# Classification and Compensation Study
## Final Draft Report
## for
## ALBEMARLE-CHARLOTTESVILLE REGIONAL JAIL

March 8, 2022

MANAGEMENT ADVISORY GROUP INTERNATIONAL, INC
PREPARING FOR TOMORROW, TODAY...

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# MANAGEMENT ADVISORY GROUP INTL., INC.

## MANAGEMENT CONSULTING SERVICES

March 8, 2022

Colonel Martin Kumer
Superintendent
Albemarle Charlottesville Regional Jail
160 Peregory Lane,
Charlottesville, VA 22902

Dear Colonel Kumer,

Management Advisory Group International, Inc. (MAG) is pleased to present this *Draft Compensation & Classification Study Report* to the Albemarle Charlottesville Regional Jail. We would ask you and top staff to review the report and MAG's compensation and classification recommendations.

The Draft Report is organized into the following Sections:

- Section 1: Proposed Compensation Philosophy
- Section 2: Introduction and Approach
- Section 3: Selected Personnel Policies
- Section 4: Salary Survey Summary
- Section 5: Salary Survey Detail
- Section 6: Proposed Pay Plan
- Section 7: Classification Comparison List
- Section 8: Alphabetical Classification List
- Section 9: Implementation Cost Report

We look forward to your questions and input concerning the proposed plan. Please feel free to contact me at any time.

Sincerely,

Donald C. Long

Donald C. Long, PhD.

President
Management Advisory Group International, Inc.
2992 Reidville Road
Spartanburg, SC 29301

# ALBEMARLE-CHARLOTTESVILLE REGIONAL JAIL

## Classification & Compensation Study Draft Report

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## SECTION 1.0
## Proposed Compensation Philosophy

## *1.0 – Proposed Compensation Philosophy*

The Albemarle Charlottesville Regional Jail strives to provide exemplary service to the community by being a model for 21st Century government. Recognizing the importance of our workforce of resolute and talented professional staff, we are committed to promoting organizational and community values that include **exceptional service to the public**; **consistent and excellent performance**; **innovation**; **good fiscal, social, and environmental stewardship**; **and ethical behavior**.

To achieve and maintain our ambitious standards of service and performance, the Jail must continue to attract and retain well-qualified staff who exemplify the organization's values. A public service environment that is attractive to such individuals depends upon many factors, including pride, teamwork, a competitive compensation program, and non-monetary benefits such as recognition in the workplace for accomplishments, professional development and opportunities for promotion and a positive work environment. The Jail is committed to be an "employer of choice" as part of an overall strategy of attracting and retaining talent that will uphold the Jail 's organizational values.

The compensation program is committed to retaining and attracting high-skilled, high-performing staff capable of delivering the highest standards of public service to our community. The Jail expects all staff to consistently perform to those ambitious standards in their work performance, customer service, ethics, and passion for public service. The Jail strives to administer pay and benefits in a way that is fair and transparent to all, that provides equal pay for equal work, and that does not take into consideration race, ethnicity, religion, sex, gender, sexual orientation, gender identity or expression, or other factors unrelated to work performance.

In order to provide competitive, sustainable, and responsible compensation, the Jail will consider the following:

Total compensation which consists of but is not limited to direct compensation, e.g., salary; and indirect compensation such as health insurance, retirement, professional development, and time-off benefits.

In evaluating competitive compensation, the Jail will consider:

A. Financial sustainability as reflected by the Jail 's financial forecasts and revenue projections, competing service priorities, long-term liabilities, capital improvement and other asset requirements, and fund reserve levels.

B. The "relevant labor market" which may vary depending upon classification but is primarily defined by geographic region (local and/or state-wide) and key markets (municipal and other government agencies) and if applicable, private sector when readily available and effectively comparable.

C. "Internal Relationships" referring to the relative value of classifications to one another as determined by the Jail.

D. The Jail will compare responsibilities, skill level, knowledge, ability, and judgment to determine similarity, and evaluate the equity of pay differentials.

E. Other relevant factors may include unforeseen economic, regulatory, or service changes.

F. Transparency with the community, recognizing that taxpayers and ratepayers fund all employee compensation and deserve commensurate value from all those who work for the Jail. This includes not only disclosure of the components of workforce compensation, but adequate advance notice of material policy changes in order to participate effectively in decision-making that affects the Jail 's finances.

Ideally, every five years, the Jail will evaluate its compensation structure, programs, and policies to assess market competitiveness, effectiveness and compliance with applicable State and federal law. This is with the understanding that more frequent adjustments to the compensation structure may be needed as a result of intermittent evaluations or other factors already cited. This will be accomplished by working with Human Resources staff to fairly apportion compensation and benefits, utilizing all the resources and tools available to the Jail.

## SECTION 2.0
## Introduction and Approach

## *2.0 – Introduction & Approach*

### Introduction

Albemarle Charlottesville Regional Jail contracted with Management Advisory Group International, Inc. (MAG) to conduct a compensation survey and assessment of jobs study for all current classifications. This report presents the findings and recommendations of the study. MAG's findings and recommendations are based on:

- salary survey results;
- current organizational structure;
- discussions with human resources, and review of current compensation practices;
- job analysis based on job questionnaires; and
- internal equity and external competitiveness considerations.

The goal of the Jail for this project was to provide the foundation for an appropriate classification and compensation system and pay plan based on current compensation levels for similar public sector employers, municipalities, and local market competitors. In response, MAG has developed a proposed pay plan and developed salary adjustment recommendations for current incumbents in included classifications.

### Project Focus

The objectives of the study were to:

- Conduct a review of all Jail job titles;
- Gather salary and compensation data from similar/competitor organizations;
- Develop a revised classification plan; and,
- Develop a revised compensation and pay plan; and
- Provide options for the Jail 's consideration to find a reasonable and cost-effective way to transition to the new plan(s).

A list of project tasks and activities is indicated below by Exhibit 2-1.

**EXHIBIT 2-1**

**Albemarle Charlottesville Regional Jail**
**PROJECT TASKS**

Project Initiation – Developed project proposal, work plan and timeline. Discussed with Jail administration and revised project work plan.

Initial Meetings – Met with Human Resources administration, Jail leadership and key management to clearly define the scope, goal(s), and objective(s) for the proposed study.

Employee Completion of Job Profile Questionnaires – employees completed a Job Profile Questionnaire, identifying their job duties and responsibilities.

Developed/Distributed Salary Survey Instrument – Developed a salary survey to gather compensation information from target organizations for selected benchmark classifications.

Collected/Analyzed Compensation Data – Collected and reviewed compensation data from respondent organizations.

Conducted Job Analysis – Performed analysis of compensable factors based on completed Job Profile Questionnaires.

Developed Revised Pay Plan – Developed a preliminary proposed pay plan based on the results of the market salary survey, job analysis, and internal/external equity considerations.

Developed Salary Adjustment Recommendations – Developed salary adjustment recommendations for all Jail classifications based on the revised pay plan(s) and employee classification, current salary, and longevity in current position.

Developed & Submitted Draft Report – Developed and submitted a Draft Report for Jail review integrating the job analysis, proposed pay and classification plan, salary survey, and implementation recommendations.

Revised Draft Report – Incorporate the Jail 's technical review of materials.

Develop & Submit Final Report – Submitting a Final Report upon final review.

Exhibit 2-2 illustrates a flow-chart process used for developing a proposed pay and classification plan.

## Approach Overview

To begin the study, MAG requested and reviewed preliminary information from the Jail. At this time, MAG conducted initial discussions with human resources administration and tailored several instruments to be used in conducting the compensation and classification analysis, including:

- job questionnaires; and
- a Market Salary Survey to be conducted with comparable classifications with a selected group of agencies and employers.

The study methodology included:

- collection of current personnel, human resources, and organizational background information;
- identification and selection of comparable agencies for the market salary survey;
- identification of classification benchmarks;
- conduct of a salary survey for selected positions; and,
- analysis with recommendations concerning the relative ranking of Jail positions to develop a classification plan that will ensure internal equity.

MAG developed job profiles for classifications covered in the study, based on the factors below, to identify an appropriate pay range. The development of a job profile typically includes numerous factors, such as:

- Involvement with Data, People, and Assets
- Experience/Vocational Requirements
- Educational/Vocational Requirements
- Mathematical Requirements
- Communications Requirements
- Judgment Requirements
- Impact of Decisions
- Complexity of Work
- Safety of Others Responsibilities
- Physical Requirements
- Equipment Usage
- Unavoidable Hazards

## Initial Meetings and Orientation

Upon agreement to proceed, the project team communicated with Human Resources staff to discuss the study's objectives, along with the strengths and needs of the current organizational compensation management systems. Jail management provided input regarding the Jail 's preferences and needs of the systems to be developed. MAG's representatives requested documentation about current compensation and classification programs, discussed with management to discuss these systems, and developed an understanding of concerns to be addressed.

The project team also discussed with staff an overview of the scope, content, and methodology of the study, encourage employee cooperation and commitment, and established appropriate time frames for completing and returning necessary forms.

MAG staff serve as a facilitator to bring these primary source data together in a meaningful way, organize it into a pay plan or plans, depending on the needs of the organization and to support and assist the organization with making crucial decisions regarding overall hierarchal placement of jobs.

The study results and outcomes are not the result of decisions made in isolation by the consultant but are the result of the consultants working to bring together all of the different viewpoints of the stakeholders assisting and supporting in ordering responsibilities of the work into a compensation and classification plan that serves as a starting point for making current and future placement decisions.

## Market Review

The Jail employs a wide range of jobs that contain a mix of work responsibilities found in both the public and private sectors. The Market Salary Survey of selected benchmark positions reflected the variety of duties and responsibilities in which Jail employees engage. The Market Salary Survey is one of the key components of a classification and compensation study, as well as one of the more difficult and sensitive activities in the study process.

In a collaborative effort with the Human Resources staff of the Jail, MAG developed a list of target organizations to be surveyed. Upon approval of the target list, the survey instrument, and the benchmark classifications, MAG conducted the survey and performed the technical analysis and evaluation.

Organizations typically included as targets in a salary survey are those that are:

- competing with Jail for employees, for either lower level or higher-level positions;
- geographically situated in such a fashion as to automatically be considered a competitor;
- structured similarly to the Jail, or providing similar types of services; and
- attractive to highly valued employees for one reason or another.

## Benchmark Classes

The job classes included as benchmarks in the survey were clearly and concisely described. All classes had a clear and identifiable relationship to other Jail classes and were representative of the various functional areas within the various work areas/units within Jail Government.

In addition to the statement of job duties and responsibilities, specific information pertaining to the education requirements and work experience needed for the class was included. The respondent's matching class title, annual minimum and maximum salary, duty days, and annual hours was also included in the survey.

The data from the survey were used to assist with the classification of the various jobs within the pay structure. It is important to note, however, that the market study simply serves as an indicator of market trends and the internal job analysis is a critical element in determining pay grade assignment.

## Proposed Pay Plans

Specific details of the plan are provided in report tables starting in section 6.0. Employees performing the same duties were placed in the same class and pay grade, regardless of the number of hours (PT/FT).

## Implementation Costs

MAG's implementation options and recommendations consider the following:

- Current salary;
- Current job title or rank; and,
- Longevity in current position.

If the employee's current salary exceeds the target salary, then the calculations did not provide any further adjustment. No employee is recommended for any decrease in salary, even if the current salary exceeds the target salary.

MAG does recommend that any employee whose current salary exceeds the target salary should continue to advance through the ranges until they reach the range maximum.

No employee should receive any additional salary adjustments once their salary has reached the maximum of the range. The recommendation is to freeze the salary until market data supports an increase in pay range maximum. Progressive governments often coordinate with MAG on an annual basis to refresh their market competitive position to ensure that they do not "lose ground" from a compensation perspective.

## Pay Plan Structure

MAG has established a common pay structure for all positions. It provides for ranges of 50% from minimum to maximum. There is 5% between each pay grade. A step plan, with 15 steps in each pay grade, is suggested in Section 6 of the report. The structure recommended is transparent, permits employees to have a perspective that provides some security, but it still wholly dependent on the Jail 's ability to fund future structure adjustments.

## Plan Implementation

MAG recommends that the new compensation structure go into effect as soon as feasible along with the recommended salary adjustments. An "across the board" can be applied first in anticipation of that amount being provided to eligible employees. Then, calculations that bring employees at least to the minimum of the recommended pay range are made. An additional action of providing "equity" adjustments, based on time in the position, can also be provided. If the level of funding is not practical, MAG can work with Administration to identify more affordable options for implementation. The total costs are noted in section 11.0, identifying implementation costs by employee).

## Salary Compression

Salary compression also known as wage or pay compression, is pay differential that results from various causes, but that is often deemed as unfair or unequal by members of the workforce within the organization. It is an issue that many management and human resources professionals deal with on a regular basis. There are numerous reasons for these kinds of differentials that occur, and they often seem justified in the outset. However, over time wage compression can lead to low morale and hurt feelings within the ranks of previously loyal employees.

**Examples of Salary Compression**

Salary compression is not a new concept. For example, it's a widespread practice for an organization to offer a higher starting salary to sought after employees who may be "rock stars" or as someone who has a great deal to offer the organization. Higher pay is used as an incentive to lure the candidate.

It is also seen when viewing fixed salaried professionals like managers and supervisors versus hourly employees who are eligible for rewards like shift differentials and overtime pay. Sometimes pay inequities are seen after a consolidation of two or more functional areas that were run very differently from one another previously. Wage compression can also occur in an organization with a sizable percentage of low wage earners when the low wage rates are increased; as new hires come on, they are earning the same amount as those who may have been with the organization for years.

**Impact of Wage Compression**

Impacts of wage compression can be seen on a one-to-one level or across entire organizations. Those whose pay is compressed, or who are receiving less money, are likely to be affected by low morale. They will feel discouraged, naturally. It doesn't make sense to continue working just as hard when their efforts are not perceived as being compensated. This can lead to a more noticeable problem of deficient performance in employees, which hurts the bottom line and affects everyone. There may also be retention issues related to salary compression.

Those who feel slighted are more likely to look for alternate employment. High turnover rates are costly to any organization. It may also be harder to recruit from within for higher level positions if employees see no economic benefit in accepting the added responsibility and work of a promotion.

**Purpose of the Implementation Plan**

The foundation of the implementation calculation is one that is forward looking and does not look back on how current salaries came about. Transition to a new plan is not meant to change every pay decision, promotion or other legal changes in salary that have occurred over the tenure of the employee; nor is it meant to pretend the new pay structure should be retroactive in concept to the day an employee was hired.

To the extent that any uniform formula may result in unintended consequences, there may be isolated instances where administrative adjustments would be needed in order to address an inequity that is not readily apparent. This is not intended to address internal inequities, perceived by employees, which might result from previous pay structures or previous pay decisions. MAG assumes that all previous salary changes were based on information that was considered valid and appropriate at the time the decision was made.

# SECTION 3.0
# Selected Personnel Policies

### *3.0 – Selected Personnel Policies*

As part of the overall study, Management Advisory Group typically offers observations and recommendations regarding best practices in compensation policies. These observations are not meant to replace existing policies, but to provide a fresh look and compare the Jail's compensation policies against "best practices." An objective statement of compensation policies also includes the expressed outcome to attract, reward, and retain qualified employees who can help the Jail achieve its mission. In support of the vision statement, MAG observations may assist the Jail as it strives to provide a total compensation program that enables the Jail to:

- attract and retain a high-quality and diverse workforce;
- reward and retain qualified employees;
- provide a fair and consistent framework for assigning jobs;
- maintain salary structures at market competitive levels;
- ensure fair and consistent pay practices;
- comply with applicable laws and regulations; and,
- operate within the constraints of fiscal resources; and
- be an employer that inspires excellence.

As an employer, the Jail embraces a fair and equitable compensation plan to support achievement of the following goals.

1. The Jail strives to provide a total compensation program that is fiscally sound, equitable and competitive in the defined marketplace.

2. Both benchmarking of select classifications and consideration of the job profile is used as a best practice for compensation of similar positions.

3. Competitive ranges are established for all positions to provide the flexibility needed to adapt to market changes, maintain internal equity and address needs of the Jail that will ensure an elevated level of service to the residents of the Jail.

4. Starting pay for new employees is based upon education and work experience related to positional requirements as well as market conditions.

5. Pay adjustments, other than allowances and supplements, are provided to employees when appropriate to address equity, market responsiveness, and consistency in the administration of the Jail's compensation program.

6. Employees are eligible for pay increases resulting from true promotions and reclassifications.

7. Part-time/temporary employees may not be eligible for the same benefits as full-time employees.

8. Fair Labor Standards requirements will be applied fairly and consistently to applicable positions.

9. Benefit plans and other non-cash compensation plans are reviewed periodically for competitiveness, cost effectiveness, and their value to employees and the Jail.

10. Pay ranges for the Jail job groups are reviewed as needed, but not less than every five years.

**Compensation Policies:**

The following recommendations cover recommendations for both the implementation of the plan, as well as the on-going administration of the plan.

Numerous opportunities exist for varied work experiences and career advancement within the Jail. The following outlines how associated pay changes can be administered based on the category of change. All final decisions on the administration of pay are subject to approval by the Superintendent based on input from the Director of Human Resources. In all instances of employee/job reassignment, the employee would be placed in the range, not to exceed the maximum of the range unless specifically stated. Unless otherwise stated, any change in pay would be effective with the next full pay period.

**A. Reclassification**

1. When a job has been reclassified to a higher pay grade, the employee's salary shall increase at least 5% in the new pay grade that includes the new salary but is not more than the maximum salary of the new pay grade.

   If the reclassification results in an upgrade of one pay grade, the employee's pay will be moved upward by 5%. An upgrade of two or more pay grades will increase the employee's pay by an additional 2.5% increase for each additional pay grade, up to a maximum of 15%.

   For general reclassifications done as a result of an internal or external compensation study, or as a result of a normal budget process review, if the employee has been in the position since on, or before, the first day of the fiscal year, the effective date of any approved change will be the first day of the fiscal year, or the effective date of implementation as approved by the Board.

   Otherwise, for an individual reclassification, done outside the normal budget cycle, the effective date of the pay increase will be consistent with the next full pay period.

   Reclassification or changes in pay grade, whether resulting from an internal or external compensation study or individual change in pay grade, shall ***not be*** retroactive with respect to calculating the new salary.

   Internal Equity Adjustments as a result of the implementation of a system-wide study shall not be subject to the same guidelines as the "Reclassification" guideline. Internal Equity Adjustments can be the result of the application of a formula, applied to all positions in the same pay plan, and are done to ensure that employees' salaries are internally equitable and are not done to reflect an individual "job audit" of a single member incumbent.

Internal Equity Adjustments are also not tied to performance measures. ***The leadership may determine an Internal Equity Adjustment strategy that is separate and apart from the guidelines that cover reclassification.***

Internal Equity Adjustments, resulting from an internal or external comprehensive review, can be to a higher, or lower, pay grade and are not considered a reclassification, promotion, or demotion.

2. When a job has been reclassified to a lower pay grade, the affected employee(s) shall have their pay adjusted accordingly. The employee's salary will be placed within the salary range of the lower grade. The effective date will be the day following the Board adoption date and the change will be reflected in the next full pay period. If, after the pay grade adjustment, the employee(s) salary is greater than the maximum salary of the new pay range, the employee will continue to be paid at the higher rate of pay, the salary would be "frozen," and the employee is typically ineligible for any pay adjustment until the range "catches up" with the salary and allows for movement.

**B. Promotion**

1. When an employee is promoted, as a result of a job change or job progression, to a higher pay grade position, within the same, or to a different, salary schedule, the salary placement within the new pay grade shall be determined as follows: *apply 5% on the salary of the previous grade/schedule and salary for promotions of one pay grade, and an additional 2.5% for each additional pay grade up to a maximum of 15%.* The resulting pay will be no less than the minimum of the new pay grade and no less than a 5% salary increase, but not more than the maximum salary of the assigned pay grade. The effective date will be the day of approval.

