

# ANNUAL COMPREHENSIVE FINANCIAL REPORT

Fiscal Year Ended June 30, 2025



Central Virginia Waste Management Authority



***CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY***

**Annual Comprehensive Financial Report**

**July 1, 2024 Through June 30, 2025**

***Prepared By:***

***Teresa Eckhout***  
***Finance and Administration Manager***

***Kimberly A. Hynes***  
***Executive Director***

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# **Introductory**

## **Section**

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November 3, 2025

Board of Directors  
Central Virginia Waste Management Authority  
Richmond, Virginia

Members of the Board, Member Jurisdictions and Citizens of Central Virginia:

The Annual Comprehensive Financial Report (“ACFR”) of the Central Virginia Waste Management Authority (“Authority” or “CVWMA”) for the year ended June 30, 2025 is submitted herewith. This report was prepared by the Finance and Administrative Manager and the Executive Director. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the undersigned management of the Authority. The financial statements have been audited by the independent accounting firm of Brown, Edwards & Company L.L.P., whose report is included herein. The ACFR has been prepared 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.

We believe that the data, as presented, is accurate in all material respects; that it is presented in a manner designed to present fairly the financial position and results of operation of the various funds; and that all disclosures necessary to enable the reader to gain an understanding of the Authority’s financial activity have been included.

The ACFR is presented in four sections: Introductory, Financial, Statistical and Compliance. The **Introductory** Section contains this transmittal letter, the Certificate of Achievement for Excellence in Financial Reporting, a listing of Authority Board members and administrative staff and the Authority’s organizational chart. The **Financial** Section contains the independent auditors’ report, management’s discussion and analysis, and the financial statements and related notes. The **Statistical** Section includes a number of statistical tables and charts that present financial trends and the fiscal capacity of the Authority. The **Compliance** Section contains the *Independent Auditors’ Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*.

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

## ORGANIZATION AND FUNCTION

The Authority was created in December 1990 under the Virginia Water and Waste Authorities Act (Chapter 51, Title 15.2, Code of Virginia of 1950 as amended) to assist member localities with solid waste planning, satisfying Virginia’s recycling requirement and other waste management and recycling initiatives.

The Authority serves thirteen-member local governments: the Cities of Colonial Heights, Hopewell, Petersburg and Richmond; the Town of Ashland; and the Counties of Charles City, Chesterfield, Goochland, Hanover, Henrico, New Kent, Powhatan and Prince George. A Board of Directors consisting of one or more representatives appointed by each of the member jurisdictions governs the operations of the CVWMA. The Authority is a primary government with no component units and each member government has a financial interest and responsibility to the Authority.



# CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY

## ECONOMIC CONDITION AND OUTLOOK

The national economy is strong and healthy. Real gross domestic product (GDP) increased at a rate of 3.8% in the second quarter of 2025. In the first quarter, real GDP decreased .6%. The increase in the second quarter is due primarily to a reduction in imports and increase in consumer spending, that were offset by a downturn in investment. Virginia's real GDP increased 1.7% in the second quarter.

Labor market conditions remain strong, despite federal job cuts in early 2025. Unemployment in Virginia is 3.6% in August compared to national unemployment of 4.3% and is expected to remain consistent through 2025. Personal income is up 4.6% in Virginia, below national averages of 5.5% increases. Similarly, consumer spending increased 6.6% nationally and 5.4% in Virginia. The largest contributor to the increase in personal consumption expenditures is health care costs. Housing and utilities have increased 6.8%, however gasoline and oil prices decreased 5.2% nationally.

The Consumer Price Index has averaged between 2.5%-3.0% over the last year. The Federal Reserve cut rates in September 2025, another quarter percent. Inflation seems to be under control, boosting consumer confidence. The region is expected to see continued strong growth in population, increasing by nearly 18% over the next 20 years. Much of this growth is projected in the suburban and rural counties, specifically Prince George (30%), New Kent (29%), Chesterfield (22%) and Goochland (21.5%) Counties. The City of Richmond as the urban core continues to grow in population and that steady growth is anticipated to continue, increasing by 14%. Migration from Northern Virginia has contributed to the greatest influx in the area. The region has seen and continues to see significant growth in multi-family dwellings in urban and suburban areas, and less single-family infrastructure. Also, important to note is the growing population over age 65 and the increase development in retirement communities.

A growing population and increased consumer spending means more household and commercial waste generated. In addition, land clearing and increased construction of residential and commercial infrastructure contributes to the amount of construction and vegetative waste.

The US generates over 300 million tons of waste each year (over one million tons in central Virginia). As landfill capacity continues to shrink in and outside of the region, it is imperative we develop more sustainable ways to handle the region's discards. Siting and constructing new landfills have become increasingly difficult and costly. Trucking waste further for disposal coupled with decreased competition will continue to drive up costs for waste disposal.

In today's environment, the need to develop a more sustainable waste management system has never been greater. Reducing dependence on landfilling while contributing to the regional economy is a central goal of the Authority.

## MAJOR INITIATIVES

The CVWMA turns 35 this year! CVWMA's geographic diversity is reflected in its service to urban, suburban and rural communities, each with unique needs and challenges. Many essential services operate across jurisdictional boundaries, and solid waste and recycling management are no exception. Coordinated efforts are crucial to ensure consistent and efficient service delivery across all member jurisdictions.

The region generates about one million tons of waste annually. In 1990, the primary method for managing this waste was through landfilling, with limited infrastructure in place for recycling or alternative disposal methods.

Through strategic planning, regional collaboration, and strong partnerships with local governments and private industry, CVWMA has been a catalyst for advancing more effective and sustainable waste management practices throughout the region. Grounded in the principles of the Strategic Materials Management Hierarchy, CVWMA has implemented a range of programs and initiatives that have significantly improved access to

## CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY

recycling and waste diversion opportunities. These efforts have fostered greater participation among residents across all communities in the region.

The five strategic goals established by the CVWMA Board and staff remain central to the Authority's mission. These goals are: (1) to increase recycling and pursue alternatives for non-recyclable waste; (2) to ensure a positive and responsive customer experience; (3) to expand educational outreach across all audiences; (4) to improve recycling access in multi-family housing; and (5) to foster regional economic development through sustainable materials management.

CVWMA is committed to enhancing and expanding existing programs, while also developing new initiatives that align with the mission and goals outlined in the strategic plan. Traditional household recyclables—such as paper, cans, and bottles—are collected both curbside and at local drop-off locations. The residential recycling program, CVWMA's largest and most visible program, offers convenient access for residents to participate in recycling efforts. Currently, the program serves approximately 200,000 single-family households across eight jurisdictions. In 2023, CVWMA distributed nearly 95,000 recycling carts to households in Henrico, Goochland, and Hanover counties. By equipping residents with the tools and information they need, the program has achieved an estimated participation rate of over 70%, resulting in an additional 4,000 tons of material recycled annually.

In addition, the Authority is truly closing the loop by purchasing recycling and trash carts made from recycled materials, including some sourced directly from our own programs. The initial rollout of recycling carts included carts made from 35% post-consumer recycled plastic, with 10% originating from CVWMA's own residential and drop-off recycling programs, and 25% from old, recycled trash carts. More recently, in partnership with the City of Richmond and Henrico County, CVWMA procured trash carts, made using a climate-positive raw material derived from municipal solid waste. These efforts reflect our commitment to circularity, recycling our own materials back into the products we use. The new recycling carts have significantly improved access and convenience, encouraging more residents to begin recycling and enabling existing participants to recycle even more.

The Authority is excited to launch a food waste collection and composting program in fiscal year 2026. Organic waste currently makes up nearly one-third of the material sent to landfills, and diverting more of it will significantly reduce landfill dependence while preserving valuable resources. In addition to this initiative, CVWMA is actively working to develop a regional mattress recycling program. Mattresses present unique challenges due to their bulky nature and the difficulties involved in both collection and disposal. Addressing these materials through dedicated recycling efforts will help reduce strain on local landfills and improve overall waste management efficiency.

CVWMA remains committed to improving the region's waste management in ways that support a more circular economy. Reducing waste, increasing diversion efforts, and exploring alternatives to landfilling are essential as we plan for the future. These challenges—and their solutions—do not stop at jurisdictional boundaries. A regional approach to solid waste management and recycling has proven beneficial for all participating localities, allowing for shared strategies, economies of scale, and a unified response to evolving environmental and regulatory demands.



## FINANCIAL CONTROLS

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

## CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY

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 within the above framework. We believe that the Authority's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

**Budgetary Controls:** The Authority maintains budgetary controls to ensure compliance with the annual appropriated budget approved by the Authority's Board of Directors. Budgets are prepared by program and the Authority maintains monthly budgetary control by presenting budget to actual financial reports to management and the Board of Directors.

### 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 Authority's Audit Committee to perform the audit for the fiscal year ended June 30, 2025. The independent auditors' 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 Central Virginia Waste Management Authority for its annual comprehensive financial report for the fiscal year ended June 30, 2024. This was the twenty eighth consecutive year that the 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 accounting principles generally accepted in the United States of America and applicable legal requirements.

A 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 Certificate of Achievement Program requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

### ACKNOWLEDGMENTS

Through proper financial planning and management, the Authority continues to maintain its sound financial position. The timely preparation of this Annual Comprehensive Financial Report could not have been accomplished without the dedicated services of the entire staff of the Authority. We would like to express our sincere gratitude to the Board of Directors and the staff whose continuing support is vital to the financial stability of the Authority.

Respectfully submitted,



Kimberly Hynes  
Executive Director



Teresa Eckhout  
Finance and Administration Manager

CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Central Virginia Waste Management Authority**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2024

*Christopher P. Morrill*

Executive Director/CEO

# CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY

## 2024-2025 Board of Directors

Miles Jones, City of Richmond  
**Chair**

Marilee Tretina, County of Henrico  
**Vice-Chair**

Cary Drane, County of Chesterfield  
**Secretary**

John Mitchell, County of Henrico  
**Treasurer**

Jordan Stewart, County of New Kent  
**Director**

Stephen Chidsey, Town of Ashland  
Robert Dunn, County of Chesterfield  
Clay Bowles, County of Chesterfield  
Doug Smith, City of Colonial Heights  
Wendy Grady, County of Goochland  
Jeff Stoneman, County of Hanover  
Randy Hardman, County of Hanover

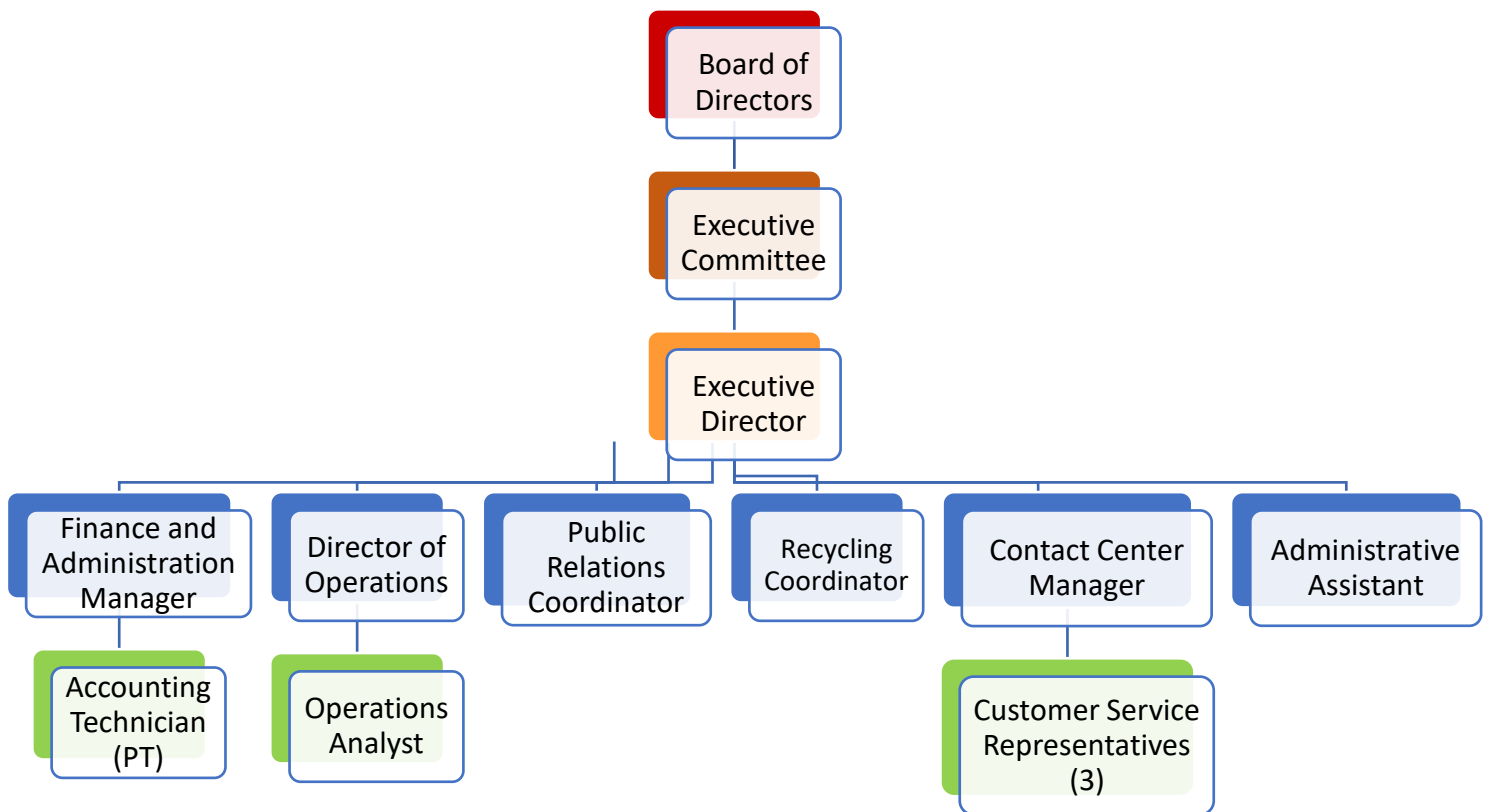
Marcia E. Kelley, County of Henrico  
Monique Robertson, City of Hopewell  
Jerry Byerly, City of Petersburg  
Robert Powers, County of Powhatan  
Dean Simmons, County of Prince George  
Elizabeth Hall, City of Richmond  
Robert McMillen, City of Richmond

## Administrative Staff

Kimberly A. Hynes, Executive Director  
Terry Eckhout, Finance and Administration Manager  
Richard M. Nolan, Director of Operations  
Julie Buchanan, Public Relations Coordinator  
Reginald D. Thompson, Operations Analyst  
Olivia Beidler, Recycling Coordinator  
Stephanie N. Breaker, Senior Customer Service Supervisor  
Angela Burley, Customer Service Representative  
Stephanie Anderson, Customer Service Representative  
Talisha Rosa, Customer Service Representative  
Latanya McBride, Administrative Assistant  
Barbara Trimmer, Accounting Technician, part-time

CVWMA General Counsel  
James Snyder  
McCandlish Holton PC

  
ORGANIZATIONAL CHART



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# **Financial**

## **Section**

## Independent Auditor's Report

To the Honorable Members of the Audit Committee and Board of Directors  
Central Virginia Waste Management Authority  
Richmond, Virginia

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the accompanying financial statements of each major fund of the Central Virginia Waste Management Authority (the "Authority") as of and for the year ended June 30, 2025, 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 major funds of the Central Virginia Waste Management Authority as of June 30, 2025, 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 to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### *Change in Accounting Principle*

As described in Notes I and VI to the financial statements, in 2025, the Authority adopted new accounting guidance, GASB Statement No. 101, *Compensated Absences*. Our opinion is not modified with respect to this matter.

## *Responsibilities of Management for the Financial Statements*

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the 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 is the responsibility of management, and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *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.

### *Report on Summarized Comparative Information*

We have previously audited the Authority's 2024 financial statements, and our report dated October 23, 2024, expressed an unmodified opinion on those financial statements. The summarized comparative information presented therein for the year ending June 30, 2024, is consistent, in all material respects, with the audited financial statements from which it has been derived.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated November 3, 2025, 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  
November 3, 2025

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# **Management's Discussion And Analysis**

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**CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY**  
**Management’s Discussion and Analysis**

Central Virginia Waste Management Authority (“Authority” or “CVWMA”) for the fiscal year ended June 30, 2025. This information should be read in conjunction with the letter of transmittal and the financial statements.

**Financial Highlights**

The assets and deferred outflows of resources of the Authority exceeded its liabilities and deferred inflows of resources by \$2,077,643 at the close of the 2025 fiscal year. Total net position increased by 2.4%. Operating revenues increased by .06%, or \$138,451 to \$23,176,749. Operating expenses increased by 1.0% or \$229,786.

