



County of King William, Virginia

**BOARD OF SUPERVISORS
REGULAR MEETING OF SEPTEMBER 26, 2022 - 7:00 PM
KING WILLIAM COUNTY ADMINISTRATION BUILDING
KING WILLIAM, VIRGINIA**

AMENDED AGENDA

1. **Call to Order**
2. **Roll Call**
3. **Moment of Silence**
4. **Pledge of Allegiance**
5. **Review and Adoption of Meeting Agenda**
6. **Public Comment Period** *One Opportunity of Three Minutes per Individual or Five Minutes per Group on Non-Public Hearing Matters*
7. **Consent Agenda**
 - a. Approval of Minutes:
 - i. August 8, 2022 Work Session Draft Minutes
 - ii. August 22, 2022 Regular Meeting Draft Minutes
 - b. Approval of Expenditures - August 2022
 - c. **Resolution 22-75** - Supporting Operation Green Light for Veterans
 - d. **Resolution 22-76** - Amending and Appropriating the FY23 Budget to Include the Sheriff's Office SRO Grant Award
 - e. **Resolution 22-77** - Approving the PPTRA Rate for the Personal Property 2022 Billing
 - f. **Resolution 22-78** - Honoring the Life and Accomplishments of Queen Elizabeth II
 - g. Approval to Sign Engagement Letter for FY22 Audit
 - h. **Resolution 22-82** - Amendment to FY23 Budget - King William Public Schools

8. Presentations

- a. **Resolution 22-79** - Proclaiming October as Domestic Violence Awareness Month - Thrive Virginia
- b. **Draft Report & Audit Results - Aaron B. Hawkins, CPA, CFE, Robinson, Farmer, Cox Associates**
- c. Regional Animal Shelter Strategic Plan Discussion - Lauri Betts, RAS Manager

9. New Business

- a. **Resolution 22-83 - Amend the FY23 Budget to Include Siding Expenses at the Parks & Rec Community Center**

10. Administrative Matters from County Administrator

- a. Administration Report - Percy C. Ashcraft, County Administrator
- b. Board Information
 - i. Animal Activities Report
 - ii. Building Department Report
 - iii. Community Connection Program
 - iv. Fire & EMS Department Report
 - v. Sheriff's Department Activity Report
 - vi. Utilities Department Report
 - vii. VDOT Transportation Briefing

11. Board of Supervisors' Comments

12. Closed Meeting

- a. Motion to Convene Closed Meeting in accordance with Section 2.2-3711 (A)(1) of the Code of Virginia to consider appointment of individuals to Boards and Commissions and to consider a personnel matter involving the assignment of a specific public officer/appointee/employee; and in accordance with Section 2.2-3711 (A)(3) of the Code of Virginia regarding the acquisition of real property for a public purpose.
- b. Motion to Reconvene in Open Session

- c. Certification of Closed Meeting
- d. Action on Closed Meeting (if necessary)

13. Appointment

- a. **Resolution 22-81** - Appointment to the Board of Zoning Appeals

14. Adjourn or Recess

NOTES REGARDING AGENDA:

This agenda is tentative only and subject to change by the Board of Supervisors.

During Public Comment and any Public Hearing periods, speakers shall be provided one opportunity of three minutes per individual or five minutes per group. Speakers shall provide their name, district of residence, and if applicable, the group they are representing. The Board of Supervisors may modify and/or set other rules governing the conduct of Public Hearings.

Detailed instructions for viewing live-streams of meetings, signing up to speak via Zoom (registration required by noon on the day of the meeting), and general guidelines for Public Comment & Public Hearings are available from the [King William County website](#).

AGENDA ITEM 7.a.i.

August 8, 2022 Work Session Draft Minutes

**DRAFT MINUTES
KING WILLIAM COUNTY BOARD OF SUPERVISORS
WORK SESSION MEETING OF AUGUST 8, 2022**

A work session meeting of the Board of Supervisors of King William County, Virginia, was held on the 8th day of August 2022, beginning at 7:00 p.m. in the Board Meeting Room of the County Administration Building and via Zoom.

Agenda Item 1. CALL TO ORDER

Chairman Moren called the meeting to order. Vice Chair Hodges announced that Ms. Letricia Moore, former Treasurer for West Point, passed away unexpectedly on August 7th.

Agenda Item 2. ROLL CALL

The members of the Board of Supervisors were polled:

Supervisor, 3rd District: Stephen K. Greenwood	Absent
Supervisor, 1st District: William L. Hodges – Vice Chair	Aye
Supervisor, 4th District: C. Stewart Garber, Jr.	Aye
Supervisor, 2nd District: Travis J. Moskalski	Absent
Supervisor, 5th District: Edwin H. Moren, Jr. – Chairman	Aye

Agenda Item 3. REVIEW AND ADOPTION OF AMENDED MEETING AGENDA

Supervisor Garber made a motion to approve the amended agenda as presented. Vice Chair Hodges seconded. The Chairman called for any discussion. The members were polled:

Supervisor, 1st District: William L. Hodges – Vice Chair	Aye
Supervisor, 4th District: C. Stewart Garber, Jr.	Aye
Supervisor, 2nd District: Travis J. Moskalski	Absent
Supervisor, 3rd District: Stephen K. Greenwood	Absent
Supervisor, 5th District: Edwin H. Moren, Jr. – Chairman	Aye

Agenda Item 4. PRESENTATION

4.a. Adopting Resolution 22-60 - Congratulating the King William Little League State Softball Champions

Supervisor Garber made a motion to approve Resolution 22-60. Vice Chair Hodges seconded. The Chairman called for any discussion. The members were polled:

Supervisor, 4th District: C. Stewart Garber, Jr.	Aye
Supervisor, 2nd District: Travis J. Moskalski	Absent
Supervisor, 3rd District: Stephen K. Greenwood	Absent
Supervisor, 1st District: William L. Hodges – Vice Chair	Aye
Supervisor, 5th District: Edwin H. Moren, Jr. – Chairman	Aye

RESOLUTION 22-60

HONORING THE KING WILLIAM LITTLE LEAGUE 8-10-YEAR-OLD GIRLS SOFTBALL TEAM ON WINNING THE 2022 STATE CHAMPIONSHIP TITLE

WHEREAS the King William County Board of Supervisors commends exceptional athletic achievement and gives special honor and commendation to those athletic teams who pursue such excellence that they become examples for the youth of this County; and

WHEREAS the King William Little League 8-10-year-old girls softball team achieved such excellence on June 24, 2022 by defeating Westmoreland Little League to earn the District 15 championship title, allowing them to advance to the state tournament, and again on July 19, 2022 when they defeated Richlands Little League to win the 2022 Virginia 8-10 Year Old Division Softball Championship in Coeburn, Virginia; and

WHEREAS the team earned the first State Championship Title in King William Little League's 43-year history and the first 8-10 Softball State Championship in the history of District 15; and

WHEREAS Brooklyn Coleman, Maliyah Dabney, Kadence Dixon, Ella Johnson, Ava Maxey, Brenlee Mills, Makayla Richardson, Makenzie Seal, Gracie Sluder, Cassie Smith, Lucy Vincent, Aubrey Walton, and Emma Wilson are excellent young athletes, and together, have demonstrated remarkable energy, enthusiasm, teamwork, and dedication in the pursuit of their goals; and

WHEREAS many contributed to the team's outstanding success including their Manager - Chris Wilson, Assistant Coaches - John Seal and Steve Walton, parents, and the King William County community as a whole; and

WHEREAS in an educational system that seeks to teach the future leaders of our County, State, and Nation the fundamentals of self-reliance and the rewards of individual and group effort, athletic competition has become a valuable tool. Through their participation in sports, the members of the King William Little League 8-10-year-old softball team have learned lessons of good sportsmanship that will undoubtedly be of great benefit to them throughout their lives;

NOW, THEREFORE, BE IT RESOLVED that the members of the King William County Board of Supervisors, both individually and collectively, hereby commend and congratulate the King William Little League 8-10-year-old softball team upon their 2022 Virginia District 15 8-10-Year-Old Division Softball Championship triumph and congratulate each member of the team and their coaches; and

BE IT FURTHER RESOLVED that a copy of this Resolution expressing the sense of this Board of Supervisors shall be conveyed to King William Little League and shall be spread upon the meeting minutes of said Board of Supervisors.

DONE this 8th day of August, 2022.

4.b. Presentation of Resolution 22-60 to King William County Little League Softball Champions

Mr. Ashcraft announced the coaches and players of the team as they entered the Board Room.

The Chairman and Supervisor Garber assembled in front of the dais. County Administrator, Percy Ashcraft, welcomed the Little League team and coaches as they entered the Board Room. All present were assembled and photos were taken. Supervisor Garber read Resolution 22-60 and presented it to the team.

Agenda Item 5. WORK SESSION MATTERS

5.a. Virginia Risk Sharing Association (VRSA) Presentation - Nora Pierre, Account Executive & Peter Stephenson, Local Government Specialist

Ms. Pierre and Mr. Stephenson went over the history and benefits available from VRSA.

Supervisor Garber asked about the Public Officials' Liability coverage. Ms. Pierre said it covers the Board of Supervisors members while acting within the scope of their duties.

5.b. Online Budget Tracking Software - Vendor Demo (Clear Gov) (Zoom)

Kristin Fine with Clear Gov gave an overview of the company and product (Attachment A).

Supervisor Garber asked how many localities are currently using the product. Ms. Fine said 800 across the country and about 10-15 in Virginia.

Vice Chair Hodges asked if Board members could ask questions on the platform during the budget process and if all members could see the questions asked. Ms. Fine said yes, the permissions setting could be set to allow all members to see all other members conversations.

Vice Chair Hodges asked if this would require another employee to manage. Ms. Fine said absolutely not. It's easy to implement and simply replaces what is currently being done.

Chairman Moren asked if they can run "what if?" scenarios on the budget during the development phase. Ms. Fine said yes. You can look at future forecasting, visuals, charts, graphs, etc. and it's easy to explain to the public.

Vice Chair Hodges asked if Clear Gov would link to the County's current financial software. Ms. Fine said yes. Supervisor Garber asked if it would specifically work with Edmunds. Ms. Fine said yes, they are a partner with Clear Gov.

Chairman Moren asked if the pricing includes training. Ms. Fine said it includes unlimited training, users, and customer support. Chairman Moren asked if the data backup is secure. Ms. Fine said they use the same technology used for the Secret Service and FBI.

5.c. Draft Ordinance 22-XX - Amend Property Tax Levies Upon Tangible Personal Property for the Classifications of Vehicles Created by House Bill 1239 - Natasha Joranlien, Director of Financial Services

Ms. Joranlien said staff recommends the rate of \$2.66/\$100 for Districts 2-5 and \$1.20/\$100 for District 1. This would address the increase in existing values and allow for the realistic growth in the County. These rates would be only for the classifications of vehicles created by House Bill 1239. Approval from the Board is needed to move forward with advertising a Public Hearing on this matter for August 22, 2022.

Vice Chair Hodges said West Point is using the same rate for all personal property classifications and asked what the consequence would be if the County did the same. Ms. Joranlien said the County would not meet revenue projections.

The general consensus of the Board was to move forward with advertising the Public Hearing for August 22, 2022.

5.d. CIP Adjustments (Parking Lot Improvements) - Steve Hudgins, Deputy County Administrator

Mr. Hudgins presented staff's request to adjust the CIP to allow for the resurfacing of the parking lots of the Administration Building and McAllister Building in the current fiscal year due to a competitive quote of \$36,800 for both lots. This quote is not guaranteed to last until next fiscal year.

Vice Chair Hodges asked if staff looked at the Courthouse lots. Mr. Hudgins said no, he will look into it.

A Resolution for this matter will be added to the August 22, 2022 meeting agenda.

5.e. Open Burning Regulations - Percy C. Ashcraft, County Administrator

Mr. Ashcraft introduced Micah Clark, a student intern working with the County this summer. Mr. Clark is a KWHS graduate and studies Political Science & Leadership Studies at Longwood College.

Mr. Ashcraft presented a proposed brochure and update to the Burn Permit application.

Sheriff Walton asked if Dispatch needs to do anything more than put it on the mapping system when citizens call in that they've started a burn. He said those details can be worked out with the Fire Chief.

Chairman Moren asked that phone numbers for the Department of Forestry and DEQ be added to the brochure.

5.f. Amend King William County Code Chapter 34 - Fire Prevention and Protection - Percy C. Ashcraft, County Administrator

Mr. Ashcraft presented proposed changes to the Fire Prevention & Protection Ordinance to update outdated information and clarify other information. Staff requests approval to advertise a Public Hearing on the matter for August 22, 2022.

Supervisor Garber said he is in favor of moving forward and thanked Straughan Robinson for his input on the matter.

The general consensus of the Board was to move forward with advertising the Public Hearing for August 22, 2022.

5.g. Youth Sports Facility Upgrades at Hamilton-Holmes Middle School - Percy C. Ashcraft, County Administrator

Mr. Ashcraft addressed needed facility upgrades at HHMS. He said most of the recent KWHS championship football team went through the Raider football program. While the County is currently making improvements at the Rec Park which will benefit King William Little League, no dedicated effort has been made to improve facilities for the Raiders program. While the County hopes to provide a new facility in the long-term for soccer, football, and other recreation opportunities, some upgrades are needed now to make conditions safe for play at HHMS.

An ad hoc committee has met and identified the following needs – concession stand upgrades, shed repair, press box upgrades, electricity to sheds, and a safe playing surface. Bleachers were also discussed but removed from consideration due to cost. The schools are looking into the press box upgrades and provided the topsoil for the playing surface, which County facilities staff spread. It's estimated the cost to upgrade the concession stand and repair the sheds is \$2,500. The work would be done by County facilities staff.

Staff requests the Board's authorization to allow County staff to perform the upgrades and repair using the proffer fund.

Vice Chair Hodges said the Board should wait until all members were present before making a decision.

Agenda Item 5. BOARD OF SUPERVISORS' REQUESTS

Vice Chair Hodges said the crosswalks in West Point have been paved and are awaiting stamping.

Supervisor Garber said Ms. Rosalind Lovelace passed away.

Chairman Moren said he is interested in the possibility of a public/private partnership with the Raiders organization.

Agenda Item 6. CLOSED MEETING

Vice Chair Hodges said he objects to discussing personnel in Closed Session. The Closed Session was removed from the agenda.

Agenda Item 7. ADIOURN OR RECESS

Vice Chair Hodges made a motion to adjourn the meeting; seconded by Supervisor Garber. The Chairman called for any discussion. The members were polled:

Supervisor, 2nd District: Travis J. Moskalski	Absent
Supervisor, 3rd District: Stephen K. Greenwood	Absent
Supervisor, 1st District: William L. Hodges – Vice Chair	Aye
Supervisor, 4th District: C. Stewart Garber, Jr.	Aye
Supervisor, 5th District: Edwin H. Moren, Jr. – Chairman	Aye

COPY TESTE:

Edwin H. Moren, Jr., Chairman
Board of Supervisors

Christine H. Branch
Deputy Clerk to the Board of Supervisors

ATTACHMENT A

It's Time to Budget Better.



Legacy Budgeting Cycles are Inefficient

SCATTERED

Documents, emails, notes, etc. are spread across multiple inboxes and desktops.

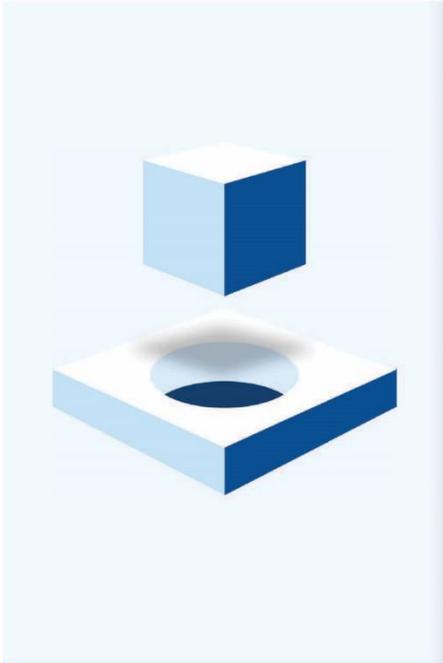
DISJOINTED

Excel, Word and email are distinct, generic products that inhibit collaboration.

TEDIOUS

Constructing, combining and correcting multiple spreadsheets is taxing, tiresome and time-consuming.





BUT ... Most GovTech is NOT Built for Local Governments

Poor Fit

- ✗ Time-consuming to implement and maintain
- ✗ Overbuilt feature set that is difficult to use
- ✗ Business tech adapted for public-sector
- ✗ Expensive upfront & ongoing professional services fees



Our Mission

We create easy-to-use software to help governments budget better.

We Believe

We believe that every community desires and deserves a government that is empowered to work as effectively and efficiently as possible.



+



Partners

NACo endorses ClearGov exclusively

Providing excellence in budgeting to enable every county and its community thrive

ClearGov Delivers “Just Right” Software

Built specifically for local governments.



Easy to Implement

ClearGov will onboard your budget data for you.



Easy to Use

Familiar, intuitive, and simple. Little-to-no learning curve.



Easy to Connect

Works well together and complements your ERP.

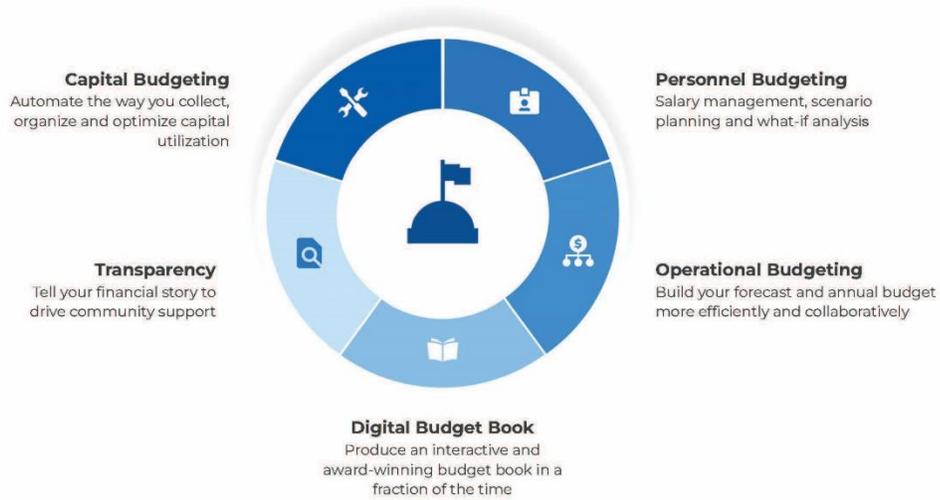


Easy to Afford

Priced for local govts w/ NO hidden fees.

ClearGov works with hundreds of communities across the country.

Budget Cycle Management Suite



Product Demonstration

AGENDA ITEM 7.a.ii.

August 22, 2022 Regular Meeting Draft Minutes

**DRAFT MINUTES
KING WILLIAM COUNTY BOARD OF SUPERVISORS
REGULAR MEETING OF AUGUST 22, 2022**

A regular meeting of the Board of Supervisors of King William County, Virginia, was held on the 22nd day of August 2022, beginning at 7:00 p.m. in the Board Meeting Room of the County Administration Building and via Zoom.

Agenda Item 1. CALL TO ORDER

Chairman Moren called the meeting to order.

Agenda Item 2. ROLL CALL

The members were polled:

Supervisor, 3rd District: Stephen K. Greenwood	Aye
Supervisor, 1st District: William L. Hodges – Vice Chair	Aye
Supervisor, 4th District: C. Stewart Garber, Jr.	Aye
Supervisor, 2nd District: Travis J. Moskalski	Aye
Supervisor, 5th District: Edwin H. Moren, Jr. – Chairman	Aye

Agenda Item 3. MOMENT OF SILENCE

The Chairman called for a moment of silence.

Agenda Item 4. PLEDGE OF ALLEGIANCE

The Chairman led the pledge of allegiance.

Agenda Item 5. REVIEW AND ADOPTION OF AMENDED MEETING AGENDA

Supervisor Garber moved for the adoption of the amended agenda as presented; motion was seconded by Vice Chair Hodges. The Chairman called for any discussion. The members were polled:

Supervisor, 1st District: William L. Hodges – Vice Chair	Aye
Supervisor, 4th District: C. Stewart Garber, Jr.	Aye
Supervisor, 2nd District: Travis J. Moskalski	Aye
Supervisor, 3rd District: Stephen K. Greenwood	Aye
Supervisor, 5th District: Edwin H. Moren, Jr. – Chairman	Aye

Agenda Item 6. PUBLIC COMMENT

Chairman Moren opened the Public Comment period.

Mary Shipman of District 2, King William County representative on the Pamunkey Regional Library Board of Trustees, provided a handout with information regarding some of the programs at the library. She said things are going well and invited the Board to contact her with any questions or concerns. (Attachment A)

Peter Mason of District 2 said he case involving Zebulon's Grotto involves three matters: the campground CUP, zoning & building violations, and the July 3rd temporary injunction. He asked what's being done to resolve the violations and said the County has done nothing to assess penalties. He said there's no point in having ordinances if there's no way to enforce them. He said King William County Ordinance [Section 86-53](#) addresses zoning violation penalties and states it is the duty of the Zoning Administrator to enforce this ordinance. It is also the duty of all County officers to report violations to the Zoning Administrator.

Vic Einarsson of District 2 said Mr. Snead has not stopped or slowed down operation. Since July 26th, 40-50 vehicles per day go in and out of the property. A person from New York got stuck in the ditch. They are probably spending the night. This happens on a regular basis. He said King William is fully aware he's continuing to operate and over six years of violations, there has been zero enforcement. He asked who's at fault if a customer gets hurt and said it's the duty of the County to enforce state laws.

Charles Snead of District 2 said his neighbors are presenting lies and guests are not staying overnight. He said his neighbors are saying things they only think might be true.

Written comments from Chris Couch of District 5 were provided to the Board (Attachment A).

There being no further speakers, the Chairman closed the Public Comment period.

Agenda Item 7. CONSENT AGENDA

Consent Agenda items were:

- a. Approval of Minutes:
 - i. July 11, 2022 Work Session Draft Minutes
 - ii. July 20, 2022 Joint Work Session with Planning Commission Draft Minutes
 - iii. July 25, 2022 Regular Meeting Draft Minutes
- b. Approval of Expenditures - July 2022
- c. **Resolution 22-61** - Approving the Commissioner of the Revenue to Set the PPTRA Rate
- d. **Resolution 22-62** - Designating a Portion of State Route 634 (Kentucky Road) a Rural Rustic Road
- e. **Resolution 22-63** - Designating a Portion of State Route 641 (Sandy Point Road) a Rural Rustic Road
- f. **Resolution 22-65** - Amendment to FY23 Capital Improvement Plan for Parking Lot Repairs
- g. **Resolution 22-66** - Support of the Virginia America 250 Commission and Establishment of the King William County VA250 Planning Committee
- h. **Resolution 22-67** - Donating \$10,000 to Tappahannock Fire Relief Efforts

Supervisor Garber moved for approval of the Consent Agenda; motion was seconded by Vice Chair Hodges. The Chairman called for any discussion.

Vice Chair Hodges asked Commissioner Funkhouser how positive she is on the figures. Commissioner Funkhouser said she is not going to set a rate over the \$1.2 million provided by the state for relief.

Vice Chair Hodges asked how accurate the assessments are. Commissioner Funkhouser said they are only applied to vehicles. If a car moves out of the County, they get the money back. She said the DMV will back date in/out dates when they find out.

Supervisor Moskalski said it is what it is based on the amount. He said it is based on the tax rate, not the PPTRA rate.

Commissioner Funkhouser said Deborah Ball with West Point bills earlier than the County does. The problem they had was with business personal property. A taxpayer was billed twice because Edmunds brought over the previous year in addition to the current year. Errors since 8/8 have been corrected.

The members were polled:

Supervisor, 4th District: C. Stewart Garber, Jr.	Aye
Supervisor, 2nd District: Travis J. Moskalski	Aye
Supervisor, 3rd District: Stephen K. Greenwood	Aye
Supervisor, 1st District: William L. Hodges – Vice Chair	Aye
Supervisor, 5th District: Edwin H. Moren, Jr. – Chairman	Aye

RESOLUTION 21-61

APPROVING THE COMMISSIONER OF THE REVENUE TO SET THE PERSONAL PROPERTY TAX RELIEF PERCENTAGE FOR THE PERSONAL PROPERTY 2022 BILLING IN ACCORDANCE WITH THE 2004-2005 CHANGES TO THE PERSONAL PROPERTY TAX RELIEF ACT OF 1998

WHEREAS, the Personal Property Tax Relief Act of 1998, Virginia Code 58.1-3523, et seq. ("PPTRA"), has been substantially modified by the enactment of Chapter 1 of the Acts of Assembly, 2004 Special Session 1 (Senate Bill 5005), and the provisions of Item 503 of Chapter 951 of the 2005 Acts of Assembly (the 2005 revisions to the 2004-2006 Appropriations Act, hereinafter cited as the "2005 Appropriations Act"); and

WHEREAS the Board of Supervisors (hereinafter Board) adopted King William County Code Sections 70-149 and 70-150 on December 12th 2005 implementing the 2004- 2005 changes to the Personal Property Tax Relief Act of 1998, in response to these legislative enactments; and

WHEREAS such County Code sections provide that the Board shall annually set the rate of tax relief on qualifying vehicles at a level that is anticipated to fully exhaust tax relief funds provided to the County by the Commonwealth; and

WHEREAS County Code Section 70-150 provides that personal property tax relief shall be applied so as to eliminate personal property taxation on qualifying vehicles with an assessed value of One Thousand Dollars (\$1,000.00) or less; and

WHEREAS it is necessary for this Board to establish the allocation of tax relief for the first Twenty Thousand Dollars (\$20,000.00) in assessed value of other qualifying vehicles; and

WHEREAS, this Board has been informed that for the 2022 calendar year and due to the Board's adoption of a new class of vehicles in accordance with House Bill 1239, the Commissioner of the Revenue will not have sufficient time to get the Board's approval prior to setting the PPTRA rate;

NOW THEREFORE BE IT RESOLVED that the King William County Board of Supervisors authorizes the Commissioner of the Revenue to set the PPTRA percentage for the 2022 calendar year at the level necessary to fully exhaust the PPTRA relief fund provided to the County by the Commonwealth, in accordance with §58.1-3523 of the Code of Virginia.

DONE this 22nd day of August, 2022.

**RESOLUTION 22-62
DESIGNATING A PORTION OF STATE ROUTE 634
(KENTUCKY ROAD) A RURAL RUSTIC ROAD**

WHEREAS Section 33.2-332 of the Code of Virginia permits the hard surfacing of certain unpaved roads deemed to qualify for designation as a Rural Rustic Road; and

WHEREAS any such road must be located in a low-density development area and have no more than 1500 vpd; and

WHEREAS the Board of Supervisors of King William County, Virginia ("Board") desires to consider whether Kentucky Road, Route 634, 0.70 mile, From: Route 625 To: Dead End be designated a Rural Rustic Road; and

WHEREAS the Board is unaware of pending development that will significantly affect the existing traffic on this road; and

WHEREAS this road is in the Board's six-year plan for improvements to the secondary system of state highways; and

WHEREAS the Board believes this road should be so designated due to its qualifying characteristics;

NOW, THEREFORE, BE IT RESOLVED the King William County Board of Supervisors hereby designates this road a Rural Rustic Road and requests the Residency Administrator for the Virginia Department of Transportation concur in this designation; and

BE IT FURTHER RESOLVED the Board requests this road be hard surfaced and, to the fullest extent prudent, be improved within the existing right of way and ditch-lines to preserve as much

as possible the adjacent trees, vegetation, side slopes, and rural rustic character along the road in their current state; and

BE IT FINALLY RESOLVED that a certified copy of this resolution be forwarded to the Virginia Department of Transportation Residency Administrator.

DONE this 22nd day of August, 2022.

**RESOLUTION 22-63
DESIGNATING A PORTION OF STATE ROUTE 641
(SANDY POINT ROAD) A RURAL RUSTIC ROAD**

WHEREAS Section 33.2-332 of the Code of Virginia permits the hard surfacing of certain unpaved roads deemed to qualify for designation as a Rural Rustic Road; and

WHEREAS any such road must be located in a low-density development area and have no more than 1500 vpd; and

WHEREAS the Board of Supervisors of King William County, Virginia ("Board") desires to consider whether Sandy Point Road, Route 641, 0.70 mile, From: Route 30 To: Dead End be designated a Rural Rustic Road; and

WHEREAS the Board is unaware of pending development that will significantly affect the existing traffic on this road; and

WHEREAS this road is in the Board's six-year plan for improvements to the secondary system of state highways; and

WHEREAS the Board believes this road should be so designated due to its qualifying characteristics;

NOW, THEREFORE, BE IT RESOLVED the King William County Board of Supervisors hereby designates this road a Rural Rustic Road and requests the Residency Administrator for the Virginia Department of Transportation concur in this designation; and

BE IT FURTHER RESOLVED the Board requests this road be hard surfaced and, to the fullest extent prudent, be improved within the existing right of way and ditch-lines to preserve as much as possible the adjacent trees, vegetation, side slopes, and rural rustic character along the road in their current state; and

BE IT FINALLY RESOLVED that a certified copy of this resolution be forwarded to the Virginia Department of Transportation Residency Administrator.

DONE this 22nd day of August, 2022.

**RESOLUTION 22-65
AMENDMENT TO THE KING WILLIAM COUNTY FISCAL YEAR 2023 CAPITAL IMPROVEMENT
PLAN FOR PARKING LOT REPAIRS**

WHEREAS the King William County Board of Supervisors wishes to amend its Fiscal Year (FY) 2023 Capital Improvement Plan to appropriate funds for parking lot repairs in FY2023 in the amount of \$38,600; and

WHEREAS funding parking lot repairs in FY2023 will reduce FY2024 parking lot repairs capital requests; and

WHEREAS funds for the parking lot repairs will be taken from the McAllister Building repairs FY2023 capital budget line;

NOW, THEREFORE, BE IT RESOLVED that the King William County Board of Supervisors does hereby authorize and appropriate the following amendments to the FY2023 Capital Improvement Plan:

<u>GENERAL DESCRIPTION</u>	<u>FY2023</u>	<u>FY2024</u>
MCALLISTER (CARPET, WINDOWS, PAINTING; GEN REPAIRS)	50,000 11,400	50,000
COUNTY ADMIN - PARKING LOT REPAIRS	0 38,600	100,000 50,000

DONE this 22nd day of August, 2022.

RESOLUTION 22-66

SUPPORT OF THE VIRGINIA AMERICA 250 COMMISSION AND ESTABLISHMENT OF THE KING WILLIAM COUNTY VA250 PLANNING COMMITTEE

WHEREAS the Board of Supervisors of King William County is dedicated to the furtherance of economic development and tourism in King William County; and

WHEREAS the Virginia America 250 Commission (VA250) was created in 2020 by the General Assembly for the purpose of preparing for and commemorating the 250th anniversary of Virginia’s participation in American independence and has requested that each locality form a committee to aid in planning for the commemoration period; and

WHEREAS the King William County Board of Supervisors desires to form a local VA250 committee to plan and coordinate programs occurring within the County and communicate regularly with VA250 in order to promote and commemorate this important historic milestone;

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of King William County, Virginia that the King William County VA250 Planning Committee is hereby established to contain not less than five nor more than fourteen members; and

BE IT FURTHER RESOLVED that the Board encourages citizens of the County, Tribal representatives, and government representatives to apply to participate on this Committee,

especially those interested in tourism, education, economic development, museums and historic sites, local historical and cultural groups, and universities and colleges.

DONE this 22nd day of August, 2022.

**RESOLUTION 22-67
DONATION TO TAPPAHANNOCK FIRE RELIEF EFFORTS**

WHEREAS the Board of Supervisors passed a motion at the July 25, 2022 regular meeting to give \$10,000 to Tappahannock out of the Unassigned Fund and authorize the County Administrator to contact them to find out where the funds would most be needed; and

WHEREAS the Board must now amend the FY23 budget to reflect this donation and appropriate the funds for same;

NOW, THEREFORE, BE IT RESOLVED that the King William County Board of Supervisors does hereby amend the FY23 budget and appropriates \$10,000 from the Unassigned Fund for a donation to Tappahannock fire relief efforts to be used in the area where most needed.

DONE this 22nd day of August, 2022.

Agenda Item 8. PUBLIC HEARING

8.a. Ordinance 07-22 - Establish Property Tax Levies on Tangible Personal Property for the Classifications of Vehicles Created by House Bill 1239

Vice Chair Hodges said he wants to avoid double-billing errors.

Commissioner Funkhouser said she re-ran the books on August 16, 2022. Revenue projections are met by setting the rate at \$2.66. To provide an even \$1 in relief, setting the rate at \$2.65, results in \$24,000 less in revenue.

Supervisor Garber asked Commissioner Funkhouser if she was sure of the numbers. Commissioner Funkhouser said yes.

Vice Chair Hodges asked if this has been discussed with Ms. Brown, Director of Finance. Commissioner Funkhouser said yes.

The rates proposed in the Ordinance for the special vehicle classification are \$1.195 for Districts 1-5 plus \$1.455 for Districts 2-5.

Chairman Moren opened the Public Hearing. There being no speakers, Chairman Moren closed the Public Hearing.

Supervisor Moskalski moved for the adoption of Ordinance 07-22 with a General Fund Levy of \$1.195 and a School Fund Levy of \$1.455; motion was seconded by Vice Chair Hodges. The Chairman called for any discussion. The members were polled:

Supervisor, 2nd District: Travis J. Moskalski	Aye
Supervisor, 3rd District: Stephen K. Greenwood	Aye
Supervisor, 1st District: William L. Hodges – Vice Chair	Aye
Supervisor, 4th District: C. Stewart Garber, Jr.	Aye
Supervisor, 5th District: Edwin H. Moren, Jr. – Chairman	Aye

ORDINANCE 07-22

AN ORDINANCE TO ESTABLISH PROPERTY TAX LEVIES UPON TANGIBLE PERSONAL PROPERTY FOR THE CLASSIFICATIONS OF VEHICLES AS LISTED IN § 58.1-3503(A)(3-5, 9-10) OF THE CODE OF VIRGINIA FOR THE CALENDAR YEAR 2022

WHEREAS the King William County Board of Supervisors passed Ordinance 04-22R establishing real estate and personal property tax levies for King William County for calendar year 2022 on April 25, 2022 with the intention to provide additional tangible personal property relief; and

WHEREAS, effective March 22, 2022, House Bill 1239 (Chapter 30, 2022 Acts of Assembly) creates a new class of tangible personal property for local personal property tax purposes which includes the following types of vehicles:

- a. Automobiles as described in Va. Code 58.1-3503(A)(3);
- b. Passenger trucks as described in Va. Code 58.1-3503(A)(4)-(5);
- c. Motor vehicles with specially designed equipment for use by the handicapped as described in Va. Code 58.1-3503(A)(9); and
- d. Motorcycles, mopeds, all-terrain vehicles, and off-road motorcycles, campers, and other recreational vehicles as described in Va. Code 58.1-3503(A)(10).; and

WHEREAS the Board of Supervisors desires to assign a rate of tax to this class different from the rate applicable to the general class of tangible personal property for the taxable year beginning January 1, 2022 and ending December 31, 2022, as allowed by House Bill 1239; and

WHEREAS, the Board duly advertised and held a public hearing on August 22, 2022 on the subject of such tax levies;

NOW, THEREFORE, BE IT ORDAINED AND ENACTED by the King William County Board of Supervisors that the following County tax levies be, and they hereby are, imposed on all tangible personal property for the above-referenced classifications of vehicles, as listed in House Bill 1239 and described in Va. Code 58.1-3503(A)(3-5, 9-10), not exempted by law and located within King William County for the calendar year 2022; and

General Fund Levy

**TAX RATES PER \$100 OF ASSESSED VALUES
FOR ALL DISTRICTS (INCLUDES TOWN OF WEST POINT)**

		<u>General Fund</u>
Real Estate	\$	0.375
Mobile Home	\$	0.375
Mines and Minerals	\$	0.375
Public Service Real Estate	\$	0.375
Public Service Personal Property	\$	1.65
Personal Property	\$	1.65
Machinery & Tools	\$	1.00
Aircraft	\$	N/A
Vehicles as listed in § 58.1-3506(A)(48) of the Code of Virginia and named above.	\$	1.195

School Fund Levy – (Applies only to geographic areas of the County within the King William County School Division – does not include the Town of West Point)

TAX RATES PER \$100 OF ASSESSED VALUES

		<u>School Fund</u>
Real Estate	\$	0.46
Mobile Home	\$	0.46
Mines and Minerals	\$	0.46
Public Service Real Estate	\$	0.46
Public Service Personal Property	\$	2.00
Personal Property	\$	2.00
Machinery & Tools	\$	1.25
Aircraft	\$	1.30
Vehicles as listed in § 58.1-3506(A)(48) of the Code of Virginia and named above.	\$	1.455

BE IT FURTHER ORDAINED AND ENACTED by the King William County Board of Supervisors that the County tax levies imposed via Ordinance 04-22R remain in effect for all other classes of tangible personal property, real estate, mobile homes, public service corporation property, machinery and tools, and aircraft other than those listed herein.

ADOPTED this the 22nd day of August, 2022.

8.b. Ordinance 08-22 - Updates to Zoning Ordinance

Ms. Graham, Director of Planning, presented updates to the Zoning Ordinance recommended for the Board’s approval by the Planning Commission at their August 9, 2022 meeting following a Public Hearing on the matter.

Regarding #3 - minimum lot size, area, and setbacks do not apply to public utility parcels owned or operated by the County, Supervisor Garber asked if exempting the County from the Zoning Ordinance is normally done. Ms. Graham said only on public utility parcels.

Supervisor Garber asked if someone built a kennel on a vacant lot, can they build a house later. Ms. Graham said they'd have to relocate the kennel.

Chairman Moren opened the Public Hearing. There being no speakers, Chairman Moren closed the Public Hearing.

Supervisor Garber moved for the adoption of Ordinance 08-22; motion was seconded by Supervisor Moskalski. The Chairman called for any discussion. The members were polled:

Supervisor, 3rd District: Stephen K. Greenwood	Aye
Supervisor, 1st District: William L. Hodges – Vice Chair	Aye
Supervisor, 4th District: C. Stewart Garber, Jr.	Aye
Supervisor, 2nd District: Travis J. Moskalski	Aye
Supervisor, 5th District: Edwin H. Moren, Jr. – Chairman	Aye

ORDINANCE 08-22
AN ORDINANCE TO UPDATE AND AMEND KING WILLIAM COUNTY CODE
CHAPTER 86 - ZONING

WHEREAS, pursuant to Code of Virginia §15.2-2240 the governing body of every locality shall adopt an ordinance to assure the orderly subdivision of land and its development; and

WHEREAS the updates and amendments to the Zoning Ordinance presented herein have been made in accordance with the comprehensive plan for the purpose of promoting the health, safety, and general welfare of the citizens of the County; and of further accomplishing the objectives of Code of Virginia §15.2-2283; and

WHEREAS the King William County Planning Commission conducted a duly advertised public hearing on August 9, 2022 and recommended approval of the additions and/or changes contained herein to the Board of Supervisors; and

WHEREAS, after reviewing the amendments recommended by the Planning Commission and holding a duly advertised public hearing on August 22, 2022, the Board finds that the general welfare of the King William community and the dictates of good zoning practice require changes to and adoption of the Planning Commission's recommendations in order to meet the requirements of the Code of Virginia;

NOW, THEREFORE, BE IT ORDAINED AND ENACTED that the Board of Supervisors of King William County, Virginia, does this 22nd day of August, 2022 amend King William County Code Chapter 86 - Zoning as presented herein; and

BE IT FURTHER ORDAINED AND ENACTED that this article shall become effective thirty (30) days from passage; and

BE IT FURTHER ORDAINED AND ENACTED that any applications currently active in the Office of Community Development shall be handled pursuant to the Zoning & Subdivision Ordinance as it was enacted at the time of application.

DONE this the 22nd day of August, 2022.

8.c. Ordinance 09-22 - Amend King William County Code Chapter 34 - Fire Prevention and Protection

Mr. Ashcraft briefly went over the proposed changes and said the Burn Permit fee would be \$0.00 upon adoption of this Ordinance.

Supervisor Garber thanked everyone who worked on this matter.

Chairman Moren opened the Public Hearing. There being no speakers, Chairman Moren closed the Public Hearing.

Vice Chair Hodges moved for the adoption of Ordinance 09-22; motion was seconded by Supervisor Greenwood. The Chairman called for any discussion. The members were polled:

Supervisor, 1st District: William L. Hodges – Vice Chair	Aye
Supervisor, 4th District: C. Stewart Garber, Jr.	Aye
Supervisor, 2nd District: Travis J. Moskalski	Aye
Supervisor, 3rd District: Stephen K. Greenwood	Aye
Supervisor, 5th District: Edwin H. Moren, Jr. – Chairman	Aye

ORDINANCE 09-22

AN ORDINANCE TO UPDATE AND AMEND KING WILLIAM COUNTY CODE CHAPTER 34 FIRE PREVENTION AND PROTECTION

WHEREAS the King William County Board of Supervisors enacted Count Code Chapter 34 – Fire Prevention and Protection in 1987 and updated §34-3 in 2001; and

WHEREAS it is necessary to update and amend Chapter 34 based on current conditions in King William County; and

WHEREAS the King William County Board of Supervisors conducted a duly advertised public hearing on August 22, 2022 to receive public comment and consider the above action;

NOW, THEREFORE, BE IT ORDAINED that the Board of Supervisors of King William County, Virginia, does this 22nd day of August, 2022, amend and update King William County Code Chapter 34 as follows:

Sec. 34-2. Findings.

King William County Fire and Emergency Services, Mangohick Volunteer Fire Department, West Point Volunteer Fire and Rescue Department, and Walkerton Community Fire Association are recognized as an integral part of the official safety program of this county.

~~The Mattiponi Rescue Squad, the King William Volunteer Fire Department, including the King William Volunteer Rescue Squad, the West Point Volunteer Fire Department, including the West Point Volunteer Rescue Squad, and the Mangohick Volunteer Fire Department including the Mangohick Volunteer Rescue Squad are recognized as an integral part of the official safety program of this county.~~

Sec. 34-3. Statewide fire prevention code.

~~The county fire marshal department is authorized to enforce the provisions of the statewide fire prevention code pursuant to chapter 9 of title 27 of the Code of Virginia (Code of Virginia, § 27-94 et seq.)~~

(a) King William County complies with the provisions of the [Virginia statewide fire prevention code \(SFPC\)](#) in its entirety and assigns enforcement responsibility to the King William County Fire Official, who shall be a certified Fire Marshal with the Commonwealth of Virginia.

(b) As per SFPC Section 107, operational permits may or may not be required by the fire official as permitted under the SFPC in accordance with Table 107.2. The county may or may not charge a fee for such permits as provided for by §15.2-1125 of the Code of Virginia. The amount of any such fees will be as established from time to time by resolution of the Board of Supervisors.

DONE this the 22nd day of August, 2022.

Agenda Item 9. OLD BUSINESS

9.a. Historical Society IT Usage Services Agreement - Travis Wolfe, IT Manager

Mr. Wolfe presented the proposed IT Usage Services Agreement with the King William County Historical Society.

Chairman Moren asked if this agreement trickles down to the Museum as well. Mr. Wolfe said yes.

Regarding the proposed security access system, Mr. Wolfe said the RFP closed Friday and they now have to go through them. He said they are looking at anywhere from 3-20 weeks for equipment availability.

Vice Chair Hodges asked who will manage the cards. Mr. Wolfe said the Sheriff will for the Courthouse and Ms. McInteer, HR Manager, or he will for all others.

9.b. Board Revision to Resolution 22-59 - Andrew R. McRoberts, County Attorney

Mr. McRoberts said the original Resolution 22-59 contained language not intended. Per Roberts Rules of Order, a resolution to reconsider the matter, a resolution to rescind Resolution 22-59, and a resolution to revise Resolution 22-59 had to be adopted.

9.b.i. Resolution 22-68 – Reconsider Resolution 22-59

Supervisor Moskalski made a motion to approve Resolution 22-68. Vice Chair Hodges seconded the motion. The Chairman called for any discussion. The members were polled:

Supervisor, 4th District: C. Stewart Garber, Jr.	Aye
Supervisor, 2nd District: Travis J. Moskalski	Aye
Supervisor, 3rd District: Stephen K. Greenwood	Aye
Supervisor, 1st District: William L. Hodges – Vice Chair	Aye
Supervisor, 5th District: Edwin H. Moren, Jr. – Chairman	Aye

**RESOLUTION 22-68
RECONSIDER RESOLUTION 22-59
REGARDING CONDITIONAL USE PERMIT (CUP) 01-2022
TAX MAP PARCEL 29-72D – APPLICANT: CHARLES SNEAD**

WHEREAS the applicant requested a Conditional Use Permit (CUP 01-2022) to operate a campground; and

WHEREAS the King William County Planning Commission held a duly advertised public hearing on June 7, 2022 and voted 4 to 1 to recommend denial to the Board of Supervisors of conditional use permit 01-22; and

WHEREAS the Board of Supervisors conducted a duly advertised public hearing on July 25, 2022 to receive public comment; and

WHEREAS the Board of Supervisors voted 4 to 1 to deny CUP 01-2022 on July 25, 2022 via Resolution 22-59 and inadvertently left in a further resolution, which they did not intend, as part of that resolution;

NOW, THEREFORE, BE IT RESOLVED that the King William County Board of Supervisors reconsiders its vote on Resolution 22-59, but not its vote to deny CUP 01-2022, and waives any of the By-Laws and Rules of Procedure if and to the extent necessary to do so.

DONE this 22nd day of August, 2022.

9.b.ii. Resolution 22-69 – Rescind Resolution 22-59

Supervisor Moskalski made a motion to approve Resolution 22-69. Vice Chair Hodges seconded the motion. The Chairman called for any discussion. The members were polled:

Supervisor, 2nd District: Travis J. Moskalski	Aye
Supervisor, 3rd District: Stephen K. Greenwood	Aye
Supervisor, 1st District: William L. Hodges – Vice Chair	Aye
Supervisor, 4th District: C. Stewart Garber, Jr.	Aye
Supervisor, 5th District: Edwin H. Moren, Jr. – Chairman	Aye

**RESOLUTION 22-69
RESCIND RESOLUTION 22-59
REGARDING CONDITIONAL USE PERMIT (CUP) 01-2022
TAX MAP PARCEL 29-72D – APPLICANT: CHARLES SNEAD**

WHEREAS the applicant requested a Conditional Use Permit (CUP 01-2022) to operate a campground; and

WHEREAS the King William County Planning Commission held a duly advertised public hearing on June 7, 2022 and voted 4 to 1 to recommend denial to the Board of Supervisors of conditional use permit 01-22; and

WHEREAS the Board of Supervisors conducted a duly advertised public hearing on July 25, 2022 to receive public comment; and

WHEREAS the Board of Supervisors voted 4 to 1 to deny CUP 01-2022 on July 25, 2022 via Resolution 22-59 and inadvertently left in a further resolution, which they did not intend, as part of that resolution; and

WHEREAS the Board of Supervisors voted on August 22, 2022 to reconsider its vote on Resolution 22-59, but not its vote to deny the CUP 01-2022, thus placing the matter of what resolution to adopt regarding said denial back before the Board of Supervisors; and

WHEREAS the Board of Supervisors wishes to rescind its prior Resolution 22-59 in order to adopt a revised resolution in its place;

NOW, THEREFORE, BE IT RESOLVED that the King William County Board of Supervisors rescinds Resolution 22-59, but not its vote to deny CUP 01-2022, and waives any of the By-Laws and Rules of Procedure if and to the extent necessary to do so.

DONE this 22nd day of August, 2022.

