RIVERSIDE REGIONAL JAIL AUTHORITY

NORTH PRINCE GEORGE, VIRGINIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FISCAL YEAR ENDING JUNE 30, 2023

RIVERSIDE REGIONAL JAIL AUTHORITY

ANNUAL COMPREHENSIVE FINANCIAL REPORT

JULY 1, 2022 THROUGH JUNE 30, 2023

500 FOLAR Trail
North Prince George, Virginia 23860
(Prince George County)

Prepared by Administrative Services - Finance Department

Colonel Larry J. Leabough
Superintendent

Crystal H. Reid, M.B.A.
Director of Administrative Services

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INTRODUCTORY SECTION

Riverside Regional Jail

Colonel Larry Leabough
Superintendent

September 29, 2023

The Board of Directors
Riverside Regional Jail Authority

Ladies and Gentlemen:

We are pleased to submit the Annual Comprehensive Financial Report of the ***Riverside Regional Jail Authority*** (Jail Authority) for the fiscal year ended June 30, 2023. The report was prepared by the Superintendent and Finance Department in accordance with accounting principles generally accepted in the United States of America for governmental accounting and reporting as promulgated by the Governmental Accounting Standards Board. The responsibility for the accuracy of information and the completeness and fairness of the presentations, including all disclosures, rests with the undersigned management of the Jail Authority. The financial statements have been audited by the independent accounting firm of Brown Edwards & Company, L.L.P. whose reports are included herein.

We believe that the financial information, as presented, is accurate in all material respects and that it is presented in a manner designed to fairly set forth the financial position and results of operations as measured by the financial activity of the Jail Authority's Enterprise Funds (Operating and Canteen); and that all disclosures necessary to enable the reader to gain an understanding of the Jail Authority's financial activity have been included.

A brief history of the Jail Authority, its financial operations and selected accomplishments are presented below. In addition, Management's Discussion and Analysis precedes the basic financial statements.

PROFILE OF THE ORGANIZATION

The ***Riverside Regional Jail Authority***, a political subdivision of the Commonwealth of Virginia, was created by Chapter 726 of the 1990 Acts of the General Assembly of Virginia, and was formed on June 21, 1990. The participating jurisdictions of the Jail Authority include the Cities of Colonial Heights, Hopewell and Petersburg and the Counties of Charles City, Chesterfield, Prince George and Surry. The Jail Authority is governed by a fourteen-member board, comprised of two members from each participating jurisdiction.

The general purpose of the Jail Authority is to maintain and operate a regional jail to meet the needs of the participating jurisdictions for additional jail facilities. The regional jail is located in the County of Prince George adjacent to the Petersburg Federal Correctional Institution and houses inmates primarily from member jurisdictions. If space is available, inmates from other jurisdictions, including state and federal inmates, are accepted.

ECONOMIC CONDITON AND OUTLOOK

The Jail Authority's economic outlook is stable. The financial condition of the Jail Authority is primarily dependent upon the number of inmates housed at the facility. Due to the impact of COVID-19 affecting many jail institutions, there were many challenges in housing the inmate population and practicing social distancing per the Center for Disease Controls (CDC) guidelines within a jail facility setting. The Jail Authority experienced a 5.86% decrease in the inmate population during the fiscal year.

The economic stability of the jail is based on the contractual obligation of each Member Jurisdiction to pay a per diem rate of $51.50 per inmate per day. The per diem rate for the Member Jurisdictions increased from $50.00 to $51.50 during fiscal year 2023. The outlook for the population growth increased by .20% for the Member Jurisdictions in the past year according to the most recent United States Census data. During fiscal year 2023, the Jail Authority experienced a decrease of 7.06% in the inmate Average Daily Population (ADP) for its Member Jurisdictions as compared to the previous fiscal year. The actual ADP for fiscal year 2023 was 1,029 inmates.

MAJOR INITIATIVES

In order to demonstrate compliance in correctional facility management, the Jail Authority has undertaken a number of initiatives to ensure operations meet national standards for a local correctional facility.

- The Main Jail has been accredited by the American Correction Association (ACA), Adult Local Detention Standards (ALDF) for a three-year period in each of the following years: 1999, 2002, 2006, 2010, 2013, 2016, 2019 and 2022. The accreditation program is a professional peer review process based on national standards that have evolved since the founding of the ACA in 1870. ACA standards address services, programs and operations essential to effective correctional management. Standards set by ACA reflect practical up-to-date policies and procedures and function as a management tool for agencies and facilities throughout the world. The Jail Authority received a compliance score of 99.4 percent on the ACA audit that was conducted in May 2022.

- The Jail Authority received re-certification for compliance with the provisions of the Prison Rape Elimination Act (PREA) in April 2023. The certification is for a three-year period. During the inspection, it was noted by the PREA auditor that the Jail Authority was in full compliance with the PREA standards.

- The Jail Authority was audited by the Federal Bureau of Prisons in September 2022 to demonstrate compliance with the secure custody, safekeeping and housing of federal inmates. The federal audit was completed with no deficiencies.

- In order to demonstrate compliance with the provision of appropriate correctional healthcare, the Jail Authority received initial accreditation from the National Commission on Correctional Healthcare (NCCHC) in March 2014. The Jail Authority received a re-accreditation from NCCHC in September 2017. On June 28, 2021, the Jail Authority received its third re-accreditation from NCCHC. The certification is for a three-year period.

- The Jail Authority received certification from the Virginia State Board of Corrections in December 2022. An extensive audit was conducted and the Jail Authority received unconditional certification to house adult and juvenile offenders.

- In October 2017 the Riverside Regional Jail received a grant through the Department of Criminal Justice Services (DCJS) for an Addictions Recovery Grant Program (ARGP). The program serves female offenders who are within 90-120 days of release in conjunction with transitioning the Therapeutic Community female offenders who meet the same requirements as a part of extended release services. The ARGP, which began operation in January 2018, is a twelve week cohort holistic model that uses a peer recovery approach. The program is facilitated by a Certified Peer Recovery Specialist who provides recovery planning and goal setting. The program also established the Riverside Re-entry Advisory Council in order to network with local and surrounding stakeholders to assist with hard to place cases and use as a referral service for these returning citizens. The ARGP was renewed by DCJS for FY 2024.

- On May 11, 2023, the Riverside Regional Jail received a grant through DCJS for the American Rescue Plan Act (ARPA) for the Regional Jail Equipment Program. The amount awarded to the Jail Authority was $203,500. The grant was awarded for a (2) two year period beginning on July 1, 2022 through June 30, 2024. Funding for the ARPA grant can be used for the procurement of law enforcement and regional jail equipment that can improve or enhance the daily operations of the jail facility. The funding for the ARPA grant was retroactive back to the beginning of fiscal year July 1, 2022. Recipients of this award were allowed to apply for reimbursement of previously purchased law enforcement equipment that met the funding requirements of the grant. The Jail Authority applied for grant reimbursement of $79,318 for law enforcement equipment that were purchased during fiscal year 2023.

- On December 1 2022, the Jail Authority received reimbursement of $726,315 from the State Board of Local and Regional Jails (BLRJ) for capital projects in pursuant to Sections 53.1-80 through the 53.1-82.2 of the Code of Virginia. The Commonwealth of Virginia will reimburse up to (25%) twenty-five percent of jail construction, enlargement or renovation projects and interest costs, as approved by the BLRJ for eligible expenses. The Jail Authority obtained approval by the BLRJ for the renovation of the roof, coating of inmate showers, security key dispensing system, camera recorders, camera system conversion, business telephone system upgrade and the replacement of water heaters, which was included in the FY 2022 – 2024 biennial state budget for reimbursement up to $807,477. The final project was completed in March 2022.

On September 20, 2023, the BLRJ determined that the Jail Authority has complied with the September 23, 2021 Consent Agreement, which required the Jail to implement certain enhanced internal auditing and monitoring measures as well as additional external reporting requirements related to compliance with five (5) state regulatory standards. The BLRJ voted unanimously to direct its Executive Director to prepare a letter confirming that there were no longer any concerns regarding the Jail Authority's compliance. That letter was provided to the Jail Authority on September 21, 2023 confirming the Consent Agreement's expiration as of September 23, 2023.

The Jail Authority continues to remain committed to providing offenders an opportunity to address the underlying causes of criminal behavior. The facility publishes an Annual Programs Report documenting the various programs designed to provide offenders the opportunity to change. The Jail Authority is especially proud of efforts provided to veterans through the targeted programs offered in the Veterans Housing Unit with programs and services designed specifically for those offenders that have service in our Nation's Armed Services.

COVID-19

Jail facilities face unique challenges in the control of infectious diseases such as COVID-19 because of crowded, shared environments and the potential introductions by staff members and new intakes. The Jail Authority has been following the recommendations of CDC, Virginia Department of Health and its medical contract provider to prevent the spread of the virus. Prompt identification of persons with COVID-19 and consistent application of prevention measures are critical to protecting incarcerated or detained persons, staff members, and the communities in which the inmates return. To mitigate the spread of COVID-19, the Jail Authority continues to follow the CDC guidelines by performing enhanced prevention strategies.

FINANCIAL CONTROLS

The accounting system of the Jail Authority is dependent upon a strong system of internal accounting controls to ensure that financial information generated is both accurate and reliable. The Jail Authority's internal controls are designed to ensure that the assets of the Jail Authority are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America.

Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition, and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and the evaluation of costs and benefits requires estimates and judgments made by management.

All internal control evaluations occur with the above framework. We believe that the Jail Authority's internal controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

The Jail Authority maintains budgetary controls to ensure compliance with the annual budget approved by the Authority Board. The budget preparation process is initiated annually in August of each fiscal year (July 1 through June 30). The Director of Administrative Services, with input from other departments, prepares a Preliminary Budget for the Jail Authority Finance Committee to review. The Preliminary Budget must be submitted to the Jail Authority before January 1st of each year. The Jail Authority Finance Committee reviews the Preliminary Budget and adoption of the final budget must be completed by March 1st annually.

RELEVANT FINANCIAL POLICIES

The Jail Authority maintains (6) six polices to assist in maintaining a strong credit rating, liquidity strength and the ability to operate independently from the member jurisdictions. (Post Issue Compliance Policy, Audit Committee Policy, Capital Improvement Plan Policy, Debt Management Policy, Accounting and Auditing Complaints Policy and the Fund Policy)

LONG-TERM FINANCIAL PLANNING

As part of the annual budget process, estimated revenues and justification of those revenues are forecasted for future trends. The process focuses on operating revenues and expenses as well as debt service and investment income. The Jail Authority is committed to maintaining a sustainable long-term financial plan.

INDEPENDENT AUDIT

State statute requires an annual audit by independent certified public accountants. The public accounting firm of Brown, Edwards & Company, L.L.P. was selected by the Jail Authority's Audit Committee to perform the audit for the fiscal year ended June 30, 2023. The independent auditor's report on the financial statements is included in the financial section of this report.

AWARDS AND ACHIEVEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Riverside Regional Jail Authority for its annual comprehensive financial report for the fiscal year ended June 30, 2022. This was the twenty-fifth (25th) consecutive year that Riverside Regional Jail Authority has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. The Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the requirements of the Certificate of Achievement program and we are submitting it to the GFOA to determine its eligibility for another certificate.

ACKNOWLEDGEMENTS

This report reflects the strong financial policies enacted by the Jail Authority and the active participation of the Authority's Finance Committee. The Jail Authority's support and cooperation in planning and conducting the financial operations of the jail facility are appreciated and acknowledged.

The preparation of this report could not be accomplished without the efficient and dedicated efforts of the employees of the Riverside Regional Jail Authority. Of special mention are Michelle Coleman, Patricia Fazio, Patrice Harris, Trinika Lewis-Jones, Maria Montijo, and Kimberly Strubel.

