COUNTY OF RICHMOND, VIRGINIA

Annual Financial Report
For The Fiscal Year Ended June 30, 2025

COUNTY OF RICHMOND, VIRGINIA

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2025

THIS PAGE LEFT BLANK INTENTIONALLY

COUNTY OF RICHMOND, VIRGINIA

BOARD OF SUPERVISORS

F. Lee Sanders, Chair

John David Parr	Robert B. Pemberton
JR Fidler	Richard E. Thomas, Sr., Vice-Chair

COUNTY SCHOOL BOARD

Boyd K. Blackley, II, Chair

Frank Johnson	Kathleen F. Beane
Vivian G. Wood, Vice-Chair	Patricia P. Pugh

SOCIAL SERVICES BOARD

Robert B. Pemberton, Chair

Tim Davis	Carol Motley
Bea Sanders	Vivian Davis
Cassandra Jackson	

OTHER OFFICIALS

Judge of the Circuit Court .... Victoria A. B. Willis
Clerk of the Circuit Court .... Cheryl B. Pierson
Judge of the General District Court .... Hugh S. Campbell
Judge of the Juvenile and Domestic Relations Court .... Andrea M. Stewart
Commonwealth's Attorney .... Elizabeth Trible
Commissioner of the Revenue .... Jennifer W. Gomer
Treasurer .... Kristie S. Brann
Sheriff .... Stephan B. Smith
Superintendent of Schools .... Bernard S. “Trey” Davis III, Ed.D.
Director of Social Services .... Vanessa Livingstone
County Administrator .... Hope Mothershead

THIS PAGE LEFT BLANK INTENTIONALLY

COUNTY OF RICHMOND, VIRGINIA

ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2025

TABLE OF CONTENTS

	Exhibit	Page
Independent Auditors' Report		1-4
Management's Discussion and Analysis		5-11
Basic Financial Statements:		
Government-Wide Financial Statements:		
Statement of Net Position	1	12
Statement of Activities	2	13
Fund Financial Statements:		
Balance Sheet – Governmental Funds	3	14
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	4	15
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	5	16
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	6	17
Statement of Fiduciary Net Position – Fiduciary Funds	7	18
Statement of Changes in Fiduciary Net Position – Fiduciary Funds	8	19
Notes to Financial Statements		20-90
Required Supplementary Information:		
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual:		
General Fund	9	91
Sheriff's Fund	10	92
Workforce Investment Act Fund	11	93
Schedule of Changes in Net Pension Liability (Asset) and Related Ratios – Primary Government	12	94-95
Schedule of Changes in Net Pension Liability (Asset) and Related Ratios – Component Unit School Board (nonprofessional)	13	96-97
Schedule of Employer's Share of Net Pension Liability VRS Teacher Retirement Plan – Component Unit School Board	14	98
Schedule of Employer Contributions – Pension Plans	15	99
Notes to Required Supplementary Information – Pension Plans	16	100

