



**Charlottesville-UVA-  
Albemarle County  
Emergency  
Communications Center  
Financial Report**

June 30, 2024

Charlottesville-UVA-Albemarle County  
Emergency Communications Center

**Contents**

Independent Auditor’s Report..... 1

**Financial Statements**

Statement of Net Position ..... 4  
Statement of Revenues, Expenses, and Changes in Net Position ..... 5  
Statement of Cash Flows ..... 6  
Notes to Financial Statements ..... 7

**Required Supplementary Information**

Schedule of Center’s Proportionate Share of the Net Pension Liability ..... 25  
Schedule of Pension Contributions ..... 26  
Schedule of Center’s Share of Net OPEB Liability ..... 27  
Schedule of OPEB Contributions ..... 28  
Notes to Required Supplementary Information ..... 29

**Other Supplementary Information**

Schedule of Revenues and Expenditures – Budgetary Basis..... 31  
Reconciliation of the Schedule of Revenues and Expenditures – Budgetary Basis  
to the Statement of Revenues, Expenses, and Changes in Net Position..... 33

**Compliance**

Independent Auditor’s Report on Internal Control over Financial Reporting  
and on Compliance and Other Matters Based on an Audit of Financial  
Statements Performed in Accordance with *Government Auditing Standards*..... 34  
Summary of Compliance Matters..... 36  
Schedule of Findings and Responses..... 37  
Summary of Schedule of Prior Year Audit Findings..... 39

## Independent Auditor's Report

To the Honorable Members of the Board of Directors  
Charlottesville-UVA-Albemarle County  
Emergency Communications Center  
Charlottesville, Virginia

### Report on the Audit of the Financial Statements

#### *Opinion*

We have audited the accompanying financial statements of the Charlottesville- UVA-Albemarle County Emergency Communications Center (the "Center"), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Center's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Center, as of June 30, 2024, and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.


#### *Basis for Opinion*

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

#### *Responsibilities of Management for the Financial Statements*

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

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



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

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

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

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

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

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the schedules related to pension and OPEB funding, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management, and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We 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 Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Center’s basic financial statements. The accompanying budgetary schedules are presented for the purpose of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the budgetary schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated January 13, 2025 on our consideration of the Center’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Center’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Center’s internal control over financial reporting and compliance.

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

CERTIFIED PUBLIC ACCOUNTANTS

Harrisonburg, Virginia  
January 13, 2025



# **Basic Financial Statements**

---

**Charlottesville-UVA-Albemarle County  
Emergency Communications Center**

**Statement of Net Position  
June 30, 2024**

**ASSETS**

Current assets:

Accounts receivable (Note 4)	\$ 4,024,475
Due from other governments (Note 4)	122,742
Prepaid expenses	<u>129,524</u>

Total current assets 4,276,741

Capital assets:

Land and construction in progress (Note 6)	10,538,168
Right-of-use assets, net of accumulated amortization (Notes 6, 7)	3,819,257
Other capital assets, net of accumulated depreciation (Note 6)	<u>3,317,839</u>

Total capital assets, net 17,675,264

Total assets 21,952,005

**DEFERRED OUTFLOWS OF RESOURCES**

Deferred outflows related to other postemployment benefits (Notes 7, 9, 10)	101,669
Deferred outflows related to pension (Note 8)	<u>1,027,029</u>

Total deferred outflows of resources 1,128,698

**LIABILITIES**

Current liabilities:

Accounts payable	253,368
Overdraft reclassification	701,359
Compensation payable	212,329
Current portion of compensated absences (Note 7)	29,386
Current portion of right-of-use liabilities (Note 7)	<u>171,908</u>

Total current liabilities 1,368,350

Noncurrent liabilities:

Noncurrent portion of compensated absences (Note 7)	264,478
Noncurrent portion of right-of-use liabilities (Note 7)	3,932,529
Net pension liability (Notes 7, 8)	2,033,492
Net OPEB liabilities (Notes 7, 9, 10)	<u>487,992</u>

Total noncurrent liabilities 6,718,491

Total liabilities 8,086,841

**DEFERRED INFLOWS OF RESOURCES**

Deferred inflows related to other postemployment benefits (Notes 9, 10)	395,380
Deferred inflows related to pension (Note 8)	<u>374,016</u>

Total deferred inflows of resources 769,396

**NET POSITION**

Net investment in capital assets	13,570,827
Unrestricted	<u>653,639</u>

Total net position \$ 14,224,466

**Charlottesville-UVA-Albemarle County  
Emergency Communications Center**

**Statement of Revenues, Expenses, and Changes in Net Position  
Year Ended June 30, 2024**

**OPERATING REVENUES:**

Intergovernmental:

Charges for services:

City of Charlottesville	\$ 1,891,021
County of Albemarle	4,175,013
University of Virginia	1,528,607
Charlottesville-Albemarle Airport Authority	11,045
Albemarle-Charlottesville Regional Jail	5,164
Rivanna Water and Sewer Authority	13,483
Other	18,865

Total charges for services	7,643,198
----------------------------	-----------

Miscellaneous	66,247
---------------	--------

Total operating revenues	7,709,445
--------------------------	-----------

**OPERATING EXPENSES:**

Personnel	4,888,990
Payroll taxes and fringe benefits	1,685,132
Contractual services	1,509,540
Other charges	1,157,428
Depreciation and amortization	1,034,479

Total operating expenditures	10,275,569
------------------------------	------------

Operating loss	(2,566,124)
----------------	-------------

**NON-OPERATING REVENUES AND EXPENSES:**

Revenue from the use of money and property	77,126
Commonwealth of Virginia	814,943
Lease interest expense	(196,892)

Total non-operating revenues	695,177
------------------------------	---------

Loss before contributions	(1,870,947)
---------------------------	-------------

**CAPITAL CONTRIBUTIONS:**

City of Charlottesville	453,868
County of Albemarle	920,344
University of Virginia	286,369
Other contributions	140,483

Total capital contributions	1,801,064
-----------------------------	-----------

Change in net position	(69,883)
------------------------	----------

Net position, beginning of year, as restated (Note 12)	14,294,349
--	------------

Net position, end of year	\$ 14,224,466
---------------------------	---------------



**Charlottesville-UVA-Albemarle County  
Emergency Communications Center**

**Statement of Cash Flows  
Year Ended June 30, 2024**

<b>Cash flows from operating activities:</b>	
Operating receipts	\$ 3,779,686
Payments to and for employees	(6,677,808)
Payments to suppliers and others	<u>(2,029,303)</u>
Net cash used for operating activities	<u>(4,927,425)</u>
<b>Cash flows from investing activities:</b>	
Investment income	75,250
Rental income	<u>1,876</u>
Net cash provided by investing activities	<u>77,126</u>
<b>Cash flows from noncapital financing activities:</b>	
Receipts from state grants	<u>814,943</u>
<b>Cash flows from capital financing activities:</b>	
Purchase of capital assets	(1,582,231)
Capital contributions	1,801,064
Principal retirement	(160,366)
Interest payments	<u>(196,892)</u>
Net cash used for capital and related financial activities	<u>(138,425)</u>
Net change in cash and cash equivalents	(4,173,781)
Cash and cash equivalents, beginning of year	<u>4,173,781</u>
Cash and cash equivalents, end of year	<u>\$ -</u>
<b>Reconciliation of operating loss to net cash used for operating activities:</b>	
Operating loss	\$ (2,566,124)
Adjustments to reconcile operating loss to net cash used for operating activities:	
Depreciation and amortization	1,034,479
Excess of employer contributions over pension expense	(68,436)
Excess of employer contributions over other postemployment benefits expense	(95,312)
(Increase) decrease in:	
Accounts receivable	(3,924,365)
Due from other governments	(5,393)
Prepaid expenses	(50,276)
Increase (decrease) in:	
Accounts payable	(13,418)
Compensation payable	28,029
Overdraft reclassification	701,359
Compensated absences	<u>32,032</u>
Net cash used for operating activities	<u>\$ (4,927,425)</u>

# Charlottesville-UVA-Albemarle County Emergency Communications Center

## Notes to Financial Statements

June 30, 2024

---

### Note 1 – Nature of Entity and Summary of Significant Accounting Policies

---

#### *Nature of operations*

Charlottesville-UVA-Albemarle County Emergency Communications Center, (the “Center”) formed January 20, 1984, provides emergency dispatch services to the citizens in the area. The County of Albemarle serves as the fiscal agent and provides all accounting for the Center.

