

COUNTY OF BRUNSWICK, VIRGINIA



FINANCIAL REPORT YEAR
ENDED JUNE 30, 2025

County of Brunswick, Virginia

Financial Report

For the Year Ended June 30, 2025

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COUNTY OF BRUNSWICK, VIRGINIA

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BOARD OF SUPERVISORS

Dr. Barbara Jarrett-Harris, Chair

Glenda Jackson Gilliam

Dr. Alfonzo R. Seward

Reggie Owens

Welton Tyler

COUNTY SOCIAL SERVICES BOARD

Maurice Wesson, Chair

Teya Whitehead

Reggie Owens

Benjamin Spence

Dr. Terrance Wood

Wilhelmina Jones

COUNTY SCHOOL BOARD

Tracie Seward, Chair

Monica McMillan

Timothy Puryear

Dr. Elizabeth Burns

Roy Warwick

OTHER OFFICIALS

Chief Judge for 6th Judicial Circuit Court

Clerk of the Circuit Court

Commonwealth's Attorney

Commissioner of the Revenue

Treasurer

Sheriff

Superintendent of Schools

Director of Social Services

County Administrator

Chief Judge of the General District Court

Chief Judge of the Juvenile and Domestic

Relations Court

Clerk of the School Board

W. Edward Tomko, III

Jacqueline S. Morgan

Meredith Smith

Camilla Clayton-Bright

Jacqueline Mangrum

Brian K. Roberts

Dr. F. Darnell Carter

Lisa Nagorsky

Leslie R. Weddington

Lyndia P. Ramsey

Jacqueline R. Waymack

Amy Clary

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Independent Auditors' Report

**The Honorable Members of
The Board of Supervisors
County of Brunswick, Virginia**

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the discretely presented component units, each major fund and the aggregate remaining fund information of the County of Brunswick, 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 Brunswick, Virginia's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Brunswick, Virginia, as of and for the year ended June 30, 2025, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Specifications for Audits of Counties, Cities, and Towns*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of County of Brunswick, 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.

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 Brunswick, 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 Brunswick, 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 Brunswick, 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 and other auditors 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 Brunswick, 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 by us. 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 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 April 10, 2026, on our consideration of County of Brunswick, 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 Brunswick, 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 Brunswick, Virginia's internal control over financial reporting and compliance.

Robinson, Fennell, Cox Associates

Richmond, Virginia
April 10, 2026

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**COUNTY OF BRUNSWICK, VIRGINIA
MANAGEMENT'S DISCUSSION AND ANALYSIS**

**To the Citizens of Brunswick, County
County of Brunswick, Virginia**

As management of County of Brunswick, 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 liabilities and deferred inflows of resources of the County exceeded its assets and deferred outflows of resources at the close of the most recent fiscal year by \$25,606,215 (net position), a decrease of \$5,893 over the prior year.

Fund Financial Statements

In the Governmental Funds, on a current financial resource basis, expenditures and other financing uses exceeded revenues and other financing sources by \$32,654,080 (Exhibit 5) after making contributions totaling \$8,164,460 to the School Board.

- As of the close of the current fiscal year, the County's governmental funds reported ending fund balances of \$35,282,773, a decrease of \$32,654,080 in comparison with the prior year.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$15,861,438 or 48% of total general fund expenditures.
- Combined long-term obligations for the governmental funds increased \$1,461,147 during the current fiscal year. Debt balances decreased by \$2,345,781.

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.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

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 County of Brunswick, Virginia itself (known as the primary government), but also a legally separate school district for which County of Brunswick, Virginia is financially accountable and a legally separate industrial development authority for which the County appoints a majority of its board members. Financial information for these component units are 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. County of Brunswick, 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 two categories: governmental 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 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. The County has no Proprietary Funds.

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 various monies for which the County is custodian.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

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, funding schedules for the Virginia Retirement System and other postemployment benefits. Other supplementary information presented includes various combining financial statements for the County's non-major funds and the discretely presented component unit - School Board, supporting schedules, and statistical information. The School Board does not issue separate financial statements. The Component Unit IDA's statements can be obtained by contacting the Authority's Executive Director, 116 West Hicks Street, Lawrenceville, VA 23868.

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 \$25,606,215 at the close of the most recent fiscal year.

Summary Statement of Net Position

	<u>Governmental Activities</u>	
	<u>2025</u>	<u>2024</u>
Current and other assets	\$ 52,675,834	\$ 85,275,384
Capital assets	<u>63,236,141</u>	<u>30,594,094</u>
Total assets	<u>\$ 115,911,975</u>	<u>\$ 115,869,478</u>
Deferred outflows of resources	<u>\$ 3,809,633</u>	<u>\$ 2,030,296</u>
Current liabilities	\$ 7,057,821	\$ 7,091,085
Long-term liabilities	<u>76,140,621</u>	<u>74,679,474</u>
Total liabilities	<u>\$ 83,198,442</u>	<u>\$ 81,770,559</u>
Deferred inflows of resources	<u>\$ 10,916,951</u>	<u>\$ 10,517,107</u>
Net position:		
Net investment in capital assets	\$ 20,613,170	\$ 20,940,239
Restricted	492,939	425,897
Unrestricted	<u>4,500,106</u>	<u>4,245,972</u>
Total net position	<u>\$ 25,606,215</u>	<u>\$ 25,612,108</u>

At the end of the current fiscal year, the County's net investment in capital assets was \$20,613,170. 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.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Government-wide Financial Analysis: (Continued)

Governmental Activities - Governmental activities decreased the County's net position by \$5,893.

Summary Statement of Change in Net Position

	Governmental Activities	
	2025	2024
Revenues:		
Program revenues:		
Charges for services	\$ 3,975,598	\$ 3,750,914
Operating grants and contributions	9,206,075	8,281,130
Capital grants and contributions	980,398	757,886
General revenues:		
General property taxes	21,679,835	20,219,192
Other local taxes	2,063,320	1,940,973
Grants and other contributions not restricted	1,730,394	1,746,357
Use of money	2,385,668	3,138,827
Miscellaneous	191,741	419,317
Total revenues	<u>\$ 42,213,029</u>	<u>\$ 40,254,596</u>
Expenses:		
General government administration	\$ 3,865,405	\$ 2,027,655
Judicial administration	2,321,845	2,271,865
Public safety	12,436,124	11,827,860
Public works	4,110,719	3,653,316
Health and welfare	5,067,288	4,456,115
Education	8,734,481	8,061,401
Parks, recreation, and cultural	414,166	485,358
Community development	2,879,066	2,010,889
Interest on long-term debt	2,389,828	2,484,311
Total expenses	<u>\$ 42,218,922</u>	<u>\$ 37,278,770</u>
Increase (decrease) in net position	<u>\$ (5,893)</u>	<u>\$ 2,975,826</u>
Net position, July 1	<u>\$ 25,612,108</u>	<u>\$ 22,636,282</u>
Net position, June 30	<u>\$ 25,606,215</u>	<u>\$ 25,612,108</u>

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Financial Analysis of the County's Funds

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

Governmental Funds - The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of 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 \$35,282,773, a decrease of \$32,654,080 from the prior year. Approximately 45% of the total fund balance constitutes unassigned fund balance, which is available for spending at the County's discretion. The remainder of fund balance is segregated to indicate that it is not available for new spending because it has already been committed or assigned.

General Fund Budgetary Highlights

During the year, budgetary estimates exceeded revenues and other financing sources by \$326,848. Budgetary estimates exceeded expenditures and other financing uses by \$1,634,478. The combination of the two resulted in a positive variance of \$1,307,630.

Capital Asset and Debt Administration

Capital assets - The County's investment in capital assets for its governmental operations as of June 30, 2025 amounted to \$63,236,141 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings and improvements, leased equipment, leased infrastructure, and machinery and equipment. The County's capital assets increased by \$32,625,865 during the current fiscal year, while accumulated depreciation decreased by \$16,182, resulting in a net increase of \$32,642,047.

Additional information on the County's capital assets can be found in note 7 of this report.

Long-term debt and other obligations - At the end of the current fiscal year, the County had total long-term debt and other obligations outstanding of \$76,140,621 for its governmental operations. Of this amount \$69,030,960 comprises obligations backed by the full faith and credit of the County. The remainder of the County's debt for governmental operations, \$7,109,661, represents bonds secured solely by specified revenue sources (i.e., revenue bonds).

The County's total debt and other long-term obligations outstanding increased by \$1,461,147 during the current fiscal year. Required payments made on outstanding principal balances were offset by the changes in arbitrage, pension, and OPEB liabilities.

Additional information on County of Brunswick, Virginia's long-term debt can be found in Note 9 of this report.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate for the County is currently 5.20 percent, which is an increase from a rate of 4.40 percent a year ago. This is slightly higher than the state's average unemployment rate of 3.50 percent and 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's budget for the 2026 fiscal year.

The County's fiscal year 2026 budget amounted to \$97,266,588 (net of interfund transfers and transfers to the Component Unit School Board and does not include expenditures of the Component Unit School Board).

Requests for Information

This financial report is designed to provide a general overview of the County of Brunswick, 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, 228 North Main Street, P.O. Box 399, Lawrenceville, Virginia 23868.

BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

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Statement of Net Position
June 30, 2025

	Primary Government		
	Governmental Activities	School Board	IDA
ASSETS			
Cash and cash equivalents	\$ 18,902,194	\$ 363,561	\$ 1,752,997
Receivables (net of allowance for uncollectibles):			
Taxes receivable	11,351,810	-	-
Accounts receivable	695,252	42,826	488
Lease receivable	23,855	-	-
Opioid receivable	164,609	-	-
Due from primary government	-	255,083	-
Due from other governmental units	1,376,521	1,820,054	-
Prepaid items	30,169	-	-
Restricted assets:			
Cash and cash equivalents	20,131,424	-	-
Other assets:			
Land and improvements held for sale	-	-	3,693,675
Investment in industrial assets	-	-	6,587,337
Notes receivable	-	-	414,598
Net pension asset	-	724,539	221,039
Capital assets (net of accumulated depreciation):			
Land	4,268,265	25,822	275,572
Buildings and improvements	8,949,229	6,838,592	-
Machinery, equipment, and vehicles	2,622,889	1,083,218	14,059
Lease equipment	15,096	-	-
Lease infrastructure	1,769,425	-	-
Intangibles	81,527	-	-
Construction in progress	45,529,710	-	-
Total assets	\$ 115,911,975	\$ 11,153,695	\$ 12,959,765
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charge on refunding	\$ 185,403	\$ -	\$ -
Pension related items	3,437,842	2,772,386	3,047
OPEB related items	186,388	262,585	2,921
Total deferred outflows of resources	\$ 3,809,633	\$ 3,034,971	\$ 5,968
LIABILITIES			
Accounts payable	\$ 5,012,578	\$ 168,852	\$ -
Accrued liabilities	-	991,722	-
Escrow accounts	-	-	750
Accrued interest payable	1,090,130	-	-
Due to component unit	255,083	-	-
Unearned revenue	700,030	-	-
Long-term liabilities:			
Due within one year	2,576,722	119,927	-
Due in more than one year	73,563,899	9,622,586	13,091
Total liabilities	\$ 83,198,442	\$ 10,903,087	\$ 13,841
DEFERRED INFLOWS OF RESOURCES			
Deferred revenue-property taxes	\$ 9,888,786	\$ -	\$ -
Lease related items	22,931	-	-
Pension related items	757,481	2,870,627	59,633
OPEB related items	247,753	663,963	4,242
Total deferred inflows of resources	\$ 10,916,951	\$ 3,534,590	\$ 63,875
NET POSITION (DEFICIT)			
Net investment in capital assets	\$ 20,613,170	\$ 7,722,808	\$ 6,876,968
Restricted:			
Anti-litter	651	-	-
Electronic summons	162,857	-	-
Emergency Services	95,628	-	-
Law library	28,649	-	-
Drug enforcement	55,440	-	-
Courthouse maintenance	142,981	-	-
Employee benefits - sheriff	6,733	-	-
School activity funds	-	105,171	-
Pension asset	-	724,539	221,039
Unrestricted (deficit)	4,500,106	(8,801,529)	5,790,010
Total net position (deficit)	\$ 25,606,215	\$ (249,011)	\$ 12,888,017

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

COUNTY OF BRUNSWICK, VIRGINIA

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	\$ 3,865,405	\$ 72,928	\$ 2,223,948	\$ -
Judicial administration	2,321,845	2,388,512	828,730	-
Public safety	12,436,124	288,860	1,790,885	-
Public works	4,110,719	1,132,710	400,000	-
Health and welfare	5,067,288	-	3,642,169	-
Education	8,734,481	-	-	61,318
Parks, recreation, and cultural	414,166	-	302,713	-
Community development	2,879,066	92,588	17,630	919,080
Interest on long-term debt	2,389,828	-	-	-
Total governmental activities	\$ <u>42,218,922</u>	\$ <u>3,975,598</u>	\$ <u>9,206,075</u>	\$ <u>980,398</u>
COMPONENT UNITS:				
School Board	\$ 28,223,635	\$ 53,829	\$ 19,107,133	\$ -
Industrial Development Authority	824,088	18,504	-	250,160
Total component units	\$ <u>29,047,723</u>	\$ <u>72,333</u>	\$ <u>19,107,133</u>	\$ <u>250,160</u>

General revenues:
 General property taxes
 Local sales and use tax
 Consumer's utility taxes
 Motor vehicle licenses
 Other local taxes
 Payment from County of Brunswick
 Unrestricted revenues from use of money
 Miscellaneous
 Grants and contributions not restricted to specific programs
 Gain on disposal of capital assets
 Total general revenues
 Change in net position
 Net position (deficit) - beginning, as previously reported
 Restatement
 Net position (deficit) - beginning, as restated
 Net position (deficit) - ending

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

Exhibit 2

Net (Expense) Revenue and Changes in Net Position			
Primary Government		Component Units	
Governmental Activities	School Board	IDA	
\$ (1,568,529)			
895,397			
(10,356,379)			
(2,578,009)			
(1,425,119)			
(8,673,163)			
(111,453)			
(1,849,768)			
(2,389,828)			
<u>\$ (28,056,851)</u>			
	\$ (9,062,673)	\$ -	
	-	(555,424)	
	<u>\$ (9,062,673)</u>	<u>\$ (555,424)</u>	
\$ 21,679,835	\$ -	\$ -	
1,212,437	-	-	
255,767	-	-	
378,057	-	-	
217,059	-	-	
-	8,386,190	-	
2,385,668	1,650	23,479	
191,741	570,824	186,795	
1,730,394	-	-	
-	-	-	
<u>\$ 28,050,958</u>	<u>\$ 8,958,664</u>	<u>\$ 210,274</u>	
(5,893)	(104,009)	(345,150)	
25,612,108	(145,002)	13,242,892	
-	-	(9,725)	
25,612,108	(145,002)	13,233,167	
<u>\$ 25,606,215</u>	<u>\$ (249,011)</u>	<u>\$ 12,888,017</u>	

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FUND FINANCIAL STATEMENTS

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Balance Sheet
 Governmental Funds
 June 30, 2025

	General	Virginia Public Assistance	School Debt Service	County Capital Improvements	Other Governmental Funds	Total
ASSETS						
Cash and cash equivalents	\$ 15,908,544	\$ -	\$ -	\$ 3,237,721	\$ 6,733	\$ 19,152,998
Receivables (net of allowance for uncollectibles):						
Taxes receivable	11,351,810	-	-	-	-	11,351,810
Accounts receivable	691,533	-	-	-	3,719	695,252
Lease receivable	23,855	-	-	-	-	23,855
Opioid receivable	164,609	-	-	-	-	164,609
Due from other funds	273,252	-	-	-	-	273,252
Due from other governmental units	665,857	206,908	-	314,283	189,473	1,376,521
Prepaid items	17,792	6,374	-	-	6,003	30,169
Restricted assets:						
Cash and cash equivalents	-	-	-	20,131,424	-	20,131,424
Total assets	\$ 29,097,252	\$ 213,282	\$ -	\$ 23,683,428	\$ 205,928	\$ 53,199,890
LIABILITIES						
Accounts payable	\$ 346,795	\$ -	\$ -	\$ 4,595,347	\$ 70,436	\$ 5,012,578
Overdraft	-	6,940	67,438	118,573	57,853	250,804
Unearned revenue	700,030	-	-	-	-	700,030
Due to other funds	-	206,342	-	-	66,910	273,252
Due to component unit	255,083	-	-	-	-	255,083
Total liabilities	\$ 1,301,908	\$ 213,282	\$ 67,438	\$ 4,713,920	\$ 195,199	\$ 6,491,747
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue - property taxes	\$ 11,217,401	\$ -	\$ -	\$ -	\$ -	\$ 11,217,401
Opioid	185,038	-	-	-	-	185,038
Lease related items	22,931	-	-	-	-	22,931
Total deferred inflows of resources	11,425,370	-	-	-	-	11,425,370
FUND BALANCES						
Nonspendable:						
Prepaid items	\$ 17,792	\$ 6,374	\$ -	\$ -	\$ 6,003	\$ 30,169
Restricted:						
Anti-litter	651	-	-	-	-	651
Electronic summons	162,857	-	-	-	-	162,857
Emergency Services	95,628	-	-	-	-	95,628
Law library	28,649	-	-	-	-	28,649
Drug enforcement	55,440	-	-	-	-	55,440
Courthouse maintenance	142,981	-	-	-	-	142,981
Employee benefits - sheriff	-	-	-	-	6,733	6,733
Assigned:						
DMV Select	4,538	-	-	-	-	4,538
Other capital projects	-	-	-	18,969,508	-	18,969,508
Unassigned:						
General fund	15,861,438	-	-	-	-	15,861,438
Special revenue funds	-	(6,374)	-	-	(2,007)	(8,381)
Debt service funds	-	-	(67,438)	-	-	(67,438)
Total fund balances	\$ 16,369,974	\$ -	\$ (67,438)	\$ 18,969,508	\$ 10,729	\$ 35,282,773
Total liabilities, deferred inflows of resources and fund balances	\$ 29,097,252	\$ 213,282	\$ -	\$ 23,683,428	\$ 205,928	\$ 53,199,890

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 \$ 35,282,773

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

Land	\$ 4,268,265	
Construction in progress	45,529,710	
Buildings and improvements	8,949,229	
Machinery, equipment, and vehicles	2,622,889	
Leased equipment	15,096	
Leased infrastructure	1,769,425	
Intangibles	81,527	63,236,141

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

Unavailable revenue - property taxes	\$ 1,328,615	
Unavailable revenue - opioid settlement	185,038	1,513,653

The deferred charge on refunding is to be amortized as interest expense over the life of the debt.

185,403

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

Pension related items	\$ 3,437,842	
OPEB related items	186,388	3,624,230

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	\$ (6,910,000)	
Plus: (Premium) discount on issuance	(199,661)	
General obligation bonds	(52,876,153)	
Plus: Premium on issuance	(2,399,337)	
Brodnax sewer capacity agreement	(87,360)	
Lease liabilities	(1,945,210)	
Arbitrage liability	(1,892,077)	
Compensated absences	(917,123)	
Landfill closure/postclosure liability	(789,009)	
Net OPEB liabilities	(1,255,738)	
Net pension liability	(6,868,953)	
Accrued interest payable	(1,090,130)	(77,230,751)

Deferred inflows of resources are not due and payable in the current period and, therefore, are not reported in the funds.

Pension related items	\$ (757,481)	
OPEB related items	(247,753)	(1,005,234)

Net position of governmental activities \$ 25,606,215

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

REVENUES	General	Virginia Public Assistance	School Debt Service	County Capital Improve- ments	Other Govern- mental Funds	Total
General property taxes	\$ 19,213,645	\$ -	\$ -	\$ 2,433,052	\$ -	\$ 21,646,697
Other local taxes	2,063,320	-	-	-	-	2,063,320
Permits, privilege fees, and regulatory licenses	91,139	-	-	-	-	91,139
Fines and forfeitures	1,765,588	-	-	-	-	1,765,588
Revenue from the use of money and property	580,179	-	-	1,897,212	-	2,477,391
Charges for services	2,027,148	-	-	-	-	2,027,148
Miscellaneous	162,013	8,419	-	4,200	17,109	191,741
Recovered costs	1,024,688	-	-	-	-	1,024,688
Intergovernmental:						
Commonwealth	5,669,183	918,323	-	-	1,132,074	7,719,580
Federal	1,683,532	1,456,719	61,318	919,080	56,209	4,176,858
Total revenues	<u>\$ 34,280,435</u>	<u>\$ 2,383,461</u>	<u>\$ 61,318</u>	<u>\$ 5,253,544</u>	<u>\$ 1,205,392</u>	<u>\$ 43,184,150</u>
EXPENDITURES						
Current:						
General government administration	\$ 2,828,095	\$ -	\$ -	\$ -	\$ -	\$ 2,828,095
Judicial administration	2,284,591	-	-	-	-	2,284,591
Public safety	11,729,687	-	-	-	9,638	11,739,325
Public works	3,708,320	-	-	-	50,991	3,759,311
Health and welfare	370,379	2,946,903	-	-	1,663,491	4,980,773
Education	8,503,051	-	-	-	-	8,503,051
Parks, recreation, and cultural	504,784	-	-	-	-	504,784
Community development	1,917,212	-	-	-	-	1,917,212
Capital projects	9,765	-	-	34,519,546	-	34,529,311
Debt service:						
Principal retirement	825,431	-	432,236	945,000	-	2,202,667
Interest and other fiscal charges	256,932	-	106,539	2,225,639	-	2,589,110
Total expenditures	<u>\$ 32,938,247</u>	<u>\$ 2,946,903</u>	<u>\$ 538,775</u>	<u>\$ 37,690,185</u>	<u>\$ 1,724,120</u>	<u>\$ 75,838,230</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 1,342,188</u>	<u>\$ (563,442)</u>	<u>\$ (477,457)</u>	<u>\$ (32,436,641)</u>	<u>\$ (518,728)</u>	<u>\$ (32,654,080)</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	\$ -	\$ 563,442	\$ 477,457	\$ 653,227	\$ 522,480	\$ 2,216,606
Transfers out	(2,216,606)	-	-	-	-	(2,216,606)
Total other financing sources (uses)	<u>\$ (2,216,606)</u>	<u>\$ 563,442</u>	<u>\$ 477,457</u>	<u>\$ 653,227</u>	<u>\$ 522,480</u>	<u>\$ -</u>
Net change in fund balances	\$ (874,418)	\$ -	\$ -	\$ (31,783,414)	\$ 3,752	\$ (32,654,080)
Fund balances - beginning	17,244,392	-	(67,438)	50,752,922	6,977	67,936,853
Fund balances - ending	<u>\$ 16,369,974</u>	<u>\$ -</u>	<u>\$ (67,438)</u>	<u>\$ 18,969,508</u>	<u>\$ 10,729</u>	<u>\$ 35,282,773</u>

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 \$ (32,654,080)

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

Capital asset additions	\$	34,368,111	
Depreciation		(1,504,334)	
Adjustment for jointly owned assets		(432,236)	
Depreciation adjustment for jointly owned assets		<u>210,506</u>	32,642,047

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

Increase (decrease) in property taxes	\$	33,138	
Increase (decrease) in opioid settlement		<u>20,429</u>	53,567

The issuance of long-term obligations (e.g. bonds, loans) 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 obligations and related items.

Amortization of premium (discount) on issuance	\$	219,809	
Increase in arbitrage liability		(1,762,373)	
Principal retired on lease liabilities		76,695	
Principal retired on sewer capacity agreement		8,736	
Principal retired on bonds		<u>2,117,236</u>	660,103

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.

Decrease (increase) in compensated absences	\$	(91,155)	
Pension expense		(556,668)	
OPEB expense		(22,196)	
Decrease (increase) in landfill closure/postclosure care liability		(16,984)	
Amortization of deferred charge on refunding		(61,398)	
Decrease (increase) in accrued interest payable		<u>40,871</u>	<u>(707,530)</u>

Change in net position of governmental activities \$ (5,893)

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	
<hr/>	
Cash and cash equivalents	\$ <u>32,553</u>
Total assets	\$ <u><u>32,553</u></u>
LIABILITIES	
<hr/>	
Escrow deposits payable	\$ <u>31,932</u>
Total liabilities	\$ <u><u>31,932</u></u>
NET POSITION	
<hr/>	
Restricted for:	
Special welfare	\$ <u>621</u>
Total net position	\$ <u><u>621</u></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

	<u>Custodial Funds</u>
ADDITIONS	
Special welfare collections	\$ 13,263
Sheriff fees	35,071
Total additions	<u>\$ 48,334</u>
DEDUCTIONS	
Welfare costs	\$ 14,783
Sheriff fees remitted to State	35,071
Total deductions	<u>\$ 49,854</u>
Net increase (decrease) in fiduciary net position	\$ (1,520)
Net position - beginning	<u>2,141</u>
Net position - ending	<u><u>\$ 621</u></u>

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

COUNTY OF BRUNSWICK, VIRGINIA

Notes to Financial Statements
As of June 30, 2025

Note 1-Summary of Significant Accounting Policies:

County of Brunswick, Virginia was formed in 1720 and is governed by an elected five-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 County of Brunswick, 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 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 units. 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 general purpose 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 County of Brunswick, 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 and substantively separate from the government.

C. Individual Component Unit Disclosures

Blended Component Unit. The County has no blended component units to be included for the fiscal year ended June 30, 2025.

The School Board members are elected by the citizens of Brunswick 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. The financial statements of the School Board are presented as a discrete presentation of the County financial statements for the fiscal year ended June 30, 2025.

COUNTY OF BRUNSWICK, 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)

The Brunswick County Industrial Development Authority assists in promoting Brunswick County for Industrial Development. The Authority is comprised of members that are appointed by the County's Board of Supervisors. Accordingly, the Authority is considered a component unit of the County and is included as a discrete presentation in the County's financial report. A complete set of financial statements for the Industrial Development Authority is available from the Authority.