COUNTY OF RICHMOND, VIRGINIA

ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2025

TABLE OF CONTENTS

	Exhibit	Page
Required Supplementary Information: (Continued)		
Schedule of County's and Component Unit School Board's Share of Net OPEB Liability – Group Life Insurance (GLI) Plan	17	101
Schedule of Employer Contributions – Group Life Insurance (GLI) Plan	18	102
Notes to Required Supplementary Information – Group Life Insurance (GLI) Plan	19	103
Schedule of Changes in the School Board's Net OPEB Liability and Related Ratios - Health Insurance Credit (HIC) Plan – Component Unit School Board (nonprofessional)	20	104
Schedule of Employer Contributions – Health Insurance Credit (HIC) Plan - Component Unit School Board (nonprofessional)	21	105
Notes to Required Supplementary Information – Health Insurance Credit (HIC) Plan - Component Unit School Board (nonprofessional)	22	106
Schedule of Component Unit School Board's Share of Net OPEB Liability and Related Ratios – Teacher Employee Health Insurance Credit (HIC) Plan	23	107
Schedule of Employer Contributions – Teacher Employee Health Insurance Credit (HIC) Plan - Component Unit School Board	24	108
Notes to Required Supplementary Information – Teacher Employee Health Insurance Credit (HIC) Plan - Component Unit School Board	25	109
Schedule of Changes in Total OPEB Liability and Related Ratios:		
Primary Government	26	110
Component Unit School Board	27	111
Notes to Required Supplementary Information – Primary Government OPEB	28	112
Notes to Required Supplementary Information – Component Unit School Board OPEB	29	113
Other Supplementary Information:		
Combining and Individual Fund Financial Statements and Schedules:		
Fiduciary Funds:		
Combining Statement of Fiduciary Net Position	30	114
Combining Statement of Changes in Fiduciary Net Position	31	115
Discretely Presented Component Unit – School Board:		
Combining Balance Sheet	32	116
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances Governmental Funds	33	117
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual:		
School Operating Fund and School Cafeteria Fund	34	118-119
Discretely Presented Component Unit – Industrial Development Authority:		
Statement of Net Position	35	120
Statement of Revenues, Expenses, and Changes in Net Position	36	121
Statement of Cash Flows	37	122

COUNTY OF RICHMOND, VIRGINIA

ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2025

TABLE OF CONTENTS

Other Supplementary Information: (Continued)

	Schedule	Page
Supporting Schedules:		
Schedule of Revenues – Budget and Actual - Governmental Funds	1	123-128
Schedule of Expenditures – Budget and Actual - Governmental Funds	2	129-132

Statistical Information:

	Table	Page
Government-Wide information:		
Government-Wide Expenses by Function	1	133
Government-Wide Revenues	2	134
Fund information:		
General Governmental Expenditures by Function	3	135
General Governmental Revenues by Source	4	136
Property Tax Levies and Collections	5	137
Assessed Value of Taxable Property	6	138
Property Tax Rates	7	139
Ratio of Net General Bonded Debt to Assessed Value and Net Bonded Debt Per Capita	8	140

Compliance:

	Page
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*	141-142
Independent Auditors' Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance	143-145
Schedule of Expenditures of Federal Awards	146-147
Notes to Schedule of Expenditures of Federal Awards	148
Schedule of Findings and Questioned Costs	149
Summary Schedule of Prior Audit Findings	150

THIS PAGE LEFT BLANK INTENTIONALLY

ROBINSON, FARMER, COX ASSOCIATES, PLLC
Certified Public Accountants

CPAs | CONSULTANTS

Independent Auditors' Report

To the Honorable Members of the Board of Supervisors
County of Richmond
Warsaw, 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 Richmond, Virginia, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

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

Basis for Opinions

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

Changes in Accounting Principles

As described in Note 21 to the financial statements, in 2025, the County adopted new accounting guidance, GASB Statement No. 101, *Compensated Absences*. Our opinions are not modified with respect to this matter.

Restatement of Beginning Balances

As described in Note 22 to the financial statements, in 2025, the County restated beginning balances to reflect the requirements of GASB Statement No. 101. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about County of Richmond, 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 Richmond, 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 Richmond, Virginia's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

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

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 4, 2026, on our consideration of County of Richmond, 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 Richmond, 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 Richmond, Virginia's internal control over financial reporting and compliance.

Robinson, Farmer, Cox Associates

Richmond, Virginia
June 4, 2026

MANAGEMENT'S DISCUSSION AND ANALYSIS

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

As management of the County of Richmond, 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. Please read it in conjunction with the County's basic financial statements, which follow this section.

Financial Highlights

Government-wide Financial Statements

- The assets and deferred outflows of resources of the County exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by $12,848,402 (net position).

Fund Financial Statements

The Governmental Funds, on a current financial resource basis, reported revenues and other financing sources in excess of expenditures and other financing uses of $1,988,289 (Exhibit 5) after making contributions totaling $4,739,252 to the School Board.