The Authority’s capital assets consist of computer equipment, office furniture, vehicles, leasehold improvements, trash and recycling carts and lease assets. Net capital assets decreased \$659,781 in 2025. In 2024, the Authority entered in a lease to purchase agreement for 9,000 trash carts for the City of Hopewell’s residential trash collection program and also entered into a new office lease resulting in the significant increase in capital assets and lease liability. No significant lease activity occurred in 2025. In addition, the CVWMA borrowed \$4,279,474 to pay for the 95,000 recycling carts in 2023. This is being repaid from revenue generated from the Residential Recycling Service Agreements with the participating jurisdictions. More detailed capital asset and liability activity can be found in Note III. Capital Assets, Note IV. Lease Liabilities and Note V. Loan Payable.

**Overview of the Financial Statements**

The Statement of Net Position presents information on all the Authority’s assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference between the four reported as net position. Over time, increases or decreases in net position may serve as a useful measure of the Authority’s financial health or position. The current fiscal year revenues and expenses of the Authority are accounted for in the Statement of Revenues, Expenses and Changes in Net Position. The Statement of Cash Flows provides information on the Authority’s cash receipts, payments, and net changes in cash. They also provide insight on the source, use and change in cash for the reporting period. Notes to the financial statements provide additional information that is essential to understanding data in the financial statements.

The Authority reports its operations as enterprise funds and uses proprietary fund accounting. Accordingly, the operations of the Authority are recorded on the accrual basis of accounting. Under this method, revenues from member jurisdictions for services provided and revenues from other entities are recognized when earned, and expenses are recorded as liabilities when incurred, without regard to receipt or payment of cash.

**Financial Analysis of CVWMA’s Financial Position and Results of Operation**

The tables presented herein provide a summary of the CVWMA’s financial position and operations for FY2025 and FY2024. Balances for FY2024 have been restated for GASB Statement No. 101, see Note VI.

**Condensed Statements of Net Position**

	<u>2025</u>	<u>2024</u>	<u>Amount</u>	<u>% Change</u>
<b>Assets:</b>				
Current	\$ 5,711,488	\$ 6,011,006	\$ (299,518)	-4.98%
Capital assets, net	6,840,606	7,500,387	(659,781)	-8.80%
<b>Total assets</b>	<b>12,552,094</b>	<b>13,511,393</b>	<b>(959,299)</b>	<b>-7.10%</b>
<b>Deferred Outflows of Resources</b>	<b>146,176</b>	<b>82,763</b>	<b>63,413</b>	<b>76.62%</b>
<b>Liabilities:</b>				
Current	6,769,396	6,866,303	(96,907)	-1.41%
Long Term	3,757,542	4,615,009	(857,467)	-18.58%
<b>Total liabilities</b>	<b>10,526,938</b>	<b>11,481,312</b>	<b>(954,374)</b>	<b>-8.31%</b>
<b>Deferred Inflows of Resources</b>	<b>93,689</b>	<b>83,798</b>	<b>9,891</b>	<b>11.80%</b>
<b>Net position:</b>				
Net investment in capital assets	2,364,764	2,001,935	362,829	18.12%
Unrestricted	(287,121)	27,111	(314,232)	-1159.06%
<b>Total net position</b>	<b>\$ 2,077,643</b>	<b>\$ 2,029,046</b>	<b>\$ 48,597</b>	<b>2.40%</b>

**CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY**  
**Management's Discussion and Analysis**

**Condensed Statements of Revenues, Expenses and Changes in Net Position**  
**For The Years Ended June 30, 2025 and 2024**

	2025	2024	Amount	Change %
Operating revenues:				
Local government assessments	\$ 606,580	\$ 598,419	\$ 8,161	1.4%
Recycling	13,139,912	12,315,187	824,725	6.7%
Refuse and solid waste	6,534,366	7,326,123	(791,757)	-10.8%
Composting and yard waste	1,154,543	1,156,557	(2,014)	-0.2%
Other project revenue and fees	460,189	333,215	126,974	38.1%
Material sales rebate	1,281,159	1,308,797	(27,638)	-2.1%
Total operating revenues	23,176,749	23,038,298	138,451	0.6%
Operating expenses:				
Administrative/operating	243,404	231,574	11,830	5.1%
Salaries and benefits	970,143	974,651	(4,508)	-0.5%
Professional service fees	122,395	101,562	20,833	20.5%
Depreciation and amortization	928,566	745,496	183,070	24.6%
Program contractual services	19,704,209	19,607,371	96,838	0.5%
Material sales rebate	1,114,172	1,192,449	(78,277)	-6.6%
Total operating expenses	23,082,889	22,853,103	229,786	1.0%
Operating income (loss)	93,860	185,195	(91,335)	-49.3%
Non-operating revenues (expenses):				
Miscellaneous income	-	1,860	(1,860)	100.0%
Interest income	17,549	38,786	(21,237)	-54.8%
Interest expense and fiscal changes	(62,812)	(43,661)	(19,151)	43.9%
Non-operating revenues (expenses)	(45,263)	(3,015)	(42,248)	1401.3%
Change in net position	48,597	182,180	(133,583)	-73.3%
Beginning net position	2,029,046	1,846,866	182,180	9.9%
Ending net position	\$ 2,077,643	\$ 2,029,046	\$ 48,597	2.4%

Net Position increased by \$48,597 in Fiscal Year 2025, despite a budgeted use of reserves of \$125,000 to utilize the \$1.4 million grant recognized all in FY2023. Recycling markets continue to be strong. Most of the revenue received from the sale of recyclable materials is provided back to the participating localities based on volume. CVWMA keeps a portion of the recycling revenue in the Drop Off Fund, which in 2025 yielded \$92,219 compared to \$75,855 the previous year. In addition, the residential recycling contract also stipulates a revenue share with the contractor based on market prices, which resulted in an additional \$74,997 of revenue that the CVWMA retains for use in the residential program. The impact of the most recent valuation of pension and other post-employment benefits resulted in a loss of \$6,952 compared to gain of \$81,864 in 2024.

## **CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY**

### **Management's Discussion and Analysis**

Overall operating revenues have increased .6% in FY 2025 over FY 2024. July 1, 2023, marked the start of new contracts in two of the CVWMA's largest programs, Residential Recycling and Waste Transfer and Disposal. Costs increased significantly in these programs, resulting in increased contractual expenses and revenues from the participating jurisdictions. Chesterfield County no longer participates in the CVWMA residential recycling program services, however, continues to utilize education and outreach services. This resulted in a reduction of program revenues for the Authority of about \$2.5 million. Despite this reduction, costs under the new contract increased significantly for the remaining jurisdictions. In addition, costs in the new Waste Transfer and Disposal Contract increased about 33% over previous years. The contract for residential municipal solid waste collection began in the City of Hopewell July 2024 and the City of Petersburg no longer participates in the Authority's residential municipal solid waste program effective July 1, 2024. Overall costs increased in accordance with the contract, however revenues and contractual expenses declined as a result of Petersburg's exit from the program.

Similarly to revenue, the Authority's operating expenses increased 1.0% due largely to staff vacancies in key rolls during the year. Additionally, depreciation and amortization increased significantly due to the depreciation of the new trash carts leased for the City of Hopewell at the beginning of FY2025 and the new office lease. Approximately 93% of total revenues are passed through to member localities based on their participation in various programs. Net Position increased to 8.6% of the total 2026 budget. The Authority continues to remain in a strong financial position.

### **Economic Factors and the FY 2025 Budget**

Member local governments benefit from an economies-of-scale approach to solid waste planning, enabling CVWMA to offer robust programs that positively impact the environment while managing costs. Many operational programs and services naturally cross jurisdictional boundaries, making a regional approach both practical and efficient. By coordinating services at the regional level, CVWMA reduces the burden on individual localities to develop and maintain separate solid waste plans, meet state recycling goals, and implement cost-effective, volume-based programs that serve multiple communities.

The Authority manages approximately 30 recycling and solid waste contracts, each providing benefits to one or more of our 13 member jurisdictions. About 95% of CVWMA's revenues are pass-through funds from local governments, based on their participation in Authority-managed programs. Because CVWMA is funded entirely by its member localities, the financial stability of member jurisdictions is critical to the Authority's own financial health and long-term sustainability.

Public-private partnerships have proven to be highly valuable to CVWMA and its member localities. The Authority continues to excel in negotiating cost-effective contracts that meet the diverse needs of the communities we serve. While cost is a critical factor, equal importance is placed on customer service, contractor performance, and education and outreach. CVWMA is deliberate and selective in partnering with companies that offer the best overall value, ensuring high-quality services that align with the Authority's mission and the expectations of member jurisdictions.

The Authority is committed to promoting economic resilience, not only within its own operations, but also across all member localities, by delivering cost-effective, collaborative solutions to regional waste management challenges. Several CVWMA contracts generate revenue from the sale of recyclable materials and CVWMA provided nearly \$1.2 million back to localities in fiscal year 2025, and nearly \$20 million back to participating jurisdictions since inception. CVWMA retains a small portion of the material sales rebate to balance the budget.

The Authority's budget has grown by 40% to \$24.6 million in the last 5 years. This is a result of an increased level of service provided to participating jurisdictions, and increased costs of programs as a result of procurement and inflation. CVWMA maintains a strong and healthy net position and thus has successfully avoided raising assessments to member localities.

**CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY  
Management's Discussion and Analysis**

**Contacting CVWMA's Financial Management**

This financial analysis is designed to provide a general overview of CVWMA's finances to all interested parties. If you have questions about this report, or need additional financial information, contact the CVWMA's Executive Director at Central Virginia Waste Management Authority, 2100 W. Laburnum Avenue; Suite 105, Richmond, Virginia 23227 or by telephone at 804-340-0900.

**CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY**

**STATEMENT OF NET POSITION**

**JUNE 30, 2025**

**With Comparative Totals at June 30, 2024**

	<i>Operating Fund</i>	<i>Residential Recycling</i>	<i>Drop-Off Recycling</i>	<i>Solid Waste</i>	<i>Transfer &amp; Disposal</i>	<i>Special Wastes</i>	<i>Total 2025</i>	<i>2024 (restated)</i>
<b>Assets:</b>								
Cash and cash equivalents	\$ 164,194	\$ 1,597,536	\$ 448,003	-	\$ 310,105	-	\$ 2,519,838	\$ 2,038,090
Accounts receivable	553,255	1,224,959	181,422	624,466	244,503	325,623	3,154,228	3,960,434
Prepaid expenses	10,541	22,989	653	3,239	-	-	37,422	12,482
<b>Total current assets</b>	<b>727,990</b>	<b>2,845,484</b>	<b>630,078</b>	<b>627,705</b>	<b>554,608</b>	<b>325,623</b>	<b>5,711,488</b>	<b>6,011,006</b>
<b>Capital Assets:</b>								
Capital assets, net of depreciation	81,211	4,934,346	1,506	106,291	-	-	5,123,354	5,496,115
Lease assets, net of amortization	385,857	324,882	12,186	994,327	-	-	1,717,252	2,004,272
<b>Capital assets, net</b>	<b>467,068</b>	<b>5,259,228</b>	<b>13,692</b>	<b>1,100,618</b>	<b>-</b>	<b>-</b>	<b>6,840,606</b>	<b>7,500,387</b>
<b>Total assets</b>	<b>1,195,058</b>	<b>8,104,712</b>	<b>643,770</b>	<b>1,728,323</b>	<b>554,608</b>	<b>325,623</b>	<b>12,552,094</b>	<b>13,511,393</b>
<b>Deferred Outflows of Resources:</b>								
Pension related deferred outflows	56,080	63,557	1,246	3,739	-	-	124,622	61,394
OPEB related deferred outflows	10,622	10,050	235	647	-	-	21,554	21,369
<b>Total deferred outflows of resources</b>	<b>66,702</b>	<b>73,607</b>	<b>1,481</b>	<b>4,386</b>	<b>-</b>	<b>-</b>	<b>146,176</b>	<b>82,763</b>
<b>Liabilities:</b>								
Accounts payable	12,842	1,661,807	296,603	673,122	403,563	255,298	3,303,235	3,514,977
Checks paid exceeding cash	-	-	-	134,649	-	17,587	152,236	-
Compensated absences	40,831	49,723	-	-	-	-	90,554	92,705
Other accrued liabilities	8,355	11,656	221	601	-	33,066	53,899	32,864
Lease liability - current	43,168	34,169	1,446	225,559	-	-	304,342	422,916
Loan payable - current	-	590,272	-	-	-	-	590,272	590,272
Unearned revenues	620,255	1,106,442	-	376,436	171,725	-	2,274,858	2,212,569
<b>Total current liabilities</b>	<b>725,451</b>	<b>3,454,069</b>	<b>298,270</b>	<b>1,410,367</b>	<b>575,288</b>	<b>305,951</b>	<b>6,769,396</b>	<b>6,866,303</b>
<b>Long-term Liabilities:</b>								
Lease liability	413,147	342,625	12,638	304,161	-	-	1,072,571	1,386,334
Loan payable	-	2,508,657	-	-	-	-	2,508,657	3,098,930
OPEB liabilities	36,250	29,954	801	2,072	-	-	69,077	69,681
Net pension liability	48,257	54,691	1,072	3,217	-	-	107,237	60,064
<b>Total long-term liabilities</b>	<b>497,654</b>	<b>2,935,927</b>	<b>14,511</b>	<b>309,450</b>	<b>-</b>	<b>-</b>	<b>3,757,542</b>	<b>4,615,009</b>
<b>Total liabilities</b>	<b>1,223,105</b>	<b>6,389,996</b>	<b>312,781</b>	<b>1,719,817</b>	<b>575,288</b>	<b>305,951</b>	<b>10,526,938</b>	<b>11,481,312</b>
<b>Deferred Inflows of Resources:</b>								
Pension related deferred inflows	34,885	39,537	775	2,326	-	-	77,523	67,373
OPEB related deferred inflows	8,073	7,429	179	485	-	-	16,166	16,425
<b>Total deferred inflows of resources</b>	<b>42,958</b>	<b>46,966</b>	<b>954</b>	<b>2,811</b>	<b>-</b>	<b>-</b>	<b>93,689</b>	<b>83,798</b>
<b>Net Position (Deficit)</b>								
Net investment in capital assets	10,753	1,783,505	(392)	570,898	-	-	2,364,764	2,001,935
Unrestricted	(15,056)	(42,148)	331,908	(560,817)	(20,680)	19,672	(287,121)	27,111
<b>Total net position (deficit)</b>	<b>\$ (4,303)</b>	<b>\$ 1,741,357</b>	<b>\$ 331,516</b>	<b>\$ 10,081</b>	<b>\$ (20,680)</b>	<b>\$ 19,672</b>	<b>\$ 2,077,643</b>	<b>\$ 2,029,046</b>

The notes are an integral part of the financial statements.

**CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY**

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
YEAR ENDED JUNE 30, 2025  
With Comparative Totals for the Year Ended June 30, 2024**

	<i>General Operating Fund</i>	<i>Residential Recycling</i>	<i>Drop- Off Recycling</i>	<i>Municipal Solid Waste</i>	<i>Waste Transfer &amp; Disposal</i>	<i>Special Wastes</i>	<i>Total 2025</i>	<i>2024 (restated)</i>
<b>Operating revenues:</b>								
Local government assessments	\$ 606,580	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 606,580	\$ 598,419
Recycling	-	11,356,053	1,783,859	-	-	-	13,139,912	12,315,187
Refuse and solid waste	-	-	-	4,292,695	2,241,671	-	6,534,366	7,326,123
Composting and yard waste	-	-	-	-	-	1,154,543	1,154,543	1,156,557
Other project revenues	-	-	-	-	-	460,189	460,189	333,215
Material sales rebates	-	74,997	384,354	-	-	821,808	1,281,159	1,308,797
<b>Total operating revenues</b>	<b>606,580</b>	<b>11,431,050</b>	<b>2,168,213</b>	<b>4,292,695</b>	<b>2,241,671</b>	<b>2,436,540</b>	<b>23,176,749</b>	<b>23,038,298</b>
<b>Operating expenses:</b>								
Administrative/operating	27,321	206,813	1,895	7,375	-	-	243,404	231,574
Salaries and benefits	406,603	521,640	9,647	32,253	-	-	970,143	974,651
Professional service fees	56,984	52,425	3,070	9,916	-	-	122,395	101,562
Depreciation and amortization	108,079	676,703	2,681	141,103	-	-	928,566	745,496
Project contractual services	-	9,923,773	1,783,768	4,141,116	2,241,302	1,614,250	19,704,209	19,607,371
Material sales rebate	-	-	292,135	-	-	822,037	1,114,172	1,192,449
<b>Total operating expenses</b>	<b>598,987</b>	<b>11,381,354</b>	<b>2,093,196</b>	<b>4,331,763</b>	<b>2,241,302</b>	<b>2,436,287</b>	<b>23,082,889</b>	<b>22,853,103</b>
<b>Operating income (loss)</b>	<b>7,593</b>	<b>49,696</b>	<b>75,017</b>	<b>(39,068)</b>	<b>369</b>	<b>253</b>	<b>93,860</b>	<b>185,195</b>
<b>Non-operating revenues (expenses):</b>								
Interest income	10,252	4,054	1,216	2,027	-	-	17,549	38,786
Interest expense and fiscal charges	(12,831)	(11,069)	(377)	(38,535)	-	-	(62,812)	(43,661)
Miscellaneous Income	-	-	-	-	-	-	-	1,860
<b>Total Non-operating revenues</b>	<b>(2,579)</b>	<b>(7,015)</b>	<b>839</b>	<b>(36,508)</b>	<b>-</b>	<b>-</b>	<b>(45,263)</b>	<b>(3,015)</b>
<b>Change in Net Position</b>	<b>5,014</b>	<b>42,681</b>	<b>75,856</b>	<b>(75,576)</b>	<b>369</b>	<b>253</b>	<b>48,597</b>	<b>182,180</b>
<b>Net position (deficit) - beginning of year, as restated</b>	<b>(9,317)</b>	<b>1,698,676</b>	<b>255,660</b>	<b>85,657</b>	<b>(21,049)</b>	<b>19,419</b>	<b>2,029,046</b>	<b>1,846,866</b>
<b>Net position (deficit) - end of year</b>	<b>\$ (4,303)</b>	<b>\$ 1,741,357</b>	<b>\$ 331,516</b>	<b>\$ 10,081</b>	<b>\$ (20,680)</b>	<b>\$ 19,672</b>	<b>\$ 2,077,643</b>	<b>\$ 2,029,046</b>

The notes are an integral part of the financial statements.

**CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY**

**STATEMENT OF CASH FLOWS  
YEAR ENDED JUNE 30, 2025**

**With Comparative Totals for the Year Ended June 30, 2024**

	<i>General Operating Fund</i>	<i>Residential Recycling</i>	<i>Drop- Off Recycling</i>	<i>Municipal Solid Waste</i>	<i>Waste Transfer &amp; Disposal</i>	<i>Special Wastes</i>	<u>2025</u>	<u>2024</u> (restated)
<b>Cash Flows From Operating Activities</b>								
Receipts from local governments	\$ 600,470	\$ 12,186,820	\$ 1,800,412	\$ 4,401,285	\$ 2,241,689	\$ 1,556,305	\$ 22,786,981	\$ 22,230,710
Checks paid exceeding cash	-	-	-	134,649	-	17,587	152,236	-
Payments to contractors	-	(9,774,751)	(1,628,712)	(4,326,222)	(2,228,073)	(1,614,173)	(19,571,931)	(23,942,947)
Payments to suppliers	(289,800)	(275,369)	(5,537)	(19,962)	-	20,000	(570,668)	(355,445)
Payments to employees	(425,634)	(510,048)	(10,205)	(32,325)	-	-	(978,212)	(1,038,554)
<b>Net cash provided by (used in) operating activities</b>	(114,964)	1,626,652	155,958	157,425	13,616	(20,281)	1,818,406	(3,106,236)
<b>Cash Flows From Noncapital Financing Activities:</b>								
Grants, sponsorships, and miscellaneous	-	-	-	-	-	-	-	1,860
<b>Net cash provided by (used in) noncapital financing activities</b>	-	-	-	-	-	-	-	1,860
<b>Cash Flows From Capital and Related Financing Activities:</b>								
Loan proceeds	-	-	-	-	-	-	-	4,279,474
Principal payments on loan	-	(590,273)	-	-	-	-	(590,273)	(590,272)
Principal payments on leases	(38,488)	(33,206)	(1,131)	(367,388)	-	-	(440,213)	(260,614)
Interest payments on leases	(12,831)	(11,069)	(377)	(38,535)	-	-	(62,812)	(43,661)
Acquisitions of capital assets	(5,181)	(233,512)	-	(22,216)	-	-	(260,909)	(322,264)
<b>Net cash provided by (used in) capital financing activities</b>	(56,500)	(868,060)	(1,508)	(428,139)	-	-	(1,354,207)	3,062,663
<b>Cash Flows From Investing Activities:</b>								
Interest received	10,252	4,054	1,216	2,027	-	-	17,549	38,786
<b>Net Increase (decrease) in cash and cash equivalents</b>	(161,212)	762,646	155,666	(268,687)	13,616	(20,281)	481,748	(2,927)
<b>Cash and cash equivalents at beginning of year</b>	325,406	834,890	292,337	268,687	296,489	20,281	2,038,090	2,041,017
<b>Cash and cash equivalents at end of year</b>	<u>\$ 164,194</u>	<u>\$ 1,597,536</u>	<u>\$ 448,003</u>	<u>\$ -</u>	<u>\$ 310,105</u>	<u>\$ -</u>	<u>\$ 2,519,838</u>	<u>\$ 2,038,090</u>
	<i>Operating Fund</i>	<i>Residential Recycling</i>	<i>Off Recycling</i>	<i>Solid Waste</i>	<i>Transfer &amp; Disposal</i>	<i>Special Wastes</i>	<u>2025</u>	<u>2024</u> (restated)
Net operating income (loss)	\$ 7,593	\$ 49,696	\$ 75,017	\$ (39,068)	\$ 369	\$ 253	\$ 93,860	\$ 185,195
Adjustments to reconcile operating income (loss) to cash provided by (used in) operating activities:								
Depreciation and amortization	108,079	676,703	2,681	141,103	-	-	928,566	745,496
Pension expense net of employer contributions	(7,941)	2,602	(390)	(176)	-	-	(5,905)	(80,729)
OPEB expense net of employer contributions	(2,662)	1,805	(157)	(33)	-	-	(1,047)	(1,136)
(Increase)/decrease in Assets:								
Accounts receivable	(19,785)	758,233	16,553	109,614	18	(58,427)	806,206	514,392
Prepaid expenses	(5,566)	(16,131)	(572)	(2,671)	-	-	(24,940)	(1,145)
Increase/(decrease) in Liabilities:								
Accounts payable	(199,929)	74,025	62,837	(185,106)	36,125	306	(211,742)	(4,506,933)
Unearned revenue	13,675	72,534	-	(1,024)	(22,896)	-	62,289	20,710
Other accrued liabilities	(8,428)	7,185	(11)	137	-	20,000	18,883	17,914
<b>Net cash provided by (used in) operating activities</b>	<u>\$ (114,964)</u>	<u>\$ 1,626,652</u>	<u>\$ 155,958</u>	<u>\$ 22,776</u>	<u>\$ 13,616</u>	<u>\$ (37,868)</u>	<u>\$ 1,666,170</u>	<u>\$ (3,106,236)</u>
<b>Noncash capital and financing activities:</b>								
Assets obtained through leases	4,017	3,387	157	315	-	-	7,876	1,391,216

The notes are an integral part of the financial statements.

# CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY

## NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2025

### I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Central Virginia Waste Management Authority ("Authority") was created in December 1990 under the Virginia Water and Waste Authorities Act (Chapter 51, Title 15.2, Code of Virginia of 1950 as amended). The Authority's purpose is to plan, acquire, construct, reconstruct, improve, extend, operate, contract for and maintain any garbage and refuse collection, transfer and disposal program or system, including waste reduction, waste material recovery, recycling as mandated by law or otherwise, resource recovery, waste incineration, landfill operation, ash management, sludge disposal from water and wastewater treatment facilities, household hazardous waste management and disposal and similar programs or systems, within one or more of the political subdivisions which are members of the Authority.

**A. Reporting Entity** - The Authority is a primary government with no component units. The members of the Authority are the Cities of Colonial Heights, Hopewell, Petersburg and Richmond; the Town of Ashland; and the Counties of Charles City, Chesterfield, Goochland, Hanover, Henrico, New Kent, Powhatan and Prince George. The Authority is governed by a Board of Directors consisting of one or more representatives appointed by each of the member cities, town and counties. The Authority is a jointly governed organization of the thirteen member jurisdictions listed herein, however it is not a component unit of any of the participating governments. The participating governments do have a financial interest in and responsibility to the Authority.

**B. Basis of Presentation** – The Authority administers six enterprise funds: the General Operating Fund, the Residential Recycling, the Drop-Off Recycling, the Municipal Solid Waste, the Waste Transfer and Disposal, and Special Wastes Fund are considered major funds.

**C. Basis of Accounting** - The accounting records for the Authority are maintained on the accrual basis with revenue recorded when earned and expenses recorded when incurred. The accounting policies of the Authority conform to accounting principles generally accepted in the United States of America as promulgated by the Government Accounting Standards Board (GASB) for enterprise funds of governmental units.

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

**E. Cash and Cash Equivalents** - Cash and cash equivalents are defined as being cash and short-term interest-bearing investments consisting of certificates of deposit, repurchase agreements and other income producing securities. These investments are readily convertible to cash and are stated at cost, which approximates fair value.

**F. Receivables** - All revenue and receivables are recognized when earned. Receivables consist of amounts due from the participating governments for services performed for residents. Each government is liable for the actual cost of service based on operating assessments outlined in the Articles of Incorporation and contractual arrangements; therefore, there is no allowance for doubtful accounts.

**G. Capital Assets** - Capital assets are stated at historical cost. The capitalization threshold for capital assets is \$2,000. Expenses for repairs and upgrading which materially add to the value or life of an asset are capitalized. Other maintenance and repair costs are charged to expense as incurred.

Lease assets are amortized over the shorter of the lease term or useful life of the underlying asset using the straight-line method. In leases where a purchase option is reasonably certain of being exercised the asset is amortized over the useful life, unless the asset is non-depreciable, in which the asset is not amortized.

## CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY

### G. Capital Assets (Continued)

Depreciation and amortization are charged as an expense using the straight-line method over the assets' estimated useful lives as follows:

Furniture and equipment	5-7 years
Computer equipment	2-3 years
Vehicles	7 years
Leasehold improvements	6 years
Trash and recycling carts	10 years

**H. Compensated Absences** - Authority employees, in the event of termination, are reimbursed for accumulated annual leave in full, and for sick leave in the amount of one third (1/3) of sick leave accumulated up to \$3,500. Vested annual and sick leave balances are reflected in the accompanying financial statements as a current liability.

The Authority accrues for the full amount of employee's unused vacation leave, and uses a five year look back period to estimate the amount of sick leave that has been earned and will be used over the employee's employment. The liability for sick leave is based on this estimate. The sick leave policies of the Authority provide for the unlimited accumulation of sick leave.

The Authority implemented GASB Statement No. 101, *Compensated Absences*, in the fiscal year, the effects of which require restatement in the earliest year presented. The effects of this restatement are included in Note VI.

**I. 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/deduction 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.

**J. Deferred Inflows and Outflows of Resources** - In addition to liabilities, the statements that presents financial position reports 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.

In addition to assets, the statement that presents net position reports 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. The Authority has the following items that qualifies for reporting as deferred inflows or outflows:

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

**CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY**

**K. Net Position** - Net position comprises the various net earnings from operating and non-operating revenues, expenses and contributions of capital. Net position is classified in the following three components: net investment in capital assets, restricted and unrestricted net position. Net investment in capital assets consists of all capital assets, net of accumulated depreciation, reduced by any outstanding debt that is attributable to the acquisition, construction and improvement of those assets. Restricted net position consists of net position for which constraints are placed thereon by external parties, such as lenders, grantors, contributors, laws, regulations and enabling legislation, including self-imposed legal mandates, less any related liabilities. Unrestricted consists of all other net position not included in the above categories. 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.

**L. Risk Management** - The Authority is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Authority maintains commercial insurance for all risks of loss including general liability, employee health and accident, workers’ compensation, automobile and public officials’ liability insurance. Any settled claims resulting from these risks have not exceeded commercial insurance coverage in the past three fiscal years.

**M. Revenue Classification** - Revenues from recycling and solid waste collection, local government assessments and other program revenues are reported as operating revenues. All other revenues including certain grants, contributions and interest income are reported as non-operating revenues.

**N. Unearned Revenues** - In connection with certain contracts, the Authority bills for services and receives cash in advance. These amounts are recorded as unearned revenue until earned by the Authority. The Authority’s unearned revenue amounted to \$2,275,858 and \$2,212,569 as of June 30, 2025 and 2024, respectively. The Authority collects all unearned revenue from member localities in the following fiscal year; therefore, they are also included in accounts receivable at year-end.

**O. Summarized Comparative Information for 2024** - The financial information for the year ended June 30, 2024, presented for comparative purposes, is not intended to be a complete financial statement presentation because only the total of all funds has been reflected.

**P. Subsequent Events** – The Authority has evaluated all subsequent events through November 3, 2025, the date the financial statements were available to be issued.

**II. DEPOSITS AND INVESTMENTS**

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

Investments. Statutes authorize local governments and other public bodies to invest in obligations of the United States or agencies thereof, obligations of the Commonwealth of Virginia or political subdivisions thereof, obligations of the International Bank for Reconstruction and Development (World Bank), the Asian Development Bank, the African Development Bank, “prime quality” commercial paper and certain corporate notes, banker’s acceptances, repurchase agreements, and the State Treasurer’s Local Government Investment Pool.

At year end, the Authority’s deposits and investments were as follows:

<b><u>Cash and Cash Equivalents</u></b>	<b><u>2025</u></b>	<b><u>2024</u></b>
Local Government Investment Pool (“LGIP”)	\$ 4,734	\$ 4,514
Money Market	755,819	1,049,089
Cash in Bank	1,759,285	984,387
Cash on Hand	-	100
Total Cash and Cash Equivalents	<u>\$ 2,519,838</u>	<u>\$ 2,038,090</u>

**CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY**

**II. DEPOSITS AND INVESTMENTS (Continued)**

Interest Rate Risk. Investment maturity is managed to precede or coincide with expected need of funds to help limit exposure to fair value losses arising from rising interest rates. As of June 30, 2025, the Authority's investments were in a Money Market account and the State LGIP fund.

The Money Market is a short-term investment with immediate liquidity and the Authority has \$755,819 in the Money Market Fund. The LGIP is short-term investment pool offered through the State Treasurer to public entities in the Commonwealth. The Authority has \$ 4,734 in the LGIP portfolio which provides daily liquidity and is reported at amortized cost. The carrying value of this portion of the Authority's investment in this pool is determined by the pool's share price in accordance with GASB Statement No. 79.

Credit Risk. Policy, consistent with state statute, requires commercial paper, including banker's acceptances, to have a short-term debt rating of no less than "P-1" from Moody's Investors Service, and "A-1" from Standard & Poor's (S&P). Corporate notes and bonds must have a rating of at least "AA" by S&P or "Aa" by Moody's. The Authority has no commercial paper instruments as of June 30, 2025.