#### *Financial reporting entity*

The Center has determined that it is a related organization to the County of Albemarle and City of Charlottesville in accordance with Governmental Accounting Standards Board (GASB). The Center is considered an intergovernmental (joint) venture and, therefore, its operations are not included in the County’s financial statements. The County of Albemarle, City of Charlottesville, and the University of Virginia provide the financial support for the Center. The Center is controlled by a nine-member board with representatives from the County of Albemarle, the City of Charlottesville, and the University of Virginia. No one entity contributes more than 50% of the Center’s funding or has oversight responsibility over its operations.

#### *Measurement focus and basis of accounting*

The Center’s financial statements are reported using the *accrual basis of accounting*. Revenues are recognized when earned and expenses are recorded when a liability is incurred, regardless of the timing related to cash flows.

The Center distinguishes *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services in connection with the principal ongoing operations. The principal operating revenues are charges for services. Operating expenses include the cost of providing services and administrative expenses. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

#### *Cash and cash equivalents*

The Center’s cash and cash equivalents is part of the pooled cash and investments of the County of Albemarle. All cash on hand, in banks, and certificates of deposit and investments with original maturities of three months or less from the date of acquisition are considered cash and cash equivalents.

#### *Accounts receivable and amounts due from other governments*

All accounts receivable are shown at gross. No allowance for uncollectible accounts is calculated due to historical collections not requiring write-offs of receivables.

#### *Capital assets*

Capital assets consist of property, equipment, and leasehold improvements and are valued at historical cost or estimated historical cost if actual historical cost is not available. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of one year. Donated fixed assets are valued at their acquisition value on the date donated. Depreciation is provided on the straight-line method over the estimated useful lives as follows:

# Charlottesville-UVA-Albemarle County Emergency Communications Center

## Notes to Financial Statements

June 30, 2024

Buildings and leasehold improvements	15-20 years
Vehicles	5 years
Communications equipment	5-10 years

### *Construction in progress*

Construction in progress represents expended funds for engineering, furnishing, installation, and construction of an Entity-Wide Mobile Data System. At the completion of the project, amounts will be transferred to capital assets. Administrative, overhead, and other costs that do not increase the value of the property are expensed as incurred.

### *Leases and Subscriptions*

For new or modified contracts, the Center determines whether the contract is a lease or subscription. If a contract is determined to be, or contain, a lease or subscription with a non-cancellable term in excess of 12 months (including any options to extend or terminate the lease when exercise is reasonably certain), the Center records a right-to-use asset and obligation, which is calculated based on the value of the discounted future payments over the term of the contract. If the interest rate implicit in the contract is not readily determinable, the Center will use the applicable incremental borrowing rate in the calculation of the present value of the contract payments. The Center recognizes a liability and right to use asset on the Statement of Net Position. Contracts with an initial, non-cancellable term of 12 months or less are not recorded on the Statement of Net Position and expense is recognized as incurred over the contract term. At the commencement of a lease or subscription, the County measures the liability at the present value of payments expected to be made during the contract term and then reduces the liability by the principal portion of payments made. The asset is measured as the initial amount of the liability, adjusted for payments made at or before the contract commencement date, plus certain initial direct costs, then amortized on a straight-line basis over a period that is the shorter of the contract term or the useful life of similar capital assets. Contract payments are apportioned between interest expense and principal based on an amortization schedule calculated using the effective interest method.

### *Use of estimates*

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

### *Net position*

Net position is the difference between 1) assets and deferred outflows of resources and 2) liabilities and deferred inflows of resources. Net investment in capital assets represents capital assets, less accumulated depreciation, less any outstanding debt related to those assets.

### *Net position flow assumption*

Sometimes the Center 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 Center’s policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

# Charlottesville-UVA-Albemarle County Emergency Communications Center

## Notes to Financial Statements

June 30, 2024

### *Compensated absences*

The Center accrues compensated absences (annual and sick leave benefits) when vested. The compensated absences are recorded as liabilities in the financial statements based upon length of service. The Center has outstanding accrued compensated absences totaling \$293,864 as of June 30, 2024.

### *Deferred outflows/inflows of resources*

In addition to assets, the statement, which presents financial position reports a separate section for deferred outflows of resources. These items represent a consumption of net assets that applies to a future periods and so will not be recognized as an outflow of resources (expense) until then.

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to a future periods and so will not be recognized as an inflow of resources (revenue) until that time.

The Center has the following items that qualify for reporting as deferred inflows and outflows:

- Contributions subsequent to the measurement date for pensions and OPEB. These will be applied to the net pension or OPEB liability in the next fiscal year.
- Changes in assumptions and changes in proportion. This difference will be recognized in pension or OPEB expense over the remaining service life of the employees subject to the plan and may be reported as a deferred outflow or a deferred inflow as appropriate.
- Differences between expected and actual experience for economic/demographic factors and changes in assumptions in the measurement of the total pension or OPEB liability. This difference will be recognized in pension or OPEB expense over the expected average remaining service life of all employees provided with benefits in the plan and may be reported as a deferred inflow or outflow as appropriate.
- Difference between projected and actual earnings on pension and OPEB plan investments. These differences will be recognized in pension or OPEB expense over the closed five-year period and may be reported as a deferred outflow or inflow as appropriate.

### *Pensions and Other Postemployment Benefits (OPEB)*

For purposes of measuring all financial elements related to pension and OPEB plans, information about the fiduciary net position of the Political Subdivision's Retirement Plan and the additions to/deductions from the Political Subdivision's Retirement Plan's net fiduciary position have been determined on the same basis as they were reported by the Virginia Retirement System (VRS). For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

---

## **Note 2 – Deposits and Investments**

---

The Center's cash and cash equivalents are a part of the pooled cash and investments of the County of Albemarle, the Center's fiscal agent. The components of the Center's cash and equivalents as to bank and investment balances are not identifiable. As disclosed in the County's Annual Comprehensive Financial Report as of June 30, 2024, all County deposits with banks and savings were either covered by federal depository insurance or considered to be insured in accordance with Section 2.2-4400 et. seq. of the *Code of Virginia* (the "Code"), and the Virginia Security for Public Deposits Act.