Respectfully Submitted,

Larry J. Leabough,
Superintendent

Crystal H. Reid, MBA
Director of Adminsitrtive Services

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Riverside Regional Jail Authority
Virginia

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morrill

Executive Director/CEO

DIRECTORY OF PRINCIPAL OFFICIALS
FISCAL YEAR 2023

Chair	John Altman Jr. City of Petersburg
Vice Chair	Karl Leonard Chesterfield County
Secretary/Treasurer	Matt Harris Chesterfield County

Other Members

Douglas Smith
City of Colonial Heights

Michelle Johnson
Charles City County

Melissa Rollins
Surry County

Concetta Manker (Interim)
City of Hopewell

Jeffrey Stoke
Prince George County

Sheriff Vanessa Crawford
City of Petersburg

Sheriff Todd Wilson
City of Colonial Heights

Sheriff Alan Jones Sr.
Charles City County

Sheriff Carlos Turner
Surry County

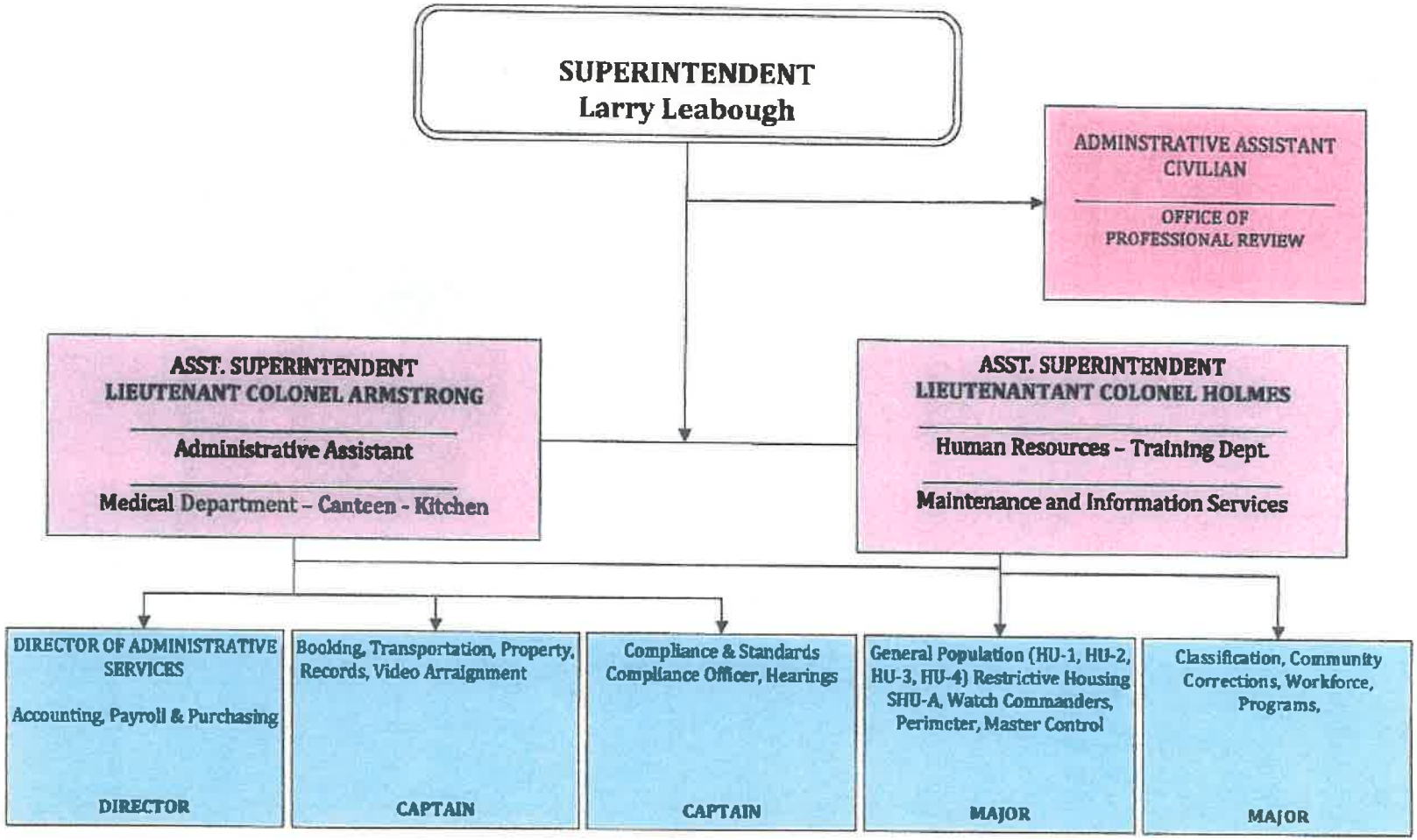
Sheriff Travis Stanley
City of Hopewell

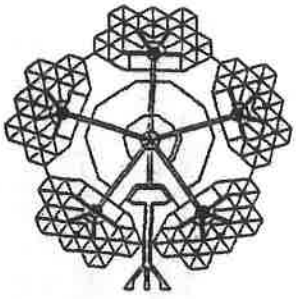
Sheriff Roger Vargo
Prince George County

Hefty, Wiley & Gore
Counsel

Larry Leabough
Superintendent

RIVERSIDE REGIONAL JAIL AUTHORITY





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FINANCIAL SECTION

Financial Section contains the Basic Financial Statements.

BROWNEDWARDS
certified public accountants

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Riverside Regional Jail Authority
Prince George, Virginia

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities, the major fund, and the aggregate remaining fund information of the Riverside Regional Jail Authority (the "Authority") as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Authority'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 business-type activities, the major fund, and the aggregate remaining fund information of the Authority, as of June 30, 2023, 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 Opinions

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 Audits of 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 Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management's 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.

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 Authority'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 opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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 Authority'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 Authority's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Other Information

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

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

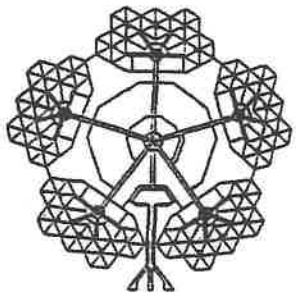
Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 29, 2023 on our consideration of the 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 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 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 the Authority's internal control over financial reporting and compliance.

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

CERTIFIED PUBLIC ACCOUNTANTS

Harrisonburg, Virginia
September 29, 2023



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September 29, 2023

As management of Riverside Regional Jail Authority (Jail Authority), we offer readers of the Riverside Regional Jail Authority's financial statements this narrative overview and analysis of the financial activities of the Riverside Regional Jail for the fiscal year ended June 30, 2023. We encourage readers to consider the information presented and it should be read in conjunction with the letter of transmittal and the Jail Authority's financial statements, which follow in this analysis.

Financial Highlights

- The Jail Authority's change in net position was $5,743,044 as a result of this year's operating and non-operating financial activities.
    - Total revenues of the Jail for FY 2023 were $43,319,973.
    - Total expenses of the Jail for FY 2023 were $37,576,929.
- The Jail Authority's operating and non-operating revenues increased $3,876,826, or approximately 9.8%, and operating and non-operating expenses increased by $99,333, or approximately .3%.
- The Jail Authority net investment in capital assets increased by $1,027,823, or 1.5%.
- The Jail Authority met its financial obligations with regard to the Series 2013 and Series 2015 bonds, making principal payments totaling $4,305,000.
- The Jail Authority increased the per diem rate for Member Jurisdictions from $50.00 to $51.50 on July 1, 2022 per inmate day.
- On May 11, 2023, the Jail Authority was awarded the American Rescue Plan Act grant in the amount of $203,500 from the Virginia Department of Criminal Justice Services. The funding from this grant can be used for the procurement of regional jail equipment for the time period of July 1, 2022 through June 24, 2024.
- On December 1, 2022, the Jail Authority received reimbursement in the amount of $726,315 from the Virginia Board of Local and Regional Jails for capital and renovation projects.
- The Jail Authority's total average daily population decreased by approximately 64 inmates, or (5.86%) for fiscal year 2023.

Using this Annual Report

The Financial Section of this Annual Report consists of the Independent Auditor's Report, Management's Discussion and Analysis (MD&A), the Basic Financial Statements, and the Compliance Report. The Financial Statements also include notes that explain in more detail some of the information in the financial statements.

The MD&A serves as an introduction to the basic financial statements and supplementary information along with management's examination and analysis of the financial condition and performance.

The Jail Authority maintains two enterprise funds, Operating and Canteen. This is an accounting method that is similar to that used by private sector companies. The Statement of Net Position includes the nature and amounts of investments in resources (assets), deferred outflows of resources, obligations to creditors (liabilities), and deferred inflows of resources. The Statement of Revenues, Expenses and Changes in Fund Net Position report all of the current year's revenue and expenses. This statement measures the success of the Jail Authority's operations over the past year and can be used to determine whether the Authority has successfully recovered all its costs through its user fees and other charges, profitability, and credit worthiness. The final required financial statement is the Statement of Cash Flows. The primary purpose of this statement is to provide information about the cash receipts, cash payments, and net changes in cash resulting from operations, investing, and capital and noncapital financing activities. The notes to the financial statements provide required disclosures and other information that are essential to a full understanding of material data provided in the statements. The notes present information about the Jail Authority's accounting policies, significant account balances and activities, obligations, commitments, segment information, contingencies and subsequent events, if any.

Financial Analysis

Net position may serve over time as a useful indicator of a government's financial position. In the case of Riverside Regional Jail Authority, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $129,000,545 at June 30, 2023. The Jail Authority's total Operating Fund net position increased by $3,862,852 as compared to last year and the Canteen Fund net position decreased by $85,359. Our detailed analysis that follows focuses on the change in net position and the resulting changes in assets, deferred outflows of resources, liabilities and deferred inflows of resources of both the Operating Fund and Canteen Fund in the aggregate.

Operating Fund and Canteen Fund

	2023	2022	Increase (Decrease) Dollars	Percent
Capital assets - net	$ 126,849,941	$ 130,329,636	$ (3,479,695)	(2.7) %
Other assets	66,146,544	65,327,702	818,842	1.3 %
Total assets	$ 192,996,485	$ 195,657,338	$ (2,660,853)	(1.4) %
Deferred outflows of resources	$ 3,751,613	$ 5,548,565	$ (1,796,952)	(32.4) %
Long-term liabilities - net	$ 55,321,670	$ 60,328,744	$ (5,007,074)	(8.3) %
Other liabilities	8,456,493	8,358,377	98,116	1.2 %
Total liabilities	$ 63,778,163	$ 68,687,121	$ (4,908,958)	(7.1) %
Deferred inflows of resources	$ 3,969,390	$ 9,261,281	$ (5,291,891)	(57.1) %
Net position:				
Net investment in capital assets	$ 69,924,812	$ 68,896,989	$ 1,027,823	1.5 %
Restricted	34,466,377	35,297,921	(831,544)	(2.4) %
Unrestricted	24,609,356	19,062,591	5,546,765	29.1 %
Total net position	$ 129,000,545	$ 123,257,501	$ 5,743,044	4.7 %

The Operating Fund and Canteen Fund had a combined change in net position of $5,743,044. The changes in the Jail Authority's net position can be determined by reviewing the following condensed Statement of Revenues, Expenses and Changes in Net Position:

Operating Fund and Canteen Fund

	2023	2022	Increase (Decrease) Dollars	Increase (Decrease) Percent
Operating revenues:				
Inmate housing	$ 20,795,459	$ 20,968,251	$ (172,792)	(0.8) %
State Compensation Board	18,290,533	15,697,420	2,593,113	16.5 %
Daily incarceration fees	358,935	451,176	(92,241)	(20.4) %
Work release	200,205	333,808	(133,603)	(40.0) %
Canteen sales	989,992	1,222,336	(232,344)	(19.0) %
Miscellaneous income	475,321	615,535	(140,214)	(22.8) %
Non-operating revenues:				
Investment income	1,332,520	54,992	1,277,528	2321.11 %
State and federal grants	844,033	88,400	755,633	854.8 %
Miscellaneous income	32,975	11,229	21,746	193.7 %
Total revenues	$ 43,319,973	$ 39,443,147	$ 3,876,826	9.8 %
Operating expenses:				
Salaries and wages	$ 15,064,584	$ 13,611,879	$ 1,452,705	10.7 %
Fringe benefits	1,612,172	1,782,502	(170,330)	(9.6) %
Contractual services	1080,351	1,351,426	(271,075)	(20.1) %
Materials and supplies	478,727	429,697	49,030	11.4 %
Medical services and supplies	7,440,494	8,054,519	(614,025)	(7.6) %
Food services and supplies	1,655,181	1,564,318	90,863	5.8 %
Repairs and maintenance	960,842	952,237	8,605	0.9 %
Utilities	2,275,662	2,115,291	160,371	7.6 %
Depreciation	3,993,971	4,026,120	(32,149)	(0.8) %
Transfer to member jurisdictions	0	500,000	(500,000)	(100.0) %
Other	682,761	557,672	125,089	22.4 %
Non-operating expenses:				
Interest expense	2,331,371	2,511,935	(180,564)	(7.2) %
Loss on disposal of capital assets	813	20,000	(19,187)	(95.9) %
Total expenses	$ 37,576,929	$ 37,477,596	$ 99,333	0.3 %
Change in net position	$ 5,743,044	$ 1,965,551	$ 3,777,493	192.2 %
Beginning net position	123,257,501	121,291,950	1,965,551	1.6 %
Ending net position	$ 129,000,545	$ 123,257,501	$ 5,743,044	4.7 %

Inmate housing revenue decreased by $172,792, or (0.8%) primarily due to a decline in the average daily population of the Member Jurisdictions' inmate housing. During the fiscal year, COVID-19 affected the average daily population by causing a decline in the amount of new arrestees from the Member Jurisdictions. The Jail Authority's average daily population for its Member Jurisdictions decreased (68) sixty-eight inmates, or 7.06% as compared to fiscal year 2022.

The increase of $2,593,113, or 16.5% in the State Compensation Board is attributed to the increase in staff salaries given by the Commonwealth of Virginia. Due to a decline in the inmate population, the daily incarceration fees decreased $92,241, or (20.4%). The revenue for Work Release decreased by $133,603, or (40.0%) due to the early release of inmates with non-violent offenses for less than one year during the COVID-19 pandemic. The investment income had a significant increase of $1,277,528, or 2,321.1% due to high-yield interest earnings on the Jail Authority's Reserve Accounts.