Concentration of Credit Risk. The Code of Virginia and the Authority's investment policy places no limit on the amount the Authority may invest in any one issuer. However, the policy establishes limitations on portfolio composition, both by investment type and by issuer, in order to control concentration of credit risk. At June 30, 2025, the Authority's investment portfolio consisted of the following:

<u>Issuer</u>	<u>Amount</u>	<u>% of Portfolio</u>
Towne Bank Money Market	\$ 755,819	99.4%
Local Government Investment Pool (LGIP)	<u>4,734</u>	<u>0.6%</u>
Total	<u>\$ 760,553</u>	<u>100.0%</u>

**III. CAPITAL ASSETS**

A summary of changes in capital assets follows:

	Balance June 30, <u>2023</u>	<u>Additions</u>	<u>Disposals</u>	Balance June 30, <u>2024</u>	<u>Additions</u>	<u>Disposals</u>	Balance June 30, <u>2025</u>
Furniture & equipment	\$ 33,109	\$ 29,329	\$(17,540)	\$44,898	\$ 18,806	\$ (9,609)	\$ 54,095
Computer equipment	129,545	-	-	129,545	-	(10,174)	119,371
Vehicles	46,706	-	-	46,706	-	-	46,706
Trash and recycling carts	5,722,570	122,528	-	5,845,098	242,103	-	6,087,201
Leasehold improvements	<u>8,544</u>	<u>170,407</u>	<u>(2,604)</u>	<u>176,347</u>	<u>-</u>	<u>-</u>	<u>176,347</u>
Total capital assets	5,940,474	322,264	(20,144)	6,242,594	260,909	(19,783)	6,483,720
Accumulated depreciation:							
Furniture & equipment	29,902	1,799	(17,540)	14,161	5,775	(9,609)	10,327
Computer equipment	78,267	12,021	-	90,288	12,027	(10,174)	92,141
Vehicles	47,333	1,373	-	48,706	-	-	48,706
Trash and recycling carts	5,008	580,954	-	585,962	597,511	-	1,183,473
Leasehold improvements	<u>7,257</u>	<u>2,709</u>	<u>(2,604)</u>	<u>7,362</u>	<u>18,357</u>	<u>-</u>	<u>25,719</u>
Total accumulated depreciation	<u>167,767</u>	<u>598,856</u>	<u>(20,144)</u>	<u>746,479</u>	<u>633,670</u>	<u>(19,783)</u>	<u>1,360,366</u>
Capital assets being depreciated, net	<u>\$5,772,707</u>	<u>\$(276,59)</u>	<u>\$ -</u>	<u>\$5,496,115</u>	<u>\$(372,761)</u>	<u>\$ -</u>	<u>\$5,123,354</u>

## CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY

### III. CAPITAL ASSETS (Continued)

A summary of changes in lease assets follows:

	Balance June 30, 2023	<u>Additions</u>	<u>Disposals</u>	Balance June 30, 2024	<u>Additions</u>	<u>Disposals</u>	Balance June 30, 2025
Office equipment	\$ 17,945	\$ -	\$ -	\$ 17,945	\$ 7,876	\$ (8,525)	\$ 17,296
Office building	465,672	752,286	-	1,217,958	-	-	1,217,958
Vehicle	15,144	-	-	15,144	-	-	15,144
Trash and recycling carts	<u>561,547</u>	<u>638,931</u>	<u>-</u>	<u>1,200,478</u>	<u>-</u>	<u>-</u>	<u>1,200,478</u>
Total leased assets	<u>1,060,308</u>	<u>1,391,217</u>	<u>-</u>	<u>2,451,525</u>	<u>7,876</u>	<u>(8,525)</u>	<u>2,450,876</u>
Accumulated amortization:							
Office equipment	9,819	3,744	-	13,563	4,019	(8,525)	9,057
Office building	232,836	84,578	-	317,414	161,199	-	478,613
Vehicle	1,803	2,163	-	3,966	9,630	-	13,596
Trash and recycling carts	<u>56,155</u>	<u>56,155</u>	<u>-</u>	<u>112,310</u>	<u>120,048</u>	<u>-</u>	<u>232,358</u>
Accumulated amortization	<u>300,613</u>	<u>146,640</u>	<u>-</u>	<u>447,253</u>	<u>294,896</u>	<u>-</u>	<u>733,624</u>
Leased assets being amortized, net	<u>759,695</u>	<u>1,244,577</u>	<u>-</u>	<u>2,004,272</u>	<u>(287,020)</u>	<u>-</u>	<u>1,717,252</u>
Total Capital Assets and Lease Assets, net	<u>6,532,402</u>	<u>\$967,985</u>	<u>\$ -</u>	<u>\$7,500,387</u>	<u>\$ (659,781)</u>	<u>\$ -</u>	<u>\$ 6,840,606</u>

### IV. LEASE LIABILITIES

The Authority, as a lessee, has entered into lease agreements involving the Authority's office space, copier, postage meter, vehicle and trash carts. The total costs of the Authority's lease assets are recorded as \$2,450,876, less accumulated amortization of \$733,624 at June 30, 2025. The Authority uses its estimated incremental borrowing rate as the discount rate unless an interest rate is explicitly stated in the lease.

Future lease payments under lease agreements are as follows:

	<b>Principal</b>	<b>Interest</b>
2026	\$ 304,342	\$ 59,534
2027	238,989	49,000
2028	172,965	36,329
2029	110,795	30,521
2030	119,001	24,793
2031-2034	<u>430,821</u>	<u>33,977</u>
	<u>\$ 1,376,913</u>	<u>\$ 234,154</u>

**CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY**

**IV. LEASE LIABILITIES (Continued)**

A summary of changes in lease liabilities follows:

	Balance June 30, <u>2023</u>	<u>Additions</u>	Principal Payments	Balance June 30, <u>2024</u>	<u>Additions</u>	Principal Payments	Balance June 30, <u>2025</u>
Office equipment	\$ 8,852	\$ -	\$ 3,750	\$ 5,102	\$ 7,876	\$ 4,280	\$ 8,698
Office building	261,083	752,285	79,995	933,373	-	66,093	867,280
Vehicle	11,180	-	4,464	6,716	-	5,093	1,623
Trash and recycling carts	<u>397,533</u>	<u>638,931</u>	<u>172,405</u>	<u>864,059</u>	<u>-</u>	<u>364,747</u>	<u>499,312</u>
Total lease liabilities	<u>\$ 678,648</u>	<u>\$1,391,216</u>	<u>\$ 260,614</u>	<u>\$1,809,250</u>	<u>\$ 7,876</u>	<u>\$ 440,213</u>	<u>\$1,376,913</u>

**V. LOAN PAYABLE**

On July 21, 2023, the Authority entered into a loan agreement with Closed Loop Partners for the purchase of recycling carts used in the Residential Recycling Program. The total loan of \$4,279,474 has a 0% interest rate and requires monthly payments of \$49,189 until September 30, 2030. A summary of changes in the loan liability follows:

	Balance June 30, <u>2023</u>	<u>Additions</u>	Principal Payments	Balance June 30, <u>2024</u>	<u>Additions</u>	Principal Payments	Balance June 30, <u>2025</u>
Cart Loan	<u>\$ -</u>	<u>\$ 4,279,474</u>	<u>\$ 590,272</u>	<u>\$ 3,689,202</u>	<u>\$ -</u>	<u>\$ 590,273</u>	<u>\$ 3,098,929</u>

Future loan payments under the loan agreement are as follows:

	<b>Principal</b>
2026	\$ 590,272
2027	590,272
2028	590,272
2029	590,272
2030	590,272
2031	147,569
	<u>\$ 3,098,929</u>

**VI. RESTATEMENT OF BEGINNING NET POSITION**

For the year ended June 30, 2025, the Authority adopted GASB Statement No. 101, *Compensating Absences* which requires recognizing liabilities for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. The Authority had previously reported Accrued Vacation and Sick Leave Liabilities. The following is a summary of the restatement to beginning net position as can be seen in the Statement of Revenues, Expenses and Changes in Net Position:

Net position, July 1, 2023 as previously reported :	\$1,865,398
Effects on adopting GASB Statement No. 101:	<u>(18,532)</u>
Net Position, July 1, as restated:	<u>\$1,846,866</u>

Fiscal Year 2024 Change in Net Position, previously reported:	\$ 190,922
Effects of restatement on net income:	<u>(8,742)</u>
Net position, June 30, 2024, as restated	<u>\$ 2,029,046</u>

# CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY

## VII. DEFINED BENEFIT PENSION PLAN

### Plan Description

All full-time, salaried permanent employees of the Authority, (the “Political Subdivision”) are automatically covered by 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 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/retirement-plans/defined-benefit/plan1/>
- <https://www.varetire.org/retirement-plans/defined-benefit/plan2/>
- <https://www.varetire.org/retirement-plans/hybrid/>

### Employees Covered by Benefit Terms

As of the June 30, 2023 actuarial valuation, the following employees were covered by the benefit terms of the pension plan:

	<u>Number</u>
Inactive members or their beneficiaries currently receiving benefits	8
Inactive members:	
Vested inactive members	7
Non-vested inactive members	5
LTD	-
Inactive members active elsewhere in VRS	5
Total inactive members	<u>17</u>
Active members	<u>10</u>
Total covered employees	<u><u>35</u></u>

### Contributions

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

The Political Subdivision’s contractually required contribution rate for the year ended June 30, 2025, was 6.08% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2023.

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 \$43,146 and \$61,394 for the years ended June 30, 2025 and June 30, 2024, respectively.

The defined contributions component of the Hybrid plan includes member and employer mandatory and voluntary contributions. The Hybrid plan member must contribute a mandatory rate of 1% of their covered payroll. The employer must also contribute a mandatory rate of 1% of this covered payroll, which totaled \$2,235 for the year ended June 30, 2025. Hybrid plan members may also elect to contribute an additional voluntary rate of up to 4% of their covered payroll; which would require the employer a mandatory additional

**CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY**

**VII. DEFINED BENEFIT PENSION PLAN (Continued)**

contribution rate of up to 2.5%. This additional employer mandatory contribution totaled \$1,225 for the year ended June 30, 2025. The total Hybrid plan participant covered payroll totaled \$223,564 for the year ended June 30, 2025.

**Net Pension Liability**

The net pension liability is calculated separately for each employer and represents that particular employer's total pension liability determined in accordance with GASB Statement No. 68, less that employer's fiduciary net position. For Political Subdivisions, the net pension liability was measured as of June 30, 2024. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of June 30, 2023 rolled forward to the measurement date of June 30, 2024.

**Actuarial Assumptions**

The total pension liability for General Employees in the Political Subdivision's Retirement Plan was based on an actuarial valuation as of June 30, 2023, 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, 2024.

Inflation	2.50%
General Employees – Salary Increases, including inflation	3.50% - 5.35%
Investment rate of return	6.75%, net 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 and a Modified MP-2020 Improvement Scale with various set-backs or set forwards for both males and females] This is used for the local OPEB plan also.

The actuarial assumptions used in the June 30, 2023 valuation were based on the results of an actuarial experience study for the period from July 1, 2016 through June 30, 2020. 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): Update mortality table; adjusted retirement rates to better fit experience; adjusted withdrawal rates to better fit experience at each year age and service through 9 years of service; no change to disability rates, no change to salary scale, no change to line of duty disability; and no change in the discount rate.

**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:

**CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY**

**VII. DEFINED BENEFIT PENSION PLAN (Continued)**

<b>Asset Class (Strategy)</b>	<b>Target Allocation</b>	<b>Arithmetic Long-Term Expected Rate of Return</b>	<b>Weighted Average Long-Term Expected Rate of Return</b>
Public Equity	32.00 %	6.70 %	2.14 %
Fixed Income	16.00	5.40	0.86
Credit Strategies	16.00	8.10	1.30
Real Assets	15.00	8.70	1.08
Private Equity	15.00	8.70	1.31
PIP- Private Investment Partnership	1.00	8.00	0.08
Diversifying Strategies	6.00	5.80	0.35
Cash	2.00	3.00	0.06
Leverage	(3.00)	3.50	(0.11)
<b>Total</b>	<b>100.00%</b>		<b>7.07%</b>

\* Expected arithmetic nominal return 7.07%

The above allocation provides for a one-year return of 7.07%. (includes 2.50% inflation assumption). However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected rate of return for the System, stochastic projections are employed to model future returns under various economic conditions. The results provide a range of returns over various time periods that ultimately provide a median return of 7.10%, including expected inflation of 2.5%. On June 15, 2023, the VRS Board elected a long-term rate of 6.75% which is roughly at the 45<sup>th</sup> percentile of expected long-term results of the VRS fund asset allocation at the time, providing a median return of 7.14%, including expected inflation of 2.50%.

**Discount Rate**

The discount rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that System member contributions will be made per the VRS Statutes and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. For the year ended June 30, 2024, the employer contribution rate was 100% of the actuarially determined employer contribution rate from the June 30, 2023 actuarial valuations. From July 1, 2024, on, participating employers are assumed to contribute 100% of the actuarially determined contribution rate. 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**

	<b>Increase (Decrease)</b>		
	<b>Total Pension Liability (a)</b>	<b>Plan Fiduciary Net (b)</b>	<b>Net Pension Liability (a) – (b)</b>
Balances at June 30, 2023	\$ 2,613,475	\$ 2,553,411	\$ 60,064
Changes for the year:			
Service cost	57,421	-	57,421
Interest	177,314	-	177,314

**CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY**

**VII. DEFINED BENEFIT PENSION PLAN (Continued)**

Benefit changes	-	-
Differences between expected and actual experience assumptions	151,714	-
Assumption changes	-	-
Contributions – employer	-	56,973
Contributions – employee	-	34,480
Net investment income	-	249,328
Benefit payments, including refunds of employee contributions	(88,031)	(88,031)
Administrative expenses	-	(1,560)
Other changes	-	55
Net changes	<u>298,418</u>	<u>251,245</u>
Balances at June 30, 2024	<u>\$ 2,911,893</u>	<u>\$ 2,804,656</u>

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

The following presents the net pension liability of the Political Subdivision using the discount rate of 6.75%, as well as what the Political Subdivision’s net pension liability would be if it 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:

	<u>1.00% Decrease (5.75%)</u>	<u>Current Discount Rate (6.75%)</u>	<u>1.00% Increase (7.75%)</u>
Authority’s net pension liability (asset)	<u>\$ 520,271</u>	<u>\$ 107,237</u>	<u>\$ (223,011)</u>

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

For the year ended June 30, 2025, the Authority recognized pension expense of \$32,820. At June 30, 2025, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 81,476	\$ 5,636
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	71,887
Employer contributions subsequent to the measurement date	43,146	-
Total	<u>\$ 124,622</u>	<u>\$ 77,523</u>

The \$43,146 reported as deferred outflows of resources related to pensions resulting from the Political Subdivision’s contributions subsequent to the measurement date and will be recognized as a reduction of the Net Pension Liability in the Fiscal Year ending June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

**CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY**

**VII. DEFINED BENEFIT PENSION PLAN (Continued)**

<u>Year Ending June 30</u>	<u>Effect on Pension Expense</u>
2026	\$ 3,357
2027	30,282
2028	(14,306)
2029	(15,380)
2030	-
Thereafter	-

**Pension Plan Data**

Information about the VRS Political Subdivision Retirement Plans is also available in the separately issued VRS 2024 *Annual Comprehensive Financial Report (ACFR)*. A copy of the 2024 VRS ACFR may be downloaded from the VRS website at [varetire.org/media/shared/pdf/publications/2024-annual-report.pdf](http://varetire.org/media/shared/pdf/publications/2024-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, 2025, approximately \$6,501 was payable to the Virginia Retirement System for the legally required contributions related to June 2025 payroll.

**VIII. OTHER POST-EMPLOYMENT BENEFITS LIABILITY – Local Plan**

**Healthcare Benefits**

**A. Plan description**

The Authority administers a single-employer defined benefit healthcare plan (“the Retiree Health Plan”). The plan provides postemployment healthcare benefits to retirees of the Authority, under the health plan administered by the Local Choice Health Benefits Program of the Virginia Department of Human Resource Management. Retirees must pay the full cost of health coverage for these benefits. A separate report was not issued for the plan. Assets in this plan are not administered through a trust.

**B. Funding Policy**

By Authority resolution, the Authority allows qualified employees to participate in healthcare benefits at the retiree’s expense. Local choice charges a blended rate which is 102% of the rate for participants that elect only to cover active employees. The only cost to the Authority is this implicit rate subsidy.

**C. Funded Status and Funding Progress**

The projection of future benefit payments for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and healthcare trends. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

**Benefits Provided**

Key advantage plans are available for active participants and retirees not eligible for Medicare. Anthem Blue Cross and Blue Shield is provider and offers medical, prescription drugs, behavioral health and EAP and routine vision. Delta Dental of Virginia provides dental care.

The Authority has less than 15 eligible employees and may offer a single plan.

**CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY**

**VIII. OTHER POST-EMPLOYMENT BENEFITS – Local Plan (Continued)**

**Employees Covered by Benefit Terms**

As of July 1, 2023 actuarial valuation, the following employees were covered by the benefit terms of the plan:

	<u>Number</u>
Inactive employees or beneficiaries	
Currently receiving benefits	-
Entitled to but not yet receiving benefits	-
Total inactive employees	<u>-</u>
Active plan members	10
	<u>10</u>

**Total OPEB Liability**

The Authority’s total OPEB Liability of \$36,637 was measured as of June 30, 2025, and was determined based on an actuarial valuation performed as of July 1, 2023.

**Actuarial Assumptions and other inputs**

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

Discount rate	<u>5.20%</u>
Inflation	<u>2.50%</u>
General Employees – Salary Increases, including inflation:	3.50%, average, including inflation with variable merit
Healthcare cost trend rates	<u>0.00% for 2023, increasing to an ultimate rate of 3.90%</u>

The discount rate was based on the General Obligation 20-Bond Municipal Index as of June 30, 2023.

[Mortality is projected using the applicable Pub-2010 Mortality Table and a Modified MP-2020 Improvement Scale with various set-backs or set forwards for both males and females] This is used for the local OPEB plan also.