# Charlottesville-UVA-Albemarle County Emergency Communications Center

## Notes to Financial Statements

June 30, 2024

### Note 3 – Revenues

Revenues consist primarily of operating appropriations from the City of Charlottesville, the County of Albemarle, and the University of Virginia. The Center also receives operating and capital grants from state and federal sources.

### Note 4 – Due From Other Governments

Amounts due from other governments are as follows:

Due from other governmental units:	
Commonwealth of Virginia	<u>\$ 122,742</u>

The Center also has \$4,024,475 for accounts receivable from localities for services provided. As described in Note 1, the Center does not have an allowance for doubtful accounts.

### Note 5 – Fiscal Agent

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

### Note 6 – Capital Assets

The following is a summary of the changes in capital assets for the fiscal year ended June 30, 2024:

	Beginning Balance*	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land	\$ 90,027	\$ -	\$ -	\$ 90,027
Construction in progress*	9,123,903	1,324,238	-	10,448,141
Total capital assets not being depreciated	9,213,930	1,324,238	-	10,538,168
Other capital assets:				
Leasehold improvements	159,138	-	-	159,138
Vehicles	123,873	77,262	-	201,135
Communications equipment*	27,389,216	180,731	224,210	27,345,737
Leased equipment*	3,800,385	-	-	3,800,385
Right-of-use subscriptions*	310,886	-	-	310,886
Total other capital assets	31,783,498	257,993	224,210	31,817,281
Accumulated depreciation/amortization				
Leasehold improvements	159,138	-	-	159,138
Vehicles	102,716	16,918	-	119,634
Communications equipment*	23,608,062	725,548	224,210	24,109,400
Leased equipment	-	229,800	-	229,800
Right-of-use subscriptions	-	62,213	-	62,213
Total accumulated depreciation/amortization	23,869,916	1,034,479	224,210	24,680,185

**Charlottesville-UVA-Albemarle County  
Emergency Communications Center**

**Notes to Financial Statements**

June 30, 2024

	Beginning Balance*	Increases	Decreases	Ending Balance
Total capital assets being depreciated/amortized, net	7,913,582	(776,486)	-	7,137,096
Net capital assets	<u>\$ 17,127,512</u>	<u>\$ 547,752</u>	<u>\$ -</u>	<u>\$ 17,675,264</u>

\*Beginning balances were restated. See Note 12.

Depreciation and amortization expense amounted to \$1,034,479 for 2024.

**Note 7 – Long-Term Obligations**

The following is a summary of long-term obligations transactions of the Center for the year ended June 30, 2024:

	Beginning Balance*	Increases/ Issuances	Decreases/ Retirements	Ending Balance	Amounts Due Within One Year
Compensated absences	\$ 261,832	\$ 32,032	\$ -	\$ 293,864	\$ 29,386
Net pension liability	1,566,047	467,445	-	2,033,492	-
Net OPEB liabilities	734,304	-	246,312	487,992	-
Lease liability*	3,953,917	-	84,919	3,868,998	99,215
Subscription liability*	310,886	-	75,447	235,439	72,693
Total	<u>\$ 6,826,986</u>	<u>\$ 499,477</u>	<u>\$ 406,678</u>	<u>\$ 6,919,785</u>	<u>\$ 201,294</u>

\*Beginning balances were restated. See Note 12.

*Leases*

Annual requirements to amortize lease liabilities and related interest are as follows:

Years Ending June 30,	Lease Liabilities	
	Principal	Interest
2025	\$ 99,215	\$ 192,545
2026	114,590	187,477
2027	131,111	181,632
2028	148,849	174,954
2029	132,354	167,380
2030-2034	945,806	717,190
2035-2039	1,217,091	433,410
2040-2044	1,079,982	157,310
	<u>\$ 3,868,998</u>	<u>\$ 2,211,898</u>

A summary of significant Center leases as the Lessee is as follows:

The Center entered into a leasing arrangement on July 1, 2022, with Crown Orchard Tower, LLC to lease a tract of land for 5 years with a commencement date of July 1, 2022, that may be extended for two additional five-year terms. Per the agreement, quarterly lease payments are \$25,625 and increase 3.0% per year. The Center has elected to use their

# Charlottesville-UVA-Albemarle County Emergency Communications Center

## Notes to Financial Statements

June 30, 2024

incremental borrowing rate of 5.00% to measure the intangible right to use asset and liability as of July 1, 2022. As of June 30, 2024, the lease liability was \$1,218,081 and the right-of-use asset balance was \$1,096,686 net of amortization.

The Center entered into a leasing agreement on June 17, 2019, with Norfolk Southern Railway Company to lease a parcel of land and telecommunications tower for 5 years with a commencement date of August 16, 2019, that may be extended for four additional five-year terms. Per the agreement, annual lease payments are \$40,000 and increase 4.0% per year. The Center has elected to use their incremental borrowing rate of 5.00% to measure the intangible right to use asset and liability as of August 16, 2019. As of June 30, 2024, the lease liability was \$847,709 and the right-of-use asset balance was \$780,397 net of amortization.

The Center entered into a leasing agreement on February 1, 2019, with ATC Sequoia LLC to lease a telecommunications tower for 10 years with a commencement date of February 1, 2019, that may be extended for three additional five-year terms. Per the agreement, annual lease payments are \$45,000 and increase by 3.5% per year. The Center has elected to use their incremental borrowing rate of 5.00% to measure the intangible right to use asset and liability as of February 1, 2019. As of June 30, 2024, the lease liability was \$841,456 and the right-of-use asset balance was \$808,974 net of amortization.

The Center entered into a leasing agreement on August 12, 2013, with US Cellular to lease a telecommunications tower for 5 years with a commencement date of November 1, 2013, that may be extended for two additional five-year terms. Per the agreement, annual lease payments are \$6,000 and increase by 4.0% per year. The Center has elected to use their incremental borrowing rate of 5.00% to measure the intangible right to use asset and liability as of November 1, 2013. As of June 30, 2024, the lease liability was \$114,044 and the right-of-use asset balance was \$104,130 net of amortization.

The Center entered into a leasing agreement on June 17, 2019, with Norfolk Southern Railway Company to lease a parcel of land and telecommunications tower for 5 years with a commencement date of August 19, 2019, that may be extended for four additional five-year terms. Per the agreement, annual lease payments are \$40,000 and increase by 4.0% per year. The Center has elected to use their incremental borrowing rate of 5.00% to measure the intangible right to use asset and liability as of August 19, 2019. As of June 30, 2024, the lease liability was \$847,708 and the right-of-use asset balance was \$780,398 net of amortization.

### *Subscriptions*

Annual requirements to amortize subscription liabilities and related interest are as follows:

Years Ending June 30,	Subscription Liabilities	
	Principal	Interest
2025	\$ 72,693	\$ 10,807
2026	75,663	8,137
2027	47,655	4,354
2028	39,428	1,971
	\$ 235,439	\$ 25,269

A summary of significant Center subscriptions is as follows:

In March 2021, the Center entered into a subscription agreement with Medical Priority Consultants, Inc. for the use of an emergency medical, fire, and police dispatch system expiring in March 2026. The Center is required to make annual payments of \$41,400. The subscription was discounted at a rate of 5.00% which is the entity's incremental borrowing rate,

# Charlottesville-UVA-Albemarle County Emergency Communications Center

## Notes to Financial Statements

June 30, 2024

and as of June 30, 2024, the value of the subscription liability is \$146,802 and the right-of-use asset was \$149,453 net of accumulated amortization.