9.b.iii. Resolution 22-59R – Deny Conditional Use Permit (CUP) 01-2022

Supervisor Moskalski made a motion to approve Resolution 22-59R. Supervisor Garber seconded the motion. The Chairman called for any discussion. The members were polled:

Supervisor, 3rd District: Stephen K. Greenwood	Aye
Supervisor, 1st District: William L. Hodges – Vice Chair	Aye
Supervisor, 4th District: C. Stewart Garber, Jr.	Aye
Supervisor, 2nd District: Travis J. Moskalski	Aye
Supervisor, 5th District: Edwin H. Moren, Jr. – Chairman	Aye

RESOLUTION 22-59R
ACCEPT THE RECOMMENDATION OF THE PLANNING COMMISSION TO DENY CONDITIONAL
USE PERMIT (CUP) 01-2022
TAX MAP PARCEL 29-72D – APPLICANT: CHARLES SNEAD

WHEREAS the applicant is requesting a Conditional Use Permit to operate a campground which will consist of four platformed campsites, a larger platformed gazebo, six recreational vehicle sites, a primitive tent camping area, nine additional camp sites; a check-in office, dump station, guesthouse, bathhouse with laundry, boathouse, and a large and small gazebo; and

WHEREAS already existing on the property are a pool with decking and gazebo, outdoor kitchen and bar, food cafe, hot tub, outdoor dining terrace, pond, and hiking trails; and

WHEREAS the current King William County Comprehensive Plan talks about the need for "Growth in agritourism, focus on tourism that draws families interested in hunting, fishing, camping, boating, kayaking, biking, hiking ... nature! Market to outside events -weddings, concerts, tournaments etc. Encourage B & B / VRBO vacation rentals; and

WHEREAS King William County Code Section 86-44 states that a conditional use may be approved by the Board of Supervisors for any use specifically identified as a permitted conditional use in the Use Matrix in Article VII. In approving these conditional uses, the Board of Supervisors may, in addition to the general regulations applicable to the zoning district in which the conditional use is located, impose any additional reasonable conditions in connection therewith that it deems necessary to ensure that the conditional use will be consistent with the overall intent and spirit of this ordinance. The Board of Supervisors may require a guarantee or bond to ensure that the conditions imposed are being and will continue to be complied with; and

WHEREAS King William County Code Section 86-44 further states that a conditional use permit shall not be issued unless the Board of Supervisors shall find that:

- a. The proposed use will not adversely affect the health, safety, or welfare of persons residing or working in the general proximity, of the proposed use. Nor will the proposed use be detrimental to public welfare or injurious to the property or improvements in the neighborhood. Among matters to be considered in this connection are traffic congestion, noise, lights, dust, odor, fumes, and vibrations, with due regard for timing of operation. Screening, and other matters which might be regulated to mitigate adverse impact.
- b. The proposed use will conform to the comprehensive plan, or to specific elements of such plan, and the official policies adopted in relation thereto, including the purposes and the expressed intent of this ordinance; and

WHEREAS the King William County Planning Commission held a duly advertised public hearing on June 7, 2022 and voted 4 to 1 to recommend denial to the Board of Supervisors of conditional use permit 01-22; and

WHEREAS, as part of that same motion the King William County Planning Commission voted 4 to 1 to recommend “further, that based on the years of abuse of the neighboring property owners, the Board cancel all current permits held by Mr. Snead for the Bed and Breakfast, campground, and any and all other uses of parcel 29-72D except for the previous use of the property as a residence, therefore, allowing the adjacent owners to live in peace and tranquility of their rural property that they sought when purchasing their property”; and

WHEREAS the Board of Supervisors conducted a duly advertised public hearing on July 25, 2022 to receive public comment; and

WHEREAS the Board of Supervisors voted four to one to deny CUP 01-2022 on July 25, 2022 and inadvertently left a further resolution, which they did not intend, as part of that resolution;

NOW, THEREFORE, BE IT RESOLVED, that the King William County Board of Supervisors accepts the recommendation of the Planning Commission and hereby denies CUP 01-2022; and

~~**BE IT FURTHER RESOLVED** that the King William County Board of Supervisors does cancel all current permits held by the applicant for the Bed and Breakfast, campground, and any and all other uses of parcel 29-72D except for the use of the property as a residence.~~

BE IT FURTHER RESOLVED that the King William County Board of Supervisors denies the Planning Commission’s recommendation to “cancel all current permits held by Mr. Snead”, since the scope and validity of such permits are currently in litigation before the King William County Circuit Court.

DONE this 22nd day of August, 2022.

Agenda Item 10. NEW BUSINESS

Mr. Ashcraft asked the Board for formal approval of the Historical Society IT Usage Services Agreement since it is a contract he would be signing. Supervisor Moskalski made a motion to approve the County Administrator signing the Historical Society IT Usage Services Agreement as presented. Vice Chair Hodges seconded the motion. The Chairman called for any discussion. The members were polled:

Supervisor, 1st District: William L. Hodges – Vice Chair	Aye
Supervisor, 4th District: C. Stewart Garber, Jr.	Aye
Supervisor, 2nd District: Travis J. Moskalski	Aye
Supervisor, 3rd District: Stephen K. Greenwood	Aye
Supervisor, 5th District: Edwin H. Moren, Jr. – Chairman	Aye

10.a. Resolution 22-64 - Updating King William County Personnel Policies & Procedures Manual, Chapter 11: Grievance Policy and Procedures – Nita McInteer, Human Resources Manager

Ms. McInteer said these changes will bring the County in line with the Commonwealth of Virginia and contemporary policy to use a grievance officer rather than a panel.

Vice Chair Hodges said there is a \$2,000 fee for a grievance officer but we've only had one grievance that he can remember in his years on the Board.

Ms. McInteer said this ensures someone well versed in policy and procedure is hearing the matter and eliminates any possible favoritism.

Chairman Moren asked the response time. Ms. McInteer said a response is required within five days which is in our policy per state code.

Chairman Moren asked if participants were allowed to attend via Zoom. Ms. McInteer said only in the case of another pandemic and even then it has to be agreed upon by all parties.

Supervisor Garber made a motion to approve Resolution 22-64. Vice Chair Hodges seconded the motion. The Chairman called for any discussion. The members were polled:

Supervisor, 4th District: C. Stewart Garber, Jr.	Aye
Supervisor, 2nd District: Travis J. Moskalski	Aye
Supervisor, 3rd District: Stephen K. Greenwood	Aye
Supervisor, 1st District: William L. Hodges – Vice Chair	Aye
Supervisor, 5th District: Edwin H. Moren, Jr. – Chairman	Aye

10.b. Gordian Proposal for Transfer Site Expansion - Steve Hudgins, Deputy County Administrator

Mr. Hudgins asked for the Board's consideration of a proposal for the design and construction phase of the VPPSA transfer site expansion project. The amended contract has not yet been received yet because Mr. Hudgins asked for a revision of the general scope to include design. Also, the contract would be between Gordian and King William County, not VPPSA as shown in the draft proposal. There is a stipulation that the project fall under \$500,000.

Vice Chair Hodges asked how this plan will eliminate the traffic problem. Mr. Hudgins said it would create a loop allowing trailers to pull straight in, similar to the Mathews transfer station. The County has also begun discussing with the schools about moving the current bus depot which could then possibly be used as an entrance.

Vice Chair Hodges asked if that would match this concept. Mr. Hudgins said yes.

Chairman Moren said he would like an aerial of the Mathews site.

Vice Chair Hodges asked if Mathews previously had a problem. Mr. Hudgins said their site is in wetlands and it is their only site.

Supervisor Garber asked if there was a designated stop point for trailers. Mr. Hudgins said possibly, or they could be directed to Epworth.

Supervisor Garber asked how much larger of a footprint this plan would create. Mr. Hudgins said is it not much larger but will provide better queuing.

Vice Chair Hodges asked if the plan included storm water. Mr. Hudgins said not storage. They think they can divert it with culverts.

Supervisor Greenwood said it's good that it fits in the existing footprint.

Chairman Moren asked if the station would have to close during construction. Mr. Hudgins said possibly for a couple of days but they do not anticipate it.

Supervisor Greenwood made a motion to authorize the County Administrator to sign the contract with Gordian for evaluation and design which is part of the \$450,000 estimate. Supervisor Garber seconded the motion. The Chairman called for any discussion. The members were polled:

Supervisor, 2nd District: Travis J. Moskalski	Aye
Supervisor, 3rd District: Stephen K. Greenwood	Aye
Supervisor, 1st District: William L. Hodges – Vice Chair	Aye
Supervisor, 4th District: C. Stewart Garber, Jr.	Aye
Supervisor, 5th District: Edwin H. Moren, Jr. – Chairman	Aye

10.c. Exercising the Renewal Term Agreement for Middle Peninsula Solid Waste System Operating Agreement Between VPPSA and KWC - Steve Hudgins, Deputy County Administrator

Mr. Hudgins said the renewal term used to be twenty years but is now ten years.

Supervisor Garber asked if that is what other localities are doing. Mr. Hudgins said yes.

Vice Chair Hodges asked how much notice was required to withdraw. Mr. Hudgins said he was not sure. Supervisor Greenwood said it is 18 months.

Chairman Moren asked if there are other practical alternatives. Mr. Hudgins said Waste Management but their prices are higher and sites are worse, per Mr. Magnant.

Chairman Moren asked if VPPSA's performance is evaluated. Mr. Hudgins said the director has an annual evaluation by the VPPSA Board, which King William has a seat on.

Vice Chair Hodges asked if others have problems with oil recycling. Mr. Hudgins said yes. There is only one vendor who is willing to pick up oil now. He said King & Queen County has already signed their renewal agreement.

Chairman Moren asked if this contract will cover future growth. Mr. Hudgins said it's up to us to determine how we want things to run in the County.

Vice Chair Hodges said demand is going to go up. Mr. Hudgins said Epworth could possibly be used to relieve the pressure. Supervisor Garber said that site needs updates as well and is dangerous.

Supervisor Greenwood made a motion to authorize the County Administrator to sign the renewal contract with VPPSA. Vice Chair Hodges seconded the motion. The Chairman called for any discussion. The members were polled:

Supervisor, 3rd District: Stephen K. Greenwood	Aye
Supervisor, 1st District: William L. Hodges – Vice Chair	Aye
Supervisor, 4th District: C. Stewart Garber, Jr.	Aye
Supervisor, 2nd District: Travis J. Moskalski	Aye
Supervisor, 5th District: Edwin H. Moren, Jr. – Chairman	Aye

10.d. Resolution 22-70 - FY23 Budget Amendment - State Compensation Board Salary Increases - Natasha L. Brown, Director of Financial Services

Ms. Brown said the State Compensation Board FY23 approved budget includes a 5% increase for Constitutional Officers and their comp board funded staff positions. Staff already received reviews and increases in the County’s FY23 budget.

Chairman Moren asked if the Treasurer and Commissioner of the Revenue received a cost-of-living adjustment (COLA). Ms. Brown said no, just their staff. He asked if the State Comp Board offers COLA. Ms. Brown said not at this time.

Supervisor Moskalski said he would like to consider COLA for those two offices of at least 1.5%. He said the Comp Board says they’re coming through with another 5% next year although that could devolve. This would still reduce the County supplement side.

Supervisor Garber made a motion to approve Resolution 22-70 as presented. Motion was seconded by Supervisor Greenwood. The Chairman called for any discussion.

Mr. McRoberts suggested the Board may want to delay action on this item until after Closed Session discussions.

Ms. Brown said the changes were effective August 1st and she needs to know tonight before August payroll is run.

Supervisor Garber withdrew his motion to approve Resolution 22-70.

Supervisor Moskalski made a motion to table discussion of Resolution 22-70 until after Closed Session. Supervisor Garber seconded the motion. The Chairman called for any discussion. The members were polled:

Supervisor, 4th District: C. Stewart Garber, Jr.	Aye
Supervisor, 2nd District: Travis J. Moskalski	Aye
Supervisor, 3rd District: Stephen K. Greenwood	Aye
Supervisor, 1st District: William L. Hodges – Vice Chair	Aye
Supervisor, 5th District: Edwin H. Moren, Jr. – Chairman	Aye

10.e. Resolution 22-71 - DSS Budget Amendment - Natasha L. Brown, Director of Financial Services

Ms. Brown said a budget amendment was needed because of the State Budget Allocation for local Social Services offices. The local budget should match the state budget. No additional funds from the locality would be required. She said this is the first time Finance has ever seen the state's DSS budget. The state makes adjustments regularly and Finance will keep the Board informed when that happens.

Supervisor Moskalski made a motion to approve Resolution 22-71. Vice Chair Hodges seconded the motion. The Chairman called for any discussion. The members were polled:

Supervisor, 2nd District: Travis J. Moskalski	Aye
Supervisor, 3rd District: Stephen K. Greenwood	Aye
Supervisor, 1st District: William L. Hodges – Vice Chair	Aye
Supervisor, 4th District: C. Stewart Garber, Jr.	Aye
Supervisor, 5th District: Edwin H. Moren, Jr. – Chairman	Aye

10.f. Resolution 22-72 - Department of Elections Budget Amendment - Natasha L. Brown, Director of Financial Services

Ms. Brown said a budget amendment was needed because the State Department of Elections increased salaries for the Electoral Board and General Registrar by 5% effective August 1, 2022.

Vice Chair Hodges made a motion to approve Resolution 22-72. Supervisor Garber seconded the motion. The Chairman called for any discussion. The members were polled:

Supervisor, 3rd District: Stephen K. Greenwood	Aye
Supervisor, 1st District: William L. Hodges – Vice Chair	Aye
Supervisor, 4th District: C. Stewart Garber, Jr.	Aye
Supervisor, 2nd District: Travis J. Moskalski	Aye
Supervisor, 5th District: Edwin H. Moren, Jr. – Chairman	Aye

10.g. Sheriff's Deputy Starting Salaries - Jeff Walton, Sheriff

Sheriff Walton said the Board funded six positions and he has been unable to fill them. Salaries need to be raised to compete with localities around us. King William's starting salary is \$42,500, West Point is \$42,800, King & Queen is \$43,000, Middlesex is \$46,000, and New Kent is \$53,000.

He said he is not asking for additional money for FY23. He would like to change the starting salary to \$47,500. This would add \$69,000 with compression, however, because he has been unable to fill the existing positions budgeted at \$78,000, no additional funds would be needed. He said the Comp Board is increasing funding next year.

The Sheriff said he had one officer work 74 hours last week, which included 26 hours of overtime. Guys who are entering the field now want more. The only way to get and keep folks here is with pay. Officers face the same dangers here as they do anywhere else.

Supervisor Garber asked if New Kent has trouble. Sheriff Walton said everyone is having trouble due to the court schedules being busier and not as many people choosing to enter the field.

Chairman Moren asked about overtime pay. Sheriff Walton said he is paying \$67,000/month which is eating into his overtime budget.

He said it takes four months for a recruit to go through the academy and they are paid the entire time.

Vice Chair Hodges asked if he'd talked with Ms. Brown about next year. Sheriff Walton said yes and they will have to address it again a few years down the road.

Chairman Moren asked if non-monetary incentives such as tax breaks would help. Sheriff Walton said that wouldn't work for those who live outside the County.

Supervisor Garber asked how many deputies have been lost to Hanover. Sheriff Walton said none. Two have gone to West Point and two have gone to the Marine Police.

Vice Chair Hodges said the fire department will be right behind this.

Supervisor Moskalski said there is a lack of people entering the profession.

Chairman Moren asked the compression percentage. Sheriff Walton said it's the same ratio used for all other County employees. That doesn't include fringe.

Ms. Brown said this won't change the budget and a resolution is not needed because the money has already been appropriated. Mr. Ashcraft said the pay classification scale may need to be amended.

Vice Chair Hodges said the increase doesn't include him.

Supervisor Moskalski made a motion to accept Sheriff Walton's proposal to raise Sheriff's Deputy starting salaries to \$47,500. Supervisor Garber seconded the motion. The Chairman called for any discussion. The members were polled:

Supervisor, 1st District: William L. Hodges – Vice Chair	Aye
Supervisor, 4th District: C. Stewart Garber, Jr.	Aye
Supervisor, 2nd District: Travis J. Moskalski	Aye
Supervisor, 3rd District: Stephen K. Greenwood	Aye
Supervisor, 5th District: Edwin H. Moren, Jr. – Chairman	Aye

Agenda Item 11. ADMINISTRATIVE MATTERS FROM COUNTY ADMINISTRATOR

11.a. Administration Report – Percy C. Ashcraft, County Administrator

Mr. Ashcraft provided the Board with an updated copy of his monthly report (Attachment B). He said Habitat for Humanity is looking for partners to help with demolition on a property they've purchased in the County.

11.b. DCIS Civilian Active Attack Program Public Training Sessions - September 7, 2022 - Percy C. Ashcraft, County Administrator

Mr. Ashcraft announced this free training opportunity for the public. This is a required training for all County employees. Two identical sessions will be held at the Parks & Rec Building on Route 360 on September 7, 2022 – one from 8am-Noon and another from 1-5pm.

Vice Chair Hodges asked if background checks are required for participants in the class. Chief Reaves said not for this one. They are required for higher-level classes. This class is designed for citizens.

Chairman Moren asked if the County has access to background checks. Mr. Ashcraft said through the Sheriff's Office and Administration.

Agenda Item 12. BOARD OF SUPERVISORS' COMMENTS

Supervisor Greenwood thanked everyone for coming and wished Supervisor Moskalski a happy birthday.

Supervisor Garber recognized Robert Hardwick and Straughan Robinson for helping with the Raiders. Mr. Hardwick spoke with Nestle and secured a donation and Mr. Robinson took care of the topsoil and glass in the fields. Mr. Hardwick provided grass seed and fertilizer. He mentioned the real estate auctions open from September 1-15 at vauction.com.

Vice Chair Hodges thanked people for coming. He said the pressed asphalt in the Town looks good.

Supervisor Moskalski said he's been doing this from 25-36 years-old and is both grateful and horrified at the passage of time.

Chairman Moren expressed gratitude to County staff for the Farmers Market and challenged them with finding a way to continue. He also thanked Mr. Hardwick and Mr. Robinson for their contributions to the Raiders program.

Agenda Item 13. CLOSED MEETING

13.a. Motion to Convene Closed Meeting

Supervisor Moskalski made a motion to convene in Closed Meeting in accordance with Section 2.2-3711 (A)(3) of the Code of Virginia regarding the acquisition of real property for a public purpose because discussion in an open meeting may adversely affect the bargaining position or negotiating strategy of the Board, and in accordance with Section 2.2-3711 (A)(8) of the Code of Virginia to consult with legal counsel about the Board's authority in the supplemental salary of the Treasurer. Vice Chair Hodges seconded the motion. The Chairman called for any discussion. The members were polled:

Supervisor, 4th District: C. Stewart Garber, Jr.	Aye
Supervisor, 2nd District: Travis J. Moskalski	Aye
Supervisor, 3rd District: Stephen K. Greenwood	Aye
Supervisor, 1st District: William L. Hodges – Vice Chair	Aye
Supervisor, 5th District: Edwin H. Moren, Jr. – Chairman	Aye

13.b. Motion to Reconvene in Open Session

Supervisor Moskalski made a motion to reconvene in Open Session. Vice Chair Hodges seconded the motion. The Chairman called for any discussion. The members were polled:

Supervisor, 2nd District: Travis J. Moskalski	Aye
Supervisor, 3rd District: Stephen K. Greenwood	Aye
Supervisor, 1st District: William L. Hodges – Vice Chair	Aye
Supervisor, 4th District: C. Stewart Garber, Jr.	Aye
Supervisor, 5th District: Edwin H. Moren, Jr. – Chairman	Aye

13.c. Certification of Closed Meeting

Supervisor Moskalski moved for adoption of Standing Resolution 1 (SR-1) in accordance with Section 2.2-3712 (D) of the Code of Virginia, 1950, as amended; the motion was seconded by Supervisor Greenwood. The Chairman called for any discussion. The members were polled:

Supervisor, 3rd District: Stephen K. Greenwood	Aye
Supervisor, 1st District: William L. Hodges – Vice Chair	Aye
Supervisor, 4th District: C. Stewart Garber, Jr.	Aye
Supervisor, 2nd District: Travis J. Moskalski	Aye
Supervisor, 5th District: Edwin H. Moren, Jr. – Chairman	Aye

STANDING RESOLUTION – 1 (SR-1)

A RESOLUTION TO CERTIFY COMPLIANCE WITH THE FREEDOM OF INFORMATION ACT REGARDING MEETING IN CLOSED MEETING

WHEREAS, the King William County Board of Supervisors has convened a closed meeting on this date pursuant to an affirmative recorded vote, and in accordance with the provisions of the Virginia Freedom of Information Act; and,

WHEREAS, Section 2.2-3712 (D) of the Code of Virginia requires a certification by the King William County Board of Supervisors that such closed meeting was conducted in conformity with Virginia law,

NOW, THEREFORE, BE IT RESOLVED that the King William County Board of Supervisors on this 22nd day of August, 2022, hereby certifies that, to the best of each member’s knowledge:

1. Only public business matters lawfully exempted from open meeting requirements under the Freedom of Information Act were heard, discussed, or considered in the closed meeting to which this certification resolution applies, by the King William County Board of Supervisors.

2. Only such public business matters as were identified in the motion convening the closed meeting were heard, discussed, or considered by the King William County Board of Supervisors.

DONE this the 22nd day of August, 2022.

13.d. Action on Closed Meeting (if necessary)

Supervisor Moskalski made a motion to take Resolution 22-70 off the table. Supervisor Garber seconded the motion. The Chairman called for any discussion. The members were polled:

Supervisor, 1st District: William L. Hodges – Vice Chair	Aye
Supervisor, 4th District: C. Stewart Garber, Jr.	Aye
Supervisor, 2nd District: Travis J. Moskalski	Aye
Supervisor, 3rd District: Stephen K. Greenwood	Aye
Supervisor, 5th District: Edwin H. Moren, Jr. – Chairman	Aye

Vice Chair Hodges made a motion to approve Resolution 22-70R adding a 1.5% increase to the position of the Commissioner of the Revenue and 0% to the position of the Treasurer. Supervisor Moskalski seconded the motion. The Chairman called for any discussion. The members were polled:

Supervisor, 4th District: C. Stewart Garber, Jr.	Aye
Supervisor, 2nd District: Travis J. Moskalski	Aye
Supervisor, 3rd District: Stephen K. Greenwood	Aye
Supervisor, 1st District: William L. Hodges – Vice Chair	Aye
Supervisor, 5th District: Edwin H. Moren, Jr. – Chairman	Aye

RESOLUTION 22-70R

**AMENDMENT TO THE KING WILLIAM COUNTY FISCAL YEAR 2023 BUDGET
APPROPRIATION STATE COMPENSATION BOARD SALARY INCREASES**

WHEREAS the King William County Board of Supervisors wishes to amend its Fiscal Year (FY) 2023 Budget to reflect the additional revenue and expenses related to State Compensation Board 5% salary increases;

NOW, THEREFORE, BE IT RESOLVED that the King William County Board of Supervisors does hereby authorize and appropriate the following increases of funds within the 2022-2023 Budget, such line items increased as follows, which monies shall be expended for purposes authorized and approved by the Board of Supervisors:

FUND/ORGANIZATION

General Fund

Expenditures:

\$94,079 Additional Department Salaries & Fringe

Breakdown as follows:	\$4,178	Circuit Court Clerk
	\$10,888	Commonwealth's Attorney
	\$77,705	Sheriff
	\$1,307	Commissioner of the Revenue
	\$0	Treasurer

General Fund

Revenues:

\$96,915 Additional Anticipated Funds to offset Constitutional Officers' salary supplement from King William County. Reducing the taxpayer's contribution to the Constitutional Offices.

DONE this 22nd day of August, 2022.

Agenda Item 15. ADJOURN OR RECESS

Supervisor Moskalski made a motion to adjourn the meeting; seconded by Supervisor Garber. The Chairman called for any discussion. The members were polled:

Supervisor, 2nd District: Travis J. Moskalski	Aye
Supervisor, 3rd District: Stephen K. Greenwood	Aye
Supervisor, 1st District: William L. Hodges – Vice Chair	Aye
Supervisor, 4th District: C. Stewart Garber, Jr.	Aye
Supervisor, 5th District: Edwin H. Moren, Jr. – Chairman	Aye

COPY TESTE:

Edwin H. Moren, Jr., Chairman
Board of Supervisors

Christine H. Branch
Deputy Clerk to the Board of Supervisors

ATTACHMENT A

August 22, 2022 King William Board of Supervisors

Good evening Board members, Mr. Ashcraft and Mr. Hodges

I just wanted to thank your hard work and hard decision making when it came to funding the West Point and Upper King William branches of the Pamunkey Regional Library.

Upper King William's Summer Reading Program grew this year from last year. The program is still running until 8/31, so these are the numbers as of yesterday 8/21/2022.

Last Year 2021 had participants of 221.

Current year 2022 participation to date is 261, a participation increase from last year of 40.

Jungle Jack was a big hit. Patrons and staff of the Upper King William branch thank Parks and Recreation for providing the space at ballpark. The parking lot at the library just was not big enough for the trailer and participants. It's great to see county resources working together for the community.

Storytime at Upper King William is scheduled to start back Wednesday, September 14.

Request to use the meeting room and study room continues to increase.

Afternoon and evening use *is anticipated* will increase with school back in session.

If you have questions or concerns please contact me at [REDACTED]

Respectfully submitted,

Mary Shipman, King William rep PRL Board of Trustees

Public Comment submitted by Chris Couch, District 5



The amount King William Taxpayers have paid to Richmond based law firm Sands Anderson to date for:

**DRIVING TO AND FROM
KW BOARD OF SUPERVISOR
MEETINGS**

Would be more if the government wasn't closed for in person meetings during Covid-19.

King William County, Virginia
Information received by FOIA from Sands Anderson invoices to KWC

ATTACHMENT B



County Administrator's Report

August 22, 2022 Meeting of the Board of Supervisors (Updated)

Meetings & Special Dates

August

1. MPPDC Meeting – August 24th at 7pm, Saluda
2. Virginia Secretary of Trade & Commerce Region Visit – August 24th
3. Archeological Dig Day at Historic Courthouse Tavern Site – August 25th from 10am – 4pm
4. Food Trucks by the River – August 26th from 5-8pm; Pavilion at Riverwalk Park
5. West Point Farmers Market – August 27th from 8am – Noon; Pavilion at Riverwalk Park
6. Free COVID-19 Vaccines for Children Ages 6 months – 5 years – August 31st from 8:30am – 5pm; King William Health Department

September

1. Parks & Recreation Commission – September 1st at 7pm; Parks & Rec Community Center
2. West Point Farmers Market – September 3, 10, 17, 24 from 8am – Noon; Pavilion at Riverwalk Park
3. Labor Day – County Offices Closed – September 5th
4. Planning Commission – September 6th at 7 p.m.; Board Room
5. Civil Response & Casualty Care – September 7th from 8am-Noon, Parks & Rec Community Center
6. Civil Response & Casualty Care – September 7th from 1-5pm, Parks & Rec Community Center
7. Archeological Dig Day at Historic Courthouse Tavern Site – September 8th & 22nd from 10am – 4pm
8. Jammin' on the Point Summer Concert Series – September 9th from 6-9:30pm, WP Town Park
9. Mangohick VFD Turkey Shoot – September 9, 16, 23, 30 at 6:30pm
10. Mangohick VFD Community Day & Car Show – September 10th from 2-6pm
11. Mangohick VFD Firefighter Skills Competition – September 11th at 9am
12. Board of Supervisors Work Session – September 12th at 7pm; Board Room
13. Middle Peninsula & Northern Neck Job Fair – September 14th from 10am – 2pm; 5178 Richmond-Tappahannock Highway in Tappahannock
14. Economic Development Authority – September 14th at 7pm; Board Room
15. 360 Hardware Farm & Chicken Swap – September 17th from 8am-1pm
16. King William County School Board Meeting – September 20th at 6pm; Hamilton-Holmes MS
17. Food Trucks by the River – September 23rd from 5-8pm, Pavilion at Riverwalk Park
18. Board of Supervisors Regular Meeting – September 26th at 7pm; Board Room
19. West Point Crab Carnival – September 30th from 5-9:30pm; Downtown West Point

Notes & Updates

1. Personnel
 - a. Vick Jason hired as full-time dispatcher in the Sheriff's Office.
 - b. Robert Outlaw resigned as Benefits Specialist in Social Services.
2. Dollar General has resumed construction of its newest store off Route 30.
3. Middlesex Social Services continues to assist our Family Services Unit on a 90-day contract.
4. King William County is listed as Medium for COVID-19 exposure by the State Department of Health.
5. Next Generation 9-1-1 is expected to be launched in September by the Sheriff's Office.
6. King William County unemployment rate was 2.7 percent for July.
7. The non-profit organization handling funding for West Point and King William Head Start program has been cited for financial deficiencies by the Administration for Children and Families.
8. The wrong topsoil was placed on the football field where the Raiders Youth Football Organization plays its home games at Hamilton-Holmes Middle School. Through donations of equipment and labor by Straughan Robinson and Robert Hartwick, and assistance from our Maintenance crew, the wrong soil was removed, new soil was added, and new grass was planted. The size of the donation by the two EDA members was around \$2,500.
9. Habitat for Humanity has purchased property at 11353 West River Road as the site for its next house. The group is requesting help from community developers and contractors to get the current structure torn down and help with other site work.
10. New Welcome Signs have been installed at entry points into the County except in and around West Point. Community feedback has been favorable. Mulch has also been placed and flowers will be planted.
11. Fire & EMS has received a grant for over \$350,000 from FEMA for SCBA gear for career and volunteer personnel.
12. West Rock has donated \$10,000 to the West Point Volunteer Fire Department for assistance in the purchase of a new ambulance.
13. HRSD is now estimating the completion date for its wastewater treatment plant is end of calendar year 2025.
14. The second Farmers Market was deemed a success on August 19 with approximately 400 people plus over 50 vendors attending.
15. Cornerstone Community Development Center is looking to expand its Aylett location.
16. King William County schools opened today.
17. Amanda Tevis has been named the new Director of Social Services for King William County.

AGENDA ITEM 7.b.

Approval of Expenditures - August 2022



Natasha L. Brown
 Director of Financial Services

Board of Supervisors
 William L. Hodges, First District
 Travis J. Moskalski, Second District
 Stephen K. Greenwood, Third District
 C. Stewart Garber, Jr., Fourth District
 Edwin H. Moren, Jr., Fifth District

MEMO

DATE: September 26, 2022
 TO: King William County Board of Supervisors
 FROM: Natasha Brown, Director of Financial Services
 SUBJECT: Monthly Expenditures - August 2022

County Administration Expenditures (excluding Payroll)

Checks and ACH processed	828,271.79
Transfer from Treasurer to Schools	1,000,000.00

County Administration Payroll

Payroll Net	390,148.92
Employer Benefit Portion	147,573.70
Employer State Unemployment	385.47
Employer FICA/Med Portion	108,837.34
County Costs	646,945.43
<i>Employee Portion of Taxes</i>	40,935.30
<i>Employee Portion of Benefits</i>	60,908.51
	<u>748,789.24</u>

ARPA Funds (Fund 215)

Comprehensive Services Act	1,270.41
	142,943.91

Department of Social Services Expenditures (excluding Payroll)

Checks and ACH processed	20,522.67
Special Welfare	-

DSS Payroll

Payroll Net	27,352.29
Employer Benefit Portion	11,970.75
Employer State Unemployment	0.88
Employer FICA/Med Portion	6,567.85
DSS Costs	45,891.77
<i>Employee Portion of Taxes</i>	2,826.49
<i>Employee Portion of Benefits</i>	5,479.98
	<u>54,198.24</u>

TREASURER MANUAL CHECKS ISSUED

<i>Expenses</i>	
<i>Pass Thru</i>	1,144.60
<i>Refunds</i>	1,763.88
	2,908.48

Total County Administration, ARPA, Social Services, CSA, & Treasurer Manual Checks	2,688,754.46
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AGENDA ITEM 7.c.

Resolution 22-75 - Supporting Operation Green Light for Veterans

RESOLUTION 22-75

Supporting Operation Green Light for Veterans

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WHEREAS the residents of King William County have great respect, admiration, and the utmost gratitude for all the men and women who have selflessly served our country and this community in the Armed Forces; and

WHEREAS the contributions and sacrifices of the men and women who served in the Armed Forces have been vital in maintaining the freedoms and way of life enjoyed by our citizens; and

WHEREAS King William County seeks to honor these individuals who have paid the high price for freedom by placing themselves in harm's way for the good of all; and

WHEREAS veterans continue to serve our community in the American Legion, Veterans of Foreign Wars, religious groups, civil service, and by functioning as County Veteran Service Officers in 29 states to help fellow former service members access more than \$52 billion in federal health, disability and compensation benefits each year; and

WHEREAS approximately 200,000 service members transition to civilian communities annually; and

WHEREAS an estimated 20 percent increase of service members will transition to civilian life in the near future; and

WHEREAS studies indicate that 44-72 percent of service members experience high levels of stress during transition from military to civilian life; and

*Proposed for Adoption by King William County Board of Supervisors
September 26, 2022 Regular Meeting*

21 **WHEREAS** Active Military Service Members transitioning from military service are
22 at a high risk for suicide during their first year after military service; and

23 **WHEREAS** King William County appreciates the sacrifices of our United State
24 Military Personnel and believes specific recognition should be granted;

25 **NOW, THEREFORE, BE IT RESOLVED**, by the King William County Board of Supervisors
26 designates King William County as a Green Light for Veterans County and hereby declares
27 October through Veterans Day, November 11th 2022 as a time to salute and honor the
28 service and sacrifice of our men and women in uniform transitioning from Active Service;
29 and

30 **BE IT FURTHER RESOLVED**, that in observance of Operation Green Light, King William
31 County encourages its citizens in patriotic tradition to recognize the importance of
32 honoring all those who made immeasurable sacrifices to preserve freedom by displaying a
33 green light in a window of their place of business or residence.

34 **DONE** this 26th day of September, 2022.

AGENDA ITEM 7.d.

Resolution 22-76 - Amending and Appropriating the FY23 Budget to Include the Sheriff's Office SRO Grant Award

**RESOLUTION 22-76
AMENDING AND APPROPRIATING THE FY23 BUDGET
TO INCLUDE THE SHERIFF'S OFFICE SRO GRANT AWARD**

WHEREAS the King William County Board of Supervisors wishes to amend its Fiscal Year (FY) 2023 Budget to reflect additional revenue and expenses related to FY2023 SRO Grant Award; and

WHEREAS the King William County Sheriff's Office has been awarded FY2023 SRO Grant Program Funds from the Virginia Department of Criminal Justice Services for \$120,527 which will increase anticipated revenues for FY2023; and

WHEREAS the Sheriff's Office Department budget will increase by \$120,527 for salaries to abide by the terms of Grant Agreement;

NOW, THEREFORE, BE IT RESOLVED that the King William County Board of Supervisors does hereby authorize and appropriate the following amendments to the 2022-2023 Budget, such line items increased as follows, which monies shall be expended for purposes as authorized and approved by the Board:

FUND/ORGANIZATION

General Fund		
Expenditures:		
Sheriff Office Salaries	Department 031200	\$120,527
General Fund		
Revenues:		
SRO Grant Revenue	019020-0022	\$120,527

DONE this 26th day of September, 2022.

Grant Special Conditions

Virginia Department of Criminal Justice Services (DCJS)
1100 Bank Street, 12th Floor
Richmond, Virginia 23219

FY2023 School Resource Officer / School Security Officer Grant Program

Acceptance of this grant award by the grantee constitutes its agreement that it assumes full responsibility for the management of all aspects of the grant and the activities funded by the grant, including assuring proper fiscal management of and accounting for grant funds; assuring that personnel paid with grant funds are hired, supervised and evaluated in accordance with established employment and personnel policies; and assuring that all terms, conditions and assurances--those submitted with the grant application, and those issued with this award--are complied with.

By signing the Statement of Grant Award/Acceptance, the grantee agrees to:

- use the grant funds to carry out the activities described in the grant application, as modified by the terms and conditions attached to this award or by subsequent amendments approved by DCJS;
- comply with all relevant sections of the *Code of Virginia*;
- adhere to the approved budget contained in this award and amendments made to it in accord with these terms and conditions; and,
- comply with all terms, conditions and assurances either attached to this award or submitted with the grant application.

1. Performance and obligation periods

Grant funds, including local match, may be expended and/or obligated during the grant award period of performance. Grantees may only charge to the award allowable costs incurred during this grant award period. All properly incurred obligations must be liquidated no later than 45 days after the end of the award period. No new obligations may be made during the liquidation period. The grantee agrees to submit a final financial report and return all received and unexpended grant funds to DCJS within 45 days of the end of the grant award period.

2. Financial management systems

All grantees are required to establish and maintain adequate accounting systems and financial records and to accurately account for funds awarded to them. They must have a financial management system in place that is able to record and report on the receipt, obligation, and expenditure of grant funds. Grantees must properly track the use of award funds and maintain adequate supporting documentation including maintaining proper documentation for all paid grant and match staff and volunteer time reported.

3. Access to grant records

The grantee must authorize DCJS and the Virginia Auditor of Public Accounts (APA) access to, and the right to examine, all records, books, papers, or documents related to this grant.

4. Documentation requirements

The grantee agrees to, upon request, promptly provide financial or programmatic-related documentation related to this award, including documentation of expenditures and achievements.

5. Additional monitoring requirements

The grantee understands that it may be subject to additional financial and programmatic on-site monitoring, which may be on short notice, and agrees that it will cooperate with any such monitoring.

6. Record retention and access

Records pertinent to the award must be retained for a period of three (3) years from the date of submission of the final expenditure report. Grantee must provide access, including performance measurement information, in addition to the financial records, supporting documents, statistical records, and other pertinent records.

7. Non-Supplanting requirement

Funds made available through this award will not be used to replace State or local funds that would, in the absence of this grant, be made available for the same purposes.

8. Travel policy

Grantees may follow their own established travel rates if they have an established travel policy. DCJS reserves the right to determine the reasonableness of an organization's travel policy. If the grantee does not have an established policy, then they must adhere to State travel policy. DCJS allows reimbursement for actual reasonable expenses and meals according to per diem. Please refer to the following IRS website for the most current mileage rate: <https://www.irs.gov/tax-professionals/standard-mileage-rates>. Transportation costs for air and rail must be at coach rates.

9. Project initiation

Within 60 days of the starting date of the grant, the grantee must initiate the project funded. If not, the grantee must report to DCJS, in writing, the steps taken to initiate the project, the reasons for the delay, and the expected starting date. If the project is not operational within 90 days of the start date, the grantee must obtain approval in writing

from DCJS for a new implementation date or DCJS may cancel and terminate the project and redistribute the funds.

10. Contract amendments

Contract amendments must be submitted for review in the On-line Grants Management System (OGMS). These contract amendments include, but are not limited to, the following:

- Budget Amendment – Revision
- Budget Amendment – In Line Adjustment
- Change Grant Funded Staff
- Change in Authorized Official
- Change in Award Sponsorship
- Project Scope of Work Revision
- Reporting Extension
- Other

Check with your grant monitor for details regarding submitting contract amendments via OGMS.

No amendment to the approved budget may be made without the prior approval of DCJS. No more than two (2) Budget Amendments - Revisions will be permitted during the grant period. The submission deadline for budget amendments is 45 days prior to the end of the grant period.

11. Financial audits

The grantee agrees to forward, to DCJS or to the Auditor of Public Accounts, a copy of the grantee's scheduled financial statement audit for the fiscal year that covers the grant award period.

12. Project income

Any funds generated as a direct result of DCJS grant-funded projects are deemed project income. Project income must be reported on the Grantee Financial Report for Project Income provided by DCJS. Instructions for the Project Income form can be downloaded at: <http://www.dcjs.virginia.gov/forms/grants/subgrantProjectIncomeInstructions.doc>. The Project Income form can also be downloaded from the DCJS website at: <http://www.dcjs.virginia.gov/forms/grants/subgrantProjectIncome.xls>. Examples of project income might include service fees; client fees; usage or rental fees; sales of materials; and income received from sale of seized and forfeited assets (cash, personal or real property included).

13. Required reports

The grantee agrees to submit, on or before scheduled due dates, such reports as required by DCJS. This includes filing required reports using OGMS. Failure to submit reports

by the deadline dates may result in delay for reimbursement requests and/or cancellation of the award.

14. Delegation of responsibility

Any delegation of responsibility for carrying out grant-funded activities to an office or department not a part of the local government must be pursuant to a written memorandum of understanding by which the implementing office or department agrees to comply with all applicable grant terms, conditions and assurances. Any such delegation notwithstanding, the applicant acknowledges by its acceptance of the award its ultimate responsibility for compliance with all terms, conditions and assurances of the grant award.

15. Procurement

All purchases for goods and services must comply with local established written procurement policies. If a grantee does not have an established written policy, then they must adhere to the Virginia Public Procurement Act:

<https://dgs.virginia.gov/procurement/policy-consulting--review/policy/> Procurement transactions, whether negotiated or advertised and without regard to dollar value, shall be conducted in a manner to provide maximum open and free competition. Any exemption to this regulation requires the prior approval of DCJS and is only given in unusual circumstances. Any request for exemption must be submitted in writing to DCJS.

16. Nondiscrimination under state grants and programs

No person shall be excluded from participation in, be denied the benefits of, or be subjected to discrimination on the basis of race, color, religion, national origin, sex, pregnancy, childbirth or related medical conditions, age, marital status, sexual orientation, gender identity, disability, or status as a veteran under any program or activity receiving state financial assistance or under any program or activity conducted by or on behalf of any state agency.

The formal grant awards that DCJS enters into with all recipients require compliance with all applicable federal, state, and local laws, regulations, executive orders and ordinances related to expenditure of the grant money and the activities financed with the grant money.

17. School Resource Officer (SRO) position requirements

School Resource Officer (SRO) positions must be based on the DCJS Virginia School-Law Enforcement Partnership Guide. The SRO must be a certified, sworn law enforcement officer as defined in Virginia Code §9.01-101, and employed by a lawfully established Virginia public police department or sheriff's office. The SRO must be 21 years of age or older and have no less than three (3) years of certified law enforcement experience and the demonstrated ability, interest, and skills necessary to work with

youth, school personnel, and the public to solve problems. Grantee may be required to submit documentation of compliance with this condition in writing.

18. SRO Basic Training Course

School Resource Officers (SRO) must have attended a DCJS SRO Basic Training course or attend one within the first four months of the grant period, or as required by SRO certification standards, whichever is shorter. Once completed the grantee must send a copy of the Partial In-Service Credit (PIC) Form to their DCJS grant monitor. If training does not take place within the specified time period, the grantee must report to their DCJS grant monitor, in writing, the steps taken to register for training, the reasons for the delay, and the expected date of training.

19. Compliance with minimum training standards

As required by §9.1-114.1, every full-time or part-time law-enforcement officer employed as a School Resource Officer after July 1, 2020, shall comply with the compulsory minimum training standards for school resource officers established by the Board within a period fixed by the Board.

20. Memorandum of Understanding

As required by Virginia Code §22.1-280.2:3, the grantee receiving funds for one or more SRO positions shall enter into a memorandum of understanding between the local law enforcement agency and the school division, to be reviewed every two (2) years.

21. Additional reporting requirements

The grantee agrees to provide additional information and feedback to DCJS staff regarding services provided and program outcomes to support DCJS' reporting requirements to the General Assembly.

22. School Security Officer requirements

School Security Officers must meet eligibility and training requirements for certification as a School Security Officer as outlined in 6VAC20-240.

23. Additional "Action Item" encumbrances

Any additional "action item" encumbrances related to your award will be shown online via the DCJS On-line Grant Management System (OGMS) website under menu item Grants> Encumbrances. The subgrantee must comply with any items listed there prior to DCJS disbursing funds.

Unless otherwise stated, these encumbrances must be met by August 31, 2022. If they remain unmet after this date, then the grantee must report to the DCJS, by letter, the steps taken to achieve compliance, the reasons for non-compliance, and the expected date of compliance. DCJS may terminate grant funding based upon unexplained or unreasonable failure to substantially comply with encumbrances within reasonable specified time frames.

REPORTING REQUIREMENTS AND PROJECTED DUE DATES

Virginia Department of Criminal Justice Services
1100 Bank Street, 12th Floor
Richmond, Virginia 23219

FY2023 School Resource Officer / School Security Officer Grant Program

REPORTING REQUIREMENTS

By accepting the accompanying grant award, you are agreeing to submit online quarterly financial reports and programmatic progress reports for this grant throughout the grant period, as well as final reports to close the grant. No eligible current recipient of funding will be considered for continuation funding if, as of the continuation application due date, any of the required financial and progress reports for the current grant are more than 30 days overdue. For good cause, submitted in writing by the grant recipient, DCJS may waive this provision.

To submit reports, requests, and to view your grant award, refer to the On-line Grants Management System (OGMS) at our website: ogms.dcjs.virginia.gov. In order to use this web-based system, if you have not previously done so, you must register in OGMS.

- **FINANCIAL REPORTS & REIMBURSEMENTS (Claims)** – OGMS Detail of Expenditure/ Reimbursement forms are due within 15 days after the end of each calendar quarter. Claim reports are due even if no expenditures occurred during the quarter. If the due date falls on a weekend or non-business day, the report is due on the next business day. For financial questions, contact Joseph Thompson at (804) 225-2782 or via email at Joseph.thompson@dcjs.virginia.gov.
- **PROGRESS (Status) REPORTS** for most grant programs are due within 15 days after the end of each calendar quarter and must be approved by your DCJS Grant Monitor.
- **BUDGET (Contract) AMENDMENTS** may be submitted for consideration through OGMS. Please review your Special Conditions carefully to determine the requirements and procedures for amending budgets. For budget amendment questions, contact your assigned Grant Monitor.
- **GRANT CLOSEOUT:** The grantee has up to 45 days from the end of the award period to liquidate any unpaid obligations and submit a final financial report. The liquidation period exists to allow projects time to receive final invoices and make final payments -- no new obligations may be incurred during this period. Closeout questions should be directed to Joseph Thompson at (804) 225-2782 or via email at Joseph.thompson@dcjs.virginia.gov

Financial & Programmatic Reporting Schedule

CALENDAR QUARTER ENDING	REPORT DUE DATES
9/30/2022	10/15/2022
12/31/2022	1/15/2023
3/31/2023	4/15/2023
6/30/2023	7/15/2023
Final	8/15/2023

STATEMENT OF GRANT AWARD (SOGA)

Virginia Department of Criminal Justice Services
1100 Bank Street, 12th Floor
Richmond, Virginia 23219

FY23-SRO-SRO Grant Program and Fund
--

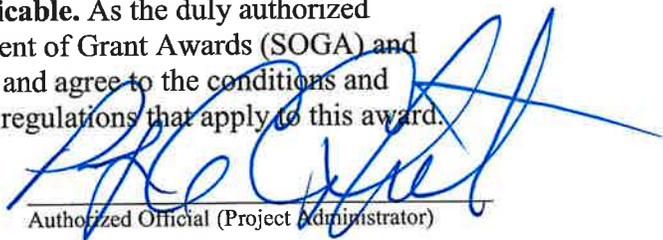
Subgrantee: King William DCJS Grant Number: 23-233-A Grant Start Date: 7/1/2022 Grant End Date: 6/30/2023 Indirect Cost Rate: _____% *If applicable
--

Federal Funds: State General Funds: State Special Funds: \$120,527 Local Match: _____ Total Budget: \$120,527
--

Project Director	Project Administrator	Finance Officer
Jeff Walton Sheriff 351 Courthouse Lane, Suite 160 King William, Virginia 23086 804-769-0999 kwso@kingwilliamcounty.us	Percy Ashcraft County Administrator 180 Horselanding Road #4 King William, Virginia 23086 804-769-4927 pashcraft@kingwilliamcounty.us	Natasha Joranlien Finance Director 180 Horselanding Road #4 King William, Virginia 23086 804-769-4929 financedir@kingwilliamcounty.us

***Please indicate your ICR in the space provided, if applicable.** As the duly authorized representative, the undersigned, having received the Statement of Grant Awards (SOGA) and reviewing the Special Conditions, hereby accepts this grant and agree to the conditions and provisions of all other Federal and State laws and rules and regulations that apply to this award.

Signature: _____



Authorized Official (Project Administrator)

Title: _____

County Administrator

Date: _____

08-19-2022



COMMONWEALTH of VIRGINIA

Department of Criminal Justice Services

The Honorable Jackson H. Miller
Director

Tracy Louise Winn Banks, Esq.
Chief Deputy Director

Washington Building
1100 Bank Street
Richmond, Virginia 23219
(804) 786-4000
www.dcjs.virginia.gov

August 17, 2022

Percy Ashcraft
County Administrator
180 Horselanding Road #4
King William, Virginia 23086

RE: FY23-SRO-SRO Grant Program and Fund: 497436 FY23 SRO-SRO Grant Program and Fund

Dear Percy Ashcraft:

Congratulations on being a recipient of the above referenced grant program! Your DCJS grant award number is **23-233-A** and was approved for a total award of **\$120,527**, funded through Award Number **2023-FREE-GRANT**. The project period is **7/1/2022** through **6/30/2023**.

Included with this letter is a Statement of Grant Award/Acceptance (SOGA). Please note hard copies of the General Special Conditions, as well as the Reporting Requirements and Projected Due Dates, are now referred to as **Conditions and Requirements** and will be posted online at <https://www.dcjs.virginia.gov/grants/grant-requirements> within the next two weeks.

In addition to the general Special Conditions, there may be grant specific Special Conditions related to your Grant Award called Encumbrances. If there are any, you are required to adhere to these conditions via the On-line Grants Management System (OGMS) at <https://ogms.dcjs.virginia.gov/>. If you have not previously done so, you must register in order to use this web-based system. The instructions on *Registering for a New Account* and *Submitting Action Item Encumbrances* are posted here <https://www.dcjs.virginia.gov/grants/ogms-training-resources> along with other resources and training videos. All registrants will be approved within 3 – 5 business days.