The actuarial assumptions used in the July 1, 2023 valuation were based on the results of an actuarial experience study for the Virginia Retirement System covering the period July 1, 2016-June 30, 2020. The demographic assumptions recommended as a result of this study were adopted by the VRS Board of Trustees on April 20, 2021.

**Changes in the Total OPEB Liability**

	<b>Total OPEB Liability</b>
Balance at 6/30/2024	\$ 36,009
Changes for the year:	
Service cost	1,726
Interest	1,473
Benefit changes	-
Differences between expected and actual experience	-
Assumptions or other input changes	(2,082)
Benefit payments	<u>(489)</u>
Net Changes	628
Balance at 6/30/2025	<u>\$ 36,637</u>

**CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY**

**VIII. OTHER POST-EMPLOYMENT BENEFITS – Local Plan (Continued)**

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

The following presents the total OPEB liability of the Authority, as well as what the Authority’s total OPEB Liability would be if it were calculated using a discount rate that is one percentage point lower (4.2%) or one percentage point higher (6.2%) than the current discount rate.

	<b>1% Decrease (4.2%)</b>	<b>Current Discount Rate (5.20%)</b>	<b>1.0% Increase (6.2%)</b>
Total OPEB Liability	\$ <u>38,278</u>	\$ <u>36,637</u>	\$ <u>35,002</u>

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

The following presents the total OPEB liability of the Authority, as well as what the Authority’s total OPEB liability would be if it were calculated using healthcare trend rates that are one percentage point lower (4.2%) or one percentage point higher (6.2%) than the current discount rate.

	<b>1.00% Decrease (4.2%)</b>	<b>Current Healthcare Cost Trend Rate (5.2%)</b>	<b>1.00% Increase (6.2%)</b>
Total OPEB Liability	\$ <u>33,570</u>	\$ <u>36,637</u>	\$ <u>40,037</u>

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

For the year ended June 30, 2025, the Authority recognized OPEB expense of \$2,602. At June 30, 2025, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b>Deferred Inflows of Resources</b>	<b>Deferred Outflows of Resources</b>
Differences between expected and actual experience	\$ <u>211</u>	\$ <u>6,041</u>
Change in assumptions	<u>5,453</u>	<u>502</u>
	\$ <u>5,664</u>	\$ <u>6,543</u>

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

<b>Year Ending June 30,</b>	<b>Increase (Reduction) To OPEB Expense</b>
2026	\$ 156
2027	475
2028	180
2029	52
2030	16
Thereafter	-
	<u>\$ 879</u>

**CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY**

**IX. OTHER POST EMPLOYMENT BENEFITS LIABILITY – Virginia Retirement System Plans**

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

**Plan Descriptions**

**Group Life Insurance Program**

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

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/benefits-and-programs/benefits/life-insurance/>.

**General Employee Health Insurance Credit Program**

The General Employee Health Insurance Credit Program (HIC) is available for all full-time, salaried employees of local government entities other than teachers. The General Employee HIC provides all the same benefits as the Teacher HIC, except that this plan is considered a multi-employer, agent defined benefit plan.

As of June 30, 2024 actuarial valuation, the following employees were covered by the benefit terms of the General Employee Health Insurance Credit Program:

	<u>Number</u>
Inactive members or their beneficiaries currently receiving benefits	3
Vested inactive members	1
Active members	<u>15</u>
Total covered employees	<u>19</u>

**Contributions**

Contributions to the VRS OPEB programs were based on actuarially determined rates from actuarial valuations as of June 30, 2023. 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, with the exception of GLI which was also combined with employee contributions. Specific details related to the contributions for the VRS OPEB programs are as follows:

**Group Life Insurance Program**

Governed by:	<i>Code of Virginia</i> 51.1-506 and 51.1-508 and may be impacted as a result of funding provided to school divisions and governmental agencies by the Virginia General Assembly.
Total rate:	1.18% of covered employee compensation. Rate allocated 60/40; 0.71% employee and 0.47% employer. Employers may elect to pay all or part of the employee contribution.
June 30, 2025 Contribution	\$3,335
June 30, 2024 Contribution	\$4,020

**CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY**

**IX. OTHER POST EMPLOYMENT BENEFITS LIABILITY – Virginia Retirement System Plans (Continued)**

**General Employee Health Insurance Credit Program**

Governed by:	<i>Code of Virginia 51.1-1402(E)</i> and may be impacted as a result of funding provided to governmental agencies by the Virginia General Assembly.
Total rate:	.05% of covered employee compensation.
June 30, 2025 Contribution	\$ 355
June 30, 2024 Contribution	\$ 893

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

The net OPEB liabilities were measured as of June 30, 2024 and the total OPEB liabilities used to calculate the net OPEB liabilities was determined by an actuarial valuation performed June 30, 2023 and rolled forward to the measurement date of June 30, 2024. 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, 2024 relative to the total of the actuarially determined employer contributions for all participating employers.

**Group Life Insurance Program**

June 30, 2025 proportionate share of liability	\$32,362
June 30, 2024 proportion	.00290%
June 30, 2023 proportion	.00262%
June 30, 2025 expense	\$1,020

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.

**General Employee Health Insurance Credit Program**

Changes in net OPEB liability of the General Employee Health Insurance Credit Program were as follows:

	<u>Increase (Decrease)</u>		
	<u>Total OPEB Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net OPEB Liability</u>
	<u>(a)</u>	<u>(b)</u>	<u>(a) – (b)</u>
Balances at June 30, 2023	\$ 17,493	\$ 15,244	\$ 2,249
Changes for the year:			
Service cost	246	-	246
Interest	1,175	-	1,175
Benefit changes	-	-	-
Difference between expected and actual experience	(1,267)	-	(1,267)
Contributions – Employer	-	893	(893)
Contributions – Employee	-	-	-
Net Investment Income	-	1,452	(1,452)
Benefit payments	(651)	(651)	-
Administrative expenses	-	(20)	20
Other changes	-	-	-
Net changes	<u>(497)</u>	<u>1,674</u>	<u>(2,171)</u>
Balances at June 30, 2024	<u>\$ 16,996</u>	<u>\$ 16,918</u>	<u>\$ 78</u>

**CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY**

**IX. OTHER POST EMPLOYMENT BENEFITS LIABILITY – Virginia Retirement System Plans (Continued)**

In addition to for the year ended June 30, 2024, the Authority recognized OPEB revenue of (\$492) related to the General Employee Health Insurance Credit Program.

At June 30, 2025, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

**Group Life Insurance Program**

	<b><u>Deferred Outflows of Resources</u></b>	<b><u>Deferred Inflows of Resources</u></b>
Differences between expected and actual experience	\$ 5,104	\$ 790
Change in assumptions	184	1,604
Net difference between projected and actual earnings on OPEB plan investments	-	2,728
Changes in proportion	3,215	1,691
Employer contributions subsequent to the measurement date	3,335	-
Total	<b><u>\$ 11,838</u></b>	<b><u>\$ 6,813</u></b>

**General Employee Health Insurance Credit Program**

	<b><u>Deferred Outflows of Resources</u></b>	<b><u>Deferred Inflows of Resources</u></b>
Differences between expected and actual experience	\$ -	\$ 3,323
Change in assumptions	2,818	23
Net difference between projected and actual earnings on OPEB plan investments	-	343
Employer contributions subsequent to the measurement date	355	-
Total	<b><u>\$ 3,173</u></b>	<b><u>\$ 3,689</u></b>

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, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

**Group Life Insurance Program**

<b><u>Year Ending June 30,</u></b>	<b><u>(Reduction) Increase to OPEB Expense</u></b>
2026	\$ (1,262)
2027	848
2028	214
2029	880
2030	1,010
Thereafter	-

**CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY**

**IX. OTHER POST EMPLOYMENT BENEFITS LIABILITY – Virginia Retirement System Plans (Continued)**

**General Employee Health Insurance Credit Program**

<b>Year Ending June 30,</b>	<b>Increase (Reduction) to OPEB Expense</b>
2026	\$ (967)
2027	(349)
2028	167
2029	278
2030	-
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, 2023, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2024:

Inflation	2.50%
Salary increases, including inflation:	
• Locality- general employees	3.50 – 5.35%
Healthcare cost trend rates:	
• Under age 65	7.25 – 4.25%
• Ages 65 and older	6.50 – 4.25%
Investment rate of return, net of expenses, including inflation	GLI & HIC: 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 in Note VII.

**Net OPEB Liabilities**

The net OPEB liabilities represent each program’s total OPEB liability determined in accordance with GASB Statement No. 75, less the associated fiduciary net position. As of the measurement date of June 30, 2024, net OPEB liability amounts for the various VRS OPEB programs are as follows (amounts expressed in thousands):

	<b>Group Life Insurance Program</b>
Total OPEB Liability	\$ 4,196,055
Plan fiduciary net position	3,080,133
Employers’ net OPEB liability (asset)	\$ 1,115,922
Plan fiduciary net position as a percentage of total OPEB liability	73.41%

## CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY

### IX. OTHER POST EMPLOYMENT BENEFITS LIABILITY – Virginia Retirement System Plans (Continued)

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 and Health Insurance Credit Programs

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:

<u>Asset Class (Strategy)</u>	<u>Target Allocation</u>	<u>Arithmetic Long-Term Expected Rate of Return</u>	<u>Weighted Average Long-Term Expected Rate of Return</u>
Public Equity	32.00 %	6.70 %	2.14 %
Fixed Income	16.00	5.40	0.86
Credit Strategies	16.00	8.10	1.30
Real Assets	15.00	7.20	1.08
Private Equity	15.00	8.70	1.31
PIP – Private Investment Partnership	1.00	8.00	0.08
Diversifying Strategies	6.00	5.80	0.35
Cash	2.00	3.00	0.06
Leverage	(3.00)	3.50	(0.11)
Total	100.00 %		<u>7.07 %</u>
Expected arithmetic nominal return*			<u>7.07 %</u>

- \* The above allocation provides for a one-year expected return of 7.07% (includes 2.50% inflation assumption). However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected rate of return for the System, stochastic projections are employed to model future returns under various economic conditions. The results provide a range of returns over various time periods that ultimately provide a median return of 7.10%, including expected inflation of 2.50%. On June 15, 2023, the VRS Board elected a long-term rate of 6.75% which is roughly at the 45<sup>th</sup> percentile of expected long-term results of the VRS fund asset allocation at that time, providing a median return of 7.14%, including inflation of 2.5%.

#### Discount Rate

The discount rate used to measure the GLI and HIC, OPEB liabilities was 6.75%. The projection of cash flows used to determine the discount rate assumed that System member contributions will be made in accordance with the VRS funding policy at rates equal to actuarially determined contribution rates adopted by the VRS Board of Trustees. Through the fiscal year ending June 30, 2024, 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 which was 113% of the actuarially determined contribution rate for GLI and 100% of the actuarially determined contribution rate for all other OPEB plans.

**CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY**

**IX. OTHER POST EMPLOYMENT BENEFITS LIABILITY – Virginia Retirement System Plans (Continued)**

From July 1, 2024 on, participating employers are assumed to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the OPEB plans' fiduciary net position was projected to be available to make all projected future benefit payments of eligible employees. Therefore the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total OPEB liability.

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

The following presents the net OPEB liabilities of the 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 (5.75% HIC; GLI) or one percentage point higher (7.75% HIC; GLI) than the current discount rate:

	<b>1.00% Decrease (5.75%)</b>	<b>Current Discount Rate (6.75%)</b>	<b>1.00% Increase (7.75%)</b>
GLI Net OPEB Liability	\$ 50,327	\$ 32,362	\$ 17,848
General Employee HIC Net OPEB Liability (asset)	2,105	78	(1,629)

**OPEB Plan Fiduciary Net Position**

Information about the various VRS OPEB plan fiduciary net position is available in the separately issued VRS 2024 *Annual Comprehensive Financial Report (ACFR)*. A copy of the 2024 VRS ACFR may be downloaded from the VRS website at <https://www.varetire.org/media/shared/pdf/publications/2024-annual-report.pdf> or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

**Payable to the OPEB Plan**

At June 30, 2025, the following amounts were payable to the Virginia Retirement System for the legally required contributions related to June 2025 payroll.

Group Life Insurance	\$ 713
General Employee Health Insurance Credit	30

**X. SUMMARY OF OTHER POSTEMPLOYMENT BENEFITS ELEMENTS**

A summary of Other Postemployment Benefits (OPEB) financial statement elements are as follows:

	<b>Deferred Outflows Of Resources</b>	<b>Deferred Inflows Of Resources</b>
Local Plan	\$6,543	\$ 5,664
Group Life Insurance	11,838	6,813
Health Insurance Credit	3,173	3,689
Total	<u>\$ 21,554</u>	<u>\$ 16,166</u>

	<b>Net OPEB Liability</b>	<b>OPEB Revenue</b>
Local Plan	\$ 36,637	\$ 2,602
Group Life Insurance, net	32,362	1,020
Health Insurance Credit, net	78	(492)
Total	<u>\$ 69,077</u>	<u>\$ 3,130</u>

**CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY**

**XI. RELATED PARTIES**

Each member jurisdiction has a financial responsibility to the Authority for assessments and fees for services. The Authority remits rebates from the sale of recycled materials to the participating governments.

Total amounts due from and payable to the related jurisdictions at June 30, 2025 and 2024 are as follows:

	<u>2025</u>		<u>2024</u>	
	<u>Due From</u>	<u>Due To</u>	<u>Due</u>	<u>Due To</u>
Town of Ashland	\$ 1,171	\$ -	\$ 1,509	\$ -
County of Charles City	3,085	-	3,162	-
County of Chesterfield	360,586	-	474,751	8,310
City of Colonial Heights	268,024	99	292,928	141
County of Goochland	194,493	6,743	182,256	9,520
County of Hanover	85,113	35,515	112,382	48,882
County of Henrico	965,530	20,512	1,777,144	27,964
City of Hopewell	441,713	-	380,058	-
County of New Kent	76,845	3,865	63,638	6,865
City of Petersburg	132,546	-	201,475	-
County of Powhatan	153,484	5,176	147,495	5,274
County of Prince George	20,517	-	20,782	-
City of Richmond	<u>467,673</u>	<u>-</u>	<u>137,578</u>	<u>890</u>
Total	<u>\$ 3,140,780</u>	<u>\$ 71,910</u>	<u>\$ 3,795,158</u>	<u>\$ 107,846</u>

Total revenues from and expenses to related jurisdictions in the years ended June 30, 2025 and 2024 are follows:

	<u>2025</u>		<u>2024</u>	
	<u>Revenues</u>	<u>Expenses</u>	<u>Revenue</u>	<u>Expenses</u>
Town of Ashland	\$ 461,486	\$ -	\$ 475,118	\$ 270
County of Charles City	3,162	-	3,214	-
County of Chesterfield	1,905,998	21,232	1,984,883	36,502
City of Colonial Heights	1,787,068	2,020	1,696,912	1,980
County of Goochland	861,145	106,306	767,565	117,603
County of Hanover	869,552	410,129	756,333	418,590
County of Henrico	7,209,810	364,102	6,753,484	395,973
City of Hopewell	2,567,097	10,161	1,896,000	9,438
County of New Kent	711,638	73,425	600,273	80,648
City of Petersburg	693,881	-	2,299,713	-
County of Powhatan	834,912	90,090	794,602	95,707
County of Prince George	36,539	-	33,055	-
City of Richmond	<u>3,864,264</u>	<u>36,707</u>	<u>3,620,461</u>	<u>35,738</u>
Total	<u>\$ 21,806,554</u>	<u>\$ 1,114,172</u>	<u>\$ 21,681,613</u>	<u>\$ 1,192,449</u>

**CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY**

**XII. NET POSITION AND INTERFUND TRANSFERS**

The following funds have deficit net position balances as of June 30, 2025 and 2024:

	<u><b>2025</b></u>	<u><b>2024</b></u>
General Fund	\$ 4,303	\$ 5,435
Waste Transfer & Disposal	20,680	21,049

These deficits are expected to be eliminated through future revenues and/or interfund transfers. Interfund transfers are the flow of cash from one fund to another without the requirement of repayment.