In March 2024, the Center entered into a subscription agreement with ClearGov, Inc. for the use of a budgeting software expiring in March 2026. The Center is required to make annual payments of \$10,000 which increase 3.0% each year. The subscription was discounted at a rate of 5.00% which is the entity's incremental borrowing rate, and as of June 30, 2024, the value of the subscription liability is \$28,950 and the right-of-use asset was \$27,830 net of accumulated amortization.

In November 2023, the Center entered into a subscription agreement with SHI International Corp for the use Microsoft 365 software expiring in November 2026. The Center is required to make annual payments of \$32,100. The subscription was discounted at a rate of 5.00% which is the entity's incremental borrowing rate, and as of June 30, 2024, the value of the subscription liability is \$59,687 and the right-of-use asset was \$71,390 net of accumulated amortization.

---

### Note 8 – Defined Benefit Pension Plan

---

#### *Plan Description*

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

The Center participates in VRS through the County, the Center's fiscal agent. The Center accounts for and reports its participation in the County's VRS plan by applying the requirements for a cost-sharing multiple-employer plan.

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

- <https://www.varetire.org/members/benefits/defined-benefit/plan1.asp>,
- <https://www.varetire.org/members/benefits/defined-benefit/plan2.asp>,
- <https://www.varetirement.org/hybrid.html>.

#### *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 Political Subdivision's contractually required contribution rate for the year ended June 30, 2024, was 14.61% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2021.



# Charlottesville-UVA-Albemarle County Emergency Communications Center

## Notes to Financial Statements

June 30, 2024

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 Political Subdivision were \$554,856 and \$467,893 for the years ended June 30, 2024 and June 30, 2023, respectively.

### *Net Pension Liability*

The net pension liability 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. For Political Subdivisions, the net pension liability was measured as of June 30, 2023. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of June 30, 2022, rolled forward to the measurement date of June 30, 2023.

### *Actuarial Assumptions*

The total pension liability for General Employees and Public Safety employees with Hazardous Duty Benefits in the Political Subdivision's Retirement Plan was based on an actuarial valuation as of June 30, 2022, 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, 2023.

Inflation	2.50%
General Employees – Salary increases, including inflation	3.50 – 5.35%
Public Safety Employees with hazardous duty benefits – Salary increases, including inflation	3.50 – 4.75%
Investment rate of return	6.75%, net of pension plan investment expense, including inflation

Mortality rates: General employees – 15 to 20% of deaths are assumed to be service-related. Public Safety Employees – 45% to 70% of deaths are assumed to be service-related. Mortality is projected using the applicable Pub-2010 Mortality Table with various setbacks or set forwards for both males and females.

The actuarial assumptions used in the June 30, 2022, valuation were based on the results of an actuarial experience study for the period from July 1, 2016 through June 30, 2020, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2021. Changes to the actuarial assumptions as a result of the experience study are as follows:

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

Public Safety Employees – Largest 10 – Hazardous Duty and All Others (Non 10 Largest): Updated mortality table; adjusted retirement rate to better-fit experience and increased final retirement age to 70; decreased rates of withdrawal; no change to disability rates; no changes to salary scale; no change to line of duty disability; and no change to discount rate.

# Charlottesville-UVA-Albemarle County Emergency Communications Center

## Notes to Financial Statements

June 30, 2024

### *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 weighing 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)	Target Allocation	Arithmetic Long-Term Expected Rate of Return	Weighted- Average Long-Term Expected Rate of Return
Public equity	34.00%	6.14%	2.09%
Fixed income	15.00	2.56	0.38
Credit strategies	14.00	5.60	0.78
Real assets	14.00	5.02	0.70
Private equity	16.00	9.17	1.47
MAPS – Multi-Asset Public Strategies	4.00	4.50	0.18
PIP – Private Investment Partnership	2.00	7.18	0.14
Cash	1.00	1.20	0.01
Total	100.00%		<b>5.75%</b>
	Inflation		2.50%
	*Expected arithmetic nominal return		<b>8.25%</b>

\* The above allocation provides for a one-year return of 8.25%. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected rate of 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 7.14%, including expected inflation of 2.50%. On June 15, 2023, the VRS Board elected a long-term rate of 6.75% which is roughly at the 45<sup>th</sup> percentile of expected long-term results of the VRS fund asset allocation at that time, providing a median return of 7.14%, including expected inflation of 2.50%.

### *Discount Rate*

The discount rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that System member contributions will be made per the VRS Statutes and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Consistent with the phased-in funding provided by the General Assembly for state and teacher employer contributions, Political Subdivisions were also provided with an opportunity to use an alternate employer contribution rate. For the year ended June 30, 2023, the alternate rate was the employer contribution rate used in the fiscal year 2012 or 100% of the actuarially determined employer contribution rate from the June 30, 2022, actuarial valuations, whichever was greater. From July 1, 2023 on, participating employers are assumed to continue to contribute 100% of the actuarially determined contribution

# Charlottesville-UVA-Albemarle County Emergency Communications Center

## Notes to Financial Statements June 30, 2024

rates. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

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

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

	<b>1.00% Decrease (5.75%)</b>	<b>Current Discount Rate (6.75%)</b>	<b>1.00% Increase (7.75%)</b>
Political Subdivision’s net pension liability	\$ 4,004,627	\$ 2,033,492	\$ 411,328

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

The Center reported liabilities of \$2,033,492 for its proportionate share of the Collective Net Pension Liability of the County’s Plan at June 30, 2024. The Collective Net Pension Liability was measured as of June 30 of the preceding fiscal year and the total pension liability used to calculate the Collective Net Pension Liability was determined by an actuarial valuation as of that date. The Center’s proportion of the Collective Net Pension Liability was based on the Center’s actuarially determined employer contributions to the pension plan for the respective years to the total of the actuarially determined employer contributions for the County’s Plan’s participating employers.

At June 30, 2024, the Center’s proportions was 5.4050% as compared to 5.2872% at June 30, 2023.

For the year ended June 30, 2024, the Political Subdivision recognized pension expense of \$454,131. At June 30, 2024, the political subdivision reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 369,009	\$ 200,405
Change in assumptions	103,164	-
Net difference between projected earnings on pension plan investments	-	173,611
Employer contributions subsequent to the measurement date	554,856	-
Total	\$ 1,027,029	\$ 374,016

The \$554,856 reported as deferred outflows of resources related to pensions resulting from the Political Subdivision’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, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

# Charlottesville-UVA-Albemarle County Emergency Communications Center

## Notes to Financial Statements June 30, 2024

Year Ending June 30,	Effect on Pension Expense
2025	\$ (13,649)
2026	(139,344)
2027	245,588
2028	5,562
2029	-
Thereafter	-

### *Pension Plan Fiduciary Net Position*

Detailed information about the County’s Fiduciary Net Position in the VRS plan is available in the separately issued County’s 2024 Annual Comprehensive Financial Report (ACFR). A copy of the 2024 County of Albemarle ACFR may be downloaded from the County’s website at <https://www.albemarle.org/government/finance-and-budget/historical-budgets-and-annual-comprehensive-financial-report-files>.

### *Pension Plan Data*

Information about the VRS Political Subdivision Retirement Plans is also available in the separately issued VRS 2023 *Annual Comprehensive Financial Report* (Annual Report). A copy of the 2023 VRS Annual Report may be downloaded from the VRS website at <http://www.varetire.org/Pdf/Publications/2023-annual-report.pdf>, or by writing to the System’s Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

---

## **Note 9 – Other Postemployment Benefits Liability – Local 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 Board'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 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 issue a publicly available separate financial report.

