacher Employee HIC OPEB liability.

Sensitivity of the Employer’s Proportionate Share of the OPEB Liability to Changes in the Discount Rate

The following presents the employer’s proportionate share of the net OPEB liability using the discount rate of 6.75%, as well as what the employer’s proportionate share of the net 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:

Proportionate Share of GLI Plan Net OPEB Liability	Rate		
	1% Decrease (5.75%)	Current Discount (6.75%)	1% Increase (7.75%)
Primary Government	\$ 545,079	\$ 374,594	\$ 236,820
School Board (nonprofessional)	92,161	63,335	40,041
School Board (professional)	693,482	476,581	301,296

School division’s proportionate share of the VRS Teacher Employee HIC OPEB Plan Net OPEB Liability	Rate		
	1% Decrease (5.75%)	Current Discount (6.75%)	1% Increase (7.75%)
	\$ 1,299,438	\$ 1,152,995	\$ 1,028,858

GLI and HIC Plans’ Fiduciary Net Position

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

COUNTY OF BRUNSWICK, VIRGINIA

Notes to Financial Statements
As of June 30, 2023 (Continued)

Note 18-Other Postemployment Benefits - Health Insurance Credit (HIC) Plan:

Plan Description

The Political Subdivision Health Insurance Credit (HIC) Plan was established pursuant to §51.1-1400 et seq. of the Code of Virginia, as amended, and which provides the authority under which benefit terms are established or may be amended. All full-time, salaried permanent employees of participating political subdivisions are automatically covered by the VRS Political Subdivision HIC Plan upon employment. This is an agent multiple-employer plan administered by the Virginia Retirement System (the System), along with pension and other OPEB plans, for public employer groups in the Commonwealth of Virginia. Members earn one month of service credit toward the benefit for each month they are employed and for which their employer pays contributions to VRS. The 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 Plan OPEB, including eligibility, coverage and benefits described below:

Eligible Employees

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

Benefit Amounts

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

HIC Plan Notes

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

Employees Covered by Benefit Terms

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

	<u>Number</u>
Inactive members or their beneficiaries currently receiving benefits	16
Active members	38
Total covered employees	<u>54</u>

COUNTY OF BRUNSWICK, VIRGINIA

Notes to Financial Statements
As of June 30, 2023 (Continued)

Note 18-Other Postemployment Benefits - Health Insurance Credit (HIC) Plan: (Continued)

Contributions

The contribution requirements for active employees is governed by §51.1-1402(E) of the Code of Virginia, as amended, but may be impacted as a result of funding options provided to political subdivisions by the Virginia General Assembly. The School Board’s contractually required employer contribution rate for the year ended June 30, 2023 was 0.56% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2020. The actuarially determined rate was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions from the School Board to the HIC Plan were \$6,276 and \$6,403 for the years ended June 30, 2023 and June 30, 2022, respectively.

Net HIC OPEB Liability

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

Actuarial Assumptions

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

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

COUNTY OF BRUNSWICK, VIRGINIA

Notes to Financial Statements
As of June 30, 2023 (Continued)

Note 18-Other Postemployment Benefits - Health Insurance Credit (HIC) Plan: (Continued)

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

Pre-Retirement:

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

Post-Retirement:

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

Post-Disablement:

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

Beneficiaries and Survivors:

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

Mortality Improvement Scale:

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

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

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

COUNTY OF BRUNSWICK, VIRGINIA

Notes to Financial Statements
As of June 30, 2023 (Continued)

Note 18-Other Postemployment Benefits - Health Insurance Credit (HIC) Plan: (Continued)

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>Long-term Target Asset 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%	5.71%	1.94%
Fixed Income	15.00%	2.04%	0.31%
Credit Strategies	14.00%	4.78%	0.67%
Real Assets	14.00%	4.47%	0.63%
Private Equity	14.00%	9.73%	1.36%
MAPS - Multi-Asset Public Strategies	6.00%	3.73%	0.22%
PIP - Private Investment Partnership	3.00%	6.55%	0.20%
Total	<u>100.00%</u>		<u>5.33%</u>
		Inflation	<u>2.50%</u>
		Expected arithmetic nominal return**	<u>7.83%</u>

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

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

Discount Rate

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

COUNTY OF BRUNSWICK, VIRGINIA

Notes to Financial Statements
As of June 30, 2023 (Continued)

Note 18-Other Postemployment Benefits - Health Insurance Credit (HIC) Plan: (Continued)

Changes in Net HIC OPEB Liability

	Increase (Decrease)		
	Total HIC OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net HIC OPEB Liability (Asset) (a) - (b)
Balances at June 30, 2021	\$ 109,503	\$ 64,631	\$ 44,872
Changes for the year:			
Service cost	\$ 1,487	\$ -	\$ 1,487
Interest	7,220	-	7,220
Differences between expected and actual experience	3,620	-	3,620
Changes of assumptions	10,424	-	10,424
Contributions - employer	-	6,403	(6,403)
Net investment income	-	108	(108)
Benefit payments	(8,065)	(8,065)	-
Administrative expenses	-	(109)	109
Net changes	\$ 14,686	\$ (1,663)	\$ 16,349
Balances at June 30, 2022	\$ 124,189	\$ 62,968	\$ 61,221

Sensitivity of the School Board's Health Insurance Credit Net OPEB Liability to Changes in the Discount Rate

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

	Rate		
	1% Decrease (5.75%)	Current Discount (6.75%)	1% Increase (7.75%)
School Board's Net HIC OPEB Liability	\$ 72,941	\$ 61,221	\$ 51,101

COUNTY OF BRUNSWICK, VIRGINIA

Notes to Financial Statements
As of June 30, 2023 (Continued)

Note 18-Other Postemployment Benefits - Health Insurance Credit (HIC) Plan: (Continued)

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

For the year ended June 30, 2023, the School Board recognized HIC Plan OPEB expense of \$3,238. At June 30, 2023, the School Board reported deferred outflows of resources and deferred inflows of resources related to the School Board’s HIC Plan from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience \$	2,741	\$ 2,260
Net difference between projected and actual earnings on HIC OPEB plan investments	-	1,702
Change of assumptions	9,234	-
Employer contributions subsequent to the measurement date	<u>6,276</u>	<u>-</u>
Total	<u>\$ 18,251</u>	<u>\$ 3,962</u>

\$6,276 reported as deferred outflows of resources related to the HIC OPEB resulting from the School Board’s contributions subsequent to the measurement date will be recognized as a reduction of the Net HIC OPEB Liability in the fiscal year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the HIC OPEB will be recognized in the HIC OPEB expense in future reporting periods as follows:

<u>Year Ended June 30</u>	
2024	\$ 1,395
2025	2,939
2026	2,432
2027	1,247

HIC Plan Data

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

COUNTY OF BRUNSWICK, VIRGINIA

Notes to Financial Statements
As of June 30, 2023 (Continued)

Note 19-Other Postemployment Benefits - Health Insurance and LODA:

Plan Description

In addition to the pension benefits described in Note 15 and other postemployment benefits described in Notes 17 and 18, the County and School Board provide post-retirement health care insurance benefits for employees who are eligible for retirement benefits. There are age and service requirements for eligibility for each VRS plan. Employees who do not participate in VRS must attain the age of 50 with at least 10 years of service with the County Schools to receive benefits offered by the School Board. The plans do not issue a publicly available financial report.

Health benefits include medical, dental, and vision coverage for retirees and eligible spouses. Retirees under the age of 65 may elect among several Key Advantage plans or a High Deductible Health Plan medical option. Health benefits are offered until the earlier of the retiree’s death or the retiree attaining age 65. Health benefits for the spouse of the retiree are offered until the earlier of the spouse’s death, the retiree’s death, or the spouse attaining age 65. If the retiree predeceases the spouse, the spouse may continue coverage through COBRA only. There are no age or service requirements for disabled individuals. They are eligible for the same benefit as other retirees.

Plan Membership

At July 1, 2021, the following employees were covered by the benefit terms:

	<u>Primary Government</u>	<u>School Board</u>
Total active employees with coverage	142	202
Total retirees with coverage	3	5
Total spouses of retirees with coverage	-	1
Total	<u>145</u>	<u>208</u>

Funding Policy

The County and School Board establish employer contribution rates for plan participants as part of the budgetary process each year. The County and School Board also determine how the plans will be funded each year, whether they will partially fund the plans or fully fund the plans. The plans are not currently pre-funded; therefore, no assets are accumulated in a trust fund. The retiree and spouse must pay the entire premium. Coverage ceases when retirees reach the age of 65 or upon death, if earlier. Disability benefits end when the retiree is eligible for Medicare. The amount paid by the County and School Board for OPEB as the benefits came due during the year ended June 30, 2023 was \$24,064 and \$45,408, respectively.

Total OPEB Liability

The County and School Board’s total OPEB liability was measured as of June 30, 2023. The total OPEB liability was determined by an actuarial valuation performed as of July 1, 2021.

COUNTY OF BRUNSWICK, VIRGINIA

Notes to Financial Statements
As of June 30, 2023 (Continued)

Note 19-Other Postemployment Benefits - Health Insurance and LODA: (Continued)

Actuarial Assumptions

The total OPEB liability in the July 1, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50% per year as of June 30, 2022 and 2023
Salary Increases	The salary increase rate starts at 5.35% salary increase for 1 year of service and gradually declines to 3.50% salary increase for 20 or more years of service for County and nonprofessional School Board employees. The rate for professional School Board employees starts at 5.95% and gradually declines to 3.50%.
Discount Rate	3.54% as of June 30, 2022 and 3.65% as of June 30, 2023

For the County, the following mortality rates were used:

- For active employees, RP-2014 Employee Rates to age 80, Healthy Annuitant Rates at ages 81 and older projected with Scale BB to 2020; males setback 1 year, 85% of rates; females setback 1 year. 25% of deaths are assumed to be service related.
- For healthy retirees, 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; females setback 1 year with 1.5% increase compounded from ages 70 to 85.
- For disabled retirees, RP-2014 Disabled Mortality Rates projected with Scale BB to 2020; males 115% of rates; females 130% of rates.

For the School Board, the following mortality rates were used:

- For active employees, RP-2014 White Collar Employee Rates to age 80, White Collar Healthy Annuitant Rates at ages 81 and older projected with Scale BB to 2020. 5% of deaths are assumed to be service related.
- For healthy retirees, RP-2014 White Collar Employee Rates to age 49, White Collar Healthy Annuitant Rates at ages 50 and older projected with Scale BB to 2020; males 1% increase compounded from ages 70 to 90; females setback 3 years with 1.5% increase compounded from ages 65 to 70 and 2.0% increase compounded from ages 75 to 90.
- For disabled retirees, RP-2014 Disabled Mortality Rates projected with Scale BB to 2020; 115% of rates for males and females.

Significant assumptions were based on the most recent experience study performed by VRS which examined actual VRS experience over the four-year period ending June 30, 2016.

Brunswick County and the School Board have not set aside assets specifically for funding OPEB, so benefits are paid from the County's and School's general pool of assets. To estimate the rate of return on these assets, a discount rate assumption similar to yields implied by theoretical 20-year general obligation bond indices as of June 30, 2023 was selected.

COUNTY OF BRUNSWICK, VIRGINIA

Notes to Financial Statements
As of June 30, 2023 (Continued)

Note 19-Other Postemployment Benefits - Health Insurance and LODA: (Continued)

Discount Rate

The discount rates are based on the Bond Buyer General Obligation 20-Bond Municipal Index as of their respective measurement dates. The final equivalent single discount rate used for this year's valuation is 3.65% as of the end of the fiscal year.

Changes in Total OPEB Liability

	Primary Government Total OPEB Liability	School Board Total OPEB Liability
Balances at June 30, 2021	\$ 847,992	\$ 541,443
Changes for the year:		
Service cost	\$ 55,449	\$ 33,418
Interest	31,560	19,553
Changes in assumptions	25,566	17,402
Benefit payments	(24,064)	(45,408)
Net changes	\$ 88,511	\$ 24,965
Balances at June 30, 2022	\$ 936,503	\$ 566,408

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

The following amounts present the total OPEB liability of the County and School Board, as well as what the total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.65%) or one percentage point higher (4.65%) than the current discount rate:

	1% Decrease (2.65%)	Current Discount Rate (3.65%)	1% Increase (4.65%)
Primary Government \$	1,027,174	\$ 936,503	\$ 854,227
School Board	602,254	566,408	531,688

COUNTY OF BRUNSWICK, VIRGINIA

Notes to Financial Statements
As of June 30, 2023 (Continued)

Note 19-Other Postemployment Benefits - Health Insurance and LODA: (Continued)

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the County and School Board, as well as what the total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower (4.50% decreasing to an ultimate rate of 2.90% - County and 5.60% increasing to an ultimate rate of 2.90% - School Board) or one percentage point higher (6.50% decreasing to an ultimate rate of 4.90% - County and 7.60% increasing to an ultimate rate of 4.90% - School Board) than the current healthcare cost trend rates (5.50% decreasing to an ultimate rate of 3.90% - County and 6.60% increasing to 3.90% and then decreasing to an ultimate rate of 4.00% - School Board):

	Rates		
	1% Decrease	Healthcare Cost Trend	1% Increase
Primary Government	\$ 808,052	\$ 936,503	\$ 1,089,768
School Board	503,124	566,408	639,709

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

For the year ended June 30, 2023, the County and School Board recognized OPEB expense in the amount of \$111,657 and \$43,630, respectively. At June 30, 2023, the County and School Board reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Primary Government		School Board	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 63,364	\$ -	\$ -	\$ 73,965
Changes of assumptions	65,547	85,880	48,026	29,909
Total	<u>\$ 128,911</u>	<u>\$ 85,880</u>	<u>\$ 48,026</u>	<u>\$ 103,874</u>

COUNTY OF BRUNSWICK, VIRGINIA

Notes to Financial Statements
As of June 30, 2023 (Continued)

Note 19-Other Postemployment Benefits - Health Insurance and LODA: (Continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources: (Continued)

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

<u>Year Ended June 30</u>	<u>Primary Government</u>	<u>School Board</u>
2023	\$ 23,830	\$ (9,471)
2024	23,829	(11,051)
2025	(1,928)	(25,233)
2026	(1,928)	(10,093)
2027	(772)	-
Thereafter	-	-

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

Line of Duty Act (LODA)

The Line of Duty Act (LODA) provides death and healthcare benefits to certain law enforcement and rescue personnel, and their beneficiaries, who were disabled or killed in the line of duty. Benefit provisions and eligibility requirements are established by title 9.1 Chapter 4 of the Code of Virginia. Funding of LODA benefits is provided by employers in one of two ways: (a) participation in the Line of Duty and Health Benefits Trust Fund (LODA Fund), administered by the Virginia Retirement System (VRS) or (b) self-funding by the employer or through an insurance company.

The County has elected to provide LODA benefits through an insurance company. The obligation for the payment of benefits has been effectively transferred from the County to VACORP. VACORP assumes all liability for the County's LODA claims that are approved by VRS. The pool purchases reinsurance to protect the pool from extreme claims costs.

The current-year OPEB expense/expenditure for the insured benefits is defined as the amount of premiums or other payments required for the insured benefits for the reporting period in accordance with the agreement with the insurance company for LODA and a change in liability to the insurer equal to the difference between amounts recognized as OPEB expense and amounts paid by the employer to the insurer.

The County's LODA coverage is fully covered or "insured" through VACORP. This is built into the LODA coverage cost presented in the annual renewals. The County's LODA premium for the year ended June 30, 2023 was \$42,415.

COUNTY OF BRUNSWICK, VIRGINIA

Notes to Financial Statements
As of June 30, 2023 (Continued)

Note 19-Other Postemployment Benefits - Health Insurance and LODA: (Continued)

Primary Government and Component Unit School Board

Aggregate OPEB Information

	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>	<u>Net OPEB Liabilities (Asset)</u>	<u>OPEB Expense</u>
OPEB Plans:				
Primary Government:				
GLI	\$ 115,748	\$ 77,417	\$ 374,594	\$ 27,513
Retiree Medical	128,911	85,880	936,503	111,657
Totals	<u>\$ 244,659</u>	<u>\$ 163,297</u>	<u>\$ 1,311,097</u>	<u>\$ 139,170</u>
Component Unit School Board:				
GLI	\$ 15,019	\$ 20,286	\$ 63,335	\$ (104)
Teacher GLI	103,206	193,843	476,581	(17,514)
HIC	18,251	3,962	61,221	3,238
Teacher HIC	140,231	287,320	1,152,995	35,471
Retiree Medical	48,026	103,874	566,408	43,630
Totals	<u>\$ 324,733</u>	<u>\$ 609,285</u>	<u>\$ 2,320,540</u>	<u>\$ 64,721</u>

Note 20-Surety Bond Information:

	<u>Amount</u>
Commonwealth of Virginia, Department of General Services, Division of Risk Management-Faithful Performance of Duty Bond	
Jacqueline Seward Morgan, Clerk of the Circuit Court	\$ 300,000
Jacqueline Mangrum, Treasurer	400,000
Camilla Clayton-Bright, Commissioner of the Revenue	3,000
Brian K. Roberts, Sheriff	30,000
Virginia Association of Counties (VACo) Risk Management Programs:	
County and School Board:	
Faithful performance blanket position coverage	250,000

COUNTY OF BRUNSWICK, VIRGINIA

Notes to Financial Statements
As of June 30, 2023 (Continued)

Note 21-Interfund Balances and Transfers:

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

	<u>Due To</u>	<u>Due From</u>	<u>Net</u>
Primary Government:			
General Fund	\$ -	\$ 228,944	\$ (228,944)
VPA Fund	168,289	-	168,289
CSA Fund	60,655	-	60,655
Total Primary Government	<u>\$ 228,944</u>	<u>\$ 228,944</u>	<u>\$ -</u>

	<u>Transfers In</u>	<u>Transfers Out</u>	<u>Net</u>
Primary Government:			
General Fund	\$ 156,340	\$ 1,803,067	\$ (1,646,727)
VPA Fund	577,623	156,340	421,283
Debt Service Fund	585,930	-	585,930
Capital Projects Fund	365,126	-	365,126
Airport Fund	24,030	-	24,030
CSA Fund	250,358	-	250,358
Total Primary Government	<u>\$ 1,959,407</u>	<u>\$ 1,959,407</u>	<u>\$ -</u>

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

Note 22-Landfill Closure and Postclosure Care Cost:

The County of Brunswick, Virginia owns a landfill which it no longer operates, however the County is responsible for the landfill closure and postclosure costs. The landfill was closed on September 1, 1994. The County hauls trash to a private landfill in the County.

