

COUNTY OF BUCKINGHAM, VIRGINIA



FINANCIAL REPORT
YEAR ENDED JUNE 30, 2025

County of Buckingham, Virginia

Financial Report

For the Year Ended June 30, 2025

COUNTY OF BUCKINGHAM, VIRGINIA

Financial Report
For the Year Ended June 30, 2025

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BOARD OF SUPERVISORS

Michael E. Palmore	Joe N. Chambers, Jr., Chairman Danny R. Allen, Vice-Chairman	Cameron Gilliam
Harry W. Bryant	Dennis Davis, Vice Chairman	Paul W. Garrett

BOARD OF SOCIAL SERVICES

Nancy H. Stuart, Chair
Joyce Booker, Vice-Chair
Joe N. Chambers Jr.

COUNTY SCHOOL BOARD

Theresa D. Bryant	Joi W. Goodman, Chair Joe Snoddy, Vice-Chairman	Pamela P. Morris
Todd Jamerson	Maynard Ritchie	Traquan Gregory

OTHER OFFICIALS

Presiding Judge of the Circuit Court	Donald C. Blessing
Clerk of the Circuit Court	Justin D. Midkiff
Presiding Judge of the General District Court	Jody H. Fariss
Presiding Judge of Juvenile and Domestic Court	Marvin H. Dunkum, Jr.
Commonwealth's Attorney	Kemper M. Beasley, III
Commissioner of the Revenue	Stephanie D. Love
Treasurer	Christy L. Christian
Sheriff	William G. Kidd, Jr.
Superintendent of Schools	Dr. John Keeler
Director of Social Services	Stephanie M. Coleman
County Administrator	Karl R. Carter
Finance Director	Juanita Shanks



ROBINSON, FARMER, COX ASSOCIATES, PLLC

Certified Public Accountants

Independent Auditors' Report

**To the Honorable Members of
The Board of Supervisors
County of Buckingham, Virginia**

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of County of Buckingham, 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 Buckingham, Virginia'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 financial position of the governmental activities, the business type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County of Buckingham, Virginia, as of and for the year ended June 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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 County of Buckingham, 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 24 to the financial statements, in 2025, County of Buckingham, Virginia adopted new accounting guidance, GASB Statement No. 101, *Compensated Absences*. Our opinions are not modified with respect to this matter.

Restatement of Beginning Balances

As described in Note 24 to the financial statements, in 2025, County of Buckingham, Virginia restated beginning balances to reflect the requirements of GASB Statement No. 101. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about County of Buckingham, 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 Buckingham, 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 Buckingham, 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 Buckingham, Virginia's basic financial statements. The accompanying combining and individual fund financial statements and schedules 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 combining and individual fund financial statements and schedules 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 statistical information 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 July 13, 2026, on our consideration of County of Buckingham, 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 Buckingham, 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 County of Buckingham, Virginia's internal control over financial reporting and compliance.

Robinson Farin Cox Associates

Charlottesville, Virginia

July 13, 2026

COUNTY OF BUCKINGHAM, VIRGINIA
MANAGEMENT'S DISCUSSION AND ANALYSIS

To the Citizens of County of Buckingham, Virginia

As management of the County of Buckingham, Virginia we offer 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.

Financial Highlights

Government-wide Financial Statements

- On a government-wide basis for governmental activities, 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 \$22,280,503 (net position). For business-type activities, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$17,200,281.

Fund Financial Statements

In the Governmental Funds, on a current financial resource basis, expenditures exceeded revenues, and other financing sources and uses by \$2,257,343 (Exhibit 5) after making contributions totaling \$8,924,038 to the School Board.

- As of the close of the current fiscal year, the County's governmental funds reported ending fund balances of \$10,222,222, a decrease of \$2,257,343 in comparison with the prior year.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$3,712,505 or 14% of total general fund expenditures.
- Combined long-term obligations for the governmental funds decreased \$2,461,256 during the current fiscal year. Of that amount, debt (bonds and related items) decreased by \$2,603,460.

The Proprietary Funds, on an accrual basis, reported expenses in excess of revenues and other financing sources by \$553,012.

- As of the close of the current fiscal year, the County's proprietary funds reported ending net position of \$17,200,281, a decrease of \$553,012.
- Combined long-term obligations in the proprietary funds decreased \$328,300 during the current fiscal year, of which \$326,210 was related to the payment of principal amounts due in debt.

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:

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

This report also contains required and 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.

Overview of the Financial Statements: (Continued)

The statement of net position presents information on all of the County's a) assets and deferred outflows of resources and b) liabilities and deferred inflows of resources, with the difference between the two 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 administration, courts, police protection, sanitation, social services, education, cultural events, and recreation.

The Government-wide financial statements include not only the County of Buckingham, Virginia itself (known as the primary government), but also a legally separate school district and an Industrial Development Authority (IDA) for which the County of Buckingham, Virginia is financially accountable. Financial information for the Component Unit School Board 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 Buckingham, 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, proprietary, and fiduciary funds.

Governmental Funds - Governmental Funds are used to account for essentially the same functions or services reported as governmental activities in the government-wide financial statements. Whereas the government-wide financial statements are prepared on the accrual basis of accounting, the governmental fund financial statements are prepared on the modified accrual basis of accounting. The focus of modified accrual reporting is on near-term inflows and outflows of financial resources and the balance of financial resources available at the end of the fiscal year. Since the governmental funds focus is narrower than that of the government-wide financial statements, a reconciliation between the two methods is provided following the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances. The County's major funds are the General Fund, the Virginia Public Assistance Fund, the ARPA Fund, the Debt Service Fund, and the County Capital Improvements Fund.

Proprietary Funds – Proprietary Funds account for operations that are financed in a manner similar to private business enterprises. The Proprietary Funds utilize the accrual basis of accounting where the measurement focus is upon determination of net income, financial position, and changes in financial position. Proprietary funds consist of Enterprise Funds and the Industrial Development Authority, a blended component unit.

Fiduciary funds - The County is the trustee, or fiduciary, for the County's custodial funds. It is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the County's fiduciary activities are reported in a separate statement of fiduciary net position. The County excludes these activities from the County's government-wide financial statements because the County cannot use these assets to finance its operations. Custodial funds are used to provide accountability of client and other monies for which the County is custodian.

Overview of the Financial Statements: (Continued)

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 the schedules of pension and OPEB funding related to the Virginia Retirement System benefits. Other supplementary information presented includes various combining financial statements for the County's nonmajor funds, budgetary comparison schedules, and the discretely presented component unit School Board. Other information includes statistical tables. The School Board and IDA do 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's governmental activities, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$22,280,503 at the close of the most recent fiscal year.

Summary Statement of Net Position

	Governmental Activities		Business-type Activities		Totals	
	2025	2024	2025	2024	2025	2024
Assets:						
Current and other assets	\$ 21,926,352	\$ 24,785,279	\$ 4,221,104	\$ 4,336,587	\$ 26,147,456	\$ 29,121,866
Capital assets	<u>27,965,111</u>	<u>29,278,956</u>	<u>23,245,168</u>	<u>24,055,045</u>	<u>51,210,279</u>	<u>53,334,001</u>
Total assets	<u>\$ 49,891,463</u>	<u>\$ 54,064,235</u>	<u>\$ 27,466,272</u>	<u>\$ 28,391,632</u>	<u>\$ 77,357,735</u>	<u>\$ 82,455,867</u>
Deferred outflows of resources	<u>\$ 1,345,532</u>	<u>\$ 784,717</u>	<u>\$ 136,057</u>	<u>\$ 81,638</u>	<u>\$ 1,481,589</u>	<u>\$ 866,355</u>
Liabilities:						
Long-term liabilities	\$ 18,964,853	\$ 21,062,561	\$ 9,880,288	\$ 10,147,393	\$ 28,845,141	\$ 31,209,954
Current liabilities	<u>2,936,670</u>	<u>3,542,361</u>	<u>200,448</u>	<u>195,387</u>	<u>3,137,118</u>	<u>3,737,748</u>
Total liabilities	<u>\$ 21,901,523</u>	<u>\$ 24,604,922</u>	<u>\$ 10,080,736</u>	<u>\$ 10,342,780</u>	<u>\$ 31,982,259</u>	<u>\$ 34,947,702</u>
Deferred inflows of resources	<u>\$ 7,054,969</u>	<u>\$ 6,924,006</u>	<u>\$ 321,312</u>	<u>\$ 316,002</u>	<u>\$ 7,376,281</u>	<u>\$ 7,240,008</u>
Net position:						
Net investment in capital assets	\$ 10,978,764	\$ 9,480,103	\$ 13,557,828	\$ 14,041,495	\$ 24,536,592	\$ 23,521,598
Restricted	589,774	959,824	768,394	712,669	1,358,168	1,672,493
Unrestricted	<u>10,711,965</u>	<u>12,880,097</u>	<u>2,874,059</u>	<u>3,060,324</u>	<u>13,586,024</u>	<u>15,940,421</u>
Total net position	<u>\$ 22,280,503</u>	<u>\$ 23,320,024</u>	<u>\$ 17,200,281</u>	<u>\$ 17,814,488</u>	<u>\$ 39,480,784</u>	<u>\$ 41,134,512</u>

At the end of the current fiscal year, the County's investment in capital assets net of related debt used to acquire those assets was \$24,536,592. The County uses these capital assets to provide services to citizens; therefore, 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.

Government-wide Financial Analysis: (Continued)

Governmental Activities - Governmental activities decreased the County's net position by \$675,973 during the fiscal year, and business-type activities decreased the County's net position by \$553,012. This resulted in a net decrease of \$1,228,985. There was also a restatement of beginning balances in fiscal year 2025 to reflect GASB 101 implementation. Key elements of this decrease are as follows:

Summary Statement of Changes in Net Position						
	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenues:						
Program revenues:						
Charges for services	\$ 1,616,786	\$ 1,213,146	\$ 1,858,045	\$ 1,817,883	\$ 3,474,831	\$ 3,031,029
Operating grants and contributions	7,725,381	6,794,693	-	-	7,725,381	6,794,693
Capital grants and contributions	1,019,677	791,109	-	-	1,019,677	791,109
General revenues:						
General property taxes	18,218,399	17,925,869	-	-	18,218,399	17,925,869
Other local taxes	2,281,181	2,126,584	-	-	2,281,181	2,126,584
Grants and other contributions not restricted	1,565,497	1,560,532	-	-	1,565,497	1,560,532
Use of money	243,049	264,576	3,501	3,614	246,550	268,190
Miscellaneous	824,455	1,079,829	-	-	824,455	1,079,829
Gain on disposal of capital assets	44,515	-	-	-	44,515	-
Total revenues	\$ 33,538,940	\$ 31,756,338	\$ 1,861,546	\$ 1,821,497	\$ 35,400,486	\$ 33,577,835
Expenses:						
General government administration	\$ 3,163,003	\$ 2,587,018	\$ -	\$ -	\$ 3,163,003	\$ 2,587,018
Judicial administration	955,663	1,253,320	-	-	955,663	1,253,320
Public safety	8,536,220	7,957,291	-	-	8,536,220	7,957,291
Public works	2,752,621	2,147,078	-	-	2,752,621	2,147,078
Health and welfare	5,737,320	5,501,767	-	-	5,737,320	5,501,767
Education	10,500,866	9,338,219	-	-	10,500,866	9,338,219
Parks, recreation, and cultural	1,052,697	847,254	-	-	1,052,697	847,254
Community development	548,450	387,652	-	-	548,450	387,652
Interest on long-term debt	851,300	914,259	-	-	851,300	914,259
Water and Sewer	-	-	2,395,897	2,334,353	2,395,897	2,334,353
Industrial development	-	-	135,434	135,434	135,434	135,434
Total expenses	\$ 34,098,140	\$ 30,933,858	\$ 2,531,331	\$ 2,469,787	\$ 36,629,471	\$ 33,403,645
Increase (decrease) in net position before transfers	\$ (559,200)	\$ 822,480	\$ (669,785)	\$ (648,290)	\$ (1,228,985)	\$ 174,190
Transfers	(116,773)	(120,010)	116,773	120,010	-	-
Increase (decrease) in net position	\$ (675,973)	\$ 702,470	\$ (553,012)	\$ (528,280)	\$ (1,228,985)	\$ 174,190
Net position, July 1	23,320,024	22,617,554	17,814,488	18,342,768	41,134,512	40,960,322
Restatement	(363,548)	-	(61,195)	-	(424,743)	-
Net position, July 1, restated	22,956,476	22,617,554	17,753,293	18,342,768	40,709,769	40,960,322
Net position, June 30	\$ 22,280,503	\$ 23,320,024	\$ 17,200,281	\$ 17,814,488	\$ 39,480,784	\$ 41,134,512

Government-wide Financial Analysis: (Continued)

Revenues increased by \$1,822,651 in fiscal year 2025 compared to an increase of \$2,080,816 in fiscal year 2024. Operating grants and contributions increased by \$930,688 while capital grants and contributions increased by \$228,568, which reflects the expenditure of ARPA funding. General property taxes increased by \$292,530. Miscellaneous revenue decreased by \$255,374 due to the receipt of a voluntary payment of \$8000,000 from the solar farm developer, down from \$1,000,000 in fiscal year 2024. Additional voluntary payments related to the solar farm project are anticipated to be received in future years. Expenses closely paralleled the growth in demand and inflation and showed an increase of \$3,164,282. The functions with the more significant changes were general government administration, public safety, health and welfare, and education showing increases of \$575,985, \$578,929, \$605,543 and \$1,162,647, respectively. The other functions had moderate changes. Water and sewer revenues and expenses showed modest changes in comparison to the prior year.

Financial Analysis of the County's Funds

As noted earlier, the County used 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 available 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 fund balances of \$10,222,222, a decrease of \$2,257,343 from the prior year. Approximately 36% of this total amount constitutes unassigned fund balance, which is available for spending at the County's discretion. The remainder of fund balance is reflected as nonspendable, restricted, committed, or assigned as appropriate to indicate that it is not available for new spending.

General Fund Budgetary Highlights

The difference between the original budget and the final amended budget was an increase of \$258,274 in expenditures and can be briefly summarized as follows:

- \$159,784 in increases for general government administration
- \$153,888 in increases for public safety
- \$55,398 in other net decreases

A portion of this increase (\$47,891) was due to an increase in revenues from the commonwealth. The remainder was to be budgeted from available fund balance. During the year, revenues exceeded budgetary estimates by \$1,460,373 and expenditures exceeded budgetary estimates by \$3,132,201 while fund balance reserves were funded minimizing the need to draw on existing fund balance.

Capital Asset and Debt Administration

Capital assets - The County's net capital assets decreased by \$2,123,722 during the current fiscal year. The County's investment in capital assets for its governmental operations as of June 30, 2025 amounted to \$27,965,111 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, machinery and equipment, and construction in progress. The County's net capital assets for governmental activities decreased by \$1,313,845. Vehicles (five explorers, two trucks, a trash truck and an ambulance) and other equipment were acquired. Other additions included completed renovations to the courthouse building and an EMS parking lot. There are future projects for concession stands and other improvements to Gene Dixon Park, as reflected in committed fund balance.

The County's investment in capital assets for its proprietary funds was \$23,245,168 (net of accumulated depreciation) at year-end. This investment in capital assets includes land, construction in progress, water and sewer systems, and machinery and equipment. The proprietary net capital assets decreased by \$809,877 from the prior fiscal year, which was predominantly the increase in accumulated depreciation.

Additional information on the County's capital assets can be found in note 8 of this report.

Long-term obligations - At the end of the current fiscal year, the County had total long-term obligations outstanding of \$18,964,853 for its governmental operations. Of this amount \$14,505,197 comprises debt backed by the full faith and credit of the County, including compensated absences of \$1,379,044, net pension liability of \$336,329 and net OPEB liability of \$263,133. The remainder of the County's debt for governmental operations (\$4,010,000) represents bonds secured solely by specified revenue sources (i.e., lease revenue bonds). Business-type obligations of \$9,880,288 is comprised of \$1,482,000 bonds secured solely by water and sewer revenues, loans totaling \$8,205,340 from the Virginia Resources Authority, compensated absences of \$135,552, net pension liability of \$31,170 and net OPEB liability of \$26,226.

Additional information on the County of Buckingham, Virginia's long-term debt can be found in Note 11 of this report.

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate for the County is currently 4.1 percent, which is slightly higher than the rate of 3.4 percent a year ago. This is higher than the state's average unemployment rate of 3.7 percent and equal to the national average rate of 4.1 percent.
- Inflationary trends in the region compare favorably to national indices.

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

The fiscal year 2026 budget amounted to \$38,752,685 (does not include School Funds). The budget includes capital improvements.

Requests for Information

This financial report is designed to provide a general overview of the County of Buckingham, 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 County Administrator, P.O. Box 252, Buckingham, VA 23921.

BASIC FINANCIAL STATEMENTS

Government-wide Financial Statements

Statement of Net Position

June 30, 2025

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	School Board
ASSETS				
Cash and cash equivalents	\$ 10,820,256	\$ 2,808,434	\$ 13,628,690	\$ 1,469,177
Receivables (net of allowance for uncollectibles)				
Taxes receivable	8,186,808	-	8,186,808	-
Accounts receivable	480,363	257,267	737,630	143,403
Interest receivable	152	281	433	-
Internal balances	(135,434)	135,434	-	-
Due from component unit	1,102,216	-	1,102,216	-
Due from other governmental units	1,307,005	-	1,307,005	1,095,357
Prepaid items	6,168	-	6,168	303,333
Leases receivable	130,818	242,614	373,432	-
Notes receivable	28,000	-	28,000	-
Restricted assets:				
Cash and cash equivalents	-	777,074	777,074	-
Net pension asset	-	-	-	923,731
Capital assets (net of accumulated depreciation):				
Land	692,862	208,974	901,836	306,439
Intangibles	-	712,100	712,100	-
Buildings, improvements, and systems	23,503,459	22,091,502	45,594,961	20,901,533
Improvements other than buildings	1,140,973	10,589	1,151,562	19,520
Machinery, equipment, and vehicles	2,348,523	222,003	2,570,526	2,266,979
Construction in progress	-	-	-	1,519,835
Lease equipment	7,359	-	7,359	-
Lease towers	222,076	-	222,076	-
Subscription assets	49,859	-	49,859	-
Total assets	\$ 49,891,463	\$ 27,466,272	\$ 77,357,735	\$ 28,949,307
DEFERRED OUTFLOWS OF RESOURCES				
Pension related items	\$ 1,245,612	\$ 126,413	\$ 1,372,025	\$ 4,646,703
OPEB related items	99,920	9,644	109,564	462,249
Total deferred outflows of resources	\$ 1,345,532	\$ 136,057	\$ 1,481,589	\$ 5,108,952
LIABILITIES				
Accounts payable	\$ 1,133,706	\$ 171,037	\$ 1,304,743	\$ 360,419
Accrued liabilities	-	-	-	1,051,632
Customers' deposits payable from restricted assets	-	8,680	8,680	-
Accrued interest payable	235,664	20,731	256,395	10,159
Due to primary government	-	-	-	1,102,216
Unearned revenue	1,567,300	-	1,567,300	-
Long-term liabilities:				
Due within one year	2,826,109	346,761	3,172,870	431,876
Due in more than one year	16,138,744	9,533,527	25,672,271	17,632,522
Total liabilities	\$ 21,901,523	\$ 10,080,736	\$ 31,982,259	\$ 20,588,824
DEFERRED INFLOWS OF RESOURCES				
Deferred revenue - property taxes	\$ 6,149,507	\$ -	\$ 6,149,507	\$ -
Lease related items	127,419	236,630	364,049	-
Pension related items	728,457	79,740	808,197	2,264,193
OPEB related items	49,586	4,942	54,528	288,495
Total deferred inflows of resources	\$ 7,054,969	\$ 321,312	\$ 7,376,281	\$ 2,552,688
NET POSITION				
Net investment in capital assets	\$ 10,978,764	\$ 13,557,828	\$ 24,536,592	\$ 24,547,681
Restricted:				
Sheriff's fund - DCJS	16,681	-	16,681	-
Commonwealth's Attorney - DCJS	12,183	-	12,183	-
Courthouse security	145,759	-	145,759	-
Opioid abatement	312,425	-	312,425	-
Glenmore emergency services	88,551	-	88,551	-
School construction	14,175	-	14,175	-
Debt service and bond covenants	-	768,394	768,394	-
Pension benefits	-	-	-	923,731
School activity funds	-	-	-	267,243
Unrestricted (deficit)	10,711,965	2,874,059	13,586,024	(14,821,908)
Total net position	\$ 22,280,503	\$ 17,200,281	\$ 39,480,784	\$ 10,916,747

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	\$ 3,163,003	\$ 260,402	\$ 655,250	\$ -
Judicial administration	955,663	86,510	662,927	-
Public safety	8,536,220	1,186,024	1,709,621	440,735
Public works	2,752,621	18,918	4,631	106,779
Health and welfare	5,737,320	-	4,550,242	-
Education	10,500,866	-	-	472,163
Parks, recreation, and cultural	1,052,697	64,932	560	-
Community development	548,450	-	142,150	-
Interest on long-term debt	851,300	-	-	-
Total governmental activities	\$ 34,098,140	\$ 1,616,786	\$ 7,725,381	\$ 1,019,677
Business-type activities:				
Water and Sewer Funds	\$ 2,395,897	\$ 1,858,045	\$ -	\$ -
Industrial Development Authority	135,434	-	-	-
Total business-type activities	\$ 2,531,331	\$ 1,858,045	\$ -	\$ -
Total primary government	\$ 36,629,471	\$ 3,474,831	\$ 7,725,381	\$ 1,019,677
COMPONENT UNIT:				
School Board	\$ 33,934,186	\$ 544,802	\$ 24,055,185	\$ -
Total component unit	\$ 33,934,186	\$ 544,802	\$ 24,055,185	\$ -

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 Unit
	Governmental Activities	Business-type Activities	Total	School Board
PRIMARY GOVERNMENT:				
Governmental activities:				
General government administration	\$ (2,247,351)	\$ -	\$ (2,247,351)	
Judicial administration	(206,226)	-	(206,226)	
Public safety	(5,199,840)	-	(5,199,840)	
Public works	(2,622,293)	-	(2,622,293)	
Health and welfare	(1,187,078)	-	(1,187,078)	
Education	(10,028,703)	-	(10,028,703)	
Parks, recreation, and cultural	(987,205)	-	(987,205)	
Community development	(406,300)	-	(406,300)	
Interest on long-term debt	(851,300)	-	(851,300)	
Total governmental activities	<u>\$ (23,736,296)</u>	<u>\$ -</u>	<u>\$ (23,736,296)</u>	
Business-type activities:				
Water and Sewer Funds	\$ -	\$ (537,852)	\$ (537,852)	
Industrial Development Authority	-	(135,434)	(135,434)	
Total business-type activities	<u>\$ -</u>	<u>\$ (673,286)</u>	<u>\$ (673,286)</u>	
Total primary government	<u><u>\$ (23,736,296)</u></u>	<u><u>\$ (673,286)</u></u>	<u><u>\$ (24,409,582)</u></u>	
COMPONENT UNIT:				
School Board				<u>\$ (9,334,199)</u>
Total component unit				<u><u>\$ (9,334,199)</u></u>
General revenues:				
General property taxes	\$ 18,218,399	\$ -	\$ 18,218,399	\$ -
Local sales and use taxes	1,278,794	-	1,278,794	-
Consumers' utility taxes	382,778	-	382,778	-
Motor vehicle licenses	348,340	-	348,340	-
Other local taxes	271,269	-	271,269	-
Payment from County of Buckingham - Education	-	-	-	10,384,151
Unrestricted revenues from use of money	243,049	3,501	246,550	-
Miscellaneous	824,455	-	824,455	655,051
Grants and contributions not restricted to specific programs	1,565,497	-	1,565,497	-
Gain on disposal of capital assets	44,515	-	44,515	-
Transfers	(116,773)	116,773	-	-
Total general revenues and transfers	<u>\$ 23,060,323</u>	<u>\$ 120,274</u>	<u>\$ 23,180,597</u>	<u>\$ 11,039,202</u>
Change in net position	<u>\$ (675,973)</u>	<u>\$ (553,012)</u>	<u>\$ (1,228,985)</u>	<u>\$ 1,705,003</u>
Net position (deficit) - beginning, as originally reported	23,320,024	17,814,488	41,134,512	10,942,376
GASB 101 implementation	(363,548)	(61,195)	(424,743)	(1,730,632)
Net position (deficit) - beginning, as restated	<u>22,956,476</u>	<u>17,753,293</u>	<u>40,709,769</u>	<u>9,211,744</u>
Net position (deficit) - ending	<u>\$ 22,280,503</u>	<u>\$ 17,200,281</u>	<u>\$ 39,480,784</u>	<u>\$ 10,916,747</u>

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

Fund Financial Statements

Balance Sheet
Governmental Funds
June 30, 2025

	General	Virginia Public Assistance	ARPA Fund	Debt Service	County Capital Improvements	Other Governmental Funds	Total
ASSETS							
Cash and cash equivalents	\$ 8,107,049	\$ 782,514	\$ 1,888,665	\$ -	\$ 42,028	\$ -	\$ 10,820,256
Receivables (net of allowance for uncollectibles):							
Taxes receivable	8,186,808	-	-	-	-	-	8,186,808
Accounts receivable	311,695	4,922	-	-	-	163,746	480,363
Interest receivable	152	-	-	-	-	-	152
Leases receivable	130,818	-	-	-	-	-	130,818
Notes receivable	28,000	-	-	-	-	-	28,000
Due from other funds	957,121	-	-	-	-	-	957,121
Due from component unit	1,102,216	-	-	-	-	-	1,102,216
Due from other governmental units	1,139,741	167,264	-	-	-	-	1,307,005
Prepaid items	3,747	2,421	-	-	-	-	6,168
Total assets	<u>\$ 19,967,347</u>	<u>\$ 957,121</u>	<u>\$ 1,888,665</u>	<u>\$ -</u>	<u>\$ 42,028</u>	<u>\$ 163,746</u>	<u>\$ 23,018,907</u>
LIABILITIES							
Accounts payable	\$ 737,146	\$ -	\$ 321,365	\$ -	\$ -	\$ 75,195	\$ 1,133,706
Due to other funds	135,434	957,121	-	-	-	-	1,092,555
Unearned revenue	-	-	1,567,300	-	-	-	1,567,300
Total liabilities	<u>\$ 872,580</u>	<u>\$ 957,121</u>	<u>\$ 1,888,665</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 75,195</u>	<u>\$ 3,793,561</u>
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue - property taxes	\$ 8,656,539	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,656,539
Unavailable revenue - opioid settlements	219,166	-	-	-	-	-	219,166
Lease related items	127,419	-	-	-	-	-	127,419
Total deferred inflows of resources	<u>\$ 9,003,124</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,003,124</u>
FUND BALANCES							
Nonspendable:							
Prepaid items	\$ 3,747	\$ 2,421	\$ -	\$ -	\$ -	\$ -	\$ 6,168
Notes receivable	28,000	-	-	-	-	-	28,000
Restricted:							
Sheriff's fund - DCJS	16,681	-	-	-	-	-	16,681
Commonwealth's Attorney - DCJS	12,183	-	-	-	-	-	12,183
Courthouse security	145,759	-	-	-	-	-	145,759
Opioid abatement	93,259	-	-	-	-	-	93,259
Glenmore emergency services	-	-	-	-	-	88,551	88,551
School construction funds	14,175	-	-	-	-	-	14,175
Committed:							
Economic Development	776,385	-	-	-	-	-	776,385
Gene Dixon park expansion	1,809,169	-	-	-	42,028	-	1,851,197
Fire/rescue training	20,000	-	-	-	-	-	20,000
Animal control facility	1,300,000	-	-	-	-	-	1,300,000
Sheriff's fund - non-DCJS	88,834	-	-	-	-	-	88,834
County capital projects	1,833,333	-	-	-	-	-	1,833,333
School capital projects	237,613	-	-	-	-	-	237,613
Unassigned (deficit)	3,712,505	(2,421)	-	-	-	-	3,710,084
Total fund balances	<u>\$ 10,091,643</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 42,028</u>	<u>\$ 88,551</u>	<u>\$ 10,222,222</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 19,967,347</u>	<u>\$ 957,121</u>	<u>\$ 1,888,665</u>	<u>\$ -</u>	<u>\$ 42,028</u>	<u>\$ 163,746</u>	<u>\$ 23,018,907</u>

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

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

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

Total fund balances per Exhibit 3 - Balance Sheet - Governmental Funds	\$	10,222,222
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Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Jointly owned assets are included in the total for buildings and improvements.