2. There may be times when the uniqueness of an individual job and level or necessary skills required by the Jail, and not just possessed by the incumbent, may require a higher salary schedule placement than stipulated in this section. Under such circumstances, the Jail Manager *may approve a higher salary step placement within the assigned pay grade.*

**C. Lateral Transfer**

A lateral transfer occurs when an employee is transferred from one job class to another in the same pay grade. When there is no change in pay grade there shall be no adjustment in base salary. A lateral transfer is not considered a reclassification or a promotion.

**D. Temporary Assignment(s)**

1. "Interim" or temporary assignment(s) occurs when the Jail recognizes a critical job assignment need that must be met and cannot be met through the normal recruitment process. This can occur when an unexpected vacancy occurs; when a mission critical job cannot be filled in a timely fashion; or when a mission objective changes abruptly and requires an immediate action.

2. Temporary or "interim" assignment(s) would be anticipated to last more than 30 days, but less than 6 months. A temporary or "interim" assignment is to fill a vacancy and not to assume the duties of another employee who is on approved leave, i.e., vacation, holiday, medical, or other short-term absence(s).

3. If the position assigned is lower in pay grade (or equivalent pay range) this would not result in a lower salary for the assigned employee even if the employee's salary exceeded the maximum of the new pay range.

4. If the position assigned is higher in pay grade and extends beyond 30 days, but less than 6 months, there should be a 5% "temporary assignment" pay adjustment for the first pay grade and 2.5% for each additional pay grade to a maximum of 15% or the minimum of the grade, whichever is higher. The employee's salary shall not exceed the maximum of the assigned range. Employees receiving temporary assignment pay shall sign an agreement acknowledging the understanding that they are receiving "Temporary Assignment Pay" and also acknowledging that when the temporary assignment ends, the "assignment pay" will also end.

**E. Hiring**

1. The hire rate for a new employee with no equivalent and/or relevant level experience is typically the minimum of the salary range to which the job classification is assigned.

2. New hiring rates above the minimum (or re-hires) for employees with prior experience that is directly relevant experience and/or experience that can be verified by the Human Resources Department may be considered. To determine prior relevant experience credit, the Jail shall provide compensable credit on a basis of one year of credit for every three years of prior relevant experience. Each year of relevant experience will be valued at 3% above the pay grade minimum up to 15%. *Employees who have left the Jail and have been officially terminated will be re-hired using this formula and will not be rehired at the previous salary.* Re-hires who have left the Jail's employ will be considered using the same formula as new hires.

3. Internal Equity is an equally important consideration in filling a vacant position. Before a salary offer is made, Human Resources will also consider the current salaries, level of education, relevant licenses/certifications, and length of service in the same/similar job class or classes of current incumbents. It is the policy of the Jail to make every effort to avoid inverted salary relationships by bringing in newly hired employees at a salary that exceeds the current salaries of comparably placed existing employees in the same/similar job class.

4. The Human Resources department may additionally consider a higher salary offer if the open position is determined to be a "hard to fill" position.

5. "Hard to fill" positions will be determined by the Human Resources Department and will be based on the length of time the position has remained unfilled, the difficulty to recruit, the "mission critical" nature of the work and the market conditions of the position, at the time of a vacancy.

6. Hiring Range is typically considered that span in salary between the minimum of the range and the market point for most positions. For Directorships or Assistant Director level positions, the qualifications of the applicant and/or the needs of the Jail should include the discretion to hire anywhere within the range. However, consideration should still be given to existing salaries of other employees who are in directly comparable leadership positions.

**F. Maximum of the Range**

Ranges are established to reflect the market value of a given job profile and not an incumbent. Once an employee reaches the maximum of his/her assigned range, the salary is frozen, and the employee is not eligible for any additional compensation unless there is a range movement that would result in a higher maximum.

**G. Salary Adjustment for Department Directors**

There should be some flexibility for making salary adjustments for Departmental Directors beyond an annual increase when it is based on exceptional performance. The salaries of other equivalent employees should also be given consideration to not create undue inequity in the salary relationships between and among comparable levels of peers.

**<u>Future Salary Adjustment Recommendations</u>**

The cost to implement and maintain the compensation system should be driven by changes in the labor market and/or internal relationships and should be applied globally to the system, which, in turn, adjusts each salary range. Compensation systems that are well maintained address *two primary issues* on an annual basis:

- the cost to maintain competitiveness within the system; and
- the cost to adjust individual salaries.

From time to time, the Jail may determine the need to adjust pay grades/ranges based on some factor, such as the Employment Cost Index (ECI) to maintain competitiveness at salary range minimums and hiring rates, as well as accommodate current incumbent pay progression within the grades. Ideally, funding permitting, the Jail should conduct a salary/market review periodically to assess market conditions and ensure a competitive posture in personnel recruitment and retention. At this time, a more detailed comparison to the external market, as well as, to immediate competitors can be made using a comprehensive methodology such as that used in this review.

**Proposed Compensation Plan**

Regardless of an organization's philosophy concerning advancement opportunities afforded to employees, it is essential that movements in the economy, and more specifically, the labor market in which the Jail competes, be addressed at the system level. Accordingly, salary administration procedures should take their priority based on funding levels and the Jail's philosophies on pay.

**Career Path vs Career Ladders**

Career Path vs Career Ladder What is the Difference?

A career path is a track of employment with a progression of acquired education, experience, achievement, and responsibility, moving through job positions within a professional field or organization. For example, an analytical track career path, a managerial track career path, or a quality management track career path.

A Career Path is designed to encourage students to enter a certain field of study (e.g., public health laboratory science) and to demonstrate the possibilities within that field of study.

A career path for a field of study in laboratory science can begin with a position as a laboratory aide, then a laboratory technician, followed by a laboratory scientist.

This career path then opens a wealth of interrelated laboratory science tracks, and a professional can move from one track to another over the course of a career.

A series of steps within a job classification, each with increasing responsibility as expertise is developed, allowing for recognition of professional growth. The steps in the career ladder may require competition for advancement. For example, progressing through the federal GS system, or moving from a laboratory scientist I to laboratory scientist II to laboratory scientist III.

A Career Ladder is designed to encourage and assist staff to further their professional development and to reward them for their commitment to professional growth and excellence without moving to a new career path.

## SECTION 4.0
## Salary Survey Summary

# Salary Survey Results for ALBEMARLE CHARLOTTESVILLE REGIONAL JAIL

| Job Class Title | Averages For Each Job Class | | | | | | | ALBEMARLE CHARLOTTESVILLE REGIONAL JAIL | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Min | Mid | Max | Start | Avg | Actual | Range Width | Min | | Mid | | Max | | Range Width |
| Records Technician | $33,133 | $40,800 | $50,249 | | | | 51.7% | $31,058 | -6.7% | $38,823 | -5.1% | $46,587 | -7.9% | 50.0% |
| Food Services Supervisor | $39,076 | $42,663 | $56,099 | | | | 43.6% | $31,058 | -25.8% | $38,823 | -9.9% | $46,587 | -20.4% | 50.0% |
| Corrections Officer I | $39,254 | $47,146 | $55,736 | | | | 42.0% | $34,009 | -15.4% | $47,102 | -0.1% | $60,196 | 7.4% | 77.0% |
| Executive Assistant/Payroll Assistant | $40,324 | $49,710 | $59,985 | | | | 48.8% | $37,176 | -8.5% | $46,842 | -6.1% | $56,508 | -6.2% | 52.0% |
| Licensed Practical Nurse | $44,817 | $52,896 | $63,279 | | | | 41.2% | $40,767 | -9.9% | $51,977 | -1.8% | $63,188 | -0.1% | 55.0% |
| Corrections Corporal | $44,607 | $55,340 | $66,365 | | | | 48.8% | $40,767 | -9.4% | $51,977 | -6.5% | $63,188 | -5.0% | 55.0% |
| Deputy Sheriff | $49,040 | $63,753 | $78,467 | | | | 60.0% | | | | | | | |
| Corrections Sergeant | $50,534 | $64,346 | $78,240 | | | | 54.8% | $46,014 | -9.8% | $58,668 | -9.7% | $71,322 | -9.7% | 55.0% |
| Records Supervisor | $51,269 | $66,790 | $82,909 | | | | 61.7% | $40,767 | -25.8% | $51,977 | -28.5% | $63,188 | -31.2% | 55.0% |
| Corrections Lieutenant | $56,245 | $71,054 | $86,280 | | | | 53.4% | $52,456 | -7.2% | $66,881 | -6.2% | $81,307 | -6.1% | 55.0% |
| Registered Nurse | $64,425 | $78,323 | $94,089 | | | | 46.0% | $60,325 | -6.8% | $76,914 | -1.8% | $93,504 | -0.6% | 55.0% |
| Corrections Captain | $66,506 | $84,926 | $102,719 | | | | 54.5% | $60,325 | -10.2% | $76,914 | -10.4% | $93,504 | -9.9% | 55.0% |
| Human Resources and Payroll Director | $69,084 | $87,541 | $105,998 | | | | 53.4% | $60,325 | -14.5% | $76,914 | -13.8% | $93,504 | -13.4% | 55.0% |
| Finance Manager | $72,870 | $95,222 | $118,098 | | | | 62.1% | $73,695 | 1.1% | $95,804 | 0.6% | $117,912 | -0.2% | 60.0% |
| Superintendent | $113,244 | $145,933 | $178,621 | | | | 57.7% | $82,172 | -37.8% | $110,933 | -31.6% | $139,693 | -27.9% | 70.0% |
| **Survey Averages** | **$55,628** | **$69,763** | **$85,142** | | | | **51.97%** | $49,351 | -12.72% | $63,611 | -9.67% | $77,871 | -9.34% | 57.79% |

# SECTION 5.0
# Salary Survey Detail

# Salary Survey Results for ALBEMARLE CHARLOTTESVILLE REGIONAL JAIL

## Corrections Captain

**Descrip**

**Quals**

| Respondent | MatchingTitle | Match | Min | Mid | Max | Range Width | Exempt | Avg Pay | Actual Pay |
|---|---|---|---|---|---|---|---|---|---|
| STATE OF VIRGINIA/VA DEPT OF CORRECTIONS | Corrections Captain | Good | $48,821 | $70,275 | $91,729 | 87.9% | | | |
| CENTRAL VIRGINIA REGIONAL JAIL | Captain | Good | $62,118 | | | | | | |
| PIEDMONT REGIONAL JAIL | Captain | Good | $62,363 | $74,836 | $87,308 | 40.0% | | | |
| MIDDLE RIVER REGIONAL JAIL | Lieutenant-Community Corrections | Good | $62,810 | $86,364 | $109,918 | 75.0% | | | |
| PAMUNKEY REGIONAL JAIL | Captain | Good | $72,519 | $100,983 | $129,447 | 78.5% | | | |
| NORTHWESTERN REIONAL ADULT DETENTION CENTER | Captain | Good | $73,072 | $95,060 | $117,048 | 60.2% | | | |
| WESTERN TIDEWATER REGIONAL JAIL | Captain | Good | $75,000 | $82,652 | $90,303 | 20.4% | | | |
| ROANOKE COUNTY JAIL | Captain | Good | $75,343 | $84,313 | $93,283 | 23.8% | | | |
| **Average** | | | **$66,506** | **$84,926** | **$102,719** | 54.5% | | | |
| **ALBEMARLE CHARLOTTESVILLE REGIONAL J** | Corrections Captain | | **$60,325** | **$76,914** | **$93,504** | **55.0%** | | | |
| | | **$ Difference** | ($6,181) | ($8,012) | ($9,216) | | | | |
| | | **% Difference** | -10.2% | -10.4% | -9.9% | | | | |

# Salary Survey Results for ALBEMARLE CHARLOTTESVILLE REGIONAL JAIL

## Corrections Corporal

**Descrip**

**Quals**

| Respondent | MatchingTitle | Match | Min | Mid | Max | Range Width | Exempt | Avg Pay | Actual Pay |
|---|---|---|---|---|---|---|---|---|---|
| MIDDLE RIVER REGIONAL JAIL | Jail Officer II | Good | $40,272 | $55,374 | $70,476 | 75.0% | | | |
| PIEDMONT REGIONAL JAIL | Certified Officer | Good | $40,520 | $48,624 | $56,727 | 40.0% | | | |
| WESTERN TIDEWATER REGIONAL JAIL | Corporal | Good | $42,593 | $45,788 | $48,982 | 15.0% | | | |
| PAMUNKEY REGIONAL JAIL | Jail Officer CD 1 - First Class | Good | $44,242 | $61,608 | $78,973 | 78.5% | | | |
| CENTRAL VIRGINIA REGIONAL JAIL | Corporal | Good | $46,359 | | | | | | |
| ROANOKE COUNTY JAIL | Master Deputy Sheriff IV | Good | $48,066 | $55,347 | $62,628 | 30.3% | | | |
| NORTHWESTERN REIONAL ADULT DETENTION CENTER | Correctional Officer III | Good | $50,195 | $65,299 | $80,402 | 60.2% | | | |
| **Average** | | | **$44,607** | **$55,340** | **$66,365** | **48.8%** | | | |
| **ALBEMARLE CHARLOTTESVILLE REGIONAL J** | Corrections Corporal | | **$40,767** | **$51,977** | **$63,188** | **55.0%** | | | |
| | | **$ Difference** | ($3,840) | ($3,362) | ($3,176) | | | | |
| | | **% Difference** | -9.4% | -6.5% | -5.0% | | | | |

# Salary Survey Results for ALBEMARLE CHARLOTTESVILLE REGIONAL JAIL

## Corrections Lieutenant

**Descrip**

**Quals**

| Respondent | MatchingTitle | Match | Min | Mid | Max | Range Width | Exempt | Avg Pay | Actual Pay |
|---|---|---|---|---|---|---|---|---|---|
| PIEDMONT REGIONAL JAIL | Lieutenant | Good | $46,997 | $56,397 | $65,796 | 40.0% | | | |
| STATE OF VIRGINIA/VA DEPT OF CORRECTIONS | Corrections Lieutenant | | $48,173 | $66,574 | $84,974 | 76.4% | | | |
| MIDDLE RIVER REGIONAL JAIL | Lieutenant - NON CDP | Good | $53,600 | $73,700 | $93,800 | 75.0% | | | |
| ROANOKE COUNTY JAIL | Lieutenant | Good | $53,646 | $63,091 | $72,535 | 35.2% | | | |
| CENTRAL VIRGINIA REGIONAL JAIL | First Lieutenant - Dept Supervisor | Good | $59,159 | | | | | | |
| WESTERN TIDEWATER REGIONAL JAIL | Lieutenant | Good | $59,502 | $63,965 | $68,428 | 15.0% | | | |
| NORTHWESTERN REIONAL ADULT DETENTION CENTER | Lieutenant | Good | $63,188 | $82,178 | $101,168 | 60.1% | | | |
| PAMUNKEY REGIONAL JAIL | Lieutenant | Good | $65,692 | $91,476 | $117,260 | 78.5% | | | |
| **Average** | | | **$56,245** | **$71,054** | **$86,280** | 53.4% | | | |
| **ALBEMARLE CHARLOTTESVILLE REGIONAL J** | Corrections Lieutenant | | **$52,456** | **$66,881** | **$81,307** | **55.0%** | | | |
| | | **$ Difference** | ($3,789) | ($4,173) | ($4,973) | | | | |
| | | **% Difference** | -7.2% | -6.2% | -6.1% | | | | |

# Salary Survey Results for ALBEMARLE CHARLOTTESVILLE REGIONAL JAIL

## Corrections Officer I

**Descrip**

**Quals**

| Respondent | MatchingTitle | Match | Min | Mid | Max | Range Width | Exempt | Avg Pay | Actual Pay |
|---|---|---|---|---|---|---|---|---|---|
| FLUVANNA SHERIFF'S DEPARTMENT | Corrections Officer | Good | $35,064 | $36,639 | $38,214 | 9.0% | | | |
| STATE OF VIRGINIA/VA DEPT OF CORRECTIONS | Corrections Officer | Good | $35,064 | $36,639 | $38,214 | 9.0% | | | |
| MIDDLE RIVER REGIONAL JAIL | Jail Officer I - NON CDP | Good | $36,842 | $50,658 | $64,474 | 75.0% | | | |
| PIEDMONT REGIONAL JAIL | New Officer No Training | Good | $38,588 | $46,306 | $54,023 | 40.0% | | | |
| ROANOKE COUNTY JAIL | Deputy Sheriff | Good | $39,221 | $45,088 | $50,955 | 29.9% | | | |
| NORTHWESTERN REIONAL ADULT DETENTION CENTER | Correctional Officer I | Good | $40,867 | $53,082 | $65,297 | 59.8% | | | |
| CENTRAL VIRGINIA REGIONAL JAIL | Officer Certified | Good | $44,147 | | | | | | |
| PAMUNKEY REGIONAL JAIL | Jail Officer | Good | $44,242 | $61,608 | $78,973 | 78.5% | | | |
| **Average** | | | **$39,254** | **$47,146** | **$55,736** | 42.0% | | | |
| **ALBEMARLE CHARLOTTESVILLE REGIONAL J** | Corrections Officer I | | **$34,009** | **$47,102** | **$60,196** | **77.0%** | | | |
| | | **$ Difference** | ($5,245) | ($43) | $4,460 | | | | |
| | | **% Difference** | -15.4% | -0.1% | 7.4% | | | | |

# Salary Survey Results for ALBEMARLE CHARLOTTESVILLE REGIONAL JAIL

## Corrections Sergeant

**Descrip**

**Quals**

| Respondent | MatchingTitle | Match | Min | Mid | Max | Range Width | Exempt | Avg Pay | Actual Pay |
|---|---|---|---|---|---|---|---|---|---|
| STATE OF VIRGINIA/VA DEPT OF CORRECTIONS | Corrections Sergeant | Good | $40,347 | $59,570 | $78,792 | 95.3% | ☐ | | |
| MIDDLE RIVER REGIONAL JAIL | Jail Officer III - CDP | Good | $44,300 | $60,913 | $77,525 | 75.0% | ☐ | | |
| ROANOKE COUNTY JAIL | Sergeant | Good | $48,066 | $55,347 | $62,628 | 30.3% | ☐ | | |
| WESTERN TIDEWATER REGIONAL JAIL | Corrections Sergeant | Good | $51,048 | $54,877 | $58,705 | 15.0% | ☐ | | |
| CENTRAL VIRGINIA REGIONAL JAIL | Sergeant | Good | $51,107 | | | | ☐ | | |
| NORTHWESTERN REIONAL ADULT DETENTION CENTER | Sergeant | Good | $55,637 | $72,295 | $88,953 | 59.9% | ☐ | | |
| PAMUNKEY REGIONAL JAIL | Sergeant | Good | $56,637 | $78,867 | $101,097 | 78.5% | ☐ | | |
| PIEDMONT REGIONAL JAIL | Sergeant | Good | $57,131 | $68,557 | $79,983 | 40.0% | ☐ | | |
| **Average** | | | **$50,534** | **$64,346** | **$78,240** | 54.8% | | | |
| **ALBEMARLE CHARLOTTESVILLE REGIONAL J** | Corrections Sergeant | | **$46,014** | **$58,668** | **$71,322** | **55.0%** | | | |
| | | **$ Difference** | ($4,520) | ($5,679) | ($6,919) | | | | |
| | | **% Difference** | -9.8% | -9.7% | -9.7% | | | | |

# Salary Survey Results for ALBEMARLE CHARLOTTESVILLE REGIONAL JAIL

## Deputy Sheriff

**Descrip**

**Quals**

| Respondent | MatchingTitle | Match | Min | Mid | Max | Range Width | Exempt | Avg Pay | Actual Pay |
|---|---|---|---|---|---|---|---|---|---|
| FLUVANNA SHERIFF'S DEPARTMENT | | Good | $49,008 | $61,261 | $73,513 | 50.0% | ☐ | | |
| SPOTSYLVANIA SHERIFF'S DEPARTMENT | Deputy LEO | Good | $49,071 | $66,246 | $83,421 | 70.0% | ☐ | | |
| **Average** | | | **$49,040** | **$63,753** | **$78,467** | 60.0% | | | |