D. Other Related Organizations

Included in the County's Financial Report: None

Excluded from the County's Financial Report:

Jointly Governed Organizations

Jointly governed organizations are regional governments or other multi-governmental arrangements that are governed by representatives from each of the governments that create the organizations, and the participants do not retain an ongoing financial interest or responsibility in the organization.

The financial activities of the following organizations are excluded from the accompanying financial statements for the reasons indicated:

Meherrin Regional Library

The Meherrin Regional Library is considered a jointly governed organization and therefore its operations are not included in the County's financial statements. The Counties of Brunswick, Greenville and the City of Emporia provide the financial support for the Library and appoint its governing Board, in which is vested the ability to execute contracts and to budget and expend funds. The County appoints five (5) of the ten (10) members of the Board. The County provided \$208,639 in operating funds to the Library in 2025.

Southside Community Services Board

The Board, created by resolution pursuant to state statute, is considered a jointly governed organization and therefore its operations are not included in the County's financial statements. The County appoints two of the board members; however, the County cannot impose its will on the Board since it does not have the ability to modify or approve the budget or overrule or modify the decisions of the Board. The Board is fiscally independent and there is no financial benefit or burden relationship with the County. Therefore, it is not included in the County's financial statements. Brunswick County contributed \$146,535 as operating grants to the Southside Community Services Board for the fiscal year ended June 30, 2025.

COUNTY OF BRUNSWICK, VIRGINIA

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

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

D. Other Related Organizations: (Continued)

Excluded from the County's Financial Report: (Continued)

Meherrin River Regional Jail Authority

The Authority, created by resolution pursuant to state statute, is considered a jointly governed organization and therefore its operations are not included in the County's financial statements. The Counties of Brunswick, Dinwiddie, and Mecklenburg participate in the Authority. The County Administrator and Sheriff of each participating locality serve on the Authority; however, the Authority is fiscally independent and there is no financial benefit or burden relationship with the participating localities. Therefore, it is not included in the County's financial statements. The regional jail bills each participating locality a per diem rate based upon the number of inmates housed at the facility. The per diem rates include components for both operating and debt service expenses. Brunswick County paid \$2,126,083 to the Jail for the fiscal year ended June 30, 2025.

Obtaining of Financial Statements for Jointly Governed Organizations

Complete financial statements of the jointly governed organizations may be obtained by contacting the County of Brunswick, Virginia, County Administrator, P.O. Box 399, 228 North Main Street, Lawrenceville, VA 23868.

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.

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 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.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

F. Basis of Presentation - Fund Financial Statements

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

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

F. Basis of Presentation - Fund Financial Statements: (Continued)

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. 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.

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 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.

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.

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

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

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

The 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 consist of the Virginia Public Assistance Fund, the Airport Commission Fund, the Sheriff's Employee Fund, and the Comprehensive Services Act Fund. The Virginia Public Assistance Fund is the only special revenue fund considered to be a major fund at June 30, 2025.

c. Capital Projects Fund

The County Capital Improvements Fund account for and report all 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. The County Capital Improvements Fund is considered a major fund.

d. 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 School Debt Service Fund is considered a major fund.

COUNTY OF BRUNSWICK, VIRGINIA

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

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

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

2. 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 consisting of the Special Welfare fund, Sheriff Funds, and the Bond Escrow 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.

3. Component Unit:

The Brunswick 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 Brunswick and state and federal grants. The School Operating Fund is considered a major fund of the School Board for financial reporting purposes.

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 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.

School Activity 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 nonmajor 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. This fund is considered a major fund.

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.

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

I. 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. Budgetary comparison information is included in the annual report, including the government's original budget and a comparison of final budget and actual results.

J. 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, Comprehensive Services Act Fund, VPA Fund, Airport Fund, the General Capital Projects Fund and the School 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.
9. The expenditure budget is enacted through an annual appropriations ordinance. Appropriations are made at the departmental level for the primary government and at the function level for the School Board. State law requires that if budget amendments exceed 1% of the original adopted budget the Board of Supervisors may legally amend the budget only by following the procedures used in the adoption of the original budget. There were budget amendments during the year that exceeded the 1% limitation, for which a public hearing was held to approve the purchase of property and a building. The Board of Supervisors must approve all appropriations and transfers of appropriated amounts.

COUNTY OF BRUNSWICK, VIRGINIA

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

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

J. Budgets and Budgetary Accounting (Continued)

10. Expenditures exceeded appropriations in the Airport Commission Fund at June 30, 2025.

K. 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 by the government.

L. 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.

M. Receivables and Payables

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

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 \$220,000 at June 30, 2025 and is comprised solely of property taxes.

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

N. Prepaid Items

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

O. Capital Assets

Capital assets are tangible and intangible assets, which include property, plant, equipment, lease, subscriptions, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), and are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets, except for infrastructure assets, are defined by the County and Component Unit School Board as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. For infrastructure asset the same estimated minimum useful life is used (in excess of two years), but only those infrastructure projects that cost more than \$50,000 are reported as capital assets.

COUNTY OF BRUNSWICK, VIRGINIA

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

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

O. Capital Assets (Continued)

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.

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, are depreciated/amortized using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Building improvements	20-40
Buildings	40
Buses	8
Intangibles	35-40
Lease equipment	2-5
Lease infrastructure	22
Subscription assets	2
Office and computer equipment	5
Police vehicles	3
Vehicles	5

P. Leases and Subscription-Based IT Arrangements

The County has various 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.

Lessee

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

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

P. Leases and Subscription-Based IT Arrangements (Continued)

Lessor

The County recognizes leases receivable and deferred inflows of resources in the government-wide 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 the principal portion of lease payments received. The deferred inflow of resources is measured at the initial amount of the lease receivable, less lease payments received from the lessee at or before the commencement of the lease term (less any lease incentives).

Subscriptions

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

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.

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

Q. Compensated Absences

Vacation

The County's policy permits employees to accumulate earned but unused vacation benefits, which are eligible for payment upon separation from government service. The liability for such leave is reported as incurred in the government-wide financial statements. A liability for those amounts is recorded in the governmental funds only if the liability has matured as a result of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable.

Sick Leave

Accumulated sick leave lapses when employees leave the employ of the County and, upon separation from service, limited monetary obligation exists. Generally, sick leave payout is capped at 25% or \$5,000 for County employees and \$25 per day for 125 days for School Board employees.

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are reported as an expense in the Statement of Activities and a long-term obligation in the Statement of Net Position. No liability is recorded for non-vesting accumulating rights to received sick pay benefits. However, a liability is recognized for that portion of accumulating sick leave benefits that is estimated will be taken as "terminal leave" prior to retirement.

An estimate of ten percent of the liability has been classified as current in the government-wide financial statements.

R. Long-term Obligations

In the government-wide financial statements, long-term obligations are reported as liabilities in the applicable governmental activities. 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.

S. 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);

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

S. Fund Balance (Continued)

- 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 including but limited to the County Administrator and the Director of Finance.

T. Use of Estimates

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

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

U. 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 has multiple items that qualify for reporting in this category. One item is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding resulted from the difference between the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The other item is comprised of certain items related to pension and OPEB. For more detailed information on these items, reference the related notes.

In addition to liabilities, the statement of financial position includes a separate section for deferred inflows of resources. Deferred inflows of resources 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 two types of items that qualify for reporting in this category. Under a modified accrual basis of accounting, unavailable revenue representing property taxes receivable is reported in the governmental funds balance sheet. This amount is comprised of uncollected property taxes due prior to June 30 and prepaid amounts and is deferred and recognized as an inflow of resources in the period that the amount becomes available. On the accrual basis, real estate taxes levied during the fiscal year but due after June 30th, 2nd half installments levied during the fiscal year but due after June 30th, and prepaid amounts are reported as deferred inflows of resources. In addition, certain items related to pension, OPEB, opioid, and leases are reported as deferred inflows of resources. For more detailed information on the pension and OPEB related items, reference the related notes.

V. Pensions

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

W. Other Postemployment Benefits (OPEB)

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

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

X. Net Position

For government-wide reporting, the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources is called net position. Net position is comprised of three components: net investment in capital assets, restricted, and unrestricted.

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

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

Y. 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.

COUNTY OF BRUNSWICK, VIRGINIA

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

Note 2-Deposits and Investments:

Deposits

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

Investments

Statutes authorize local governments and other public bodies to invest in obligations of the United States or agencies thereof, obligations of the Commonwealth of Virginia or political subdivisions thereof, obligations of the International Bank for Reconstruction and Development (World Bank), the Asian Development Bank, the African Development Bank, “prime quality” commercial paper that has received at least two of the following ratings: P-1 by Moody’s Investors Service, Inc.; A-1 by Standard & Poor’s; or F1 by Fitch Ratings, Inc. (Section 2.2-4502), banker’s acceptances, repurchase agreements and the State Treasurer’s Local Government Investment Pool (LGIP).

Custodial Credit Risk (Investments)

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 policy stipulates that investments in prime quality institutions must be rated no lower than A-1 by Standard & Poor’s Inc., no lower than AA by Moody’s Investors Service, Inc., and no lower than Aa by Moody’s. Investments in high quality corporate notes must be rated no lower than AA by Standard & Poor’s and no lower than Aa by Moody’s.

The County’s and IDA’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.

Rated Debt Investments’ Values	
Rated Debt Investments	Ratings
	AAAm
Governmental Activities:	
Local government investment pool	\$ 4,400
State Non-Arbitrage Pool	20,131,476
Total	\$ 20,135,876
	AAAm
Component Unit Industrial Development Authority:	
Local government investment pool	\$ 450,580

COUNTY OF BRUNSWICK, VIRGINIA

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

Note 2-Deposits and Investments: (Continued)

Interest Rate Risk

The County’s investment policy concerning interest rate risk stipulates that unless matched to a specific cash flow, the County will not directly invest in securities maturing more than five years from the date of purchase. Reserve funds may be invested in securities exceeding 5 years if the maturity of such investments is made to coincide as nearly as practicable with the expected use of funds.

Investment Maturities (in years)		
Investment Type	Value	Less Than 1 Year
Governmental Activities:		
Local government investment pool	\$ 4,400	\$ 4,400
State Non-Arbitrage Pool	20,131,476	20,131,476
Total	<u>\$ 20,135,876</u>	<u>\$ 20,135,876</u>
Component Unit Industrial Development Authority:		
Local government investment pool	\$ 450,580	\$ 450,580

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.

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 based on ownership as of January 1.

Real estate and personal property taxes are due on December 5.

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 2025 were levied by the County Board of Supervisors in August 2024, on the assessed value listed as of January 1, 2024.

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.

COUNTY OF BRUNSWICK, VIRGINIA

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

Note 4-Receivables:

Receivables at June 30, 2025 consist of the following:

	Primary Government Governmental Activities		Component Units	
	General	Total	School Board	IDA
Property taxes	\$ 11,571,810	\$ 11,571,810	\$ -	\$ -
Allowance for uncollectibles	(220,000)	(220,000)	-	-
Net taxes receivable	\$ 11,351,810	\$ 11,351,810	\$ -	\$ -
Accounts receivable:				
Landfill host fees	\$ 229,418	\$ 229,418	\$ -	\$ -
Landfill inspection costs	55,024	55,024	-	-
Utility and consumption taxes	23,360	23,360	-	-
Courthouse security	40,486	40,486	-	-
Court fines	163,403	163,403	-	-
Transport billing services	16,124	16,124	-	-
Recordation tax	10,080	10,080	-	-
Solar fees	90,542	90,542	-	-
Expenditure refunds	3,719	3,719	13,513	-
Electronic summons	8,262	8,262	-	-
Other	54,834	54,834	29,313	488
Total accounts receivable	\$ 695,252	\$ 695,252	\$ 42,826	\$ 488
Notes receivable:				
319 N. Main Street	\$ -	\$ -	\$ -	\$ 8,831
315 & 319 N. Main Street	-	-	-	368,268
121 Hicks Street	-	-	-	35,000
Others	-	-	-	2,499
Total notes receivable	\$ -	\$ -	\$ -	\$ 414,598

COUNTY OF BRUNSWICK, VIRGINIA

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

Note 5-Due from Other Governmental Units:

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

	Governmental Activities				Component Unit
	General	Special Revenue	Capital Projects	Total	School Board
Commonwealth of Virginia:					
Local sales taxes	\$ 246,097	\$ -	\$ -	\$ 246,097	\$ -
State sales taxes	-	-	-	-	395,287
Communication sales taxes	43,355	-	-	43,355	-
Public assistance	-	82,826	-	82,826	-
Children's services act	-	189,473	-	189,473	-
Shared expenses and grants	198,123	-	-	198,123	-
Wireless E911 revenues	14,290	-	-	14,290	-
Mobile home taxes	7,409	-	-	7,409	-
Technology	-	-	-	-	237,562
DMV commission	4,474	-	-	4,474	-
Construction	-	-	-	-	766,903
Other	99,089	-	-	99,089	60,996
Federal government:					
Victim witness	17,077	-	-	17,077	-
Public assistance	-	124,082	-	124,082	-
CDBG funds	-	-	314,283	314,283	-
Criminal justice	5,203	-	-	5,203	-
Title I	-	-	-	-	28,890
Title VI-B	-	-	-	-	91,949
Education stabilization	-	-	-	-	137,551
Vocational education	-	-	-	-	19,285
Nutrition	-	-	-	-	15,683
Other	30,740	-	-	30,740	65,948
Total	\$ 665,857	\$ 396,381	\$ 314,283	\$ 1,376,521	\$ 1,820,054

COUNTY OF BRUNSWICK, VIRGINIA

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

Note 6-Leases Receivable

The county leases building space to a tenant under a lease contract. In fiscal year 2025, the County recognized lease and interest revenue in the amount of \$94,622 and \$418, respectively. A description of the lease is as follows:

Lease Description	Start Date	End Date	Payment Frequency	Discount Rate	Receivable Balance	Amounts Owed Within One Year
Fiberbright Building Lease	October 2021	December 2025	Monthly	0.555%	\$ 23,855	\$ 23,855

There are no variable payment for the lease receivable above.

Year Ending June 30,	Governmental Activities		
	Principal	Interest	Total
2026	\$ 23,855	\$ 22	\$ 23,877
Total	\$ 23,855	\$ 22	\$ 23,877

COUNTY OF BRUNSWICK, VIRGINIA

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

Note 7-Capital Assets:

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

Primary Government:

	Balance July 1, 2024	Increases	Decreases	Balance June 30, 2025
Capital assets not being depreciated:				
Land	\$ 4,268,265	\$ -	\$ -	\$ 4,268,265
Construction in Progress	12,308,440	33,221,270	-	45,529,710
Total capital assets not being depreciated	\$ 16,576,705	\$ 33,221,270	\$ -	\$ 49,797,975
Other capital assets:				
Buildings and improvements	\$ 16,258,390	\$ 730,722	\$ -	\$ 16,989,112
Machinery, equipment and vehicles	11,856,654	416,119	1,310,010	10,962,763
Intangibles	344,214	-	-	344,214
Lease equipment	56,949	-	-	56,949
Lease infrastructure	2,162,632	-	-	2,162,632
Jointly owned assets	1,653,389	-	432,236	1,221,153
Total other capital assets	\$ 32,332,228	\$ 1,146,841	\$ 1,742,246	\$ 31,736,823
Accumulated depreciation:				
Buildings and improvements	\$ 8,057,379	\$ 488,343	\$ -	\$ 8,545,722
Machinery, equipment and vehicles	8,858,802	791,082	1,310,010	8,339,874
Intangibles	253,629	9,058	-	262,687
Lease equipment	30,349	11,504	-	41,853
Lease infrastructure	294,905	98,302	-	393,207
Jointly owned assets	819,775	106,045	210,506	715,314
Total accumulated depreciation	\$ 18,314,839	\$ 1,504,334	\$ 1,520,516	\$ 18,298,657
Other capital assets, net	\$ 14,017,389	\$ (357,493)	\$ 221,730	\$ 13,438,166
Net capital assets	\$ 30,594,094	\$ 32,863,777	\$ 221,730	\$ 63,236,141
Depreciation is allocated to:				
General government administration		\$ 321,184		
Judicial administration		27,662		
Public safety		779,394		
Public works		176,456		
Health and welfare		19,844		
Education		106,045		
Parks and recreation		71,053		
Community Development		2,696		
Total		\$ 1,504,334		

COUNTY OF BRUNSWICK, VIRGINIA

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

Note 7-Capital Assets: (Continued)

Component Unit-School Board:

	Balance July 1, 2024	Increases	Decreases	Balance June 30, 2025
Capital assets not being depreciated:				
Land	\$ 25,822	\$ -	\$ -	\$ 25,822
Total capital assets not being depreciated	\$ 25,822	\$ -	\$ -	\$ 25,822
Other capital assets:				
Buildings and improvements	\$ 11,726,494	\$ -	\$ -	\$ 11,726,494
Machinery, equipment and vehicles	7,207,586	421,370	6,000	7,622,956
Subscription assets	20,899	-	-	20,899
Jointly owned assets	8,417,025	-	(432,236)	8,849,261
Total other capital assets	\$ 27,372,004	\$ 421,370	\$ (426,236)	\$ 28,219,610
Accumulated depreciation:				
Buildings and improvements	\$ 8,737,323	\$ 464,452	\$ -	\$ 9,201,775
Machinery, equipment and vehicles	5,976,784	568,954	6,000	6,539,738
Subscription assets	20,899	-	-	20,899
Jointly owned assets	4,140,917	183,965	(210,506)	4,535,388
Total accumulated depreciation	\$ 18,875,923	\$ 1,217,371	\$ (204,506)	\$ 20,297,800
Other capital assets, net	\$ 8,496,081	\$ (796,001)	\$ (221,730)	\$ 7,921,810
Net capital assets	\$ 8,521,903	\$ (796,001)	\$ (221,730)	\$ 7,947,632
Depreciation is allocated to education		\$ 1,217,371		

- 1) Legislation enacted during the year ended June 30, 2002, Section 15.2-1800.1 of the Code of Virginia (1950), as amended, has changed the reporting of local 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 Brunswick, Virginia for the year ended June 30, 2025, is that school financed assets in the amount of \$569,105 net are reported in the Primary Government for financial reporting purposes.

COUNTY OF BRUNSWICK, VIRGINIA

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

Note 7-Capital Assets: (Continued)

Component Unit-Industrial Development Authority:

	<u>Balance July 1, 2024</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance June 30, 2025</u>
Capital assets not being depreciated:				
Land	\$ 275,572	\$ -	\$ -	\$ 275,572
Other capital assets:				
Machinery, equipment and vehicles	\$ 55,715	\$ -	\$ -	\$ 55,715
Total other capital assets	\$ 55,715	\$ -	\$ -	\$ 55,715
Accumulated depreciation:				
Machinery, equipment and vehicles	\$ 35,025	\$ 6,631	\$ -	\$ 41,656
Total accumulated depreciation	\$ 35,025	\$ 6,631	\$ -	\$ 41,656
Other capital assets, net	\$ 20,690	\$ (6,631)	\$ -	\$ 14,059
Net capital assets	<u>\$ 296,262</u>	<u>\$ (6,631)</u>	<u>\$ -</u>	<u>\$ 289,631</u>
Depreciation is allocated to the Industrial Development Authority			<u>\$ 6,631</u>	

COUNTY OF BRUNSWICK, VIRGINIA

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

Note 8-Unearned and Unavailable Revenue:

The government’s unearned and unavailable revenue consist of the following at June 30, 2025:

	<u>Statement of Net Position</u>	<u>Balance Sheet</u>
	<u>Governmental Activities</u>	<u>Governmental Funds</u>
Primary Government:		
Unearned revenue:		
This amount represents the amount of unspent CARES Act funding at year-end.	\$ 700,030	\$ 700,030
Unavailable property tax revenue:		
Unavailable revenue representing uncollected property tax billings for which asset recognition criteria has not been met. The uncollected tax billings are not available for the funding of current expenditures.	\$ -	\$ 1,328,615
Taxes levied during the fiscal year due in December 2024	9,854,031	9,854,031
Prepaid property taxes due in December 2024, but paid in advance by the taxpayers	34,755	34,755
Total deferred revenue/unavailable revenue	<u>\$ 9,888,786</u>	<u>\$ 11,217,401</u>

COUNTY OF BRUNSWICK, VIRGINIA

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

Note 9-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	Issuances/ Increases	Retirements/ Decreases	Balance June 30, 2025
Primary Government:				
Bonds payable (direct borrowings and direct placements):				
Lease revenue bonds	\$ 7,650,000	\$ -	\$ 740,000	\$ 6,910,000
Premium on issuance	266,415	-	61,398	205,017
Discount on issuance	(6,482)	-	(1,126)	(5,356)
General obligation bonds:				
School	54,253,389	-	1,377,236	52,876,153
Premium on issuance	2,558,874	-	159,537	2,399,337
Total bonds payable	\$ 64,722,196	\$ -	\$ 2,337,045	\$ 62,385,151
Sewer capacity agreement	96,096	-	8,736	87,360
Lease liabilities	2,021,905	-	76,695	1,945,210
Arbitrage liability	129,704	1,762,373	-	1,892,077
Compensated absences	825,968	91,155	-	917,123
Landfill closure/postclosure liability	772,025	16,984	-	789,009
Net OPEB liabilities	1,337,205	223,115	304,582	1,255,738
Net pension liability	4,774,375	6,048,482	3,953,904	6,868,953
Total obligations from governmental activities	\$ 74,679,474	\$ 8,142,109	\$ 6,680,962	\$ 76,140,621
Component Units:				
School Board				
Equipment loans - buses	\$ 329,424	\$ -	\$ 104,600	\$ 224,824
Compensated absences	167,980	-	65,970	102,010
Net OPEB liabilities	2,010,107	550,912	767,531	1,793,488
Net pension liability	8,948,919	3,784,440	5,111,168	7,622,191
Total payable from School Board	\$ 11,456,430	\$ 4,335,352	\$ 6,049,269	\$ 9,742,513
Industrial Development Authority:				
Net OPEB liability	\$ 10,434	\$ 4,846	\$ 8,808	\$ 6,472
Total obligations from component units	\$ 11,466,864	\$ 4,340,198	\$ 6,058,077	\$ 9,748,985
Total long-term obligations	\$ 86,146,338	\$ 12,482,307	\$ 12,739,039	\$ 85,889,606

COUNTY OF BRUNSWICK, VIRGINIA

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

Note 9-Long-Term Obligations: (Continued)

Primary Government:

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

Year Ending June 30,	Direct Borrowings and Placements		Sewer Agreement		Lease Liabilities	
	Principal	Interest	Principal	Interest	Principal	Interest
2026	\$ 2,399,072	\$ 2,468,385	\$ 8,736	\$ -	\$ 77,202	\$ 33,070
2027	2,471,145	2,377,185	8,736	-	70,533	31,811
2028	2,163,516	2,289,777	8,736	-	68,580	30,607
2029	2,240,976	2,206,239	8,736	-	84,775	29,291
2030	2,322,811	2,117,591	8,736	-	86,256	27,810
2031-2035	10,729,133	8,930,346	43,680	-	489,209	115,339
2036-2040	9,339,100	6,921,660	-	-	627,973	67,257
2041-2045	11,171,690	5,047,819	-	-	440,682	11,873
2046-2050	13,435,088	2,619,337	-	-	-	-
2051-2054	6,112,620	249,379	-	-	-	-
Total	\$ 62,385,151	\$ 35,227,718	\$ 87,360	\$ -	\$ 1,945,210	\$ 347,058

Note: The above includes long-term obligations, deferred charges and premiums. Compensated absences, pension, OPEB and landfill closure/postclosure liability are not included.

COUNTY OF BRUNSWICK, VIRGINIA

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

Note 9-Long-Term Obligations: (Continued)

Federal Arbitrage Regulations:

The County is in compliance with federal arbitrage regulations. As of June 30, 2025, the County reported an arbitrage liability of \$1,892,077.

Pledged Collateral:

The County provided a security interest in the County Government Building as collateral for the 2020 tax-exempt lease. The County Government Building also secures the County's 2018 tax-exempt lease with VRA. The County also provided a security interest in the Albertis. H. Harrison Courthouse as collateral for the 2020 taxable lease. The Albertis. H. Harrison Courthouse also secures the County's 2018 taxable lease with VRA.

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.

Moral Obligations:

If the Meherrin River Regional Jail Authority lacks sufficient funds to pay scheduled Debt Service on the Bonds and Notes, 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, a portion of such deficit equal to its Debt Service Component percentage then in effect. Any such payment will be subject to the appropriation of funds by the governing body of each Member Jurisdiction and shall constitute a moral non-binding payment obligation. The obligations of the Members shall expire only upon the payment of the Bonds and Notes or such earlier date provided therefore, if any, in the documents under which the bonds and notes 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 Member Moral Obligation of the County and other Member Jurisdictions was extended to payment of the Note on the same proportionate basis as such commitment was made to the VRA Bond and the Carter Bank Note. The balance of outstanding debt at June 30, 2025 was \$29,335,000.