State and federal laws and regulations require the County to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the County reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used at each balance sheet date. The \$747,362 reported as landfill postclosure care liability at June 30, 2023 represents the estimated remaining amount of postclosure monitoring costs required, including corrective action costs of \$327,298 required by the Department of Environmental Quality. Actual costs may be higher due to inflation, changes in technology, or changes in regulations. The County intends to fund future costs from funds accumulated for this purpose in the General Fund.

The County demonstrated financial assurance requirements for closure, postclosure care, and corrective action costs through the submission of a Local Governmental Financial Test to the Virginia Department of Environmental Quality in accordance with Section 9VA C20-70 of the Virginia Administrative Code.

COUNTY OF BRUNSWICK, VIRGINIA

Notes to Financial Statements
As of June 30, 2023 (Continued)

Note 23-Adoption of Accounting Principle

The County implemented provisions of Governmental Accounting Standards Board Statement No. 96, *Subscription-Based IT Arrangements (SBITAs)* during the fiscal year ended June 30, 2023. Statement No. 96, *SBITAs* requires recognition of certain subscription assets and liabilities for certain contracts that convey control of the right to use another party's (a SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction. No restatement of beginning net position was required as a result of this implementation. Using the facts and circumstances that existed at the beginning of the year of implementation, the following balances were recognized as of July 1, 2022 related to the subscription:

Component Unit - School Board:

	School Board
Lessee activity:	
Lease assets	\$ 20,899
Lease liabilities	\$ 20,899

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REQUIRED SUPPLEMENTARY INFORMATION

General Fund

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

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
REVENUES				
General property taxes	\$ 17,708,800	\$ 17,708,800	\$ 18,540,534	\$ 831,734
Other local taxes	1,460,000	1,460,000	1,936,674	476,674
Permits, privilege fees, and regulatory licenses	70,600	70,600	73,038	2,438
Fines and forfeitures	1,616,614	1,616,614	1,609,240	(7,374)
Revenue from the use of money and property	68,900	68,900	87,638	18,738
Charges for services	792,750	883,387	1,768,993	885,606
Miscellaneous	42,000	382,066	180,203	(201,863)
Recovered costs	290,345	404,535	431,879	27,344
Intergovernmental:				
Local government	-	-	447,002	447,002
Commonwealth	4,309,584	4,897,815	4,388,341	(509,474)
Federal	3,353,412	3,365,894	544,938	(2,820,956)
Total revenues	\$ 29,713,005	\$ 30,858,611	\$ 30,008,480	\$ (850,131)
EXPENDITURES				
Current:				
General government administration	\$ 3,088,682	\$ 3,522,220	\$ 2,626,817	\$ 895,403
Judicial administration	2,090,358	2,362,377	2,217,807	144,570
Public safety	9,971,951	10,453,727	10,091,885	361,842
Public works	2,320,080	3,468,483	3,444,372	24,111
Health and welfare	198,879	198,879	250,079	(51,200)
Education	7,235,500	7,235,500	7,174,108	61,392
Parks, recreation, and cultural	416,418	591,887	562,206	29,681
Community development	3,008,819	3,218,168	981,941	2,236,227
Capital projects	7,500	7,500	5,377	2,123
Debt service:				
Principal retirement	740,721	740,721	665,175	75,546
Interest and other fiscal charges	129,650	129,650	308,326	(178,676)
Total expenditures	\$ 29,208,558	\$ 31,929,112	\$ 28,328,093	\$ 3,601,019
Excess (deficiency) of revenues over (under) expenditures	\$ 504,447	\$ (1,070,501)	\$ 1,680,387	\$ 2,750,888
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ -	\$ -	\$ 156,340	\$ 156,340
Transfers out	(1,621,857)	(2,027,627)	(1,803,067)	224,560
Total other financing sources (uses)	\$ (1,621,857)	\$ (2,027,627)	\$ (1,646,727)	\$ 380,900
Net change in fund balances	\$ (1,117,410)	\$ (3,098,128)	\$ 33,660	\$ 3,131,788
Fund balances - beginning	1,117,410	3,098,128	17,289,779	14,191,651
Fund balances - ending	\$ -	\$ -	\$ 17,323,439	\$ 17,323,439

Virginia Public Assistance Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 For the Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Miscellaneous	\$ -	\$ -	\$ 1,846	\$ 1,846
Intergovernmental:				
Commonwealth	648,416	648,416	847,883	199,467
Federal	1,468,190	1,468,190	1,350,314	(117,876)
Total revenues	\$ 2,116,606	\$ 2,116,606	\$ 2,200,043	\$ 83,437
EXPENDITURES				
Current:				
Health and welfare	\$ 2,669,437	\$ 2,650,530	\$ 2,621,326	\$ 29,204
Total expenditures	\$ 2,669,437	\$ 2,650,530	\$ 2,621,326	\$ 29,204
Excess (deficiency) of revenues over (under) expenditures	\$ (552,831)	\$ (533,924)	\$ (421,283)	\$ 112,641
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 552,831	\$ 533,924	\$ 577,623	\$ 43,699
Transfers out	-	-	(156,340)	(156,340)
Total other financing sources (uses)	\$ 552,831	\$ 533,924	\$ 421,283	\$ (112,641)
Net change in fund balances	\$ -	\$ -	\$ -	\$ -
Fund balances - beginning	-	-	-	-
Fund balances - ending	\$ -	\$ -	\$ -	\$ -

COUNTY OF BRUNSWICK, VIRGINIA

Schedule of Changes in Net Pension Liability and Related Ratios

Primary Government

For the Measurement Dates of June 30, 2014 through June 30, 2022

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Total pension liability			
Service cost	\$ 792,150	\$ 650,163	\$ 646,361
Interest	1,933,639	1,689,810	1,621,979
Differences between expected and actual experience	38,514	691,217	(102,942)
Changes of assumptions	-	1,087,721	-
Benefit payments	(1,507,555)	(1,090,011)	(1,230,977)
Net change in total pension liability	<u>\$ 1,256,748</u>	<u>\$ 3,028,900</u>	<u>\$ 934,421</u>
Total pension liability - beginning	28,608,132	25,579,232	24,644,811
Total pension liability - ending (a)	<u><u>\$ 29,864,880</u></u>	<u><u>\$ 28,608,132</u></u>	<u><u>\$ 25,579,232</u></u>
Plan fiduciary net position			
Contributions - employer	\$ 695,354	\$ 650,025	\$ 598,666
Contributions - employee	441,645	296,044	292,487
Net investment income	(23,068)	5,641,537	387,481
Benefit payments	(1,507,555)	(1,090,011)	(1,230,977)
Administrator charges	(16,247)	(13,802)	(13,339)
Other	602	534	(463)
Net change in plan fiduciary net position	<u>\$ (409,269)</u>	<u>\$ 5,484,327</u>	<u>\$ 33,855</u>
Plan fiduciary net position - beginning	26,015,575	20,531,248	20,497,393
Plan fiduciary net position - ending (b)	<u><u>\$ 25,606,306</u></u>	<u><u>\$ 26,015,575</u></u>	<u><u>\$ 20,531,248</u></u>
County's net pension liability - ending (a) - (b)	\$ 4,258,574	\$ 2,592,557	\$ 5,047,984
Plan fiduciary net position as a percentage of the total pension liability	85.74%	90.94%	80.27%
Covered payroll	\$ 6,767,626	\$ 6,330,077	\$ 6,197,570
County's net pension liability as a percentage of covered payroll	62.93%	40.96%	81.45%

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

	2019	2018	2017	2016	2015	2014
\$	549,592	\$ 508,828	\$ 502,660	\$ 484,174	\$ 473,347	\$ 467,394
	1,527,260	1,487,495	1,409,855	1,386,660	1,328,062	1,269,942
	419,663	(578,884)	146,436	(562,777)	(69,392)	-
	756,466	-	(31,974)	-	-	-
	(852,327)	(846,407)	(989,263)	(964,149)	(825,649)	(988,461)
\$	2,400,654	\$ 571,032	\$ 1,037,714	\$ 343,908	\$ 906,368	\$ 748,875
	22,244,157	21,673,125	20,635,411	20,291,503	19,385,135	18,636,260
\$	24,644,811	\$ 22,244,157	\$ 21,673,125	\$ 20,635,411	\$ 20,291,503	\$ 19,385,135
\$	582,420	\$ 556,887	\$ 508,505	\$ 618,450	\$ 584,255	\$ 589,542
	284,276	255,282	237,909	229,606	212,328	225,352
	1,295,345	1,329,783	1,961,325	282,280	706,070	2,117,435
	(852,327)	(846,407)	(989,263)	(964,149)	(825,649)	(988,461)
	(12,452)	(11,293)	(11,310)	(9,895)	(9,546)	(11,445)
	(818)	(1,192)	(1,751)	(118)	(148)	111
\$	1,296,444	\$ 1,283,060	\$ 1,705,415	\$ 156,174	\$ 667,310	\$ 1,932,534
	19,200,949	17,917,889	16,212,484	16,056,310	15,389,000	13,456,466
\$	20,497,393	\$ 19,200,949	\$ 17,917,899	\$ 16,212,484	\$ 16,056,310	\$ 15,389,000
\$	4,147,418	\$ 3,043,208	\$ 3,755,226	\$ 4,422,927	\$ 4,235,193	\$ 3,996,135
	83.17%	86.32%	82.67%	78.57%	79.13%	79.39%
\$	5,953,521	\$ 5,308,791	\$ 4,804,488	\$ 4,525,045	\$ 4,266,100	\$ 4,238,853
	69.66%	57.32%	78.16%	97.74%	99.28%	94.27%

COUNTY OF BRUNSWICK, VIRGINIA

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

	<u>2022</u>	<u>2021</u>
Total pension liability		
Service cost	\$ 97,370	\$ 126,871
Interest	394,342	349,952
Differences between expected and actual experience	(129,690)	234,672
Changes of assumptions	-	188,418
Benefit payments	(326,643)	(352,678)
Net change in total pension liability	<u>\$ 35,379</u>	<u>\$ 547,235</u>
Total pension liability - beginning	5,908,055	5,360,820
Total pension liability - ending (a)	<u><u>\$ 5,943,434</u></u>	<u><u>\$ 5,908,055</u></u>
 Plan fiduciary net position		
Contributions - employer	\$ 17,734	\$ 17,367
Contributions - employee	53,102	51,674
Net investment income	(3,252)	1,492,339
Benefit payments	(326,643)	(352,678)
Administrator charges	(4,274)	(3,890)
Other	153	139
Net change in plan fiduciary net position	<u>\$ (263,180)</u>	<u>\$ 1,204,951</u>
Plan fiduciary net position - beginning	6,766,911	5,561,960
Plan fiduciary net position - ending (b)	<u><u>\$ 6,503,731</u></u>	<u><u>\$ 6,766,911</u></u>
 School Division's net pension liability (asset) - ending (a) - (b)	 \$ (560,297)	 \$ (858,856)
 Plan fiduciary net position as a percentage of the total pension liability	 109.43%	 114.54%
 Covered payroll	 \$ 1,143,386	 \$ 1,102,262
 School Division's net pension liability (asset) as a percentage of covered payroll	 -49.00%	 -77.92%

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

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$	109,563	\$ 113,303	\$ 113,271	\$ 112,010	\$ 114,274	\$ 125,267	\$ 126,969
	349,842	340,566	351,797	344,429	355,957	360,097	345,287
	(113,209)	51,681	(310,220)	(2,596)	(339,911)	(256,496)	-
	-	129,554	-	(48,095)	-	-	-
	(336,440)	(298,551)	(332,012)	(268,970)	(321,035)	(254,997)	(266,377)
\$	9,756	\$ 336,553	\$ (177,164)	\$ 136,778	\$ (190,715)	\$ (26,129)	\$ 205,879
	5,351,064	5,014,511	5,191,675	5,054,897	5,245,612	5,271,741	5,065,862
\$	<u>5,360,820</u>	<u>5,351,064</u>	<u>5,014,511</u>	<u>5,191,675</u>	<u>5,054,897</u>	<u>5,245,612</u>	<u>5,271,741</u>
\$	19,661	\$ 18,627	\$ 42,055	\$ 43,960	\$ 98,666	\$ 99,529	\$ 107,370
	55,393	50,809	53,456	54,812	54,489	55,202	58,609
	108,552	364,341	394,511	600,894	84,919	225,262	684,923
	(336,440)	(298,551)	(332,012)	(268,970)	(321,035)	(254,997)	(266,377)
	(3,827)	(3,767)	(3,532)	(3,561)	(3,216)	(3,139)	(3,744)
	(125)	(228)	(347)	(531)	(37)	(46)	36
\$	(156,786)	\$ 131,231	\$ 154,131	\$ 426,604	\$ (86,214)	\$ 121,811	\$ 580,817
	5,718,746	5,587,515	5,433,384	5,006,780	5,092,994	4,971,183	4,390,366
\$	<u>5,561,960</u>	<u>5,718,746</u>	<u>5,587,515</u>	<u>5,433,384</u>	<u>5,006,780</u>	<u>5,092,994</u>	<u>4,971,183</u>
\$	(201,140)	\$ (367,682)	\$ (573,004)	\$ (241,709)	\$ 48,117	\$ 152,618	\$ 300,558
	103.75%	106.87%	111.43%	104.66%	99.05%	97.09%	94.30%
\$	1,169,886	\$ 1,070,702	\$ 1,114,681	\$ 1,130,833	\$ 1,112,779	\$ 1,116,354	\$ 1,172,159
	-17.19%	-34.34%	-51.41%	-21.37%	4.32%	13.67%	25.64%

COUNTY OF BRUNSWICK, VIRGINIA

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

Date (1)	Employer's Proportion of the Net Pension Liability (Asset) (2)	Employer's Proportionate Share of the Net Pension Liability (Asset) (3)	Employer's Covered Payroll (4)	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll (3)/(4) (5)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (6)
2022	0.09283%	\$ 8,837,972	\$ 8,602,950	102.73%	82.61%
2021	0.01000%	7,764,650	8,820,936	88.03%	85.46%
2020	0.10700%	15,568,399	9,338,277	166.72%	71.47%
2019	0.10759%	14,159,456	8,999,734	157.33%	73.51%
2018	0.11508%	13,534,000	9,303,038	145.48%	74.81%
2017	0.12224%	15,033,000	9,655,949	155.69%	72.92%
2016	0.12449%	17,447,000	9,490,744	183.83%	68.28%
2015	0.12561%	15,810,000	9,590,362	164.85%	70.68%
2014	0.13337%	16,117,000	9,752,607	165.26%	70.88%

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

Schedule of Employer Contributions - VRS Pension Plans
 For the Years Ended June 30, 2014 through June 30, 2023

Date	Contractually Required Contribution (1)*	Contributions in Relation to Contractually Required Contribution (2)*	Contribution Deficiency (Excess) (3)	Employer's Covered Payroll (4)	Contributions as a % of Covered Payroll (5)
Primary Government					
2023	\$ 895,461	\$ 895,461	\$ -	\$ 7,339,631	12.20%
2022	695,351	695,351	-	6,767,626	10.27%
2021	650,024	650,024	-	6,330,077	10.27%
2020	598,647	598,647	-	6,197,570	9.66%
2019	582,417	582,417	-	5,953,521	9.78%
2018	556,442	556,442	-	5,308,791	10.48%
2017	508,504	508,504	-	4,804,488	10.58%
2016	623,099	623,099	-	4,525,045	13.77%
2015	587,442	587,442	-	4,266,100	13.77%
2014	589,624	589,624	-	4,238,853	13.91%
Component Unit School Board (nonprofessional)					
2023	\$ 16,656	\$ 16,656	\$ -	\$ 1,120,704	1.49%
2022	16,878	16,878	-	1,143,386	1.48%
2021	16,175	16,175	-	1,102,262	1.47%
2020	18,627	18,627	-	1,169,886	1.59%
2019	18,019	18,019	-	1,070,702	1.68%
2018	43,035	43,035	-	1,114,681	3.86%
2017	45,742	45,742	-	1,130,833	4.04%
2016	99,816	99,816	-	1,112,779	8.97%
2015	100,137	100,137	-	1,116,354	8.97%
2014	107,369	107,369	-	1,172,158	9.16%
Component Unit School Board (professional)					
2023	\$ 1,397,659	\$ 1,397,659	\$ -	\$ 8,805,484	15.87%
2022	1,378,988	1,378,988	-	8,602,950	16.03%
2021	1,414,941	1,414,941	-	8,820,936	16.04%
2020	1,421,634	1,421,634	-	9,338,277	15.22%
2019	1,378,861	1,378,861	-	8,999,734	15.32%
2018	1,544,432	1,544,432	-	9,303,038	16.60%
2017	1,360,944	1,360,944	-	9,655,949	14.09%
2016	1,145,347	1,145,347	-	9,490,744	12.07%
2015	1,349,364	1,349,364	-	9,590,362	14.07%
2014	1,137,154	1,137,154	-	9,752,607	11.66%

