

County of Louisa, Virginia

**Annual Comprehensive
Financial Report**



Year Ended June 30, 2025

County of Louisa, Virginia

**Annual Comprehensive
Financial Report**

For the Year Ended June 30, 2025

Prepared By:

Wanda H. Colvin, Deputy County Administrator/Director of Finance
Faye Stewart, Accountant

COUNTY OF LOUISA, VIRGINIA

Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2025

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December 12, 2025

**To the Honorable Members of the Board of Supervisors
To the Citizens of Louisa County
County of Louisa, Virginia**

The Commonwealth of Virginia requires local governments to publish, within five and a half months of the close of each fiscal year, a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accounts. Pursuant to that requirement, we are pleased to present the Annual Comprehensive Financial Report of the County of Louisa, Virginia, (“the County”), for the fiscal year ended June 30, 2025.

This report was prepared by the County’s Department of Finance. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the County. We believe the data, as presented, is accurate in all material respects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the County as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain the maximum understanding of the County’s financial affairs have been included.

The County’s management is responsible for establishing and maintaining an internal control structure to ensure the protection of County assets. In developing and evaluating the County’s accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable assurance regarding: 1) the safeguarding of assets against loss from unauthorized use or disposition; 2) the reliability of financial records for preparing financial statements; and 3) maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a control should not exceed likely benefits, and the evaluation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. We believe that the county’s internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Robinson, Farmer, Cox Associates, Certified Public Accountants, has issued an unmodified opinion on the County’s financial statements for the year ended June 30, 2025. The independent auditor’s report is located at the front of the financial section of this report.

In addition to the general financial statement audit the County is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996 and U.S. Office of Management and Budget Title 2 U.S. Code of Federal Regulations Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Information related to this single audit, including the findings and recommendations, and auditors’ reports on the internal control structure and compliance with laws and regulations, is contained in this report. These requirements have been complied with and the auditor’s opinion is included in the compliance section of this report.

Reporting standards require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management’s Discussion and Analysis (MD&A), which can be located immediately following the report of the independent auditors. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

Profile of Louisa County

On June 9, 1740, an Act of the House of Burgesses separated Upper Hanover from the rest of Hanover County and in May 1742, Louisa County was named in honor of Princess Louisa, daughter of King George II and Queen Caroline of England. The Towns of Louisa and Mineral were incorporated in 1873 and 1890 respectively.

The County has the traditional board form of county government with a County Administrator. Policies governing the administration of the County are set by a seven-member Board of Supervisors elected from seven magisterial districts. This body also has responsibility for appointing the County Administrator. The County has taxing powers subject to statewide restrictions and tax limits.

The County, located in heart of central Virginia and encompassing a land area of 514 square miles, is situated between Richmond, Charlottesville, and Fredericksburg. The primary roads traversing the County are Interstate 64 and routes 15, 22, 33, 208 and 522. Louisa County is bordered by Hanover, Albemarle, Fluvanna, Spotsylvania, and Orange Counties. Lake Anna, the third largest freshwater inland lake in Virginia, lies along the northeastern border of the County. With its 200 miles of shoreline and 13,000 surface acres of water, the lake has become a premier location in Central Virginia for water sports and fishing. The number of full time residents has grown steadily since the lake was built in 1972.

Louisa has a growing and diversified economy comprised of manufacturing, services, commercial and agricultural sectors. Agriculture remains an important factor in Louisa’s economy, with beef cattle representing the principal livestock and a number of major cash crops including hay, corn, and soybeans. Grape vineyards and wines are showing growth and giving rise to increased tourism. Major regional commercial development continues in Zion Crossroads and the Ferncliff Business Park continues to grow with development of new industrial and commercial space. This corridor will continue to be the focus of responsible industrial and commercial development, with the James River Water Project supporting associated needs.

Louisa County continues to thrive and exceed budgeted revenue projections. The County received American Rescue Act Funding which benefited the County through several projects, including the construction or renovation of several facilities. As of June 2025, all expenditures from this funding are complete.

The unemployment rate in Louisa is 4.0% as of June 2025. This is an increase from local unemployment rate of 2.8% as of June 2024. Louisa County’s population continues to increase. Since the 2020 census, Louisa County’s population is estimated to have increased by 10.2%. The increase in population has brought additional demands for services, such as fire and rescue coverage, sheriff department coverage, and increased capacity in County educational facilities. Growth has also spurred a continued need for water and sewer infrastructure.

Reporting Entity

The County of Louisa report includes all funds of the “primary government.” In Virginia, cities and counties are distinct units of government; therefore, the county is responsible for providing all services normally provided by a local government. These services include public safety, social services, recreation and cultural activities, and community development. For financial reporting purposes and in accordance with the Governmental Accounting Standards Board (GASB), Statement 14, “The Financial Reporting Entity,” the County has identified three discretely presented component units. The GASB statement establishes the criteria used in making this determination and identifies each as a blended component unit or discretely presented component unit. Blended component units, although legally separate entities, are, in substance, part of the primary government’s operations and are included as part of the primary government. Discretely presented component units are reported in a separate column in the combined financial statements to emphasize that they are legally separate from the primary government and to differentiate their financial position and results of operations from those of this primary government. Therefore, the Louisa County School Board, Louisa County Industrial Development Authority, and the Louisa County Water Authority are reported in a discrete presentation. Based on GASB Statement 14 criteria, the Louisa County School Board is a legally separate organization providing educational services to the public whose board is elected and is fiscally dependent on the local government.

Budgetary Controls

When necessary, the Board of Supervisors approves amendments to the adopted budget in accordance with §15.2-2507 of the Code of Virginia. Budgetary compliance is monitored and reported at the department level. The budget is implemented through appropriations made and supplemented as necessary by the Board of Supervisors. These appropriations, except those to incur mandated expenditures, may be greater or less than contemplated in the budget.

As a recipient of federal and state financial assistance, the County is responsible for ensuring that adequate internal controls are in place to ensure and document compliance with applicable laws and regulations. The audit for the fiscal year ended June 30, 2025, has been completed. These requirements have been complied with and the auditor’s opinion is included in the compliance section of this report.

In addition to the internal accounting controls, the County also maintains budgetary controls. These budgetary controls ensure compliance with provisions embodied in the appropriated budget approved by the Board of Supervisors. Activities of the general fund and capital projects fund are included in the appropriated budget.

Major Initiatives

Following the goals and objectives established by the County of Louisa Board of Supervisors, and with the assistance and guidance of the County Administrator, staff and agencies implemented and continued a number of programs designed to provide cost efficient services while enhancing the home and employment environment for the citizens.

Major Initiatives (Continued)

Major initiatives begun, continued, or completed during the fiscal year are:

- In 2023, Amazon Data Services, Inc., (AWS) announced plans to invest \$11 billion in Louisa County by 2040. This announcement is part of AWS' initial announcement to invest \$35 billion in Virginia by 2040. AWS has begun developing two new data center campuses in Louisa on roughly 1,600 acres. Significant site preparation is complete, and vertical construction has begun on the Lake Anna Technology Campus. Site preparation started at the North Creek Technology Campus in the Spring of 2025. AWS's investment in Louisa County is projected to generate a significant source of new revenue for the County and create hundreds of direct and indirect jobs locally. Both campus developments should have a significant and positive impact on the local economy.
- In 2023, the County announced a deal with Better Future Farms (BFF) (now Equinox Growers "EG") to locate a state-of-the-art greenhouse in the County. EG has completed the construction of a hydroponic greenhouse and grows approximately 6 million pounds of leafy greens annually. The greenhouse is 11 acres under roof, representing a capital investment of \$75 million and employs 40 full time equivalent positions.
- The James River Water Project is underway. The total project is split between the James River Water Authority "JRWA" (a joint venture between Louisa and Fluvanna counties) and the James River Water Project "JRWP" (Louisa's portion). Construction on the JRWA portion of the project has started with an anticipated completion date in the first quarter of 2027. The JRWP portion of the project is 100% complete.
- Zion Crossroads continues to expand with new commercial and residential development. Several new commercial businesses have announced plans to open/build new space in the Zion Market; these include a hotel, restaurants, medical practices, and retail. Two Planned Unit Developments (PUD) were approved at Zion Crossroads; Zion Town Center and Crossing Pointe. Both developments include new residential housing and complimentary commercial development. The Spring Creek development continues to flourish and in 2022 surpassed over 800 units built of the 1,200-unit development.
- Louisa's housing market reflected nationwide economic pressures with a 6% reduction in sales activity from Q4 2023 to 2024. However, median home prices were still up year-over-year by 19% and days on the market increased from 19 to 23. Sales dipped for the first time in four quarters with 174 total homes sales, 6% less than last year, which is 11 fewer sales. Sold volume in Q4 2024 in the County increased by 6% over the same period in 2023. Total sales volume in Q4 2024 was \$95.0 million, a bump of \$5.77 million from Q4 2023. Active listings continue to grow. At the end of Q4 2024 there were 214 active listings: 5 more than the same period in 2023, representing a 2% increase.
- In 2025, EdgeCore Digital Infrastructure, a wholesale data center developer, owner, and operator, purchased the Shannon Hill Regional Business Park from the Louisa County Industrial Development Authority for \$42 million and announced plans to invest \$17 billion dollars in Louisa County through the development of a new data center campus. EdgeCore's planned investment represents a significant project win for Louisa County, which will spur tremendous revenue growth and provide hundreds of new permanent jobs and construction jobs in the County for the foreseeable future.
- In 2021, the County partnered with Central Virginia Electric Cooperative (CVEC) and Firefly (their wholly owned subsidiary), Rappahannock Electric Cooperative, and Dominion Energy to deploy high internet service to every home and business in the County. The County committed \$8,949,000 to the project, which is expected to be completed the end of 2025.

Awards and Achievements

The County received its 23rd consecutive Certificate of Achievement on its fiscal year 2024 Annual Comprehensive Financial Report that was submitted to the Government Finance Officers Association of the United States and Canada (GFOA), Certificate for Excellence in Financial Reporting Program. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only.

Louisa County also received the Distinguished Budget Presentation Award from the Government Financial Officers Association for the tenth year in a row for its FY2026 budget documents. To be eligible for this award, a government must prepare budget documents of the very highest quality that reflect both the guidelines established by the National Advisory Council on State and Local Budgeting and the GFOAs best practices on budgeting.

The County of Louisa also received a 2025 Virginia Association of Counties (VACO) Achievement Awards for its Louisa County Enhanced Tourism Program. Louisa County created a new Tourism Advisory Committee, representing non-profit and business leaders from various tourism sectors, that meet regularly to discuss initiatives and develop recommendations for the Board of Supervisors. The multiple perspectives this group brings ensure advancement of programs across the county and strengthen newly formed collaborations. This is the eighth year that Louisa has been selected for an award.

Future Budget Considerations

For fiscal year 2026, the Board of Supervisors has approved a General Fund Operating Budget of \$174,867,600. The approved CIP Budget is \$12,718,599. The real estate tax rate was set at \$0.72 per \$100 of assessed value. The FY2026 Budget will require \$2,544,542 in Long Term Schools Capital fund balance reserves to support operations or capital improvement projects.

The County faces continued financial pressures in FY2026 from increased federal and state mandates that are not always funded by federal or state revenues. With limited funding sources of revenue, these unfunded or partially funded mandates place the burden on local funding streams. Healthcare costs continue to rise, required services for public safety and human services continue to increase and the federal and state political landscapes are continually changing. Additional financial pressures can be expected in costs associated with the Children's Services Act, mental health care and incarceration.

The County is also challenged with providing competitive employee compensation packages that are consistent with the market. A continued focus on closing compensation gaps as resources become available is critical.

Nationwide economic pressures such as high inflation rates, high interest rates, housing shortages and related factors continue to impact the County. However, the local economy is diversified and the County's financial outlook is guardedly optimistic. Leadership continues to focus on proactive, conservative fiscal management and the ongoing delivery of services required to meet the community's needs.

One of the priorities of the Board of Supervisors is to maintain a strong value for Louisa's citizens. Economic Development within the County will generate additional tax revenues to offset expenditures stemming from growing service demands. This will assist in avoiding unnecessary increases that would create additional tax burdens to our citizens.

Future Budget Considerations (Continued)

Louisa County real estate values and personal property values increased in FY2026. This increase will generate additional tax revenues in future years. Construction and home improvements have increased in the County and we anticipate additional steady growth in this area over the next several years.

The County continues to update its 20 year capital needs plan. Though the County is required to maintain a five year capital plan, the move to a 20 year plan has become a valuable asset for future planning and budgeting. The County has also established two Long Term Capital Projects Reserves; one for County projects and one for School projects. This funding will be used to save for future year capital projects and is intended to mitigate financing requirements and tax increases. In fiscal years' that the County is able to collect additional revenues and/or realizes budgeted savings, these additional funds can be placed in the future projects fund.

Acknowledgments

The preparation of this report on a timely basis could not have been accomplished without the dedicated services of the Department of Finance, and the Offices of the Treasurer and Commissioner of the Revenue. We would also like to thank the Board of Supervisors for their guidance, support, and fiscally responsible approach to governance.

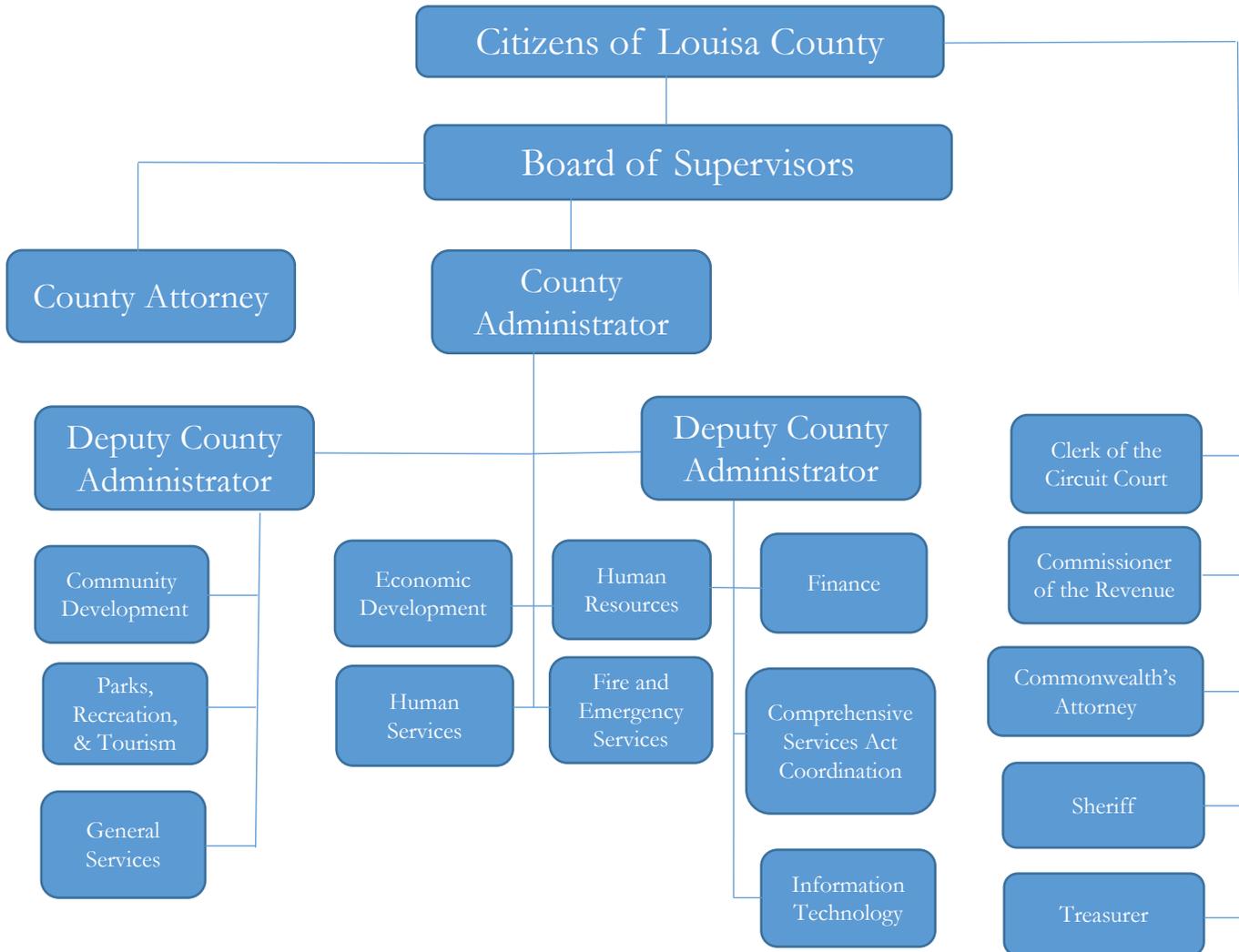
Respectfully submitted,



Christian R. Goodwin
County Administrator



County of Louisa Organizational Structure



**COUNTY OF LOUISA, VIRGINIA
JUNE 30, 2025**

BOARD OF SUPERVISORS

Duane A. Adams, Chairman
Tommy J. Barlow, Vice-Chairman

Fitzgerald A. Barnes
Christopher C. McCotter

Rachel G. Jones
R.T. Williams, Jr.

H. Manning Woodward, III

COUNTY SCHOOL BOARD

Gregory V. Strickland, Chairman
Gail O. Proffitt, Vice-Chairman

Stephen C. Harris
Deborah A. Hoffman

Dr. Bernie Hill
Lloyd R. Runnett

William A. Seay

OTHER OFFICIALS

Judge of the Circuit Court.....	Timothy K. Sanner
Clerk of the Circuit Court	Patty C. Madison
Judge of the General District Court	Claiborne H. Stokes Jr.
Judge of Juvenile and Domestic Relations Court.....	Deborah S. Tinsley
Commonwealth’s Attorney	Russell E. McGuire
Commissioner of the Revenue	Stacey C. Fletcher
Treasurer	Henry B. Wash
Sheriff.....	Donald Lowe
Superintendent of Schools.....	J. Douglas Straley II
Clerk of the School Board	Melisa Campbell
County Administrator	Christian R. Goodwin
Deputy County Administrator/Director of Finance	Wanda H. Colvin



Government Finance Officers Association

Certificate of
Achievement
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Presented to

**County of Louisa
Virginia**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Morrill

Executive Director/CEO



Independent Auditors' Report

**To the Honorable Members of the Board of Supervisors
County of Louisa, Virginia**

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Louisa, Virginia, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the County'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 governmental activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Louisa, Virginia, as of June 30, 2025, and the respective changes in financial position, 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; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Specifications for Audits of Counties, Cities, and Towns*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County of Louisa, Virginia, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Change in Accounting Principle

As described in Note 1 to the financial statements, in 2025, the County adopted new accounting guidance, GASB Statement No. 101, *Compensated Absences*. Our opinions are not modified with respect to this matter.

Restatements and Adjustments of Beginning Balances

As described in Note 20 to the financial statements, in 2025, the County restated or adjusted beginning balances to reflect the requirements of GASB Statement No. 101, to correct capital asset balances for governmental activities and component-unit School Board, and to account for a previously unreported component-unit Industrial Development Authority. 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; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about County of Louisa, Virginia'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.

Auditors' 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 auditors' 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, Government Auditing Standards, and the *Specifications for Audits of Counties, Cities, and Towns* 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, *Government Auditing Standards*, and the *Specifications for Audits of Counties, Cities, and Towns*, 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 County of Louisa, Virginia'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 County of Louisa, Virginia'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, budgetary comparison information and schedules related to pension and OPEB funding as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The budgetary comparison information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise County of Louisa, Virginia's basic financial statements. The accompanying other supplementary information and schedule of expenditures of federal awards, as required by Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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 auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 5, 2025, on our consideration of the County of Louisa, Virginia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of County of Louisa, Virginia's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County of Louisa, Virginia's internal control over financial reporting and compliance.

Robinson, Farmer, Cox Associates

Charlottesville, Virginia

December 5, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

To the Honorable Members of the Board of Supervisors To the Citizens of Louisa County County of Louisa, Virginia

The County of Louisa, Virginia's management offers readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended June 30, 2025. Readers are encouraged to consider the information presented here in conjunction with additional information furnished in the letter of transmittal, which can be found on pages i-vi of this report.

Financial Highlights FY 2025¹

- The general fund balance increased \$15,596,979.
- Revenues exceeded the original budget estimate by \$10,734,027 and revenues exceeded the amended budget by \$8,255,856.
- Expenditures were less than the original budget estimate by \$9,534,682 and expenditures were less than the amended budget by \$16,628,026.
- The assets and deferred outflows of resources of the County exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$242,970,547, (net position). Of this amount, \$164,284,496 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- Louisa County funds reported combined ending fund balances of \$226,573,498, an increase of \$94,533,662 in comparison with the prior year. Approximately 29% of this total amount, or \$66,295,221, is available for spending at the County's discretion (unassigned fund balance), and 71%, or \$160,278,277, is non-spendable, restricted, committed, or assigned for specific projects. The overall change in fund balance is largely attributable to increased collection of current and prior years' real property and personal property taxes, receipt of proceeds from Middle School Addition and new CTE Center Capital projects that are just beginning, other capital projects that are in process, but not yet completed, sale of the Shannon Hill Business Park property, increased building permit sales, increased interest earned on bank deposits due to the higher interest rate market, increased meals tax and transient occupancy tax collections, judicial sales revenue, and budgeted savings within departmental budgets.
- Unassigned fund balance comprised 65% of total general fund expenditures.
- The County of Louisa, Virginia's total long-term obligations increased by \$61,955,255, mostly from issuing new debt in FY2025 for the Middle School Addition and new CTE Center Capital projects. Pension related items, leave liability, and Obligations for Other Post Retirement Benefits (OBEB) also played a part in the change.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements are comprised of three components:

- Government-wide financial statements,
- Fund financial statements, and
- Notes to the financial statements.

¹ Fiscal Year ended June 30, 2025.

Overview of the Financial Statements: (Continued)

This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements - The Government-wide financial statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the County's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the excess of assets and deferred outflows of resources over liabilities and deferred inflows of resources reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The statement of activities presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in the statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the County include general government, courts, police protection, sanitation, social services, education, cultural events, and recreation.

The Government-wide financial statements include not only the County of Louisa, Virginia itself (known as the primary government), but also a legally separate school district, industrial authority, and a water authority for which the County of Louisa, Virginia is financially accountable. Financial information for these component units is reported separately from the financial information presented for the primary government itself.

Fund financial statements - A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County of Louisa, Virginia, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds - *Governmental funds* are used to account for essentially the same functions reported as Governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balance of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the County's near-term financing decisions. Both the governmental fund balance sheet and the governmental statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County maintains two individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and Capital Projects Fund which are considered to be major funds.

Overview of the Financial Statements: (Continued)

The County adopts an annual appropriated budget for its Governmental funds. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

Notes to the financial statements - The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information - In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information for budgetary comparison schedules and presentation of combining financial statements for the discretely presented component unit School Board. The School Board does not issue separate financial statements.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a County's financial position. In the case of the County, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$242,970,347 at the close of the most recent fiscal year.

A significant portion (25 percent) of the County's net position reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment); less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

County of Louisa, Virginia's Net Position		
	Governmental Activities	
	2025	2024
Current and other assets	\$ 339,056,325	\$ 238,162,852
Capital assets	162,100,033	121,622,033
Total assets	\$ 501,156,358	\$ 359,784,885
Deferred outflows of resources	\$ 4,785,709	\$ 2,775,407
Long-term liabilities outstanding	\$ 144,058,008	\$ 84,813,992
Current liabilities	16,601,036	10,303,120
Total liabilities	\$ 160,659,044	\$ 95,117,112
Deferred inflows of resources	\$ 102,312,476	\$ 96,031,459
Net position:		
Net investment in capital assets	\$ 77,708,128	\$ 45,257,907
Restricted	977,923	2,026,000
Unrestricted	164,284,496	124,127,814
Total net position	\$ 242,970,547	\$ 171,411,721

At the end of the current fiscal year, the County is able to report positive balances in all categories of net position.

Government-wide Financial Analysis: (Continued)

During fiscal year 2025, the County's net position increased by \$72,880,958. Key elements of this increase are as follows:

County of Louisa, Virginia's Changes in Net Position		
	Governmental Activities	
	2025	2024
Revenues:		
Program revenues:		
Charges for services	\$ 8,090,566	\$ 5,308,963
Operating grants and contributions	13,169,727	11,809,287
Capital grants and contributions	60,599,304	2,748,090
General revenues:		
Property taxes	93,993,887	84,128,325
Other local taxes	15,427,150	14,424,610
Other	9,117,934	7,456,902
Total revenues	\$ 200,398,568	\$ 125,876,177
Expenses:		
General government	\$ 4,641,261	\$ 4,052,550
Judicial administration	2,584,926	2,828,422
Public safety	30,291,231	26,880,608
Public works	4,248,210	5,994,295
Health and welfare	11,994,514	10,018,828
Education	55,242,615	43,737,593
Parks, recreation and culture	4,227,148	2,751,467
Community development	8,928,684	8,522,656
Interest	5,359,021	2,159,576
Total expenses	\$ 127,517,610	\$ 106,945,995
Increase (decrease) in net position	\$ 72,880,958	\$ 18,930,182
Net position – beginning, as restated	170,089,589	152,481,539
Net position - ending	\$ 242,970,547	\$ 171,411,721

- Local revenues increased by \$12,529,134, primarily increases were realized in: real property tax collections (including delinquent tax collections); increased building/zoning fees primarily due to Amazon Web Services (AWS) permit fees, increased transient occupancy tax collections and interest on bank deposits due to rate increases (as well as having higher account balances to earn increased interest revenue due to unspent debt funding); and an average property value increase of approximately 10.05%.
- Charges for Services increased \$2,781,603 primarily due to increased revenue collection for airport services (fuel sales & hanger rentals), revenue recovery revenues, landfill tipping fees, and increased direct distribution opioid abatement revenues.
- Operating grants and contributions increased by \$1,360,440 as a result of increased state and federal cost recoveries collected that were higher due to higher grant expenditures in 2025, primarily for reimbursements related to the Department of Justice COPS grant for the Holly Grove Tower project and Federal and State grants for airport projects.
- Capital grants and contributions increased by \$57,851,214 due to receiving reimbursement funding from Amazon Web Services for infrastructure development and contributions from the IDA for sale of land.

Government-wide Financial Analysis: (Continued)

- General government related activities increased by \$583,711. This was primarily a result of salary and benefit cost increases and an increase in computer equipment costs in FY2025.
- Public Works related costs decreased \$1,746,085 primarily due to reduced costs for building enhancements and for capital improvement projects.
- Health & welfare related costs increased 1,975,686. This was primarily a result of an increase in CSA expenses, Public Assistance Program costs and increases in personnel costs. Also, due to expenses related to Affordable Housing grant funded project.
- Public safety related costs increased \$3,410,623 as a result of an increase in personnel and employee benefit costs due to adding additional positions in the office of fire and emergency services, vehicle and equipment maintenance and additional costs related to compensation increases for existing personnel. There were also additional costs in FY 2025 associated with capital projects such as the Holly Grove Radio Tower, public safety vehicles, apparatus and other larger equipment purchases.
- Education related costs increased \$11,505,022 primarily due to an increase in County contributions to the School Capital Projects Fund.
- Parks and Recreation related costs increased \$1,475,681 as a result of an increase in personnel and employee benefit costs due to salary increases made during the fiscal year. Increased Tourism expenditures to promote the County and businesses and attractions within the county using tourism related transient occupancy tax revenues played a part in the increase. Other causes were costs related to capital projects, such as the Middle School Turf Field project and a Park Maintenance project.
- Community development related costs increased \$406,028 as a result of expenses associated with increases in personnel costs and increases associated with the Shannon Hill Regional Business Park projects and airport capital projects. There were decreases related to costs associated with the County's Broadband expansion initiative that was full funded by the end of FY24.
- Interest expenses increased \$3,199,445 due to increased interest payments and bond premiums paid related to bond issuances in FY24 and FY25.

Financial Analysis of the County's Funds

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds - The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a County's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$226,573,498 , which represents an increase of \$94,533,662 in comparison with the prior year. Approximately 29% of this total amount, (\$66,295,221), constitutes unassigned general fund balance, which is available for spending at the County's discretion. \$469,347 of fund balance is non-spendable (prepaid and water project receivables). The remainder of fund balance is restricted, committed, or assigned to indicate that it is not available for new spending without further Board of Supervisors' action. These funds are restricted, committed, or assigned for items including:

- North Anna Power Station (NAPS) Stabilization expenditures
- Zion Crossroads future debt
- Employee Leave Liabilities and Other Post Employment Benefit Liabilities
- Future capital improvement expenditures

Financial Analysis of the County's Funds: (Continued)

The general fund is the operating fund of the County. As a measure of the general fund's liquidity, it may be useful to compare total general fund balance to the total general fund expenditures. The total general fund balance represents 98.8% of the total general fund expenditures.

The general fund balance increased \$15,596,979 during the current fiscal year. The change is linked to a combination of increased real estate and personal property tax revenue collections, increased permit fee revenues, increased transient occupancy tax revenues due to a rate increase, increased interest income, and budgeted savings due to reduced spending and/or delayed receipt of goods and services purchased by departments in the last quarter of the fiscal year.

General Fund Budgetary Highlights

The fund balance for the capital projects fund increased by \$78,936,683 primarily due to funding available for incomplete, but approved capital projects that are proceeding as planned and for proceeds for the sale of the Shannon Hill Regional Business Park property.

Differences between the original expenditure budget and the final amended budget totaled an increase of \$7,093,344. The increase in appropriations can be briefly summarized as follows:

- \$217,412 increase in general government administration results primarily from receipt of Forest Sustainability grant funding, salary compression increases for employees during the fiscal year, increased judicial sales expense, increased software costs and carryover funding for grants, equipment and contractual services purchases from the prior fiscal year.
- \$261,568 increases in the judicial administration budget are from the expenses related to funds received for State Technology, Victim Witness and the VSTOP Assistant Attorney. The increase is also from salary increases to address compression for the court services department, and an addition of a position for the Clerk's Office.
- \$4,737,599 increase in public safety results from additional expenses related to the emergency services vehicle repairs, increased insurance premiums, insurance proceeds received for accident repairs, equipment purchases, and several grants from Rescue Squad Assistance Funds, Internet Crimes Against Children, State Fire Programs, Four for Life, REPG, DCJS, Walmart, PSAP, and Law Enforcement programs. Also, resulting from workers compensation that is budgeted in the non-departmental budget, and re-appropriation of FY24 funding.
- \$314,548 increase in public works is primarily the result of re-appropriation of FY2024 carryover for completion of facilities upgrades, additional funding to the Louisa County Water Authority for Regional Waste Water Treatment plant expenses and for increased insurance costs.
- \$1,267,311 increase in the human services budget was primarily due to costs associated with an increase in caseloads handled by CSA and Human Services, Strengthening Families grants, Opioid Abatement grant and a HUD grant for an affordable housing project.
- \$97,915 increase in Parks and Recreation is primarily the result of re-appropriation of FY2024 carryover for ARPA Tourism and DMO marketing grants and several other small grants.
- \$1,156,303 increase in Community Development is primarily the result of re-appropriation of FY2024 carryover for DCR grants to Lake Anna Advisory Committee for HAB Mitigation, additional grant funding in FY25 from DCR to Lake Anna Advisory Committee for HAB Mitigation costs, and increased fuel sales at the Louisa airport.
- \$959,342 decrease in miscellaneous expenditures due to the allocation of the non-departmental budget to actual functions that occurred during the year.

General Fund Budgetary Highlights: (Continued)

Other increases in final budget amounts are generally attributable to: other grant awards (the County does not budget for grants); workers compensation costs and continuing education costs (which are allocated from the non-departmental budget at the close of the year); and other miscellaneous expenditures.

During the year revenues exceeded the original budget estimate by \$10,734,0257 and actual revenues exceeded the amended budget by \$8,255,856. Expenditures were less than the original budget estimate by \$9,534,682 and less than the amended budget by \$16,628,026. Savings in school operating expenditures accounted for 53%, savings in public safety expenditures accounted for 16%, savings in health and human services accounted for 14%, savings in public works operating expenditures accounted for 2%, savings in general government accounted for 4%, savings in parks and recreation accounted for 1%, savings in community development accounted for 8%, and savings in judicial services accounted for 2% of this positive variance. Much of the savings is attributed to approved commitments not completed by year-end, grant awards which were not expended during the fiscal year, personnel savings due to vacancies, and conservative projections and budget management contributed significantly to the budget surplus.

Significant variances between the final amended budget and actual revenue and expenditures are as follows:

Revenue

- \$1,572,342 of actual revenue in excess of the amended budget is materially attributed to increased public service corporation tax revenue, increased prior year personal property tax revenue collections and increased interest and penalty revenue due to increased collection efforts by the Treasurer's Office as well as increased rate of collection by a third party collection agency.
- \$1,430,271 is associated with increased tax collection of sales and use tax, business license tax, and transient occupancy taxes. Transient Occupancy Tax increases attributed to a rate increase from 2% to 7%.
- \$1,629,531 increase in permit, fees, and license revenue is primarily attributed in an increase in collection of building and zoning permits. Much of the increase is from building permits issued to Amazon Web Services for data center construction.
- \$2,104,844 increase in interest on bank deposits and use of money is attributed to higher interest rates being earned on fund cash balances.
- \$700,952 increase in recovered costs is primarily attributed to recoveries from surplus funds from judicial sales, recoveries from the cost allocation plan, and recoveries from the Central Virginia Regional Jail for true-up of actual expenses.
- \$804,922 net increase in state and federal revenues is attributed to American Rescue Plan Act (ARPA) funding less Human Services and CSA state public assistance funding that was less than originally expected.

Expenditures

- \$579,198 under budget in General Government Administration is attributable to unspent funding that will be carried over into fiscal year 2025 for purchase order or grant commitments not yet complete, savings associated with staff turnover, savings for expenses such as supplies, postage, and contractual expenses.
- \$251,751 under budget in Judicial Administration is attributed to reduced jury costs, reduced travel expenses, and vacancy savings in the sheriff's court services division.

\$2,676,866 under budget in Public Safety is attributed to savings from unfilled positions and savings associated with staff turnover. Also, funding provided for fire programs and volunteer rescue from the Commonwealth has not been spent by the volunteers and is being carried over. Other areas of savings include funding for accident repairs that will be carried over into FY2025, other unspent grant funds, and reduced expenses at the Rappahannock Juvenile Detention Center for Louisa County's allocation.

General Fund Budgetary Highlights: (Continued)

- \$384,580 under budget in Public Works is largely attributable to landfill and other general services projects for which funding has been appropriated, but work has not yet been completed that will be carried over to FY26. There were also savings attributed to savings in personnel costs due to vacant positions during the fiscal year.
- \$2,275,525 under budget in Health and Human Services is attributed to savings associated with unspent housing grant funds, unspent TANF FC program funds, special needs adoption funds and other assistance program costs were less than expected.
- \$8,781,399 under budget in Education expenses is attributed to conservative budgeting coupled with savings associated the purchases of goods for which funding had been appropriated, but delays in deliveries resulted in the carryover of funds into FY26, savings from staff turnover and vacancies and savings in contractual services and supplies.
- \$1,391,619 under budget in Community Development expenses is primarily attributed to unspent Lake Anna Mitigation Grant Funding that will be carried over to FY26 and unspent Tourism program funding that will be used in future years' for dedicated tourism grants and projects to promote Louisa County.

Capital Asset and Debt Administration

Capital assets - The County's investment in capital assets for its governmental funds as of June 30, 2025 amounts to \$162,100,033 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, and machinery and equipment. The total increase in the County's investment in capital assets for the current fiscal year was \$40,478,000 (net of accumulated depreciation) and is largely associated with the Shannon Hill Regional Business Park Utilities Project, the Amazon Web Services Utility Project, the Turf Field Capital Project, Airport Capital projects that are still in process less the sale of the Shannon Hill Business Park Land, and the middle school additions and new CTE building projects. Also, includes increases for the purchase of Sheriff and Emergency Services Apparatus.

County of Louisa, Virginia's Capital Assets		
	Governmental Activities	
	2025	2024
Land	\$ 2,478,706	\$ 5,187,064
Buildings and improvements	45,209,367	42,391,964
Equipment	34,244,202	32,235,937
Construction in progress	104,513,083	61,026,020
Tenancy in common	15,385,422	17,305,864
Total	<u>\$ 201,830,780</u>	<u>\$ 158,146,849</u>
Less: accumulated depreciation	(39,730,747)	(36,524,816)
Net capital assets	<u><u>\$ 162,100,033</u></u>	<u><u>\$ 121,622,033</u></u>

Additional information on the County's capital assets can be found in Note 4.

Long-term debt - At the end of the current fiscal year, General Obligation Bonds, Revenue Bonds and premium on bonds payable outstanding totaled \$135,980,122. During the current fiscal year, the County's long-term obligations increased by \$59,664,364 due to the net of new bond issuance for the Middle School Addition and the new CTE Center Capital Projects less payments that were made on general obligation and lease revenue bonds during the fiscal year.

Economic Factors and Next Year's Budgets and Rates

The County did acquire new debt during the 2025 fiscal year.

Additional information on the County of Louisa, Virginia's long-term debt can be found in Note 5 of this report.

- The local unemployment rate increased to 4.0% in June 2025, up from 2.8%² for June 2024.
- In 2023, Amazon Data Services, Inc., (AWS) announced plans to invest \$11 billion in Louisa County by 2040. This announcement is part of AWS' initial announcement to invest \$35 billion in Virginia by 2040. AWS has begun developing two new data center campuses in Louisa on roughly 1,600 acres. Significant site preparation is complete, and vertical construction has begun on the Lake Anna Technology Campus. Site preparation started at the North Creek Technology Campus in the Spring of 2025. AWS's investment in Louisa County is projected to generate a significant source of new revenue for the County and create hundreds of direct and indirect jobs locally. Both campus developments should have a significant and positive impact on the local economy.
- In 2023, the County announced a deal with Better Future Farms (BFF) (now Equinox Growers "EG") to locate a state-of-the-art greenhouse in the County. EG has completed the construction of a hydroponic greenhouse and grows approximately 6 million pounds of leafy greens annually. The greenhouse is 11 acres under roof, representing a capital investment of \$75 million and employs 40 full time equivalent positions.
- The James River Water Project is underway. The total project is split between the James River Water Authority "JRWA" (a joint venture between Louisa and Fluvanna counties) and the James River Water Project "JRWP" (Louisa's portion). Construction on the JRWA portion of the project has started with an anticipated completion date in the first quarter of 2027. The JRWP portion of the project is 100% complete.
- Zion Crossroads continues to expand with new commercial and residential development. Several new commercial businesses have announced plans to open/build new space in the Zion Market; these include a hotel, restaurants, medical practices, and retail. Two Planned Unit Developments (PUD) were approved at Zion Crossroads; Zion Town Center and Crossing Pointe. Both developments include new residential housing and complimentary commercial development. The Spring Creek development continues to flourish and in 2022 surpassed over 800 units built of the 1,200-unit development.
- Louisa's housing market reflected nationwide economic pressures with a 6% reduction in sales activity from Q4 2023 to 2024. However, median home prices were still up year-over-year by 19% and days on the market increased from 19 to 23. Sales dipped for the first time in four quarters with 174 total homes sales, 6% less than last year, which is 11 fewer sales. Sold volume in Q4 2024 in the County increased by 6% over the same period in 2023. Total sales volume in Q4 2024 was \$95.0 million, a bump of \$5.77 million from Q4 2023. Active listings continue to grow. At the end of Q4 2024 there were 214 active listings: 5 more than the same period in 2023, representing a 2% increase.
- In 2025, EdgeCore Digital Infrastructure, a wholesale data center developer, owner, and operator, purchased the Shannon Hill Regional Business Park from the Louisa County Industrial Development Authority for \$42 million and announced plans to invest \$17 billion dollars in Louisa County through the development of a new data center campus. EdgeCore's planned investment represents a significant project win for Louisa County, which will spur tremendous revenue growth and provide hundreds of new permanent jobs and construction jobs in the County for the foreseeable future.