The decline in the average daily population is attributed to the decrease in Canteen Sales by $232,344, or (19.0%). Operating expenses slightly increased approximately $99,333, or 0.3% .

Capital Asset and Debt Administration

Capital Assets

At the end of fiscal year 2023, the Jail Authority had $126,849,941, net of depreciation, invested in a broad range of capital assets (Operating and Canteen Funds), including land, buildings, vehicles, office, and computer equipment. This amount represents a net decrease (including additions and deletions) of $3,479,685 over last year. Depreciation expense was $3,993,971 for fiscal year 2023.

The following table summarizes the Jail Authority's capital assets, net of accumulated depreciation, as of June 30, 2023 and 2022 for Operating and Canteen Funds combined.

	2023	2022
Buildings	$ 122,997,595	$ 126,186,998
Furniture and equipment	3,326,839	3,598,193
Land	322,584	322,584
Land improvements	70,542	80,382
Vehicles	94,546	62,345
Computers and software	37,835	79,134
Total capital assets (net of accumulated depreciation)	$ 126,849,941	$ 130,329,626

The following table summarizes the changes in capital assets for both Operating and Canteen Funds. These changes are presented in more detail in the schedule in Note 4 to the financial statements.

	2023	2022
Balance at beginning of year	$ 194,838,117	$ 194,847,565
Additions	515,088	1,253,084
Deletions	(638,619)	(1,262,532)
Accumulated depreciation	(67,864,645)	(64,508,481)
Balance at end of year	$ 126,849,941	$ 130,329,636

This year major, capital asset additions included the following:

- Laundry machine
- Building and maintenance equipment
- Plumbing equipment
- Vehicles
- Food service equipment

Long-Term Debt

At year-end, the Jail Authority had bonded debt of $56,115,000 outstanding as compared to fiscal year 2022 outstanding bonds in the amount of 60,420,000. Additional information on the bonds is contained in Note 5.

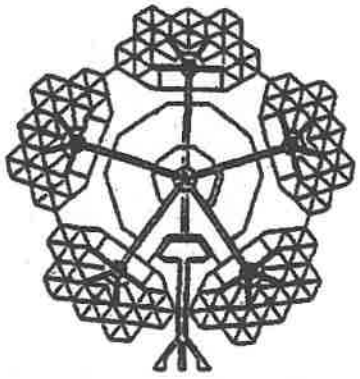
Economic Factors and Next Year's Budgets and Rates

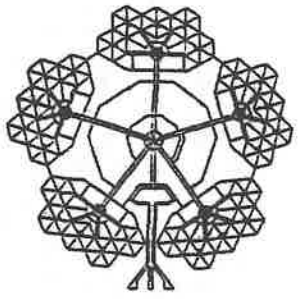
- The per diem rate increases from $51.50 to $52.00 for member jurisdictions.
- The Fiscal Year 2024 Budget takes into consideration the decline in the inmate average daily population due to post COVID-19 impacts.
- The Jail Authority plans to maintain its 2024 Annual Budget with limited increases in expenses primarily due to concerted efforts to address projected staff retirements and staff turnover.

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

Contacting the Jail Authority's Financial Management

The financial report is designed to provide our customers, bondholders and creditors with a general overview of the Jail Authority's financial position and to demonstrate the Jail Authority's accountability for revenues received. Questions concerning information provided in this report or requests for additional financial information should be directed to the Jail Authority's Director of Administrative Services at 804-524-6604 or Riverside Regional Jail Authority, 500 FOLAR Trail, North Prince George, Virginia 23860. E-mail requests may be sent to: creid@rrjva.org.





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BASIC
FINANCIAL STATEMENTS

EXHIBIT 1

RIVERSIDE REGIONAL JAIL AUTHORITY

STATEMENT OF NET POSITION
June 30, 2023

	Major Fund Operating Fund	Nonmajor Fund Canteen Fund	Total
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents (Note 2)	$ 8,957,616	$ -	$ 8,957,616
Cash and cash equivalents, restricted (Note 2)	6,040,863	1,358,920	7,399,783
Investments, unrestricted (Note 2)	17,517,890	-	17,517,890
Accounts receivable (Note 3)	3,883,215	-	3,883,215
Due from other funds (Note 8)	-	1,323	1,323
Amounts receivable from inmate accounts custodial fund (Note 8)	39,936	25,818	65,754
Total current assets	36,439,520	1,386,061	37,825,581
NONCURRENT ASSETS			
Cash and cash equivalents, restricted (Note 2)	17,316,074	-	17,316,074
Net pension asset (Note 6)	11,004,889	-	11,004,889
Capital assets:			
Nondepreciable (Note 4)	322,584	-	322,584
Depreciable, net (Note 4)	126,292,386	234,971	126,527,357
Total noncurrent assets	154,935,933	234,971	155,170,904
Total assets	191,375,453	1,621,032	192,996,485
DEFERRED OUTFLOWS OF RESOURCES			
Deferred amounts from refunding of debt	2,073,638	-	2,073,638
Deferred outflows related to pensions (Note 6)	1,517,041	-	1,517,041
Deferred outflows related to other postemployment benefits (Note 7)	160,934	-	160,934
Total deferred outflows of resources	3,751,613	-	3,751,613
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable	536,719	11,875	548,594
Insurance claims payable (Note 10)	655,392	-	655,392
Due to other funds (Note 8)	1,323	-	1,323
Accrued liabilities	378,145	-	378,145
Compensated absences payable – current portion (Note 5)	561,737	1,194	562,931
Accrued interest payable	1,266,907	-	1,266,907
Bonds payable – current portion (Note 5)	5,043,201	-	5,043,201
Total current liabilities	8,443,424	13,069	8,456,493
LONG-TERM LIABILITIES			
Compensated absences payable, net of current portion (Note 5)	721,101	1,534	722,635
Net other postemployment benefits liability (Note 7)	643,469	-	643,469
Bonds payable, net of current portion (Note 5)	53,955,566	-	53,955,566
Total long-term liabilities	55,320,136	1,534	55,321,670
Total liabilities	63,763,560	14,603	63,778,163
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pensions (Note 6)	3,598,754	-	3,598,754
Deferred inflows related to other postemployment benefits (Note 7)	370,636	-	370,636
Total deferred inflows of resources	3,969,390	-	3,969,390
NET POSITION			
NET INVESTMENT IN CAPITAL ASSETS	69,689,841	234,971	69,924,812
RESTRICTED FOR:			
Net pension asset	11,004,889	-	11,004,889
Debt service	11,832,819	-	11,832,819
Operating reserve	9,911,094	-	9,911,094
Repair and replacement reserve	346,117	-	346,117
Canteen funds	-	1,371,458	1,371,458
UNRESTRICTED	24,609,356	-	24,609,356
Total net position	$ 127,394,116	$ 1,606,429	$ 129,000,545

The Notes to Financial Statements are an integral part of this statement.

EXHIBIT 2

RIVERSIDE REGIONAL JAIL AUTHORITY

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
Year Ended June 30, 2023

	Major Fund Operating Fund	Nonmajor Fund Canteen Fund	Total
OPERATING REVENUES			
Charges for services – inmate housing	$ 20,795,459	$ -	$ 20,795,459
State Compensation Board	18,290,533	-	18,290,533
Daily incarceration fees	358,935	-	358,935
Work release	200,205	-	200,205
Canteen sales	-	989,992	989,992
Telephone commissions	198,818	-	198,818
Miscellaneous operating income	276,503	-	276,503
Total operating revenues	40,120,453	989,992	41,110,445
OPERATING EXPENSES			
Salaries and wages	14,984,302	80,282	15,064,584
Fringe benefits	1,612,172	-	1,612,172
Contractual services	563,189	517,162	1,080,351
Materials and supplies	383,997	94,730	478,727
Medical services and supplies	7,440,494	-	7,440,494
Food services and supplies	1,630,251	24,930	1,655,181
Repairs and maintenance	960,842	-	960,842
Utilities	2,275,662	-	2,275,662
Depreciation	3,965,656	28,315	3,993,971
Other expenses	635,338	47,423	682,761
Total operating expenses	34,451,903	792,842	35,244,745
Operating income	5,668,550	197,150	5,865,700
NONOPERATING REVENUES (EXPENSES)			
Investment income	1,332,520	-	1,332,520
State and federal grants and reimbursements	844,033	-	844,033
Miscellaneous nonoperating revenues	32,975	-	32,975
Interest expense	(2,331,371)	-	(2,331,371)
Loss on disposal of capital assets	(813)	-	(813)
Total nonoperating revenues (expenses)	(122,656)	-	(122,656)
Change in net position	5,545,894	197,150	5,743,044
NET POSITION – AT JULY 1	121,848,222	1,409,279	123,257,501
NET POSITION – AT JUNE 30	$ 127,394,116	$ 1,606,429	$ 129,000,545

The Notes to Financial Statements are an integral part of this statement.

EXHIBIT 3

RIVERSIDE REGIONAL JAIL AUTHORITY

STATEMENT OF CASH FLOWS
Year Ended June 30, 2023

	Major Fund Operating Fund	Nonmajor Fund Canteen Fund	Total
OPERATING ACTIVITIES			
Receipts from jurisdictions	$ 22,898,208	$ -	$ 22,898,208
Receipts from federal and state agencies	17,498,006	-	17,498,006
Receipts from canteen sales	-	970,149	970,149
Receipts from inmates	1,038,382	-	1,038,382
Contract agreements and miscellaneous income received	32,975	-	32,975
Payments to suppliers	(13,488,108)	(683,261)	(14,171,369)
Payments to employees	(18,875,291)	(82,236)	(18,957,527)
Net cash provided by operating activities	9,104,172	204,652	9,308,824
NONCAPITAL FINANCING ACTIVITIES			
Federal and state grants	764,715	-	764,715
Net cash provided by noncapital financing activities	764,715	-	764,715
CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchase of capital assets	(515,089)	-	(515,089)
Principal paid on capital debt	(4,305,000)	-	(4,305,000)
Interest paid on capital debt	(2,639,164)	-	(2,639,164)
Net cash used in capital and related financing activities	(7,459,253)	-	(7,459,253)
INVESTING ACTIVITIES			
Proceeds from investments	6,680,536	-	6,680,536
Purchases of investments	(7,782,880)	-	(7,782,880)
Interest income received	871,678	-	871,678
Net cash used in investing activities	(230,666)	-	(230,666)
Net increase in cash and cash equivalents	2,178,968	204,652	2,383,620
CASH AND CASH EQUIVALENTS			
Beginning at July 1	30,135,585	1,154,268	31,289,853
Ending at June 30	$ 32,314,553	$ 1,358,920	$ 33,673,473

(Continued)

The Notes to Financial Statements are an integral part of this statement.

EXHIBIT 3

RIVERSIDE REGIONAL JAIL AUTHORITY

STATEMENT OF CASH FLOWS
Year Ended June 30, 2023

	Major Fund Operating Fund	Nonmajor Fund Canteen Fund	Total
RECONCILIATION TO EXHIBIT 1			
Cash and cash equivalents	$ 8,957,616	$ -	$ 8,957,616
Cash and cash equivalents, restricted	6,040,863	1,358,920	7,399,783
Cash and cash equivalents non-current, restricted	17,316,074	-	17,316,074
	$ 32,314,553	$ 1,358,920	$ 33,673,473
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES			
Operating income	$ 5,668,550	$ 197,150	$ 5,865,700
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	3,965,656	28,315	3,993,971
Contract agreements and miscellaneous income received	32,975	-	32,975
Excess of employer contributions over pension expense	(1,837,970)	-	(1,837,970)
Excess of employer contributions over other postemployment benefits expense	(129,612)	-	(129,612)
Changes in assets and liabilities:			
Accounts receivable	1,310,222	-	1,310,222
Due from/to other funds	1,323	(1,323)	-
Amounts receivable from inmate accounts agency fund	3,921	(18,520)	(14,599)
Accounts payable	(202,592)	984	(201,608)
Insurance claims payable	602,934	-	602,934
Accrued liabilities	(376,564)	-	(376,564)
Compensated absences payable	65,329	(1,954)	63,375
Net cash provided by operating activities	$ 9,104,172	$ 204,652	$ 9,308,824
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES			
Increase in fair value of investments	$ (460,842)	$ -	$ (460,842)

The Notes to Financial Statements are an integral part of this statement.

EXHIBIT 4

RIVERSIDE REGIONAL JAIL AUTHORITY

STATEMENT OF FIDUCIARY NET POSITION
June 30, 2023

	Custodial Fund Inmate Accounts
ASSETS	
Cash and cash equivalents, restricted (Note 2)	$ 156,808
LIABILITIES	
Amounts payable to the Authority (Note 8)	$ 65,754
NET POSITION	
Restricted for benefit of inmates	$ 91,054

The Notes to Financial Statements are an integral part of this statement.

EXHIBIT 5

RIVERSIDE REGIONAL JAIL AUTHORITY

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
Year Ended June 30, 2023

	Custodial Fund Inmate Accounts
ADDITIONS	
Payments received from and on behalf of inmates	$ 2,311,477
DEDUCTIONS	
Reimbursements made to the Authority	1,754,461
Payments to vendors	300,488
Other deductions	240,381
Total deductions	2,295,330
Net increase in fiduciary net position	16,147
NET POSITION – AT JULY 1	74,907
NET POSITION – AT JUNE 30	$ 91,054

The Notes to Financial Statements are an integral part of this statement.