The current funding policy is to pay benefits directly from general assets on a pay-as-you-go basis, meaning contributions are not tied to covered payroll or salaries. The funding requirements are established and may be amended by the County Board of Supervisors.

### *Benefits Provided*

Postemployment benefits are 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

# Charlottesville-UVA-Albemarle County Emergency Communications Center

## Notes to Financial Statements

June 30, 2024

pay 100% of spousal premiums. Coverage ceases when retirees reach the age of 65. Surviving spouses are not allowed access to the plan.

### *Employees Covered by Benefit Terms*

Information regarding covered employees is available in the County’s separately issued 2024 Annual Comprehensive Financial Report (ACFR).

### *Net OPEB Liability*

At June 30, 2024, the Center reported a liability of \$321,981 for its proportionate share of the collective net OPEB liability. The collective net OPEB liability was measured as of June 30, 2024, and the total OPEB liability used to calculate the collective net OPBE liability was determined by an actuarial valuation as of January 1, 2024, rolled back to June 30, 2023. The Center’s proportion of the collective net OPEB liability was based on a projection of the Center’s long-term share of contributions of the OPEB plan relative to the projected contributions of all participating employers. At June 30, 2024, the Center’s proportionate share of the County’s OPEB plan was 1.21%.

### *Actuarial Assumptions and other inputs*

Information regarding actuarial assumptions and the discount rate is available is the separately issued County’s 2024 Annual Comprehensive Financial Report (ACFR).

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

The following presents the total OPEB liability of the Center, as well as what the total OPEB liability would be if it was calculated using a discount rate that is one percentage point lower (2.86%) or one percentage point higher (4.86%) than the current discount rate:

	<b>1.00% Decrease (2.86%)</b>	<b>Current Discount Rate (3.86%)</b>	<b>1.00% Increase (4.86%)</b>
Total OPEB liability	\$ 343,813	\$ 321,981	\$ 301,280

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

The following presents the total OPEB liability of the Center, as well as what the total OPEB liability would be if it was calculated using healthcare cost trend rates that are one percentage point lower (3.04%) or one percentage point higher (5.04%) than the current healthcare cost trend rates:

	<b>1.00% Decrease (3.04%)</b>	<b>Current Healthcare Cost Trend Rates (4.04%)</b>	<b>1.00% Increase (5.04%)</b>
Total OPEB liability	\$ 291,170	\$ 321,981	\$ 357,296

**Charlottesville-UVA-Albemarle County  
Emergency Communications Center**

**Notes to Financial Statements  
June 30, 2024**

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

For the year ended June 30, 2024, the Center recognized OPEB expense (benefit) of \$(89,592). At June 30, 2024, the political subdivision reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 11,552	\$ 132,160
Change in assumptions	10,392	80,835
Change in proportion	22,607	159,129
Total	<b>\$ 44,551</b>	<b>\$ 372,124</b>

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<b>Year Ending June 30,</b>	<b>Increase (Reduction) to OPEB Expense</b>
2025	\$ (78,848)
2026	(76,914)
2027	(70,876)
2028	(54,597)
2029	(46,338)
Thereafter	-

*OPEB Plan Fiduciary Net Position*

Detailed information about the OPEB plan is available in the separately issued County Annual Comprehensive Financial Report (ACFR).

---

**Note 10 – Other Postemployment Benefits Liability – Virginia Retirement System Plans**

---

In addition to their participation in the pension plans offered through the Virginia Retirement System (VRS), the Center also participates in VRS group life insurance and agent multi-employer other postemployment benefit plans, described as follows.

*Plan Descriptions*

Group Life Insurance Program

All full-time teachers and employees of political subdivisions are automatically covered by the VRS Group Life Insurance (GLI) Program upon employment.

# Charlottesville-UVA-Albemarle County Emergency Communications Center

## Notes to Financial Statements June 30, 2024

The Center participates in GLI through the County. The Center accounts for and reports its participation in the County's GLI plan by applying the requirements for a cost-sharing multiple-employer plan.

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 Program. 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 Program OPEB.

Specific information for the GLI is available at <https://www.varetire.org/members/benefits/life-insurance/basic-group-life-insurance.asp>

The GLI is administered by the VRS along with pension and other OPEB plans, for public employer groups in the Commonwealth of Virginia. This plan is considered a multiple-employer, cost-sharing plan.

### *Contributions*

Contributions to the VRS OPEB programs were based on actuarially determined rates from actuarial valuations as of June 30, 2021. The actuarially determined rates were expected to finance the cost of benefits earned by employees during the year, with an additional amount to fund any unfunded accrued liability. Specific details related to the contributions for the VRS OPEB programs are as follows:

#### Group Life Insurance Program

Governed by:	<i>Code of Virginia</i> 51.1-506 and 51.1-508 and may be impacted as a result of funding provided to school divisions and governmental agencies by the Virginia General Assembly.
Total rate:	1.34% of covered employee compensation. Rate allocated 60/40; 0.80% employee and 0.54% employer. Employers may elect to pay all or part of the employee contribution.
June 30, 2024, contribution	\$20,546
June 30, 2023, contribution	\$17,195

In June 2023, the Commonwealth made a special contribution of approximately \$10.1 million to the Group Life Insurance plan. This special payment was authorized by Chapter 2 of the acts of Assembly of 2022, Special Session I, as amended by Chapter 769, 2023 Acts of Assembly Reconvened Session.

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

The net OPEB liabilities were measured as of June 30, 2023, and the total OPEB liabilities used to calculate the net OPEB liabilities was determined by an actuarial valuation performed as of June 30, 2022, and rolled forward to the measurement date of June 30, 2023. The covered employer's proportion of the net OPEB liabilities, were based on the covered employer's actuarially determined employer contributions for the year ended June 30, 2023, relative to the total of the actuarially determined employer contributions for all participating employers.

# Charlottesville-UVA-Albemarle County Emergency Communications Center

## Notes to Financial Statements June 30, 2024

### Group Life Insurance Program

June 30, 2024, proportionate share of liability	\$166,011
June 30, 2023, proportion	5.4128%
June 30, 2022, proportion	5.2863%
June 30, 2024, expense	\$12,930

At June 30, 2024, the Center reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources.

### Group Life Insurance Program

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 16,580	\$ 5,039
Change in assumptions	3,549	11,502
Net difference between projected and actual earnings on OPEB		
Plan investments	-	6,671
Change in proportion	16,443	44
Employer contributions subsequent to the measurement date	20,546	-
<b>Total</b>	<b>\$ 57,118</b>	<b>\$ 23,256</b>

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

### Group Life Insurance Program

<b>Year Ending June 30,</b>	<b>Increase (Reduction) to OPEB Expense</b>
2025	\$ 3,973
2026	(2,782)
2027	5,902
2028	2,879
2029	3,344
Thereafter	-

### *Actuarial Assumptions and Other Inputs*

The total OPEB liability was determined using the following assumptions based on an actuarial valuation date of June 30, 2022, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2023:



# Charlottesville-UVA-Albemarle County Emergency Communications Center

## Notes to Financial Statements

June 30, 2024

Inflation	2.50%
Salary increases, including inflation:	
• Locality – general employees	3.50 – 5.35%
• Locality – hazardous duty employees	3.50 – 4.75%
Healthcare cost trend rates:	
• Under age 65	7.00 – 4.75%
• Ages 65 and older	5.25 – 4.75%
Investment rate of return, net of expenses, including inflation	6.75%

Mortality rates used for the various VRS OPEB plans are the same as those used for the actuarial valuations of the VRS pension plans. The mortality rates are discussed in detail at Note 8.