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

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

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

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

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

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

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

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

Component Unit School Board - Professional Employees:

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

Schedule of County's and School Board's Share of Net OPEB Liability
 VRS Cost-Sharing OPEB Plans
 For the Measurement Dates of June 30, 2017 through June 30, 2022

Date (1)	Employer's Proportion of the Net GLI OPEB Liability (Asset) (2)	Employer's Proportionate Share of the Net GLI OPEB Liability (Asset) (3)	Employer's Covered Payroll (4)	Employer's Proportionate Share of the Net GLI OPEB Liability (Asset) as a Percentage of Covered Payroll (3)/(4) (5)	Plan Fiduciary Net Position as a Percentage of Total GLI OPEB Liability (6)
Group Life Insurance (GLI) Plan					
Primary Government					
2022	0.03110% \$	374,594 \$	6,767,626	5.54%	67.21%
2021	0.03070%	357,082	6,332,779	5.64%	67.45%
2020	0.03014%	502,987	6,203,514	8.11%	52.64%
2019	0.03045%	495,503	5,969,368	8.30%	52.00%
2018	0.02813%	427,000	5,348,681	7.98%	51.22%
2017	0.02605%	393,000	4,804,488	8.18%	48.86%
Component Unit School Board (nonprofessional)					
2022	0.00530% \$	63,335 \$	1,143,386	5.54%	67.21%
2021	0.00530%	62,172	1,102,262	5.64%	67.45%
2020	0.00569%	94,957	1,169,886	8.12%	52.64%
2019	0.00549%	89,337	1,076,646	8.30%	52.00%
2018	0.00591%	90,000	1,123,835	8.01%	51.22%
2017	0.00617%	93,000	1,138,466	8.17%	48.86%
Component Unit School Board (professional)					
2022	0.03960% \$	476,581 \$	8,610,516	5.53%	67.21%
2021	0.04270%	497,494	8,620,936	5.77%	67.45%
2020	0.04540%	757,652	9,342,928	8.11%	52.64%
2019	0.04594%	747,567	9,006,358	8.30%	52.00%
2018	0.04896%	743,000	9,309,849	7.98%	51.22%
2017	0.05247%	790,000	9,677,754	8.16%	48.86%
Teacher Employee Health Insurance Credit (HIC) Plan					
Component Unit School Board (professional)					
2022	0.09231% \$	1,152,995 \$	8,602,950	13.40%	15.08%
2021	0.09974%	1,280,232	8,820,936	14.51%	13.15%
2020	0.10652%	1,389,571	9,338,277	14.88%	9.95%
2019	0.10730%	1,404,662	8,999,734	15.61%	8.97%
2018	0.11491%	1,459,000	9,293,614	15.70%	8.08%
2017	0.12248%	1,553,000	9,665,747	16.07%	7.04%

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

COUNTY OF BRUNSWICK, VIRGINIA

Schedule of Changes in the School Board's Net OPEB Liability and Related Ratios
 Health Insurance Credit (HIC) Plan
 For the Measurement Dates of June 30, 2017 through June 30, 2022

	<u>2022</u>	<u>2021</u>
Total HIC OPEB Liability		
Service cost	\$ 1,487	\$ 1,872
Interest	7,220	6,946
Changes of benefit terms	-	-
Differences between expected and actual experience	3,620	(603)
Changes of assumptions	10,424	2,160
Benefit payments	(8,065)	(7,552)
Net change in total HIC OPEB liability	<u>\$ 14,686</u>	<u>\$ 2,823</u>
Total HIC OPEB Liability - beginning	109,503	106,680
Total HIC OPEB Liability - ending (a)	<u><u>\$ 124,189</u></u>	<u><u>\$ 109,503</u></u>
Plan fiduciary net position		
Contributions - employer	\$ 6,403	\$ 6,173
Net investment income	108	13,661
Benefit payments	(8,065)	(7,552)
Administrator charges	(109)	(158)
Other	-	-
Net change in plan fiduciary net position	<u>\$ (1,663)</u>	<u>\$ 12,124</u>
Plan fiduciary net position - beginning	64,631	52,507
Plan fiduciary net position - ending (b)	<u><u>\$ 62,968</u></u>	<u><u>\$ 64,631</u></u>
School Board's net HIC OPEB liability - ending (a) - (b)	\$ 61,221	\$ 44,872
Plan fiduciary net position as a percentage of the total HIC OPEB liability	50.70%	59.02%
Covered payroll	\$ 1,143,386	\$ 1,102,262
School Board's net HIC OPEB liability as a percentage of covered payroll	5.35%	4.07%

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

Exhibit 17

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
\$	1,820	\$ 1,807	\$ 1,944	\$ 2,026
	6,906	7,787	7,897	7,906
	3,788	-	-	-
	(4,619)	(13,749)	(4,184)	-
	-	2,202	-	(3,475)
	(7,057)	(6,891)	(7,579)	(5,609)
\$	<u>838</u>	<u>(8,844)</u>	<u>(1,922)</u>	<u>848</u>
	105,842	114,686	116,608	115,760
\$	<u><u>106,680</u></u>	<u><u>105,842</u></u>	<u><u>114,686</u></u>	<u><u>116,608</u></u>
\$	6,317	\$ 5,782	\$ 6,354	\$ 6,445
	1,038	3,195	3,403	4,960
	(7,057)	(6,891)	(7,579)	(5,609)
	(99)	(69)	(79)	(80)
	-	(3)	(247)	247
\$	<u>199</u>	<u>2,014</u>	<u>1,852</u>	<u>5,963</u>
	52,308	50,294	48,442	42,479
\$	<u><u>52,507</u></u>	<u><u>52,308</u></u>	<u><u>50,294</u></u>	<u><u>48,442</u></u>
\$	54,173	\$ 53,534	\$ 64,392	\$ 68,166
	49.22%	49.42%	43.85%	41.54%
\$	1,169,886	\$ 1,070,702	\$ 1,114,681	\$ 1,130,833
	4.63%	5.00%	5.78%	6.03%

Schedule of Employer Contributions
 VRS OPEB Plan - Group Life Insurance (GLI) Plan
 For the Years Ended June 30, 2014 through June 30, 2023

Date	Contractually Required Contribution (1)	Contributions in Relation to Contractually Required Contribution (2)	Contribution Deficiency (Excess) (3)	Employer's Covered Payroll (4)	Contributions as a % of Covered Payroll (5)
Primary Government					
2023	\$ 39,634	\$ 39,634	\$ -	\$ 7,339,631	0.54%
2022	36,545	36,545	-	6,767,626	0.54%
2021	34,197	34,197	-	6,332,779	0.54%
2020	32,258	32,258	-	6,203,514	0.52%
2019	31,041	31,041	-	5,969,368	0.52%
2018	27,813	27,813	-	5,348,681	0.52%
2017	24,983	24,983	-	4,804,488	0.52%
2016	21,720	21,720	-	4,525,045	0.48%
2015	20,477	20,477	-	4,266,100	0.48%
2014	20,346	20,346	-	4,238,853	0.48%
Component Unit School Board (nonprofessional)					
2023	\$ 6,066	\$ 6,066	\$ -	\$ 1,123,388	0.54%
2022	6,174	6,174	-	1,143,386	0.54%
2021	5,952	5,952	-	1,102,262	0.54%
2020	6,083	6,083	-	1,169,886	0.52%
2019	5,599	5,599	-	1,076,646	0.52%
2018	5,844	5,844	-	1,123,835	0.52%
2017	5,920	5,920	-	1,138,466	0.52%
2016	5,341	5,341	-	1,112,779	0.48%
2015	5,358	5,358	-	1,116,354	0.48%
2014	5,626	5,626	-	1,172,158	0.48%
Component Unit School Board (professional)					
2023	\$ 47,691	\$ 47,691	\$ -	\$ 8,831,693	0.54%
2022	46,497	46,497	-	8,610,516	0.54%
2021	47,633	47,633	-	8,820,936	0.54%
2020	48,583	48,583	-	9,342,928	0.52%
2019	46,833	46,833	-	9,006,358	0.52%
2018	48,411	48,411	-	9,309,849	0.52%
2017	50,324	50,324	-	9,677,754	0.52%
2016	45,560	45,560	-	9,491,607	0.48%
2015	44,828	44,828	-	9,339,184	0.48%
2014	46,815	46,815	-	9,753,088	0.48%

Schedule of Employer Contributions

VRS OPEB Plans - Health Insurance Credit (HIC) and Teacher Employee Health Insurance Credit (HIC) Plans

For the Years Ended June 30, 2014 through June 30, 2023

Date	Contractually Required Contribution (1)	Contributions in Relation to Contractually Required Contribution (2)	Contribution Deficiency (Excess) (3)	Employer's Covered Payroll (4)	Contributions as a % of Covered Payroll (5)
Component Unit School Board (nonprofessional)					
2023	\$ 6,276	\$ 6,276	\$ -	\$ 1,120,704	0.56%
2022	6,403	6,403	-	1,143,386	0.56%
2021	6,173	6,173	-	1,102,262	0.56%
2020	6,317	6,317	-	1,169,886	0.54%
2019	5,782	5,782	-	1,070,702	0.54%
2018	6,354	6,354	-	1,114,681	0.57%
2017	6,446	6,446	-	1,130,833	0.57%
2016	5,898	5,898	-	1,112,779	0.53%
2015	5,917	5,917	-	1,116,354	0.53%
2014	7,150	7,150	-	1,172,158	0.61%
Component Unit School Board (professional)					
2023	\$ 106,546	\$ 106,546	\$ -	\$ 8,805,484	1.21%
2022	104,096	104,096	-	8,602,950	1.21%
2021	106,733	106,733	-	8,820,936	1.21%
2020	112,059	112,059	-	9,338,277	1.20%
2019	107,997	107,997	-	8,999,734	1.20%
2018	114,311	114,311	-	9,293,614	1.23%
2017	107,290	107,290	-	9,665,747	1.11%
2016	100,611	100,611	-	9,491,607	1.06%
2015	98,995	98,995	-	9,339,184	1.06%
2014	108,259	108,259	-	9,753,088	1.11%

Notes to Required Supplementary Information
 VRS OPEB Plan - Group Life Insurance (GLI) Plan
 For the Year Ended June 30, 2023

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

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

Teachers

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

Non-Largest Ten Locality Employers - General Employees

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

Non-Largest Ten Locality Employers - Hazardous Duty Employees

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. Increased disability life expectancy. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience and changed final retirement age from 65 to 70
Withdrawal Rates	Decreased rates and changed from rates based on age and service to rates based on service only to better fit experience and to be more consistent with Locals Top 10 Hazardous Duty
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change
Salary Scale	No change
Line of Duty Disability	Decreased rate from 60.00% to 45.00%
Discount Rate	Decreased rate from 7.00% to 6.75%

Notes to Required Supplementary Information

VRS OPEB Plans - Health Insurance Credit (HIC) and Teacher Employee Health Insurance Credit (HIC) Plans

For the Year Ended June 30, 2023

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

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

Non-Largest Ten Locality Employers - General Employees

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

Component Unit School Board - Professional Employees (Teacher HIC)

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

Schedule of Changes in Total OPEB Liability and Related Ratios
 Health Insurance OPEB Plans - Primary Government and Component Unit School Board
 For the Years Ended June 30, 2018 through June 30, 2023

Primary Government						
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB liability						
Service cost	\$ 55,449	\$ 67,515	\$ 58,255	\$ 40,288	\$ 31,107	\$ 32,003
Interest	31,560	19,181	18,293	21,895	21,952	19,465
Changes of assumptions	25,566	(124,916)	3,679	129,736	21,038	(20,338)
Differences between expected and actual experience	-	82,276	-	20,396	-	-
Benefit payments	(24,064)	(33,001)	(25,434)	(30,666)	(19,301)	(18,974)
Net change in total OPEB liability	\$ 88,511	\$ 11,055	\$ 54,793	\$ 181,649	\$ 54,796	\$ 12,156
Total OPEB liability - beginning	847,992	836,937	782,144	600,495	545,699	533,543
Total OPEB liability - ending	\$ 936,503	\$ 847,992	\$ 836,937	\$ 782,144	\$ 600,495	\$ 545,699
Covered-employee payroll	\$ 7,152,063	\$ 7,152,063	\$ 7,034,863	\$ 7,034,863	\$ 5,528,661	\$ 5,528,661
County's total OPEB liability (asset) as a percentage of covered-employee payroll	13.09%	11.86%	11.90%	11.12%	10.86%	9.87%

Component Unit School Board (nonprofessional)						
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB liability						
Service cost	\$ 33,418	\$ 40,403	\$ 48,436	\$ 34,988	\$ 37,034	\$ 37,648
Interest	19,553	15,170	15,105	19,745	20,594	18,131
Changes of assumptions	17,402	(47,503)	1,954	105,030	12,030	(11,594)
Differences between expected and actual experience	-	(110,112)	-	(14,391)	-	-
Benefit payments	(45,408)	(36,640)	(40,814)	(37,820)	(33,432)	(25,545)
Net change in total OPEB liability	\$ 24,965	\$ (138,682)	\$ 24,681	\$ 107,552	\$ 36,226	\$ 18,640
Total OPEB liability - beginning	541,443	680,125	655,444	547,892	511,666	493,026
Total OPEB liability - ending	\$ 566,408	\$ 541,443	\$ 680,125	\$ 655,444	\$ 547,892	\$ 511,666
Covered-employee payroll	\$ 8,255,959	\$ 8,255,959	\$ 8,916,071	\$ 8,916,071	\$ 9,884,512	\$ 9,884,512
School Board's total OPEB liability (asset) as a percentage of covered-employee payroll	6.86%	6.56%	7.63%	7.35%	5.54%	5.18%

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

Notes to Required Supplementary Information
 Health Insurance OPEB Plans - Primary Government and Component Unit School Board
 For the Year Ended June 30, 2023

Valuation Date: 7/1/2021
 Measurement Date: 6/30/2023

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

Methods and assumptions used to determine OPEB liability:

Actuarial Cost Method	Entry age normal level % of salary
Discount Rate	3.54% as of June 30, 2022; 3.65% as of June 30, 2023
Inflation	2.50% per year as of June 30, 2022; 2.50% per year as of June 30, 2023
Healthcare Trend Rate (County)	The healthcare trend rate assumption starts at 6.60% in 2021 and gradually declines to 3.90% by the year 2072
Healthcare Trend Rate (School Board)	The healthcare trend rate assumption starts at 5.50% in 2021 and gradually declines to 3.90% by the year 2072
Salary Increase Rates (County)	The salary increase rate starts at 5.35% salary increase for 1 year of service and gradually declines to 3.50% salary increase for 20 or more years of service
Salary Increase Rates (School Board)	The salary increase rate starts at 5.35% salary increase for 1 year of service and gradually declines to 3.50% salary increase for 20 or more years of service for nonprofessional employees. For professional employees, the salary increase rate starts at 5.95% salary increase for 1 year of service and gradually declines to 3.50% salary increase for 20 or more years of service.
Retirement Age	The average age at retirement is 62
Mortality Rates	The mortality rates for active and healthy retirees were calculated using the RP-2014 Employee Rates projected with Scale BB to 2020. The mortality rates for disabled retirees were calculated using the RP-2014 Disabled Mortality Rates projected with Scale BB to 2020.