Land	\$	692,862	
Buildings and improvements		23,503,459	
Land improvements		1,140,973	
Machinery, equipment and vehicles		2,348,523	
Lease equipment		7,359	
Lease towers		222,076	
Subscriptions assets		<u>49,859</u>	27,965,111

Other long-term assets are not available to pay for current-period expenditures and, therefore, are reported as unavailable in the funds or not reported in the funds.

Unavailable revenue related to property taxes	\$	2,507,032	
Unavailable revenue related to opioid settlements		<u>219,166</u>	2,726,198

Deferred outflows of resources are not available to pay for current-period expenditures and, therefore, are not reported in the funds.

Pension related items	\$	1,245,612	
OPEB related items		<u>99,920</u>	1,345,532

Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.

Lease revenue bonds	\$	(4,010,000)	
Plus: Issuance premium (to be amortized against interest expense)		(449,656)	
Refunding bonds		(3,700,000)	
Plus: Issuance premium (to be amortized against interest expense)		(308,640)	
General obligation bonds		(8,064,435)	
Plus: Issuance premium (to be amortized against interest expense)		(161,870)	
Net pension liability		(336,329)	
Lease liabilities		(237,308)	
Subscription liability		(54,438)	
Net OPEB liability		(263,133)	
Compensated absences		<u>(1,379,044)</u>	(18,964,853)

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.

Accrued interest payable			(235,664)
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Deferred inflows of resources are not due and payable in the current period and, therefore, are not reported in the funds.

Pension related items	\$	(728,457)	
OPEB related items		<u>(49,586)</u>	(778,043)

Net position of governmental activities		\$	<u><u>22,280,503</u></u>
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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

	General	Virginia Public Assistance	ARPA Fund	Debt Service	County Capital Improvements	Other Governmental Funds	Total
REVENUES							
General property taxes	\$ 18,125,461	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,125,461
Other local taxes	2,281,181	-	-	-	-	-	2,281,181
Permits, privilege fees, and regulatory licenses	159,668	-	-	-	-	-	159,668
Fines and forfeitures	71,917	-	-	-	-	-	71,917
Revenue from the use of money and property	346,673	-	-	-	-	-	346,673
Charges for services	141,706	-	-	-	-	1,139,871	1,281,577
Miscellaneous	853,400	5,289	-	-	-	2,787	861,476
Recovered costs	133,996	-	-	-	-	-	133,996
Intergovernmental:							
Commonwealth	6,435,167	742,579	-	-	-	16,937	7,194,683
Federal	319,120	1,314,096	965,208	424,350	-	-	3,022,774
Total revenues	\$ 28,868,289	\$ 2,061,964	\$ 965,208	\$ 424,350	\$ -	\$ 1,159,595	\$ 33,479,406
EXPENDITURES							
Current:							
General government administration	\$ 2,465,527	\$ -	\$ 274,984	\$ -	\$ -	\$ -	\$ 2,740,511
Judicial administration	1,142,462	-	-	-	-	-	1,142,462
Public safety	5,424,411	-	440,735	-	-	2,607,808	8,472,954
Public works	2,226,220	-	106,779	-	-	-	2,332,999
Health and welfare	3,494,234	2,281,945	-	-	-	-	5,776,179
Education	9,040,753	-	-	-	-	-	9,040,753
Parks, recreation, and cultural	844,489	-	560	-	-	-	845,049
Community development	310,659	-	142,150	-	-	-	452,809
Nondepartmental	349,814	-	-	-	-	-	349,814
Capital projects	1,067,503	-	-	-	-	-	1,067,503
Debt service:							
Principal retirement	36,662	-	-	2,410,078	-	-	2,446,740
Interest and other fiscal charges	5,971	-	-	1,070,628	-	-	1,076,599
Total expenditures	\$ 26,408,705	\$ 2,281,945	\$ 965,208	\$ 3,480,706	\$ -	\$ 2,607,808	\$ 35,744,372
Excess (deficiency) of revenues over (under) expenditures	\$ 2,459,584	\$ (219,981)	\$ -	\$ (3,056,356)	\$ -	\$ (1,448,213)	\$ (2,264,966)
OTHER FINANCING SOURCES (USES)							
Transfers in	\$ 200,000	\$ 219,981	\$ -	\$ 3,008,543	\$ -	\$ 1,444,624	\$ 4,873,148
Transfers out	(4,989,921)	-	-	-	-	-	(4,989,921)
Sale of assets	76,583	-	-	-	-	-	76,583
Advance refunding of bonds - VPSA	-	-	-	47,813	-	-	47,813
Total other financing sources (uses)	\$ (4,713,338)	\$ 219,981	\$ -	\$ 3,056,356	\$ -	\$ 1,444,624	\$ 7,623
Net change in fund balances	\$ (2,253,754)	\$ -	\$ -	\$ -	\$ -	\$ (3,589)	\$ (2,257,343)
Fund balances - beginning	12,345,397	-	-	-	42,028	92,140	12,479,565
Fund balances - ending	\$ 10,091,643	\$ -	\$ -	\$ -	\$ 42,028	\$ 88,551	\$ 10,222,222

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

Reconciliation of 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	\$ (2,257,343)
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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 capital outlays exceeded the depreciation in the current period.

Capital asset additions	\$ 2,097,604	
Depreciation expense	(1,945,951)	
Adjustment for jointly owned assets	<u>(1,254,455)</u>	(1,102,802)

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

Disposal of assets	\$ <u>(211,043)</u>	(211,043)
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. The changes in unavailable property taxes and unavailable opioid revenue are reported in this category.

104,002

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 obligations 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 obligations and related items.

Payment of principal	\$ 2,410,078	
Amortization of premium	193,382	
Payment on lease and subscription liabilities	<u>36,662</u>	2,640,122

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.

Compensated absences	\$ (182,287)	
Change in pension related items	282,575	
Change in OPEB related items	18,886	
Accrued interest payable	<u>31,917</u>	<u>151,091</u>

Change in net position of governmental activities	\$ <u><u>(675,973)</u></u>
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The notes to the financial statements are an integral part of this statement.

Statement of Net Position
Proprietary Funds
June 30, 2025

	Enterprise Funds			
	Water Fund	Sewer Fund	IDA	Total
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 4,423,947	\$ -	\$ 100	\$ 4,424,047
Interest receivable	281	-	-	281
Accounts receivable (net of allowance)	218,738	38,529	-	257,267
Leases receivable - current portion	8,683	-	-	8,683
Due from other funds	-	-	135,434	135,434
Total current assets	\$ 4,651,649	\$ 38,529	\$ 135,534	\$ 4,825,712
Noncurrent assets:				
Restricted assets:				
Cash and cash equivalents	\$ 514,465	\$ 262,609	\$ -	\$ 777,074
Other assets:				
Leases receivable - net of current portion	233,931	-	-	233,931
Capital assets:				
Land	135,757	73,217	-	208,974
Intangibles	712,100	-	-	712,100
Buildings and systems	19,044,281	15,472,406	-	34,516,687
Land improvements	22,634	-	-	22,634
Machinery, equipment, and vehicles	825,102	288,178	-	1,113,280
Less accumulated depreciation	(8,934,124)	(4,394,383)	-	(13,328,507)
Total capital assets	\$ 11,805,750	\$ 11,439,418	\$ -	\$ 23,245,168
Total noncurrent assets	\$ 12,554,146	\$ 11,702,027	\$ -	\$ 24,256,173
Total assets	\$ 17,205,795	\$ 11,740,556	\$ 135,534	\$ 29,081,885
DEFERRED OUTFLOWS OF RESOURCES				
Pension related items	\$ 101,352	\$ 25,061	\$ -	\$ 126,413
OPEB related items	7,634	2,010	-	9,644
Total deferred outflows of resources	\$ 108,986	\$ 27,071	\$ -	\$ 136,057
LIABILITIES				
Current liabilities:				
Reconciled overdraft	\$ -	\$ 1,615,613	\$ -	\$ 1,615,613
Accounts payable	4,098	31,505	135,434	171,037
Customers' deposits payable from restricted assets	7,411	1,269	-	8,680
Accrued interest payable	13,793	6,938	-	20,731
Compensated absences - current portion	12,665	889	-	13,554
Bonds payable - current portion	88,000	-	-	88,000
Loans payable - current portion	147,508	97,699	-	245,207
Total current liabilities	\$ 273,475	\$ 1,753,913	\$ 135,434	\$ 2,162,822
Noncurrent liabilities:				
Bonds payable - net of current portion	\$ 1,394,000	\$ -	\$ -	\$ 1,394,000
Loans payable - net of current portion	4,085,213	3,874,920	-	7,960,133
Compensated absences - net of current portion	113,993	8,005	-	121,998
Net pension liability	24,818	6,352	-	31,170
Net OPEB liability	20,656	5,570	-	26,226
Total noncurrent liabilities	\$ 5,638,680	\$ 3,894,847	\$ -	\$ 9,533,527
Total liabilities	\$ 5,912,155	\$ 5,648,760	\$ 135,434	\$ 11,696,349
DEFERRED INFLOWS OF RESOURCES				
Lease related items	\$ 236,630	\$ -	\$ -	\$ 236,630
Pension related items	65,515	14,225	-	79,740
OPEB related items	3,893	1,049	-	4,942
Total deferred inflows of resources	\$ 306,038	\$ 15,274	\$ -	\$ 321,312
NET POSITION				
Net investment in capital assets	\$ 6,091,029	\$ 7,466,799	\$ -	\$ 13,557,828
Restricted:				
Debt service and bond covenants	507,054	261,340	-	768,394
Unrestricted (deficit)	4,498,505	(1,624,546)	100	2,874,059
Total net position	\$ 11,096,588	\$ 6,103,593	\$ 100	\$ 17,200,281

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

Statement of Revenues, Expenses, and Changes in Net Position
 Proprietary Funds
 For the Year Ended June 30, 2025

	Enterprise Funds			
	Water Fund	Sewer Fund	IDA	Total
OPERATING REVENUES				
Charges for services:				
Water revenues	\$ 1,489,382	\$ -	\$ -	\$ 1,489,382
Sewer revenues	-	335,362	-	335,362
Tap fees	3,000	-	-	3,000
Other revenues	17,621	-	-	17,621
Total operating revenues	<u>\$ 1,510,003</u>	<u>\$ 335,362</u>	<u>\$ -</u>	<u>\$ 1,845,365</u>
OPERATING EXPENSES				
Salaries and benefits	\$ 656,346	\$ 174,471	\$ -	\$ 830,817
Contracted services	7,144	19,242	-	26,386
Utilities	76,734	57,530	-	134,264
Supplies and other expenses	208,451	104,287	-	312,738
Economic incentives	-	-	135,434	135,434
Depreciation	486,736	391,814	-	878,550
Total operating expenses	<u>\$ 1,435,411</u>	<u>\$ 747,344</u>	<u>\$ 135,434</u>	<u>\$ 2,318,189</u>
Operating income (loss)	<u>\$ 74,592</u>	<u>\$ (411,982)</u>	<u>\$ (135,434)</u>	<u>\$ (472,824)</u>
NONOPERATING REVENUES (EXPENSES)				
Interest income	\$ 3,476	\$ 25	\$ -	\$ 3,501
Rental income	12,680	-	-	12,680
Interest expense	(127,783)	(85,359)	-	(213,142)
Total nonoperating revenues (expenses)	<u>\$ (111,627)</u>	<u>\$ (85,334)</u>	<u>\$ -</u>	<u>\$ (196,961)</u>
Income (loss) before transfers	<u>\$ (37,035)</u>	<u>\$ (497,316)</u>	<u>\$ (135,434)</u>	<u>\$ (669,785)</u>
TRANSFERS				
Transfers in	\$ 163	\$ 181,176	\$ 316,610	\$ 497,949
Transfers out	<u>(200,000)</u>	<u>-</u>	<u>(181,176)</u>	<u>(381,176)</u>
Net transfers	<u>\$ (199,837)</u>	<u>\$ 181,176</u>	<u>\$ 135,434</u>	<u>\$ 116,773</u>
Change in net position	<u>\$ (236,872)</u>	<u>\$ (316,140)</u>	<u>\$ -</u>	<u>\$ (553,012)</u>
Net position - beginning, as originally reported	11,383,457	6,430,931	100	17,814,488
Restatement for GASB 101 implementation	<u>(49,997)</u>	<u>(11,198)</u>	<u>-</u>	<u>(61,195)</u>
Net position - beginning, as restated	<u>11,333,460</u>	<u>6,419,733</u>	<u>100</u>	<u>17,753,293</u>
Net position - ending	<u><u>\$ 11,096,588</u></u>	<u><u>\$ 6,103,593</u></u>	<u><u>\$ 100</u></u>	<u><u>\$ 17,200,281</u></u>

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

Statement of Cash Flows
 Proprietary Funds
 For the Year Ended June 30, 2025

	Enterprise Funds			
	Water Fund	Sewer Fund	IDA	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	\$ 1,507,031	\$ 336,340	\$ -	\$ 1,843,371
Payments to suppliers	(313,553)	(109,487)	-	(423,040)
Payments to and for employees	(669,437)	(202,616)	-	(872,053)
Other receipts (payments)	11,280	-	(135,434)	(124,154)
Net cash provided by (used for) operating activities	\$ 535,321	\$ 24,237	\$ (135,434)	\$ 424,124
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers to other funds	\$ (200,000)	\$ -	\$ (181,176)	\$ (381,176)
Transfers from other funds	163	181,176	316,610	497,949
Net cash provided by (used for) noncapital financing activities	\$ (199,837)	\$ 181,176	\$ 135,434	\$ 116,773
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchase of property and equipment	\$ (68,673)	\$ -	\$ -	\$ (68,673)
Principal payments on bonds	(86,000)	-	-	(86,000)
Principal payments on loans	(144,560)	(95,650)	-	(240,210)
Interest payments	(128,408)	(85,529)	-	(213,937)
Net cash provided by (used for) capital and related financing activities	\$ (427,641)	\$ (181,179)	\$ -	\$ (608,820)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest and dividends received	\$ 3,486	\$ 25	\$ -	\$ 3,511
Net increase (decrease) in cash and cash equivalents	\$ (88,671)	\$ 24,259	\$ -	\$ (64,412)
Cash and cash equivalents - beginning - including restricted	5,027,083	238,350	100	5,265,533
Cash and cash equivalents - ending - including restricted	\$ 4,938,412	\$ 262,609	\$ 100	\$ 5,201,121
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:				
Operating income (loss)	\$ 74,592	\$ (411,982)	\$ (135,434)	\$ (472,824)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation expense	\$ 486,736	\$ 391,814	\$ -	\$ 878,550
Rental income	12,680	-	-	12,680
(Increase) decrease in accounts receivable	(4,111)	978	-	(3,133)
(Increase) decrease in leases receivable	8,563	-	-	8,563
(Increase) decrease in deferred outflows - pension related	(41,599)	(12,673)	-	(54,272)
(Increase) decrease in deferred outflows - OPEB related	179	(326)	-	(147)
Increase (decrease) in overdraft	-	45,631	-	45,631
Increase (decrease) in compensated absences	14,596	(24,310)	-	(9,714)
Increase (decrease) in accounts payable	(21,224)	25,941	-	4,717
Increase (decrease) in customer deposits	1,139	-	-	1,139
Increase (decrease) in net pension liability	4,114	2,648	-	6,762
Increase (decrease) in net OPEB liability	(674)	1,536	-	862
Increase (decrease) in deferred inflows - lease related	(9,963)	-	-	(9,963)
Increase (decrease) in deferred inflows - pension related	9,388	4,495	-	13,883
Increase (decrease) in deferred inflows - OPEB related	905	485	-	1,390
Total adjustments	\$ 460,729	\$ 436,219	\$ -	\$ 896,948
Net cash provided by (used for) operating activities	\$ 535,321	\$ 24,237	\$ (135,434)	\$ 424,124

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

Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2025

	<u>Custodial Funds</u>
ASSETS	
Cash and cash equivalents	\$ 413,067
Total assets	<u>\$ 413,067</u>
LIABILITIES	
Bonds payable to others	\$ 221,119
Total liabilities	<u>\$ 221,119</u>
NET POSITION	
Restricted for:	
Special welfare	\$ 36,985
Performance bond	154,963
Total net position	<u>\$ 191,948</u>

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

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

	Custodial Funds
ADDITIONS	
Special welfare collections	\$ 10,924
Total additions	\$ <u>10,924</u>
DEDUCTIONS	
Welfare costs	\$ 12,048
Total deductions	\$ <u>12,048</u>
Net increase (decrease) in fiduciary net position	\$ (1,124)
Net position, beginning	193,072
Net position, ending	\$ <u><u>191,948</u></u>

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

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements As of June 30, 2025

Note 1—Summary of Significant Accounting Policies:

The County of Buckingham, Virginia was formed in 1761, and it 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 Buckingham, 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.

A. Description of Government-Wide Financial Statements

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 unit(s). All fiduciary activities are reported only in the fund financial statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

B. 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 and the ability of the primary government to impose its will on the organization or if 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 Buckingham, 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 government-wide financial statements to emphasize it is both legally separate from the government.

C. Individual Component Unit Disclosures

Blended Component Unit

Buckingham County Industrial Development Authority - The Buckingham County Industrial Development Authority (IDA) was created by the County to attract industry to the County and to provide financing for such industries. The Authority does have separate corporate powers that distinguish it as being legally separate from the County. The County is financially accountable for the Authority because it appoints a voting majority of the Authority's governing body and there exists a financial benefit or burden between the two entities. The IDA is reported as an enterprise fund and does not issue a separate financial report.

COUNTY OF BUCKINGHAM, VIRGINIA

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

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

C. Individual Component Unit Disclosures (Continued)

Discretely Presented Component Unit

Buckingham County School Board - The School Board members are elected by the citizens of Buckingham County 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.

D. Other Related Organizations

Included in the County's Financial Report

None

Excluded from the County's Financial Report

Related Organizations

The County's officials are also responsible for appointing the members of the boards of other organizations, but the County's accountability for these organizations does not extend beyond making the appointment. The Board of Supervisors appoints the board members of the Buckingham County Industrial Development Authority.

Jointly Governed Organizations

The County, in conjunction with other localities, has created the Central Virginia Regional Library, the Piedmont Regional Jail, the Piedmont Regional Juvenile Detention Center, and the Crossroads Community Services Board. The governing bodies of these organizations are appointed by the respective governing bodies of the participating jurisdictions. During the year, the County contributed \$322,495 to the regional library, \$899,409 to Piedmont Regional Jail Authority, \$39,537 to Piedmont Regional Juvenile Detention Center and \$31,235 to the Crossroads Community Services Board.

Complete financial statements of the jointly governed organizations may be obtained by contacting the County of Buckingham, Virginia, County Administrator, P.O. Box 252, Buckingham, VA 23921.

E. Basis of Presentation – Government-Wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the County of Buckingham, Virginia's enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

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

E. Basis of Presentation – Government-Wide Financial Statements (Continued)

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes where the amounts are reasonably equivalent in value to the interfund services provided, and other charges between the County's water and sewer functions and various other functions of the County. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

F. Basis of Presentation – Fund Financial Statements

The fund financial statements provide information about the County of Buckingham, Virginia's funds, including its fiduciary funds and blended component units. Separate statements for each fund category – governmental, proprietary, and fiduciary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

During the course of operations the County has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. Further, certain activity occurs during the year involving transfers of resources between funds reported at gross amounts as transfers in/out. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

G. 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. 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, proprietary, and fiduciary fund 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 the 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.

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

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

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, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). All other revenue items are considered to be measurable and available only when cash is received by the County.

1. Governmental Funds

Governmental Funds are those through which most governmental functions typically are financed. 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 resources except those required to be accounted for and reported in another fund. Revenues are derived primarily from property and other local taxes, state and federal distributions, licenses, permits, charges for services, and interest income. A significant part of the General Fund's revenues are used principally to finance the operations of the Component Unit School Board. The General Fund is considered a major fund for reporting purposes.

b. Special Revenue Funds

Special revenue funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The special revenue funds are the Virginia Public Assistance Fund and the ARPA Fund, which are considered major funds. The Emergency Management Services Fund is a nonmajor special revenue fund.

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

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

1. Governmental Funds: (Continued)

c. Debt Service Fund

The Debt Service Fund accounts for and reports financial resources that are restricted, committed, or assigned to expenditure for principal and interest. Debt service funds should also be used to report financial resources being accumulated for future debt service. The Debt Service Fund is considered a major fund.

d. Capital Projects Fund

Capital Projects Funds account for and report all financial resources that are restricted, committed, or assigned to expenditure for capital outlays, except those financed by proprietary funds or for assets held in trust for individuals, private organizations, or other governments. The County Capital Improvements Fund is considered a major fund.

2. Proprietary Funds

Proprietary Funds account for operations that are financed in a manner similar to those found in private business enterprises. The measurement focus is upon determination of net income, financial position, and changes in financial position. Proprietary Funds consist of Enterprise Funds.

Enterprise Funds

Enterprise Funds account for the financing of services to the general public where all or most of the operating expenses involved are recorded in the form of charges to users of such services. Enterprise Funds consist of the Water Fund, the Sewer Fund and the IDA.

3. Fiduciary Funds (Trust and Custodial Funds)

Fiduciary Funds (Trust and Custodial Funds) account for assets held by the County in a trustee capacity or as custodian for individuals, private organizations, other governmental units, or other funds. These funds include Custodial Funds, which consist of the Special Welfare Fund and Surety Bond Fund. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs.

4. Component Unit School Board

The Buckingham County School Board has the following funds:

Governmental Funds:

School Operating Fund - This fund is the primary operating fund of the School Board and accounts for and reports all revenues and expenditures applicable to the general operations of the public school system. Revenues are derived primarily from charges for services, appropriations from the County of Buckingham and state and federal grants. The School Operating Fund is considered a major fund of the School Board for financial reporting purposes.

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

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

4. Component Unit School Board (Continued)

Special Revenue Funds: Special revenue funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

School Cafeteria Fund – This fund accounts for and reports the operations of the School Board’s food service program. Financing is provided primarily by food and beverage sales and state and federal grants. This fund is considered a major fund.

SAF Fund – This fund accounts for and reports funds collected at the schools in connection with student athletics, clubs, various fundraising activities, and private donations. This fund is considered a major fund.

Capital Projects Fund: Capital projects funds account for and report financial resources that are restricted, committed or assigned to expenditure for capital outlays, except for those financed by proprietary funds or for assets held in trust for individuals, private organizations, or other governments.

School Capital Projects Fund – This fund accounts for all financial resources used for the acquisition or construction of major capital facilities. This fund had no activity in fiscal year 2025.

H. Program Revenues

Amounts reported as program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided or fines imposed by a given function or segment, and (2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

I. Proprietary Funds Operating and Nonoperating Revenues and Expenses

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues consist of charges to customers for sales and services.

The water and sewer funds also recognize as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

J. 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.

K. 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 or category 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 and budgets are legally adopted for the General Fund, VPA Fund, ARPA Fund, and the Debt Service Fund of the primary government and the School Operating Fund, School Cafeteria Fund, and School Capital Projects Fund of the School Board.
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.
8. All budgetary data presented in the accompanying financial statements is the original budget at June 30. Several supplemental appropriations were necessary during the year and at year end because they were not included in the original budget.

L. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. For purposes of the statement of cash flows, the County'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.

Restricted cash consists of reserve accounts established as required by Rural Development bond covenants and customer deposits.

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

M. 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.

N. Inventory and Prepaid Items

Inventories are valued at the lower of cost (first-in, first-out) or market.

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

O. 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 “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 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 \$283,000 at June 30, 2025 and is comprised solely of property taxes. In addition, water and sewer receivables are reported net of a \$71,303 reserve.

P. Capital Assets

Capital assets are tangible and intangible assets, which include property, plant, equipment, lease, subscription, 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 are defined by the County and Component Unit School Board as assets with an initial, individual cost of more than \$10,000 and \$5,000, respectively, and an estimated useful life in excess of two years.

As the County and Component Unit School Board constructs or acquires capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost (except for intangible right-to-use lease and subscription assets, the measurement of which is discussed in more detail below). The reported value excludes normal maintenance and repairs, which are amounts spent in relation to capital assets that do not increase the asset’s capacity or efficiency or increases its estimated useful life. Donated capital assets are recorded at acquisition value at the date of donation. Acquisition value is the price that would be paid to acquire an asset with equivalent service potential on the date of the donation. Intangible assets follow the same capitalization policies as tangible capital assets and are reported with tangible assets in the appropriate capital asset class.

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

P. Capital Assets (Continued)

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

Assets	Years
Structures, lines and accessories	40-50
Buildings	40
Building improvements	20-40
Land improvements	15
Vehicles	3-5
Office, computer, and equipment	5-20
Buses	10-15
Lease equipment	3-5
Lease towers	15-40
Subscription asset	5

Q. Leases and Subscription-Based IT Arrangements

The County has lease assets and subscription-based IT arrangements (SBITAs) requiring recognition. 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.

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). Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Lessee

The County recognizes lease liabilities and intangible right-to-use lease assets (lease assets) with an initial value of \$10,000, 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). Subsequently, the lease liability is reduced by the principal portion of lease 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. Subsequently, the lease asset is amortized over the shorter of the lease term or the useful life of the underlying asset.

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

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

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). Subsequently, the subscription liability is reduced by the principal portion of subscription payments made. The subscription asset is measured at the initial amount of the subscription liability, adjusted for subscription payments made at or before commencement of the subscription term, and capitalizable implementation costs, less any incentives received. Subsequently, the subscription asset is amortized over the shorter of the subscription term or the useful life of the underlying IT asset.