² United States Department of Labor, Bureau of Labor Statistics: June 2025 data

Economic Factors and Next Year's Budgets and Rates: (Continued)

- In 2021, the County partnered with Central Virginia Electric Cooperative (CVEC) and Firefly (their wholly owned subsidiary), Rappahannock Electric Cooperative, and Dominion Energy to deploy high internet service to every home and business in the County. The County committed \$8,949,000 to the project, which is expected to be completed the end of 2025.
- The County's population continues to increase. Since the 2020 census, the County's population has increased by 10.2%. The increase in population has placed additional demands for services, such as career fire and rescue coverage, and demands for increased capacity in the County educational facilities. In addition to increases in County services, the growth has spurred a continued need for water and sewer infrastructure.
- Healthcare costs continue to rise, required services for public safety and human services continue to increase and the federal and state political landscapes are continually changing. Additional financial pressures can be expected in costs associated with the Children's Services Act, mental health care and incarceration. The County continues to devote significant resources to meet our growing public health and safety needs. Additional personnel and capital investments are included in the FY26 budget to address growing service demands, but meeting these needs is expected to be an ongoing challenge.
- The County is also challenged with providing competitive employee compensation packages that are consistent with the market. A continued focus on closing compensation gaps as resources become available is critical.
- One of the priorities of the Board of Supervisors is to maintain low tax rates. Economic development within the County will generate additional tax revenues to offset expenditures stemming from growing service demands. This will assist in avoiding increases that would create additional tax burdens to our citizens.
- Louisa County real estate values increased in FY2025. This increase will generate additional tax revenues in future years. Construction and home improvements have increased in the County and modest, steady growth over the next few years is anticipated.
- The economic effects in FY 2026 amid the high inflation rates, interest rate increases, the housing market and many other factors are still unknown, but based on how the County has continued to have an overall solid economy, it is felt that County finances will continue to trend in a positive manner. The Board of Supervisors will continue to look for ways to ensure that necessary services are delivered to the citizens of Louisa County without interruption.

All of these factors were considered in preparing the County's budget for the 2026 fiscal year.

For fiscal year 2026, the Board of Supervisors has approved a General Fund Operating Budget of \$174,867,600. The approved CIP Budget is \$12,718,599. The approved FY 2026 budget retained the prior year real estate tax rate at \$0.72 per \$100 of assessed value, and the budget was balanced with a plan to use \$2,544,542 of Long-Term School Capital Project Reserves.

Requests for Information

This financial report is designed to provide a general overview of the County of Louisa, Virginia's finances for all those with an interest in the County's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Finance, 1 Woolfolk Ave, Suite 304, Louisa, Virginia 23093.

BASIC FINANCIAL STATEMENTS

Government-wide Financial Statements

Statement of Net Position
June 30, 2025

	Primary Government		Component Units	
	Governmental Activities	School Board	Louisa County Water Authority	IDA of Louisa County, Virginia
ASSETS				
Cash and cash equivalents	\$ 164,993,381	\$ 20,490,556	\$ 1,419,561	406,829
Receivables (net of allowance for uncollectibles):				
Taxes receivable	105,284,275	-	-	-
Accounts receivable	5,164,151	4,902	407,419	-
Landfill accounts	71,265	-	-	-
Due from other governmental units	3,408,286	2,478,136	-	-
Prepaid items	235,203	-	24,761	-
Net pension asset	-	1,963,601	-	-
Restricted assets:				
Cash and cash equivalents	59,899,764	-	143,859	-
Land held for resale	-	-	-	7,685,772
Capital assets (net of accumulated depreciation):				
Land	2,478,706	1,366,127	913,325	-
Buildings and system	40,722,034	69,659,338	461,530	180,529
Machinery and equipment	14,386,210	13,879,524	350,656	89,573
Intangible assets	-	-	19,192,405	-
Infrastructure	-	-	874,970	2,123,410
Construction in progress	104,513,083	-	1,980,764	456,881
Total assets	\$ 501,156,358	\$ 109,842,184	\$ 25,769,250	10,942,994
DEFERRED OUTFLOWS OF RESOURCES				
Pension related items	\$ 4,119,207	\$ 14,658,028	\$ 324,607	-
OPEB related items	666,502	2,323,150	34,979	-
Total deferred outflows of resources	\$ 4,785,709	\$ 16,981,178	\$ 359,586	-
LIABILITIES				
Accounts payable	\$ 4,840,492	\$ 1,817,960	\$ 80,689	-
Retainage payable	2,111,771	-	-	-
Accrued liabilities	438,222	2,906,148	2,500	-
Amounts held for future projects	-	-	10,000	-
Customers' deposits	-	-	144,635	-
Accrued interest payable	2,697,728	-	-	-
Unearned revenue	122,000	-	97,656	-
Long-term liabilities:				
Due within one year	6,411,255	1,083,153	77,901	-
Due in more than one year	144,037,576	53,229,335	252,646	7,180,056
Total liabilities	\$ 160,659,044	\$ 59,036,596	\$ 666,027	7,180,056
DEFERRED INFLOWS OF RESOURCES				
Pension related items	\$ 1,504,535	\$ 6,567,932	\$ 128,356	-
OPEB related items	577,126	1,715,629	24,948	-
Deferred revenue - property taxes	100,230,815	-	-	-
Total deferred inflows of resources	\$ 102,312,476	\$ 8,283,561	\$ 153,304	-
NET POSITION				
Net investment in capital assets	\$ 77,708,128	\$ 84,904,989	\$ 23,773,650	2,850,393
Restricted:				
Future capital expenses	-	-	46,196	-
Net pension assets	-	1,963,601	-	-
Opioid settlement	977,923	-	-	-
Unrestricted (deficit)	164,284,496	(27,365,385)	1,489,659	912,545
Total net position	\$ 242,970,547	\$ 59,503,205	\$ 25,309,505	3,762,938

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

Statement of Activities
For the Year Ended June 30, 2025

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
PRIMARY GOVERNMENT:				
Governmental activities:				
General government administration	\$ 4,641,261	\$ 369,325	\$ 509,936	\$ 12,355
Judicial administration	2,584,926	227,477	1,051,100	362,092
Public safety	30,291,231	5,237,445	3,805,063	741,462
Public works	4,248,210	898,196	58,701	-
Health and welfare	11,994,514	362,872	6,160,282	36,593
Education	55,242,615	-	-	-
Parks, recreation, and cultural	4,227,148	955,791	-	-
Community development	8,928,684	39,460	1,280,048	59,446,802
Interest on long-term debt	5,359,021	-	304,597	-
Total governmental activities	\$ 127,517,610	\$ 8,090,566	\$ 13,169,727	\$ 60,599,304
COMPONENT UNITS:				
School Board	\$ 93,506,115	\$ 314,175	\$ 48,284,522	\$ 427,033
Louisa County Water Authority	4,925,965	4,034,273	-	1,500,969
IDA of Louisa County, Virginia	42,832,593	100,937	351,942	2,742,239
Total component units	\$ 98,432,080	\$ 4,348,448	\$ 48,284,522	\$ 1,928,002

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

Statement of Activities
For the Year Ended June 30, 2025

Functions/Programs	Net (Expense) Revenue and Changes in Net Position			
	Primary Government	Component Units		
	Governmental Activities	School Board	Louisa County Water Authority	IDA of Louisa County, Virginia
PRIMARY GOVERNMENT:				
Governmental activities:				
General government administration	\$ (3,749,645)			
Judicial administration	(944,257)			
Public safety	(20,507,261)			
Public works	(3,291,313)			
Health and welfare	(5,434,767)			
Education	(55,242,615)			
Parks, recreation, and cultural	(3,271,357)			
Community development	51,837,626			
Interest on long-term debt	(5,054,424)			
Total governmental activities	<u>\$ (45,658,013)</u>			
COMPONENT UNITS:				
School Board		\$ (44,480,385)	\$ -	-
Louisa County Water Authority		-	609,277	-
IDA of Louisa County, Virginia		-	-	(39,637,475)
Total component units		<u>\$ (44,480,385)</u>	<u>\$ 609,277</u>	<u>(39,637,475)</u>
General revenues:				
General property taxes	\$ 93,993,887	\$ -	\$ -	-
Local sales and use taxes	7,300,136	-	-	-
Taxes on recordation and wills	1,128,270	-	-	-
Motor vehicle licenses taxes	1,540,081	-	-	-
Consumers' utility taxes	723,079	-	-	-
Meals taxes	2,106,879	-	-	-
Hotel and motel room taxes	2,010,831	-	-	-
Other local taxes	617,874	-	-	-
Unrestricted revenues from use of money	6,675,306	61,595	95,974	11,025
Miscellaneous	458,416	3,069,988	-	3,665
Payment from primary government	-	57,067,713	-	-
Grants and contributions not restricted to specific programs	1,984,212	-	-	-
Gain (loss) on sale/disposal of capital assets	-	-	-	39,258,042
Total general revenues	<u>\$ 118,538,971</u>	<u>\$ 60,199,296</u>	<u>\$ 95,974</u>	<u>39,272,732</u>
Change in net position	\$ 72,880,958	\$ 15,718,911	\$ 705,251	(364,743)
Net position - beginning, as originally reported	162,704,842	57,797,003	24,710,692	4,127,681
Restatements and adjustments	7,384,747	(14,012,709)	(106,438)	-
Net position - beginning, as restated or adjusted	<u>170,089,589</u>	<u>43,784,294</u>	<u>24,604,254</u>	<u>4,127,681</u>
Net position - ending	<u>\$ 242,970,547</u>	<u>\$ 59,503,205</u>	<u>\$ 25,309,505</u>	<u>3,762,938</u>

Fund Financial Statements

Balance Sheet
Governmental Funds
June 30, 2025

	<u>General</u>	<u>Capital Projects</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents	\$ 97,592,000	\$ 67,401,381	\$ 164,993,381
Cash and cash equivalents - restricted	-	59,899,764	59,899,764
Receivables (net of allowance for uncollectible):			
Taxes receivable	105,284,275	-	105,284,275
Accounts receivable	2,230,165	2,933,986	5,164,151
Landfill accounts	71,265	-	71,265
Due from other governmental units	2,680,150	728,136	3,408,286
Prepaid items	69,549	165,654	235,203
Total assets	<u>\$ 207,927,404</u>	<u>\$ 131,128,921</u>	<u>\$ 339,056,325</u>
LIABILITIES			
Accounts payable	\$ 1,137,789	\$ 3,702,703	\$ 4,840,492
Accrued liabilities	438,222	-	438,222
Retainage payable	-	1,225,355	1,225,355
Unearned revenue	117,000	5,000	122,000
Total liabilities	<u>\$ 1,693,011</u>	<u>\$ 4,933,058</u>	<u>\$ 6,626,069</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - property taxes	\$ 105,166,018	\$ -	\$ 105,166,018
Unavailable revenue - opioid settlement	690,740	-	690,740
Total deferred inflows of resources	<u>\$ 105,856,758</u>	<u>\$ -</u>	<u>\$ 105,856,758</u>
Fund balances:			
Nonspendable:			
Prepays	\$ 69,549	\$ 165,654	\$ 235,203
JRWA receivable	235,144	-	235,144
Restricted:			
Opioid settlement	268,310	-	268,310
Committed:			
NAPS stabilization	15,800,000	-	15,800,000
Assigned:			
Zion Crossroads development debt	357,130	-	357,130
OPEB	15,565,515	-	15,565,515
Leave	1,786,766	-	1,786,766
Capital projects	-	126,030,209	126,030,209
Unassigned	66,295,221	-	66,295,221
Total fund balances	<u>\$ 100,377,635</u>	<u>\$ 126,195,863</u>	<u>\$ 226,573,498</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 207,927,404</u>	<u>\$ 131,128,921</u>	<u>\$ 339,056,325</u>

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

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
 Governmental Funds
 June 30, 2025

Total fund balances per Exhibit 3 - Balance Sheet - Governmental Funds	\$ 226,573,498	
<p>Amounts reported for governmental activities in the Statement of Net Position are</p> <p>When capital assets (land, buildings, equipment) that are to be used in governmental activities are purchased or constructed, the costs of those assets are reported as expenditures in governmental funds. However, the statement of net position includes those capital assets among the assets of the locality as a whole.</p>		
		162,100,033
<p>Deferred outflows of resources are not available to pay for current period expenditures and, therefore, are not reported in the governmental funds</p>		
Pension related items	\$ 4,119,207	
OPEB related items	<u>666,502</u>	4,785,709
Retainage payable for joint tenancy assets		(886,416)
<p>Interest on long-term debt is not accrued in governmental funds, but rather is recognized when paid.</p>		
		(2,697,728)
<p>Because the focus of governmental funds is on short-term financing, some assets will not be available to pay for current-period expenditures. Those assets are offset by unavailable revenues in the governmental funds and thus are not included in the fund balance.</p>		
Unavailable revenue - property taxes	\$ 4,935,203	
Unavailable revenue - opioid settlement	<u>690,740</u>	5,625,943
<p>Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds. All liabilities--both current and long-term--are reported in the Statement of Net Position.</p>		
		(150,448,831)
<p>Deferred inflows of resources are not due and payable in the current period and, therefore, are not reported in the governmental funds</p>		
Pension related items	\$ (1,504,535)	
OPEB related items	<u>(577,126)</u>	<u>(2,081,661)</u>
Net position of governmental activities		<u>\$ 242,970,547</u>

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

Statement of Revenues, Expenditures, and Changes in Fund Balances
 Governmental Funds
 For the Year Ended June 30, 2025

	<u>General</u>	<u>Capital Projects</u>	<u>Total</u>
REVENUES			
General property taxes	\$ 92,991,577	\$ -	\$ 92,991,577
Other local taxes	13,320,271	2,106,879	15,427,150
Permits, privilege fees, and regulatory licenses	2,867,531	-	2,867,531
Fines and forfeitures	110,925	-	110,925
Revenue from the use of money and property	4,226,252	3,183,883	7,410,135
Charges for services	4,377,281	-	4,377,281
Miscellaneous	341,830	161,575	503,405
Recovered costs	843,840	15,233,256	16,077,096
Intergovernmental:			
Contribution from IDA	-	42,038,400	42,038,400
Commonwealth	10,713,311	782,844	11,496,155
Federal	5,246,466	1,898,966	7,145,432
Total revenues	<u>\$ 135,039,284</u>	<u>\$ 65,405,803</u>	<u>\$ 200,445,087</u>
EXPENDITURES			
Current:			
General government administration	\$ 5,015,401	\$ -	\$ 5,015,401
Judicial administration	3,029,556	-	3,029,556
Public safety	26,922,880	-	26,922,880
Public works	5,100,081	-	5,100,081
Health and welfare	12,057,311	-	12,057,311
Education	37,803,655	-	37,803,655
Parks, recreation, and cultural	2,166,553	-	2,166,553
Community development	3,671,604	-	3,671,604
Capital projects	-	67,124,271	67,124,271
Debt service:			
Principal retirement	2,820,442	-	2,820,442
Interest and other fiscal charges	3,058,874	-	3,058,874
Cost of bond issuance	-	822,413	822,413
Total expenditures	<u>\$ 101,646,357</u>	<u>\$ 67,946,684</u>	<u>\$ 169,593,041</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 33,392,927</u>	<u>\$ (2,540,881)</u>	<u>\$ 30,852,046</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	\$ -	\$ 18,383,631	\$ 18,383,631
Transfers out	(18,383,631)	-	(18,383,631)
Insurance proceeds	587,683	153,124	740,807
Issuance of bonds	-	58,790,000	58,790,000
Bond premium	-	4,150,809	4,150,809
Total other financing sources (uses)	<u>\$ (17,795,948)</u>	<u>\$ 81,477,564</u>	<u>\$ 63,681,616</u>
Net change in fund balances	\$ 15,596,979	\$ 78,936,683	\$ 94,533,662
Fund balances - beginning	84,780,656	47,259,180	132,039,836
Fund balances - ending	<u>\$ 100,377,635</u>	<u>\$ 126,195,863</u>	<u>\$ 226,573,498</u>

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

Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances of Governmental Funds
To the Statement of Activities
For the Year Ended June 30, 2025

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

Net change in fund balances - total governmental funds \$ 94,533,662

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. Details supporting this adjustment are as follows:

Capital outlay	\$ 30,497,657	
Depreciation expense	(3,915,335)	
Net transfer of joint tenancy assets	<u>15,724,053</u>	42,306,375

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position. (2,714,791)

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

Property taxes	\$ 1,002,310	
Opioid settlement funds	<u>(44,989)</u>	957,321

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

Principal retired on general obligation bonds	\$ 1,920,442	
Principal retired on lease revenue bonds	900,000	
Amortization of premiums on bonds payable	456,003	
Issuance of bonds	(58,790,000)	
Bond premium	<u>(4,150,809)</u>	(59,664,364)

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore are not reported as expenditures in governmental funds. Details supporting this adjustment are as follows:

Change in landfill closure and postclosure liability	\$ (190,982)	
OPEB expense	(343,165)	
Change in accrued interest payable	(1,933,737)	
Pension expense	480,656	
Change in compensated absences	<u>(550,017)</u>	<u>(2,537,245)</u>

Change in net position of governmental activities \$ 72,880,958

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

Statement of Fiduciary Net Position
Custodial Funds
June 30, 2025

	<u>Custodial Funds</u>
ASSETS	
Cash and cash equivalents	\$ 2,609,285
Total assets	\$ <u>2,609,285</u>
NET POSITION	
Restricted for:	
Special welfare	\$ 7,469
Bond escrow	2,551,076
Spencer scholarship	50,740
Total net position	\$ <u>2,609,285</u>

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

Statement of Changes in Fiduciary Net Position
 Custodial Funds
 For the Year Ended June 30, 2025

	Custodial Funds
	<u> </u>
ADDITIONS	
Special welfare collections	\$ 23,628
Interest	58,758
Current year bonds	252,090
Total additions	<u>\$ 334,476</u>
DEDUCTIONS	
Welfare costs	\$ 28,927
Bonds released in current year	392,555
Scholarship payments	1,000
Total deductions	<u>\$ 422,482</u>
Net increase (decrease) in fiduciary net position	<u>\$ (88,006)</u>
Net position, beginning of year	<u>\$ 2,697,291</u>
Net position, end of year	<u><u>\$ 2,609,285</u></u>

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

COUNTY OF LOUISA, VIRGINIA

Notes to Financial Statements As of June 30, 2025

Note 1—Summary of Significant Accounting Policies:

The County of Louisa, Virginia is governed by an elected seven-member Board of Supervisors. The Board of Supervisors is responsible for appointing the County Administrator. The County provides a full range of services for its citizens. These services include police and volunteer fire protection, sanitation services, recreational activities, cultural events, education, and social services.

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

Government-wide and Fund Financial Statements

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

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. The County does not report any business-type activities. Likewise, the primary government is reported separately from certain legally separate *component units* for which the *primary government* is financially accountable.

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

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

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

COUNTY OF LOUISA, VIRGINIA

Notes to Financial Statements
As of June 30, 2025 (Continued)

Note 1—Summary of Significant Accounting Policies: (Continued)

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

Budgetary comparison schedules - Demonstrating compliance with the adopted budget is an important component of a government's accountability to the public. Many citizens participate in one way or another in the process of establishing the annual operating budgets of state and local governments and have a keen interest in following the actual financial progress of their governments over the course of the year. Many governments revise their original budgets over the course of the year for a variety of reasons. The budgetary comparison schedules present the original budget, the final budget and the actual activity of the major governmental funds.

A. Financial Reporting Entity

The basic criterion for determining whether a governmental department, agency, institution, commission, public authority, or other governmental organization should be included in a primary governmental unit's reporting entity for basic financial statements is financial accountability. Financial accountability includes the appointment of a voting majority of the organization's governing body, the ability of the primary government to impose its will on the organization and whether there is a financial benefit/burden relationship. In addition, an organization which is fiscally dependent on the primary government should be included in its reporting entity. These financial statements present the County of Louisa, Virginia (the primary government) and its component units. Blended component units, although legally separate entities, are, in substance, part of the government's operations and so data from these units are combined with data of the primary government. Each discretely presented component unit, on the other hand, is reported in a separate column in the combined financial statements to emphasize they are legally separate from the government.

B. Individual Component Unit Disclosures

The Louisa County Broadband Authority is reported as a blended component unit of the County of Louisa, Virginia. The Authority is governed by a board appointed by the government's elected supervisors. There is a financial burden/benefit relationship between the Authority and the County. In addition, the Authority almost exclusively benefits the primary government even though it does not provide services directly to it. The Authority does not issue a separate financial report.

Discretely Presented Component Units

Component Unit School Board

The School Board members are elected by the voters and are responsible for the operations of the County's School System. The School Board is fiscally dependent on the County. The County has the ability to approve its budget and any amendments. The primary funding is from the General Fund of the County. The School Fund does not issue a separate financial report. The financial statements of the School Board are presented as a discrete presentation of the County financial statements for the fiscal year ended June 30, 2025.

COUNTY OF LOUISA, VIRGINIA

Notes to Financial Statements
As of June 30, 2025 (Continued)

Note 1–Summary of Significant Accounting Policies: (Continued)

B. Individual Component Unit Disclosures: (Continued)

Discretely Presented Component Units: (Continued)

Component Unit Louisa County Water Authority

The Louisa County Water Authority was formed by the Louisa County Board of Supervisors who appoint all Board members of the Authority. The Authority provides water and sewer services to County residents. The Board of Supervisors cannot impose its will on the Authority, but since there is a potential financial benefit or burden in the relationship, as evidenced by the large capital contributions from the County to the Authority, the Board of Supervisors is financially accountable for the Authority. Accordingly, the Authority is considered a component unit of the County and is included as a discrete presentation in the County's financial report. Financial statements for the Authority can be obtained from their Administrative Offices in Louisa, Virginia.

Component Unit Industrial Development Authority of Louisa County, Virginia

The Industrial Development Authority of Louisa County, Virginia was formed by the Louisa County Board of Supervisors who appoint all Board members of the Authority. The essential purpose of the Authority is to provide a source of financing for industries locating their facilities in the County. Starting in fiscal year 2025, the County took over management of the local airport from the Authority and became the Authority's fiscal accounting agent. The Board of Supervisors cannot impose its will on the Authority, but without support of revenue generated by the local airport, the Authority relies on the County for financial support. Accordingly, the Authority is considered a component unit of the County and is included as a discrete presentation in the County's financial report.

Other Related Organizations

James River Water Authority

The six-member JRWA Board is comprised of three representatives from Fluvanna County and three from Louisa County (2 citizen representatives and the County Administrator from each county). Each member serves a 4 year term which is appointed by the respective Board of Supervisors on an at-large basis. Each County Administrator provides regular reports back to their respective Board of Supervisors. Board of Supervisor members may then discuss matters with appointed JRWA Board representatives as necessary. The Authority is a separate legal entity and is not included in the County's financial report. Financial Statements for the Authority can be obtained from the Administrative Offices.

Included in the County's Annual Comprehensive Financial Report

None

Note 1—Summary of Significant Accounting Policies: (Continued)

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The accompanying financial statements are prepared in accordance with pronouncements issued by the Governmental Accounting Standards Board (GASB). The principles prescribed by GASB represent generally accepted accounting principles applicable to governmental units.

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of recognition in the financial statements of various kinds of transactions or events.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. This is the manner in which these funds are normally budgeted. Revenues are recognized when they have been earned and they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service principal and interest expenditures on general long-term debt, including lease and subscription liabilities, as well as expenditures related to compensated absences, claims and judgments, postemployment benefits, and environmental obligations are recognized later based on specific accounting rules applicable to each, generally when payment is due. General capital asset acquisitions, including entering into contracts giving the government the right to use lease and subscription assets, are reported as expenditures in the governmental funds. Issuance of long-term debt and financing through leases and subscriptions are reported as other financing sources.

Property taxes not collected within 60 days after year-end are reflected as unavailable revenues. Sales and utility taxes which are collected by the state or utilities and subsequently remitted to the County are recognized as revenues and receivables upon collection by the state or utility, which is generally in the month preceding receipt by the County. Licenses, permits, fines and rents are recorded as revenues when received. Intergovernmental revenues, consisting primarily of federal, state and other grants for the purpose of funding

COUNTY OF LOUISA, VIRGINIA

Notes to Financial Statements
As of June 30, 2025 (Continued)

Note 1–Summary of Significant Accounting Policies: (Continued)

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

specific expenditures, are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been satisfied. Revenues from general purpose grants are recognized in the period to which the grant applies. All other revenue items are considered to be measurable and available only when cash is received by the government. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

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

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

The government reports the following governmental funds:

a. General Fund

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

b. Capital Projects Fund

The Capital Projects Fund (Capital Improvements) accounts for and reports financial resources that are restricted, committed, or assigned to expenditure for the acquisition or construction of major capital facilities. The Capital Projects Fund is a major fund.

Fiduciary Funds: Trust and Custodial Funds account for assets held by the County unit in a trustee capacity or as a custodian for individuals, private organizations, other governmental units, or other funds. These funds include Custodial Funds. Trust and Custodial funds use the accrual basis of accounting to recognize receivables and payables. Fiduciary funds are not included in the government-wide financial statements. Custodial funds are reported using the economic resources measurement focus and include the Special Welfare Fund, Bond Escrow Fund and the Spencer Scholarship Fund.

COUNTY OF LOUISA, VIRGINIA

Notes to Financial Statements
As of June 30, 2025 (Continued)

Note 1—Summary of Significant Accounting Policies: (Continued)

D. Budgets and Budgetary Accounting

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

1. Prior to March 30, the County Administrator submits to the Board of Supervisors a proposed operating and capital budget for the fiscal year commencing the following July 1. The operating and capital budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain citizen comments.
3. Prior to June 30, the budget is legally enacted through passage of an Appropriations Resolution.
4. The Appropriations Resolution places legal restrictions on expenditures at the department level. The appropriation for each department or category can be revised only by the Board of Supervisors. The County Administrator is authorized to transfer budgeted amounts within general government departments; however, the School Board is authorized to transfer budgeted amounts within the school system's categories.
5. Formal budgetary integration is employed as a management control device during the year for all governmental funds; the General Fund, School Operating Fund, and the Capital Projects Fund.
6. All budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).
7. Appropriations lapse on June 30, for all County units. Several supplemental appropriations were necessary during the year and at year-end.
8. All budgetary data presented in the accompanying financial statements is the original, and the comparison of the final budget and actual results.

E. Cash and Cash Equivalents

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

COUNTY OF LOUISA, VIRGINIA

Notes to Financial Statements
As of June 30, 2025 (Continued)

Note 1–Summary of Significant Accounting Policies: (Continued)

F. Investments

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

State statutes authorize the County government and the School Board to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, repurchase agreements, and the Local Government Investment Pool.

G. Receivables and payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e. the current portion of interfund loans). All other outstanding balances between funds are reported as “advances to/from other funds” (i.e. the current portion of interfund loans). All other outstanding balances between funds are reported as “advances to/from other funds” (i.e. the noncurrent portion of interfund loans).

All trade and property tax receivables are shown net of an allowance for uncollectibles. The County calculates its allowance for uncollectible accounts using historical collection data and, in certain cases, specific account analysis. The allowance amounted to approximately \$256,394 at June 30, 2025 and is comprised of the following:

Property taxes	\$ 247,196
Landfill billings	<u>9,198</u>
Total	<u>\$ 256,394</u>

Property is assessed at its value on January 1. Property taxes attach as an enforceable lien on property as of January 1. Taxes are payable December 5th and if necessary are prorated during the year. The County bills and collects its own property taxes.

H. Capital Assets

Capital assets are tangible and intangible assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), and are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets, except for infrastructure assets, are defined by the County as land, buildings, road registered vehicles, and equipment with an initial individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

COUNTY OF LOUISA, VIRGINIA

Notes to Financial Statements
As of June 30, 2025 (Continued)

Note 1–Summary of Significant Accounting Policies: (Continued)

H. Capital Assets: (Continued)

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

Land and construction in progress are not depreciated. The other tangible and intangible property, plant equipment, lease and subscription assets, and infrastructure of the primary government, as well as the component unit, are depreciated/amortized using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	40
Building Improvements	20-40
Vehicles	5
Office and Computer Equipment	5
Buses	12

I. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position includes a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County has one item that qualifies for reporting in this category. It is comprised of certain items related to pension and OPEB. For more detailed information on these items, reference the related notes.

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

COUNTY OF LOUISA, VIRGINIA

Notes to Financial Statements
As of June 30, 2025 (Continued)

Note 1–Summary of Significant Accounting Policies: (Continued)

J. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the County Retirement Plan and the additions to/deductions from the County Retirement Plan’s fiduciary net position have been determined on the same basis as they were reported by the Virginia Retirement System (VRS). For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

K. Long-term Obligations

In the government-wide financial statements, long-term obligations are reported as liabilities in the applicable governmental activities or proprietary fund type statement of net position. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses.

L. Fund Balances

Financial Policies

The Board of Supervisors meets on a monthly basis to manage and review cash financial activities and to ensure compliance with established policies. It is the County’s policy to fund current expenditures with current revenues and the County’s mission is to strive to maintain a diversified and stable revenue stream to protect the government from problematic fluctuations in any single revenue source and provide stability to ongoing services. The County’s unassigned General Fund balance will be maintained to provide the County with sufficient working capital and a margin of safety to address local and regional emergencies without borrowing.

In governmental fund types, the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources is called “fund balance.” County’s governmental funds report the following categories of fund balance, based on the nature of any limitations requiring the use of resources for specific purposes:

Nonspendable fund balance – amounts that are either not in spendable form (such as inventory and prepaids) or are legally or contractually required to be maintained intact (corpus of a permanent fund);

COUNTY OF LOUISA, VIRGINIA

Notes to Financial Statements
As of June 30, 2025 (Continued)

Note 1—Summary of Significant Accounting Policies: (Continued)

L. Fund Balances: (Continued)

Restricted fund balance – Constraints placed on the use of these resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors or other governments; or are imposed by law (through constitutional provisions or enabling legislation).

Committed fund balance – Amounts that can used only for the specific purposes determined by the adoption of an ordinance committing fund balance for a specified purpose by the Board of Supervisors prior to the end of the fiscal year. Once adopted, the limitation is imposed by the ordinance remains in place until the resources have been spent for the specified purpose or the Board adopts another ordinance to remove or revise the limitation.

Assigned fund balance – Amounts that are constrained by the County’s intent to be used for specific purposes, but that do not meet the criteria to be classified as restricted or committed. Intent can be stipulated by the governing body, another body (such as a Finance Committee), or by an official to whom that authority has been given. With the exception of the General Fund, this is the residual fund balance classification for all governmental funds with positive balances.

Unassigned fund balance – This is the residual classification of the General Fund. Only the General Fund reports a positive unassigned fund balance. Other governmental funds might report a negative balance in this classification, as the result of overspending for specific purposes for which amounts had been restricted, committed or assigned.

When fund balance resources are available for a specific purpose in more than one classification, it is the County’s policy to use the most restrictive funds first in the following order: restricted, committed, assigned, and unassigned as they are needed.

The Board of Supervisors establishes (and modifies or rescinds) fund balance commitments, which do not lapse at year-end, by passage of a resolution. Based on County policy the Board of Supervisors is authorized to assign amounts for specific purposes. Exhibit 3 provides details of the amounts that have been assigned for specific purposes. The Board of Supervisors is also authorized to commit amounts for purposes. The Board has committed \$15,800,000 for the North Anna Power Station stabilization fund via a resolution. Funds can be used, at Board discretion, to stabilize the local economy, or to budget and replace, supplant, or otherwise account for losses to County revenue in the event of specific and nonroutine revenue losses from the North Anna Power Station.

M. Use of Estimates

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

Note 1–Summary of Significant Accounting Policies: (Continued)

N. Net Position

The difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources is called net position. Net position is comprised of three components: net investment in capital assets, restricted, and unrestricted.

- Net investment in capital assets consists of capital assets, net of accumulated depreciation/ amortization and reduced by outstanding balances of bonds, notes, and other debt that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are included in this component of net position.
- Restricted net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Assets are reported as restricted when constraints are placed on asset use either by external parties or by law through constitutional provision or enabling legislation.
- Unrestricted net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that does not meet the definition of the two preceding categories.

Sometimes the County will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the County’s policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

O. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Prepaid expenses are reported on the consumption method.

P. Other Postemployment Benefits (OPEB)

For purposes of measuring the net VRS related OPEB liabilities, deferred outflows of resources and deferred inflows of resources related to the OPEB, and OPEB expense, information about the fiduciary net position of the VRS GLI, HIC and Teacher HIC OPEB Plans and the additions to/deductions from the VRS OPEB Plans’ fiduciary net position have been determined on the same basis as they were reported by VRS. In addition, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Note 1—Summary of Significant Accounting Policies: (Continued)

Q. Leases and Subscription-Based IT Arrangements

A lease is a contract that conveys control of the right to use another entity's nonfinancial asset. Lease recognition does not apply to short-term leases, contracts that transfer ownership, leases of assets that are investments, or certain regulated leases. A SBITA is defined as a contract that conveys control of the right to use another party's (a SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction.

Lessee

The County recognizes lease liabilities and intangible right-to-use lease assets (lease and subscription assets) with an initial value of \$5,000, individually or in the aggregate in the government-wide financial statements. At the commencement of the lease, the lease liability is measured at the present value of payments expected to be made during the lease term (less any lease incentives). The lease liability is reduced by the principal portion of payments made. The lease asset is measured at the initial amount of the lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs. The lease asset is amortized over the shorter of the lease term or the useful life of the underlying asset.

Lessor

The County recognizes leases receivable and deferred inflows of resources in the government-wide and governmental fund financial statements. At commencement of the lease, the lease receivable is measured at the present value of lease payments expected to be received during the lease term, reduced by any provision for estimated uncollectible amounts. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is measured at the initial amount of the lease receivable, less lease payments received from the lessee at or before the commencement of the lease term (less any lease incentives).

Subscriptions

The County recognizes intangible right-to-use subscription assets (subscription assets) and corresponding subscription liabilities with an initial value of \$5,000, individually or in the aggregate, in the government-wide financial statements. At the commencement of the subscription, the subscription liability is measured at the present value of payments expected to be made during the subscription liability term (less any contract incentives). The subscription liability is reduced by the principal portion of payments made. The subscription asset is measured at the initial amount of the subscription liability payments made to the SBITA vendor before commencement of the subscription term, and capitalizable implementation costs, less any incentives received from the SBITA vendor at or before the commencement of the subscription term. The subscription asset is amortized over the shorter of the subscription term or the useful life of the underlying IT asset.

Note 1–Summary of Significant Accounting Policies: (Continued)

Q. Leases and Subscription-Based IT Arrangements: (Continued)

Key Estimates and Judgments

Lease and subscription-based IT arrangement accounting includes estimates and judgments for determining the (1) rate used to discount the expected lease and subscription payments to present value, (2) lease and subscription term, and (3) lease and subscription payments.

- The County uses the interest rate stated in lease or subscription contracts. When the interest rate is not provided or the implicit rate cannot be readily determined, the County uses its estimated incremental borrowing rate as the discount rate for leases and subscriptions.
- The lease and subscription terms includes the noncancellable period of the lease or subscription and certain periods covered by options to extend to reflect how long the lease or subscription is expected to be in effect, with terms and conditions varying by the type of underlying asset.
- Fixed and certain variable payments as well as lease or subscription incentives and certain other payments are included in the measurement of the lease liability (lessee), lease receivable (lessor) or subscription liability.

The County monitors changes in circumstances that would require a remeasurement or modification of its leases and subscriptions. The County will remeasure the lease asset and liability (lessee) or the lease receivable and deferred inflows of resources (lessor) if certain changes occur that are expected to significantly affect the amount of the lease liability or lease receivable or subscription liability.

R. Compensated Absences

The County recognizes a liability for compensated absences for leave time that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled (for example paid in cash to the employee or payment to an employee flex spending account) during or upon separation from employment. Based on the criteria listed, two types of leave qualify for liability recognition for compensated absences – vacation and sick leave. The liability for compensated absences is reported as incurred in the government-wide financial statements. A liability for compensated absences is recorded in the governmental funds only if the liability has matured because of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable.

Vacation

The County’s policy permits employees to accumulate earned but unused vacation benefits, which are eligible for payment at the employee’s current pay rate upon separation from employment.

COUNTY OF LOUISA, VIRGINIA

Notes to Financial Statements
As of June 30, 2025 (Continued)

Note 1–Summary of Significant Accounting Policies: (Continued)

R. Compensated Absences: (Continued)

Sick Leave

The County’s policy permits employees to accumulate earned but unused sick leave. All sick leave lapses when employees leave the employ of the County and, upon separation from service, no monetary obligation exists. However, a liability for estimated value of sick leave that will be used by employees as time off is included in the liability for compensated absences.

S. Adoption of Accounting Principles

During the current year, the County implemented GASB Statement No. 101, Compensated Absences. In addition to the value of unused vacation time owed to employees upon separation of employment, the County now recognizes an estimated amount of sick leave earned as of year-end that will be used by employees as time off in future years as part of the liability for compensated absences. The change in accounting principle resulted in a restatement of net position as indicated in Note 20 to the financial statements.

Note 2–Deposits and Investments:

Deposits

Deposits with banks are covered by the Federal Deposit Insurance Corporation (FDIC) and collateralized in accordance with the Virginia Security for Public Deposits Act (the “Act”) Section 2.2-4400 et. seq. of the Code of Virginia. Under the Act, banks and savings institutions holding public deposits in excess of the amount insured by the FDIC must pledge collateral to the Commonwealth of Virginia Treasury Board. Financial institutions may choose between two collateralization methodologies and depending upon that choice, will pledge collateral that ranges in 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 that has received at least two of the following ratings: P-1 by Moody’s Investors Service, Inc.; A-1 by Standard & Poor’s; or F1 by Fitch Ratings, Inc. (Section 2.2-4502), banker’s acceptances, repurchase agreements, and the State Treasurer’s Local Government Investment Pool (LGIP).

The County has not adopted a formal investment policy to address the various types of risks associated with investments.