# Salary Survey Results for ALBEMARLE CHARLOTTESVILLE REGIONAL JAIL

## Executive Assistant/Payroll Assistant

**Descrip**

**Quals**

| Respondent | MatchingTitle | Match | Min | Mid | Max | Range Width | Exempt | Avg Pay | Actual Pay |
|---|---|---|---|---|---|---|---|---|---|
| MIDDLE RIVER REGIONAL JAIL | Office Services Assistant | Good | $32,000 | $44,000 | $56,000 | 75.0% | | | |
| FLUVANNA SHERIFF'S DEPARTMENT | Human Resource Analyst I | Good | $37,042 | $47,414 | $57,786 | 56.0% | | | |
| STATE OF VIRGINIA/VA DEPT OF CORRECTIONS | Financial Services Spec I | Good | $37,042 | $45,295 | $53,548 | 44.6% | | | |
| PAMUNKEY REGIONAL JAIL | Executive Secretary | Good | $38,150 | $53,124 | $68,098 | 78.5% | | | |
| WESTERN TIDEWATER REGIONAL JAIL | Payroll Officer | Good | $42,593 | $45,788 | $48,982 | 15.0% | | | |
| ROANOKE COUNTY JAIL | Payroll Technician | Good | $44,362 | $54,051 | $63,739 | 43.7% | | | |
| NORTHWESTERN REIONAL ADULT DETENTION CENTER | Administrative Assistant | Good | $44,865 | $58,302 | $71,739 | 59.9% | | | |
| CENTRAL VIRGINIA REGIONAL JAIL | Administrative Assistant | Good | $46,539 | | | | | | |
| **Average** | | | **$40,324** | **$49,710** | **$59,985** | 48.8% | | | |
| **ALBEMARLE CHARLOTTESVILLE REGIONAL J** | Executive Assistant/Payroll Assistant | | **$37,176** | **$46,842** | **$56,508** | **52.0%** | | | |
| | | **$ Difference** | ($3,148) | ($2,868) | ($3,477) | | | | |
| | | **% Difference** | -8.5% | -6.1% | -6.2% | | | | |

# Salary Survey Results for ALBEMARLE CHARLOTTESVILLE REGIONAL JAIL

## Finance Manager

**Descrip**

**Quals**

| Respondent | MatchingTitle | Match | Min | Mid | Max | Range Width | Exempt | Avg Pay | Actual Pay |
|---|---|---|---|---|---|---|---|---|---|
| ROANOKE COUNTY JAIL | Finance Manager | Good | $59,030 | $77,477 | $95,923 | 62.5% | | | |
| STATE OF VIRGINIA/VA DEPT OF CORRECTIONS | Financial Serv Manager | Good | $63,219 | $84,106 | $104,993 | 66.1% | | | |
| CENTRAL VIRGINIA REGIONAL JAIL | Finance Director | Good | $75,493 | | | | | | |
| PAMUNKEY REGIONAL JAIL | Director of Finance | Good | $75,519 | $102,483 | $129,447 | 71.4% | | | |
| PIEDMONT REGIONAL JAIL | Administrative Assistant | Good | $76,556 | $91,867 | $107,178 | 40.0% | | | |
| MIDDLE RIVER REGIONAL JAIL | Director of Finance | Good | $87,400 | $120,175 | $152,950 | 75.0% | | | |
| **Average** | | | **$72,870** | **$95,222** | **$118,098** | 62.1% | | | |
| **ALBEMARLE CHARLOTTESVILLE REGIONAL J** | Finance Manager | | **$73,695** | **$95,804** | **$117,912** | **60.0%** | | | |
| | | **$ Difference** | $826 | $582 | ($186) | | | | |
| | | **% Difference** | 1.1% | 0.6% | -0.2% | | | | |

# Salary Survey Results for ALBEMARLE CHARLOTTESVILLE REGIONAL JAIL

## Food Services Supervisor

**Descrip**

**Quals**

| Respondent | MatchingTitle | Match | Min | Mid | Max | Range Width | Exempt | Avg Pay | Actual Pay |
|---|---|---|---|---|---|---|---|---|---|
| FLUVANNA SHERIFF'S DEPARTMENT | Food Operations Supervisor | Good | $33,160 | $42,445 | $51,730 | 56.0% | ☐ | | |
| STATE OF VIRGINIA/VA DEPT OF CORRECTIONS | Food Operations Supervisor | Good | $33,160 | $34,965 | $51,730 | 56.0% | ☐ | | |
| PAMUNKEY REGIONAL JAIL | Food Service Assistant | Good | $36,322 | $50,579 | $64,836 | 78.5% | ☐ | | |
| CENTRAL VIRGINIA REGIONAL JAIL | Food Services/Dept Supervisor | Good | $53,660 | | | | ☐ | | |
| **Average** | | | **$39,076** | **$42,663** | **$56,099** | 43.6% | | | |
| **ALBEMARLE CHARLOTTESVILLE REGIONAL J** | Food Services Supervisor | | **$31,058** | **$38,823** | **$46,587** | **50.0%** | | | |
| | | **$ Difference** | ($8,018) | ($3,841) | ($9,512) | | | | |
| | | **% Difference** | -25.8% | -9.9% | -20.4% | | | | |

# Salary Survey Results for ALBEMARLE CHARLOTTESVILLE REGIONAL JAIL

## Human Resources and Payroll Director

**Descrip**

**Quals**

| Respondent | MatchingTitle | Match | Min | Mid | Max | Range Width | Exempt | Avg Pay | Actual Pay |
|---|---|---|---|---|---|---|---|---|---|
| STATE OF VIRGINIA/VA DEPT OF CORRECTIONS | Human Resource Manager II | Good | $63,219 | $87,476 | $111,732 | 76.7% | ☐ | | |
| ROANOKE COUNTY JAIL | HR Manager | Good | $63,834 | $83,782 | $103,730 | 62.5% | ☐ | | |
| PIEDMONT REGIONAL JAIL | Human Resources | Good | $69,435 | $83,322 | $97,209 | 40.0% | ☐ | | |
| PAMUNKEY REGIONAL JAIL | Human Resources Manager | Good | $72,519 | $100,983 | $129,447 | 78.5% | ☐ | | |
| WESTERN TIDEWATER REGIONAL JAIL | HR Manager | Good | $76,411 | $82,142 | $87,873 | 15.0% | ☐ | | |
| **Average** | | | **$69,084** | **$87,541** | **$105,998** | 53.4% | | | |
| **ALBEMARLE CHARLOTTESVILLE REGIONAL J** | Human Resources and Payroll Director | | **$60,325** | **$76,914** | **$93,504** | **55.0%** | | | |
| | | **$ Difference** | ($8,759) | ($10,627) | ($12,494) | | | | |
| | | **% Difference** | -14.5% | -13.8% | -13.4% | | | | |

# Salary Survey Results for ALBEMARLE CHARLOTTESVILLE REGIONAL JAIL

## Licensed Practical Nurse

**Descrip**

**Quals**

| Respondent | MatchingTitle | Match | Min | Mid | Max | Range Width | Exempt | Avg Pay | Actual Pay |
|---|---|---|---|---|---|---|---|---|---|
| STATE OF VIRGINIA/VA DEPT OF CORRECTIONS | Licensed Practical Nurse | Good | $28,354 | $39,342 | $50,330 | 77.5% | ☐ | | |
| WESTERN TIDEWATER REGIONAL JAIL | LPN | Good | $38,563 | $44,988 | $51,413 | 33.3% | ☐ | | |
| FLUVANNA SHERIFF'S DEPARTMENT | Licensed Practical Nurse | Good | $47,250 | $57,611 | $67,971 | 43.9% | ☐ | | |
| MIDDLE RIVER REGIONAL JAIL | Nurse - LPN | Good | $48,203 | $57,241 | $66,279 | 37.5% | ☐ | | |
| NORTHWESTERN REIONAL ADULT DETENTION CENTER | Correctional Nurse I | Good | $50,195 | $65,299 | $80,402 | 60.2% | ☐ | | |
| CENTRAL VIRGINIA REGIONAL JAIL | LPN | Good | $56,339 | | | | ☐ | | |
| **Average** | | | **$44,817** | **$52,896** | **$63,279** | 41.2% | | | |
| **ALBEMARLE CHARLOTTESVILLE REGIONAL J** | Licensed Practical Nurse | | **$40,767** | **$51,977** | **$63,188** | **55.0%** | | | |
| | | **$ Difference** | ($4,051) | ($919) | ($91) | | | | |
| | | **% Difference** | -9.9% | -1.8% | -0.1% | | | | |

# Salary Survey Results for ALBEMARLE CHARLOTTESVILLE REGIONAL JAIL

## Records Supervisor

**Descrip**

**Quals**

| Respondent | MatchingTitle | Match | Min | Mid | Max | Range Width | Exempt | Avg Pay | Actual Pay |
|---|---|---|---|---|---|---|---|---|---|
| PIEDMONT REGIONAL JAIL | Mail/Inmate Property/Transportation | Good | $46,997 | $56,397 | $65,796 | 40.0% | ☐ | | |
| MIDDLE RIVER REGIONAL JAIL | Records Supervisor | Good | $48,730 | $67,004 | $85,278 | 75.0% | ☐ | | |
| PAMUNKEY REGIONAL JAIL | Records & Classification Supervisor | Good | $51,322 | $71,466 | $91,610 | 78.5% | ☐ | | |
| CENTRAL VIRGINIA REGIONAL JAIL | LIDS/Records Dept Supervisor | Good | $53,660 | | | | ☐ | | |
| NORTHWESTERN REIONAL ADULT DETENTION CENTER | LIDS Tech/Records Supv | Good | $55,637 | $72,295 | $88,953 | 59.9% | ☐ | | |
| **Average** | | | **$51,269** | **$66,790** | **$82,909** | 61.7% | | | |
| **ALBEMARLE CHARLOTTESVILLE REGIONAL J** | Records Supervisor | | **$40,767** | **$51,977** | **$63,188** | **55.0%** | | | |
| | | **$ Difference** | ($10,503) | ($14,813) | ($19,721) | | | | |
| | | **% Difference** | -25.8% | -28.5% | -31.2% | | | | |

# Salary Survey Results for ALBEMARLE CHARLOTTESVILLE REGIONAL JAIL

## Records Technician

**Descrip**

**Quals**

| Respondent | MatchingTitle | Match | Min | Mid | Max | Range Width | Exempt | Avg Pay | Actual Pay |
|---|---|---|---|---|---|---|---|---|---|
| PIEDMONT REGIONAL JAIL | Records Clerk | Good | $27,300 | $32,760 | $38,220 | 40.0% | | | |
| ROANOKE COUNTY JAIL | Records Technician I | Good | $30,794 | $37,519 | $44,244 | 43.7% | | | |
| NORTHWESTERN REIONAL ADULT DETENTION CENTER | Records Clerk | Good | $32,760 | $42,533 | $52,306 | 59.7% | | | |
| PAMUNKEY REGIONAL JAIL | Records Clerk | Good | $32,898 | $45,811 | $58,723 | 78.5% | | | |
| MIDDLE RIVER REGIONAL JAIL | Inmate Records Technician | Good | $33,000 | $45,375 | $57,750 | 75.0% | | | |
| CENTRAL VIRGINIA REGIONAL JAIL | Records Clerk | Good | $42,046 | | | | | | |
| **Average** | | | **$33,133** | **$40,800** | **$50,249** | 51.7% | | | |
| **ALBEMARLE CHARLOTTESVILLE REGIONAL J** | Records Technician | | **$31,058** | **$38,823** | **$46,587** | **50.0%** | | | |
| | | **$ Difference** | ($2,075) | ($1,977) | ($3,662) | | | | |
| | | **% Difference** | -6.7% | -5.1% | -7.9% | | | | |

# Salary Survey Results for ALBEMARLE CHARLOTTESVILLE REGIONAL JAIL

## Registered Nurse

**Descrip**

**Quals**

| Respondent | MatchingTitle | Match | Min | Mid | Max | Range Width | Exempt | Avg Pay | Actual Pay |
|---|---|---|---|---|---|---|---|---|---|
| WESTERN TIDEWATER REGIONAL JAIL | Director of Nursing | Good | $59,439 | $67,580 | $75,720 | 27.4% | ☐ | | |
| MIDDLE RIVER REGIONAL JAIL | Nurse - RN | Good | $60,117 | $82,661 | $105,205 | 75.0% | ☐ | | |
| STATE OF VIRGINIA/VA DEPT OF CORRECTIONS | Registered Nurse Manager II | Good | $63,219 | $82,543 | $101,867 | 61.1% | ☐ | | |
| FLUVANNA SHERIFF'S DEPARTMENT | Registered Nurse Supervisor | Good | $67,452 | $80,508 | $93,563 | 38.7% | ☐ | | |
| CENTRAL VIRGINIA REGIONAL JAIL | RN - Dept Supervisor | Good | $71,899 | | | | ☐ | | |
| **Average** | | | **$64,425** | **$78,323** | **$94,089** | 46.0% | | | |
| **ALBEMARLE CHARLOTTESVILLE REGIONAL J** | Registered Nurse | | **$60,325** | **$76,914** | **$93,504** | **55.0%** | | | |
| | | **$ Difference** | ($4,100) | ($1,408) | ($585) | | | | |
| | | **% Difference** | -6.8% | -1.8% | -0.6% | | | | |

# Salary Survey Results for ALBEMARLE CHARLOTTESVILLE REGIONAL JAIL

## Superintendent

**Descrip**

**Quals**

| Respondent | MatchingTitle | Match | Min | Mid | Max | Range Width | Exempt | Avg Pay | Actual Pay |
|---|---|---|---|---|---|---|---|---|---|
| PIEDMONT REGIONAL JAIL | Superintendent | Good | | | | | ☐ | | |
| NORTHWESTERN REIONAL ADULT DETENTION CENTER | Superintendent | Good | $106,050 | $152,089 | $198,128 | 86.8% | ☐ | | |
| MIDDLE RIVER REGIONAL JAIL | Superintendent | Good | $115,000 | $158,125 | $201,250 | 75.0% | ☐ | | |
| WESTERN TIDEWATER REGIONAL JAIL | Superintendent | Good | $118,683 | $127,585 | $136,486 | 15.0% | ☐ | | |
| **Average** | | | **$113,244** | **$145,933** | **$178,621** | 57.7% | | | |
| **ALBEMARLE CHARLOTTESVILLE REGIONAL J** | Superintendent | | **$82,172** | **$110,933** | **$139,693** | **70.0%** | | | |
| | | **$ Difference** | ($31,072) | ($35,000) | ($38,928) | | | | |
| | | **% Difference** | -37.8% | -31.6% | -27.9% | | | | |

**DRAFT**

# Albemarle Charlottesville Regional Jail

## Pay Plan:» Unified

**Grade**

| | Step 1 | Step 2 | Step 3 | Step 4 | Step 5 | Step 6 | Step 7 | Step 8 | Step 9 | Step 10 | Step 11 | Step 12 | Step 13 | Step 1 4 | Step 15 | Step 16 | Step 17 | Step 18 | Step 19 | Step 20 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **101** | 30,625 | 31,525 | 32,451 | 33,405 | 34,386 | 35,397 | 36,437 | 37,508 | 38,610 | 39,744 | 40,912 | 42,114 | 43,352 | 44,626 | 45,937 | | | | | |
| **102** | 32,156 | 33,101 | 34,074 | 35,075 | 36,106 | 37,167 | 38,259 | 39,383 | 40,540 | 41,732 | 42,958 | 44,220 | 45,520 | 46,857 | 48,234 | | | | | |
| **103** | 33,764 | 34,756 | 35,778 | 36,829 | 37,911 | 39,025 | 40,172 | 41,352 | 42,567 | 43,818 | 45,106 | 46,431 | 47,796 | 49,200 | 50,646 | | | | | |
| **104** | 35,452 | 36,494 | 37,566 | 38,670 | 39,807 | 40,976 | 42,180 | 43,420 | 44,696 | 46,009 | 47,361 | 48,753 | 50,185 | 51,660 | 53,178 | | | | | |
| **105** | 37,225 | 38,319 | 39,445 | 40,604 | 41,797 | 43,025 | 44,289 | 45,591 | 46,930 | 48,310 | 49,729 | 51,190 | 52,695 | 54,243 | 55,837 | | | | | |
| **106** | 39,086 | 40,235 | 41,417 | 42,634 | 43,887 | 45,176 | 46,504 | 47,870 | 49,277 | 50,725 | 52,216 | 53,750 | 55,329 | 56,955 | 58,629 | | | | | |
| **107** | 41,040 | 42,246 | 43,488 | 44,766 | 46,081 | 47,435 | 48,829 | 50,264 | 51,741 | 53,261 | 54,826 | 56,437 | 58,096 | 59,803 | 61,561 | | | | | |
| **108** | 43,092 | 44,359 | 45,662 | 47,004 | 48,385 | 49,807 | 51,271 | 52,777 | 54,328 | 55,924 | 57,568 | 59,259 | 61,001 | 62,793 | 64,639 | | | | | |
| **109** | 45,247 | 46,577 | 47,945 | 49,354 | 50,804 | 52,297 | 53,834 | 55,416 | 57,044 | 58,721 | 60,446 | 62,222 | 64,051 | 65,933 | 67,871 | | | | | |
| **110** | 47,509 | 48,905 | 50,343 | 51,822 | 53,345 | 54,912 | 56,526 | 58,187 | 59,897 | 61,657 | 63,468 | 65,333 | 67,253 | 69,229 | 71,264 | | | | | |
| **111** | 49,885 | 51,351 | 52,860 | 54,413 | 56,012 | 57,658 | 59,352 | 61,096 | 62,891 | 64,739 | 66,642 | 68,600 | 70,616 | 72,691 | 74,827 | | | | | |
| **112** | 52,379 | 53,918 | 55,503 | 57,134 | 58,812 | 60,541 | 62,320 | 64,151 | 66,036 | 67,976 | 69,974 | 72,030 | 74,147 | 76,325 | 78,569 | | | | | |
| **113** | 54,998 | 56,614 | 58,278 | 59,990 | 61,753 | 63,568 | 65,436 | 67,358 | 69,338 | 71,375 | 73,473 | 75,632 | 77,854 | 80,142 | 82,497 | | | | | |
| **114** | 57,748 | 59,445 | 61,192 | 62,990 | 64,841 | 66,746 | 68,707 | 70,726 | 72,805 | 74,944 | 77,146 | 79,413 | 81,747 | 84,149 | 86,622 | | | | | |
| **115** | 60,635 | 62,417 | 64,251 | 66,139 | 68,083 | 70,083 | 72,143 | 74,263 | 76,445 | 78,691 | 81,003 | 83,384 | 85,834 | 88,356 | 90,953 | | | | | |
| **116** | 63,667 | 65,538 | 67,464 | 69,446 | 71,487 | 73,588 | 75,750 | 77,976 | 80,267 | 82,626 | 85,054 | 87,553 | 90,126 | 92,774 | 95,501 | | | | | |
| **117** | 66,851 | 68,815 | 70,837 | 72,919 | 75,061 | 77,267 | 79,537 | 81,875 | 84,280 | 86,757 | 89,306 | 91,931 | 94,632 | 97,413 | 100,276 | | | | | |
| **118** | 70,193 | 72,256 | 74,379 | 76,564 | 78,814 | 81,130 | 83,514 | 85,968 | 88,494 | 91,095 | 93,772 | 96,527 | 99,364 | 102,283 | 105,290 | | | | | |
| **119** | 73,703 | 75,868 | 78,098 | 80,393 | 82,755 | 85,187 | 87,690 | 90,267 | 92,919 | 95,650 | 98,460 | 101,353 | 104,332 | 107,397 | 110,554 | | | | | |
| **120** | 77,388 | 79,662 | 82,003 | 84,412 | 86,893 | 89,446 | 92,074 | 94,780 | 97,565 | 100,432 | 103,383 | 106,421 | 109,548 | 112,767 | 116,082 | | | | | |
| **121** | 81,257 | 83,645 | 86,103 | 88,633 | 91,237 | 93,918 | 96,678 | 99,519 | 102,443 | 105,454 | 108,552 | 111,742 | 115,026 | 118,406 | 121,886 | | | | | |
| **122** | 85,320 | 87,827 | 90,408 | 93,065 | 95,799 | 98,614 | 101,512 | 104,495 | 107,566 | 110,726 | 113,980 | 117,329 | 120,777 | 124,326 | 127,980 | | | | | |
| **123** | 89,586 | 92,219 | 94,928 | 97,718 | 100,589 | 103,545 | 106,588 | 109,720 | 112,944 | 116,263 | 119,679 | 123,196 | 126,816 | 130,542 | 134,379 | | | | | |
| **124** | 94,065 | 96,830 | 99,675 | 102,604 | 105,619 | 108,722 | 111,917 | 115,206 | 118,591 | 122,076 | 125,663 | 129,356 | 133,157 | 137,069 | 141,098 | | | | | |
| **125** | 98,769 | 101,671 | 104,659 | 107,734 | 110,900 | 114,158 | 117,513 | 120,966 | 124,521 | 128,180 | 131,946 | 135,823 | 139,814 | 143,923 | 148,153 | | | | | |
| **126** | 103,707 | 106,755 | 109,891 | 113,121 | 116,445 | 119,866 | 123,389 | 127,014 | 130,747 | 134,589 | 138,543 | 142,614 | 146,805 | 151,119 | 155,561 | | | | | |
| **127** | 108,892 | 112,092 | 115,386 | 118,777 | 122,267 | 125,860 | 129,558 | 133,365 | 137,284 | 141,318 | 145,471 | 149,745 | 154,145 | 158,675 | 163,339 | | | | | |
| **128** | 114,337 | 117,697 | 121,155 | 124,715 | 128,380 | 132,153 | 136,036 | 140,033 | 144,148 | 148,384 | 152,744 | 157,232 | 161,853 | 166,609 | 171,506 | | | | | |
| **129** | 120,054 | 123,582 | 127,213 | 130,951 | 134,799 | 138,760 | 142,838 | 147,035 | 151,356 | 155,803 | 160,381 | 165,094 | 169,945 | 174,939 | 180,081 | | | | | |
| **130** | 126,057 | 129,761 | 133,574 | 137,499 | 141,539 | 145,698 | 149,980 | 154,387 | 158,923 | 163,593 | 168,400 | 173,349 | 178,443 | 183,686 | 189,085 | | | | | |
| **131** | 132,359 | 136,249 | 140,252 | 144,374 | 148,616 | 152,983 | 157,479 | 162,106 | 166,869 | 171,773 | 176,820 | 182,016 | 187,365 | 192,870 | 198,539 | | | | | |
| **132** | 138,977 | 143,061 | 147,265 | 151,592 | 156,047 | 160,632 | 165,353 | 170,211 | 175,213 | 180,362 | 185,661 | 191,117 | 196,733 | 202,514 | 208,466 | | | | | |
| **133** | 145,926 | 150,214 | 154,628 | 159,172 | 163,849 | 168,664 | 173,620 | 178,722 | 183,974 | 189,380 | 194,945 | 200,673 | 206,570 | 212,640 | 218,889 | | | | | |
| **134** | 153,223 | 157,725 | 162,360 | 167,131 | 172,042 | 177,097 | 182,301 | 187,658 | 193,172 | 198,849 | 204,692 | 210,707 | 216,898 | 223,272 | 229,834 | | | | | |