We will be happy to assist you in any way we can to assure your project's success. To indicate your acceptance of the award and conditions, please sign the included SOGA and return it electronically within the next 60 days to grantsmgmt@dcjs.virginia.gov. If you have questions, contact your DCJS Grant Monitor **Michelle Miles** at Michelle.Miles@dcjs.virginia.gov or via email at **804-225-1846**.

Sincerely,

Jackson Miller

AGENDA ITEM 7.e.

Resolution 22-77 - Approving the PPTRA Rate for the Personal Property 2022 Billing

Commissioner of the Revenue
Karena L. Funkhouser
King William County



180 Horse Landing Road
P. O. Box 217
King William, VA 23086
Phone: (804) 769-4941
Fax: (804) 769-4902
Email: cor@kingwilliamcounty.us

TO: Board of Supervisors

CC: Percy Ashcraft, County Administrator

FROM: Karena L. Funkhouser, Commissioner of the Revenue

DATE: August 30, 2022

SUBJECT: 2022 Personal Property

On August 18, 2022, I sent a memo and two spreadsheets showing the personal property assessed values and tax before PPTRA with lower tax rates for motorcycles, cars, trucks and vans. The combined personal property tax not including Machinery and Tools for the County and Town at rates of \$2.65 & \$1.19 equaled \$6,894,220.

I have attached the final totals for assessed values and tax for 2022 personal property. The combined personal property tax subtracting Machinery and Tools for the County and Town at rates of \$2.65 & \$1.195 equals \$6,893,277. This is less than 1/1000 of a percent lower than the amount I presented.

As a result of the lower rates adopted by the Board, the PPTRA rate increased to 29.5%. This is almost a 2% increase from 2021.

Total Original Tax: 6,898,778.51
 Total PTRRA Relief: 1,109,494.04
 Total Due: 5,789,284.47

Code	Value	Orig Tax	PTRRA	Tax Due	Count
AC	AIR CRAFT 57,782	751.18	0.00	751.18	4
BK	BIKE 3,179,326	84,252.82	25,987.04	58,265.78	572
BT	BOAT 4,670,442	170,472.80	0.00	170,472.80	1411
CE	COMPUTER EQUIPMENT 97,006	3,540.75	0.00	3,540.75	51
CR	CAR 109,113,630	2,891,522.47	711,150.70	2,180,371.77	10197
EQ	EQUIPMENT 8,318,040	303,608.87	0.00	303,608.87	524
FF	FURNITURE AND FIXTURES 1,160,718	42,366.24	0.00	42,366.24	50
HE	HEAVY EQUIPMENT 432,377	15,781.77	0.00	15,781.77	12
LE	LEASED EQUIPMENT 3,289,663	120,072.74	0.00	120,072.74	216
MH	MOBILE HOMES 836,361	6,983.63	0.00	6,983.63	116
MT	MACHINERY AND TOOLS 27,793,451	625,352.70	0.00	625,352.70	23
OE	OFFICE EQUIPMENT 7,385	269.56	0.00	269.56	6
RV	RV/MOTOR HOME 1,773,016	64,715.12	0.00	64,715.12	66
TK	TRUCK 78,098,645	2,069,619.04	355,443.54	1,714,175.50	5701
TR	TRAILER 11,394,999	415,930.64	0.00	415,930.64	5007
VN	VAN 3,152,366	83,538.18	16,912.76	66,625.42	492
	253,375,207	6,898,778.51	1,109,494.04	5,789,284.47	24448

Total Original Tax: 2,226,691.75
 Total PTRR Relief: 95,161.40
 Total Due: 2,131,530.35

Totals by Bill Code:	Value	Orig Tax	PTRR	Tax Due	Count
BT BOAT	16,020	584.73	0.00	584.73	1
WPBK BIKE - WEST POINT	551,029	6,584.79	1,969.95	4,614.84	83
WPBT BOAT - WEST POINT	667,864	11,020.01	0.00	11,020.01	220
WPCE COMPUTER EQUIPMENT - WEST POIN	519,553	8,572.61	0.00	8,572.61	28
WPGR CAR - WEST POINT	24,580,884	293,742.92	70,078.29	223,664.63	2111
WPEQ EQUIPMENT - WEST POINT	6,086,761	100,431.65	0.00	100,431.65	192
WPEF FURNITURE & FIXTURES - WEST PO	1,067,588	17,615.23	0.00	17,615.23	32
WPHE HEAVY EQUIPMENT - WEST POINT	707,068	11,666.63	0.00	11,666.63	10
WPLE LEASED EQUIPMENT - WEST POINT	534,294	8,815.89	0.00	8,815.89	119
WPHH MOBILE HOME - WEST POINT	6,000	22.50	0.00	22.50	2
WPMT MACHINERY & TOOLS - WEST POINT	160,684,066	1,606,840.66	0.00	1,606,840.66	10
WPOE OFFICE EQUIPMENT - WEST POINT	3,241	53.48	0.00	53.48	4
WPRV RV/MOTOR HOME - WEST POINT	103,443	1,706.81	0.00	1,706.81	4
WPTR TRUCK - WEST POINT	10,602,973	126,705.71	21,560.54	105,145.17	781
WPTR TRAILER - WEST POINT	1,518,111	25,050.74	0.00	25,050.74	687
WPNV VAN - WEST POINT	608,980	7,277.39	1,552.62	5,724.77	114
	208,257,875	2,226,691.75	95,161.40	2,131,530.35	4398

RESOLUTION 22-77

**SETTING THE PERSONAL PROPERTY TAX RELIEF PERCENTAGE FOR THE PERSONAL
PROPERTY 2022 BILLING IN ACCORDANCE WITH THE 2004-2005 CHANGES TO THE
PERSONAL PROPERTY TAX RELIEF ACT OF 1998**

WHEREAS the Board of Supervisors (hereinafter Board) adopted King William County Code Sections 70-149 and 70-150 on December 12th 2005 implementing the 2004- 2005 changes to the Personal Property Tax Relief Act of 1998, in response to legislative enactments; and

WHEREAS such County Code sections provide that the Board shall annually set the rate of tax relief on qualifying vehicles at a level that is anticipated to fully exhaust tax relief funds provided to the County by the Commonwealth; and

WHEREAS County Code Section 70-150 provides that personal property tax relief shall be applied so as to eliminate personal property taxation on qualifying vehicles with an assessed value of One Thousand Dollars (\$1,000.00) or less; and

WHEREAS the King William County Commissioner of the Revenue has made a projection based upon the County's historical growth in personal property tax values of the level necessary to fully exhaust the PPTRA relief fund provided to the County by the Commonwealth, as called for in the ordinance; and

WHEREAS it is necessary for this Board to establish the allocation of tax relief for the first Twenty Thousand Dollars (\$20,000.00) in assessed value of other qualifying vehicles; and

NOW THEREFORE BE IT RESOLVED that, for Calendar Year 2022, qualifying vehicles with assessed values of more than One Thousand Dollars (\$1,000.00) shall have their tax computed by reducing the amount otherwise owed on the first Twenty

*Proposed for Adoption by King William County Board of Supervisors
September 26, 2022 Regular Meeting*

25 Thousand Dollars (\$20,000.00) of assessed value of such qualifying vehicle by a dollar
26 amount equal to 29.5% of the amount otherwise owed.

27 **DONE** this the 26th day of September, 2022.

DRAFT

AGENDA ITEM 7.f.

Resolution 22-78 - Honoring the Life and Accomplishments of Queen Elizabeth II

RESOLUTION 22-78

HONORING THE LIFE AND ACCOMPLISHMENTS OF QUEEN ELIZABETH II

WHEREAS Elizabeth Alexandra Mary Windsor was born on April 21, 1926 to the Duke and Duchess of York and ascended to the throne on February 6, 1952 as sovereign of the United Kingdom; and

WHEREAS during her reign, Queen Elizabeth II met with 13 United States Presidents, more than any other head of state, and worked to maintain a strong relationship between the United Kingdom and the United States; and

WHEREAS, upon her passing on September 8, 2022, Queen Elizabeth II was the longest reigning monarch in the history of the British monarchy, serving for more than 70 years; and

WHEREAS Queen Elizabeth II was second cousin, eight times removed to King William III, who reigned from 1689 until his death in 1702 and for whom King William County was named;

NOW, THEREFORE, BE IT RESOLVED that the King William County Board of Supervisors remembers Her Majesty, Queen Elizabeth II, and her more than 70 years of service in support of the British people and the Commonwealth of Nations; expresses gratitude for her efforts to maintain strong bilateral relations between the United Kingdom and the United States; and extends condolences to her family, the people of the United Kingdom of Great Britain and Northern Ireland, and to the peoples of the Commonwealth of Nations.

DONE this 26th day of September, 2022.

AGENDA ITEM 7.g.

Approval to Sign Engagement Letter for FY22 Audit



Natasha L. Brown
Director of Financial Services

William L. Hodges, First District
Travis J. Moskalski, Second District
Stephen K. Greenwood, Third District
C. Stewart Garber, Jr., Fourth District
Edwin H. Moren, Jr., Fifth District

MEMORANDUM

DATE: September 26, 2022
TO: King William County Board of Supervisors
FROM: Natasha L. Brown, Director of Financial Services
SUBJECT: Auditing Services to be provided by Robinson, Farmer, Cox Associates, PLLC for FY2022

Summary

The attached document is an annual submittal by the auditing firm contracted to perform the County's Comprehensive Annual Financial Report.

Background

Provides in detail what service the auditing firm will provide to the County and School during the audit.

Consideration/Options

Consent – Approval for signature by the County Administrator

Recommendation(s)

Staff recommends approval

Attachment(s)

- Engagement Letter



September 19, 2022

Percy Ashcraft, County Administrator
Edwin Moren, Chairman of the Board of Supervisors
King William County Administrator's Office
180 Horse Landing Road
King William, VA 23086

We are pleased to confirm our understanding of the services we are to provide for County of King William, Virginia for the year ended June 30, 2022.

Audit Scope and Objectives

We will audit the financial statements of the governmental activities, the discretely presented component units, each major fund, and the aggregate remaining fund information, including the disclosures, which collectively comprise the basic financial statements, of County of King William, Virginia as of and for the year ended June 30, 2022. Accounting standards generally accepted in the United States of America (GAAP) provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement County of King William, Virginia's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to County of King William, Virginia's RSI in accordance with auditing standards generally accepted in the United States of America (GAAS). These limited procedures will consist of inquiries of management regarding 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 will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient appropriate evidence to express an opinion or provide any assurance. The following RSI is required by GAAP and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis.
- 2) Schedules and Notes Related to Net Pension Asset or Liability
- 3) Schedules and Notes Related to Other Post Employment Benefit Asset or Liability
- 4) Budgetary Comparison Information

Richmond Office:

401 Southlake Blvd, Suite C-1
North Chesterfield, VA 23236
(804) 378-4200

Contact:

Aaron B. Hawkins, CPA
Member
E-mail: ahawkins@rfca.com
Website: www.rfca.com

Audit Scope and Objectives (Continued)

We have also been engaged to report on supplementary information other than RSI that accompanies County of King William, Virginia's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS, and we will provide an opinion on it in relation to the financial statements as a whole in a report combined with our auditor's report on the financial statements:

- 1) Schedule of expenditures of federal awards.
- 2) Combining and Individual Statements and Schedules
- 3) Supporting Schedules

In connection with our audit of the basic financial statements, we will read the following 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.

- 1) Statistical information
- 2) Introductory Section

The objectives of our audit 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 issue an auditor's report that includes our opinions about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP, and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. 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 GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements. The objectives also include reporting on:

- Internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Auditor's Responsibilities for the Audit of the Financial Statements and Single Audit

We will conduct our audit in accordance with GAAS; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the *Specifications for Audits of Counties, Cities, and Towns* issued by the Auditor of Public of the Commonwealth of Virginia; the Single Audit Act Amendments of 1996; and the provisions of the Uniform Guidance, and will include tests of accounting records, a determination of major program(s) in accordance with Uniform Guidance, and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS and *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements or noncompliance may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or on major programs. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

In connection with this engagement, we may communicate with you or others via email transmission. As emails can be intercepted and read, disclosed, or otherwise used or communicated by an unintended third party, or may not be delivered to each of the parties to whom they are directed and only to such parties, we cannot guarantee or warrant that emails from us will be properly delivered and read only by the addressee. Therefore, we specifically disclaim and waive any liability or responsibility whatsoever for interception or unintentional disclosure of emails transmitted by us in connection with the performance of this engagement. In that regard, you agree that we shall have no liability for any loss or damage to any person or entity resulting from the use of email transmissions, including any consequential, incidental, direct, indirect, or special damages, such as loss of revenues or anticipated profits, or disclosure or communication of confidential or proprietary information.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Auditor’s Responsibilities for the Audit of the Financial Statements and Single Audit (Continued)

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will also request written representations from your attorneys as part of the engagement.

We have identified the following significant risk(s) of material misstatement as part of our audit planning:

- 1) Management override of controls
- 2) Improper revenue recognition

Our audit of financial statements does not relieve you of your responsibilities.

Audit Procedures—Internal Control

We will obtain an understanding of the government and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. 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, misrepresentation, or the override of internal control. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by the Uniform Guidance, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and the Uniform Guidance.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of County of King William, Virginia’s compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance, and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

Audit Procedures—Compliance (Continued)

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with federal statutes, regulations, and the terms and conditions of federal awards applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of County of King William, Virginia’s major programs. For federal programs that are included in the Compliance Supplement, our compliance and internal control procedures will relate to the compliance requirements that the Compliance Supplement identifies as being subject to audit. The purpose of these procedures will be to express an opinion on County of King William, Virginia’s compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

Other Services

Financial Statement and SEFA Preparation

We will also assist in preparing the financial statements, schedule of expenditures of federal awards (SEFA), and related notes of County of King William, Virginia in conformity with accounting principles generally accepted in the United States of America and the Uniform Guidance based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statements, schedule of expenditures of federal awards, and related notes services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

You agree to assume all management responsibilities for the financial statements, schedule of expenditures of federal awards, and related notes, and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements, the schedule of expenditures of federal awards, and related notes and that you have reviewed and approved the financial statements, the schedule of expenditures of federal awards, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Agreed-Upon Procedures (APA)

You will agree to the procedures referenced in the *Specifications for Audits of Counties, Cities, and Towns* issued by the Auditor of Public Accounts relative to the comparative report transmittal forms and will acknowledge that the procedures to be performed are appropriate for the intended purpose of the engagement, which is Applying Agreed-Upon Procedures in accordance with requirements as specified in the *Uniform Financial Reporting Manual*. Our engagement to apply agreed-upon procedures will be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants (AICPA). Those standards require that we obtain your written agreement to the procedures to be applied and your acknowledgement that those procedures are appropriate for the intended purpose of the engagement, as described in this letter. A refusal to provide such agreement and acknowledgement will result in our withdrawal from the engagement. We make no representation that the procedures we will perform are appropriate for the intended purpose of the engagement or for any other purpose.

Agreed-Upon Procedures (APA) (Continued)

Because the agreed-upon procedures do not constitute an examination or review, we will not express an opinion or conclusion on the subject matter. In addition, we have no obligation to perform any procedures beyond those to which you agree.

We will issue written reports on completion of our engagement that list the procedures performed and our findings. Our reports will be addressed to the and appropriate agencies. If we encounter restrictions in performing our procedures, we will discuss the matter with you. If we determine the restrictions are appropriate, we will disclose the restrictions in our report. Our report will contain a paragraph indicating that had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

There may exist circumstances that, in our professional judgement, will require we withdraw from the engagement. Such circumstances include the following:

- You refuse to provide written agreement to the procedures and acknowledge that they are appropriate for the intended purpose of the engagement.
- You fail to provide requested written representations, or we conclude that there is sufficient doubt about the competence, integrity, ethical values, or diligence of those providing the written representations, or we conclude that the written representations provided are otherwise not reliable.
- We determine that the description of the procedures performed or the corresponding findings are misleading in the circumstances of the engagement.
- We determine that restrictions on the performance of procedures are not appropriate.

An agreed-upon procedures engagement is not designed to detect instances of fraud or noncompliance with laws or regulations; however, should any such matters come to our attention, we will communicate them in accordance with professional standards and applicable law. In addition, if in connection with this engagement, matters come to our attention that contradict the subject matter, we will communicate such matters to you.

You agree to the procedures to be performed and acknowledge that they are appropriate for the intended purpose of the engagement.

You are responsible for the subject matter to which our agreed-upon procedures are applied. In addition, you are responsible for providing us with (1) access to all information of which you or the appropriate party are aware that is relevant to the performance of the agreed-upon procedures on the subject matter, (2) additional information that we may request from the appropriate party for the purpose of performing the agreed-upon procedures, and (3) unrestricted access to persons within the entity from whom we determine it necessary to obtain evidence relating to performing those procedures.

At the conclusion of our engagement, we will require certain written representations in the form of a representation letter from management that, among other things, will confirm management's responsibility for the subject matter in accordance with the *Uniform Financial Reporting Manual*.

Virginia Retirement System Examination

We will examine management's assertion that the census data reported to the Virginia Retirement System ("VRS") during the year ended, is complete and accurate. The objectives of our examination are to (1) obtain reasonable assurance about whether management's assertion that the census data reported to the VRS is free from material misstatement based on the requirements to be met by participants in the VRS as defined by the VRS and the Board of Trustees' plan provisions as mandated in the *Code of Virginia Section 51.1-136*; and (2) to express an opinion as to whether management's assertion that the census data reported to the VRS is fairly stated, in all material respects.

Our examination will be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Accordingly, it will include examining, on a test basis, management's records and other procedures to obtain evidence necessary to enable us to express our opinion. We will issue a written report upon completion of our examination. Our report will be addressed to and the Auditor of Public Accounts of the Commonwealth of Virginia. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion. If our opinion is other than unmodified, we will discuss the reasons with you in advance. If for any reason, we are unable to complete the examination or are unable to form or have not formed an opinion, we may decline to express an opinion or may withdraw from this engagement.

Because of the inherent limitations of an examination engagement, together with the inherent limitations of internal control, an unavoidable risk exists that some material misstatements may not be detected, even though the examination is properly planned and performed in accordance with the attestation standards.

We will plan and perform the examination to obtain reasonable assurance about whether management's assertion that the census data reported to the VRS is free from material misstatement, based on the requirements to be met by participants in the VRS as defined by the VRS and the Board of Trustees' plan provisions as mandated in the Code Section of Virginia Section 51.1-136. Our engagement will not include a detailed inspection of every transaction and cannot be relied on to disclose all material errors, known and suspected fraud, noncompliance with laws or regulations, or internal control deficiencies, that may exist. However, we will inform you of any known and suspected fraud, noncompliance with laws or regulations, internal control deficiencies identified during the engagement and uncorrected misstatements that come to our attention, unless clearly trivial.

We understand that you will provide us with the information required for our examination and that you are responsible for the accuracy and completeness of that information. We may advise you about appropriate criteria or assist in the preparation of the subject matter, but the responsibility for the subject matter remains with you.

Management is responsible for the presentation of the census data described above in accordance with the requirements described above; and for selecting the criteria and determining that such criteria are appropriate for your purposes. Management is responsible for, and agree to provide us with, a written assertion about whether the presentation of the census data described above is presented in accordance with the requirements described above. Failure to provide such an assertion will result in our withdrawal from the engagement. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the measurement, evaluation, or disclosure of the subject matter; (2) additional information that we may request for the purpose of the examination; and (3) unrestricted access to persons within the entity from whom we determine it necessary to obtain evidence.

At the conclusion of the engagement, you agree to provide us with certain written representations in the form of a representation letter.

Responsibilities of Management for the Financial Statements and Single Audit

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for (1) designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including internal controls over federal awards, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (4) ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements, schedule of expenditures of federal awards, and all accompanying information in conformity with accounting principles generally accepted in the United States of America, with the oversight of those charged with governance; and for compliance with applicable laws and regulations (including federal statutes), rules, and the provisions of contracts and grant agreements (including award agreements). Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

You are also responsible for making drafts of financial statements, schedule of expenditures of federal awards, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance; (3) additional information that we may request for the purpose of the audit; and (4) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about the financial statements; schedule of expenditures of federal awards; federal award programs; compliance with laws, regulations, contracts, and grant agreements; and related matters.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants. You are also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we report. Additionally, as required by the Uniform Guidance, it is management's responsibility to evaluate and monitor noncompliance with federal statutes, regulations, and the terms and conditions of federal awards; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings; and prepare a summary schedule of prior

Responsibilities of Management for the Financial Statements and Single Audit (Continued)

audit findings and a separate corrective action plan. The summary schedule of prior audit findings should be available for our review on June 30, 2022.

You are responsible for identifying all federal awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received, and COVID-19-related concepts, such as lost revenues, if applicable) in conformity with the Uniform Guidance. You agree to include our report on the schedule of expenditures of federal awards in any document that contains, and indicates that we have reported on, the schedule of expenditures of federal awards. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal awards that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance; (2) you believe the schedule of expenditures of federal awards, including its form and content, is stated fairly in accordance with the Uniform Guidance; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles (GAAP). You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Scope and Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions for the report, and for the timing and format for providing that information.

Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to electronically submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditor's reports, and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse. We will coordinate with you the electronic submission and certification.

Engagement Administration, Fees, and Other (Continued)

The Data Collection Form and the reporting package must be submitted within the earlier of 30 calendar days after receipt of the auditor's reports or nine months after the end of the audit period.

We will provide copies of our reports to County of King William, Virginia; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Robinson, Farmer, Cox Associates and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to oversight agencies or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Robinson, Farmer, Cox Associates personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the granting agencies. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

We expect to begin our audit in November 2022 and to issue a report no later than December 15, 2022. Further, the County's comparative cost transmittal report will be filed with the Auditor of Public Accounts of the Commonwealth of Virginia by December 15, 2022. Aaron B. Hawkins is the member in charge of this engagement and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them. Our fee for these services for the year ended June 30, 2022 will be \$66,000.

The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

Reporting

We will issue written reports upon completion of our Single Audit. Our reports will be addressed to the Honorable Members of the Board of Supervisors of County of King William, Virginia. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or we may withdraw from this engagement.

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will state that (1) the purpose of the report is solely to describe the scope of 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, and (2) the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The Uniform Guidance report on internal control over compliance will state that the purpose of the report on

Reporting (Continued)

internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Both reports will state that the report is not suitable for any other purpose.

We appreciate the opportunity to be of service to County of King William, Virginia and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the attached copy and return it to us.

Very truly yours,

ROBINSON, FARMER, COX ASSOCIATES



Aaron B. Hawkins
Certified Public Accountant
Member

RESPONSE:

This letter correctly sets forth the understanding of County of King William, Virginia.

By: _____

Title: County Administrator

By: _____

Title: Chairman of the Board of Supervisors

AGENDA ITEM 7.h.

Resolution 22-82 - Amendment to FY23 Budget - King William Public Schools

SCHOOL BOARD AGENDA ITEM

MEETING DATE:

September 20, 2022

FY23-01

Closed Session: _____

Special Recognition/Announcement: _____

Instructional Highlights: _____

Consent: _____

Action: _____

X

Information/Discussion: _____

Materials for Board Review : _____

STAFF OR BOARD CONTACT PERSON:

Staci Longest, Director of Finance

SUBJECT: Health Workforce Grant

Assistant Superintendent Stacy Johnson, applied for a School-based Health workforce Grant for the school year 2022-2023; to date KWCPs was awarded \$80,000 from DOE. The grant will be used for the hiring of 2 clinic attendants to assist school nurses. Recruitment and retention funds for nursing staff and to purchase PowerSchool add-on software to enhance existing school records and reduce administrative burdens on school health personnel.

Total of \$80,000.00

Recommended Action: Motion to accept budget amendment of funds and additional funding from the Commonwealth of Virginia and request the Board of Supervisors to appropriate at a future meeting.

SCHOOL BOARD AGENDA ITEM

MEETING DATE: September 20, 2022 FY23-02

Closed Session: _____

Special Recognition/Announcement: _____

Instructional Highlights: _____

Consent: _____

Action: _____ X _____

Information/Discussion: _____

Materials for Board Review : _____

STAFF OR BOARD CONTACT PERSON: **Staci Longest, Director of Finance**

SUBJECT: Allocation of Supply Chain Assistance Funds

KWCPS School Nutrition program has been allocated \$37,576.61 in additional funds from DOE to alleviate supply chain disruptions in School Meal Program. The funds must be used to purchase unprocessed or minimally processed foods such as Milk, yogurt, cheese, fruits, vegetables, meat, and grain products from Buy American providers. The funding is based on student enrollment and will be distributed on October 14, 2022.

Total of \$37,576.61

Recommended Action: Motion to accept budget amendment of funds and additional funding from the Commonwealth of Virginia and request the Board of Supervisors to appropriate at a future meeting.

SCHOOL BOARD AGENDA ITEM

MEETING DATE: September 20, 2022 FY23-03

Closed Session: _____

Special Recognition/Announcement: _____

Instructional Highlights: _____

Consent: _____

Action: _____ X _____

Information/Discussion: _____

Materials for Board Review : _____

STAFF OR BOARD CONTACT PERSON: **Staci Longest, Director of Finance**

SUBJECT: VRSA Security Grant

King William County Public Schools applied and was awarded a Security Grant in the amount of \$4,000 from Virginia Risk Sharing Association (VRSA). Finance Director worked with the Director of Technology to obtain pricing to purchase additional cameras to our exterior buildings for additional security at Cool Spring Primary School with the funds.

Total of \$4,000.00

Recommended Action: Motion to accept budget amendment of funds and additional funding from the Commonwealth of Virginia and request the Board of Supervisors to appropriate at a future meeting.

SCHOOL BOARD AGENDA ITEM

MEETING DATE: September 20, 2022 FY23-04

Closed Session: _____

Special Recognition/Announcement: _____

Instructional Highlights: _____

Consent: _____

Action: _____ **X** _____

Information/Discussion: _____

Materials for Board Review : _____

STAFF OR BOARD CONTACT PERSON: **Staci Longest, Director of Finance**

SUBJECT: MP Race- 2022-2023 Adult Education Innovation Challenge Grant & Reallocation Grant

MP Race was awarded an additional \$60,000 grant to help with the demands of trying to hire teachers for the adult education program during the teacher shortage pandemic.

MP RACE was also awarded \$12,000 in federal funds for reallocation. This is where departments receiving funds in previous years, didn't use all of their allocation and it is then distributed to the programs at a later date.

Total of \$82,000

Recommended Action: Motion to accept budget amendment of funds and additional funding from the Commonwealth of Virginia and request the Board of Supervisors to appropriate at a future meeting.

SCHOOL BOARD AGENDA ITEM

MEETING DATE: September 20, 2022 FY23-05

Closed Session: _____

Special Recognition/Announcement: _____

Instructional Highlights: _____

Consent: _____

Action: X

Information/Discussion: _____

Materials for Board Review : _____

STAFF OR BOARD CONTACT PERSON: **Staci Longest, Director of Finance**

SUBJECT: Cool Spring Primary School- HVAC Project VPSA Funding

King William County Public Schools has recently experienced equipment failures at CSPA which had already been identified on the capital plan as needing to be replaced. The Director of Operations has found a temporary fix but we would like to request approval to move forward with replacing the CSPA HVAC units using a cooperative contract. We have received multiple cooperative contract prices and are seeking to award the contract to Southern Air with the lowest price of \$1,315,000.

It is possible that the new units could be set during spring break to have them up and running prior to the end of school.

Total of \$1,315,000

Recommended Action: Motion to accept budget amendment of funds and additional funding from the Commonwealth of Virginia and request the Board of Supervisors to appropriate at a future meeting.

AGENDA ITEM 8.a.

Resolution 22-79 - Proclaiming October as Domestic Violence Awareness Month -
Thrive Virginia

RESOLUTION 22-79

PROCLAIMING OCTOBER AS DOMESTIC VIOLENCE AWARENESS MONTH

WHEREAS domestic violence is a serious crime that affects people of all races, ages, gender, and income levels; and

WHEREAS domestic violence is widespread and affects over four million Americans each year; and

WHEREAS one in three Americans have witnessed an incident of domestic violence; and

WHEREAS children that grow up in violent homes are believed to be abused and neglected at a rate higher than the national average; and

WHEREAS domestic violence costs the nation billions of dollars annually in medical expenses, police and court costs, shelters, foster care, sick leave, absenteeism, and non-productivity; and

WHEREAS only a coordinated community effort will put a stop to this heinous crime; and.

WHEREAS Domestic Violence Awareness Month provides an excellent opportunity for citizens to learn more about preventing domestic violence and to show support for the numerous organizations and individuals who provide critical advocacy, services, and assistance to victims;

NOW, THEREFORE, BE IT RESOLVED the King William County Board of Supervisors hereby proclaims the month of October as Domestic Violence Awareness Month and asks the citizens of King William County to work together to eliminate domestic violence from our community.

DONE this the 26th day of September, 2022.



PROCLAMATION

2022

A PROCLAMATION DECLARING OCTOBER AS DOMESTIC VIOLENCE AWARENESS MONTH

WHEREAS, domestic violence is a serious crime that affects people of all races, ages, gender, and income levels; and

WHEREAS, Domestic violence is widespread and affects over four million Americans each year; and

WHEREAS, one in three Americans have witnessed an incident of domestic violence; and

WHEREAS, children that grow up in violent homes are believed to be abused and neglected at a rate higher than the national average; and

WHEREAS, domestic violence costs the nation billions of dollars annually in medical expenses, police and court costs, shelters, foster care, sick leave, absenteeism, and non-productivity; and

WHEREAS, only a coordinated community effort will put a stop to this heinous crime; and.

WHEREAS, Domestic Violence Awareness Month provides an excellent opportunity for citizens to learn more about preventing domestic violence and to show support for the numerous organizations and individuals who provide critical advocacy, services, and assistance to victims.

NOW, THEREFORE, IT IS PROCLAIMED by the King William County Board of Supervisors the month of October as Domestic Violence Awareness Month and ask the citizens of King William County to work together to eliminate domestic violence from our community.

Edwin H. Moren Jr, Board Chairman

AGENDA ITEM 8.b.

Draft Report & Audit Results - Aaron B. Hawkins, CPA, CFE, Robinson, Farmer, Cox
Associates

COUNTY OF KING WILLIAM, VIRGINIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2021

DRAFT

Prepared By:

King William County
Department of Finance

COUNTY OF KING WILLIAM, VIRGINIA
FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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Independent Auditors' Report

**To the Honorable Members of the Board of Supervisors
County of King William
King William, Virginia**

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

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

Change in Accounting Principle

As described in Note 19 to the financial statements, in 2021, the County adopted new accounting guidance, GASB Statement Nos. 84, *Fiduciary Activities*, 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*, and 90, *Majority Equity Interests* during the fiscal year ended June 30, 2021. Our opinion is not modified with respect to these matters.

Restatement of Beginning Balances

As described in Note 19 to the financial statements, in 2021, the County restated beginning balances to reflect the requirements of GASB Statement No. 84, as well as restatements involving capital assets and school reserve fund. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison, and schedules related to pension and OPEB funding on pages 4, 87-88, 89-109 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. 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 and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise County of King William, Virginia's basic financial statements. The introductory section, other supplementary information, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U. S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

Supplementary and Other Information (Continued)

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 22, 2022, on our consideration of County of King William, 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 King William, 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 King William, Virginia's internal control over financial reporting and compliance.

Richmond, Virginia
September 22, 2022

Statement of Net Position
June 30, 2021

	Primary Government Governmental Activities	Component Unit School Board
ASSETS		
Cash and cash equivalents	\$ 15,225,898	\$ 7,850,164
Investments	28,189	-
Receivables (net of allowance for uncollectibles):		
Taxes receivable	8,044,650	-
Accounts receivable	(74,940)	56,705
Due from other governmental units	1,363,067	450,499
Net pension asset	-	37,268
Prepaid items	33,247	-
Restricted assets:		
Cash and cash equivalents	2,066,038	-
Capital assets (net of accumulated depreciation):		
Land	919,672	76,340
Buildings and improvements	21,947,095	19,737,775
Land improvements	-	171,034
Equipment	1,901,985	5,013,398
Infrastructure	6,064,191	413,070
Construction in progress	415,290	-
Total assets	<u>\$ 57,935,331</u>	<u>\$ 33,806,253</u>
DEFERRED OUTFLOWS OF RESOURCES		
Pension related items	\$ 1,055,420	\$ 5,277,079
OPEB related items	140,982	815,806
Deferred charges on refunding	168,670	-
Total deferred outflows of resources	<u>\$ 1,365,072</u>	<u>\$ 6,092,885</u>
LIABILITIES		
Accounts payable	\$ 769,652	\$ (103,549)
Accrued liabilities	210,076	2,080,312
Accrued interest payable	341,360	-
Unearned revenue	1,671,162	31,234
Deposits	172,218	-
Long-term liabilities:		
Due within one year	2,078,704	30,464
Due in more than one year	26,652,473	25,174,046
Total liabilities	<u>\$ 31,895,645</u>	<u>\$ 27,212,507</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred revenue - property taxes	\$ 6,261,824	\$ -
Pension related items	245,175	2,063,132
OPEB related items	55,263	637,091
Total deferred inflow of resources	<u>\$ 6,562,262</u>	<u>\$ 2,700,223</u>
NET POSITION		
Net investment in capital assets	\$ 7,477,158	\$ 25,411,617
Restricted:		
Split levy with Town of West Point	361,273	-
Sheriff's asset forfeiture	13,950	-
Commonwealth Attorney's asset forfeiture	1,954	-
Unrestricted (deficit)	12,986,778	(15,425,209)
Total net position	<u>\$ 20,841,113</u>	<u>\$ 9,986,408</u>

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

Statement of Activities
For the Year Ended June 30, 2021

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Governmental Activities	Component Unit School Board
PRIMARY GOVERNMENT:						
Governmental activities:						
General government administration	\$ 3,080,055	\$ -	\$ 468,720	\$ -	\$ (2,611,335)	\$ -
Judicial administration	973,198	97,128	403,342	-	(472,728)	-
Public safety	10,089,348	270,393	1,111,021	-	(8,707,934)	-
Public works	2,439,220	1,278,265	-	-	(1,160,955)	-
Health and welfare	2,345,993	7,644	1,473,668	-	(864,681)	-
Education	15,756,978	-	-	-	(15,756,978)	-
Parks, recreation, and cultural	863,040	57,582	-	-	(805,458)	-
Community development	2,772,083	569,197	4,500	-	(2,198,386)	-
Interest on long-term debt	943,981	-	-	-	(943,981)	-
Total governmental activities	\$ 39,263,896	\$ 2,280,209	\$ 3,461,251	\$ -	\$ (33,522,436)	\$ -
Total primary government	\$ 39,263,896	\$ 2,280,209	\$ 3,461,251	\$ -	\$ (33,522,436)	\$ -
COMPONENT UNIT:						
School Board	\$ 21,530,843	\$ 168,580	\$ 13,795,275	\$ -	\$ -	\$ (7,566,988)
Total component unit	\$ 21,530,843	\$ 168,580	\$ 13,795,275	\$ -	\$ -	\$ (7,566,988)
General revenues:						
General property tax				\$ 19,634,744	\$ -	
Local sales and use tax				5,268,926	-	
Consumer utility tax				266,682	-	
Business license tax				470,159	-	
Restaurant food tax				442,102	-	
Other local taxes				1,051,878	-	
Unrestricted revenues from use of money and property				168,210	20,018	
Miscellaneous				528,299	335,435	
Grants and contributions not restricted to specific programs				4,472,249	-	
Payment from King William County School Board				-	-	
Payment from King William County				-	13,501,735	
Total general revenues				\$ 32,523,445	\$ 13,857,188	
Change in net position				\$ (998,991)	\$ 6,290,200	
Net position - beginning, as restated				21,840,481	3,246,309	
Net position - ending				\$ 20,841,490	\$ 9,536,509	

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

Balance Sheet
 Governmental Funds
 June 30, 2021

	General	General Capital Projects	School Capital Projects	CARES Act	ARPA	Total
ASSETS						
Cash and cash equivalents	\$ 10,316,379	\$ 3,145,952	\$ -	\$ 123,194	\$ 1,644,180	\$ 15,229,705
Investments	28,189	-	-	-	-	28,189
Receivables (net of allowance for uncollectibles):						
Taxes receivable	8,044,650	-	-	-	-	8,044,650
Accounts receivable	(74,940)	-	-	-	-	(74,940)
Due from other funds	94,387	-	-	-	-	94,387
Due from other governmental units	1,363,067	-	-	-	-	1,363,067
Prepaid items	33,247	-	-	-	-	33,247
Restricted assets:						
Cash and cash equivalents, restricted	-	2,066,038	-	-	-	2,066,038
Total assets	\$ 19,804,979	\$ 5,211,990	\$ -	\$ 123,194	\$ 1,644,180	\$ 26,784,343
LIABILITIES						
Accounts payable	\$ 753,810	\$ 10,009	\$ 3,375	\$ 1,183	\$ 1,275	\$ 769,652
Accrued liabilities	210,076	-	-	-	-	210,076
Reconciled overdraft payable	-	-	3,807	-	-	3,807
Due to other funds	-	-	-	93,438	-	93,438
Unearned revenue	-	-	-	28,437	1,642,725	1,671,162
Deposits	172,218	-	-	-	-	172,218
Total liabilities	\$ 1,136,104	\$ 10,009	\$ 7,182	\$ 123,058	\$ 1,644,000	\$ 2,920,353
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue - property taxes	\$ 7,923,426	\$ -	\$ -	\$ -	\$ -	\$ 7,923,426
Total deferred inflows of resources	\$ 7,923,426	\$ -	\$ -	\$ -	\$ -	\$ 7,923,426
Fund balances:						
Nonspendable	\$ 33,247	\$ -	\$ -	\$ -	\$ -	\$ 33,247
Restricted	377,177	2,066,038	-	-	-	2,443,215
Committed	3,327,218	3,135,943	(3,374)	136	180	6,460,103
Unassigned	7,006,423	-	(3,807)	-	-	7,002,616
Total fund balances	\$ 10,744,065	\$ 5,201,981	\$ (7,181)	\$ 136	\$ 180	\$ 15,939,181
Total liabilities, deferred inflows of resources and fund balances	\$ 19,803,595	\$ 5,211,990	\$ 1	\$ 123,194	\$ 1,644,180	\$ 26,782,960

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, 2021

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

Total fund balances per Exhibit 3 - Balance Sheet - Governmental Funds		\$ 15,939,181
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Capital assets, cost	\$ 57,058,923	
Accumulated depreciation	<u>(25,810,690)</u>	31,248,233
Other long-term assets are not available to pay for current-period expenditures and, therefore, are unavailable in the funds.		
Unavailable revenue - property taxes		1,661,602
Deferred outflows of resources are not available to pay for current-period expenditures and, therefore, are not reported in the funds.		
Deferred charge on refunding	\$ 168,670	
OPEB related items	140,982	
Pension related items	<u>1,055,420</u>	1,365,072
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.		
Bonds and loans payable	\$ (23,521,241)	
Less: Issuance premium (to be amortized over life of debt)	(1,234,542)	
Accrued Interest payable	(341,360)	
Net OPEB liability	(573,608)	
Net pension liability	(1,698,470)	
Capital leases	(1,250,000)	
Compensated absences	<u>(453,316)</u>	(29,072,537)
Deferred inflows of resources are not due and payable in the current period and, therefore, are not reported in the funds.		
Pension related items	\$ (245,175)	
OPEB related items	<u>(55,263)</u>	<u>(300,438)</u>
Net position of governmental activities		<u>\$ 20,841,113</u>

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, 2021

	General	Debt Service	Capital Projects	School Capital Projects	CARES Act	ARPA	Total
REVENUES							
General property taxes	\$ 19,772,544	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,772,544
Other local taxes	7,499,747	-	-	-	-	-	7,499,747
Permits, privilege fees, and regulatory licenses	573,849	-	-	-	-	-	573,849
Fines and forfeitures	95,978	-	-	-	-	-	95,978
Revenue from the use of money and property	119,171	48,913	-	-	126	-	168,210
Charges for services	1,610,382	-	-	-	-	-	1,610,382
Miscellaneous	158,572	-	369,727	-	-	-	528,299
Recovered costs	233,580	-	-	-	-	-	233,580
Intergovernmental:							
Local government	-	-	-	-	-	-	-
Commonwealth	4,125,109	-	-	346,444	-	-	4,471,553
Federal	816,929	-	-	-	2,622,344	22,674	3,461,947
Total revenues	\$ 35,005,861	\$ 48,913	\$ 369,727	\$ 346,444	\$ 2,622,470	\$ 22,674	\$ 38,416,089
EXPENDITURES							
Current:							
General government administration	\$ 2,156,547	\$ -	\$ -	\$ -	495,902	\$ -	2,652,449
Judicial administration	797,279	-	-	-	61,230	3,999	862,508
Public safety	6,575,225	-	-	-	670,678	18,495	7,264,398
Public works	2,260,295	-	-	-	-	-	2,260,295
Health and welfare	2,335,376	-	-	-	320	-	2,335,696
Education	12,204,431	-	-	-	1,015,115	-	13,219,546
Parks, recreation, and cultural	740,916	-	-	-	75,542	-	816,458
Community development	494,174	-	-	-	-	-	494,174
Nondepartmental	1,966,370	-	-	-	303,557	-	2,269,927
Capital projects	-	-	2,840,601	610,232	-	-	3,450,833
Debt service:							
Principal retirement	-	1,963,758	-	-	-	-	1,963,758
Interest and other fiscal charges	-	1,023,524	-	-	-	-	1,023,524
Total expenditures	\$ 29,530,613	\$ 2,987,282	\$ 2,840,601	\$ 610,232	\$ 2,622,344	\$ 22,494	\$ 38,613,566
Excess (deficiency) of revenues over (under) expenditures	\$ 5,475,248	\$ (2,938,369)	\$ (2,470,874)	\$ (263,788)	\$ 126	\$ 180	\$ (197,477)
OTHER FINANCING SOURCES (USES)							
Transfers in	\$ -	\$ 2,836,771	\$ 210,000	\$ 220,196	\$ -	\$ -	\$ 3,266,967
Transfers out	(3,046,771)	-	-	-	-	-	(3,046,771)
Total other financing sources (uses)	\$ (3,046,771)	\$ 2,836,771	\$ 210,000	\$ 220,196	\$ -	\$ -	\$ 220,196
Net change in fund balances	\$ 2,428,477	\$ (101,598)	\$ (2,260,874)	\$ (43,592)	\$ 126	\$ 180	\$ 22,719
Fund balances - beginning, as restated	8,315,588	101,598	7,462,855	36,411	10	-	15,916,462
Fund balances - ending	\$ 10,744,065	\$ -	\$ 5,201,981	\$ (7,181)	\$ 136	\$ 180	\$ 15,939,181

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, 2021

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

Net change in fund balances - total governmental funds \$ 22,719

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 the capital outlays in the current period.

Capital asset additions	\$ 807,442	
Depreciation expense	(2,044,608)	
Jointly owned asset allocation of assets	(2,130,455)	
Jointly owned asset depreciation	824,343	(2,543,278)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Property taxes (137,800)

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

Principal payments 1,963,758

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.

The following is a summary of items supporting this adjustment:

Change in compensated absences	\$ 3,403	
OPEB expense	(10,296)	
Pension expense	(377,040)	
Premium amortization	85,956	
(Increase) decrease in accrued interest payable	(6,413)	(304,390)
Change in net position of governmental activities	\$	(998,991)

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

COUNTY OF KING WILLIAM, VIRGINIA

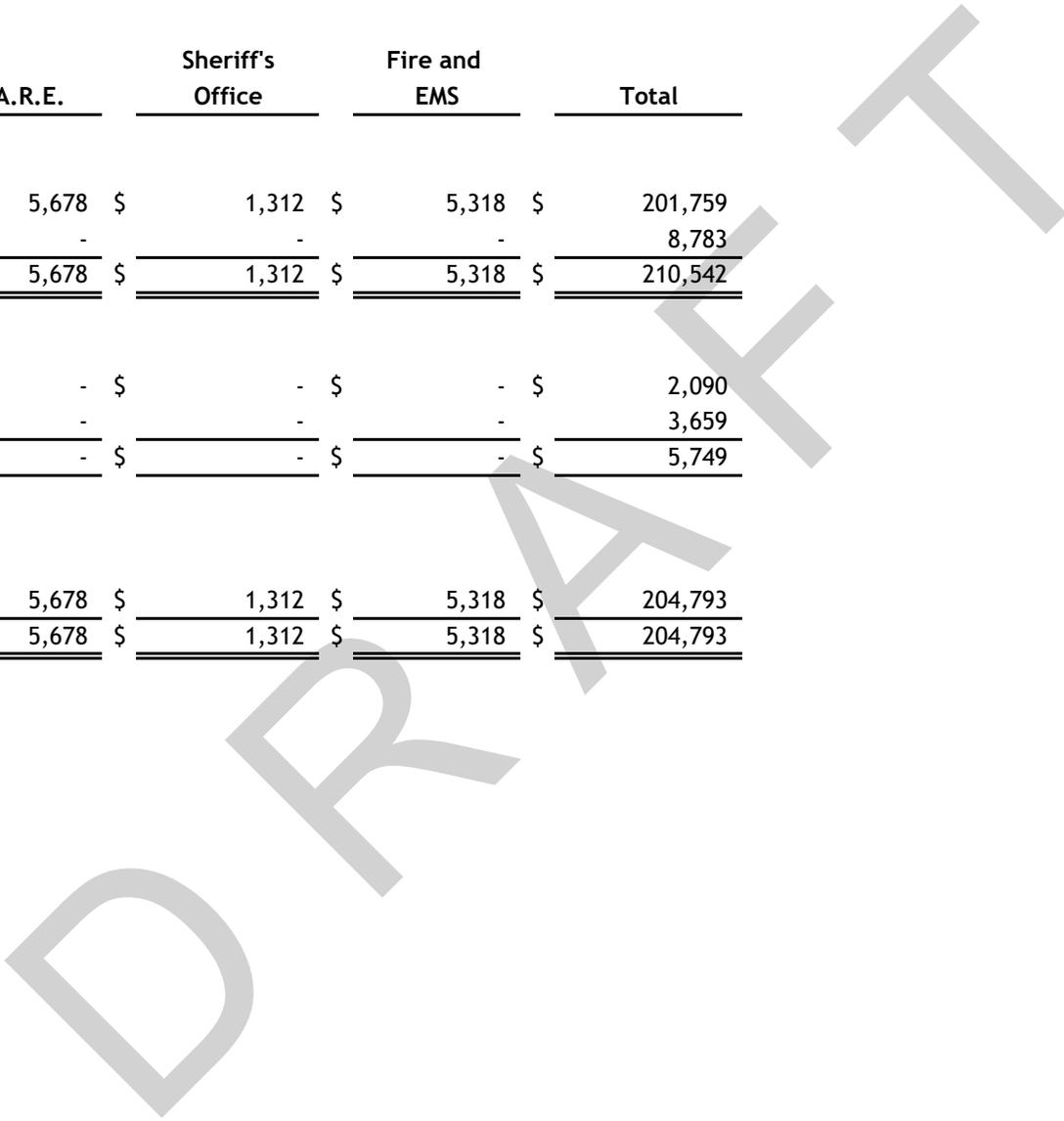
Combining Statement of Fiduciary Net Position
 Fiduciary Funds
 June 30, 2021

	Custodial Funds		
	Special Welfare	VJCCCA	Project Lifesaver
ASSETS			
Cash and cash equivalents	\$ 6,100	\$ 178,140	\$ 5,211
Due from other governmental units	-	8,783	-
Total assets	<u>\$ 6,100</u>	<u>\$ 186,923</u>	<u>\$ 5,211</u>
LIABILITIES			
Accounts payable	\$ -	\$ 2,090	\$ -
Accrued liabilities	-	3,659	-
Total liabilities	<u>\$ -</u>	<u>\$ 5,749</u>	<u>\$ -</u>
NET POSITION			
Restricted for:			
Individuals, organizations, and other governments	\$ 6,100	\$ 181,174	\$ 5,211
Total net position	<u>\$ 6,100</u>	<u>\$ 181,174</u>	<u>\$ 5,211</u>

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

Exhibit 7

<u>D.A.R.E.</u>	<u>Sheriff's Office</u>	<u>Fire and EMS</u>	<u>Total</u>
\$ 5,678	\$ 1,312	\$ 5,318	\$ 201,759
-	-	-	8,783
<u>\$ 5,678</u>	<u>\$ 1,312</u>	<u>\$ 5,318</u>	<u>\$ 210,542</u>
\$ -	\$ -	\$ -	\$ 2,090
-	-	-	3,659
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,749</u>
\$ 5,678	\$ 1,312	\$ 5,318	\$ 204,793
<u>\$ 5,678</u>	<u>\$ 1,312</u>	<u>\$ 5,318</u>	<u>\$ 204,793</u>



COUNTY OF KING WILLIAM, VIRGINIA

Combining Statement of Changes in Fiduciary Net Position
 Fiduciary Funds
 June 30, 2021

	Custodial Funds		
	Special Welfare	VJCCCA	Project Lifesaver
ADDITIONS			
Contributions	\$ 7,685	\$ 18,850	\$ 2,050
Electronic monitoring fees	-	32,773	-
Local shares	-	48,400	-
Revenue from the Commonwealth	-	40,014	-
Total additions	<u>\$ 7,685</u>	<u>\$ 140,037</u>	<u>\$ 2,050</u>
DEDUCTIONS			
Recipient payments	\$ 2,544	\$ -	\$ -
Salaries and wages	-	126,475	-
Fringe benefits	-	29,916	-
Purchased services	-	3,311	-
Miscellaneous	-	11,284	556
Capital outlay	-	926	-
Total deductions	<u>\$ 2,544</u>	<u>\$ 171,912</u>	<u>\$ 556</u>
Net increase (decrease) in fiduciary net position	5,141	(31,875)	1,494
Net position, beginning, as restated	959	213,049	3,717
Net position, ending	<u>\$ 6,100</u>	<u>\$ 181,174</u>	<u>\$ 5,211</u>

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

<u>D.A.R.E.</u>	<u>Sheriff's Office</u>	<u>Horse Rescue</u>	<u>Fire and EMS</u>	<u>Total</u>
\$ 1,500	\$ 16	\$ -	\$ 3,461	\$ 33,562
-	-	-	-	32,773
-	-	-	-	48,400
-	-	-	-	40,014
<u>\$ 1,500</u>	<u>\$ 16</u>	<u>\$ -</u>	<u>\$ 3,461</u>	<u>\$ 154,749</u>
\$ -	\$ -	\$ -	\$ -	\$ 2,544
-	-	-	-	126,475
-	-	-	-	29,916
-	-	-	-	3,311
-	233	20,968	-	33,041
-	-	-	-	926
<u>\$ -</u>	<u>\$ 233</u>	<u>\$ 20,968</u>	<u>\$ -</u>	<u>\$ 196,213</u>
1,500	(217)	(20,968)	3,461	(41,464)
4,178	1,529	20,968	1,857	246,257
<u>\$ 5,678</u>	<u>\$ 1,312</u>	<u>\$ -</u>	<u>\$ 5,318</u>	<u>\$ 204,793</u>

COUNTY OF KING WILLIAM, VIRGINIA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2021

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The County of King William, Virginia (County) was formed in 1702 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 the County of King William, Virginia have been prepared in conformity with the specifications promulgated by the Auditor of Public Accounts (APA) of the Commonwealth of Virginia, and the accounting principles generally accepted in the United States as specified by the Governmental Accounting Standards Board. The more significant of the government's accounting policies are described below.