COUNTY OF LOUISA, VIRGINIA

Notes to Financial Statements
As of June 30, 2025 (Continued)

Note 2—Deposits and Investments: (Continued)

Credit Risk of Debt Securities

The County's rated debt investments as of June 30, 2025 were rated by Standard & Poor's and the ratings are presented below using Standard & Poor's rating scale.

<u>County's Rated Debt Investments' Values</u>	
<u>Rated Debt Investments</u>	<u>Fair Quality Ratings</u>
	<u>AAAm</u>
Local Government Investment Pool	\$ 21,686,016
Virginia State Non-Arbitrage Program	<u>59,899,764</u>
Total	<u>\$ 81,585,780</u>

External Investment Pools

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

Interest Rate Risk

The County has not adopted an investment policy for interest rate risk. Investments subject to interest rate risk are presented below along with their corresponding maturities.

<u>Investment Maturities (in years)</u>		
<u>Investment Type</u>	<u>Fair Value</u>	<u>Less Than 1 Year</u>
Local Government Investment Pool	\$ 21,686,016	\$ 21,686,016
Virginia State Non-Arbitrage Program	<u>59,899,764</u>	<u>59,899,764</u>
Total	<u>\$ 81,585,780</u>	<u>\$ 81,585,780</u>

COUNTY OF LOUISA, VIRGINIA

Notes to Financial Statements
As of June 30, 2025 (Continued)

Note 3—Due From Other Governmental Units:

At June 30, 2025, the County and School Board had receivables from other governments as follows:

	<u>Primary Government</u>	<u>Discretely Presented Component Unit School Board</u>
Commonwealth of Virginia:		
State Sales Taxes	\$ -	\$ 1,312,208
Local Sales Taxes	1,518,676	-
Communication Tax	18,743	-
VPA Funds	130,591	-
Shared Expenses	266,797	-
Children's Services Act Reimbursement	456,485	-
Aviation Grants	26,722	-
Other State Aid	39,003	621,740
Federal Government:		
School Funds	-	544,188
Aviation Grants	279,331	-
Public Safety Grants	444,042	-
HUD Grant	5,900	-
DEQ Grant	8,090	-
VPA Funds	213,906	-
Total	<u>\$ 3,408,286</u>	<u>\$ 2,478,136</u>

COUNTY OF LOUISA, VIRGINIA

Notes to Financial Statements
As of June 30, 2025 (Continued)

Note 4—Capital Assets:

The following is a summary of changes in capital assets for the fiscal year ended June 30, 2025:

	Restated Balance July 1, 2024	Additions	Deletions	Balance June 30, 2025
Government Activities:				
Capital assets, not being depreciated:				
Land	\$ 5,187,064	\$ -	\$ 2,708,358	\$ 2,478,706
Construction in Progress	<u>61,026,020</u>	<u>45,082,963</u>	<u>1,595,900</u>	<u>104,513,083</u>
Total capital assets not being depreciated	<u>\$ 66,213,084</u>	<u>\$ 45,082,963</u>	<u>\$ 4,304,258</u>	<u>\$ 106,991,789</u>
Capital assets being depreciated:				
Buildings and improvements	\$ 59,697,828	\$ 2,817,403	\$ 1,920,442	\$ 60,594,789
Machinery and equipment	<u>32,235,937</u>	<u>2,423,477</u>	<u>415,212</u>	<u>34,244,202</u>
Total capital assets being depreciated	<u>\$ 91,933,765</u>	<u>\$ 5,240,880</u>	<u>\$ 2,335,654</u>	<u>\$ 94,838,991</u>
Accumulated depreciation:				
Buildings and improvements	\$ 18,683,870	\$ 1,489,510	\$ 300,625	\$ 19,872,755
Machinery and equipment	<u>17,840,946</u>	<u>2,425,825</u>	<u>408,779</u>	<u>19,857,992</u>
Total accumulated depreciation	<u>\$ 36,524,816</u>	<u>\$ 3,915,335</u>	<u>\$ 709,404</u>	<u>\$ 39,730,747</u>
Total capital assets being depreciated, net	<u>\$ 55,408,949</u>	<u>\$ 1,325,545</u>	<u>\$ 1,626,250</u>	<u>\$ 55,108,244</u>
Governmental activities capital assets, net	<u>\$ 121,622,033</u>	<u>\$ 46,408,508</u>	<u>\$ 5,930,508</u>	<u>\$ 162,100,033</u>

The following is a summary of changes in School Board capital assets for the fiscal year ended June 30, 2025:

	Restated Balance July 1, 2024	Additions	Deletions	Balance June 30, 2025
Capital assets, not being depreciated:				
Land	\$ 1,366,127	\$ -	\$ -	\$ 1,366,127
Construction in progress	<u>1,206,691</u>	<u>18,230,287</u>	<u>19,436,978</u>	<u>-</u>
Total capital assets not being depreciated	<u>\$ 2,572,818</u>	<u>\$ 18,230,287</u>	<u>\$ 19,436,978</u>	<u>\$ 1,366,127</u>
Capital assets being depreciated:				
Buildings and improvements	\$ 120,864,531	\$ 2,795,548	\$ -	\$ 123,660,079
Machinery and equipment	<u>30,484,727</u>	<u>3,661,732</u>	<u>-</u>	<u>34,146,459</u>
Total capital assets being depreciated	<u>\$ 151,349,258</u>	<u>\$ 6,457,280</u>	<u>\$ -</u>	<u>\$ 157,806,538</u>
Accumulated depreciation:				
Buildings and improvements	\$ 50,295,042	\$ 3,705,699	\$ -	\$ 54,000,741
Machinery and equipment	<u>18,052,199</u>	<u>2,214,736</u>	<u>-</u>	<u>20,266,935</u>
Total accumulated depreciation	<u>\$ 68,347,241</u>	<u>\$ 5,920,435</u>	<u>\$ -</u>	<u>\$ 74,267,676</u>
Total capital assets being depreciated, net	<u>\$ 83,002,017</u>	<u>\$ 536,845</u>	<u>\$ -</u>	<u>\$ 83,538,862</u>
School Board capital assets, net	<u>\$ 85,574,835</u>	<u>\$ 18,767,132</u>	<u>\$ 19,436,978</u>	<u>\$ 84,904,989</u>

COUNTY OF LOUISA, VIRGINIA

Notes to Financial Statements
As of June 30, 2025 (Continued)

Note 4—Capital Assets: (Continued)

Capital asset activity for the School Board for the year ended June 30, 2025 was as follows:

Depreciation expense	\$ 5,619,810
Depreciation on joint tenancy assets-transferred to School Board	<u>300,625</u>
Net increases in accumulated depreciation	<u><u>\$ 5,920,435</u></u>

The following is a summary of changes in Industrial Development Authority capital assets for the fiscal year ended June 30, 2025:

	<u>Balance</u> <u>July 1, 2024</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2025</u>
Capital assets, not being depreciated:				
Land	\$ -	\$ 2,708,358	\$ 2,708,358	\$ -
Construction in Progress	<u>403,482</u>	<u>53,399</u>	<u>-</u>	<u>456,881</u>
Total capital assets not being depreciated	<u>\$ 403,482</u>	<u>\$ 2,761,757</u>	<u>\$ 2,708,358</u>	<u>\$ 456,881</u>
Capital assets being depreciated:				
Buildings	\$ 537,931	\$ -	\$ -	\$ 537,931
Machinery and equipment	282,430	-	-	282,430
Infrastructure	<u>9,443,413</u>	<u>-</u>	<u>-</u>	<u>9,443,413</u>
Total capital assets being depreciated	<u>\$ 10,263,774</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,263,774</u>
Accumulated depreciation:				
Buildings	\$ 345,250	\$ 12,152	\$ -	\$ 357,402
Machinery and equipment	170,542	22,315	-	192,857
Infrastructure	<u>7,035,026</u>	<u>284,977</u>	<u>-</u>	<u>7,320,003</u>
Total accumulated depreciation	<u>\$ 7,550,818</u>	<u>\$ 319,444</u>	<u>\$ -</u>	<u>\$ 7,870,262</u>
Total capital assets being depreciated, net	<u>\$ 2,712,956</u>	<u>\$ (319,444)</u>	<u>\$ -</u>	<u>\$ 2,393,512</u>
IDA capital assets, net	<u><u>\$ 3,116,438</u></u>	<u><u>\$ 2,442,313</u></u>	<u><u>\$ 2,708,358</u></u>	<u><u>\$ 2,850,393</u></u>

In fiscal year 2025, the County deeded land to the Industrial Development Authority. The Authority then sold the land and made a contribution back to the County of the net proceeds from sale totaling \$42,038,400.

COUNTY OF LOUISA, VIRGINIA

Notes to Financial Statements
As of June 30, 2025 (Continued)

Note 4—Capital Assets: (Continued)

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General Government Administration	\$ 391,607
Judicial Administration	211,856
Public Safety	2,116,211
Public Works	556,732
Health and Welfare	147,802
Education	280,250
Parks, Recreation and Cultural	75,754
Community Development	<u>135,123</u>
Total	\$ <u>3,915,335</u>
Component Unit School Board	\$ <u>5,619,810</u>
Component Unit Industrial Development Authority	\$ <u>319,444</u>

(1) Legislation enacted during the year ended June 30, 2002, Section 15.2-1800.1 of the Code of Virginia, 1950, as amended, has changed the reporting of local school capital assets and related debt for financial statement purposes. Historically, debt incurred by local governments “on-behalf” of school boards was reported in the school board’s discrete column along with the related capital assets. Under the new law, local governments have a “tenancy in common” with the school board whenever the locality incurs any financial obligation for any school property which is payable over more than one fiscal year. For financial reporting purposes, the legislation permits the locality to report the portion of school property related to any outstanding financial obligation eliminating any potential deficit from capitalizing assets financed with debt. The effect on the County of Louisa, Virginia for the year ended June 30, 2025, is that school financed assets in the amount of \$35,731,588 are reported in the Primary Government for financial reporting purposes.

COUNTY OF LOUISA, VIRGINIA

Notes to Financial Statements
As of June 30, 2025 (Continued)

Note 5—Long-Term Obligations:

Primary Government:

The following is a summary of changes in long-term obligations for the fiscal year ended June 30, 2025:

	Restated Balance July 1, 2024	Issuances/ Increases	Retirements/ Decreases	Balance June 30, 2025	Amounts Due Within One Year
Compensated absences	\$ 2,482,179	\$ 550,017	\$ -	\$ 3,032,196	\$ 303,220
Direct Borrowings and Direct Placements:					
General obligation bonds	19,904,854	58,790,000	1,920,442	76,774,412	3,880,442
Lease revenue bonds	51,065,000	-	900,000	50,165,000	1,225,000
Premium on bonds payable	5,345,904	4,150,809	456,003	9,040,710	786,537
Net OPEB liabilities	2,316,753	813,729	652,681	2,477,801	20,432
Net pension liability	-	8,900,017	8,833,305	66,712	-
Landfill closure and postclosure care	8,701,018	190,982	-	8,892,000	195,624
 Total	 \$ 89,815,708	 \$ 73,395,554	 \$ 12,762,431	 \$ 150,448,831	 \$ 6,411,255

The general fund revenues are used to liquidate compensated absences, the liability for landfill closure and postclosure care and corrective action costs, and other postemployment benefits liabilities.

COUNTY OF LOUISA, VIRGINIA

Notes to Financial Statements
As of June 30, 2025 (Continued)

Note 5—Long-Term Obligations: (Continued)

Primary Government: (Continued)

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

Year Ending June 30,	Direct Borrowings and Direct Placements				Direct Borrowings and Direct Placements	
	General Obligation Bonds		Premium on Bonds Payable		Lease Revenue Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2026	\$ 3,880,442	\$ 4,079,022	\$ 786,537	\$ -	\$ 1,225,000	\$ 2,183,472
2027	3,880,442	3,217,900	675,628	-	1,285,000	2,122,228
2028	3,880,441	3,036,994	637,077	-	1,350,000	2,059,631
2029	3,690,441	2,863,333	599,948	-	1,415,000	1,997,303
2030	3,690,441	2,698,857	564,665	-	1,475,000	1,933,822
2031	2,955,441	2,554,140	532,238	-	1,545,000	1,865,584
2032	2,955,441	2,424,485	501,431	-	1,620,000	1,792,131
2033	2,955,441	2,296,180	471,269	-	1,690,000	1,719,688
2034	2,955,441	2,170,575	442,154	-	1,760,000	1,648,556
2035	2,475,441	1,951,166	415,665	-	1,835,000	1,574,409
2036	2,230,000	1,741,626	391,777	-	1,915,000	1,497,041
2037	2,230,000	1,637,111	367,760	-	1,995,000	1,416,297
2038	2,230,000	1,532,596	343,263	-	2,075,000	1,332,153
2039	2,230,000	1,428,081	318,263	-	2,165,000	1,244,403
2040	2,230,000	1,323,566	292,730	-	2,255,000	1,152,891
2041	2,225,000	1,219,103	266,660	-	2,350,000	1,057,513
2042	2,225,000	1,124,490	241,069	-	2,450,000	957,963
2043	2,225,000	1,039,678	214,721	-	2,560,000	847,556
2044	2,225,000	954,865	186,441	-	2,685,000	725,503
2045	2,225,000	870,053	157,497	-	2,805,000	600,297
2046	2,225,000	785,240	127,904	-	2,935,000	472,478
2047	2,225,000	700,262	106,675	-	810,000	389,950
2048	2,225,000	615,118	94,165	-	845,000	354,366
2049	2,225,000	529,974	81,546	-	880,000	317,269
2050	2,225,000	444,831	68,811	-	920,000	278,563
2051	2,225,000	359,687	55,750	-	965,000	235,322
2052	1,960,000	277,425	43,084	-	1,010,000	187,294
2053	1,960,000	198,045	30,989	-	1,060,000	136,941
2054	1,955,000	118,766	18,721	-	1,115,000	84,028
2055	1,955,000	39,589	6,272	-	1,170,000	28,450
Total	\$ <u>76,774,412</u>	\$ <u>44,232,758</u>	\$ <u>9,040,710</u>	\$ <u>-</u>	\$ <u>50,165,000</u>	\$ <u>32,213,102</u>

COUNTY OF LOUISA, VIRGINIA

Notes to Financial Statements
As of June 30, 2025 (Continued)

Note 5—Long-Term Obligations: (Continued)

Primary Government: (Continued)

Details of Long-Term Obligations

	<u>Amount Outstanding</u>	<u>Due Within One Year</u>
<u>General Obligation Bonds:</u>		
\$3,800,000 Series 2007A issued November 8, 2007 in annual installments ranging from \$194,845 to \$413,333 beginning July 15, 2008 through July 15, 2028, interest ranging from 4.35% to 5.10%. This series of bonds was refunded on the pool side by VPSA through the issuance of Series 2025B bonds. The pool level refunding favorably impacts the County in that the County will receive an increased amount as an annual interest subsidy. There are no other changes to the terms of repayment.	\$ 570,000	\$ 190,000
\$14,705,000 Series 2009A issued May 7, 2009, due in annual installments ranging from \$475,262 to \$1,411,211 beginning January 15, 2010 through January 15, 2030, interest ranging from 4.05% to 5.05%. This series of bonds was refunded on the pool side by VPSA through the issuance of Series 2025B bonds. The pool level refunding favorably impacts the County in that the County will receive an increased amount as an annual interest subsidy. There are no other changes to the terms of repayment.	3,675,000	735,000
\$5,399,716 Series 2012-1 issued October 31, 2013, due in annual installments of \$245,442 beginning December 1, 2013 through December 1, 2034, interest payable at 4.01%	2,454,412	245,442
\$9,625,000 Series 2013A issued May 9, 2013, due in annual installments ranging from \$480,000 to \$485,000 beginning July 15, 2014 through July 15, 2033, interest ranging from 3.05% to 5.05%. This series of bonds was refunded on the pool side by VPSA through the issuance of Series 2020B and C bonds. The pool level refunding favorably impacts the County in that the County will receive an increased amount as an annual interest subsidy. There are no other changes to the terms of repayment.	4,320,000	480,000
\$7,775,000 Series 2021A issued May 11, 2021, due in annual installments ranging from \$265,000 to \$270,000 beginning July 15, 2022 through July 15, 2050, interest ranging from 2.05% to 5.05%	6,965,000	270,000
\$58,790,000 Series 2024 issued October 9, 2024, due in annual installments ranging from \$1,994,589 to \$5,286,239 beginning July 15, 2025 through January 15, 2055, interest ranging from 4.05% to 5.05%	<u>58,790,000</u>	<u>1,960,000</u>
Total General Obligation Bonds	<u>\$ 76,774,412</u>	<u>\$ 3,880,442</u>
<u>Lease Revenue Bonds:</u>		
\$37,830,000 Series 2016A issued May 25, 2016, due in annual installments ranging from \$635,000 to \$2,160,000 beginning October 1, 2016 through October 1, 2045, interest ranging from 3.804% to 5.125%.	\$ 31,055,000	\$ 1,225,000
\$19,110,000 Series 2024A issued April 30, 2024, due in annual installments ranging from \$280,000 to \$1,170,000 beginning October 1, 2025 through October 1, 2054, interest ranging from 4.299% to 5.125%.	<u>19,110,000</u>	<u>-</u>
Total Lease Revenue Bonds	<u>\$ 50,165,000</u>	<u>\$ 1,225,000</u>
Premium on Bonds Payable	\$ 9,040,710	\$ 786,537
Compensated absences	3,032,196	303,220
Net OPEB liabilities	2,477,801	20,432
Net pension liability	66,712	-
Landfill closure and postclosure care	<u>8,892,000</u>	<u>195,624</u>
Total Long-Term Obligations	<u>\$ 150,448,831</u>	<u>\$ 6,411,255</u>

General obligation bonds are direct obligations and pledge the full faith and credit of the County.

COUNTY OF LOUISA, VIRGINIA

Notes to Financial Statements
As of June 30, 2025 (Continued)

Note 5—Long-Term Obligations: (Continued)

Component Unit School Board:

The following is a summary of changes in long-term obligations for the fiscal year ended June 30, 2025:

	Restated Balance July 1, 2024	Increases	Decreases	Balance June 30, 2025	Amounts Due Within One Year
Compensated absences	\$ 7,711,284	\$ 362,026	\$ -	\$ 8,073,310	\$ 807,331
Net pension liability	38,875,342	16,589,179	19,728,461	35,736,060	-
Net OPEB liabilities	<u>11,856,130</u>	<u>2,239,944</u>	<u>3,592,956</u>	<u>10,503,118</u>	<u>275,822</u>
Total	<u>\$ 58,442,756</u>	<u>\$ 19,191,149</u>	<u>\$ 23,321,417</u>	<u>\$ 54,312,488</u>	<u>\$ 1,083,153</u>

Component Unit Industrial Development Authority:

The following is a summary of changes in long-term obligations for the fiscal year ended June 30, 2025:

	Balance July 1, 2024	Increases	Decreases	Balance June 30, 2025	Amounts Due Within One Year
Direct Borrowings:					
Note payable - 208 land	\$ 7,180,056	\$ -	\$ -	\$ 7,180,056	\$ -
Total	<u>\$ 7,180,056</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,180,056</u>	<u>\$ -</u>

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

Year Ending June 30,	Direct Borrowings	
	Note Payable - 208 Land	
	Principal	Interest
2026	\$ -	\$ 359,003
2027	-	359,003
2028	-	359,003
2029	-	359,003
2030	-	359,003
2031	-	359,003
2032	-	359,003
2033	-	359,003
2034	<u>7,180,056</u>	<u>359,003</u>
Total	<u>\$ 7,180,056</u>	<u>\$ 3,231,027</u>

COUNTY OF LOUISA, VIRGINIA

Notes to Financial Statements
As of June 30, 2025 (Continued)

Note 6—Unavailable and Deferred Revenue:

Deferred revenue/Unavailable revenue represents amounts for which asset recognition criteria have been met, but for which revenue recognition criteria have not been met. Under the modified accrual basis of accounting, such amounts are measurable, but not available. Under the accrual basis, assessments for future periods are deferred.

	<u>Government-wide Statements</u>	<u>Balance Sheet</u>
	<u>Governmental Activities</u>	<u>Governmental Funds</u>
Primary Government:		
Unavailable property tax revenue representing uncollected property tax billings that are not available for the funding of current expenditures	\$ -	\$ 4,935,203
2nd half assessments due in December 2024	99,902,909	99,902,909
Prepaid property taxes due in December 2024, but paid in advance by the taxpayers	327,906	327,906
Opioid settlement	-	690,740
Total deferred revenue/unavailable revenue	\$ <u>100,230,815</u>	\$ <u>105,856,758</u>

COUNTY OF LOUISA, VIRGINIA

Notes to Financial Statements
As of June 30, 2025 (Continued)

Note 7—Pension Plan:

Plan Description

All full-time, salaried permanent employees of the County and (nonprofessional) employees of public school divisions are automatically covered by a VRS Retirement Plan upon employment. This is an agent multiple-employer plan administered by the Virginia Retirement System (the System) along with plans for other employer groups in the Commonwealth of Virginia. Members earn one month of service credit for each month they are employed and for which they and their employer pay contributions to VRS. Members are eligible to purchase prior service, based on specific criteria as defined in the Code of Virginia, as amended. Eligible prior service that may be purchased includes prior public service, active military service, certain periods of leave, and previously refunded service. However, the Louisa County Water Authority whose financial information is not included in the primary government participates in the VRS plan through the County and they report their proportionate information on the basis of a cost-sharing plan.

Benefit Structures

The System administers three different benefit structures for covered employees – Plan 1, Plan 2 and Hybrid. Each of these benefit structures has different eligibility criteria, as detailed below.

- a. Employees with a membership date before July 1, 2010, vested as of January 1, 2013, and have not taken a refund, are covered under Plan 1, a defined benefit plan. Non-hazardous duty employees are eligible for an unreduced retirement benefit beginning at age 65 with at least 5 years of service credit or age 50 with at least 30 years of service credit. Non-hazardous duty employees may retire with a reduced benefit as early as age 55 with at least 5 years of service credit or age 50 with at least 10 years of service credit. Hazardous duty employees (law enforcement officers, firefighters, and sheriffs) are eligible for an unreduced benefit beginning at age 60 with at least 5 years of service credit or age 50 with at least 25 years of service credit. Hazardous duty employees may retire with a reduced benefit as early as age 50 with at least 5 years of service credit.
- b. Employees with a membership date from July 1, 2010 to December 31, 2013, that have not taken a refund or employees with a membership date prior to July 1, 2010 and not vested before January 1, 2013, are covered under Plan 2, a defined benefit plan. Non-hazardous duty employees are eligible for an unreduced benefit beginning at their normal social security retirement age with at least 5 years of service credit or when the sum of their age and service equals 90. Non-hazardous duty employees may retire with a reduced benefit as early as age 60 with at least 5 years of service credit. Hazardous duty employees are eligible for an unreduced benefit beginning at age 60 with at least 5 years of service credit or age 50 with at least 25 years of service credit. Hazardous duty employees may retire with a reduced benefit as early as age 50 with at least 5 years of service credit.

Note 7—Pension Plan: (Continued)

Benefit Structures: (Continued)

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

Average Final Compensation and Service Retirement Multiplier

The VRS defined benefit is a lifetime monthly benefit based on a retirement multiplier as a percentage of the employee's average final compensation multiplied by the employee's total service credit. Under Plan 1, average final compensation is the average of the employee's 36 consecutive months of highest compensation and the multiplier is 1.70% for non-hazardous duty employees, 1.85% for sheriffs and regional jail superintendents, and 1.70% or 1.85% for hazardous duty employees as elected by the employer. Under Plan 2, average final compensation is the average of the employee's 60 consecutive months of highest compensation and the retirement multiplier is 1.65% for non-hazardous duty employees, 1.85% for sheriffs and regional jail superintendents, and 1.70% or 1.85% for hazardous duty employees as elected by the employer. Under the Hybrid Plan, average final compensation is the average of the employee's 60 consecutive months of highest compensation and the multiplier is 1.00%. For members who opted into the Hybrid Retirement Plan from Plan 1 or Plan 2, the applicable multipliers for those plans will be used to calculate the retirement benefit for service credited in those plans.

Cost-of-Living Adjustment (COLA) in Retirement and Death and Disability Benefits

Retirees with an unreduced benefit or with a reduced benefit with at least 20 years of service credit are eligible for an annual COLA beginning July 1 after one full calendar year from the retirement date. Retirees with a reduced benefit and who have less than 20 years of service credit are eligible for an annual COLA beginning on July 1 after one calendar year following the unreduced retirement eligibility date. Under Plan 1, the COLA cannot exceed 5.00%. Under Plan 2 and the Hybrid Plan, the COLA cannot exceed 3.00%. The VRS also provides death and disability benefits. Title 51.1 of the Code of Virginia, as amended, assigns the authority to establish and amend benefit provisions to the General Assembly of Virginia.

COUNTY OF LOUISA, VIRGINIA

Notes to Financial Statements
As of June 30, 2025 (Continued)

Note 7—Pension Plan: (Continued)

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:

	Primary Government and LCWA	Component Unit School Board (Nonprofessional)
Inactive members or their beneficiaries currently receiving benefits	186	119
Inactive members:		
Vested inactive members	70	29
Non-vested inactive members	123	85
Long-term disability (LTD)	0	0
Inactive members active elsewhere in VRS	162	43
Total inactive members	355	157
Active members	319	181
Total covered employees	860	457

Contributions

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

The County’s contractually required contribution rate for the year ended June 30, 2025 was 10.11% 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 County were \$1,976,140 and \$1,744,486 for the years ended June 30, 2025 and June 30, 2024, respectively. Contributions to the pension plan from the Component Unit Louisa County Water Authority were \$156,308 and \$121,873 for the years ended June 30, 2025 and June 30, 2024, respectively.

The Component Unit School Board’s contractually required employer contribution rate for nonprofessional employees for the year ended June 30, 2025 was 3.47% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2023.

COUNTY OF LOUISA, VIRGINIA

Notes to Financial Statements
As of June 30, 2025 (Continued)

Note 7—Pension Plan: (Continued)

Contributions: (Continued)

This rate, when combined with employee contributions, was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the Component Unit School Board's nonprofessional employees were \$190,519 and \$57,759 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 \$67,475 and \$8,025 for the County and School Board, respectively, 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 contribution rate of up to 2.5%. This additional employer mandatory contribution totaled \$68,343 and \$8,597 for the County and School Board, respectively, for the year ended June 30, 2025. The total Hybrid plan participant covered payroll totaled \$6,747,502 and \$802,499 for the County and School Board, respectively, for the year ended June 30, 2025.

Net Pension Liability (Asset)

The net pension liability (NPL) is calculated separately for each employer and represents that particular employer's total pension liability determined in accordance with GASB Statement No. 68, less that employer's fiduciary net position. The County's and Component Unit School Board's (nonprofessional) net pension liabilities (assets) were measured as of June 30, 2024. The total pension liabilities used to calculate the net pension liabilities (assets) were determined by an actuarial valuation performed as of June 30, 2023, using updated actuarial assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2024.

Actuarial Assumptions – General Employees

The total pension liability for General Employees in the County's and Component Unit School Board's (nonprofessional) Retirement Plan was based on an actuarial valuation as of June 30, 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.

COUNTY OF LOUISA, VIRGINIA

Notes to Financial Statements
As of June 30, 2025 (Continued)

Note 7–Pension Plan: (Continued)

Actuarial Assumptions – General Employees: (Continued)

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

Mortality rates:

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

Pre-Retirement:

Pub-2010 Amount Weighted Safety Employee Rates projected generationally; 95% of rates for males; 105% of rates for females set forward 2 years

Post-Retirement:

Pub-2010 Amount Weighted Safety Healthy Retiree Rates projected generationally; 110% of rates for males; 105% of rates for females set forward 3 years

Post-Disablement:

Pub-2010 Amount Weighted General Disabled Rates projected generationally; 95% of rates for males set back 3 years; 90% of rates for females set back 3 years

Beneficiaries and Survivors:

Pub-2010 Amount Weighted Safety Contingent Annuitant Rates projected generationally; 110% of rates for males and females set forward 2 years

Mortality Improvement:

Rates projected generationally with Modified MP-2020 Improvement Scale that is 75% of the MP-2020 rates

COUNTY OF LOUISA, VIRGINIA

Notes to Financial Statements
As of June 30, 2025 (Continued)

Note 7—Pension Plan: (Continued)

Actuarial Assumptions – General Employees: (Continued)

Mortality rates: (Continued)

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:

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

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

Actuarial Assumptions – Public Safety Employees with Hazardous Duty Benefits

The total pension liability for Public Safety employees with Hazardous Duty Benefits in the County’s Retirement Plan was based on an actuarial valuation as of June 30, 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%
Salary increases, including inflation	3.50% – 4.75%
Investment rate of return	6.75%, net of pension plan investment expenses, including inflation

COUNTY OF LOUISA, VIRGINIA

Notes to Financial Statements
As of June 30, 2025 (Continued)

Note 7—Pension Plan: (Continued)

Actuarial Assumptions – Public Safety Employees with Hazardous Duty Benefits: (Continued)

Mortality rates:

All Others (Non-10 Largest) – Hazardous Duty: 45% of deaths are assumed to be service related

Pre-Retirement:

Pub-2010 Amount Weighted Safety Employee Rates projected generationally with a Modified MP-2020 Improvement Scale; 95% of rates for males; 105% of rates for females set forward 2 years

Post-Retirement:

Pub-2010 Amount Weighted Safety Healthy Retiree Rates projected generationally with a Modified MP-2020 Improvement Scale; 110% of rates for males; 105% of rates for females set forward 3 years

Post-Disablement:

Pub-2010 Amount Weighted General Disabled Rates projected generationally with a Modified MP-2020 Improvement Scale; 95% of rates for males set back 3 years; 90% of rates for females set back 3 years

Beneficiaries and Survivors:

Pub-2010 Amount Weighted Safety Contingent Annuitant Rates projected generationally with a Modified MP-2020 Improvement Scale; 110% of rates for males and females set forward 2 years

Mortality Improvement:

Rates projected generationally with Modified MP-2020 Improvement Scale that is 75% of the MP-2020 rates

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:

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

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. Increased disability life expectancy. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience and changed final retirement age from 65 to 70
Withdrawal Rates	Decreased rates and changed from rates based on age and service to rates based on service only to better fit experience and to be more consistent with Locals Largest 10 Hazardous Duty
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

COUNTY OF LOUISA, VIRGINIA

Notes to Financial Statements
As of June 30, 2025 (Continued)

Note 7–Pension Plan: (Continued)

Long-Term Expected Rate of Return

The long-term expected rate of return on pension System investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension System investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimate of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class (Strategy)</u>	<u>Long-Term Target Asset Allocation</u>	<u>Arithmetic Long-term Expected Rate of Return</u>	<u>Weighted Average Long-term Expected Rate of Return*</u>
Public Equity	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	<u>100.00%</u>		<u>7.07%</u>
	Expected arithmetic nominal return**		<u>7.07%</u>

* The above allocation provides 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 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 return of 6.75% which is roughly at the 45th percentile of expected long-term results of the VRS fund asset allocation at that time, providing a median return of 7.14%, including expected inflation of 2.50%.

Discount Rate

The discount rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that System member contributions will be made per the VRS Statutes and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Consistent with the phased-in funding provided by the General Assembly for state and teacher employer contributions; the County and Component Unit School Board (nonprofessional) was also provided with an opportunity to use an alternative employer contribution rate. For the year ended June 30, 2024, the employer

COUNTY OF LOUISA, VIRGINIA

Notes to Financial Statements
As of June 30, 2025 (Continued)

Note 7—Pension Plan: (Continued)

Discount Rate: (Continued)

contribution rate was 100% of the actuarially determined employer contribution rate from the June 30, 2023 actuarial valuations, whichever was greater. Through the fiscal year ended June 30, 2024, the rate contributed by the school division for the VRS Teacher Retirement Plan was subject to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly, which was 112% of the actuarially determined contribution rate. From July 1, 2024 on, participating employers and school divisions are assumed to continue to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net Pension Liability (Asset)

	Primary Government			Component Unit Louisa County Water Authority		
	Increase (Decrease)			Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balances at June 30, 2023	\$ 52,580,500	\$ 53,628,577	\$ (1,048,077)	\$ 3,673,378	\$ 3,746,599	\$ (73,221)
Changes for the year:						
Service cost	\$ 2,329,753	\$ -	\$ 2,329,753	\$ 184,278	\$ -	\$ 184,278
Interest	3,600,301	-	3,600,301	284,776	-	284,776
Differences between expected and actual experience	2,929,250	-	2,929,250	231,697	-	231,697
Impact of change in proportion	(450,031)	(459,001)	8,970	450,031	459,001	(8,970)
Contributions - employer	-	1,722,333	(1,722,333)	-	136,233	(136,233)
Contributions - employee	-	864,854	(864,854)	-	68,408	(68,408)
Net investment income	-	5,196,857	(5,196,857)	-	411,060	(411,060)
Benefit payments, including refunds of employee contributions	(2,244,872)	(2,244,872)	-	(177,565)	(177,565)	-
Administrative expenses	-	(31,743)	31,743	-	(2,511)	2,511
Other changes	-	1,184	(1,184)	-	94	(94)
Net changes	\$ 6,164,401	\$ 5,049,612	\$ 1,114,789	\$ 973,217	\$ 894,720	\$ 78,497
Balances at June 30, 2024	\$ 58,744,901	\$ 58,678,189	\$ 66,712	\$ 4,646,595	\$ 4,641,319	\$ 5,276

COUNTY OF LOUISA, VIRGINIA

Notes to Financial Statements
As of June 30, 2025 (Continued)

Note 7—Pension Plan: (Continued)

Changes in Net Pension Liability (Asset)

	Component School Board (nonprofessional)		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balances at June 30, 2023	\$ 18,372,143	\$ 20,091,270	\$ (1,719,127)
Changes for the year:			
Service cost	\$ 437,591	\$ -	\$ 437,591
Interest	1,236,509	-	1,236,509
Differences between expected and actual experience	303,035	-	303,035
Contributions - employer	-	66,366	(66,366)
Contributions - employee	-	237,713	(237,713)
Net investment income	-	1,930,330	(1,930,330)
Benefit payments, including refunds of employee contributions	(982,167)	(982,167)	-
Administrative expenses	-	(13,186)	13,186
Other changes	-	386	(386)
Net changes	<u>\$ 994,968</u>	<u>\$ 1,239,442</u>	<u>\$ (244,474)</u>
Balances at June 30, 2024	<u>\$ 19,367,111</u>	<u>\$ 21,330,712</u>	<u>\$ (1,963,601)</u>

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate

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

	Rate		
	1% Decrease	Current Discount	1% Increase
	(5.75%)	(6.75%)	(7.75%)
County Net Pension Liability (Asset)	\$ 8,119,875	\$ 66,712	\$ (6,456,489)
Component Unit Louisa County Water Authority Net Pension Liability (Asset)	642,265	5,276	(510,695)
Component Unit School Board (nonprofessional) Net Pension Liability (Asset)	193,356	(1,963,601)	(3,777,967)

COUNTY OF LOUISA, VIRGINIA

Notes to Financial Statements
As of June 30, 2025 (Continued)

Note 7–Pension Plan: (Continued)

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

For the year ended June 30, 2025 the County, Component Unit Louisa County Water Authority and Component Unit School Board (nonprofessional) recognized pension expense of \$1,474,340, \$119,007 and \$116,415, respectively. At June 30, 2025, the County and Component Unit School Board (nonprofessional) reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Primary Government		Component Unit School Board (Nonprofessional)		Component Unit Louisa County Water Authority	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,136,339	\$ 41,498	\$ 292,501	\$ -	\$ 168,299	\$ 2,956
Changes in proportion and differences between employer contributions and proportionate share of contributions	6,728	-	-	-	-	6,728
Net difference between projected and actual earnings on pension plan investments	-	1,463,037	-	563,225	-	118,672
Employer contributions subsequent to the measurement date	<u>1,976,140</u>	<u>-</u>	<u>190,519</u>	<u>-</u>	<u>156,308</u>	<u>-</u>
Total	<u>\$ 4,119,207</u>	<u>\$ 1,504,535</u>	<u>\$ 483,020</u>	<u>\$ 563,225</u>	<u>\$ 324,607</u>	<u>\$ 128,356</u>

\$1,976,140, \$156,308, and \$190,519 reported as deferred outflows of resources related to pensions resulting from the County’s, Component Unit Louisa County Water Authority and Component Unit School Board’s (non-professional) contributions, respectively, subsequent to the measurement date will be recognized as a reduction or Component of the Net Pension Liability (Asset) in the year ended 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 in future reporting periods as follows:

Year ended June 30	Primary Government	Component Unit School Board (Nonprofessional)	Component Unit Louisa County Water Authority
2026	\$ (356,032)	\$ (264,629)	\$ (27,882)
2027	1,279,608	222,732	92,998
2028	34,433	(109,329)	98
2029	(319,477)	(119,498)	(25,271)
Thereafter	-	-	-

COUNTY OF LOUISA, VIRGINIA

Notes to Financial Statements
As of June 30, 2025 (Continued)

Note 7—Pension Plan: (Continued)

Pension Plan Data

Information about the VRS Political Subdivision Retirement Plan is also available in the separately issued VRS 2024 Annual Comprehensive Financial Report (Annual Report). A copy of the 2024 VRS Annual Report may be downloaded from the VRS website at <http://www.varetire.org/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.

Component Unit School Board (Professional)

Plan Description

All full-time, salaried permanent (professional) employees of public school divisions are automatically covered by the VRS Teacher Retirement Plan upon employment. This is a cost-sharing multiple employer plan administered by the Virginia Retirement System (the system). Additional information related to the plan description is included in the first section of this note.

Contributions

The contribution requirement for active employees is governed by §51.1-145 of the Code of Virginia, as amended, but may be impacted as a result of funding provided to school divisions by the Virginia General Assembly. Employees are required to contribute 5.00% of their compensation toward their retirement. Each school division's contractually required employer contribution rate for the year ended June 30, 2025 was 14.21% of covered employee compensation. This was the General Assembly approved rate, which was based on an actuarially determined rate from an actuarial valuation as of June 30, 2023. The actuarially determined rate, when combined with employee contributions, was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the school division were \$6,018,781 and \$6,420,941 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 \$253,521 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 contribution rate of up to 2.5%. This additional employer mandatory contribution totaled \$271,602 for the year ended June 30, 2025. The total Hybrid plan participant covered payroll totaled \$25,352,137 for the year ended June 30, 2025.

COUNTY OF LOUISA, VIRGINIA

Notes to Financial Statements
As of June 30, 2025 (Continued)

Note 7—Pension Plan: (Continued)

Component Unit School Board (Professional) (Continued)

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

At June 30, 2025, the school division reported a liability of \$35,736,060 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2024 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation performed as of June 30, 2023, and rolled forward to the measurement date of June 30, 2024. The school division’s proportion of the Net Pension Liability was based on the school division’s actuarially determined employer contributions to the pension plan for the year ended June 30, 2024 relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2024, the school division’s proportion was .38070% as compared to .38463% at June 30, 2023.