### *Net OPEB Liabilities*

The net OPEB liabilities represent each program’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, 2023, net OPEB liability amounts for the various VRS OPEB programs are as follows (amounts expressed in thousands):

	<b>Group Life Insurance Program</b>
Total OPEB liability	\$ 3,907,052
Plan fiduciary net position	2,707,739
Employers’ net OPEB liability	1,199,313
Plan fiduciary net position as a percentage of total OPEB liability	69.30%

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

### *Long-Term Expected Rate of Return*

The long-term expected rate of return on VRS investments was determined in a manner similar to that of the VRS pension described in Note 8.

### *Discount Rate*

The discount rate used to measure the GLI OPEB 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 Guidance and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Through the fiscal year ending June 30, 2023, the rate contributed by the employer for the OPEB liabilities will be subject to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly for state and teacher employer contributions, Political Subdivisions were also provided with an opportunity to use an alternate employer contribution rate. From July 1, 2023,

# Charlottesville-UVA-Albemarle County Emergency Communications Center

## Notes to Financial Statements

June 30, 2024

on participating employers are assumed to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the OPEB plans' 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 OPEB liability.

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

The following presents the net OPEB liabilities of the Center, as well as what the net OPEB liabilities would be if it was calculated using a discount rate that is one percentage point lower (5.75% GLI) or one percentage point higher (7.75% GLI) than the current discount rate:

	1.00% Decrease (5.75%)	Current Discount Rate (6.75%)	1.00% Increase (7.75%)
GLI Net OPEB liability	\$ 246,081	\$ 166,011	\$ 101,275

### *OPEB Plan Fiduciary Net Position*

Detailed information about the County's Fiduciary Net Position in the VRS plan is available in the separately issued County's 2024 Annual Comprehensive Financial Report (ACFR).

### *OPEB Plan Data*

Information about the various VRS OPEB plan fiduciary net positions is available in the separately issued VRS 2023 *Annual Comprehensive Financial Report* (Annual Report). A copy of the 2023 VRS Annual Report may be downloaded from the VRS website at <http://www.varetire.org/Pdf/Publications/2023-annual-report.pdf>, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

## **Note 11 – Summary of Net OPEB Liabilities, Deferred Outflows of Resources, and Deferred Inflows of Resources**

	Deferred Outflows	Deferred Inflows	Net OPEB Liability	OPEB Expense (Benefit)
Group Life Insurance Program	\$ 57,118	\$ 23,256	\$ 166,011	\$ 12,930
Local plan	44,551	372,124	321,981	(74,928)
	\$ 101,669	\$ 395,380	\$ 487,992	\$ (61,998)

# Charlottesville-UVA-Albemarle County Emergency Communications Center

## Notes to Financial Statements

June 30, 2024

### Note 12 – Prior Period Restatement

The following is a summary of the restatements due to identified contracts previously not recorded subject to GASB Statement Nos. 87 and 96 and to record capital projects not recorded and not transferred out of construction in progress relating to the 800 MHz project. Beginning net position was restated to include assets and liabilities for contracts existing prior to July 1, 2023, and to record construction in progress and capital assets net of depreciation related to assets exiting prior to July 1, 2023.

Net position, June 30, 2023, as previously reported	\$ 7,392,595
To record balances not reported:	
Subscription assets	310,886
Lease assets	3,800,385
Subscription liabilities	(310,886)
Lease liabilities	(3,953,917)
Communication equipment, net of depreciation	3,154,353
Construction in progress	<u>3,900,933</u>
Net position, June 30, 2023, as restated	<u>\$ 14,294,349</u>

### Note 13 – New Accounting Standards

In June 2022, the GASB issued **Statement No. 101**, *Compensated Absences*. This statement updates the recognition and measurement guidance for compensated absences and amends certain previously required disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2023.

In December 2023, the GASB issued **Statement No. 102**, *Certain Risk Disclosures*. This statement defines and requires governments to disclose the risks related to concentrations of inflows or outflows of resources. The requirements of this Statement are effective for reporting periods beginning after June 15, 2024.

In April 2024, the GASB issued **Statement No. 103**, *Financial Reporting Model Improvements*. This statement improves key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision-making and assessing a government's accountability, as well as addresses certain application issues. The requirements of this Statement are effective for reporting periods beginning after June 15, 2025.

Management has not determined the effects these new GASB Statements may have on prospective financial statements.



# **Required Supplementary Information**

---

**Charlottesville-UVA-Albemarle County  
Emergency Communications Center**

**Schedule of Center's Proportionate Share of the Net Pension Liability  
June 30, 2024**

<b>Entity Fiscal Year Ended June 30</b>	<b>Employer's Proportion of the County's Net Pension Liability</b>	<b>Employer's Proportionate Share of the County's Net Pension Liability</b>	<b>Employer's Covered Payroll</b>	<b>Employer's Proportionate Share of the County's Net Pension Liability as a Percentage of its Covered Payroll</b>	<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>
2024	5.40%	\$ 2,033,492	\$ 3,179,331	63.96%	85.87%
2023	5.29%	1,566,047	2,730,670	57.35%	87.88%
2022	5.24%	1,215,388	2,537,628	47.89%	90.34%
2021	4.76%	2,442,821	2,270,170	107.61%	76.95%
2020	4.74%	1,678,220	2,106,746	79.66%	82.70%
2019	5.07%	1,431,592	2,389,359	59.92%	84.98%
2018	5.78%	1,595,710	2,274,559	70.15%	84.45%
2017	5.42%	1,994,229	2,085,278	95.63%	78.49%
2016	5.72%	1,759,698	2,550,811	68.99%	81.12%
2015	6.01%	1,693,868	2,350,779	72.06%	81.67%

**Charlottesville-UVA-Albemarle County  
Emergency Communications Center**

**Schedule of Pension Contributions  
June 30, 2024**

<b>Entity Fiscal Year Ended June 30</b>	<b>Contractually Required Contribution</b>	<b>Contributions in Relation to Contractually Required Contribution</b>	<b>Contribution Deficiency (Excess)</b>	<b>Employer's Covered Payroll</b>	<b>Contributions as a Percentage of Covered Payroll</b>
2024	\$ 554,856	\$ 554,856	\$ -	\$ 3,799,058	14.61%
2023	467,893	467,893	-	3,179,331	14.72%
2022	369,110	369,110	-	2,730,670	13.52%
2021	344,675	344,675	-	2,537,628	13.58%
2020	267,199	267,199	-	2,270,170	11.77%
2019	249,182	249,182	-	2,106,746	11.83%
2018	251,469	251,469	-	2,389,359	10.52%
2017	283,088	283,088	-	2,274,559	12.45%
2016	281,167	281,167	-	2,085,278	13.48%
2015	288,697	288,697	-	2,550,811	11.32%

The covered payroll amounts above are for the Center's fiscal year - i.e. the covered payroll on which required contributions were based for the same year.