- As of the close of the current fiscal year; the County's funds reported ending fund balances of $4,546,462, an increase of $1,988,289 in comparison with the prior year.
- At the end of the current fiscal year, unassigned fund balance for the general fund was $3,428,392, or 17.37% of total general fund expenditures and other uses.
- The combined long-term obligations decreased by $574,326 during the current fiscal year.

Overview of the Financial Statements

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

1. Government-wide financial statements,

2. Fund financial statements, and

3. Notes to the financial statements.

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

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

The statement of net position presents information on all of the County's assets and deferred outflows of resources and 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, courts, police protection, sanitation, social services, education, cultural events, and recreation.

The Government-wide financial statements include not only the County of Richmond, Virginia itself (known as the primary government), but also a legally separate school district, and industrial development authority and for which the County of Richmond, Virginia is financially accountable. Financial information for the 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. The County of Richmond, 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 funds and fiduciary funds.

Overview of the Financial Statements (Continued)

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 at the bottom of the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances. The County has three major governmental funds – the General Fund, the Capital Projects Fund and the Sheriff's Fund.

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 County custodial funds used to provide accountability of client monies for which the County is custodian.

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 statement and accompanying notes, this report also presents certain required supplementary information for budgetary comparison schedules and presentation of combining financial statements for the discretely presented component units - School Board, and Industrial Development Authority. The Component Units do not issue separate financial statements.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a County's financial position. In the case of the County, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $12,848,402 at the close of the most recent fiscal year. The following table summarizes the County's Statement of Net position:

County of Richmond, Virginia's Net Position

	Governmental Activities	
	2025	**2024**
Current and other assets	$ 5,804,552	$ 5,795,227
Capital assets	21,164,262	22,125,945
Total assets	$ 26,968,814	$ 27,921,172
Deferred outflows of resources	$ 1,525,433	$ 807,560
Current liabilities	$ 796,855	$ 2,868,962
Long-term liabilities outstanding	14,162,972	14,737,298
Total liabilities	$ 14,959,827	$ 17,606,260
Deferred inflows of resources	$ 686,018	$ 502,651
Net position:		
Net investment in capital assets	$ 8,620,279	$ 8,249,805
Restricted	219,970	219,970
Unrestricted	4,008,153	2,150,046
Total net position	$ 12,848,402	$ 10,619,821

Government-wide Financial Analysis (Continued)

The County's net position increased by $2,610,186 during the current fiscal year. The following table summarizes the County's Statement of Activities.

County of Richmond, Virginia's Changes in Net Position

	Governmental Activities	
	2025	**2024**
Charges for services	$ 873,341	$ 877,989
Operating grants and contributions	5,745,536	6,289,716
General property taxes	11,427,265	10,134,963
Other local taxes	2,117,217	1,836,093
Grants and other contributions not restricted	1,115,699	1,127,523
Other general revenues	368,337	458,704
Total revenues	$ 21,647,395	$ 20,724,988
General government administration	$ 2,560,281	$ 2,527,589
Judicial administration	1,029,737	837,447
Public safety	4,931,928	4,639,264
Public works	1,505,970	1,405,427
Health and welfare	2,396,095	1,764,822
Education	5,811,376	6,416,110
Parks, recreation, and cultural	126,979	111,136
Community development	129,000	1,638,952
Interest and other fiscal charges	545,843	582,758
Total expenses	$ 19,037,209	$ 19,923,505
Change in net position	$ 2,610,186	$ 801,483
Net position, beginning of year, as originally stated	10,619,821	9,818,338
Restatement	(381,605)	-
Net position, beginning of year, as restated	10,238,216	9,818,338
Net position, end of year	$ 12,848,402	$ 10,619,821

Financial Analysis of the County's Funds

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

Governmental Funds - The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of available resources. Such information is useful in assessing the County's financing requirements. In particular, unreserved 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 $4,546,462, an increase of $1,988,289 in comparison with the prior year. Approximately 75.4% of this total amount constitutes unassigned General Fund balance, which is available for spending at the County's discretion.