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 include 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 receivable (lessor), lease liability (lessee) 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 receivable and deferred inflows of resources (lessor), the lease asset and liability (lessee) or the subscription asset and liability if certain changes occur that are expected to significantly affect the amount of the lease receivable, lease liability, or subscription liability.

R. 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, represents 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's deferred outflows of resources are comprised of certain items related to pension and OPEB. For more detailed information on these items, reference the related notes.

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

R. Deferred Outflows/Inflows of Resources: (Continued)

In addition to liabilities, the statement of financial position includes a separate section for deferred inflows of resources. Deferred inflows of resources, represents 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 multiple 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 items related to pension, OPEB, leases, and opioid settlements are reported as deferred inflows of resources. For more detailed information on these items, reference the related notes.

S. 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 and proprietary fund 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.

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. The School Board and DSS pay out a portion of sick leave upon separation from employment based on approved policies.

T. Pensions

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

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

U. 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 and 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.

V. Long-term Obligations

In the government-wide financial statements, long-term obligations are reported as liabilities in the applicable governmental or business-type activities column. 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, as well as bond issuance costs, during the current period. The face amount of debt issued and premiums on issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

W. 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.

X. Net Position

For government-wide reporting as well as in proprietary funds, 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.

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

X. Net Position: (Continued)

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.

Y. Fund Balance

In governmental fund types, the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources is called "fund balance." The 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);
- Restricted fund balance – amounts that can be spent only for the specific purposes stipulated by external resource providers such as grantors or enabling federal, state, or local legislation. Restrictions may be changed or lifted only with the consent of the resource providers;
- Committed fund balance – amounts that can be 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 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 a government intends to use for a specific purpose but do not meet the criteria to be classified as committed; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment;
- Unassigned fund balance – amounts that are available for any purpose; positive amounts are only reported in the general fund. Additionally, any deficit fund balance within the other governmental fund types is reported as unassigned.

When fund balance resources are available for a specific purpose in more than one classification, it is generally 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 by passage of an ordinance/resolution. This is typically done through adoption and amendment of the budget. A fund balance commitment, which does not lapse at year end, is further indicated in the budget document as a designation or commitment of the fund (such as for special incentives). Assigned fund balance is established by the Board of Supervisors through adoption or amendment of the budget as intended for specific purpose (such as the purchase of capital assets, construction, debt service, or for other purposes) or other official to which the Board has delegated the authority to assign amounts to the Director of Finance.

COUNTY OF BUCKINGHAM, VIRGINIA

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

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

Y. Fund Balance: (Continued)

It is the County’s policy to maintain an unassigned fund balance in the general fund equal to 10% of expenditures/operating revenues. The County considers a balance less than 7% to be cause for concern barring unusual or deliberate circumstances.

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 the County 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’s investments at June 30, 2025 were held in the County’s name by the County’s custodial banks.

Credit Risk of Debt Securities

The County’s rated debt investments as of June 30, 2025 were rated by Standard & Poor’s and/or an equivalent national rating organization and the ratings are presented below using the Standard & Poor’s rating scale.

Interest Rate Risk

The County invests funds in low-risk investments backed by U.S. government agencies.

Investment Maturities (in years)		
Investment Type	Value	Less Than 1 Year
Local Government Investment Pool	\$ 5,216,718	\$ 5,216,718

External Investment Pool

The value of the positions in the external investment pool (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.

COUNTY OF BUCKINGHAM, VIRGINIA

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

Note 3—Property Taxes:

Real property taxes are assessed on property values as of January 1 and attach as an enforceable lien on property as of the date levied by the Board of Supervisors. Personal property taxes are assessed on a prorated basis for the period the property is located in the County and also attach as an enforceable lien on the property.

Real estate and public service corporation taxes are due on June 5th and December 5th and personal property taxes are due on December 5th.

A ten percent penalty is levied on all taxes not collected on or before their due date. An interest charge of ten percent per annum is also levied on such taxes beginning on their due date.

Property taxes for calendar year 2024 were levied by the County Board of Supervisors on April 22, 2024, on the assessed values listed as of January 1, 2024. The second half of 2024 real estate taxes was due on December 5, 2024. The first half of 2025 real estate and public service corporation taxes was due on June 5, 2025. The 2025 taxes were levied by the County Board of Supervisors on April 28, 2025 on the assessed value listed as of January 1, 2025.

Property taxes levied in the prior year have been recorded as receivables as of the date the County has the legal right to receive payments thereon. The receivables collected during the fiscal year and during the first 60 days of the succeeding fiscal year are recognized as revenues in the current fiscal year. Taxes receivable as of the end of the year (June 30) and not collected until the succeeding year are reported as deferred inflows of resources.

Note 4—Receivables:

The following is a summary of accounts receivable at June 30, 2025:

	Primary Government				Component Unit
	General	Special Revenue	Governmental Activities	Business-type Activities	School Board
Property taxes	\$ 8,469,808	\$ -	\$ 8,469,808	\$ -	\$ -
Allowance for uncollectibles	(283,000)	-	(283,000)	-	-
Net taxes receivable	<u>\$ 8,186,808</u>	<u>\$ -</u>	<u>\$ 8,186,808</u>	<u>\$ -</u>	<u>\$ -</u>
Accounts Receivable:					
Utility taxes	\$ 30,755	\$ -	\$ 30,755	\$ -	\$ -
Grantee tax	17,130	-	17,130	-	-
Solid waste	9,736	-	9,736	-	-
Opioids settlement	221,064	-	221,064	-	-
EMS fees	-	161,533	161,533	-	-
Other	33,010	7,135	40,145	-	13,986
Water and sewer	-	-	-	328,570	-
Rebates and refunds	-	-	-	-	76,969
School activity funds	-	-	-	-	52,448
Allowance for uncollectibles	-	-	-	(71,303)	-
Net accounts receivable	<u>\$ 311,695</u>	<u>\$ 168,668</u>	<u>\$ 480,363</u>	<u>\$ 257,267</u>	<u>\$ 143,403</u>

COUNTY OF BUCKINGHAM, VIRGINIA

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

Note 5—Due From Other Governmental Units:

Amounts due from other governments are detailed as follows:

	Governmental Activities			Component Unit
	General	Virginia Public Assistance	Total	School Board
Commonwealth of Virginia:				
Local sales taxes	\$ 215,428	\$ -	\$ 215,428	\$ -
State sales taxes	-	-	-	492,966
Communication taxes	43,847	-	43,847	-
Public assistance	-	67,004	67,004	-
Comprehensive services	565,651	-	565,651	-
Shared expenses and grants	174,778	-	174,778	-
Forest land management	32,507	-	32,507	-
Motor vehicle carrier tax	13,129	-	13,129	-
Mobile home tax	44,561	-	44,561	-
Other	16,502	-	16,502	37,061
Federal government:				
Selective enforcement	19,738	-	19,738	-
Victim witness	10,401	-	10,401	-
Public assistance	-	100,260	100,260	-
Title I	-	-	-	216,248
Special Education	-	-	-	202,815
Twenty-first century	-	-	-	52,556
School Food	-	-	-	17,970
Other	3,199	-	3,199	75,741
Total	\$ 1,139,741	\$ 167,264	\$ 1,307,005	\$ 1,095,357

Note 6—Interfund Obligations:

Details of interfund receivables and payables as of June 30, 2025 are as follows:

Fund	Interfund Receivable	Interfund Payable
General	\$ 957,121	\$ -
Virginia Public Assistance	-	957,121
Total	\$ 957,121	\$ 957,121

COUNTY OF BUCKINGHAM, VIRGINIA

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

Note 6—Interfund Obligations: (Continued)

Details of obligations between the primary government and component unit School Board as of June 30, 2025 are as follows:

Receivable Entity	Payable Entity	Amount
Primary government general fund	Component Unit - School Board	\$ 1,102,216

Note 7—Unavailable Revenue and Deferred Revenue:

Deferred revenue /unavailable revenue represent 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.

	Government-wide Statements Governmental Activities	Balance Sheet Governmental Funds
Primary Government:		
Property taxes:		
Unavailable property tax revenue representing uncollected property tax billings that are not available for the funding of current expenditures	\$ -	\$ 2,507,032
2nd half assessments due in December 2025	5,428,075	5,428,075
Prepaid property taxes due in December 2025, but paid in advance by the taxpayers	721,432	721,432
Total deferred/unavailable revenue - taxes	\$ 6,149,507	\$ 8,656,539
Unavailable opioid settlements	\$ -	\$ 219,166

COUNTY OF BUCKINGHAM, VIRGINIA

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

Note 8—Capital Assets:

The following is a summary of changes in capital assets during the year:

Primary Government: Governmental Activities:

	Balance July 1, 2024	Increases	Decreases	Balance June 30, 2025
Capital assets not being depreciated:				
Land	\$ 720,807	\$ -	\$ 27,945	\$ 692,862
Construction in progress	454,989	1,067,503	1,522,492	-
Total capital assets not being depreciated	<u>\$ 1,175,796</u>	<u>\$ 1,067,503</u>	<u>\$ 1,550,437</u>	<u>\$ 692,862</u>
Other capital assets:				
Buildings and improvements	\$ 24,490,128	\$ 1,522,492	\$ -	\$ 26,012,620
Land improvements	2,097,004	69,000	-	2,166,004
Machinery, equipment and vehicles	10,249,292	961,101	1,104,943	10,105,450
Jointly owned assets	10,016,294	-	1,939,135	8,077,159
Lease equipment	18,398	-	-	18,398
Lease towers	262,745	-	-	262,745
Subscription asset	124,649	-	-	124,649
Total other capital assets	<u>\$ 47,258,510</u>	<u>\$ 2,552,593</u>	<u>\$ 3,044,078</u>	<u>\$ 46,767,025</u>
Accumulated depreciation:				
Buildings and improvements	\$ 8,771,546	\$ 654,029	\$ -	\$ 9,425,575
Land improvements	922,260	102,771	-	1,025,031
Machinery, equipment and vehicles	7,734,057	944,715	921,845	7,756,927
Jointly owned assets	1,639,767	205,658	684,680	1,160,745
Lease equipment	7,359	3,680	-	11,039
Lease towers	30,501	10,168	-	40,669
Subscription asset	49,860	24,930	-	74,790
Total accumulated depreciation	<u>\$ 19,155,350</u>	<u>\$ 1,945,951</u>	<u>\$ 1,606,525</u>	<u>\$ 19,494,776</u>
Other capital assets, net	<u>\$ 28,103,160</u>	<u>\$ 606,642</u>	<u>\$ 1,437,553</u>	<u>\$ 27,272,249</u>
Net capital assets	<u>\$ 29,278,956</u>	<u>\$ 1,674,145</u>	<u>\$ 2,987,990</u>	<u>\$ 27,965,111</u>
Depreciation is allocated to:				
General government administration		\$ 231,195		
Judicial administration		282,452		
Public safety		714,849		
Public works		223,652		
Health and welfare		31,347		
Education		205,658		
Parks, recreation, and cultural		205,295		
Community development		51,503		
Total		<u>\$ 1,945,951</u>		

COUNTY OF BUCKINGHAM, VIRGINIA

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

Note 8—Capital Assets: (Continued)

Primary Government: (Continued)

Business-type Activities:

	Balance July 1, 2024	Increases	Decreases	Balance June 30, 2025
Capital assets not being depreciated:				
Land	\$ 208,974	\$ -	\$ -	\$ 208,974
Intangibles	<u>712,100</u>	<u>-</u>	<u>-</u>	<u>712,100</u>
Total capital assets not being depreciated	\$ <u>921,074</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>921,074</u>
Other capital assets:				
Buildings and systems	\$ 34,516,687	\$ -	\$ -	\$ 34,516,687
Land improvements	22,634	-	-	22,634
Machinery, equipment and vehicles	<u>1,081,961</u>	<u>68,673</u>	<u>37,354</u>	<u>1,113,280</u>
Total other capital assets	\$ <u>35,621,282</u>	\$ <u>68,673</u>	\$ <u>37,354</u>	\$ <u>35,652,601</u>
Accumulated depreciation:				
Buildings and systems	\$ 11,588,904	\$ 836,281	\$ -	\$ 12,425,185
Land improvements	10,770	1,275	-	12,045
Machinery, equipment and vehicles	<u>887,637</u>	<u>40,994</u>	<u>37,354</u>	<u>891,277</u>
Total accumulated depreciation	\$ <u>12,487,311</u>	\$ <u>878,550</u>	\$ <u>37,354</u>	\$ <u>13,328,507</u>
Other capital assets, net	\$ <u>23,133,971</u>	\$ <u>(809,877)</u>	\$ <u>-</u>	\$ <u>22,324,094</u>
Net capital assets	\$ <u><u>24,055,045</u></u>	\$ <u><u>(809,877)</u></u>	\$ <u><u>-</u></u>	\$ <u><u>23,245,168</u></u>
Depreciation is allocated to:				
Water operations		\$ 486,736		
Sewer operations		<u>391,814</u>		
Total		\$ <u><u>878,550</u></u>		

COUNTY OF BUCKINGHAM, VIRGINIA

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

Note 8—Capital Assets: (Continued)

Component Unit-School Board:

	Balance July 1, 2024	Increases	Decreases	Balance June 30, 2025
Capital assets not being depreciated:				
Land	\$ 306,439	\$ -	\$ -	\$ 306,439
Construction in progress	2,219,723	561,583	1,261,471	1,519,835
Total capital assets not being depreciated	\$ 2,526,162	\$ 561,583	\$ 1,261,471	\$ 1,826,274
Other capital assets:				
Buildings and improvements	\$ 17,061,882	\$ 1,186,374	\$ -	\$ 18,248,256
Improvements other than buildings	553,268	-	-	553,268
Machinery, equipment and vehicles	10,166,002	531,776	-	10,697,778
Jointly owned assets	26,714,027	1,939,135	-	28,653,162
Total other capital assets	\$ 54,495,179	\$ 3,657,285	\$ -	\$ 58,152,464
Accumulated depreciation:				
Buildings and improvements	\$ 12,312,831	\$ 239,158	\$ -	\$ 12,551,989
Improvements other than buildings	530,799	2,949	-	533,748
Machinery, equipment and vehicles	7,848,159	582,640	-	8,430,799
Jointly owned assets	12,046,887	1,401,009	-	13,447,896
Total accumulated depreciation	\$ 32,738,676	\$ 2,225,756	\$ -	\$ 34,964,432
Other capital assets, net	\$ 21,756,503	\$ 1,431,529	\$ -	\$ 23,188,032
Net capital assets	\$ 24,282,665	\$ 1,993,112	\$ 1,261,471	\$ 25,014,306
Depreciation is allocated to education		\$ 2,225,756		

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 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 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 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 Buckingham, Virginia for the year ended June 30, 2025, is that school financed assets in the amount of \$6,916,414 net are reported in the Primary Government for financial reporting purposes.

COUNTY OF BUCKINGHAM, VIRGINIA

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

Note 9—Leases Receivable:

The County leases building space and towers to tenants under various lease contracts. For the health department building, the County receives monthly rental payments of \$4,167 through February 20, 2028. For the tower, the County receives monthly rental payments of \$1,000 through March 10, 2049. The County used a discount rate of 1.39% for these leases.

In fiscal year 2025, the County recognized \$47,782 of lease revenue and \$2,124 of interest revenue under the building lease and \$9,963 of lease revenue and \$3,427 of interest revenue under the tower lease.

Future payments due to the General Fund for the Health Department building are as follows:

<u>Year Ending June 30,</u>	<u>Health Dept</u>	
	<u>Principal</u>	<u>Interest</u>
2026	\$ 48,490	\$ 1,510
2027	49,168	832
2028	33,160	173
Total	<u>\$ 130,818</u>	<u>\$ 2,515</u>

Future payments due to the Water Fund for Tower rent are as follows:

<u>Year Ending June 30,</u>	<u>Tower</u>	
	<u>Principal</u>	<u>Interest</u>
2026	\$ 8,683	\$ 3,317
2027	8,804	3,196
2028	8,927	3,073
2029	9,052	2,948
2030	9,179	2,821
2031-2035	47,857	12,143
2036-2040	51,300	8,700
2041-2045	54,990	5,010
2046-2049	43,822	1,179
Total	<u>\$ 242,614</u>	<u>\$ 42,387</u>

Note 10—Compensated Absences:

The County has accrued the liability arising from outstanding claims and judgments and compensated absences. County employees earn vacation and sick leave at various rates.

COUNTY OF BUCKINGHAM, VIRGINIA

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

Note 11—Long-Term Obligations:

The following is a summary of long-term obligation transactions for the County for the year ended June 30, 2025:

	Balance July 1, 2024	GASB 101 Restatement	July 1, 2024 As Restated	Issuances/ Increases	Retirements/ Decreases	Balance June 30, 2025
Primary Government:						
Governmental activities:						
Direct borrowings and direct placements:						
Lease revenue bonds	\$ 4,210,000	\$ -	\$ 4,210,000	\$ -	\$ 200,000	\$ 4,010,000
Premium on issuance	524,742	-	524,742	-	75,086	449,656
Refunding bonds	4,020,000	-	4,020,000	-	320,000	3,700,000
Premium on issuance	377,879	-	377,879	-	69,239	308,640
General obligation school bonds	9,954,513	-	9,954,513	-	1,890,078	8,064,435
Premium on issuance	210,927	-	210,927	-	49,057	161,870
Lease liabilities	249,898	-	249,898	-	12,590	237,308
Subscription liability	78,510	-	78,510	-	24,072	54,438
Net pension liability	307,191	-	307,191	3,088,343	3,059,205	336,329
Net OPEB liability	295,692	-	295,692	125,270	157,829	263,133
Compensated absences *	833,209	363,548	1,196,757	182,287	-	1,379,044
Total obligations from governmental activities	\$ 21,062,561	\$ 363,548	\$ 21,426,109	\$ 3,395,900	\$ 5,857,156	\$ 18,964,853
Business-type activities:						
Direct borrowings and direct placements:						
Revenue bonds	\$ 1,568,000	\$ -	\$ 1,568,000	\$ -	\$ 86,000	\$ 1,482,000
Revolving loans	8,445,550	-	8,445,550	-	240,210	8,205,340
Net pension liability	24,408	-	24,408	289,923	283,161	31,170
Net OPEB liability	25,364	-	25,364	16,221	15,359	26,226
Compensated absences *	84,071	61,195	145,266	-	9,714	135,552
Total obligations from business-type activities	\$ 10,147,393	\$ 61,195	\$ 10,208,588	\$ 306,144	\$ 634,444	\$ 9,880,288
Long-term obligations from component unit activities:						
School Board:						
Energy improvement financing	\$ 602,790	\$ -	\$ 602,790	\$ -	\$ 136,165	\$ 466,625
Net pension liability	13,630,576	-	13,630,576	5,374,616	6,505,550	12,499,642
Net OPEB liabilities	2,435,691	-	2,435,691	567,276	768,185	2,234,782
Compensated absences *	778,734	1,730,632	2,509,366	353,983	-	2,863,349
Total obligations from component unit activities	\$ 17,447,791	\$ 1,730,632	\$ 19,178,423	\$ 6,295,875	\$ 7,409,900	\$ 18,064,398
Total long-term obligations	\$ 48,657,745	\$ 2,155,375	\$ 50,813,120	\$ 9,997,919	\$ 13,901,500	\$ 46,909,539

* The change above is reported as a net change.

Reconciliation to Exhibit 1:

	Governmental Activities	Business- type Activities	Component Unit School Board	Total
Long-term liabilities:				
Due within one year	\$ 2,826,109	\$ 346,761	\$ 431,876	\$ 3,604,746
Due in more than one year	16,138,744	9,533,527	17,632,522	43,304,793
Total long-term obligations	\$ 18,964,853	\$ 9,880,288	\$ 18,064,398	\$ 46,909,539

COUNTY OF BUCKINGHAM, VIRGINIA

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

Note 11—Long-Term Obligations: (Continued)

Details of Long-term Obligations:

Type/ Project	Issue Date	Amount of Original Issue	Interest Rates	Amount of Principal Installments	Final Maturity Date	Balance	Amount Due Within One Year
Primary Government:							
Governmental activities:							
Lease revenue bonds:							
Library	8/1/2021	\$ 4,485,000	2.037%-5.125% SA	\$40,000-\$345,000	A 10/1/2038	\$ 4,010,000	\$ 210,000
Unamortized premium on Issuance	n/a	n/a	n/a	n/a	n/a	449,656	69,816
Total lease revenue bonds						\$ 4,459,656	\$ 279,816
Refunding bonds:							
County refunding bonds	11/15/2017	\$ 4,890,000	3.822%-5.125% SA	\$275,000-\$495,000	A 10/1/2033	\$ 3,700,000	\$ 335,000
Unamortized premium on Issuance	n/a	n/a	n/a	n/a	n/a	308,640	62,954
Total refunding bonds						\$ 4,008,640	\$ 397,954
General obligation school bonds:							
School bonds	11/10/2005	\$ 5,856,256	4.60%-5.10% SA	\$222,289-\$370,235	A 7/15/2025	\$ 370,235	\$ 370,235
Unamortized premium on Issuance	n/a	n/a	n/a	n/a	n/a	858	858
School bonds	12/1/2011	\$ 10,000,000	4.5% *	\$186,000-\$784,600	A 6/1/2027	1,569,200	784,600
School bonds	11/9/2011	\$ 13,325,000	2.05%-5.05% SA	\$320,000-\$985,000	A 7/15/2031	6,125,000	775,000
Unamortized premium on Issuance	n/a	n/a	n/a	n/a	n/a	161,012	40,790
Net general obligation school bonds						\$ 8,226,305	\$ 1,971,483
* Interest to be refunded by Federal Tax Credit							
Lease liabilities							
Copier lease	2/1/2023	\$ 18,398	3% M	\$330	1/1/2028	\$ 9,825	\$ 3,713
Tower leases	Various	\$ 262,745	1.39% M	\$150-\$600	2/1/30-9/1/52	227,483	9,112
Total lease liabilities						\$ 237,308	\$ 12,825
Subscription liability	9/18/2022	\$ 124,649	3% A	\$24,000	9/17/2027	\$ 54,438	\$ 26,127
Other obligations:							
Net pension liability (payable from general fund)						\$ 336,329	\$ -
Net OPEB liability (payable from general fund)						263,133	-
Compensated absences						1,379,044	137,904
Total other obligations						\$ 1,978,506	\$ 137,904
Total long-term obligations from governmental activities						\$ 18,964,853	\$ 2,826,109
Business-type activities:							
Revenue bonds:							
Revenue W&S refinancing bonds	5/5/2022	\$ 1,734,000	2.040% SA	\$52,000-\$109,000	SA 11/1/2041	\$ 1,482,000	\$ 88,000
Total revenue bonds						\$ 1,482,000	\$ 88,000
Revolving loans:							
VRA revolving fund loan	10/30/2004	\$ 1,056,863	1.000% SA	\$20,729 (P&I)	SA 3/1/2034	\$ 355,978	\$ 37,993
Rural Development loan	7/25/2011	\$ 5,000,000	2.375% M	\$16,700 (P&I)	M 8/25/2051	3,876,739	109,515
Rural Development loan **	1/6/2015	\$ 4,718,000	2.125% M	\$15,098 (P&I)	M 12/6/2054	3,972,623	97,699
Total revolving loans						\$ 8,205,340	\$ 245,207
** The IDA has pledged availability fees of up to \$256,068 annually or \$21,339 monthly as security for the loan.							
Other obligations:							
Net pension liability (payable from water and sewer funds)						\$ 31,170	\$ -
Net OPEB liability (payable from water and sewer funds)						26,226	-
Compensated absences						135,552	13,554
Total other obligations						\$ 192,948	\$ 13,554
Total long-term obligations from business-type activities						\$ 9,880,288	\$ 346,761
Total long-term obligations, Primary Government						\$ 28,845,141	\$ 3,172,870
Component Unit School Board:							
Other Obligations:							
Energy Improvement Financing	9/5/2012	\$ 1,596,421	2.75%	\$102,491-\$170,261	A 9/5/2027	\$ 466,625	\$ 145,541
Net pension liability (payable from school operating fund)						12,499,642	-
Net OPEB liabilities (payable from school operating fund)						2,234,782	-
Compensated absences						2,863,349	286,335
Total Other Obligations						\$ 18,064,398	\$ 431,876
Total long-term obligations, Component Unit School Board						\$ 18,064,398	\$ 431,876
Total long-term obligations						\$ 46,909,539	\$ 3,604,746

A = annual installments

M = monthly installments

SA = semi-annual installments

COUNTY OF BUCKINGHAM, VIRGINIA

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

Note 11—Long-Term Obligations: (Continued)

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

Year Ending June 30,	Primary Government						Component Unit School Board	
	Direct Borrowings and Placements		Lease Liabilities		Subscription Liability		Energy Improvement Financing	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2026	\$ 2,982,460	\$ 1,200,293	\$ 12,825	\$ 3,348	\$ 26,127	\$ 1,656	\$ 145,541	\$ 12,832
2027	2,660,090	1,127,077	13,065	3,108	28,311	861	155,380	8,830
2028	1,928,910	606,474	11,654	2,870	-	-	165,704	4,557
2029	1,976,979	534,523	9,500	2,716	-	-	-	-
2030	2,034,457	460,059	8,881	2,585	-	-	-	-
2031-2035	7,353,579	1,283,559	41,496	11,214	-	-	-	-
2036-2040	3,144,296	634,391	44,990	8,203	-	-	-	-
2041-2045	1,630,230	388,883	41,260	5,082	-	-	-	-
2046-2050	1,703,050	204,830	36,855	2,483	-	-	-	-
2051-2055	967,890	41,712	16,782	265	-	-	-	-
Total	\$ 26,381,941	\$ 6,481,801	\$ 237,308	\$ 41,874	\$ 54,438	\$ 2,517	\$ 466,625	\$ 26,219

Note: The above includes long-term obligations and premiums.

IDA Agreements

The County entered into an agreement with the Buckingham Industrial Development Authority (IDA) in 2013 pledged as security for the USDA Rural Development loan for construction of the new sewer plant. The IDA has agreed to pay an availability fee up to \$256,068 annually or \$21,339 per month to help fund loan payments. The first payment was due when the 1st installment was made on the loan or the new sewer plant became operational, whichever occurred first. In fiscal year 2025, the County made payments of \$181,176 for debt service (principal payments of \$95,650 and interest of \$85,526) to the IDA. However, the debt is reflected on the County's financial statements and not the IDA's.

In fiscal year 2020, the IDA issued debt on behalf of the County for the Library/Community Center project under a lease financing agreement. The County agreed to make rental payments to the Authority for the lease of the leased project. In fiscal year 2022, the County refinanced the debt and began paying the debt directly.

Advance Refunding

In 2017, the County issued \$4,890,000 in bonds with interest rates ranging from 3.822% to 5.125%. The proceeds were used to partially advance refund \$5,280,000 of outstanding 2010 Series C lease revenue bonds which had interest rates ranging from 2.357% to 5.200%. The net proceeds of \$5,742,302 (including a \$924,757 premium and after payment of \$72,090 in underwriting fees and other issuance costs) were deposited in an irrevocable trust with an escrow agent to provide funds for the future debt service payment on the refunded bonds. As a result, the 2010 Series C lease revenue bonds are considered defeased and the liability for those bonds has been removed from the statement of net position.