Financial Statement Presentation

Government-wide and Fund Financial Statements

Government-wide financial statements - The reporting model includes financial statements prepared using full accrual accounting for all of the government's activities. This approach includes not just current assets and liabilities but also capital assets and long-term liabilities (such as buildings and general obligation debt).

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. The exception to this general rule are charges between the government's water and sewer function and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

Statement of Net Position - The Statement of Net Position is designed to display financial position of the primary government (governmental and business-type activities) and its discretely presented component units. Governments will report all capital assets in the government-wide Statement of Net Position and will report depreciation expense - the cost of "using up" capital assets - in the Statement of Activities. The net position of a government will be broken down into three categories - 1) net investment in capital assets, 2) restricted; and 3) unrestricted.

Statement of Activities - The government-wide statement of activities reports expenses and revenues in a format that focuses on the cost of each of the government's functions. The expense of individual functions is compared to the revenues generated directly by the function (for instance, through user charges or intergovernmental grants).

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

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

A. 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 the basic 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 the County of King William (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 combined financial statements to emphasize it is legally separate from the government.

B. Individual Component Unit Disclosures

Blended Component Unit. The County has no blended component units to be included for the fiscal year ended June 30, 2021.

Discretely Presented Component Units. The School Board members are elected by the citizens of King William County. The School Board is responsible for the operations of the County's School System within the County boundaries. The School Board is fiscally dependent on the County. The County has the ability to approve its budget and any amendments. The School Board does not issue a separate financial report. The financial statements of the School Board are presented as a discrete presentation in the County financial statements for the fiscal year ended June 30, 2021.

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

B. Individual Component Unit Disclosures: (Continued)

Discretely Presented Component Units: (Continued)

The Economic Development Authority (Authority), formerly the Industrial Development Authority, was created as a political subdivision of the Commonwealth of Virginia (Commonwealth) by King William County in 1972, pursuant to the provisions of the Industrial Development and Revenue Bond Act, Chapter 49 of Title 15.2, *Code of Virginia*. This Act empowers the Authority, among other activities, to issue tax-exempt bonds to acquire, improve, maintain, equip, own, lease, or dispose of properties by inducing manufacturing and industrial enterprises to locate or remain in the Commonwealth. The County Board of Supervisors appoints the seven directors of the Authority and provides financial support by making direct payments of debt service expenses on behalf of the Authority. To date, activity of the Authority has been minimal and, as such, has been historically accounted for as part of the County's General Fund.

The King William - King and Queen Regional Animal Shelter (Shelter) was created under a resolution between King William County and King and Queen County. The two counties share equally in both the cost of construction and operation of the facilities. The County serves as fiscal agent of the Shelter and administers the operation of the Shelter, and receives a fee of 3% of the annual operating expenditures from King and Queen County for managing the Shelter. The Shelter began operations in 2009 and the activity is accounted for as part of the County's General Fund.

C. Other Related Organizations

Hampton Roads Sanitation District

The Hampton Roads Sanitation District (HRSD) was created by resolution pursuant to state statute and is governed by an eight-member board appointed by the Governor from the localities comprising HRSD's service area. The County currently has no representation on the board, but has agreements with HRSD to provide wastewater treatment services. In 1999, operation of the King William County Wastewater Treatment Plant and Wastewater Collection System, and all wastewater pumping stations owned by the County at that time were transferred to HRSD. The County still owns the Mount Olive Area 1 and Wastewater Treatment Facilities and associated Wastewater Collection Systems, which are operated by HRSD for an annual fee. The County has obtained an allocation of expanded treatment capacity at HRSD, the cost of which is being subsidized until which time actual flows reach at least 50% of the allocated expanded capacity.

Middle Peninsula Juvenile Detention Commission

The Middle Peninsula Juvenile Detention Commission is considered a jointly governed organization and, therefore, its operations are not included in the County's financial statements. The Commission serves numerous localities and is funded through a per diem charge for each juvenile committed to the member jurisdictions, as well as by funding provided by the Commonwealth.

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

C. Other Related Organizations (Continued)

Middle Peninsula Planning District Commission

The Middle Peninsula Planning District Commission is considered a jointly governed organization and, therefore, its operations are not included in the County's financial statements. The counties of Essex, Gloucester, King and Queen, Middlesex, Mathews, and the County provide the financial support for the Commission and appoint its governing board. The majority of directors consist of elected officials of the governmental subdivisions within the planning district.

Middle Peninsula Northern Neck Community Services Board

The Middle Peninsula Northern Neck Community Services Board (Board) was created by resolution pursuant to state statute and is considered a jointly governed organization and, therefore, its operations are not included in the County's financial statements. The County appoints one 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. The County contributed \$60,624 in fiscal year 2021.

Middle Peninsula Regional Airport Authority

The Middle Peninsula Regional Airport Authority is considered a jointly governed organization and, therefore, its operations are not included in the County's financial statements. King and Queen County contributes 50% of the annual local tax revenue received from personal property at the airport to support operations, and the remaining expenses, net of revenues, are shared equally between the Town of West Point and the Counties of Gloucester, King and Queen, and the County. Each member jurisdiction appoints one of the directors.

Middle Peninsula Regional Security Center

The Middle Peninsula Regional Security Center (Center) is considered a jointly governed organization and, therefore, its operations are not included in the County's financial statements. The counties of Essex, Mathews, Middlesex, King and Queen, and the County provide the financial support for the Center and appoint its governing Board, which has the ability execute contracts and to budget and expend funds. The County appoints two of the nine members to the board. No one locality contributes more than 50% of the Center's funding.

Pamunkey Regional Library

The Pamunkey Regional Library (Library) is considered a jointly governed organization and, therefore, its operations are not included in the County's financial statements. The counties of Goochland, Hanover, King and Queen, and the County provide the financial support for the Library and appoint its governing board, which has the ability to execute contracts and to budget and expend funds. The County appoints two of the seven members of the board. No one locality contributes 50% of the Library's funding.

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

C. Other Related Organizations (Continued)

Virginia Peninsulas Public Service Authority

The Virginia Peninsulas Public Service Authority (Authority) is considered a jointly governed organization and, therefore, its operations are not included in the County's financial statements. The board consists of 12 members who represent each of the member jurisdictions consisting of numerous localities. The member jurisdictions share in administrative costs on a per capita basis. The County has lease and operating agreements with the Authority to provide solid waste services for the County, which are billed monthly to the individual users of the Authority or to the County.

Bridging Communities Regional Career and Technical Center

The Town of West Point school division, Charles City school division and the county school divisions of King and Queen, Middlesex, New Kent, and King William participate in supporting the Center. The County of New Kent serves as the fiscal agent of the Center. The Center is governed by a six member board of control, which is comprised of one school board member from each of the six school divisions. The School Board's contribution for fiscal year 2021 was approximately \$202,050.

Included in the County's Financial Report

None

D. 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 government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements, except for agency funds. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of 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.

The government-wide statement of activities reflects both the gross and net cost per functional category (public safety, public works, health and welfare, etc.) which are otherwise being supported by general government revenues, (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges, etc.) The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants, and contributions. The program revenues must be directly associated with the function (public safety, public works, health and welfare, etc.) or a business-type activity.

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

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

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 45 days of the end of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government. 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 as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

The County's fiduciary funds are presented in the fund financial statements by type. Since by definition these assets are being held for the benefit of a third party and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

Property 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. Accordingly, real and personal property taxes are recorded as revenues and receivables when billed, net of allowances for uncollectible amounts. Property taxes not collected within 45 days after year-end are reflected as unavailable revenues. Sales and utility taxes, which are collected by the state or utilities and subsequently remitted to the County, are recognized as revenues and receivables upon collection by the state or utility, which is generally within two months preceding receipt by the County.

Licenses, permits, fines and rents are recorded as revenues when received. Intergovernmental revenues, consisting primarily of federal, state and other grants for the purpose of funding specific expenditures, are recognized when earned or at the time of specific expenditure. Revenues from general purpose grants are recognized in the period to which the grant applies. All other revenue items are considered to be measurable and available only when cash is received by the government.

In the fund financial statements, financial transactions and accounts of the County are organized on the basis of funds. The operation of each fund is considered to be an independent fiscal and separate accounting entity, with a self-balancing set of accounts recording cash and/or other financial resources together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

1. Governmental Funds - are those through which most governmental functions typically are financed. The County reports the following governmental funds:

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

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

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

Debt Service Fund - accounts for and reports financial resources that are restricted, committed, or assigned to expenditure for principal and interest. Payment of principal and interest on the County and school system's general long-term debt financing is provided by appropriations from the General Fund. The County reports the Debt Service Fund as major funds.

Capital Projects Funds - accounts for and reports financial resources that are restricted, committed or assigned to expenditure for capital outlays except for those financed by proprietary funds or for assets held in trust for individuals, private organizations or of the governments. The County reports the Capital Projects Fund and the School Capital Project Fund as major Funds.

Special Revenue Fund - accounts for and reports the proceeds of specific revenue sources that are restricted, committed or assigned to expenditure associated with the CARES Act. These funds have been determined to be major for public interest reasons, in that the presentation is of particular importance to financial statement users.

The County reports the following nonmajor governmental funds:

Fiduciary Funds - (Agency Funds) - accounts for assets held by the County unit in a trustee capacity or as an agent or custodian for individuals, private organizations, other governmental units, or other funds. These funds include Agency Funds. Agency Funds utilize the accrual basis of accounting. Agency funds do not have a measurement focus. Fiduciary funds are not included in the government-wide financial statements. The County's Agency Funds include amounts held for others in a fiduciary capacity, which includes the following funds: Special Welfare Fund, Virginia Juvenile Community Crime Council Act (VJCCCA) Fund), Project Lifesaver Fund, D.A.R.E. Fund, Donation to Sheriff's Office Fund, Horse Rescue Fund and Fire and EMS Donations Fund.

E. Cash and Cash Equivalents:

Cash and cash equivalents include cash on hand, amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the government. For purposes of the statement of cash flows, the government's proprietary funds consider their demand deposits and all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

F. Investments

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

State statutes authorize the government to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds and repurchase agreements.

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

G. 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 portions of the 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 \$115,685 at June 30, 2021 and is comprised solely of property taxes.

Real and Personal Property Tax Data:

The tax calendars for real and personal property taxes are summarized below.

	<u>Real Property</u>	<u>Personal Property</u>
Levy	January 1	January 1
Due Date	June 30/December 5 (50% each date)	June 30/December 5 (50% each date)
Lien Date	January 1	January 1

The County bills and collects its own property taxes.

H. Capital Assets

Capital assets, which include property and equipment are reported in the applicable governmental columns in the government-wide financial statements for both the County and the Component Unit School Board. Capital assets are defined by the County as land, buildings, infrastructure and equipment with an initial individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. Assets received in a service concession arrangement are reported at acquisition value.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets’ lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant and equipment of the primary government, as well as the component units, are depreciated using the straight-line method over the following estimated useful lives.

<u>Assets</u>	<u>Years</u>
Buildings and improvements	5-40
Furniture and equipment	3-5
Infrastructure	40
Land improvements	15

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

I. Compensated Absences

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Amounts of vested or accumulated vacation leave not expected to be liquidated with expendable available financial resources are reported as an expense in the Statement of Activities and a long-term obligation in the Statement of Net Position. A liability is recognized for that portion of accumulating sick leave benefits that it is estimated will be taken as “terminal leave” prior to retirement. The General Fund is responsible for paying the liability for compensated absences for the general government employees and has been used in prior years to liquidate the governmental funds’ liability.

County employees earn vacation and sick leave at various rates. After five years of service with the County, employees are paid out for voluntary separation, non-disciplinary separation, and retirement. The rate paid out varies by years of service.

The School Board compensates eligible retiring employees at an approved rate for their unused accumulated sick leave. The retiring employee must retire under the regulations of the VRS and have been under contract in the school division for five consecutive years preceding retirement. The maximum number of allowable days is 150 days. The rate is 16% of the daily rate, or \$20 per day, whichever is greater.

J. 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.

K. 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 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.

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 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.

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

L. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the County's and School Board's Retirement Plan and the additions to/deductions from the County and School Board's Retirement Plan's fiduciary net 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.

M. 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 (nonprofessional), Teacher HIC, and Medical, Dental and Vision Pay-As-You-Go OPEB Plans and the additions to/deductions from the VRS OPEB Plans' fiduciary net 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.

N. Long-term Obligations

In the government-wide financial statements, long-term debt and other 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 or 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.

O. Prepaid Items

Certain payments to vendors reflect costs applied to future accounting periods and are recorded as prepaid items in both the government-wide and the fund financial statements. Prepaid items are accounted for using the consumption method and are valued at cost. Prepaid items in governmental funds are reported as nonspendable fund balance.

P. Fund Balance

The following classifications of fund balance describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- Nonspendable fund balance - amounts that are not in spendable form (such as prepaids) or are required to be maintained intact (corpus of a permanent fund);

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

P. Fund Balance (Continued)

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

The Board of Supervisors formally established a minimum unassigned fund balance policy in the General Fund in the amount of twenty (20) percent (approximately 2-3 months) of the General Fund expenditures and outflows at the end of each fiscal year.

The County applies restricted resources first when expenditures are incurred for purpose for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classification could be used.

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COUNTY OF KING WILLIAM, VIRGINIA

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 (CONTINUED)

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

P. Fund Balance (Continued)

The details of governmental fund balances, as presented in aggregate on Exhibit 3, are as follows:

	<u>General</u>	<u>General Capital Projects</u>	<u>School Capital Projects</u>	<u>CARES Act</u>	<u>ARPA</u>	<u>Total</u>
Fund Balances:						
Nonspendable:						
Prepaid items	\$ 33,247	\$ -	\$ -	\$ -	\$ -	\$ 33,247
Permanent fund principal						
Total Nonspendable	<u>\$ 33,247</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 33,247</u>
Restricted:						
Split levy with Town of West Point	\$ 361,273	\$ -	\$ -	\$ -	\$ -	\$ 361,273
Sheriff's asset forfeiture	13,950	-	-	-	-	13,950
forfeiture	1,954	-	-	-	-	1,954
Future capital projects	-	2,066,038	-	-	-	2,066,038
Total Restricted	<u>\$ 377,177</u>	<u>\$ 2,066,038</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,443,215</u>
Committed:						
Future capital projects	\$ -	\$ 3,135,943	\$ -	\$ -	\$ -	\$ 3,135,943
CARES Act	-	-	-	136	-	136
ARPA	-	-	-	-	180	180
School reserve	1,469,374	-	-	-	-	1,469,374
Regional animal shelter	44,804	-	-	-	-	44,804
Four-for-life program	53,443	-	-	-	-	53,443
Fire programs	71,305	-	-	-	-	71,305
EMS billing	6,883	-	-	-	-	6,883
Victim witness program	23,307	-	-	-	-	23,307
Water utility operations	1,623,158	-	-	-	-	1,623,158
Recreation programs	34,944	-	-	-	-	34,944
Total Committed	<u>\$ 3,327,218</u>	<u>\$ 3,135,943</u>	<u>\$ -</u>	<u>\$ 136</u>	<u>\$ 180</u>	<u>\$ 6,463,477</u>
Unassigned	\$ 8,382,629	\$ -	\$ (3,807)	\$ -	\$ -	\$ 8,378,822
Total Fund Balances	<u>\$ 12,120,271</u>	<u>\$ 5,201,981</u>	<u>\$ (3,807)</u>	<u>\$ 136</u>	<u>\$ 180</u>	<u>\$ 17,318,761</u>

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

Q. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(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. The first item is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in 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 second item is comprised of certain items related to the measurement of the net pension asset/liability and net OPEB liabilities and contributions to the pension and OPEB plans made during the current year and subsequent to the net pension asset/liability and net OPEB liability measurement date. For more detailed information on these items, reference the related notes.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has multiple items that qualify for reporting in this category. Under a modified accrual basis of accounting, unavailable revenue representing property taxes receivable is reported in the governmental funds balance sheet. This amount is comprised of uncollected property taxes due prior to June 30, 2nd half installments levied during the fiscal year but due after June 30th, and amounts prepaid on the 2nd half installments and is deferred and recognized as an inflow of resources in the period that the amount becomes available. Under the accrual basis, 2nd half installments levied during the fiscal year but due after June 30th and amounts prepaid on the 2nd half installments are reported as deferred inflows of resources. In addition, certain items related to the measurement of the net pension asset/liability and net OPEB liabilities are reported as deferred inflows of resources. For more detailed information on these items, reference the related notes.

R. Component Unit - School Board Capital Asset and Debt Presentation (Jointly Owned Assets)

By law, the School Board does not have taxing authority and, therefore, it cannot incur debt through general obligation bonds to fund the acquisition, construction, or improvement of its capital assets. That responsibility lies with the County who issues the debt on behalf of the School Board. However, the *Code of Virginia* requires the School Board to hold title to the capital assets (buildings and equipment) due to their responsibility for maintaining the assets.

The Virginia General Assembly amended the *Code of Virginia* to allow a tenancy in common with the School Board whenever the locality incurs a financial obligation which is payable over more than one fiscal year for any school property. The tenancy in common terminates when the associated debt has been paid in full. For financial reporting purposes, the legislation permits the locality to report the portion of the school property related to any outstanding financial obligation, thus eliminating a potential deficit for the primary government due to financing School Board capital assets with debt.

COUNTY OF KING WILLIAM, VIRGINIA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2021 (CONTINUED)

NOTE 2—STEWARDSHIP, COMPLIANCE, AND ACCOUNTING:

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

1. During the month of March, 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 required to be 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, which is the level presented in Exhibit 5. 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 and the School Board is authorized to transfer budgeted amounts within the school systems categories.
5. Formal budgetary integration is employed as a management control device during the year and budgets are legally adopted for the General Fund, Debt Service Fund, Capital Projects Funds and all other general governmental funds and the School Fund, School Textbook Fund and the School Cafeteria Fund of the Primary Government and Component Unit - 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. Several Supplemental Appropriations were necessary during the fiscal year.

Expenditures and Appropriations

Expenditures did not exceed appropriations in any fund at June 30, 2021.

NOTE 3—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.

At year-end the carrying value of the County’s deposits with banks and savings institutions was \$17,383,886. Of that balance, \$2,066,038 was uncollateralized in banks or savings and loans not qualifying under the Virginia Security for Public Deposits Act at June 30, 2021.

COUNTY OF KING WILLIAM, VIRGINIA

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 (CONTINUED)

NOTE 3—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 and Poor’s; or F1 by Fitch Ratings, Inc. (Section 2.2-4502), banker’s acceptances, repurchase agreements, and the State Treasurer’s Local Government Investment Pool (LGIP).

The LGIP is a professionally managed money market fund which invests in qualifying obligations and securities as permitted by Virginia statutes. Pursuant to Section 2.2-4605 *Code of Virginia*, the Treasury Board of the Commonwealth sponsors the LGIP and has delegated certain functions to the State Treasurer. The LGIP reports to the Treasury Board at their regularly scheduled monthly meetings. The carrying value of the position in LGIP is the same as the value of the pool shares, i.e., the LGIP maintains a stable net asset value of \$1 per share in accordance with GASB 79. The maturity of the LGIP is less than one year.

The goal of the County is to obtain the highest possible yield on available financial assets invested consistent with state law, while observing the primary goal of preservation of principal and providing necessary liquidity to meet cash flow needs.

Custodial Credit Risk (Investments)

The County’s investment policy requires that all securities purchased for the County be held by the County or by the County’s designated custodian. The County’s investments at June 30, 2021 were held by the County or in the County’s name by the County’s custodial banks.

Credit Risk of Debt Securities

The County’s rated debt investments as of June 30, 2021 were rated by Standard and Poor’s and Moody’s and the ratings are presented below using the Standard and Poor’s and Moody’s rating scale. The County’s investment policy has an emphasis on high credit quality and known marketability. Obligations of the Commonwealth of Virginia and its local governments and public bodies are allowable under the County’s investment policy provided they have a debt rating of at least AA by Standard and Poor’s. The County’s investment policy does not address credit risk for any other investment instruments.

County's Rated Debt Investments' Values

Rated Debt Investments	Fair Quality Ratings		
	AAAm	AAA	AA-
Primary Government:			
Local Government Investment Pool	\$ 28,189	\$ -	\$ -
Total	\$ 28,189	\$ -	\$ -

NOTE 3—DEPOSITS AND INVESTMENTS: (CONTINUED)

Interest Rate Risk

<u>Investment Type</u>	<u>Investment Maturities (in years)</u>	
	<u>Fair Value</u>	<u>Less Than 1 Year</u>
Primary Government:		
Local Government Investment Pool	\$ 28,189	\$ 28,189
Total	\$ 28,189	\$ 28,189

External Investment Pools

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

Concentration of Credit Risk

Concentration of credit risk is defined as the risk of loss attributed to the magnitude of a government's investment in a single issuer. If certain investments in any one issuer represent 5% of total investments, there must be a disclosure for the amount and issuer. At June 30, 2021, all of investments were in the Local Government Investment Pool.

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COUNTY OF KING WILLIAM, VIRGINIA

NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2021 (CONTINUED)

NOTE 4—DUE FROM OTHER GOVERNMENTS:

At June 30, 2021, the County has receivables from and amounts due to other governments as follows:

	Component Unit	
	Primary Government	School Board
Amounts due from other governments are as follows:		
Commonwealth of Virginia:		
Local sales tax	\$ 303,214	\$ -
Local communication sales tax	41,160	-
Rolling stock tax	80	-
CSA funds	119,363	-
VPA funds	24,599	-
State sales tax	459,797	-
Constitutional officer reimbursements	131,539	-
Other grants	54,422	-
E-911 funds	9,976	-
Federal Government:		
School fund grants	-	450,499
VPA funds	43,525	-
Victim witness grant	36,189	-
Other federal grants	139,203	-
Total due from other governments	<u>\$ 1,363,067</u>	<u>\$ 450,499</u>

COUNTY OF KING WILLIAM, VIRGINIA

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 (CONTINUED)

NOTE 5—CAPITAL ASSETS—PRIMARY GOVERNMENT:

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

Primary Government:

	Balance July 1, 2020 (as Restated)	Increases	Decreases	Balance June 30, 2021
Governmental activities:				
Capital assets not subject to depreciation:				
Land	\$ 919,672	\$ -	\$ -	\$ 919,672
Construction in progress	-	415,290	-	415,290
Total capital assets not subject to depreciation	<u>\$ 919,672</u>	<u>\$ 415,290</u>	<u>\$ -</u>	<u>\$ 1,334,962</u>
Capital assets subject to depreciation:				
Buildings and improvements	\$ 12,947,077	\$ 99,639	\$ -	\$ 13,046,716
Equipment	6,328,261	292,513	-	6,620,774
Infrastructure	13,017,995	-	-	13,017,995
Jointly owned assets	25,168,931	-	2,130,455	23,038,476
Total capital assets subject to depreciation	<u>\$ 57,462,264</u>	<u>\$ 392,152</u>	<u>\$ 2,130,455</u>	<u>\$ 55,723,961</u>
Accumulated depreciation:				
Buildings and improvements	\$ (4,917,678)	\$ (334,544)	\$ -	\$ (5,252,222)
Equipment	(4,131,582)	(587,207)	-	(4,718,789)
Infrastructure	(6,452,035)	(501,769)	-	(6,953,804)
Jointly owned assets	(9,089,130)	(621,088)	(824,343)	(8,885,875)
Total accumulated depreciation	<u>\$ (24,590,425)</u>	<u>\$ (2,044,608)</u>	<u>\$ (824,343)</u>	<u>\$ (25,810,690)</u>
Total capital assets being depreciated, net	<u>\$ 32,871,839</u>	<u>\$ (1,652,456)</u>	<u>\$ 1,306,112</u>	<u>\$ 29,913,271</u>
Governmental activities capital assets, net	<u>\$ 33,791,511</u>	<u>\$ (1,237,166)</u>	<u>\$ 1,306,112</u>	<u>\$ 31,248,233</u>

Depreciation expense was charged to functions/programs as follows:

Governmental activities:

General government administration	\$ 371,454
Judicial administration	161,804
Public safety	689,649
Public works	140,347
Health and welfare	10,519
Education	621,088
Parks, recreation and cultural	47,856
Community development	1,891
Total Governmental activities	<u>\$ 2,044,608</u>
Component Unit School Board	<u>\$ 1,159,356</u>

COUNTY OF KING WILLIAM, VIRGINIA

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 (CONTINUED)

NOTE 6—CAPITAL ASSETS—COMPONENT UNIT—SCHOOL BOARD:

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

Component Unit - School Board:

	Balance July 1, 2020 (as Restated)	Increases	Decreases	Balance June 30, 2021
Capital assets not subject to depreciation:				
Land	\$ 76,340	\$ -	\$ -	\$ 76,340
Total capital assets not subject to depreciation	\$ 76,340	\$ -	\$ -	\$ 76,340
Capital assets subject to depreciation:				
Buildings and improvements	\$ 20,523,506	\$ 58,785	\$ -	\$ 20,582,291
Equipment	3,899,849	4,168,227	106,774	7,961,302
Infrastructure	462,783	-	-	462,783
Land improvements	376,934	-	-	376,934
Jointly owned assets	13,110,270	-	(2,130,455)	15,240,725
Total capital assets subject to depreciation	\$ 38,373,342	\$ 4,227,012	\$ (2,023,681)	\$ 44,624,035
Accumulated depreciation:				
Buildings and improvements	\$ (9,874,214)	\$ (450,624)	\$ -	\$ (10,324,838)
Equipment	(2,720,394)	(334,284)	(106,774)	(2,947,904)
Infrastructure	(25,781)	(23,932)	-	(49,713)
Land improvements	(179,551)	(26,349)	-	(205,900)
Jointly owned assets - buildings	(4,611,893)	(324,167)	824,343	(5,760,403)
Total accumulated depreciation	\$ (17,411,833)	\$ (1,159,356)	\$ 717,569	\$ (19,288,758)
Total capital assets being depreciated, net	\$ 20,961,509	\$ 3,067,656	\$ (1,306,112)	\$ 25,335,277
Governmental activities capital assets, net	\$ 21,037,849	\$ 3,067,656	\$ (1,306,112)	\$ 25,411,617

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 school capital assets and related debt for financial statement purposes. Historically, debt incurred by local governments “on-behalf” of school boards was reported in the school board’s discrete column along with the related capital assets. Under the current 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 fiscal 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 King William, Virginia for the year ended June 30, 2021, is that school financed assets in the amount of \$14,152,601 are reported in the Primary Government for financial reporting purposes.

COUNTY OF KING WILLIAM, VIRGINIA

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 (CONTINUED)

NOTE 7—INTERFUND TRANSFERS:

Interfund transfers for the year ended June 30, 2021, consisted of the following:

Primary Government:			
Governmental Funds:			
General Fund	\$	-	\$ 3,266,967
Debt Service		2,836,771	-
Capital Projects		210,000	-
School Capital Projects		220,196	-
		<u>220,196</u>	<u>-</u>
Total Governmental Funds	\$	<u>3,266,967</u>	\$ <u>3,266,967</u>
Total-All Funds	\$	<u>3,266,967</u>	\$ <u>3,266,967</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 8—LONG-TERM OBLIGATIONS:

Primary Government:

A summary of long-term obligation transactions for the year ended June 30, 2021 is as follows:

	Balance at July 1, 2020	Issuances/ Increases	Retirements/ Decreases	Balance at June 30, 2021	Amounts Due Within One Year
Governmental Activities:					
Incurred by County:					
Compensated absences	\$ 456,719	\$ 42,269	\$ 45,672	\$ 453,316	\$ 45,332
Net OPEB liabilities	524,947	181,850	133,189	573,608	-
Net pension liability	1,292,789	1,741,798	1,336,117	1,698,470	-
Capital lease	1,485,000	-	235,000	1,250,000	240,000
Direct borrowing and placements:					
General obligation bonds	13,135,099	-	851,758	12,283,341	878,872
Lease financing bond	4,517,800	-	405,000	4,112,800	422,500
Revenue bonds	7,597,100	-	472,000	7,125,100	492,000
Unamortized premium	1,320,498	-	85,956	1,234,542	-
Total incurred by County	\$ <u>30,329,952</u>	\$ <u>1,965,917</u>	\$ <u>3,564,692</u>	\$ <u>28,731,177</u>	\$ <u>2,078,704</u>
Total Governmental Activities	\$ <u>30,329,952</u>	\$ <u>1,965,917</u>	\$ <u>3,564,692</u>	\$ <u>28,731,177</u>	\$ <u>2,078,704</u>

COUNTY OF KING WILLIAM, VIRGINIA

NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2021 (CONTINUED)

NOTE 8—LONG-TERM OBLIGATIONS: (CONTINUED)

Primary Government: (Continued)

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

Year Ending June 30,	Governmental Activities			
	Capital Lease		Direct Borrowings and Direct Placements	
			Lease Financing and Revenue Bonds	
	Principal	Interest	Principal	Interest
2022	\$ 240,000	\$ 24,400	\$ 914,500	\$ 326,948
2023	245,000	19,715	937,700	300,370
2024	250,000	14,933	1,256,800	273,851
2025	255,000	10,053	1,286,800	237,170
2026	260,000	5,075	1,327,400	199,291
2027	-	-	1,353,700	160,353
2028	-	-	1,395,600	119,733
2029	-	-	1,433,300	78,110
2030	-	-	830,100	36,035
2031	-	-	267,000	14,312
2032	-	-	115,000	6,747
2033	-	-	120,000	2,275
Total	\$ <u>1,250,000</u>	\$ <u>74,176</u>	\$ <u>11,237,900</u>	\$ <u>1,755,195</u>

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COUNTY OF KING WILLIAM, VIRGINIA

NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2021 (CONTINUED)

NOTE 8—LONG-TERM OBLIGATIONS: (CONTINUED)

Primary Government: (Continued)

Year Ending June 30,	Governmental Activities	
	Direct Borrowings and Direct Placements	
	General Obligation Bonds	
	Principal	Interest
2022	\$ 878,872	\$ 487,741
2023	901,081	443,884
2024	928,388	398,738
2025	555,000	362,268
2026	550,000	335,445
2027	580,000	307,923
2028	585,000	264,674
2029	615,000	234,374
2030	650,000	202,433
2031	675,000	175,726
2032	695,000	154,834
2033	720,000	132,355
2034	740,000	109,190
2035	765,000	86,239
2036	790,000	62,525
2037	815,000	38,048
2038	840,000	12,810
Total	\$ <u>12,283,341</u>	\$ <u>3,809,207</u>

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COUNTY OF KING WILLIAM, VIRGINIA

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 (CONTINUED)

NOTE 8—LONG-TERM OBLIGATIONS: (CONTINUED)

Primary Government: (Continued)

Details of governmental activities long-term obligations:

	Interest Rates	Year Issued	Amount of Original Issue	Balance Governmental Activities	Amount Due Within One Year
Compensated absences (payable from the General Fund)				\$ 453,316	\$ 45,332
Net OPEB liabilities (payable from the General Fund)				\$ 573,608	\$ -
Net pension liability (payable from the General Fund)				\$ 1,698,470	\$ -
Capital lease with Motorola Solutions, Inc. for communications equipment	1.952%	2013	3,000,000	\$ 1,250,000	\$ 240,000
Direct borrowings and direct placements:					
<u>Revenue Bonds:</u>					
Series 2011	3.00%	2011	5,220,100	\$ 3,995,100	\$ 230,000
Series 2013	3.175%	2013	1,375,000	870,000	87,000
Series 2017	2.82% - 5.13%	2017	2,750,000	2,600,360 (a)	175,000
Total Revenue Bonds				7,465,460	492,000
<u>Lease Financing Bond:</u>					
Series 2019	1.01%	2019	4,517,800	4,112,800	422,500
Total long-term obligations incurred by the County				\$ 15,553,654	\$ 1,199,832
Direct borrowings and direct placements:					
<u>General Obligation Bonds:</u>					
Series 2003	4.60% - 5.35%	2003	7,055,000	\$ 1,050,000	\$ 350,000
Series 2004	4.10% - 5.10%	2004	605,000	129,230 (b)	30,000
Series 2010	-	2010	270,000	105,000	15,000
Series 2017	2.05% - 5.05%	2017	11,925,000	11,739,952 (c)	435,000
Series 2019	4.43%	2019	244,780	153,341	48,872
Total General Obligation Bonds				\$ 13,177,523	\$ 878,872
Total Direct Borrowings and Direct Placements				\$ 13,177,523	\$ 878,872
Total long-term obligations incurred by School Board, payable from the General Fund				\$ 13,177,523	\$ 878,872
Total outstanding debt - governmental activities				\$ 28,731,177	\$ 2,078,704

(a) Includes unamortized premium of \$368,723

(b) Includes unamortized premium of \$11,514

(c) Includes unamortized premium of \$940,261

COUNTY OF KING WILLIAM, VIRGINIA

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 (CONTINUED)

NOTE 8—LONG-TERM OBLIGATIONS: (CONTINUED)

Primary Government: (Continued)

The County’s outstanding lease financing bond of \$4,112,800 is secured by equipment used by the County’s police, fire and rescue department. In the event of default, the lender can make all outstanding amounts immediately due, take full possession of the collateral and sell the collateral at their discretion. Any deficiency that remains after the sale of the collateral may also be collected by the lender.

Capital Leases

The County has entered into lease agreements as lessee for financing the acquisition of radio equipment for public safety. This lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of its future minimum lease payments as of the inception date.

The assets acquired through capital leases are as follows:

	<u>Governmental Activities</u>
Asset:	
Radio Equipment	\$ 3,000,000
Less: Accumulated depreciation	<u>(1,577,435)</u>
	<u>\$ 1,422,565</u>

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2021, were as follows:

<u>Year Ending June 30,</u>	<u>Governmental Activities</u>
2022	\$ 264,400
2023	264,715
2024	264,933
2025	265,053
2026	<u>265,075</u>
Total minimum lease payments	\$ 1,324,176
Less: amount representing interest	<u>(74,176)</u>
Present value of minimum lease payments	<u>\$ 1,250,000</u>

COUNTY OF KING WILLIAM, VIRGINIA

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 (CONTINUED)

NOTE 8—LONG-TERM OBLIGATIONS: (CONTINUED)

Component Unit—School Board:

The following is a summary of long-term debt transactions of the Component Unit—School Board for the year ended June 30, 2021:

	<u>Balance at July 1, 2020</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance at June 30, 2021</u>	<u>Amounts Due Within One Year</u>
Compensated absences (payable from the School Fund)	\$ 229,104	\$ 98,449	\$ 22,910	\$ 304,643	\$ 30,464
Net pension liability	19,128,886	7,494,284	5,793,996	20,829,174	-
Net OPEB liabilities	4,583,880	769,610	1,282,797	4,070,693	-
Total incurred by School Board	<u>\$ 23,941,870</u>	<u>\$ 8,362,343</u>	<u>\$ 7,099,703</u>	<u>\$ 25,204,510</u>	<u>\$ 30,464</u>

NOTE 9—DEFERRED AND UNAVAILABLE REVENUE:

At June 30, 2021, deferred and unavailable revenue are reported as follows:

	<u>Government-wide Statements Governmental Activities</u>	<u>Balance Sheet Governmental Funds</u>
Unavailable property tax revenue representing uncollected property tax billings that are not available for the funding of current expenditures \$	-	\$ 1,661,602
2nd half assessments due in December 2021	5,975,535	5,975,535
Prepaid property taxes due in December 2021 but paid in advance by taxpayers	113,999	113,999
	<u>\$ 6,089,534</u>	<u>\$ 7,751,136</u>

COUNTY OF KING WILLIAM, VIRGINIA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2021 (CONTINUED)

NOTE 10—COMMITMENTS AND CONTINGENCIES:

Federal programs in which the County and all discretely presented component units participate were audited in accordance with the provisions of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Pursuant to the provisions of the 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 tests which may result in disallowed expenditures. In the opinion of management, any future disallowance of current grant program expenditures, if any, would be immaterial.

A Consent Special Order issued under the authority of Virginia Code 62.1-44.15(8a) between the state Water Control Board and the Hampton Roads Sanitation District, the cities of Chesapeake, Hampton, Newport News, Poquoson, Portsmouth, Suffolk, Virginia Beach and Williamsburg; the counties of King William, Isle of Wight, and York; the James City Service Authority; and the town of Smithfield for the purpose of resolving certain alleged violations of environmental laws and regulations. All parties have agreed to a two-phased approach to address the initiative: the first phase is principally a data collection, evaluation and plan development program and the second phase will implement long-term capacity enhancement and sewer rehabilitation plans.

Operating Leases

The County has numerous operating leases for office equipment. However, total future minimum lease commitments are considered insignificant.

Developer Agreements

Between fiscal years 2003 and 2007, the County entered into multiple development agreements with local developers. According to the agreements, the County was deeded water and wastewater infrastructure in exchange for future connection fee credits. As of June 30, 2021, all credits in connection with these agreements had been fully earned and were recorded as revenue on the Statement of Revenues, Expenditures and Changes in Fund balances.

Federal and State Assisted Programs

The County and School Board have received proceeds from several federal and state grant programs. Periodic audits of these grants are required and certain costs may be questioned as not being appropriate expenditures under the grant agreements. Such audits could result in the refund of grant monies to the grantor agencies. Management believes that any required refunds will be immaterial. Based upon past experience, no provision has been made in the accompanying financial statements for the refund of grant monies.

NOTE 11—LITIGATION:

At June 30, 2021, there were no matters of litigation involving the County or which would materially affect the County's financial position should any court decisions on pending matters not be favorable to such entities.

NOTE 12—RISK MANAGEMENT:

The County is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets, errors and omissions; injuries to employees and others; and natural disasters. To reduce insurance costs and the need for self-insurance, the County has joined with other municipalities in the Commonwealth of Virginia in several public entity risk pools to operate as common risk management and insurance programs for member municipalities. The County is not self-insured.

The County has coverage with the Virginia Association of Counties Risk Pool (VACorp) for all insurable risks identified by the County. Each VACorp member jointly and severally agrees to assume, pay, and discharge any liability. The County pays VACorp contributions and assessments based upon classifications and rates into a designated cash reserve fund out of which expenses of the VACorp and claims and awards are to be paid. In the event of a loss deficit and depletion of all available excess insurance, the VACorp may assess all members in the proportion which the premium of each bears to the total premiums of all members in the year in which such deficit occurs.

The County continues to carry commercial insurance for all other risks of losses. Settled claims from these risks have not exceeded commercial coverage in any of the last three fiscal years.

Health Insurance - School Board

The School Board retains a portion of the risks through a self-insurance health insurance program and has also purchased insurance to transfer other risks to outside parties. There has been no significant reduction in insurance coverage during the past year.

NOTE 13—PENSION PLAN:

Plan Description

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

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.

NOTE 13—PENSION PLAN: (CONTINUED)

Benefit Structures (Continued)

- 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 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 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.

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.

COUNTY OF KING WILLIAM, VIRGINIA

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 (CONTINUED)

NOTE 13—PENSION PLAN: (CONTINUED)

Employees Covered by Benefit Terms

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

	<u>Primary Government</u>	<u>Component Unit School Board (Nonprofessional)</u>
Inactive members or their beneficiaries currently receiving benefits	61	26
Inactive members:		
Vested inactive members	27	9
Non-vested inactive members	25	22
Inactive members active elsewhere in VRS	52	7
Total inactive members	<u>104</u>	<u>38</u>
Active members	<u>100</u>	<u>53</u>
Total covered employees	<u><u>265</u></u>	<u><u>117</u></u>

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, 2021 was 8.09% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2019.

This rate, when combined with employee contributions, was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the County were \$358,001 and \$389,641 for the years ended June 30, 2021 and June 30, 2020, respectively.

The Component Unit School Board’s contractually required employer contribution rate for nonprofessional employees for the year ended June 30, 2021 was 5.10% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2019.

This rate, when combined with employee contributions, was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the Component Unit School Board’s nonprofessional employees were \$57,963 and \$36,157 for the years ended June 30, 2021 and June 30, 2020, respectively.

NOTE 13—PENSION PLAN: (CONTINUED)

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 liabilities were measured as of June 30, 2020. The total pension liabilities used to calculate the net pension liabilities were determined by an actuarial valuation performed as of June 30, 2019, and rolled forward to the measurement date of June 30, 2020.

Actuarial Assumptions - General Employees

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

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

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

Mortality rates:

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

Pre-Retirement:

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

Post-Retirement:

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

Post-Disablement:

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

NOTE 13—PENSION PLAN: (CONTINUED)

Actuarial Assumptions - General Employees (Continued)

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

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

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Updated to a more current mortality table - RP-2014 projected to 2020
Retirement Rates	Lowered rates at older ages and changed final retirement from 70 to 75
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates	Lowered rates
Salary Scale	No change
Line of Duty Disability	Increased rate from 14.00% to 15.00%
Discount Rate	Decreased rate from 7.00% to 6.75%

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

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

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

COUNTY OF KING WILLIAM, VIRGINIA

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 (CONTINUED)

NOTE 13—PENSION PLAN: (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:

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

Post-Retirement:

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

Post-Disablement:

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

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

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

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Updated to a more current mortality table - RP-2014 projected to 2020
Retirement Rates	Increased age 50 rates, and lowered rates at older ages
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates	Adjusted rates to better fit experience
Salary Scale	No change
Line of Duty Disability	Decreased rate from 60.00% to 45.00%
Discount Rate	Decreased rate from 7.00% to 6.75%

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NOTE 13—PENSION PLAN: (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%	4.65%	1.58%
Fixed Income	15.00%	0.46%	0.07%
Credit Strategies	14.00%	5.38%	0.75%
Real Assets	14.00%	5.01%	0.70%
Private Equity	14.00%	8.34%	1.17%
MAPS - Multi-Asset Public Strategies	6.00%	3.04%	0.18%
PIP - Private Investment Partnership	3.00%	6.49%	0.19%
Total	<u>100.00%</u>		<u>4.64%</u>
		Inflation	<u>2.50%</u>
		Expected arithmetic nominal return*	<u>7.14%</u>

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

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COUNTY OF KING WILLIAM, VIRGINIA

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 (CONTINUED)

NOTE 13—PENSION PLAN: (CONTINUED)

Discount Rate

The discount rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that System member contributions will be made per the VRS Statutes and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Consistent with the phased-in funding provided by the General Assembly for state and teacher employer contributions; the County and Component Unit School Board (nonprofessional) was also provided with an opportunity to use an alternative employer contribution rate. For the year ended June 30, 2020, the alternate rate was the employer contribution rate used in FY 2012 or 100% of the actuarially determined employer contribution rate from the June 30, 2017 actuarial valuations, whichever was greater. Through the fiscal year ended June 30, 2020, 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, 2020 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. The VRS Board elected a long-term rate of 6.75% which is roughly at the 40th percentile of expected long-term results of the VRS fund asset allocation.

	Primary Government		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balances at June 30, 2019	\$ 18,604,480	\$ 17,311,691	\$ 596,643
Changes for the year:			
Service cost	\$ 498,360	\$ -	\$ 498,360
Interest	1,231,894	-	1,231,894
Differences between expected and actual experience	(382,914)	-	(382,914)
Contributions - employer	-	389,628	(389,628)
Contributions - employee	-	230,242	(230,242)
Net investment income	-	333,333	(333,333)
Benefit payments, including refunds	(708,391)	(708,391)	-
Administrative expenses	-	(11,148)	11,148
Other changes	-	(396)	396
Net changes	\$ 638,949	\$ 233,268	\$ 405,681
Balances at June 30, 2020	\$ 19,243,429	\$ 17,544,959	\$ 1,698,470

COUNTY OF KING WILLIAM, VIRGINIA

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 (CONTINUED)

NOTE 13—PENSION PLAN: (CONTINUED)

Changes in Net Pension Liability

	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, 2019	\$ 3,698,618	\$ 3,824,292	\$ (388,503)
Changes for the year:			
Service cost	\$ 107,568	\$ -	\$ 107,568
Interest	243,199	-	243,199
Differences between expected and actual experience	(113,279)	-	(113,279)
Contributions - employer	-	36,578	(36,578)
Contributions - employee	-	43,418	(43,418)
Net investment income	-	71,673	(71,673)
Benefit payments, including refunds	(191,339)	(191,339)	-
Administrative expenses	-	(2,502)	2,502
Other changes	-	(85)	85
Net changes	\$ 46,149	\$ (42,257)	\$ 88,406
Balances at June 30, 2020	\$ 3,744,767	\$ 3,782,035	\$ (37,268)

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		
	1% Decrease (5.75%)	Current Discount (6.75%)	1% Increase (7.75%)
County/City/Town			
Net Pension Liability (Asset)	\$ 4,121,211	\$ 1,698,470	\$ (314,690)
Component Unit School Board (Nonprofessional)			
Net Pension Liability (Asset)	\$ 410,653	\$ (37,268)	\$ (412,623)

COUNTY OF KING WILLIAM, VIRGINIA

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 (CONTINUED)

NOTE 13—PENSION PLAN: (CONTINUED)

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

For the year ended June 30, 2021, the County and Component Unit School Board (nonprofessional) recognized pension expense of \$735,027 and 73,894, respectively. At June 30, 2021, 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	\$ 49,441	\$ 245,175	\$ 78,655	\$ 106,188
Change in assumptions	125,662	-	51,369	4,595
Net difference between projected and actual earnings on pension plan investments	522,316	-	115,763	-
Employer contributions subsequent to the measurement date	358,001	-	57,963	-
Total	<u>\$ 1,055,420</u>	<u>\$ 245,175</u>	<u>\$ 303,750</u>	<u>\$ 110,783</u>

\$358,001 and \$57,963 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 (increase) of the Net Pension Liability (Asset) in the fiscal year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future reporting periods as follows:

Year Ended June 30	Primary Government	Component Unit School Board (Nonprofessional)
2022	\$ 55,612	\$ 5,877
2023	55,004	55,897
2024	175,263	36,704
2025	166,365	36,526
2026	-	-
Thereafter	-	-

NOTE 13—PENSION PLAN: (CONTINUED)

Pension Plan Data

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

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 political subdivisions by the Virginia General Assembly. Employees are required to contribute 5.00% of their compensation toward their retirement. Each School Division's contractually employer required contribution rate for the year ended June 30, 2021 was 16.62% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2019. The actuarially determined rate, when combined with employee contributions, was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the school division were \$1,967,188 and \$1,901,973 for the years ended June 30, 2021 and June 30, 2020, respectively.