Note 1. Summary of Significant Accounting Policies

Reporting entity

The Riverside Regional Jail Authority (the "Authority") is a political subdivision of the Commonwealth of Virginia created by Chapter 726 of the 1990 Acts of the General Assembly of Virginia and was formed on June 21, 1990. The purpose of the Authority is to maintain and operate a regional jail to meet the needs of the participating jurisdictions for additional jail facilities.

The Authority is governed by a fourteen-member board, comprised of the local Sheriff and an individual appointed by the governing body of each jurisdiction.

Measurement focus and basis of accounting

Proprietary funds are accounted for using the economic resources measurement focus and the accrual basis of accounting. Accordingly, all assets and liabilities (whether current or noncurrent) and deferred outflows/inflows of resources are included on the Statement of Net Position. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

The Authority reports one major proprietary fund, the Operating Fund. This fund is used to account for the activities necessary for operating the jail facility. This fund does not account for funds collected from or held for inmates. The nonmajor Canteen Fund accounts for inmate charges.

The Authority distinguishes *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services in connection with the Authority's principal ongoing operations. The principal operating revenues of the Authority are charges for services for inmate housing, fees collected from inmates, and revenue from the State Compensation Board. Operating expenses include salaries, wages and fringe benefits, medical services and supplies, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as nonoperating.

When both restricted and unrestricted resources are available for use, it is the Authority's policy to use restricted resources first, then unrestricted resources as they are needed.

The Authority also reports a custodial fund to account for monies held on behalf of inmates. Custodial funds use the economic resources measurement focus and the accrual basis of accounting.

Cash and cash equivalents

The Authority's cash and cash equivalents are considered to be cash on hand, demand deposits, certificates of deposit, certain money market investments, and short-term investments with original maturities three months or less from the date of acquisition.

Note 1. Summary of Significant Accounting Policies (Continued)

Revenue recognition and accounts receivable

Operating revenues are recognized as revenue when billed. Per diem charges and reimbursements from the Commonwealth of Virginia are billed monthly. Unbilled revenues through year end are accrued. Given the Authority's relationship with its member jurisdictions and prior history, no allowance has been established for uncollectible accounts.

Capital assets

Capital assets, if purchased or constructed, are recorded at cost. It is the Authority's policy to capitalize capital assets with a cost basis of $5,000 or more. Items below this threshold are expensed in the period acquired. When items of property or equipment are sold or retired, the related cost and accumulated depreciation are removed from the accounts and any gain or loss is recognized. Maintenance and repairs which do not increase the capacity or efficiency of the item or extend its useful life are expensed.

The Authority provides for depreciation using the straight-line method over the following estimated useful lives:

Buildings & improvements	10 – 60 years
Land improvements	15 years
Furniture & equipment	10 years
Vehicles	5 years
Computer hardware & software	3 – 10 years

Compensated absences

The Authority grants vacation and sick leave in varying amounts as services are provided. Employees are compensated, with limits, for unused vested vacation leave upon termination, retirements, or death. Compensation for unused vacation leave is limited to twice an employee's annual accrual. Employees may accumulate an unlimited amount of sick leave, which is forfeited upon separation from the Authority, except when separation is the result of retirement. Employees who retire with at least five or more years of continuous Riverside Regional Jail service are eligible for a lump sum payment for up to (25) twenty-five percent of their unused sick leave balance. Employees with 1,000 hours or less of unused sick leave will receive a lump sum payment not to exceed $5,000. Employees with more than 1,000 hours of unused sick leave will receive a lump sum payment not to exceed $7,500. Employees who are required to work overtime and holidays earn compensatory and holiday leave, respectively.

Note 1. Summary of Significant Accounting Policies (Continued)

Pensions and Other Postemployment Benefits (OPEB)

For purposes of measuring all financial statement elements related to pension and OPEB plans, information about the fiduciary net position of the Authority's Plans and the additions to/deductions from the Authority's 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.

Deferred outflows/inflows of resources

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

In addition to liabilities, the statements that present net position report a separate section for deferred inflows of resources. These items represent an acquisition of net assets that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time.

The Authority has the following items that qualify for reporting as deferred inflows or outflows:

- Deferred loss on refunding. A deferred loss on refunding is a deferred outflow which results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.
- Contributions subsequent to the measurement date for pensions and OPEB are always a deferred outflow; this will be applied to the net pension or OPEB liability in the next fiscal year.
- Differences between expected and actual experience for economic/demographic factors and changes of 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.
- Changes in proportion and differences between the Authority's contributions and its proportionate share of contributions for OPEB are deferred and amortized over the average expected remaining service lives of all employees provided with group life insurance benefits, and may be reported as a deferred inflow or outflow as appropriate
- Difference between projected and actual earnings on pension and OPEB plan investments. This difference 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.

Note 1. Summary of Significant Accounting Policies (Continued)

Net position

Net position is the difference between assets, deferred outflows of resources, 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. Net investment in capital assets excludes unspent debt proceeds.

Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the Authority or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Operating Fund amounts are restricted in accordance with the Master Indenture. Additionally, amounts are restricted for the net pension asset. Restrictions on Canteen Fund net position are imposed by §53.1-127.1 of the *Code of Virginia.*

Unrestricted net position represents the remaining net position not included as the previous two categories. The Authority has internally designated a portion of unrestricted net position for the following purposes and amounts: Fund balance reserve, $8,662,177; capital improvements fund, $7,457,651; operating fund, $8,428,430; and arbitrage reserve, $61,098.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from these estimates.

Fair value measurement

The Authority categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. Level 2 investments are valued using a matrix pricing technique, which is based on the investments' benchmark quoted prices.

Note 2. Deposits and Investments

Deposits

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

Investments

Statutes authorize the Authority to invest in obligations of the United States or agencies thereof; obligations of the Commonwealth of Virginia or political subdivisions thereof; obligations of the International Bank for Reconstruction and Development (World Bank), the Asian Development Bank, the African Development Bank, "prime quality" commercial paper and certain corporate notes, banker's acceptances, repurchase agreements, the State Treasurer's Local Government Investment Pool (LGIP), and the Commonwealth of Virginia State Non-Arbitrage Program (SNAP). Both the LGIP and SNAP are not registered with the SEC but are overseen by the Treasurer of Virginia and the State Treasury Board. The value of the Authority's position in the pools is the same as the value of the pool shares and is stated at amortized cost in accordance with GASB Statement 79, which approximates fair value.

Credit risk

The Authority's policy limits investments to instruments specified in Section 26-40 of the *Code of Virginia.*

Interest rate risk

Interest rate risk is the risk that the market value of securities in the portfolio will fall due to changes in market interest rates. The Authority does not have a formal policy that limits investment maturities as a means of managing exposure to fair value losses arising from increasing interest rates. The operating funds of the Authority are by nature short-term and are not considered to have investment rate risk.

The Authority categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles.

Note 2. Deposits and Investments (Continued)

As of June 30, 2023, the Authority's deposits and investments consisted of the following:

Type	Fair Value	S&P Credit Rating	Weighted Average Maturity
Deposits:			
Cash in bank	$ 13,880,078	N/A	N/A
Cash on hand	900	N/A	N/A
Total deposits	13,880,978		
Investments – Level 1:			
U.S. Treasury notes	10,009,474	N/A	0.47 years
Investments reported at amortized cost:			
Virginia State Non-Arbitrage Program	17,377,171	AAAm	1 day
Local Government Investment Pool	10,080,548	AAAm	1 day
Total investments	37,467,193		
Total deposits and investments	$ 51,348,171		

Reconciliation of deposits and investments to the Statement of Net Position (Exhibit 1) and the Statement of Fiduciary Net Position (Exhibit 4):

	Exhibit 1	Exhibit 4	Total
Cash and cash equivalents	$ 8,957,616	$ -	$ 8,957,616
Cash and cash equivalents, restricted	7,399,783	156,808	7,556,591
Cash and cash equivalents – noncurrent, restricted	17,316,074	-	17,316,074
Investments, unrestricted	17,517,890	-	17,517,890
	$ 51,191,363	$ 156,808	$ 51,348,171

Note 2. Deposits and Investments (Continued)

Restricted amounts

Details on restricted cash and cash equivalents in Exhibit 1 for the Operating and Canteen funds are as follows:

2013 Bond fund, fiscal year 2023 payment	$ 4,610,969
2015 Bond fund, fiscal year 2023 payment	1,429,894
Inmate canteen funds	1,358,920
Cash and cash equivalents – restricted	$ 7,399,783
Operating reserve	$ 9,911,094
Repair and replacement reserve	346,117
Debt service reserve fund	7,058,862
Cash and cash equivalents – non-current, restricted	$ 17,316,074

Note 3. Accounts Receivable

Accounts receivable consist of the following:

Member jurisdictions	$ 2,155,790
Commonwealth of Virginia	1,363,949
Federal agencies	236,313
Federal grant	79,318
Other	47,845
	$ 3,883,215

Note 4. Capital Assets

Capital asset activity for the operating fund for the year was as follows:

	Beginning July 1	Increases	Decreases	Ending June 30
Capital assets, nondepreciable				
Land	$ 322,584	$ -	$ -	$ 322,584
Capital assets, depreciable				
Buildings and improvements	182,225,886	-	-	182,225,886
Furniture and equipment	10,337,780	446,774	638,619	10,145,935
Computer hardware and software	711,172	-	-	711,172
Vehicles	809,951	68,315	-	878,266
Land improvements	147,591	-	-	147,591
Total capital assets, depreciable	194,232,380	515,089	638,619	194,108,850
Less accumulated depreciation:				
Buildings and improvements	56,038,888	3,189,404	-	59,228,292
Furniture and equipment	7,002,873	688,999	637,806	7,054,066
Computer hardware and software	632,038	41,300	-	673,338
Vehicles	747,606	36,113	-	783,719
Land improvements	67,209	9,840	-	77,049
Total accumulated depreciation	64,488,614	3,965,656	637,806	67,816,464
Total capital assets depreciable, net	129,743,766	(3,450,567)	813	126,292,386
Total capital assets, net	$ 130,066,350	$ (3,450,567)	$ 813	$ 126,614,970

Note 4. Capital Assets (Continued)

Capital asset activity for the canteen fund for the year was as follows:

	Beginning July 1	Increases	Decreases	Ending June 30
Capital assets, depreciable Equipment	$ 283,153	$ -	$ -	$ 283,153
Less accumulated depreciation Equipment	19,867	28,315	-	48,182
Total capital assets depreciable, net	$ 263,286	$ 28,315	$ -	$ 234,971

Note 5. Long-Term Liabilities

Long-term liability activities for the year were as follows:

	Beginning July 1	Additions	Reductions	Ending June 30	Due Within One Year
Jail Facility Revenue Bonds	$ 60,420,000	$ -	$ 4,305,000	$ 56,115,000	$ 4,520,000
Issuance premiums	3,471,654	-	587,887	2,883,767	523,201
	63,891,654	-	4,892,887	58,998,767	5,043,201
Compensated absences	1,222,191	1,745,704	1,682,329	1,285,566	562,931
	$ 65,113,845	$ 1,745,704	$ 6,575,216	$ 60,284,333	$ 5,606,132

The annual requirements to amortize bond principal and related interest are as follows:

Fiscal Year	Principal	Interest	Total
2024	$ 4,520,000	$ 2,427,688	$ 6,947,688
2025	4,730,000	2,209,501	6,939,501
2026	4,955,000	1,976,163	6,931,163
2027	5,195,000	1,726,213	6,921,213
2028	5,450,000	1,462,513	6,912,513
2029-2033	31,265,000	3,331,721	34,596,721
	$ 56,115,000	$ 13,133,799	$ 69,248,799

Note 5. Long-Term Liabilities (Continued)

Details of long-term indebtedness are as follows:

	Issue Date	Maturity Date	Authorized and Issued	Average Interest Rate	Amount Outstanding
Series 2015 Jail Facility Revenue Bonds	03/12/2016	07/01/2032	$ 44,765,000	3.67 %	$ 41,545,000
Series 2013 Jail Facility Revenue Bonds	06/27/2013	07/01/2032	44,025,000	4.27	14,570,000
					$ 56,115,000

The Authority's debt agreements contain certain financial covenants for which the Authority was in compliance at June 30, 2023.

Note 6. Defined Benefit Pension Plan

Plan Description

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

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.

Note 6. Defined Benefit Pension Plan (Continued)

Employees Covered by Benefit Terms

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

	Number
Inactive members or their beneficiaries currently receiving benefits	142
Inactive members:	
Vested inactive members	46
Non-vested inactive members	409
Inactive members active elsewhere in VRS	207
Total inactive members	662
Active members	226
Total covered employees	1,030

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, 2023 was 8.30% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2021.

This rate, when combined with employee contributions, was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the political subdivision were $880,978 and $943,845 for the years ended June 30, 2023 and June 30, 2022, respectively.