COUNTY OF BRUNSWICK, VIRGINIA

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

Note 9-Long-Term Obligations: (Continued)

Details of Long-Term Obligations:

Type/ Project	Interest Rates	Issue Date	Principal Installments	Final Maturity Date	Amount of Original Issue	Balance Governmental Activities	Amount Due Within One Year
Primary Government:							
Lease revenue bonds:							
Direct Borrowings and Direct Placements:							
Old Courthouse Renovation Refunding	4.443%-5.125%	11/14/2018	Annual	10/1/2030	\$ 1,750,000	\$ 990,000	\$ 150,000
Unamortized premium on Issuance	n/a	n/a	n/a	n/a	245,552	61,593	18,418
Property Acquisition (Adirondack, Airport, Timmon	2.911%-4.404%	11/14/2018	Annual	10/1/2033	2,015,000	1,335,000	125,000
Unamortized discount on Issuance	n/a	n/a	n/a	n/a	(13,994)	(5,356)	(1,038)
Taxable lease - refunding	.0561%-2.098%	11/18/2020	Annual	10/1/2033	3,760,000	3,370,000	355,000
Tax-exempt lease - refunding	2.143%-5.125%	11/18/2020	Annual	10/1/2032	1,645,000	1,215,000	125,000
Unamortized premium on Issuance	n/a	n/a	n/a	n/a	352,040	143,424	35,583
Total lease revenue bonds						\$ 7,109,661	\$ 807,963
General obligation school bonds:							
Direct Borrowings and Direct Placements:							
School bonds	4.225%-5.100%	11/9/2006	Annual	7/15/2016	6,009,753	\$ 731,153	\$ 360,918
Unamortized premium on Issuance	n/a	n/a	n/a	n/a	n/a	1,850	1,384
School bonds	4.25% *	12/1/2011	Annual	n/a	1,530,000	490,000	80,000
School bonds	3.550%-5.050%	5/17/2022	Annual	7/15/2051	53,500,000	51,655,000	995,000
Unamortized premium on Issuance	n/a	n/a	n/a	n/a	n/a	2,397,487	153,807
Net general obligation school bonds						\$ 55,275,490	\$ 1,591,109
Other Obligations:							
Town of Broadnax sewer capacity agreement	** n/a	1997	Monthly	6/2035	344,214	\$ 87,360	\$ 8,736
	** To purchase 20,000 gpd of sewer capacity						
Alberta tower lease	1.733%	7/1/2021	Monthly	7/1/2043	772,740	690,019	23,671
Dixie Bridge tower lease	1.733%	7/1/2021	Monthly	7/1/2043	580,714	518,549	17,788
Edgerton tower lease	1.733%	7/1/2021	Monthly	7/1/2043	809,179	722,556	24,787
Copier lease - sheriff	2.29%	6/15/2022	Quarterly	6/15/2027	14,058	5,075	2,875
Equipment lease - administration	0.712%	12/6/2021	Quarterly	12/6/2026	13,829	3,497	2,795
Copier lease - circuit court	0.687%	7/1/2021	Monthly	6/1/2026	6,771	1,279	1,279
Copier lease - commonwealth's attorney	0.687%	7/1/2021	Monthly	3/1/2026	8,799	1,274	1,274
Copier lease - planning	0.687%	8/9/2021	Monthly	8/9/2026	13,492	2,961	2,733
Total Lease Liabilities						1,945,210	77,202
Arbitrage liability	n/a	n/a	n/a	n/a	n/a	1,892,077	-
Compensated absences	n/a	n/a	n/a	n/a	n/a	917,123	91,712
Landfill closure/postclosure liability	n/a	n/a	n/a	n/a	n/a	789,009	-
Net OPEB liabilities	n/a	n/a	n/a	n/a	n/a	1,255,738	-
Net pension liability	n/a	n/a	n/a	n/a	n/a	6,868,953	-
Total Other Obligations						\$ 13,755,470	\$ 177,650
Total long-term obligations, Primary Government						\$ 76,140,621	\$ 2,576,722
Component Unit School Board:							
Other Obligations:							
Equipment loans - buses	3.680%	4/26/2023	Annual	5/15/2027	432,668	\$ 224,824	\$ 109,726
Compensated absences	n/a	n/a	n/a	n/a	n/a	102,010	10,201
Net OPEB liabilities	n/a	n/a	n/a	n/a	n/a	1,793,488	-
Net pension liability	n/a	n/a	n/a	n/a	n/a	7,622,191	-
Total long-term obligations, Component Unit School Board						\$ 9,742,513	\$ 119,927
Component Unit Industrial Development Authority:							
Other Obligations:							
Net OPEB liability						\$ 6,472	\$ -

COUNTY OF BRUNSWICK, VIRGINIA

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

Note 10-Compensated Absences:

The County has accrued the liability arising from outstanding compensated absences.

County employees earn vacation and sick leave at various rates. See Note 9 for details of changes in compensated absences balances.

Note 11-Commitments and Contingencies:

Federal programs in which the County and discretely presented component units participate were audited in accordance with the provisions of Uniform Guidance. Pursuant to the provisions of Uniform 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 test which may result in disallowed expenditures. In the opinion of management, any future disallowance of current grant program expenditures, if any, would be immaterial.

Note 12-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; injuries to employees; and natural disasters. The County joined together with other local governments in Virginia to form the Virginia Association of Counties Risk Management Program, a public entity risk pool currently operating as a common risk management and insurance program for participating local governments. The County pays an annual premium to the association for its workers compensation insurance, and general liability insurance.

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 loss, including employee health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Note 13-Litigation:

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

Note 14-Brunswick County School Bus Drivers and School Bus Aides Employer Contribution 401(a) Plan:

The School Board contributed \$15,500 to a 401(a) plan on behalf of the County's school bus drivers. \$500 per driver and bus aide was contributed during fiscal year 2025. The County has the responsibility of a prudent investor in regard to the plan but is not liable for losses arising from the plan and thus the value of the plan assets is not recorded in the County's financial report.

Note 15-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 agent multiple-employer plan is administered by the Virginia Retirement System (the System) along with plans for other employer groups in the Commonwealth of Virginia. Members earn one month of service credit for each month they are employed and for which they and their employer pay contributions to VRS. Members are eligible to purchase prior service, based on specific criteria as defined in the Code of Virginia, as amended. Eligible prior service that may be purchased includes prior public service, active military service, certain periods of leave, and previously refunded service.

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.

COUNTY OF BRUNSWICK, VIRGINIA

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

Note 15-Pension Plans: (Continued)

Average Final Compensation and Service Retirement Multiplier

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

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

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

Employees Covered by Benefit Terms

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

	<u>Primary Government</u>	<u>Component Unit School Board Nonprofessional</u>
Inactive members or their beneficiaries currently receiving benefits	97	39
Inactive members:		
Vested inactive members	19	5
Non-vested inactive members	51	23
Inactive members active elsewhere in VRS	60	10
Total inactive members	130	38
Active members	136	37
Total covered employees	<u>363</u>	<u>114</u>

COUNTY OF BRUNSWICK, VIRGINIA

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

Note 15-Pension Plans: (Continued)

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 15.50% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2023.

This rate, when combined with employee contributions, was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the County were \$1,290,956 and \$957,249 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 2.45% 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 Component Unit School Board's nonprofessional employees were \$24,775 and \$17,684 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 \$34,845 and \$5,892 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 \$31,029 and \$3,482 for the County and School Board, respectively, for the year ended June 30, 2025. The total Hybrid plan participant covered payroll totaled \$3,484,429 and \$615,071 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 and (asset) were measured as of June 30, 2024. The total pension liabilities used to calculate the net pension liability and (asset) were determined by an actuarial valuation performed as of June 30, 2023 and rolled forward to the measurement date of June 30, 2024.

COUNTY OF BRUNSWICK, VIRGINIA

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

Note 15-Pension Plans: (Continued)

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

Post-Disablement:

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

Beneficiaries and Survivors:

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

Mortality Improvement:

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

COUNTY OF BRUNSWICK, VIRGINIA

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

Note 15-Pension Plans: (Continued)

Actuarial Assumptions - General Employees (Continued)

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

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 BRUNSWICK, VIRGINIA

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

Note 15-Pension Plans: (Continued)

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

Mortality rates:

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

Pre-Retirement:

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

Post-Retirement:

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

Post-Disablement:

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

Beneficiaries and Survivors:

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

Mortality Improvement:

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

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

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

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

COUNTY OF BRUNSWICK, VIRGINIA

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

Note 15-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	<u>100.00%</u>		<u>7.07%</u>
		Expected arithmetic nominal return**	<u><u>7.07%</u></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 BRUNSWICK, VIRGINIA

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

Note 15-Pension Plans: (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that System member contributions will be made per the VRS Statutes and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. 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 Assembly, which was 112% of the actuarially determined contribution rate. From July 1, 2024 on, participating employers and school divisions are assumed to continue to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net Pension Liability (Asset)

	Primary Government		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balances at June 30, 2023	\$ 31,819,207	\$ 27,044,832	\$ 4,774,375
Changes for the year:			
Service cost	\$ 975,942	\$ -	\$ 975,942
Interest	2,162,798	-	2,162,798
Differences between expected and actual experience	2,893,292	-	2,893,292
Contributions - employer	-	957,249	(957,249)
Contributions - employee	-	365,248	(365,248)
Net investment income	-	2,630,819	(2,630,819)
Benefit payments, including refunds of employee contributions	(1,507,408)	(1,507,408)	-
Administrative expenses	-	(16,450)	16,450
Other changes	-	588	(588)
Net changes	\$ 4,524,624	\$ 2,430,046	\$ 2,094,578
Balances at June 30, 2024	\$ 36,343,831	\$ 29,474,878	\$ 6,868,953

COUNTY OF BRUNSWICK, VIRGINIA

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

Note 15-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	\$ 6,339,085	\$ 6,654,545	\$ (315,460)
Changes for the year:			
Service cost	\$ 101,969	\$ -	\$ 101,969
Interest	423,056	-	423,056
Differences between expected and actual experience	(227,330)	-	(227,330)
Contributions - employer	-	18,463	(18,463)
Contributions - employee	-	56,432	(56,432)
Net investment income	-	636,184	(636,184)
Benefit payments, including refunds of employee contributions	(347,129)	(347,129)	-
Administrative expenses	-	(4,417)	4,417
Other changes	-	112	(112)
Net changes	\$ (49,434)	\$ 359,645	\$ (409,079)
Balances at June 30, 2024	\$ 6,289,651	\$ 7,014,190	\$ (724,539)

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		
	1% Decrease (5.75%)	Discount (6.75%)	1% Increase (7.75%)
County Net Pension Liability	\$ 11,736,405	\$ 6,868,953	\$ 2,864,688
Component Unit School Board (nonprofessional) Net Pension Liability (Asset)	\$ (39,948)	\$ (724,539)	\$ (1,299,211)

COUNTY OF BRUNSWICK, VIRGINIA

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

Note 15-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 \$1,847,624 and (\$111,309) 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	\$ 2,146,886	\$ -	\$ -	\$ 113,665
Net difference between projected and actual earnings on pension plan investments	-	757,481	-	190,875
Employer contributions subsequent to the measurement date	1,290,956	-	24,775	-
Total	\$ 3,437,842	\$ 757,481	\$ 24,775	\$ 304,540

\$1,290,956 and \$24,775 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 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	\$ 460,164	\$ (284,332)
2027	1,193,992	54,655
2028	(102,338)	(35,596)
2029	(162,413)	(39,267)
Thereafter	-	-

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/2024annual-report.pdf> or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA 23218-2500.

COUNTY OF BRUNSWICK, VIRGINIA

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

Note 15-Pension Plans: (Continued)

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, 2024 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 \$1,286,026 and \$1,369,451 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 \$38,723 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 \$31,477 for the year ended June 30, 2025. The total Hybrid plan participant covered payroll totaled \$3,862,265 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 \$7,622,191 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 0.08120% as compared to 0.08854% at June 30, 2023.

For the year ended June 30, 2025, the school division recognized pension expense of \$58,626. 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, 2023 measurement date, the difference between expected and actual contributions is included with the pension expense calculation.

COUNTY OF BRUNSWICK, VIRGINIA

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

Note 15-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)

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 1,322,343	\$ 156,946
Change of assumptions	138,353	-
Net difference between projected and actual earnings on pension plan investments	-	1,049,199
Changes in proportion and differences between employer contributions and proportionate share of contributions	889	1,359,942
Employer contributions subsequent to the measurement date	<u>1,286,026</u>	<u>-</u>
Total	<u>\$ 2,747,611</u>	<u>\$ 2,566,087</u>

\$1,286,026 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	\$ (1,082,945)
2027	243,857
2028	(75,906)
2029	(189,508)
2030	-

COUNTY OF BRUNSWICK, VIRGINIA

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

Note 15-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

COUNTY OF BRUNSWICK, VIRGINIA

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

Note 15-Pension Plans: (Continued)

Component Unit School Board (Professional) (Continued)

Actuarial Assumptions: (Continued)

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

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age from 75 to 80 for all
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service
Disability Rates	No change
Salary Scale	No change
Discount Rate	No change

Net Pension Liability

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

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

COUNTY OF BRUNSWICK, VIRGINIA

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

Note 15-Pension Plans: (Continued)

Component Unit School Board (Professional) (Continued)

Net Pension Liability (Continued)

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.

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	Current Discount	1% Increase
	(5.75%)	(6.75%)	(7.75%)
School division's proportionate share of the VRS Teacher Employee Retirement Plan Net Pension Liability	\$ 14,160,537	\$ 7,622,191	\$ 2,267,494

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.

COUNTY OF BRUNSWICK, VIRGINIA

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

Note 15-Pension Plans: (Continued)

Primary Government and Component Unit School Board

Aggregate Pension Information

	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>	<u>Net Pension Liability (Asset)</u>	<u>Pension Expense</u>
Primary Government:				
VRS Pension Plans	\$ 3,437,842	\$ 757,481	\$ 6,868,953	\$ 1,847,624
Component Unit School Board:				
VRS Pension Plans:				
School Board Nonprofessional	\$ 24,775	\$ 304,540	\$ (724,539)	\$ (111,309)
School Board Professional	2,747,611	2,566,087	7,622,191	58,626
Totals	<u>\$ 2,772,386</u>	<u>\$ 2,870,627</u>	<u>\$ 6,897,652</u>	<u>\$ (52,683)</u>

Note 16-Deferred Compensation Plan:

The County and School Board offer their employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan permits employees to defer the payment of a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. All amounts of compensation deferred, including the investments and earnings thereon, vest with the employee and are not subject to the claims of the County's and School Board's general creditors.

Note 17-Other Postemployment Benefits - Virginia Retirement System Cost-Sharing Plans:

Group Life Insurance (GLI) Plan (OPEB Plan):

Plan Description

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

In addition to the Basic Group Life Insurance benefit, members are also eligible to elect additional coverage for themselves as well as a spouse or dependent children through the Optional 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.

COUNTY OF BRUNSWICK, VIRGINIA

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

Note 17-Other Postemployment Benefits - Virginia Retirement System Cost-Sharing Plans:

Group Life Insurance (GLI) Plan (OPEB Plan): (Continued)

Plan Description (Continued)

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

Eligible Employees

The GLI Plan was established July 1, 1960, for state employees, teachers, and employees of political subdivisions that elect the 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.

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 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 \$39,145, \$4,753 and \$42,536, and \$42,799, \$6,783 and \$46,651 for the years ended June 30, 2025 and June 30, 2024, respectively.

COUNTY OF BRUNSWICK, VIRGINIA

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

Note 17-Other Postemployment Benefits - Virginia Retirement System Cost-Sharing Plans: (Continued)

Group Life Insurance (GLI) Plan (OPEB Plan): (Continued)

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

At June 30, 2025, the County, Component Unit School Board (nonprofessional), and Component Unit School Board (professional) reported a liability of \$344,485, \$54,569, and \$375,508, 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 (nonprofessional), and Component Unit School Board (professional) proportion was 0.03087%, 0.00489%, and 0.03365%, respectively as compared to 0.03116%, 0.00477%, and 0.03749%, 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 \$17,522, (\$1,294), and (\$29,677), 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.

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COUNTY OF BRUNSWICK, VIRGINIA

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

Note 17-Other Postemployment Benefits - Virginia Retirement System Cost-Sharing Plans: (Continued)

Group Life Insurance (GLI) Plan (OPEB Plan): (Continued)

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

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Primary Government		
Differences between expected and actual experience	\$ 54,333	\$ 8,415
Net difference between projected and actual earnings on GLI OPEB plan investments	-	29,036
Change of assumptions	1,964	17,072
Changes in proportionate share	8,049	4,133
Employer contributions subsequent to the measurement date	39,145	-
Total	<u>\$ 103,491</u>	<u>\$ 58,656</u>
School Board - Nonprofessional		
Differences between expected and actual experience	\$ 8,607	\$ 1,333
Net difference between projected and actual earnings on GLI OPEB plan investments	-	4,600
Change of assumptions	311	2,704
Changes in proportionate share	1,816	6,915
Employer contributions subsequent to the measurement date	4,753	-
Total	<u>\$ 15,487</u>	<u>\$ 15,552</u>
School Board - Professional		
Differences between expected and actual experience	\$ 59,226	\$ 9,172
Net difference between projected and actual earnings on GLI OPEB plan investments	-	31,651
Change of assumptions	2,140	18,609
Changes in proportionate share	-	96,727
Employer contributions subsequent to the measurement date	42,536	-
Total	<u>\$ 103,902</u>	<u>\$ 156,159</u>

COUNTY OF BRUNSWICK, VIRGINIA

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

Note 17-Other Postemployment Benefits - Virginia Retirement System Cost-Sharing Plans: (Continued)

Group Life Insurance (GLI) Plan (OPEB Plan): (Continued)

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

\$39,145, \$4,753, and \$42,536 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:

<u>Year Ended June 30</u>	<u>Primary Government</u>	<u>School Board (nonprofessional)</u>	<u>School Board (professional)</u>
2026	\$ (11,998)	\$ (4,117)	\$ (46,787)
2027	8,081	(738)	(19,856)
2028	1,468	(858)	(18,845)
2029	3,314	(168)	(8,182)
2030	4,825	1,063	(1,123)
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 BRUNSWICK, VIRGINIA

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

Note 17-Other Postemployment Benefits - Virginia Retirement System Cost-Sharing Plans: (Continued)

Group Life Insurance (GLI) Plan (OPEB 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 BRUNSWICK, VIRGINIA

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

Note 17-Other Postemployment Benefits - Virginia Retirement System Cost-Sharing Plans: (Continued)

Group Life Insurance (GLI) Plan (OPEB 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. 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 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 BRUNSWICK, VIRGINIA

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

Note 17-Other Postemployment Benefits - Virginia Retirement System Cost-Sharing Plans: (Continued)

Group Life Insurance (GLI) Plan (OPEB 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

COUNTY OF BRUNSWICK, VIRGINIA

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

Note 17-Other Postemployment Benefits - Virginia Retirement System Cost-Sharing Plans: (Continued)

Group Life Insurance (GLI) Plan (OPEB Plan): (Continued)

Actuarial Assumptions: (Continued)

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

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

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

NET GLI OPEB Liability

The net OPEB liability (NOL) for the GLI Plan represents the 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 are 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.

COUNTY OF BRUNSWICK, VIRGINIA

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

Note 17-Other Postemployment Benefits - Virginia Retirement System Cost-Sharing Plans: (Continued)

Group Life Insurance (GLI) Plan (OPEB 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:

<u>Asset Class (Strategy)</u>	<u>Long-Term Target Asset Allocation</u>	<u>Arithmetic Long-term Expected Rate of Return</u>	<u>Weighted Average Long-term Expected Rate of Return*</u>
Public Equity	32.00%	6.70%	2.14%
Fixed Income	16.00%	5.40%	0.86%
Credit Strategies	16.00%	8.10%	1.30%
Real Assets	15.00%	7.20%	1.08%
Private Equity	15.00%	8.70%	1.31%
PIP - Private Investment 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 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 BRUNSWICK, VIRGINIA

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

Note 17-Other Postemployment Benefits - Virginia Retirement System Cost-Sharing Plans: (Continued)

Group Life Insurance (GLI) Plan (OPEB Plan): (Continued)

Discount Rate

The discount rate used to measure the total GLI OPEB liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that 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 the entity for the GLI OPEB will be subject to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly which was 113% of the actuarially determined contribution rate. From July 1, 2024 on, employers are assumed to continue to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the GLI OPEB’s fiduciary net position was projected to be available to make all projected future benefit payments of eligible employees. Therefore, the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total GLI OPEB liability.

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

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

Proportionate Share of GLI Plan Net OPEB Liability	Rate		
	1% Decrease (5.75%)	Current Discount (6.75%)	1% Increase (7.75%)
Primary Government	\$ 535,719	\$ 344,485	\$ 189,993
School Board (nonprofessional)	84,861	54,569	30,096
School Board (professional)	583,963	375,508	207,103

GLI Plan Fiduciary Net Position

Detailed information about the GLI Plan’s Fiduciary Net Position is available in the separately issued VRS 2024 Annual Comprehensive Financial Report (Annual Report). A copy of the 2024 VRS Annual Report may be downloaded from the VRS website at <http://www.varetire.org/pdf/publications/2024-annual-report.pdf>, or by writing to the System’s Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

Note 17-Other Postemployment Benefits - Virginia Retirement System Cost-Sharing Plans: (Continued)

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

Plan Description

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

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

Eligible Employees

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

Benefit Amounts

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

HIC Plan Notes

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

Note 17-Other Postemployment Benefits - Virginia Retirement System Cost-Sharing Plans: (Continued)

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

Contributions

The contribution requirements for active employees is governed by §51.1-1401(E) of the Code of Virginia, as amended, but may be impacted as a result of funding provided to school divisions by the Virginia General Assembly. Each school division's contractually required employer contribution rate for the year ended June 30, 2025 was 1.21% of covered employee compensation for employees in the VRS Teacher Employee HIC Plan. This rate was the final approved General Assembly rate, which was based on an actuarially determined rate from an actuarial valuation as of June 30, 2023. The actuarially determined rate was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions from the school division to the VRS Teacher Employee HIC Plan were \$109,507 and \$104,533 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 \$931,799 for its proportionate share of the VRS Teacher Employee HIC Plan Net OPEB Liability. The Net VRS Teacher Employee HIC OPEB Liability was measured as of June 30, 2024 and the total VRS Teacher Employee HIC OPEB liability used to calculate the Net VRS Teacher Employee HIC 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 OPEB Liability was based on the school division's actuarially determined employer contributions to the VRS Teacher Employee HIC 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 0.08063% as compared to 0.08831% at June 30, 2023.

For the year ended June 30, 2025, the school division recognized VRS Teacher Employee HIC Plan OPEB expense of (\$5,471). 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 proportion.

COUNTY OF BRUNSWICK, VIRGINIA

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

Note 17-Other Postemployment Benefits - Virginia Retirement System Cost-Sharing Plans: (Continued)

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

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

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 44,146
Net difference between projected and actual earnings on Teacher HIC OPEB plan investments	-	3,314
Change of assumptions	16,052	-
Changes in proportionate share and differences between actual and expected contributions	17	242,531
Employer contributions subsequent to the measurement date	<u>109,507</u>	<u>-</u>
Total	<u>\$ 125,576</u>	<u>\$ 289,991</u>

\$109,507 reported as deferred outflows of resources related to the Teacher Employee HIC OPEB resulting from the school division's contributions subsequent to the measurement date will be recognized as a reduction of the Net Teacher Employee HIC OPEB Liability in the fiscal year ending June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Teacher Employee HIC OPEB will be recognized in the Teacher Employee HIC OPEB expense in future reporting periods as follows:

Year Ended June 30

2026	\$	(75,822)
2027		(59,208)
2028		(55,026)
2029		(44,590)
2030		(26,127)
Thereafter		(13,149)

COUNTY OF BRUNSWICK, VIRGINIA

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

Note 17-Other Postemployment Benefits - Virginia Retirement System Cost-Sharing Plans: (Continued)

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

Actuarial Assumptions

The total Teacher Employee HIC OPEB liability for the VRS Teacher Employee HIC Plan was based on an actuarial valuation as of June 30, 2023, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2024.

Inflation	2.50%
Salary increases, including inflation	3.50%-5.95%
Investment rate of return	6.75%, net of investment expenses, including inflation

Mortality Rates - Teachers

Pre-Retirement:

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

Post-Retirement:

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

Post-Disablement:

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

Beneficiaries and Survivors:

Pub-2010 Amount Weighted Teachers Contingent Annuitant Rates projected generationally

Mortality Improvement Scale:

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

COUNTY OF BRUNSWICK, VIRGINIA

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

Note 17-Other Postemployment Benefits - Virginia Retirement System Cost-Sharing Plans: (Continued)

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

Actuarial Assumptions: (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 is as follows (amounts expressed in thousands):

		Teacher Employee HIC OPEB Plan
		<hr/>
Total Teacher Employee HIC OPEB Liability	\$	1,478,105
Plan Fiduciary Net Position		322,457
Teacher Employee HIC Net OPEB Liability (Asset)	\$	<hr/> <hr/> 1,155,648

Plan Fiduciary Net Position as a Percentage of the Total Teacher Employee HIC OPEB Liability	21.82%
-------------------------------------------------------------------------------------------------	--------

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

COUNTY OF BRUNSWICK, VIRGINIA

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

Note 17-Other Postemployment Benefits - Virginia Retirement System 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:

<u>Asset Class (Strategy)</u>	<u>Long-Term Target Asset Allocation</u>	<u>Arithmetic Long-term Expected Rate of Return</u>	<u>Weighted Average Long-term Expected Rate of Return*</u>
Public Equity	32.00%	6.70%	2.14%
Fixed Income	16.00%	5.40%	0.86%
Credit Strategies	16.00%	8.10%	1.30%
Real Assets	15.00%	7.20%	1.08%
Private Equity	15.00%	8.70%	1.31%
PIP - Private Investment 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 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%.

COUNTY OF BRUNSWICK, VIRGINIA

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

Note 17-Other Postemployment Benefits - Virginia Retirement System Cost-Sharing Plans: (Continued)

Discount Rate

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

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:

	Rate		
	1% Decrease (5.75%)	Current Discount (6.75%)	1% Increase (7.75%)
School division's proportionate share of the VRS Teacher Employee HIC OPEB Plan Net OPEB Liability	\$ 1,059,688	\$ 931,799	\$ 823,401

Teacher Plans' Fiduciary Net Position

Detailed information about the Teacher HIC Plans' 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.