For the year ended June 30, 2025, the school division recognized pension expense of \$4,366,215. Since there was a change in proportionate share between measurement dates, a portion of the pension expense was related to deferred amounts from changes in proportion and from differences between employer contributions and the proportionate share of employer contributions. Beginning with the June 30, 2022 measurement date, the difference between expected and actual contributions is included with the pension expense calculation.

At June 30, 2025, the school division reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 6,199,703	\$ 735,830
Change in assumptions	648,657	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	1,307,867	349,787
Net difference between projected and actual earnings on pension plan investments	-	4,919,090
Employer contributions subsequent to the measurement date	<u>6,018,781</u>	<u>-</u>
Total	<u>\$ 14,175,008</u>	<u>\$ 6,004,707</u>

\$6,018,781 reported as deferred outflows of resources related to pensions resulting from the school division’s contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended 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 in future reporting periods as follows:

COUNTY OF LOUISA, VIRGINIA

Notes to Financial Statements
As of June 30, 2025 (Continued)

Note 7—Pension Plan: (Continued)

Component Unit School Board (Professional) (Continued)

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

Year ended June 30

2026	\$ (1,453,691)
2027	3,366,836
2028	730,233
2029	(491,858)
2030	-
Thereafter	-

Actuarial Assumptions

The total pension liability for the VRS Teacher 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%
Salary increases, including inflation	3.50% – 5.95%
Investment rate of return	6.75%, net of pension plan investment expenses, including inflation

Mortality rates:

Pre-Retirement:

Pub-2010 Amount Weighted Teachers Employee Rates projected generationally; 110% of rates for males

Post-Retirement:

Pub-2010 Amount Weighted Teachers Healthy Retiree Rates projected generationally; males set forward 1 year; 105% of rates for females

Post-Disablement:

Pub-2010 Amount Weighted Teachers Disabled Rates projected generationally; 110% of rates for males and females

Beneficiaries and Survivors:

Pub-2010 Amount Weighted Teachers Contingent Annuitant Rates projected generationally

Mortality Improvement:

Rates projected generationally with Modified MP-2020 Improvement Scale that is 75% of the standard rates

COUNTY OF LOUISA, VIRGINIA

Notes to Financial Statements
As of June 30, 2025 (Continued)

Note 7—Pension Plan: (Continued)

Component Unit School Board (Professional) (Continued)

Actuarial Assumptions: (Continued)

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:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted 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
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service
Disability Rates	No change
Salary Scale	No change
Discount Rate	No change

Net Pension Liability

The net pension liability (NPL) is calculated separately for each system and represents that particular system’s total pension liability determined in accordance with GASB Statement No. 67, less that system’s fiduciary net position. As of June 30, 2024, NPL amounts for the VRS Teacher Employee Retirement Plan is as follows (amounts expressed in thousands):

	Teacher Employee Retirement Plan
Total Pension Liability	\$ 60,622,260
Plan Fiduciary Net Position	51,235,326
Employers' Net Pension Liability (Asset)	<u>\$ 9,386,934</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	84.52%

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

The long-term expected rate of return and discount rate information previously described also apply to this plan.

COUNTY OF LOUISA, VIRGINIA

Notes to Financial Statements
As of June 30, 2025 (Continued)

Note 7—Pension Plan: (Continued)

Component Unit School Board (Professional) (Continued)

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

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

	Rate		
	1% Decrease (5.75%)	Current Discount (6.75%)	1% Increase (7.75%)
School division's proportionate share of the VRS Teacher Employee Retirement Plan Net Pension Liability (Asset)	\$ 66,390,595	\$ 35,736,060	\$ 10,630,971

Pension Plan Fiduciary Net Position

Detailed information about the VRS Teacher Retirement Plan’s Fiduciary Net Position is available in the separately issued VRS 2024 Annual Comprehensive Financial Report (Annual Report). A copy of the 2024 VRS Annual Report may be downloaded from the VRS website at <http://www.varetire.org/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.

Primary Government, Component Unit School Board, and Component Unit Louisa County Water Authority

Aggregate Pension Information

	VRS Pension Plans:			
	Deferred Outflows	Deferred Inflows	Net Pension Liability (Asset)	Pension Expense
Primary Government				
Primary Government	\$ 4,119,207	\$ 1,504,535	\$ 66,712	\$ 1,474,340
Totals	<u>\$ 4,119,207</u>	<u>\$ 1,504,535</u>	<u>\$ 66,712</u>	<u>\$ 1,474,340</u>
Component Unit School Board				
School Board Nonprofessional	\$ 483,020	\$ 563,225	\$ (1,963,601)	\$ 116,415
School Board Professional	14,175,008	6,004,707	35,736,060	4,366,215
Totals	<u>\$ 14,658,028</u>	<u>\$ 6,567,932</u>	<u>\$ 33,772,459</u>	<u>\$ 4,482,630</u>
Component Unit Louisa County Water Authority				
Louisa County Water Authority	\$ 324,607	\$ 128,356	\$ 5,276	\$ 119,007
	<u>\$ 324,607</u>	<u>\$ 128,356</u>	<u>\$ 5,276</u>	<u>\$ 119,007</u>

COUNTY OF LOUISA, VIRGINIA

Notes to Financial Statements
As of June 30, 2025 (Continued)

Note 8—Contingent Liabilities:

Federal programs in which the County and its component units participate were audited in accordance with the provisions of Title 2 *U.S. Code of Federal Regulations* (CFR) part 200, *Uniform Administrative Requirements Cost Principles, and Audit Requirements for Federal Awards*. Pursuant to the provisions of this circular all major programs and certain other programs were tested for compliance with applicable grant requirements. While no matters of noncompliance were disclosed by the audit, Federal Government may subject grant programs to additional compliance tests which may result in disallowed expenditures. In the opinion of management, any future disallowances of current grant program expenditures, if any, would be immaterial.

Note 9—Landfill Closure and Postclosure Care Cost:

The County of Louisa, Virginia owns and operates a landfill site which includes two permitted cells. The original cell (#194) accepts no further solid waste after December, 2013, while the newer cell (#567) came online in early 2013. Cell # 1 at cell 567 was filled in 2020 and two more cells (cells #2 and #3) which bridge the existing pair were opened. State and federal laws and regulations require the County to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the County reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used at each balance sheet date. The liability in the amount of \$8,892,000 reported as landfill closure, postclosure and corrective action liability on the June 30, 2025 Statement of Net Position is equal to the expected closure and postclosure costs. The landfill is closed as of June 30, 2025. Actual costs may be higher due to inflation, changes in technology, or changes in regulations. The County has demonstrated financial assurance requirements for closure, postclosure care and corrective action costs through the submission of a Local Government Financial Test to the Virginia Department of Environmental Quality in accordance with Section 9VAC20-70 of the Virginia Administrative Code. Also, the County intends to fund these costs from funds accumulated for this purpose in the General Fund.

Note 10—Risk Management:

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance.

The County is a member of the Virginia Association of Counties for workers' compensation. This program is administered by a servicing contractor, which furnishes claims review and processing.

Each Association member jointly and severally agrees to assume, pay and discharge any liability. The County pays VACO contributions and assessments based upon classifications and rates into a designated cash reserve fund out of which expenses of the Association and claims and awards are to be paid. In the event of a loss deficit and depletion of all available excess insurance, the Association may assess all members in the proportion which the premium of each bears to the total premiums of all members in the year in which such deficit occurs.

The County continues to carry commercial insurance for all other risks of losses. For the three previous fiscal years, settled claims from these risks have not exceeded commercial coverage.

COUNTY OF LOUISA, VIRGINIA

Notes to Financial Statements
As of June 30, 2025 (Continued)

Note 11–Litigation:

The County has been named as a defendant in various matters. It is not known what liability, if any, the County faces.

Note 12–Interfund Transfers:

Interfund transfers for the year ended June 30, 2025, consisted of the following:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
Primary Government:		
General Fund	\$ -	\$ 18,383,631
Capital Projects Fund	<u>18,383,631</u>	<u>-</u>
Total	<u>\$ 18,383,631</u>	<u>\$ 18,383,631</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgeting authorization.

Note 13–Surety Bonds:

	<u>Amount</u>
Public Officers Liability Insurance:	
All employees and volunteers, including Board of Supervisors	\$ 5,000,000
Henry B. Wash, Treasurer	400,000
Stacey C. Fletcher, Commissioner of the Revenue	3,000
Donald Lowe, Sheriff	30,000
Patty C. Madison, Clerk of the Court	1,630,000

COUNTY OF LOUISA, VIRGINIA

Notes to Financial Statements
As of June 30, 2025 (Continued)

Note 14—Group Life Insurance (GLI) Plan (OPEB Plan):

Plan Description

The Group Life Insurance (GLI) Plan was established pursuant to §51.1-500 et seq. of the Code of Virginia, as amended, and which provides the authority under which benefit terms are established or may be amended. All full-time, salaried permanent employees of the state agencies, teachers, and employees of participating political subdivisions are automatically covered by the VRS GLI Plan upon employment. This is a cost-sharing multiple-employer plan administered by the Virginia Retirement System (the System), along with pensions and other OPEB plans, for public employer groups in the Commonwealth of Virginia.

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

The specific information for GLI Plan OPEB, including eligibility, coverage and benefits is described below:

Eligible Employees

The GLI Plan was established July 1, 1960, for state employees, teachers, and employees of political subdivisions that elect the program. Basic GLI coverage is automatic upon employment. Coverage ends for employees who leave their position before retirement eligibility or who take a refund of their accumulated retirement member contributions and accrued interest.

Benefit Amounts

The GLI Plan is a defined benefit plan with several components. The natural death benefit is equal to the employee's covered compensation rounded to the next highest thousand and then doubled. The accidental death benefit is double the natural death benefit. In addition to basic natural and accidental death benefits, the plan provides additional benefits provided under specific circumstances that include the following: accidental dismemberment benefit, seatbelt benefit, repatriation benefit, felonious assault benefit, and accelerated death benefit option. The benefit amounts are subject to a reduction factor. The benefit amount reduces by 25% on January 1 following one calendar year of separation. The benefit amount reduces by an additional 25% on each subsequent January 1 until it reaches 25% of its original value. For covered members with at least 30 years of service credit, the minimum benefit payable was set at \$8,000 by statute in 2015. This will be increased annually based on the VRS Plan 2 cost-of-living adjustment calculation. The minimum benefit adjusted for the COLA was \$9,532 as of June 30, 2025.

COUNTY OF LOUISA, VIRGINIA

Notes to Financial Statements
As of June 30, 2025 (Continued)

Note 14—Group Life Insurance (GLI) Plan (OPEB Plan): (Continued)

Contributions

The contribution requirements for the GLI Plan are governed by §51.1-506 and §51.1-508 of the Code of Virginia, as amended, but may be impacted as a result of funding provided to state agencies and school divisions by the Virginia General Assembly. The total rate for the GLI Plan was 1.34% of covered employee compensation. This was allocated into an employee and an employer component using a 60/40 split. The employee component was 0.71% (1.18% x 60%) and the employer component was 0.47% (1.18% x 40%). Employers may elect to pay all or part of the employee contribution; however, the employer must pay all of the employer contribution. Each employer's contractually required employer contribution rate for the year ended June 30, 2025 was 0.47% of covered employee compensation. This rate was the final approved General Assembly rate, which was based on an actuarially determined rate from an actuarial valuation as of June 30, 2023. The actuarially determined rate, when combined with employee contributions, was expected to finance the costs of benefits payable during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the GLI Plan from the County were \$99,397 (made up of \$92,529 and \$6,868 for the County and LCWA respectively) and \$106,472 (made up of \$99,477 and \$6,995 for the County and LCWA respectively) for the years ended June 30, 2025 and June 30, 2024, respectively. Contributions to School Professional Plan were \$199,441 and \$220,183 for the years ended June 30, 2025 and June 30, 2024, respectively. Contributions to the School Nonprofessional Plan were \$25,949 and \$28,739 for the years ended June 30, 2025 and June 30, 2024, respectively.

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

At June 30, 2025, the County, School Board (Professional) and School Board (Nonprofessional) reported liabilities of \$856,917 (made up of \$800,618 and \$56,299 for the County and LCWA respectively), \$1,772,084, and \$231,331, for their proportionate share of the Net GLI OPEB Liability, respectively. The Net GLI OPEB Liability was measured as of June 30, 2024 and the total GLI OPEB liability used to calculate the Net GLI OPEB Liability was determined by an actuarial valuation performed as of June 30, 2023, and rolled forward to the measurement date of June 30, 2024. The covered employer's proportion of the Net GLI OPEB Liability was based on the covered employer's actuarially determined employer contributions to the GLI Plan for the year ended June 30, 2024 relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2024, County, School Board (Professional) and School Board (Nonprofessional)'s proportion were .07679%, .15880% and .02073% respectively, as compared to .07680%, .16303% and .02136% at June 30, 2023.

For the year ended June 30, 2025, the County, School Board (Professional) and School Board (Non-professional) recognized GLI OPEB expense of \$52,857 (made up of \$49,384 and \$3,473 for the County and LCWA respectively), \$68,995, and \$6,602 respectively. Since there was a change in proportionate share between measurement dates, a portion of the GLI OPEB expense was related to deferred amounts from changes in proportion.

COUNTY OF LOUISA, VIRGINIA

Notes to Financial Statements
As of June 30, 2025 (Continued)

Note 14—Group Life Insurance (GLI) Plan (OPEB Plan): (Continued)

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

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

	County Plan					
	County		LCWA		Total	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 126,275	\$ 19,557	\$ 8,880	\$ 1,375	\$ 135,155	\$ 20,932
Net difference between projected and actual earnings on GLI OPEB plan investments	-	67,484	-	4,745	-	72,229
Change in assumptions	4,563	39,677	321	2,790	4,884	42,467
Changes in proportion	70,654	688	4,968	48	75,622	736
Employer contributions subsequent to the measurement date	92,529	-	6,868	-	99,397	-
Total	\$ 294,021	\$ 127,406	\$ 21,037	\$ 8,958	\$ 315,058	\$ 136,364

	School Professional		School Nonprofessional	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
	Differences between expected and actual experience	\$ 279,498	\$ 43,286	\$ 36,486
Net difference between projected and actual earnings on GLI OPEB plan investments	-	149,368	-	19,499
Change in assumptions	10,101	87,821	1,319	11,464
Changes in proportion	77,942	45,257	28,766	10,335
Employer contributions subsequent to the measurement date	199,441	-	25,949	-
Total	\$ 566,982	\$ 325,732	\$ 92,520	\$ 46,949

COUNTY OF LOUISA, VIRGINIA

Notes to Financial Statements
As of June 30, 2025 (Continued)

Note 14–Group Life Insurance (GLI) Plan (OPEB Plan): (Continued)

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

\$99,397 (made up of \$92,529 and \$6,868 for the County and LCWA respectively), \$199,441, and \$25,949 reported as deferred outflows of resources related to the GLI OPEB resulting from the respective County/LCWA, School Board (Professional) and School Board (Nonprofessional)’s contributions subsequent to the measurement date will be recognized as a reduction of the Net GLI OPEB Liability in the fiscal year ending June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the GLI OPEB will be recognized in the GLI OPEB expense in future reporting periods as follows:

<u>Year Ended June 30</u>	<u>County Plan</u>			<u>School Professional</u>	<u>School Nonprofessional</u>
	<u>County</u>	<u>LCWA</u>	<u>Total</u>		
2026	\$ (8,476)	\$ (596)	\$ (9,072)	\$ (53,967)	\$ (6,900)
2027	37,059	2,606	39,665	56,054	10,147
2028	16,956	1,192	18,148	8,086	6,904
2029	16,130	1,134	17,264	11,768	7,022
2030	12,417	875	13,292	19,868	2,449
Thereafter	-	-	-	-	-

Actuarial Assumptions

The total GLI OPEB liability 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. The assumptions include several employer groups. Salary increases and mortality rates included herein are for relevant employer groups. Information for other groups can be referenced in the VRS Annual Report.

Inflation	2.50%
Salary increases, including inflation:	
Teachers	3.50%-5.95%
Locality - General employees	3.50%-5.35%
Locality - Hazardous Duty employees	3.50%-4.75%
Investment rate of return	6.75%, net of investment expenses, including inflation

Mortality Rates – Teachers

Pre-Retirement:

Pub-2010 Amount Weighted Teachers Employee Rates projected generationally; 110% of rates for males

Post-Retirement:

Pub-2010 Amount Weighted Teachers Healthy Retiree Rates projected generationally; males set forward 1 year; 105% of rates for females

COUNTY OF LOUISA, VIRGINIA

Notes to Financial Statements
As of June 30, 2025 (Continued)

Note 14–Group Life Insurance (GLI) Plan (OPEB Plan): (Continued)

Actuarial Assumptions: (Continued)

Mortality Rates – Teachers: (Continued)

Post-Disablement:

Pub-2010 Amount Weighted Teachers Disabled Rates projected generationally; 110% of rates for males and females

Beneficiaries and Survivors:

Pub-2010 Amount Weighted Teachers Contingent Annuitant Rates projected generationally

Mortality Improvement Scale:

Rates projected generationally with Modified MP-2020 Improvement Scale that is 75% of the MP-2020 rates

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:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted 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
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service
Disability Rates	No change
Salary Scale	No change
Discount Rate	No change

Mortality Rates – Non-Largest Ten Locality Employers – General Employees

Pre-Retirement:

Pub-2010 Amount Weighted Safety Employee Rates projected generationally; males set forward 2 years; 105% of rates for females set forward 3 years

Post-Retirement:

Pub-2010 Amount Weighted Safety Healthy Retiree Rates projected generationally; 95% of rates for males set forward 2 years; 95% of rates for females set forward 1 year

Post-Disablement:

Pub-2010 Amount Weighted General Disabled Rates projected generationally; 110% of rates for males set forward 3 years; 110% of rates for females set forward 2 years

COUNTY OF LOUISA, VIRGINIA

Notes to Financial Statements
As of June 30, 2025 (Continued)

Note 14–Group Life Insurance (GLI) Plan (OPEB Plan): (Continued)

Actuarial Assumptions: (Continued)

Mortality Rates – Non-Largest Ten Locality Employers – General Employees

Beneficiaries and Survivors:

Pub-2010 Amount Weighted Safety Contingent Annuitant Rates projected generationally

Mortality Improvement Scale:

Rates projected generationally with Modified MP-2020 Improvement Scale that is 75% of the MP-2020 rates

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:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted 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
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

Mortality Rates – Non-Largest Ten Locality Employers – Hazardous Duty Employees

Pre-Retirement:

Pub-2010 Amount Weighted Safety Employee Rates projected generationally; 95% of rates for males; 105% of rates for females set forward 2 years

Post-Retirement:

Pub-2010 Amount Weighted Safety Healthy Retiree Rates projected generationally; 110% of rates for males; 105% of rates for females set forward 3 years

Post-Disablement:

Pub-2010 Amount Weighted General Disabled Rates projected generationally; 95% of rates for males set back 3 years; 90% of rates for females set back 3 years

COUNTY OF LOUISA, VIRGINIA

Notes to Financial Statements
As of June 30, 2025 (Continued)

Note 14–Group Life Insurance (GLI) Plan (OPEB Plan): (Continued)

Actuarial Assumptions: (Continued)

Mortality Rates – Non-Largest Ten Locality Employers – Hazardous Duty Employees: (Continued)

Beneficiaries and Survivors:

Pub-2010 Amount Weighted Safety Contingent Annuitant Rates projected generationally; 110% of rates for males and females set forward 2 years

Mortality Improvement Scale:

Rates projected generationally with Modified MP-2020 Improvement Scale that is 75% of the MP-2020 rates

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:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. Increased disability life expectancy. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience and changed final retirement age from 65 to 70
Withdrawal Rates	Decreased rates and changed from rates based on age and service to rates based on service only to better fit experience and to be more consistent with Locals Top 10 Hazardous Duty
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

NET GLI OPEB Liability

The net OPEB liability (NOL) for the GLI Plan represents the program’s total OPEB liability determined in accordance with GASB Statement No. 74, less the associated fiduciary net position. As of the measurement date June 30, 2024, NOL amounts for the GLI Plan is as follows (amounts expressed in thousands):

		GLI OPEB Plan
Total GLI OPEB Liability	\$	4,196,055
Plan Fiduciary Net Position		3,080,133
GLI Net OPEB Liability (Asset)	\$	<u>1,115,922</u>
Plan Fiduciary Net Position as a Percentage of the Total GLI OPEB Liability		73.41%

COUNTY OF LOUISA, VIRGINIA

Notes to Financial Statements
As of June 30, 2025 (Continued)

Note 14–Group Life Insurance (GLI) Plan (OPEB Plan): (Continued)

NET GLI OPEB Liability: (Continued)

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

Long-Term Expected Rate of Return

The long-term expected rate of return on the System’s investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of System’s investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimate of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class (Strategy)</u>	<u>Long-Term Target Asset Allocation</u>	<u>Arithmetic Long-term Expected Rate of Return</u>	<u>Weighted Average Long-term Expected Rate of Return*</u>
Public Equity	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	<u>100.00%</u>		<u>7.07%</u>
		Expected arithmetic nominal return**	<u>7.07%</u>

*The above allocation provides 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 return for the System, stochastic projections are employed to model future returns under various economic conditions. These 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 return of 6.75% which is roughly at the 45th percentile of expected long-term results of the VRS fund asset allocation at that time, providing a median return of 7.14%, including expected inflation of 2.50%.

COUNTY OF LOUISA, VIRGINIA

Notes to Financial Statements
As of June 30, 2025 (Continued)

Note 14–Group Life Insurance (GLI) Plan (OPEB Plan): (Continued)

Discount Rate

The discount rate used to measure the total GLI OPEB liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made per the VRS guidance and the employer contributions will be made in accordance with the VRS funding policy and at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Through the fiscal year ended June 30, 2024, the rate contributed by the entity for the GLI OPEB will be subject to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly which was 113% of the actuarially determined contribution rate. From July 1, 2024 on, employers are assumed to continue to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the GLI OPEB’s fiduciary net position was projected to be available to make all projected future benefit payments of eligible employees. Therefore, the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total GLI OPEB liability.

Sensitivity of the Employer’s Proportionate Share of the Net GLI OPEB Liability to Changes in the Discount Rate

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

	Rate		
	1% Decrease (5.75%)	Current Discount (6.75%)	1% Increase (7.75%)
Proportionate share of GLI Plan			
Net OPEB Liability:			
County Plan:			
County	\$ 1,245,064	\$ 800,618	\$ 441,563
LCWA	87,553	56,299	31,051
Total County Plan	<u>\$ 1,332,617</u>	<u>\$ 856,917</u>	<u>\$ 472,614</u>
School Professional	<u>\$ 2,755,821</u>	<u>\$ 1,772,084</u>	<u>\$ 977,354</u>
School Nonprofessional	<u>\$ 359,749</u>	<u>\$ 231,331</u>	<u>\$ 127,585</u>

GLI Plan Fiduciary Net Position

Detailed information about the GLI Plan’s Fiduciary Net Position is available in the separately issued VRS 2024 Annual Comprehensive Financial Report (Annual Report). A copy of the 2024 VRS Annual Report may be downloaded from the VRS website at <http://www.varetire.org/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.

COUNTY OF LOUISA, VIRGINIA

Notes to Financial Statements
As of June 30, 2025 (Continued)

Note 15—Teacher Employee Health Insurance Credit (HIC) Plan (OPEB Plan):

Plan Description

The Virginia Retirement System (VRS) Teacher Employee Health Insurance Credit (HIC) Plan was established pursuant to §51.1-1400 et seq. of the Code of Virginia, as amended, and which provides the authority under which benefit terms are established or may be amended. All full-time, salaried permanent (Professional) employees of public school divisions are automatically covered by the VRS Teacher Employee HIC Plan. This is a cost-sharing multiple-employer plan administered by the Virginia Retirement System (the System), along with pension and other OPEB plans, for public employer groups in the Commonwealth of Virginia. Members earn one month of service credit toward the benefit for each month they are employed and for which their employer pays contributions to VRS. The HIC is a tax-free reimbursement in an amount set by the General Assembly for each year of service credit against qualified health insurance premiums retirees pay for single coverage, excluding any portion covering the spouse or dependents. The credit cannot exceed the amount of the premiums and ends upon the retiree's death.

The specific information for the Teacher HIC Plan OPEB, including eligibility, coverage, and benefits is described below:

Eligible Employees

The Teacher Employee Retiree HIC Plan was established July 1, 1993 for retired Teacher Employees covered under VRS who retire with at least 15 years of service credit. Eligible employees include full-time permanent (Professional) salaried employees of public school divisions covered under VRS. These employees are enrolled automatically upon employment.

Benefit Amounts

The Teacher Employee HIC Plan is a defined benefit plan that provides a credit toward the cost of health insurance coverage for retired teachers. For Teacher and other professional school employees who retire with at least 15 years of service credit, the monthly benefit is \$4.00 per year of service per month with no cap on the benefit amount. For Teacher and other professional school employees who retire on disability or go on long-term disability under the Virginia Local Disability Program (VLDP), the monthly benefit is either: \$4.00 per month, multiplied by twice the amount of service credit, or \$4.00 per month, multiplied by the amount of service earned had the employee been active until age 60, whichever is lower.

HIC Plan Notes

The monthly HIC benefit cannot exceed the individual premium amount. Employees who retire after being on long-term disability under VLDP must have at least 15 years of service credit to qualify for the HIC as a retiree.

Note 15–Teacher Employee Health Insurance Credit (HIC) Plan (OPEB Plan): (Continued)

Contributions

The contribution requirements for active employees is governed by §51.1-1401(E) of the Code of Virginia, as amended, but may be impacted as a result of funding provided to school divisions by the Virginia General Assembly. Each school division’s contractually required employer contribution rate for the year ended June 30, 2025 was 1.21% of covered employee compensation for employees in the VRS Teacher Employee HIC Plan. This rate was the final approved General Assembly rate, which was based on an actuarially determined rate from an actuarial valuation as of June 30, 2023. The actuarially determined rate was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions from the school division to the VRS Teacher Employee HIC Plan were \$512,507 and \$493,029 for the years ended June 30, 2025 and June 30, 2024, respectively.

Teacher Employee HIC Plan OPEB Liabilities, Teacher Employee HIC Plan OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the Teacher Employee HIC Plan OPEB

At June 30, 2025, the school division reported a liability of \$4,395,045 for its proportionate share of the VRS Teacher Employee HIC Plan Net OPEB Liability. The Net VRS Teacher Employee HIC Plan OPEB Liability was measured as of June 30, 2024 and the total VRS Teacher Employee HIC Plan OPEB liability used to calculate the Net VRS Teacher Employee HIC Plan OPEB Liability was determined by an actuarial valuation performed as of June 30, 2023 and rolled forward to the measurement date of June 30, 2024. The school division’s proportion of the Net VRS Teacher Employee HIC Plan OPEB Liability was based on the school division’s actuarially determined employer contributions to the VRS Teacher Employee HIC Plan OPEB plan for the year ended June 30, 2024 relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2024, the school division’s proportion of the VRS Teacher Employee HIC Plan was .38031% as compared to .38430% at June 30, 2023.

For the year ended June 30, 2025, the school division recognized VRS Teacher Employee HIC Plan OPEB expense of \$397,867. Since there was a change in proportionate share between measurement dates, a portion of the VRS Teacher Employee HIC Plan Net OPEB expense was related to deferred amounts from changes in proportionate share and differences between actual and expected contributions.

COUNTY OF LOUISA, VIRGINIA

Notes to Financial Statements
As of June 30, 2025 (Continued)

Note 15–Teacher Employee Health Insurance Credit (HIC) Plan (OPEB Plan): (Continued)

Teacher Employee HIC Plan OPEB Liabilities, Teacher Employee HIC Plan OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the Teacher Employee HIC Plan OPEB (Continued)

At June 30, 2025, the school division reported deferred outflows of resources and deferred inflows of resources related to the VRS Teacher Employee HIC Plan OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 208,227
Net difference between projected and actual earnings on Teacher HIC OPEB plan investments	-	15,633
Change in assumptions	75,714	-
Change in proportion	246,018	58,464
Employer contributions subsequent to the measurement date	<u>512,507</u>	<u>-</u>
Total	<u>\$ 834,239</u>	<u>\$ 282,324</u>

\$512,507 reported as deferred outflows of resources related to the Teacher Employee HIC OPEB resulting from the school division’s contributions subsequent to the measurement date will be recognized as a reduction of the Net Teacher Employee HIC OPEB Liability in the fiscal year ending June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Teacher Employee HIC OPEB will be recognized in the Teacher Employee HIC OPEB expense in future reporting periods as follows:

Year Ended June 30

2026	\$	24,817
2027		32,927
2028		18,232
2029		(9,180)
2030		(13,755)
Thereafter		(13,633)

COUNTY OF LOUISA, VIRGINIA

Notes to Financial Statements
As of June 30, 2025 (Continued)

Note 15–Teacher Employee Health Insurance Credit (HIC) Plan (OPEB Plan): (Continued)

Actuarial Assumptions

The total Teacher Employee HIC OPEB liability for the VRS Teacher Employee HIC 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%
Salary increases, including inflation: Teacher employees	3.50%-5.95%
Investment rate of return	6.75%, net of investment expenses, including inflation

Mortality Rates – Teachers

Pre-Retirement:

Pub-2010 Amount Weighted Teacher Employee Rates projected generationally; 110% of rates for males

Post-Retirement:

Pub-2010 Amount Weighted Teachers Healthy Retiree Rates projected generationally; males set forward 1 year; 105% of rates for females

Post-Disablement:

Pub-2010 Amount Weighted Teachers Disabled Rates projected generationally; 110% of rates for males and females

Beneficiaries and Survivors:

Pub-2010 Amount Weighted Teachers Contingent Annuitant Rates projected generationally

Mortality Improvement Scale:

Rates projected generationally with Modified MP-2020 Improvement Scale that is 75% of the MP-2020 rates

COUNTY OF LOUISA, VIRGINIA

Notes to Financial Statements
As of June 30, 2025 (Continued)

Note 15–Teacher Employee Health Insurance Credit (HIC) Plan (OPEB Plan): (Continued)

Actuarial Assumptions: (Continued)

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:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted 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
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service
Disability Rates	No change
Salary Scale	No change
Discount Rate	No change

Net Teacher Employee HIC OPEB Liability

The net OPEB liability (NOL) for the Teacher Employee HIC Plan represents the plan’s total OPEB liability determined in accordance with GASB Statement No. 74, less the associated fiduciary net position. As of June 30, 2023, NOL amounts for the VRS Teacher Employee HIC Plan are as follows (amounts expressed in thousands):

		Teacher Employee HIC OPEB Plan
		<hr/>
Total Teacher Employee HIC OPEB Liability	\$	1,478,105
Plan Fiduciary Net Position		322,457
Teacher Employee net HIC OPEB Liability (Asset)	\$	<hr/> <hr/> 1,155,648
Plan Fiduciary Net Position as a Percentage of the Total Teacher Employee HIC OPEB Liability		21.82%

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

COUNTY OF LOUISA, VIRGINIA

Notes to Financial Statements
As of June 30, 2025 (Continued)

Note 15—Teacher Employee Health Insurance Credit (HIC) Plan (OPEB Plan): (Continued)

Long-Term Expected Rate of Return

The long-term expected rate of return on the VRS System investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of VRS System investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimate of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class (Strategy)	Long-Term Target Asset Allocation	Arithmetic Long-term Expected Rate of Return	Weighted Average Long-term Expected Rate of Return*
Public Equity	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%		7.07%
		Expected arithmetic nominal return**	7.07%

*The above allocation provides 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 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 was roughly at the 45th percentile of expected long-term results of the VRS fund asset allocation at that time, providing a median return of 7.14%, including expected inflation of 2.50%.

COUNTY OF LOUISA, VIRGINIA

Notes to Financial Statements
As of June 30, 2025 (Continued)

Note 15–Teacher Employee Health Insurance Credit (HIC) Plan (OPEB Plan): (Continued)

Discount Rate

The discount rate used to measure the total Teacher Employee HIC OPEB was 6.75%. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made in accordance with the VRS funding policy and at rates equal to the actuarially determined contribution rates adopted by the VRS Board of Trustees. Through the fiscal year ended June 30, 2024, the rate contributed by each school division for the VRS Teacher Employee HIC Plan will be subject to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly which was 100% of the actuarially determined contribution rate. From July 1, 2024 on, all agencies are assumed to continue to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the Teacher Employee HIC OPEB plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total Teacher Employee HIC OPEB liability.

Sensitivity of the School Division’s Proportionate Share of the Teacher Employee HIC Net OPEB Liability to Changes in the Discount Rate

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

	Rate		
	1% Decrease (5.75%)	Current Discount (6.75%)	1% Increase (7.75%)
School division's proportionate share of the VRS Teacher Employee HIC OPEB Plan Net HIC OPEB Liability	\$ 4,998,263	\$ 4,395,045	\$ 3,883,763

Teacher Employee HIC OPEB Fiduciary Net Position

Detailed information about the VRS Teacher Employee HIC Plan’s Fiduciary Net Position is available in the separately issued VRS 2024 Annual Comprehensive Financial Report (Annual Report). A copy of the 2024 VRS Annual Report may be downloaded from the VRS website at <http://www.varetire.org/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.

COUNTY OF LOUISA, VIRGINIA

Notes to Financial Statements
As of June 30, 2025 (Continued)

Note 16—Health Insurance Credit (HIC) Plan:

Plan Description

The Political Subdivision Health Insurance Credit (HIC) Plan was established pursuant to §51.1-1400 et seq. of the Code of Virginia, as amended, and which provides the authority under which benefit terms are established or may be amended. All full-time, salaried permanent employees of participating political subdivisions are automatically covered by the VRS Political Subdivision HIC Plan upon employment. This is an agent multiple-employer plan administered by the Virginia Retirement System (the System), along with pension and other OPEB plans, for public employer groups in the Commonwealth of Virginia. Members earn one month of service credit toward the benefit for each month they are employed and for which their employer pays contributions to VRS. The HIC is a tax-free reimbursement in an amount set by the General Assembly for each year of service credit against qualified health insurance premiums retirees pay for single coverage, excluding any portion covering the spouse or dependents. The credit cannot exceed the amount of the premiums and ends upon the retiree's death.

The specific information about the Political Subdivision HIC Plan OPEB, including eligibility, coverage and benefits is described below:

Eligible Employees

The Political Subdivision Retiree HIC Plan was established July 1, 1993 for retired political subdivision employees of employers who elect the benefit and retire with at least 15 years of service credit. Eligible employees include full-time permanent salaried employees of the participating political subdivision who are covered under the VRS pension plan. These employees are enrolled automatically upon employment.

Benefit Amounts

The Political Subdivision Retiree HIC Plan is a defined benefit plan that provides a credit toward the cost of health insurance coverage for retired political subdivision employees of participating employers. For employees who retire, the monthly benefit is \$1.50 per year of service per month with a maximum benefit of \$45.00 per month. For employees who retire on disability or go on long-term disability under the Virginia Local Disability Program (VLDP), the monthly benefit is \$45.00 per month.

HIC Plan Notes

The monthly HIC benefit cannot exceed the individual premium amount. There is no HIC for premiums paid and qualified under LODA; however, the employee may receive the credit for premiums paid for other qualified health plans. Employees who retire after being on long-term disability under VLDP must have at least 15 years of service credit to qualify for the HIC as a retiree.

COUNTY OF LOUISA, VIRGINIA

Notes to Financial Statements
As of June 30, 2025 (Continued)

Note 16–Health Insurance Credit (HIC) Plan: (Continued)

Employees Covered by Benefit Terms

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

	<u>County and LCWA Plan</u>	<u>School Nonprofessional</u>
Inactive members or their beneficiaries currently receiving benefits	39	50
Inactive members:		
Vested inactive members	1	3
Non-vested inactive members	-	-
Inactive members active elsewhere in VRS	54	39
Total inactive members	<u>55</u>	<u>42</u>
Active members	172	181
Total covered employees	<u><u>266</u></u>	<u><u>273</u></u>

Contributions

The contribution requirements for active employees is governed by §51.1-1402(E) of the Code of Virginia, as amended, but may be impacted as a result of funding options provided to political subdivisions by the Virginia General Assembly. The County and School Nonprofessional contractually required employer contribution rates for the year ended June 30, 2025 were .07% and .19% of covered employee compensation respectively. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2023. The actuarially determined rate was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions from the County to the HIC Plan were \$7,944 (comprised of \$7,395 and \$549 for the County and LCWA respectively) and \$8,398 (comprised of \$7,846 and \$552 for the County and LCWA respectively) for the years ended June 30, 2025 and June 30, 2024, respectively. Contributions from the School Board for the Nonprofessional plan were \$10,432 and \$14,902 for the years ended June 30, 2025 and June 30, 2024, respectively.

COUNTY OF LOUISA, VIRGINIA

Notes to Financial Statements
As of June 30, 2025 (Continued)

Note 16–Health Insurance Credit (HIC) Plan: (Continued)

Net HIC OPEB Liability

The County Plan and School Nonprofessional Plan net HIC OPEB liabilities were measured as of June 30, 2024. The total HIC OPEB liability was determined by an actuarial valuation performed as of June 30, 2023, using updated actuarial assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2024.

Actuarial Assumptions

The total HIC OPEB liability 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%
Salary increases, including inflation:	
Locality - General employees	3.50%-5.35%
Locality - Hazardous Duty employees	3.50%-4.75%
Investment rate of return	6.75%, net of investment expenses, including inflation

Mortality Rates – Non-Largest Ten Locality Employers – General Employees

Pre-Retirement:

Pub-2010 Amount Weighted Safety Employee Rates projected generationally; 95% of rates for males; 105% of rates for females set forward 2 years

Post-Retirement:

Pub-2010 Amount Weighted Safety Healthy Retiree Rates projected generationally; 110% of rates for males; 105% of rates for females set forward 3 years

Post-Disablement:

Pub-2010 Amount Weighted General Disabled Rates projected generationally; 95% of rates for males set back 3 years; 90% of rates for females set back 3 years

Beneficiaries and Survivors:

Pub-2010 Amount Weighted Safety Contingent Annuitant Rates projected generationally; 110% of rates for males and females set forward 2 years

Mortality Improvement Scale:

Rates projected generationally with Modified MP-2020 Improvement Scale that is 75% of the MP-2020 rates

COUNTY OF LOUISA, VIRGINIA

Notes to Financial Statements
As of June 30, 2025 (Continued)

Note 16–Health Insurance Credit (HIC) Plan: (Continued)

Actuarial Assumptions: (Continued)

Mortality Rates – Non-Largest Ten Locality Employers – General Employees: (Continued)

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:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted 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
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

Mortality Rates – Non-Largest Ten Locality Employers – Hazardous Duty Employees

Pre-Retirement:

Pub-2010 Amount Weighted Safety Employee Rates projected generationally; 95% of rates for males; 105% of rates for females set forward 2 years

Post-Retirement:

Pub-2010 Amount Weighted Safety Healthy Retiree Rates projected generationally; 110% of rates for males; 105% of rates for females set forward 3 years

Post-Disablement:

Pub-2010 Amount Weighted General Disabled Rates projected generationally; 95% of rates for males set back 3 years; 90% of rates for females set back 3 years

COUNTY OF LOUISA, VIRGINIA

Notes to Financial Statements
As of June 30, 2025 (Continued)

Note 16–Health Insurance Credit (HIC) Plan: (Continued)

Actuarial Assumptions: (Continued)

Mortality Rates – Non-Largest Ten Locality Employers – Hazardous Duty Employees: (Continued)

Beneficiaries and Survivors:

Pub-2010 Amount Weighted Safety Contingent Annuitant Rates projected generationally; 110% of rates for males and females set forward 2 years

Mortality Improvement Scale:

Rates projected generationally with Modified MP-2020 Improvement Scale that is 75% of the MP-2020 rates

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:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. Increased disability life expectancy. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience and changed final retirement age from 65 to 70
Withdrawal Rates	Decreased rates and changed from rates based on age and service to rates based on service only to better fit experience and to be more consistent with Locals Top 10 Hazardous Duty
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

COUNTY OF LOUISA, VIRGINIA

Notes to Financial Statements
As of June 30, 2025 (Continued)

Note 16–Health Insurance Credit (HIC) Plan: (Continued)

Long-Term Expected Rate of Return

The long-term expected rate of return on the System’s investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of System’s investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimate of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class (Strategy)	Long-Term Target Asset Allocation	Arithmetic Long-term Expected Rate of Return	Weighted Average Long-term Expected Rate of Return*
Public Equity	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%	350.00%	-0.11%
Total	100.00%		7.07%
	Expected arithmetic nominal return**		7.07%

*The above allocation provides 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 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 was roughly at the 45th percentile of expected long-term results of the VRS fund asset allocation at that time, providing a median return of 7.14%, including expected inflation of 2.50%.