**Charlottesville-UVA-Albemarle County  
Emergency Communications Center**

**Schedule of Center's Share of Net OPEB Liability  
June 30, 2024**

<b>Plan Fiscal Year Ended June 30</b>	<b>Employer's Proportion of the Net OPEB Liability</b>	<b>Employer's Proportionate Share of the County's Net OPEB Liability</b>	<b>Employer's Covered Payroll</b>	<b>Employer's Proportionate Share of the County's Net OPEB Liability as a Percentage of its Covered Payroll</b>	<b>Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability</b>
<b>Virginia Retirement System - Group Life Insurance</b>					
2023	5.4128%	\$ 166,011	\$ 3,184,303	5.21%	69.30%
2022	5.2863%	153,152	2,740,185	5.59%	67.21%
2021	4.7597%	130,094	2,307,010	5.64%	67.45%
2020	4.7394%	183,258	2,260,000	8.11%	52.64%
2019	4.7394%	174,883	2,106,746	8.30%	52.00%
2018	5.0661%	167,283	2,609,197	6.41%	51.22%
2017	6.3118%	202,673	2,274,559	8.91%	48.86%
<b>County of Albemarle Local Plan</b>					
2023	1.2100%	\$ 321,981	N/A	N/A	0.00%
2022	1.5100%	581,152	N/A	N/A	0.00%
2021	1.5415%	683,424	N/A	N/A	0.00%
2020	1.7068%	793,340	N/A	N/A	0.00%
2019	1.6100%	685,906	N/A	N/A	0.00%
2018	1.6873%	729,218	N/A	N/A	0.00%
2017	1.9937%	741,122	N/A	N/A	0.00%

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.

**Charlottesville-UVA-Albemarle County  
Emergency Communications Center**

**Schedule of OPEB Contributions  
For the Years Ended June 30, 2017 through June 30, 2024**

<u>Date</u>	<u>Contractually Required Contribution</u>	<u>Contributions in Relation to Contractually Required Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Employer's Covered Payroll</u>	<u>Contributions as a % of Covered Payroll</u>
<b>Virginia Retirement System - Group Life Insurance</b>					
2024	\$ 20,546	\$ 20,546	\$ -	\$ 3,804,570	0.54%
2023	17,195	17,195	-	3,184,303	0.54%
2022	14,797	14,797	-	2,740,185	0.54%
2021	12,458	12,458	-	2,307,010	0.54%
2020	11,752	11,752	-	2,260,000	0.52%
2019	10,955	10,955	-	2,106,746	0.52%
2018	13,672	13,672	-	2,609,197	0.52%
2017	12,687	12,687	-	2,274,559	0.56%

**County of Albemarle Local Plan**

Data is not disclosed for the Center's proportion of the Local Plan because the plan is funded on a pay-as-you-go basis. As such, this plan does not have contractual contribution requirements.

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



**Charlottesville-UVA-Albemarle County**  
**Emergency Communications Center**  
**Notes to Required Supplementary Information**  
June 30, 2024

---

**Note 1 – Changes of Benefit Terms**

---

*Pension*

There have been no actuarially material changes to the Virginia Retirement System (the “System”) benefit provisions since the prior actuarial valuation.

*Other Postemployment Benefits (OPEB)*

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

---

**Note 2 – Changes of Assumptions**

---

The actuarial assumptions used in the June 30, 2022, valuation were based on the results of an actuarial experience study for the period from July 1, 2016, through June 30, 2020, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2021. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

Non-Hazardous Duty:

- Update mortality table to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020.
- Adjusted retirement rates to better-fit experience for Plan 1; set separate rates based on experience for Plan2/Hybrid; changed final retirement age from 75 to 80 for all.
- Adjusted withdrawal rates to better-fit experience at each year age and service through 9 years of service.
- No change to disability rates.
- No change to salary scale.
- No change to line of duty rates.
- No change to discount rate.

Largest 10 – Hazardous Duty/Public Safety Employees:

- Update mortality table to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020.
- Adjusted retirement rates to better-fit experience and changed final retirement age from 65 to 70.
- Decreased withdrawal rates.
- No change to disability rates.
- No change to salary scale.
- No change to line of duty rates.
- No change to discount rate.

All Others (Non 10 Largest) – Hazardous Duty/Public Safety Employees: Update mortality table to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020.

- Adjusted retirement rates to better-fit experience and changed final retirement age from 65 to 70.

**Charlottesville-UVA-Albemarle County  
Emergency Communications Center**

**Notes to Required Supplementary Information**

June 30, 2024

- Decreased withdrawal rates and changed from rates based on age and service to rates based on service only to better-fit experience and to be more consistent with Locals Largest 10 Hazardous Duty.
- No change to disability rates.
- No change to salary scale.
- No change to line of duty rates.
- No change to discount rate.



# **Other Supplementary Information**

---

**Charlottesville-UVA-Albemarle County  
Emergency Communications Center**

**Schedule of Revenues and Expenditures  
Budgetary Basis**

For the Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Operating Revenues:				
Intergovernmental:				
Charges for services:				
City of Charlottesville	\$ 1,891,986	\$ 1,889,443	\$ 1,891,021	\$ 1,578
County of Albemarle	4,180,858	4,181,368	4,175,013	(6,355)
University of Virginia	1,523,451	1,518,498	1,528,607	10,109
Charlottesville-Albemarle Airport Authority	13,275	3,224	11,045	7,821
Albemarle-Charlottesville Regional Jail	6,207	4,585	5,164	579
Rivanna Water and Sewer Authority	17,881	16,085	13,483	(2,602)
Other	23,700	28,817	18,865	(9,952)
Total charges for services	<u>7,657,358</u>	<u>7,642,020</u>	<u>7,643,198</u>	<u>1,178</u>
Miscellaneous	-	2,029,967	66,247	(1,963,720)
Total operating revenues	<u>7,657,358</u>	<u>9,671,987</u>	<u>7,709,445</u>	<u>(1,962,542)</u>
Expenditures:				
Operating:				
Salaries and wages	4,167,953	4,700,815	4,966,979	(266,164)
Fringes	1,566,444	1,566,444	1,657,764	(91,320)
Contractual	1,230,364	1,775,763	1,204,355	571,408
Other charges	642,630	797,083	687,505	109,578
Capital outlays	25,000	773,705	394,125	379,580
Total operating	<u>7,632,391</u>	<u>9,613,810</u>	<u>8,910,728</u>	<u>703,082</u>
Emergency Services:				
Salaries and wages	76,184	76,184	7,769	68,415
Fringes	32,327	32,327	882	31,445
Contractual	214,189	440,615	275,743	164,872
Other charges	22,092	22,092	25,712	(3,620)
Total emergency services	<u>344,792</u>	<u>571,218</u>	<u>310,106</u>	<u>261,112</u>
800 MHZ Operations:				
Salaries and wages	73,491	73,489	77,990	(4,501)
Fringes	20,020	20,020	26,485	(6,465)
Contractual	50,623	53,969	29,442	24,527
Other charges	67,071	67,071	34,433	32,638
Capital outlays	246,218	265,564	(156,487)	422,051
Total 800 MHZ operations	<u>457,423</u>	<u>480,113</u>	<u>11,863</u>	<u>468,250</u>
Total expenditures	<u>8,434,606</u>	<u>10,665,141</u>	<u>9,232,697</u>	<u>1,432,444</u>