## *SECTION 9.0*
## *Implementation Cost Report*

**DRAFT**

## Report Settings

Report Name: Implementation Report 1

- [ ] Summary Only
- [x] Show Department Summary
- [ ] Show Pay Plan Summary
- [x] Show Grand Totals Summary

Print As Plan Type: Step or Step/Open

Increment Current Step by: 0

**Calculation Parameters**

| | | |
|---|---|---|
| Set Years to Reach Grade Market to | 7 | # Adjustments |
| Set Years to Reach Grade Maximum to | 25 | 1 |
| Set Maximum Adjustment to the Range | Maximum | |
| Set Alowable Experience Days Using | Promotion Date | |
| Set Maximum Years of Service Cap to | 100 | year(s) of service |
| Calculate Adj. Above Min after the first | 1 | year(s) of service |
| Include Organizational Experience adj | ☐ | Include Stipends ☐ |
| Allow 1 additional day adjustment for | 0 | Day(s) Organization Experience |

Implementation: 7/1/2022

**Flat Percent AdjustmentManagement**

Calculate a Flat % Adjustment of 2 %

Calculate % Using Current Salary ☑

Apply Flat % Adjustment

- (●) Before Min Adj
- ( ) After Step
- ( ) After Min Adj
- ( ) After OrgExp
- ( ) After Market
- ( ) After Assigment
- ( ) After Max

Standard Annual Work Days 260

Standard Annual Work Hours 2080

Standard Hours / Day 8

Proposed Pay Plan Unified

Dep't Name: ACRJ Dep't Code: ACRJ

Unit Name: Unit Code:

| Original | Class | | Grade | | | | Step | FTE | Experience: Hire Date | Experience: Promotion | Salary | Adjustments: Flat % | Adjustments: Mkt | Adjustments: Step | Adjustments: % Chg | Compa Ratio | Position # |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Proposed | Title | Code | Min | Mkt | Max | # | | Duty | Exper.Date | Days All'd | | Min | Max | OrgExp | Asgn | | Employee Name |

Summary for ACRJ

| | | | | | |
|---|---|---|---|---|---|
| Current Payroll | | $7,437,187 | # Positions | 129 | |
| Flat 2% Adjustment | $145,496 | | # Positions Adjusted (any type) | 128 | # Not Adj 1 |
| Adjustment To Minimum | $189,693 | | # Adjusted To Minimum | 44 | |
| Adjustment To Market | $0 | | # Adjusted To Market | 0 | |
| Equity Adjustment | $274,627 | | # Equity Adjusted | 74 | |
| Adjustment To Step | $105,098 | | # Adjusted To Step | 128 | |
| OrgExp Adjustment | $0 | | # OrgExp Adjustments | 0 | |
| Stipends / Supplements | $137,296 | | # Assignment | 57 | |
| Total Applied Adjustments | $714,914 | | | | |
| Proposed Payroll | | $8,152,101 | % Change | 9.61% | |

## Summary for Albemarle Charlottesville Regional Jail

| | | | | | |
|---|---|---|---|---|---|
| Current Payroll | $7,437,187 | # Positions | 129 | | |
| Flat 2% Adjustment | $145,496 | # Positions Adjusted (any type) | 128 | # Not Adj | 1 |
| Adjustment To Minimum | $189,693 | # Adjusted To Minimum | 44 | | |
| Adjustment Toward Mkt | $0 | # Adjusted Toward Market | 0 | | |
| Equity Adjustment | $274,627 | # Equity Adjusted | 74 | | |
| Adjustment To Step | $105,098 | # Adjusted To Step | 128 | | |
| OrgExp Adjustment | $0 | # OrgExp Adjustments | 0 | | |
| Stipends / Supplements | $137,296 | # Assignment | 57 | | |
| Total Applied Adjustments | $714,914 | | | | |
| Proposed Payroll | $8,152,101 | % Change in Total Payroll | 9.61% | | |
| FICA Rate: 0 | | | | | |
| Proposed Payroll plus FICA | $8,152,101 | | | | |

# ALBEMARLE-CHARLOTTESVILLE REGIONAL JAIL AUTHORITY PROPOSAL

Sands Anderson

**Sands Anderson PC**
**1111 East Main Street, Post Office Box 1998**
**Richmond, Virginia 23218-1998**

**Daniel M. Siegel**
**DSiegel@sandsanderson.com**
**(804) 783-7219**

**Daniel M. Siegl**
Attorney - Direct: (804) 783-7219
DSiegel@sandsanderson.com

Sands Anderson

RICHMOND | CHRISTIANSBURG | FREDERICKSBURG
MCLEAN | DURHAM | WILLIAMSBURG
SANDS ANDERSON PC

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1111 East Main Street
Post Office Box 1998
Richmond, VA 23218-1998
Main: (804) 648-1636
Fax: (804) 783-7291

April 11, 2022

Colonel Martin Kumer
Superintendent
c/o Albemarle Charlottesville Regional
Jail Authority
160 Peregory Lane,
Charlottesville, Virginia 22902

Diantha McKeel
Chair
c/o Albemarle Charlottesville Regional
Jail Authority
160 Peregory Lane,
Charlottesville, Virginia 22902

**Re: Albemarle-Charlottesville Regional Jail Authority**

Dear Superintendent Kumer and Chair McKeel,

Thank you for allowing us the ability to submit a proposal to act as Bond Counsel to the Albemarle-Charlottesville Regional Jail Authority **(the "Authority")**.

A detailed description of the services our firm would provide in the proposed engagement is included in the attached proposal.

We hope to continue to work with you to assist the Authority in its current legal needs and any future projects. If you need additional information or have any questions, please do not hesitate to contact me.

Respectfully submitted,

Daniel M. Siegel

We have acted as Bond Counsel for numerous regional jail authorities in Virginia, working closely with localities, staff, general counsel to authorities and authority financial advisors on a variety of issues specific to regional jails, including the initial formation, addition of members, the terms of the service agreements, interim financing through bond anticipation notes and grant anticipation notes, assisting in DOC and General Assembly approvals as needed, approvals for design-build options, preparing for and presentations to National Rating Agencies (S&P, Moody's and Fitch), preparing documentation for public financings, direct bank financings and State agency financings (VRA) and continuing representation on issues involving private activity bond considerations, SEC and IRS issues, EMMA disclosures and agreements with Federal agencies for housing prisoners.

We have acted as bond counsel over the last 25 years for numerous interim, grant, permanent, refunding and expansion financings, such as (i) $100 million grant anticipation and revenue bond issue for Southwest Virginia Regional Jail Authority – a multi-jurisdictional authority with 3 separate facilities and 10 member localities (the counties of Buchanan, Dickinson, Lee, Russell, Scott, Smyth, Tazewell, Washington, Wise and the city of Norton) – from its inception, helping to negotiate terms of the Service Agreement and various subsequent amendments as additional localities have joined, (ii) $100 million grant anticipation and revenue bond issue for RSW Regional Jail Authority (Warren, Shenandoah and Rappahannock counties), (iii) Piedmont Regional Jail Authority (counties of Buckingham, Cumberland, Lunenburg, Nottoway and Prince Edward), (iv) New River Regional Jail Authority (Counties of Bland, Carroll, Floyd, Giles, Grayson, Pulaski and Wythe and the City of Radford), and (v) Peumansend Creek Regional Jail Authority.

In all of these financings and our continuing representation of these clients, we have worked closely with general counsel to the authority, locality attorneys, jail superintendents, staff and the authority boards to assist with numerous issues, from DOC funding, grant anticipation, rating agencies, private activity bond, structuring of service agreements and bond documents for appropriate financing and related issues.

With constantly changing and challenging reimbursement and operational issues, our approach has been to work closely with the authority team to review and develop the most effective options for jail authority consideration.

The financing team for the Authority would be Daniel M. Siegel, shareholder and immediate past chair of the Government Group (over 30 years of bond counsel experience) and Jesse Bausch, shareholder (over 20 years of bond counsel experience) and Camille S. Dean, bond paralegal (over 20 years of bond counsel experience).

We will also have assistance as needed for tax and securities expertise of other shareholders and counsel of Sands Anderson, including Paul Jacobson who has have more than 20 years of municipal bond expertise and Vivian Seay Giles, formerly County Attorney and County Administrator of Cumberland County and a former board member of Piedmont Regional Jail

Authority (and Masters in Tax from NYU). Detailed information on all of these individuals is included in the attached proposal.

At this time, our engagement would be on an hourly basis since the financing options and issues are still being developed with the Authority and its financial team. Additionally, we are comfortable with our work being billed once a financing is completed and paid as part of costs of issuance. Our hourly rates for bond counsel services (discounted for the Authority) are as follows: $420 – shareholders and senior counsel; $385 for counsel; $285 for associates and $195 for paralegals and clerks.

**SANDS ANDERSON BOND COUNSEL BACKGROUND**

We believe that our firm is particularly well suited to represent the Authority as bond counsel on its financing activities because, having one of the Commonwealth's largest local government practices, we are one of the few bond counsel firms with unique knowledge of general government concerns. We are among the top 10 largest law firms in the Commonwealth and have worked with over forty percent (40%) of Virginia counties and many Virginia cities as well as representing an additional 40 jurisdictions, including Regional Jail Authorities, in special engagements, whether as Bond Counsel, Tax Counsel or in other areas.

We have been involved in over 1,500 financings totaling more than $4 billion in tax exempt and taxable borrowings for localities across the Commonwealth and represent numerous local and regional authorities, regional jail authorities, cities, counties, school district and towns as well as regional and local airport, water, sewer, solid waste and other special authorities. In that capacity we work closely with the locality officials and financial advisors in structuring financings and in preparing credit presentations for national rating agencies to assist in maintaining and as appropriate and upgrading ratings for the governmental entities.

We act as Bond Counsel for Virginia localities, regional authorities and commissions across the Commonwealth, including, Southwest Virginia Regional Jail Authority, RSW Regional Jail Authority, New River Regional Jail Authority, Piedmont Regional Jail Authority, City of Franklin, City of Charlottesville Economic Development Authority, City of Poquoson, City of Radford, City of Martinsville, City of Petersburg, City of Galax, City of Norton, Amherst County, Appomattox County, Campbell County, Caroline County, Essex County, Floyd County, Franklin County, Grayson County, Lancaster County, King George County, Nelson County, Patrick County, Scott County, Warren County, Washington County, Wise County, Town of Chase City, Town of Colonial Beach, Town of Clarksville, Town of Culpeper, Town of Lebanon, Town of Narrows, Town of Pennington Gap, Town of Warrenton, Middle Peninsula Broadband Authority, Winchester Regional Airport Authority, Montgomery Regional Waste Authority, New River Resource Authority, Region 2000 Services Authority and the Virginia Tech/Montgomery Regional Airport Authority.

We currently represent the Commonwealth of Virginia as "disclosure counsel" for the Commonwealth's transportation related bond issues including, but not limited to the Commonwealth Transportation Board and the Virginia Ports Authority in connection with compliance with US Securities matters and have represented the Commonwealth in a recent bond issue for the Dulles-Greenway Toll Road financing.

Our approach is to not only provide experienced "bond counsel" advice, but also advice and counsel on the practical issues involved with a financing, including project planning, regional challenges, scheduling and interim financings, which we believe makes for a more complete representation of the Authority.

We fully understand the scope of work and will provide these services to the Authority. These are the services we provide to our Government clients, along with additional services we make available, including but not limited to the following:

- Assist as needed, with review of amendments to the Authority's Service Agreement and any related documents;

- We will prepare and review preliminary official statements, official statements, and other disclosure documents necessary or appropriate to the authorization, issuance, sale or delivery of interim financing, grant anticipation notes (in expectation of DOC/VA grant funding, and permanent bonds;

- We will advise on federal and state tax and securities law matters and changes thereto, the investment and expenditure of bond proceeds, and the collection, investment and application of monies used to pay debt service on the bonds;

- We will prepare, review or advise the Authority with regards to resolutions, notices and other documents or procedures required in connection with financings;

- We will attend meetings with Authority officials with rating agencies as necessary to assist in obtaining a credit rating for the bonds and will attend bid openings and negotiated sale meetings at the Authority's request;

- After the sale of the bonds, we will prepare and arrange for the preparation of the bonds for execution, shall prepare and oversee the execution of the necessary closing certifications and will establish a time and place for delivery of the bonds to the purchaser. We shall participate in the closing with appropriate Authority officials, at which time the bonds will be delivered, payment will be made for the bonds and we will render, for each issuance, a written legal opinion indicating (i) that the bonds are duly authorized, (ii) that the bonds are validly issued, (iii) that the bonds are enforceable in accordance with their terms, (iv) that the bonds comply with applicable federal, state, and local laws and regulations, and (v) whether interest on the bonds is exempt from federal and Virginia income taxes;

- We will advise on IRS post-issuance compliance and continuing disclosure and EMMA filings to ensure that the Authority meets all requirements of law which may include, but is not limited to, review and re-draft of current Authority policies and procedures, if needed.

Sands Anderson

# About Sands Anderson

*We're here to provide the resources and guidance you need, today and every day.*

Sands Anderson is a midsize law firm that guides clients with united support for their complete legal needs. We work with clients throughout the Mid-Atlantic region who have diverse legal objectives — and desire a thorough, steadfast ally.

OUR CLIENTELE TYPICALLY INCLUDES:

- Businesses
- Individuals
- Government Entities
- Healthcare Organizations
- Insurance Companies

Once you become our client, we will become your lifelong partner. No matter your legal needs and goals, we'll dedicate our full efforts to supporting you and creating the best possible outcomes.

## OUR PHILOSOPHY

We believe that to do our best work we should be more than a legal resource to those we serve. Instead, we're a friend in business who cares just as much for the clients we support as the outcomes we create.

In order to uphold this commitment, we must help each person and organization to look forward, stay on track, and come out ahead — so we work to always prepare and protect them. By diligently supporting our clients and proactively addressing their needs, we can help them navigate unforeseen challenges and address immediate concerns. To do so, we focus on the fundamental importance of working intelligently and efficiently, both for our clients and ourselves. Our adept abilities and agile structure allow us to focus on the right efforts at the right time, and we're not afraid to seize new opportunities as they arise. This flexibility translates to providing our clients with highly responsive service that keeps them cared for and informed.

In every step, we believe in providing lasting value to the clients we serve and the people we hire.

From our open-door policy to our genuine belief in enjoying life, we strive to foster every clients' and employees' success.

## OUR LEGACY

Sands Anderson's roots began in Richmond, Virginia, in 1842, when Alexander Hamilton Sands and John Howard founded our firm. Since then, we've become Richmond's longest continually operating business, and we've enhanced our reach across the Mid-Atlantic region.

Today, our vast capabilities and experienced attorneys enable us to support clients in:

- Maryland
- North Carolina
- Virginia
- Washington, D.C.

While we embrace the value of tradition and history, we further believe that our longevity and advancement are a testament to our proactive culture. Through evolving centuries, industries, and cities, we've learned to be nimble and adapt to changing times — while remaining true to our roots and purpose.

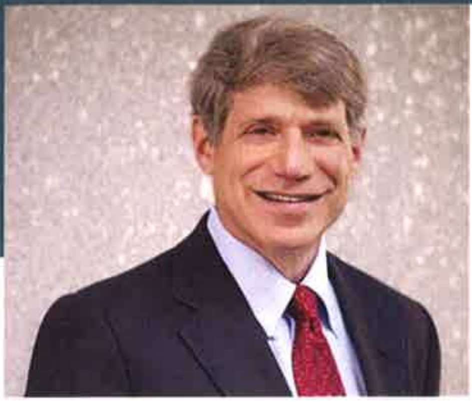
Through this purposeful growth, we've continually served each client as a friend in business — and expanded our abilities and reach to meet their complete legal needs. With each new stage, we've brought an enduring commitment to ethics and a passion for seizing future opportunities. Ultimately, our legacy is the results of our unwavering commitment to support the communities we work in.

In fact, the concept of community pulses throughout our firm. From our founding and through nearly two centuries of growth, we've continued being a dependable partner and resource the community can turn to at any point for shrewd, caring legal support. And as a community advocate, we apply our experiences and passions to help our communities have the resources they need to inspire and thrive.