Net Pension Asset

The net pension asset 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 asset was measured as of June 30, 2022. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation performed as of June 30, 2021, rolled forward to the measurement date of June 30, 2022.

Note 6. Defined Benefit Pension Plan (Continued)

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, 2021, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2022.

Inflation	2.50%
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, 2021 valuation were based on the results of an actuarial experience study for the period from July 1, 2016 through June 30, 2020, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study are as follows:

General Employees – Largest 10 – Non-Hazardous Duty and All Others (Non 10 Largest): Updated mortality table; adjusted retirement rates; 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.

Note 6. Defined Benefit 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)	Target Allocation	Arithmetic Long-Term Expected Rate of Return	Weighted Average Long-Term Expected Rate of Return
Public Equity	34.00 %	5.71 %	1.94 %
Fixed Income	15.00	2.04	0.31
Credit Strategies	14.00	4.78	0.67
Real Assets	14.00	4.47	0.63
Private Equity	14.00	9.73	1.36
MAPS – Multi-Asset Public Strategies	6.00	3.73	0.22
PIP – Private Investment Partnership	3.00	6.55	0.20
Total	100.00 %		5.33 %
		Inflation	2.50 %
		* Expected arithmetic nominal return	7.83 %

* The above allocation provides for a one-year return of 7.83%. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected 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 6.72%, 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 at that time, providing a median return of 7.11%, including expected inflation of 2.50%.

Note 6. Defined Benefit Pension Plan (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that System member contributions will be made per the VRS Statutes and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Consistent with the phased-in funding provided by the General Assembly for state and teacher employer contributions, 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 FY 2012 or 100% of the actuarially determined employer contribution rate from the June 30, 2021 actuarial valuations, whichever was greater. From July 1, 2022 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 all projected future benefit payments of current active and inactive employees. Therefore the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net Pension Liability (Asset)

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) – (b)
Balances at June 30, 2021	$ 57,475,490	$ 70,393,361	$ (12,917,871)
Changes for the year:			
Service cost	1,666,114	-	1,666,114
Interest	3,915,768	-	3,915,768
Changes of assumptions	-	-	-
Difference between expected and actual experience	(2,260,713)	-	(2,260,713)
Contributions – employer	-	943,845	(943,845)
Contributions – employee	-	588,267	(588,267)
Net investment income	-	(81,933)	81,933
Benefit payments, including refunds of employee contributions	(2,260,449)	(2,260,449)	-
Administrative expenses	-	(43,626)	43,626
Other changes	-	1,634	(1,634)
Net changes	1,060,720	(852,262)	1,912,982
Balances at June 30, 2022	$ 58,536,210	$ 69,541,099	$ (11,004,889)

Note 6. Defined Benefit Pension Plan (Continued)

Sensitivity of the Net Pension Asset to Changes in the Discount Rate

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

	1.00% Decrease (5.75%)	Current Discount Rate (6.75%)	1.00% Increase (7.75%)
Political subdivision's net pension liability (asset)	$ (2,525,450)	$ (11,004,889)	$ (17,904,136)

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

For the year ended June 30, 2023, the political subdivision recognized pension income of $956,992. At June 30, 2023, the political subdivision 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	$ -	$ 1,614,864
Changes of assumptions	636,063	-
Net difference between projected and actual earnings on pension plan investments	-	1,983,890
Employer contributions subsequent to the measurement date	880,978	-
Total	$ 1,517,041	$ 3,598,754

Note 6. Defined Benefit Pension Plan (Continued)

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

The Authority reported deferred outflows of resources related to pensions resulting from Authority's contributions subsequent to the measurement date which will be recognized as an increase of the Net Pension Asset in the fiscal year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30,	Reduction to Pension Expense
2024	$ (1,617,992)
2025	(961,634)
2026	(1,344,563)
2027	961,498
2028	-
Thereafter	-

Pension Plan Data

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

Payables to the Pension Plan

At June 30, 2023, $127,777 was payable to the Virginia Retirement System for the legally required contributions related to June 2023 payroll.

Note 7. Other Postemployment Benefits Liability – VRS Group Life Insurance

In addition to their participation in the pension plans offered through the Virginia Retirement System (VRS), the Authority also participates in the VRS Group Life Insurance (GLI) cost-sharing multi-employer other postemployment benefit plan.

Plan Description

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

Note 7. Other Postemployment Benefits Liability – VRS Group Life Insurance (Continued)

Plan Description (Continued)

In addition to the Basic Group Life Insurance Benefit, members are also eligible to elect additional coverage for themselves as well as a spouse or dependent children through the Optional Group Life Insurance Program. For members who elect the optional group life insurance coverage, the insurer bills employers directly for the premiums. Employers deduct these premiums from members' paychecks and pay the premiums to the insurer. Since this is a separate and fully insured program, it is not included as part of the GLI Program OPEB.

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

Contributions

Contributions to the VRS OPEB program 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:	*Code of Virginia* 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, 2023 Contribution	$68,023
June 30, 2022 Contribution	$62,767

In June 2022, the Commonwealth made a special contribution of approximately $30.9 million to the Group Life Insurance Plan. This special payment was authorized by a Budget Amendment included in Chapter 1 of the 2022 Appropriation Act.

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

The net OPEB liabilities were measured as of June 30, 2022 and the total OPEB liabilities used to calculate the net OPEB liabilities were determined by an actuarial valuation performed as of June 30, 2021 and rolled forward to the measurement date of June 30, 2022. The covered employer's proportion of the net OPEB liabilities were based on the covered employer's actuarially determined employer contributions for the year ended June 30, 2022 relative to the total of the actuarially determined employer contributions for all participating employers.

Note 7. Other Postemployment Benefits Liability – VRS Group Life Insurance (Continued)

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

Group Life Insurance Program

June 30, 2023 proportionate share of liability	$643,469
June 30, 2022 proportion	0.05344%
June 30, 2021 proportion	0.05529%
June 30, 2023 expense (income)	($45,322)

Since there was a change in proportionate share between measurement dates, a portion of the OPEB expense above was related to deferred amount from changes in proportion.

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

Group Life Insurance Program

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 50,955	$ 25,814
Change of assumptions	24,000	62,676
Net difference between projected and actual earnings on OPEB plan investments	-	40,207
Changes in proportion	17,956	241,939
Employer contributions subsequent to the measurement date	68,023	-
Total	$ 160,934	$ 370,636

The deferred outflows of resources related to OPEB resulting from the Authority's contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the 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 periods as follows:

Note 7. Other Postemployment Benefits Liability – VRS Group Life Insurance (Continued)

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

Group Life Insurance Program

Year Ending June 30,	Reduction to OPEB Expense
2024	$ (71,709)
2025	(75,020)
2026	(93,942)
2027	(27,960)
2028	(9,094)
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, 2021, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2022:

Inflation	2.50%
Salary increases, including inflation:	
• Locality- general employees	3.50 – 5.35%
• Locality – hazardous duty employees	3.50 – 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 6.

Note 7. Other Postemployment Benefits Liability – VRS Group Life Insurance (Continued)

Net OPEB Liability

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 June 30, 2022, net OPEB liability amounts for the various VRS OPEB programs are as follows (amounts expressed in thousands):

	Group Life Insurance Program
Total OPEB liability	$ 3,672,085
Plan fiduciary net position	$ 2,467,989
Employers' net OPEB liability (asset)	$ 1,204,096
Plan fiduciary net position as a percentage of total OPEB liability	67.21%

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

Group Life Insurance Program

The long-term expected rate of return on VRS 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 OPEB 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:

Note 7. Other Postemployment Benefits Liability – VRS Group Life Insurance (Continued)

Long-Term Expected Rate of Return (Continued)

Asset Class (Strategy)	Target Allocation	Arithmetic Long-Term Expected Rate of Return	Weighted Average Long-Term Expected Rate of Return
Public Equity	34.00 %	5.17 %	1.94 %
Fixed Income	15.00	2.04	0.31
Credit Strategies	14.00	4.78	0.67
Real Assets	14.00	4.47	0.63
Private Equity	14.00	9.73	1.36
MAPS – Multi-Asset Public Strategies	6.00	3.73	0.22
PIP – Private Investment Partnership	3.00	6.55	0.20
Total	100.00 %		5.33 %
		Inflation	2.50 %
		*Expected arithmetic nominal return	7.83 %

* The above allocation provides for a one-year return of 7.83%. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected 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 6.72%, 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 at that time, providing a median return of 7.11%, including expected inflation of 2.50%.

Discount Rate

The discount rate used to measure the 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, 2022, 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. From July 1, 2020 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 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 OPEB liability.

Note 7. Other Postemployment Benefits Liability – VRS Group Life Insurance (Continued)

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

The following presents the net OPEB liabilities of the Authority, as well as what the Authority's net OPEB liabilities would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current discount rate:

	1.00% Decrease (5.75%)	Current Discount Rate (6.75%)	1.00% Increase (7.75%)
GLI Net OPEB liability	$ 936,323	$ 643,469	$ 406,803

OPEB Plan Fiduciary Net Position

Information about the various VRS OPEB plan fiduciary net position is available in the separately issued VRS 2022 *Annual Comprehensive Financial* Report (Annual Report). A copy of the 2022 VRS report may be downloaded from the VRS website at http://www.varetire.org/Pdf/Publications/2022-annual-report.pdf, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

Payables to the OPEB Plan

At June 30, 2023, $14,357 was payable to the Virginia Retirement System for the legally required contributions related to June 2023 payroll.

Note 8. Interfund Balances and Transfers

The following interfund receivables and payables are included in the fund financial statements at June 30, 2023:

	Due From		
	Operating Fund	Inmate Accounts Custodial Fund	Total
Due To			
Operating Fund	$ -	$ 39,936	$ 39,936
Canteen Fund	1,323	25,818	27,141
	$ 1,323	$ 65,754	$ 67,077

Amounts due to the Operating Fund include general and administrative charges and various reimbursements. Amounts due to the Canteen Fund include charges for goods and services provided to inmates.

Note 9. Deferred Compensation Plan

The Authority has a deferred compensation plan under which the participants may defer a portion of their annual compensation subject to *Internal Revenue Code* (*IRC*) Section 457 limitations. Any contributions made to the deferred compensation plan are not available to employees until termination, retirement, death, or unforeseeable emergency. Contributions to the plan are administered by a third party administrator. In compliance with the provisions of the *IRC* Section 457(g), the plan assets are in custodial accounts for the exclusive benefit of the plan's participants and beneficiaries. Consequently, these assets and the related liability are not reported in the accompanying financial statements.

Note 10. Risk Management

The Authority's risk management program involves maintaining comprehensive insurance coverage and identifying and monitoring loss exposure. The Authority's comprehensive property, boiler and machinery, automobile, business interruption, inland marine insurance, Line of Duty Act, and worker's compensation is provided through the Virginia Association of Counties Group Self-Insurance Risk Pool (VACORP). The purpose of VACORP is to create and administer group self-insurance pools for political subdivisions of the Commonwealth of Virginia pursuant to the authority provided in Chapter 27 of Title 15.2 of the Code of Virginia. VACORP is a joint fund created to provide the necessary anticipated financing for comprehensive property and liability coverages essential to its membership, which has agreed to provide for joint and cooperative action to self-insure and to pool their separate risks and liabilities. The State Corporation Commission's Bureau of Insurance regulates group self-insurance risk pools in Virginia. VACORP is managed by a nine member Supervisory Board elected by members at the program's annual business meeting. The Supervisory Board approves coverages and establishes rates each year based on actuarially-established claim reserve requirements. With Board approval, dividend rate credit returns may be made available based on program surplus. In the unlikely event the Board determines the Pool to be actuarially insufficient, the Board may make an assessment of Pool members. Annual rates are based on estimated claims and reserve requirements. Pool deficits, should they materialize, will be eliminated through the levy of an additional assessment upon Association members.

General liability and faithful performance of duty bond coverages are provided by the Commonwealth of Virginia, Department of General Services and the Division of Risk Management. There was no reduction in insurance coverage for the year ended June 30, 2023 or claims not covered by existing policies. Claims have not exceeded coverage for the last four fiscal years.

The Authority is self-insured for health insurance purposes and has retained Anthem Blue Cross and Blue Shield to administer the program. The Authority currently reports these activities in the Operating Fund. Significant claims, over $90,000, are covered by commercial insurance.

Note 10. Risk Management (Continued)

Claims liabilities are based on estimates of the ultimate cost of reported claims, related claim adjustment expenses and an estimate for claims incurred but not reported (IBNR) based on historical experience. The following represents the change in approximate aggregate liabilities for the fund:

Fiscal Year	Beginning Liability (Asset)	Claims and Changes in Estimates	Claim Payments	Ending Liability (Asset)
2023	$ 52,458	$ 2,272,788	$ 1,669,854	$ 655,392
2022	269,706	1,713,491	1,930,739	52,458
2021	436,448	2,293,779	2,460,521	269,706

Note 11. New Accounting Standards

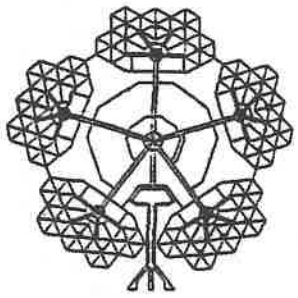
The Governmental Accounting Standards Board (GASB) has issued the following Statements which are not yet effective.