General Fund Budgetary Highlights

During the year, revenues and other sources exceeded budgetary estimates by $2,858,218. Expenditures and other uses exceeded budgetary estimates by $2,853,405, resulting in a positive variance of $4,813 for net change in fund balance.

Capital Asset and Debt Administration

< Capital assets - The County's investment in capital assets for its governmental operations as of June 30, 2025 amounts to $21,164,262 (net of accumulated depreciation). This investment in capital assets includes land, buildings and system, and machinery and equipment.

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

Long-term debt - At the end of the current fiscal year, the County had total debt outstanding of $11,443,500. Of this amount, $9,463,791 comprises debt backed by the full faith and credit of the County. The remainder of the County's debt represents bonds secured solely by specified revenue sources (i.e., lease/revenue bonds, lease liabilities, capital financing activities, and notes).

The County's total debt decreased by $574,326 during the current fiscal year.

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

Economic Factors and Next Year’s Budgets and Rates

< Inflationary trends in the region compare to national indexes.

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

The fiscal year 2026 budget increased by approximately 4.81% and tax rates for all property taxes remained the same except for the personal property tax rate was reduced from $3.75 to $3.50.

Requests for Information

This financial report is designed to provide a general overview of the County of Richmond, Virginia’s finances for all those with an interest in the County’s finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the County Administrator, P.O. Box 1000, Warsaw, Virginia 22572.

THIS PAGE LEFT BLANK INTENTIONALLY

BASIC FINANCIAL STATEMENTS

THIS PAGE LEFT BLANK INTENTIONALLY

GOVERNMENT-WIDE FINANCIAL STATEMENTS

THIS PAGE LEFT BLANK INTENTIONALLY

Exhibit 1

County of Richmond, Virginia
Statement of Net Position
June 30, 2025

	Primary Government Governmental Activities	Component Units School Board	Component Units IDA
ASSETS			
Cash and cash equivalents	$ 4,293,807	$ 1,652,747	$ 35,102
Receivables (net of allowance for uncollectibles):			
Taxes receivable	461,134	-	-
Accounts receivable	154,766	27,819	-
Lease receivable	-	-	40,750
Interest receivable	-	-	136
Due from component unit	29,958	-	-
Due from other governmental units	864,887	642,044	-
Net pension asset	-	125,847	-
Capital assets (net of accumulated depreciation):			
Land	1,437,492	28,062	149,907
Construction in progress	1,063,617	-	-
Buildings and improvements	17,014,366	8,944,227	214,090
Machinery, equipment, and vehicles	996,726	1,658,408	11,756
Subscriptions	89,262	-	-
Lease buildings and improvements	502,384	-	-
Lease improvements other than buildings	35,675	-	-
Lease machinery, equipment, and vehicles	24,740	-	-
Total assets	$ 26,968,814	$ 13,079,154	$ 451,741
DEFERRED OUTFLOWS OF RESOURCES			
Pension related items	$ 1,389,810	$ 2,951,016	$ -
OPEB related items	135,623	706,289	-
Total deferred outflows of resources	$ 1,525,433	$ 3,657,305	$ -
LIABILITIES			
Accounts payable	$ 565,759	$ 105,439	$ -
Accrued liabilities	-	764,716	-
Accrued interest payable	126,073	-	-
Bonds held for others	63,623	-	-
Due to other governmental units	-	29,958	-
Unearned revenue	41,400	-	-
Long-term liabilities:			
Due within one year	1,265,246	83,944	-
Due in more than one year	12,897,726	11,014,924	-
Total liabilities	$ 14,959,827	$ 11,998,981	$ -
DEFERRED INFLOWS OF RESOURCES			
Deferred revenue - property taxes	$ 60,946	$ -	$ -
Lease related	-	-	35,386
Pension related items	499,074	1,588,301	-
OPEB related items	125,998	338,331	-
Total deferred inflows of resources	$ 686,018	$ 1,926,632	$ 35,386
NET POSITION			
Net investment in capital assets	$ 8,620,279	$ 10,630,697	$ 375,753
Restricted for:			
Net pension asset	-	125,847	-
Construction	-	407,597	-
Drug enforcement	21,615	-	-
Debt service reserve	198,355	-	-
Unrestricted (deficit)	4,008,153	(8,353,295)	40,602
Total net position	$ 12,848,402	$ 2,810,846	$ 416,355