SandsAnderson.com

RICHMOND
CHRISTIANSBURG
FREDERICKSBURG
MCLEAN
WILLIAMSBURG
DURHAM

Sands Anderson



SHAREHOLDER

# Daniel M. Siegel


RICHMOND, VIRGINIA

DSiegel@SandsAnderson.com
(804) 783-7219


## Practices

Government

Municipal Finance & Bonds

Business & Corporate Transactions

## Industries

Economic Development

Government

Non-Profit & Tax Exempt

Community Associations

Privately Held & Small Business

### EDUCATION

University of Virginia, J.D.

University of Virginia, *magna cum laude*, J.D.

### ADMISSIONS

Virginia

Texas

*Dan Siegel is Group Leader of Sands Anderson's Government practice group, the largest and most experienced governmental law practice group in the Commonwealth.*

Dan also serves as county attorney for a number of counties and as counsel to special authorities throughout Virginia. In his over thirty years of law practice, he has developed a keen understanding of the wide variety of legal issues affecting governments. Some of these include such issues as special tax districts, economic development, non-profit financing and municipal finance.

Dan has served as bond counsel in over 1,500 tax-exempt financings totaling over $4 billion for economic development, utilities, healthcare, housing, traditional governmental, non-profit, university, and other educational facilities. He has also represented underwriters, banks, authorities, cities, towns, counties, school districts, and private users in financings. His broad understanding of the problems facing governments makes his involvement in financings especially unique.

Dan is the author of the Virginia Small Business Financing Act, which created a statewide issuer for Virginia economic development needs. As the initial bond counsel to the Virginia Small Business Financing Authority, Dan worked on hundreds of economic development financings and structured the nation's first multi-jurisdictional umbrella bond financing.

He is active in local government organizations such as the Virginia Association of Counties, Local Government Attorneys of Virginia, Virginia Municipal League and the National Association of Bond Lawyers. Dan is well known for his creative and problem-solving approach to issues presented by his clients.

*Continued*

RICHMOND, VIRGINIA

DSiegel@SandsAnderson.com

(804) 783-7219


## RECOGNITION

AV® Rated for Knowledge and Ethics, Martindale-Hubbell

Virginia Law Foundation Fellows, Class of 2017

"Best Lawyers in America®", 2010 – 2021

Virginia Business magazine "Legal Elite" in Business Law, 2014 – 2020

Distinguished Community Service Award, Jewish Community Federation of Richmond, 2015

## COMMUNITY SERVICE

Beth Sholom Lifecare Community Corporation, Immediate Past Chairman

Special Olympics of Virginia, General Counsel

Jewish Community Federation of Richmond, Past President

## PROFESSIONAL AFFILIATIONS

Virginia Association of Counties

Virginia Municipal League

National Association of Bond Lawyers

Local Government Attorneys of Virginia

American Bar Association, Sections on Taxation, State and Local Government, and Business Law

Richmond Bar Association

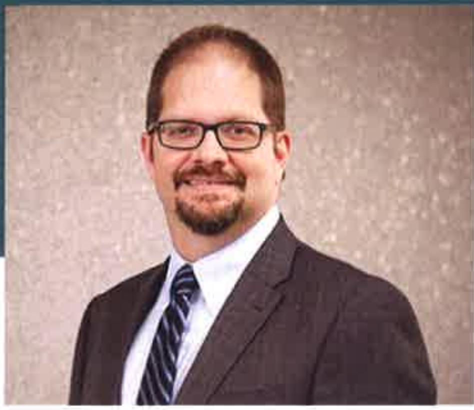
Virginia Bar Association, Sections on Taxation, Local Government, and Business Law

## SPEAKING ENGAGEMENTS

Dan lectures frequently on:

- Special Tax Districts in Virginia
- Infrastructure Financing
- Economic Development
- Legal Ethics for Land Use Lawyers

Sands Anderson



SHAREHOLDER

# F. Jesse Bausch


RICHMOND, VIRGINIA

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(804) 783-7242


## Practices

Business & Corporate Transactions
Government
Municipal Finance & Bonds

## Industries

Non-Profit & Tax Exempt
Economic Development
Government

### EDUCATION

George Mason University School of Law, J.D.

University of Pennsylvania, B.A.

### ADMISSIONS

Virginia
Pennsylvania

### RECOGNITION

Virginia Governor's Screenwriting Competition Winner, 2009

### PROFESSIONAL AFFILIATIONS

Local Government Attorneys of Virginia

National Association of Bond Lawyers

Virginia State Bar

*Jesse Bausch focuses his practice on public finance with an emphasis in the areas of traditional municipal bond issuance, securities law, and state and local government law.*

As a steadfast legal ally, Jesse will work intelligently and efficiently to help protect your legal goals, so you come out ahead. Jesse's principled legal talents equip him to represent issuers in financing through a wide range of projects. From addressing water and wastewater facilities to schools and court facilities, and beyond, he supports each legal step with forethought into his client's unique needs and goals.

Jesse understands the challenges of properly ensuring the public infrastructure required to support retail, commercial and residential development, as well as multifamily or low-income housing transactions. He is very detail-oriented and serves as a thoroughly reliable guide through complicated underwriting, bonding and development matters.

In his spare time, Jesse is also an award-winning comic book writer and screenwriter. His critically acclaimed comic book, Strange Detective Tales, has been optioned for development into a possible animated series or feature film.

### PROFESSIONAL HIGHLIGHTS

- Bond counsel to Virginia Resources Authority in connection with its pooled infrastructure financings, ensuring the bonds are allowed, binding, printed and announced properly
- Underwriter's counsel on federal highway reimbursement financings
- Bond counsel and developer counsel on community development authority financings

Sands Anderson

SHAREHOLDER

# Paul C. Jacobson


DURHAM, NORTH CAROLINA

PJacobson@SandsAnderson.com
(919) 313-0045


## Practices

Government

Municipal Finance & Bonds

## Industries

Economic Development

Government

### EDUCATION

Arizona State University, J.D., 1981

Pomona College, B.A., 1978

### ADMISSIONS

North Carolina

Virginia

Arizona (inactive)

### PROFESSIONAL AFFILIATIONS

National Association of Bond Lawyers

North Carolina State Bar

Virginia State Bar

North Carolina Municipal Attorneys Association

North Carolina Government Finance Officers Association

Local Government Attorneys of Virginia

*Paul C. Jacobson is a member of the firm's Government Group and counsels local governments on general municipal and public finance issues.*

For over 25 years, Paul has brought creative and forward-thinking legal solutions to communities in North Carolina and Virginia. Paul listens to his client's needs in order to understand how to help them look forward, stay on track, and come out ahead.

Paul provides hands-on support to help localities develop comprehensive strategies to finance public projects such as schools, courthouses, water and sewer infrastructure, as well as economic development projects. With each client, Paul looks for inventive solutions to short-term legal needs and long-term community goals. He understands that in order to address specific challenges and concerns he must recognize what's at stake in the community, and therefore relies on in-depth, active conversations to serve each client's unique needs.

Before joining the firm, Paul was associated with the Cooper Center for Public Service at the University of Virginia. While there, he worked on legal and policy issues with a wide variety of local, regional, and state agencies.

### PROFESSIONAL HIGHLIGHTS

- Experience with general obligation, lease revenue, limited obligation and lease purchase borrowings on a tax-exempt basis.
- Offers guidance on tax-exempt and taxable economic development financing.
- Serves as general counsel to localities on public records and open meetings, procurement, land use, real estate and contract issues.

### COMMUNITY SERVICE

Finance Committee and Global Missions Committee, St. Philip's Episcopal Church

Sands
Anderson

COUNSEL

# Vivian Seay Giles


RICHMOND, VIRGINIA

VSeayGiles@SandsAnderson.com
(804) 783-7225


## Practices

Government

Tax

Business Litigation

Municipal Finance & Bonds

## Industries

Government

Privately Held & Small Business

### EDUCATION

New York University, LL.M., Taxation, 1992

College of William and Mary, J.D., 1991

University of Virginia, B.S., 1988

### ADMISSIONS

Virginia Supreme Court

United States Bankruptcy Court Western District of Virginia

United States Bankruptcy Court Eastern District of Virginia

United States Federal District Court Western District of Virginia

### RECOGNITION

Legal Elite, Administrative & Government, Virginia Business magazine, 2019-2020

*Vivian Seay Giles is a steadfast attorney with over 25 years of experience serving her community with legal support.*

Vivian began her career in tax consulting and compliance at a tax law firm and then a Big 5 accounting firm, which started the foundation of her role as a legal professional. Today, she helps local governments, businesses, individuals, and families navigate finance-related legal matters as well as a host of other similar challenges.

As a problem solver, Vivian digs deeply into the nuances and complexities her clients face. Whether she's working with county administrators on budget goals and debt restructuring needs or with families to unravel legal intricacies in their financial matters, she remains a forthright ally.

As she supports each client, Vivian looks from all angles in order to help them address known and unknown roadblocks and opportunities. Her goal is to leave no gaps in their strategies and maximize what's possible. No matter the legal outcomes her clients seek, Vivian helps them unravel the minutiae, create a course of action, and come out ahead.

### PROFESSIONAL AFFILIATIONS

Southern Virginia Food Hub, Member of the Board

Career and Technical Education (CTE) Advisory Board, Virginia Department of Education, Former Member

Civic Engagement Committee, Virginia Local Government Managers Association

Virginia State Bar Local Government Attorneys of Virginia

Virginia Association of Counties Economic Development and Planning Committee

1.) *Do you feel the pace of making the request for government funding has been appropriate?*

The pace of the ACRJ project is determined by the Community Based Corrections Plan (CBCP) timeline and the General Assembly budget process. The process can only be initiated every January. If the January deadline is missed the jurisdiction must wait until the following year, thus delaying the project. While ACRJ Board's public discussions of this project began 18 months ago, the official CBCP timeline begins December 2021 with project completion November 2025.

At this point the amount of funding requested ($49 million) is only an estimated cost and has been discussed at four ACRJ Board meetings (Dec, Jan, Feb, March) allowing for public comment at each meeting. In addition, Col. Martin Kumar and the project consultant presented the project scope and estimated cost to each of the three member jurisdictions (Charlottesville City, Albemarle County and Nelson County) during March and April, which also provided for public comment. At each of these meetings Col. Kumer encouraged the public to reach out for a tour of the jail and offered to return to the jurisdictions to answer any further questions that might arise.

As of today, there is no binding financial commitment by the three jurisdictions or by the ACRJ Board. As explained to the ACRJ Board, Charlottesville City Council, Albemarle County BOS and Nelson County BOS, a final project commitment is not required until late summer/ early fall 2022. The three member jurisdictions anticipate that Col. Kumer will return at that time seeking final approval and a funding commitment for the project. Only after approval by the three member jurisdictions will the ACRJ Board need to provide final approval.

The ACRJ Board decision made in March of 2022 was to adopt a resolution "notifying" the State that the ACRJ will be seeking 25% cost reimbursement providing the project is approved by the local jurisdictions. That necessary step was also explained to the three jurisdictions by Col. Kumer during his last appearance before them.

2.) *Has there been enough opportunity for community input?*

The ACRJ Board hired a community engagement specialist during the summer of 2021. She presented a public engagement plan to the ACRJ Board in July of 2021 which was adopted by the Board. During the summer and early fall of 2021 the local media outlets advertised ACRJ was seeking community input into the renovation and ACRJ hosted 3 community feedback sessions, in-person and via zoom, for the public to learn about the project. In addition, Col Kumar appeared on a local radio station as well as with a local Church to discuss the project. During this time tours of the jail were offered to community members seeking more information about the proposed renovation. In the fall of 2021, Col. Kumer made presentations to the three member jurisdictions explaining the project, the decision making timeline and process. As of April 2022, 13 elected officials from the City, Albemarle and Nelson have toured the facility which also provided an opportunity for a Q & A.

3.) *Does spending $50 million on a jail renovation encourage the use of incarceration in the future as opposed to investing in alternatives?*

No. The current capacity of ACJ will not be expanded. Therefore, it is imperative that the local criminal justice systems continue to use and expand, as appropriate, safe and effective alternatives to incarceration. However, no alternative to incarceration will ever negate the need for a regional jail and the jail is required by law to accept all persons sent to them by the judicial system. Therefore, the jail needs the physical infrastructure and resources necessary to humanly treat and care for members of the community and provide programs to reduce recidivism. The staff who work in the jail and the community members who visit the jail also deserve a safe and healthy environment.

4.) *When will there be more opportunities for public input on specific design questions?*

A robust public engagement process will be developed to provide opportunities for public, staff and inmate input during the design phase of the project which is anticipated for the summer and fall of 2023. This public input phase would happen after the project architect and engineer have been chosen.

5.) *I understand you won't comment specifically on the removal of Cyndra VanClief. Can you answer more generally: does the BOS remove people from Boards over the way they vote on any single issue?*

This question is speculative making it almost impossible to answer.

## Communication with Those Charged with Governance

**To the Honorable Members of the Board**
**Albemarle-Charlottesville Regional Jail Authority**
**Charlottesville, Virginia**

We have audited the financial statements of the business-type activities of Albemarle-Charlottesville Regional Jail Authority for the year ended June 30, 2021. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter dated June 28, 2021. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

*Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Albemarle-Charlottesville Regional Jail Authority are described in Note 2 to the financial statements. As described in Note 17 to the financial statements, the Authority changed accounting policies by adopting Statement of Governmental Accounting Standards (GASB Statement) No. 84, *Fiduciary Activities*. Accordingly, the cumulative effect of the accounting change as of the beginning of the year is reported in the statements of changes in net position. We noted no transactions entered into by the entity during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate(s) affecting the Authority's financial statements was:

> Management's estimate of the estimated lives of capital assets and related depreciation expense and accumulated depreciation are based on management's review and assessment of estimated useful lives of capital assets based on various accounting guidelines related to capital asset lives and depreciation methods. We evaluated the key factors and assumptions used to develop these estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

*Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

*Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate to the financial statements taken as a whole.

*Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

*Management Representations*

We have requested certain representations from management that are included in the management representation letter dated March 9, 2022.

*Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Authority's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

*Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Authority's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

<u>Other Matters</u>

We applied certain limited procedures to the schedules related to pension and OPEB funding, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI. Our responsibility with respect to the budgetary comparison information, which also supplements the basic financial statements, is to evaluate the presentation of the schedules in relation to the financial statements as a whole and to report on whether it is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Matters (Continued)

We were engaged to report on the other supplementary information, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the use of the Board of Directors and management of the Albemarle-Charlottesville Regional Jail Authority and is not intended to be, and should not be, used by anyone other than these specified parties.

Robinson, Farmer, Cox Associates

Charlottesville, Virginia
March 8, 2022

# ALBEMARLE-CHARLOTTESVILLE
# REGIONAL JAIL AUTHORITY

# FINANCIAL REPORT

# YEAR ENDED JUNE 30, 2021

## ALBEMARLE-CHARLOTTESVILLE REGIONAL JAIL AUTHORITY

(A Regional Jail organized and existing pursuant to provisions of Chapter 7.1 of Title 53 of the Code of Virginia (1950), as amended)

### BOARD MEMBERS

| | | |
|---|---|---|
| David Hill | Steven Carter | Cyndra Van Clief |
| Mike Murphy | John E. Harding | James Brwon |
| W. Lawton Tufts | Kathy Johnson-Harris | Doug Walker |
| Wes Bellamy | Diantha McKeel | |

### SUPERINTENDENT

Martin Kumer

### BUSINESS MANAGER

Jeffrey A. Brill

### CLERK OF THE BOARD

Marce B. Anderson

## ALBEMARLE-CHARLOTTESVILLE REGIONAL JAIL AUTHORITY

## FINANCIAL REPORT

## YEAR ENDED JUNE 30, 2021

### Table of Contents

## Independent Auditors' Report

To the Board Members of
Albemarle-Charlottesville Regional Jail Authority
Charlottesville, Virginia

**Report on the Financial Statements**

We have audited the accompanying financial statements of the business-type activities and the aggregate remaining fund information of Albemarle-Charlottesville Regional Jail Authority, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Authority'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 Authorities, Boards, and Commissions,* 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.

### *Opinions*

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities and the aggregate remaining fund information of Albemarle-Charlottesville Regional Jail Authority, 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 17 to the financial statements, in 2021, the Authority adopted new accounting guidance, GASB Statement No. 84, Fiduciary Activities. Our opinion is not modified with respect to this matter.

### *Restatement of Beginning Balances*

As described in Note 17 to the financial statements, in 2021, the Authority restated beginning balances to reflect the requirements of GASB Statement No. 84. 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 schedules related to pension and OPEB funding on pages 36-44 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.

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

*Supplementary and Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Albemarle-Charlottesville Regional Jail Authority's basic financial statements. The other supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements.

*Other Matters: (Continued)*

*Supplementary and Other Information: (Continued)*

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

**Report on Summarized Comparative Information**

We have previously audited Albemarle-Charlottesville Regional Jail Authority's 2020 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated January 28, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2020, is consistent, in all material respects, with the audited financial statements from which it has been derived.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated March 8, 2022, on our consideration of Albemarle-Charlottesville Regional Jail Authority'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 to solely 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 Albemarle-Charlottesville Regional Jail Authority'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 Albemarle-Charlottesville Regional Jail Authority's internal control over financial reporting and compliance.

Robinson, Farmer, Cox Associates

Charlottesville, Virginia
March 8, 2022

- Basic Financial Statements -

**ALBEMARLE-CHARLOTTESVILLE REGIONAL JAIL AUTHORITY**

**Statement of Net Position**
**As of June 30, 2021**
**(With Comparative Amounts for 2020)**

| | 2021 | | | 2020 |
|---|---|---|---|---|
| | Operating | Commissary | Total | Total |
| **Assets** | | | | |
| Current assets: | | | | |
| Cash and cash equivalents | $ 3,404,666 | $ 376,227 | $ 3,780,893 | $ 6,361,057 |
| Restricted cash and cash equivalents | - | - | - | 494,201 |
| Prepaid items | - | - | - | 288 |
| Accounts receivable | 143,976 | - | 143,976 | 41,220 |
| Due from other governments | 953,436 | - | 953,436 | 682,527 |
| Total current assets | $ 4,502,078 | $ 376,227 | $ 4,878,305 | $ 7,579,293 |
| Capital assets: | | | | |
| Capital assets, not being depreciated: | | | | |
| Land | $ 74,947 | $ - | $ 74,947 | $ 74,947 |
| Total capital assets, not being depreciated | $ 74,947 | $ - | $ 74,947 | $ 74,947 |
| Capital assets, being depreciated: | | | | |
| Building and improvements | $ 22,669,202 | $ - | $ 22,669,202 | $ 22,714,752 |
| Equipment | 3,024,522 | - | 3,024,522 | 2,970,984 |
| Vehicles | 324,206 | - | 324,206 | 324,206 |
| Accumulated depreciation | (19,276,516) | - | (19,276,516) | (18,618,356) |
| Total capital assets, being depreciated | $ 6,741,414 | $ - | $ 6,741,414 | $ 7,391,586 |
| Total capital assets | $ 6,816,361 | $ - | $ 6,816,361 | $ 7,466,533 |
| Total assets | $ 11,318,439 | $ 376,227 | $ 11,694,666 | $ 15,045,826 |
| **Deferred Outflows of Resources** | | | | |
| OPEB related items | $ 274,486 | $ - | $ 274,486 | $ 132,679 |
| Pension related items | 2,729,549 | - | 2,729,549 | 1,569,186 |
| Total deferred outflows of resources | $ 3,004,035 | $ - | $ 3,004,035 | $ 1,701,865 |
| Total assets and deferred outflows of resources | $ 14,322,474 | $ 376,227 | $ 14,698,701 | $ 16,747,691 |
| **Liabilities** | | | | |
| Current liabilities: | | | | |
| Accounts payable | $ 336,848 | $ - | $ 336,848 | $ 817,378 |
| Compensation payable | 78,363 | - | 78,363 | 82,015 |
| Compensated absences - current portion | 75,925 | - | 75,925 | 78,436 |
| Accrued interest payable | - | - | - | 56,560 |
| Unearned revenue | 50,000 | - | 50,000 | - |
| Amounts held for others | - | - | - | 494,201 |
| Long-term debt - current portion | - | - | - | 465,712 |
| Total current liabilities | $ 541,136 | $ - | $ 541,136 | $ 1,994,302 |
| Noncurrent liabilities: | | | | |
| Net OPEB liabilities | $ 3,689,567 | $ - | $ 3,689,567 | $ 3,427,310 |
| Compensated absences - net of current portion | 683,328 | - | 683,328 | 705,927 |
| Net pension liability | 3,103,360 | - | 3,103,360 | 998,902 |
| Long-term debt - net of current portion | - | - | - | 2,591,559 |
| Total noncurrent liabilities | $ 7,476,255 | $ - | $ 7,476,255 | $ 7,723,698 |
| Total liabilities | $ 8,017,391 | $ - | $ 8,017,391 | $ 9,718,000 |
| **Deferred Inflows of Resources** | | | | |
| OPEB related items | $ 294,886 | $ - | $ 294,886 | $ 463,259 |
| Pension related items | 196,414 | - | 196,414 | 833,449 |
| Total deferred inflows of resources | $ 491,300 | $ - | $ 491,300 | $ 1,296,708 |
| **Net Position** | | | | |
| Net investment in capital assets | $ 6,816,361 | $ - | $ 6,816,361 | $ 4,409,262 |
| Restricted - inmates | - | 376,227 | 376,227 | 4,189,159 |
| Unrestricted (deficit) | (1,002,578) | - | (1,002,578) | (2,865,438) |
| Total net position | $ 5,813,783 | $ 376,227 | $ 6,190,010 | $ 5,732,983 |
| Total liabilities, deferred inflows of resources and net position | $ 14,322,474 | $ 376,227 | $ 14,698,701 | $ 16,747,691 |

See accompanying notes to financial statements.