**Charlottesville-UVA-Albemarle County  
Emergency Communications Center**

**Schedule of Revenues and Expenditures  
Budgetary Basis**

For the Year Ended June 30, 2024

	Original Budget	Amended Budget	Actual	Variance Positive (Negative)
Net operating (loss)	\$ (777,248)	\$ (993,154)	\$ (1,523,252)	\$ (530,098)
Non-operating Revenue:				
Revenue from use of money of property:				
Investment earnings	50,000	79,418	75,250	(4,168)
Rent income	3,993	3,993	1,876	(2,117)
Total revenue from use of money of property	53,993	83,411	77,126	(6,285)
Commonwealth of Virginia:				
Wireless E-911 grant	723,255	909,743	814,943	(94,800)
Total revenue from the Commonwealth	723,255	909,743	814,943	(94,800)
Total non-operating revenues	777,248	993,154	892,069	(101,085)
(Deficiency) of revenues under expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (631,183)</u>	<u>\$ (631,183)</u>

**Charlottesville-UVA-Albemarle County  
Emergency Communications Center**

**Reconciliation of the Schedule of Revenues and Expenditures - Budgetary Basis  
to the Statement of Revenues, Expenses, and Changes in Net Position  
Year Ended June 30, 2024**

Reconciliation of (deficiency) of revenues under expenses to changes in net position per the Statement of Revenues, Expenses, and Change in Net Position:	
(Deficiency) of revenues under expenditures per budgetary basis schedule	\$ (631,183)
Nonbudgetary funds activity not included on the Schedule of Revenues and Expenses - Budgetary Basis:	
800 MHZ Radio System Fund - expenses	(1,754,372)
Changes in other post-employment benefits	246,312
Changes in net pension liability	(467,445)
Capital contributions	1,801,064
Changes in deferred outflows of resources	244,491
Changes in deferred inflows of resources	140,390
Additions to capital assets	1,582,231
Depreciation	(742,466)
Lease and SBITA amortization	(292,013)
Lease interest	<u>(196,892)</u>
Change in net position, per statement of revenues, expenses, and changes in net position	<u><u>\$ (69,883)</u></u>



# Compliance





## **Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards***

To the Honorable Members of the Board of Directors  
Charlottesville-UVA-Albemarle County  
Emergency Communications Center  
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 of Charlottesville-UVA-Albemarle County Emergency Communications Center (the “Center”) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Center’s basic financial statements and have issued our report thereon dated January 13, 2025.

### **Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Center’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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Center’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Center’s internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that have not been identified. **We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Responses, as items 2024-001 and 2024-002, that we consider to be material weaknesses.**





## Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Center’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*.

## Center’s Response to Findings

*Government Auditing Standards* requires the auditor to perform limited procedures on the Center’s response to the findings identified in our audit and described in the accompanying Schedule of Findings and Responses. The Center’s response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

## 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.



CERTIFIED PUBLIC ACCOUNTANTS

Harrisonburg, Virginia  
January 13, 2025

# Charlottesville-UVA-Albemarle County Emergency Communications Center

## Summary of Compliance Matters

June 30, 2024

As more fully described in the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*, we performed tests of the Center's compliance with certain provisions of laws, regulations, contracts, and grants shown below.

---

### State Compliance Matters

---

#### *Code of Virginia:*

Cash and Investment Laws

Conflict of Interest Act

Local Retirement Systems

Procurement Laws

Uniform Disposition of Unclaimed Property Act

# Charlottesville-UVA-Albemarle County Emergency Communications Center

## Schedule of Findings and Responses

June 30, 2024

---

### A – Financial Statement Audit

---

#### 2024-001: *Capital Asset Reporting (Material Weakness)*

##### Condition

Capital asset listings and information needed to populate year-end entries were not effectively retained and recorded as a part of the audit process. Additionally, the process of tracking and recording right-of-use assets and liabilities for leases and subscription-based informational technology arrangements could be improved so that the accounting ledger and financial reporting process more accurately reflect GASB Statements No. 87 and 96.

##### Criteria

Capital asset reporting is a key accounting function with substantial impacts on the annual reporting of the Center. Assets should be documented and balances reflective of the estimates and policies in place used to capitalize those assets in prior years. Additionally, controls should be in place to properly identify, record, and adjust for new assets on an annual basis.

##### Cause

Turnover in key personnel and those tasked with overseeing the financial reporting of the Center created additional work to accurately record information as previously reported.

##### Effect

Key information needed to record assets, liabilities, and expenses on an annual basis required significant involvement and review in order to accurately reflect in the financial statements.

##### Recommendation

We recommend reviewing the roles and responsibilities that are present between the Center and its' fiscal agent in order to effectively provide a control system that aids in addressing the reporting of government-wide activity that exists. In doing so, the County and Center can better adhere to existing procedures and effectively combine resources so that these balances are reported each year.

##### Views of Responsible Officials and Planned Corrective Action

Following turnover in key roles within this transaction cycle, we have developed a plan to provide additional reviews over reporting. We are including the fixed asset accountant into consideration and have consolidated the accounting information so that it can be easily presented in future fiscal years.

# Charlottesville-UVA-Albemarle County Emergency Communications Center

## Schedule of Findings and Responses

June 30, 2024

---

### A – Financial Statement Audit

---

2024-002: *Material Audit Adjustment (Material Weakness)*

#### Condition

Construction in progress (CIP) and related projects required significant corrections to identify all capitalizable projects and record activity. A material prior period adjustment was made to properly record CIP projects that had begun in prior years.

#### Criteria

Capital asset reporting is a key accounting function with substantial impacts on the annual reporting of the Center. Capital projects should be documented and balances reflective of the estimates and policies in place used to capitalize those assets in prior years. Additionally, controls should be in place to properly identify, record, and adjust for new projects on an annual basis.

#### Cause

Turnover in key personnel and those tasked with overseeing the financial reporting of the Center created additional work to accurately record information as previously reported.

#### Effect

Key information needed to record assets, liabilities, and expenses on an annual basis required significant involvement and review in order to accurately reflect in the financial statements.

#### Recommendation

We recommend reviewing the roles and responsibilities that are present between the Center and its fiscal agent in order to effectively provide a control system that aids in addressing the reporting of government-wide activity that exists. In doing so, the County and Center can better adhere to existing procedures and effectively combine resources so that these balances are reported each year.

#### Views of Responsible Officials and Planned Corrective Action

Following turnover in key roles within this transaction cycle, we have developed a plan to provide additional reviews over reporting. We are including the fixed asset accountant into consideration and have consolidated the accounting information so that it can be easily presented in future fiscal years.

**Charlottesville-UVA-Albemarle County**  
**Emergency Communications Center**  
**Summary Schedule of Prior Year Audit Findings**  
June 30, 2024

---

**A – Financial Statement Audit**

---

2023-001: *Capital Asset Reporting (Material Weakness)*

Condition

Capital asset listings and information needed to populate year-end entries were not effectively retained and recorded as a part of the audit process. Additionally, the process of tracking and recording right-of-use assets and liabilities for leases and subscription-based information technology agreements could be improved so that the accounting ledger and financial reporting process accurately and materially reflect GASB Statements No. 87 and 96.

Recommendation

We recommend reviewing the roles and responsibilities that are present between the Center and its fiscal agent in order to effectively provide a control system that aids in addressing the reporting of government-wide activity that exists. In doing so, the County and Commission can better adhere to existing procedures and effectively combine resources so that these balances are reported each year.

Current Status

Still applicable in 2024. See 2024-001.