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

At June 30, 2021, the school division reported a liability of \$20,829,174 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2019 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation performed as of June 30, 2019, and rolled forward to the measurement date of June 30, 2020. The school division's proportion of the Net Pension Liability was based on the school division's actuarially determined employer contributions to the pension plan for the year ended June 30, 2020 relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2020, the school division's proportion was 0.14310% as compared to 0.14535% at June 30, 2019.

For the year ended June 30, 2021, the school division recognized pension expense of \$2,041,453. 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.

NOTE 13—PENSION PLAN: (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, 2021, the school division reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 1,220,910
Change in assumptions	1,421,852	-
Net difference between projected and actual earnings on pension plan investments	1,584,289	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	731,439
Employer contributions subsequent to the measurement date	<u>1,967,188</u>	<u>-</u>
Total	<u>\$ 4,973,329</u>	<u>\$ 1,952,349</u>

\$1,967,188 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, 2022. 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

2022	\$ (266,298)
2023	344,414
2024	556,242
2025	456,017
2026	(36,583)

NOTE 13—PENSION PLAN: (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, 2019, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2020.

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

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

Mortality rates:

Pre-Retirement:

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

Post-Retirement:

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

Post-Disablement:

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

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COUNTY OF KING WILLIAM, VIRGINIA

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 (CONTINUED)

NOTE 13—PENSION PLAN: (CONTINUED)

Component Unit School Board (professional) (Continued)

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

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

Net Pension Liability

The net pension liability (NPL) is calculated separately for each system and represents that particular system's total pension liability determined in accordance with GASB Statement No. 67, less that system's fiduciary net position. As of June 30, 2020, NPL amounts for the VRS Teacher Employee Retirement Plan is as follows (amounts expressed in thousands):

	<u>Teacher Employee Retirement Plan</u>
Total Pension Liability	\$ 51,001,855
Plan Fiduciary Net Position	<u>36,449,229</u>
Employers' Net Pension Liability (Asset)	<u><u>\$ 14,552,626</u></u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	71.47%

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

COUNTY OF KING WILLIAM, VIRGINIA

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 (CONTINUED)

NOTE 13—PENSION PLAN: (CONTINUED)

Component Unit School Board (professional) (Continued)

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

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

	Rate		
	1% Decrease (5.75%)	Current Discount (6.75%)	1% Increase (7.75%)
School division's proportionate share of the VRS Teacher Employee Retirement Plan Net Pension Liability (Asset)	\$ 30,561,076	\$ 20,829,174	\$ 12,779,661

Pension Plan Fiduciary Net Position

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

Primary Government and Component Unit School Board

Aggregate Pension Information

	Primary Government				Component Unit School Board			
	Deferred Outflows	Deferred Inflows	Net Pension Liability (Asset)	Pension Expense	Deferred Outflows	Deferred Inflows	Net Pension Liability (Asset)	Pension Expense
VRS Pension Plans:								
Primary Government	\$ 1,055,420	\$ 245,175	\$ 1,698,470	\$ 735,027	\$ -	\$ -	\$ -	\$ -
School Board Nonprofessional	-	-	-	-	303,750	110,783	(37,268)	73,894
School Board Professional	-	-	-	-	4,973,329	1,952,349	20,829,174	2,041,453
Totals	<u>\$ 1,055,420</u>	<u>\$ 245,175</u>	<u>\$ 1,698,470</u>	<u>\$ 735,027</u>	<u>\$ 5,277,079</u>	<u>\$ 2,063,132</u>	<u>\$ 20,791,906</u>	<u>\$ 2,115,347</u>

NOTE 14—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 GLI 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.

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

Eligible Employees

The GLI Plan was established July 1, 1960, for state employees, teachers, and employees of political subdivisions that elect the 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, safety belt benefit, repatriation benefit, felonious assault benefit, and accelerated death benefit option. The benefit amounts are subject to a reduction factor. The benefit amount reduces by 25% on January 1 following one calendar year of separation. The benefit amount reduces by an additional 25% on each subsequent January 1 until it reaches 25% of its original value. For covered members with at least 30 years of service credit, the minimum benefit payable was set at \$8,000 by statute in 2015. This will be increased annually based on the VRS Plan 2 cost-of-living adjustment calculation. The minimum benefit adjusted for the COLA was \$8,616 as of June 30, 2021.

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

NOTE 14—GROUP LIFE INSURANCE (GLI) PLAN (OPEB PLAN): (Continued)

Contributions (Continued)

ended June 30, 2021 was 0.54% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2019. The actuarially determined rate, when combined with employee contributions, was expected to finance the costs of benefits payable during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the GLI Plan from the County were \$28,249 and \$25,912 for the years ended June 30, 2021 and June 30, 2020, respectively.

Contributions to the Group Life Insurance Plan from the Component Unit School Board professional group were \$66,001 and \$65,118 for the years ended June 30, 2021 and June 30, 2020, respectively. Contributions to the Group Life Insurance Plan from the Component Unit School Board nonprofessional group were \$6,998 and \$4,862 for the years ended June 30, 2021 and June 30, 2020, respectively.

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

At June 30, 2021, the County reported a liability of \$404,025 for its proportionate share of the Net GLI OPEB Liability. The Component Unit School Board professional and nonprofessional groups reported liabilities of \$1,015,486 and \$75,765, respectively, for its proportionate share of the Net GLI OPEB Liability. The Net GLI OPEB Liability was measured as of June 30, 2020 and the total GLI OPEB liability used to calculate the Net GLI OPEB Liability was determined by an actuarial valuation performed as of June 30, 2019, and rolled forward to the measurement date of June 30, 2020. The covered employer's proportion of the Net GLI OPEB Liability was based on the covered employer's actuarially determined employer contributions to the GLI Plan for the year ended June 30, 2020 relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2020, the County's proportion was 0.00454% as compared to 0.02351% at June 30, 2019. At June 30, 2020, the Component Unit School Board professional and nonprofessional groups' proportion was 0.06085% and 0.06232%, respectively as compared to 0.00454% and 0.00657% respectively at June 30, 2019.

For the year ended June 30, 2021, the County recognized GLI OPEB expense of \$25,961. For the year ended June 30, 2021, the Component Unit School Board professional group recognized GLI OPEB expense of \$29,698. For the year ended June 30, 2021, the Component Unit School Board nonprofessional group recognized GLI OPEB expense of (\$4,364). 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 KING WILLIAM, VIRGINIA

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 (CONTINUED)

NOTE 14—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, 2021, the employer reported deferred outflows of resources and deferred inflows of resources related to the GLI OPEB from the following sources:

	Primary Government		Component School Board (professional)		Component School Board (nonprofessional)	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 25,914	\$ 3,629	\$ 65,134	\$ 9,121	\$ 4,860	\$ 681
Net difference between projected and actual earnings on GLI OPEB plan investment	12,137	-	30,504	-	2,276	-
Change of assumptions	20,206	8,436	50,786	21,204	3,789	1,582
Changes in proportionate share	44,349	-	-	40,638	-	33,630
Employer contributions subsequent to the measurement date	28,249	-	66,001	-	6,998	-
Total	\$ 130,855	\$ 12,065	\$ 212,425	\$ 70,963	\$ 17,923	\$ 35,893

\$28,249, \$66,001 and \$6,998, respectively, reported as deferred outflows of resources related to the GLI OPEB resulting from the County, Component Unit School Board professional and nonprofessional group's contributions subsequent to the measurement date will be recognized as a reduction of the Net GLI OPEB Liability in the fiscal year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the GLI OPEB will be recognized in the GLI OPEB expense in future reporting periods as follows:

Year Ended June 30	Primary Government	Component Unit School Board (professional)	Component Unit School Board (nonprofessional)
2022	\$ 16,639	\$ 6,269	\$ (6,112)
2023	20,067	14,883	(5,469)
2024	23,195	23,856	(4,387)
2025	22,644	26,729	(3,383)
2026	7,374	3,974	(4,523)
Thereafter	622	(250)	(1,094)

NOTE 14—GROUP LIFE INSURANCE (GLI) PLAN (OPEB PLAN): (CONTINUED)

Actuarial Assumptions

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

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

Mortality Rates - Teachers

Pre-Retirement:

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

Post-Retirement:

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

Post-Disablement:

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

NOTE 14—GROUP LIFE INSURANCE (GLI) PLAN (OPEB PLAN): (CONTINUED)

Actuarial Assumptions: (Continued)

Mortality Rates - Teachers (Continued)

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

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

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

Pre-Retirement:

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

Post-Retirement:

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

Post-Disablement:

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

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NOTE 14—GROUP LIFE INSURANCE (GLI) PLAN (OPEB PLAN): (CONTINUED)

Actuarial Assumptions: (Continued)

Mortality Rates - Non-Largest Ten Locality Employers - General Employees (Continued)

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

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Updated to a more current mortality table - RP-2014 projected to 2020
Retirement Rates	Lowered retirement rates at older ages and extended final retirement age from 70 to 75
Withdrawal Rates	Adjusted termination rates to better fit experience at each age and service year
Disability Rates	Lowered disability rates
Salary Scale	No change
Line of Duty Disability	Increased rate from 14.00% to 15.00%
Discount Rate	Decreased rate from 7.00% to 6.75%

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

Pre-Retirement:

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

Post-Retirement:

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

Post-Disablement:

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

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NOTE 14—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, 2019 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Updated to a more current mortality table - RP-2014 projected to 2020
Retirement Rates	Increased age 50 rates and lowered rates at older ages
Withdrawal Rates	Adjusted termination rates to better fit experience at each age and service year
Disability Rates	Adjusted rates to better match experience
Salary Scale	No change
Line of Duty Disability	Decreased rate from 60.00% to 45.00%
Discount Rate	Decreased rate from 7.00% to 6.75%

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, 2020, NOL amounts for the GLI Plan is as follows (amounts expressed in thousands):

	GLI OPEB Plan
Total GLI OPEB Liability	\$ 3,523,937
Plan Fiduciary Net Position	1,855,102
GLI Net OPEB Liability (Asset)	<u>\$ 1,668,835</u>
Plan Fiduciary Net Position as a Percentage of the Total GLI OPEB Liability	52.64%

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

NOTE 14—GROUP LIFE INSURANCE (GLI) PLAN (OPEB 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:

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%	4.65%	1.58%
Fixed Income	15.00%	0.46%	0.07%
Credit Strategies	14.00%	5.38%	0.75%
Real Assets	14.00%	5.01%	0.70%
Private Equity	14.00%	8.34%	1.17%
MAPS - Multi-Asset Public Strategies	6.00%	3.04%	0.18%
PIP - Private Investment Partnership	3.00%	6.49%	0.19%
Total	100.00%		4.64%
		Inflation	2.50%
		Expected arithmetic nominal return*	7.14%

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

Discount Rate

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

COUNTY OF KING WILLIAM, VIRGINIA

NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2021 (CONTINUED)

NOTE 14—GROUP LIFE INSURANCE (GLI) PLAN (OPEB PLAN): (CONTINUED)

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

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

	Rate		
	1% Decrease (5.75%)	Current Discount (6.75%)	1% Increase (7.75%)
County's proportionate share of the GLI Plan Net OPEB Liability	\$ 531,122	\$ 404,025	\$ 300,811
Component School Board (professional)'s proportionate share of the GLI Plan Net OPEB Liability	1,334,935	1,015,486	756,064
Component School Board (nonprofessional)'s proportionate share of the GLI Plan Net OPEB Liability	99,599	75,765	56,409

GLI Plan Fiduciary Net Position

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

NOTE 15—HEALTH INSURANCE CREDIT (HIC) PLAN (OPEB 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 HIC is a tax-free reimbursement in an amount set by the General Assembly for each year of service credit against qualified health insurance premiums retirees pay for single coverage, excluding any portion covering the spouse or dependents. The credit cannot exceed the amount of the premiums and ends upon the retiree’s death.

NOTE 15—HEALTH INSURANCE CREDIT (HIC) PLAN (OPEB PLAN):

Plan Description (Continued)

The specific information about the Political Subdivision HIC Plan OPEB, including eligibility, coverage and benefits is 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, 2019 actuarial valuation, the following employees were covered by the benefit terms of the HIC OPEB plan:

	<u>Number</u>
Active members	53
Total covered employees	<u>53</u>

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, 2021 was 0.70% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2019. The actuarially determined rate 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 \$8,982 and \$0 for the years ended June 30, 2021 and June 30, 2020, respectively.

NOTE 15—HEALTH INSURANCE CREDIT (HIC) PLAN (OPEB PLAN): (CONTINUED)

Net HIC OPEB Liability

The School Board’s net HIC OPEB liability was measured as of June 30, 2020. The total HIC OPEB liability was determined by an actuarial valuation performed as of June 30, 2019, using updated actuarial assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2020.

Actuarial Assumptions

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

Inflation	2.50%
Salary increases, including inflation:	
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*

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

NOTE 15—HEALTH INSURANCE CREDIT (HIC) PLAN (OPEB PLAN): (CONTINUED)

Actuarial Assumptions: (Continued)

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

Pre-Retirement:

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

Post-Retirement:

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

Post-Disablement:

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

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

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Updated to a more current mortality table - RP-2014 projected to 2020
Retirement Rates	Lowered retirement rates at older ages and extended final retirement age from 70 to 75
Withdrawal Rates	Adjusted termination rates to better fit experience at each age and service year
Disability Rates	Lowered disability rates
Salary Scale	No change
Line of Duty Disability	Increased rate from 14.00% to 15.00%
Discount Rate	Decreased rate from 7.00% to 6.75%

NOTE 15—HEALTH INSURANCE CREDIT (HIC) PLAN (OPEB PLAN): (CONTINUED)

Actuarial Assumptions: (Continued)

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

Pre-Retirement:

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

Post-Retirement:

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

Post-Disablement:

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

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

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Updated to a more current mortality table - RP-2014 projected to 2020
Retirement Rates	Increased age 50 rates and lowered rates at older ages
Withdrawal Rates	Adjusted termination rates to better fit experience at each age and service year
Disability Rates	Adjusted rates to better match experience
Salary Scale	No change
Line of Duty Disability	Decreased rate from 60.00% to 45.00%
Discount Rate	Decreased rate from 7.00% to 6.75%

NOTE 15—HEALTH INSURANCE CREDIT (HIC) PLAN (OPEB 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:

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%	4.65%	1.58%
Fixed Income	15.00%	0.46%	0.07%
Credit Strategies	14.00%	5.38%	0.75%
Real Assets	14.00%	5.01%	0.70%
Private Equity	14.00%	8.34%	1.17%
MAPS - Multi-Asset Public Strategies	6.00%	3.04%	0.18%
PIP - Private Investment Partnership	3.00%	6.49%	0.19%
Total	100.00%		4.64%
		Inflation	2.50%
		Expected arithmetic nominal return*	7.14%

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

NOTE 15—HEALTH INSURANCE CREDIT (HIC) PLAN (OPEB PLAN): (CONTINUED)

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

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, 2019	\$ -	\$ -	\$ -
Changes for the year:			
Interest	\$ 68,012	\$ -	\$ 68,012
Net changes	\$ 68,012	\$ -	\$ 68,012
Balances at June 30, 2020	\$ 68,012	\$ -	\$ 68,012

Sensitivity of the School Board’s HIC 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	\$ 76,077	\$ 68,012	\$ 61,162

NOTE 15—HEALTH INSURANCE CREDIT (HIC) PLAN (OPEB 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, 2021, the School Board recognized HIC Plan OPEB expense of \$68,012. At June 30, 2021, 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:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Employer contributions subsequent to the measurement date	\$ 8,982	\$ -
Total	\$ 8,982	\$ -

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

\$8,982 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, 2022.

HIC Plan Data

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

NOTE 16—TEACHER EMPLOYEE HEALTH INSURANCE CREDIT (HIC) PLAN (OPEB PLAN):

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 HIC is a tax-free reimbursement in an amount set by the General Assembly for each year of service credit against qualified health insurance premiums retirees pay for single coverage, excluding any portion covering the spouse or dependents. The credit cannot exceed the amount of the premiums and ends upon the retiree’s death.

NOTE 16—TEACHER EMPLOYEE HEALTH INSURANCE CREDIT (HIC) PLAN (OPEB PLAN): (CONTINUED)

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

Eligible Employees

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

Benefit Amounts

The Teacher Employee HIC Plan is a defined benefit plan that provides a credit toward the cost of health insurance coverage for retired teachers. For Teacher and other professional school employees who retire, 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.

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, 2021 was 1.21% of covered employee compensation for employees in the VRS Teacher Employee HIC Plan. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2017. 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 \$147,891 and \$150,273 for the years ended June 30, 2021 and June 30, 2020, respectively.

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

At June 30, 2021, the school division reported a liability of \$1,863,372 for its proportionate share of the VRS Teacher Employee HIC Net OPEB Liability. The Net VRS Teacher Employee HIC OPEB Liability was measured as of June 30, 2020 and the total VRS Teacher Employee HIC OPEB liability used to calculate the Net VRS Teacher Employee HIC OPEB Liability was determined by an actuarial valuation performed as of June 30, 2019, and rolled forward to the measurement date of June 30, 2020. The school division's proportion of the Net VRS Teacher Employee HIC 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, 2020 relative to the total of the actuarially determined employer contributions for all participating employers. At June 30,

NOTE 16—TEACHER EMPLOYEE HEALTH INSURANCE CREDIT (HIC) PLAN (OPEB PLAN): (CONTINUED)

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

2020, the school division’s proportion of the VRS Teacher Employee HIC Plan was 0.14280% as compared to 0.14570 at June 30, 2019.

For the year ended June 30, 2021, the school division recognized VRS Teacher Employee HIC Plan OPEB expense of \$136,900. 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.

At June 30, 2021, 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	\$ -	\$ 24,885
Net difference between projected and actual earnings on Teacher HIC OPEB plan investments	8,258	-
Change in assumptions	36,836	10,181
Change in proportionate share	-	85,470
Employer contributions subsequent to the measurement date	<u>147,891</u>	<u>-</u>
Total	<u>\$ 192,985</u>	<u>\$ 120,536</u>

\$147,891 reported as deferred outflows of resources related to the Teacher Employee HIC OPEB resulting from the school division’s contributions subsequent to the measurement date will be recognized as a reduction of the Net Teacher Employee HIC OPEB Liability in the fiscal year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Teacher Employee HIC OPEB will be recognized in the Teacher Employee HIC OPEB expense in future reporting periods as follows:

<u>Year Ended June 30</u>	
2022	\$ (15,698)
2023	(14,879)
2024	(15,154)
2025	(12,426)
2026	(7,873)
Thereafter	(9,412)

NOTE 16—TEACHER EMPLOYEE HEALTH INSURANCE CREDIT (HIC) PLAN (OPEB PLAN): (CONTINUED)

Actuarial Assumptions

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

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

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

Mortality Rates - Teachers

Pre-Retirement:

RP-2014 White Collar Employee Rates to age 80, White Collar Healthy Annuitant Rates at ages 81 and older projected with scale BB to 2021.

Post-Retirement:

RP-2014 White Collar Employee Rates to age 49, White Collar Healthy Annuitant Rates at ages 50 and older projected with scale BB to 2021; males 1% increase compounded from ages 70 to 90; females set back 3 years with 1.5% increase compounded from ages 65 to 70 and 2.0% increase compounded from ages 75 to 90.

Post-Disablement:

RP-2014 Disability Mortality Rates projected with scale BB to 2021; 115% of rates for males and females.

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2020. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

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

NOTE 16—TEACHER EMPLOYEE HEALTH INSURANCE CREDIT (HIC) PLAN (OPEB PLAN): (CONTINUED)

Net Teacher Employee HIC OPEB Liability

The net OPEB liability (NOL) for the Teacher Employee 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, 2020, 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	\$	1,448,676
Plan Fiduciary Net Position		144,160
Teacher Employee Net HIC OPEB Liability (Asset)	\$	<u>1,304,516</u>
Plan Fiduciary Net Position as a Percentage of the Total Teacher Employee HIC OPEB Liability		9.95%

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

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NOTE 16—TEACHER EMPLOYEE HEALTH INSURANCE CREDIT (HIC) PLAN (OPEB PLAN): (CONTINUED)

Long-Term Expected Rate of Return

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

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

*The above allocation provides a one-year return of 7.14%. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected return for the system, stochastic projections are employed to model future returns under various economic conditions. The results provide a range of returns over various time periods that ultimately provide a median return of 7.11%, including expected inflation of 2.50%. On October 9, 2010, the VRS Board elected a long term rate of 6.75% which is roughly at the 40th percentile of expected long-term results of the VRS fund asset allocation. More recent capital market assumptions compiled for FY2020 actuarial valuations provide a median return of 6.81%.

Discount Rate

The discount rate used to measure the total Teacher Employee HIC OPEB was 6.75%. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made in accordance with the VRS funding policy and at rates equal to the actuarially determined contribution rates adopted by the VRS Board of Trustees. Through the fiscal year ended June 30, 2020, the rate contributed 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 rate. From July 1, 2020 on, all agencies are assumed to continued to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the Teacher Employee HIC OPEB plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total Teacher Employee HIC OPEB liability.

NOTE 16—TEACHER EMPLOYEE HEALTH INSURANCE CREDIT (HIC) PLAN (OPEB PLAN): (CONTINUED)

Sensitivity of the School Division’s Proportionate Share of the Teacher Employee HIC Net OPEB Liability to Changes in the Discount Rate

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

	Rate		
	1% Decrease (5.75%)	Current Discount (6.75%)	1% Increase (7.75%)
School division's proportionate share of the VRS Teacher Employee HIC OPEB Plan Net HIC OPEB Liability	\$ 2,085,850	\$ 1,863,372	\$ 1,674,281

Teacher Employee HIC OPEB Fiduciary Net Position

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

NOTE 17—MEDICAL, DENTAL AND VISION PAY-AS-YOU-GO (OPEB PLAN):

County and School Board

Plan Description

In addition to the pension benefits described in Note 13, the County administers a single-employer defined benefit healthcare plan, The County of King William Postretirement Benefits Plan. The plan provides postemployment health care benefits to all eligible permanent employees who meet the requirements under the County’s pension plans. The plan does not issue a publicly available financial report.

In addition to the pension benefits described in Note 13, the Component Unit School Board administers a single-employer defined benefit healthcare plan, The King William County Public Schools Postretirement Benefits Plan. The plan provides postemployment health care benefits to all eligible permanent employees who meet the requirements under the School Board’s pension plans. The plan does not issue a publicly available financial report.

Benefits Provided

Postemployment benefits that are provided to eligible retirees include medical insurance. The benefits that are provided for active employees are the same for eligible retirees, spouses and dependents of eligible retirees. All permanent employees of the County who meet eligibility requirements of the pension plan are eligible to receive postemployment health care benefits. No benefits are provided to Medicare eligible retirees or their spouses.

NOTE 17—MEDICAL, DENTAL AND VISION PAY-AS-YOU-GO (OPEB PLAN): (CONTINUED)

County and School Board: (Continued)

Benefits Provided (Continued)

Postemployment benefits that are provided to eligible retirees include medical, vision, and dental insurance. The benefits that are provided for active employees are the same for eligible retirees, spouses and dependents of eligible retirees. All permanent employees of the School Board who meet eligibility requirements of the pension plan are eligible to receive postemployment health care benefits. Retirees and spouses that became eligible for Medicare are no longer eligible to participate in the King William County Public School’s retiree medical plan. The participant must pay the entire premium.

Plan Membership

At June 30, 2021 (measurement date), the following employees were covered by the benefit terms:

	Primary Government	Component Unit School Board
Total active employees with coverage	91	267
Total retirees with coverage	7	15
Total	<u>98</u>	<u>282</u>

Contributions

The County nor the School Board pre-funds benefits; therefore, no assets are accumulated in a trust fund. The current funding policy is to pay benefits directly from general assets on a pay-as-you-go basis. The funding requirements are established and may be amended by the County or School Board. The amount paid by the County and the School Board for OPEB as the benefits came due during the year ended June 30, 2021 was \$12,639 and \$152,877.

Total OPEB Liability

The County and School Board’s total OPEB liability was measured as of June 30, 2021. The total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date.

COUNTY OF KING WILLIAM, VIRGINIA

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 (CONTINUED)

NOTE 17—MEDICAL, DENTAL AND VISION PAY-AS-YOU-GO (OPEB PLAN): (CONTINUED)

County and School Board: (Continued)

Actuarial Assumptions

The total OPEB liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Primary Government	
Discount Rate	1.92% based on 20-year tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher
Salary Increases	3.00% salary increase for all employees
Healthcare Trend Rate	4.00% based on the latest model released by the Society of Actuaries and excludes the impact of the Cadillac Tax
Demographic	Assume 20% of employees with medical coverage would elect to retain coverage at retirement
Component Unit School Board	
Inflation	2.50% per year
Salary Increases	The salary increase rate was 2.50% per annum
Discount Rate	2.16% based on the Bond Buyer General Obligation 20-Bond Municipal Index.
Healthcare Trend Rate	The healthcare trend rate assumption starts at 6.30% graded down to 4.00% over 55 years

Changes in Total OPEB Liability

	Primary Government Total OPEB Liability	Component Unit School Board Total OPEB Liability
Balances at June 30, 2020	\$ 142,377	\$ 1,556,155
Changes for the year:		
Service cost	17,523	80,180
Interest	3,467	34,272
Difference between expected and actual experience	(1,720)	(473,083)
Changes in assumptions	7,936	22,618
Benefit payments	-	(172,084)
Net changes	\$ 27,206	\$ (508,097)
Balances at June 30, 2021	\$ 169,583	\$ 1,048,058

NOTE 17—MEDICAL, DENTAL AND VISION PAY-AS-YOU-GO (OPEB PLAN): (CONTINUED)

County and School Board: (Continued)

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 (1.45% for the County and 1.21% for the School Board) or one percentage point higher (3.45% for the County and 3.21% for the School Board) than the current discount rate:

		Rate		
		1% Decrease (0.92%)	Current Discount Rate (1.92%)	1% Increase (2.92%)
Primary Government:				
Total OPEB liability	\$	185,664	\$ 169,583	\$ 154,946

		Rate		
		1% Decrease (1.16%)	Current Discount Rate (2.16%)	1% Increase (3.16%)
Component Unit School Board:				
Total OPEB liability	\$	1,098,322	\$ 1,048,058	\$ 996,598

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 (3.00% for the County and 5.30% decreasing to 3.00% over 55 years for the School Board) or one percentage point higher (5.00% for the County and 7.30% decreasing to 5.00% over 55 years for the School Board) than the current healthcare cost trend rates:

		Rate		
		1% Decrease (3.00%)	Healthcare Trend (4.00%)	1% Increase (5.00%)
Primary Government:				
Total OPEB liability	\$	146,532	\$ 169,583	\$ 197,244

		Rate		
		1% Decrease (5.30% decreasing to 3.00%)	Healthcare Trend (6.30% decreasing to 4.00%)	1% Increase (7.30% decreasing to 5.00%)
Component Unit School Board:				
Total OPEB liability	\$	936,189	\$ 1,048,058	\$ 1,179,383

COUNTY OF KING WILLIAM, VIRGINIA

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 (CONTINUED)

NOTE 17—MEDICAL, DENTAL AND VISION PAY-AS-YOU-GO (OPEB PLAN): (CONTINUED)

County and School Board: (Continued)

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

For the year ended June 30, 2021, the County and the School Board recognized OPEB expense in the amount of \$12,639 and \$152,877. At June 30, 2021, the County and the School Board reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Primary Government		Component Unit School Board	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 42,708	\$ 190,752	\$ 397,990
Changes in assumptions	10,127	490	192,739	11,709
Total	<u>\$ 10,127</u>	<u>\$ 43,198</u>	<u>\$ 383,491</u>	<u>\$ 409,699</u>

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

Year Ended June 30	Primary Government	Component Unit School Board
2022	\$ (8,351)	\$ 38,425
2023	(8,351)	38,425
2024	(8,267)	38,425
2025	(9,138)	(48,533)
2026	1,036	(71,503)
Thereafter	-	(21,447)

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

COUNTY OF KING WILLIAM, VIRGINIA

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 (CONTINUED)

NOTE 18—SUMMARY OF OTHER POSTEMPLOYMENT BENEFIT PLANS:

Primary Government and Component Unit School Board

	Primary Government				Component Unit School Board			
	Deferred Outflows	Deferred Inflows	Net OPEB Liability	OPEB Expense	Deferred Outflows	Deferred Inflows	Net OPEB Liability	OPEB Expense
VRS OPEB Plans:								
Group Life Insurance Program (Note 14):								
County	\$ 130,855	\$ 12,065	\$ 404,025	\$ 25,961	\$ -	\$ -	\$ -	\$ -
School Board Nonprofessional	-	-	-	-	17,923	35,893	75,765	(4,364)
School Board Professional	-	-	-	-	212,425	70,963	1,015,486	29,698
Health Insurance Credit Program (Note 15)	-	-	-	-	8,982	-	68,012	68,012
Teacher Health Insurance Credit Program (Note 16)	-	-	-	-	192,985	120,536	1,863,372	136,900
County Stand-Alone Plan (Note 17)	10,127	43,198	169,583	12,639	-	-	-	-
School Stand-Alone Plan (Note 17)	-	-	-	-	383,491	409,699	1,048,058	152,877
Totals	\$ 140,982	\$ 55,263	\$ 573,608	\$ 38,600	\$ 815,806	\$ 637,091	\$ 4,070,693	\$ 383,123

NOTE 19—LINE OF DUTY ACT (LODA) (OPEB BENEFITS):

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 VRSA. VRSA 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 VRSA. This is built into the LODA coverage cost presented in the annual renewals. The County's LODA premium for the year ended June 30, 2021 was \$37,778.

COUNTY OF KING WILLIAM, VIRGINIA

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 (CONTINUED)

NOTE 20—RESTATEMENT OF NET POSITION AND FUND BALANCE:

The County implemented provisions of Governmental Accounting Standards Board Statement No. 84, *Fiduciary Activities* during the fiscal year ended June 30, 2021. This statement establishes criteria for identifying fiduciary activities of all state and local governments for accounting and financial reporting purposes and how those activities should be reported. The implementation of this Statement, along with restatements involving capital assets and reserve funds, resulted in the following restatement of net position:

	Net Position										
	Governmental Activities	Component-Unit School Board	Special Welfare	VJCCA	Project Lifesaver	D.A.R.E.	Horse Rescue	Sheriff's Office	Fire and EMS	Regional Adult Education Program	Regional Alternative Education Program
Balance, June 30, 2020, as previously stated	\$ 20,955,206	\$ 3,941,450	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjustments:											
School Reserve funds	(71,725)	71,725	-	-	-	-	-	-	-	-	-
Implementation of GASB 84	-	261,859	959	213,049	3,717	4,178	1,529	20,968	1,857	46,728	438,023
Adjustment to capital assets	957,000	(957,000)	-	-	-	-	-	-	-	-	-
Balance, July 1, 2020, as restated	\$ 21,840,481	\$ 3,318,034	\$ 959	\$ 213,049	\$ 3,717	\$ 4,178	\$ 1,529	\$ 20,968	\$ 1,857	\$ 46,728	\$ 438,023

	Fund Balance		
	General Fund	School Operating Fund	School Activity Funds
Balance, June 30, 2020, as previously stated	\$ 8,387,313	\$ 1,397,649	\$ -
Adjustments:			
School Reserve funds	(71,725)	71,725	-
Implmentation of GASB 84	-	-	261,859
Balance, July 1, 2020, as restated	\$ 8,315,588	\$ 1,469,374	\$ 261,859

The County early implemented provisions of Governmental Accounting Standards Board Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period* during the fiscal year ended June 30, 2021. This Statement simplifies accounting for interest cost incurred before the end of a construction period. Interest cost incurred during construction is expensed and no longer capitalized as part of project costs. No restatement was required as a result of this implementation.

The County implemented provisions of Governmental Accounting Standards Board Statement No. 90, *Majority Equity Interests* during the fiscal year ended June 30, 2021. This statement provides guidance for reporting a government's majority equity interest in a legally separate organization and for reporting financial statement information for certain component units. No restatement was required as a result of this implementation.

NOTE 21—UPCOMING PRONOUNCEMENTS:

Statement No. 87, *Leases*, requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021.

Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*, provides guidance for reporting capital assets and the cost of borrowing for a reporting period and simplifies accounting for interest cost incurred before the end of a construction period. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020.

NOTE 21—UPCOMING PRONOUNCEMENTS: (CONTINUED)

Statement No. 91, *Conduit Debt Obligations*, provides a single method of reporting conduit debt obligations by issuers and eliminates diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2021.

Statement No. 92, *Omnibus 2020*, addresses practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics such as leases, assets related to pension and postemployment benefits, and reference to nonrecurring fair value measurements of assets or liabilities in authoritative literature. The effective dates differ by topic, ranging from January 2020 to periods beginning after June 15, 2021.

Statement No. 93, *Replacement of Interbank Offered Rates*, establishes accounting and financial reporting requirements related to the replacement of Interbank Offered Rates (IBORs) in hedging derivative instruments and leases. It also identifies appropriate benchmark interest rates for hedging derivative instruments. The requirements of this Statement, except for removal of London Interbank Offered Rate (LIBOR) as an appropriate benchmark interest rate and the requirements related to lease modifications, are effective for reporting periods beginning after June 15, 2020. The removal of LIBOR as an appropriate benchmark interest rate is effective for reporting periods ending after December 31, 2021. All requirements related to lease modifications in this Statement are effective for reporting periods beginning after June 15, 2021.

Statement No. 94, *Public-Private and Public-Public Partnerships and Availability of Payment Arrangements*, addresses issues related to public-private and public-public partnership arrangements. This Statement also provides guidance for accounting and financial reporting for availability payment arrangements. The requirements of this Statement are effective for reporting periods beginning after June 15, 2022.

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

Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code (IRC) Section 457 Deferred Compensation Plans - an Amendment of GASB Statements No. 14 and No. 84, and a Supersession of GASB Statement. No 32*, (1) increases consistency and comparability related to reporting of fiduciary component units in certain circumstances; (2) mitigates costs associated with the reporting of certain plans as fiduciary component units in fiduciary fund financial statements; and (3) enhances the relevance, consistency, and comparability of the accounting and financial reporting for Section 457 plans that meet the definition of a pension plan and for benefits provided through those plans. The effective dates differ based on the requirements of the Statement, ranging from June 2020 to reporting periods beginning after June 15, 2021.

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

NOTE 22—COVID-19 PANDEMIC FUNDING AND SUBSEQUENT EVENTS:

The COVID-19 pandemic and its impact on operations continues to evolve. Specific to the County, COVID-19 impacted various parts of its 2021 operations and financial results including, but not limited to, costs for emergency preparedness and shortages of personnel. Federal relief has been received through various programs. Management believes the County is taking appropriate actions to mitigate the negative impact. The extent to which COVID-19 may impact operations in subsequent years remains uncertain, and management is unable to estimate the effects on future results of operations, financial condition, or liquidity for fiscal year 2022.

CARES Act Funding

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) was passed by the federal government to alleviate some of the effects of the sharp economic downturn due to the COVID-19 pandemic, which included direct aid for state and local governments from the federal Coronavirus Relief Fund (CRF).

Each locality received its CRF allocations based on population in two equal payments, with the second and final round of funding being received during fiscal year 2021. The County received total CRF funding of \$2,992,194. In addition, the School Board received CRF funding from the Virginia Department of Education in the amount of \$375,393. As a condition of receiving CRF funds, any funds unexpended as of December 31, 2021 will be returned to the federal government. Unspent CRF funds in the amount of \$28,437 are reported as unearned revenue as of June 30.

ARPA Funding

On March 11, 2021, the American Rescue Plan (ARPA) Act of 2021 was passed by the federal government. A primary component of the ARPA was the establishment of the Coronavirus State and Local Fiscal Recovery Fund (CSLFRF). Local governments are to receive funds in two tranches, with 50% provided beginning in May 2021 and the balance delivered approximately 12 months later.

On March 11, 2021, the County received its share of the first half of the CSLFRF funds. As a condition of receiving CSLFRF funds, any funds unobligated by December 31, 2024, and unexpended by December 31, 2026, will be returned to the federal government. Unspent funds in the amount of \$1,642,725 from the initial allocation are reported as unearned revenue as of June 30.

ESF Funding

The CARES Act also established the Education Stabilization Fund (ESF) and allocated \$30.75 billion to the U.S. Department of Education. The ESF is composed of three primary emergency relief funds: (1) a Governor's Emergency Education Relief (GEER) Fund, (2) an Elementary and Secondary School Emergency Relief (ESSER) Fund, and (3) a Higher Education Emergency Relief (HEER) Fund. The Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA Act) was signed into law on December 27, 2020 and added \$81.9 billion to the ESF. In March 2021, the American Rescue Plan Act (ARP Act), in support of ongoing state and institutional COVID-19 recovery efforts, added more than \$170 billion to the ESF. The School Board is receiving this funding from the Virginia Department of Education on a reimbursement basis.

General Fund

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

For the Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive (Negative)
REVENUES				
General property taxes	\$ 19,216,725	\$ 19,368,668	\$ 19,772,544	\$ 403,876
Other local taxes	6,029,109	6,182,669	7,499,747	1,317,078
Permits, privilege fees, and regulatory licenses	312,000	369,000	573,849	204,849
Fines and forfeitures	75,000	75,000	95,978	20,978
Revenue from the use of money and property	165,000	165,000	119,171	(45,829)
Charges for services	1,058,574	1,064,050	1,610,382	546,332
Miscellaneous	45,200	45,200	158,572	113,372
Recovered costs	194,559	202,704	233,580	30,876
Intergovernmental:				
Local government	-	-	-	-
Commonwealth	3,972,962	4,173,955	4,125,109	(48,846)
Federal	51,500	169,127	816,929	647,802
Total revenues	\$ 31,120,629	\$ 31,815,373	\$ 35,005,861	\$ 3,190,488
EXPENDITURES				
Current:				
General government administration	\$ 1,979,007	\$ 2,220,255	\$ 2,156,547	\$ 63,708
Judicial administration	824,730	840,736	797,279	43,457
Public safety	6,637,032	6,995,991	6,575,225	420,766
Public works	1,667,244	1,734,988	2,260,295	(525,307)
Health and welfare	2,826,748	2,911,217	2,335,376	575,841
Education	11,940,623	12,030,623	12,204,431	(173,808)
Parks, recreation, and cultural	602,644	565,539	740,916	(175,377)
Community development	569,380	556,967	494,174	62,793
Nondepartmental	1,284,228	2,147,641	1,966,370	181,271
Total expenditures	\$ 28,331,636	\$ 30,003,957	\$ 29,530,613	\$ 473,344
Excess (deficiency) of revenues over (under) expenditures	\$ 2,788,993	\$ 1,811,416	\$ 5,475,248	\$ 3,663,832
OTHER FINANCING SOURCES (USES)				
Transfers out	\$ (2,950,571)	\$ (3,046,771)	\$ (3,046,771)	\$ -
Total other financing sources (uses)	\$ (2,950,571)	\$ (3,046,771)	\$ (3,046,771)	\$ -
Net change in fund balances	\$ (161,578)	\$ (1,235,355)	\$ 2,428,477	\$ 3,663,832
Fund balances - beginning, as restated	396,028	1,469,805	8,315,588	6,845,783
Fund balances - ending	\$ 234,450	\$ 234,450	\$ 10,744,065	\$ 10,509,615

Note: The budget is adopted on a basis consistent with generally accepted accounting principles.

CARES Act Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Revenue from the use of money and property	\$ -	\$ -	\$ 126	\$ 126
Intergovernmental:				
Federal	-	2,622,344	2,622,344	-
Total revenues	\$ -	\$ 2,622,344	\$ 2,622,470	\$ 126
EXPENDITURES				
Current:				
General government administration	\$ -	\$ 495,902	\$ 495,902	\$ -
Judicial administration	-	61,230	61,230	-
Public safety	-	670,678	670,678	-
Health and welfare	-	320	320	-
Education	-	1,015,115	1,015,115	-
Parks, recreation, and cultural	-	75,542	75,542	-
Nondepartmental	-	303,557	303,557	-
Total expenditures	\$ -	\$ 2,622,344	\$ 2,622,344	\$ -
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ -	\$ 126	\$ 126
Net change in fund balances	\$ -	\$ -	\$ 126	\$ 126
Fund balances - beginning	-	-	10	10
Fund balances - ending	\$ -	\$ -	\$ 136	\$ 136

ARPA Fund

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

For the Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental:				
Federal	\$ -	\$ 22,494	\$ 22,674	\$ 180
Total revenues	\$ -	\$ 22,494	\$ 22,674	\$ 180
EXPENDITURES				
Current:				
Judicial administration	\$ -	\$ 3,999	\$ 3,999	-
Public safety	-	18,495	18,495	-
Total expenditures	\$ -	\$ 22,494	\$ 22,494	\$ -
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ -	\$ 180	\$ 180
Net change in fund balances	\$ -	\$ -	\$ 180	\$ 180
Fund balances - beginning	-	-	-	-
Fund balances - ending	\$ -	\$ -	\$ 180	\$ 180

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COUNTY OF KING WILLIAM, VIRGINIA

Schedule of Changes in Net Pension Liability and Related Ratios
 Primary Government
 For the Measurement Dates of June 30, 2014 through June 30, 2020

	<u>2020</u>	<u>2019</u>
Total pension liability		
Service cost	\$ 498,360	\$ 461,711
Interest	1,231,894	1,160,608
Changes of assumptions	-	537,672
Difference between expected and actual experience	(382,914)	211,545
Benefit payments	(708,391)	(694,347)
Net change in total pension liability	<u>\$ 638,949</u>	<u>\$ 1,677,189</u>
Total pension liability - beginning	<u>18,604,480</u>	<u>16,927,291</u>
Total pension liability - ending (a)	<u><u>\$ 19,243,429</u></u>	<u><u>\$ 18,604,480</u></u>
Plan fiduciary net position		
Contributions - employer	\$ 389,628	\$ 370,865
Contributions - employee	230,242	221,187
Net investment income	333,333	1,094,690
Benefit payments	(708,391)	(694,347)
Administrator charges	(11,148)	(10,661)
Other	(396)	(691)
Net change in plan fiduciary net position	<u>\$ 233,268</u>	<u>\$ 981,043</u>
Plan fiduciary net position - beginning	<u>17,311,691</u>	<u>16,330,648</u>
Plan fiduciary net position - ending (b)	<u><u>\$ 17,544,959</u></u>	<u><u>\$ 17,311,691</u></u>
County's net pension liability - ending (a) - (b)	\$ 1,698,470	\$ 1,292,789
Plan fiduciary net position as a percentage of the total pension liability	91.17%	93.05%
Covered payroll	\$ 4,947,660	\$ 4,644,318
County's net pension liability as a percentage of covered payroll	34.33%	27.84%

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

Exhibit 12

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$	454,526	\$ 413,783	\$ 399,804	\$ 427,980	\$ 425,539
	1,079,622	1,036,388	1,005,764	960,437	900,618
	-	(16,844)	-	-	-
	291,924	(178,886)	(409,236)	(251,096)	-
	(643,892)	(629,749)	(487,936)	(491,661)	(451,521)
\$	<u>1,182,180</u>	<u>\$ 624,692</u>	<u>\$ 508,396</u>	<u>\$ 645,660</u>	<u>\$ 874,636</u>
	15,745,111	15,120,419	14,612,023	13,966,363	13,091,727
\$	<u><u>16,927,291</u></u>	<u><u>\$ 15,745,111</u></u>	<u><u>\$ 15,120,419</u></u>	<u><u>\$ 14,612,023</u></u>	<u><u>\$ 13,966,363</u></u>
\$	304,470	\$ 294,179	\$ 372,193	\$ 365,362	\$ 393,290
	190,664	199,433	180,702	172,177	172,426
	1,133,488	1,683,245	241,338	593,824	1,752,531
	(643,892)	(629,749)	(487,936)	(491,661)	(451,521)
	(9,712)	(9,652)	(8,272)	(7,965)	(9,260)
	(1,014)	(1,501)	(101)	(128)	92
\$	<u>974,004</u>	<u>\$ 1,535,955</u>	<u>\$ 297,924</u>	<u>\$ 631,609</u>	<u>\$ 1,857,558</u>
	15,356,644	13,820,689	13,522,765	12,891,156	11,033,598
\$	<u><u>16,330,648</u></u>	<u><u>\$ 15,356,644</u></u>	<u><u>\$ 13,820,689</u></u>	<u><u>\$ 13,522,765</u></u>	<u><u>\$ 12,891,156</u></u>
\$	596,643	\$ 388,467	\$ 1,299,730	\$ 1,089,258	\$ 1,075,207
	96.48%	97.53%	91.40%	92.55%	92.30%
\$	3,754,254	\$ 3,721,702	\$ 3,577,844	\$ 3,598,101	\$ 3,734,948
	15.89%	10.44%	36.33%	30.27%	28.79%

COUNTY OF KING WILLIAM, VIRGINIA

Schedule of Changes in Net Pension Liability (Asset) and Related Ratios
 Component Unit School Board (nonprofessional)
 Pension Plan
 For the Measurement Dates of June 30, 2014 through June 30, 2020

	<u>2020</u>	<u>2019</u>
Total pension liability		
Service cost	\$ 107,568	\$ 130,936
Interest	243,199	220,411
Changes of assumptions	-	105,727
Difference between expected and actual experience	(113,279)	159,146
Benefit payments	(191,339)	(132,653)
Net change in total pension liability	<u>\$ 46,149</u>	<u>\$ 483,567</u>
Total pension liability - beginning	<u>3,698,618</u>	<u>3,215,051</u>
Total pension liability - ending (a)	<u><u>\$ 3,744,767</u></u>	<u><u>\$ 3,698,618</u></u>
Plan fiduciary net position		
Contributions - employer	\$ 36,578	\$ 53,438
Contributions - employee	43,418	61,090
Net investment income	71,673	241,348
Benefit payments	(191,339)	(132,653)
Administrator charges	(2,502)	(2,332)
Other	(85)	(153)
Net change in plan fiduciary net position	<u>\$ (42,257)</u>	<u>\$ 220,738</u>
Plan fiduciary net position - beginning	<u>3,824,292</u>	<u>3,603,554</u>
Plan fiduciary net position - ending (b)	<u><u>\$ 3,782,035</u></u>	<u><u>\$ 3,824,292</u></u>
School Division's net pension liability (asset) - ending (a) - (b)	<u>\$ (37,268)</u>	<u>\$ (125,674)</u>
Plan fiduciary net position as a percentage of the total pension liability	101.00%	103.40%
Covered payroll	\$ 935,050	\$ 1,288,422
School Division's net pension liability (asset) as a percentage of covered payroll	-3.99%	-9.75%

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

Exhibit 13

	2018	2017	2016	2015	2014
\$	132,918	\$ 135,196	\$ 147,006	\$ 149,564	\$ 148,866
	212,564	199,924	185,682	162,279	146,068
	-	(67,991)	-	-	-
	(109,826)	19,693	(47,205)	90,966	-
	(114,463)	(98,040)	(66,013)	(70,936)	(55,770)
\$	121,193	\$ 188,782	\$ 219,470	\$ 331,873	\$ 239,164
	3,093,858	2,905,076	2,685,606	2,353,733	2,114,569
\$	<u>3,215,051</u>	<u>3,093,858</u>	<u>2,905,076</u>	<u>2,685,606</u>	<u>2,353,733</u>
\$	58,831	\$ 61,425	\$ 86,210	\$ 87,689	\$ 112,627
	61,738	63,992	66,926	68,007	67,436
	248,079	363,846	52,781	122,327	348,354
	(114,463)	(98,040)	(66,013)	(70,936)	(55,770)
	(2,092)	(2,028)	(1,679)	(1,565)	(1,757)
	(224)	(328)	(22)	(29)	19
\$	251,869	\$ 388,867	\$ 138,203	\$ 205,493	\$ 470,909
	3,351,685	2,962,818	2,824,615	2,619,122	2,148,213
\$	<u>3,603,554</u>	<u>3,351,685</u>	<u>2,962,818</u>	<u>2,824,615</u>	<u>2,619,122</u>
\$	(388,503)	\$ (257,827)	\$ (57,742)	\$ (139,009)	\$ (265,389)
	112.08%	108.33%	101.99%	105.18%	111.28%
\$	1,214,486	\$ 1,340,453	\$ 1,366,858	\$ 1,391,726	\$ 1,751,586
	-31.99%	-19.23%	-4.22%	-9.99%	-15.15%

COUNTY OF KING WILLIAM, VIRGINIA

Schedule of Employer's Share of Net Pension Liability VRS Teacher Retirement Plan
Pension Plan
For the Measurement Dates of June 30, 2014 through June 30, 2020

	<u>2020</u>	<u>2019</u>
Employer's Proportion of the Net Pension Liability (Asset)	0.14310%	0.14535%
Employer's Proportionate Share of the Net Pension Liability (Asset)	\$ 20,829,174	\$ 19,128,886
Employer's Covered Payroll	12,522,782	12,395,075
Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	166.33%	154.33%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	71.47%	73.51%

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

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Exhibit 14

2018	2017	2016	2015	2014
0.14814%	0.14995%	0.15270%	0.15775%	0.15381%
\$ 17,421,000	\$ 18,441,000	\$ 21,399,000	\$ 19,855,000	\$ 18,588,000
11,613,756	11,764,523	11,677,255	11,655,579	9,045,366
150.00%	156.75%	183.25%	170.35%	205.50%
74.81%	72.92%	68.28%	70.68%	70.88%

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Schedule of Employer Contributions - Pension Plan
 For the Years Ended June 30, 2015 though June 30, 2021

Date	Contributions in Relation to			Employer's Covered Payroll	Contributions as a % of Covered Payroll
	Contractually Required Contribution (1)	Contractually Required Contribution (2)	Contribution Deficiency (Excess) (3)		
Primary Government					
2021	\$ 358,001	\$ 358,001	\$ -	\$ 5,176,559	6.92%
2020	389,641	389,641	-	4,947,660	7.88%
2019	370,815	370,815	-	4,644,318	7.98%
2018	304,470	304,470	-	3,754,254	8.11%
2017	294,179	294,179	-	3,721,702	7.90%
2016	376,747	376,747	-	3,577,844	10.53%
2015	378,880	378,880	-	3,598,101	10.53%
Component Unit School Board (nonprofessional)					
2021	\$ 57,963	\$ 57,963	\$ -	\$ 1,283,170	4.52%
2020	36,157	36,157	-	935,050	3.87%
2019	53,876	53,876	-	1,288,422	4.18%
2018	58,831	58,831	-	1,214,486	4.84%
2017	61,425	61,425	-	1,340,453	4.58%
2016	87,889	87,889	-	1,366,858	6.43%
2015	89,488	89,488	-	1,391,726	6.43%
Component Unit School Board (professional)					
2021	\$ 1,967,188	\$ 1,967,188	\$ -	\$ 12,222,357	16.09%
2020	1,901,973	1,901,973	-	12,522,782	15.19%
2019	1,874,061	1,874,061	-	12,395,075	15.12%
2018	1,895,365	1,895,365	-	11,613,756	16.32%
2017	1,706,234	1,706,234	-	11,764,523	14.50%
2016	1,641,822	1,641,822	-	11,677,255	14.06%
2015	1,690,059	1,690,059	-	11,655,579	14.50%

Current year contributions are from County records and prior year contributions are from the VRS actuarial valuation performed each year.