ALBEMARLE-CHARLOTTESVILLE REGIONAL JAIL AUTHORITY

**Statement of Revenues, Expenses and Changes in Net Position**
**Year Ended June 30, 2021**
**(With Comparative Amounts for 2020)**

| | 2021 | | | 2020 |
|---|---|---|---|---|
| | Operating | Commissary | Total | Total |
| Operating Revenues: | | | | |
| From local sources: | | | | |
| Charges for services | $ 9,468,434 | $ - | $ 9,468,434 | $ 10,161,375 |
| Miscellaneous | 552,057 | - | 552,057 | 794,247 |
| Commissary sales | - | 276,165 | 276,165 | - |
| Intergovernmental: | | | | |
| Revenue from the Commonwealth | 738,122 | - | 738,122 | 850,480 |
| Total operating revenues | $ 10,758,613 | $ 276,165 | $ 11,034,778 | $ 11,806,102 |
| Operating Expenses: | | | | |
| Compensation and related items | $ 11,665,696 | $ - | $ 11,665,696 | $ 12,058,709 |
| Contractual | 1,101,198 | - | 1,101,198 | 1,481,790 |
| Other charges | 2,500,051 | - | 2,500,051 | 3,079,947 |
| Commissary supplies | - | 210,261 | 210,261 | - |
| Depreciation | 720,275 | - | 720,275 | 752,247 |
| Total operating expenses | $ 15,987,220 | $ 210,261 | $ 16,197,481 | $ 17,372,693 |
| Net operating income (loss) | $ (5,228,607) | $ 65,904 | $ (5,162,703) | $ (5,566,591) |
| Nonoperating Revenues (expenses): | | | | |
| Operating grants: | | | | |
| State | $ 4,868,161 | $ - | $ 4,868,161 | $ 4,933,914 |
| Federal | 63,200 | - | 63,200 | 95,266 |
| Debt service assessments | 431,850 | - | 431,850 | 578,831 |
| Interest income | 18,779 | - | 18,779 | 96,156 |
| Loss on disposal of assets | (58,808) | | (58,808) | - |
| Tower lease | 52,685 | - | 52,685 | 53,945 |
| Interest expense | (71,117) | - | (71,117) | (112,982) |
| Total nonoperating revenues (expenses) | $ 5,304,750 | $ - | $ 5,304,750 | $ 5,645,130 |
| Change in net position | $ 76,143 | $ 65,904 | $ 142,047 | $ 78,539 |
| Net position, beginning of year, as restated | 5,737,640 | 310,323 | 6,047,963 | 5,654,444 |
| Net position, end of year | $ 5,813,783 | $ 376,227 | $ 6,190,010 | $ 5,732,983 |

See accompanying notes to financial statements.

**Statement of Cash Flows**
**Year Ended June 30, 2021**
**(With Comparative Amounts for 2020)**

| | 2021 | | | 2020 |
|---|---|---|---|---|
| | Operating | Commissary | Total | Total |
| Cash flows from operating activities: | | | | |
| Receipts from customers | $ 10,434,948 | $ 276,165 | $ 10,711,113 | $ 11,851,302 |
| Payments to suppliers | (4,081,491) | (210,261) | (4,291,752) | (4,086,100) |
| Payments to and for employees | (11,435,321) | - | (11,435,321) | (12,097,092) |
| Net cash provided by (used for) operating activities | $ (5,081,864) | $ 65,904 | $ (5,015,960) | $ (4,331,890) |
| Cash flows from non-capital financing activities: | | | | |
| Intergovernmental grants | $ 4,931,361 | $ - | $ 4,931,361 | $ 5,029,180 |
| Other | 52,685 | - | 52,685 | 53,945 |
| Net cash provided by (used for) non-capital financing activities | $ 4,984,046 | $ - | $ 4,984,046 | $ 5,083,125 |
| Cash flows from investing activities: | | | | |
| Interest income | $ 18,779 | $ - | $ 18,779 | $ 96,156 |
| Cash flows from capital and related financing activities: | | | | |
| Debt service assessments | $ 431,850 | $ - | $ 431,850 | $ 578,831 |
| Purchase of capital assets | (128,911) | - | (128,911) | (273,911) |
| Disposal of capital assets | 58,808 | - | 58,808 | - |
| Principal payments on long-term debt | (3,057,271) | - | (3,057,271) | - |
| Interest expense | (127,677) | - | (127,677) | (112,982) |
| Net cash provided by (used for) capital and related financing activities | $ (2,882,009) | $ - | $ (2,882,009) | $ 191,938 |
| Net change in cash and cash equivalents | $ (2,961,048) | $ 65,904 | $ (2,895,144) | $ 1,039,329 |
| Cash and cash equivalents, beginning of year, as restated | 6,365,714 | 310,323 | 6,676,037 | 5,321,728 |
| Cash and cash equivalents, end of year | $ 3,404,666 | $ 376,227 | $ 3,780,893 | $ 6,361,057 |
| Reconciliation of operating income (loss) to net cash provided by (used for) operating activities: | | | | |
| Operating income (loss) | $ (5,228,607) | $ 65,904 | $ (5,162,703) | $ (5,566,591) |
| Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities: | | | | |
| Depreciation | 720,275 | - | 720,275 | 752,247 |
| Changes in operating assets and deferred outflows of resources: | | | | |
| Prepaid items | 288 | - | 288 | (288) |
| Accounts receivable | (102,756) | - | (102,756) | 20,867 |
| Due from other governments | (270,909) | - | (270,909) | (32,227) |
| Deferred outflows of resources - pension | (1,160,363) | - | (1,160,363) | (639,572) |
| Deferred outflows of resources - OPEB | (141,807) | - | (141,807) | 45,845 |
| Changes in operating liabilities and deferred inflows of resources: | | | | |
| Accounts payable | (480,530) | - | (480,530) | 475,925 |
| Accrued interest payable | - | - | - | 56,560 |
| Unearned revenue | 50,000 | - | 50,000 | - |
| Net pension liability | 2,104,458 | - | 2,104,458 | 856,976 |
| Net OPEB liabilities | 262,257 | - | 262,257 | (113,284) |
| Deferred inflows of resources - pension | (637,035) | - | (637,035) | (425,830) |
| Deferred inflows of resources - OPEB | (168,373) | - | (168,373) | 254,958 |
| Compensation payable | (3,652) | - | (3,652) | (365) |
| Compensated absences | (25,110) | - | (25,110) | (17,111) |
| Net cash provided by (used for) operating activities | $ (5,081,864) | $ 65,904 | $ (5,015,960) | $ (4,331,890) |

See accompanying notes to financial statements.

ALBEMARLE-CHARLOTTESVILLE REGIONAL JAIL AUTHORITY

FIDUCIARY FUNDS

Statement of Fiduciary Net Position
As of June 30, 2021

| | | Custodial Funds Total |
|---|---|---|
| **Assets** | | |
| Cash and cash equivalents | $ | 189,348 |
| Total assets | $ | 189,348 |
| **Net Position** | | |
| Restricted for inmates | $ | 189,348 |
| Total net position | $ | 189,348 |

See accompanying notes to financial statements.

ALBEMARLE-CHARLOTTESVILLE REGIONAL JAIL AUTHORITY

FIDUCIARY FUNDS

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

| | | Custodial Funds |
|---|---|---|
| **Additions** | | |
| Contributions: | | |
| Inmate deposits | $ | 1,059,572 |
| Interest | | 791 |
| Total additions | $ | 1,060,363 |
| **Deductions** | | |
| Operating Expenses: | | |
| Canteen payments | $ | 712,676 |
| Contractual | | 328,200 |
| Other charges | | 9,085 |
| Toxicology | | 275 |
| Total deductions | $ | 1,050,236 |
| Net increase (decrease) in fiduciary net position | $ | 10,127 |
| Net position, beginning of year, as restated | $ | 179,221 |
| Net position, end of year | $ | 189,348 |

See accompanying notes to financial statements.

## NOTE 1 - FINANCIAL STATEMENT PRESENTATION:

### A. Organization and Purpose:

The Albemarle-Charlottesville Regional Jail Board was created pursuant to a resolution duly adopted by the City Council of the City of Charlottesville on April 9, 1974, and by the Board of Supervisors of Albemarle County on April 18, 1974. The County and City agreed to establish a regional jail known as the Albemarle-Charlottesville Joint Security Complex, pursuant to the provisions of Chapter 7.1 of Title 53 of the Code of Virginia and including provisions to allocate costs of construction and operation. All property shall be held jointly by the City and the County.

Effective November 15, 1995 the Jail Board created the Albemarle-Charlottesville Regional Jail Authority, pursuant to the provisions of Chapter 3, Article 3.1 of Title 53.1 of the Code of Virginia, and transferred all assets, liabilities and operations of the Complex to the Authority. Effective July 1, 1998, Nelson County became a member of the Authority.

### B. Financial Reporting Entity:

The Authority has determined that it is a related organization to Albemarle County, Nelson County, and the City of Charlottesville, in accordance with Governmental Accounting Standards Board. The Authority is a legally separate organization whose eleven Board members are appointed as follows: The Jail Board shall include the County Executive of Albemarle, County Administrator of Nelson, and City Manager of Charlottesville; Sheriffs of the City of Charlottesville, County of Albemarle, and County of Nelson; one member of City Council to be appointed by Council; one member of the Albemarle Board of Supervisors to be appointed by the Albemarle Board of Supervisors; one private citizen from the City and one from the County of Albemarle, to be appointed by the respective governing bodies, and one additional private citizen, to be appointed jointly by the governing bodies. Since the Boards of Supervisors of Albemarle and Nelson or City Council cannot impose their will on the Authority, and since there is no potential financial benefit or burden in the relationship, neither Boards of Supervisors nor City Council are financially accountable for the Authority. Accordingly, the Authority is not considered a component unit of the City or Counties.

## NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

### A. Basis of Accounting:

The Authority operates as an enterprise fund and its accounts are maintained on the accrual basis of accounting. Under this method, revenues are recognized when earned, and expenses are recorded as liabilities when incurred, without regard to receipt or payment of cash.

Operating revenues and expenses are defined as those items that result from providing services and include all transactions and events which are not capital and related financing, noncapital financing or investing activities. Nonoperating revenues are defined as grants, investment and other income. Nonoperating expenses are defined as capital and noncapital related financing and other expenses.

## NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)

### A. Basis of Accounting: (Continued)

Commissary funds are restricted for the benefit of inmates. Expenses paid with these funds include recreational and educational supplies, taxi services, counseling, and other items benefiting the inmates.

Fiduciary Funds (Trust and Custodial Funds) account for assets held by the Jail Authority in a trustee capacity or as custodian for individuals, private organizations, other governmental units, or other funds. These funds include Custodial Funds, which

### B. Capital Assets:

All capital assets are valued at historical cost or estimated historical cost if actual cost is not available. The Authority's policy is to capitalize assets whose cost equals or exceeds $5,000 and has an estimated useful life greater than one year. Donated capital assets are valued at acquisition value as of the date received. Depreciation has been provided on capital assets using the straight-line method based on their estimated useful lives which are as follows:

| | |
|---|---|
| Building and improvements | 20-30 years |
| Equipment | 3-10 years |
| Vehicles | 3-4 years |

Depreciation totaled $718,479 for 2021 and $752,247 for 2020.

### C. Compensated Absences:

Vacation pay and other related employee benefits are accrued when earned. At June 30, 2021 and 2020, unpaid vacation and related benefits amounted to approximately $759,253 and $784,363, respectively.

### D. Use of Estimates:

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

### E. Operating and Nonoperating Revenues and Expenses:

Operating revenues and expenses are defined as those items that result from providing services and include all transactions and events which are not capital and related financing, noncapital financing or investing activities. Nonoperating revenues are defined as grants, investment and other income. Nonoperating expenses are defined as capital and noncapital related financing and other expenses.

## NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)

### F. Comparative Amounts:

The basic financial statements include certain prior-year summarized comparative information in total but not at the level of detail required for a presentation in accordance with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the government's financial statements for the year ended June 30, 2021, from which the summarized information was derived.

### G. Cash and Cash Equivalents:

The Authority's cash and cash equivalents consist of demand deposits, certificates of deposit, overnight repurchase agreements and short-term U.S. Governmental obligations, with an original maturity of three months or less, all of which are readily convertible to known amounts of cash.

### H. Prepaid Items:

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

### I. Deferred Outflows and 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) until then. The Authority has one type of item that qualifies for reporting in this category. It is comprised of certain items related to the measurement of the net pension liability and net OPEB liabilities and contributions to the pension an OPEB plans made during the current year and subsequent to the net pension liability and net OPEB liability and net OPEB liability measurement date. For more detailed information on these items, reference the pension note and OPEB notes.

In addition to liabilities, the statement of financial position may 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 Authority has one type of item that qualifies for reporting in this category. Certain items related to the measurement of the net pension liability and net OPEB liability are reported as deferred inflows of resources. For more detailed information on these items, reference the pension and OPEB notes.

### J. 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 Authority's Retirement Plan and the additions to/deductions from the Authority'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.

## NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)

### K. 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 Plan 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.

### L. Net Position:

Net position is the difference between a) assets and deferred outflows of resources and b) liabilities and deferred inflows of resources. Net investment in capital assets represents capital assets, less accumulated depreciation, less any outstanding debt related 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 also included in this component of net position.

### M. Net Position Flow Assumption:

Sometimes the Authority 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 Authority's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

## NOTE 3 - DEPOSITS AND INVESTMENTS:

Deposits with banks are covered by the Federal Deposit Insurance Corporation (FDIC) and collateralized in accordance with the Virginia Security for Public Deposits Act ("the Act") Section 2.2-4400 et. seq. of the Code 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% excess deposits. Accordingly, all deposits are considered fully collateralized.

The Authority's cash and cash equivalents are a part of the pooled cash and investments of the County of Albemarle, Virginia, the Authority's fiscal agent. The components of the Authority's cash and cash equivalents as to bank and investment balances are not identifiable. The portion of the County's cash and investments which are applicable to the Authority consist of deposits covered by FDIC insurance, the Virginia Security for Public Deposits Act, or are a part of the County's investments in the Virginia Local Government Investment Pool. The Authority has other cash accounts that are not a part of the County's pooled cash and investments. The carrying value of these deposits was $601,970, and the bank balances were covered by FDIC insurance and/or collateralized in accordance with the Virginia Security for Public Deposits Act, except for $126,227 in the Inmate Canteen Account that exceeds FDIC insurance.

## NOTE 4 - RECEIVABLES:

Receivables and amounts due from other governments are as follows:

| | 2021 | 2020 |
|---|---|---|
| Accounts receivable: | | |
| Other | $ 143,976 | $ 41,220 |
| Total accounts receivable | $ 143,976 | $ 41,220 |
| Due from other governmental units: | | |
| Commonwealth of Virginia: | | |
| State Compensation Board | $ 359,361 | $ 400,513 |
| Department of Corrections | 252,074 | 171,321 |
| Other | 202 | 110,693 |
| City of Charlottesville | 337,004 | - |
| Other | 4,795 | - |
| Total due from other governmental units | $ 953,436 | $ 682,527 |
| Total receivables | $ 1,097,412 | $ 723,747 |

## NOTE 5 - CAPITAL ASSETS:

Changes in capital assets are summarized below:

| | Beginning Balances | Increases | Decreases | Ending Balances |
|---|---|---|---|---|
| Capital assets not being depreciated: | | | | |
| Land | $ 74,947 | $ - | $ - | $ 74,947 |
| Total capital assets not being depreciated | $ 74,947 | $ - | $ - | $ 74,947 |
| Capital assets being depreciated: | | | | |
| Building and improvements | $ 22,714,752 | $ 9,765 | $ 55,315 | $ 22,669,202 |
| Equipment | 2,970,984 | 119,146 | 65,608 | 3,024,522 |
| Vehicles | 324,206 | - | - | 324,206 |
| Total capital assets being depreciated | $ 26,009,942 | $ 128,911 | $ 120,923 | $ 26,017,930 |
| Accumulated depreciation: | | | | |
| Building and improvements | $ 15,621,945 | $ 651,746 | $ 2,071 | $ 16,271,620 |
| Equipment | 2,709,068 | 54,957 | 60,044 | 2,703,981 |
| Vehicles | 287,343 | 13,572 | - | 300,915 |
| Total accumulated depreciation | $ 18,618,356 | $ 720,275 | $ 62,115 | $ 19,276,516 |
| Total capital assets being depreciated, net | $ 7,391,586 | $ (591,364) | $ 58,808 | $ 6,741,414 |
| Net capital assets | $ 7,466,533 | $ (591,364) | $ 58,808 | $ 6,816,361 |

## NOTE 6 – LONG-TERM OBLIGATIONS:

The following details the changes in long-term debt:

| | | |
|---|---|---|
| Balance, July 1, 2020 | $ | 3,057,271 |
| Principal payments | | (3,057,271) |
| Balance, June 30, 2021 | $ | - |

The following is a summary of changes in compensated absences for the fiscal year ended June 30, 2021:

| | Balance July 1, 2020 | Increases | Decreases | Balance June 30, 2021 | Amounts Due Within One Year |
|---|---|---|---|---|---|
| Compensated absences | $ 784,363 | $ 53,326 | $ 78,436 | $ 759,253 | $ 75,925 |

## NOTE 7 - PENSION PLAN:

### *Plan Description*

All full-time, salaried permanent employees of the Authority 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 7 - 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 credit equals 90. Non-hazardous duty employees may retire with a reduced benefit as early as age 60 with at least 5 years of service credit. Hazardous duty employees are eligible for an unreduced benefit beginning at age 60 with at least 5 years of service credit or age 50 with at least 25 years of service credit. Hazardous duty employees may retire with a reduced benefit as early as age 50 with at least 5 years of service credit.

c. Non-hazardous duty employees with a membership date on or after January 1, 2014 are covered by the Hybrid Plan combining the features of a defined benefit plan and a defined contribution plan. Plan 1 and Plan 2 members also had the option of opting into this plan during the election window held January 1 – April 30, 2014 with an effective date of July 1, 2014. Employees covered by this plan are eligible for an unreduced benefit beginning at their normal social security retirement age with at least 5 years of service credit, or when the sum of their age plus service credit equals 90. Employees may retire with a reduced benefit as early as age 60 with at least 5 years of service credit. For the defined contribution component, members are eligible to receive distributions upon leaving employment, subject to restrictions.