The reacquisition price exceeded the net carrying amount of the old debt by \$17,909. This amount is not being netted against the new debt and amortized over the remaining life of the refunding debt; instead it was fully expensed in the year of refunding. The government advance refunded the 2010 Series C lease revenue bond to reduce its total debt service payments over 32 years by \$680,329 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$543,588.

COUNTY OF BUCKINGHAM, VIRGINIA

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

Note 11—Long-Term Obligations: (Continued)

Moral Obligations

If the Piedmont Regional Jail Authority lacks sufficient funds to pay scheduled Debt Service on the Bonds, or to pay any debt service reserve funding requirements, the Authority will promptly notify the Member Jurisdictions of the amount of such insufficiency. Upon such notification, the Member Jurisdictions each agree to pay, subject to certain conditions, an equal portion of such deficit. Any such payment will be subject to the appropriation of funds by the governing body of each Member Jurisdiction and shall constitute a non-binding moral payment obligation. The obligations of the Members shall expire only upon the payment of the Bonds or such earlier date provided therefore, if any, in the documents under which the bonds are issued. In no event shall the obligation of any Member Jurisdiction be deemed to constitute a debt within the meaning of the Constitution of Virginia. The balance of outstanding debt at June 30, 2025 was \$2,102,100.

Events of Default

Upon the occurrence and continuation of an Event of Default for lease revenue bonds, the entire unpaid amount due can be demanded and with a possibility of the lender taking possession of the associated real estate and improvements.

In the event of default for any general obligation bond, the Commonwealth of Virginia may withhold state aid from the locality until such time that the event of default is cured in accordance with Section 15.2-2659 of the Code of Virginia, 1950 as amended.

In the event of default on revenue bonds, the Lender may declare the entire unpaid principal and interest on the issuance as due and payable.

Note 12—Pension Plans:

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.

Note 12—Pension Plans: (Continued):

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 plus service credit equals 90. Non-hazardous duty employees may retire with a reduced benefit as early as age 60 with at least 5 years of service credit. Hazardous duty employees are eligible for an unreduced benefit beginning at age 60 with at least 5 years of service credit or age 50 with at least 25 years of service credit. Hazardous duty employees may retire with a reduced benefit as early as age 50 with at least 5 years of service credit.
- c. Non-hazardous duty employees with a membership date on or after January 1, 2014 are covered by the Hybrid Plan combining the features of a defined benefit plan and a defined contribution plan. Plan 1 and Plan 2 members also had the option of opting into this plan during the election window held January 1 – April 30, 2014 with an effective date of July 1, 2014. Employees covered by this plan are eligible for an unreduced benefit beginning at their normal social security retirement age with at least 5 years of service credit, or when the sum of their age plus service credit equals 90. Employees may retire with a reduced benefit as early as age 60 with at least 5 years of service credit. For the defined contribution component, members are eligible to receive distributions upon leaving employment, subject to restrictions.

Average Final Compensation and Service Retirement Multiplier

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

Note 12—Pension Plans: (Continued)

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.

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	Component Unit School Board Nonprofessional
Inactive members or their beneficiaries currently receiving benefits	78	46
Inactive members:		
Vested inactive members	15	13
Non-vested inactive members	32	21
Inactive members active elsewhere in VRS	50	20
Total inactive members	97	54
Active members	124	48
Total covered employees	299	148

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 employer contribution rate for the year ended June 30, 2025 was 9.86% 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 \$699,948 and \$601,981 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 0.05% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2023.

Note 12—Pension Plans: (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 \$528 and \$26,722 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 \$24,473 and \$5,348 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 \$29,738 and \$3,315 for the County and School Board, respectively, for the year ended June 30, 2025. The total Hybrid plan participant covered payroll totaled \$2,447,256 and \$536,568 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 liability (asset) were measured as of June 30, 2024. The total pension liabilities used to calculate the net pension liability (asset) were determined by an actuarial valuation performed as of June 30, 2023, 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.

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

COUNTY OF BUCKINGHAM, VIRGINIA

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

Note 12—Pension Plans: (Continued)

Actuarial Assumptions – General Employees: (Continued)

Mortality rates: (Continued)

- 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-2021 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) – 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 BUCKINGHAM, VIRGINIA

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

Note 12—Pension Plans: (Continued)

Actuarial Assumptions – Public Safety Employees with Hazardous Duty Benefits

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 BUCKINGHAM, VIRGINIA

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

Note 12—Pension Plans: (Continued)

Long-Term Expected Rate of Return

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

Asset Class (Strategy)	Long-Term Target Asset Allocation	Arithmetic Long-Term Expected Rate of Return	Weighted Average Long-Term Expected Rate of Return*
Public Equity	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 Partnerships	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. 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 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 pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that System member contributions will be made per the VRS Statutes and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. For the year ended June 30, 2024, the employer contribution rate was 100% of the actuarially determined employer contribution rate from the June 30, 2023 actuarial valuations. 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

COUNTY OF BUCKINGHAM, VIRGINIA

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

Note 12—Pension Plans: (Continued)

Discount Rate: (Continued)

Assembly, which was 112% of the actuarially determined contribution rate. From July 1, 2024 on, participating employer 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		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balances at June 30, 2023	\$ 25,375,780	\$ 25,044,181	\$ 331,599
Changes for the year:			
Service cost	\$ 765,408	\$ -	\$ 765,408
Interest	1,720,160	-	1,720,160
Differences between expected and actual experience	873,103	-	873,103
Contributions - employer	-	601,982	(601,982)
Contributions - employee	-	310,844	(310,844)
Net investment income	-	2,425,313	(2,425,313)
Benefit payments, including refunds of employee contributions	(1,314,684)	(1,314,684)	-
Administrative expenses	-	(15,878)	15,878
Other changes	-	510	(510)
Net changes	\$ 2,043,987	\$ 2,008,087	\$ 35,900
Balances at June 30, 2024	\$ 27,419,767	\$ 27,052,268	\$ 367,499

COUNTY OF BUCKINGHAM, VIRGINIA

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

Note 12—Pension Plans: (Continued)

Changes in Net Pension Liability (Asset) (Continued)

	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	\$ 4,012,276	\$ 4,788,679	\$ (776,403)
Changes for the year:			
Service cost	\$ 86,030	\$ -	\$ 86,030
Interest	269,749	-	269,749
Differences between expected and actual experience	32,198	-	32,198
Contributions - employer	-	26,860	(26,860)
Contributions - employee	-	49,860	(49,860)
Net investment income	-	461,594	(461,594)
Benefit payments, including refunds of employee contributions	(204,059)	(204,059)	-
Administrative expenses	-	(3,103)	3,103
Other changes	-	94	(94)
Net changes	\$ 183,918	\$ 331,246	\$ (147,328)
Balances at June 30, 2024	\$ 4,196,194	\$ 5,119,925	\$ (923,731)

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

The following presents the net pension liability (asset) of the County 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		
	Current Discount		
	1% Decrease (5.75%)	Rate (6.75%)	1% Increase (7.75%)
County's Net Pension Liability (Asset)	\$ 3,785,573	\$ 367,499	\$ (2,435,646)
Component Unit School Board (nonprofessional) Net Pension Liability (Asset)	\$ (454,795)	\$ (923,731)	\$ (1,320,354)

COUNTY OF BUCKINGHAM, VIRGINIA

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

Note 12—Pension Plans: (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 and Component Unit School Board (nonprofessional) recognized pension expense of \$383,747 and \$(258,086), 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)	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 657,769	\$ 79,508	\$ 15,686	\$ 3,720
Net difference between projected and actual earnings on pension plan investments	-	714,381	-	135,180
Change in proportionate share	14,308	14,308	-	-
Employer contributions subsequent to the measurement date	<u>699,948</u>	<u>-</u>	<u>528</u>	<u>-</u>
Total	<u>\$ 1,372,025</u>	<u>\$ 808,197</u>	<u>\$ 16,214</u>	<u>\$ 138,900</u>

\$699,948 and \$528 reported as deferred outflows of resources related to pensions resulting from the County's and Component Unit School Board's (nonprofessional) contributions, respectively, subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability or addition to the Net Pension Asset in the fiscal year ending June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future reporting periods as follows:

Year ended June 30	Primary Government	Component Unit School Board (nonprofessional)
2026	\$ (393,267)	\$ (107,057)
2027	407,777	38,384
2028	(846)	(25,988)
2029	(149,784)	(28,553)
2030	-	-
Thereafter	-	-

COUNTY OF BUCKINGHAM, VIRGINIA

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

Note 12—Pension Plans: (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 \$2,036,198 and \$2,245,981 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 \$59,098 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 \$51,206 for the year ended June 30, 2025. The total Hybrid plan participant covered payroll totaled \$5,929,432 for the year ended June 30, 2025.

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 \$12,499,642 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 .13316% as compared to .13486% at June 30, 2023.

COUNTY OF BUCKINGHAM, VIRGINIA

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

Note 12—Pension Plans: (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)***

For the year ended June 30, 2025, the school division recognized pension expense of \$1,320,071. 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:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,168,512	\$ 257,376
Change in assumptions	226,885	-
Net difference between projected and actual earnings on pension plan investments	-	1,720,583
Changes in proportion and differences between employer contributions and proportionate share of contributions	198,894	147,334
Employer contributions subsequent to the measurement date	<u>2,036,198</u>	<u>-</u>
Total	<u>\$ 4,630,489</u>	<u>\$ 2,125,293</u>

\$2,036,198 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 fiscal year ending June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future reporting periods as follows:

<u>Year ended June 30</u>	
2026	\$ (697,039)
2027	1,103,329
2028	238,972
2029	(176,264)
2030	-

Note 12—Pension Plans: (Continued)

Component Unit School Board (professional) (Continued)

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

Note 12—Pension Plans: (Continued)

Component Unit School Board (professional) (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:

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	\$	9,386,934
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 BUCKINGHAM, VIRGINIA

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

Note 12—Pension Plans: (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	\$ 23,221,885	\$ 12,499,642	\$ 3,718,466

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 and Component Unit School Board

Aggregate Pension Information

VRS Pension Plans:					
	Net Pension Asset	Deferred Outflows	Deferred Inflows	Net Pension Liability	Pension Expense
Primary Government					
Primary Government	\$ -	\$ 1,372,025	\$ 808,197	\$ 367,499	\$ 383,747
Totals	\$ -	\$ 1,372,025	\$ 808,197	\$ 367,499	\$ 383,747
Component Unit School Board					
School Board Nonprofessional	\$ 923,731	\$ 16,214	\$ 138,900	\$ -	\$ (258,086)
School Board Professional	-	4,630,489	2,125,293	12,499,642	1,320,071
Totals	\$ 923,731	\$ 4,646,703	\$ 2,264,193	\$ 12,499,642	\$ 1,061,985

COUNTY OF BUCKINGHAM, VIRGINIA

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

Note 13—Commitments and Contingencies:

Federal programs in which the County and its component unit participate were audited in accordance with the provisions of Uniform Guidance. Pursuant to the provisions of this guidance, all major programs and certain other programs were tested for compliance with applicable grant requirements. While no matters of noncompliance were disclosed by audit, the Federal Government may subject grant programs to additional compliance tests which may result in disallowed expenditures. In the opinion of management, future disallowances of current grant program expenditures, if any, would be immaterial.

At June 30, 2025, the County had one project outstanding that had not yet been started. Presented is a list of major projects, contract amounts, expenditures to date, and balances of contracts remaining:

Project	Contract Amount	Expenditures to Date	Balance of Contract
Water and Sewer line extension	\$ 273,446	\$ -	\$ 273,446
Total	<u>\$ 273,446</u>	<u>\$ -</u>	<u>\$ 273,446</u>
In addition, the School Board had the following projects outstanding:			
HVAC Projects	\$ 1,476,412	\$ 1,430,612	\$ 45,800
Roof Projects	598,700	529,418	69,282
Other Projects	9,870	8,389	1,481
Total	<u>\$ 2,084,982</u>	<u>\$ 1,968,419</u>	<u>\$ 116,563</u>

Note 14—Surety Bonds:

	Amount
Fidelity and Deposit Company of Maryland - Surety Management - Faithful Performance of Duty Bond:	
Justin D. Midkiff, Clerk of the Circuit Court	\$ 330,000
Christy L. Christian, Treasurer	400,000
Stephanie D. Love, Commissioner of the Revenue	3,000
William G. Kidd, Jr., Sheriff	30,000
Virginia Association of Counties Group Self-Insurance Risk Pool:	
County Employees - blanket bond	250,000
School Employees - blanket bond	250,000
Commonwealth of Va Division of Risk Management (VaRISK 2)	
Social Services Employees - blanket bond	1,000,000
Western Surety Company - Surety:	
Social Services Employees - blanket bond	100,000
Western Surety Company - Surety:	
Christy L. Christian, Treasurer	20,000

COUNTY OF BUCKINGHAM, VIRGINIA

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

Note 15—Landfill Closure and Postclosure Care Cost:

The County of Buckingham, Virginia owns a landfill which was closed with oversight of the Environmental Protection Agency (EPA). Under the closure plan, continuing monitoring and evaluation of the site is required. The County's responsibility under the monitoring and evaluation is met by performing in-kind services. The County's financial obligation for the landfill as a hazardous waste site has been met. The County at this time does not have an operating landfill. The County hauls waste to other surrounding localities.

Note 16—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 insurance.

The County is a member of the Virginia Municipal Group Self Insurance Association 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 Virginia Municipal Group 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 previous three fiscal years, settled claims from these risks have not exceeded commercial coverage.

Note 17—Litigation:

At June 30, 2025, there were no matters of litigation involving the County which would materially affect the County's financial position should any court decisions on pending matters not be favorable.

Note 18—Expenditures and Appropriations:

Expenditures exceeded appropriations in the following functions of the General Fund: Judicial Administration (\$68,768), Public Safety (\$417,654), Public Works (\$323,621); Health and Welfare (\$1,171,871); and Parks, Recreation, and Cultural (\$219,280). In addition, the expenditures in the ARPA Fund exceeded appropriations by (\$965,208). However, all disbursements were approved in accordance with operating policies.

COUNTY OF BUCKINGHAM, VIRGINIA

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

Note 19—Interfund Transfers:

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

	<u>Transfers In</u>	<u>Transfers Out</u>	<u>Net</u>
Primary Government:			
Governmental Activities:			
General Fund	\$ 200,000	\$ 4,989,921	\$ (4,789,921)
VPA Fund	219,981	-	219,981
Debt Service Fund	3,008,543	-	3,008,543
EMS Fund	<u>1,444,624</u>	<u>-</u>	<u>1,444,624</u>
Total interfund transfers	<u>\$ 4,873,148</u>	<u>\$ 4,989,921</u>	<u>\$ (116,773)</u>
Business-type Activities:			
Water Fund	\$ 163	\$ 200,000	\$ (199,837)
Sewer Fund	181,176	-	181,176
IDA	<u>316,610</u>	<u>181,176</u>	<u>135,434</u>
Total interfund transfers	<u>\$ 497,949</u>	<u>\$ 381,176</u>	<u>\$ 116,773</u>
Net interfund transfers			<u>\$ -</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 20—Other Postemployment Benefits (OPEB) - Health Insurance and LODA:

Health Insurance

The County offers postemployment medical coverage to their retired employees. Retirees and their spouses are permitted to remain on the respective County plan until they are eligible for Medicare benefits. Premiums are paid by the retirees. At June 30, 2025, the County has elected not to obtain an actuarial valuation to determine liability for this benefit in accordance with the financial reporting requirements of GASB 75. Any liability at June 30, 2025 is not believed to be material to the financial statements. The School Board had no participants on its plan during the year and the benefit is no longer offered so there is minimal impact to the financial statements.

COUNTY OF BUCKINGHAM, VIRGINIA

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

Note 20—Other Postemployment Benefits (OPEB) - Health Insurance and LODA: (Continued)

Line of Duty Act (LODA)

The Line of Duty Act (LODA) provides death and healthcare benefits to certain law enforcement and rescue personnel, and their beneficiaries, who were disabled or killed in the line of duty. Benefit provisions and eligibility requirements are established by title 9.1 Chapter 4 of the Code of Virginia. Funding of LODA benefits is provided by employers in one of two ways: (a) participation in the Line of Duty and Health Benefits Trust Fund (LODA Fund), administered by the Virginia Retirement System (VRS) or (b) self-funding by the employer or through an insurance company.

The County has elected to provide LODA benefits through an insurance company. The obligation for the payment of benefits has been effectively transferred from the County to VACORP. VACORP assumes all liability for the County's LODA claims that are approved by VRS. The pool purchases reinsurance to protect the pool from extreme claims costs.

The current-year OPEB expense/expenditure for the insured benefits is defined as the amount of premiums or other payments required for the insured benefits for the reporting period in accordance with the agreement with the insurance company for LODA and a change in liability to the insurer equal to the difference between amounts recognized as OPEB expense and amounts paid by the employer to the insurer. The County's LODA coverage is fully covered or "insured" through VACORP. This is built into the LODA coverage cost presented in the annual renewals. The County's LODA premium for the year ended June 30, 2025 was \$30,779.

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:

Note 20—Other Postemployment Benefits (OPEB) - Health Insurance and LODA: (Continued)

Health Insurance Credit (HIC) Plan (Continued)

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.

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>Number</u>
Inactive members or their beneficiaries currently receiving benefits	9
Inactive members:	
Inactive members active elsewhere in VRS	<u>18</u>
Total inactive members	27
Active members	<u>48</u>
Total covered employees	<u><u>75</u></u>

Note 20—Other Postemployment Benefits (OPEB) - Health Insurance and LODA: (Continued)

Health Insurance Credit (HIC) Plan (Continued)

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 Component Unit School Board’s (nonprofessional) contractually required employer contribution rate for the year ended June 30, 2025 was 1.40% of covered employee compensation. 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 Component Unit School Board (nonprofessional) to the HIC Plan were \$14,782 and \$15,441 for the years ended June 30, 2025 and June 30, 2024, respectively.

Net HIC OPEB Liability

The Component Unit School Board’s (nonprofessional) net HIC OPEB liability was 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%
Investment rate of return	6.75%, net of investment expenses, including inflation

COUNTY OF BUCKINGHAM, VIRGINIA

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

Note 20—Other Postemployment Benefits (OPEB) - Health Insurance and LODA: (Continued)

Health Insurance Credit (HIC) Plan (Continued)

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

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

COUNTY OF BUCKINGHAM, VIRGINIA

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

Note 20—Other Postemployment Benefits (OPEB) - Health Insurance and LODA: (Continued)

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 Partnerships	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 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 BUCKINGHAM, VIRGINIA

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

Note 20—Other Postemployment Benefits (OPEB) - Health Insurance and LODA: (Continued)

Health Insurance Credit (HIC) Plan (Continued)

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 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 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)
Balances at June 30, 2023	\$ 109,248	\$ 30,644	\$ 78,604
Changes for the year:			
Service cost	\$ 1,441	\$ -	\$ 1,441
Interest	7,373	-	7,373
Differences between expected and actual experience	(13,576)	-	(13,576)
Contributions - employer	-	15,442	(15,442)
Net investment income	-	3,748	(3,748)
Benefit payments	(2,904)	(2,904)	-
Administrative expenses	-	(57)	57
Other changes	-	(1)	1
Net changes	\$ (7,666)	\$ 16,228	\$ (23,894)
Balances at June 30, 2024	\$ 101,582	\$ 46,872	\$ 54,710

COUNTY OF BUCKINGHAM, VIRGINIA

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

Note 20—Other Postemployment Benefits (OPEB) - Health Insurance and LODA: (Continued)

Health Insurance Credit (HIC) Plan (Continued)

Sensitivity of the Component Unit School Board's (nonprofessional) HIC Net OPEB Liability to Changes in the Discount Rate

The following presents the Component Unit School Board's (nonprofessional) HIC Plan net HIC OPEB liability using the discount rate of 6.75%, as well as what the Component Unit School Board's (nonprofessional) 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	Current Discount	1% Increase
	(5.75%)	(6.75%)	(7.75%)
School Board (nonprofessional)			
Net HIC OPEB Liability	\$ 65,297	\$ 54,710	\$ 45,646

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 Component Unit School Board (nonprofessional) recognized HIC Plan OPEB expense of (\$8,028). At June 30, 2025, the Component Unit School Board (nonprofessional) reported deferred outflows of resources and deferred inflows of resources related to the Component Unit School Board's (nonprofessional) HIC Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 34,296
Net difference between projected and actual earnings on HIC OPEB plan investments	-	751
Change in assumptions	8,074	-
Employer contributions subsequent to the measurement date	14,782	-
Total	\$ 22,856	\$ 35,047

Note 20—Other Postemployment Benefits (OPEB) - Health Insurance and LODA: (Continued)

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)

\$14,782 reported as deferred outflows of resources related to the HIC OPEB resulting from the Component Unit School Board’s (nonprofessional) 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>		
2026	\$	(14,441)
2027		(9,698)
2028		(2,583)
2029		(251)
2030		-
Thereafter		-

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 <https://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.

Note 21—Other Postemployment Benefits (OPEB) – VRS Cost-Sharing Plans:

Group Life Insurance (GLI) 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 OPEB, including eligibility, coverage and benefits is described below:

Eligible Employees

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

Benefit Amounts

The GLI Plan is a defined benefit plan with several components. The natural death benefit is equal to the employee's covered compensation rounded to the next highest thousand and then doubled. The accidental death benefit is double the natural death benefit. In addition to basic natural and accidental death benefits, the plan provides additional benefits provided under specific circumstances that include the following: accidental dismemberment benefit, 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 BUCKINGHAM, VIRGINIA

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

Note 21—Other Postemployment Benefits (OPEB) – VRS Cost-Sharing Plans: (Continued)

Group Life Insurance (GLI) 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 1.18% 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, Component Unit School Board (nonprofessional), and Component Unit School Board (professional) were \$33,365 and \$35,947, \$4,971 and \$6,014, and \$67,426 and \$76,067 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, Component Unit School Board (nonprofessional), and Component Unit School Board (professional) reported a liability of \$289,359, \$48,431, and \$612,195, respectively, for its proportionate share of the Net GLI OPEB Liability. 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, the County's, Component Unit School Board's (nonprofessional), and Component Unit School Board's (professional) proportion was .02593%, .00434%, and .05486%, respectively as compared to .02677%, .00389%, and .05689% at June 30, 2023.

For the year ended June 30, 2025, the County, Component Unit School Board (nonprofessional), and Component Unit School Board (professional) recognized GLI OPEB expense of \$16,585, \$795, and \$10,940, 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 BUCKINGHAM, VIRGINIA

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

Note 21—Other Postemployment Benefits (OPEB) – VRS Cost-Sharing Plans: (Continued)

Group Life Insurance (GLI) 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:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Primary Government		
Differences between expected and actual experience	\$ 45,639	\$ 7,068
Net difference between projected and actual earnings on GLI OPEB plan investments	-	24,390
Change in assumptions	1,649	14,340
Changes in proportionate share	28,911	8,730
Employer contributions subsequent to the measurement date	33,365	-
Total	<u>\$ 109,564</u>	<u>\$ 54,528</u>
School Board - Nonprofessional		
Differences between expected and actual experience	\$ 7,639	\$ 1,183
Net difference between projected and actual earnings on GLI OPEB plan investments	-	4,082
Change in assumptions	276	2,400
Changes in proportionate share	4,985	4,383
Employer contributions subsequent to the measurement date	4,971	-
Total	<u>\$ 17,871</u>	<u>\$ 12,048</u>
School Board - Professional		
Differences between expected and actual experience	\$ 96,557	\$ 14,954
Net difference between projected and actual earnings on GLI OPEB plan investments	-	51,602
Change in assumptions	3,490	30,339
Changes in proportionate share	11,379	22,104
Employer contributions subsequent to the measurement date	67,426	-
Total	<u>\$ 178,852</u>	<u>\$ 118,999</u>

COUNTY OF BUCKINGHAM, VIRGINIA

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

Note 21—Other Postemployment Benefits (OPEB) – VRS Cost-Sharing Plans: (Continued)

Group Life Insurance (GLI) 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)

\$33,365, \$4,971, and \$67,426 reported as deferred outflows of resources related to the GLI OPEB resulting from the County, Component Unit School Board (nonprofessional), and Component Unit School Board (professional)’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:

Year Ended June 30	Primary Government	School Board (nonprofessional)	School Board (professional)
2026	\$ (3,336)	\$ (2,487)	\$ (27,088)
2027	13,679	841	11,126
2028	6,356	306	(438)
2029	2,000	621	2,992
2030	2,972	1,571	5,835
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

COUNTY OF BUCKINGHAM, VIRGINIA

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

Note 21—Other Postemployment Benefits (OPEB) – VRS Cost-Sharing Plans: (Continued)

Group Life Insurance (GLI) Plan: (Continued)

Actuarial Assumptions: (Continued)

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

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

COUNTY OF BUCKINGHAM, VIRGINIA

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

Note 21—Other Postemployment Benefits (OPEB) – VRS Cost-Sharing Plans: (Continued)

Group Life Insurance (GLI) Plan: (Continued)

Actuarial Assumptions: (Continued)

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

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

COUNTY OF BUCKINGHAM, VIRGINIA

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

Note 21—Other Postemployment Benefits (OPEB) – VRS Cost-Sharing Plans: (Continued)

Group Life Insurance (GLI) Plan: (Continued)

Actuarial Assumptions: (Continued)

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

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

Note 21—Other Postemployment Benefits (OPEB) – VRS Cost-Sharing Plans: (Continued)

Group Life Insurance (GLI) Plan: (Continued)

NET GLI OPEB Liability

The net OPEB liability (NOL) for the GLI Plan represents the plan’s total OPEB liability determined in accordance with GASB Statement No. 74, less the associated fiduciary net position. As of the measurement date of June 30, 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%

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.

Teacher Employee Health Insurance Credit (HIC) 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.

Note 21—Other Postemployment Benefits (OPEB) – VRS Cost-Sharing Plans: (Continued)

Teacher Employee Health Insurance Credit (HIC) Plan: (Continued)

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, 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.

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 \$173,385 and \$170,447 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 \$1,519,446 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 .13148% as compared to .13440% at June 30, 2023.

Note 21—Other Postemployment Benefits (OPEB) – VRS Cost-Sharing Plans: (Continued)

Teacher Employee Health Insurance Credit (HIC) 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)

For the year ended June 30, 2025, the school division recognized VRS Teacher Employee HIC Plan OPEB expense of \$104,382. 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.