In April 2022, the GASB issued **Statement No. 99**, *Omnibus 2022*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The requirements related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance. The requirements related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

In June 2022, the GASB issued **Statement No. 100**, *Accounting Changes and Error Corrections*. This Statement requires disclosure in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. In addition, information about the quantitative effects on beginning balances of each accounting change and error correction should be disclosed by reporting unit in a tabular format to reconcile beginning balances as previously reported to beginning balances as restated. The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

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.

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



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REQUIRED SUPPLEMENTARY INFORMATION

EXHIBIT 6

RIVERSIDE REGIONAL JAIL AUTHORITY

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS
June 30, 2023

	Plan Year								
	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability									
Service cost	$ 1,666,114	$ 1,786,992	$ 2,148,932	$ 2,186,851	$ 2,091,096	$ 2,186,637	$ 2,150,926	$ 2,060,095	$ 1,970,573
Interest on total pension liability	3,915,768	3,533,784	3,342,894	3,003,090	2,807,408	2,682,164	2,462,197	2,252,657	2,008,571
Difference between actual and expected experience	(2,260,713)	(1,418,168)	(555,007)	1,544,883	(808,871)	(1,418,135)	(589,893)	(772,215)	-
Changes of assumptions	-	2,266,993	-	1,728,996	-	(586,776)	-	-	-
Benefit payments, including refunds of employee contributions	(2,260,449)	(2,092,919)	(2,124,722)	(1,556,776)	(1,031,597)	(1,117,762)	(643,927)	(450,291)	(534,137)
Net change in total pension liability	1,060,720	4,076,682	2,812,097	6,907,044	3,058,036	1,746,128	3,379,303	3,090,246	3,445,007
Total pension liability – beginning	57,475,490	53,398,808	50,586,711	43,679,667	40,621,631	38,875,503	35,496,200	32,405,954	28,960,947
Total pension liability – ending	$ 58,536,210	$ 57,475,490	$ 53,398,808	$ 50,586,711	$ 43,679,667	$ 40,621,631	$ 38,875,503	$ 35,496,200	$ 32,405,954
Plan Fiduciary Net Position									
Contributions – employer	$ 943,845	$ 918,935	$ 930,649	$ 1,079,214	$ 1,246,898	$ 1,146,951	$ 1,303,496	$ 1,272,768	$ 1,356,380
Contributions – employee	588,267	560,242	652,142	743,295	790,035	701,743	713,279	697,572	668,321
Net investment income	(81,933)	15,272,866	1,058,456	3,485,087	3,527,503	5,104,533	736,406	1,698,455	4,815,572
Benefit payments, including refunds of employee contributions	(2,260,449)	(2,092,919)	(2,124,722)	(1,556,776)	(1,031,597)	(1,117,762)	(643,927)	(450,291)	(534,137)
Administrative expenses	(43,626)	(37,567)	(35,670)	(33,165)	(28,984)	(28,163)	(23,372)	(21,410)	(24,447)
Other changes	1,634	1,445	(1,257)	(2,207)	(3,201)	(4,600)	(301)	(364)	253
Net change in plan fiduciary net position	(852,262)	14,623,002	479,598	3,715,448	4,500,654	5,802,702	2,085,581	3,196,730	6,281,942
Plan fiduciary net position – beginning	70,393,361	55,770,359	55,290,761	51,575,313	47,074,659	41,271,957	39,186,376	35,989,646	29,707,704
Plan fiduciary net position – ending	$ 69,541,099	$ 70,393,361	$ 55,770,359	$ 55,290,761	$ 51,575,313	$ 47,074,659	$ 41,271,957	$ 39,186,376	$ 35,989,646
Net pension liability (asset) – ending	$ (11,004,889)	$ (12,917,871)	$ (2,371,551)	$ (4,704,050)	$ (7,895,646)	$ (6,453,028)	$ (2,396,454)	$ (3,690,176)	$ (3,583,692)
Plan fiduciary net position as a percentage of total pension asset	119%	122%	104%	109%	118%	116%	106%	110%	111%
Covered payroll	$ 11,701,243	$ 11,256,539	$ 13,007,211	$ 15,014,182	$ 15,397,332	$ 14,043,639	$ 14,230,306	$ 13,894,847	$ 13,729,157
Net pension liability as a percentage of covered payroll	94%	115%	18%	31%	51%	46%	17%	27%	26%

The plan years above are reported in the entity's financial statements in the fiscal year following the plan year – e.g., plan year 2014 was presented in the entity's fiscal year 2015 financial report.

This schedule is intended to show information for 10 years. Since 2015 was the first year for this presentation, no earlier data is available. However, additional years will be included as they become available.

The Notes to Required Supplementary Information are an integral part of this schedule.

EXHIBIT 7

RIVERSIDE REGIONAL JAIL AUTHORITY

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PENSION CONTRIBUTIONS
June 30, 2023

Year Ended June 30,	Actuarially Determined Contribution	Contributions in Relation to Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2023	$ 880,978	$ 880,978	$ -	$ 12,661,846	6.96 %
2022	943,845	943,845	-	11,701,243	8.07
2021	918,935	918,935	-	11,256,539	8.16
2020	930,649	930,649	-	13,007,211	7.15
2019	1,079,205	1,079,205	-	15,014,182	7.19
2018	1,243,197	1,243,197	-	15,397,332	8.07
2017	1,146,951	1,146,951	-	14,043,639	8.17
2016	1,303,496	1,303,496	-	14,230,306	9.16
2015	1,272,768	1,272,768	-	13,894,847	9.16

This schedule is intended to show information for 10 years. Since 2015 was the first year for this presentation, no ealier data is available. However, additional years will be included as they become available.

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

The Notes to Required Supplementary Information are an integral part of this schedule.

EXHIBIT 8

RIVERSIDE REGIONAL JAIL AUTHORITY

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER'S SHARE OF NET OPEB LIABILITY
June 30, 2023

Plan Year Ended June 30,	Employer's Proportion of the Net OPEB Liability (Asset)	Employer's Proportionate Share of the Net OPEB Liability (Asset)	Employer's Covered Payroll	Employer's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
Virginia Retirement System – Group Life Insurance – General Employees					
2022	0.05344 %	$ 643,469	$ 11,747,571	5.48 %	67.21 %
2021	0.05529	643,725	11,446,963	5.62	67.45
2020	0.06383	1,065,218	13,267,935	8.03	52.64
2019	0.07700	1,253,000	15,210,827	8.24	52.00
2018	0.08176	1,242,000	15,564,457	7.98	51.22
2017	0.07675	1,155,000	14,178,536	8.15	48.86

The plan years above are reported in the entity's financial statements in the fiscal year following the plan year – e.g., plan year 2017 information was presented in the entity's fiscal year 2018 financial report.

Schedule is intended to show information for 10 years. Since 2018 was the first year for this presentation, no earlier data is available. However, additional years will be included as they become available.

The Notes to Required Supplementary Information are an integral part of this schedule.

EXHIBIT 9

RIVERSIDE REGIONAL JAIL AUTHORITY

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF OPEB CONTRIBUTIONS
June 30, 2023

Entity Fiscal Year Ended June 30,	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Payroll	Contributions as a Percentage of Covered Payroll
Virginia Retirement System – Group Life Insurance – General Employees					
2023	$ 68,023	$ 68,023	$ -	$ 12,745,560	0.53 %
2022	62,767	62,767	-	11,747,571	0.53
2021	61,642	61,642	-	11,446,963	0.54
2020	68,172	68,172	-	13,267,935	0.51
2019	78,493	78,493	-	15,210,827	0.52
2018	80,855	80,855	-	15,564,457	0.52

Schedule is intended to show information for 10 years. Since 2018 is the first year for this presentation, no earlier data is available. However, additional years will be included as they become

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

The Notes to Required Supplementary Information are an integral part of this schedule.

RIVERSIDE REGIONAL JAIL AUTHORITY

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2023

Note 1. Changes of Benefit Terms

Pension

There have been no actuarially material changes to the Virginia Retirement System (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, 2020, valuation were based on the results of an actuarial experience study for the period from July 1, 2016, through June 30, 2020, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

Largest 10 – Non-Hazardous Duty:

- Update mortality table to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Scape 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.
- 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.
- Applicable to: Pension and GLI OPEB

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 Scape 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.
- Applicable to: Pension and GLI OPEB

(Continued)

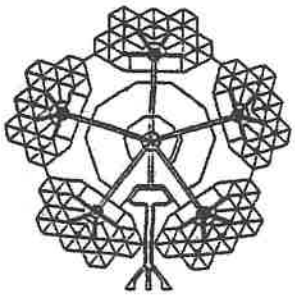
Note 2. Changes of Assumptions (Continued)

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

- Update mortality table to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Scape 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.
- Adjusted withdrawal rates to better fit experience at each year age and service through 9 years of service.
- No change to disability rates.
- No changes to salary scale.
- No change to line of duty rates.
- No change to discount rate.
- Applicable to: Pension and GLI OPEB

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 Scape MP-2020.
- Adjusted retirement rates to better fit experience and changed final retirement age from 65 to 70.
- 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.
- Applicable to: Pension and GLI OPEB



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STATISTICAL SECTION

This part of the Riverside Regional Jail Authority's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Authority's financial health.

Financial Trends

These tables contain trend information to help the reader understand how the Authority's financial performance and well-being have changed over time.

Tables 1 – 2

Revenue Capacity

These tables contain information to help the reader assess the factors affecting the Authority's ability to generate its revenues.

Tables 3 – 4

Debt Capacity

These tables present information to help the reader assess the affordability of the Authority's current level of outstanding debt and the Authority's ability to issue additional debt in the future.

Tables 5 – 6

Demographic and Economic Information

These tables offer demographic and economic indicators to help the reader understand the environment within which the Authority's financial activities take place and to help make comparisons over time and with other governments.

Tables 7 – 8

Operating Information

These tables contain service and infrastructure data to help the reader understand how the information in the Authority's financial report relates to the services the Authority provides and the activities it performs.

Tables 9 – 11

Other Information

The table presents a summary of insurance coverage in force separated by type and insurance company.

Table 12

Sources: Unless otherwise noted, the information in these tables is derived from the comprehensive annual financial reports for the relevant year.

TABLE 1

RIVERSIDE REGIONAL JAIL AUTHORITY

NET POSITION BY COMPONENT
Last Ten Fiscal Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Net investment in capital assets	$ 69,924,812	$ 68,896,989	$ 67,347,673	$ 66,123,698	$ 65,382,280	$ 64,390,078	$ 64,000,243	$ * 62,449,317	$ * 61,778,237	$ * 60,702,234
Restricted	34,466,377	35,297,921	24,501,096	26,137,871	28,832,144	26,941,743	22,140,631	23,973,076	23,858,140	19,757,014
Unrestricted	24,609,356	19,062,591	29,443,181	27,088,769	*** 24,379,111	*** 27,413,079	32,041,897	** 27,580,591	** 24,403,387	25,328,498
Total net position	$ 129,000,545	$ 123,257,501	$ 121,291,950	$ 119,350,338	$ 118,593,535	$ 118,744,900	$ 118,182,771	$ 114,002,984	$ 110,039,764	$ 105,787,746