*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.

NOTE 7 - 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:

| | Number |
|---|---|
| Inactive members or their beneficiaries currently receiving benefits | 76 |
| Inactive members: | |
| Vested inactive members | 27 |
| Non-vested inactive members | 57 |
| Inactive members active elsewhere in VRS | 85 |
| Total inactive members | 169 |
| Active members | 157 |
| Total covered employees | 402 |

*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 Authority's contractually required employer contribution rate for the year ended June 30, 2021 was 11.51% 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 Authority were $854,964 and $869,892 for the years ended June 30, 2021 and June 30, 2020, respectively.

*Net Pension Liability*

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

## NOTE 7 - PENSION PLAN: (CONTINUED)

### *Actuarial Assumptions – General Employees*

The total pension liability for General Employees in the Authority'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% – 5.35% |
| Investment rate of return | 6.75%, net of pension plan investment expense, including inflation* |

* Administrative expenses as a percent of the fair value of assets for the last experience study were found to be approximately 0.06% of the market assets for all of the VRS plans. This would provide an assumed investment return rate for 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 7 - 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 Authority'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 expense, including inflation* |

* Administrative expenses as a percent of the fair value of assets for the last experience study were found to be approximately 0.06% of the market assets for all of the VRS plans. This would provide an assumed investment return rate for 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.

## NOTE 7 - 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, 2020. 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% |

## NOTE 7 - 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:

| 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 Partners | 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 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 Authority 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 FY2012 or 100% of the actuarially determined employer contribution rate from the June 30, 2017 actuarial valuations, whichever was greater. From July 1, 2020 on, participating employers are assumed to continue to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make

## NOTE 7 - PENSION PLAN: (CONTINUED)

### *Discount Rate: (Continued)*

all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

### *Changes in Net Pension Liability*

| | Increase (Decrease) | | |
|---|---|---|---|
| | Total Pension Liability (a) | Plan Fiduciary Net Position (b) | Net Pension Liability (a) - (b) |
| Balances at June 30, 2019 | $ 28,082,878 | $ 27,083,976 | $ 998,902 |
| Changes for the year: | | | |
| Service cost | $ 1,187,569 | $ - | $ 1,187,569 |
| Interest | 1,853,495 | - | 1,853,495 |
| Differences between expected and actual experience | 832,428 | - | 832,428 |
| Contributions - employer | - | 868,355 | (868,355) |
| Contributions - employee | - | 395,264 | (395,264) |
| Refund of contributions | (103,419) | (103,419) | - |
| Net investment income | - | 523,272 | (523,272) |
| Benefit payments, including refunds of employee contributions | (1,143,959) | (1,143,959) | - |
| Administrative expense | - | (17,235) | 17,235 |
| Other changes | - | (622) | 622 |
| Net changes | $ 2,626,114 | $ 521,656 | $ 2,104,458 |
| Balances at June 30, 2020 | $ 30,708,992 | $ 27,605,632 | $ 3,103,360 |

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

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

| | Rate | | |
|---|---|---|---|
| | (5.75%) | (6.75%) | (7.75%) |
| Net Pension Liability (Asset) | $ 7,623,382 | $ 3,103,360 | $ (599,330) |

## NOTE 7 - 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 Authority recognized pension expense of $1,160,487. At June 30, 2021, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|---|
| Differences between expected and actual experience | $ 615,115 | $ 196,414 |
| Change in assumptions | 426,481 | - |
| Net difference between projected and actual earnings on pension plan investments | 832,989 | - |
| Employer contributions subsequent to the measurement date | 854,964 | - |
| Total | $ 2,729,549 | $ 196,414 |

$854,964 reported as deferred outflows of resources related to pensions resulting from the Authority'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 | $ 333,413 |
| 2023 | 673,517 |
| 2024 | 410,272 |
| 2025 | 260,969 |

***Pension Plan Data***

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

## NOTE 8 – MEDICAL, DENTAL, AND LIFE INSURANCE – PAY-AS-YOU-GO (OPEB PLAN):

### *Plan Description*

The Albemarle County Voluntary Early Retirement Incentive Program (VERIP) is a single-employer defined benefit plan. VERIP benefits are paid monthly for a period of five years or until age 65, whichever comes first. In addition to the monthly stipend, the County will pay an amount equivalent to the Authority's annual contribution toward medical insurance. Participants may accept it as a cash payment or apply it toward the cost of the continuation of their County medical/dental benefits. To be eligible, employees must meet the age and service criteria for reduced VRS retirement and be a current employee at least 50 years of age and have been employed by the County, or a participant in the VERIP, in a benefits-eligible position for 10 of the last 13 years prior to retirement. The plan is administered by the County and does not have a separate financial report.

The plan does not issue a publicly available financial report.

### *Benefits Provided*

Postemployment benefits provided to eligible retirees include Medical, Dental, and Life insurance. The benefits that are provided for active employees are the same for eligible retirees, spouses and dependents of eligible retirees. Retirees pay 100% of spousal premiums. Coverage ceases when retirees reach the age of 65. Surviving spouses are not allowed access to the plan.

### *Contributions*

The Authority does not pre-fund 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 Board.

### *Total OPEB Liability*

The Albemarle-Charlottesville Regional Jail Authority’s total OPEB liability was measured as of June 30, 2020. The total OPEB liability was determined by an actuarial valuation as of January 1, 2020.

### *Actuarial Assumptions*

The total OPEB liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

| | |
|---|---|
| Inflation | 2.5% per year as of June 30, 2019; 2.5% per year as of June 30, 2020 |
| Salary Increases | The salary increase rate starts at 3.15% salary increase for 1 year of service and gradually declines to 1.3% salary increase for 20 or more years of service |
| Discount Rate | 3.13% per year as of June 30, 2019; 2.45% per year as of June 30, 2020 |

## NOTE 8 – MEDICAL, DENTAL, AND LIFE INSURANCE – PAY-AS-YOU-GO (OPEB PLAN): (CONTINUED)

### *Actuarial Assumptions (Continued)*

Mortality rates for Active employees and healthy retirees were based on a RP-2000 Fully Generational Combined Healthy table while mortality rates for disabled retirees were based on a RP-2000 Disabled Mortality Table.

The date of the most recent actuarial experience study for which significant assumptions is not available.

### *Discount Rate*

The final equivalent single discount rate used for this year's valuation is 2.45% as of the end of the fiscal year and is based on an index rate for 20 year tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

### *Changes in Total OPEB Liability*

| | | Total OPEB Liability |
|---|---|---|
| Balances at June 30, 2019 | $ | 2,777,706 |
| Changes for the year: | | |
| Service cost | | 215,274 |
| Interest | | 84,168 |
| Difference between expected and actual experience | | 25,503 |
| Changes in assumptions | | 130,658 |
| Changes in proportionate share | | (202,765) |
| Net changes | $ | 252,838 |
| Balances at June 30, 2020 | $ | 3,030,544 |

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

The following amounts present the total OPEB liability of the Authority, 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%) or one percentage point higher (3.45%) than the current discount rate:

| | Rate | | |
|---|---|---|---|
| | 1% Decrease (1.45%) | Current Discount (2.45%) | 1% Increase (3.45%) |
| ACRJ | $ 3,230,755 | $ 3,030,544 | $ 2,840,076 |

## NOTE 8 – MEDICAL, DENTAL, AND LIFE INSURANCE – PAY-AS-YOU-GO (OPEB PLAN): (CONTINUED)

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

The following presents the total OPEB liability of the Albemarle-Charlottesville Regional Jail Authority 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%) or one percentage point higher (5.00%) than the current healthcare cost trend rates:

| | Rates | | |
|---|---|---|---|
| | 1% Decrease (3.00%) | Healthcare Cost Trend (4.00%) | 1% Increase (5.00%) |
| ACRJ | $ 2,700,222 | $ 3,030,544 | $ 3,419,001 |

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

For the year ended June 30, 2021, the Albemarle-Charlottesville Regional Jail Authority recognized OPEB expense in the amount of $260,014. At June 30, 2021, the Albemarle-Charlottesville Regional Jail Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

| | ACRJ | |
|---|---|---|
| | Deferred Outflows of Resources | Deferred Inflows of Resources |
| Differences between expected and actual experience | $ 21,860 | $ 149,147 |
| Changes in assumptions | 111,993 | 111,536 |
| Total | $ 133,853 | $ 260,683 |

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 | ACRJ |
|---|---|
| 2022 | $ (39,430) |
| 2023 | (39,430) |
| 2024 | (39,431) |
| 2025 | (20,635) |
| 2026 | (10,217) |
| Thereafter | 22,313 |

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

## NOTE 9 - 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 GLI coverage, the insurer bills employers directly for the premiums. Employers deduct these premiums from members' paychecks and pay the premiums to the insurer. Since this is a separate and fully insured program, it is not included as part of the 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. This amount is increased annually based on the VRS Plan 2 cost-of-living adjustment calculation. The minimum benefit adjusted for the COLA was $8,616 as of June 30, 2021.

### *Contributions*

The contribution requirements for the GLI 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 9 - 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 Group Life Insurance GLI Plan from the entity were $41,204 and $42,262 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 entity reported a liability of $659,023 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 participating employer's proportion was .03949% as compared to .03992% at June 30, 2020.

For the year ended June 30, 2021, the participating employer recognized GLI OPEB expense of $24,358. Since there was a change in proportionate share between measurement dates, a portion of the GLI OPEB expense was related to deferred amounts from changes in proportion.

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

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|---|
| Differences between expected and actual experience | $ 42,270 | $ 5,919 |
| Net difference between projected and actual earnings on GLI OPEB program investments | 19,796 | - |
| Change in assumptions | 32,959 | 13,761 |
| Changes in proportionate share | 4,404 | 14,523 |
| Employer contributions subsequent to the measurement date | 41,204 | - |
| Total | $ 140,633 | $ 34,203 |

## NOTE 9 - 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)***

$41,204 reported as deferred outflows of resources related to the GLI OPEB resulting from the employer's contributions subsequent to the measurement date will be recognized as a reduction of the Net GLI OPEB Liability in the fiscal year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the GLI OPEB will be recognized in the GLI OPEB expense in future reporting periods as follows:

| Year Ended June 30 | | |
|---|---|---|
| 2022 | $ | 9,153 |
| 2023 | | 14,744 |
| 2024 | | 18,856 |
| 2025 | | 18,623 |
| 2026 | | 3,715 |
| Thereafter | | 135 |

***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: | |
| General state employees | 3.50% – 5.35% |
| 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.

## NOTE 9 - GROUP LIFE INSURANCE (GLI) 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 Mortality Rates projected with scale BB to 2020; males set forward 2 years, 110% of rates; females 125% of rates.

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

| | |
|---|---|
| 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.

## NOTE 9 - 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 are as follows (amounts expressed in thousands):

| | Group Life Insurance OPEB Program |
|---|---|
| Total GLI OPEB Liability | $ 3,523,937 |
| Plan Fiduciary Net Position | 1,855,102 |
| Employers' Net GLI OPEB Liability (Asset) | $ 1,668,835 |
| 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 9 - 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.

## NOTE 9 - 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%) |
| Authority's proportionate share of the GLI Plan Net OPEB Liability | $ 866,337 | $ 659,023 | $ 490,665 |

***GLI Plan Fiduciary Net Position***

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

## NOTE 10 - SUMMARY OF NET OPEB LIABILITIES, DEFERRED OUTFLOWS OF RESOURCES, AND DEFERRED INFLOWS OF RESOURCES:

| | OPEB Plans: | | | |
|---|---|---|---|---|
| | Deferred Outflows | Deferred Inflows | Net OPEB Liabilty | OPEB Expense |
| Group Life Insurance Program | $ 140,633 | $ 34,203 | $ 659,023 | $ 24,358 |
| Stand-Alone Plan | 133,853 | 260,683 | 3,030,544 | 260,014 |
| | $ 274,486 | $ 294,886 | $ 3,689,567 | $ 284,372 |

## NOTE 11 - INMATE COST PER DIEM:

The Authority has a designed capacity of 329 inmates yielding a total of 120,085 inmate days per year. Actual inmate days totaled 134,226 for the year ended June 30, 2021 and 158,084 for 2020. Costs incurred in the operation of the Authority are as follows:

| | 2021 | 2020 |
|---|---|---|
| Total operating expenses per budgetary basis | $ 15,116,846 | $ 16,915,264 |
| Less: | | |
| Charges to others for inmate care and other sources | (1,301,021) | (1,714,882) |
| Reimbursed expenditures from the Commonwealth | (5,606,283) | (5,784,394) |
| Net cost to participant localities | $ 8,209,542 | $ 9,415,988 |
| Total inmate days for participant localities | 134,226 | 158,094 |
| Actual local cost per diem | $ 61.16 | $ 59.56 |

The City of Charlottesville and Counties of Albemarle and Nelson contributions to the Authority include costs for services based on bed days plus debt service requirements for the jail expansion bonds.

## NOTE 12 - LITIGATION:

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

## NOTE 13 - FISCAL AGENT:

The County of Albemarle serves as fiscal agent for the Authority. As a part of the fiscal agent agreement, the County provides treasury, accounting, purchasing and personnel services for the Authority.

Effective July 1, 2021, the Authority undertook its own administration of these funds.

## NOTE 14 - OPERATING RESERVE FUND:

As a requirement of the jail expansion bond issue, the Authority was required to fund an operating reserve equal to 25% of the Authority’s operating budget. At June 30, 2020 this fund totaled $4,189,159. Since the Authority was no longer required to fund an operating reserve after repaying the bond in full, this fund did not exist at June 30, 2021.

## NOTE 15 - RISK MANAGEMENT:

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

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

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

## NOTE 16 – COVID-19 PANDEMIC:

On March 11, 2020, the World Health Organization declared COVID-19 a pandemic, which has caused an economic downturn on a global scale, disrupted global supply chains, and created significant uncertainty, volatility, and disruption across economies and financial markets. The full impact of the COVID-19 outbreak continues to evolve as of the release date of this report. Management is monitoring the situation and impact that it may have on its financial condition, liquidity, operations, suppliers, industry, and workforce. Given the daily evolution of the COVID-19 outbreak and global responses to curb its spread, the Authority is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition, or liquidity for fiscal year 2022.

## NOTE 17 – ADOPTION OF ACCOUNTING PRINCIPLES:

The Authority 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 resulted in the following restatement of net position:

| | Enterprise Funds | | | Custodial Funds | | |
|---|---|---|---|---|---|---|
| | Operating Fund | Commissary Fund | Total | Inmate Fund | Work Release Fund | Total |
| Net Position as originally reported June 30, 2020 | $ 5,732,983 | $ - | $ 5,732,983 | $ - | $ - | $ - |
| Implementation of GASB 84 | 4,657 | 310,323 | 314,980 | 172,456 | 6,765 | 179,221 |
| Net Position as restated June 30, 2020 | $ 5,737,640 | $ 310,323 | $ 6,047,963 | $ 172,456 | $ 6,765 | $ 179,221 |

## NOTE 18 – 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. 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.

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

- Required Supplementary Information -

## ALBEMARLE-CHARLOTTESVILLE REGIONAL JAIL AUTHORITY

### Schedule of Changes in Net Pension Liability and Related Ratios - Pension Plan
### For the Measurement Dates of June 30 2014 through June 30, 2020

| | 2020 | 2019 | 2018 | 2017 |
|---|---|---|---|---|
| **Total pension liability** | | | | |
| Service cost | $ 1,187,569 | $ 1,086,021 | $ 1,102,095 | $ 1,177,453 |
| Interest | 1,853,495 | 1,734,303 | 1,673,203 | 1,573,241 |
| Differences between actual and expected experience | 832,428 | 31,395 | (1,050,394) | (273,381) |
| Changes in assumptions | - | 919,521 | - | (290,385) |
| Refund of contributions | (103,419) | (73,542) | - | - |
| Benefit payments, including refunds of employee contributions | (1,143,959) | (854,706) | (775,842) | (741,960) |
| **Net change in total pension liability** | $ 2,626,114 | $ 2,842,992 | $ 949,062 | $ 1,444,968 |
| **Total pension liability - beginning** | 28,082,878 | 25,239,886 | 24,290,824 | 22,845,856 |
| **Total pension liability - ending (a)** | $ 30,708,992 | $ 28,082,878 | $ 25,239,886 | $ 24,290,824 |
| | | | | |
| **Plan fiduciary net position** | | | | |
| Contributions - employer | $ 868,355 | $ 842,658 | $ 877,471 | $ 861,313 |
| Contributions - employee | 395,264 | 384,491 | 378,226 | 374,264 |
| Refund of contributions | (103,419) | (73,542) | - | - |
| Net investment income | 523,272 | 1,704,226 | 1,710,510 | 2,477,114 |
| Benefit payments, including refunds of employee contributions | (1,143,959) | (854,706) | (775,842) | (741,960) |
| Administrative expense | (17,235) | (16,030) | (14,055) | (13,529) |
| Other | (622) | (1,081) | (1,558) | (2,240) |
| **Net change in plan fiduciary net position** | $ 521,656 | $ 1,986,016 | $ 2,174,752 | $ 2,954,962 |
| **Plan fiduciary net position - beginning** | 27,083,976 | 25,097,960 | 22,923,208 | 19,968,246 |
| **Plan fiduciary net position - ending (b)** | $ 27,605,632 | $ 27,083,976 | $ 25,097,960 | $ 22,923,208 |
| | | | | |
| **Authority's net pension liability - ending (a) - (b)** | $ 3,103,360 | $ 998,902 | $ 141,926 | $ 1,367,616 |
| | | | | |
| **Plan fiduciary net position as a percentage of the total pension liability** | 89.89% | 96.44% | 99.44% | 94.37% |
| | | | | |
| **Covered payroll** | $ 8,127,399 | $ 7,825,932 | $ 7,717,037 | $ 7,533,452 |
| | | | | |
| **Authority's net pension liability as a percentage of covered payroll** | 38.18% | 12.76% | 1.84% | 18.15% |

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.