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:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 71,988
Net difference between projected and actual earnings on Teacher HIC OPEB plan investments	-	5,405
Change in assumptions	26,176	-
Changes in proportionate share and differences between actual and expected contributions	43,109	45,008
Employer contributions subsequent to the measurement date	173,385	-
Total	\$ 242,670	\$ 122,401

\$173,385 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	\$ (15,339)
2027	(4,046)
2028	(8,078)
2029	(10,847)
2030	(7,796)
Thereafter	(7,010)

Note 21—Other Postemployment Benefits (OPEB) – VRS Cost-Sharing Plans: (Continued)

Teacher Employee Health Insurance Credit (HIC) 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	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

Note 21—Other Postemployment Benefits (OPEB) – VRS Cost-Sharing Plans: (Continued)

Teacher Employee Health Insurance Credit (HIC) Plan: (Continued)

Mortality Rates – Teachers (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, 2024, NOL amounts for the VRS Teacher Employee HIC Plan are as follows (amounts expressed in thousands):

		Teacher Employee HIC OPEB Plan
Total Teacher Employee HIC OPEB Liability	\$	1,478,105
Plan Fiduciary Net Position		322,457
Teacher Employee HIC Net OPEB Liability (Asset)	\$	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 BUCKINGHAM, VIRGINIA

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

Note 21—Other Postemployment Benefits (OPEB) – VRS Cost-Sharing Plans: (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 Partnerships	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. 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 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 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.

COUNTY OF BUCKINGHAM, VIRGINIA

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

Note 21—Other Postemployment Benefits (OPEB) – VRS Cost-Sharing Plans: (Continued)

Sensitivity of the Employer's Proportionate Share of the OPEB Liability to Changes in the Discount Rate

The following presents the employer's proportionate share of the net OPEB liability using the discount rate of 6.75%, as well as what the employer's proportionate share of the net 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:

Proportionate Share of GLI Plan Net OPEB Liability	Rate		
	1% Decrease (5.75%)	Current Discount (6.75%)	1% Increase (7.75%)
Primary Government	\$ 449,990	\$ 289,359	\$ 159,589
School Board (nonprofessional)	75,317	48,431	26,711
School Board (professional)	952,042	612,195	337,643
School division's proportionate share of the VRS Teacher Employee HIC OPEB Plan Net HIC OPEB Liability	1% Decrease (5.75%)	Current Discount (6.75%)	1% Increase (7.75%)
Net HIC OPEB Liability	\$ 1,727,989	\$ 1,519,446	\$ 1,342,687

GLI and Teacher HIC Plan Fiduciary Net Position

Detailed information about the GLI and Teacher 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.

Aggregate OPEB Information

	VRS OPEB Plans:			
	Deferred Outflows	Deferred Inflows	Net OPEB Liabilities	OPEB Expense
Primary Government				
Primary Government - GLI	\$ 109,564	\$ 54,528	\$ 289,359	\$ 16,585
Totals	<u>\$ 109,564</u>	<u>\$ 54,528</u>	<u>\$ 289,359</u>	<u>\$ 16,585</u>
Component Unit School Board				
School Board Nonprofessional - GLI	\$ 17,871	\$ 12,048	\$ 48,431	\$ 795
School Board Nonprofessional - HIC	22,856	35,047	54,710	(8,028)
School Board Professional - GLI	178,852	118,999	612,195	10,940
School Board Professional - HIC	242,670	122,401	1,519,446	104,382
Totals	<u>\$ 462,249</u>	<u>\$ 288,495</u>	<u>\$ 2,234,782</u>	<u>\$ 108,089</u>

COUNTY OF BUCKINGHAM, VIRGINIA

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

Note 22—Tax Incentives:

Central Virginia Electric Cooperative

On February 7, 2019, the County IDA entered into an agreement with Central Virginia Electric Cooperative (CVEC) and Central Virginia Services, Inc. (CVSI) granting tax incentives. CVEC began a project to install fiber optic cable for the purpose of making broadband available in 2018 at an estimated cost of \$100,000,000 with an estimated completion date five years from the beginning of work.

The IDA agreed to grant to CVSI annually, subject to certain terms and conditions, for a period of five years a sum equal to the County machinery and tools and personal property taxes attributable to each year's construction costs of the Project in the County (the "Local Taxes Grant"). For example, if CVEC expends \$1,000,000 in construction costs in the County in calendar year 2019, then the machinery and tools and personal property taxes attributable to \$1,000,000 shall be payable to CVSI by the IDA during the calendar years 2020, 2021, 2022, 2023, and 2024. If an additional \$2,000,000 is expended in construction costs in the County in 2020, then the Local Taxes Grant shall be increased to include the machinery and tools and personal property taxes attributable to \$2,000,000 and shall be payable to CVSI during the calendar years 2021, 2022, 2023, 2024, and 2025. For each subsequent year of the construction of the Project the Local Taxes Grant shall be so calculated until the installation is complete. No construction after 2023 shall qualify for a grant.

The IDA shall make payment of the Local Taxes Grant to CVSI within ninety days of each semi-annual tax due date provided that CVEC shall have paid all local taxes to the County as they fall due. The grants shall be discontinued should CVSI and CVEC discontinue, suspend or otherwise not pursue the project to completion.

CVEC shall report, document, and verify to the IDA the construction cost and the price of its related new equipment and personal property for the Project installed in the County by no later than January 31st for the preceding year. An abatement of \$135,434 was accrued for calendar year 2025 in accordance with the agreement.

Note 23—Solar Panel Agreement:

On December 11, 2023, the County entered into an agreement with Blue Rock Solar, LLC, (the "Developer") wherein the Developer intends to develop, install, build, operate, and decommission a ground-mounted solar photovoltaic electric generating facility (the "Solar Facility") on certain property in the County. The said properties within the County contain a total of approximately 1,127 acres.

The agreement includes a provision allowing the Developer to make voluntary payments to the County above and beyond its tax obligations, as a meaningful way to be a community partner, to mitigate certain potential impacts of the Project, and to provide financial compensation to the County to address capital needs set out in (a) the County's capital improvement plan, (b) the County's current fiscal budget, or (c) the County's fiscal fund balance policy; and to help the County achieve its goals toward deployment of broadband. Any voluntary payment properly made by the Developer as required by this Agreement shall be non-refundable to the Developer if this Agreement is terminated. The County agrees that during the Term, if any tax law or regulations or the Solar Revenue Share changes (each, a "Tax Change") such that the Developer is required to pay increased taxes or other amounts on the personal property for such Solar Facility or otherwise under Virginia law, the future voluntary payments that the Developer is obligated to make in any given year shall be reduced dollar-for-dollar by the increased tax obligation or payment that the Developer actually makes to the County in the same tax year.

Note 23—Solar Panel Agreement: (Continued)

Within ten (10) days after receipt of the County’s approval of the siting agreement, the Developer will pay to the County \$1,000,000 (the “Voluntary Accelerated Payment #1”). Within thirty (30) days after the Developer obtains a building permit for the Project, the Developer shall pay to the County \$1,000,000. Within thirty (30) days after the Commercial Operation Date, the Developer shall pay \$1,000,000 to the County.

The County has adopted an ordinance for the assessment of the maximum permissible revenue share per megawatt. The Developer shall at all times be subject to assessment and shall pay to the County all assessments levied pursuant to, and in accordance with, the ordinance adopted pursuant to Va. Code § 58.1-2636, as that ordinance may from time to time be amended. The County acknowledges that the Solar Facility may be built on parcels located within the County and parcels located within Cumberland County, Virginia, however for purposes of the Solar Revenue Share, only that portion of the Solar Facility located within the County (i.e., the generation capacity of the nameplate capacity of the Solar Facility located within the County) shall be subject to the Solar Revenue Share payable to the County.

Currently, the amounts are as follows:

<u>Year</u>	<u>Amount</u>
2026	\$ 1,540
2031	1,694
2036	1,863
2041	2,050
2046	2,255
2051	2,480
2056	2,728
2061	3,001

The Developer will also reimburse to the County within thirty (30) days of the date of each invoice from the County all reasonable, documented out-of-pocket costs and fees incurred for professional services engaged by the County for purposes of assisting the County with application review and project permitting during the application process and project inspections and permitting during construction of the Project, including, but not limited to, legal fees and consulting fees. This is generally subject to a \$250,000 cap of costs incurred prior to the commercial operation date.

In accordance with this agreement, the County received voluntary payment number 2 in the amount of \$800,000 during fiscal year 2025.

COUNTY OF BUCKINGHAM, VIRGINIA

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

Note 24—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 the following restatements:

	Governmental Activities	Business-Type Activities				Primary Government	Component Unit School Board
		Water Fund	Sewer Fund	IDA	Total		
Original Balance	\$ 23,320,024	\$ 11,383,457	\$ 6,430,931	\$ 100	\$ 17,814,488	\$ 41,134,512	\$ 10,942,376
GASB 101 Implementation	(363,548)	(49,997)	(11,198)	-	(61,195)	(424,743)	(1,730,632)
Restated Balance	<u>\$ 22,956,476</u>	<u>\$ 11,333,460</u>	<u>\$ 6,419,733</u>	<u>\$ 100</u>	<u>\$ 17,753,293</u>	<u>\$ 40,709,769</u>	<u>\$ 9,211,744</u>

Note 25—Upcoming Pronouncements:

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 26—Subsequent Events:

COVID-19 Pandemic and CARES Funding

The COVID-19 pandemic and its impact on operations continues to evolve. Specific to the County, COVID-19 impacted various parts of its 2022 operations and financial results including, but not limited to, taking over rescue operations, costs for emergency preparedness and shortages of personnel. Federal relief has been received through various programs. Management believes the County is taking appropriate actions to mitigate the negative impact. The extent to which COVID-19 may impact operations in subsequent years remains uncertain, and management is unable to estimate the effects on future results of operations, financial condition, or liquidity for future fiscal years.

COUNTY OF BUCKINGHAM, VIRGINIA

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

Note 26—Subsequent Events: (Continued)

ARPA Funding

On March 11, 2021, the American Rescue Plan (ARPA) Act of 2021 was passed by the federal government. A primary component of the ARPA was the establishment of the Coronavirus State and Local Fiscal Recovery Fund (CSLFRF). Local governments received funds in two tranches, with 50% provided beginning in May 2021 and the balance delivered approximately 12 months later.

In June 2021, the County received its share of the first half of the CSLFRF funds and the second allocation of \$1,665,399 was received on July 25, 2022. As a condition of receiving CSLFRF funds, any funds unobligated by December 31, 2024, and unexpended by December 31, 2026, will be returned to the federal government. Unspent funds in the amount of \$1,567,300 from the County's allocation are reported as unearned revenue as of June 30, 2025.

Other Subsequent Events

On July 14, 2025, the Board of Supervisors awarded a contract for Animal Control Facility architectural engineering services in the amount of \$299,992.

On November 18, 2025, the County closed on a financing lease in the amount of \$8,050,000 with VRA for capital projects. The financing will be repaid in annual installments from October 2027 through October 2045, with semi-annual interest payments beginning in April 2026 at rates ranging from 4.125% to 5.125%. In relation to the financing, the County provided collateral in the form of a security interest in the County courthouse.

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 Balance - Budget and Actual

For the Year Ended June 30, 2025

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual Amounts	
REVENUES				
General property taxes	\$ 19,188,100	\$ 19,188,100	\$ 18,125,461	\$ (1,062,639)
Other local taxes	2,008,400	2,008,400	2,281,181	272,781
Permits, privilege fees, and regulatory licenses	113,100	113,100	159,668	46,568
Fines and forfeitures	31,400	31,400	71,917	40,517
Revenue from the use of money and property	254,049	254,049	346,673	92,624
Charges for services	59,716	59,716	141,706	81,990
Miscellaneous	15,000	15,000	853,400	838,400
Recovered costs	-	-	133,996	133,996
Intergovernmental:				
Commonwealth	5,585,171	5,633,062	6,435,167	802,105
Federal	105,089	105,089	319,120	214,031
Total revenues	\$ 27,360,025	\$ 27,407,916	\$ 28,868,289	\$ 1,460,373
EXPENDITURES				
Current:				
General government administration	\$ 2,491,095	\$ 2,650,879	\$ 2,465,527	\$ 185,352
Judicial administration	1,041,629	1,073,694	1,142,462	(68,768)
Public safety	4,852,869	5,006,757	5,424,411	(417,654)
Public works	1,831,645	1,902,599	2,226,220	(323,621)
Health and welfare	2,318,214	2,322,363	3,494,234	(1,171,871)
Education	9,066,840	9,067,340	9,040,753	26,587
Parks, recreation, and cultural	611,065	625,209	844,489	(219,280)
Community development	335,873	338,663	310,659	28,004
Nondepartmental	469,000	289,000	349,814	(60,814)
Capital projects	-	-	1,067,503	(1,067,503)
Debt service:				
Principal retirement	-	-	36,662	(36,662)
Interest and other fiscal charges	-	-	5,971	(5,971)
Total expenditures	\$ 23,018,230	\$ 23,276,504	\$ 26,408,705	\$ (3,132,201)
Excess (deficiency) of revenues over (under) expenditures	\$ 4,341,795	\$ 4,131,412	\$ 2,459,584	\$ (1,671,828)
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 200,000	\$ 200,000	\$ 200,000	\$ -
Transfers out	(4,712,273)	(4,712,435)	(4,989,921)	(277,486)
Sale of assets	-	-	76,583	76,583
Total other financing sources (uses)	\$ (4,512,273)	\$ (4,512,435)	\$ (4,713,338)	\$ (200,903)
Net change in fund balance	\$ (170,478)	\$ (381,023)	\$ (2,253,754)	\$ (1,872,731)
Fund balance - beginning	170,478	381,023	12,345,397	11,964,374
Fund balance - ending	\$ -	\$ -	\$ 10,091,643	\$ 10,091,643

Virginia Public Assistance Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Miscellaneous	\$ -	\$ -	\$ 5,289	\$ 5,289
Intergovernmental:				
Commonwealth	664,836	664,836	742,579	77,743
Federal	1,181,931	1,181,931	1,314,096	132,165
Total revenues	<u>\$ 1,846,767</u>	<u>\$ 1,846,767</u>	<u>\$ 2,061,964</u>	<u>\$ 215,197</u>
EXPENDITURES				
Current:				
Health and welfare	\$ 2,437,886	\$ 2,437,886	\$ 2,281,945	\$ 155,941
Total expenditures	<u>\$ 2,437,886</u>	<u>\$ 2,437,886</u>	<u>\$ 2,281,945</u>	<u>\$ 155,941</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (591,119)</u>	<u>\$ (591,119)</u>	<u>\$ (219,981)</u>	<u>\$ 371,138</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 591,119	\$ 591,119	\$ 219,981	\$ (371,138)
Total other financing sources (uses)	<u>\$ 591,119</u>	<u>\$ 591,119</u>	<u>\$ 219,981</u>	<u>\$ (371,138)</u>
Net change in fund balance	\$ -	\$ -	\$ -	\$ -
Fund balance - beginning	-	-	-	-
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

ARPA Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the Year Ended June 30, 2025

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual Amounts	
REVENUES				
Intergovernmental:				
Federal	\$ -	\$ -	\$ 965,208	\$ 965,208
Total revenues	\$ -	\$ -	\$ 965,208	\$ 965,208
EXPENDITURES				
Current:				
General government administration	\$ -	\$ -	\$ 274,984	\$ (274,984)
Public safety	-	-	440,735	(440,735)
Public works	-	-	106,779	(106,779)
Parks, recreation, and cultural	-	-	560	(560)
Community development	-	-	142,150	(142,150)
Total expenditures	\$ -	\$ -	\$ 965,208	\$ (965,208)
Net change in fund balance	\$ -	\$ -	\$ -	\$ -
Fund balance - beginning	-	-	-	-
Fund balance - ending	\$ -	\$ -	\$ -	\$ -

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

	2024	2023	2022	2021	2020
Total pension liability					
Service cost	\$ 765,408	\$ 777,467	\$ 578,155	\$ 473,289	\$ 439,293
Interest	1,720,160	1,655,895	1,570,061	1,465,687	1,378,194
Changes in benefit terms	-	-	14,607	-	-
Changes in assumptions	-	-	-	618,899	-
Differences between expected and actual experience	873,103	(175,302)	339,448	(361,632)	327,356
Benefit payments	(1,314,684)	(1,273,183)	(1,586,759)	(869,477)	(827,823)
Net change in total pension liability	\$ 2,043,987	\$ 984,877	\$ 915,512	\$ 1,326,766	\$ 1,317,020
Total pension liability - beginning	25,375,780	24,390,903	23,475,391	22,148,625	20,831,605
Total pension liability - ending (a)	\$ 27,419,767	\$ 25,375,780	\$ 24,390,903	\$ 23,475,391	\$ 22,148,625
Plan fiduciary net position					
Contributions - employer	\$ 601,982	\$ 575,961	\$ 450,266	\$ 368,794	\$ 354,700
Contributions - employee	310,844	296,458	273,114	231,568	222,370
Net investment income	2,425,313	1,542,419	(16,436)	5,393,653	375,715
Benefit payments	(1,314,684)	(1,273,183)	(1,586,759)	(869,477)	(827,823)
Administrator charges	(15,878)	(15,411)	(15,552)	(13,323)	(12,715)
Other	510	620	562	509	(444)
Net change in plan fiduciary net position	\$ 2,008,087	\$ 1,126,864	\$ (894,805)	\$ 5,111,724	\$ 111,803
Plan fiduciary net position - beginning	25,044,181	23,917,317	24,812,122	19,700,398	19,588,595
Plan fiduciary net position - ending (b)	\$ 27,052,268	\$ 25,044,181	\$ 23,917,317	\$ 24,812,122	\$ 19,700,398
County's net pension liability - ending (a) - (b)	\$ 367,499	\$ 331,599	\$ 473,586	\$ (1,336,731)	\$ 2,448,227
Plan fiduciary net position as a percentage of the total pension liability	98.66%	98.69%	98.06%	105.69%	88.95%
Covered payroll	\$ 6,641,681	\$ 6,307,068	\$ 5,766,860	\$ 4,869,337	\$ 4,661,779
County's net pension liability as a percentage of covered payroll	5.53%	5.26%	8.21%	-27.45%	52.52%

Schedule Changes in Net Pension Liability and Related Ratios (Continued)

Primary Government

For the Measurement Dates of June 30, 2015 through June 30, 2024

	2019	2018	2017	2016	2015
Total pension liability					
Service cost	\$ 454,381	\$ 460,741	\$ 443,105	\$ 458,107	\$ 464,384
Interest	1,316,068	1,251,987	1,231,009	1,179,405	1,102,964
Changes of benefit terms	-	-	-	-	-
Changes in assumptions	587,817	-	(490,053)	-	-
Differences between expected and actual experience	49,587	(110,542)	(272,201)	(335,084)	43,830
Benefit payments	(754,453)	(619,030)	(605,297)	(525,169)	(513,164)
Net change in total pension liability	\$ 1,653,400	\$ 983,156	\$ 306,563	\$ 777,259	\$ 1,098,014
Total pension liability - beginning	19,178,205	18,195,049	17,888,486	17,111,227	16,013,213
Total pension liability - ending (a)	\$ 20,831,605	\$ 19,178,205	\$ 18,195,049	\$ 17,888,486	\$ 17,111,227
Plan fiduciary net position					
Contributions - employer	\$ 338,487	\$ 372,656	\$ 366,099	\$ 468,270	\$ 455,429
Contributions - employee	209,610	206,589	202,249	202,312	197,041
Net investment income	1,240,953	1,285,517	1,895,714	272,613	661,502
Benefit payments	(754,453)	(619,030)	(605,297)	(525,169)	(513,164)
Administrator charges	(12,184)	(10,925)	(10,770)	(9,247)	(8,779)
Other	(782)	(1,152)	(1,694)	(113)	(141)
Net change in plan fiduciary net position	\$ 1,021,631	\$ 1,233,655	\$ 1,846,301	\$ 408,666	\$ 791,888
Plan fiduciary net position - beginning	18,566,964	17,333,309	15,487,008	15,078,342	14,286,454
Plan fiduciary net position - ending (b)	\$ 19,588,595	\$ 18,566,964	\$ 17,333,309	\$ 15,487,008	\$ 15,078,342
County's net pension liability - ending (a) - (b)	\$ 1,243,010	\$ 611,241	\$ 861,740	\$ 2,401,478	\$ 2,032,885
Plan fiduciary net position as a percentage of the total pension liability	94.03%	96.81%	95.26%	86.58%	88.12%
Covered payroll	\$ 4,346,613	\$ 4,202,658	\$ 4,093,208	\$ 4,066,784	\$ 3,950,804
County's net pension liability as a percentage of covered payroll	28.60%	14.54%	21.05%	59.05%	51.45%

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

	2024	2023	2022	2021	2020
Total pension liability					
Service cost	\$ 86,030	\$ 78,769	\$ 74,073	\$ 87,133	\$ 94,922
Interest	269,749	284,379	271,754	255,519	238,053
Changes in assumptions	-	-	-	89,470	-
Differences between expected and actual experience	32,198	(375,676)	48,553	(81,952)	89,418
Benefit payments	(204,059)	(218,891)	(205,205)	(162,227)	(165,045)
Net change in total pension liability	\$ 183,918	\$ (231,419)	\$ 189,175	\$ 187,943	\$ 257,348
Total pension liability - beginning	4,012,276	4,243,695	4,054,520	3,866,577	3,609,229
Total pension liability - ending (a)	<u>\$ 4,196,194</u>	<u>\$ 4,012,276</u>	<u>\$ 4,243,695</u>	<u>\$ 4,054,520</u>	<u>\$ 3,866,577</u>
Plan fiduciary net position					
Contributions - employer	\$ 26,860	\$ 23,290	\$ 41,215	\$ 39,199	\$ 34,682
Contributions - employee	49,860	42,135	43,025	41,227	42,118
Net investment income	461,594	295,732	(3,608)	1,041,987	72,384
Benefit payments	(204,059)	(218,891)	(205,205)	(162,227)	(165,045)
Administrator charges	(3,103)	(3,003)	(3,000)	(2,604)	(2,520)
Other	94	119	109	98	(86)
Net change in plan fiduciary net position	\$ 331,246	\$ 139,382	\$ (127,464)	\$ 957,680	\$ (18,467)
Plan fiduciary net position - beginning	4,788,679	4,649,297	4,776,761	3,819,081	3,837,548
Plan fiduciary net position - ending (b)	<u>\$ 5,119,925</u>	<u>\$ 4,788,679</u>	<u>\$ 4,649,297</u>	<u>\$ 4,776,761</u>	<u>\$ 3,819,081</u>
School Division's net pension liability (asset) - ending (a) - (b)	\$ (923,731)	\$ (776,403)	\$ (405,602)	\$ (722,241)	\$ 47,496
Plan fiduciary net position as a percentage of the total liability	122.01%	119.35%	109.56%	117.81%	98.77%
Covered payroll	\$ 1,102,960	\$ 917,458	\$ 928,690	\$ 874,365	\$ 884,357
School Division's net pension liability (asset) as a percentage of covered payroll	-83.75%	-84.63%	-43.67%	-82.60%	5.37%

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

	2019	2018	2017	2016	2015
Total pension liability					
Service cost	\$ 85,661	\$ 83,525	\$ 82,904	\$ 82,952	\$ 88,072
Interest	235,535	230,217	220,434	213,652	207,919
Changes in assumptions	97,533	-	(21,292)	-	-
Differences between expected and actual experience	(98,586)	(89,756)	4,293	(52,634)	(70,545)
Benefit payments	(151,386)	(144,665)	(148,483)	(145,680)	(141,428)
Net change in total pension liability	\$ 168,757	\$ 79,321	\$ 137,856	\$ 98,290	\$ 84,018
Total pension liability - beginning	3,440,472	3,361,151	3,223,295	3,125,005	3,040,987
Total pension liability - ending (a)	\$ 3,609,229	\$ 3,440,472	\$ 3,361,151	\$ 3,223,295	\$ 3,125,005
Plan fiduciary net position					
Contributions - employer	\$ 35,439	\$ 38,697	\$ 39,046	\$ 68,989	\$ 66,646
Contributions - employee	41,963	41,184	41,222	41,524	40,260
Net investment income	243,580	256,712	383,857	55,416	139,344
Benefit payments	(151,386)	(144,665)	(148,483)	(145,680)	(141,428)
Administrator charges	(2,430)	(2,229)	(2,240)	(1,962)	(1,915)
Other	(153)	(228)	(340)	(23)	(29)
Net change in plan fiduciary net position	\$ 167,013	\$ 189,471	\$ 313,062	\$ 18,264	\$ 102,878
Plan fiduciary net position - beginning	3,670,535	3,481,064	3,168,002	3,149,738	3,046,860
Plan fiduciary net position - ending (b)	\$ 3,837,548	\$ 3,670,535	\$ 3,481,064	\$ 3,168,002	\$ 3,149,738
School Division's net pension liability (asset) - ending (a) - (b)	\$ (228,319)	\$ (230,063)	\$ (119,913)	\$ 55,293	\$ (24,733)
Plan fiduciary net position as a percentage of the total liability	106.33%	106.69%	103.57%	98.28%	100.79%
Covered payroll	\$ 874,540	\$ 852,394	\$ 843,268	\$ 844,944	\$ 814,326
School Division's net pension liability (asset) as a percentage of covered payroll	-26.11%	-26.99%	-14.22%	6.54%	-3.04%

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

	2024	2023	2022	2021	2020
Employer's Proportion of the Net Pension Liability (Asset)	0.13316%	0.13486%	0.13329%	0.13192%	0.13091%
Employer's Proportionate Share of the Net Pension Liability (Asset)	\$ 12,499,642	\$ 13,630,576	\$ 12,690,006	\$ 10,241,078	\$ 19,050,843
Employer's Covered Payroll	\$ 14,086,529	\$ 13,401,134	\$ 12,329,830	\$ 11,555,596	\$ 11,388,840
Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	88.73%	101.71%	102.92%	88.62%	167.28%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	84.52%	82.45%	82.61%	85.46%	71.47%

Schedule of Employer's Share of Net Pension Liability VRS Teacher Retirement Plan
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>
Employer's Proportion of the Net Pension Liability (Asset)	0.12886%	0.13290%	0.13584%	0.14033%	0.13779%
Employer's Proportionate Share of the Net Pension Liability (Asset)	\$ 16,958,708	\$ 15,629,000	\$ 16,705,000	\$ 19,666,000	\$ 17,343,000
Employer's Covered Payroll	\$ 10,743,884	\$ 10,887,129	\$ 10,667,516	\$ 9,980,456	\$ 10,294,522
Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	157.85%	143.55%	156.60%	197.05%	168.47%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	73.51%	74.81%	72.92%	68.28%	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	\$	699,948	\$ 699,948	\$ -	\$	7,098,862	9.86%
2024		601,981	601,981	-		6,641,681	9.06%
2023		583,494	583,494	-		6,307,068	9.25%
2022		455,711	455,711	-		5,766,860	7.90%
2021		366,148	366,148	-		4,869,337	7.52%
2020		354,698	354,698	-		4,661,779	7.61%
2019		338,486	338,486	-		4,346,613	7.79%
2018		373,457	373,457	-		4,202,658	8.89%
2017		366,096	366,096	-		4,093,208	8.94%
2016		469,307	469,307	-		4,066,784	11.54%
Component Unit School Board (nonprofessional)							
2025	\$	528	\$ 528	\$ -	\$	1,055,865	0.05%
2024		26,722	26,722	-		1,102,960	2.42%
2023		23,290	23,290	-		917,458	2.54%
2022		41,404	41,404	-		928,690	4.46%
2021		39,369	39,369	-		874,365	4.50%
2020		34,685	34,685	-		884,357	3.92%
2019		35,439	35,439	-		874,540	4.05%
2018		38,992	38,992	-		852,394	4.57%
2017		36,777	36,777	-		843,268	4.36%
2016		69,623	69,623	-		844,944	8.24%
Component Unit School Board (professional)							
2025	\$	2,036,198	\$ 2,036,198	\$ -	\$	14,329,334	14.21%
2024		2,245,981	2,245,981	-		14,086,529	15.94%
2023		2,128,120	2,128,120	-		13,401,134	15.88%
2022		1,980,149	1,980,149	-		12,329,830	16.06%
2021		1,866,299	1,866,299	-		11,555,596	16.15%
2020		1,739,502	1,739,502	-		11,388,840	15.27%
2019		1,651,385	1,651,385	-		10,743,884	15.37%
2018		1,708,817	1,708,817	-		10,887,129	15.70%
2017		1,465,897	1,465,897	-		10,667,516	13.74%
2016		1,485,652	1,485,652	-		9,980,456	14.89%