* Restated for implementation of GASB Statement No. 65

** Restated for implementation of GASB Statement No. 68

*** Restated for implementation of GASB Statement No. 75

TABLE 2

RIVERSIDE REGIONAL JAIL AUTHORITY

CHANGES IN NET POSITION
Last Ten Fiscal Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
OPERATING REVENUES										
Charges for services – inmate housing	$ 20,795,459	$ 20,468,251	$ 23,294,488	$ 22,470,532	$ 22,437,478	$ 25,385,826	$ 25,661,966	$ 24,766,756	$ 23,959,544	$ 25,721,049
Charges for services – supplemental billings	-	500,000	-	-	2,800,000	-	-	-	-	-
State Compensation Board	18,290,533	15,697,420	14,847,091	14,865,016	14,690,559	14,789,934	14,053,434	14,352,174	13,235,682	13,385,391
Daily incarceration fees	358,935	451,176	658,117	559,058	553,726	611,022	571,333	579,022	268,371	278,045
Work release	200,205	333,808	293,203	445,450	448,834	341,478	520,869	398,422	277,182	243,207
Canteen sales	989,992	1,222,336	2,049,140	1,604,618	1,337,844	1,525,011	1,411,553	1,383,021	1,417,313	1,545,388
Telephone commissions	198,818	261,020	282,218	239,197	20,045	-	-	-	-	-
Miscellaneous income	276,503	354,515	444,550	414,533	173,395	121,931	131,175	-	-	-
NONOPERATING REVENUES										
Investment income	1,332,520	54,992	64,402	713,361	1,030,444	346,369	183,563	209,599	38,903	346,856
Miscellaneous income	32,975	11,229	6,272	23,041	354,731	504,725	505,376	698,810	254,833	94,182
Telephone commissions	-	-	-	-	-	-	-	-	465,335	614,442
ARPG/ARPA/RSAT grant revenue and DOC reimbursement	844,033	88,400	136,569	38,400	38,400	51,616	42,833	-	-	-
Total revenues	43,319,973	39,443,147	42,076,050	41,373,206	43,885,456	43,677,912	43,082,102	42,387,804	39,917,163	42,228,560
OPERATING EXPENSES										
Salaries and wages	15,064,584	13,611,879	13,530,248	14,835,161	17,440,055	17,741,246	15,780,058	16,229,999	13,948,873	13,642,700
Fringe benefits	1,612,172	1,782,502	4,484,501	3,746,696	1,992,141	2,868,255	3,368,094	3,118,198	3,976,992	4,671,817
Contractual services	1,080,351	1,351,426	1,753,763	1,491,211	1,533,209	1,588,400	1,597,777	1,525,689	1,433,461	1,390,918
Materials and supplies	478,727	429,697	421,821	395,982	476,469	475,182	575,106	540,461	468,785	551,661
Medical services and supplies	7,440,494	8,054,519	7,759,943	-	7,567,320	6,450,129	5,554,146	4,824,290	5,590,650	5,439,134
Food service and supplies	1,655,181	1,564,318	1,598,829	7,946,843	1,549,520	1,711,325	1,585,996	1,558,699	1,521,714	1,509,434
Repairs and maintenance	960,842	952,237	1,057,333	1,491,024	834,713	807,263	813,981	909,809	891,359	979,798
Utilities	2,275,662	2,115,291	2,260,844	872,059	2,275,734	2,173,092	2,084,505	2,103,097	2,097,263	2,060,824
Return of surplus funds to member jurisdictions	-	500,000	-	-	-	-	-	-	-	-
Depreciation	3,993,971	4,026,120	4,010,360	2,241,277	3,991,243	3,927,374	3,857,073	3,793,174	3,735,242	3,675,804
Other	682,761	557,672	451,294	4,043,267	511,268	464,677	501,084	479,640	586,905	589,150
NONOPERATING EXPENSES										
Return of surplus funds to member jurisdictions	-	-	-	-	2,800,000	-	-	-	-	-
Interest expense	2,331,371	2,511,935	2,677,369	2,835,278	2,965,149	3,089,806	3,184,495	3,341,528	3,133,852	3,810,666
Bond issuance expense	-	-	-	-	-	-	-	-	383,186	-
Miscellaneous expense	813	20,000	128,133	197,927	100,000	82,140	-	-	-	-
Total expenses	37,576,929	37,477,596	40,134,438	40,616,403	44,036,821	41,378,889	38,902,315	38,424,584	37,768,282	38,321,906
Change in net position	5,743,044	1,965,551	1,941,612	756,803	(151,365)	2,299,023	4,179,787	3,963,220	2,148,881	3,906,654
Beginning net position	123,257,501	121,291,950	119,350,338	118,593,535	118,744,900 ***	116,445,877	114,002,984	110,039,764 **	107,890,883 *	101,881,092
Ending net position	$ 129,000,545	$ 123,257,501	$ 121,291,950	$ 119,350,338	$ 118,593,535	$ 118,744,900	$ 118,182,771	$ 114,002,984	$ 110,039,764	$ 105,787,746

* Restated for implementation of GASB Statement No. 65

** Restated for implementation of GASB Statement No. 68

*** Restated for implementation of GASB Statement No. 75

TABLE 3

RIVERSIDE REGIONAL JAIL AUTHORITY

REVENUES BY CUSTOMER
Last Ten Fiscal Years

Fiscal Year	Charles City County	Chesterfield County	City of Hopewell	City of Colonial Heights	City of Petersburg	Prince George County	Surry County	Member Subtotal	
2023	$ 224,746	$ 7,289,434	$ 2,163,618	$ 1,763,539	$ 3,140,013	$ 2,109,852	$ 219,030	$ 16,910,232	
2022	184,641	7,817,766	2,198,449	1,585,655	2,950,373	2,322,071	155,945	17,214,900	(2)
2021	242,972	8,990,608	2,525,053	1,852,236	3,351,284	2,233,714	269,744	19,465,611	
2020	204,680	8,410,303	2,291,900	1,966,605	4,026,329	2,032,567	227,126	19,159,510	
2019	322,896	9,773,803	2,428,363	2,409,549	4,599,588	2,134,149	208,826	21,877,174	(1)
2018	226,120	10,796,840	2,141,840	2,267,400	3,940,832	1,496,080	220,720	21,089,832	
2017	272,000	11,198,840	2,149,560	2,408,680	3,433,237	1,276,120	149,720	20,888,157	
2016	294,040	10,258,760	2,129,520	2,510,360	3,306,960	1,383,040	151,080	20,033,760	
2015	238,760	10,847,280	2,295,800	2,637,640	1,512,960	1,845,360	208,880	19,586,680	
2014	335,200	11,618,200	2,607,600	2,622,640	1,139,440	2,139,960	223,840	20,686,880	

	Regional and Local Jails	Commonwealth of Virginia	Federal Inmates Housing and Transportation	Other Sources Subtotal	Total	
2023	$ 801,859	$ 1,516,597	$ 1,566,771	$ 3,885,227	$ 20,795,459	
2022	230,999	1,718,732	1,803,620	3,753,351	20,968,251	(2)
2021	-	2,659,995	1,168,882	3,828,877	23,294,488	
2020	27,359	2,827,041	456,622	3,311,022	22,470,532	
2019	6,460	2,987,421	366,423	3,360,304	25,237,478	(1)
2018	29,836	3,163,369	1,102,789	4,295,994	25,385,826	
2017	15,033	3,106,021	1,652,755	4,773,809	25,661,966	
2016	7,726	2,979,369	1,745,901	4,732,996	24,766,756	
2015	4,890	2,511,638	1,856,336	4,372,864	23,959,544	
2014	4,083	3,295,919	1,734,167	5,034,169	25,721,049	

(1) In fiscal year 2019, the Jail Authority disbursed member jurisdictions transfers totaling $2,800,000. In lieu of a mid-year per diem rate increase, each member jurisdiction subsequently repaid to the Jail Authority the entire amount of the transfer before June 30, 2019. Included in charges for services is revenue of $2,800,000.

(2) In fiscal year 2022, the Jail Authority disbursed member jurisdictions transfers totaling $500,000. Each member jurisdiction subsequently repaid to the Jail Authority the entire amount of the transfer before June 30, 2022. Included in charges for services is revenue of $500,000.

TABLE 4

RIVERSIDE REGIONAL JAIL AUTHORITY

REVENUES AND BILLED DAYS – BY CUSTOMER
Years Ended June 30, 2023 and 2022 and Nine Years Ago

Customer	Fiscal Year 2023 2023 Revenue	Per Diem Rate	Inmate Days Billed
Charles City County	$ 224,746	$ 50 / 51.50 (1)	4,364
Chesterfield County	7,289,434	50 / 51.50 (1)	141,542
City of Hopewell	2,163,618	50 / 51.50 (1)	42,012
City of Colonial Heights	1,763,539	50 / 51.50 (1)	34,243
City of Petersburg	3,140,013	50 / 51.50 (1)	60,971
Prince George County	2,109,852	50 / 51.50 (1)	40,968
Surry County	219,030	50 / 51.50 (1)	4,253
Regional and Local Jails	801,859	Various	-
Commonwealth of Virginia (a)	1,516,597	Various	N/A
Federal Inmates – Housing	1,566,771	Various	22,009
Total	$ 20,795,459		350,362

Customer	Fiscal Year 2022 2022 Revenue	Per Diem Rate	Inmate Days Billed
Charles City County	$ 184,641	$ 46 / 50	3,789 (2)
Chesterfield County	7,817,766	46 / 50	160,455 (2)
City of Hopewell	2,198,449	46 / 50	45,129 (2)
City of Colonial Heights	1,585,655	46 / 50	32,541 (2)
City of Petersburg	2,950,373	46 / 50	60,573 (2)
Prince George County	2,322,071	46 / 50	47,709 (2)
Surry County	155,945	46 / 50	3,194 (2)
Regional and Local Jails	230,999	Various	-
Commonwealth of Virginia (a)	1,718,732	Various	N/A
Federal Inmates – Housing	1,803,620	Various	25,268
Total	$ 20,968,251		378,658

Customer	Fiscal Year 2014 2014 Revenue	Per Diem Rate	Inmate Days Billed
Charles City County	$ 335,200	$ 40	8,380
Chesterfield County	11,618,200	40	290,376
City of Hopewell	2,607,600	40	65,129
City of Colonial Heights	2,622,640	40	65,585
City of Petersburg	1,139,440	40	28,547
Prince George County	2,139,960	40	53,559
Surry County	223,840	40	5,596
Regional and Local Jails	4,083	Various	-
Commonwealth of Virginia (a)	3,295,919	Various	N/A
Federal Inmates – Housing	1,734,167	Various	25,129
Total	$ 25,721,049		542,301

(a) Commonwealth of Virginia-Local Inmates Data System (LIDS), Inmate Days Billed is not included.

(1) The per diem rate from the Member Jurisdictions increased from $50 to $51.50 during fiscal year 2023.

(2) Included in 2022 Revenue for each Member Jurisdiction is the repayment of Member Jurisdiction transfers of $500,000. Accordingly, the per diem rate multiplied by actual inmate days billed during fiscal year 2022 does not equal the revenue received from Member Jurisdictions.

N/A – Not Applicable

TABLE 5

RIVERSIDE REGIONAL JAIL AUTHORITY

REVENUE BOND COVERAGE
Last Ten Fiscal Years

Fiscal Year	Operating and Nonoperating Revenues (1)	Operating Expense (2)	Net Revenue Available for Debt Service	Debt Service Requirements (3)			Bond Coverage
				Principal	Interest	Total	
2023	$ 41,388,175	$ 30,486,247	$ 10,901,928	$ 4,520,000	$ 2,533,813	$ 7,053,813	154.55 %
2022	38,193,794	29,496,446	8,697,348	4,305,000	2,744,363	7,049,363	123.38
2021	39,980,148	31,808,926	8,171,222	4,110,000	2,938,363	7,048,363	115.93
2020	39,214,482	32,182,332	7,032,150	3,935,000	2,950,964	6,885,964	102.12
2019	41,517,168	32,733,540	8,783,628	3,780,000	3,275,063	7,055,063	124.50
2018	41,806,532	32,776,087	9,030,445	3,630,000	3,420,263	7,050,263	128.09
2017	41,486,986	30,609,588	10,877,398	3,520,000	3,529,913	7,049,913	154.29
2016	40,791,270	29,796,470	10,994,800	3,425,000	3,628,749	7,053,749	155.87
2015	40,280,934	29,059,687	11,221,247	3,385,000	3,850,826	7,235,826	155.08
2014	40,393,713	29,229,276	11,164,437	3,200,000	3,855,725	7,055,725	158.23

(1) Nonoperating revenues include payments from vendor contracts and exclude interest income on bond accounts as well as unrealized gains or losses. For 2019 and 2022, operating revenues include repayments of member jurisdiction transfers.

(2) Operating expenses exclude depreciation, interest expense, bond issuance amortization, and transfers to member jurisdictions.

(3) Total debt service requirements have been reduced by interest income on bond accounts, and reflect principal and interest payments required for the next fiscal year.

TABLE 6

RIVERSIDE REGIONAL JAIL AUTHORITY

RATIOS OF OUTSTANDING DEBT BY TYPE
Last Ten Fiscal Years

Fiscal Year	Total Outstanding Revenue Bonds	Debt as a Percentage of Personal Income (1)	Amount of Debt Per Capita
2023	$ 58,998,767	0.3 %	$ 116
2022	63,891,654	0.3	127
2021	68,649,723	0.4	139
2020	73,290,352	0.5	154
2019	77,832,259	0.4	165
2018	82,267,898	0.6	176
2017	86,635,780	0.6	187
2016	90,939,331	0.7	198
2015	94,708,492	0.5	208
2014	95,049,112	0.6	211

(1) See Table 8 for personal income and population data.

TABLE 7

RIVERSIDE REGIONAL JAIL AUTHORITY

CRATER PLANNING REGION PRINCIPAL EMPLOYERS
Current Year and Ten Years Ago

Employer	Calendar Year 2023* Rank	Calendar Year 2014* Rank
Chesterfield County School Board	1	1
U.S. Department of Defense	2	2
Integrity Staffing Solutions	-	3
Amazon Fulfillment Services Inc.	3	-
County of Chesterfield	4	4
Wal Mart	5	5
Bon Secours Health System Inc.	6	-
Amazon.com KYDC Inc	-	6
HCA Virginia Health System	7	7
E.I. DuPont De Nemours Company	-	8
U.P.S.	8	9
DuPont Speciality Products USA, LLC	9	-
Food Lion	10	10

* First and Third Quarter data for most recent calendar year (2023 and 2014), respectively

** The Virginia Employment Commission does not disclose the actual number of employees, due to the Confidential Information Protection and Statistical Efficiency Act – Title V of Public Law 107-347. All Employers have over 1,000 individuals employed.