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

Exhibit 2

County of Richmond, Virginia
Statement of Activities
For the Year Ended June 30, 2025

		Program Revenues		Net (Expense) Revenue and Changes in Net Position		
				Primary Government	Component Units	
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities	School Board	IDA
PRIMARY GOVERNMENT:						
Governmental activities:						
General government administration	$ 2,560,281	$ 46,119	$ 314,948	$ (2,199,214)		
Judicial administration	1,029,737	2,565	556,378	(470,794)		
Public safety	4,931,928	824,657	1,393,683	(2,713,588)		
Public works	1,505,970	-	11,033	(1,494,937)		
Health and welfare	2,396,095	-	1,518,700	(877,395)		
Education	5,811,376	-	-	(5,811,376)		
Parks, recreation, and cultural	126,979	-	27,616	(99,363)		
Community development	129,000	-	1,702,826	1,573,826		
Interest on long-term debt	545,843	-	220,352	(325,491)		
Total governmental activities	$ 19,037,209	$ 873,341	$ 5,745,536	$ (12,418,332)		
Total primary government	$ 19,037,209	$ 873,341	$ 5,745,536	$ (12,418,332)		
COMPONENT UNITS:						
School Board	$ 21,605,851	$ -	$ 16,093,052		$ (5,512,799)	$ -
IDA	42,195	15,917	-		-	(26,278)
Total component units	$ 21,648,046	$ 15,917	$ 16,093,052		$ (5,512,799)	$ (26,278)
General revenues:						
General property taxes				$ 11,427,265	$ -	$ -
Other local taxes:						
Local sales and use taxes				1,564,444	-	-
Motor vehicle licenses				270,066	-	-
Other local taxes				282,707	-	-
Unrestricted revenues from use of money				319,398	21,204	3,716
Miscellaneous				48,939	714,369	-
Grants and contributions not restricted to specific programs				1,115,699	-	-
Contributions from Richmond County				-	5,339,802	10,000
Total general revenues				$ 15,028,518	$ 6,075,375	$ 13,716
Change in net position				$ 2,610,186	$ 562,576	$ (12,562)
Net position - beginning, as previously reported				10,619,821	3,071,088	428,917
Restatement				(381,605)	(822,818)	-
Net position - beginning, as restated				10,238,216	2,248,270	428,917
Net position - ending				$ 12,848,402	$ 2,810,846	$ 416,355

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

FUND FINANCIAL STATEMENTS

THIS PAGE LEFT BLANK INTENTIONALLY

Exhibit 3

County of Richmond, Virginia
Balance Sheet
Governmental Funds
June 30, 2025

	General Fund	Sheriff's Fund	Total
ASSETS			
Cash and cash equivalents	$ 4,272,192	$ 21,615	$ 4,293,807
Receivables (net of allowance for uncollectibles):			
Taxes receivable	461,134	-	461,134
Accounts receivable	154,766	-	154,766
Due from component unit	29,958	-	29,958
Due from other governmental units	864,887	-	864,887
Total assets	$ 5,782,937	$ 21,615	$ 5,804,552
LIABILITIES			
Accounts payable	$ 565,759	$ -	$ 565,759
Bonds held for others	63,623	-	63,623
Unearned revenue	41,400	-	41,400
Total liabilities	$ 670,782	$ -	$ 670,782
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - property taxes	$ 458,083	$ -	$ 458,083
Unavailable revenue - opioid settlement	129,225	-	129,225
Total deferred inflows of resources	$ 587,308	$ -	$ 587,308
FUND BALANCES			
Restricted	$ 198,355	$ 21,615	$ 219,970
Committed	21,455	-	21,455
Assigned	876,645	-	876,645
Unassigned	3,428,392	-	3,428,392
Total fund balances	$ 4,524,847	$ 21,615	$ 4,546,462
Total liabilities, deferred inflows of resources and fund balances	$ 5,782,937	$ 21,615	$ 5,804,552