Note 18-Other Postemployment Benefits - 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 health insurance credit 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 described below:

Eligible Employees

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

Benefit Amounts

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

HIC Plan Notes

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

COUNTY OF BRUNSWICK, VIRGINIA

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

Note 18-Other Postemployment Benefits - Health Insurance Credit (HIC) Plan: (Continued)

Employees Covered by Benefit Terms

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

	<u>Number</u>
Inactive members or their beneficiaries currently receiving benefits	17
Vested inactive members	4
Active members	<u>43</u>
Total covered employees	<u><u>64</u></u>

Contributions

The contribution requirements for active employees is governed by §51.1-1402(E) of the Code of Virginia, as amended, but may be impacted as a result of funding options provided to political subdivisions by the Virginia General Assembly. The School Board’s contractually required employer contribution rate for the year ended June 30, 2025 was 0.56% 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 School Board to the HIC Plan were \$5,663 and \$7,034 for the years ended June 30, 2025 and June 30, 2024, respectively.

Net HIC OPEB Liability

The School Board’s net Health Insurance Credit OPEB liability was measured as of June 30, 2024. The total Health Insurance Credit 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 BRUNSWICK, VIRGINIA

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

Note 18-Other Postemployment Benefits - 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 BRUNSWICK, VIRGINIA

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

Note 18-Other Postemployment Benefits - 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:

<u>Asset Class (Strategy)</u>	<u>Long-term Target Asset Allocation</u>	<u>Arithmetic Long-term Expected Rate of Return</u>	<u>Weighted Average Long-term Expected Rate of Return*</u>
Public Equity	32.00%	6.70%	2.14%
Fixed Income	16.00%	5.40%	0.86%
Credit Strategies	16.00%	8.10%	1.30%
Real Assets	15.00%	7.20%	1.08%
Private Equity	15.00%	8.70%	1.31%
PIP - Private Investment 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%

*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 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.

COUNTY OF BRUNSWICK, VIRGINIA

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

Note 18-Other Postemployment Benefits - Health Insurance Credit (HIC) Plan: (Continued)

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	\$ 110,609	\$ 65,103	\$ 45,506
Changes for the year:			
Service cost	\$ 810	\$ -	\$ 810
Interest	7,272	-	7,272
Differences between expected and actual experience	1,743	-	1,743
Contributions - employer	-	7,034	(7,034)
Net investment income	-	6,113	(6,113)
Benefit payments	(7,359)	(7,359)	-
Administrative expenses	-	(84)	84
Other changes	-	-	-
Net changes	\$ 2,466	\$ 5,704	\$ (3,238)
Balances at June 30, 2024	\$ 113,075	\$ 70,807	\$ 42,268

Sensitivity of the School Board's Health Insurance Credit Net OPEB Liability to Changes in the Discount Rate

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

	Rate		
	1% Decrease (5.75%)	Current Discount (6.75%)	1% Increase (7.75%)
School Board's Net HIC OPEB Liability	\$ 52,740	\$ 42,268	\$ 33,464

COUNTY OF BRUNSWICK, VIRGINIA

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

Note 18-Other Postemployment Benefits - 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

For the year ended June 30, 2025, the School Board recognized HIC Plan OPEB expense of \$2,172. At June 30, 2025, the School Board reported deferred outflows of resources and deferred inflows of resources related to the School Board’s HIC Plan from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 2,215	\$ 5,167
Net difference between projected and actual earnings on HIC OPEB plan investments	-	1,506
Change of assumptions	3,134	-
Employer contributions subsequent to the measurement date	<u>5,663</u>	<u>-</u>
Total	<u>\$ 11,012</u>	<u>\$ 6,673</u>

\$5,663 reported as deferred outflows of resources related to the HIC OPEB resulting from the School Board’s 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	\$ (2,121)
2027	1,202
2028	(60)
2029	(345)

HIC Plan Data

Information about the VRS Political Subdivision HIC Plan is available in the separately issued VRS 2024 Annual Comprehensive Financial Report (Annual Report). A copy of the 2024 VRS Annual Report may be downloaded from the VRS website at <http://www.varetire.org/pdf/publications/2024-annual-report.pdf>, or by writing to the System’s Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

COUNTY OF BRUNSWICK, VIRGINIA

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

Note 19-Other Postemployment Benefits - Health Insurance and LODA:

Plan Description

In addition to the pension benefits described in Note 15 and other postemployment benefits described in Notes 17 and 18, the County and School Board provide post-retirement health care insurance benefits for employees who are eligible for retirement benefits. There are age and service requirements for eligibility for each VRS plan. Employees who do not participate in VRS must attain the age of 50 with at least 10 years of service with the County Schools to receive benefits offered by the School Board. The plans do not issue a publicly available financial report.

Health benefits include medical, dental, and vision coverage for retirees and eligible spouses. Retirees under the age of 65 may elect among several Key Advantage plans or a High Deductible Health Plan medical option. Health benefits are offered until the earlier of the retiree’s death or the retiree attaining age 65. Health benefits for the spouse of the retiree are offered until the earlier of the spouse’s death, the retiree’s death, or the spouse attaining age 65. If the retiree predeceases the spouse, the spouse may continue coverage through COBRA only. There are no age or service requirements for disabled individuals. They are eligible for the same benefit as other retirees.

Plan Membership

At July 1, 2023, the following employees were covered by the benefit terms:

	<u>Primary Government</u>	<u>School Board</u>
Total active employees with coverage	147	192
Total retirees with coverage	3	-
Total	<u>150</u>	<u>192</u>

Funding Policy

The County and School Board establish employer contribution rates for plan participants as part of the budgetary process each year. The County and School Board also determine how the plans will be funded each year, whether they will partially fund the plans or fully fund the plans. The plans are not currently pre-funded; therefore, no assets are accumulated in a trust fund. The retiree and spouse must pay the entire premium. Coverage ceases when retirees reach the age of 65 or upon death, if earlier. Disability benefits end when the retiree is eligible for Medicare. The amount paid by the County and School Board for OPEB as the benefits came due during the year ended June 30, 2025 was \$39,762 and \$16,032, respectively.

Total OPEB Liability

The County and School Board’s total OPEB liability was measured as of June 30, 2025. The total OPEB liability was determined by an actuarial valuation performed as of July 1, 2023.

COUNTY OF BRUNSWICK, VIRGINIA

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

Note 19-Other Postemployment Benefits - Health Insurance and LODA: (Continued)

Actuarial Assumptions

The total OPEB liability in the July 1, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50% per year
Salary Increases	The salary increase rate starts at 5.35% salary increase for 1 year of service and gradually declines to 3.50% salary increase for 20 or more years of service for County and nonprofessional School Board employees. The rate for professional School Board employees starts at 5.95% and gradually declines to 3.50%.
Discount Rate	3.93% as of June 30, 2024 and 5.20% as of June 30, 2025

For the County, the following mortality rates were used:

- For active employees, RP-2014 Employee Rates to age 80, Healthy Annuitant Rates at ages 81 and older projected with Scale BB to 2020; males setback 1 year, 85% of rates; females setback 1 year. 25% of deaths are assumed to be service related.
- For healthy retirees, RP-2014 Employee Rates to age 49, Healthy Annuitant Rates at ages 50 and older projected with Scale BB to 2020; males set forward 1 year; females setback 1 year with 1.5% increase compounded from ages 70 to 85.
- For disabled retirees, RP-2014 Disabled Mortality Rates projected with Scale BB to 2020; males 115% of rates; females 130% of rates.

For the School Board, the following mortality rates were used:

- For active employees, RP-2014 White Collar Employee Rates to age 80, White Collar Healthy Annuitant Rates at ages 81 and older projected with Scale BB to 2020. 5% of deaths are assumed to be service related.
- For healthy retirees, RP-2014 White Collar Employee Rates to age 49, White Collar Healthy Annuitant Rates at ages 50 and older projected with Scale BB to 2020; males 1% increase compounded from ages 70 to 90; females setback 3 years with 1.5% increase compounded from ages 65 to 70 and 2.0% increase compounded from ages 75 to 90.
- For disabled retirees, RP-2014 Disabled Mortality Rates projected with Scale BB to 2020; 115% of rates for males and females.

Significant assumptions were based on the most recent experience study performed by VRS which examined actual VRS experience over the four-year period ending June 30, 2016.

Brunswick County and the School Board have not set aside assets specifically for funding OPEB, so benefits are paid from the County's and School's general pool of assets. To estimate the rate of return on these assets, a discount rate assumption similar to yields implied by theoretical 20-year general obligation bond indices as of June 30, 2025 was selected.

COUNTY OF BRUNSWICK, VIRGINIA

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

Note 19-Other Postemployment Benefits - Health Insurance and LODA: (Continued)

Discount Rate

The discount rates are based on the Bond Buyer General Obligation 20-Bond Municipal Index as of their respective measurement dates. The final equivalent single discount rate used for this year's valuation is 5.20% as of the end of the fiscal year.

Changes in Total OPEB Liability

	<u>Primary Government</u> <u>Total OPEB Liability</u>	<u>School Board</u> <u>Total OPEB Liability</u>
Balances at June 30, 2024	\$ 963,499	\$ 387,968
Changes for the year:		
Service cost	\$ 48,218	\$ 31,898
Interest	38,986	16,189
Changes in assumptions	(99,688)	(30,679)
Benefit payments	(39,762)	(16,032)
Net changes	\$ (52,246)	\$ 1,376
Balances at June 30, 2025	\$ 911,253	\$ 389,344

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

The following amounts present the total OPEB liability of the County and School Board, as well as what the total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (4.20%) or one percentage point higher (6.20%) than the current discount rate:

	<u>1% Decrease</u> <u>(4.20%)</u>	<u>Current Discount</u> <u>Rate (5.20%)</u>	<u>1% Increase</u> <u>(6.20%)</u>
Primary Government	\$ 988,651	\$ 911,253	\$ 841,570
School Board	413,372	389,344	366,421

COUNTY OF BRUNSWICK, VIRGINIA

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

Note 19-Other Postemployment Benefits - Health Insurance and LODA: (Continued)

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

The following presents the total OPEB liability of the County and School Board, as well as what the total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower (4.50% decreasing to an ultimate rate of 2.90% - County and 5.60% increasing to an ultimate rate of 2.90% - School Board) or one percentage point higher (6.50% decreasing to an ultimate rate of 4.90% - County and 7.60% increasing to an ultimate rate of 4.90% - School Board) than the current healthcare cost trend rates (5.50% decreasing to an ultimate rate of 3.90% - County and 6.60% increasing to 3.90% and then decreasing to an ultimate rate of 4.00% - School Board):

	Rates		
	1% Decrease	Healthcare Cost Trend	1% Increase
Primary Government	\$ 808,855	\$ 911,253	\$ 1,030,425
School Board	349,196	389,344	435,174

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

For the year ended June 30, 2025, the County and School Board recognized OPEB expense in the amount of \$83,582 and (\$19,874), respectively. At June 30, 2025, the County and School Board reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Primary Government		School Board	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 71,533	\$ -	\$ -	\$ 160,886
Changes of assumptions	11,364	189,097	6,608	34,702
Total	<u>\$ 82,897</u>	<u>\$ 189,097</u>	<u>\$ 6,608</u>	<u>\$ 195,588</u>

COUNTY OF BRUNSWICK, VIRGINIA

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

Note 19-Other Postemployment Benefits - Health Insurance and LODA: (Continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources: (Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in OPEB expense in future reporting periods as follows:

<u>Year Ended June 30</u>		<u>Primary Government</u>	<u>School Board</u>
2026	\$	(29,379)	\$ (82,143)
2027		(29,379)	(67,003)
2028		(28,223)	(39,834)
2029		(19,219)	-
2030		-	-
Thereafter		-	-

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

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 \$48,300.

COUNTY OF BRUNSWICK, VIRGINIA

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

Note 19-Other Postemployment Benefits - Health Insurance and LODA: (Continued)

Primary Government and Component Unit School Board

Aggregate OPEB Information

	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>	<u>Net OPEB Liabilities (Asset)</u>	<u>OPEB Expense</u>
OPEB Plans:				
Primary Government:				
GLI	\$ 103,491	\$ 58,656	\$ 344,485	\$ 17,522
Retiree Medical	82,897	189,097	911,253	83,582
Totals	<u>\$ 186,388</u>	<u>\$ 247,753</u>	<u>\$ 1,255,738</u>	<u>\$ 101,104</u>
Component Unit School Board:				
GLI	\$ 15,487	\$ 15,552	\$ 54,569	\$ (1,294)
Teacher GLI	103,902	156,159	375,508	(29,677)
HIC	11,012	6,673	42,268	2,172
Teacher HIC	125,576	289,991	931,799	(5,471)
Retiree Medical	6,608	195,588	389,344	(19,874)
Totals	<u>\$ 262,585</u>	<u>\$ 663,963</u>	<u>\$ 1,793,488</u>	<u>\$ (54,144)</u>

Note 20-Surety Bond Information:

	<u>Amount</u>
Commonwealth of Virginia, Department of General Services, Division of Risk Management-Faithful Performance of Duty Bond	
Jacqueline Seward Morgan, Clerk of the Circuit Court	\$ 300,000
Jacqueline Mangrum, Treasurer	400,000
Camilla Clayton-Bright, Commissioner of the Revenue	3,000
Brian K. Roberts, Sheriff	30,000
Virginia Association of Counties (VACo) Risk Management Programs:	
County and School Board:	
Faithful performance blanket position coverage	250,000

COUNTY OF BRUNSWICK, VIRGINIA

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

Note 21-Interfund Balances and Transfers:

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

	<u>Due To</u>		<u>Due From</u>		<u>Net</u>
Primary Government:					
General Fund	\$ -		\$ 273,252		\$ (273,252)
VPA Fund	206,342		-		206,342
CSA Fund	66,910		-		66,910
Total Primary Government	<u>\$ 273,252</u>		<u>\$ 273,252</u>		<u>\$ -</u>

	<u>Transfers In</u>		<u>Transfers Out</u>		<u>Net</u>
Primary Government:					
General Fund	\$ -		\$ 2,216,606		\$ (2,216,606)
VPA Fund	563,442		-		563,442
Debt Service Fund	477,457		-		477,457
Capital Projects Fund	653,227		-		653,227
Airport Fund	33,361		-		33,361
CSA Fund	489,119		-		489,119
Total Primary Government	<u>\$ 2,216,606</u>		<u>\$ 2,216,606</u>		<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 22-Landfill Closure and Postclosure Care Cost:

The County of Brunswick, Virginia owns a landfill which it no longer operates, however the County is responsible for the landfill closure and postclosure costs. The landfill was closed on September 1, 1994. The County hauls trash to a private landfill in the County.

State and federal laws and regulations require the County to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the County reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used at each balance sheet date. The \$789,009 reported as landfill postclosure care liability at June 30, 2025 represents the estimated remaining amount of postclosure monitoring costs required, including corrective action costs of \$443,472 required by the Department of Environmental Quality. Actual costs may be higher due to inflation, changes in technology, or changes in regulations. The County intends to fund future costs from funds accumulated for this purpose in the General Fund.

The County demonstrated financial assurance requirements for closure, postclosure care, and corrective action costs through the submission of a Local Governmental Financial Test to the Virginia Department of Environmental Quality in accordance with Section 9VA C20-70 of the Virginia Administrative Code.

COUNTY OF BRUNSWICK, VIRGINIA

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

Note 23-Change in Accounting Principle:

During the year ended June 30, 2025, the County implemented GASB Statement No. 101, *Compensated Absences*. This Statement establishes recognition and measurement guidance for compensated absences that are attributable to services already rendered and that are expected to be paid or settled. Implementation of this Statement required the recognition of a liability for certain leave benefits previously unrecorded or measured differently under prior standards.

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REQUIRED SUPPLEMENTARY INFORMATION

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

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
REVENUES				
General property taxes	\$ 20,010,808	\$ 20,010,808	\$ 19,213,645	\$ (797,163)
Other local taxes	1,982,000	1,982,000	2,063,320	81,320
Permits, privilege fees, and regulatory licenses	79,850	79,850	91,139	11,289
Fines and forfeitures	1,600,000	1,752,209	1,765,588	13,379
Revenue from the use of money and property	187,000	187,000	580,179	393,179
Charges for services	1,574,190	1,650,284	2,027,148	376,864
Miscellaneous	105,140	753,096	162,013	(591,083)
Recovered costs	366,745	395,677	1,024,688	629,011
Intergovernmental:				
Commonwealth	4,507,978	5,284,504	5,669,183	384,679
Federal	2,371,430	2,511,855	1,683,532	(828,323)
Total revenues	\$ 32,785,141	\$ 34,607,283	\$ 34,280,435	\$ (326,848)
EXPENDITURES				
Current:				
General government administration	\$ 2,711,107	\$ 2,787,092	\$ 2,828,095	\$ (41,003)
Judicial administration	2,423,589	2,479,014	2,284,591	194,423
Public safety	11,660,485	12,273,626	11,729,687	543,939
Public works	2,568,548	2,971,781	3,708,320	(736,539)
Health and welfare	281,443	301,753	370,379	(68,626)
Education	8,498,741	9,375,048	8,503,051	871,997
Parks, recreation, and cultural	489,739	523,104	504,784	18,320
Community development	2,755,748	2,819,110	1,917,212	901,898
Capital projects	7,500	7,500	9,765	(2,265)
Debt service:				
Principal retirement	748,736	748,736	825,431	(76,695)
Interest and other fiscal charges	222,599	222,599	256,932	(34,333)
Total expenditures	\$ 32,368,235	\$ 34,509,363	\$ 32,938,247	\$ 1,571,116
Excess (deficiency) of revenues over (under) expenditures	\$ 416,906	\$ 97,920	\$ 1,342,188	\$ 1,244,268
OTHER FINANCING SOURCES (USES)				
Transfers out	\$ (1,778,502)	\$ (2,279,968)	\$ (2,216,606)	\$ 63,362
Total other financing sources (uses)	\$ (1,778,502)	\$ (2,279,968)	\$ (2,216,606)	\$ 63,362
Net change in fund balances	\$ (1,361,596)	\$ (2,182,048)	\$ (874,418)	\$ 1,307,630
Fund balances - beginning	1,361,596	2,182,048	17,244,392	15,062,344
Fund balances - ending	\$ -	\$ -	\$ 16,369,974	\$ 16,369,974

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

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive (Negative)
REVENUES				
Miscellaneous	\$ 1,845	\$ 1,845	\$ 8,419	\$ 6,574
Intergovernmental:				
Commonwealth	912,312	912,312	918,323	6,011
Federal	1,474,158	1,474,158	1,456,719	(17,439)
Total revenues	\$ 2,388,315	\$ 2,388,315	\$ 2,383,461	\$ (4,854)
EXPENDITURES				
Current:				
Health and welfare	\$ 2,976,585	\$ 3,014,216	\$ 2,946,903	\$ 67,313
Total expenditures	\$ 2,976,585	\$ 3,014,216	\$ 2,946,903	\$ 67,313
Excess (deficiency) of revenues over (under) expenditures	\$ (588,270)	\$ (625,901)	\$ (563,442)	\$ 62,459
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 588,270	\$ 625,901	\$ 563,442	\$ (62,459)
Total other financing sources (uses)	\$ 588,270	\$ 625,901	\$ 563,442	\$ (62,459)
Net change in fund balances	\$ -	\$ -	\$ -	\$ -
Fund balances - beginning	-	-	-	-
Fund balances - ending	\$ -	\$ -	\$ -	\$ -

COUNTY OF BRUNSWICK, VIRGINIA

Schedule of Changes in Net Pension Liability and Related Ratios

Primary Government

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

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Total pension liability				
Service cost	\$ 975,942	\$ 861,119	\$ 792,150	\$ 650,163
Interest	2,162,798	2,025,408	1,933,639	1,689,810
Differences between expected and actual experience	2,893,292	507,721	38,514	691,217
Changes of assumptions	-	-	-	1,087,721
Benefit payments	(1,507,408)	(1,439,921)	(1,507,555)	(1,090,011)
Net change in total pension liability	<u>\$ 4,524,624</u>	<u>\$ 1,954,327</u>	<u>\$ 1,256,748</u>	<u>\$ 3,028,900</u>
Total pension liability - beginning	<u>31,819,207</u>	<u>29,864,880</u>	<u>28,608,132</u>	<u>25,579,232</u>
Total pension liability - ending (a)	<u><u>\$ 36,343,831</u></u>	<u><u>\$ 31,819,207</u></u>	<u><u>\$ 29,864,880</u></u>	<u><u>\$ 28,608,132</u></u>
 Plan fiduciary net position				
Contributions - employer	\$ 957,249	\$ 895,429	\$ 695,354	\$ 650,025
Contributions - employee	365,248	340,846	441,645	296,044
Net investment income	2,630,819	1,657,798	(23,068)	5,641,537
Benefit payments	(1,507,408)	(1,439,921)	(1,507,555)	(1,090,011)
Administrator charges	(16,450)	(16,301)	(16,247)	(13,802)
Other	588	675	602	534
Net change in plan fiduciary net position	<u>\$ 2,430,046</u>	<u>\$ 1,438,526</u>	<u>\$ (409,269)</u>	<u>\$ 5,484,327</u>
Plan fiduciary net position - beginning	<u>27,044,832</u>	<u>25,606,306</u>	<u>26,015,575</u>	<u>20,531,248</u>
Plan fiduciary net position - ending (b)	<u><u>\$ 29,474,878</u></u>	<u><u>\$ 27,044,832</u></u>	<u><u>\$ 25,606,306</u></u>	<u><u>\$ 26,015,575</u></u>
 County's net pension liability - ending (a) - (b)	<u>\$ 6,868,953</u>	<u>\$ 4,774,375</u>	<u>\$ 4,258,574</u>	<u>\$ 2,592,557</u>
 Plan fiduciary net position as a percentage of the total pension liability	81.10%	85.00%	85.74%	90.94%
 Covered payroll	<u>\$ 7,925,745</u>	<u>\$ 7,339,631</u>	<u>\$ 6,767,626</u>	<u>\$ 6,330,077</u>
 County's net pension liability as a percentage of covered payroll	86.67%	65.05%	62.93%	40.96%

	2020	2019	2018	2017	2016	2015
\$	646,361	\$ 549,592	\$ 508,828	\$ 502,660	\$ 484,174	\$ 473,347
	1,621,979	1,527,260	1,487,495	1,409,855	1,386,660	1,328,062
	(102,942)	419,663	(578,884)	146,436	(562,777)	(69,392)
	-	756,466	-	(31,974)	-	-
	(1,230,977)	(852,327)	(846,407)	(989,263)	(964,149)	(825,649)
\$	934,421	\$ 2,400,654	\$ 571,032	\$ 1,037,714	\$ 343,908	\$ 906,368
	24,644,811	22,244,157	21,673,125	20,635,411	20,291,503	19,385,135
\$	<u>25,579,232</u>	<u>24,644,811</u>	<u>22,244,157</u>	<u>21,673,125</u>	<u>20,635,411</u>	<u>20,291,503</u>
\$	598,666	\$ 582,420	\$ 556,887	\$ 508,505	\$ 618,450	\$ 584,255
	292,487	284,276	255,282	237,909	229,606	212,328
	387,481	1,295,345	1,329,783	1,961,325	282,280	706,070
	(1,230,977)	(852,327)	(846,407)	(989,263)	(964,149)	(825,649)
	(13,339)	(12,452)	(11,293)	(11,310)	(9,895)	(9,546)
	(463)	(818)	(1,192)	(1,751)	(118)	(148)
\$	33,855	\$ 1,296,444	\$ 1,283,060	\$ 1,705,415	\$ 156,174	\$ 667,310
	20,497,393	19,200,949	17,917,889	16,212,484	16,056,310	15,389,000
\$	<u>20,531,248</u>	<u>20,497,393</u>	<u>19,200,949</u>	<u>17,917,899</u>	<u>16,212,484</u>	<u>16,056,310</u>
\$	5,047,984	\$ 4,147,418	\$ 3,043,208	\$ 3,755,226	\$ 4,422,927	\$ 4,235,193
	80.27%	83.17%	86.32%	82.67%	78.57%	79.13%
\$	6,197,570	\$ 5,953,521	\$ 5,308,791	\$ 4,804,488	\$ 4,525,045	\$ 4,266,100
	81.45%	69.66%	57.32%	78.16%	97.74%	99.28%

COUNTY OF BRUNSWICK, VIRGINIA

Schedule of 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

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Total pension liability				
Service cost	\$ 101,969	\$ 89,994	\$ 97,370	\$ 126,871
Interest	423,056	396,278	394,342	349,952
Differences between expected and actual experience	(227,330)	234,679	(129,690)	234,672
Changes of assumptions	-	-	-	188,418
Benefit payments	(347,129)	(325,300)	(326,643)	(352,678)
Net change in total pension liability	<u>\$ (49,434)</u>	<u>\$ 395,651</u>	<u>\$ 35,379</u>	<u>\$ 547,235</u>
Total pension liability - beginning	<u>6,339,085</u>	<u>5,943,434</u>	<u>5,908,055</u>	<u>5,360,820</u>
Total pension liability - ending (a)	<u><u>\$ 6,289,651</u></u>	<u><u>\$ 6,339,085</u></u>	<u><u>\$ 5,943,434</u></u>	<u><u>\$ 5,908,055</u></u>
Plan fiduciary net position				
Contributions - employer	\$ 18,463	\$ 17,359	\$ 17,734	\$ 17,367
Contributions - employee	56,432	50,987	53,102	51,674
Net investment income	636,184	411,830	(3,252)	1,492,339
Benefit payments	(347,129)	(325,300)	(326,643)	(352,678)
Administrator charges	(4,417)	(4,227)	(4,274)	(3,890)
Other	112	165	153	139
Net change in plan fiduciary net position	<u>\$ 359,645</u>	<u>\$ 150,814</u>	<u>\$ (263,180)</u>	<u>\$ 1,204,951</u>
Plan fiduciary net position - beginning	<u>6,654,545</u>	<u>6,503,731</u>	<u>6,766,911</u>	<u>5,561,960</u>
Plan fiduciary net position - ending (b)	<u><u>\$ 7,014,190</u></u>	<u><u>\$ 6,654,545</u></u>	<u><u>\$ 6,503,731</u></u>	<u><u>\$ 6,766,911</u></u>
School Division's net pension liability (asset) - ending (a) - (b)	<u>\$ (724,539)</u>	<u>\$ (315,460)</u>	<u>\$ (560,297)</u>	<u>\$ (858,856)</u>
Plan fiduciary net position as a percentage of the total pension liability	111.52%	104.98%	109.43%	114.54%
Covered payroll	\$ 1,256,072	\$ 1,120,704	\$ 1,143,386	\$ 1,102,262
School Division's net pension liability (asset) as a percentage of covered payroll	-57.68%	-28.15%	-49.00%	-77.92%