*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's and School Board's Share of Net OPEB Liability
 Cost-Sharing OPEB Plans
 For the Measurement Dates of June 30, 2017 through June 30, 2024

Date (1)	Employer's Proportion of the Net OPEB Liability (Asset) (2)	Employer's Proportionate Share of the Net OPEB Liability (Asset) (3)	Employer's Covered Payroll (4)	Employer's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of Covered Payroll (3)/(4) (5)	Plan Fiduciary Net Position as a Percentage of Total OPEB Liability (6)
Group Life Insurance (GLI) Plan					
Primary Government					
2024	0.02593% \$	289,359 \$	6,656,775	4.35%	73.41%
2023	0.02677%	321,056	6,307,068	5.09%	69.30%
2022	0.02650%	319,206	5,766,860	5.54%	67.21%
2021	0.02360%	274,768	4,872,549	5.64%	67.45%
2020	0.02265%	377,991	4,661,779	8.11%	52.64%
2019	0.02217%	360,765	4,346,613	8.30%	52.00%
2018	0.02210%	336,000	4,202,658	7.99%	51.22%
2017	0.02219%	334,000	4,093,208	8.16%	48.86%
Component Unit School Board (nonprofessional)					
2024	0.00434% \$	48,431 \$	1,113,736	4.35%	73.41%
2023	0.00389%	46,653	917,458	5.09%	69.30%
2022	0.00430%	51,776	934,372	5.54%	67.21%
2021	0.00420%	49,365	875,764	5.64%	67.45%
2020	0.00430%	71,760	884,357	8.11%	52.64%
2019	0.00446%	72,576	874,540	8.30%	52.00%
2018	0.00448%	68,000	852,394	7.98%	51.22%
2017	0.00462%	70,000	852,080	8.22%	48.86%
Component Unit School Board (professional)					
2023	0.05486% \$	612,195 \$	14,086,529	4.35%	73.41%
2023	0.05689%	682,289	13,401,134	5.09%	69.30%
2022	0.05670%	682,482	12,329,830	5.54%	67.21%
2021	0.05668%	651,643	11,555,596	5.64%	67.45%
2020	0.05534%	923,534	11,388,840	8.11%	52.64%
2019	0.05485%	892,556	10,751,719	8.30%	52.00%
2018	0.05615%	853,000	10,675,973	7.99%	51.22%
2017	0.05785%	870,000	10,669,622	8.15%	48.86%
Teacher Employee Health Insurance Credit (HIC) Plan					
Component Unit School Board (professional)					
2024	0.13148% \$	1,519,446 \$	14,086,529	10.79%	21.82%
2023	0.13440%	1,628,145	13,401,134	12.15%	17.90%
2022	0.13229%	1,652,364	12,329,830	13.40%	15.08%
2021	0.13066%	1,677,111	11,555,596	14.51%	13.15%
2020	0.12991%	1,694,697	11,388,840	14.88%	9.95%
2019	0.12809%	1,676,822	10,743,884	15.61%	8.97%
2018	0.13195%	1,676,000	10,671,599	15.71%	8.08%
2017	0.13517%	1,715,000	10,667,720	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
VRS OPEB Plan - Group Life Insurance (GLI) 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	\$ 33,365	\$ 33,365	\$ -	\$ 7,098,862	0.47%
2024	35,947	35,947	-	6,656,775	0.54%
2023	34,058	34,058	-	6,307,068	0.54%
2022	31,141	31,141	-	5,766,860	0.54%
2021	26,312	26,312	-	4,872,549	0.54%
2020	24,240	24,240	-	4,661,779	0.52%
2019	22,602	22,602	-	4,346,613	0.52%
2018	21,854	21,854	-	4,202,658	0.52%
2017	21,285	21,285	-	4,093,208	0.52%
2016	19,521	19,521	-	4,066,784	0.48%
Component Unit School Board (nonprofessional)					
2025	\$ 4,971	\$ 4,971	\$ -	\$ 1,057,632	0.47%
2024	6,014	6,014	-	1,113,736	0.54%
2023	4,954	4,954	-	917,458	0.54%
2022	5,046	5,046	-	934,372	0.54%
2021	4,729	4,729	-	875,764	0.54%
2020	4,599	4,599	-	884,357	0.52%
2019	4,548	4,548	-	874,540	0.52%
2018	4,432	4,432	-	852,394	0.52%
2017	4,431	4,431	-	852,080	0.52%
2016	4,056	4,056	-	844,944	0.48%
Component Unit School Board (professional)					
2025	\$ 67,426	\$ 67,426	\$ -	\$ 14,345,959	0.47%
2024	76,067	76,067	-	14,086,529	0.54%
2023	72,366	72,366	-	13,401,134	0.54%
2022	66,581	66,581	-	12,329,830	0.54%
2021	62,400	62,400	-	11,555,596	0.54%
2020	59,222	59,222	-	11,388,840	0.52%
2019	55,909	55,909	-	10,751,719	0.52%
2018	55,515	55,515	-	10,675,973	0.52%
2017	55,482	55,482	-	10,669,622	0.52%
2016	51,359	51,359	-	10,699,857	0.48%

Schedule of Changes in the School Board's Net OPEB Liability and Related Ratios
Health Insurance Credit (HIC) Plan
For the Measurement Dates of June 30, 2020 through June 30, 2024

	2024	2023	2022	2021	2020
Total HIC OPEB Liability					
Service cost	\$ 1,441	\$ 1,420	\$ 4,329	\$ 2,227	\$ -
Interest	7,373	9,903	8,714	7,784	-
Changes in benefit terms	-	-	-	-	115,319
Changes of assumptions	-	-	22,208	775	-
Differences between expected and actual experience	(13,576)	(45,832)	(11,862)	-	-
Benefit payments	(2,904)	(3,074)	(2,663)	-	-
Net change in total HIC OPEB liability	\$ (7,666)	\$ (37,583)	\$ 20,726	\$ 10,786	\$ 115,319
Total HIC OPEB Liability - beginning	109,248	146,831	126,105	115,319	-
Total HIC OPEB Liability - ending (a)	\$ 101,582	\$ 109,248	\$ 146,831	\$ 126,105	\$ 115,319
Plan fiduciary net position					
Contributions - employer	\$ 15,442	\$ 12,845	\$ 10,679	\$ 10,055	\$ -
Net investment income	3,748	1,646	(195)	1,478	-
Benefit payments	(2,904)	(3,074)	(2,663)	-	-
Administrator charges	(57)	(47)	(36)	(45)	-
Other	(1)	1	-	-	-
Net change in plan fiduciary net position	\$ 16,228	\$ 11,371	\$ 7,785	\$ 11,488	\$ -
Plan fiduciary net position - beginning	30,644	19,273	11,488	-	-
Plan fiduciary net position - ending (b)	\$ 46,872	\$ 30,644	\$ 19,273	\$ 11,488	\$ -
School Board's net HIC OPEB liability - ending (a) - (b)	\$ 54,710	\$ 78,604	\$ 127,558	\$ 114,617	\$ 115,319
Plan fiduciary net position as a percentage of the total HIC OPEB liability	46.14%	28.05%	13.13%	9.11%	0.00%
Covered payroll	\$ 1,102,960	\$ 917,458	\$ 928,690	\$ 874,365	\$ -
School Board's net HIC OPEB liability as a percentage of covered payroll	4.96%	8.57%	13.74%	13.11%	N/A

Schedule is intended to show information for 10 years. The School Board began participating in the program during 2020. Additional years will be included as they become available.

Schedule of Employer Contributions
VRS OPEB Plan - Health Insurance Credit (HIC) 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)
Component Unit School Board (nonprofessional)					
2025	\$ 14,782	\$ 14,782	\$ -	\$ 1,055,865	1.40%
2024	15,441	15,441	-	1,102,960	1.40%
2023	12,844	12,844	-	917,458	1.40%
2022	10,680	10,680	-	928,690	1.15%
2021	10,055	10,055	-	874,365	1.15%
Component Unit School Board (professional)					
2025	\$ 173,385	\$ 173,385	\$ -	\$ 14,329,334	1.21%
2024	170,447	170,447	-	14,086,529	1.21%
2023	162,154	162,154	-	13,401,134	1.21%
2022	149,191	149,191	-	12,329,830	1.21%
2021	139,823	139,823	-	11,555,596	1.21%
2020	136,666	136,666	-	11,388,840	1.20%
2019	128,927	128,927	-	10,743,884	1.20%
2018	131,261	131,261	-	10,671,599	1.23%
2017	118,412	118,412	-	10,667,720	1.11%
2016	113,418	113,418	-	10,699,857	1.06%

Schedule is intended to show information for 10 years. The School Board began participating in the nonprofessional plan during 2020. Additional years will be included as they become available.

Notes to Required Supplementary Information
VRS OPEB Plan - Group Life Insurance (GLI) 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:

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

Notes to Required Supplementary Information
VRS OPEB Plan - Health Insurance Credit (HIC) 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:

Component Unit School Board - 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

Component Unit School Board - Professional Employees (Teacher HIC)

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

OTHER SUPPLEMENTARY INFORMATION

Combining and Individual Fund Financial Statements and Schedules

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2025

	Emergency Management Services (EMS) Fund			
	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$ 1,100,000	\$ 2,442,627	\$ 1,139,871	\$ (1,302,756)
Miscellaneous	-	-	2,787	2,787
Intergovernmental revenues:				
Commonwealth	20,000	20,000	16,937	(3,063)
Total revenues	<u>\$ 1,120,000</u>	<u>\$ 2,462,627</u>	<u>\$ 1,159,595</u>	<u>\$ (1,303,032)</u>
EXPENDITURES				
Current:				
Public safety	\$ 2,056,411	\$ 3,399,038	\$ 2,607,808	\$ 791,230
Total expenditures	<u>\$ 2,056,411</u>	<u>\$ 3,399,038</u>	<u>\$ 2,607,808</u>	<u>\$ 791,230</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (936,411)</u>	<u>\$ (936,411)</u>	<u>\$ (1,448,213)</u>	<u>\$ (511,802)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 936,411	\$ 936,411	\$ 1,444,624	\$ 508,213
Total other financing sources (uses)	<u>\$ 936,411</u>	<u>\$ 936,411</u>	<u>\$ 1,444,624</u>	<u>\$ 508,213</u>
Net change in fund balances	\$ -	\$ -	\$ (3,589)	\$ (3,589)
Fund balances - beginning	-	-	92,140	92,140
Fund balances - ending	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 88,551</u></u>	<u><u>\$ 88,551</u></u>

Debt Service Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the Year Ended June 30, 2025

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual Amounts	
REVENUES				
Intergovernmental:				
Federal	\$ 430,000	\$ 430,000	\$ 424,350	\$ (5,650)
Total revenues	<u>\$ 430,000</u>	<u>\$ 430,000</u>	<u>\$ 424,350</u>	<u>\$ (5,650)</u>
EXPENDITURES				
Debt service:				
Principal retirement	\$ 2,410,078	\$ 2,410,078	\$ 2,410,078	\$ -
Interest and other fiscal charges	1,071,302	1,071,302	1,070,628	674
Total expenditures	<u>\$ 3,481,380</u>	<u>\$ 3,481,380</u>	<u>\$ 3,480,706</u>	<u>\$ 674</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (3,051,380)</u>	<u>\$ (3,051,380)</u>	<u>\$ (3,056,356)</u>	<u>\$ (4,976)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 3,003,567	\$ 3,003,567	\$ 3,008,543	\$ 4,976
Advance refunding of bonds - VPSA	47,813	47,813	47,813	-
Total other financing sources (uses)	<u>\$ 3,051,380</u>	<u>\$ 3,051,380</u>	<u>\$ 3,056,356</u>	<u>\$ 4,976</u>
Net change in fund balance	\$ -	\$ -	\$ -	\$ -
Fund balance - beginning	-	-	-	-
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

County Capital Improvements Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Revenue from the use of money and property	\$ -	\$ -	\$ -	\$ -
Total revenues	\$ -	\$ -	\$ -	\$ -
EXPENDITURES				
Capital projects	\$ -	\$ -	\$ -	\$ -
Total expenditures	\$ -	\$ -	\$ -	\$ -
Net change in fund balance	\$ -	\$ -	\$ -	\$ -
Fund balance - beginning	-	-	42,028	42,028
Fund balance - ending	\$ -	\$ -	\$ 42,028	\$ 42,028

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

	Custodial Funds		
	Special Welfare Fund	Surety Bond Fund	Total
ASSETS			
Cash and cash equivalents	\$ 36,985	\$ 376,082	\$ 413,067
Total assets	<u>\$ 36,985</u>	<u>\$ 376,082</u>	<u>\$ 413,067</u>
LIABILITIES			
Bonds payable to others	\$ -	\$ 221,119	\$ 221,119
Total liabilities	<u>\$ -</u>	<u>\$ 221,119</u>	<u>\$ 221,119</u>
NET POSITION			
Restricted for:			
Special welfare	\$ 36,985	\$ -	\$ 36,985
Performance bond	-	154,963	154,963
Total net position	<u>\$ 36,985</u>	<u>\$ 154,963</u>	<u>\$ 191,948</u>

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

	Custodial Funds		
	Special Welfare Fund	Surety Bond Fund	Total
ADDITIONS			
Special welfare collections	\$ 10,924	\$ -	\$ 10,924
Total additions	\$ 10,924	\$ -	\$ 10,924
DEDUCTIONS			
Welfare costs	\$ 12,048	\$ -	\$ 12,048
Total deductions	\$ 12,048	\$ -	\$ 12,048
Net increase (decrease) in fiduciary net position	\$ (1,124)	\$ -	\$ (1,124)
Net position - beginning	38,109	154,963	193,072
Net position - ending	\$ 36,985	\$ 154,963	\$ 191,948

Discretely Presented Component Unit-School Board

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

	School Operating Fund	School Cafeteria Fund	SAF Fund	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 920,036	\$ 241,673	\$ 307,468	\$ 1,469,177
Receivables (net of allowance for uncollectibles):				
Accounts receivable	87,870	3,085	52,448	143,403
Due from other governmental units	1,077,387	17,970	-	1,095,357
Prepaid items	303,333	-	-	303,333
Total assets	<u>\$ 2,388,626</u>	<u>\$ 262,728</u>	<u>\$ 359,916</u>	<u>\$ 3,011,270</u>
LIABILITIES				
Accounts payable	\$ 264,546	\$ 3,200	\$ 92,673	\$ 360,419
Accrued liabilities	1,021,864	29,768	-	1,051,632
Due to primary government	1,102,216	-	-	1,102,216
Total liabilities	<u>\$ 2,388,626</u>	<u>\$ 32,968</u>	<u>\$ 92,673</u>	<u>\$ 2,514,267</u>
FUND BALANCES				
Nonspendable:				
Prepays	\$ 303,333	\$ -	\$ -	\$ 303,333
Restricted:				
School activity funds	-	-	267,243	267,243
Committed:				
Cafeteria operations	-	229,760	-	229,760
Unassigned (deficit)	(303,333)	-	-	(303,333)
Total fund balances	<u>\$ -</u>	<u>\$ 229,760</u>	<u>\$ 267,243</u>	<u>\$ 497,003</u>
Total liabilities and fund balances	<u>\$ 2,388,626</u>	<u>\$ 262,728</u>	<u>\$ 359,916</u>	<u>\$ 3,011,270</u>
Amounts reported for governmental activities in the statement of net position (Exhibit 1) are different because:				
Total fund balances per above				\$ 497,003
The net pension asset is not available to pay for current-period expenditures and, therefore, is not reported in the funds.				923,731
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.				
Land		\$ 306,439		
Construction in progress		1,519,835		
Buildings and improvements		5,696,267		
Improvements other than buildings		19,520		
Machinery, equipment, and vehicles		2,266,979		
Jointly owned assets		<u>15,205,266</u>		25,014,306
Deferred outflows of resources are not available to pay for current-period expenditures and, therefore, are not reported in the funds.				
Pension related items		\$ 4,646,703		
OPEB related items		<u>462,249</u>		5,108,952
Long-term liabilities, including compensated absences, are not due and payable in the current period and, therefore, are not reported in the funds.				
Energy improvement financing		\$ (466,625)		
Compensated absences		(2,863,349)		
Net pension liability		(12,499,642)		
Net OPEB liabilities		(2,234,782)		
Accrued interest payable		<u>(10,159)</u>		(18,074,557)
Deferred inflows of resources are not due and payable in the current period and, therefore, are not reported in the funds.				
Pension related items		\$ (2,264,193)		
OPEB related items		<u>(288,495)</u>		(2,552,688)
Net position of governmental activities				<u>\$ 10,916,747</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

	School Operating Fund	School Cafeteria Fund	SAF Fund	Total Governmental Funds
REVENUES				
Revenue from the use of money and property	\$ 3,342	\$ -	\$ -	\$ 3,342
Charges for services	11,700	59,073	470,687	541,460
Miscellaneous	655,051	-	-	655,051
Intergovernmental:				
Local government	8,924,038	-	-	8,924,038
Commonwealth	20,013,561	29,709	-	20,043,270
Federal	2,488,143	1,523,772	-	4,011,915
Total revenues	<u>\$ 32,095,835</u>	<u>\$ 1,612,554</u>	<u>\$ 470,687</u>	<u>\$ 34,179,076</u>
EXPENDITURES				
Current:				
Education	\$ 31,942,651	\$ 1,571,809	\$ 451,012	\$ 33,965,472
Debt service:				
Principal retirement	136,165	-	-	136,165
Interest and other fiscal charges	16,577	-	-	16,577
Total expenditures	<u>\$ 32,095,393</u>	<u>\$ 1,571,809</u>	<u>\$ 451,012</u>	<u>\$ 34,118,214</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 442</u>	<u>\$ 40,745</u>	<u>\$ 19,675</u>	<u>\$ 60,862</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ -	\$ 442	\$ -	\$ 442
Transfers out	(442)	-	-	(442)
Total other financing sources (uses)	<u>\$ (442)</u>	<u>\$ 442</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balances	\$ -	\$ 41,187	\$ 19,675	\$ 60,862
Fund balances - beginning	-	188,573	247,568	436,141
Fund balances - ending	<u>\$ -</u>	<u>\$ 229,760</u>	<u>\$ 267,243</u>	<u>\$ 497,003</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	\$ 60,862
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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 (did not exceed) depreciation in the current period.

Capital asset additions	\$ 1,018,262	
Depreciation in current year	(824,747)	
Adjustment for jointly owned assets	<u>538,126</u>	731,641

The issuance of long-term debt 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. It represents principal payments on the energy improvement financing.

136,165

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. The details of changes in the following items which comprise this adjustment are:

Compensated absences	\$ (353,983)	
Change in pension related items	974,878	
Change in OPEB related items	152,476	
Accrued interest payable	<u>2,964</u>	776,335

Change in net position of governmental activities	\$ 1,705,003
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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			
	Original	Final	Actual	
REVENUES				
Revenue from the use of money and property	\$ 6,000	\$ 6,000	\$ 3,342	\$ (2,658)
Charges for services	18,000	18,000	11,700	(6,300)
Miscellaneous	379,500	379,500	655,051	275,551
Intergovernmental:				
Local government	8,948,125	8,948,125	8,924,038	(24,087)
Commonwealth	19,598,639	19,598,639	20,013,561	414,922
Federal	2,591,341	2,591,341	2,488,143	(103,198)
Total revenues	<u>\$ 31,541,605</u>	<u>\$ 31,541,605</u>	<u>\$ 32,095,835</u>	<u>\$ 554,230</u>
EXPENDITURES				
Current:				
Education	\$ 31,388,863	\$ 31,388,863	\$ 31,942,651	\$ (553,788)
Debt service:				
Principal retirement	136,165	136,165	136,165	-
Interest and other fiscal charges	16,577	16,577	16,577	-
Total expenditures	<u>\$ 31,541,605</u>	<u>\$ 31,541,605</u>	<u>\$ 32,095,393</u>	<u>\$ (553,788)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 442</u>	<u>\$ 442</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ -	\$ -	\$ -	\$ -
Transfers out	-	-	(442)	(442)
Total other financing sources (uses)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (442)</u>	<u>\$ (442)</u>
Net change in fund balances	\$ -	\$ -	\$ -	\$ -
Fund balances - beginning	-	-	-	-
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</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 Cafeteria Fund			
	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Revenue from the use of money and property	\$ -	\$ -	\$ -	\$ -
Charges for services	200,000	200,000	59,073	(140,927)
Miscellaneous	-	-	-	-
Intergovernmental:				
Local government	-	-	-	-
Commonwealth	26,529	26,529	29,709	3,180
Federal	1,275,000	1,275,000	1,523,772	248,772
Total revenues	<u>\$ 1,501,529</u>	<u>\$ 1,501,529</u>	<u>\$ 1,612,554</u>	<u>\$ 111,025</u>
EXPENDITURES				
Current:				
Education	\$ 1,801,529	\$ 1,801,529	\$ 1,571,809	\$ 229,720
Debt service:				
Principal retirement	-	-	-	-
Interest and other fiscal charges	-	-	-	-
Total expenditures	<u>\$ 1,801,529</u>	<u>\$ 1,801,529</u>	<u>\$ 1,571,809</u>	<u>\$ 229,720</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (300,000)</u>	<u>\$ (300,000)</u>	<u>\$ 40,745</u>	<u>\$ 340,745</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ -	\$ -	\$ 442	\$ (442)
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 442</u>	<u>\$ (442)</u>
Net change in fund balances	\$ (300,000)	\$ (300,000)	\$ 41,187	\$ 340,303
Fund balances - beginning	300,000	300,000	188,573	(111,427)
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 229,760</u>	<u>\$ 228,876</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	\$ 10,067,000	\$ 10,067,000	\$ 9,889,108	\$ (177,892)
Real and personal public service corporation taxes	3,800,000	3,800,000	2,260,317	(1,539,683)
Personal property taxes	4,300,000	4,300,000	4,865,234	565,234
Mobile home taxes	50,000	50,000	73,400	23,400
Machinery and tools taxes	330,000	330,000	337,967	7,967
Merchants' capital taxes	210,000	210,000	220,531	10,531
Aircraft taxes	1,100	1,100	-	(1,100)
Penalties	215,000	215,000	260,520	45,520
Interest	215,000	215,000	218,384	3,384
Total general property taxes	\$ 19,188,100	\$ 19,188,100	\$ 18,125,461	\$ (1,062,639)
Other local taxes:				
Local sales and use taxes	\$ 1,050,000	\$ 1,050,000	\$ 1,278,794	\$ 228,794
ATV sales taxes	400	400	565	165
Consumers' utility taxes	370,000	370,000	382,778	12,778
Franchise license taxes	47,000	47,000	50,390	3,390
Transient occupancy taxes	8,000	8,000	16,185	8,185
Motor vehicle licenses	350,000	350,000	348,340	(1,660)
Bank stock taxes	58,000	58,000	63,759	5,759
Taxes on recordation and wills	125,000	125,000	140,370	15,370
Total other local taxes	\$ 2,008,400	\$ 2,008,400	\$ 2,281,181	\$ 272,781
Permits, privilege fees, and regulatory licenses:				
Animal licenses	\$ 4,000	\$ 4,000	\$ 2,890	\$ (1,110)
Permits and other licenses	109,100	109,100	156,778	47,678
Total permits, privilege fees, and regulatory licenses	\$ 113,100	\$ 113,100	\$ 159,668	\$ 46,568
Fines and forfeitures:				
Court fines and forfeitures	\$ 20,000	\$ 20,000	\$ 19,781	\$ (219)
Parking fines	-	-	185	185
Other fines and forfeitures	11,400	11,400	51,951	40,551
Total fines and forfeitures	\$ 31,400	\$ 31,400	\$ 71,917	\$ 40,517
Revenue from use of money and property:				
Revenue from use of money	\$ 160,000	\$ 160,000	\$ 243,049	\$ 83,049
Revenue from use of property	94,049	94,049	103,624	9,575
Total revenue from use of money and property	\$ 254,049	\$ 254,049	\$ 346,673	\$ 92,624
Charges for services:				
Sheriff's fees	\$ 716	\$ 716	\$ 3,319	\$ 2,603
Charges for law library	2,500	2,500	3,587	1,087
Excess fees of clerk	6,000	6,000	4,280	(1,720)
Charges for courthouse maintenance	4,000	4,000	5,063	1,063
Charges for parks and recreation	-	-	64,932	64,932
Miscellaneous jail and inmate fees	1,000	1,000	983	(17)
Courthouse security fees	29,000	29,000	38,961	9,961
Charges for Commonwealth's Attorney	1,500	1,500	1,663	163
Charges for local court appointed attorney	200	200	-	(200)
Charges for sanitation and waste removal	14,800	14,800	18,918	4,118
Total charges for services	\$ 59,716	\$ 59,716	\$ 141,706	\$ 81,990