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

Exhibit 4

County of Richmond, Virginia
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		$ 4,546,462
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Capital assets, cost	$ 35,720,406	
Accumulated depreciation	(14,556,144)	21,164,262
Other long-term assets are not available to pay for current-period expenditures and, therefore, are unavailable in the funds.		
Unavailable revenue - property taxes	$ 397,137	
Unavailable revenue - opioid settlement	129,225	526,362
Deferred outflows of resources are not available to pay for current-period expenditures and, therefore, are not reported in the funds.		
Pension related items	$ 1,389,810	
OPEB related items	135,623	1,525,433
Long-term liabilities, including bonds, are not due and payable in the current period and, therefore, are not reported in the funds. The following is a summary of items supporting this adjustment:		
Lease revenue bonds	$ (1,954,000)	
General obligations bonds	(9,463,791)	
USDA loan	(25,709)	
Subscription liability	(92,173)	
Lease liabilities	(591,048)	
Compensated absences	(628,329)	
Deferred issuance premium	(417,262)	
Net OPEB liabilities	(368,988)	
Net pension liability	(621,672)	
Accrued interest payable	(126,073)	(14,289,045)
Deferred inflows of resources are not due and payable in the current period and, therefore, are not reported in the funds.		
Pension related items	$ (499,074)	
OPEB related items	(125,998)	(625,072)
Net position of governmental activities		$ 12,848,402

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

Exhibit 5

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

	General Fund	Workforce Investment Act Fund	Sheriff's Fund	Total
REVENUES				
General property taxes	$ 11,334,926	$ -	$ -	$ 11,334,926
Other local taxes	2,117,217	-	-	2,117,217
Permits, privilege fees, and regulatory licenses	185,324	-	-	185,324
Fines and forfeitures	31,999	-	-	31,999
Revenue from the use of money and property	346,512	-	-	346,512
Charges for services	628,904	-	-	628,904
Miscellaneous	48,939	-	-	48,939
Recovered costs	1,801,472	-	-	1,801,472
Intergovernmental:				
Commonwealth	4,127,823	-	-	4,127,823
Federal	1,088,226	1,653,603	-	2,741,829
Total revenues	$ 21,711,342	$ 1,653,603	$ -	$ 23,364,945
EXPENDITURES				
Current:				
General government administration	$ 2,383,853	$ -	$ -	$ 2,383,853
Judicial administration	918,263	-	-	918,263
Public safety	5,044,830	-	-	5,044,830
Public works	1,503,408	-	-	1,503,408
Health and welfare	2,384,875	-	-	2,384,875
Education	4,910,850	-	-	4,910,850
Parks, recreation, and cultural	161,000	-	-	161,000
Community development	248,197	1,653,603	-	1,901,800
Nondepartmental	256,688	-	-	256,688
Capital projects	-	-	-	-
Debt service:				
Principal retirement	1,299,379	-	-	1,299,379
Interest and other fiscal charges	625,412	-	-	625,412
Total expenditures	$ 19,736,755	$ 1,653,603	$ -	$ 21,390,358
Excess (deficiency) of revenues over (under) expenditures	$ 1,974,587	$ -	$ -	$ 1,974,587
OTHER FINANCING SOURCES (USES)				
Issuance of subscription liability	$ 13,702	$ -	$ -	$ 13,702
Total other financing sources (uses)	$ 13,702	$ -	$ -	$ 13,702
Net change in fund balances	$ 1,988,289	$ -	$ -	$ 1,988,289
Fund balances - beginning	2,536,558	-	21,615	2,558,173
Fund balances - ending	$ 4,524,847	$ -	$ 21,615	$ 4,546,462