	2020	2019	2018	2017	2016	2015
\$	109,563	\$ 113,303	\$ 113,271	\$ 112,010	\$ 114,274	\$ 125,267
	349,842	340,566	351,797	344,429	355,957	360,097
	(113,209)	51,681	(310,220)	(2,596)	(339,911)	(256,496)
	-	129,554	-	(48,095)	-	-
	(336,440)	(298,551)	(332,012)	(268,970)	(321,035)	(254,997)
\$	9,756	\$ 336,553	\$ (177,164)	\$ 136,778	\$ (190,715)	\$ (26,129)
	5,351,064	5,014,511	5,191,675	5,054,897	5,245,612	5,271,741
\$	<u>5,360,820</u>	<u>5,351,064</u>	<u>5,014,511</u>	<u>5,191,675</u>	<u>5,054,897</u>	<u>5,245,612</u>
\$	19,661	\$ 18,627	\$ 42,055	\$ 43,960	\$ 98,666	\$ 99,529
	55,393	50,809	53,456	54,812	54,489	55,202
	108,552	364,341	394,511	600,894	84,919	225,262
	(336,440)	(298,551)	(332,012)	(268,970)	(321,035)	(254,997)
	(3,827)	(3,767)	(3,532)	(3,561)	(3,216)	(3,139)
	(125)	(228)	(347)	(531)	(37)	(46)
\$	(156,786)	\$ 131,231	\$ 154,131	\$ 426,604	\$ (86,214)	\$ 121,811
	5,718,746	5,587,515	5,433,384	5,006,780	5,092,994	4,971,183
\$	<u>5,561,960</u>	<u>5,718,746</u>	<u>5,587,515</u>	<u>5,433,384</u>	<u>5,006,780</u>	<u>5,092,994</u>
\$	(201,140)	\$ (367,682)	\$ (573,004)	\$ (241,709)	\$ 48,117	\$ 152,618
	103.75%	106.87%	111.43%	104.66%	99.05%	97.09%
\$	1,169,886	\$ 1,070,702	\$ 1,114,681	\$ 1,130,833	\$ 1,112,779	\$ 1,116,354
	-17.19%	-34.34%	-51.41%	-21.37%	4.32%	13.67%

COUNTY OF BRUNSWICK, VIRGINIA

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

Date (1)	Employer's Proportion of the Net Pension Liability (Asset) (2)	Employer's Proportionate Share of the Net Pension Liability (Asset) (3)	Employer's Covered Payroll (4)	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll (3)/(4) (5)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (6)
2024	0.08120%	\$ 7,622,191	\$ 8,639,099	88.23%	84.52%
2023	0.08854%	8,948,919	8,805,484	101.63%	82.45%
2022	0.09283%	8,837,972	8,602,950	102.73%	82.61%
2021	0.01000%	7,764,650	8,820,936	88.03%	85.46%
2020	0.10700%	15,568,399	9,338,277	166.72%	71.47%
2019	0.10759%	14,159,456	8,999,734	157.33%	73.51%
2018	0.11508%	13,534,000	9,303,038	145.48%	74.81%
2017	0.12224%	15,033,000	9,655,949	155.69%	72.92%
2016	0.12449%	17,447,000	9,490,744	183.83%	68.28%
2015	0.12561%	15,810,000	9,590,362	164.85%	70.68%

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

Date	Contractually Required Contribution (1)*	Contributions in Relation to Contractually Required Contribution (2)*	Contribution Deficiency (Excess) (3)	Employer's Covered Payroll (4)	Contributions as a % of Covered Payroll (5)
Primary Government					
2025	\$ 1,290,956	\$ 1,290,956	\$ -	\$ 8,328,749	15.50%
2024	957,249	957,249	-	7,925,745	12.08%
2023	895,461	895,461	-	7,339,631	12.20%
2022	695,351	695,351	-	6,767,626	10.27%
2021	650,024	650,024	-	6,330,077	10.27%
2020	598,647	598,647	-	6,197,570	9.66%
2019	582,417	582,417	-	5,953,521	9.78%
2018	556,442	556,442	-	5,308,791	10.48%
2017	508,504	508,504	-	4,804,488	10.58%
2016	623,099	623,099	-	4,525,045	13.77%
Component Unit School Board (nonprofessional)					
2025	\$ 24,775	\$ 24,775	\$ -	\$ 1,011,239	2.45%
2024	17,684	17,684	-	1,256,072	1.41%
2023	16,656	16,656	-	1,120,704	1.49%
2022	16,878	16,878	-	1,143,386	1.48%
2021	16,175	16,175	-	1,102,262	1.47%
2020	18,627	18,627	-	1,169,886	1.59%
2019	18,019	18,019	-	1,070,702	1.68%
2018	43,035	43,035	-	1,114,681	3.86%
2017	45,742	45,742	-	1,130,833	4.04%
2016	99,816	99,816	-	1,112,779	8.97%
Component Unit School Board (professional)					
2025	\$ 1,286,026	\$ 1,286,026	\$ -	\$ 9,050,146	14.21%
2024	1,369,451	1,369,451	-	8,639,099	15.85%
2023	1,397,659	1,397,659	-	8,805,484	15.87%
2022	1,378,988	1,378,988	-	8,602,950	16.03%
2021	1,414,941	1,414,941	-	8,820,936	16.04%
2020	1,421,634	1,421,634	-	9,338,277	15.22%
2019	1,378,861	1,378,861	-	8,999,734	15.32%
2018	1,544,432	1,544,432	-	9,303,038	16.60%
2017	1,360,944	1,360,944	-	9,655,949	14.09%
2016	1,145,347	1,145,347	-	9,490,744	12.07%

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

Notes to Required Supplementary Information
 VRS 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
 VRS Cost-Sharing OPEB Plans
 For the Measurement Dates of June 30, 2017 through June 30, 2024

Date	Employer's Proportion of the Net GLI OPEB Liability (Asset)	Employer's Proportionate Share of the Net GLI OPEB Liability (Asset)	Employer's Covered Payroll	Employer's Proportionate Share of the Net GLI OPEB Liability (Asset) as a Percentage of Covered Payroll (3)/(4)	Plan Fiduciary Net Position as a Percentage of Total GLI OPEB Liability (6)
(1)	(2)	(3)	(4)	(5)	(6)
Group Life Insurance (GLI) Plan					
Primary Government					
2024	0.03087%	\$ 344,485	\$ 7,925,745	4.35%	73.41%
2023	0.03116%	373,706	7,339,631	5.09%	69.30%
2022	0.03110%	374,594	6,767,626	5.54%	67.21%
2021	0.03070%	357,082	6,332,779	5.64%	67.45%
2020	0.03014%	502,987	6,203,514	8.11%	52.64%
2019	0.03045%	495,503	5,969,368	8.30%	52.00%
2018	0.02813%	427,000	5,348,681	7.98%	51.22%
2017	0.02605%	393,000	4,804,488	8.18%	48.86%
Component Unit School Board (nonprofessional)					
2024	0.00489%	\$ 54,569	\$ 1,256,072	4.34%	73.41%
2023	0.00477%	57,207	1,123,388	5.09%	69.30%
2022	0.00530%	63,335	1,143,386	5.54%	67.21%
2021	0.00530%	62,172	1,102,262	5.64%	67.45%
2020	0.00569%	94,957	1,169,886	8.12%	52.64%
2019	0.00549%	89,337	1,076,646	8.30%	52.00%
2018	0.00591%	90,000	1,123,835	8.01%	51.22%
2017	0.00617%	93,000	1,138,466	8.17%	48.86%
Component Unit School Board (professional)					
2024	0.03365%	\$ 375,508	\$ 8,639,099	4.35%	73.41%
2023	0.03749%	449,623	8,831,693	5.09%	69.30%
2022	0.03960%	476,581	8,610,516	5.53%	67.21%
2021	0.04270%	497,494	8,620,936	5.77%	67.45%
2020	0.04540%	757,652	9,342,928	8.11%	52.64%
2019	0.04594%	747,567	9,006,358	8.30%	52.00%
2018	0.04896%	743,000	9,309,849	7.98%	51.22%
2017	0.05247%	790,000	9,677,754	8.16%	48.86%
Teacher Employee Health Insurance Credit (HIC) Plan					
Component Unit School Board (professional)					
2024	0.08063%	\$ 931,799	\$ 8,639,099	10.79%	21.82%
2023	0.08831%	1,069,803	8,805,484	12.15%	17.90%
2022	0.09231%	1,152,995	8,602,950	13.40%	15.08%
2021	0.09974%	1,280,232	8,820,936	14.51%	13.15%
2020	0.10652%	1,389,571	9,338,277	14.88%	9.95%
2019	0.10730%	1,404,662	8,999,734	15.61%	8.97%
2018	0.11491%	1,459,000	9,293,614	15.70%	8.08%
2017	0.12248%	1,553,000	9,665,747	16.07%	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.

COUNTY OF BRUNSWICK, VIRGINIA

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, 2017 through June 30, 2024

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Total HIC OPEB Liability			
Service cost	\$ 810	\$ 776	\$ 1,487
Interest	7,272	8,170	7,220
Changes of benefit terms	-	-	-
Differences between expected and actual experience	1,743	(14,676)	3,620
Changes of assumptions	-	-	10,424
Benefit payments	(7,359)	(7,850)	(8,065)
Net change in total HIC OPEB liability	<u>\$ 2,466</u>	<u>\$ (13,580)</u>	<u>\$ 14,686</u>
Total HIC OPEB Liability - beginning	110,609	124,189	109,503
Total HIC OPEB Liability - ending (a)	<u><u>\$ 113,075</u></u>	<u><u>\$ 110,609</u></u>	<u><u>\$ 124,189</u></u>
 Plan fiduciary net position			
Contributions - employer	\$ 7,034	\$ 6,276	\$ 6,403
Net investment income	6,113	3,801	108
Benefit payments	(7,359)	(7,850)	(8,065)
Administrator charges	(84)	(93)	(109)
Other	-	1	-
Net change in plan fiduciary net position	<u>\$ 5,704</u>	<u>\$ 2,135</u>	<u>\$ (1,663)</u>
Plan fiduciary net position - beginning	65,103	62,968	64,631
Plan fiduciary net position - ending (b)	<u><u>\$ 70,807</u></u>	<u><u>\$ 65,103</u></u>	<u><u>\$ 62,968</u></u>
 School Board's net HIC OPEB liability - ending (a) - (b)	 \$ 42,268	 \$ 45,506	 \$ 61,221
 Plan fiduciary net position as a percentage of the total HIC OPEB liability	 62.62%	 58.86%	 50.70%
 Covered payroll	 \$ 1,256,072	 \$ 1,120,704	 \$ 1,143,386
 School Board's net HIC OPEB liability as a percentage of covered payroll	 3.37%	 4.06%	 5.35%

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

Exhibit 17

	2021	2020	2019	2018	2017
\$	1,872	\$ 1,820	\$ 1,807	\$ 1,944	\$ 2,026
	6,946	6,906	7,787	7,897	7,906
	-	3,788	-	-	-
	(603)	(4,619)	(13,749)	(4,184)	-
	2,160	-	2,202	-	(3,475)
	(7,552)	(7,057)	(6,891)	(7,579)	(5,609)
\$	<u>2,823</u>	\$ <u>838</u>	\$ <u>(8,844)</u>	\$ <u>(1,922)</u>	\$ <u>848</u>
	106,680	105,842	114,686	116,608	115,760
\$	<u>109,503</u>	\$ <u>106,680</u>	\$ <u>105,842</u>	\$ <u>114,686</u>	\$ <u>116,608</u>
\$	6,173	\$ 6,317	\$ 5,782	\$ 6,354	\$ 6,445
	13,661	1,038	3,195	3,403	4,960
	(7,552)	(7,057)	(6,891)	(7,579)	(5,609)
	(158)	(99)	(69)	(79)	(80)
	-	-	(3)	(247)	247
\$	<u>12,124</u>	\$ <u>199</u>	\$ <u>2,014</u>	\$ <u>1,852</u>	\$ <u>5,963</u>
	52,507	52,308	50,294	48,442	42,479
\$	<u>64,631</u>	\$ <u>52,507</u>	\$ <u>52,308</u>	\$ <u>50,294</u>	\$ <u>48,442</u>
\$	44,872	\$ 54,173	\$ 53,534	\$ 64,392	\$ 68,166
	59.02%	49.22%	49.42%	43.85%	41.54%
\$	1,102,262	\$ 1,169,886	\$ 1,070,702	\$ 1,114,681	\$ 1,130,833
	4.07%	4.63%	5.00%	5.78%	6.03%

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

Date	Contractually Required Contribution (1)	Contributions in Relation to Contractually Required Contribution (2)	Contribution Deficiency (Excess) (3)	Employer's Covered Payroll (4)	Contributions as a % of Covered Payroll (5)
Primary Government					
2025	\$ 39,145	\$ 39,145	\$ -	\$ 8,328,749	0.47%
2024	42,799	42,799	-	7,925,745	0.54%
2023	39,634	39,634	-	7,339,631	0.54%
2022	36,545	36,545	-	6,767,626	0.54%
2021	34,197	34,197	-	6,332,779	0.54%
2020	32,258	32,258	-	6,203,514	0.52%
2019	31,041	31,041	-	5,969,368	0.52%
2018	27,813	27,813	-	5,348,681	0.52%
2017	24,983	24,983	-	4,804,488	0.52%
2016	21,720	21,720	-	4,525,045	0.48%
Component Unit School Board (nonprofessional)					
2025	\$ 4,753	\$ 4,753	\$ -	\$ 1,011,239	0.47%
2024	6,783	6,783	-	1,256,072	0.54%
2023	6,066	6,066	-	1,123,388	0.54%
2022	6,174	6,174	-	1,143,386	0.54%
2021	5,952	5,952	-	1,102,262	0.54%
2020	6,083	6,083	-	1,169,886	0.52%
2019	5,599	5,599	-	1,076,646	0.52%
2018	5,844	5,844	-	1,123,835	0.52%
2017	5,920	5,920	-	1,138,466	0.52%
2016	5,341	5,341	-	1,112,779	0.48%
Component Unit School Board (professional)					
2025	\$ 42,536	\$ 42,536	\$ -	\$ 9,050,146	0.47%
2024	46,651	46,651	-	8,639,099	0.54%
2023	47,691	47,691	-	8,831,693	0.54%
2022	46,497	46,497	-	8,610,516	0.54%
2021	47,633	47,633	-	8,820,936	0.54%
2020	48,583	48,583	-	9,342,928	0.52%
2019	46,833	46,833	-	9,006,358	0.52%
2018	48,411	48,411	-	9,309,849	0.52%
2017	50,324	50,324	-	9,677,754	0.52%
2016	45,560	45,560	-	9,491,607	0.48%

Schedule of Employer Contributions

VRS OPEB Plans - Health Insurance Credit (HIC) and Teacher Employee 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	\$ 5,663	\$ 5,663	\$ -	1,011,239	0.56%
2024	7,034	7,034	-	1,256,072	0.56%
2023	6,276	6,276	-	1,120,704	0.56%
2022	6,403	6,403	-	1,143,386	0.56%
2021	6,173	6,173	-	1,102,262	0.56%
2020	6,317	6,317	-	1,169,886	0.54%
2019	5,782	5,782	-	1,070,702	0.54%
2018	6,354	6,354	-	1,114,681	0.57%
2017	6,446	6,446	-	1,130,833	0.57%
2016	5,898	5,898	-	1,112,779	0.53%
Component Unit School Board (professional)					
2025	\$ 109,507	\$ 109,507	\$ -	9,050,146	1.21%
2024	104,533	104,533	-	8,639,099	1.21%
2023	106,546	106,546	-	8,805,484	1.21%
2022	104,096	104,096	-	8,602,950	1.21%
2021	106,733	106,733	-	8,820,936	1.21%
2020	112,059	112,059	-	9,338,277	1.20%
2019	107,997	107,997	-	8,999,734	1.20%
2018	114,311	114,311	-	9,293,614	1.23%
2017	107,290	107,290	-	9,665,747	1.11%
2016	100,611	100,611	-	9,491,607	1.06%

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

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

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

Teachers

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age from 75 to 80 for all
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service
Disability Rates	No change
Salary Scale	No change
Discount Rate	No change

Non-Largest Ten Locality Employers - General Employees

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age from 75 to 80 for all
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

Non-Largest Ten Locality Employers - Hazardous Duty Employees

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. Increased disability life expectancy. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience and changed final retirement age from 65 to 70
Withdrawal Rates	Decreased rates and changed from rates based on age and service to rates based on service only to better fit experience and to be more consistent with Locals Top 10 Hazardous Duty
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change
Salary Scale	No change
Line of Duty Disability	Decreased rate from 60.00% to 45.00%
Discount Rate	Decreased rate from 7.00% to 6.75%

Notes to Required Supplementary Information

VRS OPEB Plans - Health Insurance Credit (HIC) and Teacher Employee 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:

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

Schedule of Changes in Total OPEB Liability and Related Ratios
 Health Insurance OPEB Plans - Primary Government and Component Unit School Board
 For the Years Ended June 30, 2018 through June 30, 2025

Primary Government								
	2025	2024	2023	2022	2021	2020	2019	2018
Total OPEB liability								
Service cost	\$ 48,218	\$ 56,437	\$ 55,449	\$ 67,515	\$ 58,255	\$ 40,288	\$ 31,107	\$ 32,003
Interest	38,986	35,707	31,560	19,181	18,293	21,895	21,952	19,465
Changes of assumptions	(99,688)	(98,247)	25,566	(124,916)	3,679	129,736	21,038	(20,338)
Differences between expected and actual experience	-	62,671	-	82,276	-	20,396	-	-
Benefit payments	(39,762)	(29,572)	(24,064)	(33,001)	(25,434)	(30,666)	(19,301)	(18,974)
Net change in total OPEB liability	\$ (52,246)	\$ 26,996	\$ 88,511	\$ 11,055	\$ 54,793	\$ 181,649	\$ 54,796	\$ 12,156
Total OPEB liability - beginning	963,499	936,503	847,992	836,937	782,144	600,495	545,699	533,543
Total OPEB liability - ending	\$ 911,253	\$ 963,499	\$ 936,503	\$ 847,992	\$ 836,937	\$ 782,144	\$ 600,495	\$ 545,699
Covered-employee payroll	\$ 8,366,928	\$ 8,366,928	\$ 7,152,063	\$ 7,152,063	\$ 7,034,863	\$ 7,034,863	\$ 5,528,661	\$ 5,528,661
County's total OPEB liability (asset) as a percentage of covered-employee payroll	10.89%	11.52%	13.09%	11.86%	11.90%	11.12%	10.86%	9.87%
Component Unit School Board (nonprofessional)								
	2025	2024	2023	2022	2021	2020	2019	2018
Total OPEB liability								
Service cost	\$ 31,898	\$ 33,646	\$ 33,418	\$ 40,403	\$ 48,436	\$ 34,988	\$ 37,034	\$ 37,648
Interest	16,189	21,805	19,553	15,170	15,105	19,745	20,594	18,131
Changes of assumptions	(30,679)	1,863	17,402	(47,503)	1,954	105,030	12,030	(11,594)
Differences between expected and actual experience	-	(230,366)	-	(110,112)	-	(14,391)	-	-
Benefit payments	(16,032)	(5,388)	(45,408)	(36,640)	(40,814)	(37,820)	(33,432)	(25,545)
Net change in total OPEB liability	\$ 1,376	\$ (178,440)	\$ 24,965	\$ (138,682)	\$ 24,681	\$ 107,552	\$ 36,226	\$ 18,640
Total OPEB liability - beginning	387,968	566,408	541,443	680,125	655,444	547,892	511,666	493,026
Total OPEB liability - ending	\$ 389,344	\$ 387,968	\$ 566,408	\$ 541,443	\$ 680,125	\$ 655,444	\$ 547,892	\$ 511,666
Covered-employee payroll	\$ 8,788,448	\$ 8,788,448	\$ 8,255,959	\$ 8,255,959	\$ 8,916,071	\$ 8,916,071	\$ 9,884,512	\$ 9,884,512
School Board's total OPEB liability (asset) as a percentage of covered-employee payroll	4.43%	4.41%	6.86%	6.56%	7.63%	7.35%	5.54%	5.18%

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

OTHER SUPPLEMENTARY INFORMATION

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*COMBINING AND INDIVIDUAL FUND FINANCIAL
STATEMENTS AND SCHEDULES*

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Notes to Required Supplementary Information
 Health Insurance OPEB Plans - Primary Government and Component Unit School Board
 For the Year Ended June 30, 2024

Valuation Date: 7/1/2023
 Measurement Date: 6/30/2025

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

Methods and assumptions used to determine OPEB liability:

Actuarial Cost Method	Entry age normal level % of salary
Discount Rate	3.93% as of June 30, 2024; 5.20% as of June 30, 2025
Inflation	2.50% per year as of June 30, 2024; 2.50% per year as of June 30, 2025
Healthcare Trend Rate (County)	The healthcare trend rate assumption starts at 6.20% in 2024 and gradually declines to 3.90% by the year 2072
Healthcare Trend Rate (School Board)	The healthcare trend rate assumption starts at 6.20% in 2024 and gradually declines to 3.90% by the year 2072
Salary Increase Rates (County)	The salary increase rate starts at 5.35% salary increase for 1 year of service and gradually declines to 3.50% salary increase for 20 or more years of service
Salary Increase Rates (School Board)	The salary increase rate starts at 5.35% salary increase for 1 year of service and gradually declines to 3.50% salary increase for 20 or more years of service
Retirement Age	The average age at retirement is 62
Mortality Rates	The mortality rates for active and healthy retirees were calculated using the RP-2014 Employee Rates projected with Scale BB to 2020. The mortality rates for disabled retirees were calculated using the RP-2014 Disabled Mortality Rates projected with Scale BB to 2020.