Discount Rate

The discount rate used to measure the total HIC OPEB liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Through the fiscal year ended June 30, 2024, the rate contributed by the entity for the HIC OPEB will be subject to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly which was 100% of the actuarially determined contribution rate. From July 1, 2024 on, employers are assumed to continue to contribute 100% of the actuarially determined contribution rates. Based on

COUNTY OF LOUISA, VIRGINIA

Notes to Financial Statements
As of June 30, 2025 (Continued)

Note 16—Health Insurance Credit (HIC) Plan: (Continued)

Discount Rate: (Continued)

those assumptions, the HIC OPEB’s fiduciary net position was projected to be available to make all projected future benefit payments of eligible employees. Therefore the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total HIC OPEB liability.

Changes in Net HIC OPEB Liability

	Increase (Decrease)		
	Total HIC OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net HIC OPEB Liability (Asset) (a) - (b)
County Plan			
Balances at June 30, 2023	\$ 177,870	\$ 157,381	\$ 20,489
Changes for the year:			
Service cost	\$ 5,993	\$ -	\$ 5,993
Interest	12,142	-	12,142
Differences between expected and actual experience	(8,614)	-	(8,614)
Assumption changes	-	-	-
Contributions - employer	-	8,397	(8,397)
Net investment income	-	15,031	(15,031)
Benefit payments	(7,951)	(7,951)	-
Administrative expenses	-	(205)	205
Other changes	-	(1)	1
Net changes	\$ 1,570	\$ 15,271	\$ (13,701)
Balances at June 30, 2024	\$ 179,440	\$ 172,652	\$ 6,788
School Plan			
Balances at June 30, 2023	\$ 408,865	\$ 336,964	\$ 71,901
Changes for the year:			
Service cost	\$ 4,643	\$ -	\$ 4,643
Interest	27,191	-	27,191
Differences between expected and actual experience	(13,889)	-	(13,889)
Assumption changes	-	-	-
Contributions - employer	-	14,994	(14,994)
Net investment income	-	31,324	(31,324)
Benefit payments	(21,352)	(21,352)	-
Administrative expenses	-	(429)	429
Other changes	-	1	(1)
Net changes	\$ (3,407)	\$ 24,538	\$ (27,945)
Balances at June 30, 2024	\$ 405,458	\$ 361,502	\$ 43,956

The total net HIC OPEB Liability for the County Plan is allocated between the County \$6,342 and LCWA \$446.

COUNTY OF LOUISA, VIRGINIA

Notes to Financial Statements
As of June 30, 2025 (Continued)

Note 16–Health Insurance Credit (HIC) Plan: (Continued)

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

The following presents the County and School Nonprofessional HIC Plan net HIC OPEB liability using the discount rate of 6.75%, as well as what the net HIC OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate:

	Rate		
	1% Decrease (5.75%)	Current Discount (6.75%)	1% Increase (7.75%)
Net HIC OPEB Liability:			
County Plan:			
County	\$ 27,118	\$ 6,342	\$ (10,951)
LCWA	1,907	446	(770)
Total County Plan	<u>\$ 29,025</u>	<u>\$ 6,788</u>	<u>\$ (11,721)</u>
School Nonprofessional	<u>\$ 83,172</u>	<u>\$ 43,956</u>	<u>\$ 10,190</u>

HIC Plan OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to HIC Plan OPEB

For the year ended June 30, 2025, the County recognized HIC Plan OPEB expense of \$6,153 (comprised of \$5,749 and \$404 for the County and LCWA respectively). The School Nonprofessional plan recognized HIC Plan OPEB expense of (\$2,195). At June 30, 2025, the County and School Nonprofessional plans reported deferred outflows of resources and deferred inflows of resources related to their HIC Plan from the following sources:

	County Plan					
	Primary Government		LCWA		Total	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 7,570	\$ 22,136	\$ 532	\$ 1,557	\$ 8,102	\$ 23,693
Net difference between projected and actual earnings on HIC OPEB plan investments	-	2,943	-	207	-	3,150
Change in assumptions	23,997	-	1,688	-	25,685	-
Employer contributions subsequent to the measurement date	<u>7,395</u>	<u>-</u>	<u>549</u>	<u>-</u>	<u>7,944</u>	<u>-</u>
Total	<u>\$ 38,962</u>	<u>\$ 25,079</u>	<u>\$ 2,769</u>	<u>\$ 1,764</u>	<u>\$ 41,731</u>	<u>\$ 26,843</u>

COUNTY OF LOUISA, VIRGINIA

Notes to Financial Statements
As of June 30, 2025 (Continued)

Note 16—Health Insurance Credit (HIC) Plan: (Continued)

HIC Plan OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to HIC Plan OPEB: (Continued)

	<u>School Nonprofessional</u>	
	<u>Deferred</u>	<u>Deferred</u>
	<u>Outflows of</u>	<u>Inflows of</u>
	<u>Resources</u>	<u>Resources</u>
Differences between expected and actual experience	\$ 6,943	\$ 21,346
Net difference between projected and actual earnings on HIC OPEB plan investments	-	7,260
Change in assumptions	1,473	-
Employer contributions subsequent to the measurement date	<u>10,432</u>	<u>-</u>
Total	<u>\$ 18,848</u>	<u>\$ 28,606</u>

\$7,395, \$549, and \$10,432 reported by the County, LCWA, and School Nonprofessional plan as deferred outflows of resources related to the HIC OPEB resulting from the contributions subsequent to the measurement date will be recognized as a reduction of the Net HIC OPEB Liability in the fiscal year ending June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the HIC OPEB will be recognized in the HIC OPEB expense in future reporting periods as follows:

<u>Year Ended June 30</u>	<u>County Plan</u>			<u>School Nonprofessional</u>
	<u>County</u>	<u>LCWA</u>	<u>Total</u>	
2026	\$ (1,744)	\$ (123)	\$ (1,867)	\$ (11,847)
2027	3,301	232	3,533	(1,647)
2028	2,348	165	2,513	(4,531)
2029	484	34	518	(2,165)
2030	1,042	73	1,115	-
Thereafter	1,057	75	1,132	-

HIC Plan Data

Information about the VRS Political Subdivision HIC Plan is available in the separately issued VRS 2024 Annual Comprehensive Financial Report (Annual Report). A copy of the 2024 VRS Annual Report may be downloaded from the VRS website at <http://www.varetire.org/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.

COUNTY OF LOUISA, VIRGINIA

Notes to Financial Statements
As of June 30, 2025 (Continued)

Note 17—Medical, Dental, and Life Insurance – Pay-as-you-Go (OPEB Plan):

Plan Description

In addition to the pension and OPEB benefits described in Note 8, 15, 16, and 17 the County and School Board provide post-retirement healthcare benefits for employees who are eligible under a single-employer defined benefit plan. Louisa County and Louisa County Public Schools offer eligible retirees post-retirement medical coverage if they retire directly from the County or Schools with at least fifteen years of continuous County of Louisa or Louisa County Public School, service and are eligible to receive an early or regular retirement benefit from the Virginia Retirement System (VRS). The retirees' dependents can receive benefits under the plan with the premium to be paid by the retiree. Health benefits include medical and dental coverage. The Louisa County and Louisa County Public School retirees are responsible for 100% of the premium that is paid directly to the subscriber. Benefits end at the age of 65 or when retirees become eligible for Medicare for both the County and the School System. The OPEB Plan does not issue separate audited financial statements.

Benefits Provided

The County's and School Board establish employer contribution rates for plan participants as part of the budgetary process each year. The County and School Board also determine how the plan will be funded each year, whether they will partially fund the plan or fully fund the plan. Again, this is determined annually as part of the budgetary process. Retirees pay the full premium for health insurance coverage. Retirees pay 100% of spousal premiums. Coverage ceases when retirees reach the age of 65 and retirees are covered by a Medicare Eligible supplement. Surviving spouses are not allowed access to the plan.

Plan Membership

At July 1, 2024 (valuation date), the following employees were covered by the benefit terms:

	<u>County</u>	<u>School Board</u>	<u>LCWA</u>
Retirees & spouses	2	15	-
Active employees	<u>306</u>	<u>794</u>	<u>22</u>
Total	<u><u>308</u></u>	<u><u>809</u></u>	<u><u>22</u></u>

Contributions

The board does not pre-fund benefits; therefore, no assets are accumulated in a trust fund. The current funding policy is to pay benefits directly from general assets on a pay-as-you-go basis. The funding requirements are established and may be amended by the Plan Board. The amount paid by the County, School Board, and LCWA for OPEB as the benefits came due during the year ended June 30, 2025 were \$20,432, \$275,822, and \$914, respectively.

Total OPEB Liability

The total OPEB liability was measured as of June 30, 2025.

COUNTY OF LOUISA, VIRGINIA

Notes to Financial Statements
As of June 30, 2025 (Continued)

Note 17—Medical, Dental, and Life Insurance – Pay-as-you-Go (OPEB Plan): (Continued)

Actuarial Assumptions

The total OPEB liability in the July 1, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary Increases	2.50%
Discount Rate	4.81%
Investment Rate of Return	N/A

Mortality rates were based on Pub-2010 Public Retirement Plans mortality table projected generationally with Scale MP-2021.

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

Discount Rate

As the Plan is not pre-funded and no OPEB Plan Fiduciary Net Position exists, GASB 75 requires that the discount rate reflect the yield for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The 4.81% rate used in the valuation is based on rates from the Fidelity GO AA 20 Yrs index as of the current measurement date and from the Bond Buyer 20-Bond GO index as of the prior measurement date. The final equivalent single discount rate used for this year’s valuation is 4.81% as of the end of the fiscal year with the expectation that the entity will continue contributing the Actuarially Determined Contribution and paying the pay-go cost from the OPEB Trust.

Changes in Total OPEB Liability

	Changes in Total OPEB Liability		
	Primary Government	School Board	LCWA
	Total OPEB Liability	Total OPEB Liability	Total OPEB Liability
Balances at June 30, 2024	\$ 1,436,487	\$ 4,916,853	\$ 42,813
Changes for the year:			
Service cost	80,948	222,054	1,740
Interest	59,841	198,593	1,751
Difference between expected and actual experience	284,375	(586,901)	16,294
Changes in assumptions	(170,378)	(414,075)	(5,708)
Benefit payments	(20,432)	(275,822)	(914)
Net changes	234,354	(856,151)	13,163
Balances at June 30, 2025	\$ 1,670,841	\$ 4,060,702	\$ 55,976

COUNTY OF LOUISA, VIRGINIA

Notes to Financial Statements
As of June 30, 2025 (Continued)

Note 17—Medical, Dental, and Life Insurance – Pay-as-you-Go (OPEB Plan): (Continued)

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

The following amounts present the total OPEB liability, as well as what the total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (3.81%) or one percentage point higher (5.81%) than the current discount rate:

	Rate		
	1% Decrease (3.81%)	Current Discount Rate (4.81%)	1% Increase (5.81%)
County	\$ 1,843,505	\$ 1,670,841	\$ 1,470,037
School Board	4,480,333	4,060,702	3,572,681
LCWA	61,761	55,976	49,249

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

The following presents the total OPEB liability of the, as well as what the total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower (5.00% decreasing to an ultimate rate of 3.25%) or one percentage point higher (7.00% decreasing to an ultimate rate of 5.25%) than the current healthcare cost trend rates:

	Rates		
	1% Decrease (5.00% decreasing to 3.25%)	Healthcare Cost Trend (6.00% decreasing to 4.25%)	1% Increase (7.00% decreasing to 5.25%)
County	\$ 1,516,204	\$ 1,670,841	\$ 1,912,864
School Board	3,684,883	4,060,702	4,648,900
LCWA	50,796	55,976	64,085

COUNTY OF LOUISA, VIRGINIA

Notes to Financial Statements
As of June 30, 2025 (Continued)

Note 17—Medical, Dental, and Life Insurance – Pay-as-you-Go (OPEB Plan): (Continued)

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

For the year ended June 30, 2025, the County, School Board, and LCWA recognized OPEB expense in the amount of \$40,311, \$217,197, and (\$5,567), respectively.

At June 30, 2025, the deferred outflows of resources and deferred inflows of resources related to the Pay-as-you-Go plan were as follows:

	<u>County</u>		<u>School Board</u>		<u>LCWA</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 254,835	\$ 77,125	\$ 619,334	\$ 187,440	\$ 8,537	\$ 2,584
Changes in assumptions	78,684	347,516	191,227	844,578	2,636	11,642
Total	<u>\$ 333,519</u>	<u>\$ 424,641</u>	<u>\$ 810,561</u>	<u>\$ 1,032,018</u>	<u>\$ 11,173</u>	<u>\$ 14,226</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the Pay—as-you-Go plan will be recognized in the OPEB expense in future reporting periods as follows:

<u>Year Ended June 30</u>	<u>County</u>	<u>School Board</u>	<u>LCWA</u>
2026	\$ (71,645)	\$ (174,121)	\$ (2,400)
2027	(7,916)	(19,239)	(265)
2028	29,568	71,861	991
2029	46,071	111,968	1,543
Thereafter	(87,200)	(211,926)	(2,922)

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

COUNTY OF LOUISA, VIRGINIA

Notes to Financial Statements
As of June 30, 2025 (Continued)

Note 17—Medical, Dental, and Life Insurance – Pay-as-you-Go (OPEB Plan): (Continued)

Summary of OPEB Liability, Deferred Outflows of Resources and Deferred Inflows of Resources:

	<u>Net OPEB Liability</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>OPEB Expense</u>
Primary Government				
Pay-as-you-go (Note 17)	\$ 1,670,841	\$ 333,519	\$ 424,641	\$ 40,311
Group Life - County (Note 14)	800,618	294,021	127,406	49,384
HIC Program (Note 16)	6,342	38,962	25,079	5,749
Total	<u>\$ 2,477,801</u>	<u>\$ 666,502</u>	<u>\$ 577,126</u>	<u>\$ 95,444</u>
Component Unit School Board				
Pay-as-you-go (Note 17)	\$ 4,060,702	\$ 810,561	\$ 1,032,018	\$ 217,197
Group Life:				
- School Professional (Note 14)	1,772,084	566,982	325,732	68,995
- School Nonprofessional (Note 14)	231,331	92,520	46,949	6,602
Teacher HIC Program (Note 15)	4,395,045	834,239	282,324	397,867
HIC Program (Note 16)	43,956	18,848	28,606	(2,195)
Total	<u>\$ 10,503,118</u>	<u>\$ 2,323,150</u>	<u>\$ 1,715,629</u>	<u>\$ 688,466</u>
Component Unit LCWA				
Pay-as-you-go (Note 17)	\$ 55,976	\$ 11,173	\$ 14,226	\$ (5,567)
Group Life - County (Note 14)	56,299	21,037	8,958	3,473
HIC Program (Note 16)	446	2,769	1,764	404
Total	<u>\$ 112,721</u>	<u>\$ 34,979</u>	<u>\$ 24,948</u>	<u>\$ (1,690)</u>

Note 18—Construction Commitments:

As of June 30, 2025, the County has the following construction commitments:

<u>Project</u>	<u>Contract Amounts</u>	<u>Expenditures as of June 30, 2025</u>	<u>Contract Balance</u>	<u>Retainage Payable</u>
Offsite Utility Project	\$ 55,000,000	\$ 13,709,244	\$ 41,290,756	\$ 685,462
New CTE Building	29,293,000	890,482	28,402,518	44,524
Shannon Hill Regional Business Park	27,585,380	1,880,743	25,704,637	94,037
LCMS Addition	21,083,000	16,837,842	4,245,158	846,893
Elevated Water Storage Tank	5,553,827	5,415,227	138,600	270,761
South Side Taxiway - Phase 1	1,186,370	1,030,141	156,229	103,014
T-Hangar	800,365	670,799	129,566	67,080
Total	<u>\$ 140,501,942</u>	<u>\$ 40,434,478</u>	<u>\$ 100,067,464</u>	<u>\$ 2,111,771</u>

COUNTY OF LOUISA, VIRGINIA

Notes to Financial Statements
As of June 30, 2025 (Continued)

Note 19—New Accounting Standards:

Statement No. 103, Financial Reporting Model Improvements, 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. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025.

Statement No. 104, Disclosure of Certain Capital Assets, requires certain types of assets (lease assets, subscription assets, intangible right-to-use assets, and other intangible assets) to be disclosed separately in the capital asset note disclosures by major class of underlying asset. It also requires additional disclosures for capital assets held for sale. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025.

Implementation Guide No. 2025-1, Implementation Guidance Update—2025, effective for fiscal years beginning after June 15, 2025.

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

Note 20—Restatements and Adjustments of Beginning Net Position:

The County restated or adjusted beginning net position in fiscal year 2025 as follows:

	Restatements			Adjustment
	Governmental Activities	Component-Unit School Board	Component-Unit Louisa County Water Authority	Component-Unit Industrial Development Authority of Louisa County, VA
Net position, as previously reported	\$ 162,704,842	\$ 57,797,003	\$ 24,710,692	\$ -
Implementation of GASB 101	(1,322,132)	(6,777,709)	(106,438)	-
Capital asset duplicated in prior year	(644,000)	-	-	-
Tenancy in common school capital project costs previously unidentified by the school board	2,115,879	-	-	-
Tenancy in common asset previously included on school board asset list in its entirety	7,235,000	(7,235,000)	-	-
Previously unreported component-unit	-	-	-	4,127,681
Net position, as restated or adjusted	<u>\$ 170,089,589</u>	<u>\$ 43,784,294</u>	<u>\$ 24,604,254</u>	<u>\$ 4,127,681</u>

In fiscal year 2025, the County took over management of the local airport from the Industrial Development Authority and became the Authority’s fiscal accounting agent. The Board of Supervisors cannot impose its will on the Authority, but without support of revenue generated by the local airport, the Authority relies on the County for financial support. Accordingly, the Authority is now considered a component unit of the County and is included as a discrete presentation in the County’s financial report.

REQUIRED SUPPLEMENTARY INFORMATION

Note to Required Supplementary Information:

Presented budgets were prepared in accordance with accounting principles generally accepted in the United States of America.

General Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
General property taxes	\$ 91,419,235	\$ 91,419,235	\$ 92,991,577	\$ 1,572,342
Other local taxes	11,890,000	11,890,000	13,320,271	1,430,271
Permits, privilege fees, and regulatory licenses	1,238,000	1,238,000	2,867,531	1,629,531
Fines and forfeitures	100,000	100,000	110,925	10,925
Revenue from the use of money and property	2,121,408	2,121,408	4,226,252	2,104,844
Charges for services	4,426,500	4,476,500	4,377,281	(99,219)
Miscellaneous	225,025	240,542	341,830	101,288
Recovered costs	140,000	142,888	843,840	700,952
Intergovernmental:				
Commonwealth	9,706,818	11,147,025	10,713,311	(433,714)
Federal	3,038,271	4,007,830	5,246,466	1,238,636
Total revenues	\$ 124,305,257	\$ 126,783,428	\$ 135,039,284	\$ 8,255,856
EXPENDITURES				
General government administration:				
Legislative:				
Board of supervisors	\$ 188,124	\$ 214,682	\$ 200,569	\$ 14,113
General and financial administration:				
County administrator	\$ 823,268	\$ 815,515	\$ 756,315	\$ 59,200
County attorney	425,916	428,015	385,686	42,329
Administrative and human resources	250,195	250,450	228,509	21,941
Commissioner of revenue	531,092	649,095	532,422	116,673
Reassessment	613,594	632,133	537,801	94,332
Treasurer	567,649	605,770	605,701	69
Finance	678,439	696,910	654,566	42,344
Network administration	868,237	868,340	709,968	158,372
Total general and financial administration	\$ 4,758,390	\$ 4,946,228	\$ 4,410,968	\$ 535,260
Board of elections:				
Electoral board and officials	\$ 430,643	\$ 433,689	\$ 403,864	\$ 29,825
Total general government administration	\$ 5,377,157	\$ 5,594,599	\$ 5,015,401	\$ 579,198
Judicial administration:				
Courts:				
Circuit court	\$ 131,291	\$ 131,317	\$ 107,789	\$ 23,528
General district court	8,075	8,075	4,764	3,311
Juvenile domestic court	12,800	13,405	5,687	7,718
Clerk of the circuit court	669,019	719,373	719,180	193
Sheriff - courts	1,112,474	1,172,514	993,454	179,060
Total courts	\$ 1,933,659	\$ 2,044,684	\$ 1,830,874	\$ 213,810

General Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2025 (Continued)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
EXPENDITURES: (Continued)				
Judicial administration: (Continued)				
Commonwealth's attorney:				
Commonwealth's attorney	\$ 1,086,080	\$ 1,236,623	\$ 1,198,682	\$ 37,941
Total judicial administration	\$ 3,019,739	\$ 3,281,307	\$ 3,029,556	\$ 251,751
Public safety:				
Law enforcement and traffic control:				
Sheriff - law enforcement	\$ 6,545,456	\$ 7,116,830	\$ 6,456,887	\$ 659,943
Communications center	1,646,605	1,699,376	1,463,144	236,232
Emergency 911 system	582,542	582,542	547,031	35,511
Total law enforcement and traffic control	\$ 8,774,603	\$ 9,398,748	\$ 8,467,062	\$ 931,686
Fire and rescue services:				
Office of emergency services	\$ 886,861	\$ 959,149	\$ 855,813	\$ 103,336
Fire & rescue assistance	1,982,039	2,705,614	2,224,922	480,692
Revenue recovery	376,046	376,052	360,884	15,168
Emergency services	8,191,189	9,154,993	8,513,886	641,107
Total fire and rescue services	\$ 11,436,135	\$ 13,195,808	\$ 11,955,505	\$ 1,240,303
Correction and detention:				
Sheriff - correction and detention	\$ 3,105,496	\$ 3,121,401	\$ 2,996,337	\$ 125,064
Other protection:				
Animal control	\$ 452,552	\$ 497,526	\$ 413,042	\$ 84,484
Animal shelter	474,261	502,610	445,009	57,601
COVID-19 emergency acts	-	1,833,370	1,791,682	41,688
Emergency services (civil defense)	20,800	20,800	20,800	-
Forest fire prevention and extinction	30,660	30,660	18,168	12,492
Transportation safety commission	1,200	1,200	-	1,200
Transportation department	566,440	997,623	815,275	182,348
Total other protection	\$ 1,545,913	\$ 3,883,789	\$ 3,503,976	\$ 379,813
Total public safety	\$ 24,862,147	\$ 29,599,746	\$ 26,922,880	\$ 2,676,866
Public works:				
Sanitation and waste removal:				
Refuse collection-solid waste control	\$ 1,876,087	\$ 1,929,799	\$ 1,842,967	\$ 86,832
Maintenance of general buildings and grounds:				
General properties	\$ 2,737,444	\$ 2,837,382	\$ 2,553,761	\$ 283,621
Water and wastewater	556,582	717,480	703,353	14,127
Total maintenance of general buildings and grounds	\$ 3,294,026	\$ 3,554,862	\$ 3,257,114	\$ 297,748
Total public works	\$ 5,170,113	\$ 5,484,661	\$ 5,100,081	\$ 384,580

General Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2025 (Continued)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
EXPENDITURES: (Continued)				
Health and human services:				
Health:				
Supplement of local health department	\$ 798,804	\$ 798,804	\$ 769,560	\$ 29,244
Total health	\$ 798,804	\$ 798,804	\$ 769,560	\$ 29,244
Mental health and mental retardation:				
Region 10	\$ 237,433	\$ 312,433	\$ 290,400	\$ 22,033
Human services:				
Administration and public assistance	\$ 7,136,784	\$ 8,001,819	\$ 5,925,419	\$ 2,076,400
At risk youth	4,392,938	4,720,214	4,610,366	109,848
Monticello Area Community Action Agency	40,000	40,000	2,000	38,000
Jefferson Area Board for Aging	292,566	292,566	292,566	-
Housing assistance	72,000	72,000	72,000	-
Human service agency donations	95,000	95,000	95,000	-
Total human services	\$ 12,029,288	\$ 13,221,599	\$ 10,997,351	\$ 2,224,248
Total health and human services	\$ 13,065,525	\$ 14,332,836	\$ 12,057,311	\$ 2,275,525
Education:				
Other instructional costs:				
Contribution to Louisa County school board	\$ 46,547,112	\$ 46,547,112	\$ 37,765,713	\$ 8,781,399
Contributions to local community college	37,942	37,942	37,942	-
Total education	\$ 46,585,054	\$ 46,585,054	\$ 37,803,655	\$ 8,781,399
Parks, recreation, and cultural:				
Parks and recreation:				
Parks and recreation	\$ 1,074,837	\$ 1,058,795	\$ 882,142	\$ 176,653
Parks and recreation - self supporting	560,148	633,029	596,656	36,373
Swimming pools	143,478	180,054	177,798	2,256
Total parks and recreation	\$ 1,778,463	\$ 1,871,878	\$ 1,656,596	\$ 215,282
Cultural enrichment:				
Agriculture fair	\$ 7,500	\$ 7,500	\$ 7,500	-
Community organizations	65,000	69,500	69,500	-
Total cultural enrichment	\$ 72,500	\$ 77,000	\$ 77,000	-
Library:				
Contribution to regional library	\$ 433,257	\$ 433,257	\$ 432,957	\$ 300
Total parks, recreation, and cultural	\$ 2,284,220	\$ 2,382,135	\$ 2,166,553	\$ 215,582

General Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2025 (Continued)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
EXPENDITURES: (Continued)				
Community development:				
Planning and community development:				
Planning	\$ 1,735,919	\$ 1,766,246	\$ 1,698,075	\$ 68,171
Planning District Commission	98,196	98,196	98,196	-
Industrial Development Authority	123,028	123,028	101,584	21,444
Broadband Authority	18,700	18,700	2,035	16,665
Economic development	245,747	247,557	214,457	33,100
Tourism	752,599	759,066	408,539	350,527
Lake Anna Advisory Committee	17,000	1,081,853	240,181	841,672
Airport operations	679,867	732,696	696,566	36,130
Total planning and community development	<u>\$ 3,671,056</u>	<u>\$ 4,827,342</u>	<u>\$ 3,459,633</u>	<u>\$ 1,367,709</u>
Environmental management:				
Soil and water conservation	\$ 54,286	\$ 54,286	\$ 54,286	\$ -
Cooperative extension program:				
VPI extension	\$ 181,578	\$ 181,595	\$ 157,685	\$ 23,910
Total community development	<u>\$ 3,906,920</u>	<u>\$ 5,063,223</u>	<u>\$ 3,671,604</u>	<u>\$ 1,391,619</u>
Nondepartmental:				
Miscellaneous	\$ 975,000	\$ 15,658	\$ -	\$ 15,658
Debt service:				
Principal retirement	\$ 2,820,442	\$ 2,820,442	\$ 2,820,442	\$ -
Interest and other fiscal charges	3,114,722	3,114,722	3,058,874	55,848
Total debt service	<u>\$ 5,935,164</u>	<u>\$ 5,935,164</u>	<u>\$ 5,879,316</u>	<u>\$ 55,848</u>
Total Expenditures	<u>\$ 111,181,039</u>	<u>\$ 118,274,383</u>	<u>\$ 101,646,357</u>	<u>\$ 16,628,026</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 13,124,218</u>	<u>\$ 8,509,045</u>	<u>\$ 33,392,927</u>	<u>\$ 24,883,882</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ -	\$ 2,983,000	\$ -	\$ (2,983,000)
Transfers out	(13,124,218)	(13,671,093)	(18,383,631)	(4,712,538)
Insurance proceeds	-	587,683	587,683	-
Total other financing sources (uses)	<u>\$ (13,124,218)</u>	<u>\$ (10,100,410)</u>	<u>\$ (17,795,948)</u>	<u>\$ (7,695,538)</u>
Net change in fund balances	\$ -	\$ (1,591,365)	\$ 15,596,979	\$ 17,188,344
Fund balances - beginning	-	1,591,365	84,780,656	83,189,291
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 100,377,635</u>	<u>\$ 100,377,635</u>

Schedule of Changes in Net Pension Liability (Asset) and Related Ratios
Primary Government
Pension Plans
For the Measurement Dates of June 30, 2015 through June 30, 2024

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Total pension liability					
Service cost	\$ 2,329,753	\$ 2,132,363	\$ 1,717,081	\$ 1,426,009	\$ 1,428,118
Interest	3,600,301	3,379,204	3,179,070	2,817,498	2,518,880
Changes in benefit terms	-	-	-	-	-
Differences between expected and actual experience	2,929,250	182,961	(418,756)	(612,068)	1,749,878
Impact of change in proportion	(450,031)	62,874	114,142	388,766	57,852
Changes of assumptions	- \$	- \$	-	1,690,282	-
Benefit payments	(2,244,872)	(2,087,909)	(1,893,265)	(1,699,415)	(1,623,896)
Net change in total pension liability	<u>\$ 6,164,401</u>	<u>\$ 3,669,493</u>	<u>\$ 2,698,272</u>	<u>\$ 4,011,072</u>	<u>\$ 4,130,832</u>
Total pension liability - beginning	<u>52,580,500</u>	<u>48,911,007</u>	<u>46,212,735</u>	<u>42,201,663</u>	<u>38,070,831</u>
Total pension liability - ending (a)	<u>\$ 58,744,901</u>	<u>\$ 52,580,500</u>	<u>\$ 48,911,007</u>	<u>\$ 46,212,735</u>	<u>\$ 42,201,663</u>
	\$	\$			
Plan fiduciary net position					
Contributions - employer	\$ 1,722,333	1,607,923	1,188,403	\$ 1,072,184	\$ 911,915
Contributions - employee	864,854	842,903	710,213	649,936	611,628
Impact of change in proportion	(459,001)	64,217	123,307	357,230	57,910
Net investment income	5,196,857	3,275,860	(66,395)	10,789,777	737,081
Benefit payments	(2,244,872)	(2,087,909)	(1,893,265)	(1,699,415)	(1,623,896)
Administrator charges	(31,743)	\$ (31,508)	\$ (30,748)	(26,080)	(24,443)
Other	1,184	1,329	1,174	1,025	(876)
Net change in plan fiduciary net position	<u>\$ 5,049,612</u>	<u>\$ 3,672,815</u>	<u>\$ 32,689</u>	<u>\$ 11,144,657</u>	<u>\$ 669,319</u>
Plan fiduciary net position - beginning	<u>53,628,577</u>	<u>49,955,762</u>	<u>49,923,073</u>	<u>38,778,416</u>	<u>38,109,097</u>
Plan fiduciary net position - ending (b)	<u>\$ 58,678,189</u>	<u>\$ 53,628,577</u>	<u>\$ 49,955,762</u>	<u>\$ 49,923,073</u>	<u>\$ 38,778,416</u>
County's net pension liability (asset) - ending (a) - (b)	\$ 66,712	(1,048,077)	(1,044,755)	\$ (3,710,338)	\$ 3,423,247
Plan fiduciary net position as a percentage of the total pension liability	99.89%	\$ 101.99%	\$ 102.14%	108.03%	91.89%
Covered payroll	\$ 18,406,876	16,876,514	14,795,017	\$ 13,284,391	\$ 12,696,708
County's net pension liability (asset) as a percentage of covered payroll	0.36%	-6.21%	-7.06%	-27.93%	26.96%

Schedule of Changes in Net Pension Liability (Asset) and Related Ratios
Primary Government
Pension Plans
For the Measurement Dates of June 30, 2015 through June 30, 2024

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total pension liability					
Service cost	\$ 1,282,379	\$ 1,297,792	\$ 1,264,184	\$ 1,188,987	\$ 1,199,717
Interest	2,424,069	2,226,166	2,151,814	2,013,571	1,926,333
Changes in benefit terms	-	-	-	-	-
Differences between expected and actual experience	(613,250)	851,825	(698,869)	99,738	(560,194)
Impact of change in proportion	(26,933)	(70,518)	(71,283)	(82,531)	(66,793)
Changes of assumptions	1,163,145	-	(253,486)	-	-
Benefit payments	(1,630,139)	(1,413,194)	(1,248,719)	(1,263,487)	(1,210,657)
Net change in total pension liability	<u>\$ 2,599,271</u>	<u>\$ 2,892,071</u>	<u>\$ 1,143,641</u>	<u>\$ 1,956,278</u>	<u>\$ 1,288,406</u>
Total pension liability - beginning	<u>35,471,560</u>	<u>32,579,489</u>	<u>31,435,848</u>	<u>29,479,570</u>	<u>28,191,164</u>
Total pension liability - ending (a)	<u><u>\$ 38,070,831</u></u>	<u><u>\$ 35,471,560</u></u>	<u><u>\$ 32,579,489</u></u>	<u><u>\$ 31,435,848</u></u>	<u><u>\$ 29,479,570</u></u>
Plan fiduciary net position					
Contributions - employer	\$ 858,438	\$ 699,454	\$ 740,275	\$ 969,141	\$ 931,445
Contributions - employee	568,215	542,419	528,473	512,607	505,307
Impact of change in proportion	(27,303)	(73,025)	(68,309)	(82,526)	(66,443)
Net investment income	2,404,924	2,490,104	3,685,703	529,237	1,291,796
Benefit payments	(1,630,139)	(1,413,194)	(1,248,719)	(1,263,487)	(1,210,657)
Administrator charges	(23,381)	(21,181)	(20,846)	(17,993)	(17,180)
Other	(1,521)	(2,231)	(3,297)	(222)	(274)
Net change in plan fiduciary net position	<u>\$ 2,149,233</u>	<u>\$ 2,222,346</u>	<u>\$ 3,613,280</u>	<u>\$ 646,757</u>	<u>\$ 1,433,994</u>
Plan fiduciary net position - beginning	<u>35,959,864</u>	<u>33,737,518</u>	<u>30,124,238</u>	<u>29,477,481</u>	<u>28,043,487</u>
Plan fiduciary net position - ending (b)	<u><u>\$ 38,109,097</u></u>	<u><u>\$ 35,959,864</u></u>	<u><u>\$ 33,737,518</u></u>	<u><u>\$ 30,124,238</u></u>	<u><u>\$ 29,477,481</u></u>
County's net pension liability (asset) - ending (a) - (b)	\$ (38,266)	\$ (488,304)	\$ (1,158,029)	\$ 1,311,610	\$ 2,089
Plan fiduciary net position as a percentage of the total pension liability	100.10%	101.38%	103.55%	95.83%	99.99%
Covered payroll	\$ 11,807,196	\$ 11,180,438	\$ 10,790,355	\$ 10,446,153	\$ 9,848,937
County's net pension liability (asset) as a percentage of covered payroll	-0.32%	-4.37%	-10.73%	12.56%	0.02%

Schedule of Changes in Net Pension Liability (Asset) and Related Ratios
 Component Unit School Board (nonprofessional)
 Pension Plans
 For the Measurement Dates of June 30, 2015 through June 30, 2024

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Total pension liability					
Service cost	\$ 437,591	\$ 386,276	\$ 289,218	\$ 330,728	\$ 331,283
Interest	1,236,509	1,153,560	1,109,936	1,043,276	1,000,107
Changes of benefit terms	-	-	-	-	-
Differences between expected and actual experience	303,035	557,550	(5,640)	(328,722)	(57,507)
Changes in assumptions	-	-	-	358,862	-
Benefit payments, including refunds of employee contributions	(982,167)	(857,503)	(831,078)	(580,529)	(688,159)
Net change in total pension liability	<u>\$ 994,968</u>	<u>\$ 1,239,883</u>	<u>\$ 562,436</u>	<u>\$ 823,615</u>	<u>\$ 585,724</u>
Total pension liability - beginning	<u>18,372,143</u>	<u>17,132,260</u>	<u>16,569,824</u>	<u>15,746,209</u>	<u>15,160,485</u>
Total pension liability - ending (a)	<u><u>\$ 19,367,111</u></u>	<u><u>\$ 18,372,143</u></u>	<u><u>\$ 17,132,260</u></u>	<u><u>\$ 16,569,824</u></u>	<u><u>\$ 15,746,209</u></u>
Plan fiduciary net position					
Contributions - employer	\$ 66,366	\$ 68,077	\$ 129,989	\$ 117,188	\$ 140,651
Contributions - employee	237,713	226,329	209,350	171,082	172,169
Net investment income	1,930,330	1,240,971	(18,198)	4,337,848	308,153
Benefit payments, including refunds of employee contributions	(982,167)	(857,503)	(831,078)	(580,529)	(688,159)
Administrative expense	(13,186)	(12,567)	(12,456)	(10,780)	(10,451)
Other	386	497	456	409	(359)
Net change in plan fiduciary net position	<u>\$ 1,239,442</u>	<u>\$ 665,804</u>	<u>\$ (521,937)</u>	<u>\$ 4,035,218</u>	<u>\$ (77,996)</u>
Plan fiduciary net position - beginning	<u>20,091,270</u>	<u>19,425,466</u>	<u>19,947,403</u>	<u>15,912,185</u>	<u>15,990,181</u>
Plan fiduciary net position - ending (b)	<u><u>\$ 21,330,712</u></u>	<u><u>\$ 20,091,270</u></u>	<u><u>\$ 19,425,466</u></u>	<u><u>\$ 19,947,403</u></u>	<u><u>\$ 15,912,185</u></u>
School Division's net pension liability/ (asset) - ending (a) - (b)	\$ (1,963,601)	\$ (1,719,127)	\$ (2,293,206)	\$ (3,377,579)	\$ (165,976)
Plan fiduciary net position as a percentage of the total pension liability	110.14%	109.36%	113.39%	120.38%	101.05%
Covered payroll	\$ 5,312,987	\$ 5,015,756	\$ 4,037,383	\$ 3,697,599	\$ 3,683,807
School Division's net pension liability as a percentage of covered payroll	-36.96%	-34.27%	-56.80%	-91.35%	-4.51%