ALBEMARLE-CHARLOTTESVILLE REGIONAL JAIL AUTHORITY

Schedule of Changes in Net Pension Liability and Related Ratios - Pension Plan (Continued)
For the Measurement Dates of June 30 2014 through June 30, 2020

| | 2016 | 2015 | 2014 |
|---|---|---|---|
| **Total pension liability** | | | |
| Service cost | $ 1,086,229 | $ 1,055,855 | $ 1,079,154 |
| Interest | 1,428,605 | 1,355,475 | 1,231,631 |
| Differences between actual and expected experience | 334,847 | (688,167) | - |
| Changes in assumptions | - | - | - |
| Refund of contributions | - | - | - |
| Benefit payments, including refunds of employee contributions | (824,946) | (531,932) | (551,240) |
| **Net change in total pension liability** | $ 2,024,735 | $ 1,191,231 | $ 1,759,545 |
| **Total pension liability - beginning** | 20,821,121 | 19,629,890 | 17,870,345 |
| **Total pension liability - ending (a)** | $ 22,845,856 | $ 20,821,121 | $ 19,629,890 |
| | | | |
| **Plan fiduciary net position** | | | |
| Contributions - employer | $ 927,719 | $ 928,667 | $ 1,035,858 |
| Contributions - employee | 359,780 | 359,738 | 347,577 |
| Refund of contributions | - | - | - |
| Net investment income | 352,671 | 833,179 | 2,345,078 |
| Benefit payments, including refunds of employee contributions | (824,946) | (531,932) | (551,240) |
| Administrative expense | (11,406) | (10,461) | (11,815) |
| Other | (145) | (178) | 123 |
| **Net change in plan fiduciary net position** | $ 803,673 | $ 1,579,013 | $ 3,165,581 |
| **Plan fiduciary net position - beginning** | 19,164,573 | 17,585,560 | 14,419,979 |
| **Plan fiduciary net position - ending (b)** | $ 19,968,246 | $ 19,164,573 | $ 17,585,560 |
| | | | |
| **Authority's net pension liability - ending (a) - (b)** | $ 2,877,610 | $ 1,656,548 | $ 2,044,330 |
| | | | |
| **Plan fiduciary net position as a percentage of the total pension liability** | 87.40% | 92.04% | 89.59% |
| | | | |
| **Covered payroll** | $ 7,218,920 | $ 7,216,060 | $ 6,952,333 |
| | | | |
| **Authority's net pension liability as a percentage of covered payroll** | 39.86% | 22.96% | 29.40% |

## ALBEMARLE-CHARLOTTESVILLE REGIONAL JAIL AUTHORITY

### Schedule of Employer Contributions - Pension Plan
### Years Ended June 30, 2012 through 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 | $ 854,964 | $ 854,964 | $ - | $ 7,630,414 | 11.20% |
| 2020 | 869,892 | 869,892 | - | 8,127,399 | 10.70% |
| 2019 | 843,416 | 843,416 | - | 7,825,932 | 10.78% |
| 2018 | 890,546 | 890,546 | - | 7,717,037 | 11.54% |
| 2017 | 869,360 | 869,360 | - | 7,533,452 | 11.54% |
| 2016 | 929,797 | 929,797 | - | 7,218,920 | 12.88% |
| 2015 | 929,429 | 929,429 | - | 7,216,060 | 12.88% |
| 2014 | 1,035,898 | 1,035,898 | - | 6,952,333 | 14.90% |
| 2013 | 1,033,509 | 1,033,509 | - | 6,936,299 | 14.90% |
| 2012 | 867,090 | 867,090 | - | 6,644,369 | 13.05% |

**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 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 rates to better fit experience at each year age and service through 9 years of service |
| 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 and reduced margin for future improvement in accordance with experience |
| 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 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% |

## ALBEMARLE-CHARLOTTESVILLE REGIONAL JAIL AUTHORITY

### Schedule of Changes in Total OPEB Liability (Asset) and Related Ratios - Stand-Alone OPEB
### Years Ended June 30, 2018 through 2021

| | 2021 | 2020 | 2019 | 2018 |
|---|---|---|---|---|
| **Total OPEB liability** | | | | |
| Service cost | $ 215,274 | $ 230,446 | $ 217,327 | $ 234,699 |
| Interest | 84,168 | 98,851 | 94,776 | 73,223 |
| Amortization Adjustments | - | 5,931 | - | - |
| Changes in proportionate share | - | (112,739) | - | - |
| Changes in assumptions | 130,658 | (65,711) | (12,383) | (192,763) |
| Differences between expected and actual experience | 25,503 | (161,957) | 87,956 | - |
| Benefit payments | (202,765) | (141,709) | (132,967) | (29,000) |
| **Net change in total OPEB liability** | $ 252,838 | $ (146,888) | $ 254,709 | $ 86,159 |
| **Total OPEB liability - beginning** | 2,777,706 | 2,924,594 | 2,669,885 | 2,583,726 |
| **Total OPEB liability - ending** | $ 3,030,544 | $ 2,777,706 | $ 2,924,594 | $ 2,669,885 |
| **Covered-employee payroll** | N/A | N/A | N/A | N/A |
| **Authority's total OPEB liability (asset) as a percentage of covered-employee 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.

## Notes to Required Supplementary Information - Stand-Alone OPEB
## Year Ended June 30, 2021

Valuation Date: 1/1/2020
Measurement Date: 6/30/2020

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 | 2.45% |
| Inflation | 2.50% |
| Healthcare Trend Rate | The healthcare trend rate assumption starts at 4.7% in 2017 and gradually declines to 4.0% by the year 2075 |
| Salary Increase Rates | The salary increase rate starts at 3.15% salary increase for 1 year of service and gradually declines to 1.3% salary increase for 20 or more years of service |
| Retirement Age | The average age at retirement is 62 |
| Mortality Rates | The mortality rates for active and healthy retirees was calculated using the RP-2000 Fully Generational Combined Healthy Table. The mortality rates for disabled retirees was calculated using the RP 2000 Disabled Mortality Table. |

## ALBEMARLE-CHARLOTTESVILLE REGIONAL JAIL AUTHORITY

### Schedule of Authority's Share of Net OPEB Liability
### Group Life Insurance (GLI) Plan
### For the Measurement Dates of June 30, 2017 through 2020

| Date (1) | Employer's Proportion of the Net GLI OPEB Liability (2) | Employer's Proportionate Share of the Net GLI OPEB Liability (3) | Employer's Covered Payroll (4) | Employer's Proportionate Share of the Net GLI OPEB Liability as a Percentage of Covered Payroll (3)/(4) (5) | Plan Fiduciary Net Position as a Percentage of Total GLI OPEB Liability (6) |
|---|---|---|---|---|---|
| 2020 | 0.03950% | $ 659,023 | $ 8,127,399 | 8.11% | 52.64% |
| 2019 | 0.03992% | 649,604 | 7,825,932 | 8.30% | 52.00% |
| 2018 | 0.04058% | 616,000 | 7,717,037 | 7.98% | 51.22% |
| 2017 | 0.04084% | 615,000 | 7,533,452 | 8.16% | 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.

## ALBEMARLE-CHARLOTTESVILLE REGIONAL JAIL AUTHORITY

### Schedule of Employer Contributions
### Group Life Insurance (GLI) Plan
### Years Ended June 30, 2012 through June 30, 2021

| Date | Contractually Required Contribution | Contributions in Relation to Contractually Required Contribution | Contribution Deficiency (Excess) | Employer's Covered Payroll | Contributions as a % of Covered Payroll |
|---|---|---|---|---|---|
| 2021 | $ 41,204 | $ 41,204 | $ - | $ 7,630,414 | 0.54% |
| 2020 | 42,262 | 42,262 | - | 8,127,399 | 0.52% |
| 2019 | 40,695 | 40,695 | - | 7,825,932 | 0.52% |
| 2018 | 40,437 | 40,437 | - | 7,717,037 | 0.52% |
| 2017 | 39,174 | 39,174 | - | 7,533,452 | 0.52% |
| 2016 | 34,651 | 34,651 | - | 7,218,920 | 0.48% |
| 2015 | 34,637 | 34,637 | - | 7,216,060 | 0.48% |
| 2014 | 33,371 | 33,371 | - | 6,952,333 | 0.48% |
| 2013 | 33,294 | 33,294 | - | 6,936,399 | 0.48% |
| 2012 | 18,815 | 18,815 | - | 6,719,608 | 0.28% |

## Notes to Required Supplementary Information
## Group Life Insurance (GLI) Plan
## 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, 2020. 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 rates to better fit experience at each year age and service through 9 years of service |
| 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 year 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% |

## - Other Supplementary Information -

ALBEMARLE-CHARLOTTESVILLE REGIONAL JAIL AUTHORITY

FIDUCIARY FUNDS

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

| | Custodial Funds | | |
|---|---|---|---|
| | Inmate Fund | Work Release Fund | Total |
| **Assets** | | | |
| Cash and cash equivalents | $ 188,348 | $ 1,000 | $ 189,348 |
| Total assets | $ 188,348 | $ 1,000 | $ 189,348 |
| **Net Position** | | | |
| Restricted for inmates | $ 188,348 | $ 1,000 | $ 189,348 |
| Total net position | $ 188,348 | $ 1,000 | $ 189,348 |

See accompanying notes to financial statements.

ALBEMARLE-CHARLOTTESVILLE REGIONAL JAIL AUTHORITY

FIDUCIARY FUNDS

## Combining Statement of Changes in Fiduciary Net Position
Year Ended June 30, 2021

| | Custodial Funds | | |
|---|---|---|---|
| | Inmate Fund | Work Release Fund | Total |
| **Additions** | | | |
| Contributions: | | | |
| Inmate deposits | $ 1,059,524 | $ 48 | $ 1,059,572 |
| Interest | 791 | - | 791 |
| Total additions | $ 1,060,315 | $ 48 | $ 1,060,363 |
| **Deductions** | | | |
| Operating Expenses: | | | |
| Canteen payments | $ 712,676 | $ - | $ 712,676 |
| Contractual | 328,200 | - | 328,200 |
| Other charges | 3,272 | 5,813 | 9,085 |
| Toxicology | 275 | - | 275 |
| Total deductions | $ 1,044,423 | $ 5,813 | $ 1,050,236 |
| Net increase (decrease) in fiduciary net position | $ 15,892 | $ (5,765) | $ 10,127 |
| Net position, beginning of year, as restated | $ 172,456 | $ 6,765 | $ 179,221 |
| Net position, end of year | $ 188,348 | $ 1,000 | $ 189,348 |

See accompanying notes to financial statements.

## ALBEMARLE-CHARLOTTESVILLE REGIONAL JAIL AUTHORITY

### Schedule of Revenues and Expenditures
### Budgetary Basis
### Year Ended June 30, 2021

| | Original Budget | Amended Budget | Actual | Variance Positive (Negative) |
|---|---|---|---|---|
| Operating Revenues: | | | | |
| Charges for services: | | | | |
| Care of inmates: | | | | |
| City of Charlottesville | $ 4,044,048 | $ 4,044,048 | $ 4,044,048 | $ - |
| County of Albemarle | 3,896,201 | 3,896,201 | 3,896,201 | - |
| County of Nelson | 756,628 | 756,628 | 756,628 | - |
| Other localities | - | - | 71,785 | 71,785 |
| Federal | 140,000 | 140,000 | 197,730 | 57,730 |
| Inmate telephone | 420,000 | 420,000 | 500,965 | 80,965 |
| Other | 200,000 | 200,000 | 1,077 | (198,923) |
| Total charges for services | $ 9,456,877 | $ 9,456,877 | $ 9,468,434 | $ 11,557 |
| Miscellaneous: | | | | |
| Other | $ 137,000 | $ 137,000 | $ 529,464 | $ 392,464 |
| Intergovernmental: | | | | |
| Revenue from the Commonwealth: | | | | |
| Department of Corrections | $ 930,000 | $ 930,000 | $ 738,122 | $ (191,878) |
| Total operating revenues | $ 10,523,877 | $ 10,523,877 | $ 10,736,020 | $ 212,143 |
| Operating Expenditures: | | | | |
| Compensation and related items: | | | | |
| Salaries and wages | $ 8,933,148 | $ 8,933,148 | $ 8,310,942 | $ 622,206 |
| Fringes: | | | | |
| Social security and medicare taxes | 684,151 | 684,151 | 626,314 | 57,837 |
| Retirement | 987,928 | 987,928 | 880,302 | 107,626 |
| Health insurance | 1,245,000 | 1,245,000 | 1,277,591 | (32,591) |
| Dental insurance | 38,640 | 38,640 | 31,980 | 6,660 |
| Life insurance | 113,036 | 113,036 | 102,492 | 10,544 |
| Unemployment | 5,000 | 5,000 | 2,165 | 2,835 |
| Workers compensation | 110,000 | 110,000 | 104,063 | 5,937 |
| Employee physical assessments | - | - | 3,860 | (3,860) |
| Other employee benefits | 44,600 | 44,600 | 46,977 | (2,377) |
| Total compensation and related items | $ 12,161,503 | $ 12,161,503 | $ 11,386,686 | $ 774,817 |
| Contractual: | | | | |
| Legal | $ 35,000 | $ 35,000 | $ 40,775 | $ (5,775) |
| Professional services | 7,450 | 7,450 | 31,638 | (24,188) |
| Health services | 486,500 | 486,500 | 542,065 | (55,565) |
| Audit | 15,000 | 15,000 | 13,802 | 1,198 |
| Repairs and maintenance | 69,407 | 69,407 | 74,885 | (5,478) |
| Maintenance contracts | 102,080 | 102,080 | 85,684 | 16,396 |

**Schedule of Revenues and Expenditures**
**Budgetary Basis**
**Year Ended June 30, 2021 (Continued)**

| | Original Budget | Amended Budget | Actual | Variance Positive (Negative) |
|---|---|---|---|---|
| Operating Expenditures: (continued) | | | | |
| Contractual: (continued) | | | | |
| Printing and binding | $ 1,000 | $ 1,000 | $ 32 | $ 968 |
| Advertising | 5,000 | 5,000 | 14,173 | (9,173) |
| Other purchased services | 50,000 | 50,000 | 45,029 | 4,971 |
| Refuse collection | 28,000 | 28,000 | 11,527 | 16,473 |
| Administration fees | 159,640 | 159,640 | 159,640 | - |
| Data processing | 89,622 | 89,622 | 81,948 | 7,674 |
| Total contractual | $ 1,048,699 | $ 1,048,699 | $ 1,101,198 | $ (52,499) |
| Other charges: | | | | |
| Electrical | $ 225,000 | $ 225,000 | $ 209,283 | $ 15,717 |
| Heating | 92,000 | 92,000 | 96,680 | (4,680) |
| Water and sewer | 350,000 | 350,000 | 332,202 | 17,798 |
| Postal services | 4,830 | 4,830 | 9,361 | (4,531) |
| Telecommunications | 47,160 | 47,160 | 34,777 | 12,383 |
| Fire insurance | 49,000 | 49,000 | 57,394 | (8,394) |
| Automotive insurance | 6,500 | 6,500 | 19,592 | (13,092) |
| Leases, rentals | 2,400 | 2,400 | 16,508 | (14,108) |
| Training - Academy | 81,000 | 81,000 | 71,256 | 9,744 |
| Travel - education | 63,100 | 63,100 | 8,593 | 54,507 |
| Travel - subsistence | 7,000 | 7,000 | 4,009 | 2,991 |
| Miscellaneous | 10,500 | 10,500 | 27,730 | (17,230) |
| Inclement weather | 2,000 | 2,000 | 5,679 | (3,679) |
| Dues and memberships | 11,553 | 11,553 | 7,370 | 4,183 |
| Office supplies | 43,511 | 43,511 | 23,969 | 19,542 |
| Food supplies | 887,981 | 887,981 | 667,877 | 220,104 |
| Medical and lab supplies | 475,000 | 475,000 | 521,594 | (46,594) |
| COVID-19 supplies | - | - | 40,238 | (40,238) |
| Laundry and janitorial supplies | 63,400 | 63,400 | 84,845 | (21,445) |
| Kitchen supplies | 49,000 | 49,000 | 31,244 | 17,756 |
| Linen supplies | 21,000 | 21,000 | 4,273 | 16,727 |
| Uniforms - inmates | 26,000 | 26,000 | 24,777 | 1,223 |
| Repair and maintenance supplies | 58,803 | 58,803 | 56,822 | 1,981 |
| Vehicle and equipment fuel, supplies, repairs | 35,300 | 35,300 | 12,692 | 22,608 |
| Police supplies | 27,700 | 27,700 | 14,355 | 13,345 |
| Uniforms and apparel | 51,800 | 51,800 | 37,757 | 14,043 |
| Books and subscriptions | 400 | 400 | 867 | (467) |
| Education and recreation supplies | 16,525 | 16,525 | 282 | 16,243 |
| Copy expense | 1,500 | 1,500 | 128 | 1,372 |
| Total other charges | $ 2,709,963 | $ 2,709,963 | $ 2,422,154 | $ 287,809 |

**Schedule of Revenues and Expenditures**
**Budgetary Basis**
**Year Ended June 30, 2021 (Continued)**

| | Original Budget | Amended Budget | Actual | Variance Positive (Negative) |
|---|---|---|---|---|
| Operating Expenditures: (continued) | | | | |
| Capital Outlay: | | | | |
| Machinery and equipment | $ 26,400 | $ 26,400 | $ 98,847 | $ (72,447) |
| Buildings and improvements | - | - | 9,765 | (9,765) |
| Other | 10,000 | 10,000 | 98,196 | (88,196) |
| Total capital outlay | $ 36,400 | $ 36,400 | $ 206,808 | $ (170,408) |
| Total operating Expenditures | $ 15,956,565 | $ 15,956,565 | $ 15,116,846 | $ 839,719 |
| Net operating income (loss) | $ (5,432,688) | $ (5,432,688) | $ (4,380,826) | $ 1,051,862 |
| Nonoperating revenue (Expenditures): | | | | |
| Debt service assessments: | | | | |
| City of Charlottesville | $ 272,497 | $ 272,497 | $ 204,373 | $ (68,124) |
| County of Albemarle | 270,667 | 270,667 | 203,000 | (67,667) |
| County of Nelson | 32,636 | 32,636 | 24,477 | (8,159) |
| Total debt service assessments | $ 575,800 | $ 575,800 | $ 431,850 | $ (143,950) |
| Interest income | $ 100,000 | $ 100,000 | $ 18,779 | $ (81,221) |
| Intergovernmental: | | | | |
| Commonwealth of Virginia: | | | | |
| Operating grants | $ 5,105,738 | $ 5,105,738 | $ 4,868,161 | $ (237,577) |
| Federal government: | | | | |
| Other federal | $ 10,000 | $ 10,000 | $ 63,200 | $ 53,200 |
| Total federal government | $ 10,000 | $ 10,000 | $ 63,200 | $ 53,200 |
| Tower lease | $ 75,000 | $ 75,000 | $ 52,685 | $ (22,315) |
| Debt service (Expenditures): | | | | |
| Principal | $ (479,913) | $ (479,913) | $ (3,057,271) | $ (2,577,358) |
| Interest | (95,887) | (95,887) | (127,677) | (31,790) |
| Total debt service (Expenditures) | $ (575,800) | $ (575,800) | $ (3,184,948) | $ (2,609,148) |
| Net nonoperating revenues (Expenditures) | $ 5,290,738 | $ 5,290,738 | $ 2,249,727 | $ (3,041,011) |
| Excess (deficiency) of revenues over (under) Expenditures | $ (141,950) | $ (141,950) | $ (2,131,099) | $ (1,989,149) |

The budgetary data presented above is on the modified accrual basis of accounting which is in accordance with generally accepted accounting principles.

# ALBEMARLE-CHARLOTTESVILLE REGIONAL JAIL AUTHORITY

## Reconciliation of the Schedule of Revenues and Expenses - Budgetary Basis to the Statement of Revenues, Expenses and Changes in Net Position Year Ended June 30, 2021

| | | |
|---|---|---|
| Reconciliation of excess (deficiency) of revenues over (under) expenditures to changes in net position per the Statement of Revenues, Expenses and Changes in Net Position: | | |
| Excess (deficiency) of revenues over (under) expenditures per budgetary basis schedule | $ | (2,131,099) |
| Acquisition of capital assets | | 128,911 |
| Loss on disposal of capital assets | | (58,808) |
| Depreciation | | (720,275) |
| Employee canteen account activity | | 144 |
| HEM account activity | | 2,576 |
| Net VRS pension activity | | (307,060) |
| Net OPEB liabilities | | 47,923 |
| Accrued interest payable | | 56,560 |
| Principal payments on debt | | 3,057,271 |
| Changes in net position, per statement of revenues, expenses and changes in net position | $ | 76,143 |

**- Compliance -**

Robinson, Farmer, Cox Associates, PLLC
Certified Public Accountants
CPAs | Consultants

**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 Board Members of**
**Albemarle-Charlottesville Regional Jail Authority**
**Charlottesville, 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 Authorities, Boards, and Commissions*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia, the financial statements of the business-type activities and the aggregate remaining fund information of Albemarle-Charlottesville Regional Jail Authority as of and for the year ended June 30, 2021, and the related notes to the financial statements, and have issued our report thereon dated March 8, 2022.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Albemarle-Charlottesville Regional Jail Authority'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 Albemarle-Charlottesville Regional Jail Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of Albemarle-Charlottesville Regional Jail Authority's internal control.

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

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

## Compliance and Other Matters

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

## Purpose of this Report

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

Robinson, Farmer, Cox Associates

Charlottesville, Virginia
March 8, 2022