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

	School Debt Service Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental:				
Federal	\$ -	\$ -	\$ 61,318	\$ 61,318
Total revenues	\$ -	\$ -	\$ 61,318	\$ 61,318
EXPENDITURES				
Debt service:				
Principal retirement	\$ 432,236	\$ 432,236	\$ 432,236	\$ -
Interest and other fiscal charges	106,539	106,539	106,539	-
Total expenditures	\$ 538,775	\$ 538,775	\$ 538,775	\$ -
Excess (deficiency) of revenues over (under) expenditures	\$ (538,775)	\$ (538,775)	\$ (477,457)	\$ 61,318
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 538,775	\$ 538,775	\$ 477,457	\$ (61,318)
Total other financing sources (uses)	\$ 538,775	\$ 538,775	\$ 477,457	\$ (61,318)
Net change in fund balances	\$ -	\$ -	\$ -	\$ -
Fund balances - beginning	-	-	(67,438)	(67,438)
Fund balances - ending	\$ -	\$ -	\$ (67,438)	\$ (67,438)

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

	County Capital Improvements Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
General property taxes	\$ 2,827,803	\$ 2,827,803	\$ 2,433,052	\$ (394,751)
Revenue from the use of money and property	2,517,836	2,517,836	1,897,212	(620,624)
Miscellaneous	-	-	4,200	4,200
Intergovernmental:				
Commonwealth	819,821	819,821	-	(819,821)
Federal	924,725	924,725	919,080	(5,645)
Total revenues	<u>\$ 7,090,185</u>	<u>\$ 7,090,185</u>	<u>\$ 5,253,544</u>	<u>\$ (1,836,641)</u>
EXPENDITURES				
Current:				
Capital projects	\$ 51,769,546	\$ 54,572,773	\$ 34,519,546	\$ 20,053,227
Debt service:				
Principal retirement	945,000	945,000	945,000	-
Interest and other fiscal charges	2,225,638	2,225,639	2,225,639	-
Total expenditures	<u>\$ 54,940,184</u>	<u>\$ 57,743,412</u>	<u>\$ 37,690,185</u>	<u>\$ 20,053,227</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (47,849,999)</u>	<u>\$ (50,653,227)</u>	<u>\$ (32,436,641)</u>	<u>\$ 18,216,586</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 367,836	\$ 653,227	\$ 653,227	\$ -
Transfers out	(2,517,837)	-	-	-
Issuance of general obligation bonds	50,000,000	50,000,000	-	(50,000,000)
Total other financing sources (uses)	<u>\$ 47,849,999</u>	<u>\$ 50,653,227</u>	<u>\$ 653,227</u>	<u>\$ (50,000,000)</u>
Net change in fund balances	\$ -	\$ -	\$ (31,783,414)	\$ (31,783,414)
Fund balances - beginning	-	-	50,752,922	50,752,922
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,969,508</u>	<u>\$ 18,969,508</u>

Combining Balance Sheet
 Nonmajor Special Revenue Funds
 June 30, 2025

	<u>Airport Commission Fund</u>	<u>Sheriff's Employee Fund</u>	<u>CSA Fund</u>	<u>Total</u>
ASSETS				
Cash and cash equivalents	\$ -	\$ 6,733	\$ -	\$ 6,733
Receivables (net of allowance for uncollectibles):				
Accounts receivable	\$ -	\$ -	3,719	\$ 3,719
Due from other governmental units	-	-	189,473	189,473
Prepaid items	6,003	-	-	6,003
Total assets	<u>\$ 6,003</u>	<u>\$ 6,733</u>	<u>\$ 193,192</u>	<u>\$ 205,928</u>
LIABILITIES				
Accounts payable	\$ 234	\$ -	\$ 70,202	\$ 70,436
Overdraft	1,773	-	56,080	57,853
Due to other funds	-	-	66,910	66,910
Total liabilities	<u>\$ 2,007</u>	<u>\$ -</u>	<u>\$ 193,192</u>	<u>\$ 195,199</u>
FUND BALANCES				
Nonspendable:				
Prepays	\$ 6,003	\$ -	\$ -	\$ 6,003
Restricted:				
Employee benefits - sheriff	-	6,733	-	6,733
Unassigned (deficit):				
Airport	(2,007)	-	-	(2,007)
Total fund balances	<u>\$ 3,996</u>	<u>\$ 6,733</u>	<u>\$ -</u>	<u>\$ 10,729</u>
Total liabilities and fund balances	<u>\$ 6,003</u>	<u>\$ 6,733</u>	<u>\$ 193,192</u>	<u>\$ 205,928</u>

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
 Nonmajor Special Revenue Funds
 For the Year Ended June 30, 2025

	<u>Airport Commission Fund</u>	<u>Sheriff's Employee Fund</u>	<u>CSA Fund</u>	<u>Total</u>
REVENUES				
Miscellaneous	\$ -	\$ 13,390	\$ 3,719	\$ 17,109
Intergovernmental:				
Commonwealth	17,630	-	1,114,444	1,132,074
Federal	-	-	56,209	56,209
Total revenues	<u>\$ 17,630</u>	<u>\$ 13,390</u>	<u>\$ 1,174,372</u>	<u>\$ 1,205,392</u>
EXPENDITURES				
Current:				
Public safety	\$ -	\$ 9,638	\$ -	\$ 9,638
Public works	50,991	-	-	50,991
Health and welfare	-	-	1,663,491	1,663,491
Total expenditures	<u>\$ 50,991</u>	<u>\$ 9,638</u>	<u>\$ 1,663,491</u>	<u>\$ 1,724,120</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (33,361)</u>	<u>\$ 3,752</u>	<u>\$ (489,119)</u>	<u>\$ (518,728)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 33,361	\$ -	\$ 489,119	\$ 522,480
Total other financing sources (uses)	<u>\$ 33,361</u>	<u>\$ -</u>	<u>\$ 489,119</u>	<u>\$ 522,480</u>
Net change in fund balances	\$ -	\$ 3,752	\$ -	\$ 3,752
Fund balances - beginning	3,996	2,981	-	6,977
Fund balances - ending	<u>\$ 3,996</u>	<u>\$ 6,733</u>	<u>\$ -</u>	<u>\$ 10,729</u>

COUNTY OF BRUNSWICK, VIRGINIA

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

	Airport Commission Fund			
	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Miscellaneous	\$ -	\$ -	\$ -	\$ -
Intergovernmental:				
Commonwealth	3,000	17,495	17,630	135
Federal	-	-	-	-
Total revenues	\$ 3,000	\$ 17,495	\$ 17,630	\$ 135
EXPENDITURES				
Current:				
Public safety	\$ -	\$ -	\$ -	\$ -
Public works	33,516	50,981	50,991	(10)
Health and welfare	-	-	-	-
Total expenditures	\$ 33,516	\$ 50,981	\$ 50,991	\$ (10)
Excess (deficiency) of revenues over (under) expenditures	\$ (30,516)	\$ (33,486)	\$ (33,361)	\$ 125
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 30,516	\$ 33,486	\$ 33,361	\$ (125)
Total other financing sources (uses)	\$ 30,516	\$ 33,486	\$ 33,361	\$ (125)
Net change in fund balances	\$ -	\$ -	\$ -	\$ -
Fund balances - beginning	-	-	3,996	3,996
Fund balances - ending	\$ -	\$ -	\$ 3,996	\$ 3,996

Sheriff's Employee Fund				CSA Fund			
Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
Original	Final			Original	Final		
\$ -	\$ -	\$ 13,390	\$ 13,390	\$ 300	\$ 300	\$ 3,719	\$ 3,419
-	-	-	-	621,150	1,160,572	1,114,444	(46,128)
-	-	-	-	13,500	13,500	56,209	42,709
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,390</u>	<u>\$ 13,390</u>	<u>\$ 634,950</u>	<u>\$ 1,174,372</u>	<u>\$ 1,174,372</u>	<u>\$ -</u>
\$ -	\$ -	\$ 9,638	\$ (9,638)	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	948,593	1,663,491	1,663,491	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,638</u>	<u>\$ (9,638)</u>	<u>\$ 948,593</u>	<u>\$ 1,663,491</u>	<u>\$ 1,663,491</u>	<u>\$ -</u>
\$ -	\$ -	\$ 3,752	\$ 3,752	\$ (313,643)	\$ (489,119)	\$ (489,119)	\$ -
\$ -	\$ -	\$ -	\$ -	\$ 313,643	\$ 489,119	\$ 489,119	\$ -
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 313,643</u>	<u>\$ 489,119</u>	<u>\$ 489,119</u>	<u>\$ -</u>
\$ -	\$ -	\$ 3,752	\$ 3,752	\$ -	\$ -	\$ -	\$ -
-	-	2,981	2,981	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,733</u>	<u>\$ 6,733</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

	<u>Custodial Funds</u>			
	<u>Special Welfare Fund</u>	<u>Sheriff Funds</u>	<u>Bond Escrow Fund</u>	<u>Total</u>
ASSETS				
Cash and cash equivalents	\$ 621	\$ 12	\$ 31,920	\$ 32,553
Total assets	<u>\$ 621</u>	<u>\$ 12</u>	<u>\$ 31,920</u>	<u>\$ 32,553</u>
LIABILITIES				
Escrow deposits payable	\$ -	\$ 12	\$ 31,920	\$ 31,932
Total liabilities	<u>\$ -</u>	<u>\$ 12</u>	<u>\$ 31,920</u>	<u>\$ 31,932</u>
NET POSITION				
Restricted for:				
Special welfare	\$ 621	\$ -	\$ -	\$ 621
Total net position	<u>\$ 621</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 621</u>

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

	Custodial Funds			
	Special Welfare Fund	Sheriff Funds	Bond Escrow Fund	Total
ADDITIONS				
Special welfare collections	\$ 13,263	\$ -	\$ -	\$ 13,263
Sheriff fees	-	35,071	-	35,071
Total additions	<u>\$ 13,263</u>	<u>\$ 35,071</u>	<u>\$ -</u>	<u>\$ 48,334</u>
DEDUCTIONS				
Welfare costs	\$ 14,783	\$ -	\$ -	\$ 14,783
Sheriff fees remitted to State	-	35,071	-	35,071
Total deductions	<u>\$ 14,783</u>	<u>\$ 35,071</u>	<u>\$ -</u>	<u>\$ 49,854</u>
Net increase (decrease) in fiduciary net position	\$ (1,520)	\$ -	\$ -	\$ (1,520)
Net position - beginning	<u>2,141</u>	<u>-</u>	<u>-</u>	<u>2,141</u>
Net position - ending	<u><u>\$ 621</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 621</u></u>

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

	School Operating Fund	School Cafeteria Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ (62,762)	\$ 744,715	\$ 400,140	\$ 105,171	\$ 1,187,264
Receivables (net of allowance for uncollectibles):					
Accounts receivable	40,829	1,997	-	-	42,826
Due from primary government	255,083	-	-	-	255,083
Due from other governmental units	1,804,371	15,683	-	-	1,820,054
Total assets	<u>\$ 2,037,521</u>	<u>\$ 762,395</u>	<u>\$ 400,140</u>	<u>\$ 105,171</u>	<u>\$ 3,305,227</u>
LIABILITIES					
Accounts payable	\$ 168,636	\$ 216	\$ -	\$ -	\$ 168,852
Accrued liabilities	959,273	32,449	-	-	991,722
Reconciled overdraft payable	823,703	-	-	-	823,703
Total liabilities	<u>\$ 1,951,612</u>	<u>\$ 32,665</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,984,277</u>
FUND BALANCES					
Restricted:					
School activity funds	\$ -	\$ -	\$ -	\$ 105,171	\$ 105,171
Committed:					
Cafeteria operations	-	729,730	-	-	729,730
School capital projects	-	-	400,140	-	400,140
Unassigned:					
School operations	85,909	-	-	-	85,909
Total fund balances	<u>\$ 85,909</u>	<u>\$ 729,730</u>	<u>\$ 400,140</u>	<u>\$ 105,171</u>	<u>\$ 1,320,950</u>
Total liabilities and fund balances	<u>\$ 2,037,521</u>	<u>\$ 762,395</u>	<u>\$ 400,140</u>	<u>\$ 105,171</u>	<u>\$ 3,305,227</u>

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

Total fund balances per above	\$ 1,320,950
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	
Land	\$ 25,822
Buildings and improvements	6,838,592
Machinery, equipment, and vehicles	<u>1,083,218</u>
The net pension asset is not available to pay for current-period expenditures. and, therefore, is not reported in the funds.	724,539
Deferred outflows of resources are not available to pay for current-period expenditures and, therefore, are not reported in the funds.	
Pension related items	\$ 2,772,386
OPEB related items	<u>262,585</u>
Long-term liabilities, including compensated absences, are not due and payable in the current period and, therefore, are not reported in the funds.	
Compensated absences	\$ (102,010)
Equipment loan	(224,824)
Net pension liability	(7,622,191)
Net OPEB liabilities	<u>(1,793,488)</u>
Deferred inflows of resources are not due and payable in the current period and, expenditures and, therefore, are not reported in the funds.	
Pension related items	\$ (2,870,627)
OPEB related items	<u>(663,963)</u>
Net position (deficit) of governmental activities	<u>\$ (249,011)</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	Capital Projects Fund	Nonmajor Governmental Fund	Total Governmental Funds
REVENUES					
Revenue from the use of money and property	\$ 1,650	\$ -	\$ -	\$ -	\$ 1,650
Charges for services	-	53,829	-	-	53,829
Miscellaneous	233,813	-	-	337,011	570,824
Recovered costs	320	-	-	-	320
Intergovernmental:					
Local government	8,164,460	-	-	-	8,164,460
Commonwealth	15,478,175	20,709	-	-	15,498,884
Federal	2,455,630	1,152,619	-	-	3,608,249
Total revenues	\$ 26,334,048	\$ 1,227,157	\$ -	\$ 337,011	\$ 27,898,216
EXPENDITURES					
Current:					
Education	\$ 26,126,323	\$ 1,293,734	\$ -	\$ 324,180	\$ 27,744,237
Capital projects	1,330,459	-	-	-	1,330,459
Debt service:					
Principal retirement	104,600	-	-	-	104,600
Interest and other fiscal charges	16,149	-	-	-	16,149
Total expenditures	\$ 27,577,531	\$ 1,293,734	\$ -	\$ 324,180	\$ 29,195,445
Excess (deficiency) of revenues over (under) expenditures	\$ (1,243,483)	\$ (66,577)	\$ -	\$ 12,831	\$ (1,297,229)
OTHER FINANCING SOURCES (USES)					
Transfers in	\$ 250,000	\$ -	\$ -	\$ -	\$ 250,000
Transfers out	-	-	(250,000)	-	(250,000)
Total other financing sources (uses)	\$ 250,000	\$ -	\$ (250,000)	\$ -	\$ -
Net change in fund balances	\$ (993,483)	\$ (66,577)	\$ (250,000)	\$ 12,831	\$ (1,297,229)
Fund balances - beginning	1,079,392	796,307	650,140	92,340	2,618,179
Fund balances - ending	\$ 85,909	\$ 729,730	\$ 400,140	\$ 105,171	\$ 1,320,950

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 \$ (1,297,229)

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 depreciation exceeded capital outlays in the current period.

Capital asset additions	\$ 421,370	
Depreciation	(1,217,371)	
Adjustment for jointly owned assets	432,236	
Depreciation adjustment for jointly owned assets	<u>(210,506)</u>	(574,271)

The issuance of long-term obligations (e.g. bonds, loans) 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 obligations and related items.

Payment of principal \$ 104,600 104,600

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. This is the amount of change compared to the prior year.

Decrease (increase) in compensated absences	\$ 65,970	
Pension expense	1,364,264	
OPEB expense	<u>232,657</u>	1,662,891

Change in net position of governmental activities \$ (104,009)

COUNTY OF BRUNSWICK, VIRGINIA

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

	School Operating Fund			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
REVENUES				
Revenue from the use of money and property	\$ 1,000	\$ 1,000	\$ 1,650	\$ 650
Charges for services	-	-	-	-
Miscellaneous	56,500	56,500	233,813	177,313
Recovered costs	-	-	320	320
Intergovernmental:				
Local government	8,410,150	9,036,457	8,164,460	(871,997)
Commonwealth	16,308,640	18,890,256	15,478,175	(3,412,081)
Federal	1,989,501	2,050,112	2,455,630	405,518
Total revenues	<u>\$ 26,765,791</u>	<u>\$ 30,034,325</u>	<u>\$ 26,334,048</u>	<u>\$ (3,700,277)</u>
EXPENDITURES				
Current:				
Education	\$ 25,480,422	\$ 28,878,956	\$ 26,126,323	\$ 2,752,633
Capital projects	1,160,369	1,280,369	1,330,459	(50,090)
Debt service:				
Principal retirement	110,000	110,000	104,600	5,400
Interest and other fiscal charges	15,000	15,000	16,149	(1,149)
Total expenditures	<u>\$ 26,765,791</u>	<u>\$ 30,284,325</u>	<u>\$ 27,577,531</u>	<u>\$ 2,706,794</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	<u>\$ (250,000)</u>	<u>\$ (1,243,483)</u>	<u>\$ (993,483)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ -	\$ 250,000	\$ 250,000	\$ -
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>\$ -</u>	<u>\$ 250,000</u>	<u>\$ 250,000</u>	<u>\$ -</u>
Net change in fund balances	\$ -	\$ -	\$ (993,483)	\$ (993,483)
Fund balances - beginning	-	-	1,079,392	1,079,392
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 85,909</u>	<u>\$ 85,909</u>

School Cafeteria Fund				School Capital Projects Fund			
Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
Original	Final			Original	Final		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
176,000	176,000	53,829	(122,171)	-	-	-	-
7,000	7,000	-	(7,000)	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
155,000	155,000	20,709	(134,291)	-	-	-	-
1,040,000	1,040,000	1,152,619	112,619	-	-	-	-
<u>\$ 1,378,000</u>	<u>\$ 1,378,000</u>	<u>\$ 1,227,157</u>	<u>\$ (150,843)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 1,378,000	\$ 1,378,000	\$ 1,293,734	\$ 84,266	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 1,378,000</u>	<u>\$ 1,378,000</u>	<u>\$ 1,293,734</u>	<u>\$ 84,266</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ -	\$ -	\$ (66,577)	\$ (66,577)	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0	\$ -
-	-	-	-	-	(250,000)	(250,000)	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (250,000)</u>	<u>\$ (250,000)</u>	<u>\$ -</u>
\$ -	\$ -	\$ (66,577)	\$ (66,577)	\$ -	\$ (250,000)	\$ (250,000)	\$ -
-	-	796,307	796,307	-	250,000	650,140	400,140
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 729,730</u>	<u>\$ 729,730</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 400,140</u>	<u>\$ 400,140</u>

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SUPPORTING SCHEDULES

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Schedule of Revenues - Budget and Actual
Governmental Funds and Discretely Presented Component Unit School Board
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	\$ 8,391,808	\$ 8,391,808	\$ 8,174,576	\$ (217,232)
Real and personal public service corporation taxes	4,000,000	4,000,000	5,245,069	1,245,069
Personal property taxes	6,900,000	6,900,000	5,097,313	(1,802,687)
Mobile home taxes	48,000	48,000	35,168	(12,832)
Machinery and tools taxes	391,000	391,000	401,760	10,760
Penalties	160,000	160,000	163,926	3,926
Interest	120,000	120,000	95,833	(24,167)
Total general property taxes	<u>\$ 20,010,808</u>	<u>\$ 20,010,808</u>	<u>\$ 19,213,645</u>	<u>\$ (797,163)</u>
Other local taxes:				
Local sales and use taxes	\$ 1,100,000	\$ 1,100,000	\$ 1,212,437	\$ 112,437
Consumers' utility taxes	250,000	250,000	255,767	5,767
Bank stock taxes	35,000	35,000	-	(35,000)
Franchise license taxes	35,000	35,000	29,882	(5,118)
Motor vehicle licenses	389,000	389,000	378,057	(10,943)
Taxes on recordation and wills	121,000	121,000	127,856	6,856
Utility consumption taxes	42,000	42,000	44,025	2,025
Hotel and motel room taxes	10,000	10,000	15,296	5,296
Total other local taxes	<u>\$ 1,982,000</u>	<u>\$ 1,982,000</u>	<u>\$ 2,063,320</u>	<u>\$ 81,320</u>
Permits, privilege fees, and regulatory licenses:				
Animal licenses	\$ 14,000	\$ 14,000	\$ 14,121	\$ 121
Zoning application fees	20,000	20,000	20,094	94
Transfer fees	850	850	773	(77)
Permits and other licenses	45,000	45,000	56,151	11,151
Total permits, privilege fees, and regulatory licenses	<u>\$ 79,850</u>	<u>\$ 79,850</u>	<u>\$ 91,139</u>	<u>\$ 11,289</u>
Fines and forfeitures:				
Court fines and forfeitures	\$ 1,600,000	\$ 1,752,209	\$ 1,765,588	\$ 13,379
Total fines and forfeitures	<u>\$ 1,600,000</u>	<u>\$ 1,752,209</u>	<u>\$ 1,765,588</u>	<u>\$ 13,379</u>
Revenue from use of money and property:				
Revenue from use of money	\$ 56,000	\$ 56,000	\$ 442,692	\$ 386,692
Revenue from use of property	131,000	131,000	137,487	6,487
Total revenue from use of money and property	<u>\$ 187,000</u>	<u>\$ 187,000</u>	<u>\$ 580,179</u>	<u>\$ 393,179</u>
Charges for services:				
Charges for law enforcement and traffic control	\$ 990	\$ 990	\$ 990	\$ -
Charges for courthouse maintenance	29,000	29,000	40,874	11,874
Charges for court costs	389,000	389,000	476,533	87,533
Charges for court costs - electronic summons fee	82,000	82,000	99,884	17,884
Law library fees	1,500	1,500	2,268	768
Charges for Commonwealth's Attorney	3,700	3,700	3,365	(335)

Schedule of Revenues - Budget and Actual
Governmental Funds and Discretely Presented Component Unit School Board
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)				
Charges for services: (Continued)				
Miscellaneous jail and inmate fees	\$ 6,100	\$ 6,100	\$ 5,542	\$ (558)
Animal shelter fees	800	800	1,388	588
Charges for sanitation and waste removal	135,000	135,000	227,419	92,419
Charges for landfill host fees	750,000	750,000	904,518	154,518
Charges for planning and community development	1,100	1,100	865	(235)
Lease revenue	-	-	(3,317)	(3,317)
Charges for emergency transport	175,000	251,094	266,819	15,725
Total charges for services	<u>\$ 1,574,190</u>	<u>\$ 1,650,284</u>	<u>\$ 2,027,148</u>	<u>\$ 376,864</u>
Miscellaneous:				
Miscellaneous	\$ 105,140	\$ 753,096	\$ 162,013	\$ (591,083)
Total miscellaneous	<u>\$ 105,140</u>	<u>\$ 753,096</u>	<u>\$ 162,013</u>	<u>\$ (591,083)</u>
Recovered costs:				
Landfill inspection fees	\$ 158,000	\$ 158,000	\$ 210,093	\$ 52,093
Tax bills - Lawrenceville	200	200	-	(200)
School resource officer	96,345	96,345	96,345	-
Clerk of Circuit Court copy cost reimbursement	2,200	2,200	908	(1,292)
Sheriff contracted security	80,000	80,000	56,019	(23,981)
Solar facilities	-	-	575,440	575,440
Insurance recovery	30,000	52,848	60,975	8,127
Interest reimbursement	-	6,084	24,908	18,824
Total recovered costs	<u>\$ 366,745</u>	<u>\$ 395,677</u>	<u>\$ 1,024,688</u>	<u>\$ 629,011</u>
Total revenue from local sources	<u>\$ 25,905,733</u>	<u>\$ 26,810,924</u>	<u>\$ 26,927,720</u>	<u>\$ 116,796</u>
Intergovernmental:				
Revenue from the Commonwealth:				
Noncategorical aid:				
Grantor's tax	\$ 40,000	\$ 40,000	\$ 34,375	\$ (5,625)
Mobile home titling tax	55,000	55,000	58,707	3,707
Games of skill tax	1,000	1,000	-	(1,000)
Rolling stock tax	5,800	5,800	5,118	(682)
Motor vehicle rental tax	500	500	1,000	500
Motor vehicle carrier's tax	1,000	1,000	1,177	177
Personal property tax relief funds	1,355,736	1,355,736	1,355,736	-
Communication taxes	300,000	300,000	271,679	(28,321)
Moped and ATV taxes	1,800	1,800	2,602	802
Total noncategorical aid	<u>\$ 1,760,836</u>	<u>\$ 1,760,836</u>	<u>\$ 1,730,394</u>	<u>\$ (30,442)</u>
Categorical aid:				
Shared expenses:				
Commonwealth's attorney	\$ 400,000	\$ 400,000	\$ 417,104	\$ 17,104
Sheriff	1,400,000	1,400,000	1,416,903	16,903
Commissioner of revenue	140,000	140,000	150,543	10,543
Treasurer	127,000	127,000	146,659	19,659
Registrar/electoral board	67,529	67,529	72,779	5,250
Clerk of the Circuit Court	270,000	278,470	301,473	23,003
Total shared expenses	<u>\$ 2,404,529</u>	<u>\$ 2,412,999</u>	<u>\$ 2,505,461</u>	<u>\$ 92,462</u>

Schedule of Revenues - Budget and Actual
Governmental Funds and Discretely Presented Component Unit School Board
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 Commonwealth: (Continued)				
Categorical aid: (Continued)				
Other categorical aid:				
Emergency management grant	\$ 7,500	\$ 7,500	\$ -	\$ (7,500)
Emergency medical services - four for life	21,500	21,500	16,213	(5,287)
Fire program funds	65,000	94,266	73,266	(21,000)
Litter control grant	12,013	15,235	15,235	-
Victim witness grant	33,000	33,000	42,699	9,699
PSAP - Phase II - Wireless	-	-	81,448	81,448
VDOT Revenue sharing	-	-	496	496
DMV license agent commission	50,000	50,000	57,202	7,202
Drug forfeiture funds	10,000	10,000	16,009	6,009
Arts grant	1,500	1,500	4,500	3,000
Historic resources grant	-	250,000	250,000	-
Lynngbya remediation	-	400,000	400,000	-
Library grant	64,500	64,500	32,978	(31,522)
Opioid grant	23,000	23,000	-	(23,000)
Other grants	54,600	140,168	443,282	303,114
Total other categorical aid	<u>\$ 342,613</u>	<u>\$ 1,110,669</u>	<u>\$ 1,433,328</u>	<u>\$ 322,659</u>
Total categorical aid	<u>\$ 2,747,142</u>	<u>\$ 3,523,668</u>	<u>\$ 3,938,789</u>	<u>\$ 415,121</u>
Total revenue from the Commonwealth	<u>\$ 4,507,978</u>	<u>\$ 5,284,504</u>	<u>\$ 5,669,183</u>	<u>\$ 384,679</u>
Revenue from the federal government:				
Categorical aid:				
Byrne grant	\$ -	\$ 60,070	\$ 16,000	\$ (44,070)
Bulletproof vest grant	14,000	15,170	15,170	-
DOJ SCAAP grant	-	-	75,985	75,985
Emergency management grants	10,000	10,000	38,240	28,240
Cost allocation plan - social services	50,000	50,000	76,045	26,045
Victim witness grant	78,000	78,000	67,454	(10,546)
Emergency management grants	7,500	7,500	-	(7,500)
DCJS - Audio-Video equipment grant	18,593	18,593	41,651	23,058
Coronavirus state and local fiscal recovery fund	2,138,337	2,214,322	1,352,987	(861,335)
DUI selective enforcement grant	5,000	5,000	-	(5,000)
Drug forfeiture funds	10,000	10,000	-	(10,000)
Other federal funds	40,000	43,200	-	(43,200)
Total categorical aid	<u>\$ 2,371,430</u>	<u>\$ 2,511,855</u>	<u>\$ 1,683,532</u>	<u>\$ (828,323)</u>
Total revenue from the federal government	<u>\$ 2,371,430</u>	<u>\$ 2,511,855</u>	<u>\$ 1,683,532</u>	<u>\$ (828,323)</u>
Total General Fund	<u>\$ 32,785,141</u>	<u>\$ 34,607,283</u>	<u>\$ 34,280,435</u>	<u>\$ (326,848)</u>

Schedule of Revenues - Budget and Actual
Governmental Funds and Discretely Presented Component Unit School Board
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:				
Virginia Public Assistance Fund:				
Revenue from local sources:				
Miscellaneous:				
Expenditure refunds	\$ 1,845	\$ 1,845	\$ 8,419	\$ 6,574
Intergovernmental:				
Revenue from the Commonwealth:				
Categorical aid:				
Public assistance and welfare administration	\$ 912,312	\$ 912,312	\$ 918,323	\$ 6,011
Revenue from the federal government:				
Categorical aid:				
Public assistance and welfare administration	\$ 1,474,158	\$ 1,474,158	\$ 1,456,719	\$ (17,439)
Total Virginia Public Assistance Fund	\$ 2,388,315	\$ 2,388,315	\$ 2,383,461	\$ (4,854)
Airport Commission Fund:				
Intergovernmental:				
Revenue from the Commonwealth:				
Department of aviation grant	\$ 3,000	\$ 17,495	\$ 17,630	\$ 135
Total Airport Commission Fund	\$ 3,000	\$ 17,495	\$ 17,630	\$ 135
Sheriff's Employee Fund:				
Revenue from local sources:				
Miscellaneous revenue:				
Various	\$ -	\$ -	\$ 13,390	\$ 13,390
Total miscellaneous revenue	\$ -	\$ -	\$ 13,390	\$ 13,390
Total revenue from local sources	\$ -	\$ -	\$ 13,390	\$ 13,390
Total Sheriff's Employee Fund	\$ -	\$ -	\$ 13,390	\$ 13,390