Schedule of Changes in Net Pension Liability (Asset) and Related Ratios
 Component Unit School Board (nonprofessional)
 Pension Plans
 For the Measurement Dates of June 30, 2015 through June 30, 2024

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total pension liability					
Service cost	\$ 342,311	\$ 356,903	\$ 359,891	\$ 374,789	\$ 385,090
Interest	988,452	941,538	912,259	869,625	815,270
Changes of benefit terms	-	-	-	-	-
Differences between expected and actual experience	(433,233)	(110,460)	(122,684)	(104,174)	41,954
Changes in assumptions	398,169	-	(191,733)	-	-
Benefit payments, including refunds of employee contributions	(511,922)	(523,627)	(555,289)	(507,083)	(424,544)
Net change in total pension liability	<u>\$ 783,777</u>	<u>\$ 664,354</u>	<u>\$ 402,444</u>	<u>\$ 633,157</u>	<u>\$ 817,770</u>
Total pension liability - beginning	<u>14,376,708</u>	<u>13,712,354</u>	<u>13,309,910</u>	<u>12,676,753</u>	<u>11,858,983</u>
Total pension liability - ending (a)	<u>\$ 15,160,485</u>	<u>\$ 14,376,708</u>	<u>\$ 13,712,354</u>	<u>\$ 13,309,910</u>	<u>\$ 12,676,753</u>
Plan fiduciary net position					
Contributions - employer	\$ 146,148	\$ 178,758	\$ 185,122	\$ 259,053	\$ 258,841
Contributions - employee	174,972	179,128	182,471	178,558	179,082
Net investment income	1,011,864	1,053,482	1,568,784	222,861	560,686
Benefit payments, including refunds of employee contributions	(511,922)	(523,627)	(555,289)	(507,083)	(424,544)
Administrative expense	(9,931)	(9,043)	(9,049)	(7,878)	(7,549)
Other	(638)	(942)	(1,399)	(95)	(119)
Net change in plan fiduciary net position	<u>\$ 810,493</u>	<u>\$ 877,756</u>	<u>\$ 1,370,640</u>	<u>\$ 145,416</u>	<u>\$ 566,397</u>
Plan fiduciary net position - beginning	<u>15,179,688</u>	<u>14,301,932</u>	<u>12,931,292</u>	<u>12,785,876</u>	<u>12,219,479</u>
Plan fiduciary net position - ending (b)	<u>\$ 15,990,181</u>	<u>\$ 15,179,688</u>	<u>\$ 14,301,932</u>	<u>\$ 12,931,292</u>	<u>\$ 12,785,876</u>
School Division's net pension liability/ (asset) - ending (a) - (b)	\$ (829,696)	\$ (802,980)	\$ (589,578)	\$ 378,618	\$ (109,123)
Plan fiduciary net position as a percentage of the total pension liability	105.47%	105.59%	104.30%	97.16%	100.86%
Covered payroll	\$ 3,702,839	\$ 3,775,794	\$ 3,797,949	\$ 3,662,431	\$ 3,625,558
School Division's net pension liability as a percentage of covered payroll	-22.41%	-21.27%	-15.52%	10.34%	-9.94%

Schedule of Employer's Share of Net Pension Liability (Asset) VRS Teacher Retirement Plan
 Pension Plans
 For the Measurement Dates of June 30, 2015 through June 30, 2024

Date (1)	Employer's Proportion of the Net Pension Liability (Asset) (2)	Employer's Proportionate Share of the Net Pension Liability (Asset) (3)	Employer's Covered Payroll (4)	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll (3)/(4) (5)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (6)
2024	0.38070%	\$ 35,736,060	\$ 40,746,166	87.70%	84.52%
2023	0.38463%	38,875,342	38,322,530	101.44%	82.45%
2022	0.37850%	36,035,466	35,309,976	102.05%	82.61%
2021	0.36761%	28,537,922	32,546,646	87.68%	85.46%
2020	0.35250%	51,292,186	30,853,962	166.24%	71.47%
2019	0.34893%	45,921,171	29,278,106	156.84%	73.51%
2018	0.35104%	41,282,000	28,641,191	144.14%	74.81%
2017	0.34301%	42,184,000	27,076,954	155.79%	72.92%
2016	0.34631%	48,532,000	26,396,654	183.86%	68.28%
2015	0.34524%	43,453,000	27,016,456	160.84%	70.68%

Schedule of Employer Contributions
 Pension Plans
 For the Years Ended June 30, 2016 through June 30, 2025

Date	Contractually Required Contribution (1)*	Contributions in Relation to Contractually Required Contribution (2)*	Contribution Deficiency (Excess) (3)	Employer's Covered Payroll (4)	Contributions as a % of Covered Payroll (5)
Primary Government					
2025	\$ 1,976,140	\$ 1,976,140	\$ -	\$ 19,546,385	10.11%
2024	1,744,486	1,744,486	-	18,406,876	9.48%
2023	1,611,943	1,611,943	-	16,876,514	9.55%
2022	1,189,582	1,189,582	-	14,795,017	8.04%
2021	1,066,072	1,066,072	-	13,284,391	8.02%
2020	915,354	915,354	-	12,696,708	7.21%
2019	861,968	861,968	-	11,807,196	7.30%
2018	764,920	764,920	-	11,180,438	6.84%
2017	759,641	759,641	-	10,790,355	7.04%
2016	982,983	982,983	-	10,446,153	9.41%
Component Unit School Board (nonprofessional)					
2025	\$ 190,519	\$ 190,519	\$ -	\$ 5,490,459	3.47%
2024	57,759	57,759	-	5,312,987	1.09%
2023	62,991	62,991	-	5,015,756	1.26%
2022	128,859	128,859	-	4,037,383	3.19%
2021	117,186	117,186	-	3,697,599	3.17%
2020	141,407	141,407	-	3,683,807	3.84%
2019	146,016	146,016	-	3,702,839	3.94%
2018	179,470	179,470	-	3,775,794	4.75%
2017	194,075	194,075	-	3,797,949	5.11%
2016	263,695	263,695	-	3,662,431	7.20%
Component Unit School Board (professional)					
2025	\$ 6,018,781	\$ 6,018,781	\$ -	\$ 42,355,955	14.21%
2024	6,420,941	6,420,941	-	40,746,166	15.76%
2023	6,071,620	6,071,620	-	38,322,530	15.84%
2022	5,622,815	5,622,815	-	35,309,976	15.92%
2021	5,200,642	5,200,642	-	32,546,646	15.98%
2020	4,683,607	4,683,607	-	30,853,962	15.18%
2019	4,407,086	4,407,086	-	29,278,106	15.05%
2018	4,536,723	4,536,723	-	28,641,191	15.84%
2017	3,965,868	3,965,868	-	27,076,954	14.65%
2016	3,669,249	3,669,249	-	26,396,654	13.90%
Component Unit LCWA (1)					
2025	\$ 156,308	\$ 156,308	\$ -	\$ 1,546,077	10.11%
2024	121,873	121,873	-	1,285,941	9.48%
2023	114,830	114,830	-	1,202,237	9.55%
2022	87,890	87,890	-	1,093,103	8.04%
2021	89,311	89,311	-	1,112,911	8.02%
2020	78,192	78,192	-	1,084,588	7.21%
2019	72,921	72,921	-	998,873	7.30%
2018	62,916	62,916	-	919,603	6.84%
2017	60,617	60,617	-	861,033	7.04%
2016	75,077	75,077	-	797,847	9.41%

*Excludes contributions (mandatory and match on voluntary) to the defined contribution portion of the Hybrid plan.

Notes to Required Supplementary Information
 Pension Plans
 For the Year Ended June 30, 2025

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

Changes of assumptions – The actuarial assumptions used in the June 30, 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:

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

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

All Others (Non 10 Largest) – Hazardous Duty:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. Increased disability life expectancy. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience and changed final retirement age from 65 to 70
Withdrawal Rates	Decreased rates and changed from rates based on age and service to rates based on service only to better fit experience and to be more consistent with Locals Largest 10 Hazardous Duty
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

Component Unit School Board - Professional Employees

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted 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
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service
Disability Rates	No change
Salary Scale	No change
Discount Rate	No change

Schedule of County of Louisa, Virginia and Component Unit School Board's Share of Net OPEB Liability
 Group Life Insurance (GLI) Plan
 For the Measurement Dates of June 30, 2017 through June 30, 2024

Date (1)	Employer's Proportion of the Net GLI OPEB Liability (Asset) (2)	Employer's Proportionate Share of the Net GLI OPEB Liability (Asset) (3)	Employer's Covered Payroll (4)	Employer's Proportionate Share of the Net GLI OPEB Liability (Asset) as a Percentage of Covered Payroll (3)/(4) (5)	Plan Fiduciary Net Position as a Percentage of Total GLI OPEB Liability (6)
Primary Government					
2024	0.07174%	\$ 800,618	\$ 18,421,572	4.35%	73.41%
2023	0.07180%	861,111	16,913,462	5.09%	69.30%
2022	0.06834%	814,790	14,719,766	5.54%	67.21%
2021	0.06431%	748,383	13,284,391	5.63%	67.45%
2020	0.06171%	1,029,817	12,696,708	8.11%	52.64%
2019	0.06023%	980,172	11,807,196	8.30%	52.00%
2018	0.05879%	892,584	11,180,438	7.98%	51.22%
2017	0.05853%	880,721	10,790,355	8.16%	48.86%
Component Unit School Board (nonprofessional)					
2024	0.02073%	\$ 231,331	\$ 5,322,102	4.35%	73.41%
2023	0.02136%	256,173	5,030,753	5.09%	69.30%
2022	0.01860%	223,842	4,044,143	5.53%	67.21%
2021	0.01790%	208,871	3,697,599	5.65%	67.45%
2020	0.01790%	298,722	3,683,807	8.11%	52.64%
2019	0.01889%	307,391	3,702,839	8.30%	52.00%
2018	0.01986%	301,000	3,775,794	7.97%	51.22%
2017	0.02060%	310,000	3,800,074	8.16%	48.86%
Component Unit School Board (professional)					
2024	0.15880%	\$ 1,772,084	\$ 40,774,585	4.35%	73.41%
2023	0.16303%	1,955,241	38,403,020	5.09%	69.30%
2022	0.16260%	1,957,620	35,365,399	5.54%	67.21%
2021	0.15780%	1,837,337	32,546,646	5.65%	67.45%
2020	0.14992%	2,501,919	30,853,962	8.11%	52.64%
2019	0.14935%	2,430,322	29,278,106	8.30%	52.00%
2018	0.15063%	2,288,000	28,641,191	7.99%	51.22%
2017	0.14677%	2,209,000	27,071,164	8.16%	48.86%
Component Unit LCWA					
2024	0.00505%	\$ 56,299	\$ 1,295,405	4.35%	73.41%
2023	0.00500%	59,962	1,177,737	5.09%	69.30%
2022	0.00476%	64,923	1,172,877	5.54%	67.21%
2021	0.00549%	63,929	1,112,911	5.74%	67.45%
2020	0.00527%	87,970	1,084,588	8.11%	52.64%
2019	0.00510%	82,921	998,873	8.30%	52.00%
2018	0.00484%	73,416	919,603	7.98%	51.22%
2017	0.00467%	70,279	861,033	8.16%	48.86%

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

Schedule of Employer Contributions
 Group Life Insurance (GLI) Plan
 For the Years Ended June 30, 2016 through June 30, 2025

Date	Contractually Required Contribution (1)	Contributions in Relation to Contractually Required Contribution (2)	Contribution Deficiency (Excess) (3)	Employer's Covered Payroll (4)	Contributions as a % of Covered Payroll (5)
Primary Government					
2025	\$ 92,529	\$ 92,529	\$ -	\$ 19,686,993	0.47%
2024	99,477	99,477	-	18,421,572	0.54%
2023	91,332	91,332	-	16,913,462	0.54%
2022	79,486	79,486	-	14,719,766	0.54%
2021	71,807	71,807	-	13,284,391	0.54%
2020	66,040	66,040	-	12,696,708	0.52%
2019	61,774	61,774	-	11,807,196	0.52%
2018	58,212	58,212	-	11,180,438	0.52%
2017	55,722	55,722	-	10,790,355	0.52%
2016	54,017	54,017	-	10,446,153	0.52%
Component Unit School Board (nonprofessional)					
2025	\$ 25,949	\$ 25,949	\$ -	\$ 5,520,981	0.47%
2024	28,739	28,739	-	5,322,102	0.54%
2023	27,166	27,166	-	5,030,753	0.54%
2022	21,838	21,838	-	4,044,143	0.54%
2021	20,007	20,007	-	3,697,599	0.54%
2020	19,156	19,156	-	3,683,807	0.52%
2019	19,255	19,255	-	3,702,839	0.52%
2018	19,634	19,634	-	3,775,794	0.52%
2017	19,760	19,760	-	3,800,074	0.52%
2016	17,631	17,631	-	3,673,054	0.48%
Component Unit School Board (professional)					
2025	\$ 199,441	\$ 199,441	\$ -	\$ 42,434,216	0.47%
2024	220,183	220,183	-	40,774,585	0.54%
2023	207,376	207,376	-	38,403,020	0.54%
2022	190,973	190,973	-	35,365,399	0.54%
2021	175,946	175,946	-	32,546,646	0.54%
2020	160,441	160,441	-	30,853,962	0.52%
2019	152,246	152,246	-	29,278,106	0.52%
2018	148,934	148,934	-	28,641,191	0.52%
2017	140,770	140,770	-	27,071,164	0.52%
2016	126,744	126,744	-	26,404,973	0.48%
Component Unit LCWA					
2025	\$ 6,868	\$ 6,868	\$ -	\$ 1,461,351	0.47%
2024	6,995	6,995	-	1,295,405	0.54%
2023	6,360	6,360	-	1,177,737	0.54%
2022	6,334	6,334	-	1,172,877	0.54%
2021	5,982	5,982	-	1,112,911	0.54%
2020	5,641	5,641	-	1,084,588	0.52%
2019	5,226	5,226	-	998,873	0.52%
2018	4,788	4,788	-	919,603	0.52%
2017	4,477	4,477	-	861,033	0.52%
2016	4,149	4,149	-	797,847	0.52%

Notes to Required Supplementary Information
 Group Life Insurance (GLI) Plan
 For the Year Ended June 30, 2025

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

Changes of assumptions – The actuarial assumptions used in the June 30, 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:

Teachers

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted 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
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service
Disability Rates	No change
Salary Scale	No change
Discount Rate	No change

Non-Largest Ten Locality Employers - General Employees

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted 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
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

Non-Largest Ten Locality Employers - Hazardous Duty Employees

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. Increased disability life expectancy. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience and changed final retirement age from 65 to 70
Withdrawal Rates	Decreased rates and changed from rates based on age and service to rates based on service only to better fit experience and to be more consistent with Locals Top 10 Hazardous Duty
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

Schedule of Louisa School Board's Share of Net OPEB Liability
 Teacher Employee Health Insurance Credit (HIC) Plan
 For the Measurement Dates of June 30, 2017 through June 30, 2024

Date (1)	Employer's Proportion of the Net HIC OPEB Liability (Asset) (2)	Employer's Proportionate Share of the Net HIC OPEB Liability (Asset) (3)	Employer's Covered Payroll (4)	Employer's Proportionate Share of the Net HIC OPEB Liability (Asset) as a Percentage of Covered Payroll (3)/(4) (5)	Plan Fiduciary Net Position as a Percentage of Total HIC OPEB Liability (6)
2024	0.38031%	\$ 4,395,045	\$ 40,746,166	10.79%	21.82%
2023	0.38430%	4,655,962	38,322,530	12.15%	17.90%
2022	0.37886%	4,732,138	35,309,976	13.40%	15.08%
2021	0.36801%	4,723,663	32,546,646	14.51%	13.15%
2020	0.35194%	4,591,115	30,853,962	14.88%	9.95%
2019	0.34891%	4,567,571	29,278,106	15.60%	8.97%
2018	0.35382%	4,492,000	28,614,923	15.70%	8.08%
2017	0.34290%	4,351,000	27,061,875	16.08%	7.04%

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

Schedule of Employer Contributions
 Teacher Employee Health Insurance Credit (HIC) Plan
 For the Years Ended June 30, 2016 through June 30, 2025

<u>Date</u>	<u>Contractually Required Contribution (1)</u>	<u>Contributions in Relation to Contractually Required Contribution (2)</u>	<u>Contribution Deficiency (Excess) (3)</u>	<u>Employer's Covered Payroll (4)</u>	<u>Contributions as a % of Covered Payroll (5)</u>
2025	\$ 512,507	\$ 512,507	\$ -	\$ 42,355,955	1.21%
2024	493,029	493,029	-	40,746,166	1.21%
2023	463,703	463,703	-	38,322,530	1.21%
2022	427,251	427,251	-	35,309,976	1.21%
2021	393,814	393,814	-	32,546,646	1.21%
2020	370,248	370,248	-	30,853,962	1.20%
2019	351,183	351,183	-	29,278,106	1.20%
2018	351,964	351,964	-	28,614,923	1.23%
2017	300,387	300,387	-	27,061,875	1.11%
2016	279,893	279,893	-	26,404,973	1.06%

Notes to Required Supplementary Information
 Teacher Employee Health Insurance Credit (HIC) Plan
 For the Year Ended June 30, 2025

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

Changes of assumptions – The actuarial assumptions used in the June 30, 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:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted 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
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service
Disability Rates	No change
Salary Scale	No change
Discount Rate	No change

Schedule of Changes in the Net OPEB Liability (Asset) and Related Ratios
Health Insurance Credit (HIC) Plan
For the Measurement Dates of June 30, 2017 through June 30, 2024

	Primary Government and LCWA							
	2024	2023	2022	2021	2020	2019	2018	2017
Total HIC OPEB Liability								
Service cost	\$ 5,993	\$ 5,532	\$ 8,209	\$ 6,215	\$ 6,497	\$ 6,081	\$ 6,532	\$ 5,975
Interest	12,142	10,634	8,833	8,106	8,472	8,629	8,529	7,594
Changes of benefit terms	-	-	-	-	-	-	-	-
Differences between expected and actual experience	(8,614)	13,264	(17,057)	(915)	(9,451)	(7,381)	(7,377)	-
Impact of change in proportion	-	-	-	-	-	-	-	(106)
Changes of assumptions	-	-	38,543	307	-	3,298	-	(5,095)
Benefit payments	(7,951)	(7,144)	(11,174)	(11,152)	(10,724)	(6,037)	(6,475)	(2,249)
Net change in total HIC OPEB liability	\$ 1,570	\$ 22,286	\$ 27,354	\$ 2,561	\$ (5,206)	\$ 4,590	\$ 1,209	\$ 6,119
Total HIC OPEB Liability - beginning	177,870	155,584	128,230	125,669	130,875	126,285	125,076	109,915
Total HIC OPEB Liability - ending (a)	\$ 179,440	\$ 177,870	\$ 155,584	\$ 128,230	\$ 125,669	\$ 130,875	\$ 126,285	\$ 116,034
Plan fiduciary net position								
Contributions - employer	\$ 8,397	\$ 7,604	\$ 8,764	\$ 7,686	\$ 9,451	\$ 8,616	\$ 9,726	\$ 8,645
Net investment income	15,031	8,432	237	29,376	2,279	6,846	6,785	8,736
Benefit payments	(7,951)	(7,144)	(11,174)	(11,152)	(10,724)	(6,037)	(6,475)	(2,249)
Administrator charges	(205)	(191)	(253)	(340)	(216)	(151)	(164)	(152)
Other	(1)	602	11,237	-	(1)	(8)	(452)	419
Net change in plan fiduciary net position	\$ 15,271	\$ 9,303	\$ 8,811	\$ 25,570	\$ 789	\$ 9,266	\$ 9,420	\$ 15,399
Plan fiduciary net position - beginning	157,381	148,078	139,267	113,697	112,908	103,642	94,222	72,061
Plan fiduciary net position - ending (b)	\$ 172,652	\$ 157,381	\$ 148,078	\$ 139,267	\$ 113,697	\$ 112,908	\$ 103,642	\$ 87,460
Net HIC OPEB liability (asset) - ending (a) - (b)	\$ 6,788	\$ 20,489	\$ 7,506	\$ (11,037)	\$ 11,972	\$ 17,967	\$ 22,643	\$ 28,574
Plan fiduciary net position as a percentage of the total HIC OPEB liability	96.22%	88.48%	95.18%	108.61%	90.47%	86.27%	82.07%	75.37%
Covered payroll	\$ 10,497,090	\$ 9,504,256	\$ 7,967,739	\$ 6,987,558	\$ 6,751,480	\$ 6,153,979	\$ 5,709,143	\$ 5,490,913
Net HIC OPEB liability (asset) as a percentage of covered payroll	0.06%	0.22%	0.09%	-0.16%	0.18%	0.29%	0.40%	0.52%

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

Schedule of Changes in the Net OPEB Liability (Asset) and Related Ratios
Health Insurance Credit (HIC) Plan
For the Measurement Dates of June 30, 2017 through June 30, 2024

	School Nonprofessional								
	2024	2023	2022	2021	2020	2019	2018	2017	
Total HIC OPEB Liability									
Service cost	\$ 4,643	\$ 4,409	\$ 4,638	\$ 6,529	\$ 6,937	\$ 6,533	\$ 7,186	\$ 7,405	
Interest	27,191	25,626	26,837	25,286	24,554	24,841	24,934	24,414	
Changes of benefit terms	-	-	-	-	17,616	-	-	-	
Differences between expected and actual experience	(13,889)	13,715	(28,382)	(1,245)	(20,609)	(14,146)	(15,756)	-	
Impact of change in proportion	-	-	-	-	-	-	-	-	
Changes of assumptions	-	-	295	7,708	-	8,319	-	(9,218)	
Benefit payments	(21,352)	(20,245)	(21,956)	(17,917)	(17,391)	(15,930)	(19,442)	(10,895)	
Net change in total HIC OPEB liability	\$ (3,407)	\$ 23,505	\$ (18,568)	\$ 20,361	\$ 11,107	\$ 9,617	\$ (3,078)	\$ 11,706	
Total HIC OPEB Liability - beginning	408,865	385,360	403,928	383,567	372,460	362,843	365,921	354,215	
Total HIC OPEB Liability - ending (a)	\$ 405,458	\$ 408,865	\$ 385,360	\$ 403,928	\$ 383,567	\$ 372,460	\$ 362,843	\$ 365,921	
Plan fiduciary net position									
Contributions - employer	\$ 14,994	\$ 14,044	\$ 17,460	\$ 15,899	\$ 14,735	\$ 14,822	\$ 16,552	\$ 16,711	
Net investment income	31,324	19,496	417	68,120	5,159	15,700	16,413	23,683	
Benefit payments	(21,352)	(20,245)	(21,956)	(17,917)	(17,391)	(15,930)	(19,442)	(10,895)	
Administrator charges	(429)	(473)	(558)	(807)	(497)	(342)	(385)	(389)	
Other	1	114	2,057	-	(2)	(18)	(1,178)	1,178	
Net change in plan fiduciary net position	\$ 24,538	\$ 12,936	\$ (2,580)	\$ 65,295	\$ 2,004	\$ 14,232	\$ 11,960	\$ 30,288	
Plan fiduciary net position - beginning	336,964	324,028	326,608	261,313	259,309	245,077	233,117	202,829	
Plan fiduciary net position - ending (b)	\$ 361,502	\$ 336,964	\$ 324,028	\$ 326,608	\$ 261,313	\$ 259,309	\$ 245,077	\$ 233,117	
Net HIC OPEB liability (asset) - ending (a) - (b)	\$ 43,956	\$ 71,901	\$ 61,332	\$ 77,320	\$ 122,254	\$ 113,151	\$ 117,766	\$ 132,804	
Plan fiduciary net position as a percentage of the total HIC OPEB liability	89.16%	82.41%	84.08%	80.86%	68.13%	69.62%	67.54%	63.71%	
Covered payroll	\$ 5,322,102	\$ 5,015,756	\$ 4,036,121	\$ 3,697,599	\$ 3,683,807	\$ 3,702,839	\$ 3,775,794	\$ 3,797,949	
Net HIC OPEB liability (asset) as a percentage of covered payroll	0.83%	1.43%	1.52%	2.09%	3.32%	3.06%	3.12%	3.50%	

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

Schedule of Employer Contributions
 Health Insurance Credit (HIC) Plan
 For the Years Ended June 30, 2016 through June 30, 2025

Date	Contractually Required Contribution (1)	Contributions in Relation to Contractually Required Contribution (2)	Contribution Deficiency (Excess) (3)	Employer's Covered Payroll (4)	Contributions as a % of Covered Payroll (5)
Primary Government					
2025	\$ 7,395	\$ 7,395	-	\$ 10,564,534	0.07%
2024	7,846	7,846	-	9,807,431	0.08%
2023	7,108	7,108	-	8,885,529	0.08%
2022	8,118	8,118	-	7,379,720	0.11%
2021	7,095	7,095	-	6,450,215	0.11%
2020	8,708	8,708	-	6,220,139	0.14%
2019	7,944	7,944	-	5,673,969	0.14%
2018	8,989	8,989	-	5,287,237	0.17%
2017	8,669	8,669	-	5,099,411	0.17%
2016	8,829	8,829	-	5,193,409	0.17%
Component Unit School Board (nonprofessional)					
2025	\$ 10,432	\$ 10,432	-	\$ 5,490,459	0.19%
2024	14,902	14,902	-	5,322,102	0.28%
2023	14,044	14,044	-	5,015,756	0.28%
2022	17,355	17,355	-	4,036,121	0.43%
2021	15,900	15,900	-	3,697,599	0.43%
2020	14,735	14,735	-	3,683,807	0.40%
2019	14,811	14,811	-	3,702,839	0.40%
2018	16,613	16,613	-	3,775,794	0.44%
2017	16,711	16,711	-	3,797,949	0.44%
2016	16,481	16,481	-	3,662,431	0.45%
Component Unit LCWA (1)					
2024	\$ 549	\$ 549	-	\$ 784,197	0.07%
2024	552	552	-	689,659	0.08%
2023	495	495	-	618,727	0.08%
2022	647	647	-	588,019	0.11%
2021	591	591	-	537,343	0.11%
2020	744	744	-	531,341	0.14%
2019	672	672	-	480,010	0.14%
2018	717	717	-	421,906	0.17%
2017	666	666	-	391,502	0.17%

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

Notes to Required Supplementary Information
 Health Insurance Credit (HIC) Plan
 For the Year Ended June 30, 2025

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

Changes of assumptions – The actuarial assumptions used in the June 30, 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-Largest Ten Locality Employers - General Employees

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted 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
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

Non-Largest Ten Locality Employers - Hazardous Duty Employees

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. Increased disability life expectancy. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience and changed final retirement age from 65 to 70
Withdrawal Rates	Decreased rates and changed from rates based on age and service to rates based on service only to better fit experience and to be more consistent with Locals Top 10 Hazardous Duty
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

Schedule of Changes in Total OPEB Liability and Related Ratios
Pay-As-You-Go Plan
For the Measurement Dates of June 30, 2018 through June 30, 2025

	Primary Government							
	2025	2024	2023	2022	2021	2020	2019	2018
Total OPEB liability								
Service cost	\$ 80,948	\$ 78,590	\$ 70,726	\$ 93,240	\$ 86,721	\$ 73,500	\$ 71,707	\$ 69,958
Interest	59,841	53,529	54,475	36,071	46,942	52,273	37,643	32,201
Changes in assumptions	(170,378)	4,591	(230,342)	(273,392)	441,116	122,886	71,878	-
Differences between expected and actual experience	284,375	-	30,410	-	(804,526)	-	458,677	
Benefit payments	(20,432)	(16,763)	(28,578)	(25,367)	(20,544)	(11,168)	(37,241)	(19,606)
Net change in total OPEB liability	\$ 234,354	\$ 119,947	\$ (103,309)	\$ (169,448)	\$ (250,291)	\$ 237,491	\$ 602,664	\$ 82,553
Total OPEB liability - beginning	1,436,487	1,316,540	1,419,849	1,589,297	1,839,588	1,602,097	999,433	916,880
Total OPEB liability - ending	\$ 1,670,841	\$ 1,436,487	\$ 1,316,540	\$ 1,419,849	\$ 1,589,297	\$ 1,839,588	\$ 1,602,097	\$ 999,433
Covered-employee payroll	\$ 24,608,828	\$ 23,191,352	\$ 20,843,884	\$ 16,420,957	\$ 13,833,121	\$ 13,006,546	\$ 11,585,132	\$ 12,109,574
Total OPEB liability (asset) as a percentage of covered-employee payroll	6.79%	6.19%	6.32%	8.65%	11.49%	14.14%	13.83%	8.25%

There are no assets accumulated in a trust that meets the criteria of GASB codification P22.101 or P52.101 to pay related benefits for the pension/OPEB plan.

Schedule is intended to show information for 10 years. Additional years will be included as they become available.

Schedule of Changes in Total OPEB Liability and Related Ratios
Pay-As-You-Go Plan
For the Measurement Dates of June 30, 2018 through June 30, 2025

	School Nonprofessional							
	2025	2024	2023	2022	2021	2020	2019	2018
Total OPEB liability								
Service cost	\$ 222,054	\$ 215,586	\$ 207,175	\$ 273,950	\$ 216,845	\$ 183,787	\$ 179,304	\$ 174,931
Interest	198,593	184,611	183,234	121,327	129,642	147,082	127,223	116,168
Changes in assumptions	(414,075)	26,152	(754,931)	(821,623)	1,509,291	343,348	(135,810)	-
Differences between expected and actual experience	(586,901)	-	329,606	-	(1,447,096)	-	1,123,634	
Benefit payments	(275,822)	(153,196)	(159,797)	(156,602)	(123,926)	(105,045)	(242,612)	(95,487)
Net change in total OPEB liability	\$ (856,151)	\$ 273,153	\$ (194,713)	\$ (582,948)	\$ 284,756	\$ 569,172	\$ 1,051,739	\$ 195,612
Total OPEB liability - beginning	4,916,853	4,643,700	4,838,413	5,421,361	5,136,605	4,567,433	3,515,694	3,320,082
Total OPEB liability - ending	\$ 4,060,702	\$ 4,916,853	\$ 4,643,700	\$ 4,838,413	\$ 5,421,361	\$ 5,136,605	\$ 4,567,433	\$ 3,515,694
Covered-employee payroll	\$ 50,580,284	\$ 57,409,008	\$ 48,215,314	\$ 37,140,835	\$ 37,023,398	\$ 35,362,952	\$ 24,314,340	\$ 33,572,727
Total OPEB liability (asset) as a percentage of covered-employee payroll	8.03%	8.56%	9.63%	13.03%	14.64%	14.53%	18.78%	10.47%

There are no assets accumulated in a trust that meets the criteria of GASB codification P22.101 or P52.101 to pay related benefits for the pension/OPEB plan.

Schedule is intended to show information for 10 years. Additional years will be included as they become available.

Notes to Required Supplementary Information
 Pay-As-You-Go Plan
 For the Year Ended June 30, 2025

Valuation Date: 7/1/2024
 Measurement Date: 6/30/2025

No assets are accumulated in a trust that meets the criteria in GASB 75 to pay related benefits.

Methods and assumptions used to determine OPEB liability:

Actuarial Cost Method	Entry age, individual level percent of pay
Discount Rate	4.81%
Inflation	2.50%
Healthcare Trend Rate	6.00% for 2025, grading down to 4.25% ultimate.
Salary Increase Rates	2.50%
Retirement Age	15 years of service and VRS eligibility
Mortality Rates	The mortality rates are based on the Pub-2010 with Scale MP-2021.

OTHER SUPPLEMENTARY INFORMATION

Combining and Individual Fund Statements and Schedules

Capital Projects Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Other local taxes	\$ 1,920,000	\$ 1,920,000	\$ 2,106,879	\$ 186,879
Revenue from the use of money and property	800,000	800,000	3,183,883	2,383,883
Miscellaneous	100,000	160,000	161,575	1,575
Recovered costs	-	88,085,980	15,233,256	(72,852,724)
Intergovernmental:				
Local government	-	-	42,038,400	42,038,400
Commonwealth	-	1,109,108	782,844	(326,264)
Federal	-	1,048,000	1,898,966	850,966
Total revenues	\$ 2,820,000	\$ 93,123,088	\$ 65,405,803	\$ (27,717,285)
EXPENDITURES				
Current:				
Economic development projects	\$ 9,365,500	\$ 130,378,744	\$ 22,756,404	\$ 107,622,340
Emergency services projects	2,578,559	5,656,006	2,923,312	2,732,694
Judicial administration	-	21,452	21,452	-
County administration	244,405	816,665	289,505	527,160
Parks and recreation	1,131,500	7,920,934	2,224,777	5,696,157
Sheriff's department	711,500	1,006,943	871,607	135,336
Public works	960,000	7,391,475	921,183	6,470,292
Community development	2,983,000	2,090,103	2,089,978	125
School capital projects	33,698,395	34,486,395	35,026,053	(539,658)
Debt service:				
Cost of bond issuance	-	-	822,413	(822,413)
Total expenditures	\$ 51,672,859	\$ 189,768,717	\$ 67,946,684	\$ 121,822,033
Excess (deficiency) of revenues over (under) expenditures	\$ (48,852,859)	\$ (96,645,629)	\$ (2,540,881)	\$ 94,104,748
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 13,124,218	\$ 13,671,093	\$ 18,383,631	\$ 4,712,538
Transfers out	-	(2,983,000)	-	2,983,000
Insurance proceeds	-	153,124	153,124	-
Issuance of bonds	32,645,641	32,645,641	58,790,000	26,144,359
Bond premium	-	-	4,150,809	4,150,809
Total other financing sources (uses)	\$ 45,769,859	\$ 43,486,858	\$ 81,477,564	\$ 37,990,706
Net change in fund balances	\$ (3,083,000)	\$ (53,158,771)	\$ 78,936,683	\$ 132,095,454
Fund balances - beginning	3,083,000	53,158,771	47,259,180	(5,899,591)
Fund balances - ending	\$ -	\$ -	\$ 126,195,863	\$ 126,195,863

Combining Statement of Fiduciary Net Position
 Custodial Funds
 June 30, 2025

	Custodial Funds			
	Special Welfare Fund	Bond Escrow Fund	Spencer Scholarship Fund	Total
ASSETS				
Cash and cash equivalents	\$ 7,469	\$ 2,551,076	\$ 50,740	\$ 2,609,285
Total assets	<u>\$ 7,469</u>	<u>\$ 2,551,076</u>	<u>\$ 50,740</u>	<u>\$ 2,609,285</u>
NET POSITION				
Restricted for:				
Special welfare	\$ 7,469	\$ -	\$ -	\$ 7,469
Bond escrow	-	2,551,076	-	2,551,076
Spencer scholarship	-	-	50,740	50,740
Total net position	<u>\$ 7,469</u>	<u>\$ 2,551,076</u>	<u>\$ 50,740</u>	<u>\$ 2,609,285</u>

Combining Statement of Changes in Fiduciary Net Position
 Custodial Funds
 For the Year Ended June 30, 2025

	<u>Custodial Funds</u>			
	<u>Special Welfare Fund</u>	<u>Bond Escrow Fund</u>	<u>Spencer Scholarship Fund</u>	<u>Total</u>
ADDITIONS				
Special welfare collections	\$ 23,628	\$ -	\$ -	\$ 23,628
Interest	-	57,463	1,295	58,758
Current year bonds	-	252,090	-	252,090
Total additions	<u>\$ 23,628</u>	<u>\$ 309,553</u>	<u>\$ 1,295</u>	<u>\$ 334,476</u>
DEDUCTIONS				
Welfare costs	\$ 28,927	\$ -	\$ -	\$ 28,927
Bonds released in current year	-	392,555	-	392,555
Scholarship payments	-	-	1,000	1,000
Total deductions	<u>\$ 28,927</u>	<u>\$ 392,555</u>	<u>\$ 1,000</u>	<u>\$ 422,482</u>
Net increase (decrease) in fiduciary net position	<u>\$ (5,299)</u>	<u>(83,002)</u>	<u>295</u>	<u>(88,006)</u>
Net position, beginning of year	<u>\$ 12,768</u>	<u>\$ 2,634,078</u>	<u>50,445</u>	<u>\$ 2,697,291</u>
Net position, end of year	<u><u>\$ 7,469</u></u>	<u><u>\$ 2,551,076</u></u>	<u><u>\$ 50,740</u></u>	<u><u>\$ 2,609,285</u></u>

Discretely Presented Component Unit-School Board

Balance Sheet
 Governmental Funds - Discretely Presented Component Unit - School Board
 June 30, 2025

	<u>School Operating Fund</u>	<u>School Activity Fund</u>	<u>School Capital Projects Fund</u>	<u>Total Governmental Funds</u>
ASSETS				
Cash and cash equivalents	\$ 2,525,976	\$ 884,826	\$ 17,079,754	\$ 20,490,556
Receivables (net of allowance for uncollectibles):				
Accounts receivable	4,902	-	-	4,902
Due from other governmental units	2,478,136	-	-	2,478,136
Total assets	<u>\$ 5,009,014</u>	<u>\$ 884,826</u>	<u>\$ 17,079,754</u>	<u>\$ 22,973,594</u>
LIABILITIES				
Accounts payable	\$ 1,135,082	\$ -	\$ 682,878	\$ 1,817,960
Accrued liabilities	2,906,148	-	-	2,906,148
Retainage payable	-	-	886,416	886,416
Total liabilities	<u>\$ 4,041,230</u>	<u>\$ -</u>	<u>\$ 1,569,294</u>	<u>\$ 5,610,524</u>
FUND BALANCE:				
Nonspendable:				
Prepaid items	\$ -	\$ -	\$ -	\$ -
Committed:				
School food operations	967,784	-	-	967,784
Education	-	884,826	-	884,826
Capital projects	-	-	15,510,460	15,510,460
Unassigned	-	-	-	-
Total fund balances	<u>\$ 967,784</u>	<u>\$ 884,826</u>	<u>\$ 15,510,460</u>	<u>\$ 17,363,070</u>
Total liabilities and fund balances	<u>\$ 5,009,014</u>	<u>\$ 884,826</u>	<u>\$ 17,079,754</u>	<u>\$ 22,973,594</u>

Amounts reported for governmental activities in the statement of net position (Exhibit 1) are different because:

Total fund balances per above	\$ 17,363,070
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	84,904,989
The net pension asset is not an available resource and, therefore is not reported in the funds.	1,963,601
Deferred outflows of resources are not available to pay for current-period expenditures and, therefore, are not reported in the funds.	16,981,178
Retainage payable for joint tenancy assets	886,416
Long-term liabilities, are not due and payable in the current period and, therefore, are not reported in the funds.	(54,312,488)
Deferred inflows of resources are not due and payable in the current-period and, therefore, are not reported in the funds.	<u>(8,283,561)</u>
Net position of governmental activities	<u>\$ 59,503,205</u>