Schedule is intended to show information for 10 years. Information prior to the 2015 valuation is not available. However, additional years will be included as they become available.

Notes to Required Supplementary Information - Pension Plan
For the Year Ended June 30, 2021

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

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

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

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Updated to a more current mortality table - RP-2014 projected to 2020
Retirement Rates	Lowered rates at older ages and changed final retirement from 70 to 75
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates	Lowered rates
Salary Scale	No change
Line of Duty Disability	Increased rate from 14.00% to 15.00%
Discount Rate	Decreased rate from 7.00% to 6.75%

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

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Updated to a more current mortality table - RP-2014 projected to 2020
Retirement Rates	Increased age 50 rates, and lowered rates at older ages
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates	Adjusted rates to better fit experience
Salary Scale	No change
Line of Duty Disability	Decreased rate from 60.00% to 45.00%
Discount Rate	Decreased rate from 7.00% to 6.75%

Component Unit School Board - Professional Employees:

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

Schedule of Employer's Share of Net OPEB Liability
 Group Life Insurance (GLI) Plan
 For the Measurement Dates of June 30, 2017 through June 30, 2020

Date	Employer's Proportion of the Net GLI OPEB Liability (Asset)	Employer's Proportionate Share of the Net GLI OPEB Liability (Asset)	Employer's Covered Payroll	Employer's Proportionate Share of the Net GLI OPEB Liability (Asset) as a Percentage of Covered Payroll (3)/(4)	Plan Fiduciary Net Position as a Percentage of Total GLI OPEB Liability (6)
(1)	(2)	(3)	(4)	(5)	(6)
Primary Government:					
2020	0.02421%	\$ 404,025	\$ 4,947,660	8.17%	52.64%
2019	0.02351%	382,570	4,609,038	8.30%	52.00%
2018	0.02059%	313,000	3,915,385	7.99%	51.22%
2017	0.02020%	304,000	3,725,679	8.16%	48.86%
Component Unit School Board (professional):					
2020	0.06085%	\$ 1,015,486	\$ 12,522,782	8.11%	52.64%
2019	0.06232%	1,014,113	12,219,038	8.30%	52.00%
2018	0.06307%	958,000	11,992,308	7.99%	51.22%
2017	0.06406%	964,000	11,816,832	8.16%	48.86%
Component Unit School Board (nonprofessional):					
2020	0.00454%	\$ 75,765	\$ 935,050	8.10%	52.64%
2019	0.00657%	106,912	1,285,962	8.31%	52.00%
2018	0.00679%	103,000	1,290,577	7.98%	51.22%
2017	0.00714%	107,000	1,317,024	8.12%	48.86%

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

Schedule of Employer Contributions
 Group Life Insurance (GLI) Plan
 For the Years Ended June 30, 2017 through June 30, 2021

<u>Date</u>	<u>Contractually Required Contribution (1)</u>	<u>Contributions in Relation to Contractually Required Contribution (2)</u>	<u>Contribution Deficiency (Excess) (3)</u>	<u>Employer's Covered Payroll (4)</u>	<u>Contributions as a % of Covered Payroll (5)</u>
Primary Government:					
2021	\$ 28,249	\$ 28,249	\$ -	5,231,257	0.54%
2020	25,912	25,912	-	4,983,088	0.52%
2019	23,967	23,967	-	4,609,038	0.52%
2018	20,360	20,360	-	3,915,385	0.52%
2017	19,374	19,374	-	3,725,679	0.52%
Component Unit School Board (professional):					
2021	\$ 66,001	\$ 66,001	\$ -	12,222,357	0.54%
2020	65,118	65,118	-	12,522,782	0.52%
2019	63,359	63,359	-	12,219,038	0.52%
2018	62,360	62,360	-	11,992,308	0.52%
2017	61,448	61,448	-	11,816,832	0.52%
Component Unit School Board (nonprofessional):					
2021	\$ 6,998	\$ 6,998	\$ -	1,295,870	0.54%
2020	4,862	4,862	-	935,050	0.52%
2019	6,687	6,687	-	1,285,962	0.52%
2018	6,711	6,711	-	1,290,577	0.52%
2017	6,849	6,849	-	1,317,024	0.52%

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.

Notes to Required Supplementary Information
 Group Life Insurance (GLI) Plan
 For the Year Ended June 30, 2021

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

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

Teachers

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

Non-Largest Ten Locality Employers - General Employees

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Updated to a more current mortality table - RP-2014 projected to 2020
Retirement Rates	Lowered retirement rates at older ages and extended final retirement age from 70 to 75
Withdrawal Rates	Adjusted termination rates to better fit experience at each age and service year
Disability Rates	Lowered disability rates
Salary Scale	No change
Line of Duty Disability	Increased rate from 14.00% to 15.00%
Discount Rate	Decreased rate from 7.00% to 6.75%

Non-Largest Ten Locality Employers - Hazardous Duty Employees

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Updated to a more current mortality table - RP-2014 projected to 2020
Retirement Rates	Increased age 50 rates and lowered rates at older ages
Withdrawal Rates	Adjusted termination rates to better fit experience at each age and service year
Disability Rates	Adjusted rates to better match experience
Salary Scale	No change
Line of Duty Disability	Decreased rate from 60.00% to 45.00%
Discount Rate	Decreased rate from 7.00% to 6.75%

Schedule of Changes in the School Board's Net OPEB Liability and Related Ratios
 Health Insurance Credit (HIC) Plan
 Component Unit School Board (nonprofessional)
 For the Measurement Date of June 30, 2020

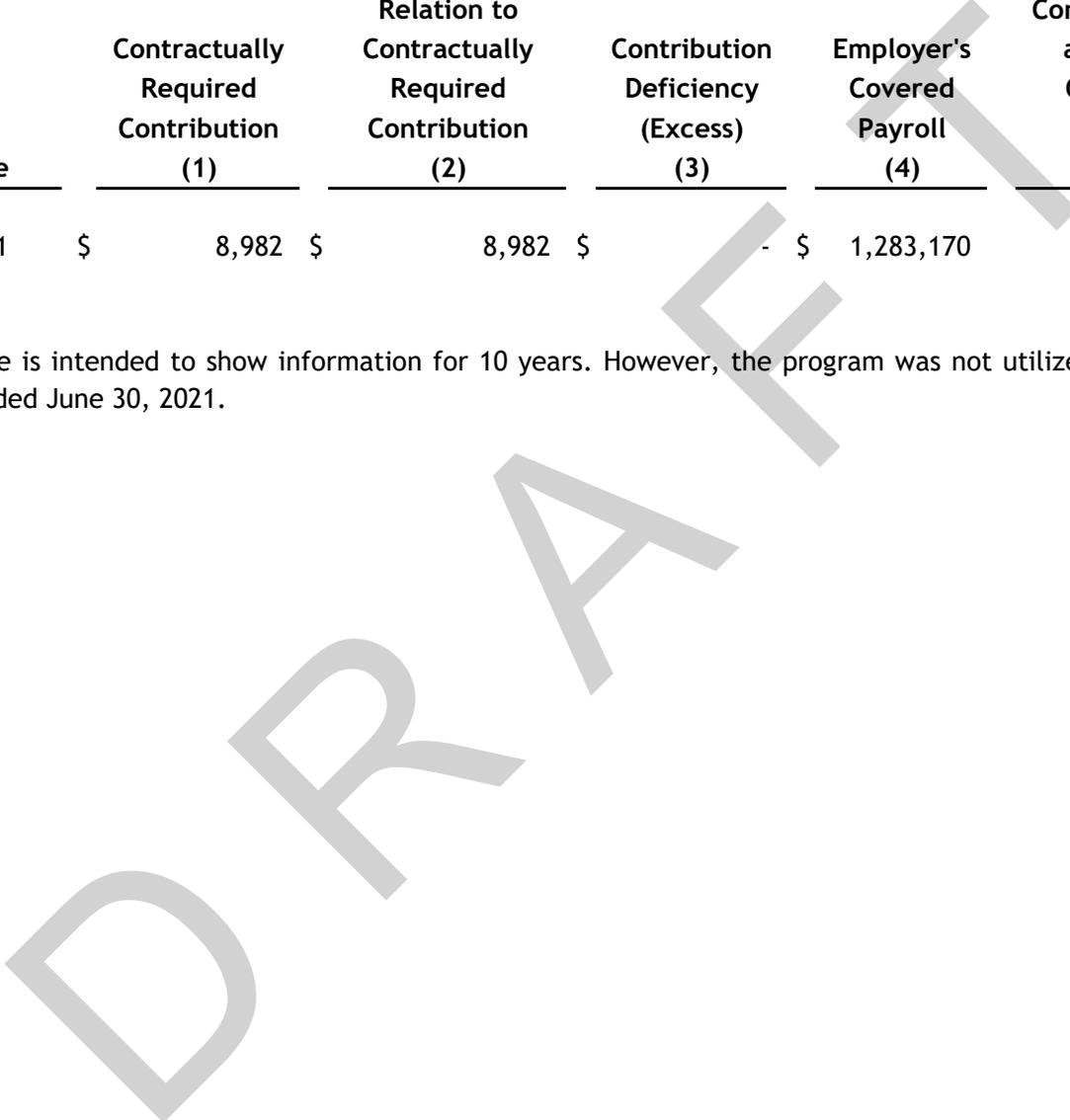
	<u>2020</u>
Total HIC OPEB Liability	
Changes in benefit terms	\$ 68,012
Net change in total HIC OPEB liability	<u>\$ 68,012</u>
Total HIC OPEB Liability - beginning	-
Total HIC OPEB Liability - ending (a)	<u><u>\$ 68,012</u></u>
School Board's net HIC OPEB liability - ending (a) - (b)	\$ 68,012
Plan fiduciary net position as a percentage of the total HIC OPEB liability	0.00%
Covered payroll	\$ -
School Board's net HIC OPEB liability as a percentage of covered payroll	0.00%

Schedule is intended to show information for 10 years. Information prior to the 2020 valuation is not available. However, additional years will be included as they become available.

Schedule of Employer Contributions
 Health Insurance Credit (HIC) Plan
 Component Unit School Board (nonprofessional)
 For the Year Ended June 30, 2021

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)
2021	\$ 8,982	\$ 8,982	-	\$ 1,283,170	0.70%

Schedule is intended to show information for 10 years. However, the program was not utilized until the year ended June 30, 2021.



Notes to Required Supplementary Information
 Health Insurance Credit (HIC) Plan
 For the Year Ended June 30, 2021

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

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

Non-Largest Ten Locality Employers - General Employees

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Updated to a more current mortality table - RP-2014 projected to 2020
Retirement Rates	Lowered retirement rates at older ages and extended final retirement age from 70 to 75
Withdrawal Rates	Adjusted termination rates to better fit experience at each age and service year
Disability Rates	Lowered disability rates
Salary Scale	No change
Line of Duty Disability	Increased rate from 14.00% to 15.00%
Discount Rate	Decreased rate from 7.00% to 6.75%

Non-Largest Ten Locality Employers - Hazardous Duty Employees

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Updated to a more current mortality table - RP-2014 projected to 2020
Retirement Rates	Increased age 50 rates and lowered rates at older ages
Withdrawal Rates	Adjusted termination rates to better fit experience at each age and service year
Disability Rates	Adjusted rates to better match experience
Salary Scale	No change
Line of Duty Disability	Decreased rate from 60.00% to 45.00%
Discount Rate	Decreased rate from 7.00% to 6.75%

Schedule of County School Board's Share of Net OPEB Liability
 Teacher Employee Health Insurance Credit (HIC) Plan
 For the Measurement Dates of June 30, 2017 through June 30, 2020

Date (1)	Employer's Proportion of the Net HIC OPEB Liability (Asset) (2)	Employer's Proportionate Share of the Net HIC OPEB Liability (Asset) (3)	Employer's Covered Payroll (4)	Employer's Proportionate Share of the Net HIC OPEB Liability (Asset) as a Percentage of Covered Payroll (3)/(4) (5)	Plan Fiduciary Net Position as a Percentage of Total HIC OPEB Liability (6)
2020	0.14280% \$	1,863,372 \$	12,522,782	14.88%	6.23%
2019	0.14570%	1,906,700 \$	12,219,038	15.60%	6.23%
2018	0.14828%	1,882,000	12,292,167	15.31%	8.08%
2017	0.14937%	1,899,000	11,816,832	16.07%	7.04%

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

Schedule of Employer Contributions
 Teacher Employee Health Insurance Credit (HIC) Plan
 For the Years Ended June 30, 2017 through June 30, 2021

Date	Contractually Required Contribution (1)	Contributions in Relation to		Employer's Covered Payroll (4)	Contributions as a % of Covered Payroll (5)
		Contractually Required Contribution (2)	Contribution Deficiency (Excess) (3)		
2021	\$ 147,891	\$ 147,891	\$ -	\$ 12,222,357	1.21%
2020	150,273	150,273	-	12,522,782	1.20%
2019	147,072	147,072	-	12,219,038	1.20%
2018	147,506	147,506	-	12,292,167	1.20%
2017	131,167	131,167	-	11,816,832	1.11%

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

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Notes to Required Supplementary Information
 Teacher Employee Health Insurance Credit (HIC) Plan
 For the Year Ended June 30, 2021

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

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

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

Schedule of Changes in Total OPEB Liability (Asset) and Related Ratios
 Primary Government
 For the Years Ended June 30, 2018 through June 30, 2021

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB liability				
Service cost	\$ 17,523	\$ 18,563	\$ 16,429	\$ 15,947
Interest	3,467	5,551	5,476	4,726
Changes in assumptions	7,936	(476)	7,030	(516)
Differences between expected and actual experience	(1,720)	(60,563)	(1,800)	-
Net change in total OPEB liability	<u>\$ 27,206</u>	<u>\$ (36,925)</u>	<u>\$ 27,135</u>	<u>\$ 20,157</u>
Total OPEB liability - beginning	<u>142,377</u>	<u>179,302</u>	<u>152,167</u>	<u>132,010</u>
Total OPEB liability - ending	<u><u>\$ 169,583</u></u>	<u><u>\$ 142,377</u></u>	<u><u>\$ 179,302</u></u>	<u><u>\$ 152,167</u></u>
Covered employee payroll	\$ N/A	\$ N/A	\$ N/A	\$ N/A
County's total OPEB liability (asset) as a percentage of covered-employee or covered payroll	N/A	N/A	N/A	N/A

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

Schedule of Changes in Total OPEB Liability (Asset) and Related Ratios

Component Unit School Board

For the Years Ended June 30, 2018 through June 30, 2021

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB liability				
Service cost	\$ 80,180	\$ 79,437	\$ 54,563	\$ 65,813
Interest	34,272	55,554	57,694	46,173
Changes in assumptions	22,618	52,249	273,532	(26,341)
Differences between expected and actual experience	(473,083)	-	369,582	-
Benefit payments	(172,084)	(275,455)	(352,000)	(194,429)
Net change in total OPEB liability	<u>\$ (508,097)</u>	<u>\$ (88,215)</u>	<u>\$ 403,371</u>	<u>\$ (108,784)</u>
Total OPEB liability - beginning	<u>1,556,155</u>	<u>1,644,370</u>	<u>1,240,999</u>	<u>1,349,783</u>
Total OPEB liability - ending	<u><u>\$ 1,048,058</u></u>	<u><u>\$ 1,556,155</u></u>	<u><u>\$ 1,644,370</u></u>	<u><u>\$ 1,240,999</u></u>
Covered payroll	\$ 12,144,881	\$ 13,348,806	\$ 11,731,946	\$ 11,906,700
County's total OPEB liability (asset) as a percentage of covered-employee or covered payroll	8.63%	11.66%	14.02%	10.42%

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

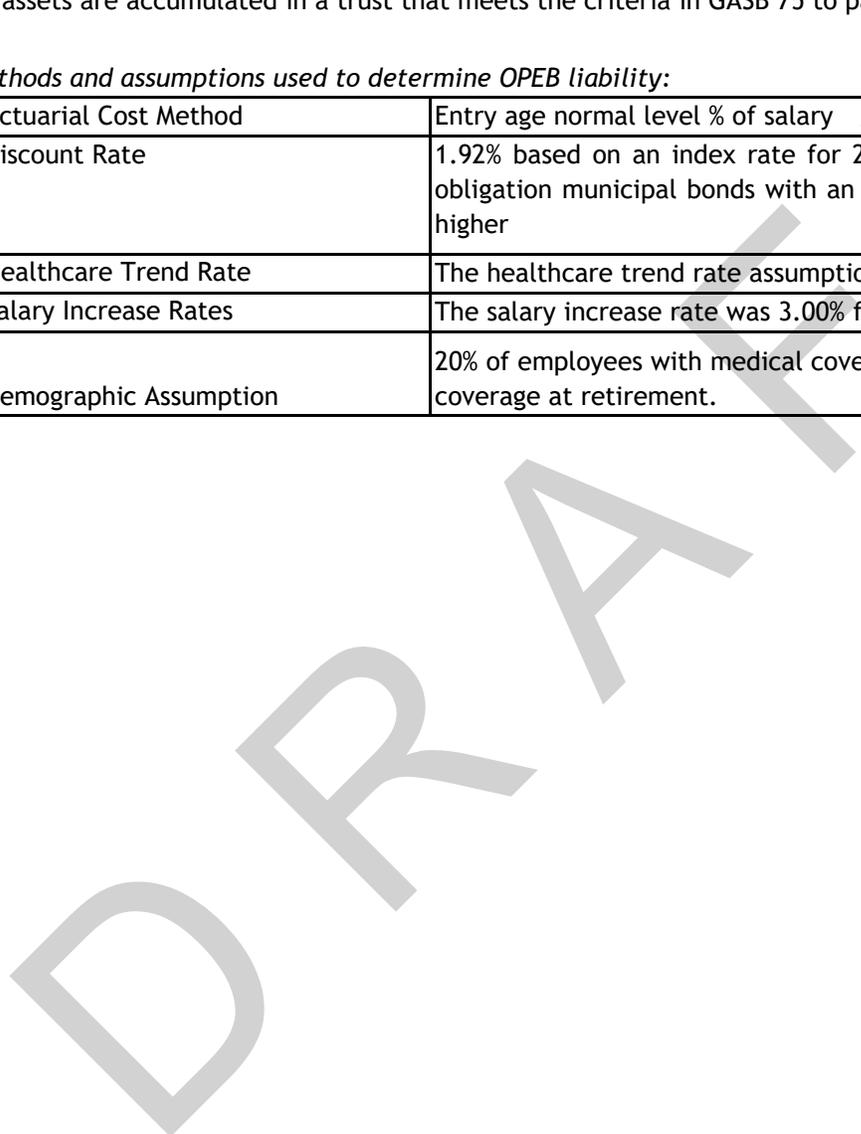
Notes to Required Supplementary Information - County OPEB
 For the Year Ended June 30, 2021

Valuation Date: 7/1/2020
 Measurement Date: 6/30/2021

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

Methods and assumptions used to determine OPEB liability:

Actuarial Cost Method	Entry age normal level % of salary
Discount Rate	1.92% based on an index rate for 20-year tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher
Healthcare Trend Rate	The healthcare trend rate assumption starts at 4.00%
Salary Increase Rates	The salary increase rate was 3.00% for all employees
Demographic Assumption	20% of employees with medical coverage would elect to reatin coverage at retirement.



Notes to Required Supplementary Information - Component Unit School Board
 For the Year Ended June 30, 2021

Valuation Date: 7/1/2020
 Measurement Date: 6/30/2021

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

Methods and assumptions used to determine OPEB liability:

Actuarial Cost Method	Entry age normal level % of salary
Discount Rate	2.16%
Inflation	2.50%
Healthcare Trend Rate	The healthcare trend rate assumption were 6.30% to 4.00% over 55 years
Salary Increase Rates	The salary increases, including inflation were 3.50% to 5.35%
Retirement Age	The average age of retirement is 65
Mortality Rates	The mortality rates for active and healthy retirees was calculated using the 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. The mortality rates for disabled retirees was calculated using the RP-2014 Disabled Mortality Rates projected with Scale BB to 2020; 115% of rates for males and females.

Debt Service Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 For the Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Revenue from the use of money and property	\$ 146,104	\$ 146,104	\$ 48,913	\$ (97,191)
Intergovernmental:				
Local government	-	-	-	-
Total revenues	\$ 146,104	\$ 146,104	\$ 48,913	\$ (97,191)
EXPENDITURES				
Debt service:				
Principal retirement	\$ 1,963,758	\$ 1,963,758	\$ 1,963,758	\$ -
Interest and other fiscal charges	922,917	1,023,524	1,023,524	-
Total expenditures	\$ 2,886,675	\$ 2,987,282	\$ 2,987,282	\$ -
Excess (deficiency) of revenues over (under) expenditures	\$ (2,740,571)	\$ (2,841,178)	\$ (2,938,369)	\$ (97,191)
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 2,740,571	\$ 2,740,571	\$ 2,836,771	\$ 96,200
Total other financing sources (uses)	\$ 2,740,571	\$ 2,740,571	\$ 2,836,771	\$ 96,200
Net change in fund balances	\$ -	\$ (100,607)	\$ (101,598)	\$ (991)
Fund balances - beginning	-	100,607	101,598	991
Fund balances - ending	\$ -	\$ -	\$ -	\$ -

General Capital Projects Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 For the Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Miscellaneous	\$ 200,000	\$ 200,000	\$ 369,727	\$ 169,727
Total revenues	\$ 200,000	\$ 200,000	\$ 369,727	\$ 169,727
EXPENDITURES				
Capital projects	\$ 5,102,800	\$ 5,203,407	\$ 2,840,601	\$ 2,362,806
Total expenditures	\$ 5,102,800	\$ 5,203,407	\$ 2,840,601	\$ 2,362,806
Excess (deficiency) of revenues over (under) expenditures	\$ (4,902,800)	\$ (5,003,407)	\$ (2,470,874)	\$ 2,532,533
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 340,000	\$ 340,000	\$ 210,000	\$ (130,000)
Issuance of bonds	4,517,800	4,517,800	-	(4,517,800)
Total other financing sources (uses)	\$ 4,857,800	\$ 4,857,800	\$ 210,000	\$ (4,647,800)
Net change in fund balances	\$ (45,000)	\$ (145,607)	\$ (2,260,874)	\$ (2,115,267)
Fund balances - beginning	45,000	145,607	7,462,855	7,317,248
Fund balances - ending	\$ -	\$ -	\$ 5,201,981	\$ 5,201,981

School Capital Projects Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 For the Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental:				
Commonwealth	\$ 400,000	\$ 400,000	\$ 346,444	\$ (53,556)
Total revenues	\$ 400,000	\$ 400,000	\$ 346,444	\$ (53,556)
EXPENDITURES				
Capital projects	\$ 600,000	\$ 600,000	\$ 610,232	\$ (10,232)
Total expenditures	\$ 600,000	\$ 600,000	\$ 610,232	\$ (10,232)
Excess (deficiency) of revenues over (under) expenditures	\$ (200,000)	\$ (200,000)	\$ (263,788)	\$ (63,788)
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 200,000	\$ 200,000	\$ 220,196	\$ 20,196
Total other financing sources (uses)	\$ 200,000	\$ 200,000	\$ 220,196	\$ 20,196
Net change in fund balances	\$ -	\$ -	\$ (43,592)	\$ (43,592)
Fund balances - beginning	-	-	36,411	36,411
Fund balances - ending	\$ -	\$ -	\$ (7,181)	\$ (7,181)

Combining Balance Sheet
 Discretely Presented Component Unit - School Board
 June 30, 2021

	School Operating Fund	School Cafeteria Fund	School Textbook Fund	School Activity Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 4,315,598	\$ 288,838	\$ 366,969	\$ 182,262	\$ 5,153,667
Receivables (net of allowance for uncollectibles):					
Accounts receivable	56,705	-	-	-	56,705
Due from other governmental units	450,499	-	-	-	450,499
Total assets	<u>\$ 4,822,802</u>	<u>\$ 288,838</u>	<u>\$ 366,969</u>	<u>\$ 182,262</u>	<u>\$ 5,660,871</u>
LIABILITIES					
Accounts payable	\$ 115,157	\$ -	\$ -	\$ -	\$ 115,157
Accrued liabilities	2,013,289	67,023	-	-	2,080,312
Unearned revenue	31,234	-	-	-	31,234
Total liabilities	<u>\$ 2,159,680</u>	<u>\$ 67,023</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,226,703</u>
FUND BALANCES					
Assigned	\$ 2,663,122	\$ 221,815	\$ 366,969	\$ 182,262	\$ 3,434,168
Total fund balances	<u>\$ 2,663,122</u>	<u>\$ 221,815</u>	<u>\$ 366,969</u>	<u>\$ 182,262</u>	<u>\$ 3,434,168</u>
Total liabilities and fund balances	<u>\$ 4,822,802</u>	<u>\$ 288,838</u>	<u>\$ 366,969</u>	<u>\$ 182,262</u>	<u>\$ 5,660,871</u>

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

Total fund balances per above	\$ 3,434,168
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	
Capital assets, cost	\$ 44,700,375
Accumulated depreciation	<u>(19,288,758)</u>
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	
Net pension asset	37,268
Deferred outflows of resources are not available to pay for current-period expenditures, and, therefore, are not reported in the funds.	
Pension related items	\$ 5,277,079
OPEB related items	<u>815,806</u>
Internal service funds are used by management to charge the costs of certain activities, such as insurance and telecommunications, to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	2,915,203
Long-term liabilities, including compensated absences payable, are not due and payable in the current period and, therefore, are not reported in the funds.	
Compensated absences	\$ (304,643)
Net OPEB liability	(4,070,693)
Net pension liability	<u>(20,829,174)</u>
Deferred inflows of resources are not due and payable in the current period and, therefore, are not reported in the funds.	
Pension related items	\$ (2,063,132)
OPEB related items	<u>(637,091)</u>
Net position of governmental activities	<u>\$ 9,986,408</u>

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
 Governmental Funds - Discretely Presented Component Unit - School Board
 For the Year Ended June 30, 2021

	School Operating Fund	School Cafeteria Fund	School Textbook Fund	School Activity Funds	Total Governmental Funds
REVENUES					
Revenue from the use of money and property	\$ 6,424	\$ 102	\$ -	\$ -	\$ 6,526
Charges for services	116,110	52,470	-	-	168,580
Miscellaneous	154,590	8,356	-	172,489	335,435
Recovered costs	56,705	-	-	-	56,705
Intergovernmental:					
Local government	12,195,623	-	-	-	12,195,623
Commonwealth	11,259,920	7,798	141,398	-	11,409,116
Federal	1,353,061	1,033,098	-	-	2,386,159
Total revenues	<u>\$ 25,142,433</u>	<u>\$ 1,101,824</u>	<u>\$ 141,398</u>	<u>\$ 172,489</u>	<u>\$ 26,558,144</u>
EXPENDITURES					
Current:					
Education	\$ -	\$ 972,059	\$ 22,180	\$ 252,086	\$ 1,246,325
Instruction	17,448,738	-	-	-	17,448,738
Administration, Attendance, Health	1,504,910	-	-	-	1,504,910
Pupil Transportation	1,756,530	-	-	-	1,756,530
Operations and Maintenance	2,311,162	-	-	-	2,311,162
Technology	893,084	-	-	-	893,084
Total expenditures	<u>\$ 23,914,424</u>	<u>\$ 972,059</u>	<u>\$ 22,180</u>	<u>\$ 252,086</u>	<u>\$ 25,160,749</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 1,228,009</u>	<u>\$ 129,765</u>	<u>\$ 119,218</u>	<u>\$ (79,597)</u>	<u>\$ 1,397,395</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	\$ -	\$ 34,261	\$ -	\$ -	\$ 34,261
Transfers out	(34,261)	-	-	-	(34,261)
Total other financing sources (uses)	<u>\$ (34,261)</u>	<u>\$ 34,261</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balances	\$ 1,193,748	\$ 164,026	\$ 119,218	\$ (79,597)	\$ 1,397,395
Fund balances - beginning, as restated	1,469,374	57,789	247,751	261,859	2,036,773
Fund balances - ending	<u>\$ 2,663,122</u>	<u>\$ 221,815</u>	<u>\$ 366,969</u>	<u>\$ 182,262</u>	<u>\$ 3,434,168</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	\$ 1,397,395
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Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which the capital outlays exceeded depreciation in the current period.

Capital asset additions	\$ 6,357,467	
Depreciation expense	(1,983,699)	4,373,768

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.

The following is a summary of items supporting this adjustment:

Change in compensated absences	\$ (75,539)	
Pension expense	(91,309)	
OPEB expense	18,990	(147,858)

Internal service funds are used by management to charge the costs of certain activities, such as insurance and telecommunications, to individual funds. The net revenue (expense) of certain internal service funds is reported with governmental activities.

Change in net position of governmental activities	\$ 666,895	<u>\$ 6,290,200</u>
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Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 Discretely Presented Component Unit - School Board
 For the Year Ended June 30, 2021

	School Operating Fund			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
REVENUES				
Revenue from the use of money and property	\$ 7,450	\$ 7,450	\$ 6,424	\$ (1,026)
Charges for services	132,190	132,190	116,110	(16,080)
Miscellaneous	30,000	30,000	154,590	124,590
Recovered costs	50,000	50,000	56,705	6,705
Intergovernmental:				
Local government	12,095,947	12,095,947	12,195,623	99,676
Commonwealth	11,358,965	11,358,965	11,259,920	(99,045)
Federal	1,070,281	1,070,281	1,353,061	282,780
Total revenues	<u>\$ 24,744,833</u>	<u>\$ 24,744,833</u>	<u>\$ 25,142,433</u>	<u>\$ 397,600</u>
EXPENDITURES				
Current:				
Instruction	\$ 17,980,812	\$ 17,980,812	\$ 17,448,738	\$ 532,074
Administration, Attendance, Health	1,558,906	1,558,906	1,504,910	53,996
Pupil Transportation	2,013,249	2,013,249	1,756,530	256,719
Operations and Maintenance	2,250,114	2,250,114	2,311,162	(61,048)
Technology	941,752	941,752	893,084	48,668
Total expenditures	<u>\$ 24,744,833</u>	<u>\$ 24,744,833</u>	<u>\$ 23,914,424</u>	<u>\$ 830,409</u>
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ -	\$ 1,228,009	\$ 1,228,009
OTHER FINANCING SOURCES (USES)				
Transfers out	\$ -	\$ (34,261)	\$ (34,261)	\$ -
Total other financing sources (uses)	<u>\$ -</u>	<u>\$ (34,261)</u>	<u>\$ (34,261)</u>	<u>\$ -</u>
Net change in fund balances	\$ -	\$ (34,261)	\$ 1,193,748	\$ 1,228,009
Fund balances - beginning	-	34,261	1,469,374	1,435,113
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,663,122</u>	<u>\$ 2,663,122</u>

COUNTY OF KING WILLIAM, 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, 2021

	School Cafeteria Fund			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
REVENUES				
Revenue from the use of money and property	\$ 65	\$ 65	\$ 102	\$ 37
Charges for services	438,846	438,846	52,470	(386,376)
Miscellaneous	3,000	3,000	8,356	5,356
Intergovernmental:				
Local government	-	-	-	-
Commonwealth	8,800	8,800	7,798	(1,002)
Federal	471,723	471,723	1,033,098	561,375
Total revenues	<u>\$ 922,434</u>	<u>\$ 922,434</u>	<u>\$ 1,101,824</u>	<u>\$ 179,390</u>
EXPENDITURES				
Current:				
Education	\$ 922,434	\$ 956,695	\$ 972,059	\$ (15,364)
Total expenditures	<u>\$ 922,434</u>	<u>\$ 956,695</u>	<u>\$ 972,059</u>	<u>\$ (15,364)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	<u>\$ (34,261)</u>	<u>\$ 129,765</u>	<u>\$ 164,026</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ -	\$ 34,261	\$ 34,261	\$ -
Total other financing sources (uses)	<u>\$ -</u>	<u>\$ 34,261</u>	<u>\$ 34,261</u>	<u>\$ -</u>
Net change in fund balances	\$ -	\$ -	\$ 164,026	\$ 164,026
Fund balances - beginning	-	-	57,789	57,789
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 221,815</u>	<u>\$ 221,815</u>

School Textbook Fund			
Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
Original	Final		
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
203,154	203,154	141,398	(61,756)
-	-	-	-
<u>\$ 203,154</u>	<u>\$ 203,154</u>	<u>\$ 141,398</u>	<u>\$ (61,756)</u>
<u>\$ 203,154</u>	<u>\$ 203,154</u>	<u>\$ 22,180</u>	<u>\$ 180,974</u>
<u>\$ 203,154</u>	<u>\$ 203,154</u>	<u>\$ 22,180</u>	<u>\$ 180,974</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 119,218</u>	<u>\$ 119,218</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 119,218</u>	<u>\$ 119,218</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 247,751</u>	<u>\$ 247,751</u>
<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 366,969</u></u>	<u><u>\$ 366,969</u></u>

Combining Statement of Fiduciary Net Position
 Fiduciary Funds - Discretely Presented Component Unit School Board
 June 30, 2021

	<u>Custodial Funds</u>		<u>Total</u>
	<u>Regional Adult Education Program</u>	<u>Regional Alternative Education Program</u>	
ASSETS			
Cash and cash equivalents	\$ 26,221	\$ 564,860	\$ 591,081
Accounts receivable	13,129	-	13,129
Total assets	<u>\$ 39,350</u>	<u>\$ 564,860</u>	<u>\$ 604,210</u>
LIABILITIES			
Accounts payable	\$ 463	\$ 72	\$ 535
Accrued liabilities	4,230	17,433	21,663
Total liabilities	<u>\$ 4,693</u>	<u>\$ 17,505</u>	<u>\$ 22,198</u>
NET POSITION			
Restricted for:			
Individuals, organizations, and other governments	\$ 34,657	\$ 547,355	\$ 556
Total net position	<u>\$ 34,657</u>	<u>\$ 547,355</u>	<u>\$ 556</u>

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Combining Statement of Changes in Fiduciary Net Position
 Fiduciary Funds - Discretely Presented Component Unit School Board
 June 30, 2021

	Custodial Funds		
	Regional Adult Education Program	Regional Alternative Education Program	Total
ADDITIONS			
Revenue from the Commonwealth	\$ 249,002	\$ 335,732	\$ 584,734
Revenue from the Federal Government	-	167,277	167,277
Payments from another County	21,550	-	21,550
Total additions	<u>\$ 270,552</u>	<u>\$ 503,009</u>	<u>\$ 773,561</u>
DEDUCTIONS			
Salaries and wages	\$ 69,331	\$ 275,688	\$ 345,019
Fringe benefits	192,383	77,967	270,350
Purchased services	13,756	23,836	37,592
Miscellaneous	7,153	16,186	23,339
Total deductions	<u>\$ 282,623</u>	<u>\$ 393,677</u>	<u>\$ 676,300</u>

Statement of Net Position
 Internal Service Fund - Discretely Presented Component Unit - School Board
 June 30, 2021

	<u>Self- Insurance Fund</u>
ASSETS	
Cash and cash equivalents	\$ <u>2,696,497</u>
Total assets	\$ <u>2,696,497</u>
LIABILITIES	
Insurance and benefit claims payable	\$ <u>(218,706)</u>
Total liabilities	\$ <u>(218,706)</u>
NET POSITION	
Unrestricted	\$ <u>2,915,203</u>
Total net position	\$ <u><u>2,915,203</u></u>

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Statement of Revenues, Expenses, and Changes in Net Position
 Internal Service Fund - Discretely Presented Component Unit - School Board
 For the Year Ended June 30, 2021

	<u>Self- Insurance Fund</u>
OPERATING REVENUES	
Charges for services:	
Insurance premiums	\$ 3,983,318
Total operating revenues	<u>\$ 3,983,318</u>
OPERATING EXPENSES	
Administrative charges	\$ 9,673
Reinsurance premium	458,372
Insurance claims and expenses	2,861,870
Total operating expenses	<u>\$ 3,329,915</u>
Operating income (loss)	<u>\$ 653,403</u>
NONOPERATING REVENUES (EXPENSES)	
Interest revenue	\$ 13,492
Total nonoperating revenues (expenses)	<u>\$ 13,492</u>
Income before contributions and transfers	<u>\$ 666,895</u>
Change in Net position	<u>\$ 666,895</u>
Total net position - beginning	<u>2,248,308</u>
Total net position - ending	<u><u>\$ 2,915,203</u></u>

Statement of Cash Flows
 Internal Service Fund - Discretely Presented Component Unit - School Board
 For the Year Ended June 30, 2021

	<u>Self- Insurance Fund</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts for insurance premiums	\$ 3,983,318
Claims and benefits paid	(3,747,795)
Payments to suppliers for goods and services	(9,673)
Net cash provided by (used for) operating activities	<u>\$ 225,850</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Interest received on investment securities	\$ 13,492
Net cash provided (used) by capital and related financing activities	<u>\$ 13,492</u>
Net increase (decrease) in cash and cash equivalents	239,342
Cash and cash equivalents - beginning	\$ 2,078,981
Cash and cash equivalents - ending	<u><u>\$ 2,318,323</u></u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:	
Operating income (loss)	\$ 653,403
Adjustments to reconcile operating income (loss) to net cash	
Increase (decrease) in insurance and benefit claims	\$ (427,553)
Total adjustments	<u>\$ (427,553)</u>
Net cash provided by (used for) operating activities	<u><u>\$ 225,850</u></u>

Schedule of Revenues - Budget and Actual
 Governmental Funds
 For the Year Ended June 30, 2021

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	\$ 12,465,597	\$ 12,586,444	\$ 12,623,796	\$ 37,352
Real and personal public service corporation taxes	329,350	329,350	449,571	120,221
Personal property taxes	4,190,987	4,190,987	4,112,773	(78,214)
Mobile home taxes	-	-	6,149	6,149
Machinery and tools taxes	1,955,791	1,955,791	2,044,078	88,287
Penalties	149,000	169,000	240,042	71,042
Interest	126,000	137,096	296,135	159,039
Total general property taxes	<u>\$ 19,216,725</u>	<u>\$ 19,368,668</u>	<u>\$ 19,772,544</u>	<u>\$ 403,876</u>
Other local taxes:				
Local sales and use taxes	\$ 4,406,609	\$ 4,406,609	\$ 5,268,926	\$ 862,317
Consumers' utility taxes	220,000	220,000	266,682	46,682
Electric consumption taxes	50,000	50,000	46,869	(3,131)
Natural gas consumption taxes	-	-	4,702	4,702
Business license taxes	372,500	429,860	470,159	40,299
Bank stock taxes	104,000	104,000	149,942	45,942
Taxes on recordation and wills	226,000	322,200	394,664	72,464
Motor vehicle licenses	425,000	425,000	455,701	30,701
Restaurant food taxes	225,000	225,000	442,102	217,102
Total other local taxes	<u>\$ 6,029,109</u>	<u>\$ 6,182,669</u>	<u>\$ 7,499,747</u>	<u>\$ 1,317,078</u>
Permits, privilege fees, and regulatory licenses:				
Animal licenses	\$ 5,000	\$ 5,000	\$ 5,177	\$ 177
Land use application fees	29,500	29,500	13,560	(15,940)
Transfer fees	500	500	899	399
Permits and other licenses	277,000	334,000	554,213	220,213
Total permits, privilege fees, and regulatory licenses	<u>\$ 312,000</u>	<u>\$ 369,000</u>	<u>\$ 573,849</u>	<u>\$ 204,849</u>
Fines and forfeitures:				
Court fines and forfeitures	\$ 75,000	\$ 75,000	\$ 95,505	\$ 20,505
Animal control fines	-	-	473	473
Total fines and forfeitures	<u>\$ 75,000</u>	<u>\$ 75,000</u>	<u>\$ 95,978</u>	<u>\$ 20,978</u>
Revenue from use of money and property:				
Revenue from use of money	\$ 105,000	\$ 105,000	\$ 52,259	\$ (52,741)
Revenue from use of property	60,000	60,000	66,912	6,912
Total revenue from use of money and property	<u>\$ 165,000</u>	<u>\$ 165,000</u>	<u>\$ 119,171</u>	<u>\$ (45,829)</u>

Schedule of Revenues - Budget and Actual
 Governmental Funds
 For the Year Ended June 30, 2021

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:				
Charges for law enforcement and traffic control	\$ 300	\$ 300	\$ 260	\$ (40)
Charges for courthouse costs	4,400	4,400	3,934	(466)
Charges for courthouse security	800	800	728	(72)
Charges for Commonwealth's Attorney	1,500	1,500	1,623	123
Animal shelter fees	3,800	3,800	6,695	2,895
Children's services act fees	850	850	7,644	6,794
Charges for EMS	150,000	150,000	253,126	103,126
Charges for water	413,655	413,655	654,265	240,610
Charges for sanitation and waste removal	252,971	252,971	624,000	371,029
Charges for parks and recreation	229,298	234,774	57,582	(177,192)
Charges for sale of publications and commemorative material	1,000	1,000	525	(475)
Total charges for services	<u>\$ 1,058,574</u>	<u>\$ 1,064,050</u>	<u>\$ 1,610,382</u>	<u>\$ 546,332</u>
Miscellaneous:				
Miscellaneous	\$ 45,200	\$ 45,200	\$ 158,572	\$ 113,372
Total miscellaneous	<u>\$ 45,200</u>	<u>\$ 45,200</u>	<u>\$ 158,572</u>	<u>\$ 113,372</u>
Recovered costs:				
Juvenile and domestic relations court costs	\$ 4,800	\$ 4,800	\$ 1,929	\$ (2,871)
Victim witness recovered costs	4,472	4,472	8,728	4,256
Dispatch services to West Point	40,000	40,000	40,000	-
Dog park recovered costs	-	8,145	8,145	-
Health department	-	-	2,392	2,392
Animal shelter	145,287	145,287	172,386	27,099
Total recovered costs	<u>\$ 194,559</u>	<u>\$ 202,704</u>	<u>\$ 233,580</u>	<u>\$ 30,876</u>
Total revenue from local sources	<u>\$ 27,096,167</u>	<u>\$ 27,472,291</u>	<u>\$ 30,063,823</u>	<u>\$ 2,591,532</u>
Intergovernmental:				
Revenue from the Commonwealth:				
Noncategorical aid:				
Motor vehicle carriers' tax	\$ 16,000	\$ 16,000	\$ 16,371	\$ 371
Mobile home titling tax	6,000	6,000	7,564	1,564
Motor vehicle rental tax	3,500	3,500	4,712	1,212
Communication tax	305,000	305,000	247,315	(57,685)
Personal property tax relief funds	1,204,131	1,204,131	1,204,131	-
Miscellaneous	500	500	694	194
Total noncategorical aid	<u>\$ 1,535,131</u>	<u>\$ 1,535,131</u>	<u>\$ 1,480,787</u>	<u>\$ (54,344)</u>

Schedule of Revenues - Budget and Actual
 Governmental Funds
 For the Year Ended June 30, 2021

Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
General Fund: (Continued)				
Intergovernmental: (Continued)				
Revenue from the Commonwealth: (Continued)				
Categorical aid:				
Shared expenses:				
Commonwealth's attorney	\$ 167,556	\$ 167,556	\$ 166,030	\$ (1,526)
Sheriff	774,692	774,692	760,492	(14,200)
Commissioner of revenue	97,980	97,980	95,675	(2,305)
Treasurer	92,235	92,235	75,708	(16,527)
Registrar/electoral board	39,847	39,847	40,120	273
Clerk of the Circuit Court	198,575	198,575	201,123	2,548
Total shared expenses	<u>\$ 1,370,885</u>	<u>\$ 1,370,885</u>	<u>\$ 1,339,148</u>	<u>\$ (31,737)</u>
Other categorical aid:				
Public assistance and welfare administration	\$ -	\$ -	\$ 257,024	\$ 257,024
Children's services act	768,339	768,339	602,405	(165,934)
Litter prevention grant	7,800	7,800	7,314	(486)
Victim witness	105,307	105,307	36,189	(69,118)
E911 wireless grant	20,000	169,987	204,064	34,077
Library grant	4,500	4,500	4,500	-
Games of skill	-	35,000	36,864	1,864
Recordation tax state	45,000	45,000	-	(45,000)
Fire programs	42,000	42,000	48,129	6,129
Asset forfeiture	6,000	6,000	1,988	(4,012)
Other state grants	68,000	84,006	106,697	22,691
Total other categorical aid	<u>\$ 1,066,946</u>	<u>\$ 1,267,939</u>	<u>\$ 1,305,174</u>	<u>\$ 37,235</u>
Total categorical aid	<u>\$ 2,437,831</u>	<u>\$ 2,638,824</u>	<u>\$ 2,644,322</u>	<u>\$ 5,498</u>
Total revenue from the Commonwealth	<u>\$ 3,972,962</u>	<u>\$ 4,173,955</u>	<u>\$ 4,125,109</u>	<u>\$ (48,846)</u>
Revenue from the federal government:				
Categorical aid:				
DMV ground transportation safety grant	\$ 9,000	\$ 9,000	\$ 8,733	\$ (267)
LEMPG grant	7,500	7,500	7,500	-
Public assistance and welfare administration	-	-	614,239	614,239
Violence Against Women Formula grant	35,000	35,000	29,974	(5,026)
Victim witness grant	-	-	42,827	42,827
Other federal grants	-	117,627	113,656	(3,971)
Total categorical aid	<u>\$ 51,500</u>	<u>\$ 169,127</u>	<u>\$ 816,929</u>	<u>\$ 647,802</u>
Total revenue from the federal government	<u>\$ 51,500</u>	<u>\$ 169,127</u>	<u>\$ 816,929</u>	<u>\$ 647,802</u>
Total General Fund	<u><u>\$ 31,120,629</u></u>	<u><u>\$ 31,815,373</u></u>	<u><u>\$ 35,005,861</u></u>	<u><u>\$ 3,190,488</u></u>

Schedule of Revenues - Budget and Actual
Governmental Funds
For the Year Ended June 30, 2021

Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
Debt Service Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
Revenue from the use of money	\$ 146,104	\$ 146,104	\$ 48,913	\$ (97,191)
Total revenue from use of money and property	\$ 146,104	\$ 146,104	\$ 48,913	\$ (97,191)
Total revenue from local sources	\$ 146,104	\$ 146,104	\$ 48,913	\$ (97,191)
Total Debt Service Fund	<u>\$ 146,104</u>	<u>\$ 146,104</u>	<u>\$ 48,913</u>	<u>\$ (97,191)</u>
Capital Projects Funds:				
General Capital Projects Fund:				
Revenue from local sources:				
Miscellaneous:				
Cash proffers	\$ 200,000	\$ 200,000	\$ 369,727	\$ 169,727
Total miscellaneous	\$ 200,000	\$ 200,000	\$ 369,727	\$ 169,727
Total revenue from local sources	\$ 200,000	\$ 200,000	\$ 369,727	\$ 169,727
Total General Capital Projects Fund	<u>\$ 200,000</u>	<u>\$ 200,000</u>	<u>\$ 369,727</u>	<u>\$ 169,727</u>
School Capital Projects Fund:				
Revenue from the Commonwealth:				
Categorical aid:				
VPSA technology grant	\$ 300,000	\$ 300,000	\$ 228,364	\$ (71,636)
VPSA security equipment grant	100,000	100,000	118,080	18,080
Total categorical aid	\$ 400,000	\$ 400,000	\$ 346,444	\$ (53,556)
Total revenue from the Commonwealth	\$ 400,000	\$ 400,000	\$ 346,444	\$ (53,556)
Total School Capital Projects Fund	<u>\$ 400,000</u>	<u>\$ 400,000</u>	<u>\$ 346,444</u>	<u>\$ (53,556)</u>
Special Revenue Fund:				
CARES Act Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
Revenue from the use of money	\$ -	\$ -	\$ 126	\$ 126
Total revenue from use of money and property	\$ -	\$ -	\$ 126	\$ 126
Total revenue from local sources	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 126</u>	<u>\$ 126</u>

Schedule of Revenues - Budget and Actual
 Governmental Funds
 For the Year Ended June 30, 2021

Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
Special Revenue Fund: (Continued)				
CARES Act Fund: (Continued)				
Intergovernmental:				
Revenue from the federal government:				
Noncategorical aid:				
CARES Act	\$ -	\$ 2,622,344	\$ 2,622,344	\$ -
Total noncategorical aid	\$ -	\$ 2,622,344	\$ 2,622,344	\$ -
Total revenue from the federal government	-	2,622,344	2,622,344	-
Total CARES Act Fund	-	2,622,344	2,622,470	126
ARPA Fund:				
Revenue from the federal government:				
Noncategorical aid:				
American Rescue Plan Act		22,494	22,674	180
Total noncategorical aid	-	22,494	22,674	180
Total revenue from the federal government	-	22,494	22,674	180
Total ARPA Fund	-	22,494	22,674	180
Total Primary Government	\$ 31,866,733	\$ 35,206,315	\$ 38,416,089	\$ 3,209,774
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 money	\$ 450	\$ 450	\$ 624	\$ 174
Revenue from the use of property	7,000	7,000	5,800	(1,200)
Total revenue from use of money and property	\$ 7,450	\$ 7,450	\$ 6,424	\$ (1,026)
Charges for services:				
Tuition and payments from other divisions	\$ 132,190	\$ 132,190	\$ 116,110	\$ (16,080)
Miscellaneous:				
Other miscellaneous	\$ 30,000	\$ 30,000	\$ 154,590	\$ 124,590

Schedule of Revenues - Budget and Actual
 Governmental Funds
 For the Year Ended June 30, 2021

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)				
Recovered costs:				
E-Rate	\$ 50,000	\$ 50,000	\$ 56,705	\$ 6,705
Total recovered costs	<u>\$ 50,000</u>	<u>\$ 50,000</u>	<u>\$ 56,705</u>	<u>\$ 6,705</u>
 Total revenue from local sources	 <u>\$ 219,640</u>	 <u>\$ 219,640</u>	 <u>\$ 333,829</u>	 <u>\$ 114,189</u>
Intergovernmental:				
Revenue from local governments:				
Contribution from County of King William, Virginia	\$ 12,095,947	\$ 12,095,947	\$ 12,195,623	\$ 99,676
Total revenue from local governments	<u>\$ 12,095,947</u>	<u>\$ 12,095,947</u>	<u>\$ 12,195,623</u>	<u>\$ 99,676</u>
Revenue from the Commonwealth:				
Categorical aid:				
Basic school aid	\$ 7,605,234	\$ 7,605,234	\$ 6,940,946	\$ (664,288)
Remedial summer education	17,966	17,966	17,966	-
Remedial education	165,041	165,041	152,620	(12,421)
Special education	1,038,622	1,038,622	965,007	(73,615)
Regular foster care	-	-	4,376	4,376
Gifted and talented	75,407	75,407	69,731	(5,676)
English as a second language	19,397	19,397	20,816	1,419
Vocational standards of quality payments	147,968	147,968	136,831	(11,137)
Social security fringe benefits	\$ 438,213	\$ 438,213	\$ 405,231	\$ (32,982)
Retirement fringe benefits	1,020,126	1,020,126	943,347	(76,779)
Group life insurance fringe benefits	31,301	31,301	28,945	(2,356)
State lottery payments	525,764	525,764	548,664	22,900
Early reading intervention	35,157	35,157	30,470	(4,687)
Project graduation	4,357	4,357	4,357	-
Homebound education	10,119	10,119	7,055	(3,064)
Vocational educational equipment	-	-	8,826	8,826
Special education - foster children	-	-	8,884	8,884
At risk payments	160,717	160,717	148,614	(12,103)
Indian Children	39,795	39,795	36,526	(3,269)
Mentor teacher program	2,528	2,528	900	(1,628)
VPSA technology	-	-	346,444	346,444
Algebra Readiness	21,253	21,253	23,676	2,423
Other state funds	-	-	409,688	409,688
Total categorical aid	<u>\$ 11,358,965</u>	<u>\$ 11,358,965</u>	<u>\$ 11,259,920</u>	<u>\$ (99,045)</u>
 Total revenue from the Commonwealth	 <u>\$ 11,358,965</u>	 <u>\$ 11,358,965</u>	 <u>\$ 11,259,920</u>	 <u>\$ (99,045)</u>

Schedule of Revenues - Budget and Actual
 Governmental Funds
 For the Year Ended June 30, 2021

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: (Continued)				
Revenue from the federal government:				
Categorical aid:				
Title VII	\$ 7,300	\$ 7,300	\$ 6,452	\$ (848)
Title II-A (Teacher Quality)	47,500	47,500	38,001	(9,499)
Title I	238,609	238,609	225,137	(13,472)
Payments from the Air Force	70,000	70,000	66,140	(3,860)
Idea 619, special education pre-school	14,169	14,169	14,256	87
Idea 611, flow through	447,088	447,088	464,036	16,948
Vocational education	28,000	28,000	23,997	(4,003)
Title IV-A (Student Support)	-	-	22,933	22,933
CARES Act	217,615	217,615	483,613	265,998
Title III	\$ -	\$ -	\$ 8,496	\$ 8,496
Total categorical aid	<u>\$ 1,070,281</u>	<u>\$ 1,070,281</u>	<u>\$ 1,353,061</u>	<u>\$ 282,780</u>
Total revenue from the federal government	<u>\$ 1,070,281</u>	<u>\$ 1,070,281</u>	<u>\$ 1,353,061</u>	<u>\$ 282,780</u>
Total School Operating Fund	<u><u>\$ 24,744,833</u></u>	<u><u>\$ 24,744,833</u></u>	<u><u>\$ 25,142,433</u></u>	<u><u>\$ 397,600</u></u>
Discretely Presented Component Unit-School Board:				
School Cafeteria Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
Revenue from the use of money	\$ 65	\$ 65	\$ 102	\$ 37
Total revenue from use of money and property	<u>\$ 65</u>	<u>\$ 65</u>	<u>\$ 102</u>	<u>\$ 37</u>
Charges for services:				
Cafeteria sales	\$ 385,000	\$ 385,000	\$ 46,511	\$ (338,489)
Other charges for services	53,846	53,846	5,959	(47,887)
Total charges for services	<u>\$ 438,846</u>	<u>\$ 438,846</u>	<u>\$ 52,470</u>	<u>\$ (386,376)</u>
Miscellaneous:				
VPI, SPED	\$ 1,000	\$ 1,000	\$ 110	\$ (890)
Rebates	2,000	2,000	2,515	515
Other miscellaneous	-	-	5,731	5,731
Total miscellaneous	<u>\$ 3,000</u>	<u>\$ 3,000</u>	<u>\$ 8,356</u>	<u>\$ 5,356</u>
Total revenue from local sources	<u>\$ 441,911</u>	<u>\$ 441,911</u>	<u>\$ 60,928</u>	<u>\$ (380,983)</u>
Intergovernmental:				
Revenue from the Commonwealth:				
Reimbursement Indian children	\$ 1,600	\$ 1,600	\$ -	\$ (1,600)
State meal reimbursements	7,200	7,200	7,798	598
Total categorical aid	<u>\$ 8,800</u>	<u>\$ 8,800</u>	<u>\$ 7,798</u>	<u>\$ (1,002)</u>
Total revenue from the Commonwealth	<u>\$ 8,800</u>	<u>\$ 8,800</u>	<u>\$ 7,798</u>	<u>\$ (1,002)</u>

Schedule of Revenues - Budget and Actual
 Governmental Funds
 For the Year Ended June 30, 2021

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 Cafeteria Fund: (Continued)				
Revenue from the federal government:				
Categorical aid:				
Meal reimbursement	\$ 418,323	\$ 418,323	\$ 959,681	\$ 541,358
USDA commodities	53,400	53,400	73,417	20,017
Total categorical aid	<u>\$ 471,723</u>	<u>\$ 471,723</u>	<u>\$ 1,033,098</u>	<u>\$ 561,375</u>
Total revenue from the federal government	<u>\$ 471,723</u>	<u>\$ 471,723</u>	<u>\$ 1,033,098</u>	<u>\$ 561,375</u>
Total School Cafeteria Fund	<u><u>\$ 922,434</u></u>	<u><u>\$ 922,434</u></u>	<u><u>\$ 1,101,824</u></u>	<u><u>\$ 179,390</u></u>
School Textbook Fund:				
Intergovernmental:				
Revenue from the Commonwealth:				
Categorical aid:				
Textbook payments	\$ 203,154	\$ 203,154	\$ 141,398	\$ (61,756)
Total categorical aid	<u>\$ 203,154</u>	<u>\$ 203,154</u>	<u>\$ 141,398</u>	<u>\$ (61,756)</u>
Total revenue from the Commonwealth	<u>\$ 203,154</u>	<u>\$ 203,154</u>	<u>\$ 141,398</u>	<u>\$ (61,756)</u>
Total School Textbook Fund	<u><u>\$ 203,154</u></u>	<u><u>\$ 203,154</u></u>	<u><u>\$ 141,398</u></u>	<u><u>\$ (61,756)</u></u>
School Activity Funds:				
Revenue from local sources:				
Miscellaneous:				
Miscellaneous	\$ -	\$ -	\$ 172,489	\$ 172,489
Total miscellaneous	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 172,489</u>	<u>\$ 172,489</u>
Total revenue from local sources	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 172,489</u>	<u>\$ 172,489</u>
Total School Activity Funds	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 172,489</u></u>	<u><u>\$ 172,489</u></u>
Total Discretely Presented Component Unit - School Board	<u><u>\$ 25,870,421</u></u>	<u><u>\$ 25,870,421</u></u>	<u><u>\$ 26,558,144</u></u>	<u><u>\$ 687,723</u></u>

Schedule of Expenditures - Budget and Actual
 Governmental Funds
 For the Year Ended June 30, 2021

Fund, Function, Activity and Element	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
General Fund:				
General government administration:				
Legislative:				
Board of supervisors	\$ 80,767	\$ 83,917	\$ 81,796	\$ 2,121
General and financial administration:				
County administrator	\$ 234,353	\$ 234,353	\$ 250,702	\$ (16,349)
County attorney	-	-	126,084	(126,084)
Commissioner of revenue	288,855	258,174	277,173	(18,999)
County assessor	-	139,100	105,475	33,625
Treasurer	282,090	266,511	261,926	4,585
Department of information technology	394,794	439,366	215,431	223,935
Other general and financial administration	488,015	537,525	572,232	(34,707)
Total general and financial administration	<u>\$ 1,688,107</u>	<u>\$ 1,875,029</u>	<u>\$ 1,809,023</u>	<u>\$ 66,006</u>
Board of elections:				
Electoral board and officials	\$ 210,133	\$ 261,309	\$ 265,728	\$ (4,419)
Total board of elections	<u>\$ 210,133</u>	<u>\$ 261,309</u>	<u>\$ 265,728</u>	<u>\$ (4,419)</u>
Total general government administration	<u>\$ 1,979,007</u>	<u>\$ 2,220,255</u>	<u>\$ 2,156,547</u>	<u>\$ 63,708</u>
Judicial administration:				
Courts:				
Circuit court	\$ 27,275	\$ 27,275	\$ 27,247	\$ 28
General district court	10,550	10,550	4,992	5,558
Juvenile and domestic relations district court	10,757	10,757	4,848	5,909
Clerk of the circuit court	653,897	669,903	331,721	338,182
Victim and witness assistance	114,251	114,251	83,545	30,706
Total courts	<u>\$ 816,730</u>	<u>\$ 832,736</u>	<u>\$ 452,353</u>	<u>\$ 380,383</u>
Commonwealth's attorney:				
Commonwealth's attorney	\$ 8,000	\$ 8,000	\$ 344,926	\$ (336,926)
Total Commonwealth's attorney	<u>\$ 8,000</u>	<u>\$ 8,000</u>	<u>\$ 344,926</u>	<u>\$ (336,926)</u>
Total judicial administration	<u>\$ 824,730</u>	<u>\$ 840,736</u>	<u>\$ 797,279</u>	<u>\$ 43,457</u>
Public safety:				
Law enforcement and traffic control:				
Sheriff	\$ 2,098,906	\$ 2,098,906	\$ 1,938,042	\$ 160,864
Emergency operations center	783,341	933,328	913,157	20,171
Other protection services	63,119	184,618	172,877	11,741
Total law enforcement and traffic control	<u>\$ 2,945,366</u>	<u>\$ 3,216,852</u>	<u>\$ 3,024,076</u>	<u>\$ 192,776</u>

Schedule of Expenditures - Budget and Actual
 Governmental Funds
 For the Year Ended June 30, 2021

Fund, Function, Activity and Element	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
General Fund: (Continued)				
Public safety: (Continued)				
Fire and rescue services:				
Volunteer fire and rescue squads	\$ 582,339	\$ 582,339	\$ 598,990	\$ (16,651)
Mutual aid partners	12,805	12,297	12,297	-
Emergency services	1,503,729	1,508,166	1,316,032	192,134
Total fire and rescue services	<u>\$ 2,098,873</u>	<u>\$ 2,102,802</u>	<u>\$ 1,927,319</u>	<u>\$ 175,483</u>
Correction and detention:				
Regional security center	\$ 864,713	\$ 934,451	\$ 924,401	\$ 10,050
Probation and pretrial	-	-	10,050	(10,050)
Juvenile probation and detention	57,058	52,864	28,522	24,342
Total correction and detention	<u>\$ 921,771</u>	<u>\$ 987,315</u>	<u>\$ 962,973</u>	<u>\$ 24,342</u>
Inspections:				
Building	\$ 183,158	\$ 191,158	\$ 168,430	\$ 22,728
Total inspections	<u>\$ 183,158</u>	<u>\$ 191,158</u>	<u>\$ 168,430</u>	<u>\$ 22,728</u>
Other protection:				
Animal control and shelter	\$ 479,404	\$ 489,404	484,265	\$ 5,139
Medical examiner	300	300	120	180
Court services	8,160	8,160	8,042	118
Total other protection	<u>\$ 487,864</u>	<u>\$ 497,864</u>	<u>\$ 492,427</u>	<u>\$ 5,437</u>
Total public safety	<u>\$ 6,637,032</u>	<u>\$ 6,995,991</u>	<u>\$ 6,575,225</u>	<u>\$ 420,766</u>
Public works:				
Sanitation and waste removal:				
Refuse collection and disposal	\$ 917,731	\$ 917,731	\$ 901,324	\$ 16,407
Water services	-	-	391,722	(391,722)
Sewer services	-	-	132,496	(132,496)
Litter prevention	-	-	5,287	(5,287)
Contingency	-	-	25,852	(25,852)
Total sanitation and waste removal	<u>\$ 917,731</u>	<u>\$ 917,731</u>	<u>\$ 1,456,681</u>	<u>\$ (538,950)</u>
Maintenance of general buildings and grounds:				
General properties	\$ 749,513	\$ 817,257	\$ 803,614	\$ 13,643
Total maintenance of general buildings and grounds	<u>\$ 749,513</u>	<u>\$ 817,257</u>	<u>\$ 803,614</u>	<u>\$ 13,643</u>
Total public works	<u>\$ 1,667,244</u>	<u>\$ 1,734,988</u>	<u>\$ 2,260,295</u>	<u>\$ (525,307)</u>
Health and welfare:				
Health:				
Supplement of local health department	\$ 183,274	\$ 156,340	\$ 156,340	\$ -
Total health	<u>\$ 183,274</u>	<u>\$ 156,340</u>	<u>\$ 156,340</u>	<u>\$ -</u>

Schedule of Expenditures - Budget and Actual
 Governmental Funds
 For the Year Ended June 30, 2021

Fund, Function, Activity and Element	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
General Fund: (Continued)				
Health and welfare: (Continued)				
Mental health and mental retardation:				
Community services board	\$ 60,624	\$ 60,624	\$ 60,624	\$ -
Total mental health and mental retardation	<u>\$ 60,624</u>	<u>\$ 60,624</u>	<u>\$ 60,624</u>	<u>\$ -</u>
Welfare and social services:				
Welfare administration	\$ 1,157,293	\$ 1,268,696	\$ 1,039,821	\$ 228,875
Public assistance	123,900	123,900	85,768	38,132
Purchased services	70,049	70,049	26,761	43,288
Children's Services Act	1,231,608	1,231,608	966,062	265,546
Total welfare and social services	<u>\$ 2,582,850</u>	<u>\$ 2,694,253</u>	<u>\$ 2,118,412</u>	<u>\$ 575,841</u>
Total health and welfare	<u>\$ 2,826,748</u>	<u>\$ 2,911,217</u>	<u>\$ 2,335,376</u>	<u>\$ 575,841</u>
Education:				
Other instructional costs:				
Contribution to community colleges	\$ 8,808	\$ 8,808	\$ 8,808	\$ -
Contribution to County School Board	11,931,815	12,021,815	12,195,623	(173,808)
Total education	<u>\$ 11,940,623</u>	<u>\$ 12,030,623</u>	<u>\$ 12,204,431</u>	<u>\$ (173,808)</u>
Parks, recreation, and cultural:				
Parks and recreation:				
Recreation centers and playgrounds	\$ 45,250	\$ 8,145	\$ 7,993	\$ 152
Park operations	103,297	103,297	278,826	(175,529)
Total parks and recreation	<u>\$ 148,547</u>	<u>\$ 111,442</u>	<u>\$ 286,819</u>	<u>\$ (175,377)</u>
Cultural enrichment:				
Art galleries	\$ 9,500	\$ 9,500	\$ 9,500	\$ -
Total cultural enrichment	<u>\$ 9,500</u>	<u>\$ 9,500</u>	<u>\$ 9,500</u>	<u>\$ -</u>
Library:				
Contribution to regional library	\$ 444,597	\$ 444,597	\$ 444,597	\$ -
Total library	<u>\$ 444,597</u>	<u>\$ 444,597</u>	<u>\$ 444,597</u>	<u>\$ -</u>
Total parks, recreation, and cultural	<u>\$ 602,644</u>	<u>\$ 565,539</u>	<u>\$ 740,916</u>	<u>\$ (175,377)</u>
Community development:				
Planning and community development:				
Planning	\$ 434,330	\$ 429,330	\$ 397,708	\$ 31,622
MPPC support	30,614	23,201	28,729	(5,528)
Contribution to soil and water conservation district	5,000	5,000	5,000	-
Agricultural and home economics	41,936	41,936	24,027	17,909
Economic development	27,500	27,500	8,710	18,790
Contribution to airport	30,000	30,000	30,000	-
Total planning and community development	<u>\$ 569,380</u>	<u>\$ 556,967</u>	<u>\$ 494,174</u>	<u>\$ 62,793</u>
Total community development	<u>\$ 569,380</u>	<u>\$ 556,967</u>	<u>\$ 494,174</u>	<u>\$ 62,793</u>

Schedule of Expenditures - Budget and Actual
 Governmental Funds
 For the Year Ended June 30, 2021

Fund, Function, Activity and Element	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
General Fund: (Continued)				
Nondepartmental:				
Other nondepartmental	\$ -	\$ 760,929	\$ 399,656	\$ 361,273
Town portion of local and state taxes	1,284,228	1,386,712	1,566,714	(180,002)
Total nondepartmental	<u>\$ 1,284,228</u>	<u>\$ 2,147,641</u>	<u>\$ 1,966,370</u>	<u>\$ 181,271</u>
Total General Fund	<u>\$ 28,331,636</u>	<u>\$ 30,003,957</u>	<u>\$ 29,530,613</u>	<u>\$ 473,344</u>
Debt Service Fund:				
Debt service:				
Principal retirement	\$ 1,963,758	\$ 1,963,758	\$ 1,963,758	\$ -
Interest and other fiscal charges	922,917	1,023,524	1,023,524	-
Total Debt Service Fund	<u>\$ 2,886,675</u>	<u>\$ 2,987,282</u>	<u>\$ 2,987,282</u>	<u>\$ -</u>
Capital Projects Funds:				
General Capital Projects Fund:				
Capital projects expenditures:				
County capital assets	\$ 480,000	\$ 480,000	\$ 48,781	\$ 431,219
Equipment and vehicles	80,000	80,000	122,160	(42,160)
Infrastructure construction	-	100,607	156,605	(55,998)
Broadband initiative	4,517,800	4,517,800	2,497,694	2,020,106
Data processing	25,000	25,000	15,062	9,938
Recreational improvements	-	-	299	(299)
Total capital projects expenditures	<u>\$ 5,102,800</u>	<u>\$ 5,203,407</u>	<u>\$ 2,840,601</u>	<u>\$ 2,362,806</u>
Total General Capital Projects Fund	<u>\$ 5,102,800</u>	<u>\$ 5,203,407</u>	<u>\$ 2,840,601</u>	<u>\$ 2,362,806</u>
School Capital Projects Fund:				
Capital projects expenditures:				
Equipment and vehicles	\$ 150,000	\$ 150,000	\$ 223,050	\$ (73,050)
School capital assets	100,000	100,000	94,142	5,858
Data processing	350,000	350,000	293,040	56,960
Total capital projects expenditures	<u>\$ 600,000</u>	<u>\$ 600,000</u>	<u>\$ 610,232</u>	<u>\$ (10,232)</u>
Special Revenue Fund:				
CARES Act Fund:				
General government administration:				
General and financial administration:				
Other general and financial administration	\$ -	\$ 495,902	\$ 495,902	\$ -
Total general and financial administration	<u>\$ -</u>	<u>\$ 495,902</u>	<u>\$ 495,902</u>	<u>\$ -</u>

Schedule of Expenditures - Budget and Actual
 Governmental Funds
 For the Year Ended June 30, 2021

Fund, Function, Activity and Element	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
Special Revenue Fund: (Continued)				
CARES Act Fund: (Continued)				
Judicial administration:				
Courts:				
Clerk of the circuit court	\$ -	\$ 61,230	\$ 61,230	\$ -
Total courts	\$ -	\$ 61,230	\$ 61,230	\$ -
Total judicial administration	\$ -	\$ 61,230	\$ 61,230	\$ -
Public safety:				
Law enforcement and traffic control:				
Sheriff	\$ -	\$ 319,395	\$ 319,395	\$ -
Emergency operations center	-	9,570	9,570	-
Total law enforcement and traffic control	\$ -	\$ 328,965	\$ 328,965	\$ -
Fire and rescue services:				
Emergency services	\$ -	\$ 332,810	\$ 332,810	\$ -
Total fire and rescue services	\$ -	\$ 332,810	\$ 332,810	\$ -
Other protection:				
Court services	\$ -	\$ 8,903	\$ 8,903	\$ -
Total other protection	\$ -	\$ 8,903	\$ 8,903	\$ -
Total public safety	\$ -	\$ 670,678	\$ 670,678	\$ -
Health and welfare:				
Welfare and social services:				
Welfare administration	\$ -	\$ 320	\$ 320	\$ -
Total welfare and social services	\$ -	\$ 320	\$ 320	\$ -
Total health and welfare	\$ -	\$ 320	\$ 320	\$ -
Education:				
Other instructional costs:				
COVID-19 CRF expenditures	\$ -	\$ 1,015,115	\$ 1,015,115	\$ -
Total other instructional costs	\$ -	\$ 1,015,115	\$ 1,015,115	\$ -
Total education	\$ -	\$ 1,015,115	\$ 1,015,115	\$ -
Parks, recreation, and cultural:				
Parks and recreation:				
Other parks and recreation	\$ -	\$ 75,542	\$ 75,542	\$ -
Total parks and recreation	\$ -	\$ 75,542	\$ 75,542	\$ -
Total parks, recreation, and cultural	\$ -	\$ 75,542	\$ 75,542	\$ -
Nondepartmental:				
Other entities - Town of West Point	\$ -	\$ 285,754	\$ 285,754	\$ -
Other entities	-	17,803	17,803	-
Total nondepartmental	\$ -	\$ 303,557	\$ 303,557	\$ -
Total CARES Act Fund	\$ -	\$ 2,622,344	\$ 2,622,344	\$ -

Schedule of Expenditures - Budget and Actual
 Governmental Funds
 For the Year Ended June 30, 2021

Fund, Function, Activity and Element	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
Discretely Presented Component Unit-School Board (Continued)				
School Operating Fund: (Continued)				
ARPA Fund:				
Judicial administration:				
Commonwealth's attorney:				
Commonwealth's attorney	\$ -	\$ 3,999	\$ 3,999	\$ -
Total Commonwealth's attorney	\$ -	\$ 3,999	\$ 3,999	\$ -
Total judicial administration	\$ -	\$ 3,999	\$ 3,999	\$ -
Public safety:				
Law enforcement and traffic control:				
Sheriff	\$ -	\$ 4,851	\$ 4,851	\$ -
Total law enforcement and traffic control	\$ -	\$ 4,851	\$ 4,851	\$ -
Fire and rescue services:				
Emergency services	\$ -	\$ 13,644	\$ 13,644	\$ -
Total fire and rescue services	\$ -	\$ 13,644	\$ 13,644	\$ -
Total public safety	\$ -	\$ 18,495	\$ 18,495	\$ -
Total ARPA Fund	\$ -	\$ 22,494	\$ 22,494	\$ -
Total Primary Government	\$ 36,921,111	\$ 41,439,484	\$ 38,613,566	\$ 2,825,918
Discretely Presented Component Unit-School Board				
School Operating Fund:				
Education:				
Instruction:				
Elementary and secondary schools	\$ 17,980,812	\$ 17,980,812	\$ 17,448,738	\$ 532,074
Total instruction costs	\$ 17,980,812	\$ 17,980,812	\$ 17,448,738	\$ 532,074
Administration, Attendance and Health:				
School board	\$ 89,356	\$ 89,356	\$ 76,748	\$ 12,608
Other administration	1,469,550	1,469,550	1,428,162	41,388
Total administration, attendance and health	\$ 1,558,906	\$ 1,558,906	\$ 1,504,910	\$ 53,996
Pupil transportation:				
Pupil transportation	\$ 2,013,249	\$ 2,013,249	\$ 1,756,530	\$ 256,719
Total pupil transportation	\$ 2,013,249	\$ 2,013,249	\$ 1,756,530	\$ 256,719
Operating and maintenance costs:				
Operation and maintenance	\$ 2,250,114	\$ 2,250,114	\$ 2,311,162	\$ (61,048)
Total operating and maintenance costs	\$ 2,250,114	\$ 2,250,114	\$ 2,311,162	\$ (61,048)
Other costs:				
Technology	\$ 941,752	\$ 941,752	\$ 893,084	\$ 48,668
Total technology	\$ 941,752	\$ 941,752	\$ 893,084	\$ 48,668
Total School Operating Fund	\$ 24,744,833	\$ 24,744,833	\$ 23,914,424	\$ 830,409

Schedule of Expenditures - Budget and Actual
Governmental Funds

Fund, Function, Activity and Element	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
Discretely Presented Component Unit-School Board (Continued)				
School Operating Fund: (Continued)				
School Cafeteria Fund:				
Education:				
School food services:				
Administration of school food program	\$ 869,034	\$ 903,295	\$ 898,642	\$ 4,653
USDA commodities	53,400	53,400	73,417	(20,017)
Total education	<u>\$ 922,434</u>	<u>\$ 956,695</u>	<u>\$ 972,059</u>	<u>\$ (15,364)</u>
Total School Cafeteria Fund	<u>\$ 922,434</u>	<u>\$ 956,695</u>	<u>\$ 972,059</u>	<u>\$ (15,364)</u>
School Textbook Fund:				
Education:				
Purchase of textbooks and supplies	\$ 203,154	\$ 203,154	\$ 22,180	\$ 180,974
Total education	<u>\$ 203,154</u>	<u>\$ 203,154</u>	<u>\$ 22,180</u>	<u>\$ 180,974</u>
Total School Textbook Fund	<u>\$ 203,154</u>	<u>\$ 203,154</u>	<u>\$ 22,180</u>	<u>\$ 180,974</u>
School Activity Funds:				
Education:				
Instruction:				
School Activity Funds	\$ -	\$ -	\$ 252,086	\$ (252,086)
Total School Activity Funds	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 252,086</u>	<u>\$ (252,086)</u>
Total Discretely Presented Component Unit - School Board	<u>\$ 25,870,421</u>	<u>\$ 25,904,682</u>	<u>\$ 25,160,749</u>	<u>\$ 743,933</u>



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

To the Honorable Members of the Board of Supervisors
County of King William
King William, 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 unit, each major fund, and the aggregate remaining fund information of County of King William, Virginia, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the County of King William, Virginia's basic financial statements, and have issued our report thereon dated September 22, 2022.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered County of King William, 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 King William, Virginia's internal control. Accordingly, we do not express an opinion on the effectiveness of County of King William, 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, and therefore material weaknesses or significant deficiencies may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2021-001, 2021-002, and 2021-003 that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether County of King William, Virginia's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as 2021-004.

County of King William, Virginia's Response to Findings

County of King William, Virginia's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. County of King William, Virginia's response was not subjected to the auditing procedures applied in the audit of financial statements and, accordingly, we express no opinion on it.

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.

Richmond, Virginia
September 22, 2022



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

**To the Honorable Members of the Board of Supervisors
County of King William
King William, Virginia**

Report on Compliance for Each Major Federal Program

We have audited County of King William, Virginia's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of County of King William, Virginia's major federal programs for the year ended June 30, 2021. County of King William, Virginia's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of County of King William, Virginia's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about County of King William, Virginia's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

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

Report on Internal Control over Compliance

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

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

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

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.

Richmond, Virginia
September 22, 2022

COUNTY OF KING WILLIAM, VIRGINIA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2021

Federal Grantor/State Pass - Through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures	Pass-Through to Subrecipients
Department of Health and Human Services:				
Pass Through Payments:				
Department of Social Services:				
MaryLee Allen Promoting Safe and Stable Families	93.556	0950120/0950121	\$ 13,243	\$ -
Temporary Assistance for Needy Families (TANF Cluster)	93.558	0400120/0400121	85,725	-
Refugee and Entrant Assistance State/Replacement Designee Administered Programs	93.566	0500120/0500121	193	-
Low-Income Home Energy Assistance	93.568	0600420/0600421	13,880	-
Child Care Mandatory and Matching Funds of the Child Care and Development Fund (CCDF Cluster)	93.596	0760120/0760121	18,109	-
Chafee Education and Training Vouchers Program (ETV)	93.599	9160119	1,255	-
Stephanie Tubbs Jones Child Welfare Services Program	93.645	0900120/0900121	46	-
Foster Care - Title IV-E	93.658	1100120/1100121	57,212	-
Adoption Assistance	93.659	1120120/1120121	24,999	-
Social Services Block Grant	93.667	1000120/1000121	67,003	-
John H. Chafee Foster Care Program for Successful Transition to Adulthood	93.674	9150120/9150121	3,612	-
Children's Health Insurance Program	93.767	0540120/0540121	1,672	-
Medical Assistance Program (Medicaid Cluster)	93.778	1200120/1200121	140,022	-
Total Department of Health and Human Services			\$ 426,971	\$ -
Department of Agriculture:				
Pass Through Payments:				
Department of Agriculture:				
Food Distribution--School (Child Nutrition Cluster)	10.555	not available	\$ 73,417	\$ -
Department of Agriculture:				
COVID-19 - Summer Food Service Program for Children (Child Nutrition Cluster)	10.559	17901-40591	960,835	-
Total Child Nutrition Cluster			\$ 1,034,252	\$ -
Department of Social Services:				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (SNAP Cluster)	10.561	0010120/0010121	\$ 187,268	-
Total Department of Agriculture			\$ 1,221,520	\$ -
Department of Justice:				
Pass Through Payments:				
Department of Criminal Justice Service:				
Crime Victim Assistance	16.575	39001-10220	\$ 42,827	\$ -
COVID-19 - Coronavirus Emergency Supplemental Funding	16.034	39002-118072	46,029	-
Violence Against Women Formula Grants	16.588	3900100-46500	29,974	-
Total Department of Justice			\$ 118,830	\$ -

COUNTY OF KING WILLIAM, VIRGINIA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2021 (Continued)

Federal Grantor/State Pass - Through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures	Pass-Through to Subrecipients
Department of Homeland Security:				
Pass Through Payments:				
Department of Emergency Management:				
Emergency Management Performance Grants	97.042	7750100-52749	\$ 7,500	\$ -
Department of Transportation:				
Pass Through Payments:				
Department of Transportation:				
Highway Safety Cluster:				
State and Community Highway Safety (Highway Safety Cluster)	20.600	6050700-53454	\$ 8,733	\$ -
Department of Defense:				
Direct Payments:				
ROTC				
	12.xxx	N/A	\$ 66,140	\$ -
Department of Education:				
Direct Payments:				
Indian Education Grants to Local Educational Agencies				
	84.060	N/A	\$ 6,452	\$ -
Pass Through Payments:				
Department of Education:				
Adult Education - Basic Grants to States				
	84.002	1790100-42801,61111	167,277	-
Title I Grants to Local Educational Agencies				
	84.010	1790100-42901-42999	225,137	-
Special Education Cluster:				
Special Education - Grants to States (Special Education Cluster)				
	84.027	1790100-43071-61234	464,036	-
Special Education - Preschool Grants (Special Education Cluster)				
	84.173	1790100-82521	14,256	-
		Total Special Education Cluster	\$ 478,292	\$ -
Career and Technical Education - Basic Grants to States				
	84.048	1790100-61095	23,997	-
English Language Acquisition State Grants				
	84.365	1790100-61365	8,496	-
Supporting Effective Instruction State Grants				
	84.367	1790100-61480	38,001	-
Student Support and Academic Enrichment Program				
	84.424	S424A170048	22,933	-
COVID-19 - Elementary and Secondary School Emergency Relief (ESSER) Fund				
	84.425D	60173, 60177, 60041	108,220	-
Total Department of Education			\$ 1,078,805	\$ -
Department of the Treasury:				
Pass Through Payments:				
Department of Accounts:				
COVID-19 - Coronavirus Relief Fund (CRF)				
	21.019	SLT0022	\$ 2,997,737	\$ 586,509
COVID-19 - Coronavirus State and Local Fiscal Recovery Fund				
	21.027	Unknown	22,674	-
Total Department of the Treasury			\$ 3,020,411	\$ 586,509
Election Assistance Commission:				
Pass Through Payments:				
State Board of Elections:				
COVID-19 - HAVA Election Security Grants				
	90.404	Unknown	\$ 51,176	\$ -
Total Election Assistance Commission			\$ 51,176	\$ -
Total Expenditures of Federal Awards			\$ 6,000,086	\$ 586,509

See accompanying notes to schedule of expenditures of federal awards.

COUNTY OF KING WILLIAM, VIRGINIA

Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2020

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the County of King William, Virginia under programs of the federal government for the year ended June 30, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the County of King William, Virginia, it is not intended to be and does not present the financial position, changes in net position, or cash flows of the County of King William, 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

The value of federal awards expended in the form of noncash assistance for food commodities is reported in the schedule.

Note 4 - 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	\$ 816,929
CARES Act Fund	2,622,344
ARPA Fund	22,674
Total primary government	<u>\$ 3,461,947</u>

Component Unit School Board:

School Operating Fund	\$ 1,353,061
School Cafeteria Fund	1,033,098
Total component unit School Board	<u>\$ 2,386,159</u>

Add: Custodial Fund: Regional Alternative Education Program Basic Grant to States	\$ 167,277
Less: Payment in lieu of taxes	<u>(16,451)</u>

Total federal expenditures per basic financial statements	<u>\$ 5,998,932</u>
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Total federal expenditures per the Schedule of Expenditures of Federal Awards	<u>\$ 6,000,086</u>
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Note 5 - Subrecipients

Expenditures to subrecipients are presented on the Schedule of Expenditures of Federal Awards.

Note 6 - De Minimis Cost Rate

The County did not elect to use the 10-percent de minimis indirect cost rate allowed under Uniform Guidance.

Note 7 - Loan Balances

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

COUNTY OF KING WILLIAM, VIRGINIA

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2021

Section I-Summary of Auditors' Results

Financial Statements

Type of auditors' report issued

unmodified

Internal control over financial reporting:

Material weakness(es) identified?

yes no

Significant deficiency(ies) identified?

yes none reported

Noncompliance material to financial statements noted?

yes no

Federal Awards

Internal control over major programs

Material weakness(es) identified?

yes no

Significant deficiency(ies) identified?

yes 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
2 CFR section 200.516(a)?

yes no

Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
21.019	Coronavirus Relief Funds (CRF)
84.010	Title I Grants to Local Educational Agencies

Dollar threshold used to distinguish between type A and type B programs:

\$750,000

Auditee qualified as low-risk auditee?

yes no

COUNTY OF KING WILLIAM, VIRGINIA

Schedule of Findings and Questioned Costs: (Continued)
For the Year Ended June 30, 2021

Section II-Financial Statement Findings

Finding 2021-001:

Financial Reporting

Criteria:

Identification of material adjustments to the financial statements that were not detected by the entity's internal controls indicates that a material weakness exists.

Condition:

Errors which required adjustments to current financial statements, indicated a material weakness in financial reporting. Material adjustments were identified related to beginning fund balance, accounts receivable, accounts payable/accrued expenses, taxes receivable, and prepaid taxes.

Effect of Condition:

There is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented by the entity's internal controls over financial reporting.

Cause of Condition:

Internal controls were not in place over financial reporting and all year-end adjusting entries were not identified prior to the audit.

Recommendation:

The County and School Board should implement steps and procedures to improve its internal controls over financial reporting and to ensure that all year-end adjusting entries are identified and recorded on a timely basis.

Management's Recommendation:

The County and School Board concur with the recommendation and are considering corrective action for FY22.

COUNTY OF KING WILLIAM, VIRGINIA

Schedule of Findings and Questioned Costs: (Continued)
For the Year Ended June 30, 2021

Section II-Financial Statement Findings (Continued)

Finding 2021-002:

Segregation of Duties

Criteria:

A fundamental concept of internal controls is the separation of duties. No one employee should have access to both physical assets and the related accounting records, or to all phases of a transaction.

Condition:

A proper segregation of duties has not been established in relation to bank reconciliations and cash receipts.

Effect of Condition:

Misappropriation of assets could result from inadequate segregation of accounting duties and

Cause of Condition:

Inadequate staffing in the Treasurer's office does not allow for adequate segregation of duties.

Recommendation:

Steps should be taken to eliminate the performance of conflicting duties where possible or implement effective compensating controls. Recommended compensating controls include a documented review and approval process be established outside of the Treasurer's office. We suggest that the County's Director of Finance review and visibly approve all prepared bank reconciliations including the self-insurance and cafeteria bank reconciliations which are currently prepared at the School Board office.

Management's Recommendation:

The County and School Board concur with the recommendation and are considering corrective action for FY22.

COUNTY OF KING WILLIAM, VIRGINIA

Schedule of Findings and Questioned Costs: (Continued)
For the Year Ended June 30, 2021

Section II-Financial Statement Findings (Continued)

Finding 2021-003:

Bank Reconciliations

Criteria:

Bank reconciliations should be completed for all bank and investment accounts on a monthly basis. The reconciliations should be completed in a timely manner after month end.

Condition:

The County did not complete bank reconciliations in a timely manner during the year. Many months were not reconciled at all. The June 2021 bank reconciliations were completed many months after the of the fiscal year.

Effect of Condition:

There is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented by the entity's internal controls over financial reporting.

Cause of Condition:

There was turnover in the Treasurer's office as well as a change in accounting systems during the year.

Recommendation:

We recommend that the County put procedures in place to ensure that monthly bank reconciliations are prepared in a timely manner.

Management's Recommendation:

The County concurs with the recommendation and is considering corrective action for FY22.

COUNTY OF KING WILLIAM, VIRGINIA

Schedule of Findings and Questioned Costs: (Continued)
For the Year Ended June 30, 2021

Section III-Federal Award Findings and Questioned Costs

There are no federal award findings and questioned costs to report

Section IV-Commonwealth of Virginia Findings and Questioned Costs

Finding 2021-004

Criteria:

Section 22.1-92 of the *Code of Virginia* requires that before any School Board gives final approval to its budget for submission to the governing body, the school board must hold at least one public hearing to receive the view of citizens within the school division. The School Board shall cause public notice to be given at least 10 days prior to the public hearing by publication in a newspaper of general circulation in the School Division.

Condition:

The School Board held their public hearing on January 28, 2020 on the FY20-21 budget but did not provide 10 days of public notice to the citizens within the school division. The public hearing was not advertised in a news publication, but rather on the School Board's web site.

Effect of Condition:

The citizens within the school division were not given ample notice to attend the public hearing of the FY20-21 School Budget.

Cause of Condition:

Controls were not in place to ensure that the public hearing was advertised 10 days prior to the date of the public hearing.

Recommendation:

School Board management should have procedures in place to ensure that the public hearing is properly advertised in accordance with the requirements of the *Code of Virginia*.

Management's Recommendation:

The School Board office is considering corrective action for FY22.

COUNTY OF KING WILLIAM, VIRGINIA

Summary Schedule of Prior Year Audit Findings
For the Year Ended June 30, 2021

Findings - Financial Statement Audit:

2020-001:

Financial Reporting

Condition:

Errors which required adjustments to current financial statements, indicated a material weakness in financial reporting. Material adjustments were identified related to beginning fund balance, accounts receivable, accounts payable/accrued expenses, fund balance, cash and long-term debt.

Recommendation:

The County and School Board should implement steps and procedures to improve its internal controls over financial reporting and to ensure that all year-end adjusting entries are identified and recorded on a timely basis.

Current Status:

Condition still present.

2020-002:

Segregation of Duties

Condition:

A proper segregation of duties has not been established in relation to bank reconciliations and cash receipts.

Recommendation:

Steps should be taken to eliminate the performance of conflicting duties where possible or implement effective compensating controls. Recommended compensating controls include a documented review and approval process be established outside of the Treasurer's office. We suggest that the County's Director of Finance review and visibly approve all prepared bank reconciliations including the self-insurance and cafeteria bank reconciliations which are currently prepared at the School Board office.

Current Status:

Condition still present.

COUNTY OF KING WILLIAM, VIRGINIA

Summary Schedule of Prior Year Audit Findings (Continued)

For the Year Ended June 30, 2021

Federal Award Findings and Questioned Costs

Finding 2020-003: Child Nutrition Cluster - CFDA #10.553, 10.555 and Special Education Cluster - CFDA 84.027, 84.173

Condition:

Certain written policy updates are needed to ensure compliance with the requirements of the *Uniform Guidance* (2 CFR 200).

Recommendation:

Management of the County and the School Board should draft and adopt a complete set of written grants management policies to comply with the requirements of the *Uniform Guidance* (2 CFR 200).

Current Status:

Corrective action taken.

DRAFT

AGENDA ITEM 8.c.

Regional Animal Shelter Strategic Plan Discussion - Lauri Betts, RAS Manager



Strategic Plan

~Introduction

The strategic plan is intended to guide the work of the Regional Animal Shelter, an open admission shelter, towards a positive and meaningful impact on the community. It will ensure that the organization is serving the best interest of the citizens and animals. The plan should be periodically reviewed and revised. Continued commitment on the strategies will be necessary to achieve the outlined goals.

One of the many challenges for municipal animal welfare agencies is increasing the Live Release Rate of shelter animals while maintaining a high quality of care for them within the shelter. As the number of animals entering the shelter increases, so does the potential for health issues, and euthanasia due to overcrowding. The Plan focuses on improving organizational efficiencies with increased resources.

As the population continues to grow in our community, planning of this kind becomes even more critical, as we are already realizing an increasing number of surplus pets, cats and dogs needing to be sheltered, and the number is expected to continue to increase. A vigorous effort to be proactive toward this dynamic of population growth is necessary. There will be growing costs associated with caring for and sheltering animal companions. It is a widely held belief among animal welfare professionals that the cost of reactive approaches to pet overpopulation problems exceed the costs of more positive and proactive interventions. It costs more to care for, euthanize and dispose of unwanted animals than it does to prevent them from entering the shelter at all, and to have to work toward a positive outcome for those who are sheltered.

~History

The County of King & Queen and the County of King William entered into an agreement on May 21, 2007 to create the King William – King & Queen Animal Shelter, later renamed the Regional Animal Shelter, located at 20201 King William Road, King William, Virginia, property owned by King William County. The 7-page agreement outlines that King William County will administer and operate the Animal Shelter, and that both counties would share equally the costs of construction, operation based on an approved annual budget, and approved Capital Improvements.

Spay/Neuter Saves Lives

The Animal Shelter opened on September 21, 2009. The first year of operation the shelter was not permitted to take cats. We cared for 459 companion animals and our live release rate was 49%. In 2011 the shelter cared for 1,299 companion animals and the live release rate dropped to 38%.

Through the years the Shelter has worked to install pro-active programs to reduce the number of unwanted animals entering the shelter and to increase the live-release outcome. In October of 2010 we began a monthly low-cost spay/neuter clinic for owned pets in the community and have continued it using various local high-volume clinics through May of 2022. We have significantly increased the number of rescue partners that are signed on with us to transfer dogs and cats to their programs for permanent adoption and continue to cultivate new partnerships. When donation funding is available, we hold adoption specials reducing all or part of the fees associated with adoption, to encourage adoptions.

In 2021 we cared for 689 companion animals and the live release rate was 74%, still missing the nationwide goal for municipal shelters of 90%.

~Mission Statement

REGIONAL ANIMAL SHELTER STANDARD OPERATING PROCEDURE		
S.O.P. # A-1	SUBJECT: Mission and Objectives	DATE: December 10, 2008

I. PURPOSE

The purpose of this directive is to define the mission and objectives of the Regional Animal Shelter (R.A.S.).

II. POLICY

It shall be the policy and mission of the R.A.S. to support responsible pet ownership, humane treatment of animals, equipping pets with identification at all times, compliance with statutes and ordinances for the control and protection of animals, spaying and neutering, and control of pet overpopulation.

Personnel will maintain the animal shelter, wherein stray and unwanted animals from King William County and King and Queen County will be housed pending redemption by owners, adoption by citizens, transfer to other releasing agencies, euthanasia, or other disposition as provided by statute, ordinance and regulation. It shall be the policy of R.A.S. to maintain the highest standard of animal care possible, and to be diligent in efforts to reunite lost pets with owners, or to secure new homes through responsible pet adoption of pets that are healthy and behaviorally sound.

It is well documented that owner irresponsibility, failure to equip pets with identification, failure to spay and neuter pets, failure to abide by statutes and ordinances for the control and protection of animals, and allowing the uncontrolled breeding of pets all contribute to the costs of animal care and control services, the number of complaints from citizens, animal neglect and cruelty, the number of animals impounded, and the high volume of animals that must be euthanized by shelters.

III. OBJECTIVES

The primary objectives of R.A.S. shall be as follows:

- A. Promote the safety and welfare of citizens and animals.
- B. Maintain a shelter where animals are properly and humanely cared for according to statute, ordinance, and regulation.
- C. Reunite impounded or lost animals with their owners whenever possible.
- D. Administer a responsible adoption program, including strict provisions for spaying and neutering, so as to secure new homes for animals whose custody has reverted to R.A.S.
- E. Euthanize animals, as necessary, in a caring and humane manner as approved by statute, ordinance and regulation.
- F. Educate the public regarding responsible pet ownership, laws, ordinances for the care and control of animals, and the problems of pet overpopulation.
- G. Cooperate with other animal care and control agencies for the welfare and protection of citizens and animals.
- H. Cooperate with the County Animal Control Departments and other agencies as necessary and appropriate.
- I. Make our shelter a place that is attractive and convenient to the community.
- J. Strive for and support professionalism in the field of animal care and control.