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	\$ 10,000	\$ 10,000	\$ 812,930	\$ 802,930
Service charge on tax exempt properties	5,000	5,000	4,946	(54)
Sale of salvage and surplus	-	-	4,090	4,090
Donations, etc. (Sheriff)	-	-	7,186	7,186
Opioid Settlements	-	-	24,248	24,248
Total miscellaneous	\$ 15,000	\$ 15,000	\$ 853,400	\$ 838,400
Recovered costs:				
Insurance recovery	\$ -	\$ -	\$ 128,356	\$ 128,356
Other recovered costs - election recount	-	-	5,640	5,640
Total recovered costs	\$ -	\$ -	\$ 133,996	\$ 133,996
Total revenue from local sources	\$ 21,669,765	\$ 21,669,765	\$ 22,114,002	\$ 444,237
Intergovernmental:				
Revenue from the Commonwealth:				
Noncategorical aid:				
Communications taxes	\$ 330,000	\$ 330,000	\$ 274,766	\$ (55,234)
Motor vehicle carriers' tax	10,000	10,000	13,143	3,143
Animal friendly plates - DMV	-	-	41	41
Mobile home titling tax	70,000	70,000	105,926	35,926
Auto rental tax	3,000	3,000	2,200	(800)
Forest product sales	30,000	30,000	32,507	2,507
Personal property tax relief funds	1,136,914	1,136,914	1,136,914	-
Total noncategorical aid	\$ 1,579,914	\$ 1,579,914	\$ 1,565,497	\$ (14,417)
Categorical aid:				
Shared expenses:				
Commonwealth's attorney	\$ 363,958	\$ 363,958	\$ 368,191	\$ 4,233
Sheriff	1,081,032	1,081,032	1,147,189	66,157
Commissioner of revenue	100,074	100,074	117,247	17,173
Treasurer	145,418	145,418	148,527	3,109
Registrar/electoral board	75,866	75,866	72,779	(3,087)
Clerk of the Circuit Court	262,296	262,296	294,736	32,440
Total shared expenses	\$ 2,028,644	\$ 2,028,644	\$ 2,148,669	\$ 120,025
Other categorical aid:				
Recordation tax	\$ 35,000	\$ 35,000	\$ 36,713	\$ 1,713
Fire program funds	65,750	65,750	83,987	18,237
Preservation grant	26,062	26,062	-	(26,062)
Arts grant	4,500	4,500	-	(4,500)
E-911 grants	110,000	136,250	76,653	(59,597)
Litter control grant	4,100	4,100	4,631	531
Miscellaneous grants	10,000	31,641	33,859	2,218
Comprehensive Services Act program	1,700,000	1,700,000	2,454,148	754,148
Victim and witness assistance	21,201	21,201	26,814	5,613
Asset forfeiture DCJS	-	-	4,196	4,196
Total other categorical aid	\$ 1,976,613	\$ 2,024,504	\$ 2,721,001	\$ 696,497
Total categorical aid	\$ 4,005,257	\$ 4,053,148	\$ 4,869,670	\$ 816,522
Total revenue from the Commonwealth	\$ 5,585,171	\$ 5,633,062	\$ 6,435,167	\$ 802,105

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:				
State and community highway safety	\$ 20,000	\$ 20,000	\$ 47,952	\$ 27,952
Other sheriff grants	-	-	222,648	222,648
Victim Witness	44,521	44,521	42,156	(2,365)
Comprehensive Services Act program - SSBG	22,000	22,000	1,364	(20,636)
Other grants	18,568	18,568	5,000	(13,568)
Total categorical aid	\$ 105,089	\$ 105,089	\$ 319,120	\$ 214,031
Total revenue from the federal government	\$ 105,089	\$ 105,089	\$ 319,120	\$ 214,031
Total General Fund	\$ 27,360,025	\$ 27,407,916	\$ 28,868,289	\$ 1,460,373
Special Revenue Funds:				
Virginia Public Assistance Fund:				
Revenue from local sources:				
Miscellaneous:				
Other miscellaneous	\$ -	\$ -	\$ 5,289	\$ 5,289
Total miscellaneous	\$ -	\$ -	\$ 5,289	\$ 5,289
Total revenue from local sources	\$ -	\$ -	\$ 5,289	\$ 5,289
Intergovernmental:				
Revenue from the Commonwealth:				
Categorical aid:				
Public assistance and welfare administration	\$ 664,836	\$ 664,836	\$ 742,579	\$ 77,743
Total revenue from the Commonwealth	\$ 664,836	\$ 664,836	\$ 742,579	\$ 77,743
Revenue from the federal government:				
Categorical aid:				
Public assistance and welfare administration	\$ 1,181,931	\$ 1,181,931	\$ 1,305,712	\$ 123,781
Public assistance and welfare administration - COVID-19	-	-	8,384	8,384
Total categorical aid	\$ 1,181,931	\$ 1,181,931	\$ 1,314,096	\$ 132,165
Total revenue from the federal government	\$ 1,181,931	\$ 1,181,931	\$ 1,314,096	\$ 132,165
Total Virginia Public Assistance Fund	\$ 1,846,767	\$ 1,846,767	\$ 2,061,964	\$ 215,197
American Rescue Plan (ARPA) Fund:				
Intergovernmental:				
Revenue from the federal government:				
Categorical aid:				
ARPA Funds	\$ -	\$ -	\$ 965,208	\$ 965,208
Total categorical aid	\$ -	\$ -	\$ 965,208	\$ 965,208
Total revenue from the federal government	\$ -	\$ -	\$ 965,208	\$ 965,208
Total American Rescue Plan (ARPA) Fund	\$ -	\$ -	\$ 965,208	\$ 965,208

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)
Special Revenue Funds: (Continued)				
Emergency Management Services (EMS) Fund:				
Revenue from local sources:				
Charges for services:				
Charges for emergency services - insurance	\$ 1,100,000	\$ 2,442,627	\$ 1,139,871	\$ (1,302,756)
Total charges for services	\$ 1,100,000	\$ 2,442,627	\$ 1,139,871	\$ (1,302,756)
Miscellaneous:				
Rebates and refunds	\$ -	\$ -	\$ 1,712	\$ 1,712
Donations	-	-	1,075	1,075
Total miscellaneous	\$ -	\$ -	\$ 2,787	\$ 2,787
Total revenue from local sources	\$ 1,100,000	\$ 2,442,627	\$ 1,142,658	\$ (1,299,969)
Intergovernmental:				
Revenue from the Commonwealth:				
Categorical aid:				
Emergency services grants	\$ 20,000	\$ 20,000	\$ 16,937	\$ (3,063)
Total categorical aid	\$ 20,000	\$ 20,000	\$ 16,937	\$ (3,063)
Total revenue from the Commonwealth	\$ 20,000	\$ 20,000	\$ 16,937	\$ (3,063)
Total Emergency Management Services (EMS) Fund	\$ 1,120,000	\$ 2,462,627	\$ 1,159,595	\$ (1,303,032)
Debt Service Fund:				
School Debt Service Fund:				
Intergovernmental:				
Revenue from the federal government:				
Categorical aid:				
Federal tax credit	\$ 430,000	\$ 430,000	\$ 424,350	\$ (5,650)
Total revenue from the federal government	\$ 430,000	\$ 430,000	\$ 424,350	\$ (5,650)
Total Debt Service Fund	\$ 430,000	\$ 430,000	\$ 424,350	\$ (5,650)
Capital Projects Funds:				
County Capital Improvements Fund:				
Total County Capital Improvements Fund	\$ -	\$ -	\$ -	\$ -
Total Primary Government	\$ 30,756,792	\$ 32,147,310	\$ 33,479,406	\$ 1,332,096

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 use of money and property:				
Revenue from the use of property	\$ 6,000	\$ 6,000	\$ 3,342	\$ (2,658)
Charges for services:				
Tuition and other payments	\$ 18,000	\$ 18,000	\$ 11,700	\$ (6,300)
Miscellaneous:				
Other miscellaneous	\$ 379,500	\$ 379,500	\$ 655,051	\$ 275,551
Total revenue from local sources	\$ 403,500	\$ 403,500	\$ 670,093	\$ 266,593
Intergovernmental:				
Revenues from local governments:				
Contribution from County of Buckingham, Virginia	\$ 8,948,125	\$ 8,948,125	\$ 8,924,038	\$ (24,087)
Total revenues from local governments	\$ 8,948,125	\$ 8,948,125	\$ 8,924,038	\$ (24,087)
Revenue from the Commonwealth:				
Categorical aid:				
Share of state sales tax	\$ 2,975,459	\$ 2,975,459	\$ 2,926,294	\$ (49,165)
Basic school aid	8,804,083	8,804,083	7,929,118	(874,965)
ISAEF	8,203	8,203	8,027	(176)
Remedial summer education	129,282	129,282	-	(129,282)
Supplemental GF pay in lieu of sales tax	-	-	452,127	452,127
Gifted and talented	74,276	74,276	73,001	(1,275)
Remedial education	402,715	402,715	111,512	(291,203)
Infrastructure and operations per pupil fund	473,008	473,008	-	(473,008)
Special education- SOQ	1,014,331	1,014,331	996,919	(17,412)
Lottery Funds	-	-	509,055	509,055
Textbooks	185,852	185,852	182,662	(3,190)
Vocational standards of quality payments	311,031	311,031	305,691	(5,340)
Social security fringe benefits	475,830	475,830	438,006	(37,824)
Retirement fringe benefits	1,023,616	1,023,616	941,028	(82,588)
Group life fringe benefits	33,656	33,656	27,375	(6,281)
Early reading intervention	62,008	62,008	39,460	(22,548)
Project graduation	3,971	3,971	3,971	-
Homebound education	9,755	9,755	10,364	609
Vocational education - equipment	4,876	4,876	5,123	247
Vocational occupational preparedness	40,272	40,272	32,220	(8,052)
At risk payments	1,858,215	1,858,215	2,792,126	933,911
Primary class size/K-3 initiative	403,297	403,297	393,439	(9,858)
Virginia Preschool Initiative	316,791	316,791	475,187	158,396
Standards of Learning algebra readiness	43,329	43,329	40,357	(2,972)
Compensation supplement	261,404	261,404	318,716	57,312
VPSA technology funds	154,000	154,000	154,000	-
Other state funds	529,379	529,379	847,783	318,404
Total categorical aid	\$ 19,598,639	\$ 19,598,639	\$ 20,013,561	\$ 414,922

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)				
Intergovernmental: (Continued)				
Revenue from the federal government:				
Categorical aid:				
Title I	\$ 1,012,891	\$ 1,012,891	\$ 901,747	\$ (111,144)
Title VI-B, special education flow-through	616,621	616,621	546,370	(70,251)
Title VI-B, special education pre-school	12,081	12,081	11,270	(811)
Vocational education	-	-	32,000	32,000
Twenty-first century community learning centers	385,324	385,324	313,553	(71,771)
Title II, Part A	97,112	97,112	76,491	(20,621)
ROTC	60,000	60,000	31,287	(28,713)
Title IV, Part A	254,831	254,831	216,407	(38,424)
Rural and low-income schools	-	-	69,998	69,998
CARES Act - ESSERF Funds	97,554	97,554	217,133	119,579
ARPA HVAC	-	-	51,806	51,806
Other federal funds	54,927	54,927	20,081	(34,846)
Total categorical aid	\$ 2,591,341	\$ 2,591,341	\$ 2,488,143	\$ (103,198)
Total School Operating Fund	\$ 31,541,605	\$ 31,541,605	\$ 32,095,835	\$ 554,230
Special Revenue Funds:				
School Cafeteria Fund:				
Revenue from local sources:				
Charges for services:				
Cafeteria sales	\$ 200,000	\$ 200,000	\$ 59,073	\$ (140,927)
Intergovernmental:				
Revenue from the Commonwealth:				
Categorical aid:				
School food program grant	\$ 9,070	\$ 9,070	\$ 10,143	\$ 1,073
School breakfast program	17,459	17,459	19,566	2,107
Total revenue from the Commonwealth	\$ 26,529	\$ 26,529	\$ 29,709	\$ 3,180
Revenue from the federal government:				
Categorical aid:				
School food program grant	\$ 1,250,000	\$ 1,250,000	\$ 1,385,118	\$ 135,118
Summer feeding program - USDA	25,000	25,000	-	(25,000)
Commodities	-	-	126,653	126,653
CACFP food	-	-	12,001	12,001
Total revenue from the federal government	\$ 1,275,000	\$ 1,275,000	\$ 1,523,772	\$ 248,772
Total School Cafeteria Fund	\$ 1,501,529	\$ 1,501,529	\$ 1,612,554	\$ 111,025
SAF Fund:				
Revenue from local sources:				
Charges for services:				
School activity funds	\$ -	\$ -	\$ 470,687	\$ 470,687
Total SAF Fund	\$ -	\$ -	\$ 470,687	\$ 470,687
Total Discretely Presented Component Unit - School Board	\$ 33,043,134	\$ 33,043,134	\$ 34,179,076	\$ 1,135,942

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

Fund, Function, Activity and Elements	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
General Fund:				
General government administration:				
Legislative:				
Board of supervisors	\$ 160,685	\$ 165,685	\$ 216,197	\$ (50,512)
General and financial administration:				
County administrator	\$ 291,381	\$ 299,191	\$ 317,185	\$ (17,994)
County and commonwealth attorney	190,000	190,000	163,604	26,396
Accounting and Auditing Services	68,500	68,500	92,544	(24,044)
Cost allocation plan	4,500	4,500	4,500	-
Commissioner of revenue	330,494	342,905	318,211	24,694
Assessor	150,000	150,000	159,485	(9,485)
Treasurer	395,820	404,164	406,853	(2,689)
Finance/Human Resource	293,528	399,035	252,113	146,922
Information Technology	270,505	288,204	200,904	87,300
Total general and financial administration	\$ 1,994,728	\$ 2,146,499	\$ 1,915,399	\$ 231,100
Board of elections:				
Electoral board and officials	\$ 131,409	\$ 131,409	\$ 110,327	\$ 21,082
Registrar	204,273	207,286	223,604	(16,318)
Total board of elections	\$ 335,682	\$ 338,695	\$ 333,931	\$ 4,764
Total general government administration	\$ 2,491,095	\$ 2,650,879	\$ 2,465,527	\$ 185,352
Judicial administration:				
Courts:				
Circuit court	\$ 25,300	\$ 25,300	\$ 30,911	\$ (5,611)
General district court	8,600	8,600	14,993	(6,393)
Special magistrates	2,475	2,475	-	2,475
Court appointed attorney	-	-	450	(450)
Clerk of the circuit court	487,583	507,899	501,688	6,211
Victim and witness assistance	78,564	80,468	80,422	46
Total courts	\$ 602,522	\$ 624,742	\$ 628,464	\$ (3,722)
Commonwealth's attorney:				
Commonwealth's attorney	\$ 439,107	\$ 448,952	\$ 513,998	\$ (65,046)
Total commonwealth's attorney	\$ 439,107	\$ 448,952	\$ 513,998	\$ (65,046)
Total judicial administration	\$ 1,041,629	\$ 1,073,694	\$ 1,142,462	\$ (68,768)
Public safety:				
Law enforcement and traffic control:				
Sheriff	\$ 2,953,634	\$ 3,021,727	\$ 3,148,102	\$ (126,375)
Selective enforcement	-	-	39,980	(39,980)
Sheriff's fund	-	-	8,697	(8,697)
Triad	2,500	2,500	-	2,500
Total law enforcement and traffic control	\$ 2,956,134	\$ 3,024,227	\$ 3,196,779	\$ (172,552)
Fire and rescue services:				
Volunteer fire department	\$ 522,727	\$ 522,727	\$ 540,997	\$ (18,270)
Ambulance and rescue services	-	-	375	(375)
Forest fire prevention	27,601	27,601	26,878	723
Emergency services	238,671	240,940	219,514	21,426
Total fire and rescue services	\$ 788,999	\$ 791,268	\$ 787,764	\$ 3,504

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

Fund, Function, Activity and Elements	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
General Fund: (Continued)				
Public safety: (Continued)				
Correction and detention:				
Piedmont Regional Jail Authority	\$ 599,929	\$ 599,929	\$ 899,409	\$ (299,480)
Piedmont Regional Juvenile Detention Center	35,000	35,000	39,537	(4,537)
Opioid Recovery Court	-	-	9,164	(9,164)
Total correction and detention	\$ 634,929	\$ 634,929	\$ 948,110	\$ (313,181)
Inspections:				
Building	\$ 186,878	\$ 191,340	\$ 196,505	\$ (5,165)
Total inspections	\$ 186,878	\$ 191,340	\$ 196,505	\$ (5,165)
Other protection:				
Animal control	\$ 285,729	\$ 364,793	\$ 295,053	\$ 69,740
Medical Examiner	200	200	200	-
Total other protection	\$ 285,929	\$ 364,993	\$ 295,253	\$ 69,740
Total public safety	\$ 4,852,869	\$ 5,006,757	\$ 5,424,411	\$ (417,654)
Public works:				
Maintenance of highways, streets, bridges and sidewalks:				
Streetlights	\$ 5,500	\$ 5,500	\$ 5,143	\$ 357
Total maintenance of highways, streets, bridges and sidewalks	\$ 5,500	\$ 5,500	\$ 5,143	\$ 357
Sanitation and waste removal:				
Refuse collection and disposal	\$ 1,005,077	\$ 1,068,047	\$ 1,403,568	\$ (335,521)
Anti-Litter	4,100	4,100	1,505	2,595
Total sanitation and waste removal	\$ 1,009,177	\$ 1,072,147	\$ 1,405,073	\$ (332,926)
Maintenance of general buildings and grounds:				
General properties	\$ 816,968	\$ 824,952	\$ 816,004	\$ 8,948
Total maintenance of general buildings and grounds	\$ 816,968	\$ 824,952	\$ 816,004	\$ 8,948
Total public works	\$ 1,831,645	\$ 1,902,599	\$ 2,226,220	\$ (323,621)
Health and welfare:				
Health:				
Health Department	\$ 126,090	\$ 127,739	\$ 127,739	\$ -
Total health	\$ 126,090	\$ 127,739	\$ 127,739	\$ -
Mental health and behavioral health:				
Crossroads Board	\$ 31,235	\$ 31,235	\$ 31,235	\$ -
Southside Virginia ASAP	5,000	5,000	5,000	-
Total mental health and behavioral health	\$ 36,235	\$ 36,235	\$ 36,235	\$ -
Welfare:				
Piedmont Sr Resources Area on Aging	\$ 19,657	\$ 22,157	\$ 22,157	\$ -
Buckingham County active seniors	7,000	7,000	-	7,000
Tax relief for the elderly	-	-	67,681	(67,681)
Jaunt Inc transportation service	60,000	60,000	60,000	-
Piedmont area transit	10,600	10,600	10,600	-
VA legal aid	8,632	8,632	8,632	-
Pregnancy Support Center	3,000	3,000	3,000	-
Comprehensive services	2,042,000	2,042,000	3,153,190	(1,111,190)
Habitat for Humanities	5,000	5,000	5,000	-
Total welfare	\$ 2,155,889	\$ 2,158,389	\$ 3,330,260	\$ (1,171,871)
Total health and welfare	\$ 2,318,214	\$ 2,322,363	\$ 3,494,234	\$ (1,171,871)

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

Fund, Function, Activity and Elements	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
General Fund: (Continued)				
Education:				
Other instructional costs:				
Contributions to colleges and agencies	\$ 118,715	\$ 119,215	\$ 116,715	\$ 2,500
Contribution to Buckingham County School Board	8,948,125	8,948,125	8,924,038	24,087
Total education	<u>\$ 9,066,840</u>	<u>\$ 9,067,340</u>	<u>\$ 9,040,753</u>	<u>\$ 26,587</u>
Parks, recreation, and cultural:				
Parks and recreation:				
Supervision of parks and recreation	\$ 249,007	\$ 263,151	\$ 409,758	\$ (146,607)
Programs	-	-	77,173	(77,173)
Ellis Acres Memorial Park	5,000	5,000	5,000	-
Total parks and recreation	<u>\$ 254,007</u>	<u>\$ 268,151</u>	<u>\$ 491,931</u>	<u>\$ (223,780)</u>
Cultural enrichment:				
Arts Council	\$ 9,000	\$ 9,000	\$ 4,500	\$ 4,500
Longwood Center For the Visual Arts	1,063	1,063	1,063	-
VA Retreat	4,500	4,500	4,500	-
Piedmont Area Veterans Council	20,000	20,000	20,000	-
Total cultural enrichment	<u>\$ 34,563</u>	<u>\$ 34,563</u>	<u>\$ 30,063</u>	<u>\$ 4,500</u>
Library:				
Regional library	\$ 322,495	\$ 322,495	\$ 322,495	\$ -
Total library	<u>\$ 322,495</u>	<u>\$ 322,495</u>	<u>\$ 322,495</u>	<u>\$ -</u>
Total parks, recreation, and cultural	<u>\$ 611,065</u>	<u>\$ 625,209</u>	<u>\$ 844,489</u>	<u>\$ (219,280)</u>
Community development:				
Planning and community development:				
Planning	\$ 168,091	\$ 170,881	\$ 153,049	\$ 17,832
Planning District Commission	19,000	19,000	22,000	(3,000)
Economic Development	-	-	(1,000)	1,000
Longwood Small Business Development Center	5,849	5,849	5,849	-
Total planning and community development	<u>\$ 192,940</u>	<u>\$ 195,730</u>	<u>\$ 179,898</u>	<u>\$ 15,832</u>
Environmental management:				
Peter Francisco Soil and Water Conservation	\$ 15,000	\$ 15,000	\$ 15,000	\$ -
Total environmental management	<u>\$ 15,000</u>	<u>\$ 15,000</u>	<u>\$ 15,000</u>	<u>\$ -</u>
Cooperative extension program:				
Cooperative extension office	\$ 127,933	\$ 127,933	\$ 115,761	\$ 12,172
Total cooperative extension program	<u>\$ 127,933</u>	<u>\$ 127,933</u>	<u>\$ 115,761</u>	<u>\$ 12,172</u>
Total community development	<u>\$ 335,873</u>	<u>\$ 338,663</u>	<u>\$ 310,659</u>	<u>\$ 28,004</u>
Nondepartmental:				
Proposed salary increase	\$ 180,000	\$ -	\$ -	\$ -
Bank Charges - Bank of America	-	-	9,950	(9,950)
Unemployment insurance	3,000	3,000	1,334	1,666
Worker's compensation	65,000	65,000	95,858	(30,858)
General liability insurance	109,000	109,000	121,893	(12,893)
LODA insurance	22,000	22,000	30,779	(8,779)
School sewer contract	90,000	90,000	90,000	-
Total nondepartmental	<u>\$ 469,000</u>	<u>\$ 289,000</u>	<u>\$ 349,814</u>	<u>\$ (60,814)</u>

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

Fund, Function, Activity and Elements	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
General Fund: (Continued)				
Capital projects:				
Courthouse Renovations	\$ -	\$ -	\$ 1,067,503	\$ (1,067,503)
Total capital projects	\$ -	\$ -	\$ 1,067,503	\$ (1,067,503)
Debt service:				
Principal retirement	\$ -	\$ -	\$ 36,662	\$ (36,662)
Interest and other fiscal charges	-	-	5,971	(5,971)
Total debt service	\$ -	\$ -	\$ 42,633	\$ (42,633)
Total General Fund	\$ 23,018,230	\$ 23,276,504	\$ 26,408,705	\$ (3,132,201)
Special Revenue Funds:				
Virginia Public Assistance Fund:				
Welfare and social services:				
Welfare administration	\$ 1,868,435	\$ 1,868,435	\$ 1,674,037	\$ 194,398
Public assistance	569,451	569,451	607,908	(38,457)
Total welfare and social services	\$ 2,437,886	\$ 2,437,886	\$ 2,281,945	\$ 155,941
Total Virginia Public Assistance Fund	\$ 2,437,886	\$ 2,437,886	\$ 2,281,945	\$ 155,941
American Rescue Plan (ARPA) Fund:				
General government administration:				
General and financial administration:				
Information Technology	\$ -	\$ -	\$ 274,984	\$ (274,984)
Total general government administration	\$ -	\$ -	\$ 274,984	\$ (274,984)
Public safety:				
Law enforcement and traffic control:				
Sheriff	\$ -	\$ -	\$ 70,000	\$ (70,000)
Fire and rescue services:				
Emergency services	\$ -	\$ -	\$ 292,544	\$ (292,544)
Fire department	-	-	22,898	(22,898)
Total fire and rescue services	\$ -	\$ -	\$ 315,442	\$ (315,442)
Inspections:				
Building	\$ -	\$ -	\$ 48,508	\$ (48,508)
Other protection:				
Animal control	\$ -	\$ -	\$ 6,785	\$ (6,785)
Total public safety	\$ -	\$ -	\$ 440,735	\$ (440,735)
Public works:				
Sanitation and waste removal:				
Refuse collection and disposal	\$ -	\$ -	\$ 106,779	\$ (106,779)
Total public works	\$ -	\$ -	\$ 106,779	\$ (106,779)
Parks, recreation, and cultural:				
Parks and recreation:				
Parks and recreation	\$ -	\$ -	\$ 560	\$ (560)
Total parks, recreation, and cultural	\$ -	\$ -	\$ 560	\$ (560)
Community development:				
Planning and community development:				
Broadband	\$ -	\$ -	\$ 117,150	\$ (117,150)
Small business grants	-	-	25,000	(25,000)
Total community development	\$ -	\$ -	\$ 142,150	\$ (142,150)
Total American Rescue Plan (ARPA) Fund	\$ -	\$ -	\$ 965,208	\$ (965,208)

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

Fund, Function, Activity and Elements	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
Emergency Management Services (EMS) Fund:				
Public Safety:				
Fire and rescue services:				
Emergency services	\$ 2,056,411	\$ 3,399,038	\$ 2,607,808	\$ 791,230
Total Emergency Management Services (EMS) Fund	<u>\$ 2,056,411</u>	<u>\$ 3,399,038</u>	<u>\$ 2,607,808</u>	<u>\$ 791,230</u>
Debt Service Fund:				
Debt service:				
Principal retirement	\$ 2,410,078	\$ 2,410,078	\$ 2,410,078	\$ -
Interest and other fiscal charges	1,071,302	1,071,302	1,070,628	674
Total Debt Service Fund	<u>\$ 3,481,380</u>	<u>\$ 3,481,380</u>	<u>\$ 3,480,706</u>	<u>\$ 674</u>
Capital Projects Fund:				
Total County Capital Improvements Fund	\$ -	\$ -	\$ -	\$ -
Total Primary Government	<u>\$ 30,993,907</u>	<u>\$ 32,594,808</u>	<u>\$ 35,744,372</u>	<u>\$ (3,149,564)</u>
Discretely Presented Component Unit - School Board:				
School Operating Fund:				
Education:				
Administration of schools:				
Administration, attendance and health	\$ 1,936,292	\$ 1,936,292	\$ 1,856,627	\$ 79,665
Instruction	22,032,495	22,032,495	22,033,928	(1,433)
Operation and maintenance services	3,314,689	3,314,689	3,501,766	(187,077)
Pupil transportation	3,085,100	3,085,100	2,958,181	126,919
Facilities	-	-	486,722	(486,722)
Total administration of schools	<u>\$ 30,368,576</u>	<u>\$ 30,368,576</u>	<u>\$ 30,837,224</u>	<u>\$ (468,648)</u>
Capital Projects:				
Technology	\$ 1,020,287	\$ 1,020,287	\$ 1,105,427	\$ (85,140)
Total Capital Projects	<u>\$ 1,020,287</u>	<u>\$ 1,020,287</u>	<u>\$ 1,105,427</u>	<u>\$ (85,140)</u>
Total education	<u>\$ 31,388,863</u>	<u>\$ 31,388,863</u>	<u>\$ 31,942,651</u>	<u>\$ (553,788)</u>
Debt service:				
Principal retirement	\$ 136,165	\$ 136,165	\$ 136,165	\$ -
Interest and other fiscal charges	16,577	16,577	16,577	-
Total debt service	<u>\$ 152,742</u>	<u>\$ 152,742</u>	<u>\$ 152,742</u>	<u>\$ -</u>
Total School Operating Fund	<u>\$ 31,541,605</u>	<u>\$ 31,541,605</u>	<u>\$ 32,095,393</u>	<u>\$ (553,788)</u>
Special Revenue Fund:				
School Cafeteria Fund:				
Education:				
School food services:				
Administration of school food program	\$ 1,801,529	\$ 1,801,529	\$ 1,445,156	\$ 356,373
Commodities	-	-	126,653	(126,653)
Total school food services	<u>\$ 1,801,529</u>	<u>\$ 1,801,529</u>	<u>\$ 1,571,809</u>	<u>\$ 229,720</u>
Total education	<u>\$ 1,801,529</u>	<u>\$ 1,801,529</u>	<u>\$ 1,571,809</u>	<u>\$ 229,720</u>
Total School Cafeteria Fund	<u>\$ 1,801,529</u>	<u>\$ 1,801,529</u>	<u>\$ 1,571,809</u>	<u>\$ 229,720</u>
SAF Fund:				
Education:				
Instruction	\$ -	\$ -	\$ 451,012	\$ (451,012)
Total SAF Fund	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 451,012</u>	<u>\$ (451,012)</u>
Total Discretely Presented Component Unit - School Board	<u>\$ 33,343,134</u>	<u>\$ 33,343,134</u>	<u>\$ 34,118,214</u>	<u>\$ (775,080)</u>

STATISTICAL INFORMATION

COUNTY OF BUCKINGHAM, VIRGINIA

Table 1

Government-Wide Expenses by Function
Last Ten Fiscal Years

Fiscal Year	General Government		Judicial Administration	Public Safety (1)		Public Works		Health and Welfare		Education	Parks, Recreation, and Cultural	Community Development	Interest on Long-Term Debt	Water and Sewer Funds		Industrial Development	Total
	Administration			Safety (1)		Public		Welfare									
2015-16	\$ 1,700,580	\$ 987,071	\$ 3,653,291	\$ 1,653,036	\$ 3,555,122	\$ 8,666,368	\$ 413,473	\$ 220,325	\$ 1,382,617	\$ 1,662,310	\$ -	\$ 23,894,193					
2016-17	1,463,715	1,061,769	3,594,958	1,706,511	3,512,614	8,998,345	438,922	411,948	1,326,584	1,521,786	-	24,037,152					
2017-18	1,601,653	1,001,768	3,922,202	1,866,685	3,427,967	9,317,443	437,508	282,258	1,269,360	1,543,224	-	24,670,068					
2018-19	1,788,696	989,861	3,920,161	1,798,682	3,600,983	8,944,546	468,722	255,855	1,142,741	2,015,374	-	24,925,621					
2019-20	2,028,997	1,076,738	4,412,405	1,926,025	4,033,129	8,762,701	474,074	304,277	1,308,506	2,041,691	-	26,368,543					
2020-21	2,333,628	1,053,033	5,746,753	2,354,266	4,256,211	8,885,369	690,333	568,066	1,151,416	2,634,854	-	29,673,929					
2021-22	2,161,404	1,040,016	6,799,130	1,960,919	4,163,737	9,665,823	744,640	288,517	1,277,328	2,197,427	49,778	30,348,719					
2022-23	2,209,448	1,158,642	7,902,012	2,258,866	4,960,026	8,727,961	798,688	498,583	911,661	2,166,029	135,666	31,727,582					
2023-24	2,587,018	1,253,320	7,957,291	2,147,078	5,501,767	9,338,219	847,254	387,652	914,259	2,334,353	135,434	33,403,645					
2024-25	3,163,003	955,663	8,536,220	2,752,621	5,737,320	10,500,866	1,052,697	548,450	851,300	2,395,897	135,434	36,629,471					

(1) Increase in public safety reflects the County taking over rescue operations beginning in fiscal year 2020.