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OTHER SUPPLEMENTARY INFORMATION

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*COMBINING AND INDIVIDUAL FUND FINANCIAL
STATEMENTS AND SCHEDULES*

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

	School Debt Service Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental:				
Federal	\$ 60,538	\$ 60,538	\$ 61,319	\$ 781
Total revenues	\$ 60,538	\$ 60,538	\$ 61,319	\$ 781
EXPENDITURES				
Debt service:				
Principal retirement	\$ 502,536	\$ 502,536	\$ 502,536	\$ -
Interest and other fiscal charges	143,940	143,940	143,939	1
Total expenditures	\$ 646,476	\$ 646,476	\$ 646,475	\$ 1
Excess (deficiency) of revenues over (under) expenditures	\$ (585,938)	\$ (585,938)	\$ (585,156)	\$ 782
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 585,938	\$ 585,938	\$ 585,930	\$ (8)
Total other financing sources (uses)	\$ 585,938	\$ 585,938	\$ 585,930	\$ (8)
Net change in fund balances	\$ -	\$ -	\$ 774	\$ 774
Fund balances - beginning	-	-	(69,175)	(69,175)
Fund balances - ending	\$ -	\$ -	\$ (68,401)	\$ (68,401)

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

	County Capital Improvements Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
General property taxes	\$ 2,297,760	\$ 2,297,760	\$ 2,199,804	\$ (97,956)
Revenue from the use of money and property	-	-	2,143,303	2,143,303
Miscellaneous	-	-	2,515	2,515
Recovered costs	-	-	100	100
Intergovernmental:				
Local government	-	-	-	-
Commonwealth	-	-	1,890	1,890
Federal	650,000	650,000	206,310	(443,690)
Total revenues	\$ 2,947,760	\$ 2,947,760	\$ 4,553,922	\$ 1,606,162
EXPENDITURES				
Current:				
Capital projects	\$ 57,004,735	\$ 57,390,282	\$ 1,013,452	\$ 56,376,830
Debt service:				
Principal retirement	2,472,068	2,472,068	-	2,472,068
Interest and other fiscal charges	-	-	1,619,215	(1,619,215)
Total expenditures	\$ 59,476,803	\$ 59,862,350	\$ 2,632,667	\$ 57,229,683
Excess (deficiency) of revenues over (under) expenditures	\$ (56,529,043)	\$ (56,914,590)	\$ 1,921,255	\$ 58,835,845
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 199,308	\$ 584,855	\$ 365,126	\$ (219,729)
Issuance of general obligation bonds	56,329,735	56,329,735	-	(56,329,735)
Total other financing sources (uses)	\$ 56,529,043	\$ 56,914,590	\$ 365,126	\$ (56,549,464)
Net change in fund balances	\$ -	\$ -	\$ 2,286,381	\$ 2,286,381
Fund balances - beginning	-	-	55,612,212	55,612,212
Fund balances - ending	\$ -	\$ -	\$ 57,898,593	\$ 57,898,593

Combining Balance Sheet
 Nonmajor Special Revenue Funds
 June 30, 2023

	<u>Airport Commission Fund</u>	<u>Sheriff's Employee Fund</u>	<u>CSA Fund</u>	<u>Total</u>
ASSETS				
Cash and cash equivalents	\$ -	\$ 1,769	\$ 5,254	\$ 7,023
Due from other governmental units	-	-	118,023	118,023
Prepaid items	5,220	-	-	5,220
Total assets	<u>\$ 5,220</u>	<u>\$ 1,769</u>	<u>\$ 123,277</u>	<u>\$ 130,266</u>
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ 62,622	\$ 62,622
Overdraft	1,224	-	-	1,224
Due to other funds	-	-	60,655	60,655
Total liabilities	<u>\$ 1,224</u>	<u>\$ -</u>	<u>\$ 123,277</u>	<u>\$ 124,501</u>
FUND BALANCES				
Nonspendable:				
Prepays	\$ 5,220	\$ -	\$ -	\$ 5,220
Restricted:				
Employee benefits - sheriff	-	1,769	-	1,769
Unassigned (deficit):				
Airport	(1,224)	-	-	(1,224)
Total fund balances	<u>\$ 3,996</u>	<u>\$ 1,769</u>	<u>\$ -</u>	<u>\$ 5,765</u>
Total liabilities and fund balances	<u>\$ 5,220</u>	<u>\$ 1,769</u>	<u>\$ 123,277</u>	<u>\$ 130,266</u>

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

	Airport Commission Fund	Sheriff's Employee Fund	CSA Fund	Total
REVENUES				
Miscellaneous	\$ 5,635	\$ 11,466	\$ -	\$ 17,101
Intergovernmental:				
Commonwealth	3,723	-	490,767	494,490
Federal	-	-	108,914	108,914
Total revenues	<u>\$ 9,358</u>	<u>\$ 11,466</u>	<u>\$ 599,681</u>	<u>\$ 620,505</u>
EXPENDITURES				
Current:				
Public safety	\$ -	\$ 19,777	\$ -	\$ 19,777
Public works	34,372	-	-	34,372
Health and welfare	-	-	850,039	850,039
Total expenditures	<u>\$ 34,372</u>	<u>\$ 19,777</u>	<u>\$ 850,039</u>	<u>\$ 904,188</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (25,014)</u>	<u>\$ (8,311)</u>	<u>\$ (250,358)</u>	<u>\$ (283,683)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 24,030	\$ -	\$ 250,358	\$ 274,388
Total other financing sources (uses)	<u>\$ 24,030</u>	<u>\$ -</u>	<u>\$ 250,358</u>	<u>\$ 274,388</u>
Net change in fund balances	\$ (984)	\$ (8,311)	\$ -	\$ (9,295)
Fund balances - beginning	4,980	10,080	-	15,060
Fund balances - ending	<u>\$ 3,996</u>	<u>\$ 1,769</u>	<u>\$ -</u>	<u>\$ 5,765</u>

COUNTY OF BRUNSWICK, VIRGINIA

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

	Airport Commission Fund			
	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Miscellaneous	\$ -	\$ 5,634	\$ 5,635	\$ 1
Intergovernmental:				
Commonwealth	5,000	5,000	3,723	(1,277)
Federal	-	-	-	-
Total revenues	<u>\$ 5,000</u>	<u>\$ 10,634</u>	<u>\$ 9,358</u>	<u>\$ (1,276)</u>
EXPENDITURES				
Current:				
Public safety	\$ -	\$ -	\$ -	\$ -
Public works	28,738	35,649	34,372	1,277
Health and welfare	-	-	-	-
Total expenditures	<u>\$ 28,738</u>	<u>\$ 35,649</u>	<u>\$ 34,372</u>	<u>\$ 1,277</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (23,738)</u>	<u>\$ (25,015)</u>	<u>\$ (25,014)</u>	<u>\$ 1</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 23,738	\$ 25,015	\$ 24,030	\$ (985)
Total other financing sources (uses)	<u>\$ 23,738</u>	<u>\$ 25,015</u>	<u>\$ 24,030</u>	<u>\$ (985)</u>
Net change in fund balances	\$ -	\$ -	\$ (984)	\$ (984)
Fund balances - beginning	-	-	4,980	4,980
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,996</u>	<u>\$ 3,996</u>

Sheriff's Employee Fund				CSA Fund			
Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
Original	Final			Original	Final		
\$ -	\$ -	\$ 11,466	\$ 11,466	\$ 300	\$ 300	\$ -	\$ (300)
-	-	-	-	621,150	621,150	490,767	(130,383)
-	-	-	-	13,500	13,500	108,914	95,414
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,466</u>	<u>\$ 11,466</u>	<u>\$ 634,950</u>	<u>\$ 634,950</u>	<u>\$ 599,681</u>	<u>\$ (35,269)</u>
\$ -	\$ -	\$ 19,777	\$ (19,777)	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	895,000	932,853	850,039	82,814
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,777</u>	<u>\$ (19,777)</u>	<u>\$ 895,000</u>	<u>\$ 932,853</u>	<u>\$ 850,039</u>	<u>\$ 82,814</u>
\$ -	\$ -	\$ (8,311)	\$ (8,311)	\$ (260,050)	\$ (297,903)	\$ (250,358)	\$ 47,545
\$ -	\$ -	\$ -	\$ -	\$ 260,050	\$ 297,903	\$ 250,358	\$ (47,545)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 260,050</u>	<u>\$ 297,903</u>	<u>\$ 250,358</u>	<u>\$ (47,545)</u>
\$ -	\$ -	\$ (8,311)	\$ (8,311)	\$ -	\$ -	\$ -	\$ -
-	-	10,080	10,080	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,769</u>	<u>\$ 1,769</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

	<u>Custodial Funds</u>			
	<u>Special Welfare Fund</u>	<u>Sheriff Funds</u>	<u>Bond Escrow Fund</u>	<u>Total</u>
ASSETS				
Cash and cash equivalents	\$ 4,100	\$ 12	\$ 28,550	\$ 32,662
Total assets	<u>\$ 4,100</u>	<u>\$ 12</u>	<u>\$ 28,550</u>	<u>\$ 32,662</u>
LIABILITIES				
Accounts payable	\$ 132	\$ -	\$ -	\$ 132
Escrow deposits payable	-	-	28,550	28,550
Due to other governmental units	-	12	-	12
Total liabilities	<u>\$ 132</u>	<u>\$ 12</u>	<u>\$ 28,550</u>	<u>\$ 28,694</u>
NET POSITION				
Restricted for:				
Special welfare	\$ 3,968	\$ -	\$ -	\$ 3,968
Total net position	<u>\$ 3,968</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,968</u>

Combining Statement of Changes in Fiduciary Net Position
 Custodial Funds
 For the Year Ended June 30, 2023

	Custodial Funds			
	Special Welfare Fund	Sheriff Funds	Bond Escrow Fund	Total
ADDITIONS				
Special welfare collections	\$ 9,975	\$ -	\$ -	\$ 9,975
Sheriff fees	-	10,846	-	10,846
Total additions	<u>\$ 9,975</u>	<u>\$ 10,846</u>	<u>\$ -</u>	<u>\$ 20,821</u>
DEDUCTIONS				
Welfare costs	\$ 32,494	\$ -	\$ -	\$ 32,494
Miscellaneous	-	-	8,500	8,500
Sheriff fees remitted to State	-	10,846	-	10,846
Total deductions	<u>\$ 32,494</u>	<u>\$ 10,846</u>	<u>\$ 8,500</u>	<u>\$ 51,840</u>
Net increase (decrease) in fiduciary net position	\$ (22,519)	\$ -	\$ (8,500)	\$ (31,019)
Net position - beginning	<u>26,487</u>	<u>-</u>	<u>8,500</u>	<u>34,987</u>
Net position - ending	<u><u>\$ 3,968</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 3,968</u></u>

Combining Balance Sheet
 Discretely Presented Component Unit - School Board
 June 30, 2023

	School Operating Fund	School Cafeteria Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 110,141	\$ 757,067	\$ 588,748	\$ 96,484	\$ 1,552,440
Receivables (net of allowance for uncollectibles):					
Accounts receivable	5,839	6,757	-	-	12,596
Due from primary government	1,040,421	-	-	-	1,040,421
Due from other governmental units	928,083	17,061	-	-	945,144
Total assets	<u>\$ 2,084,484</u>	<u>\$ 780,885</u>	<u>\$ 588,748</u>	<u>\$ 96,484</u>	<u>\$ 3,550,601</u>
LIABILITIES					
Accounts payable	\$ 144,536	\$ 13,991	\$ -	\$ -	\$ 158,527
Accrued liabilities	946,465	29,836	-	-	976,301
Total liabilities	<u>\$ 1,091,001</u>	<u>\$ 43,827</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,134,828</u>
FUND BALANCES					
Restricted:					
School activity funds	\$ -	\$ -	\$ -	\$ 96,484	\$ 96,484
Committed:					
Cafeteria operations	-	737,058	-	-	737,058
School capital projects	-	-	588,748	-	588,748
Unassigned:					
School operations	993,483	-	-	-	993,483
Total fund balances	<u>\$ 993,483</u>	<u>\$ 737,058</u>	<u>\$ 588,748</u>	<u>\$ 96,484</u>	<u>\$ 2,415,773</u>
Total liabilities and fund balances	<u>\$ 2,084,484</u>	<u>\$ 780,885</u>	<u>\$ 588,748</u>	<u>\$ 96,484</u>	<u>\$ 3,550,601</u>

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

Total fund balances per above \$ 2,415,773

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

Land	\$ 25,822	
Buildings and improvements	7,401,231	
Machinery, equipment, and vehicles	1,441,253	
Subscription assets	<u>2,986</u>	8,871,292

The net pension asset is not available to pay for current-period expenditures and, therefore, is not reported in the funds. 560,297

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

Pension related items	\$ 2,326,814	
OPEB related items	<u>324,733</u>	2,651,547

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

Compensated absences	\$ (146,495)	
Equipment loan	(339,387)	
Net pension liability	(8,837,972)	
Net OPEB liabilities	<u>(2,320,540)</u>	(11,644,394)

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

Pension related items	\$ (3,656,861)	
OPEB related items	<u>(609,285)</u>	(4,266,146)

Net position (deficit) of governmental activities \$ (1,411,631)

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
 Governmental Funds - Discretely Presented Component Unit - School Board
 For the Year Ended June 30, 2023

	School Operating Fund	School Cafeteria Fund	Capital Projects Fund	Nonmajor Governmental Fund	Total Governmental Funds
REVENUES					
Revenue from the use of money and property	\$ 691	\$ -	\$ -	\$ -	\$ 691
Charges for services	-	73,431	-	-	73,431
Miscellaneous	342,062	6,841	-	345,224	694,127
Intergovernmental:					
Local government	7,104,303	-	-	-	7,104,303
Commonwealth	14,303,215	21,011	-	-	14,324,226
Federal	3,799,069	1,282,413	-	-	5,081,482
Total revenues	<u>\$ 25,549,340</u>	<u>\$ 1,383,696</u>	<u>\$ -</u>	<u>\$ 345,224</u>	<u>\$ 27,278,260</u>
EXPENDITURES					
Current:					
Education	\$ 24,190,673	\$ 1,232,290	\$ -	\$ 322,286	\$ 25,745,249
Capital projects	839,687	-	447,002	-	1,286,689
Debt service:					
Principal retirement	114,180	-	-	-	114,180
Interest and other fiscal charges	1,718	-	-	-	1,718
Total expenditures	<u>\$ 25,146,258</u>	<u>\$ 1,232,290</u>	<u>\$ 447,002</u>	<u>\$ 322,286</u>	<u>\$ 27,147,836</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 403,082</u>	<u>\$ 151,406</u>	<u>\$ (447,002)</u>	<u>\$ 22,938</u>	<u>\$ 130,424</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	\$ 157,233	\$ -	\$ -	\$ -	\$ 157,233
Transfers out	-	-	(157,233)	-	(157,233)
Issuance of financing	432,668	-	-	-	432,668
Total other financing sources (uses)	<u>\$ 589,901</u>	<u>\$ -</u>	<u>\$ (157,233)</u>	<u>\$ -</u>	<u>\$ 432,668</u>
Net change in fund balances	\$ 992,983	\$ 151,406	\$ (604,235)	\$ 22,938	\$ 563,092
Fund balances - beginning	500	585,652	1,192,983	73,546	1,852,681
Fund balances - ending	<u>\$ 993,483</u>	<u>\$ 737,058</u>	<u>\$ 588,748</u>	<u>\$ 96,484</u>	<u>\$ 2,415,773</u>

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

Net change in fund balances - total governmental funds - per above \$ 563,092

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which the depreciation exceeded capital outlays in the current period.

Capital asset additions	\$ 432,668	
Depreciation	(934,928)	
Adjustment for jointly owned assets	502,536	
Depreciation adjustment for jointly owned assets	<u>(219,463)</u>	(219,187)

Special contributions received from the Commonwealth for the teacher cost sharing pool are not reported in governmental funds. 410,653

The issuance of long-term obligations (e.g. bonds, loans) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term obligations and related items.

Issuance of equipment loan	\$ (432,668)	
Payment of principal	<u>114,180</u>	(318,488)

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. This is the amount of change compared to the prior year.

Decrease (increase) in compensated absences	\$ (45,013)	
Pension expense	1,706,969	
OPEB expense	<u>172,004</u>	1,833,960

Change in net position of governmental activities \$ 2,270,030

COUNTY OF BRUNSWICK, VIRGINIA

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 Discretely Presented Component Unit - School Board
 For the Year Ended June 30, 2023

	School Operating Fund			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
REVENUES				
Revenue from the use of money and property	\$ 1,000	\$ 1,000	\$ 691	\$ (309)
Charges for services	-	-	-	-
Miscellaneous	56,500	56,500	342,062	285,562
Intergovernmental:				
Local government	7,165,695	7,165,695	7,104,303	(61,392)
Commonwealth	14,302,869	14,302,869	14,303,215	346
Federal	7,327,961	7,327,961	3,799,069	(3,528,892)
Total revenues	<u>\$ 28,854,025</u>	<u>\$ 28,854,025</u>	<u>\$ 25,549,340</u>	<u>\$ (3,304,685)</u>
EXPENDITURES				
Current:				
Education	\$ 27,641,056	\$ 27,798,289	\$ 24,190,673	\$ 3,607,616
Capital projects	1,131,369	1,131,369	839,687	291,682
Debt service:				
Principal retirement	77,449	77,449	114,180	(36,731)
Interest and other fiscal charges	4,151	4,151	1,718	2,433
Total expenditures	<u>\$ 28,854,025</u>	<u>\$ 29,011,258</u>	<u>\$ 25,146,258</u>	<u>\$ 3,865,000</u>
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ (157,233)	\$ 403,082	\$ 560,315
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ -	\$ 157,233	\$ 157,233	\$ -
Transfers out	-	-	-	-
Issuance of financing	-	-	432,668	432,668
Total other financing sources (uses)	<u>\$ -</u>	<u>\$ 157,233</u>	<u>\$ 589,901</u>	<u>\$ 432,668</u>
Net change in fund balances	\$ -	\$ -	\$ 992,983	\$ 992,983
Fund balances - beginning	-	-	500	500
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 993,483</u>	<u>\$ 993,483</u>

School Cafeteria Fund				School Capital Projects Fund			
Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
Original	Final			Original	Final		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
176,000	176,000	73,431	(102,569)	-	-	-	-
7,000	7,000	6,841	(159)	-	-	-	-
-	-	-	-	-	-	-	-
155,000	155,000	21,011	(133,989)	-	-	-	-
1,040,000	1,040,000	1,282,413	242,413	-	-	-	-
<u>\$ 1,378,000</u>	<u>\$ 1,378,000</u>	<u>\$ 1,383,696</u>	<u>\$ 5,696</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 1,378,000	\$ 1,378,000	\$ 1,232,290	\$ 145,710	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	447,002	(447,002)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 1,378,000</u>	<u>\$ 1,378,000</u>	<u>\$ 1,232,290</u>	<u>\$ 145,710</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 447,002</u>	<u>\$ (447,002)</u>
\$ -	\$ -	\$ 151,406	\$ 151,406	\$ -	\$ -	\$ (447,002)	\$ (447,002)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	(157,233)	(157,233)	-
-	-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (157,233)</u>	<u>\$ (157,233)</u>	<u>\$ -</u>
\$ -	\$ -	\$ 151,406	\$ 151,406	\$ -	\$ (157,233)	\$ (604,235)	\$ (447,002)
-	-	585,652	585,652	-	157,233	1,192,983	1,035,750
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 737,058</u>	<u>\$ 737,058</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 588,748</u>	<u>\$ 588,748</u>