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
 Governmental Funds - Discretely Presented Component Unit - School Board
 For the Year Ended June 30, 2025

	<u>School Operating Fund</u>	<u>School Activity Fund</u>	<u>School Capital Projects Fund</u>	<u>Total Governmental Funds</u>
REVENUES				
Revenue from the use of money and property	\$ 61,595	\$ -	\$ -	\$ 61,595
Charges for services	314,175	-	-	314,175
Miscellaneous	1,510,470	1,559,518	-	3,069,988
Recovered costs	124,560	-	-	124,560
Intergovernmental:				
Local government	38,305,371	-	34,486,395	72,791,766
Commonwealth	40,150,109	-	-	40,150,109
Federal	8,561,446	-	-	8,561,446
Total revenues	<u>\$ 89,027,726</u>	<u>\$ 1,559,518</u>	<u>\$ 34,486,395</u>	<u>\$ 125,073,639</u>
EXPENDITURES				
Current:				
Education	\$ 89,172,210	\$ 1,421,939	\$ -	\$ 90,594,149
Capital projects	-	-	21,069,528	21,069,528
Total expenditures	<u>\$ 89,172,210</u>	<u>\$ 1,421,939</u>	<u>\$ 21,069,528</u>	<u>\$ 111,663,677</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (144,484)</u>	<u>\$ 137,579</u>	<u>\$ 13,416,867</u>	<u>\$ 13,409,962</u>
Net change in fund balances	\$ (144,484)	\$ 137,579	\$ 13,416,867	\$ 13,409,962
Fund balances - beginning	1,112,268	747,247	2,093,593	3,953,108
Fund balances - ending	<u>\$ 967,784</u>	<u>\$ 884,826</u>	<u>\$ 15,510,460</u>	<u>\$ 17,363,070</u>

Amounts reported for governmental activities in the statement of activities (Exhibit 2) are different because:

Net change in fund balances - total governmental funds - per above \$ 13,409,962

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which the capital outlays exceeded depreciation in the current period. Details supporting this adjustment are as follows:

Capital outlay	\$ 21,560,433	
Depreciation expense	(5,619,810)	
Net transfer of joint tenancy assets	<u>(16,610,469)</u>	\$ (669,846)

Retainage payable for joint tenancy assets transferred to County \$ 886,416

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore are not reported as expenditures in governmental funds. Details supporting this adjustment are as follows:

Change in compensated absences	\$ (362,026)	
Pension expense	1,735,278	
OPEB expense	<u>719,127</u>	<u>\$ 2,092,379</u>

Change in net position of governmental activities \$ 15,718,911

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 Discretely Presented Component Unit - School Board
 For the Year Ended June 30, 2025

	School Operating Fund			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
REVENUES				
Revenue from the use of money and property	\$ 13,200	\$ 13,200	\$ 61,595	\$ 48,395
Charges for services	96,200	96,200	314,175	217,975
Miscellaneous	844,400	844,400	1,510,470	666,070
Recovered costs	90,000	90,000	124,560	34,560
Intergovernmental:				
Local government	46,695,298	47,719,531	38,305,371	(9,414,160)
Commonwealth	38,200,065	37,985,490	40,150,109	2,164,619
Federal	5,596,258	5,596,258	8,561,446	2,965,188
Total revenues	<u>\$ 91,535,421</u>	<u>\$ 92,345,079</u>	<u>\$ 89,027,726</u>	<u>\$ (3,317,353)</u>
EXPENDITURES				
Current:				
Education:				
Instruction	\$ 65,268,334	\$ 65,938,108	\$ 63,300,126	\$ 2,637,982
Administration, attendance and health	4,618,406	4,592,671	3,874,995	717,676
Pupil transportation	7,294,137	7,294,606	6,647,560	647,046
Operation and maintenance services	7,043,337	7,508,859	7,281,639	227,220
Technology	3,764,214	3,798,357	3,991,136	(192,779)
School food services	3,546,993	4,539,261	4,076,754	462,507
Capital projects	-	-	-	-
Total expenditures	<u>\$ 91,535,421</u>	<u>\$ 93,671,862</u>	<u>\$ 89,172,210</u>	<u>\$ 4,499,652</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	<u>\$ (1,326,783)</u>	<u>\$ (144,484)</u>	<u>\$ 1,182,299</u>
Net change in fund balances	\$ -	\$ (1,326,783)	\$ (144,484)	\$ 1,182,299
Fund balances - beginning	-	1,326,783	1,112,268	(214,515)
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 967,784</u>	<u>\$ 967,784</u>

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 Discretely Presented Component Unit - School Board
 For the Year Ended June 30, 2025

	School Activity Fund			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
REVENUES				
Revenue from the use of money and property	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-
Miscellaneous	-	-	1,559,518	1,559,518
Recovered costs	-	-	-	-
Intergovernmental:				
Local government	-	-	-	-
Commonwealth	-	-	-	-
Federal	-	-	-	-
Total revenues	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,559,518</u>	<u>\$ 1,559,518</u>
EXPENDITURES				
Current:				
Education:				
Instruction	\$ -	\$ -	\$ 1,421,939	\$ (1,421,939)
Administration, attendance and health	-	-	-	-
Pupil transportation	-	-	-	-
Operation and maintenance services	-	-	-	-
Technology	-	-	-	-
School food services	-	-	-	-
Capital projects	-	-	-	-
Total expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,421,939</u>	<u>\$ (1,421,939)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 137,579</u>	<u>\$ 137,579</u>
Net change in fund balances	\$ -	\$ -	\$ 137,579	\$ 137,579
Fund balances - beginning	-	-	747,247	747,247
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 884,826</u>	<u>\$ 884,826</u>

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 Discretely Presented Component Unit - School Board
 For the Year Ended June 30, 2025

	School Capital Projects Fund			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
REVENUES				
Revenue from the use of money and property	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
Recovered costs	-	-	-	-
Intergovernmental:				
Local government	33,698,395	42,638,102	34,486,395	(8,151,707)
Commonwealth	-	-	-	-
Federal	-	-	-	-
Total revenues	<u>\$ 33,698,395</u>	<u>\$ 42,638,102</u>	<u>\$ 34,486,395</u>	<u>\$ (8,151,707)</u>
EXPENDITURES				
Current:				
Education:				
Instruction	\$ -	\$ -	\$ -	\$ -
Administration, attendance and health	-	-	-	-
Pupil transportation	-	-	-	-
Operation and maintenance services	-	-	-	-
Technology	-	-	-	-
School food services	-	-	-	-
Capital projects	33,698,395	64,569,692	21,069,528	43,500,164
Total expenditures	<u>\$ 33,698,395</u>	<u>\$ 64,569,692</u>	<u>\$ 21,069,528</u>	<u>\$ 43,500,164</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	<u>\$ (21,931,590)</u>	<u>\$ 13,416,867</u>	<u>\$ 35,348,457</u>
Net change in fund balances	\$ -	\$ (21,931,590)	\$ 13,416,867	\$ 35,348,457
Fund balances - beginning	-	21,931,590	2,093,593	(19,837,997)
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,510,460</u>	<u>\$ 15,510,460</u>

Discretely Presented Component Unit-Industrial Development Authority

Statement of Net Position
 Discretely Presented Component Unit - Industrial Development Authority
 June 30, 2025

ASSETS

Current Assets

Cash and cash equivalents \$ 406,829

Total Current Assets \$ 406,829

Noncurrent Assets

Buildings \$ 537,931

Equipment 282,430

Infrastructure 9,443,413

Construction in progress 456,881

Total Capital Assets \$ 10,720,655

Less: accumulated depreciation 7,870,262

Net Noncurrent Assets \$ 2,850,393

Other Assets

Land held for resale \$ 551,996

Land held for resale - Cooke property (see note 5) 7,133,776

Total Other Assets \$ 7,685,772

TOTAL ASSETS \$ 10,942,994

LIABILITIES

Long-Term Liabilities

Note payable - 208 land \$ 7,180,056

Total Long-Term Liabilities \$ 7,180,056

TOTAL LIABILITIES \$ 7,180,056

NET POSITION

Net investment in capital assets \$ 2,850,393

Unrestricted 912,545

Total Net Position \$ 3,762,938

TOTAL LIABILITIES AND NET POSITION \$ 10,942,994

Statement of Activities
 Discretely Presented Component Unit - Industrial Development Authority
 For the Year Ended June 30, 2025

OPERATING REVENUES:

Tenant rental	\$ 1,573
Land lease income	99,364
Miscellaneous	<u>3,665</u>

TOTAL OPERATING REVENUES \$ 104,602

OPERATING EXPENSES

Insurance	\$ 11,707
Fuel	88,822
Office and other supplies	225
Depreciation	319,444
Miscellaneous	<u>16,452</u>

TOTAL OPERATING EXPENSES \$ 436,650

OPERATING INCOME (LOSS) \$ (332,048)

NONOPERATING REVENUES (EXPENSES)

Foundation grant	\$ 351,942
Gain (loss) on sale of land	39,258,042
IDA Grants	(5,601)
Interest income	11,025
Interest expense	(351,942)
Contribution to Louisa County	<u>(42,038,400)</u>

TOTAL NONOPERATING REVENUES (EXPENSES) \$ (2,774,934)

INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS \$ (3,106,982)

CAPITAL CONTRIBUTIONS

Land Contribution from Louisa County	\$ 2,708,358
Virginia state grant	<u>33,881</u>

TOTAL CAPITAL CONTRIBUTIONS 2,742,239

Increase (decrease) in net position \$ (364,743)

Net position, beginning of year 4,127,681

Net position, end of year \$ 3,762,938

Statement of Cash Flows
 Discretely Presented Component Unit - Industrial Development Authority
 For the Year Ended June 30, 2025

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from customers and users	\$ 193,166
Payments to suppliers	<u>(107,245)</u>
Net Cash Provided by (Used for) Operating Activities	\$ <u>85,921</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

State nonoperating contributions	\$ 33,881
Grant for loan interest	351,942
Grant payments	(5,601)
Proceeds from sale of land	41,966,400
Contribution to County	(42,038,400)
Interest and fiscal charges	(351,942)
Construction of Southside Taxiway	<u>(53,399)</u>
Net Cash Provided by (Used for) Capital and Related Financing Activities	\$ <u>(97,119)</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Interest Received	\$ <u>11,025</u>
Net Cash Provided by (Used for) Investing Activities	\$ <u>11,025</u>

Net Increase (Decrease) in Net Position In Cash	\$ (173)
Cash and Cash Equivalents, beginning of year	<u>407,002</u>
Cash and Cash Equivalents, end of year	<u><u>\$ 406,829</u></u>

RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES

Operating income (loss)	\$ (332,048)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:	
Depreciation	319,444
Changes in operating assets and liabilities:	
(Increase) Decrease in Accounts Receivable	112,989
(Increase) Decrease in Prepaid Expense	5,730
(Increase) Decrease in Fuel Inventory	9,642
Increase (Decrease) in Accounts Payable	(5,411)
Increase (Decrease) in Tenant Prepaid	<u>(24,425)</u>
Net Cash Provided by (Used for) Operating Activities	\$ <u><u>85,921</u></u>

Supporting Schedules

Schedule of Revenues - Budget and Actual
 Governmental Funds
 For the Year Ended June 30, 2025

Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
General Fund:				
Revenue from local sources:				
General property taxes:				
Real property taxes	\$ 58,657,455	\$ 58,657,455	\$ 58,562,447	\$ (95,008)
Real and personal public service corporation taxes	16,400,000	16,400,000	17,587,761	1,187,761
Personal property taxes	14,557,369	14,557,369	14,679,233	121,864
Mobile home taxes	65,000	65,000	66,238	1,238
Machinery and tools taxes	386,120	386,120	444,634	58,514
Other taxes	553,291	553,291	617,058	63,767
Penalties	400,000	400,000	633,787	233,787
Interest	400,000	400,000	400,419	419
Total general property taxes	<u>\$ 91,419,235</u>	<u>\$ 91,419,235</u>	<u>\$ 92,991,577</u>	<u>\$ 1,572,342</u>
Other local taxes:				
Local sales and use taxes	\$ 6,800,000	\$ 6,800,000	\$ 7,300,136	\$ 500,136
Consumers' utility taxes	675,000	675,000	723,079	48,079
Business license taxes	340,000	340,000	613,274	273,274
Utility license taxes	-	-	4,600	4,600
Motor vehicle licenses	1,500,000	1,500,000	1,540,081	40,081
Taxes on recordation and wills	1,000,000	1,000,000	1,128,270	128,270
Hotel and motel room taxes	1,575,000	1,575,000	2,010,831	435,831
Total other local taxes	<u>\$ 11,890,000</u>	<u>\$ 11,890,000</u>	<u>\$ 13,320,271</u>	<u>\$ 1,430,271</u>
Permits, privilege fees, and regulatory licenses:				
Animal licenses	\$ 11,000	\$ 11,000	\$ 11,136	\$ 136
Land use application fees	1,500	1,500	880	(620)
Transfer fees	2,500	2,500	2,085	(415)
Building and other related permits	1,000,000	1,000,000	2,369,983	1,369,983
Zoning and use permits	170,000	170,000	401,355	231,355
Erosion and sediment control	50,000	50,000	78,266	28,266
Permits and other licenses	3,000	3,000	3,826	826
Total permits, privilege fees, and regulatory licenses	<u>\$ 1,238,000</u>	<u>\$ 1,238,000</u>	<u>\$ 2,867,531</u>	<u>\$ 1,629,531</u>
Fines and forfeitures:				
Court fines and forfeitures	\$ 100,000	\$ 100,000	\$ 110,925	\$ 10,925
Revenue from use of money and property:				
Revenue from use of money	\$ 1,500,000	\$ 1,500,000	\$ 3,491,423	\$ 1,991,423
Revenue from use of property	621,408	621,408	734,829	113,421
Total revenue from use of money and property	<u>\$ 2,121,408</u>	<u>\$ 2,121,408</u>	<u>\$ 4,226,252</u>	<u>\$ 2,104,844</u>
Charges for services:				
Excess fees of clerk	\$ 50,000	\$ 50,000	\$ 24,375	\$ (25,625)
Charges for law enforcement and traffic control	4,000	4,000	3,373	(627)
Charges for courthouse maintenance	10,000	10,000	10,669	669
Charges for Commonwealth's Attorney	2,500	2,500	3,064	564
Ambulance services	2,350,000	2,350,000	2,014,400	(335,600)
Charges for sanitation and waste removal	680,000	680,000	810,507	130,507
Charges for parks and recreation	1,000,000	1,000,000	955,791	(44,209)
Charges for telecommunication review	6,000	6,000	39,460	33,460
Other court charges	53,000	53,000	73,871	20,871
Other charges for services	271,000	321,000	437,198	116,198
Court fees law library	-	-	4,573	4,573
Total charges for services	<u>\$ 4,426,500</u>	<u>\$ 4,476,500</u>	<u>\$ 4,377,281</u>	<u>\$ (99,219)</u>

Schedule of Revenues - Budget and Actual
Governmental Funds
For the Year Ended June 30, 2025 (Continued)

Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
General Fund: (Continued)				
Revenue from local sources: (Continued)				
Miscellaneous:				
Miscellaneous	\$ 225,025	\$ 240,542	\$ 341,830	\$ 101,288
Recovered costs:				
Juvenile and domestic relations court costs	\$ 30,000	\$ 30,000	\$ 36,356	\$ 6,356
Expenditure refunds	-	-	1,083	1,083
Other recovered costs	110,000	112,888	806,401	693,513
Total recovered costs	\$ 140,000	\$ 142,888	\$ 843,840	\$ 700,952
Total revenue from local sources	\$ 111,560,168	\$ 111,628,573	\$ 119,079,507	\$ 7,450,934
Intergovernmental:				
Revenue from the Commonwealth:				
Noncategorical aid:				
Motor vehicle carriers' tax	\$ 5,000	\$ 5,000	\$ 3,502	\$ (1,498)
Mobile home titling tax	50,000	50,000	94,591	44,591
Motor vehicle rental tax	40,000	40,000	40,848	848
Communication sales tax	250,000	250,000	225,044	(24,956)
Personal property tax relief funds	1,620,227	1,620,227	1,620,227	-
Total noncategorical aid	\$ 1,965,227	\$ 1,965,227	\$ 1,984,212	\$ 18,985
Categorical aid:				
Shared expenses:				
Commonwealth's attorney	\$ 575,049	\$ 575,049	\$ 565,386	\$ (9,663)
Sheriff	1,772,908	1,772,908	1,758,542	(14,366)
Commissioner of revenue	214,260	214,260	204,645	(9,615)
Treasurer	220,500	220,500	217,477	(3,023)
Registrar/electoral board	79,927	79,927	87,814	7,887
Clerk of the Circuit Court	376,727	376,727	485,714	108,987
Total shared expenses	\$ 3,239,371	\$ 3,239,371	\$ 3,319,578	\$ 80,207
Other categorical aid:				
Welfare administration and assistance	\$ 2,272,220	\$ 2,300,062	\$ 1,396,293	\$ (903,769)
Wireless E-911 grant	-	-	165,653	165,653
Juvenile justice - crime control	-	15,905	15,905	-
At risk youth - children's services act	2,230,000	2,336,400	2,194,547	(141,853)
Four 4 life grant	-	47,514	47,514	-
Litter control grant	-	21,606	21,606	-
Radiological preparedness grant	-	30,000	30,000	-
Fire programs fund	-	180,085	180,085	-
Victim-witness grant	-	26,870	24,028	(2,842)
Other categorical aid	-	983,985	1,333,890	349,905
Total other categorical aid	\$ 4,502,220	\$ 5,942,427	\$ 5,409,521	\$ (532,906)
Total categorical aid	\$ 7,741,591	\$ 9,181,798	\$ 8,729,099	\$ (452,699)
Total revenue from the Commonwealth	\$ 9,706,818	\$ 11,147,025	\$ 10,713,311	\$ (433,714)

Schedule of Revenues - Budget and Actual
 Governmental Funds
 For the Year Ended June 30, 2025 (Continued)

Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
General Fund: (Continued)				
Intergovernmental: (Continued)				
Revenue from the federal government:				
Categorical aid:				
Welfare public assistance	\$ 2,763,271	\$ 2,792,677	\$ 2,569,442	\$ (223,235)
Victim witness	-	42,448	43,809	1,361
Federal DMV grants	-	10,400	7,095	(3,305)
Staffing for adequate fire and emergency response (SAFER)	-	-	254,502	254,502
Bulletproof vest partnership program	-	-	15,126	15,126
Juvenile justice and delinquency prevention	-	100,455	16,980	(83,475)
Edward Byrne memorial justice assistance grant program	-	3,200	4,509	1,309
Violence against women	-	-	27,350	27,350
Federal interest subsidy	275,000	275,000	304,597	29,597
Coronavirus state and local fiscal recovery funds	-	-	1,761,604	1,761,604
Emergency management preparedness	-	-	17,607	17,607
Housing & urban development	-	775,000	215,755	(559,245)
DEQ hazardous algae bloom	-	8,650	8,090	(560)
Total categorical aid	<u>\$ 3,038,271</u>	<u>\$ 4,007,830</u>	<u>\$ 5,246,466</u>	<u>\$ 1,238,636</u>
Total revenue from the federal government	<u>\$ 3,038,271</u>	<u>\$ 4,007,830</u>	<u>\$ 5,246,466</u>	<u>\$ 1,238,636</u>
Total General Fund	<u>\$ 124,305,257</u>	<u>\$ 126,783,428</u>	<u>\$ 135,039,284</u>	<u>\$ 8,255,856</u>
Capital Projects Fund:				
County Capital Improvements Fund:				
Revenue from local sources:				
Other local taxes:				
Meals tax	<u>\$ 1,920,000</u>	<u>\$ 1,920,000</u>	<u>\$ 2,106,879</u>	<u>\$ 186,879</u>
Revenue from use of money and property:				
Revenue from the use of money	<u>\$ 800,000</u>	<u>\$ 800,000</u>	<u>\$ 3,183,883</u>	<u>\$ 2,383,883</u>
Miscellaneous revenue:				
Other miscellaneous	<u>\$ 100,000</u>	<u>\$ 160,000</u>	<u>\$ 161,575</u>	<u>\$ 1,575</u>
Recovered costs:				
Other recovered costs	<u>\$ -</u>	<u>\$ 88,085,980</u>	<u>\$ 15,233,256</u>	<u>\$ (72,852,724)</u>
Total revenue from local sources	<u>\$ 2,820,000</u>	<u>\$ 90,965,980</u>	<u>\$ 20,685,593</u>	<u>\$ (70,280,387)</u>
Intergovernmental:				
Revenues from local governments:				
Contribution from IDA of Louisa County, Virginia	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 42,038,400</u>	<u>\$ 42,038,400</u>
Revenue from the Commonwealth:				
Categorical aid:				
Virginia aviation grant	<u>\$ -</u>	<u>\$ 1,087,656</u>	<u>\$ 782,844</u>	<u>\$ (304,812)</u>
Other categorical aid	<u>-</u>	<u>21,452</u>	<u>-</u>	<u>(21,452)</u>
Total categorical aid	<u>\$ -</u>	<u>\$ 1,109,108</u>	<u>\$ 782,844</u>	<u>\$ (326,264)</u>
Total revenue from the Commonwealth	<u>\$ -</u>	<u>\$ 1,109,108</u>	<u>\$ 782,844</u>	<u>\$ (326,264)</u>
Revenue from the federal government:				
Categorical aid:				
Community oriented policing services	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 955,766</u>	<u>\$ 955,766</u>
Federal aviation grant	<u>-</u>	<u>1,048,000</u>	<u>943,200</u>	<u>(104,800)</u>
Total categorical aid	<u>\$ -</u>	<u>\$ 1,048,000</u>	<u>\$ 1,898,966</u>	<u>\$ 850,966</u>
Total revenue from the federal government	<u>\$ -</u>	<u>\$ 1,048,000</u>	<u>\$ 1,898,966</u>	<u>\$ 850,966</u>
Total County Capital Improvements Fund	<u>\$ 2,820,000</u>	<u>\$ 93,123,088</u>	<u>\$ 65,405,803</u>	<u>\$ (27,717,285)</u>
Total Primary Government	<u>\$ 127,125,257</u>	<u>\$ 219,906,516</u>	<u>\$ 200,445,087</u>	<u>\$ (19,461,429)</u>

Schedule of Revenues - Budget and Actual
Governmental Funds
For the Year Ended June 30, 2025 (Continued)

Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
Discretely Presented Component Unit - School Board:				
School Operating Fund:				
Revenue from local sources:				
Revenue from the use of money	\$ 1,200	\$ 1,200	\$ 54,792	\$ 53,592
Revenue from the use of property	12,000	12,000	6,803	(5,197)
Total revenue from use of money and property	<u>\$ 13,200</u>	<u>\$ 13,200</u>	<u>\$ 61,595</u>	<u>\$ 48,395</u>
Charges for services:				
Tuition	\$ 13,200	\$ 13,200	\$ 78,200	\$ 65,000
Cafeteria sales	83,000	83,000	235,975	152,975
Total charges for services	<u>\$ 96,200</u>	<u>\$ 96,200</u>	<u>\$ 314,175</u>	<u>\$ 217,975</u>
Miscellaneous revenue:				
Other miscellaneous	\$ 844,400	\$ 844,400	\$ 1,510,470	\$ 666,070
Recovered costs:				
Other recovered costs	\$ 90,000	\$ 90,000	\$ 124,560	\$ 34,560
Total revenue from local sources	<u>\$ 1,043,800</u>	<u>\$ 1,043,800</u>	<u>\$ 2,010,800</u>	<u>\$ 967,000</u>
Intergovernmental:				
Revenues from local governments:				
Contribution from County of Louisa, Virginia	\$ 46,695,298	\$ 47,719,531	\$ 38,305,371	\$ (9,414,160)
Revenue from the Commonwealth:				
Categorical aid:				
Share of state sales tax	\$ 8,677,922	\$ 8,463,347	\$ 7,524,510	\$ (938,837)
Basic school aid	15,849,009	15,849,009	16,581,637	732,628
Remedial summer education	146,077	146,077	-	(146,077)
Regular foster care	78,123	78,123	31,011	(47,112)
Gifted and talented	157,755	157,755	188,128	30,373
Remedial education	512,703	512,703	103,152	(409,551)
Special education	1,962,077	1,962,077	2,003,173	41,096
Textbook payment	394,732	394,732	403,000	8,268
Vocational SOQ payments	357,413	357,413	364,900	7,487
Social security fringe benefits	924,345	924,345	903,441	(20,904)
Retirement fringe benefits	1,986,726	1,986,726	1,940,259	(46,467)
Group life insurance benefits	64,088	64,088	55,364	(8,724)
State lottery payments	895,234	895,234	1,123,109	227,875
Early reading intervention	143,551	143,551	120,330	(23,221)
Homebound education	61,585	61,585	50,087	(11,498)
Regional program tuition	927,820	927,820	1,021,532	93,712
Vocation education - equipment	-	-	47,976	47,976
Salary supplement	183,517	183,517	1,209,699	1,026,182
Special education - foster children	-	-	24,252	24,252
Technology	206,000	206,000	427,033	221,033
Standards of Learning algebra readiness	64,764	64,764	64,771	7
At risk four-year olds	403,360	403,360	493,416	90,056
Mentor teacher program	1,311	1,311	905	(406)
English as a second language	139,347	139,347	233,965	94,618
Other state funds	4,062,606	4,062,606	5,234,459	1,171,853
Total categorical aid	<u>\$ 38,200,065</u>	<u>\$ 37,985,490</u>	<u>\$ 40,150,109</u>	<u>\$ 2,164,619</u>
Total revenue from the Commonwealth	<u>\$ 38,200,065</u>	<u>\$ 37,985,490</u>	<u>\$ 40,150,109</u>	<u>\$ 2,164,619</u>

Schedule of Revenues - Budget and Actual
 Governmental Funds
 For the Year Ended June 30, 2025 (Continued)

Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
Discretely Presented Component Unit - School Board: (Continued)				
School Operating Fund: (Continued)				
Revenue from the federal government:				
Categorical aid:				
Title I: Grants to local educational agencies	\$ 1,286,320	\$ 1,286,320	\$ 1,084,978	\$ (201,342)
Language grant	12,000	12,000	24,799	12,799
Title VI-B: Special education grants	973,293	973,293	1,217,984	244,691
Title VI-B: Special education preschool grants	19,308	19,308	22,932	3,624
Vocational education	82,483	82,483	96,339	13,856
Title II, part A: Improving teacher quality	165,000	165,000	194,918	29,918
School lunch and breakfast program	2,983,354	2,983,354	3,520,238	536,884
Title IV Part A	74,500	74,500	82,656	8,156
Education stabilization fund	-	-	2,316,602	2,316,602
Total categorical aid	<u>\$ 5,596,258</u>	<u>\$ 5,596,258</u>	<u>\$ 8,561,446</u>	<u>\$ 2,965,188</u>
Total revenue from the federal government	<u>\$ 5,596,258</u>	<u>\$ 5,596,258</u>	<u>\$ 8,561,446</u>	<u>\$ 2,965,188</u>
Total School Operating Fund	<u>\$ 91,535,421</u>	<u>\$ 92,345,079</u>	<u>\$ 89,027,726</u>	<u>\$ (3,317,353)</u>
School Activity Fund:				
Miscellaneous revenue:				
Miscellaneous	\$ -	\$ -	\$ 1,559,518	\$ 1,559,518
Total miscellaneous revenue	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,559,518</u>	<u>\$ 1,559,518</u>
Total School Activity Fund	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,559,518</u>	<u>\$ 1,559,518</u>
School Capital Projects Fund:				
Intergovernmental:				
Revenues from local governments:				
Contribution from County of Louisa, Virginia	\$ 33,698,395	\$ 42,638,102	\$ 34,486,395	\$ (8,151,707)
Total revenues from local governments	<u>\$ 33,698,395</u>	<u>\$ 42,638,102</u>	<u>\$ 34,486,395</u>	<u>\$ (8,151,707)</u>
Total School Capital Projects Fund	<u>\$ 33,698,395</u>	<u>\$ 42,638,102</u>	<u>\$ 34,486,395</u>	<u>\$ (8,151,707)</u>
Total Discretely Presented Component Unit - School Board	<u>\$ 125,233,816</u>	<u>\$ 134,983,181</u>	<u>\$ 125,073,639</u>	<u>\$ (9,909,542)</u>

Statistical Section

Contents

Tables

Financial Trends

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

1 - 6

Revenue Capacity

These tables contain information to help the reader assess the factors affecting the County's ability to generate its property and sales taxes.

7 - 10

Debt Capacity

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

11-13

Demographic and Economic Information

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

14-15

Operating Information

These tables contain information about the County's operations and resources to help the reader understand how the County's financial information relate to the services the County provides and the activities it performs.

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

COUNTY OF LOUISIA, VIRGINIA

Table 1

Net Position by Component
Last Ten Fiscal Years
(*accrual basis of accounting*)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental activities										
Net investment in capital assets	\$ 23,278,507	\$ 25,809,816	\$ 30,809,285	\$ 36,910,984	\$ 40,859,610	\$ 39,452,422	\$ 41,216,188	\$ 47,750,434	\$ 45,257,907	\$ 77,708,128
Restricted	1,483,266	-	1,016,602	-	-	-	3,720,506	1,584,221	2,026,000	977,923
Unrestricted	53,460,871	61,946,226	63,190,810	64,993,131	71,999,854	84,533,577	86,355,152	94,998,615	124,127,814	164,284,496
Total governmental activities net position	\$ 78,222,644	\$ 87,756,042	\$ 95,016,697	\$ 101,904,115	\$ 112,859,464	\$ 123,985,999	\$ 131,291,846	\$ 144,333,270	\$ 171,411,721	\$ 242,970,547
Primary government										
Net investment in capital assets	\$ 23,278,507	\$ 25,809,816	\$ 30,809,285	\$ 36,910,984	\$ 40,859,610	\$ 39,452,422	\$ 41,216,188	\$ 47,750,434	\$ 45,257,907	\$ 77,708,128
Restricted	1,483,266	-	1,016,602	-	-	-	3,720,506	1,584,221	2,026,000	977,923
Unrestricted	53,460,871	61,946,226	63,190,810	64,993,131	71,999,854	84,533,577	86,355,152	94,998,615	124,127,814	164,284,496
Total primary government net position	\$ 78,222,644	\$ 87,756,042	\$ 95,016,697	\$ 101,904,115	\$ 112,859,464	\$ 123,985,999	\$ 131,291,846	\$ 144,333,270	\$ 171,411,721	\$ 242,970,547

COUNTY OF LOUISIA, VIRGINIA

Changes in Net Position
Last Ten Fiscal Years

(accrual basis of accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Expenses										
Governmental activities:										
General government administration	\$ 3,478,169	\$ 3,542,581	\$ 3,464,123	\$ 3,627,043	\$ 2,558,510	\$ 3,348,314	\$ 4,021,168	\$ 4,724,255	\$ 4,052,550	\$ 4,641,261
Judicial administration	1,979,935	1,938,254	1,972,016	1,928,527	1,689,088	2,158,013	2,311,888	2,618,347	2,828,422	2,584,926
Public safety	12,929,011	14,179,090	14,740,930	15,682,242	17,549,237	19,814,048	21,673,228	23,716,184	26,880,608	30,291,231
Public works	4,764,676	3,754,577	4,361,917	4,492,282	3,661,377	5,002,699	6,476,986	6,659,179	5,994,295	4,248,210
Health and welfare	7,838,939	8,593,657	8,525,097	9,078,677	10,114,054	10,564,986	7,927,207	9,278,530	10,018,828	11,994,514
Education	35,829,452	32,406,304	36,222,607	36,505,174	36,063,565	41,262,789	46,666,236	45,872,914	43,737,593	55,242,615
Parks, recreation and cultural	1,090,803	1,549,298	1,662,120	1,705,534	1,711,390	1,328,234	1,387,002	1,863,325	2,751,467	4,227,148
Community development	3,897,447	1,453,747	1,446,422	2,739,172	3,405,258	2,155,710	2,691,615	4,512,151	8,522,656	8,928,684
Interest on long-term debt	1,848,496	2,577,258	2,218,932	2,102,816	2,011,892	1,980,994	2,062,600	1,910,095	2,159,576	5,359,021
Total governmental activities expenses	\$ 73,656,928	\$ 69,994,766	\$ 74,614,164	\$ 77,861,467	\$ 78,764,371	\$ 87,615,787	\$ 95,217,930	\$ 101,154,980	\$ 106,945,995	\$ 127,517,610
Total primary government expenses	\$ 73,656,928	\$ 69,994,766	\$ 74,614,164	\$ 77,861,467	\$ 78,764,371	\$ 87,615,787	\$ 95,217,930	\$ 101,154,980	\$ 106,945,995	\$ 127,517,610
Program Revenues										
Governmental activities:										
Charges for services:										
General government administration	\$ 15,870	\$ 7,134	\$ 5,418	\$ 3,801	\$ 4,274	\$ 3,319	\$ 4,582	\$ 2,702	\$ 7,386	\$ 369,325
Judicial administration	97,417	108,997	134,358	171,191	162,268	120,238	254,809	260,854	172,472	227,477
Public safety	1,792,809	1,607,597	1,729,000	1,855,654	2,024,140	2,474,682	2,635,789	3,132,459	3,392,336	5,237,445
Public works	338,143	323,192	347,972	373,771	441,198	534,490	638,907	720,952	719,997	898,196
Health and welfare										362,872
Parks, recreation and cultural	405,900	497,948	472,316	549,782	459,013	209,458	470,188	566,603	1,004,195	955,791
Community development	20,270	12,400	35,770	6,300	4,250	3,000	11,500	6,300	12,577	39,460
Operating grants and contributions	7,291,389	7,856,460	8,130,118	8,391,214	9,170,772	9,411,512	13,446,344	10,801,500	11,809,287	13,169,727
Capital grants and contributions	2,795,787	103,629	53,472	290,840	320,750	299,798	210,285	1,924,874	2,748,090	60,599,304
Total governmental activities program revenues	\$ 12,757,585	\$ 10,517,357	\$ 10,908,424	\$ 11,642,553	\$ 12,586,665	\$ 13,056,497	\$ 17,672,404	\$ 17,416,244	\$ 19,866,340	\$ 81,859,597
Total primary government program revenues	\$ 12,757,585	\$ 10,517,357	\$ 10,908,424	\$ 11,642,553	\$ 12,586,665	\$ 13,056,497	\$ 17,672,404	\$ 17,416,244	\$ 19,866,340	\$ 81,859,597
Net (expense) / revenue	\$ (60,899,343)	\$ (59,477,409)	\$ (63,705,740)	\$ (66,218,914)	\$ (66,177,706)	\$ (74,559,290)	\$ (77,545,526)	\$ (83,738,736)	\$ (87,079,655)	\$ (45,658,013)
Governmental activities	\$ (60,899,343)	\$ (59,477,409)	\$ (63,705,740)	\$ (66,218,914)	\$ (66,177,706)	\$ (74,559,290)	\$ (77,545,526)	\$ (83,738,736)	\$ (87,079,655)	\$ (45,658,013)
Total primary government net expense	\$ (60,899,343)	\$ (59,477,409)	\$ (63,705,740)	\$ (66,218,914)	\$ (66,177,706)	\$ (74,559,290)	\$ (77,545,526)	\$ (83,738,736)	\$ (87,079,655)	\$ (45,658,013)

Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property taxes	\$ 55,134,815	\$ 58,183,294	\$ 60,114,485	\$ 61,193,152	\$ 63,397,886	\$ 65,833,441	\$ 69,479,803	\$ 77,912,471	\$ 84,128,325	\$ 93,993,887
Local sales and use taxes	3,309,977	3,673,209	3,622,340	3,859,107	4,557,042	5,520,260	5,782,979	6,512,542	7,377,300	7,300,136
Taxes on recordation and wills	559,854	579,547	644,987	667,383	774,923	1,218,105	1,323,934	1,009,304	1,084,621	1,128,270
Motor vehicle licenses taxes	1,193,414	1,329,437	1,376,881	1,439,736	1,438,729	1,494,903	1,439,846	1,475,090	1,542,055	1,540,081
Consumer utility taxes	609,137	610,599	679,384	652,128	657,398	675,285	687,862	696,134	707,271	723,079
Meals taxes	971,798	1,094,835	1,159,976	1,225,806	1,208,373	1,444,670	1,717,277	1,933,138	2,079,898	2,106,879
Other local taxes	329,019	355,113	416,936	414,725	470,195	643,116	727,282	1,018,482	1,633,465	2,628,705
Unrestricted grants and contributions	1,995,279	2,000,254	2,015,325	1,986,575	2,999,430	7,552,404	1,972,853	1,993,996	2,017,973	1,984,212
Unrestricted revenues from use of money and property	399,957	741,813	938,195	1,317,159	1,216,802	612,945	532,004	2,453,261	4,346,637	6,675,306
Miscellaneous	510,160	442,706	448,079	350,561	412,277	690,696	1,008,791	1,481,949	1,092,292	458,416
Total governmental activities	\$ 65,013,410	\$ 69,010,807	\$ 71,416,588	\$ 73,106,332	\$ 77,133,055	\$ 85,685,825	\$ 84,672,631	\$ 96,486,367	\$ 106,009,837	\$ 118,538,971
Total primary government	\$ 65,013,410	\$ 69,010,807	\$ 71,416,588	\$ 73,106,332	\$ 77,133,055	\$ 85,685,825	\$ 84,672,631	\$ 96,486,367	\$ 106,009,837	\$ 118,538,971
Change in Net Position										
Governmental activities	\$ 4,114,067	\$ 9,533,398	\$ 7,710,848	\$ 6,887,418	\$ 10,955,349	\$ 11,126,535	\$ 7,127,105	\$ 12,747,631	\$ 18,930,182	\$ 72,880,958
Total primary government	\$ 4,114,067	\$ 9,533,398	\$ 7,710,848	\$ 6,887,418	\$ 10,955,349	\$ 11,126,535	\$ 7,127,105	\$ 12,747,631	\$ 18,930,182	\$ 72,880,958

COUNTY OF LOUISA, VIRGINIA

Table 3

Governmental Activities Tax Revenues by Source
 Last Ten Fiscal Years
(accrual basis of accounting)