Schedule of Revenues - Budget and Actual
 Governmental Funds and Discretely Presented Component Unit School Board
 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)				
CSA Fund:				
Revenue from local sources:				
Miscellaneous:				
Expenditure refunds	\$ 300	\$ 300	\$ 3,719	\$ 3,419
Intergovernmental:				
Revenue from the Commonwealth:				
Categorical aid:				
Comprehensive Services Act	\$ 619,440	\$ 1,158,862	\$ 1,112,750	\$ (46,112)
PSSF grant	1,710	1,710	1,694	(16)
Total revenue from the Commonwealth	<u>\$ 621,150</u>	<u>\$ 1,160,572</u>	<u>\$ 1,114,444</u>	<u>\$ (46,128)</u>
Revenue from the federal government:				
Categorical aid:				
Social services block grant	\$ -	\$ -	\$ 42,839	\$ 42,839
PSSF grant	13,500	13,500	13,370	(130)
Total categorical aid	<u>\$ 13,500</u>	<u>\$ 13,500</u>	<u>\$ 56,209</u>	<u>\$ 42,709</u>
Total revenue from the federal government	<u>\$ 13,500</u>	<u>\$ 13,500</u>	<u>\$ 56,209</u>	<u>\$ 42,709</u>
Total CSA Fund	<u><u>\$ 634,950</u></u>	<u><u>\$ 1,174,372</u></u>	<u><u>\$ 1,174,372</u></u>	<u><u>\$ -</u></u>
Debt Service Fund:				
School Debt Service Fund:				
Intergovernmental:				
Revenue from the federal government:				
Categorical aid:				
Federal interest subsidy	\$ -	\$ -	\$ 61,318	\$ 61,318
Total School Debt Service Fund	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 61,318</u></u>	<u><u>\$ 61,318</u></u>

Schedule of Revenues - Budget and Actual
Governmental Funds and Discretely Presented Component Unit School Board
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)
Capital Projects Funds:				
County Capital Improvements Fund:				
Revenue from local sources:				
General property taxes:				
Real property taxes	\$ 2,000,000	\$ 2,000,000	\$ 1,467,958	\$ (532,042)
Real and personal public service corporation taxes	804,803	804,803	944,533	139,730
Mobile home taxes	10,000	10,000	6,239	(3,761)
Penalties	9,000	9,000	8,970	(30)
Interest	4,000	4,000	5,352	1,352
Total general property taxes	<u>\$ 2,827,803</u>	<u>\$ 2,827,803</u>	<u>\$ 2,433,052</u>	<u>\$ (394,751)</u>
Revenue from use of money and property:				
Revenue from the use of money	<u>\$ 2,517,836</u>	<u>\$ 2,517,836</u>	<u>\$ 1,897,212</u>	<u>\$ (620,624)</u>
Total revenue from use of money and property	<u>\$ 2,517,836</u>	<u>\$ 2,517,836</u>	<u>\$ 1,897,212</u>	<u>\$ (620,624)</u>
Miscellaneous:				
Miscellaneous	\$ -	\$ -	\$ 4,200	\$ 4,200
Total miscellaneous revenue	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,200</u>	<u>\$ 4,200</u>
Total revenue from local sources	<u>\$ 5,345,639</u>	<u>\$ 5,345,639</u>	<u>\$ 4,334,464</u>	<u>\$ (1,011,175)</u>
Intergovernmental:				
Revenue from the Commonwealth:				
Categorical aid:				
Tobacco grant	\$ 419,821	\$ 419,821	\$ -	\$ (419,821)
Other categorical aid	400,000	400,000	-	(400,000)
Total categorical aid	<u>\$ 819,821</u>	<u>\$ 819,821</u>	<u>\$ -</u>	<u>\$ (819,821)</u>
Total revenue from the Commonwealth	<u>\$ 819,821</u>	<u>\$ 819,821</u>	<u>\$ -</u>	<u>\$ (819,821)</u>
Revenue from the federal government:				
Categorical aid:				
Community Development Block Grants	\$ 924,725	\$ 924,725	\$ 919,080	\$ (5,645)
Total categorical aid	<u>\$ 924,725</u>	<u>\$ 924,725</u>	<u>\$ 919,080</u>	<u>\$ (5,645)</u>
Total revenue from the federal government	<u>\$ 924,725</u>	<u>\$ 924,725</u>	<u>\$ 919,080</u>	<u>\$ (5,645)</u>
Total County Capital Improvements Fund	<u>\$ 7,090,185</u>	<u>\$ 7,090,185</u>	<u>\$ 5,253,544</u>	<u>\$ (1,836,641)</u>
Total Primary Government	<u>\$ 42,901,591</u>	<u>\$ 45,277,650</u>	<u>\$ 43,184,150</u>	<u>\$ (2,093,500)</u>

Schedule of Revenues - Budget and Actual
Governmental Funds and Discretely Presented Component Unit School Board
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	\$ 1,000	\$ 1,000	\$ 1,650	\$ 650
Miscellaneous:				
E-Rate	\$ -	\$ -	\$ 120,960	\$ 120,960
Other miscellaneous	56,500	56,500	112,853	56,353
Total miscellaneous	\$ 56,500	\$ 56,500	\$ 233,813	\$ 177,313
Recovered costs:				
Other recovered costs	\$ -	\$ -	\$ 320	\$ 320
Total revenue from local sources	\$ 57,500	\$ 57,500	\$ 235,783	\$ 178,283
Intergovernmental:				
Revenues from local governments:				
Contribution from County of Brunswick, Virginia	\$ 8,410,150	\$ 9,036,457	\$ 8,164,460	\$ (871,997)
Total revenues from local governments	\$ 8,410,150	\$ 9,036,457	\$ 8,164,460	\$ (871,997)
Revenue from the Commonwealth:				
Categorical aid:				
Share of state sales tax	\$ 2,251,889	\$ 2,251,889	\$ 2,325,943	\$ 74,054
Basic school aid	7,250,208	7,250,208	7,207,247	(42,961)
Remedial summer education	97,687	97,687	67,576	(30,111)
Special education foster care	-	-	25,922	25,922
Adult secondary education	-	-	55,854	55,854
Gifted and talented	46,410	46,410	46,413	3
Remedial education	-	-	13,515	13,515
Special education	819,166	819,166	819,222	56
Special education jails	39,586	39,586	26,416	(13,170)
Textbook payment	117,969	117,969	117,977	8
Vocational standards of quality payments	129,652	129,652	129,661	9
Vocational education - equipment	8,119	8,119	3,848	(4,271)
Social security fringe benefits	310,134	310,134	310,155	21
Retirement fringe benefits	665,941	665,941	665,987	46
Group life fringe benefits	19,153	19,153	19,154	1
Infrastructure and Operations Per Pupil Allocation	327,685	327,685	328,785	1,100
Early reading intervention	81,357	81,357	64,607	(16,750)
Adult literacy	358,728	358,728	358,728	-
Homebound education	1,573	1,573	-	(1,573)
Salary supplement	255,379	424,907	424,457	(450)
At risk payments	2,223,470	2,223,470	-	(2,223,470)
Virginia preschool initiative	196,105	196,105	201,708	5,603

Schedule of Revenues - Budget and Actual
Governmental Funds and Discretely Presented Component Unit School Board
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 Commonwealth: (Continued)				
Categorical aid: (Continued)				
State disparity initiatives	\$ 433,781	\$ 433,781	\$ 418,393	\$ (15,388)
Alternative education	394,992	394,992	392,627	(2,365)
Technology	206,000	350,000	460,237	110,237
Standards of Learning algebra readiness	31,732	31,732	34,262	2,530
English as a second language	38,023	38,023	33,312	(4,711)
Middle school teacher corp	-	-	5,000	5,000
Industry Certification	-	-	1,656	1,656
Project Graduation	3,901	3,901	3,901	-
School construction	-	2,268,088	766,903	(1,501,185)
Positive Behavioral Intervention and Support	-	-	10,000	10,000
CTE Equipment and Other Grants	-	-	3,570	3,570
Security equipment	-	-	20,929	20,929
Other state funds	-	-	114,210	114,210
Total categorical aid	<u>\$ 16,308,640</u>	<u>\$ 18,890,256</u>	<u>\$ 15,478,175</u>	<u>\$ (3,412,081)</u>
Total revenue from the Commonwealth	<u>\$ 16,308,640</u>	<u>\$ 18,890,256</u>	<u>\$ 15,478,175</u>	<u>\$ (3,412,081)</u>
Revenue from the federal government:				
Categorical aid:				
Title I	\$ 794,956	\$ 855,567	\$ 777,371	\$ (78,196)
Title II, Part A	90,580	90,580	113,940	23,360
Title VI-B, special education flow-through	480,000	480,000	438,231	(41,769)
Vocational education	55,916	55,916	58,421	2,505
Title VI-B, special education pre-school	10,000	10,000	-	(10,000)
Rural and low income schools	-	-	34,968	34,968
Title IV - 21st century learning grant	70,000	70,000	70,212	212
Preschool Expansion Grant	-	-	2,400	2,400
JROTC	51,000	51,000	72,309	21,309
Student support and academic enrichment	55,000	55,000	94,148	39,148
CARES Act - ESSERF Funds	382,049	382,049	778,615	396,566
Total categorical aid	<u>\$ 1,989,501</u>	<u>\$ 2,050,112</u>	<u>\$ 2,455,630</u>	<u>\$ 405,518</u>
Total revenue from the federal government	<u>\$ 1,989,501</u>	<u>\$ 2,050,112</u>	<u>\$ 2,455,630</u>	<u>\$ 405,518</u>
Total School Operating Fund	<u>\$ 26,765,791</u>	<u>\$ 30,034,325</u>	<u>\$ 26,334,048</u>	<u>\$ (3,700,277)</u>
Special Revenue Fund:				
School Cafeteria Fund:				
Revenue from local sources:				
Charges for services:				
Cafeteria sales	\$ 176,000	\$ 176,000	\$ 53,829	\$ (122,171)

Schedule of Revenues - Budget and Actual
Governmental Funds and Discretely Presented Component Unit School Board
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)				
Special Revenue Fund: (Continued)				
School Cafeteria Fund: (Continued)				
Miscellaneous:				
Other miscellaneous	\$ 7,000	\$ 7,000	\$ -	\$ (7,000)
Total miscellaneous revenue	<u>\$ 7,000</u>	<u>\$ 7,000</u>	<u>\$ -</u>	<u>\$ (7,000)</u>
Total revenue from local sources	<u>\$ 183,000</u>	<u>\$ 183,000</u>	<u>\$ 53,829</u>	<u>\$ (129,171)</u>
Intergovernmental:				
Revenue from the Commonwealth:				
Categorical aid:				
School food program grant	\$ 155,000	\$ 155,000	\$ 8,187	\$ (146,813)
School breakfast program	-	-	12,522	12,522
Total categorical aid	<u>\$ 155,000</u>	<u>\$ 155,000</u>	<u>\$ 20,709</u>	<u>\$ (134,291)</u>
Total revenue from the Commonwealth	<u>\$ 155,000</u>	<u>\$ 155,000</u>	<u>\$ 20,709</u>	<u>\$ (134,291)</u>
Revenue from the federal government:				
Categorical aid:				
School food program grant	\$ 920,000	\$ 920,000	\$ 1,004,669	\$ 84,669
Fresh fruit and vegetables grant	-	-	51,421	51,421
Summer feeding program	45,000	45,000	-	(45,000)
Commodities	-	-	96,529	96,529
Pandemic EBT	75,000	75,000	-	(75,000)
Total categorical aid	<u>\$ 1,040,000</u>	<u>\$ 1,040,000</u>	<u>\$ 1,152,619</u>	<u>\$ 112,619</u>
Total revenue from the federal government	<u>\$ 1,040,000</u>	<u>\$ 1,040,000</u>	<u>\$ 1,152,619</u>	<u>\$ 112,619</u>
Total School Cafeteria Fund	<u>\$ 1,378,000</u>	<u>\$ 1,378,000</u>	<u>\$ 1,227,157</u>	<u>\$ (150,843)</u>
Nonmajor Special Revenue Fund:				
School Activity Funds:				
Miscellaneous revenue:				
Other miscellaneous	\$ -	\$ -	\$ 337,011	\$ 337,011
Total miscellaneous revenue	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 337,011</u>	<u>\$ 337,011</u>
Total School Activity Funds	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 337,011</u>	<u>\$ 337,011</u>
Total Discretely Presented Component Unit - School Board	<u>\$ 28,143,791</u>	<u>\$ 31,412,325</u>	<u>\$ 27,898,216</u>	<u>\$ (3,514,109)</u>

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Schedule of Expenditures - Budget and Actual
Governmental Funds and Discretely Presented Component Unit School Board
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	\$ 338,743	\$ 361,164	\$ 523,788	\$ (162,624)
General and financial administration:				
County administrator	\$ 396,101	\$ 387,420	384,852	\$ 2,568
Independent auditor	64,000	64,000	64,000	-
Commissioner of revenue	357,187	353,225	351,867	1,358
Equalization board	-	-	2,202	(2,202)
Treasurer	394,086	384,308	366,120	18,188
Finance department	340,911	340,911	338,270	2,641
Information Technology	134,067	134,067	124,215	9,852
DMV select	130,912	130,912	131,981	(1,069)
Other general and financial administration	215,142	215,142	173,168	41,974
Total general and financial administration	<u>\$ 2,032,406</u>	<u>\$ 2,009,985</u>	<u>\$ 1,936,675</u>	<u>\$ 73,310</u>
Board of elections:				
Electoral board and officials	\$ 138,747	\$ 138,747	\$ 97,778	\$ 40,969
Registrar	201,211	277,196	269,854	7,342
Total board of elections	<u>\$ 339,958</u>	<u>\$ 415,943</u>	<u>\$ 367,632</u>	<u>\$ 48,311</u>
Total general government administration	<u>\$ 2,711,107</u>	<u>\$ 2,787,092</u>	<u>\$ 2,828,095</u>	<u>\$ (41,003)</u>
Judicial administration:				
Courts:				
Circuit court	\$ 38,059	\$ 41,059	\$ 43,102	\$ (2,043)
General district court	39,679	39,679	25,417	14,262
Special magistrates	950	950	718	232
Clerk of the circuit court	476,166	528,591	522,489	6,102
Law library	1,500	1,500	958	542
Victim/witness assistance program	192,738	192,738	179,424	13,314
Courthouse security	793,448	793,448	776,736	16,712
Total courts	<u>\$ 1,542,540</u>	<u>\$ 1,597,965</u>	<u>\$ 1,548,844</u>	<u>\$ 49,121</u>
Commonwealth's attorney:				
Commonwealth's attorney	\$ 871,049	\$ 871,049	\$ 735,747	\$ 135,302
Asset forfeiture	10,000	10,000	-	10,000
Total commonwealth's attorney	<u>\$ 881,049</u>	<u>\$ 881,049</u>	<u>\$ 735,747</u>	<u>\$ 145,302</u>
Total judicial administration	<u>\$ 2,423,589</u>	<u>\$ 2,479,014</u>	<u>\$ 2,284,591</u>	<u>\$ 194,423</u>
Public safety:				
Law enforcement and traffic control:				
Sheriff	\$ 4,006,669	\$ 4,251,481	\$ 4,267,287	\$ (15,806)
Sheriff - line of duty	48,300	48,300	48,300	-
Asset forfeiture	10,000	10,000	-	10,000
E911 system	1,157,205	1,262,739	1,086,328	176,411
School resource officer	457,928	457,928	451,081	6,847
E-Summons System	82,000	88,687	88,687	-
Total law enforcement and traffic control	<u>\$ 5,762,102</u>	<u>\$ 6,119,135</u>	<u>\$ 5,941,683</u>	<u>\$ 177,452</u>

Schedule of Expenditures - Budget and Actual
Governmental Funds and Discretely Presented Component Unit School Board
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)				
Fire and rescue services:				
Fire and rescue	\$ 1,666,199	\$ 1,775,512	\$ 1,689,946	\$ 85,566
Brunswick EMS	850,216	976,310	815,265	161,045
Mecklenburg-Brunswick Fire Training	20,000	20,000	20,000	-
Division of forestry	22,461	22,461	22,461	-
Total fire and rescue services	<u>\$ 2,558,876</u>	<u>\$ 2,794,283</u>	<u>\$ 2,547,672</u>	<u>\$ 246,611</u>
Correction and detention:				
Meherrin River Regional Jail Authority	\$ 2,200,000	\$ 2,200,000	\$ 2,126,083	\$ 73,917
VJCCCA	9,018	9,018	9,272	(254)
Probation office	89,834	89,834	92,627	(2,793)
Total correction and detention	<u>\$ 2,298,852</u>	<u>\$ 2,298,852</u>	<u>\$ 2,227,982</u>	<u>\$ 70,870</u>
Inspections:				
Building	\$ 260,015	\$ 260,015	\$ 210,317	\$ 49,698
Total inspections	<u>\$ 260,015</u>	<u>\$ 260,015</u>	<u>\$ 210,317</u>	<u>\$ 49,698</u>
Other protection:				
Animal control	\$ 511,606	\$ 532,307	\$ 523,920	\$ 8,387
Medical examiner	270	270	160	110
Emergency management services	268,764	268,764	277,953	(9,189)
Total other protection	<u>\$ 780,640</u>	<u>\$ 801,341</u>	<u>\$ 802,033</u>	<u>\$ (692)</u>
Total public safety	<u>\$ 11,660,485</u>	<u>\$ 12,273,626</u>	<u>\$ 11,729,687</u>	<u>\$ 543,939</u>
Public works:				
Sanitation and waste removal:				
Refuse collection and disposal	\$ 1,210,617	\$ 1,210,617	\$ 1,245,344	\$ (34,727)
Litter control	13,013	16,246	15,373	873
Inmate work force program	217,293	217,293	215,963	1,330
Lake Gaston weed control	116,000	516,000	516,000	-
Total sanitation and waste removal	<u>\$ 1,556,923</u>	<u>\$ 1,960,156</u>	<u>\$ 1,992,680</u>	<u>\$ (32,524)</u>
Maintenance of general buildings and grounds:				
General properties	\$ 547,699	\$ 547,699	\$ 1,287,390	\$ (739,691)
Courthouse maintenance	29,000	29,000	6,181	22,819
General engineering/administration	434,926	434,926	422,069	12,857
Total maintenance of general buildings and grounds	<u>\$ 1,011,625</u>	<u>\$ 1,011,625</u>	<u>\$ 1,715,640</u>	<u>\$ (704,015)</u>
Total public works	<u>\$ 2,568,548</u>	<u>\$ 2,971,781</u>	<u>\$ 3,708,320</u>	<u>\$ (736,539)</u>
Health and welfare:				
Health:				
Supplement of local health department	\$ 112,000	\$ 112,000	\$ 112,000	\$ -
Opioid abatement	-	20,310	-	20,310
Other contributions	10,000	10,000	10,000	-
Total health	<u>\$ 122,000</u>	<u>\$ 142,310</u>	<u>\$ 122,000</u>	<u>\$ 20,310</u>

Schedule of Expenditures - Budget and Actual
Governmental Funds and Discretely Presented Component Unit School Board
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)				
Health and welfare: (Continued)				
Mental health and mental retardation:				
Southside Community Services Board	\$ 146,535	\$ 146,535	\$ 146,535	\$ -
Welfare:				
Local area on aging	\$ 2,500	\$ 2,500	\$ 2,500	\$ -
Veteran's exemption on real estate	-	-	88,936	(88,936)
Southside senior citizens center	5,000	5,000	5,000	-
Virginia legal aid contribution	5,408	5,408	5,408	-
Total welfare	<u>\$ 12,908</u>	<u>\$ 12,908</u>	<u>\$ 101,844</u>	<u>\$ (88,936)</u>
Total health and welfare	<u>\$ 281,443</u>	<u>\$ 301,753</u>	<u>\$ 370,379</u>	<u>\$ (68,626)</u>
Education:				
Other instructional costs:				
Contributions to Southside Virginia Community College	\$ 8,591	\$ 8,591	\$ 8,591	\$ -
Contribution to County School Board	8,410,150	9,036,457	8,164,460	871,997
Head Start program	70,000	70,000	70,000	-
JSR-SPC Museum and Archives	10,000	260,000	260,000	-
Total education	<u>\$ 8,498,741</u>	<u>\$ 9,375,048</u>	<u>\$ 8,503,051</u>	<u>\$ 871,997</u>
Parks, recreation, and cultural:				
Parks and recreation:				
Recreation youth league	\$ 35,000	\$ 35,000	\$ 35,000	\$ -
Water safety council	3,500	3,500	10,788	(7,288)
Bowling alley	17,800	17,800	16,809	991
Total parks and recreation	<u>\$ 56,300</u>	<u>\$ 56,300</u>	<u>\$ 62,597</u>	<u>\$ (6,297)</u>
Cultural enrichment:				
Other	\$ 5,000	\$ 5,000	\$ 5,000	\$ -
Chamber of commerce	5,000	11,000	11,000	-
Tourism association	200,554	205,737	208,302	(2,565)
Taste of Brunswick festival	5,000	5,000	5,000	-
Fort Christanna Preservation	5,000	27,182	-	27,182
Total cultural enrichment	<u>\$ 220,554</u>	<u>\$ 253,919</u>	<u>\$ 229,302</u>	<u>\$ 24,617</u>
Library:				
Contribution to regional library	\$ 212,885	\$ 212,885	\$ 212,885	\$ -
Total parks, recreation, and cultural	<u>\$ 489,739</u>	<u>\$ 523,104</u>	<u>\$ 504,784</u>	<u>\$ 18,320</u>
Community development:				
Planning and community development:				
Planning	\$ 456,164	\$ 463,964	\$ 356,467	\$ 107,497
Broadband	1,821,767	1,821,767	1,096,673	725,094
Economic development	302,093	357,655	295,842	61,813
Regional planning commission	27,474	27,474	27,474	-
Mecklenburg - Brunswick regional airport	40,000	40,000	40,000	-
Art bank	10,000	10,000	10,000	-
Total planning and community development	<u>\$ 2,657,498</u>	<u>\$ 2,720,860</u>	<u>\$ 1,826,456</u>	<u>\$ 894,404</u>

Schedule of Expenditures - Budget and Actual
Governmental Funds and Discretely Presented Component Unit School Board
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)				
Community development: (Continued)				
Environmental management:				
Contribution to soil and water district	\$ 11,543	\$ 11,543	\$ 11,543	\$ -
Cooperative extension program:				
Extension office	\$ 86,707	\$ 86,707	\$ 79,213	\$ 7,494
Total community development	\$ 2,755,748	\$ 2,819,110	\$ 1,917,212	\$ 901,898
Capital projects:				
Other capital projects	\$ 7,500	\$ 7,500	\$ 7,500	\$ -
Airport renovations	-	-	2,265	(2,265)
Total capital projects	\$ 7,500	\$ 7,500	\$ 9,765	\$ (2,265)
Debt service:				
Principal retirement	\$ 748,736	\$ 748,736	\$ 825,431	\$ (76,695)
Interest and other fiscal charges	222,599	222,599	256,932	(34,333)
Total debt service	\$ 971,335	\$ 971,335	\$ 1,082,363	\$ (111,028)
Total General Fund	\$ 32,368,235	\$ 34,509,363	\$ 32,938,247	\$ 1,571,116
Special Revenue Funds:				
Virginia Public Assistance Fund:				
Health and welfare:				
Welfare and social services:				
Welfare administration	\$ 2,414,646	\$ 2,452,277	\$ 2,382,215	\$ 70,062
Public assistance	561,939	561,939	564,688	(2,749)
Total welfare and social services	\$ 2,976,585	\$ 3,014,216	\$ 2,946,903	\$ 67,313
Total Virginia Public Assistance Fund	\$ 2,976,585	\$ 3,014,216	\$ 2,946,903	\$ 67,313
Airport Commission Fund:				
Public works:				
Maintenance of general buildings and grounds	\$ 33,516	\$ 50,981	\$ 50,991	\$ (10)
Total Airport Commission Fund	\$ 33,516	\$ 50,981	\$ 50,991	\$ (10)
Sheriff's Employee Fund:				
Public safety:				
Law enforcement and traffic control:				
Miscellaneous office expenses	\$ -	\$ -	\$ 9,638	\$ (9,638)
Total public safety	\$ -	\$ -	\$ 9,638	\$ (9,638)
Total Sheriff's Employee Fund	\$ -	\$ -	\$ 9,638	\$ (9,638)
CSA Fund:				
Health and welfare:				
Welfare and social services:				
Comprehensive services	\$ 948,593	\$ 1,663,491	\$ 1,663,491	\$ -
Total CSA Fund	\$ 948,593	\$ 1,663,491	\$ 1,663,491	\$ -

Schedule of Expenditures - Budget and Actual
Governmental Funds and Discretely Presented Component Unit School Board
For the Year Ended June 30, 2025 (Continued)