Source: Virginia Employment Commission

TABLE 8

RIVERSIDE REGIONAL JAIL AUTHORITY

DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Calendar Years by Member Jurisdiction

Jurisdiction	Year	Population	Household Income	Per Capita Personal Income	Unemployment Rate
Charles City County	2022	6,605	$ 59,543	$ 37,059	3.10 %
	2021	6,594	60,096	36,325	4.40
	2020	6,773	57,198	35,304	6.50
	2019	6,963	59,192	37,059	3.30
	2018	6,941	55,069	30,625	3.40
	2017	7,004	54,167	30,477	5.20
	2016	7,071	49,563	30,588	4.60
	2015	7,040	48,088	26,053	5.20
	2014	7,023	48,758	32,411	5.40
	2013	7,106	48,428	32,205	4.50
Chesterfield County	2022	378,408	$ 88,315	$ 41,320	2.80 %
	2021	370,688	84,645	42,734	3.60
	2020	364,548	82,599	37,658	5.90
	2019	352,802	80,214	36,641	2.60
	2018	348,556	76,969	44,445	2.90
	2017	343,599	73,869	33,848	3.90
	2016	339,009	72,609	32,896	4.00
	2015	335,687	75,514	32,940	4.30
	2014	332,499	72,878	42,205	5.60
	2013	327,745	66,881	40,507	6.70
City of Petersburg	2022	33,394	$ 44,890	$ 26,091	5.60 %
	2021	33,429	43,029	24,789	10.50
	2020	33,458	38,679	23,611	13.90
	2019	31,346	36,135	22,356	5.90
	2018	31,567	33,939	24,496	5.90
	2017	31,750	32,169	20,464	7.60
	2016	32,420	31,798	24,521	8.00
	2015	32,477	33,927	18,535	9.00
	2014	32,701	35,092	26,003	8.80
	2013	32,593	34,424	25,335	8.40
Prince George County	2022	43,134	$ 78,895	$ 30,199	3.40 %
	2021	42,880	75,123	31,193	4.50
	2020	43,010	71,912	29,420	6.50
	2019	38,353	67,001	28,873	3.30
	2018	38,082	68,461	41,222	3.50
	2017	37,809	64,805	26,721	4.70
	2016	37,845	61,857	39,294	5.10
	2015	37,380	61,071	24,521	5.30
	2014	37,333	63,551	38,870	5.20
	2013	36,462	63,074	38,141	4.39
City of Colonial Heights	2022	18,294	$ 65,570	$ 34,081	3.20 %
	2021	18,273	60,522	32,629	4.80
	2020	18,170	54,550	28,364	7.10
	2019	17,370	53,716	27,579	2.80
	2018	17,833	50,952	33,342	3.20
	2017	17,830	49,639	27,209	3.80
	2016	17,411	50,304	33,911	4.60
	2015	17,820	52,529	28,282	4.70
	2014	17,731	51,110	34,946	4.60
	2013	17,481	50,835	34,439	5.30
City of Hopewell	2022	22,962	$ 44,209	$ 23,314	4.40 %
	2021	23,140	43,262	23,173	7.50
	2020	23,033	39,030	21,927	10.70
	2019	22,529	40,497	22,038	4.10
	2018	22,596	40,712	24,229	4.30
	2017	22,621	40,814	21,827	5.70
	2016	22,735	39,064	24,944	6.70
	2015	22,378	39,156	21,041	7.50
	2014	22,196	38,173	27,583	7.00
	2013	22,346	37,933	27,204	7.70
Surry County	2022	6,527	$ 61,105	$ 33,416	3.00 %
	2021	6,530	56,525	31,136	3.80
	2020	6,561	57,962	30,260	5.70
	2019	6,422	54,844	28,688	3.60
	2018	6,474	54,656	32,303	3.80
	2017	6,540	56,632	25,838	4.60
	2016	6,544	53,673	26,250	5.10
	2015	6,709	51,527	24,469	5.20
	2014	6,790	48,799	32,906	5.34
	2013	6,765	47,292	31,995	6.70

Data Source: U.S. Department of Commerce, United States Census Bureau

TABLE 9

RIVERSIDE REGIONAL JAIL AUTHORITY

FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION
Last Ten Fiscal Years

Fiscal Year	Jail Operations Sworn	Civilian	Total
2023	158	63	221
2022	171	63	234
2021	192	62	254
2020	236	65	301
2019	290	64	354
2018	306	69	375
2017	290	64	354
2016	304	60	364
2015	299	61	360
2014	290	57	347

TABLE 10

RIVERSIDE REGIONAL JAIL AUTHORITY

INMATE POPULATION STATISTICS
Last Ten Fiscal Years

	Average Daily Population										
Fiscal Year	Charles City County	Chesterfield County	City of Hopewell	City of Colonial Heights	City of Petersburg	Prince George County	Surry County	Regional and Local Jails	Federal Inmates Housing and Transportation	Jail Contract Beds (1)	Total
2023	11.97	387.87	115.13	93.82	167.04	112.22	11.64	43.42	60.30	25.96	1,029.37
2022	10.39	439.64	123.60	89.06	165.87	130.69	8.75	12.33	69.12	43.94	1,093.39
2021	14.46	535.58	150.66	110.32	199.72	133.13	16.08	-	52.38	36.22	1,248.55
2020	13.00	534.68	145.67	124.90	255.64	129.20	14.45	0.47	20.10	52.56	1,290.67
2019	19.23	580.78	145.72	144.16	276.16	127.71	12.54	0.69	15.38	56.77	1,379.14
2018	15.48	739.12	146.63	155.35	270.07	102.47	15.13	1.82	44.84	47.04	1,537.95
2017	18.62	767.27	147.35	164.74	227.07	87.39	10.27	0.31	68.10	51.51	1,542.63
2016	20.09	700.86	145.43	171.54	225.88	94.45	10.32	0.47	71.97	53.92	1,494.93
2015	16.36	742.69	157.36	180.56	103.46	126.14	14.28	0.30	74.41	45.84	1,461.40
2014	22.93	796.25	178.56	179.62	78.08	146.64	15.33	0.39	70.70	38.31	1,526.81

(1) Jail Contract Beds are included and has been retroactively restated for the last ten fiscal years.

TABLE 11

RIVERSIDE REGIONAL JAIL AUTHORITY

CAPITAL ASSETS
Last Ten Fiscal Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Operating Fund										
Nondepreciable capital assets										
Land	$ 322,584	$ 322,584	$ 322,584	$ 322,584	$ 322,584	$ 322,584	$ 322,584	$ 322,584	$ 322,584	$ 322,584
Depreciable capital assets										
Buildings	182,225,886	182,225,886	182,161,119	181,813,213	181,693,823	181,542,686	181,542,686	181,522,435	181,519,235	181,482,748
Furniture and equipment	10,145,935	10,337,780	10,680,133	10,205,674	9,842,160	9,166,000	8,866,511	7,734,026	6,830,539	6,208,719
Computers	711,172	711,172	721,034	677,948	1,292,824	1,220,757	1,088,947	844,103	799,700	804,714
Vehicles	878,266	809,951	809,951	798,995	772,835	799,838	771,826	671,887	610,374	564,354
Land improvements	147,591	147,591	147,591	147,591	147,591	147,591	147,591	48,473	34,373	34,373
Total capital assets	194,431,434	194,554,964	194,842,412	193,966,005	194,071,817	193,199,456	192,740,145	191,143,508	190,116,805	189,417,492
Less accumulated depreciation										
Buildings	59,228,292	56,038,888	52,832,164	49,648,570	46,533,639	43,404,059	40,229,296	37,058,850	33,874,783	30,689,778
Furniture and equipment	7,054,066	7,002,873	7,529,304	7,014,929	6,466,336	5,848,309	5,257,800	4,732,081	4,221,399	3,757,461
Computers	673,338	632,038	600,877	492,236	998,330	904,255	819,747	765,815	731,282	722,589
Vehicles	783,719	747,606	702,043	670,593	617,012	648,977	589,148	531,699	482,806	445,250
Land improvements	77,049	67,209	57,370	47,531	37,690	27,851	18,012	9,945	6,875	4,584
Accumulated depreciation	67,816,464	64,488,614	61,721,758	57,873,859	54,653,007	50,833,451	46,914,003	43,098,390	39,317,145	35,619,662
Net capital assets	$ 126,614,970	$ 130,066,350	$ 133,120,654	$ 136,092,146	$ 139,418,810	$ 142,366,005	$ 145,826,142	$ 148,045,118	$ 150,799,660	$ 153,797,830
Canteen Fund										
Depreciable capital assets										
Furniture and equipment	$ 283,153	$ 283,153	$ 5,153	$ 5,153	$ 5,153	$ 5,153	$ 5,153	$ 5,153	$ 5,153	$ -
Computers	-	-	-	-	-	-	-	1,668	1,668	1,668
Total capital assets	283,153	283,153	5,153	5,153	5,153	5,153	5,153	6,821	6,821	1,668
Less accumulated depreciation										
Furniture and equipment	48,182	19,867	3,135	2,619	2,104	1,589	1,074	558	43	-
Computers	-	-	-	-	-	-	-	1,668	1,668	1,668
Accumulated depreciation	48,182	19,867	3,135	2,619	2,104	1,589	1,074	2,226	1,711	1,668
Net capital assets	234,971	263,286	2,018	2,534	3,049	3,564	4,079	4,595	5,110	-
Total net capital assets	$ 126,849,941	$ 130,329,636	$ 133,122,672	$ 136,094,680	$ 139,421,859	$ 142,369,569	$ 145,830,221	$ 148,049,713	$ 150,804,770	$ 153,797,830

TABLE 12

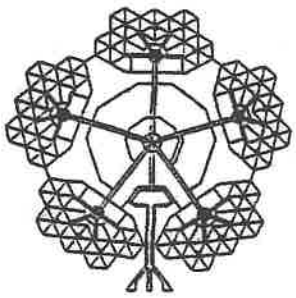
RIVERSIDE REGIONAL JAIL AUTHORITY

SCHEDULE OF INSURANCE IN FORCE
Fiscal Year Ended June 30, 2023

Insurance Coverage	Insurance Company	Expiration Date	Coverage Amount	Deductible
Building and Personal Property	Virginia Association of Counties Group Self-Insurance Risk Pool	7/1/2023	$ 243,597,316	$ 5,000
Earthquake	Virginia Association of Counties Group Self-Insurance Risk Pool	7/1/2023	100,000,000	25,000
Flood	Virginia Association of Counties Group Self-Insurance Risk Pool	7/1/2023	100,000,000	25,000
Business Auto	Virginia Association of Counties Group Self-Insurance Risk Pool	7/1/2023	2,000,000	1,000
Schedule Equipment (Tractor)	Virginia Association of Counties Group Self-Insurance Risk Pool	7/1/2023	270,390	1,000
Boiler and Machinery	Virginia Association of Counties Group Self-Insurance Risk Pool	7/1/2023	125,000,000	1,000
Business Interruption and Extra Expense	Virginia Association of Counties Group Self-Insurance Risk Pool	7/1/2023	17,000,000	5,000
Cyber Liability Coverage	Virginia Association of Counties Group Self-Insurance Risk Pool	7/1/2023	1,000,000	N/A
Environmental Impairment Liability	Virginia Association of Counties Group Self-Insurance Risk Pool	7/1/2023	1,000,000	25,000
Local Government & Excess Liability Coverage	Virginia Association of Counties Group Self-Insurance Risk Pool	7/1/2023	2,000,000	N/A
Workers' Compensation	Virginia Association of Counties Group Self-Insurance Risk Pool	7/1/2023	Required statutory limit	
Line of Duty	Virginia Association of Counties Group Self-Insurance Risk Pool	7/1/2023	Required statutory limit	
Faithful Performance of Duty Bond *	Commonwealth of Virginia – Division of Risk Management	Continuous	500,000	N/A
Constitutional Officer General Liability *	Commonwealth of Virginia – Division of Risk Management	Continuous	1,000,000	N/A

N/A – Not Applicable

* Provided by the Commonwealth of Virginia



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COMPLIANCE SECTION

BROWNEDWARDS
certified public accountants

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 Board of Directors
Riverside Regional Jail Authority
Prince George, Virginia

We have audited, 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 *Specifications for Audits of Authorities, Boards, and Commissions* issued by the Auditor of Public Accounts of the Commonwealth of Virginia, the business-type activities, the major fund, and the aggregate remaining fund information of the Riverside Regional Jail Authority (the "Authority"), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated September 29, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the 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 Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of 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 or significant deficiencies may exist that were not identified.**

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. **The results of our tests disclosed no instances of noncompliance 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 Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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

CERTIFIED PUBLIC ACCOUNTANTS

Harrisonburg, Virginia
September 29, 2023

RIVERSIDE REGIONAL JAIL AUTHORITY

SUMMARY OF COMPLIANCE MATTERS
June 30, 2023

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 Authority's compliance with certain provisions of laws, regulations, contracts, and grants shown below:

STATE COMPLIANCE MATTERS

Code of Virginia:
Cash and Investment Laws
Conflicts of Interest Act
Debt Provisions
Inmate Canteen Funds
Local Retirement Systems
Procurement Laws
Uniform Disposition of Unclaimed Property Act