Fiscal Year	Property Tax	Local sales and use Tax	Consumer Utility Tax	Motor Vehicle License Tax	Record-ation and Wills Tax	Meals Tax	Other Local Taxes	Total
2025	\$ 93,993,887	\$ 7,300,136	\$ 723,079	\$ 1,540,081	\$ 1,128,270	\$ 2,106,879	\$ 2,628,705	\$ 109,421,037
2024	84,128,325	7,377,300	707,271	1,542,055	1,084,621	2,079,898	1,633,465	98,552,935
2023	77,912,471	6,512,542	696,134	1,475,090	1,009,304	1,933,138	1,018,482	90,557,161
2022	69,479,803	5,782,979	687,862	1,439,846	1,323,934	1,717,277	727,282	81,158,983
2021	65,833,441	5,520,260	675,285	1,494,903	1,218,105	1,444,670	643,116	76,829,780
2020	63,397,886	4,557,042	657,398	1,438,729	774,923	1,208,373	470,195	72,504,546
2019	61,193,152	3,859,107	652,128	1,439,736	667,383	1,225,806	414,725	69,452,037
2018	60,114,485	3,622,340	644,987	1,376,881	679,384	1,159,976	416,936	68,014,989
2017	58,183,294	3,673,209	610,599	1,329,437	579,547	1,094,835	355,113	65,826,034
2016	55,134,815	3,309,977	609,137	1,193,414	559,854	971,798	329,019	62,108,014

COUNTY OF LOUISIA, VIRGINIA

Table 4

Fund Balances of Governmental Funds (1)
 Last Ten Fiscal Years
 (modified accrual basis of accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General fund										
Nonspendable	\$ 47,160	\$ 255,671	\$ 260,902	\$ 248,433	\$ 249,202	\$ 248,574	\$ 249,290	\$ 249,290	\$ 456,132	\$ 304,693
Restricted	1,483,266	-	1,016,602	-	-	-	-	167,862	242,194	268,310
Committed	16,065,184	15,800,000	15,800,000	15,800,000	15,800,000	15,800,000	15,800,000	15,800,000	15,800,000	15,800,000
Assigned	1,368,802	1,653,829	477,488	14,148,558	15,920,066	15,920,066	17,709,411	17,709,411	17,709,411	17,709,411
Unassigned	26,063,587	28,887,913	40,296,734	24,870,916	29,679,972	33,660,643	39,900,711	41,941,770	50,572,919	66,295,221
Total general fund	\$ 45,027,999	\$ 46,597,413	\$ 57,851,726	\$ 55,067,907	\$ 61,649,240	\$ 65,629,283	\$ 73,659,412	\$ 75,868,333	\$ 84,780,656	\$ 100,377,635
All other governmental funds										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 88,235	\$ 165,654
Committed for capital projects funds	49,899,791	33,238,865	7,893,548	1,095,139	-	-	-	-	-	-
Assigned for capital projects funds	11,264,363	18,317,409	16,490,602	18,897,973	20,074,897	32,893,143	24,761,980	27,181,156	27,181,156	126,030,209
Total all other governmental funds	\$ 61,164,154	\$ 51,556,274	\$ 24,384,150	\$ 19,993,112	\$ 20,074,897	\$ 32,893,143	\$ 24,761,980	\$ 27,181,156	\$ 27,269,391	\$ 126,195,863

Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenues										
General property taxes	\$ 55,027,281	\$ 58,357,514	\$ 60,518,750	\$ 60,874,073	\$ 63,583,869	\$ 65,807,819	\$ 69,184,457	\$ 77,646,823	\$ 84,128,065	\$ 92,991,577
Other local taxes	6,973,199	7,642,740	7,900,504	8,258,885	9,106,660	10,996,339	11,679,180	12,644,690	14,424,610	15,427,150
Permits, privilege fees and regulatory licenses	645,658	506,821	523,651	560,491	688,088	834,857	876,233	1,213,203	1,326,457	2,867,531
Fines and forfeitures	37,974	29,299	59,530	89,689	83,809	67,068	104,763	123,308	78,106	110,925
Revenue from use of money and property	399,957	741,813	938,195	1,317,159	1,216,802	612,945	532,004	2,453,261	4,346,637	7,410,135
Charges for services	1,986,777	2,021,148	2,141,653	2,310,319	2,323,246	2,443,262	3,034,779	3,353,359	3,904,400	4,377,281
Miscellaneous	510,160	442,706	497,660	350,561	412,277	690,696	501,420	1,058,065	780,447	503,405
Recovered costs	231,852	578,182	190,225	293,081	740,171	523,427	514,312	209,806	1,558,238	16,077,096
Intergovernmental revenues:										
Contribution from IDA	-	-	-	-	-	-	-	-	-	42,038,400
Commonwealth	7,779,886	7,585,218	7,877,912	8,265,913	8,674,297	8,915,391	8,876,145	9,626,911	10,656,368	11,496,155
Federal	4,302,569	2,375,125	2,321,003	2,402,716	3,816,655	8,348,323	6,753,337	5,093,459	5,918,982	7,145,432
Total revenues	\$ 77,895,313	\$ 80,280,566	\$ 82,969,083	\$ 84,722,887	\$ 90,645,874	\$ 99,240,127	\$ 102,056,630	\$ 113,422,885	\$ 127,122,310	\$ 200,445,087
Expenditures										
General government administration	\$ 3,318,595	\$ 3,272,417	\$ 3,346,110	\$ 3,552,047	\$ 3,524,331	\$ 3,707,461	\$ 3,960,958	\$ 4,485,999	\$ 5,069,428	\$ 5,015,401
Judicial administration	1,971,782	1,952,842	2,022,300	2,102,555	2,145,677	2,200,437	2,550,621	2,654,511	2,837,729	3,029,556
Public safety	12,274,568	13,054,257	13,784,687	14,398,973	15,396,515	18,405,005	21,335,454	23,167,102	26,232,790	26,922,880
Public works	3,028,924	3,089,009	3,247,038	3,443,670	3,567,547	3,788,460	3,987,496	4,702,247	5,067,146	5,100,081
Health and welfare	8,025,122	8,678,611	8,641,127	9,143,686	10,133,525	10,466,920	10,044,402	10,640,385	11,075,663	12,057,311
Education	30,915,671	29,057,136	32,174,796	32,225,642	32,718,899	35,807,601	35,708,492	38,815,004	41,250,163	37,803,655
Parks, recreation and cultural	1,467,662	1,471,176	1,530,342	1,586,661	1,567,568	1,281,730	1,711,369	1,838,540	2,244,310	2,166,553
Community development	1,361,644	1,305,182	1,391,126	2,555,026	1,659,348	1,660,084	2,560,118	2,147,964	3,643,922	3,671,604
Capital projects	11,612,022	13,319,089	26,391,734	17,673,080	8,205,653	8,652,863	15,426,890	15,209,132	16,503,850	67,124,271
Debt service:										
Principal retirement	2,204,441	10,490,358	3,594,820	2,600,442	2,640,442	2,695,442	2,420,442	2,730,442	2,775,442	2,820,442
Interest and other fiscal charges	1,951,423	2,843,615	2,762,814	2,615,962	2,504,575	2,402,232	2,451,422	2,403,462	2,278,396	3,058,874
Cost of bond issuance	-	-	-	-	-	55,203	-	-	233,239	822,413
Total expenditures	\$ 78,131,854	\$ 88,533,692	\$ 98,886,894	\$ 91,897,744	\$ 84,064,080	\$ 91,123,438	\$ 102,157,664	\$ 108,794,788	\$ 119,212,078	\$ 169,593,041
Excess of revenues over (under) expenditures	\$ (236,541)	\$ (8,253,126)	\$ (15,917,811)	\$ (7,174,857)	\$ 6,581,794	\$ 8,116,689	\$ (101,034)	\$ 4,628,097	\$ 7,910,232	\$ 30,852,046
Other financing sources (uses)										
Transfers in	\$ 15,083,118	\$ 17,465,439	\$ 11,613,465	\$ 11,306,259	\$ 6,261,769	\$ 10,674,956	\$ 5,302,102	\$ 13,695,065	\$ 11,930,630	\$ 18,383,631
Transfers out	(15,083,118)	(17,465,439)	(11,613,465)	(11,306,259)	(6,261,769)	(10,674,956)	(5,302,102)	(13,695,065)	(11,930,630)	(18,383,631)
Debt issued	44,830,000	-	-	-	-	7,775,000	-	-	19,110,000	58,790,000
Premium on bonds issued	5,209,362	-	-	-	-	783,304	-	-	1,278,084	4,150,809
Insurance proceeds	-	-	-	-	81,324	123,296	-	-	692,031	740,807
Issuance of capital leases	-	214,660	-	-	-	-	-	-	-	-
Total other financing sources (uses)	\$ 50,039,362	\$ 214,660	\$ -	\$ -	\$ 81,324	\$ 8,681,600	\$ -	\$ -	\$ 21,080,115	\$ 63,681,616
Net change in fund balances	\$ 49,802,821	\$ (8,038,466)	\$ (15,917,811)	\$ (7,174,857)	\$ 6,663,118	\$ 16,798,289	\$ (101,034)	\$ 4,628,097	\$ 28,990,347	\$ 94,533,662
Debt service as a percentage of noncapital expenditures	5.11%	16.74%	8.47%	6.75%	6.61%	5.96%	5.18%	5.15%	4.63%	4.23%

COUNTY OF LOUISA, VIRGINIA

Table 6

General Governmental Tax Revenues by Source
 Last Ten Fiscal Years
 (modified accrual basis of accounting)

Fiscal Year	Property Tax	Local sales and use Tax	Consumer Utility Tax	Motor Vehicle License Tax	Recordation and Wills Tax	Meals Tax	Other Local Taxes	Total
2025	\$ 92,991,577	\$ 7,300,136	\$ 723,079	\$ 1,540,081	\$ 1,128,270	\$ 2,106,879	\$ 2,628,705	\$ 108,418,727
2024	84,128,065	7,377,300	707,271	1,542,055	1,084,621	2,079,898	1,633,465	98,552,675
2023	77,646,823	6,512,542	696,134	1,475,090	1,009,304	1,933,138	1,018,482	90,291,513
2022	69,184,457	5,782,979	687,863	1,439,846	1,323,934	1,717,277	727,281	80,863,637
2021	65,807,819	5,520,260	675,285	1,494,903	1,218,105	1,444,670	643,116	76,804,158
2020	63,583,869	4,557,042	657,398	1,438,729	774,923	1,208,373	470,195	72,690,529
2019	60,874,073	3,859,107	652,128	1,439,736	667,383	1,225,806	414,725	69,132,958
2018	60,518,750	3,622,340	679,384	1,376,881	644,987	1,159,976	416,936	68,419,254
2017	58,357,514	3,673,209	610,599	1,329,437	579,547	1,094,835	355,113	66,000,254
2016	55,027,281	3,309,977	609,137	1,193,414	559,854	971,798	329,019	62,000,480

COUNTY OF LOUISIA, VIRGINIA

Table 7

Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year	Real Estate	Personal Property	Mobile Homes	Machinery and Tools	Merchants' Capital	Public Service	Total Taxable Assessed Value	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value	
									Actual Value	Direct Tax Rate
2025	\$ 9,318,159,200	\$ 771,243,750	\$ 10,658,700	\$ 24,191,110	\$ 94,856,960	\$ 2,518,737,080	\$ 12,737,846,800	\$ 12,737,846,800	100.00%	0.83
2024	8,426,836,900	559,887,385	11,081,500	23,521,790	94,049,470	2,440,268,870	11,555,645,915	11,555,645,915	100.00%	0.81
2023	8,124,468,100	553,275,940	10,386,200	20,322,105	85,121,650	2,268,126,360	11,061,700,355	11,061,700,355	100.00%	0.81
2022	7,058,844,400	539,984,870	10,652,100	19,620,295	77,648,870	2,271,258,210	9,978,008,745	9,978,008,745	100.00%	0.81
2021	5,823,397,500	471,633,800	10,550,200	17,778,425	76,577,660	2,366,789,607	8,766,727,192	8,766,727,192	100.00%	0.81
2020	5,580,091,000	451,392,200	10,472,400	16,737,000	76,954,080	2,310,302,210	8,445,948,890	8,445,948,890	100.00%	0.81
2019	5,302,153,400	423,329,290	10,539,000	16,435,030	74,972,600	2,341,951,920	8,169,381,240	8,169,381,240	100.00%	0.81
2018	5,089,628,000	399,966,165	10,552,700	16,563,700	80,726,020	2,450,619,920	8,048,056,505	8,048,056,505	100.00%	0.81
2017	4,941,166,100	382,171,780	10,733,900	17,240,925	78,425,865	2,449,442,640	7,879,181,210	7,879,181,210	100.00%	0.78
2016	4,837,891,500	357,158,820	10,267,300	16,405,760	80,784,420	2,511,655,800	7,814,163,600	7,814,163,600	100.00%	0.78

Note: Estimated Actual Taxable Value is the same as Total Taxable Assessed Value. Total Taxable Assessed Value is reported at Fair Market Value.

Source: Commissioner of Revenue

COUNTY OF LOUISIA, VIRGINIA

Table 8

Property Tax Rates (1)
Direct and Overlapping Governments
Last Ten Fiscal Years

Fiscal Years	Direct Rates				Total Direct Tax Rate	Overlapping Rates Town of Louisa			Overlapping Rates Town of Mineral		
	Real Estate	Personal Property	Mobile Homes	Machinery and Tools		Merchants' Capital	Real Estate	Personal Property	Real Estate	Personal Property	
2025	0.72	2.43	(2)	0.72	1.90	0.65	0.81	0.1635	0.71	0.20	0.48
2024	0.72	2.43	(2)	0.72	1.90	0.65	0.81	0.1635	0.71	0.20	0.48
2023	0.72	2.43	(2)	0.72	1.90	0.65	0.81	0.1635	0.71	0.20	0.48
2022	0.72	2.43	(2)	0.72	1.90	0.65	0.81	0.1635	0.71	0.22	0.48
2021	0.72	2.43	(2)	0.72	1.90	0.65	0.81	0.1635	0.71	0.24	0.48
2020	0.72	2.43	(2)	0.72	1.90	0.65	0.81	0.1635	0.71	0.24	0.48
2019	0.72	2.43	(2)	0.72	1.90	0.65	0.81	0.1635	0.71	0.24	0.48
2018	0.72	2.43	(2)	0.72	1.90	0.65	0.81	0.1635	0.71	0.24	0.48
2017	0.72	2.43	(2)	0.72	1.90	0.65	0.78	0.1635	0.71	0.24	0.48
2016	0.72	1.90		0.72	1.90	0.65	0.78	0.1635	0.71	0.24	0.48

(1) Per \$100 of assessed value
(2) Business personal property is \$1.90

COUNTY OF LOUISA, VIRGINIA

Table 9

Principal Property Taxpayers
Current Year and the Period Nine Years Prior

Taxpayer	Type Business	Fiscal Year 2025		Fiscal Year 2016	
		Assessed Valuation	% of Total Assessed Valuation	Assessed Valuation	% of Total Assessed Valuation
Dominion Virginia Power	Electric	1,868,219,390	0.16167157	1,934,318,220	0.24680104
Old Dominion	Electric	373,915,100	0.03235778	444,510,460	0.05671541
Walmart	Retailer	122,504,590	0.01060128	116,415,210	0.01485350
Rappahannock Electric Co-op	Electric	106,354,860	0.00920371	47,881,340	0.00610921
Columbia Gas	Pipeline	61,956,800	0.00536160	22,696,190	0.00289582
Amazon	Data Center	41,632,790	0.00360281	N/A	N/A
Klockner Pentaplast	Manufacturing	38,444,195	0.00332688	27,086,530	0.00345599
Central Virginia Electric	Electric	34,611,480	0.00299520	N/A	N/A
Faulconer Construction	Civil Contractor	27,020,365	0.00233828	N/A	N/A
Lowes	Retailer	21,205,280	0.00183506	17,418,165	0.00222240
Colonial Pipeline	Pipeline	N/A	N/A	15,717,700	0.00200543
Spring Creek Land Development	Land Developer	N/A	N/A	28,028,280	0.00357615
William A. Cooke Inc.	Land Developer/Realtor	N/A	N/A	15,517,740	0.00197992
		<u>2,695,864,850</u>	<u>21.16%</u>	<u>2,669,589,835</u>	<u>34.16%</u>

Source: Commissioner of Revenue

COUNTY OF LOUISA, VIRGINIA

Table 10

Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year	Total Tax (1) Levy for Fiscal Year	Collected within the Fiscal Year of the Levy (1,3)		Collections in Subsequent Years (1, 2)	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2025	\$ 94,274,738	\$ 89,826,853	95.28%	\$ -	\$ 89,826,853	95.28%
2024	84,516,804	80,338,445	95.06%	1,462,350	81,800,795	96.79%
2023	78,811,458	74,774,525	94.88%	2,045,162	76,819,687	97.47%
2022	70,177,640	66,943,346	95.39%	1,747,311	68,690,657	97.88%
2021	66,148,633	62,811,018	94.95%	3,110,008	65,921,026	99.66%
2020	63,759,099	60,669,902	95.15%	2,967,475	63,637,377	99.81%
2019	61,572,765	58,005,777	94.21%	3,478,411	61,484,188	99.86%
2018	60,139,199	57,203,734	95.12%	2,858,907	60,062,641	99.87%
2017	57,376,850	55,636,434	96.97%	1,847,607	57,484,041	100.19%
2016	55,806,674	52,909,359	94.81%	2,850,407	55,759,766	99.92%

Source: Commissioner of Revenue, County Treasurer's office

- (1) Exclusive of penalties & interest.
- (2) Does not include land rollbacks.
- (3) Includes revenue from the Commonwealth for Personal Property Tax Relief Act.

COUNTY OF LOUISIA, VIRGINIA

Table 11

Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Years	Governmental Activities										Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	General Obligation Bonds	Lease Revenue Bonds	Bond Premium	Revenue Anticipation Notes	Capital Leases	Revenue Anticipation Notes	Bond Premium	Lease Revenue Bonds	General Obligation Bonds	Capital Leases			
2025	\$ 76,774,412	\$ 50,165,000	\$ 9,040,710	\$ -	-	\$ -	-	\$ -	-	-	\$ 135,980,122	6257.17%	\$ 3,282
2024	19,904,854	51,065,000	5,345,904	-	-	-	-	-	-	-	76,315,758	3511.70%	1,860
2023	21,825,296	32,810,000	4,486,767	-	-	-	-	-	-	-	59,122,063	2720.52%	1,474
2022	23,745,738	33,620,000	4,932,184	-	-	-	-	-	-	-	62,297,922	3061.21%	1,604
2021	25,396,180	34,390,000	5,383,909	-	-	-	-	-	-	-	65,170,089	3349.17%	1,709
2020	19,586,622	35,120,000	5,027,766	-	-	-	-	-	-	-	59,734,388	3332.50%	1,589
2019	21,532,064	35,815,000	5,476,004	-	-	-	-	-	-	-	62,823,068	4021.50%	1,708
2018	23,467,506	36,480,000	5,943,897	-	-	-	-	-	-	-	65,891,403	4527.84%	1,837
2017	25,392,948	37,115,000	6,430,908	-	-	-	-	-	1,034,378	-	69,973,234	5076.28%	1,986
2016	27,303,390	37,830,000	6,916,922	7,500,000	-	-	-	-	1,184,634	-	80,734,946	5996.37%	2,333

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

(1) See the Schedule of Demographic and Economic Statistics - Table 13

COUNTY OF LOUISIA, VIRGINIA

Table 12

Ratio of Net General Bonded Debt to Assessed Value and Net Bonded Debt Per Capita Last Ten Fiscal Years

Fiscal Year	Gross Bonded Debt	Net Bonded Debt (3)	Ratio of Net General Obligation Debt to		Net Bonded Debt per Capita (1)
			Assessed Value (2)	Bonded Debt (1)	
2025	\$ 81,791,589	\$ 81,791,589	0.64%	\$	1,974
2024	20,923,195	20,923,195	0.18%		510
2023	23,014,344	23,014,344	0.21%		574
2022	25,124,151	25,124,151	0.25%		647
2021	26,962,853	26,962,853	0.31%		707
2020	20,526,651	20,526,651	0.24%		546
2019	22,643,345	22,643,345	0.28%		616
2018	24,763,900	24,763,900	0.31%		691
2017	26,888,225	26,888,225	0.34%		763
2016	29,010,950	29,010,950	0.37%		838

(1) Population data can be found in the Schedule of Demographic and Economic Statistics - Table 14
 (2) See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property - Table 7
 (3) Includes all long-term general obligation bonded debt and Literary Fund Loans. Excludes revenue bonds, capital leases, and compensated absences.

COUNTY OF LOUISA, VIRGINIA

Table 13

Direct and Overlapping Governmental Activities Debt
At June 30, 2025

Direct:(1)			
County of Louisa, Virginia	\$	135,980,122	100% \$ 135,980,122

(1) The County of Louisa has no overlapping debt.

COUNTY OF LOUISIA, VIRGINIA

Table 14

Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	Population (1)	Personal Income (2)	Per Capita Personal Income (2)	Median Age (3)	School Enrollment (4)	Unemployment Rate (5)
2025	41,428	\$ 2,173,188	\$ 52,957		5,278	4.00%
2024	41,037	2,173,188	52,957		5,136	2.80%
2023	40,116	2,173,188	52,957		5,133	2.60%
2022	38,848	2,035,078	50,730		5,131	2.60%
2021	38,132	1,945,859	50,089		4,941	3.70%
2020	37,596	1,792,478	47,474	45.3	4,947	6.90%
2019	36,778	1,562,180	42,476		4,716	2.70%
2018	35,860	1,455,249	40,581		4,853	3.00%
2017	35,236	1,378,434	39,076		4,795	3.50%
2016	34,602	1,346,397	38,893		4,833	3.60%

Source:

- (1) US Census Quick Facts
- (2) U.S. Bureau of Economic Analysis
- (3) Median Age at the County level is not data that is updated annually, but only with decennial census
- (4) Annual School Report as prepared by the Louisa County Public Schools
- (5) Virginia Employment Commission- Labor Market Information

COUNTY OF LOUISA, VIRGINIA

Table 15

Principal Employers
Current Year and the Period Nine Years Prior

Employer	Fiscal Year 2025			Fiscal Year 2016		
	Employees	Rank	% of Total County Employment	Employees	Rank	Rank
Walmart, Inc.	1,408	1	13.84%	Walmart, Inc.		1
Dominion Energy	1,139	2	11.20%	Louisa County Public Schools		2
Louisa County Public Schools	952	3	9.36%	Dominion Virginia Power		3
County of Louisa	541	4	1.73%	Klockner - Pentaplast of America		4
Klockner-Pentaplast of America	312	5	5.32%	County of Louisa		5
Mann and Hummell Corporation	176	6	3.07%	Tri-Dim Filter Corporation		6
Food Lion	187	7	1.84%	Food Lion		7
Louisa Health Care Center	114	8	1.30%	Shenandoah Crossings Resort*		8
Lowes	132	9	0.93%	Lowes		9
Shenandoah Crossings Resort	97	10	0.95%	McDonalds		10
McDonalds	95	11	0.93%	Louisa Health Care Center		11
Chips, Inc.	83	12	0.82%	Cavalier Produce		12
Totals	<u>10,171</u>		<u>51.29%</u>			

Source: Virginia Employment Commission, Individual Companies HR Depts.

*Seasonal

COUNTY OF LOUISA, VIRGINIA

Table 16

Full-time Equivalent County Government Employees by Function
Last Ten Fiscal Years

Function	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General government	33	34	34	36	34	34	37	34	38	39
Judicial administration	15	15	16	17	18	18	18	18	19	20
Public safety										
Sheriffs department	62	62	62	66	69	69	68	74	76	76
Fire & rescue	46	46	46	48	51	51	61	78	80	86
Building inspections	6	6	6	6	6	6	7	7	7	7
Animal control	3	3	6	6	6	6	6	6	9	9
Public works										
General maintenance	12	12	12	14	15	15	16	18	18	18
Landfill	5	5	6	6	6	7	7	7	7	7
Health and welfare										
Department of social services	41	41	43	46	47	48	48	45	45	45
Culture and recreation										
Parks and recreation	5	5	6	6	6	7	6	8	8	10
Community development										
Community development	8	8	8	8	9	9	8	12	12	12
Economic development	1	1	1	1	1	1	1	1	1	1
Airport										3
Totals	237	238	246	260	268	271	283	308	320	333

Source: Payroll Records

COUNTY OF LOUISA, VIRGINIA

Table 17

Operating Indicators by Function
Last Ten Fiscal Years

Function	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Public safety										
Sheriffs department:										
Physical arrests	1,764	1,822	1,701	1,914	1,830	1,923	1,651	1,827	2,626	2,234
Traffic violations	920	1,025	1,419	1,902	1,816	1,384	2,431	2,606	3,106	2,781
Civil papers	10,640	8,718	8,558	8,941	8,809	8,536	8,196	7,378	8,528	9,097
Fire and rescue:										
Fire	4,723	7,289	4,441	4,411	3,874	3,373	3,660	3,016	2,628	2,052
Rescue	6,554	6,735	6,337	7,359	6,868	3,995	4,334	4,853	5,293	5,848
Total Number of calls for service	11,277	14,024	10,778	11,770	10,742	7,368	7,994	7,869	7,921	7,900
Total Number of actual rescue transports	3,630	3,504	3,299	3,543	3,601	3,724	4,095	4,223	4,062	4,005
Building inspections:										
Permits issued	1,386	1,571	1,460	1,417	1,609	1,920	2,248	2,064	1,938	1,956
Animal control:										
Number of calls answered	3,362	3,570	3,399	3,095	2,998	2,639	2,546	3,561	3,581	3,671
Public works										
General maintenance:										
Trucks/vehicles	11	11	11	12	10	12	11	11	14	17
Landfill:										
Refuse collected (tons/day)	61.64	64.09	68.08	77.10	77.10	57.00	65.17	65.29	68.90	78.03
Recycling (tons/day)	*	*	*	2.46	2.39	2.71	2.66	2.62	2.64	2.40
Health and welfare										
Department of Social Services:										
Caseload:										
Food Stamps	1,786	1,769	1,609	1,530	1,609	2,172	1,886	2,126	2,198	2,165
Medicaid	2,946	2,917	3,039	4,767	4,237	5,504	5,674	5,682	5,501	5,502
Temporary Asst. Needy Families	91	83	71	66	64	85	66	63	68	61
Culture and recreation										
Parks and recreation:										
Recreation hall permits issued	198	179	251	223	119	53	80	85	306	330
After-school program participants	253	250	256	343	302	118	236	171	187	175
Aquatic Facility Participants	11,734	13,027	11,071	10,712	4,729	4,857	5,819	9,139	12,479	7,884
Youth sports participants	5,676	5,972	7,034	7,556	4,164	3,462	8,096	6,106	11,689	13,619
Community development										
Planning:										
Zoning permits issued	870	979	878	1,045	1,250	1,310	1,253	891	951	979
Component Unit - School Board										
Education:										
School age population	6,059	6,148	6,012	6,014	6,087	6,209	6,685	6,630	6,868	6,995
Av. Daily Membership (March)	4,833	4,795	4,853	4,716	4,775	4,784	4,829	4,863	5,125	5,278
Number of teachers	374	405	393	417	419	427	446	447	443	453
Total expenditures per pupil	11,324	11,428	12,325	13,074	13,027	14,609	15,478	16,366	16,797	15,352

Source: Individual County departments

NOTE: School Age Population Based on Actual School Census done every three years until 2011 and now provided by Weldon Cooper.

* Information not available

COUNTY OF LOUISA, VIRGINIA

Table 18

Capital Asset Statistics by Function
Last Ten Fiscal Years

Function	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General government administration										
Administration buildings	9	9	10	10	11	12	13	14	15	16
Vehicles	10	10	10	10	10	10	10	10	11	11
Public safety										
Sheriffs department:										
Total vehicles	80	80	82	86	83	87	88	92	97	100
Animal control:										
Vehicles	4	6	7	7	5	5	6	6	6	8
Emergency Services:										
Vehicles	6	5	6	5	5	3	2	2	1	1
Ambulances	6	5	5	6	6	6	7	7	9	11
First Response Vehicles	0	0	0	0	0	5	8	8	9	7
Fire Truck	0	0	1	1	1	1	3	6	7	7
Public works										
General maintenance:										
Trucks/vehicles	8	10	10	10	10	10	11	12	14	17
Landfill:										
Vehicles	3	4	5	6	10	11	11	11	11	12
Sites	1	1	1	1	1	1	1	1	1	1
Refuse & Recycling Sites	9	9	9	9	9	9	9	9	9	9
Health and welfare										
Department of Social Services:										
Vehicles	9	9	9	9	9	8	8	8	8	8
Culture and recreation										
Parks and recreation:										
Community centers	2	2	2	2	2	2	2	2	2	2
Vehicles	9	8	8	6	6	6	7	7	7	7
Aquatic facilities	1	1	1	1	1	1	1	1	1	1
Parks acreage	104.62	104.62	104.62	104.62	104.62	104.62	104.62	104.62	104.62	104.62
Community development										
Planning:										
Vehicles	6	5	5	6	8	8	9	10	11	10
Component Unit - School Board										
Education:										
Schools	6	6	6	6	6	6	6	6	6	6
School buses	127	128	135	133	143	151	135	130	129	130

Source: Insurance Renewal Schedules



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

**To the Honorable Members of the Board of Supervisors
County of Louisa, Virginia**

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Specifications for Audits of Counties, Cities, and Towns*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia, the financial statements of the governmental activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Louisa, Virginia, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the County of Louisa, Virginia's basic financial statements, and have issued our report thereon dated December 5, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County of Louisa, Virginia's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County of Louisa, Virginia's internal control. Accordingly, we do not express an opinion on the effectiveness of the County of Louisa, Virginia's internal control.

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Robinson, Farmer, Cox Associates

Charlottesville, Virginia

December 5, 2025



**Independent Auditors' Report on Compliance For Each Major Program and on
Internal Control over Compliance Required by the Uniform Guidance**

**To the Honorable Members of the Board of Supervisors
County of Louisa, Virginia**

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the County of Louisa, Virginia's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the County of Louisa, Virginia's major federal programs for the year ended June 30, 2025. The County of Louisa, Virginia's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County of Louisa, Virginia complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of County of Louisa, Virginia and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of County of Louisa, Virginia's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to County of Louisa, Virginia's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on County of Louisa, Virginia's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about County of Louisa, Virginia's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 County of Louisa, Virginia's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of County of Louisa, Virginia's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of County of Louisa, Virginia's internal control over compliance. Accordingly, no such opinion is expressed

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

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

Report on Internal Control over Compliance: (Continued)

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Robinson, Farmer, Cox Associates

Charlottesville, Virginia

December 5, 2025

COUNTY OF LOUISA, VIRGINIA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2025

Federal Grantor/State Pass - Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures	Provided to Subrecipients
Department of Health and Human Services:				
Pass Through Payments:				
Department of Social Services:				
Temporary Assistance For Needy Families	93.558	0400123/0400124	\$ 240,563	\$ -
CCDF Cluster:				
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	0760123/0760124	\$ 47,513	\$ -
Total CCDF Cluster			\$ 47,513	\$ -
Medicaid Cluster:				
Medical Assistance Program	93.778	1200123/1200124	\$ 603,218	\$ -
Total Medicaid Cluster			\$ 603,218	\$ -
Guardianship Assistance	93.090	1110123/1110124	\$ 17,664	\$ -
Title Iv-E Prevention Program	93.472	1140124	12,520	-
Marylee Allen Promoting Safe and Stable Families Program	93.556	0950123/0950124	22,231	-
Refugee and Entrant Assistance State/Replacement Designee Administered Programs	93.566	0500123/0500124	1,458	-
Low-Income Home Energy Assistance	93.568	0600423/0600424	46,229	-
Chafee Education And Training Vouchers Program (ETV)	93.599	9160123/9160124	1,747	-
Stephanie Tubbs Jones Child Welfare Services Program	93.645	0900123	1,029	-
Foster Care - Title IV-E	93.658	1100123/1100124	235,343	-
Adoption Assistance	93.659	1120123/1120124	405,236	-
Social Services Block Grant	93.667	1000123/1000124	218,634	-
John H. Chafee Foster Care Program For Successful Transition To Adulthood	93.674	9150123	5,239	-
Elder Abuse Prevention Interventions Program	93.747	8000223	1,731	-
Children's Health Insurance Program (CHIP)	93.767	0540123/0540124	7,700	-
Total Department of Health and Human Services			\$ 1,868,055	\$ -
Department of Homeland Security:				
Pass Through Payments:				
Department of Emergency Management:				
Emergency Management Performance Grants	97.042	114363	\$ 17,607	\$ -
Staffing For Adequate Fire And Emergency Response (SAFER)	97.083	Unavailable	254,502	-
Total Department of Homeland Security			\$ 272,109	\$ -
Department of Agriculture:				
Pass Through Payments:				
Department of Agriculture:				
Child Nutrition Cluster:				
Food Distribution	10.555	APE402540000	\$ 351,058	\$ -
Department of Education:				
National School Lunch Program	10.555	APE402540000	1,940,570	-
Total 10.555			\$ 2,291,628	\$ -
School Breakfast Program	10.553	APE402530000	\$ 882,938	-
Total 10.553			\$ 882,938	\$ -
Summer Food Service Program For Children	10.559	APE603020000/APE603030000	179,190	-
Food Distribution	10.559	APE603020000/APE603030000	7,139	-
Total 10.559			\$ 186,329	\$ -
Total Child Nutrition Cluster			\$ 3,360,895	\$ -
Child and Adult Care Food Program	10.558	APE700270000/APE700280000	\$ 109,343	\$ -
Child Nutrition Discretionary Grants Limited Availability	10.579	DOE868040000	\$ 50,000	\$ -

COUNTY OF LOUISA, VIRGINIA

Schedule of Expenditures of Federal Awards (Continued)
For the Year Ended June 30, 2025

Federal Grantor/State Pass - Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures	Provided to Subrecipients
Department of Agriculture: (Continued)				
Department of Social Services:				
SNAP Cluster:				
State Administrative Matching Grants For The Supplemental Nutrition Assistance Program	10.561	0010123/0010124/ 401,230,040,124	\$ 701,387	\$ -
Total SNAP Cluster			<u>\$ 701,387</u>	<u>\$ -</u>
Total Department of Agriculture			<u>\$ 4,221,625</u>	<u>\$ -</u>
Department of Housing and Urban Development:				
Direct payments:				
Economic Development Initiative, Community Project Funding, and Miscellaneous Grants	14.251	N/A	\$ 215,755	\$ -
Department of Justice:				
Direct Payments:				
Bulletproof Vest Partnership Program	16.607	N/A	\$ 15,126	\$ -
Public Safety Partnership And Community Policing Grants	16.710	N/A	955,766	-
Pass Through Payments:				
Department of Criminal Justice Services:				
Juvenile Justice And Delinquency Prevention	16.540	2019JXF0007	\$ 16,980	\$ -
Crime Victim Assistance	16.575	18VAGX0011	43,809	-
Violence Against Women Formula Grants	16.588	20WFAX0011	27,350	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	124569	4,509	-
Total Department of Justice			<u>\$ 1,063,540</u>	<u>\$ -</u>
Department of Transportation:				
Direct Payments:				
Federal Aviation Administration:				
Airport Improvement Program, Infrastructure Investment and Jobs Act Programs, and COVID-19 Airports Programs	20.106	N/A	\$ 943,200	\$ -
Pass Through Payments:				
Department of Motor Vehicles:				
Highway Safety Cluster:				
State And Community Highway Safety	20.600	FSC-21-50115	\$ 7,095	\$ -
Total Department of Transportation			<u>\$ 950,295</u>	<u>\$ -</u>
Department of Treasury:				
Direct Payments:				
COVID-19 - Coronavirus State and Local Fiscal Recovery Fund	21.027	N/A	\$ 1,761,604	\$ -
Environmental Protection Agency:				
Direct Payments:				
Water Quality Management Planning	66.454	N/A	\$ 8,090	\$ -
Department of Education:				
Pass Through Payments:				
Department of Education:				
Title I Grants To Local Educational Agencies	84.010	APE429010000	\$ 1,084,978	\$ -
Special Education Cluster (IDEA):				
Special Education - Grants To States	84.027	APE402870000/APE430710000	\$ 1,217,984	-
Special Education - Preschool Grants	84.173	APE625210000	22,932	-
Total Special Education Cluster (IDEA)			<u>\$ 1,240,916</u>	<u>\$ -</u>
Career And Technical Education - Basic Grants To States (Perkins Iv)	84.048	APE600310000	96,339	-
Supporting Effective Instruction State Grants	84.367	APE614800000	194,918	-
Student Support And Academic Enrichment Program	84.424	APE602810000	82,656	-
COVID-19 - ARPA Elementary and Secondary School Emergency Relief Fund	84.425U	APE501750000	2,316,602	-
English Language Acquisition State Grants	84.365	APE605120000	24,799	-
Total Department of Education			<u>\$ 5,041,208</u>	<u>\$ -</u>
Total Expenditures of Federal Awards			<u>\$ 15,402,281</u>	<u>\$ -</u>

See accompanying notes to Schedule of Expenditures of Federal Awards.

COUNTY OF LOUISA, VIRGINIA

Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2025

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the County of Louisa, Virginia under programs of the federal government for the year ended June 30, 2025. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the County of Louisa, Virginia, it is not intended to and does not present the financial position, changes in net position, or cash flows of the County of Louisa, Virginia.

Note 2 - Summary of Significant Accounting Policies

(1) Expenditures on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

(2) Pass-through entity identifying numbers are presented where available.

(3) The County did not elect to use the 15% de minimis indirect cost rate.

Note 3 - Food Distribution

Nonmonetary assistance is reported in the schedule at fair market value of the commodities received and disbursed.

Note 4 - Relationship to Financial Statements

Federal expenditures, revenues and capital contributions are reported in the County's basic financial statements as follows:

Intergovernmental federal revenues per the basic financial statements:

Primary government:

General Fund	\$ 5,246,466
Capital Improvements Fund	1,898,966
Total primary government	\$ <u>7,145,432</u>

Component Unit School Board:

School Operating Fund	\$ <u>8,561,446</u>
Total federal expenditures per basic financial statements	\$ <u>15,706,878</u>

Less: Federal interest subsidy	\$ <u>(304,597)</u>
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Total federal expenditures per the Schedule of Expenditures
of Federal Awards

\$ 15,402,281

COUNTY OF LOUISA, VIRGINIA

Schedule of Findings and Questioned Costs
Year Ended June 30, 2025

SECTION I - SUMMARY OF AUDITORS' RESULTS:

Financial Statements

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

 Material weakness(es) identified? No

 Significant deficiency(ies) identified? No

Noncompliance material to financial statements noted? None noted

Federal Awards

Internal control over major programs:

 Material weakness(es) identified? No

 Significant deficiency(ies) identified? No

Type of auditors' report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516 (a)? No

Identification of major programs:

<u>Assistance Listing #</u>	<u>Name of Federal Program or Cluster</u>
14.251	Economic Development Initiative, Community Project Funding, and Miscellaneous Grants
16.710	Public Safety Partnership and Community Policing Grants
20.106	Airport Improvement Program, Infrastructure Investment and Jobs Act Programs, and COVID-19 Airports Programs
21.027	COVID-19 - Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between Type A and Type B programs: 750,000

Auditee qualified as low-risk auditee? Yes

SECTION II – FINANCIAL STATEMENT FINDINGS:

There are no financial statement findings to report.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS:

There are no federal award findings and questioned costs to report.

SECTION IV – PRIOR AUDIT FINDINGS:

There are no prior audit findings.