Fund, Function, Activity and Elements	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
Debt Service Fund:				
School Debt Service Fund:				
Debt service:				
Principal retirement	\$ 432,236	\$ 432,236	\$ 432,236	\$ -
Interest and other fiscal charges	106,539	106,539	106,539	-
Total School Debt Service Fund	<u>\$ 538,775</u>	<u>\$ 538,775</u>	<u>\$ 538,775</u>	<u>\$ -</u>
Capital Projects Funds:				
County Capital Improvements Fund:				
Capital projects:				
New school	\$ 50,000,000	\$ 50,000,000	\$ 32,983,295	\$ 17,016,705
Fire and rescue services	-	-	35,100	(35,100)
Road projects - VDOT	25,000	99,951	-	99,951
Township Road housing project	924,725	924,725	728,006	196,719
Front loader vehicle	819,821	819,821	285,420	534,401
Clerk's office renovation	-	-	128,267	(128,267)
Dumpsters	-	-	50,508	(50,508)
Software	-	20,000	29,948	(9,948)
Stadium	-	2,517,836	68,442	2,449,394
Administrative fees - Southside planning district commission	-	190,440	185,231	5,209
Other capital projects	-	-	25,329	(25,329)
Total capital projects	<u>\$ 51,769,546</u>	<u>\$ 54,572,773</u>	<u>\$ 34,519,546</u>	<u>\$ 20,053,227</u>
Debt service:				
Principal retirement	\$ 945,000	\$ 945,000	\$ 945,000	\$ -
Interest and other fiscal charges	2,225,638	2,225,639	2,225,639	-
Total debt service	<u>\$ 3,170,638</u>	<u>\$ 3,170,639</u>	<u>\$ 3,170,639</u>	<u>\$ -</u>
Total County Capital Improvements Fund	<u>\$ 54,940,184</u>	<u>\$ 57,743,412</u>	<u>\$ 37,690,185</u>	<u>\$ 20,053,227</u>
Total Primary Government	<u>\$ 91,805,888</u>	<u>\$ 97,520,238</u>	<u>\$ 75,838,230</u>	<u>\$ 21,682,008</u>
Discretely Presented Component Unit - School Board:				
School Operating Fund:				
Education:				
Instruction costs:				
Elementary and secondary schools	\$ 13,124,577	\$ 13,308,648	\$ 11,860,053	\$ 1,448,595
Guidance services	525,212	525,212	536,974	(11,762)
Homebound instruction	13,500	13,500	-	13,500
Other instructional costs	2,766,112	3,582,487	3,120,723	461,764
Media services	317,930	317,930	188,455	129,475
Office of the principal	1,385,305	1,385,305	1,222,026	163,279
Total instruction costs	<u>\$ 18,132,636</u>	<u>\$ 19,133,082</u>	<u>\$ 16,928,231</u>	<u>\$ 2,204,851</u>
Operating costs:				
Administration, attendance and health services	\$ 1,222,645	\$ 1,322,645	\$ 2,040,809	\$ (718,164)
Pupil transportation	3,059,443	3,059,443	3,860,453	(801,010)
Operation and maintenance of school plant	3,065,698	5,363,786	3,294,585	2,069,201
School food service and other non-instructional	-	-	2,245	(2,245)
Total operating costs	<u>\$ 7,347,786</u>	<u>\$ 9,745,874</u>	<u>\$ 9,198,092</u>	<u>\$ 547,782</u>
Total education	<u>\$ 25,480,422</u>	<u>\$ 28,878,956</u>	<u>\$ 26,126,323</u>	<u>\$ 2,752,633</u>
Capital projects:				
Technology	\$ 1,160,369	\$ 1,280,369	\$ 1,330,459	\$ (50,090)
Total capital projects	<u>\$ 1,160,369</u>	<u>\$ 1,280,369</u>	<u>\$ 1,330,459</u>	<u>\$ (50,090)</u>
Debt service:				
Principal retirement	\$ 110,000	\$ 110,000	\$ 104,600	\$ 5,400
Interest and other fiscal charges	15,000	15,000	16,149	(1,149)
Total debt service	<u>\$ 125,000</u>	<u>\$ 125,000</u>	<u>\$ 120,749</u>	<u>\$ 4,251</u>
Total School Operating Fund	<u>\$ 26,765,791</u>	<u>\$ 30,284,325</u>	<u>\$ 27,577,531</u>	<u>\$ 2,706,794</u>

Schedule of Expenditures - Budget and Actual
Governmental Funds and Discretely Presented Component Unit School Board
For the Year Ended June 30, 2025 (Continued)

Fund, Function, Activity and Elements	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
Special Revenue Fund:				
School Cafeteria Fund:				
Education:				
School food services:				
Administration of school food program	\$ 1,378,000	\$ 1,378,000	\$ 1,293,734	\$ 84,266
Total School Cafeteria Fund	<u>\$ 1,378,000</u>	<u>\$ 1,378,000</u>	<u>\$ 1,293,734</u>	<u>\$ 84,266</u>
Nonmajor Special Revenue Fund:				
School Activity Funds:				
Education:				
Instructional services:				
Other instructional services	\$ -	\$ -	\$ 324,180	\$ (324,180)
Total School Activity Funds	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 324,180</u>	<u>\$ (324,180)</u>
Total Discretely Presented Component Unit - School Board	<u>\$ 28,143,791</u>	<u>\$ 31,662,325</u>	<u>\$ 29,195,445</u>	<u>\$ 2,466,880</u>

STATISTICAL INFORMATION

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COUNTY OF BRUNSWICK, VIRGINIA

Table 1

Government-Wide Expenses by Function
Last Ten Fiscal Years

Fiscal Year	General				Public Works	Health and Welfare	Education	Parks, Recreation, and Cultural	Community Development	Interest on Long-Term Debt	Total
	Government Administration	Judicial Administration	Public Safety	Public							
2015-16	\$ 1,559,145	\$ 1,375,338	\$ 7,059,685	\$ 1,399,968	\$ 2,772,335	\$ 5,815,545	\$ 257,645	\$ 1,010,181	\$ 633,693	\$ 21,883,535	
2016-17	1,822,713	1,459,765	7,167,141	1,704,854	2,980,849	5,434,742	255,735	677,268	583,281	22,086,348	
2017-18	1,985,432	1,529,147	7,746,153	1,707,126	2,872,766	6,303,988	307,427	855,923	616,694	23,924,656	
2018-19	1,741,196	1,531,103	8,780,522	1,961,707	3,189,487	6,562,690	488,124	1,297,820	803,462	26,356,111	
2019-20	2,426,306	1,653,439	9,675,222	2,197,407	3,242,931	6,381,182	455,194	1,091,047	559,832	27,682,560	
2020-21	2,267,710	1,981,344	10,814,097	2,148,169	3,100,748	8,097,331	432,164	1,113,599	672,560	30,627,722	
2021-22	2,381,985	1,992,778	10,237,615	2,696,137	3,360,532	8,773,939	515,069	1,596,228	1,206,795	32,761,078	
2022-23	2,944,988	2,258,775	10,125,878	3,648,395	3,784,328	7,431,240	637,625	1,205,121	2,426,711	34,463,061	
2023-24	2,027,655	2,271,865	11,827,860	3,653,316	4,456,115	8,061,401	485,358	2,010,889	2,484,311	37,278,770	
2024-25	3,865,405	2,321,845	12,436,124	4,110,719	5,067,288	8,734,481	414,166	2,879,066	2,389,828	42,218,922	

COUNTY OF BRUNSWICK, VIRGINIA

Table 2

Government-Wide Revenues
Last Ten Fiscal Years

Fiscal Year	PROGRAM REVENUES				GENERAL REVENUES					Total
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Other Local Taxes (1)	Unrestricted Investment Earnings	Miscellaneous	Grants and Contributions Not Restricted to Specific Programs			
2015-16	\$ 1,684,807	\$ 4,191,607	\$ 238,644	\$ 1,899,602	\$ 133,637	\$ 150,380	\$ 1,825,892	\$ 21,913,111		
2016-17	2,329,785	4,297,335	682,187	1,617,595	139,209	140,896	1,825,375	25,380,437		
2017-18	2,369,366	4,589,867	630,396	1,702,794	163,660	95,138	1,890,960	26,773,990		
2018-19	2,636,357	4,839,710	716,188	1,231,660	175,557	161,688	1,801,300	27,543,173		
2019-20	2,538,956	4,940,591	905,845	1,738,812	178,543	182,125	1,825,066	28,706,584		
2020-21	3,097,616	7,353,094	962,401	1,950,781	130,317	114,351	1,807,419	31,806,627		
2021-22	3,384,452	6,523,782	239,724	1,952,633	154,967	819,265	1,808,797	34,610,082		
2022-23	3,542,994	6,456,350	267,629	1,936,674	2,139,218	201,665	1,826,341	37,497,759		
2023-24	3,750,914	8,281,130	757,886	1,940,973	3,138,827	419,317	1,746,357	40,254,596		
2024-25	3,975,598	9,206,075	980,398	2,063,320	2,385,668	191,741	1,730,394	42,213,029		

(1) In FY14, sales tax increased due to construction of a new Dominion Virginia power plant.
 (2) In FY16, Public Service Corporation taxes increased due to the new Dominion Virginia power plant.
 (2) In FY21, spent CARES funding in response to COVID pandemic.

COUNTY OF BRUNSWICK, VIRGINIA

Table 3

General Governmental Expenditures by Function (1) (2)

Last Ten Fiscal Years

Fiscal Year	General Government										Total
	Admi- stration (5)	Judicial Admi- stration	Public Safety	Public Works	Health and Welfare	Education (3)	Parks, Recreation, and Cultural	Community Development (4)	Debt Service		
2015-16	\$ 1,568,035	\$ 1,483,160	\$ 7,051,045	\$ 1,812,155	\$ 2,834,258	\$ 20,966,306	\$ 231,108	\$ 555,642	\$ 1,781,620	\$ 38,283,329	
2016-17	1,576,848	1,450,499	7,260,047	1,671,037	3,026,057	21,486,186	229,720	579,735	2,169,963	39,450,092	
2017-18	1,821,500	1,585,807	7,868,156	1,763,901	3,025,512	22,795,587	255,023	470,141	1,476,193	41,061,820	
2018-19	1,707,746	1,664,721	8,926,927	2,090,744	3,297,090	22,298,807	491,594	594,805	4,589,478	45,661,912	
2019-20	2,252,167	1,725,007	9,575,977	2,270,379	3,209,710	21,466,193	360,505	668,448	1,727,620	43,256,006	
2020-21	2,309,616	1,910,601	10,342,565	2,055,426	3,074,400	21,514,818	338,266	984,405	4,820,079	47,350,176	
2021-22	2,174,742	1,970,561	9,941,376	2,689,991	3,384,430	26,394,349	421,465	1,385,616	1,835,711	50,198,241	
2022-23	2,626,817	2,217,807	10,111,662	3,478,744	3,721,444	27,217,641	562,206	981,941	3,239,191	54,157,453	
2023-24	2,866,578	2,195,712	11,420,701	3,555,346	4,350,480	30,642,857	457,218	1,309,825	4,832,102	61,630,819	
2024-25	2,828,095	2,284,591	11,739,325	3,759,311	4,980,773	29,534,036	504,784	1,917,212	4,791,777	62,339,904	

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

(2) Beginning in 2014, includes contributions, equipment purchases, and debt service reported in the capital projects funds.

(3) Excludes contribution from Primary Government to Discretely Presented Component Unit - School Board.

(4) In FY14, the County issued debt to fund the IDA's Rt 58 water/wastewater line project. Although the County funded the project, the IDA owns the lines.

(5) FY20, general government expenses increased due to professional services for various studies and COVID related expenses, including contributions to Towns.

COUNTY OF BRUNSWICK, VIRGINIA

Table 4

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

Fiscal Year	General Property Taxes	Other Local Taxes (3)	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	\$ 11,672,323	\$ 1,899,602	\$ 65,142	\$ 889,369	\$ 132,902	\$ 908,820	\$ 827,220	\$ 313,360	\$ 22,416,798	\$ 39,125,536
2016-17	14,257,624	1,617,595	75,261	1,342,861	138,616	1,091,106	489,443	241,986	23,266,709	42,521,201
2017-18	15,335,217	1,702,794	69,089	1,349,105	151,035	1,127,486	311,492	327,481	23,165,856	43,539,555
2018-19	15,910,223	1,231,660	69,283	1,489,472	148,596	1,259,031	441,078	394,064	22,926,851	43,870,258
2019-20	16,218,105	1,738,812	55,141	1,448,184	173,707	1,148,235	498,560	310,686	22,932,409	44,523,839
2020-21	16,502,944	1,950,781	60,364	1,645,194	130,152	1,398,736	522,127	406,259	24,827,152	47,443,709
2021-22	19,603,130	1,952,633	108,108	1,871,592	157,317	1,482,308	1,940,036	368,098	26,300,362	53,783,584
2022-23	20,740,338	1,936,674	73,038	1,609,240	2,231,632	1,842,424	895,792	431,979	27,857,109	57,618,226
2023-24	20,159,515	1,940,973	70,547	1,560,009	3,230,950	2,099,521	1,209,112	1,395,348	33,111,655	64,777,630
2024-25	21,646,697	2,063,320	91,139	1,765,588	2,479,041	2,080,977	762,565	1,025,008	31,003,571	62,917,906

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

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

(3) In FY14, sales tax increased due to construction of a new Dominion Virginia power plant.

COUNTY OF BRUNSWICK, VIRGINIA

Table 5

Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year	Total Tax Levy (1)		Current Tax Collections (1)		Percent of Levy Collected		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	
2015-16	\$	12,987,541	\$	12,648,599	97.39%	\$	255,928	\$	12,904,527	99.36%	\$	528,917	4.07%			
2016-17		15,565,394		15,244,901	97.94%		186,480		15,431,381	99.14%		596,737	3.83%			
2017-18		16,555,733		16,230,970	98.04%		240,759		16,471,729	99.49%		632,919	3.82%			
2018-19		17,243,138		16,833,632	97.63%		211,248		17,044,880	98.85%		696,696	4.04%			
2019-20		17,444,564		16,974,029	97.30%		356,935		17,330,964	99.35%		813,650	4.66%			
2020-21		17,588,432		17,256,280	98.11%		339,609		17,595,889	100.04%		687,654	3.91%			
2021-22		20,659,365		20,371,408	98.61%		309,564		20,680,972	100.10%		761,537	3.69%			
2022-23		22,165,236		22,450,569	101.29%		277,783		22,728,352	102.54%		1,143,754	5.16%			
2023-24		21,275,427		20,696,422	97.28%		517,642		21,214,064	99.71%		1,346,995	6.33%			
2024-25		21,543,040		22,270,526	103.38%		457,826		22,728,352	105.50%		1,348,005	6.26%			

(1) Exclusive of penalties and interest.

(2) Includes three most current delinquent tax years.

COUNTY OF BRUNSWICK, 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 Utility (2)(3)		Total
					Utility (2)	(3)	
2015-16	\$ 1,294,538,346	\$ 116,860,850	\$ 17,351,320	\$ 7,543,250	\$ 490,330,633	\$	1,926,624,399
2016-17	1,298,006,765	124,144,270	18,163,830	7,802,300	975,481,233		2,423,598,398
2017-18	1,303,563,180	124,218,160	19,288,060	-	940,609,009		2,387,678,409
2018-19	1,299,841,870	125,870,640	19,494,570	-	1,004,963,140		2,450,170,220
2019-20	1,304,304,560	127,960,455	19,495,420	-	1,024,761,593		2,476,522,028
2020-21	1,312,254,960	131,771,760	18,357,400	-	1,025,899,038		2,488,283,158
2021-22	1,314,343,220	146,606,346	8,599,410	-	994,779,297		2,464,328,273
2022-23	1,329,170,728	198,318,301	9,225,270	-	902,886,218		2,439,600,517
2023-24	1,339,334,205	186,091,330	10,497,780	-	852,055,415		2,387,978,730
2024-25	1,966,387,910	184,082,320	11,814,540	-	1,238,215,492		3,400,500,262

(1) Real estate is assessed at 100% of fair market value.

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

(3) Increase due to new Dominion power plant.

Property Tax Rates (1)
Last Ten Fiscal Years

Fiscal Year	Real Estate	Mobile Homes	Personal Property	Fire and Rescue Volunteers	Machinery and Tools	Merchant's Capital
2015-16	\$ 0.47	\$ 0.47	\$ 3.60	\$ 2.15	\$ 3.40	\$ 1.20
2016-17	0.47	0.47	3.60	2.64	3.40	1.20
2017-18	0.52	0.52	3.65	2.71	3.40	N/A
2018-19	0.53	0.53	3.65	2.81	3.40	N/A
2019-20	0.53	0.53	3.65	2.59	3.40	N/A
2020-21	0.53	0.53	3.65	2.64	3.40	N/A
2021-22	0.65	0.65	3.85	2.85	3.40	N/A
2022-23	0.65	0.65	3.85	3.11	3.40	N/A
2023-24	0.65	0.65	3.75	2.30	3.40	N/A
2024-25	0.50	0.50	3.75	0.01	3.40	N/A

(1) Per \$100 of assessed value.

COUNTY OF BRUNSWICK, 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)	Gross Bonded Debt (3)	Less:		Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt per Capita
				Service Montes Available	Net Bonded Debt		
2015-16	16,930	\$ 1,926,624	\$ 13,476,105	-	\$ -	0.70%	796
2016-17	16,687	2,423,598	11,947,042	-	11,947,042	0.49%	716
2017-18	16,581	2,387,678	11,155,316	-	11,155,316	0.47%	673
2018-19	16,481	2,450,170	12,488,881	-	12,488,881	0.51%	758
2019-20	16,292	2,476,522	11,543,337	-	11,543,337	0.47%	709
2020-21	16,316	2,488,283	13,105,454	-	13,105,454	0.53%	803
2021-22	15,465	2,464,328	68,306,729	-	68,306,729	2.77%	4,417
2022-23	15,465	2,439,601	64,076,015	-	64,076,015	2.63%	4,143
2023-24	15,465	2,387,979	61,999,485	-	61,999,485	2.60%	4,009
2024-25	15,465	3,400,500	59,873,513	-	59,873,513	1.76%	3,872

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

(2) Real property assessed at 100% of fair market value.

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

Excludes landfill closure/postclosure care liability, financed purchases, QZABs, compensated absences, and pension and OPEB liabilities

COMPLIANCE

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**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***

**The Honorable Members of
The Board of Supervisors
County of Brunswick, Virginia**

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Specifications for Audits of Counties, Cities, and Towns*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia, the financial statements of the governmental activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of County of Brunswick, Virginia as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise County of Brunswick, Virginia's basic financial statements and have issued our report thereon dated April 10, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered County of Brunswick, 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 Brunswick, Virginia's internal control. Accordingly, we do not express an opinion on the effectiveness of County of Brunswick, 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 Brunswick, Virginia's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance 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, Fennell, Cox Associates

Richmond, Virginia
April 10, 2026



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

The Honorable Members of
The Board of Supervisors
County of Brunswick, Virginia

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited County of Brunswick, 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 Brunswick, Virginia's major federal programs for the year ended June 30, 2025. County of Brunswick, 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 Brunswick, Virginia complied, in all material respects, with the 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 Brunswick, 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 Brunswick, 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 Brunswick, 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 Brunswick, 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 Brunswick, 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 Brunswick, 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 Brunswick, 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 Brunswick, 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, Fournier, Cox Associates

Richmond, Virginia
April 10, 2026

COUNTY OF BRUNSWICK, VIRGINIA

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

Federal Grantor/State Pass - Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures
Department of Health and Human Services:			
Pass Through Payments:			
Virginia Department of Social Services:			
Guardianship Assistance	93.090	1110124/25	\$ 324
Title VI-E Prevention Program	93.472	1140124/25	6,831
Promoting Safe and Stable Families	93.556	0950123/24; 0980120	30,161
Refugee and Entrant Assistance - State Administered Programs	93.566	0500125	528
Low-Income Home Energy Assistance	93.568	0600424/25	45,132
Child Care Mandatory and Matching Funds of the Child Care and Development Fund (CCDF Cluster)	93.596	0760124/25	44,886
Stephanie Tubbs Jones Child Welfare Services Program	93.645	0900123/24	826
Foster Care - Title IV-E	93.658	1100124/25	136,038
Adoption Assistance	93.659	1120124/25	64,106
Social Services Block Grant	93.667	1000124/25	264,415
John H. Chafee Foster Care Program for Successful Transition to Adulthood	93.674	9150123/24	1,965
Children's Health Insurance Program (CHIP)	93.767	0540124/25	4,353
Medical Assistance Program (Medicaid Cluster)	93.778	1200124/25	350,626
Temporary Assistance for Needy Families (TANF)	93.558	0400124/25	<u>223,972</u>
Total Department of Health and Human Services			\$ <u>1,174,163</u>
Department of Agriculture:			
Pass Through Payments:			
Virginia Department of Agriculture and Consumer Services:			
Food Distribution - School Nutrition Program (Child Nutrition Cluster)	10.555	APE40264	\$ 96,529
Virginia Department of Education:			
National School Lunch Program (NSLP) (Child Nutrition Cluster)	10.555	24/25N109941	<u>689,463</u> \$ 785,992
Virginia Department of Education:			
School Breakfast Program (Child Nutrition Cluster)	10.553	24/25N109941	312,599
Fresh Fruit and Vegetable Program (Child Nutrition Cluster)	10.582	APE40252	<u>51,420</u> \$ 1,150,011
Child and Adult Care Food Program	10.558	APE70027/70028	<u>2,608</u>
Virginia Department of Social Services:			
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (SNAP Cluster)	10.561	0010124/25, 0040124/25 0050124/25	\$ <u>414,809</u>
Total Department of Agriculture			\$ <u>1,567,428</u>

COUNTY OF BRUNSWICK, VIRGINIA

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

Federal Grantor/State Pass - Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures
Department of Defense:			
Direct Payments:			
ROTC	12.U00	N/A	\$ 72,309
Total Department of Defense			<u>\$ 72,309</u>
Department of Housing and Urban Development:			
Pass Through Payments:			
Virginia Department of Housing and Community Development: Community Development Block Grants/State's Program and Non- Entitlement Grants in Hawaii	14.228	Unavailable	\$ 919,080
Total Department of Housing and Urban Development			<u>\$ 919,080</u>
Department of Justice:			
Direct payments:			
Bulletproof Vest Partnership Program	16.607	N/A	15,170
Pass Through Payments:			
Virginia Department of Criminal Justice Services:			
Edward Byrne Memorial Justice Assistance Grant Program	16.738	20-T1126L017	\$ 60,780
Crime Victim Assistance	16.575	23-Y9272VW19	67,454
Total Department of Justice			<u>\$ 143,404</u>
Department of Homeland Security:			
Pass Through Payments:			
Virginia Department of Emergency Management:			
Hazard Mitigation Grant	97.039	HMGP# 4042-002	\$ 30,740
Emergency Management Performance Grants	97.042	EMP-2023-EP-00004	7,500
Total Department of Homeland Security			<u>\$ 38,240</u>
Department of Treasury:			
Pass Through Payments:			
Virginia Department of Accounts:			
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	Unavailable	\$ 1,349,859
Virginia Department of Elections:			
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	Unavailable	75,985
Total Department of Treasury			<u>\$ 1,425,844</u>
Department of Education:			
Pass Through Payments:			
Virginia Department of Education:			
Title I - Grants to Local Educational Agencies	84.010	APE42901/42892	\$ 792,387
Special Education Cluster:			
Special Education - Grants to States (IDEA, Part B)	84.027	APE43071/60033	\$ 438,231
Special Education - Preschool Grants (IDEA Preschool)	84.173	APE62521	440,631
Career and Technical Education - Basic Grants to States	84.048	APE60031	58,421
Twenty-First Century Community Learning Centers	84.287	S287C170047	70,212
Rural Education	84.358	APE43481	34,968
Supporting Effective Instruction State Grants	84.367	APE61480	113,940
Student Support and Academic Enrichment Program	84.424	APE60024	94,147
COVID-19 - American Rescue Plan - Elementary and Secondary School Emergency Relief	84.425U	Unavailable	778,615
Total Department of Education			<u>\$ 2,383,321</u>
Total Expenditures of Federal Awards			<u>\$ 7,723,789</u>

See accompanying notes to schedule of expenditures of federal awards.

COUNTY OF BRUNSWICK, 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 Brunswick, Virginia under programs of the federal government for the year ended June 30, 2025. The information in this schedule is presented in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of County of Brunswick, Virginia, it is not intended to and does not present the financial position, changes in net position, or cash flows of County of Brunswick, 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 value of the commodities received and disbursed.

Note 4 - Subrecipients

No awards were passed through to subrecipients.

Note 5 - Indirect Costs

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

Note 6 - Loan balances

The County has no loans or loan guarantees which have subject o reporting requirements for the current year.

Note 7 - 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	\$ 1,683,532
Special Revenue Funds:	
Virginia Public Assistance Fund	1,456,719
CSA Fund	56,209
Debt Service Funds:	
Debt Service Fund	61,318
Capital Projects Funds:	
County Capital Improvements Fund	919,080
Total primary government	\$ <u>4,176,858</u>
Component Unit School Board:	
School Operating Fund	\$ 2,455,630
School Cafeteria Fund	1,152,619
Total component unit School Board	\$ <u>3,608,249</u>
Total federal expenditures per basic financial statements	\$ <u>7,785,107</u>
Reconciling Items:	
Federal interest subsidy	\$ <u>(61,318)</u>
Total federal expenditures per the Schedule of Expenditures of Federal Awards	\$ <u><u>7,723,789</u></u>

COUNTY OF BRUNSWICK, 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:

<u>Assistance Listing #</u>	<u>Name of Federal Program or Cluster</u>
84.027/84.173	Special Education Cluster (IDEA)
84.010	Title I Grants to Local Education Agencies
14.228	Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii
21.027	COVID-19 - Coronavirus State and Local Fiscal Recovery Funds

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

Auditee qualified as low-risk auditee? 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 and questioned costs to report.

SECTION IV - PRIOR YEAR FINDINGS

There are no findings from the prior year.