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SUPPORTING SCHEDULES

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Schedule of Revenues - Budget and Actual
Governmental Funds and Discretely Presented Component Unit School Board
For the Year Ended June 30, 2023

Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
General Fund:				
Revenue from local sources:				
General property taxes:				
Real property taxes	\$ 7,175,000	\$ 7,175,000	\$ 7,302,753	\$ 127,753
Real and personal public service corporation taxes	5,400,000	5,400,000	4,974,321	(425,679)
Personal property taxes	4,650,000	4,650,000	5,621,772	971,772
Mobile home taxes	39,000	39,000	39,521	521
Machinery and tools taxes	285,000	285,000	314,497	29,497
Penalties	105,000	105,000	163,132	58,132
Interest	54,800	54,800	124,538	69,738
Total general property taxes	<u>\$ 17,708,800</u>	<u>\$ 17,708,800</u>	<u>\$ 18,540,534</u>	<u>\$ 831,734</u>
Other local taxes:				
Local sales and use taxes	\$ 725,000	\$ 725,000	\$ 1,092,120	\$ 367,120
Consumers' utility taxes	255,000	255,000	252,141	(2,859)
Bank stock taxes	15,000	15,000	-	(15,000)
Franchise license taxes	30,000	30,000	35,605	5,605
Motor vehicle licenses	335,000	335,000	378,247	43,247
Taxes on recordation and wills	55,000	55,000	121,948	66,948
Utility consumption taxes	45,000	45,000	42,515	(2,485)
Hotel and motel room taxes	-	-	14,098	14,098
Total other local taxes	<u>\$ 1,460,000</u>	<u>\$ 1,460,000</u>	<u>\$ 1,936,674</u>	<u>\$ 476,674</u>
Permits, privilege fees, and regulatory licenses:				
Animal licenses	\$ 24,000	\$ 24,000	\$ 13,642	\$ (10,358)
Zoning application fees	6,000	6,000	17,763	11,763
Transfer fees	600	600	856	256
Permits and other licenses	40,000	40,000	40,777	777
Total permits, privilege fees, and regulatory licenses	<u>\$ 70,600</u>	<u>\$ 70,600</u>	<u>\$ 73,038</u>	<u>\$ 2,438</u>
Fines and forfeitures:				
Court fines and forfeitures	\$ 1,616,614	\$ 1,616,614	\$ 1,609,240	\$ (7,374)
Total fines and forfeitures	<u>\$ 1,616,614</u>	<u>\$ 1,616,614</u>	<u>\$ 1,609,240</u>	<u>\$ (7,374)</u>
Revenue from use of money and property:				
Revenue from use of money	\$ 46,300	\$ 46,300	\$ 47,604	\$ 1,304
Revenue from use of property	22,600	22,600	40,034	17,434
Total revenue from use of money and property	<u>\$ 68,900</u>	<u>\$ 68,900</u>	<u>\$ 87,638</u>	<u>\$ 18,738</u>
Charges for services:				
Charges for law enforcement and traffic control	\$ 1,000	\$ 1,000	\$ 990	\$ (10)
Charges for courthouse maintenance	29,000	29,000	35,027	6,027
Charges for court costs	250,000	319,000	379,226	60,226
Charges for court costs - electronic summons fee	60,000	60,000	78,722	18,722
Law library fees	2,000	2,000	1,493	(507)
Charges for Commonwealth's Attorney	2,500	2,500	3,909	1,409

Schedule of Revenues - Budget and Actual
Governmental Funds and Discretely Presented Component Unit School Board
For the Year Ended June 30, 2023 (Continued)

Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
General Fund: (Continued)				
Revenue from local sources: (Continued)				
Charges for services: (Continued)				
Miscellaneous jail and inmate fees	\$ 6,000	\$ 6,000	\$ 6,041	\$ 41
Animal shelter fees	250	250	895	645
Charges for sanitation and waste removal	315,000	315,000	134,537	(180,463)
Charges for landfill host fees	-	-	789,954	789,954
Charges for planning and community development	2,000	2,000	1,106	(894)
Lease revenue	-	-	91,723	91,723
Charges for emergency transport	125,000	146,637	245,370	98,733
Total charges for services	<u>\$ 792,750</u>	<u>\$ 883,387</u>	<u>\$ 1,768,993</u>	<u>\$ 885,606</u>
Miscellaneous:				
Miscellaneous	\$ 42,000	\$ 345,412	\$ 144,584	\$ (200,828)
Greensville Memorial Foundation Grant	-	36,654	35,619	(1,035)
Total miscellaneous	<u>\$ 42,000</u>	<u>\$ 382,066</u>	<u>\$ 180,203</u>	<u>\$ (201,863)</u>
Recovered costs:				
Landfill inspection fees	\$ 140,000	\$ 140,000	\$ 158,665	\$ 18,665
Tax bills - Lawrenceville	2,000	2,000	183	(1,817)
School resource officer	96,345	96,345	96,345	-
Clerk of Circuit Court copy cost reimbursement	2,000	2,000	2,221	221
Sheriff contracted security	50,000	83,000	74,223	(8,777)
Insurance recovery	-	81,190	100,574	19,384
Interest reimbursement	-	-	(332)	(332)
Total recovered costs	<u>\$ 290,345</u>	<u>\$ 404,535</u>	<u>\$ 431,879</u>	<u>\$ 27,344</u>
Total revenue from local sources	<u>\$ 22,050,009</u>	<u>\$ 22,594,902</u>	<u>\$ 24,628,199</u>	<u>\$ 2,033,297</u>
Intergovernmental:				
Revenues from local governments:				
Contribution from Component Unit - School Board	\$ -	\$ -	\$ 447,002	\$ 447,002
Total revenues from local governments	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 447,002</u>	<u>\$ 447,002</u>
Revenue from the Commonwealth:				
Noncategorical aid:				
Grantor's tax	\$ 20,000	\$ 20,000	\$ 38,305	\$ 18,305
Mobile home titling tax	30,000	30,000	55,207	25,207
Rolling stock tax	5,000	5,000	8,933	3,933
Motor vehicle rental tax	-	-	182	182
Motor vehicle carrier's tax	-	-	1,807	1,807
State recordation tax	25,000	25,000	-	(25,000)
Personal property tax relief funds	1,355,735	1,355,735	1,355,736	1
Communication taxes	440,000	440,000	290,513	(149,487)
Moped and ATV taxes	-	-	73,768	73,768
Total noncategorical aid	<u>\$ 1,875,735</u>	<u>\$ 1,875,735</u>	<u>\$ 1,824,451</u>	<u>\$ (51,284)</u>
Categorical aid:				
Shared expenses:				
Commonwealth's attorney	\$ 379,000	\$ 379,000	\$ 370,353	\$ (8,647)
Sheriff	1,171,181	1,171,181	1,195,749	24,568
Commissioner of revenue	98,500	98,500	116,204	17,704
Treasurer	90,000	90,000	99,043	9,043
Registrar/electoral board	50,000	50,000	66,205	16,205
Clerk of the Circuit Court	230,858	253,283	265,185	11,902
Total shared expenses	<u>\$ 2,019,539</u>	<u>\$ 2,041,964</u>	<u>\$ 2,112,739</u>	<u>\$ 70,775</u>

Schedule of Revenues - Budget and Actual
Governmental Funds and Discretely Presented Component Unit School Board
For the Year Ended June 30, 2023 (Continued)

Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
General Fund: (Continued)				
Intergovernmental: (Continued)				
Revenue from the Commonwealth: (Continued)				
Categorical aid: (Continued)				
Other categorical aid:				
Emergency management grant	\$ -	\$ -	\$ 6,581	\$ 6,581
Emergency medical services - four for life	19,500	19,500	17,193	(2,307)
Fire program funds	44,000	44,000	57,357	13,357
Litter control grant	6,389	12,013	12,013	-
911 services board grant	11,000	11,000	-	(11,000)
Victim witness grant	29,048	29,048	33,823	4,775
PSAP - Phase II - Wireless	100,000	100,000	76,481	(23,519)
VDOT Revenue sharing	-	-	49	49
DMV license agent commission	40,000	41,739	48,631	6,892
Drug forfeiture funds	50,000	50,000	5,183	(44,817)
Arts Grant	4,500	4,500	1,500	(3,000)
Outdoors grant	-	-	150,000	150,000
Grant for restoration of records	-	20,241	-	(20,241)
Lyngbya remediation	-	400,000	-	(400,000)
Other grants	109,873	248,075	42,340	(205,735)
Total other categorical aid	<u>\$ 414,310</u>	<u>\$ 980,116</u>	<u>\$ 451,151</u>	<u>\$ (528,965)</u>
Total categorical aid	<u>\$ 2,433,849</u>	<u>\$ 3,022,080</u>	<u>\$ 2,563,890</u>	<u>\$ (458,190)</u>
Total revenue from the Commonwealth	<u>\$ 4,309,584</u>	<u>\$ 4,897,815</u>	<u>\$ 4,388,341</u>	<u>\$ (509,474)</u>
Revenue from the federal government:				
Categorical aid:				
Byrne grant	\$ 18,250	\$ 18,250	\$ -	\$ (18,250)
Emergency management grants	-	10,458	74,233	63,775
Cost allocation plan - social services	40,000	40,000	69,010	29,010
Victim witness grant	97,101	97,101	78,919	(18,182)
Coronavirus state and local fiscal recovery fund	3,152,681	3,154,705	236,671	(2,918,034)
CARES Act funding	45,380	45,380	2,302	(43,078)
CESF grant	-	-	55,264	55,264
Drug forfeiture funds	-	-	28,539	28,539
Total categorical aid	<u>\$ 3,353,412</u>	<u>\$ 3,365,894</u>	<u>\$ 544,938</u>	<u>\$ (2,820,956)</u>
Total revenue from the federal government	<u>\$ 3,353,412</u>	<u>\$ 3,365,894</u>	<u>\$ 544,938</u>	<u>\$ (2,820,956)</u>
Total General Fund	<u><u>\$ 29,713,005</u></u>	<u><u>\$ 30,858,611</u></u>	<u><u>\$ 30,008,480</u></u>	<u><u>\$ (850,131)</u></u>

Schedule of Revenues - Budget and Actual
Governmental Funds and Discretely Presented Component Unit School Board
For the Year Ended June 30, 2023 (Continued)

Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
Special Revenue Funds:				
Virginia Public Assistance Fund:				
Revenue from local sources:				
Miscellaneous:				
Expenditure refunds	\$ -	\$ -	\$ 1,846	\$ 1,846
Intergovernmental:				
Revenue from the Commonwealth:				
Categorical aid:				
Public assistance and welfare administration	\$ 648,416	\$ 648,416	\$ 847,883	\$ 199,467
Special Revenue Funds: (Continued)				
Virginia Public Assistance Fund: (Continued)				
Intergovernmental: (Continued)				
Revenue from the federal government:				
Categorical aid:				
Public assistance and welfare administration	\$ 1,468,190	\$ 1,468,190	\$ 1,350,314	\$ (117,876)
Total Virginia Public Assistance Fund	<u>\$ 2,116,606</u>	<u>\$ 2,116,606</u>	<u>\$ 2,200,043</u>	<u>\$ 83,437</u>
Airport Commission Fund:				
Revenue from local sources:				
Miscellaneous:				
Other miscellaneous	\$ -	\$ 5,634	\$ 5,635	\$ 1
Intergovernmental:				
Revenue from the Commonwealth:				
Department of aviation grant	\$ 5,000	\$ 5,000	\$ 3,723	\$ (1,277)
Total Airport Commission Fund	<u>\$ 5,000</u>	<u>\$ 10,634</u>	<u>\$ 9,358</u>	<u>\$ (1,276)</u>
Sheriff's Employee Fund:				
Revenue from local sources:				
Miscellaneous revenue:				
Various	\$ -	\$ -	\$ 11,466	\$ 11,466
Total miscellaneous revenue	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,466</u>	<u>\$ 11,466</u>
Total revenue from local sources	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,466</u>	<u>\$ 11,466</u>
Total Sheriff's Employee Fund	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,466</u>	<u>\$ 11,466</u>

Schedule of Revenues - Budget and Actual
 Governmental Funds and Discretely Presented Component Unit School Board
 For the Year Ended June 30, 2023 (Continued)

Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
CSA Fund:				
Revenue from local sources:				
Miscellaneous:				
Expenditure refunds	\$ 300	\$ 300	\$ -	\$ (300)
Intergovernmental:				
Revenue from the Commonwealth:				
Categorical aid:				
Comprehensive Services Act	\$ 619,440	\$ 619,440	\$ 488,965	\$ (130,475)
PSSF grant	1,710	1,710	1,802	92
Total revenue from the Commonwealth	<u>\$ 621,150</u>	<u>\$ 621,150</u>	<u>\$ 490,767</u>	<u>\$ (130,383)</u>
Revenue from the federal government:				
Categorical aid:				
Social services block grant	\$ -	\$ -	\$ 94,689	\$ 94,689
PSSF grant	13,500	13,500	14,225	725
Total categorical aid	<u>\$ 13,500</u>	<u>\$ 13,500</u>	<u>\$ 108,914</u>	<u>\$ 95,414</u>
Total revenue from the federal government	<u>\$ 13,500</u>	<u>\$ 13,500</u>	<u>\$ 108,914</u>	<u>\$ 95,414</u>
Total CSA Fund	<u><u>\$ 634,950</u></u>	<u><u>\$ 634,950</u></u>	<u><u>\$ 599,681</u></u>	<u><u>\$ (35,269)</u></u>
Debt Service Fund:				
School Debt Service Fund:				
Intergovernmental:				
Revenue from the federal government:				
Categorical aid:				
Federal interest subsidy	\$ 60,538	\$ 60,538	\$ 61,319	\$ 781
Total School Debt Service Fund	<u>\$ 60,538</u>	<u>\$ 60,538</u>	<u>\$ 61,319</u>	<u>\$ 781</u>

Schedule of Revenues - Budget and Actual
Governmental Funds and Discretely Presented Component Unit School Board
For the Year Ended June 30, 2023 (Continued)

Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
Capital Projects Funds:				
County Capital Improvements Fund:				
Revenue from local sources:				
General property taxes:				
Real property taxes	\$ 1,280,000	\$ 1,280,000	\$ 1,286,085	\$ 6,085
Real and personal public service corporation taxes	995,000	995,000	895,777	(99,223)
Mobile home taxes	6,900	6,900	6,878	(22)
Penalties	10,860	10,860	7,967	(2,893)
Interest	5,000	5,000	3,097	(1,903)
Total general property taxes	<u>\$ 2,297,760</u>	<u>\$ 2,297,760</u>	<u>\$ 2,199,804</u>	<u>\$ (97,956)</u>
Revenue from use of money and property:				
Revenue from the use of money	\$ -	\$ -	\$ 2,143,303	\$ 2,143,303
Total revenue from use of money and property	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,143,303</u>	<u>\$ 2,143,303</u>
Miscellaneous:				
Miscellaneous	\$ -	\$ -	\$ 2,515	\$ 2,515
Total miscellaneous revenue	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,515</u>	<u>\$ 2,515</u>
Recovered costs:				
Other recovered costs - CDBG	\$ -	\$ -	\$ 100	\$ 100
Total recovered costs	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 100</u>	<u>\$ 100</u>
Total revenue from local sources	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,145,918</u>	<u>\$ 2,145,918</u>
Intergovernmental:				
Revenue from the Commonwealth:				
Categorical aid:				
Other categorical aid	\$ -	\$ -	\$ 1,890	\$ 1,890
Total categorical aid	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,890</u>	<u>\$ 1,890</u>
Total revenue from the Commonwealth	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,890</u>	<u>\$ 1,890</u>
Revenue from the federal government:				
Categorical aid:				
Community Development Block Grants	\$ 650,000	\$ 650,000	\$ 206,310	\$ (443,690)
Total County Capital Improvements Fund	<u>\$ 2,947,760</u>	<u>\$ 2,947,760</u>	<u>\$ 4,553,922</u>	<u>\$ 1,606,162</u>
Total Primary Government	<u>\$ 35,477,859</u>	<u>\$ 36,629,099</u>	<u>\$ 37,444,269</u>	<u>\$ 815,170</u>

Schedule of Revenues - Budget and Actual
Governmental Funds and Discretely Presented Component Unit School Board
For the Year Ended June 30, 2023 (Continued)

Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
Discretely Presented Component Unit - School Board:				
School Operating Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
Revenue from the use of property	\$ 1,000	\$ 1,000	\$ 691	\$ (309)
Miscellaneous:				
E-Rate	\$ -	\$ -	\$ 132,051	\$ 132,051
Other miscellaneous	56,500	56,500	210,011	153,511
Total miscellaneous	<u>\$ 56,500</u>	<u>\$ 56,500</u>	<u>\$ 342,062</u>	<u>\$ 285,562</u>
Total revenue from local sources	<u>\$ 57,500</u>	<u>\$ 57,500</u>	<u>\$ 342,753</u>	<u>\$ 285,253</u>
Intergovernmental:				
Revenues from local governments:				
Contribution from County of Brunswick, Virginia	\$ 7,165,695	\$ 7,165,695	\$ 7,104,303	\$ (61,392)
Total revenues from local governments	<u>\$ 7,165,695</u>	<u>\$ 7,165,695</u>	<u>\$ 7,104,303</u>	<u>\$ (61,392)</u>
Revenue from the Commonwealth:				
Categorical aid:				
Share of state sales tax	\$ 2,474,439	\$ 2,474,439	\$ 2,592,834	\$ 118,395
Basic school aid	5,689,525	5,689,525	5,537,591	(151,934)
Remedial summer education	55,122	55,122	80,691	25,569
Special education foster care	13,791	13,791	9,397	(4,394)
Adult secondary education	-	-	48,730	48,730
Gifted and talented	41,562	41,562	42,135	573
Remedial education	321,915	321,915	326,353	4,438
Enrollment Loss	-	-	328,882	328,882
Special education	800,254	800,254	811,285	11,031
Special education jails	42,739	42,739	47,532	4,793
Textbook payment	100,036	100,036	101,414	1,378
Vocational standards of quality payments	231,235	231,235	234,422	3,187
Vocational education - equipment	88,286	88,286	4,590	(83,696)
Social security fringe benefits	307,557	307,557	311,797	4,240
Retirement fringe benefits	717,130	717,130	727,016	9,886
Group life fringe benefits	21,914	21,914	22,216	302
Infrastructure and Operations Per Pupil Allocation	1	1	-	(1)
Early reading intervention	89,239	89,239	78,616	(10,623)
Adult literacy	148,125	148,125	148,125	-
Homebound education	2,820	2,820	2,502	(318)
Salary supplement	343,181	343,181	348,227	5,046
At risk payments	1	1	-	(1)
Virginia preschool initiative	299,434	299,434	170,155	(129,279)

Schedule of Revenues - Budget and Actual
Governmental Funds and Discretely Presented Component Unit School Board
For the Year Ended June 30, 2023 (Continued)

Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
Discretely Presented Component Unit - School Board: (Continued)				
School Operating Fund: (Continued)				
Intergovernmental: (Continued)				
Revenue from the Commonwealth: (Continued)				
Categorical aid: (Continued)				
State disparity initiatives	\$ 40,221	\$ 40,221	\$ 398,542	\$ 358,321
Alternative education	432,849	432,849	432,819	(30)
Technology	232,000	232,000	82,175	(149,825)
Standards of Learning algebra readiness	32,398	32,398	32,388	(10)
English as a second language	19,903	19,903	21,634	1,731
Industry Certification	-	-	2,327	2,327
Project Graduation	7,331	7,331	7,331	-
School construction	1,307,297	1,307,297	1,307,297	-
Positive Behavioral Intervention and Support	-	-	20,000	20,000
CTE Equipment and Other Grants	-	-	9,403	9,403
Other state funds	442,564	442,564	14,789	(427,775)
Total categorical aid	<u>\$ 14,302,869</u>	<u>\$ 14,302,869</u>	<u>\$ 14,303,215</u>	<u>\$ 346</u>
Total revenue from the Commonwealth	<u>\$ 14,302,869</u>	<u>\$ 14,302,869</u>	<u>\$ 14,303,215</u>	<u>\$ 346</u>
Revenue from the federal government:				
Noncategorical aid:				
CARES Act - Public Health Workforce	\$ -	\$ -	\$ 45,112	\$ 45,112
Categorical aid:				
Federal land use	\$ -	\$ -	\$ 46,418	\$ 46,418
Title I	\$ 783,392	\$ 783,392	\$ 734,703	\$ (48,689)
Title II, Part A	108,778	108,778	122,379	13,601
Title VI-B, special education flow-through	511,776	511,776	553,379	41,603
Vocational education	47,192	47,192	54,103	6,911
Title VI-B, special education pre-school	12,048	12,048	-	(12,048)
Rural and low income schools	-	-	35,503	35,503
Preschool Expansion Grant	-	-	13,023	13,023
Title III, Part A, english proficiency	-	-	4,700	4,700
JROTC	51,000	51,000	28,000	(23,000)
Student support and academic enrichment	-	-	18,961	18,961
School Improvement Grants	55,315	55,315	91,890	36,575
CARES Act - ESSERF Funds	5,758,460	5,758,460	1,874,374	(3,884,086)
CARES Act - CRF Funds	-	-	176,524	176,524
Total categorical aid	<u>\$ 7,327,961</u>	<u>\$ 7,327,961</u>	<u>\$ 3,753,957</u>	<u>\$ (3,574,004)</u>
Total revenue from the federal government	<u>\$ 7,327,961</u>	<u>\$ 7,327,961</u>	<u>\$ 3,799,069</u>	<u>\$ (3,528,892)</u>
Total School Operating Fund	<u>\$ 28,854,025</u>	<u>\$ 28,854,025</u>	<u>\$ 25,549,340</u>	<u>\$ (3,304,685)</u>
Special Revenue Fund:				
School Cafeteria Fund:				
Revenue from local sources:				
Charges for services:				
Cafeteria sales	\$ 176,000	\$ 176,000	\$ 73,431	\$ (102,569)

Schedule of Revenues - Budget and Actual
Governmental Funds and Discretely Presented Component Unit School Board
For the Year Ended June 30, 2023 (Continued)

Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
Discretely Presented Component Unit - School Board: (Continued)				
Special Revenue Fund: (Continued)				
School Cafeteria Fund: (Continued)				
Miscellaneous:				
Other miscellaneous	\$ 7,000	\$ 7,000	\$ -	\$ (7,000)
No kid hungry grant	-	-	6,841	6,841
Total miscellaneous revenue	<u>\$ 7,000</u>	<u>\$ 7,000</u>	<u>\$ 6,841</u>	<u>\$ (159)</u>
Total revenue from local sources	<u>\$ 183,000</u>	<u>\$ 183,000</u>	<u>\$ 80,272</u>	<u>\$ (102,728)</u>
Intergovernmental:				
Revenue from the Commonwealth:				
Categorical aid:				
School food program grant	\$ 155,000	\$ 155,000	\$ 7,592	\$ (147,408)
School breakfast program	-	-	13,419	13,419
Total categorical aid	<u>\$ 155,000</u>	<u>\$ 155,000</u>	<u>\$ 21,011</u>	<u>\$ (133,989)</u>
Total revenue from the Commonwealth	<u>\$ 155,000</u>	<u>\$ 155,000</u>	<u>\$ 21,011</u>	<u>\$ (133,989)</u>
Revenue from the federal government:				
Categorical aid:				
School food program grant	\$ 920,000	\$ 920,000	\$ 1,130,191	\$ 210,191
Fresh fruit and vegetables grant	-	-	50,325	50,325
Summer feeding program	45,000	45,000	-	(45,000)
Commodities	-	-	98,762	98,762
Pandemic EBT	75,000	75,000	3,135	(71,865)
Total categorical aid	<u>\$ 1,040,000</u>	<u>\$ 1,040,000</u>	<u>\$ 1,282,413</u>	<u>\$ 242,413</u>
Total revenue from the federal government	<u>\$ 1,040,000</u>	<u>\$ 1,040,000</u>	<u>\$ 1,282,413</u>	<u>\$ 242,413</u>
Total School Cafeteria Fund	<u>\$ 1,378,000</u>	<u>\$ 1,378,000</u>	<u>\$ 1,383,696</u>	<u>\$ 5,696</u>
Nonmajor Special Revenue Fund:				
School Activity Funds:				
Miscellaneous revenue:				
Other miscellaneous	\$ -	\$ -	\$ 345,224	\$ 345,224
Total miscellaneous revenue	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 345,224</u>	<u>\$ 345,224</u>
Total School Activity Funds	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 345,224</u>	<u>\$ 345,224</u>
Total Discretely Presented Component Unit - School Board	<u>\$ 30,232,025</u>	<u>\$ 30,232,025</u>	<u>\$ 27,278,260</u>	<u>\$ (2,953,765)</u>

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Schedule of Expenditures - Budget and Actual
 Governmental Funds and Discretely Presented Component Unit School Board
 For the Year Ended June 30, 2023

Fund, Function, Activity and Elements	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
General Fund:				
General government administration:				
Legislative:				
Board of supervisors	\$ 1,123,486	\$ 1,413,521	\$ 529,124	\$ 884,397
General and financial administration:				
County administrator	\$ 401,146	\$ 428,104	425,291	\$ 2,813
Independent auditor	55,000	57,000	57,000	-
Commissioner of revenue	272,558	290,530	288,653	1,877
Reassessment	150,000	188,396	188,395	1
Treasurer	311,188	324,299	323,120	1,179
Finance department	298,904	295,058	291,112	3,946
Information Technology	88,556	115,399	115,399	-
DMV select	105,919	108,585	108,571	14
Total general and financial administration	<u>\$ 1,683,271</u>	<u>\$ 1,807,371</u>	<u>\$ 1,797,541</u>	<u>\$ 9,830</u>
Board of elections:				
Electoral board and officials	\$ 110,246	\$ 124,832	\$ 124,832	\$ -
Registrar	171,679	176,496	175,320	1,176
Total board of elections	<u>\$ 281,925</u>	<u>\$ 301,328</u>	<u>\$ 300,152</u>	<u>\$ 1,176</u>
Total general government administration	<u>\$ 3,088,682</u>	<u>\$ 3,522,220</u>	<u>\$ 2,626,817</u>	<u>\$ 895,403</u>
Judicial administration:				
Courts:				
Circuit court	\$ 35,980	\$ 41,979	\$ 37,906	\$ 4,073
General district court	39,686	33,475	25,875	7,600
Special magistrates	950	950	805	145
Clerk of the circuit court	393,609	450,644	429,554	21,090
Law library	2,000	2,000	-	2,000
Victim/witness assistance program	157,925	167,019	164,402	2,617
Courthouse security	642,102	724,202	719,444	4,758
Total courts	<u>\$ 1,272,252</u>	<u>\$ 1,420,269</u>	<u>\$ 1,377,986</u>	<u>\$ 42,283</u>
Commonwealth's attorney:				
Commonwealth's attorney	\$ 803,106	\$ 913,832	\$ 811,545	\$ 102,287
Asset forfeiture	15,000	28,276	28,276	-
Total commonwealth's attorney	<u>\$ 818,106</u>	<u>\$ 942,108</u>	<u>\$ 839,821</u>	<u>\$ 102,287</u>
Total judicial administration	<u>\$ 2,090,358</u>	<u>\$ 2,362,377</u>	<u>\$ 2,217,807</u>	<u>\$ 144,570</u>
Public safety:				
Law enforcement and traffic control:				
Sheriff	\$ 3,254,268	\$ 3,500,734	\$ 3,436,036	\$ 64,698
Sheriff - line of duty	42,415	42,415	42,415	-
Asset forfeiture	35,000	34,018	-	34,018
E911 system	1,030,179	1,041,798	845,684	196,114
School resource officer	382,368	385,300	383,471	1,829
E-Summons System	60,000	60,000	60,000	-
Total law enforcement and traffic control	<u>\$ 4,804,230</u>	<u>\$ 5,064,265</u>	<u>\$ 4,767,606</u>	<u>\$ 296,659</u>

Schedule of Expenditures - Budget and Actual
 Governmental Funds and Discretely Presented Component Unit School Board
 For the Year Ended June 30, 2023 (Continued)

Fund, Function, Activity and Elements	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
General Fund: (Continued)				
Public safety: (Continued)				
Fire and rescue services:				
Fire and rescue	\$ 1,168,665	\$ 1,195,309	\$ 1,145,984	\$ 49,325
Brunswick EMS	700,235	720,496	728,407	(7,911)
Mecklenburg-Brunswick Fire Training	20,000	20,000	20,000	-
Medflight program	1,100	1,100	1,100	-
Division of forestry	21,915	21,915	21,915	-
Total fire and rescue services	<u>\$ 1,911,915</u>	<u>\$ 1,958,820</u>	<u>\$ 1,917,406</u>	<u>\$ 41,414</u>
Correction and detention:				
Meherrin River Regional Jail Authority	\$ 2,584,580	\$ 2,584,580	\$ 2,569,493	\$ 15,087
VJCCA	7,854	9,053	8,418	635
Probation office	87,758	114,975	114,975	-
Total correction and detention	<u>\$ 2,680,192</u>	<u>\$ 2,708,608</u>	<u>\$ 2,692,886</u>	<u>\$ 15,722</u>
Inspections:				
Building	\$ 173,561	\$ 173,572	\$ 173,532	\$ 40
Total inspections	<u>\$ 173,561</u>	<u>\$ 173,572</u>	<u>\$ 173,532</u>	<u>\$ 40</u>
Other protection:				
Animal control	\$ 170,010	\$ 299,174	\$ 299,173	\$ 1
Medical examiner	270	270	200	70
Emergency mangement services	231,773	249,018	241,082	7,936
Total other protection	<u>\$ 402,053</u>	<u>\$ 548,462</u>	<u>\$ 540,455</u>	<u>\$ 8,007</u>
Total public safety	<u>\$ 9,971,951</u>	<u>\$ 10,453,727</u>	<u>\$ 10,091,885</u>	<u>\$ 361,842</u>
Public works:				
Sanitation and waste removal:				
Refuse collection and disposal	\$ 1,118,056	\$ 1,250,754	\$ 1,250,073	\$ 681
Litter control	6,389	12,013	11,923	90
Inmate work force program	199,548	202,274	199,215	3,059
Lake Gaston weed control	90,000	490,000	490,000	-
Total sanitation and waste removal	<u>\$ 1,413,993</u>	<u>\$ 1,955,041</u>	<u>\$ 1,951,211</u>	<u>\$ 3,830</u>
Maintenance of general buildings and grounds:				
General properties	\$ 511,868	\$ 1,121,438	\$ 1,123,561	\$ (2,123)
Courthouse maintenance	29,000	29,000	7,544	21,456
General engineering/administration	365,219	363,004	362,056	948
Total maintenance of general buildings and grounds	<u>\$ 906,087</u>	<u>\$ 1,513,442</u>	<u>\$ 1,493,161</u>	<u>\$ 20,281</u>
Total public works	<u>\$ 2,320,080</u>	<u>\$ 3,468,483</u>	<u>\$ 3,444,372</u>	<u>\$ 24,111</u>
Health and welfare:				
Health:				
Supplement of local health department	\$ 107,053	\$ 107,053	\$ 107,053	\$ -
Total health	<u>\$ 107,053</u>	<u>\$ 107,053</u>	<u>\$ 107,053</u>	<u>\$ -</u>

Schedule of Expenditures - Budget and Actual
 Governmental Funds and Discretely Presented Component Unit School Board
 For the Year Ended June 30, 2023 (Continued)

Fund, Function, Activity and Elements	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
General Fund: (Continued)				
Health and welfare: (Continued)				
Mental health and mental retardation:				
Southside Community Services Board	\$ 80,478	\$ 80,478	\$ 80,477	\$ 1
Welfare:				
Local area on aging	\$ 2,500	\$ 2,500	\$ 2,500	\$ -
Veteran's exemption on real estate	-	-	51,201	(51,201)
Southside senior citizens center	3,848	3,848	3,848	-
Virginia legal aid contribution	5,000	5,000	5,000	-
Total welfare	<u>\$ 11,348</u>	<u>\$ 11,348</u>	<u>\$ 62,549</u>	<u>\$ (51,201)</u>
Total health and welfare	<u>\$ 198,879</u>	<u>\$ 198,879</u>	<u>\$ 250,079</u>	<u>\$ (51,200)</u>
Education:				
Other instructional costs:				
Contributions to Southside Virginia Community College	\$ 8,565	\$ 8,565	\$ 8,565	\$ -
Contribution to County School Board	7,165,695	7,165,695	7,104,303	61,392
Head Start program	61,240	61,240	61,240	-
Total education	<u>\$ 7,235,500</u>	<u>\$ 7,235,500</u>	<u>\$ 7,174,108</u>	<u>\$ 61,392</u>
Parks, recreation, and cultural:				
Parks and recreation:				
Recreation youth league	\$ 12,505	\$ 12,505	\$ 12,505	\$ -
Water safety council	3,500	5,255	5,255	-
Bowling alley	-	24,000	21,499	2,501
Total parks and recreation	<u>\$ 16,005</u>	<u>\$ 41,760</u>	<u>\$ 39,259</u>	<u>\$ 2,501</u>
Cultural enrichment:				
Other	\$ 5,000	\$ 5,000	\$ 5,000	\$ -
Chamber of commerce	6,000	6,000	6,000	-
Tourism association	166,528	281,590	281,612	(22)
Taste of Brunswick festival	5,000	5,000	5,000	-
Fort Christanna Preservation	5,000	39,652	12,450	27,202
Total cultural enrichment	<u>\$ 187,528</u>	<u>\$ 337,242</u>	<u>\$ 310,062</u>	<u>\$ 27,180</u>
Library:				
Contribution to regional library	\$ 212,885	\$ 212,885	\$ 212,885	\$ -
Total parks, recreation, and cultural	<u>\$ 416,418</u>	<u>\$ 591,887</u>	<u>\$ 562,206</u>	<u>\$ 29,681</u>
Community development:				
Planning and community development:				
Planning	\$ 264,663	\$ 334,698	\$ 280,884	\$ 53,814
COVID assistance to other entities	-	-	229,104	(229,104)
Broadband	2,267,458	2,267,458	5,460	2,261,998
Economic development	281,026	420,340	301,262	119,078
Regional planning commission	27,359	27,359	27,358	1
Roanoke River Regional Business Park	5,000	5,000	-	5,000
Brunswick literacy council	3,501	3,501	3,501	-
Mecklenburg - Brunswick regional airport	40,000	40,000	40,000	-
Art bank	10,000	10,000	10,000	-
Total planning and community development	<u>\$ 2,899,007</u>	<u>\$ 3,108,356</u>	<u>\$ 897,569</u>	<u>\$ 2,210,787</u>