**XIII. NEW ACCOUNTING STANDARDS**

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

**CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS  
FOR THE YEAR ENDED JUNE 30, 2025**

	<i>Plan Year</i>									
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b>Total Pension Liability</b>										
Service Cost	\$ 57,421	\$ 55,187	\$ 55,772	\$ 53,510	\$ 53,698	\$ 53,506	\$ 52,754	\$ 55,609	\$ 48,783	\$ 44,781
Interest on total pension liability	177,314	170,799	164,034	148,537	130,455	122,504	113,607	106,240	101,997	97,556
Difference between expected and actual experience	151,714	(47,376)	(24,176)	(34,505)	152,541	(2,962)	15,776	4,481	(30,702)	(24,167)
Changes of assumptions	-	-	-	101,018	-	65,856	-	(2,066)	-	-
Benefit payments, including refunds of member contributions	(88,031)	(80,599)	(109,042)	(80,477)	(57,127)	(55,474)	(54,604)	(63,421)	(55,516)	(53,934)
Net change in total pension liability	298,418	98,011	86,588	188,083	279,567	183,430	127,533	100,843	64,562	64,236
<b>Total pension liability - beginning</b>	<u>2,613,475</u>	<u>2,515,464</u>	<u>2,428,876</u>	<u>2,240,793</u>	<u>1,961,226</u>	<u>1,777,796</u>	<u>1,650,263</u>	<u>1,549,420</u>	<u>1,484,858</u>	<u>1,420,622</u>
<b>Total pension liability - ending</b>	<u>2,911,893</u>	<u>2,613,475</u>	<u>2,515,464</u>	<u>2,428,876</u>	<u>2,240,793</u>	<u>1,961,226</u>	<u>1,777,796</u>	<u>1,650,263</u>	<u>1,549,420</u>	<u>1,484,858</u>
<b>Plan Fiduciary Net Position</b>										
Contributions - employer	56,973	47,896	42,468	42,982	28,465	29,346	23,938	23,346	41,760	40,747
Contributions - employee	34,480	29,104	27,203	27,534	26,919	26,440	25,564	25,301	25,934	23,299
Net investment income	249,328	156,581	(3,036)	531,060	36,045	119,333	122,988	181,635	26,226	63,905
Benefit payments, including refunds of member contributions	(88,031)	(80,599)	(109,042)	(80,477)	(57,127)	(55,474)	(54,604)	(63,421)	(55,516)	(53,934)
Administrative expenses	(1,560)	(1,529)	(1,515)	(1,298)	(1,214)	(1,151)	(1,046)	(1,042)	(889)	(851)
Other changes	55	64	55	50	(43)	(76)	(220)	(285)	(11)	(14)
Net change in plan fiduciary net position	251,245	151,517	(43,867)	519,851	33,045	118,418	116,620	165,534	37,504	73,152
<b>Plan fiduciary net position - beginning</b>	<u>2,553,411</u>	<u>2,401,894</u>	<u>2,445,761</u>	<u>1,925,910</u>	<u>1,892,865</u>	<u>1,774,447</u>	<u>1,657,827</u>	<u>1,492,293</u>	<u>1,454,789</u>	<u>1,381,637</u>
<b>Plan fiduciary net position - ending</b>	<u>2,804,656</u>	<u>2,553,411</u>	<u>2,401,894</u>	<u>2,445,761</u>	<u>1,925,910</u>	<u>1,892,865</u>	<u>1,774,447</u>	<u>1,657,827</u>	<u>1,492,293</u>	<u>1,454,789</u>
<b>Net pension liability (asset) - ending</b>	<u>\$ 107,237</u>	<u>\$ 60,064</u>	<u>\$ 113,570</u>	<u>\$ (16,885)</u>	<u>\$ 314,883</u>	<u>\$ 68,361</u>	<u>\$ 3,349</u>	<u>\$ (7,564)</u>	<u>\$ 57,127</u>	<u>\$ 30,069</u>
Plan fiduciary net position as a percentage of total pension liability	<u>96%</u>	<u>98%</u>	<u>95%</u>	<u>101%</u>	<u>86%</u>	<u>97%</u>	<u>100%</u>	<u>100%</u>	<u>96%</u>	<u>98%</u>
Covered payroll	<u>\$ 746,886</u>	<u>\$ 626,805</u>	<u>\$ 576,813</u>	<u>\$ 578,479</u>	<u>\$ 566,070</u>	<u>\$ 568,845</u>	<u>\$ 539,218</u>	<u>\$ 526,157</u>	<u>\$ 512,903</u>	<u>\$ 468,572</u>
Net pension liability (asset) as a percentage of covered payroll	<u>14%</u>	<u>10%</u>	<u>20%</u>	<u>-3%</u>	<u>56%</u>	<u>12%</u>	<u>1%</u>	<u>-1%</u>	<u>11%</u>	<u>6%</u>

**CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF PENSION CONTRUBITIONS  
FOR THE YEAR ENDED JUNE 30, 2025**

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
2025	\$ 43,146	\$ 43,146	-	\$ 717,444	5.93%
2024	61,394	61,394	-	746,886	8.22%
2023	49,885	49,885	-	626,805	7.96%
2022	45,244	45,244	-	576,813	7.84%
2021	47,004	47,004	-	578,479	8.12%
2020	32,266	32,266	-	566,070	5.70%
2019	31,743	31,743	-	568,845	5.70%
2018	25,176	25,176	-	539,218	4.96%
2017	26,141	26,141	-	526,157	4.96%
2016	44,571	44,571	-	512,903	8.69%

**CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CHANGES IN OPEB LIABILITIES AND RELATED RATIOS  
OR THE YEAR ENDED JUNE 30, 2025**

	Plan Year						
	2025	2024	2024	2023	2023	2022	2022
	Local Plan	VRS Health Insurance Credit General Employees	Local Plan	VRS Health Insurance Credit General Employees	Local Plan	VRS Health Insurance Credit General Employees	Local Plan
<b>Total OPEB Liability</b>							
Service Cost	\$ 1,726	\$ 246	\$ 2,136	\$ 254	\$ 1,131	\$ 682	\$ 1,351
Interest on total OPEB liability	1,473	1,175	1,172	1,279	993	969	544
Changes in benefit terms	-	-	-	-	-	-	-
Difference between expected and actual experience	-	(1,267)	7,494	(2,415)	-	(1,002)	2,543
Changes of assumptions and other inputs	(2,082)	-	(4,692)	-	1,141	5,036	(1,233)
Benefit payments	(489)	(651)	(160)	(651)	(230)	(651)	(66)
Net change in total OPEB liability		(497)	5,950	(1,533)	3,035	5,034	3,139
<b>Total OPEB liability - beginning</b>	<u>36,009</u>	<u>17,493</u>	<u>30,059</u>	<u>19,026</u>	<u>27,024</u>	<u>13,992</u>	<u>23,885</u>
<b>Total OPEB liability - ending</b>	<u>\$ 36,637</u>	<u>\$ 16,996</u>	<u>\$ 36,009</u>	<u>\$ 17,493</u>	<u>\$ 30,059</u>	<u>\$ 19,026</u>	<u>\$ 27,024</u>
<b>Plan Fiduciary Net Position</b>							
Contributions - employer	\$ -	\$ 893	\$ -	\$ 739	\$ -	\$ 863	\$ -
Contributions - employee	-	-	-	-	-	-	-
Net investment income	-	1,452	-	884	-	12	-
Benefit payments	-	(651)	-	(651)	-	(651)	-
Administrative expenses	-	(20)	-	(22)	-	(25)	-
Other	-	-	-	1	-	-	-
Net change in plan fiduciary net position	-	1,674	-	951	-	199	-
<b>Plan fiduciary net position - beginning</b>	<u>-</u>	<u>15,244</u>	<u>-</u>	<u>14,293</u>	<u>-</u>	<u>14,094</u>	<u>-</u>
<b>Plan fiduciary net position - ending</b>	<u>-</u>	<u>16,918</u>	<u>-</u>	<u>15,244</u>	<u>-</u>	<u>14,293</u>	<u>-</u>
<b>Net OPEB Liability (Asset) - ending</b>	<u>\$ 36,637</u>	<u>\$ 78</u>	<u>\$ 36,009</u>	<u>\$ 2,249</u>	<u>\$ 30,059</u>	<u>\$ 4,733</u>	<u>\$ 27,024</u>
Plan fiduciary net position as a percentage of total OPEB liability	<u>0%</u>	<u>100%</u>	<u>0%</u>	<u>87%</u>	<u>0%</u>	<u>75%</u>	<u>0%</u>
Covered employee payroll	<u>\$ 727,095</u>	<u>\$ 746,886</u>	<u>\$ 727,095</u>	<u>\$ 626,805</u>	<u>\$ 626,805</u>	<u>\$ 576,813</u>	<u>\$ 589,770</u>
Net OPEB liability (asset) as a percentage of covered payroll	<u>5.04%</u>	<u>0.0%</u>	<u>5.0%</u>	<u>0.4%</u>	<u>4.8%</u>	<u>0.8%</u>	<u>4.6%</u>

The plan years above are reported in the entity's financial statements in the fiscal year following the plan year - i.e., plan year 2017 information was presented in the entity's fiscal year 2018 financial report. This schedule is intended to show information for 10 years. Since fiscal year 2018 (plan year 2017) was the first year for this presentation, no earlier data is available. Additional years will be included as they become available.

Assets are not accumulated or administered through a trust for the Local Plan.

**CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CHANGES IN OPEB LIABILITIES AND RELATED RATIOS  
FOR THE YEAR ENDED JUNE 30, 2025 (Continued)**

	Plan Year									
	2021		2020		2019		2018		2017	
	VRS Health Insurance Credit General Employees	Local Plan	VRS Health Insurance Credit General Employees	Local Plan	VRS Health Insurance Credit General Employees	Local Plan	VRS Health Insurance Credit General Employees	Local Plan	VRS Health Insurance Credit General Employees	Local Plan
<b>Total OPEB Liability</b>										
Service Cost	\$ 719	\$ 1,079	\$ 706	\$ 1,154	\$ 755	1,382	736	1,382	817	
Interest on total OPEB liability	896	516	919	986	885	758	818	758	790	
Changes in benefit terms	-	-	-	-	-	-	-	-	-	
Difference between expected and actual experience	(541)	-	(1,366)	(4,405)	(469)	-	(8)	-	-	
Changes of assumptions and other inputs	(51)	66	-	2,187	362	(2,140)	-	(2,140)	(704)	
Benefit payments	(609)	(104)	(588)	(23)	(533)	-	(656)	-	(339)	
Net change in total OPEB liability	414	1,557	(329)	(101)	1,000	-	890	-	564	
<b>Total OPEB liability - beginning</b>	<u>13,578</u>	<u>22,328</u>	<u>13,907</u>	<u>22,429</u>	<u>12,907</u>	<u>22,429</u>	<u>12,017</u>	<u>22,429</u>	<u>11,453</u>	
<b>Total OPEB liability - ending</b>	\$ <u>13,992</u>	\$ <u>23,885</u>	\$ <u>13,578</u>	\$ <u>22,328</u>	\$ <u>13,907</u>	\$ <u>22,429</u>	\$ <u>12,907</u>	\$ <u>22,429</u>	\$ <u>12,017</u>	
<b>Plan Fiduciary Net Position</b>										
Contributions - employer	\$ 872	\$ -	\$ 1,076	\$ -	\$ 1,052	\$ -	\$ 952	\$ -	\$ 946	
Contributions - employee	-	-	-	-	-	-	-	-	-	
Net investment income	2,923	-	205	-	613	-	650	-	834	
Benefit payments	(609)	-	(588)	-	(533)	-	(656)	-	(339)	
Administrative expenses	(35)	-	(21)	-	(14)	-	(15)	-	(14)	
Other	-	-	-	-	(1)	-	(88)	-	40	
Net change in plan fiduciary net position	3,151	-	672	-	1,117	-	843	-	1,467	
<b>Plan fiduciary net position - beginning</b>	<u>10,943</u>	<u>-</u>	<u>10,271</u>	<u>-</u>	<u>9,154</u>	<u>-</u>	<u>8,310</u>	<u>-</u>	<u>6,843</u>	
<b>Plan fiduciary net position - ending</b>	<u>14,094</u>	<u>-</u>	<u>10,943</u>	<u>-</u>	<u>10,271</u>	<u>\$ -</u>	<u>\$ 9,153</u>	<u>\$ -</u>	<u>\$ 8,310</u>	
<b>Net OPEB Liability (Asset) - ending</b>	\$ <u>(102)</u>	\$ <u>23,885</u>	\$ <u>2,635</u>	\$ <u>22,328</u>	\$ <u>3,636</u>	\$ <u>22,429</u>	\$ <u>3,754</u>	\$ <u>22,429</u>	\$ <u>3,707</u>	
Plan fiduciary net position as a percentage of total OPEB liability	<u>101%</u>	<u>0%</u>	<u>81%</u>	<u>0%</u>	<u>74%</u>	<u>0%</u>	<u>71%</u>	<u>0%</u>	<u>69%</u>	
Covered employee payroll	<u>578,479</u>	<u>\$ 578,479</u>	<u>566,070</u>	<u>\$ 568,848</u>	<u>\$ 553,515</u>	<u>\$ 553,515</u>	<u>\$ 529,094</u>	<u>\$ 529,094</u>	<u>\$ 525,698</u>	
Net OPEB liability (asset) as a percentage of covered payroll	<u>0.0%</u>	<u>4.1%</u>	<u>0.5%</u>	<u>3.9%</u>	<u>0.7%</u>	<u>4.1%</u>	<u>0.7%</u>	<u>4.2%</u>	<u>0.7%</u>	

The plan years above are reported in the entity's financial statements in the fiscal year following the plan year - i.e., plan year 2017 information was presented in the entity's fiscal year 2018 financial report. This schedule is intended to show information for 10 years. Since fiscal year 2018 (plan year 2017) was the first year for this presentation, no earlier data is available. Additional years will be included as they become available. Assets are not accumulated or administered through a trust for the Local Plan.

**CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY**

**REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF OPEB CONTRUBITIONS – GROUP LIFE  
JUNE 30, 2025**

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
<b>Virginia Retirement System - Group Life Insurance - General Employees</b>					
2025	\$ 3,335	\$ 3,335	\$ -	\$ 727,095	0.46%
2024	4,020	4,020	-	746,886	0.53%
2023	3,328	3,328	-	626,805	0.53%
2022	3,115	3,115	-	576,813	0.54%
2021	3,124	3,124	-	578,479	0.54%
2020	2,942	2,942	-	566,070	1.30%
2019	2,870	2,870	-	553,515	1.30%
2018	7,063	7,063	-	529,094	1.34%

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

**REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF OPEB CONTRUBITIONS - HIC  
JUNE 30, 2025**

Entity Fiscal Year Ended June 30	Contractually Required Employer Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Payroll	Contributions as a Percentage of Covered Payroll
<b>VRS Health Insurance Credit General Employees</b>					
2025	\$ 355	\$ 355	\$ -	\$ 727,095	0.05%
2024	893	893	-	746,886	0.15%
2023	739	739	-	626,805	0.12%
2022	865	865	-	576,813	0.15%
2021	868	868	-	578,479	0.15%
2020	1,076	1,076	-	566,070	0.19%
2019	1,043	1,043	-	553,515	0.19%
2018	970	970	-	529,094	0.18%

Schedule is intended to show information for 10 years. Since 2018 was the first year for this presentation, only five years of data is available. Additional years will be included as they become available.

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

**CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF EMPLOYER'S SHARE OF NET OPEB LIABILITY – GROUP LIFE**  
**JUNE 30, 2025**

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
<b>Virginia Retirement System - Group Life Insurance - General Employees</b>					
2024	0.0029%	\$ 32,362	\$ 746,886	4.33%	73.41%
2023	0.0026%	31,422	626,805	5.01%	69.30%
2022	0.0027%	31,909	576,813	5.53%	67.21%
2021	0.0028%	32,832	578,479	5.68%	67.45%
2020	0.0028%	45,893	566,070	8.11%	52.64%
2019	0.0028%	46,002	553,515	8.31%	52.00%
2018	0.0028%	43,000	529,094	8.13%	51.22%
2017	0.0029%	43,000	525,698	8.17%	48.86%

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 Plan Year has lag.

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**JUNE 30, 2025**

**Note 1. Changes of Benefit Terms**

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

Other Postemployment Benefits (OPEB): There have been no actuarially material changes to the System benefit provisions since the prior actuarial valuation.

**Note 2. Changes of Assumptions**

The actuarial assumptions used in the June 30, 2023, valuation were based on the results of an actuarial experience study for the period from July 1, 2016, through June 30, 2020. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

**Non-Hazardous Duty:**

- Update mortality table to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020.
- Adjusted retirement rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age from 75 to 80 for all.
- Adjusted withdrawal rates to better fit experience at each 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 in discount rate.