These objectives shall in no way be considered absolute. The R.A.S. shall continually seek new and better ways of serving the public and animals through training, education, and innovative techniques.

~Vision and Future Goals

Vision Statement

The Regional Animal Shelter will become a successful comprehensive community animal resource center, supporting the needs of the growing population of citizens and animal companions. Services will be based on industry best practices to address the causes of animal overpopulation and lack of pet retention. Through spay/neuter programs, adoption/transfer, foster homes, education and outreach, we will increase community awareness of the animal population needs in the Counties we serve, and work to lower the number of surplus pets. The expanded programs will be supported through local government funding. Some of the programs may be partially funded through grants and fundraising opportunities.

Remainder of FY23 (SWOT exercise)

Meet with stakeholders (staff, local humane society, government leaders) to identify the strengths, weaknesses, opportunities, and threats of the Animal Shelter program. The results are to be used during our strategic planning process to identify goals and strategies that will help us capitalize on our strengths and mitigating our weaknesses, while maintaining awareness of external threats and seizing opportunities.

Goal #1 Develop Organizational Capacity

1.1 Strengthen Government partnerships

Strategies:

- a. Re-visit the Animal Shelter agreement between King William and King & Queen Counties
- b. Establish a renewed understanding of sharing the animal shelter's vision, future goals and funding to benefit the communities of both counties
- c. Explore how the 2 Sheriff's Department's – Animal Control Officers can help the Shelter

1.2 Develop an organizational infrastructure that supports the achievement of the organization's vision and goals

Strategies:

- a. Request funding with justification through the annual budget process
- b. Reclassify current full-time Animal Care Technician position to Animal Care Supervisor in FY24
- c. Full-time Animal Care Technician position to improve staff consistency and eliminate the need for 2 part-time positions that are hard to fill and retain FY25
- d. Establish a part-time community outreach and volunteer coordinator position FY 25
- e. Ensure professional development of staff that will enhance organizational operations

Goal #2 Create and maintain an efficient, model facility that goes beyond being compliant with all State codes and meets the community's expectation for an animal resource center

2.1 Increase service offerings, develop and implement programs based on industry best practices to improve Shelter operations, animal care, increase positive release rate

Strategies:

- a. Add a full-time Animal Shelter Program Coordinator in FY 24
- b. Establish a foster care program
- c. Establish a TNR program
- d. Conduct Humane Education Outreach to improve the quality of life for animals in our community
- e. Present at community groups and association meetings

2.2 Be responsive to the communities needs

Strategies:

- a. Study appropriateness of expanded Shelter hours based on customer traffic patterns
- b. Purchase and install a programmable LED sign for the front lawn for messaging to passersby, FY 25
- c. Develop excellent customer service skills across all areas of the organization

2.3 Demonstrate a high standard of cleanliness

Strategies:

- a. Research cleaning products and establish product rotation program
- b. Revise/update SOP's
- c. Evaluate current staffing, equipment, and supplies and make changes as needed to achieve appropriate standard of care
- d. Ensure all employee's competency and consistent training

Goal #3 Provide educational opportunities for the community to learn about the services and strategies available to help them keep their pets healthy and reduce the population of feral and forsaken animals.

3.1 Improve access to and utilization of low cost or no cost spay/neuter

Strategies:

- a. Identify and apply for community-assistance grants for spay/neuter, vaccine and microchip clinics of owned pets to prevent animals from entering shelter
- b. Increase awareness of Animal Friendly License Plates (benefit to the locality's s/n fund)
- c. Develop programs for specific populations to be able to keep their pets and keep them healthy (Example: Seniors, low-income, homeless)

- d. Pre-adoption spay/neuter, 100% compliance
- e. High risk pets (example Pit Bulls, feral cats)

3.2 Decrease euthanasia

Strategies:

- a. Develop relationships with citizens that keep dogs for hunting to improve their health care, and work with the shelter to relinquish dogs that are no longer wanted
- b. Identify and apply for grants for shelter animal medical care, heartworm treatment
- c. Enhance relationships with current rescue partners; learning about their needs and working proactively to help them help us
- d. Establish Foster Program for neonates; animals requiring medical management; FIV positive cats
- e. Increase affiliation with rescue partners
- f. Continue to increase Live Release Rate utilizing programs, innovations and interventions

Goal #4 Improve the quality and capacity for care provided to animals in the Shelter

4.1 Capital Improvements to the facility

Strategies:

- a. Install a fire suppression system at the facility in FY24
- b. Provide a sick room addition to properly isolate and care for ill/contagious animals, capital project FY 24
- c. Renovate to provide a laundry and dish washing location separate from the current kitchen which is used for food prep, sterilized hardware and clean bedding storage, capital project FY 24

4.2 Reduce stress to Shelter cats and dogs

Strategies:

- a. Establish meaningful enrichment programs to provide behavioral support for cats and dogs to include more out-of-cage time, more one-on-one time with a person, and additional exercise and training
- b. Research ability to have professional dog trainer work with staff to enhance basic behavior training of dogs which provides enrichment and increases adoptability
- c. Increase volunteer participation for dog walking, training and cat socialization

Goal #5 Improve the quantity and quality of community Shelter adoptions

5.1 Improve adoption retention rates

Strategies:

- a. Expand in-house temperament testing

- b. Expand animal profiles for surrendered pets
- c. Develop comprehensive adoption literature folders
- d. Establish help line for adopters

5.2 Improve overall adoption rates

Strategies:

- a. Elevate presence in community
- b. Explore using additional social media sites
- c. Review adoption policies, procedures and fees. If appropriate, revise procedures to achieve more positive outcomes and experiences for adopters and pets
- d. Evaluate and adjust adoption processes to support great matches

Goal #6 Communicate effectively and timely within the Shelter

6.1 Ensure all staff members are aware of key activities in every area of the Shelter

Strategies:

- a. Hold regularly scheduled staff meetings
- b. Create message board for animal needs communication
- c. Use email to communicate important information to all staff

Goal #7 Develop a positive visible presence in the community

7.1 Develop and enhance media relations

Strategies:

- a. Explore relationships with newspapers, radio and TV to promote our programs

7.2 Be visible in an organized and positive way to mobilize the community to work toward our vision

Strategies:

- a. Expand presence in community activities
- b. Quarterly on-line newsletter
- c. Develop informational brochures
- d. Offer helpful programs to the community

~FISCAL SUMMARY

FY24

Personnel needs:

1. Reclassify current full-time Animal Care Technician to Animal Care Supervisor
2. Full time Animal Shelter Program Coordinator

FY24

CIP:

1. Install fire suppression system at the facility
2. Provide a sick room addition to properly isolate and care for ill/contagious animals
3. Renovate to provide a laundry and dish washing location separate from the current kitchen which is used for food prep, sterilized hardware and clean bedding storage
4. Install carport cover over the sally port

FY25

Personnel needs:

1. Full-time Animal Care Technician position to improve staff consistency and eliminate the need for 2 part-time positions that are hard to fill and retain
2. Part-time community outreach and volunteer coordinator

FY25

CIP:

1. Expand cat adoption area
2. LED Programmable sign

**AMENDED AND RESTATED KING WILLIAM -
KING AND QUEEN ANIMAL SHELTER AGREEMENT**

THIS AGREEMENT is entered into this 21st day of May, 2007 between the County of King and Queen, Virginia ("King and Queen County") and the County of King William, Virginia ("King William County"), or collectively (the "Counties").

WHEREAS, Section 3.1-796.96 of the Code of Virginia requires counties to maintain or cause to be maintained an animal shelter in accordance with guidelines issued by the Virginia Department of Agriculture and Consumer Services; and

WHEREAS, King and Queen County, King William County and Middlesex County entered into the Middle Peninsula Animal Shelter Agreement (the "Original Agreement") dated September 17, 2002, pursuant to which the Middle Peninsula Animal Shelter ("Animal Shelter") was to be built on a parcel of property purchased by King and Queen County for the benefit of the three jurisdictions in King and Queen County; and

WHEREAS, following the receipt of construction bids for the Animal Shelter, which were rejected because of the cost, Middlesex County withdrew from the Original Agreement; and

WHEREAS, following such withdrawal King and Queen County and King William County agreed to jointly construct and operate the Animal Shelter in King William County on property owned by King William County; and

WHEREAS, a contract has been entered into by King William County for the construction of the Animal Shelter.

NOW THEREFORE, IT IS AGREED by the parties that the Original Agreement be amended and restated in its entirety as follows:

1. Creation of the King William - King and Queen Animal Shelter

King William County and King and Queen County hereby agree, pursuant to Section 15.2-1300 et. Seq. of the Code of Virginia, to jointly construct and operate the King William-King and Queen Animal Shelter (the "Animal Shelter") for the purposes of providing a shelter for animals found within either King William County or King and Queen County which must be confined pursuant to state and local law, to provide a place for such animals to be adopted or otherwise disposed of, and to provide other services relative to the sheltering of animals within the said Counties. The shelter is located on Tax Map #37, part of Parcel #102, to be subdivided by King William County into its own independent parcel. The physical and mailing addresses of the shelter are 20201 King William Road, King William, Virginia, 23086, and Post Office Box 215, King William, Virginia, 23086, respectively.

2. Administration of Animal Shelter

King William County agrees to operate the Animal Shelter through its County Administrator's Office or other office designated by the King William County Board of Supervisors. Operation includes the responsibility for hiring and managing employees of the Animal Shelter, managing the finances of the Animal Shelter, providing adequate insurance covering the operations of the Animal Shelter, which insurance shall name King and Queen County as an additional insured, and ensuring that the Animal Shelter is operated in accordance with all applicable federal, state and local laws. Employees of the Animal Shelter shall be deemed to be employees of King William County for all purposes. No King and Queen County animal control officer shall be deemed an employee of King William County for any purpose. King William County shall solicit input from King and Queen County for the position of the Animal Shelter Manager, with the final decision being within the sole discretion of King William County. The County Administrators of King William County and King and Queen County shall have the authority to set operating hours, policies and procedures for the Shelter, and may take any other actions necessary to effectuate its efficient and effective operation.

3. Title to Property in King William County

The Animal Shelter shall be constructed on property owned by King William County as shown on Attachment A. King William County agrees to not request any contribution from King and Queen County for such property.

4. Property in King and Queen County

King and Queen County has title to the parcel of property in King and Queen that was to have been the original site of the Animal Shelter. Such property is owned by King and Queen County for the benefit of both King William County and King and Queen County. King William County agrees to give up any rights it may have to the property in King and Queen County in return for the payment by King and Queen County to King William County of \$28,600.00, which is one-half of the current assessed value of the property. Such payment shall be made no later than the 31st of July 2007. Conveyance of King William County's rights to the property shall be contemporaneous with the payment of the \$28,600.00 by King and Queen County to King William County.

5. Sharing Costs of Construction

King William County has entered into a contract with Grand Metro Builders, Inc. for the construction of the Animal Shelter in the base amount of \$960,000.00. The parties agree to share the costs of construction, architects, engineers, and the King William County Clerk-of-the-Works as related to the project equally, including reasonable change orders approved by King William County. The base contract amounts are as follows: construction \$960,000.00; general architect and engineering fees \$96,000.00 (10% of construction costs, may be increased based on final construction cost) for design including building, site plan and bidding, plus \$19,200.00 (20% of design fee, may be increased based on final design fee); special soil engineering fees \$3,803.00; survey fees \$4,900.00; and the King William County Clerk-of-the-Works \$10,325.00 year-to-

date, plus approximately \$3,000.00 per month until project completion. During construction, King William County shall submit to King and Queen Administrator detailed bills showing the amount that King and Queen County owes King William County for construction and related services, which amounts shall be paid by King and Queen County within a reasonable time, not to exceed 45 days from receipt of the bill by King and Queen County.

6. Sharing Costs of Operation

The parties agree to share the costs of operation of the Animal Shelter equally. Prior to February 1st of each year, the County Administrators of both King and Queen County and King William County shall meet and prepare a budget for the Animal Shelter for the next fiscal year. Each County Administrator shall submit a budget to each of their respective Boards of Supervisors indicating the amount that they anticipate in net expenses for the operation of the Animal Shelter the next fiscal year. The Boards of Supervisors agree, subject to annual appropriation, to include sufficient funds in the budget to operate the Animal Shelter for the next fiscal year. King William County shall invoice King and Queen County monthly for King and Queen County's share of the costs for the previous month. Such amounts shall be paid by King and Queen County within a reasonable time, not to exceed 45 days from receipt of the bill by King and Queen County. King William County shall have the authority to establish an Animal Shelter capital improvements fund. If at the end of any fiscal year the Animal Shelter has not utilized all of its allocated funds, King William County shall consult with King and Queen County to determine whether King and Queen County would like the excess funds refunded or whether they may be allocated the Animal Shelter capital improvements fund.

7. Sharing Costs of Management

The parties agree to share the costs of managing the Animal Shelter. King and Queen County shall pay King William County a fee equal to 3% of King and Queen's annual Animal Shelter operating expenditures for the administration of the Animal Shelter. This fee shall be included in the monthly invoice to King and Queen County, and shall be paid within a reasonable time, not to exceed 45 days from receipt of the bill by King and Queen County.

8. Periodic Maintenance

The parties agree to share equally the costs of periodic maintenance, including but not limited to, routine maintenance, emergency repairs, upgrades to the Shelter, and/or measures taken by King William County to comply with federal, state, or local mandates.

9. Capital Improvements

The parties agree to share equally the costs of capital improvements, including but not limited to, expansion of the Animal Shelter facility. In order for a capital improvement to occur, the County Administrators of both King and Queen County and King William County must agree on the need for the improvement, and secure approval from their respective Boards of

Supervisors. No approval for such an improvement shall be withheld if such improvement is required by federal or state mandates.

10. Addition of Services

Each of the parties shall have the right to add facilities and or services at its own expense, as long as it does not unduly interfere with the other party's use of the shelter. The parties may permit third parties such as humane groups to assist or provide services at the Animal Shelter, subject to approval by the Animal Shelter Manager.

11. Use of Animal Shelter

Each of the parties shall have the right to house an equal number of animals in the Animal Shelter at any one time. Each party shall only use the Animal Shelter for authorized purposes. Provided that space is available, either County may utilize greater than 50% of the runs. In the event that one of the Counties has animals in excess of 50% of the capacity of the Animal Shelter, and an animal is brought into the Animal Shelter from the other County, the Animal Shelter staff shall take such actions as may be necessary to allow the animal from the latter County to be accepted at the Animal Shelter. In the event that the Animal Shelter is at full capacity, with each party occupying 50% of the runs, alternate accommodations for additional animals may be secured by the County in need of the accommodations and paid directly by that County to the third party vendor or alternate accommodations may be secured by the Shelter Manager if so requested. King William County, as administrator of the Animal Shelter, shall have the authority to rent out any and all unused runs as long as such action does not negatively impact either County, and the revenue shall be divided equally between the Counties.

12. Fees and Other Payments

The respective Boards of Supervisors of King William County and King and Queen County may set reasonable fees and charges for the adoption and housing of animals held at the Animal Shelter, and for other services. The fees shall be uniform. The parties may apply for grants and other funding to defray the costs of operating, maintaining, upgrading, and/or expanding the Animal Shelter, and may accept donations for such purposes.

13. Duration of Agreement

This Agreement shall become effective on the date shown on the first page hereof, which shall be the date of the approval of this Agreement by the Board of Supervisors of the last County to adopt the Agreement. The Agreement shall be in effect for thirty years from that date, unless terminated earlier by the action of both Boards of Supervisors. In addition, in the event that the Board of Supervisors of King and Queen County feels that it is necessary to operate an animal shelter in King and Queen County, King and Queen County may withdraw from this Agreement by giving written notice at least one year in advance of the date of withdrawal. In the event King and Queen County withdraws from the Agreement within the first two years of the date of this Agreement, King William County shall not be responsible for the payment to King and Queen County for any costs of construction or other equipment related to the Animal

Shelter. In the event King and Queen County withdraws from the Agreement within years three, four, or five from the date of this Agreement, King William County shall pay King and Queen 25% of the cost of constructing the Animal Shelter. In the event King and Queen County withdraws from the Animal Shelter after five years from the date of this Agreement, King William County shall not be responsible for the payment to King and Queen County for any costs of construction or other equipment in the Animal Shelter.

14. Extensions, Renewals, Addition of Parties

This Agreement may be extended, renewed, or other localities may be added by action of both Boards of Supervisors.

15. Transfer of Personal Property after Dissolution

At the end of this Agreement, other than by the withdrawal of King and Queen County as specified in Section 9, all personal property, or monies equal to the value thereof, shall be divided equally between the parties, unless otherwise agreed to by the parties. Whether the actual property is divided or monies equal to the value thereof are paid is within the sole discretion of King William County.

16. Report to Boards of Supervisors

The Shelter Manager, King William County Administrator, or his agent shall compose a written report to the Boards of Supervisors of both Counties by no later than October 1 of each year which includes: the number of animals from each County that were housed at the Animal Shelter during the previous fiscal year, the un-audited expenses and revenues for the previous fiscal year, and a general description of the activities at the Animal Shelter during the previous fiscal year. The King William County Administrator shall provide the King and Queen County Administrator with a printed copy of the final King William County Comprehensive Annual Financial Report or the appropriate sections thereof, within 14 days of his receipt of the completed report.

17. Governing Laws, Jurisdiction, and Venue

This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the United States of America, the Commonwealth of Virginia, and the County of King William. The jurisdiction and venue for any court action shall be the appropriate court of King William County, Virginia.

18. Attorney's Fees and Costs

The attorney's fees and costs associated with any court proceeding necessitated by any controversy between the parties hereto shall be borne by the losing party.

19. Liability

The parties agree to share equally any and all liability associated with the construction and operation of the Animal Shelter, subject to appropriation. The County Attorneys of King William County and King and Queen County shall agree on the outside counsel selected to represent the Animal Shelter. Should it be necessary for King William County and King and Queen County to employ outside counsel in connection with the Animal Shelter, King William County and King and Queen County shall each be responsible for one-half of any attorney's fees and other costs incurred, including but not limited to, any judgment amount.

20. Default

In the event that either party believes the other to be in default of one or more of the terms of this Agreement, the County Administrators of King William County and King and Queen County shall meet in an attempt to resolve the dispute. If the Administrators are unable to resolve the controversy and it becomes necessary for the parties to employ counsel, the non-defaulting party shall be entitled to payment of attorney's fees and costs incident thereto if his or her position relative to such default or breach is substantially maintained by settlement or court order.

21. Notice

Notice to any party under this Agreement shall be addressed in writing and sent via certified mail to the County Administrator of the respective County at the addresses provided below. In the event that either or both County Administrator's addresses change, the moving party should notify the other party of the new address in writing and send said notice via certified mail.

King William County
County Administrator
Post Office Box 215
King William, Virginia 23086

King and Queen County
County Administrator
Post Office Box 177
King & Queen C.H., Virginia 23085

22. Amendment

This Agreement may be amended at any time by action of the Boards of Supervisors of King William County and King and Queen County.

23. Severability

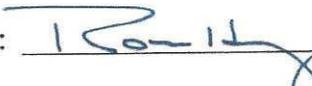
If any provision or part of the Agreement is held to be void or unenforceable by a court of competent jurisdiction, the remainder of the Agreement shall not be affected thereby, but shall continue in full force and effect, provided that it has not been breached or violated by either party.

24. Assignment

No party may assign any rights or interests under this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date set forth on the first page hereof.

KING AND QUEEN COUNTY

By: 

Title: County Administrator

KING WILLIAM COUNTY

By: 

Title: County Administrator

AGENDA ITEM 9.a.

Resolution 22-83 - Amend the FY23 Budget to Include Siding Expenses at the Parks & Rec Community Center



King William County
Est. 1702

Board of Supervisors

Deputy County Administrator
Steven G. Hudgins

William L. Hodges, First District
Travis J. Moskalski, Second District
Stephen K. Greenwood, Third District
C. Stewart Garber, Jr., Fourth District
Edwin H. Moren, Jr., Fifth District

DATE: September 26, 2022
TO: King William County Board of Supervisors
FROM: Steve Hudgins, Deputy County Administrator
SUBJECT: Resolution 22-83 - CIP Adjustment for Siding Replacement at the 360 Complex.

REQUEST FOR ACTION

Staff requests the King William Board of Supervisors approve a CIP adjustment for replacing the siding at the 360 Complex.

SUMMARY

The cost to replace the T1-11 siding at the 360 Complex with vinyl siding is above the previously approved capital budget for this purpose due to construction cost increases since the time of first approval in FY22. After multiple rounds of procurement, the cost is at \$58,092.56. Staff would like approval to pull forward \$32,348.60 in previously approved capital for this purpose and take the remaining \$25,743.96 from the roofing deferred maintenance capital line.

ATTACHMENTS

- Resolution 22-83

RESOLUTION 22-83

**AMENDMENT TO THE KING WILLIAM COUNTY FISCAL YEAR 2023 CAPITAL
IMPROVEMENT PLAN FOR SIDING REPLACEMENT AT THE 360 COMPLEX**

WHEREAS the King William County Board of Supervisors wishes to amend its Fiscal Year (FY) 2023 Capital Improvement Plan to appropriate funds for 360 Complex renovation in FY2023 in the amount of \$58,092.56; and,

WHEREAS funds in the amount of \$32,348.60 as previously approved for this purpose in the FY22 CIP will be moved forward to FY23; and,

WHEREAS further funds for the siding replacement in the amount of \$25,743.96 will be taken from the roofing projects FY2023 capital budget line;

NOW, THEREFORE, BE IT RESOLVED that the King William County Board of Supervisors does hereby authorize and appropriate the following changes to the FY2023 Capital Improvement Plan:

GENERAL DESCRIPTION	FY2022	FY2024¹⁴
360 RENO	32,348.60 0.00	58,092.56
ROOFING PROJECTS	104,156.00	175,000 149,256.04

DONE this 26th day of September, 2022.

AGENDA ITEM 10.a.

Administration Report - Percy C. Ashcraft, County Administrator



County Administrator's Report

September 26, 2022 Meeting of the Board of Supervisors

Meetings & Special Dates

September

1. King William NAAACP Veteran's Event – September 28, 9 a.m. – 3 p.m.; 694 Sharon Road
2. Middle Peninsula Planning Commission – September 28, 7 p.m.; Saluda
3. West Point Crab Carnival – September 30, 5-9:30 p.m.; Downtown West Point
4. Mangohick VFD Turkey Shoot – September 30, 6:30 p.m.; MVFD

October

1. West Point Crab Carnival – October 1, 10 a.m. – 6 p.m.
2. Board of Supervisors Work Session – October 3, 7 p.m.; Administration Building
3. King William Planning Commission – October 4, 7 p.m.; Administration Building
4. Recreation Commission Meeting – October 6, 7 p.m.; 360 Recreation Complex
5. Mangohick VFD Turkey Shoot – October 7, 6:30 p.m.; MVFD
6. Parks & Rec Movies in the Park – October 8, 7 p.m.; KW Rec Park
7. Columbus Day Holiday (County Offices Closed) – October 10
8. EDA-Planning Commission Joint Meeting – October 12, 7 p.m.; Administration Building
9. Archeological Dig Day – October 13, 10 a.m. – 4 p.m.; Historic Courthouse Complex
10. Mangohick VFD Turkey Shoot – October 14, 6:30 p.m.; MVFD
11. 360 Hardware Farm & Chicken Swap Event – October 15, 8 a.m. – 1 p.m.
12. King William School Board Meeting – October 18, 6 p.m.; Hamilton-Holmes
13. Food Trucks by the River – October 21, 5-8 p.m.; West Point
14. Mangohick VFD Turkey Shoot – October 14, 6:30 p.m.; MVF
15. Board of Supervisors Regular Meeting – October 24, 7 p.m.; Administration Building
16. Middle Peninsula Planning Commission – October 26, 7 p.m.; Saluda

Notes & Updates

1. Personnel
 - a. Alex Cohn-White resigned as medic firefighter.
 - b. Laura Stephens hired as full time School Resource Officer.
 - c. Todd Perseghin hired as part-time IT Specialist.
 - d. Amanda Tevis hired as Director of Social Services.
2. Dollar General on Route 30 is taking shape. Still have many items to get in order before a Certificate of Occupancy can be issued.

3. Middlesex Social Services continues to assist our Family Services Unit on a 90-day contract.
4. King William County is at a high level for COVID-19 exposure per the State Department of Health.
5. Next Generation 9-1-1 is expected to be launched in January by the Sheriff's Office.
6. King William County unemployment rate was 2.6 percent for August.
7. Fire & EMS has received a \$10,000 grant for improvements to the Emergency Operations Center.
8. The EDA is seeking an individual or group to form a Citizens Board and operate the Farmers Market in the future. The EDA and County staff are willing to provide guidance but would no longer be involved in the planning, coordination, or running of the events.
9. A recommendation on keyless locks to the New Courthouse and Administration Building will be presented at the October 3rd BOS Work Session.
10. Construction plans for the new water tower are now 50 percent complete.
11. Breezeline and the owner of King William Place are looking to add internet to all apartments.

AGENDA ITEM 10.b.i.

Animal Activities Report

**Regional Animal Shelter
Animal Activities Report
August 2022**

Dogs Received	Stray		Seized		Bite Cases		Surrendered		Other		Total	
	Month	YTD	Month	YTD	Month	YTD	Month	YTD	Month	YTD	Month	YTD
Month	10	64	0	0	0	3	9	19	0	0	19	86
KW Animal Control	5	49	0	1	0	1	0	16	0	0	5	67
K & Q Animal Control	4	39	0	0	0	1	4	44	0	0	8	84
King William Citizens	2	14	0	0	0	0	4	38	0	0	6	52
King & Queen Citizens	0	0	0	0	0	0	0	0	0	0	0	0
Other	21	166	0	1	0	5	17	117	0	0	38	289
Totals												
Disposition (Dogs)	Reclaimed		Adopted		Transferred		Euthanized		Other		Total	
	Month	YTD	Month	YTD	Month	YTD	Month	YTD	Month	YTD	Month	YTD
Month	7	47	5	56	20	138	6	48	0	0	38	289
Cats Received	Stray		Seized		Bite Cases		Surrendered		Other		Total	
	Month	YTD	Month	YTD	Month	YTD	Month	YTD	Month	YTD	Month	YTD
Month	2	34	0	0	0	0	0	40	0	0	2	74
KW Animal Control	4	12	0	0	0	0	1	15	0	0	5	27
K & Q Animal Control	4	12	0	0	0	0	14	104	0	4	18	120
King William Citizens	0	4	0	0	0	0	12	49	0	0	12	53
King & Queen Citizens	0	0	0	0	0	0	0	0	0	0	0	11
Other	10	62	0	0	0	0	27	208	0	15	37	285
Totals												
Disposition (Cats)	Reclaimed		Adopted		Transferred		Euthanized		Other		Total	
	Month	YTD	Month	YTD	Month	YTD	Month	YTD	Month	YTD	Month	YTD
Month	0	9	12	50	22	183	3	43	0	0	37	285
Feral Cats	Other Species Handled		Other Species Handled		Other Species Handled		Other Species Handled		Other Species Handled		Other Species Handled	
	Month	YTD	Month	YTD	Month	YTD	Month	YTD	Month	YTD	Month	YTD
Month	2	29					0	0	0	0		
Other Received Explanation	5 kittens born at RAS 4-22, 4 kittens born at RAS 5-22; 3 kittens transferred in from Indian Rivers Humane Society; 3 kittens transferred in from Homeward Trails 7-22;											
Other Disposition Explanation												
Animals On Hand	9/1/22											
Dogs	18	Cats	11	Other Species	0							



20201 King William Road
P.O. Box 215
King William, Virginia 23086
804-769-4983 Fax: 804-769-4993

August 2022 Animals Euthanized Explanation

Cats Euthanized: 3

- 1 stray feral cat, bite case, by King & Queen Animal Control
- 1 stray sick cat, neurological, by King & Queen Animal Control euthanized by veterinarian
- 1 stray feral cat by King William Citizen

Dogs Euthanized: 6

- 1 stray approx. 15-year-old Beagle mix by King William Animal Control. 2 large tumors on chest wall, multiple tumors on legs
- 1 stray approx. 10-year-old Hound mix by King William Animal Control. Body score 1, heartworm positive
- 1 owner surrendered mixed Rottweiler by King William Citizen due to aggression. Held dog 11 days and he would not settle down
- 1 stray approx. 10-year-old Beagle by King & Queen Animal Control. Widespread hair loss, positive for sarcoptic mange, bi-lateral ear infections, heartworm positive
- 1 owner surrendered Hound by King William citizen due to attacking her children, heartworm positive
- 1 owner surrendered 17-year-old Hound by King & Queen citizen. Grapefruit size tumor hanging from rear leg

SPAY/NEUTER SAVES LIVES



2022 Dog Heartworm Testing Results

Month	Number of Dogs Tested	Tested Heartworm Pos.	YTD Dogs Tested	YTD HW Positive
January	31	7	31	7
February	18	3	49	10
March	15	3	64	13
April	15	5	74	18
May	23	10	87	28
June	33	12	120	40
July	18	6	138	46
August	19	8	157	54
September				
October				
November				
December				

AGENDA ITEM 10.b.ii.

Building Department Report

King William County Building Department Report - August 2022

	JAN 2022	FEB 2022	MAR 2022	APR 2022	MAY 2022	JUN 2022	JUL 2022	AUG 2022
TOTAL PERMITS ISSUED	56	67	65	115	94	126	140	125
BUILDING INSPECTIONS COMPLETED	287	463	425	483	456	474	486	825
NEW COMMERCIAL PERMITS	1	1	2	1	2	2	1	2
NEW DWELLINGS	11	15	9	6	18	22	12	11
CERTIFICATE OF OCCUPANCY	7	12	19	15	9	5	21	22
PLAN REVIEW	11	28	12	18	39	43	26	12

AGENDA ITEM 10.b.iii.

Community Connection Program

Community Connection Program

Serving: King William, Charles City, King & Queen, Middlesex, and New Kent Counties

41 Horse Landing Road
Post Office Box 218
King William, VA 23086
804/769-4918
FAX 804/769-0851

Email: communityconnection@kingwilliamcounty.us

VJCCCA/Community Connection Program FY22 Year End Report

FY2023/24 VJCCCA Plan Approval

- The FY23/24 Combined Plan of Services and Programs to serve juveniles before the Court or the Court Service Unit in King William, King & Queen, Charles City, Middlesex and New Kent Counties was submitted and approved by the Department of Juvenile Justice Board on June 29, 2022 with an implementation date of July 1, 2022.
- Services on the plan include Community Service, Law Related Education, Substance Abuse Education, Specialized Plan Services, Intensive Supervision, Electronic Monitoring and new to the plan Anger Control Education.
- The approved budget for the plan was \$187, 991 which includes a state allocation that is disbursed on a quarterly basis of \$40,014, Maintenance of Effort (MOE) from the localities of \$39,867 and Additional Local Contributions of \$108,110 (this includes fees charged to the localities for Intensive Supervision and Electronic Monitoring). ***King William's total approved portion of this budget is \$18,850.***

FY2022 King William Combined Plan Closeout

- The VJCCCA FY2022 end of the year financial certification form was submitted, reviewed and the account was approved to be closed on August 26, 2022.
- In FY2022, we expended \$180,633.66 providing services and programs to juveniles before the Courts or Court Service Unit in King William, King & Queen, Charles City, Middlesex and New Kent Counties. The breakdown of funds expended is as follows:

Required Maintenance of Effort:	\$39,867.00
State Funds Expended:	\$40,014.00
Additional Local Funds:	<u>\$100,752.66</u>
Total Expenditure:	\$180,633.66

- In FY2022, The Community Connection Program provided services/programs to a total of 134 juveniles in King William, King & Queen, Charles City, Middlesex and New Kent counties through seven (7) different services/programs.

AGENDA ITEM 10.b.iv.

Fire & EMS Department Report



Stacy Reaves, Fire Chief

King William Fire & Emergency Services Department Report September 26, 2022

- **CODERED**: Citizens interested in receiving emergency alerts from King William County can sign up for CodeRed using the links provided on the King William County Website.
- **CERT**: Citizens Emergency Response Team. Assistant Chief Jones will be the point of contact for interest in becoming a CERT member and organizing the training for the program. Please sign up on the county website if you are interested in learning about becoming a member.
- The probationary firefighter/EMTs will be completing their peer reviews and obtaining OMD clearance to provide emergency medical care without oversight by another provider over the next few weeks.
- KWFE will be supporting KWSO in the annual DEA Drug Take Back in front of Foodlion on October 29, 2022.
- KWFE plans to participate in the West Point Grand Illumination Parade on September 30, 2022, and KWPS Homecoming Parade October 7, 2022.
- The Emergency Operations Center development project planning and budgeting are moving forward with good progress.
- Department leadership continues working to develop procedures and tactical guidelines to define goals and expectations for emergency and non-emergency responses to ensure quality of service.
- Asst EM Bartol is continuing to build the COOP (Continuity of Operations Plan) and revising the EOP (Emergency Operations Plan). We are moving towards the next steps of developing the plans. We have also applied for a non-match grant to pay for a planner to help ensure the best plans are written.
- Chief Morey is the project manager for mandatory participation in the Medicare Ground Ambulance Data Collection program required by the Centers for Medicare and Medicare Services.
- All EMS Field Training Programs have been updated to reflect the new state required Red Dot training. The programs have been reviewed and approved by the department's Operational Medical Director, Dr. Lisa Dodd.
- We have been approved for a PPC study which replaced the ISO study. The changes in fire protection made over the past several years should improve the ratings in the areas with changes.
- The basic classes for the Water Rescue Program were completed July 15, 2022, and the remaining classes have been scheduled in October.



Stacy Reaves, Fire Chief

- The brush truck continues to struggle with mechanical issues including starting, running, chassis rust, pump operation, and pump engine run issues.
- The new fire engine is in production but is now delayed until December for completion.



- The regional AFG with KWFE and WPVFR for SCBA has been awarded. Both departments will replace all the old, non-compliant, and mismatched equipment with current compliant equipment matching all the brands in the county with the SCBA recently purchased by MVFD and all but one of the surrounding counties greatly improving interoperability and safety for our firefighters.

August 2022 Calls based on reports in reporting software: (note if the report is not completed it will not show in the count)

	MVFD	KWFE	WPVFR	Totals
Fire	1	19	25	45
EMS	8	111	56	175
Totals	9	130	81	220

Immediate life	32
MVA	15
MVA Extrication	0
MVA Pedestrian	0
Structure Fire	2
Wildland Fire	1
Car Fire	0
Civilian Injury	0
Cardiac Arrest	0
ROSC	0

AGENDA ITEM 10.b.v.

Sheriff's Department Activity Report



King William Sheriff's Office
 351 Courthouse Lane, Suite 160
 King William, VA 23086
 J. S. Walton, Sheriff

King William Sheriff's Office Activity

August 1, 2022 – August 31, 2022

Calls for Service	887
Incident Reports	102
Traffic Summons	35
Warrants Served	44
Civil Papers Served	411

UCR Code	Count
11C-Sexual Assault with an Object	1
13A-Aggravated Assault	1
16.1-253.2-PROTECTIVE ORDER: 2ND VIOL W/IN 5 YRS	1
16.1-253.2-PROTECTIVE ORDER: VIOLATION	1
18.2-137-MONUMENT: INTENTIONAL DAMAGE, VALUE <\$1000	1
18.2-186.3-ID THEFT: OBTAIN <5 IDS TO DEFRAUD <=\$1000	1
18.2-186.3-IDENTITY THEFT: FRAUD. USE OF ID, LOSS >\$1000	1
18.2-250-DRUGS: POSSESS SCH I OR II	1
18.2-266-DWI: 1ST OFF, BAC .15-.20%	1
18.2-266-DWI: 1ST OFFENSE	2
18.2-371-CONTRIBUTE TO DELINQUENCY OF MINOR	1
18.2-57.2-ASSAULT & BATTERY - FAMILY MEMBER	11
18.2-96-PETIT LARCENY: <\$1000 NOT FROM A PERSON	1
23G-Theft of Motor Vehicle Parts or Accessories	2
240-Motor Vehicle Theft	1
26A-False Pretenses/Swindle/Confidence Game	4
26E-Wire Fraud	1
26F-IDENTITY THEFT	3
290-Destruction/Damage/Vandalism of Property	6
90J-Trespass of Real Property	1
90Z-All Other Offenses	2
ANIMBD-ANIMAL BITE - DOG / CANINE	1
ANIMBF-ANIMAL BITE - CAT / FELINE	1
CHILD-CHILD ABUSE/NEGLECT/ENDANGERMENT COMPLAINT	1
CIVILD-CIVIL DISTUBANCE/VERBAL DISPUTE	4
CIVILI-CIVIL ISSUE	1
DOA-DEAD ON ARRIVAL/DECEASED PERSON	5
FOUND-FOUND PROPERTY	1
JUVI-JUVENILE ISSUE	1
MENTAL-MENTAL SUBJECT	3
MVAHR-MOTOR VEHICLE ACCIDENT HIT AND RUN	1
SUICT-SUICIDE THREATENED	3
WARR-WARRANT SERVICE	12
** TOTAL **	102

AGENDA ITEM 10.b.vi.

Utilities Department Report

**KING WILLIAM UTILITY DEPARTMENT
MONTHLY ACTIVITY REPORT - AUGUST 2022**

PROJECTS

ITEM	STATUS	NOTES
Industrial Park Water System	Ongoing	Submittals have been turned into DEQ
Kennington Office Warehouse	Started 1/25/2021	Waiting for BAC-T samples
Central Crossings Sec 2B	100% Completed	Water line tied in.
DEQ Withdrawl Permit : Central Garage System	Ongoing	Submittals have been turned into DEQ for evaluation
Kennington Section 2B	Under Review	Not yet started
Kennington Section 2C	Review Approved	Fourth Submittal - Approved for Construction
Highview Section 1	Under Review	First Submittal
McCauley Townhomes	Under Review	First Submittal
Manfield Water Tower	Approval from Board	Plans are at 50%.

INFRASTRUCTURE GROWTH

	MONTHLY	FYTD
Water Connections	5	12
Sewer Connections	5	12
Water Meter Sales	6	9

SERVICE AND REPAIRS

	MONTHLY	FYTD
Miss Utility tickets	88	174
Repair items addressed	2	0
Flow Tests	0	0
Customer Transfers (Manual meter reads)	21	42
Replace defective meters	0	19
Manual Meter reads after Electronic Billing Reads	0	11
Bac't Samples per month	12	20
Number of inspection per working project	16	31
DEQ readings using Levelogger	2	4
Daily Water Usage Readings (3 wells)	23	44
Weekly Well Inspections (4 wells)	21	40
Total Water Utility Customers Accounts	703	

AGENDA ITEM 10.b.vii.

VDOT Transportation Briefing



Fredericksburg

King William County Board of Supervisors September 2022 VDOT Transportation Briefing

Construction Projects Completed

Cape Seal Routes 2022

- Route 1007 – From Route 1108 (C Street) to Route 30 (King William Avenue) 0.13 miles
- Route 1008 – From End State Maintenance to Route 30 (King William Avenue) 0.2 miles
- Route 1012 – From Route 1108 (C Street) to Route 30 (King William Avenue) 0.13 miles
- Route 1022 – From Route 1108 (C Street) to Route 30 (King William Avenue) 0.12 miles
- Route 1023 – From Route 1108 (C Street) to Route 30 (King William Avenue) 0.13 miles
- Route 1024 – From Route 1108 (C Street) to Route 30 (King William Avenue) 0.12 miles
- Route 1108 – From Route 1207 (14th Street) to Route 30 (King William Avenue) 0.24 mi
- Route 1108 – From Route 1108 (C Street) to Route 1007 (Lynndale Street) 0.31 miles
- Route 1118 – From Kent Street to Route 1108 (Kirby Street) 0.08 miles
- Route 1118 – From Route 1108 (Kirby Street) to Route 30 (King William Avenue) 0.07 mi
- Route 1122 – From Int. Kent Street/ESM to Int. Route 30 (Main Street) 0.16 miles
- Route 1207 – From Int. Route 30/33 (Main/14th Street) to Int. Kent Street/ESM 0.17 miles

Construction Projects Underway

- UPC 106179 – Route 600 Turn lane addition at Route 360, underway
- UPC 117198 – Route 33/30 Crosswalk Repair, underway

Construction Projects

Upcoming Unpaved Road Projects on Secondary Six Year Plan:

As a reminder the board prioritized seven roads on the six-year plan, they are listed in priority order below.

- Route 634 Kentucky Road – UPC 114818 – March 2023
- Route 641 Sandy Point Road – UPC 114819 – March 2023
- Route 624 Trimmers Shop Road – UPC 114820 – March 2024
- Route 617 W. Spring Forest Road – UPC 115626 – March 2025
- Route 621 Green Level Road – UPC 115628 – March 2027

Construction Projects Next 24 Months

None

Bridge Projects next 24 Months

UPC 118975 – Route 629 over Jacks Creek – Spring 2023

Traffic Engineering Requests

Under Review: Route 649 Brandywine Road traffic count

Supervisor Requests

None

Meetings of Significance

Attended Board work session September 12

Maintenance Operation Highlights

Completed Projects

- Route 1003 Asphalt Repair
- Routes 30, 618 and 701 Tree Limbing
- Storm Debris Clean-up
- Sign Repair countywide
- Unpaved road maintenance countywide
- Patch potholes countywide

Upcoming Projects

- Contractor Primary mowing underway
- Contractor Secondary mowing underway
- Routes 30 and 360 Shoulder Repair
- Route 618 Brush Cutting
- Route 640 Ditching
- Brush Cutting Guardrails
- Sign Repairs/Daylighting signs countywide
- Unpaved Road maintenance throughout the county
- Continue to patch potholes Countywide

Land Use Highlights

- Site Plan reviews completed: 5
- Subdivision reviews completed: 0
- Average number of days per review: 4.8
- Number of permits issued: 7
- Number of permits completed: 6

Contact for questions or concerns:

Lee McKnight

Residency Administrator

(804) 286-3115

lee.mcknight@vdot.virginia.gov

Ron Peaks

Assistant Residency Administrator

(804) 286-3118

ronald.peaks@vdot.virginia.gov

**VIRGINIA IS FOR LOVERS,
NOT LITTER**

AGENDA ITEM 12.a.

Motion to Convene Closed Meeting in accordance with Section 2.2-3711 (A)(1) of the Code of Virginia to consider appointment of individuals to Boards and Commissions and to consider a personnel matter involving the assignment of a specific public officer/appointee/employee; and in accordance with Section 2.2-3711 (A)(3) of the Code of Virginia regarding the acquisition of real property for a public purpose.

CLOSED MEETING MOTIONS

✘ PERSONNEL – In accordance with Section 2.2-3711 (A)(1) of the Code of Virginia, I move that the Board of Supervisors convene in Closed Meeting to consider a personnel matter involving the (choose from below):

✘ 1. appointment of individuals to Boards and Commissions.

2. interview of a prospective candidate for employment.

(or the)

3. Employment

6. Promotion

9. Salary

✘ 4. Assignment

7. Performance

10. Discipline

5. Appointment

8. Demotion

11. Resignation

of a specific public officer / appointee / employee.

✘ PUBLIC PROPERTY – In accordance with Section 2.2-3711 (A)(3) of the Code of Virginia, I move that the Board of Supervisors convene in Closed Meeting regarding real property used for a public purpose, specifically pertaining to (choose from below):

✘ 1. the acquisition of real property for a public purpose.

2. the disposition of (name publicly held real property involved).

because discussion in an open meeting may adversely affect the bargaining position or negotiating strategy of the Board.

PROTECTION OF PRIVACY OF INDIVIDUALS – In accordance with Section 2.2-3711 (A)(4) of the Code of Virginia, I move that the Board of Supervisors convene in Closed Meeting regarding a personal matter not related to public business in order to protect the privacy of individuals.

PROSPECTIVE BUSINESS OR INDUSTRY OR EXPANSIONS OF EXISTING BUSINESS OR INDUSTRY – In accordance with Section 2.2-3711 (A)(5) of the Code of Virginia, I move that the Board of Supervisors convene in Closed Meeting to discuss a prospective business or industry or expansion of an existing business or industry where no previous announcement has been made.

INVESTING OF PUBLIC FUNDS – In accordance with Section 2.2-3711 (A)(6) of the Code of Virginia, I move that the Board of Supervisors convene in Closed Meeting to discuss the investing of public funds where competition or bargaining is involved and where discussion in open session would adversely affect the financial interest of the County.

LEGAL MATTERS – In accordance with Section 2.2-3711 (A)(7) of the Code of Virginia, I move that the Board of Supervisors convene in Closed Meeting to (choose from below):

- 1. consult with legal counsel, consultants, and/or staff on a matter of actual litigation in which the County is involved.
- 2. consult with legal counsel, consultants, and/or staff on a matter of probable litigation in which the County may become involved.

because discussion in an open meeting may adversely affect the litigation position or negotiating strategy of the Board.

LEGAL MATTERS – In accordance with Section 2.2-3711 (A)(8) of the Code of Virginia, I move that the Board of Supervisors convene in Closed Meeting to consult with legal counsel on a specific legal matter (identify matter in general terms at a minimum) requiring the provision of legal advice by counsel.

HAZARDOUS WASTE SITING – In accordance with Section 2.2-3711 (A)(14) of the Code of Virginia, I move that the Board of Supervisors convene in Closed Meeting to discuss the terms, conditions, and provisions of a hazardous waste siting agreement after a finding in open meeting that an open meeting will have an adverse effect upon the negotiating position of the Board or the establishment of the terms, conditions, and provisions of the siting agreement, or both.

TERRORIST ACTIVITY – In accordance with Section 2.2-3711 (A)(19) of the Code of Virginia, I move that the Board of Supervisors convene in Closed Meeting to (choose from below):

- 1. discuss plans to protect public safety relating to terrorist activity or specific cybersecurity threats or vulnerabilities and briefings by staff members, legal counsel, law-enforcement, or emergency service officials concerning actions taken to respond to such activity or a related threat to public safety.
- 2. discuss reports or plans related to the security of any governmental facility, building, or structure, or the safety of persons using such facility, building, or structure.

PUBLIC CONTRACTS – In accordance with Section 2.2-3711 (A)(29) of the Code of Virginia, because discussion in an open session would adversely affect the bargaining position or negotiating strategy of the Board, I move that the Board of Supervisors convene in Closed Meeting to (choose from below):

- 1. discuss the award of a public contract involving the expenditure of public funds.
- 2. interview bidders or offerors.
- 3. discuss the terms or scope of a public contract.

CERTIFICATION OF CLOSED MEETING

Mr. Chairman, I move that the King William County Board of Supervisors approve Standing Resolution 1 (SR-1) in accordance with Section 2.2-3712 (D) of the Code of Virginia, 1950, as amended, certifying that the Closed Meeting was conducted in conformity with the requirements of the Virginia Freedom of Information Act.

STANDING RESOLUTION – 1 (SR-1) A RESOLUTION TO CERTIFY COMPLIANCE WITH THE FREEDOM OF INFORMATION ACT REGARDING MEETING IN CLOSED MEETING

WHEREAS, the King William County Board of Supervisors has convened a Closed Meeting on this date pursuant to an affirmative recorded vote, and in accordance with the provisions of the Virginia Freedom of Information Act; and,

WHEREAS, Section 2.2-3712 (D) of the Code of Virginia requires a certification by the King William County Board of Supervisors that such Closed Meeting was conducted in conformity with Virginia law,

NOW, THEREFORE, BE IT RESOLVED that the King William County Board of Supervisors on this _____ day of _____, 2022, hereby certifies that, to the best of each member's knowledge:

1. Only public business matters lawfully exempted from open meeting requirements under the Freedom of Information Act were heard, discussed, or considered by the King William County Board of Supervisors in the Closed Meeting to which this certification resolution applies; and
2. Only such public business matters as were identified in the motion convening the Closed Meeting were heard, discussed, or considered by the King William County Board of Supervisors.

[ROLL CALL VOTE]

AGENDA ITEM 13.a.

Resolution 22-81 - Appointment to the Board of Zoning Appeals

**RESOLUTION 22-81
APPOINTMENT TO THE BOARD OF ZONING APPEALS**

WHEREAS W. Brian Hodges was appointed to the Board of Zoning Appeals (BZA) for a five-year term ending June 30, 2027; and

WHEREAS Mr. Hodges resigned his position on the Board of Zoning Appeals effective September 2, 2022; and

WHEREAS there are currently two applicants who have expressed interest in serving on the BZA – Keith Fogg, and Jeanette Wagner; and

WHEREAS the Board of Zoning Appeals has provided the Board of Supervisors with their recommendation; and

WHEREAS the Board of Supervisors now desires to make an appointment to this open position;

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of King William County, Virginia that _____ be appointed to the Board of Zoning Appeals for an unexpired term ending June 30, 2027.

DONE this 26th day of September, 2022.