Schedule of Expenditures - Budget and Actual
 Governmental Funds and Discretely Presented Component Unit School Board
 For the Year Ended June 30, 2023 (Continued)

Fund, Function, Activity and Elements	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
General Fund: (Continued)				
Community development: (Continued)				
Environmental management:				
Contribution to soil and water district	\$ 11,543	\$ 11,543	\$ 11,543	\$ -
Cooperative extension program:				
Extension office	\$ 98,269	\$ 98,269	\$ 72,829	\$ 25,440
Total community development	\$ 3,008,819	\$ 3,218,168	\$ 981,941	\$ 2,236,227
Capital projects:				
Other capital projects	\$ 7,500	\$ 7,500	\$ 7,500	\$ -
Airport renovations	-	-	(2,123)	2,123
Total capital projects	\$ 7,500	\$ 7,500	\$ 5,377	\$ 2,123
Debt service:				
Principal retirement	\$ 740,721	\$ 740,721	\$ 665,175	\$ 75,546
Interest and other fiscal charges	129,650	129,650	308,326	(178,676)
Total debt service	\$ 870,371	\$ 870,371	\$ 973,501	\$ (103,130)
Total General Fund	\$ 29,208,558	\$ 31,929,112	\$ 28,328,093	\$ 3,601,019
Special Revenue Funds:				
Virginia Public Assistance Fund:				
Health and welfare:				
Welfare and social services:				
Welfare administration	\$ 2,179,743	\$ 2,089,869	\$ 2,076,142	\$ 13,727
Public assistance	489,694	560,661	545,184	15,477
Total welfare and social services	\$ 2,669,437	\$ 2,650,530	\$ 2,621,326	\$ 29,204
Total Virginia Public Assistance Fund	\$ 2,669,437	\$ 2,650,530	\$ 2,621,326	\$ 29,204
Airport Commission Fund:				
Public works:				
Maintenance of general buildings and grounds	\$ 28,738	\$ 35,649	\$ 34,372	\$ 1,277
Total Airport Commission Fund	\$ 28,738	\$ 35,649	\$ 34,372	\$ 1,277
Sheriff's Employee Fund:				
Public safety:				
Law enforcement and traffic control:				
Miscellaneous office expenses	\$ -	\$ -	\$ 19,777	(19,777)
Total public safety	\$ -	\$ -	\$ 19,777	(19,777)
Total Sheriff's Employee Fund	\$ -	\$ -	\$ 19,777	(19,777)
CSA Fund:				
Health and welfare:				
Welfare and social services:				
Comprehensive services	\$ 895,000	\$ 932,853	\$ 850,039	\$ 82,814
Total CSA Fund	\$ 895,000	\$ 932,853	\$ 850,039	\$ 82,814

Schedule of Expenditures - Budget and Actual
 Governmental Funds and Discretely Presented Component Unit School Board
 For the Year Ended June 30, 2023 (Continued)

Fund, Function, Activity and Elements	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
Debt Service Fund:				
School Debt Service Fund:				
Debt service:				
Principal retirement	\$ 502,536	\$ 502,536	\$ 502,536	\$ -
Interest and other fiscal charges	143,940	143,940	143,939	1
Total School Debt Service Fund	<u>\$ 646,476</u>	<u>\$ 646,476</u>	<u>\$ 646,475</u>	<u>\$ 1</u>
Capital Projects Funds:				
County Capital Improvements Fund:				
Capital projects:				
New school	\$ 56,329,735	\$ 56,329,735	\$ 440,026	\$ 55,889,709
Road projects - VDOT	25,000	100,000	50,049	49,951
Front loader vehicle	-	310,547	310,547	-
Administrative fees - Southside planning district commission	650,000	650,000	212,830	437,170
Total capital projects	<u>\$ 57,004,735</u>	<u>\$ 57,390,282</u>	<u>\$ 1,013,452</u>	<u>\$ 56,376,830</u>
Debt service:				
Principal retirement	\$ 2,472,068	\$ 2,472,068	-	\$ 2,472,068
Interest and other fiscal charges	-	-	1,619,215	(1,619,215)
Total debt service	<u>\$ 2,472,068</u>	<u>\$ 2,472,068</u>	<u>\$ 1,619,215</u>	<u>\$ 852,853</u>
Total County Capital Improvements Fund	<u>\$ 59,476,803</u>	<u>\$ 59,862,350</u>	<u>\$ 2,632,667</u>	<u>\$ 57,229,683</u>
Total Primary Government	<u>\$ 92,925,012</u>	<u>\$ 96,056,970</u>	<u>\$ 35,132,749</u>	<u>\$ 60,924,221</u>
Discretely Presented Component Unit - School Board:				
School Operating Fund:				
Education:				
Instruction costs:				
Elementary and secondary schools	\$ 11,151,089	\$ 11,298,322	\$ 10,937,483	\$ 360,839
Guidance services	432,720	432,720	459,562	(26,842)
Homebound instruction	11,300	11,300	4,029	7,271
Other instructional costs	4,413,042	4,413,042	4,300,911	112,131
Media services	267,300	267,300	253,342	13,958
Office of the principal	1,173,100	1,173,100	1,172,141	959
Total instruction costs	<u>\$ 17,448,551</u>	<u>\$ 17,595,784</u>	<u>\$ 17,127,468</u>	<u>\$ 468,316</u>
Operating costs:				
Administration, attendance and health services	\$ 1,169,595	\$ 1,169,595	\$ 2,026,988	\$ (857,393)
Pupil transportation	2,300,351	2,310,351	2,765,422	(455,071)
Operation and maintenance of school plant	6,722,559	6,722,559	2,267,700	4,454,859
School food service and other non-instructional	-	-	3,095	(3,095)
Total operating costs	<u>\$ 10,192,505</u>	<u>\$ 10,202,505</u>	<u>\$ 7,063,205</u>	<u>\$ 3,139,300</u>
Total education	<u>\$ 27,641,056</u>	<u>\$ 27,798,289</u>	<u>\$ 24,190,673</u>	<u>\$ 3,607,616</u>
Capital projects:				
Technology	\$ 1,131,369	\$ 1,131,369	\$ 839,687	\$ 291,682
Total capital projects	<u>\$ 1,131,369</u>	<u>\$ 1,131,369</u>	<u>\$ 839,687</u>	<u>\$ 291,682</u>
Debt service:				
Principal retirement	\$ 77,449	\$ 77,449	\$ 114,180	\$ (36,731)
Interest and other fiscal charges	4,151	4,151	1,718	2,433
Total debt service	<u>\$ 81,600</u>	<u>\$ 81,600</u>	<u>\$ 115,898</u>	<u>\$ (34,298)</u>
Total School Operating Fund	<u>\$ 28,854,025</u>	<u>\$ 29,011,258</u>	<u>\$ 25,146,258</u>	<u>\$ 3,865,000</u>

Schedule of Expenditures - Budget and Actual
Governmental Funds and Discretely Presented Component Unit School Board
For the Year Ended June 30, 2023 (Continued)

Fund, Function, Activity and Elements	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
Special Revenue Fund:				
School Cafeteria Fund:				
Education:				
School food services:				
Administration of school food program	\$ 1,378,000	\$ 1,378,000	\$ 1,232,290	\$ 145,710
Total School Cafeteria Fund	<u>\$ 1,378,000</u>	<u>\$ 1,378,000</u>	<u>\$ 1,232,290</u>	<u>\$ 145,710</u>
Nonmajor Special Revenue Fund:				
School Activity Funds:				
Education:				
Instructional services:				
Other instructional services	\$ -	\$ -	\$ 322,286	\$ (322,286)
Total School Activity Funds	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 322,286</u>	<u>\$ (322,286)</u>
School Capital Projects Fund:				
Capital projects:				
Contribution to General Fund	\$ -	\$ -	\$ 447,002	\$ (447,002)
Total School Capital Projects Fund	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 447,002</u>	<u>\$ (447,002)</u>
Total Discretely Presented Component Unit - School Board	<u>\$ 30,232,025</u>	<u>\$ 30,389,258</u>	<u>\$ 27,147,836</u>	<u>\$ 3,241,422</u>

STATISTICAL INFORMATION

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COUNTY OF BRUNSWICK, VIRGINIA

Table 1

Government-Wide Expenses by Function
Last Ten Fiscal Years

Fiscal Year	General Government Administration		Judicial Administration	Public Safety	Public Works	Health and Welfare	Education	Parks, Recreation, and Cultural	Community Development	Interest on Long-Term Debt	Total
2013-14	\$ 1,648,242	\$ 1,414,529	\$ 6,487,385	\$ 1,339,319	\$ 2,659,973	\$ 5,063,297	\$ 259,810	\$ 3,813,096	\$ 800,519	\$ 23,486,170	
2014-15	1,579,943	1,307,752	6,000,403	1,306,627	2,567,376	5,262,095	266,468	1,366,109	665,363	20,322,136	
2015-16	1,559,145	1,375,338	7,059,685	1,399,968	2,772,335	5,815,545	257,645	1,010,181	633,693	21,883,535	
2016-17	1,822,713	1,459,765	7,167,141	1,704,854	2,980,849	5,434,742	255,735	677,268	583,281	22,086,348	
2017-18	1,985,432	1,529,147	7,746,153	1,707,126	2,872,766	6,303,988	307,427	855,923	616,694	23,924,656	
2018-19	1,741,196	1,531,103	8,780,522	1,961,707	3,189,487	6,562,690	488,124	1,297,820	803,462	26,356,111	
2019-20	2,426,306	1,653,439	9,675,222	2,197,407	3,242,931	6,381,182	455,194	1,091,047	559,832	27,682,560	
2020-21	2,267,710	1,981,344	10,814,097	2,148,169	3,100,748	8,097,331	432,164	1,113,599	672,560	30,627,722	
2021-22	2,381,985	1,992,778	10,237,615	2,696,137	3,360,532	8,773,939	515,069	1,596,228	1,206,795	32,761,078	
2022-23	2,944,988	2,258,775	10,125,878	3,648,395	3,784,328	7,431,240	637,625	1,205,121	2,426,711	34,463,061	

COUNTY OF BRUNSWICK, VIRGINIA

Table 2

Government-Wide Revenues
Last Ten Fiscal Years

Fiscal Year	PROGRAM REVENUES				GENERAL REVENUES					Total
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions		General Property Taxes (2)	Other Local Taxes (1)	Unrestricted Investment Earnings	Miscellaneous	Grants and Contributions Not Restricted to Specific Programs	
2013-14	\$ 1,630,651	\$ 4,160,447	\$ 392,015	\$ 9,313,663	\$ 4,033,028	\$ 122,685	\$ 213,594	\$ 1,867,531	\$ 21,733,614	
2014-15	1,571,419	4,071,497	166,588	9,703,330	3,068,643	123,332	71,038	1,835,661	20,611,508	
2015-16	1,684,807	4,191,607	238,644	11,788,542	1,899,602	133,637	150,380	1,825,892	21,913,111	
2016-17	2,329,785	4,297,335	682,187	14,348,055	1,617,595	139,209	140,896	1,825,375	25,380,437	
2017-18	2,369,366	4,589,867	630,396	15,331,809	1,702,794	163,660	95,138	1,890,960	26,773,990	
2018-19	2,636,357	4,839,710	716,188	15,980,713	1,231,660	175,557	161,688	1,801,300	27,543,173	
2019-20	2,538,956	4,940,591	905,845	16,396,646	1,738,812	178,543	182,125	1,825,066	28,706,584	
2020-21	3,097,616	7,353,094	962,401	16,390,648	1,950,781	130,317	114,351	1,807,419	31,806,627	
2021-22	3,384,452	6,523,782	239,724	19,726,462	1,952,633	154,967	819,265	1,808,797	34,610,082	
2022-23	3,542,994	6,456,350	267,629	21,126,888	1,936,674	2,139,218	201,665	1,826,341	37,497,759	

(1) In FY14, sales tax increased due to construction of a new Dominion Virginia power plant.
 (2) In FY16, Public Service Corporation taxes increased due to the new Dominion Virginia power plant.
 (2) In FY21, spent CARES funding in response to COVID pandemic.

COUNTY OF BRUNSWICK, VIRGINIA

Table 3

General Governmental Expenditures by Function (1) (2)

Last Ten Fiscal Years

Fiscal Year	General Government										Total
	Admini- stration (5)	Judicial Admi- stration	Public Safety	Public Works	Health and Welfare	Education (3)	Parks, Recreation, and Cultural	Community Development (4)	Debt Service		
2012-13	\$ 1,368,274	\$ 1,314,772	\$ 5,008,806	\$ 1,487,373	\$ 2,436,281	\$ 21,755,135	\$ 221,149	\$ 358,448	\$ 1,337,326	\$ 35,287,564	
2013-14	1,426,940	1,413,644	6,342,689	1,686,456	2,649,948	21,482,142	233,274	3,687,442	1,764,803	40,687,338	
2014-15	1,438,319	1,386,757	6,575,863	1,396,182	2,583,091	21,170,800	239,931	1,363,728	1,716,178	37,870,849	
2015-16	1,568,035	1,483,160	7,051,045	1,812,155	2,834,258	20,966,306	231,108	555,642	1,781,620	38,283,329	
2016-17	1,576,848	1,450,499	7,260,047	1,671,037	3,026,057	21,486,186	229,720	579,735	2,169,963	39,450,092	
2017-18	1,821,500	1,585,807	7,868,156	1,763,901	3,025,512	22,795,587	255,023	470,141	1,476,193	41,061,820	
2018-19	1,707,746	1,664,721	8,926,927	2,090,744	3,297,090	22,298,807	491,594	594,805	4,589,478	45,661,912	
2019-20	2,252,167	1,725,007	9,575,977	2,270,379	3,209,710	21,466,193	360,505	668,448	1,727,620	43,256,006	
2020-21	2,309,616	1,910,601	10,342,565	2,055,426	3,074,400	21,514,818	338,266	984,405	4,820,079	47,350,176	
2021-22	2,174,742	1,970,561	9,941,376	2,689,991	3,384,430	26,394,349	421,465	1,385,616	1,835,711	50,198,241	
2022-23	2,626,817	2,217,807	10,111,662	3,478,744	3,721,444	27,217,641	562,206	981,941	3,239,191	54,157,453	

(1) Includes General, Special Revenue, and Debt Service funds of the Primary Government and its Discretely Presented Component Unit - School Board.

(2) Beginning in 2014, includes contributions, equipment purchases, and debt service reported in the capital projects funds.

(3) Excludes contribution from Primary Government to Discretely Presented Component Unit - School Board.

(4) In FY14, the County issued debt to fund the IDA's Rt 58 water/wastewater line project. Although the County funded the project, the IDA owns the lines.

(5) FY20, general government expenses increased due to professional services for various studies and COVID related expenses, including contributions to Towns.

COUNTY OF BRUNSWICK, VIRGINIA

Table 4

General Governmental Revenues by Source (1)
Last Ten Fiscal Years

Fiscal Year	General Property Taxes		Other Local Taxes (3)		Permits, Privilege Fees, Regulatory Licenses	Fines and Forfeitures	Revenue from the Use of Money and Property	Charges for Services	Recovered Costs		Inter-governmental (2)	Total
	General Property Taxes	Other Local Taxes (3)	Other Local Taxes (3)	Other Local Taxes (3)					Miscellaneous	Costs		
2013-14	\$ 9,338,344	\$ 4,033,028	\$ 88,964	\$ 908,216	\$ 117,282	\$ 845,321	\$ 649,235	\$ 277,405	\$ 22,549,870	\$ 38,807,665		
2014-15	9,693,867	3,068,643	79,046	888,760	123,582	757,019	449,885	374,381	21,951,844	37,387,027		
2015-16	11,672,323	1,899,602	65,142	889,369	132,902	908,820	827,220	313,360	22,416,798	39,125,536		
2016-17	14,257,624	1,617,595	75,261	1,342,861	138,616	1,091,106	489,443	241,986	23,266,709	42,521,201		
2017-18	15,335,217	1,702,794	69,089	1,349,105	151,035	1,127,486	311,492	327,481	23,165,856	43,539,555		
2018-19	15,910,223	1,231,660	69,283	1,489,472	148,596	1,259,031	441,078	394,064	22,926,851	43,870,258		
2019-20	16,218,105	1,738,812	55,141	1,448,184	173,707	1,148,235	498,560	310,686	22,932,409	44,523,839		
2020-21	16,502,944	1,950,781	60,364	1,645,194	130,152	1,398,736	522,127	406,259	24,827,152	47,443,709		
2021-22	19,603,130	1,952,633	108,108	1,871,592	157,317	1,482,308	1,940,036	368,098	26,300,362	53,783,584		
2022-23	20,740,338	1,936,674	73,038	1,609,240	2,231,632	1,842,424	895,792	431,979	27,857,109	57,618,226		

(1) Includes General, Special Revenue, and Debt Service funds of the Primary Government and its Discretely Presented Component Unit - School Board.