COUNTY OF BUCKINGHAM, VIRGINIA

Table 2

Government-Wide Revenues
Last Ten Fiscal Years

Fiscal Year	PROGRAM REVENUES				GENERAL REVENUES					
	Charges for Services (2)	Operating Grants and Contributions (3)	Capital Grants and Contributions (4)	General Property Taxes	Other Local Taxes	Unrestricted Investment Earnings	Miscellaneous (1,5)	Grants and Contributions Not Restricted to Specific Programs	Gain on Disposal of Assets	Total
2015-16	\$ 1,811,877	\$ 4,446,058	\$ 2,190,206	\$ 15,796,716	\$ 1,531,218	\$ 88,822	\$ 32,599	\$ 1,604,344	\$ -	\$ 27,501,840
2016-17	1,805,861	4,517,168	2,652,093	15,240,213	1,544,266	97,973	41,055	1,621,690	-	27,520,319
2017-18	1,971,648	4,436,609	927,906	15,316,841	1,667,879	114,609	43,353	1,587,349	5,211	26,071,405
2018-19	1,956,344	4,762,701	566,716	15,282,463	1,812,988	157,617	17,544	1,615,875	-	26,172,248
2019-20	1,978,002	5,379,629	489,639	15,530,458	1,777,159	227,498	445,255	1,624,263	-	27,451,903
2020-21	2,669,898	8,661,713	2,521,756	16,032,384	1,969,209	98,821	34,208	1,592,397	440,567	34,020,953
2021-22	3,151,540	5,936,139	680,613	16,356,478	2,090,866	25,519	34,644	1,612,528	19,489	29,907,816
2022-23	3,233,491	6,206,910	964,969	17,147,994	2,138,265	183,748	125,252	1,572,512	-	31,573,141
2023-24	3,031,029	6,794,693	791,109	17,925,869	2,126,584	268,190	1,079,829	1,560,532	-	33,577,835
2024-25	3,474,831	7,725,381	1,019,677	18,218,399	2,281,181	246,550	824,455	1,565,497	44,515	35,400,486

(1) Increase in miscellaneous revenues represents private donations received for a new animal control facility in fiscal year 2020.

(2) Increase in charges for services reflects the County collecting payments for rescue operations beginning in fiscal year 2021.

(3) Increase in operating grants reflects coronavirus relief funds received in fiscal year 2021.

(4) Increase in capital grants reflects the transfer of land, building, and vehicles for rescue operations and COVID funding for squad improvements in fiscal year 2021.

(5) Increase in miscellaneous revenue reflects the receipt of a \$1,000,000 and \$800,000 voluntary payment from a solar farm developer in fiscal year 2024 and 2025, respectively.

COUNTY OF BUCKINGHAM, VIRGINIA

Table 3

General Governmental Expenditures by Function (1)
Last Ten Fiscal Years

Fiscal Year	General Government Administration	Judicial Administration	Public Safety	Public Works	Health and Welfare	Education (2)	Parks, Recreation, and Cultural			Community Development	Non-departmental	Debt Service (3)		Total
2015-16	\$ 1,456,920	\$ 780,627	\$ 3,616,697	\$ 1,537,630	\$ 3,584,376	\$ 24,182,516	\$ 398,855	\$ 212,814	\$ 169,951	\$ 3,194,871	\$ 39,135,257			
2016-17	1,368,455	832,656	3,495,764	1,588,409	3,470,753	23,282,800	385,309	360,841	136,847	3,591,459	38,513,293			
2017-18	1,435,902	823,038	3,908,298	1,851,969	3,540,904	24,203,403	391,698	236,136	283,133	3,660,339	40,334,820			
2018-19	1,556,018	861,657	4,115,478	1,696,635	3,660,348	24,638,321	439,265	214,648	247,185	3,606,853	41,036,408			
2019-20	1,778,772	866,284	4,482,529	1,752,994	4,051,018	25,080,683	436,980	249,516	245,426	3,929,640	42,873,842			
2020-21	2,162,677	929,409	5,838,753	2,339,175	4,183,912	27,210,662	493,498	513,005	267,694	3,827,877	47,766,662			
2021-22	1,865,617	882,577	6,753,877	1,871,642	4,223,652	30,763,906	575,156	246,158	332,262	9,054,232	56,569,079			
2022-23	1,994,936	957,342	8,254,813	1,986,403	4,981,500	34,396,861	603,296	268,839	469,744	3,846,609	57,760,343			
2023-24	2,142,035	1,037,701	7,339,794	2,258,509	5,483,281	34,227,090	815,692	337,806	340,270	3,683,528	57,665,706			
2024-25	2,740,511	1,142,462	8,472,954	2,332,999	5,776,179	34,082,187	845,049	452,809	349,814	3,676,081	59,871,045			

(1) Includes General, Special Revenue, and Debt Service funds of the Primary Government and its Discretely Presented

Component Unit excluding capital projects.

(2) Excludes contribution from Primary Government to Discretely Presented Component Unit.

(3) 2021-22 includes current refunding of library debt.

COUNTY OF BUCKINGHAM, VIRGINIA

Table 4

General Governmental Revenues by Source (1)
Last Ten Fiscal Years

Fiscal Year	General Property Taxes	Other Local Taxes	Permits, Privilege Fees, Regulatory Licenses	Fines and Forfeitures	Revenue from the Use of Money and Property	Charges for Services	Miscellaneous	Recovered Costs	Inter-governmental (2)	Total
2015-16	\$ 15,710,523	\$ 1,531,218	\$ 63,097	\$ 37,720	\$ 94,724	\$ 303,587	\$ 511,867	\$ -	\$ 23,225,245	\$ 41,477,981
2016-17	15,179,208	1,544,266	80,714	34,051	101,148	283,853	291,014	-	22,881,258	40,395,512
2017-18	15,324,281	1,667,879	219,657	34,513	116,362	260,264	248,070	15,875	23,088,994	40,975,895
2018-19	15,416,355	1,812,988	84,651	41,662	166,009	269,163	270,200	23,475	24,194,522	42,279,025
2019-20	15,235,350	1,777,159	82,863	43,638	156,048	189,182	751,191	13,225	25,408,917	43,657,573
2020-21	15,989,227	1,969,209	274,780	36,573	86,769	611,346	1,724,913	-	29,598,198	50,291,015
2021-22	16,394,350	2,090,866	120,450	23,564	102,601	1,516,102	418,776	37,953	30,547,672	51,252,334
2022-23	17,065,345	2,138,265	140,524	33,510	299,470	1,558,836	570,645	19,800	35,224,748	57,051,143
2023-24	17,729,387	2,126,584	101,074	35,259	368,486	1,514,542	1,448,680	237,637	34,396,105	57,957,754
2024-25	18,125,461	2,281,181	159,668	71,917	350,015	1,823,037	1,516,527	133,996	34,272,642	58,734,444

(1) Includes General, Special Revenue, and Debt Service funds of the Primary Government and its Discretely Presented Component Unit.

(2) Excludes contribution from Primary Government to Discretely Presented Component Unit.

COUNTY OF BUCKINGHAM, VIRGINIA

Table 5

Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year	Collected within the Fiscal Year of the Levy				Delinquent Tax Collections (1)	Total Tax Collections	Percent of Total Tax Collections to Tax Levy	Outstanding Delinquent Taxes (1,2)	Percent of Delinquent Taxes to Tax Levy
	Total Tax Levy (1)	Amount Collected (1,3)	Percent of Levy Collected						
2015-16	\$ 16,658,592	\$ 15,801,943	94.86%	\$ 774,150	\$ 16,576,093	99.50%	\$ 82,499	0.50%	
2016-17	16,015,659	15,123,883	94.43%	797,310	15,921,193	99.41%	94,466	0.59%	
2017-18	15,983,840	15,084,303	94.37%	780,438	15,864,741	99.25%	119,099	0.75%	
2018-19	16,012,888	15,169,420	94.73%	715,206	15,884,626	99.20%	128,262	0.80%	
2019-20	16,333,715	15,388,780	94.21%	798,906	16,187,686	99.11%	146,029	0.89%	
2020-21	16,727,366	15,845,050	94.73%	721,169	16,566,219	99.04%	161,147	0.96%	
2021-22	16,805,991	15,920,223	94.73%	685,456	16,605,679	98.81%	200,312	1.19%	
2022-23	18,166,798	17,076,301	94.00%	793,208	17,869,509	98.36%	297,289	1.64%	
2023-24	18,795,376	17,564,419	93.45%	745,740	18,310,159	97.42%	485,217	2.58%	
2024-25	19,029,565	17,863,505	93.87%	-	17,863,505	93.87%	1,166,060	6.13%	

(1) Exclusive of penalties and interest.

(2) Includes all delinquent taxes.

(3) Includes revenue from the Commonwealth for Personal Property Tax Relief Act.

COUNTY OF BUCKINGHAM, VIRGINIA

Table 6

Assessed Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year	Real Estate (1)	Personal Property and Mobile Homes (1)	Machinery and Tools	Merchants' Capital	Public Service (2,3)	Aircraft	Total
2015-16	\$ 1,412,731,450	\$ 103,671,456	\$ 7,255,010	\$ 18,854,949	\$ 962,370,653	\$ 130,400	\$ 2,505,013,918
2016-17	1,418,184,000	109,294,993	7,425,880	19,487,757	673,628,750	126,400	2,228,147,780
2017-18	1,425,087,600	112,131,988	7,479,530	19,318,250	640,842,630	99,000	2,204,958,998
2018-19	1,432,653,300	115,490,423	7,654,800	19,081,530	614,469,116	165,000	2,189,514,169
2019-20	1,510,039,100	118,815,597	9,010,020	18,530,910	626,128,254	169,000	2,282,692,881
2020-21	1,589,844,750	122,779,567	10,824,530	23,701,060	629,167,226	166,000	2,376,483,133
2021-22	1,602,846,100	132,303,395	11,348,690	20,859,740	576,204,217	62,000	2,343,624,142
2022-23	1,618,352,150	161,478,475	11,618,970	19,370,530	531,511,446	84,000	2,342,415,571
2023-24	1,634,340,650	164,291,052	12,503,360	17,563,620	456,825,066	96,000	2,285,619,748
2024-25	1,649,388,799	160,669,397	12,499,420	23,070,280	415,180,740	-	2,260,808,636

(1) Assessed at 100% of fair market value.

(2) Assessed values are established by the State Corporation Commission.

(3) Elected to do semi-annual billing of Public Service Corp taxes beginning in fiscal year 2016.

COUNTY OF BUCKINGHAM, VIRGINIA

Table 7

Property Tax Rates (1)
Last Ten Fiscal Years

Fiscal Year	Real Estate		Mobile Homes	Personal Property (2)	Machinery and Tools (2)	Merchants' Capital	Aircraft
	1st Half	2nd Half					
2015-16	\$ 0.55	\$ 0.50	\$ 0.50	4.05	2.90	1.00	0.55
2016-17	0.55	0.55	0.55	4.05	2.90	1.00	0.55
2017-18	0.55	0.55	0.55	4.05	2.90	1.00	0.55
2018-19	0.55	0.55	0.55	4.05	2.90	1.00	0.55
2019-20	0.52	0.55	0.55	4.05	2.90	1.00	0.55
2020-21	0.52	0.52	0.52	4.05	2.90	1.00	0.55
2021-22	0.52	0.52	0.52	4.05	2.90	1.00	0.55
2022-23	0.55	0.52	0.52	4.05	2.90	1.00	0.55
2023-24	0.60	0.55	0.55	4.05	2.90	1.00	1.10
2024-25	0.60	0.60	0.60	4.05	2.90	1.00	1.10

(1) Per \$100 of assessed value.

(2) Per \$100 of assessed value based on loan NADA value.

COUNTY OF BUCKINGHAM, VIRGINIA

Table 8

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

Fiscal Year	Population (1)	Assessed Value (in thousands) (2)	Less:		Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt per Capita
			Gross Bonded Debt (3)	Debt Service Monies Available		
2015-16	16,988	\$ 2,505,014	\$ 31,853,527	- \$	1.27%	\$ 1,875
2016-17	16,913	2,228,148	31,272,870	-	1.40%	1,849
2017-18	16,957	2,204,959	29,107,711	-	1.32%	1,717
2018-19	16,952	2,189,514	26,796,584	-	1.22%	1,581
2019-20	17,075	2,282,693	24,117,858	-	1.06%	1,412
2020-21	17,162	2,376,483	21,931,412	-	0.92%	1,278
2021-22	16,810	2,343,624	19,402,745	-	0.83%	1,154
2022-23	16,673	2,342,416	16,846,657	-	0.72%	1,010
2023-24	16,736	2,285,620	14,563,319	-	0.64%	870
2024-25	16,760	2,260,809	12,234,945	-	0.54%	730

(1) Weldon Cooper Center for Public Service at the University of Virginia.

(2) From table 6.

(3) Includes all long-term general obligation bonded debt, bonded anticipation notes, and literary fund loans.
Excludes revenue bonds, leases, and subscriptions.

COUNTY OF BUCKINGHAM, VIRGINIA

Table 9

Ratio of Annual Debt Service Expenditures for General Bonded
Debt to Total General Governmental Expenditures (1)
Last Ten Fiscal Years

Fiscal Year	Principal	Interest	Total Debt Service	Total General Governmental Expenditures	Ratio of Debt Service to General Governmental Expenditures
2015-16	\$ 1,562,051	\$ 1,632,820	\$ 3,194,871	\$ 39,135,257	8.16%
2016-17	2,025,176	1,756,691	3,781,867	38,513,293	9.82%
2017-18	2,111,988	1,476,261	3,588,249	40,334,820	8.90%
2018-19	2,205,521	1,401,332	3,606,853	41,036,408	8.79%
2019-20	2,406,810	1,418,644	3,825,454	42,873,842	8.92%
2020-21	2,434,893	1,392,984	3,827,877	47,766,662	8.01%
2021-22 (2)	7,526,396	1,345,619	8,872,015	56,569,079	15.68%
2022-23	2,550,193	1,253,398	3,803,591	57,760,343	6.59%
2023-24	2,340,759	1,170,270	3,511,029	57,665,706	6.09%
2024-25	2,546,243	1,087,204	3,633,447	59,871,045	6.07%

(1) Includes Debt Service funds of the Primary Government and Discretely Presented Component Unit School Board
excluding capital projects.

(2) 2021-22 includes current refunding of library debt.

COMPLIANCE



**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 Buckingham, 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 business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of County of Buckingham, Virginia as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise County of Buckingham, Virginia's basic financial statements and have issued our report thereon dated July 13, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered County of Buckingham, 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 County of Buckingham, Virginia's internal control. Accordingly, we do not express an opinion on the effectiveness of County of Buckingham, 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 were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether County of Buckingham, 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 Farren Cox Associates

Charlottesville, Virginia

July 13, 2026



**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 Buckingham, Virginia**

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited County of Buckingham, 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 County of Buckingham, Virginia's major federal programs for the year ended June 30, 2025. County of Buckingham, 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, County of Buckingham, 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 Buckingham, 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 Buckingham, 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 Buckingham, 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 Buckingham, 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 Buckingham, 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 Buckingham, 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 Buckingham, 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 Buckingham, 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 a 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.

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.

Report on Internal Control over Compliance (Continued)

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 Taven Cox Associates

Charlottesville, Virginia

July 13, 2026

COUNTY OF BUCKINGHAM, VIRGINIA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2025

Federal Grantor/Pass - Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number		Federal Expenditures	Sub- recipients
Department of Health and Human Services:					
Pass Through Payments:					
Virginia Department of Social Services:					
Guardianship Assistance	93.090	Not assigned		\$ 236	\$ -
Title IV-E Prevention Program	93.472	Not assigned		5,036	-
Promoting Safe and Stable Families	93.556	Not assigned		9,220	-
Temporary Assistance for Needy Families (TANF)	93.558	Not assigned		167,574	-
Refugee and Entrant Assistance - State Administered Programs	93.566	Not assigned		442	-
Low-Income Home Energy Assistance	93.568	Not assigned		34,097	-
CCDF Cluster:					
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	Not assigned		33,635	-
Stephanie Tubbs Jones Child Welfare Services Program	93.645	Not assigned		628	-
Foster Care - Title IV-E	93.658	Not assigned		86,440	-
Adoption Assistance	93.659	Not assigned		193,553	-
John H. Chafee Foster Care Program for Successful Transition to Adulthood	93.674	Not assigned		1,670	-
COVID-19 - Elder Abuse Prevention Interventions Program	93.747	Not assigned		2,106	-
Children's Health Insurance Program (CHIP)	93.767	Not assigned		3,194	-
Medicaid Cluster:					
Medical Assistance Program	93.778	Not assigned		259,832	-
Social Services Block Grant	93.667	Not assigned	\$ 198,530		
Virginia Office of Children's Services:					
Social Services Block Grant	93.667	Unknown	1,364	199,894	-
Total Department of Health and Human Services				\$ 997,557	\$ -
Department of Agriculture:					
Pass Through Payments:					
Child Nutrition Cluster:					
Virginia Department of Agriculture and Consumer Services:					
Food Distribution - School Nutrition Program	10.555	APE40254	\$ 126,653		\$ -
Virginia Department of Education:					
National School Lunch Program (NSLP)	10.555	APE40254	893,054	\$ 1,019,707	-
School Breakfast Program (SBP)	10.553	APE40253		492,064	\$ 1,511,771
Virginia Department of Social Services:					
SNAP Cluster:					
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	Not assigned		311,971	-
Virginia Department of Education:					
Child and Adult Care Food Program	10.558	APE70027		12,001	-
Total Department of Agriculture				\$ 1,835,743	\$ -
Department of Defense:					
Direct Payments:					
ROTC	12.U00	N/A		\$ 31,287	\$ -
Total Department of Defense				\$ 31,287	\$ -

COUNTY OF BUCKINGHAM, VIRGINIA

Schedule of Expenditures of Federal Awards (Continued)
For the Year Ended June 30, 2025

Federal Grantor/Pass - Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures	Sub- recipients
Department of Justice:				
Direct payments:				
Bulletproof Vest Partnership Program	16.607	N/A	\$ 1,513	\$ -
Total Department of Justice - direct payments			\$ 1,513	\$ -
Pass Through Payments:				
Virginia Department of Criminal Justice Services:				
Crime Victim Assistance	16.575	15POVC22GG00681ASSI	\$ 42,156	\$ -
		2019-MU-BX-0026/ 2020-MU-BX-0035/ 15PBJA-21-GG-00258-MUMU/ 15PBJA22GG00616MUMU		
Edward Byrne Memorial Justice Assistance Grant Program	16.738		3,199	-
Total Department of Justice - pass-through payments			\$ 45,355	\$ -
Total Department of Justice			\$ 46,868	\$ -
Department of Transportation:				
Pass Through Payments:				
Virginia Department of Motor Vehicles:				
Highway Safety Cluster:				
State and Community Highway Safety	20.600	BPT-2024-54327-24327/ BPT -2025-55337-25336	\$ 28,448	\$ -
		ENF AL-2023-53372-23372/ ENF AL-2025-55336-25336		
Alcohol Open Container Requirements	20.607		19,504	-
Total Department of Transportation			\$ 47,952	\$ -
Department of the Treasury:				
Direct Payments:				
COVID-19 - Coronavirus State And Local Fiscal Recovery Funds	21.027	N/A	\$ 965,208	\$ -
Pass Through Payments:				
Virginia Department of Criminal Justice Services:				
COVID-19 - Coronavirus State And Local Fiscal Recovery Funds	21.027	Unknown	217,936	-
Virginia Department of Education:				
COVID-19 - Coronavirus State And Local Fiscal Recovery Funds	21.027	APE45290	51,806	-
Virginia Department of Social Services:				
COVID-19 - Coronavirus State And Local Fiscal Recovery Funds	21.027	Unknown	5,932	-
Virginia Department of Elections:				
COVID-19 - Coronavirus State And Local Fiscal Recovery Funds	21.027	Unknown	5,000	\$ 1,245,882
Total Department of the Treasury			\$ 1,245,882	\$ -
Department of Education:				
Pass Through Payments:				
Virginia Department of Education:				
Title I - Grants to Local Educational Agencies	84.010	APE42901/42892	\$ 901,747	\$ -
Special Education Cluster (IDEA):				
Special Education - Grants to States (IDEA, Part B)	84.027	APE43071/60180	\$ 546,370	
Special Education - Preschool Grants (IDEA Preschool)	84.173	APE62521	11,270	557,640
Career and Technical Education - Basic Grants to States	84.048	APE60031		32,000
Twenty-First Century Community Learning Centers	84.287	APE60565		313,553
Rural Education	84.358	APE43481		69,998
Supporting Effective Instruction State Grants	84.367	APE61480		76,491
Comprehensive Literacy Development	84.371	APE60150		13,931
Student Support and Academic Enrichment Program	84.424	APE60281/60155		216,407
COVID-19 - American Rescue Plan – Elementary and Secondary School Emergency Relief (ARP ESSER)	84.425U	APE50193/50183		217,133
Virginia Polytechnic Institute:				
English Language Acquisition State Grants	84.365	APE60512/60509	6,150	-
Total Department of Education			\$ 2,405,050	\$ -
Total Expenditures of Federal Awards			\$ 6,610,339	\$ -

See accompanying notes to schedule of expenditures of federal awards.

COUNTY OF BUCKINGHAM, 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 includes the federal award activity of County of Buckingham, Virginia under programs of the federal government for the year ended June 30, 2025. The information in this schedule is presented in accordance with 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 Buckingham, Virginia, it is not intended to and does not present the financial position, changes in net position, or cash flows of the County of Buckingham, Virginia.

Note 2 - Summary of Significant Accounting Policies

(1) Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the 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.

Note 3 - Food Donation

Nonmonetary assistance is reported in the schedule at the fair market value of the commodities received and disbursed.

Note 4 - Subrecipients

There were no funds passed through to subrecipients.

Note 5 - Indirect Costs

The County has elected not to use the 15% de minimis indirect cost rate.

Note 6 - 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	\$ 319,120
Special Revenue Funds:	
Virginia Public Assistance Fund	1,314,096
ARPA Fund	965,208
Debt Service Fund	424,350
Total primary government	<u>\$ 3,022,774</u>

Component Unit School Board:

School Operating Fund	\$ 2,488,143
School Cafeteria Fund	1,523,772
Total component unit school board	<u>\$ 4,011,915</u>

Total federal expenditures per basic financial statements	<u>\$ 7,034,689</u>
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BABs interest subsidy	<u>\$ (424,350)</u>
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Total federal expenditures per the Schedule of Expenditures of Federal Awards	<u><u>\$ 6,610,339</u></u>
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COUNTY OF BUCKINGHAM, VIRGINIA

Schedule of Findings and Questioned Costs
For the 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? None reported

Noncompliance material to financial statements noted? No

Federal Awards

Internal control over major programs:

Material weakness(es) identified? No

Significant deficiency(ies) identified? None reported

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:

Assistance

<u>Listing #</u>	<u>Name of Federal Program or Cluster</u>
10.561	SNAP Cluster
21.027	COVID-19 - Coronavirus State And Local Fiscal Recovery Funds
84.010	Title I - Grants to Local Educational Agencies
93.667	Social Services Block Grant

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee? No

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 to report.

COUNTY OF BUCKINGHAM, VIRGINIA

Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2025

There were no findings reported for the year ended June 30, 2024.