# Statistical Section

***The Statistical Section supports and provides additional historical perspective, context and detail to the Financial Section.***

## **Financial Trends**

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

- Net Position by Component
- Changes in Net Position
- Operating Revenues by Source
- Operating Expenses
- Nonoperating Revenues

## **Revenue Capacity**

This schedule contains information to help the reader assess the Authority's significant revenue sources.

- Residential Recycling and Municipal Solid Waste Rates

## **Debt Capacity**

This schedule contains information related to the Authority's debt.

- Outstanding Debt Per Capita and Total Debt Per Capita As A Percentage of Income Per Capita

## **Economic and Demographic Information**

These schedules offer economic and demographic indicators to help the reader understand the environment within which the Authority's financial activities take place.

- Revenue by Locality
- Demographic and Economic Statistics
- Principal Employers

## **Operating Information**

These schedules contain service and operational 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.

- Materials Collected
- Number of Customers by Type
- Number of Employees by Function

**CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY**

**Net Position by Component – Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Net Investment in Capital Assets</b>	<b>Restricted for net pension and post-employment assets</b>	<b>Unrestricted</b>	<b>Total</b>
<b>2025</b>	\$ 2,364,764	\$ -	\$ (287,121)	\$ 2,077,643
<b>2024</b>	2,001,935	-	27,111	2,029,046
<b>2023</b>	219,449	-	1,627,417	1,846,866
<b>2022</b>	40,831	16,987	749,767	537,585
<b>2021</b>	99,918	-	368,058	467,976
<b>2020</b>	36,805	-	654,166	690,971
<b>2019</b>	48,749	-	729,152	777,631
<b>2018</b>	58,286	-	722,481	780,767
<b>2017</b>	69,658	-	683,708	753,367
<b>2016</b>	49,470	-	639,449	688,919

**Changes in Net Position – Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Operating Revenues</b>	<b>Operating Expenses</b>	<b>Operating Income (Loss)</b>	<b>Total Non-operating Revenues (Expenses)</b>	<b>Change in Net Position</b>
<b>2025</b>	\$ 23,176,749	\$ 23,082,889	\$ 93,860	\$ (45,263)	\$ 48,597
<b>2024</b>	23,038,298	22,853,103	185,195	(3,015)	182,180
<b>2023</b>	20,315,638	20,422,573	(106,935)	1,434,748	1,327,813
<b>2022</b>	19,533,950	19,464,772	69,178	431	69,609
<b>2021</b>	18,550,869	18,775,490	(224,624)	1,626	(222,965)
<b>2020</b>	17,915,547	18,041,980	(126,433)	39,773	(86,660)
<b>2019</b>	16,474,821	16,548,024	(73,203)	70,067	(3,136)
<b>2018</b>	15,843,573	15,830,244	13,329	63,001	76,330
<b>2017</b>	15,809,592	15,792,426	17,166	47,282	64,448
<b>2016</b>	14,668,426	14,655,568	12,858	45,620	58,748

**Notes:**

GASB Statement No. 87 was adopted in fiscal year 2022 and restated for fiscal year 2021. GASB 101 was adopted in Fiscal Year 2025 and restated for fiscal year 2024.

CVWMA purchased approximately 95,000 recycling carts for the residential recycling program in fiscal year 2023, significantly increasing Capital Assets. A grant was received to offset the cost of the carts in the amount of \$1,455,230. The entire amount of the grant was recorded in fiscal year 2023, however a portion of the cost of the carts will occur in future years as depreciation.

CVWMA's Net Position Policy allows the Authority to consider a rebate of unrestricted net position in excess of 5% of total operating budget. Although approximately 95% of the budget is pass through to localities depending on participation, the Authority feels it is prudent to continue to build reserves in the event significant resources are needed in the future.

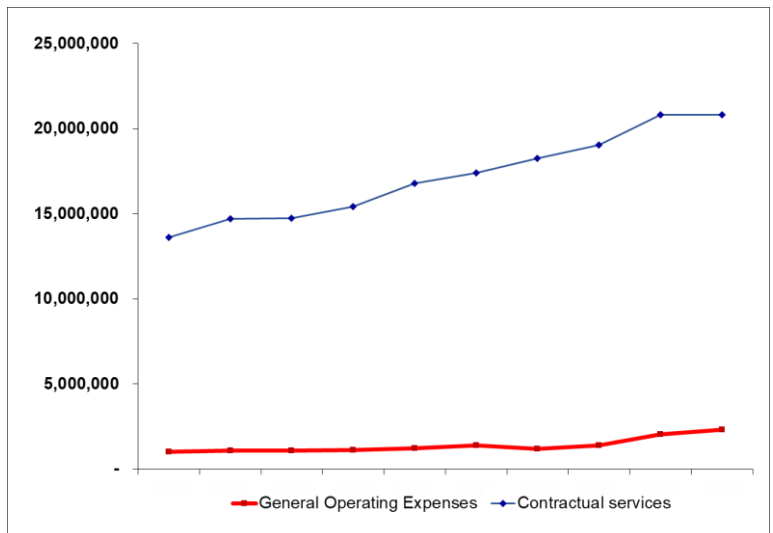
**CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY**

**Operating Revenues by Source – Last Ten Fiscal Years  
Operating Expenses – Last Ten Fiscal Years**

	<i>Administrative /Operating</i>	<i>Salaries And Benefits</i>	<i>Professional Service Fees</i>	<i>Depreciation And Amortization</i>	<i>Project Contractual Services</i>	<i>Material Sales Rebates</i>	<i>Total Operating Expenses</i>
<b>2025</b>	\$ 243,404	\$ 970,143	\$ 122,395	\$ 928,566	\$ 19,704,209	\$ 1,114,172	\$ 23,082,889
<b>2024</b>	231,574	974,651	101,562	745,496	19,607,371	1,192,449	22,853,103
<b>2023</b>	274,512	849,791	106,579	162,635	17,478,262	1,550,793	20,442,573
<b>2022</b>	184,883	836,387	88,004	94,498	14,971,276	3,289,724	19,464,772
<b>2021</b>	181,135	939,550	164,848	92,526	16,401,262	996,169	18,775,490
<b>2020</b>	259,382	855,018	113,395	17,614	16,173,543	623,028	18,041,980
<b>2019</b>	288,088	755,092	71,426	24,647	14,562,931	845,640	16,548,024
<b>2018</b>	270,770	728,456	71,422	21,664	13,201,409	1,598,671	15,830,244
<b>2017</b>	300,345	720,328	61,356	15,961	13,041,006	1,653,430	15,792,426
<b>2016</b>	258,964	688,984	80,241	12,186	12,307,502	1,307,691	14,655,568

**Notes:**

General operating expenses, including salaries, benefits and professional fees have remained relatively constant in relation to program costs over the last ten years. Salaries and benefits were lower than projected in FY25 due to vacancies in two major positions. In FY 21, retirement costs through the Virginia Retirement System increased significantly. A rebate of \$669,367 was received in FY 2015 as a result of an early renewal of the residential recycling contract provided to 255,000 households and that rebate was suspended in April 1, 2018 due to significant downturns in the recycling markets. Three years after the collapse of the recycling markets for fiber, increased domestic capacity for paper and cardboard coupled with the impacts and demand for fiber products as a result of the pandemic resulted in significantly improved recycling markets. The majority of rebates earned from the sale of recyclables is provided back to participating localities. The Authority received and provided to the participating localities, triple the rebates over previous years. In FY2019, the Authority hired a consultant to provide a pay, classification and benefits study for full-time staff positions and the results were fully implemented in March 2019. In FY2020, the CVWMA hired a recycling and solid waste management consultant to evaluate the regional residential recycling program and in FY2021, hired a consultant to facilitate and draft a strategic plan for the Authority. Administrative and Operating expenses in fiscal year 2023 included about \$100,000 in communications related to the recycling cart roll-out at the end of the year. This was mostly offset by the grant revenue also recorded in fiscal year 2023. The Authority is now purchasing recycling and trash carts for use in Authority programs. These carts are being depreciated over 10 years.



**CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY**

**Nonoperating Revenues (Expenses) – Last Ten Fiscal Years**

<i>Fiscal Year</i>	<i>Grants and Sponsorships</i>	<i>Interest Income</i>	<i>Interest Expense</i>	<i>Miscellaneous</i>	<i>Total Nonoperating Revenues</i>
<b>2025</b>	\$ -	\$ 17,549	\$ (62,812)	\$ -	\$ (45,263)
<b>2024</b>	-	38,786	(43,661)	(1,860)	(3,015)
<b>2023</b>	1,455,230	22,008	(41,236)	(1,254)	1,434,748
<b>2022</b>	10,000	9,715	(19,284)	-	431
<b>2021</b>	10,000	11,907	(20,281)	-	1,626
<b>2020</b>	10,000	29,773	-	-	39,773
<b>2019</b>	10,000	60,067	-	-	70,067
<b>2018</b>	15,000	47,995	-	6	63,001
<b>2017</b>	10,000	29,453	-	7,829	47,282
<b>2016</b>	24,500	21,120	-	-	45,620

**Notes:**

The Authority has negotiated with TFC Recycling to contribute \$10,000 annually to promote residential recycling through sponsorship of the annual collection schedule. This ended with the new contract effective in 2024. The Authority recorded a grant receivable from The Recycling Partnership in the amount of \$1,445,230 in fiscal year 2023 to offset the cost of purchase, assembly, and delivery of 95-gallon recycling carts and communication to 95,000 households in the Counties of Henrico, Hanover and Goochland. In 2018, CVWMA received monies from the National Carton Council in the amount of \$5,000 to promote the recycling of cartons. Seven sponsors contributed \$14,500 toward the CVWMA’s 25<sup>th</sup> Anniversary events in FY2016.

In 2015, the Authority implemented another payment option for vendors, which has resulted in earning a rebate on the payment to vendors via a purchasing card.

In 2022, the Authority implemented GASB No. 87 for Leases which also resulted in a restatement of fiscal year 2021.

The Authority sold two vehicles in FY2017, netting \$7,829 in revenue.

**CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY**

**Residential Recycling and Municipal Solid Waste Rates  
Last Ten Fiscal Years**

**Residential Recycling – Rates per household per month**

	<u><b>Bi-Weekly Collection</b></u>	<u><b>Bi-Weekly Collection w/ cart</b></u>	<u><b>Public Information</b></u>	<u><b>Customer Service</b></u>
<b>2025</b>	\$ 4.270	\$ 4.270-4.670	\$ .090	\$ .130
<b>2024</b>	4.070	4.070-4.670	.085	.125
<b>2023</b>	2.080	2.080-3.270	.077	.084
<b>2022</b>	2.030	2.030-3.190	.075	.082
<b>2021</b>	1.980	1.980-3.110	.068	.072
<b>2020</b>	1.950	1.950-3.160	.067	.071
<b>2019</b>	1.910	1.650-3.000	.066	.070
<b>2018</b>	1.860	1.600-2.930	.065	.069
<b>2017</b>	1.840	1.540-2.930	.064	.068
<b>2016</b>	1.800	1.490-2.860	.063	.067

**Notes:**

Prior to fiscal year 2024, the curbside recycling program collection rates varied based on the participating jurisdictions level of service desired. The new contract began July 1, 2023 and all participating jurisdiction have the same level of service: bi-weekly collection with a large 96-gallon recycling cart. A fee is charged to participating localities for public education and the CVWMA uses those funds to promote the program regionally. A separate fee is charged for customer service provided by the Authority.

The current municipal solid waste contracts include the Cities of Colonial Heights, Hopewell and Petersburg, the Town of Ashland and the County of Chesterfield. The rates include collection and disposal except in the City of Petersburg where disposal is free based on a host agreement between the City and the privately-owned landfill. The Authority entered into a new contract for trash collection that began in the City of Colonial Heights July 1, 2022 and in the Town of Ashland in January 2023, resulting in increases in collection and disposal rates.

The Authority also has contracts for waste disposal from area convenience centers. The tipping fees (per ton disposal fees) increased in fiscal year 2024 as a result of new contracts for Chesterfield, Goochland, New Kent and Powhatan.

	<u><b>Municipal Solid Waste Collection per household Per month</b></u>	<u><b>Tipping Fees Range Dollars Per Ton</b></u>
<b>2025</b>	\$10.25 - \$14.90	\$37.81 - \$45.62
<b>2024</b>	\$9.38 - \$15.90	\$28.50 - \$35.00
<b>2023</b>	\$11.32 - \$15.29	\$20.83 - \$23.40
<b>2022</b>	\$7.80 - \$10.87	\$19.91 - \$22.37
<b>2021</b>	\$7.63 - \$10.87	\$19.09 - \$21.45
<b>2020</b>	\$7.46 - \$10.87	\$18.55 - \$20.45
<b>2019</b>	\$7.00 - \$10.35	\$17.85 - \$20.07
<b>2018</b>	\$7.00 - \$10.35	\$17.24 - \$19.39
<b>2017</b>	\$7.00 - \$10.35	\$17.29 - \$19.01
<b>2016</b>	\$5.02 - \$10.35	\$16.90 - \$22.50

**CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY**

**Outstanding Debt Per Capita and Total Debt Per Capita As A Percentage of Income Per Capita**

<i>Fiscal Year</i>	<i>Loan Payable</i>	<i>Lease Liabilities</i>	<i>Total Outstanding Debt</i>	<i>Population Served</i>	<i>Outstanding Debt Per Capita</i>	<i>Income per Capita</i>	<i>Total Debt per Capita As a % of Income per Capita</i>
<b>2025</b>	\$ 3,098,929	\$ 1,376,913	\$ 4,475,842	1,298,774	\$ 3.45	\$ 71,794	.48%
<b>2024</b>	3,689,202	1,809,250	5,498,452	1,277,615	4.30	68,034	.63%
<b>2023</b>	-	678,648	678,648	1,263,709	.54	70,369	.08%
<b>2022</b>	-	908,580	908,580	1,246,707	.73	62,632	.12%

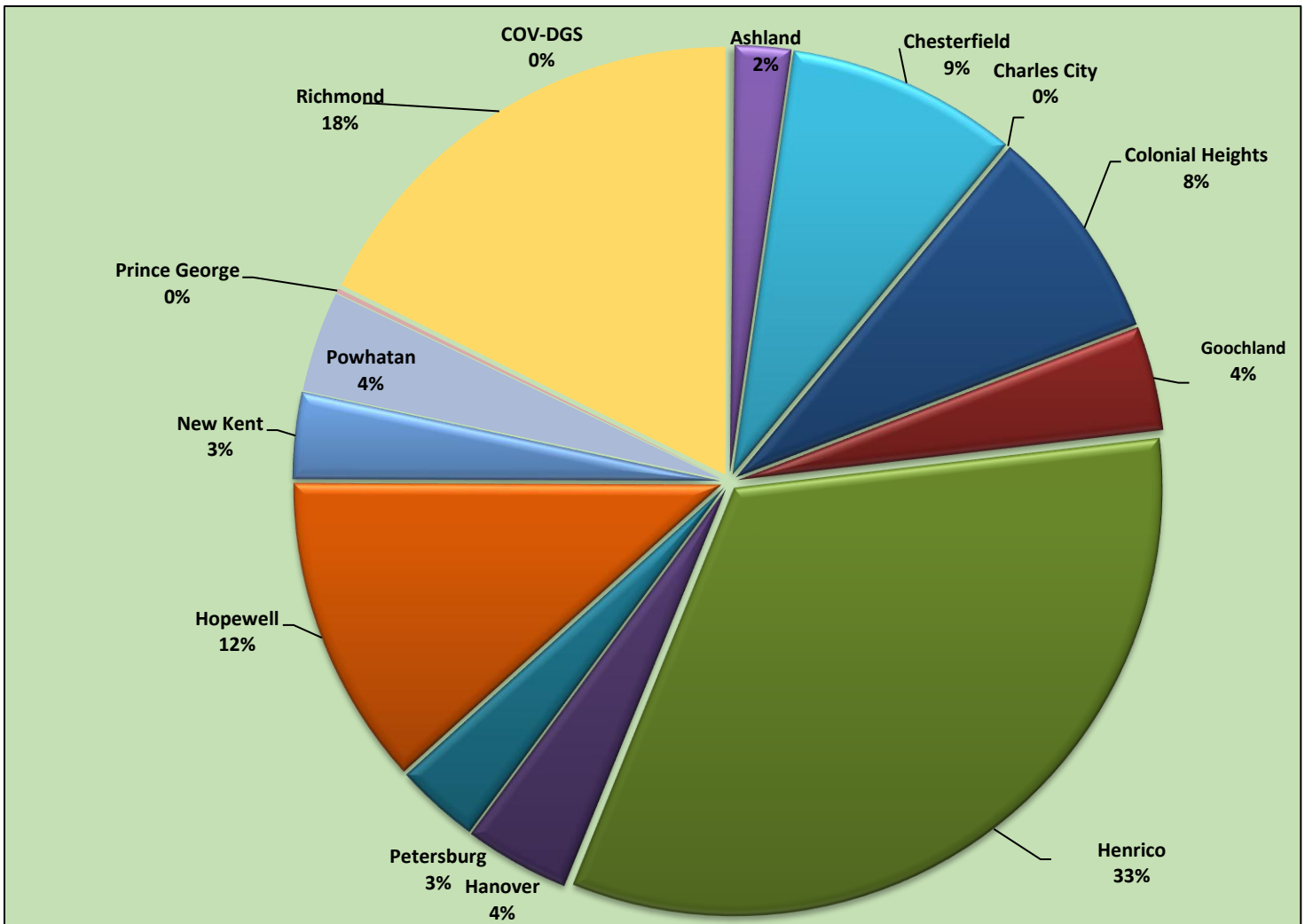
*Source of Population and Income Data: Cooper Center for Public Service, University of Virginia, Bureau of Economic Analysis, and Virginia Employment Commission.*

In 2024, the Authority obtained a 0% interest loan in the amount of \$4,279,474 to finance the purchase of over 90,000 recycling carts for the Residential Recycling Program.

# CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY

## Revenue by Locality – Current Year and Nine Years Ago

Locality	2025 Operating Revenues	2025 Percent of Revenue	Locality	2016 Operating Revenues	2016 Percent of Revenue
County of Henrico	\$ 7,209,810	33.01%	County of Chesterfield	\$ 3,292,108	24.95%
City of Richmond	3,864,264	17.69%	County of Henrico	2,596,248	19.68%
City of Hopewell	2,567,097	11.75%	City of Richmond	2,417,762	18.33%
City of Chesterfield	1,905,998	8.73%	City of Petersburg	1,515,803	11.49%
City of Colonial Heights	1,787,068	8.18%	City of Hopewell	1,063,522	8.06%
County of Hanover	869,552	3.98%	City of Colonial Heights	679,297	5.15%
County of Goochland	861,145	3.94%	County of Goochland	388,270	2.94%
County of Powhatan	834,912	3.82%	County of Hanover	405,224	3.07%
County of New Kent	711,638	3.26%	County of New Kent	327,154	2.48%
City of Petersburg	693,881	3.18%	County of Powhatan	294,421	2.23%
Town of Ashland	461,486	2.11%	Town of Ashland	185,606	1.41%
Commonwealth VA-DGS	37,006	0.17%	County of Prince George	24,714	0.19%
County of Prince George	36,539	0.17%	County of Charles City	3,489	0.03%
County of Charles City	3,162	0.01%	Commonwealth VA-DGS	-	0.0%
<b>Totals</b>	<b><u>\$21,843,560</u></b>	<b><u>100.0%</u></b>		<b><u>\$ 13,193,618</u></b>	<b><u>100.0%</u></b>



# CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY

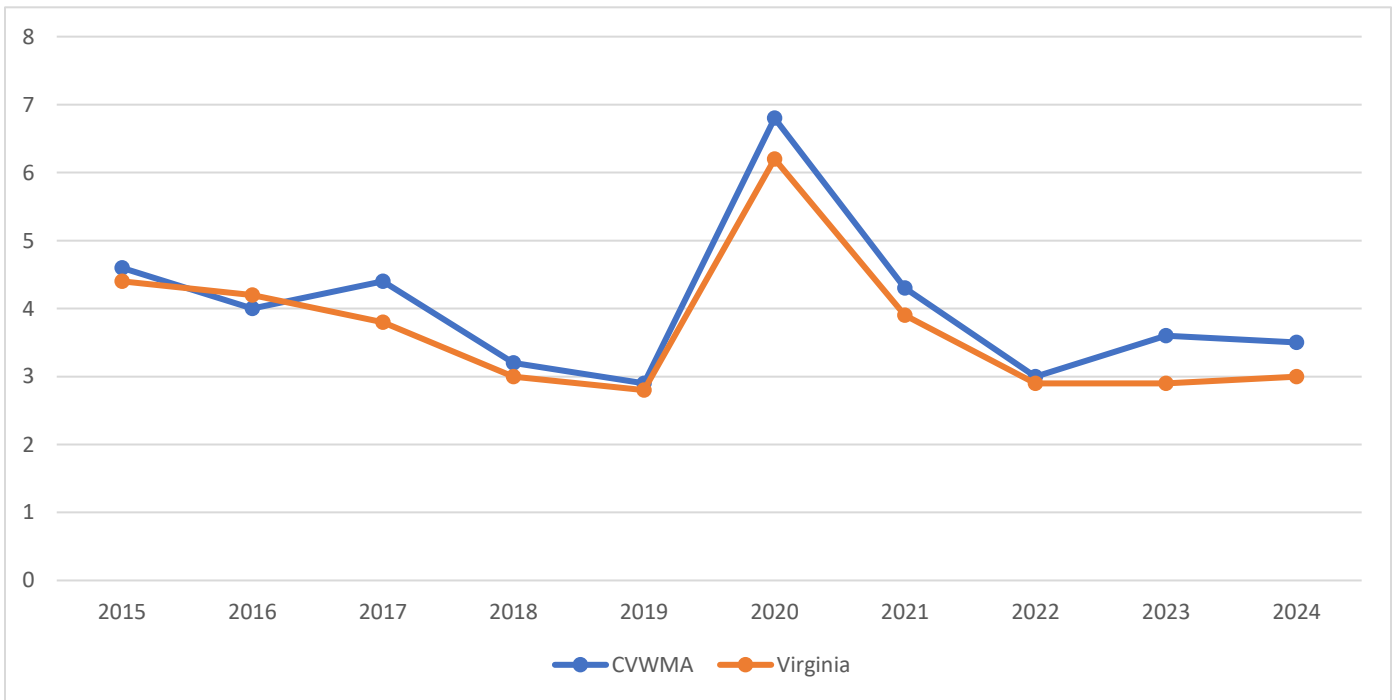
## Demographic and Economic Statistics – Last Ten Calendar Years

<u>Calendar Year</u>	<u>Population</u>	<u>Average Income</u>	<u>Unemployment Rate</u>	
			<u>CVWMA</u>	<u>Virginia</u>
<b>2024</b>	1,298,774	71,794	3.5%	3.0%
<b>2023</b>	1,277,615	68,034	3.6%	2.9%
<b>2022</b>	1,263,709	70,369	3.0%	2.9%
<b>2021</b>	1,246,707	62,632	4.3%	3.9%
<b>2020</b>	1,218,399	64,695	6.8%	6.2%
<b>2019</b>	1,206,641	57,018	2.9%	2.8%
<b>2018</b>	1,199,092	59,010	3.2%	3.0%
<b>2017</b>	1,183,241	57,772	4.4%	3.8%
<b>2016</b>	1,170,128	53,723	4.0%	4.2%
<b>2015</b>	1,164,023	52,136	4.6%	4.4%

*Source of Data: Cooper Center for Public Service, University of Virginia, Bureau of Economic Analysis, and Virginia Employment Commission.*

The data above represents the Central Virginia Waste Management Authority Service Area which includes the Cities of Colonial Heights, Hopewell, Petersburg and Richmond; the Town of Ashland; and the Counties of Charles City, Chesterfield, Goochland, Hanover, Henrico, New Kent, Powhatan and Prince George.

### Unemployment Rate Comparison



**CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY**

**Central Virginia Principal Employers**

**Current Year and Nine Years Ago**

<i>Employer **</i>	<i>Calendar Year 2024*</i>	<i>Calendar Year 2015*</i>
	<u>Rank</u>	<u>Rank</u>
Amazon Fulfillment Services Inc.	1	-
US Department of Defense	2	8
MCV Hospitals/VCU Health Systems	3	5
Chesterfield County School Board	4	4
Henrico County School Board	5	3
HCA Virginia Health Systems	6	7
Virginia Commonwealth University	7	1
Bon Secours Health Systems Inc	8	6
Wal Mart	9	9
Capital One Bank	10	2
Integrity Staffing Solutions	-	10

\* Virginia Employment Commission - *Economic Information & Analytics*

\*\* 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.

# CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY

## Material Collected – Last Ten Fiscal Years

<i>Fiscal Year</i>	<i>Tons Recycled*</i>	<i>Tons of Municipal Solid Waste</i>	<i>Cubic Yards of Yard Waste</i>	<i>Gallons of Paint Collected</i>	<i>Gallons of Used Oil Collected</i>	<i>Tons of Batteries Recycled</i>	<i>Propane Tanks Recycled</i>	<i>Tons of Tires Recycled</i>	<i>Tons of Electronics Recycled</i>	<i>Tons of Textiles</i>
2025	39,104	62,988	170,170	15,620	168,954	61.6	-	280	98	530
2024	39,504	77,102	145,931	15,730	169,112	85.2	-	240	84	471
2023	44,871	78,352	146,692	14,080	161,197	85.0	-	365	71	540
2022	45,883	80,330	106,753	13,805	159,685	89.2	6,367	367	104	766
2021	51,191	89,076	141,267	17,490	160,996	85.8	779	445	61	707
2020	49,174	84,970	113,883	18,370	160,482	85.9	2,650	324	155	824
2019	48,059	79,887	105,184	15,985	172,825	75.3	2,296	893	169	774
2018	48,238	76,512	86,796	14,355	166,390	67.6	2,342	939	154	786
2017	49,138	71,899	115,284	12,540	179,319	60.3	1,994	702	229	946
2016	46,347	68,097	167,360	11,440	176,887	55.0	1,411	707	274	1,012

\* Includes paper, metals, plastic and glass.

*Source of Data: CVWMA Operations Department*

**CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY**

**Number of Customers by Type – Last Ten Fiscal Years**

**Residential Recycling**

<i>Fiscal Year</i>	<i>Ashland</i>	<i>Chesterfield</i>	<i>Colonial Heights</i>	<i>Goochland</i>	<i>Hanover</i>	<i>Henrico</i>	<i>Hopewell</i>	<i>Petersburg</i>	<i>Richmond</i>	<i>Total</i>
2025	1,956	291	7,044	1,987	3,835	94,790	8,765	12,470	62,061	193,199
2024	1,897	327	7,018	1,918	3,847	94,538	8,739	12,414	61,771	192,469
2023	1,877	94,352	6,994	1,954	3,825	85,043	8,786	12,381	61,558	276,770
2022	1,815	94,352	6,934	1,758	3,825	85,043	8,766	12,316	61,558	276,367
2021	1,706	94,352	6,701	1,758	3,723	85,007	8,448	11,036	61,558	274,289
2020	1,706	94,930	6,701	1,592	3,723	85,007	8,644	11,025	61,558	274,886
2019	1,465	94,930	6,701	1,637	3,705	85,007	8,644	11,064	61,588	274,741
2018	1,465	94,930	6,701	1,495	3,705	84,909	8,644	11,021	61,521	274,434
2017	1,465	95,007	6,701	1,336	3,553	84,909	8,644	11,064	61,487	274,166
2016	1,465	95,693	6,701	1,242	3,257	84,909	8,644	11,064	61,487	274,462

**Municipal Solid Waste Collection**

<i>Fiscal Year</i>	<i>Ashland</i>	<i>Chesterfield</i>	<i>Colonial Heights</i>	<i>Hopewell</i>	<i>Petersburg</i>	<i>Total</i>
2025	1,956	898	7,044	8,860	-	18,758
2024	1,897	997	7,018	8,818	12,414	31,144
2023	1,877	1,098	6,994	8,786	12,381	31,136
2022	1,770	1,613	6,922	8,548	11,036	29,889
2021	1,706	1,698	6,882	8,545	11,033	29,864
2020	1,706	1,819	6,815	8,678	11,025	30,043
2019	1,465	1,999	6,751	8,644	11,021	29,908
2018	1,465	2,115	6,701	8,644	11,064	29,954
2017	1,465	2,301	6,632	8,648	11,064	30,110
2016	1,465	-	6,635	8,647	11,199	27,946

**Notes:**

Each member locality has the option to choose from a menu of programs that best meet their needs. The above represents the jurisdictions that participate or have participated in the residential recycling and municipal solid waste programs. The other Authority programs are available to all residents of the jurisdiction(s) that participate in those programs.

The County of Chesterfield implemented the municipal solid waste collection for their tax-relief citizens in August 2015. Effective July 1, 2023, Chesterfield no longer participates in the CVWMA Residential Recycling Program, however provides recycling collection to some tax-relief customers.

The City of Petersburg opted to provide trash collection independently of the Authority effective July 1, 2024.

*Source of Data: CVWMA Operations Department*

# CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY

## Number of Employees by Function – Last Ten Fiscal Years

### Full-time Equivalent Employees as of June 30,

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Program Management and Operations	3.00	2.50	2.50	2.0	2.5	2.5	2.5	2.5	2.5	2.5
Public Information and Education	1.50	1.50	1.50	1.0	2.0	1.0	2.0	2.0	2.0	2.0
Finance and Administration	3.50	3.25	3.25	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Call Center Operations	<u>4.00</u>	<u>4.00</u>	<u>4.00</u>	<u>4.0</u>	<u>3.0</u>	<u>3.5</u>	<u>3.5</u>	<u>3.5</u>	<u>3.5</u>	<u>3.5</u>
Total Employees	<u>12.00</u>	<u>11.25</u>	<u>11.25</u>	<u>10.0</u>	<u>10.5</u>	<u>10.0</u>	<u>11.0</u>	<u>11.0</u>	<u>11.0</u>	<u>11.0</u>

CVWMA provides recycling and solid waste management programs to its member localities through the use of contracts with the private sector.

*Source of Data: CVWMA Administrative Office*

# **Compliance**

## **Section**

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

To the Honorable Members of the Audit Committee and Board of Directors  
Central Virginia Waste Management Authority  
Richmond, Virginia

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Specifications for Audits of Authorities, Boards, and Commissions*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia, the financial statements of each major fund of the Central Virginia Waste Management Authority (the "Authority"), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated November 3, 2025.

## 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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. **We identified certain deficiencies in internal control, described in the accompanying schedule of findings and responses, as item 2025-001, that we consider to be a material weakness.**

## 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*.**

## Authority's Response to Findings

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

## Purpose of this Report

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



CERTIFIED PUBLIC ACCOUNTANTS

Harrisonburg, Virginia  
November 3, 2025

# Central Virginia Waste Management Authority

## Summary of Compliance Matters

June 30, 2025

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 the laws, regulations, contracts, and grants shown below.

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### State Compliance Matters

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#### Code of Virginia

Cash and Investment Laws

Local Retirement Systems

Debt Provisions

Procurement Laws

# Central Virginia Waste Management Authority

## Schedule of Findings and Responses

June 30, 2025

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### A – Summary of Auditor’s Results

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1. The auditor’s report expresses an **unmodified opinion** on the financial statements.
2. **No significant deficiencies and ONE material weakness** relating to the audit of the financial statements was reported 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*.
3. **No instances of noncompliance** material to the financial statements were disclosed.

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### B – Findings – Financial Statement Audit

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#### *2025-001: Segregation of Duties (Material Weakness)*

Condition We noted extended turnover in the accounting manager position, which is a key position that provides significant oversight and responsibility in financial reporting, payment processing and receipting, and payroll management. During this time of turnover, there was significant access and decision making provided to the Executive Director with minimal oversight, including areas of payroll processing, check processing, billing, bank reconciliations, and recording journal entries.

Criteria More than one staff should be involved in reviewing or processing key procedures, transactions, and estimates that may impact the financial statements.

Cause Turnover in the accounting manager position.

Effect Errors in reporting or potentially fraudulent misuse of company resources could go undetected due to lack of segregation of duties.

Recommendation During instances of turnover or diminished oversight, we recommend providing board oversight monthly for review of significant processes.

View of Responsible Officials It is the goal of the Authority to have the accounting manager position always staffed and providing oversight over key accounting functions. The Authority has employed a competent individual into this role by the end of the fiscal year and has begun training the individual on key reporting and oversight responsibilities.

# Central Virginia Waste Management Authority

## Summary Schedule of Prior Audit Findings

June 30, 2025

### *2024-001: Financial Reporting*

Condition We noted one material audit entry, and three other entries proposed that had a significant impact on the financial statements of the Authority.

Recommendation We recommend management continue to perform a detailed review of all balances and adjustments. Additionally, in periods where there are recurring entries or frequent corrections made, thorough review should be made over all balances. Lastly, the material adjustment made and corrected should be reviewed during the next fiscal year to ensure accurate reporting in both fiscal years.

Current Status No adjustments were required as a result of audit procedures. As such, this comment is no longer applicable.