(2) Excludes contribution from Primary Government to Discretely Presented Component Unit - School Board.

(3) In FY14, sales tax increased due to construction of a new Dominion Virginia power plant.

COUNTY OF BRUNSWICK, VIRGINIA

Table 5

Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year	Total Tax Levy (1)		Current Tax Collections (1)		Percent of Levy Collected		Delinquent Tax Collections (1)		Total Tax Collections		Percent of Total Tax Collections to Tax Levy		Outstanding Delinquent Taxes (1,2)		Percent of Delinquent Taxes to Tax Levy	
2013-14	\$	10,593,557	\$	10,343,239	97.64%	\$	167,216	\$	10,510,455	99.22%	\$	467,661	4.41%			
2014-15		10,913,880		10,630,423	97.40%		240,313		10,870,736	99.60%		473,899	4.34%			
2015-16		12,987,541		12,648,599	97.39%		255,928		12,904,527	99.36%		528,917	4.07%			
2016-17		15,565,394		15,244,901	97.94%		186,480		15,431,381	99.14%		596,737	3.83%			
2017-18		16,555,733		16,230,970	98.04%		240,759		16,471,729	99.49%		632,919	3.82%			
2018-19		17,243,138		16,833,632	97.63%		211,248		17,044,880	98.85%		696,696	4.04%			
2019-20		17,444,564		16,974,029	97.30%		356,935		17,330,964	99.35%		813,650	4.66%			
2020-21		17,588,432		17,256,280	98.11%		339,609		17,595,889	100.04%		687,654	3.91%			
2021-22		20,659,365		20,371,408	98.61%		309,564		20,680,972	100.10%		761,537	3.69%			
2022-23		22,165,236		21,519,557	97.09%		277,783		21,797,340	98.34%		1,143,754	5.16%			

(1) Exclusive of penalties and interest.

(2) Includes three most current delinquent tax years.

COUNTY OF BRUNSWICK, VIRGINIA

Table 6

Assessed Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year	Real Estate (1)	Personal Property and Mobile Homes (1)	Machinery and Tools	Merchants Capital	Public Utility (2)(3)		Total
					Utility (2)	(3)	
2013-14	\$ 1,283,649,442	\$ 108,030,830	\$ 13,688,110	\$ 14,602,910	\$ 63,772,289	\$	1,483,743,581
2014-15	1,288,728,276	110,786,565	17,273,840	14,210,700	84,983,256		1,515,982,637
2015-16	1,294,538,346	116,860,850	17,351,320	7,543,250	490,330,633		1,926,624,399
2016-17	1,298,006,765	124,144,270	18,163,830	7,802,300	975,481,233		2,423,598,398
2017-18	1,303,563,180	124,218,160	19,288,060	-	940,609,009		2,387,678,409
2018-19	1,299,841,870	125,870,640	19,494,570	-	1,004,963,140		2,450,170,220
2019-20	1,304,304,560	127,960,455	19,495,420	-	1,024,761,593		2,476,522,028
2020-21	1,312,254,960	131,771,760	18,357,400	-	1,025,899,038		2,488,283,158
2021-22	1,314,343,220	146,606,346	8,599,410	-	994,779,297		2,464,328,273
2022-23	1,329,170,728	198,318,301	9,225,270	-	902,886,218		2,439,600,517

(1) Real estate is assessed at 100% of fair market value.

(2) Assessed values are established by the State Corporation Commission.

(3) Increase due to new Dominion power plant.

COUNTY OF BRUNSWICK, VIRGINIA

Table 7

Property Tax Rates (1)
Last Ten Fiscal Years

Fiscal Year	Real Estate		Mobile Homes		Personal Property		Fire and Rescue Volunteers		Machinery and Tools		Merchant's Capital	
		\$		\$		\$		\$		\$		\$
2013-14		\$ 0.47		\$ 0.47		\$ 3.60		\$ N/A		\$ 3.40		\$ 1.20
2014-15		0.47		0.47		3.60		2.40		3.40		1.20
2015-16		0.47		0.47		3.60		2.15		3.40		1.20
2016-17		0.47		0.47		3.60		2.64		3.40		1.20
2017-18		0.52		0.52		3.65		2.71		3.40		N/A
2018-19		0.53		0.53		3.65		2.81		3.40		N/A
2019-20		0.53		0.53		3.65		2.59		3.40		N/A
2020-21		0.53		0.53		3.65		2.64		3.40		N/A
2021-22		0.65		0.65		3.85		2.85		3.40		N/A
2022-23		0.65		0.65		3.85		3.11		3.40		N/A

(1) Per \$100 of assessed value.

COUNTY OF BRUNSWICK, VIRGINIA

Table 8

Ratio of Net General Bonded Debt to Assessed Value and Net Bonded Debt Per Capita Last Ten Fiscal Years

Fiscal Year	Population (1)	Assessed Value (in thousands) (2)	Gross Bonded Debt (3)	Less:		Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt	Net Bonded Debt per Capita
				Debt Service Monies Available	Net Bonded Debt			
2013-14	17,275	\$ 1,483,744	\$ 15,579,759	-	\$ -	1.05%	15,579,759	902
2014-15	17,235	1,515,983	14,579,257	-	-	0.96%	14,579,257	846
2015-16	16,930	1,926,624	13,476,105	-	-	0.70%	13,476,105	796
2016-17	16,687	2,423,598	11,947,042	-	-	0.49%	11,947,042	716
2017-18	16,581	2,387,678	11,155,316	-	-	0.47%	11,155,316	673
2018-19	16,481	2,450,170	12,488,881	-	-	0.51%	12,488,881	758
2019-20	16,292	2,476,522	11,543,337	-	-	0.47%	11,543,337	709
2020-21	16,316	2,488,283	13,105,454	-	-	0.53%	13,105,454	803
2021-22	15,465	2,464,328	68,306,729	-	-	2.77%	68,306,729	4,417
2022-23	15,465	2,439,601	64,076,015	-	-	2.63%	64,076,015	4,143

(1) Weldon Cooper Center for Public Service at the University of Virginia - July 1 estimate.

(2) Real property assessed at 100% of fair market value.

(3) Includes all long-term general obligation bonded debt, bonded anticipation notes, and literary fund loans.

Excludes landfill closure/postclosure care liability, financed purchases, QZABs, compensated absences, and pension and OPEB liabilities

COMPLIANCE

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**Independent Auditors' Report on Internal Control over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards***

**The Honorable Members of
The Board of Supervisors
County of Brunswick, Virginia**

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Specifications for Audits of Counties, Cities, and Towns*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia, the financial statements of the governmental activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of County of Brunswick, Virginia as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise County of Brunswick, Virginia's basic financial statements and have issued our report thereon dated March 6, 2024. Our report includes a reference to other auditors who audited the financial statements of the school activity funds, as described in our report on County of Brunswick, Virginia's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered County of Brunswick, Virginia's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of County of Brunswick, Virginia's internal control. Accordingly, we do not express an opinion on the effectiveness of County of Brunswick, Virginia's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

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

Purpose of This Report

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

Robinson, Fournier, LLC Associates

Richmond, Virginia
March 6, 2024



**Independent Auditors' Report on Compliance for Each Major Program and on
Internal Control over Compliance Required by the Uniform Guidance**

The Honorable Members of
The Board of Supervisors
County of Brunswick, Virginia

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited County of Brunswick, Virginia's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of County of Brunswick, Virginia's major federal programs for the year ended June 30, 2023. County of Brunswick, Virginia's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, County of Brunswick, Virginia complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

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

We are required to be independent of County of Brunswick, Virginia and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of County of Brunswick, Virginia's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to County of Brunswick, Virginia's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on County of Brunswick, Virginia's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about County of Brunswick, Virginia's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding County of Brunswick, Virginia's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of County of Brunswick, Virginia's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of County of Brunswick, Virginia's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Report on Internal Control over Compliance (Continued)

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Robinson, Fennell, Cox Associates

Richmond, Virginia
March 6, 2024

COUNTY OF BRUNSWICK, VIRGINIA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2023

Federal Grantor/State Pass - Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures
Department of Health and Human Services:			
Pass Through Payments:			
Virginia Department of Education:			
COVID-19 Public Health Workforce	93.354	APE40297	\$ 45,112
Virginia Department of Social Services:			
Guardianship Assistance	93.090	1110122/1110123	\$ 91
Title VI-E Prevention Program	93.472	1140123	3,512
Promoting Safe and Stable Families	93.556	0950122/23	26,959
Refugee and Entrant Assistance - State Administered Programs	93.566	0500122/23	950
Low-Income Home Energy Assistance	93.568	0600422/23	44,831
Child Care Mandatory and Matching Funds of the Child Care and Development Fund (CCDF Cluster)	93.596	0760122/23	<u>51,418</u>
Total Child Care and Development Fund Cluster			\$ <u>51,418</u>
Stephanie Tubbs Jones Child Welfare Services Program	93.645	0900122/23	381
Foster Care - Title IV-E	93.658	1100122/23, 1110122/23	127,854
Adoption Assistance	93.659	1120122/23	113,636
Social Services Block Grant	93.667	1000122/23	284,996
John H. Chafee Foster Care Program for Successful Transition to Adulthood	93.674	9150122/23	11,680
COVID-19 - Elder Abuse Prevention Interventions Program	93.747	8000222	5,979
Children's Health Insurance Program (CHIP)	93.767	0540122/23	1,814
Medical Assistance Program (Medicaid Cluster)	93.778	1200122/23	212,640
Temporary Assistance for Needy Families (TANF)	93.558	0400122/23	<u>220,944</u>
Total Department of Health and Human Services-pass through			\$ <u>1,107,685</u>
Total Department of Health and Human Services			\$ <u>1,152,797</u>
Department of Agriculture:			
Pass Through Payments:			
Virginia Department of Agriculture and Consumer Services:			
Food Distribution - School Nutrition Program (Child Nutrition Cluster)	10.555	APE40264	\$ 98,762
Virginia Department of Education:			
National School Lunch Program (NSLP) (Child Nutrition Cluster)	10.555	22/23N109941	<u>780,238</u> \$ 879,000
Virginia Department of Education:			
School Breakfast Program (Child Nutrition Cluster)	10.553	22/23N109941	337,197
Fresh Fruit and Vegetable Program (Child Nutrition Cluster)	10.582	APE40252	<u>50,325</u> \$ <u>1,266,522</u>
Child and Adult Care Food Program	10.558	APE70027/70028	<u>12,756</u>
Virginia Department of Agriculture and Consumer Services:			
Pandemic (P-EBT) Administrative Costs	10.649	17901-86556	\$ <u>3,135</u>
Virginia Department of Social Services:			
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (SNAP Cluster)	10.561	0010122/23, 0040122/23	\$ <u>420,553</u>
Total Department of Agriculture			\$ <u>1,702,966</u>

COUNTY OF BRUNSWICK, VIRGINIA

Schedule of Expenditures of Federal Awards (Continued)
 For the Year Ended June 30, 2023

Federal Grantor/State Pass - Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures
Department of Defense:			
Direct Payments:			
ROTC	12.U00	N/A	\$ 28,000
Pass Through Payments:			
Virginia Department of Education:			
Payments to States in Lieu of Real Estate Taxes	12.112	APE42845	\$ 46,418
Total Department of Defense			<u>\$ 74,418</u>
Department of Housing and Urban Development:			
Pass Through Payments:			
Virginia Department of Housing and Community Development:			
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	14.228	Unavailable	\$ 206,310
Department of Justice:			
Pass Through Payments:			
Virginia Department of Criminal Justice Services:			
COVID-19 - Coronavirus Emergency Supplemental Funding Program	16.034	21-A5135CE20	\$ 55,264
Edward Byrne Memorial Justice Assistance Grant Program	16.738	Unavailable	2,024
Crime Victim Assistance	16.575	22-Y9272VW19	78,919
Total Department of Justice			<u>\$ 136,207</u>
Department of Homeland Security:			
Pass Through Payments:			
Virginia Department of Emergency Management:			
Hazard Mitigation Grant	97.039	HMGP# 4042-002	\$ 59,233
Emergency Management Performance Grants	97.042	EMP-2022-EP-00004	15,000
Total Department of Homeland Security			<u>\$ 74,233</u>
Department of Treasury:			
Pass Through Payments:			
Virginia Department of Accounts:			
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	Unavailable	\$ 265,488
Virginia Department of Education:			
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	Unavailable	176,524
Total Department of Treasury			<u>\$ 442,012</u>
Department of Education:			
Pass Through Payments:			
Virginia Department of Education:			
Title I - Grants to Local Educational Agencies	84.010	APE42901/42892	\$ 734,703
Special Education Cluster:			
Special Education - Grants to States (IDEA, Part B)	84.027	APE43071/60033	\$ 553,379
Special Education - Preschool Grants (IDEA Preschool)	84.173	APE62521	13,023
Career and Technical Education - Basic Grants to States	84.048	APE60031	54,103
Rural Education	84.358	APE43481	35,503
Supporting Effective Instruction State Grants	84.367	APE61480	122,379
School Improvement Grants	84.377	APE43040	91,890
Student Support and Academic Enrichment Program	84.424	APE60024	18,961
COVID-19 - Education Stabilization Fund (ESF) - Governor's Emergency Education Relief Fund	84.425C	Unavailable	\$ 13,682
COVID-19 - Education Stabilization Fund (ESF) - Elementary and Secondary School Emergency Relief Fund	84.425D	Unavailable	1,348,072
COVID-19 - American Rescue Plan - Elementary and Secondary School Emergency Relief	84.425U	Unavailable	512,620
Virginia Polytechnic Institute:			1,874,374
English Language Acquisition State Grants	84.365	Unknown	4,700
Total Department of Education			<u>\$ 3,503,015</u>
Total Expenditures of Federal Awards			<u>\$ 7,291,958</u>

See accompanying notes to schedule of expenditures of federal awards.

COUNTY OF BRUNSWICK, VIRGINIA

Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2023

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal award activity of County of Brunswick, Virginia under programs of the federal government for the year ended June 30, 2023. The information in this schedule is presented in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of County of Brunswick, Virginia, it is not intended to and does not present the financial position, changes in net position, or cash flows of County of Brunswick, Virginia.

Note 2 - Summary of Significant Accounting Policies

(1) Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

(2) Pass-through entity identifying numbers are presented where available.

Note 3 - Food Donation

Nonmonetary assistance is reported in the schedule at the fair market value of the commodities received and disbursed.

Note 4 - Subrecipients

No awards were passed through to subrecipients.

Note 5 - Indirect Costs

The County has elected not to use the 10% de minimis indirect cost rate.

Note 6 - Loan balances

The County has no loans or loan guarantees which are subject to reporting requirements for the current year.

Note 7 - Relationship to Financial Statements

Federal expenditures, revenues and capital contributions are reported in the County's basic financial statements as follows:

Intergovernmental federal revenues per the basic financial statements:

Primary government:		
General Fund		\$ 544,938
Special Revenue Funds:		
Virginia Public Assistance Fund		1,350,314
CSA Fund		108,914
Debt Service Funds:		
Debt Service Fund		61,319
Capital Projects Funds:		
County Capital Improvements Fund		206,310
Total primary government		<u>\$ 2,271,795</u>
Component Unit School Board:		
School Operating Fund		\$ 3,799,069
School Cafeteria Fund		1,282,413
Total component unit School Board		<u>\$ 5,081,482</u>
Total federal expenditures per basic financial statements		<u>\$ 7,353,277</u>
Reconciling Items:		
Federal interest subsidy		<u>\$ (61,319)</u>
Total federal expenditures per the Schedule of Expenditures of Federal Awards		<u>\$ 7,291,958</u>

COUNTY OF BRUNSWICK, VIRGINIA

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2023

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued: Unmodified

Internal control over financial reporting:
Material weakness(es) identified? Yes

Significant deficiency(ies) identified? None reported

Noncompliance material to financial statements noted? No

Federal Awards

Internal control over major programs:
Material weakness(es) identified? No

Significant deficiency(ies) identified? None reported

Type of auditors' report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with
2 CFR Section 200.516(a)? No

Identification of major programs:

<u>Assistance Listing #</u>	<u>Name of Federal Program or Cluster</u>
84.425	COVID-19 - Education Stabilization Fund
10.553/10.555/10.582	Child Nutrition Cluster

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

Auditee qualified as low-risk auditee? No

SECTION II - FINANCIAL STATEMENT FINDINGS

There are no financial statement findings to report.

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

There are no federal award findings and questioned costs to report.

COUNTY OF BRUNSWICK, VIRGINIA

Summary Schedule of Prior Year Audit Findings
For the Year Ended June 30, 2023

2022-001

Finding Type:	Material Adjustments to the Financial Statements
Condition:	For the year ended June 30, 2022, the financial statements required material adjustments by the Auditor to ensure such statements complied with Generally Accepted Accounting Principles (GAAP).
Recommendation:	Individual departments should work with the Treasurer's office or County Finance Director to obtain the necessary financial data to maintain the records in accordance with GAAP. In addition, a formal schedule should be prepared to assist with closing the books at year-end. The Treasurer should communicate with individual departments to ensure revenues are properly classified to assist with year-end audit preparation.
Current Status:	Corrective action was taken, only immaterial adjustments were required for FY23 financial statements.