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

Exhibit 6

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

Amounts reported for governmental activities in the statement of activities are different because:		
Net change in fund balances - total governmental funds		$ 1,988,289
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 outlay in the current period.		
Capital outlay	$ 663,970	
Depreciation expense	(1,019,829)	
Transfer of joint tenancy assets to Component Unit School Board from Primary Government	(600,550)	(956,409)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Property taxes	$ 92,339	
Opioid settlement	(8,417)	83,922
The issuance of long-term obligations (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term obligations consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect differences in the treatment of long-term obligations and related items. The following is a summary of items supporting this adjustment:		
Principal retirement on lease revenue bonds	$ 169,000	
Principal retirement on general obligation bonds	900,526	
Principal retirement on note payable	114,166	
Principal retirement on USDA loans	8,935	
Principal retirement on subscription liability	20,619	
Principal retirement on lease liabilities	86,133	
Issuance of subscription liability	(13,702)	1,285,677
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore are not reported as expenditures in governmental funds. The following is a summary of items supporting this adjustment:		
Amortization of bond premium	$ 46,480	
Pension expense	175,420	
OPEB expense	22,817	
Change in compensated absences	(39,431)	
Change in accrued interest payable	8,695	213,981
Change in net position of governmental activities		$ 2,610,186

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

County of Richmond, Virginia
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2025

		Custodial Funds
ASSETS		
Cash and cash equivalents	$	2,033,633
Total assets	$	2,033,633
NET POSITION		
Restricted for:		
Individuals, organizations, and other governments	$	2,033,633
Total net position	$	2,033,633

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

Exhibit 8

County of Richmond, Virginia

Statement of Changes in Fiduciary Net Position

Fiduciary Funds

For the Year Ended June 30, 2025

		Custodial Funds
ADDITIONS		
Contributions	$	4,367,866
Investment earnings:		
Interest and dividends		104,739
Revenue from the Commonwealth		550,112
Revenue from the Federal Government		60,576
Total additions	$	5,083,293
DEDUCTIONS		
Recipient payments	$	510,537
Operations		4,480,290
Total deductions	$	4,990,827
Net increase (decrease) in fiduciary net position	$	92,466
Net position - beginning	$	1,941,167
Net position - ending	$	2,033,633

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

Note 1—Summary of Significant Accounting Policies:

The County of Richmond, Virginia (the "County") is governed by an elected five-member Board of Supervisors. The County provides a full range of services for its citizens. These services include police, refuse disposal, recreational activities, cultural events, education, and social services.

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

Government-wide and Fund Financial Statements

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

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

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

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

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

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. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

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

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

A. Financial Reporting Entity

The basic criterion for determining whether a governmental department, agency, institution, commission, public authority, or other governmental organization should be included in a primary governmental unit's reporting entity for the basic financial statements is financial accountability. Financial accountability includes the appointment of a voting majority of the organization's governing body and the ability of the primary government to impose its will on the organization or if there is a financial benefit/burden relationship. In addition, an organization which is fiscally dependent on the primary government should be included in its reporting entity. These financial statements present the County of Richmond (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.

B. Individual Component Unit Disclosures

Blended Component Unit.
The County has no blended component units at June 30, 2025.

Discretely Presented Component Units.
The Richmond County School Board members are appointed by the Richmond County School Board Selection Commission. The School Board is responsible for the operations of the County's School System within the County boundaries. 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 Board 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.

The Richmond County Industrial Development Authority is responsible for industrial and commercial development in the County. The Board of Supervisors appoints the Authority board members. The Authority is fiscally dependent on the County, and therefore, it is included in the County's financial statements as a discrete presentation for the year ended June 30, 2025. The Authority does not issue a separate financial report.

C. Other Related Organizations Included in the County's Financial Report

None

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

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

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

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

The government-wide 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.

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

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.

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

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

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

Property 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. Accordingly, real and personal property taxes are recorded as revenues and receivables when billed, net of allowances for uncollectible amounts. Property taxes not collected within 60 days after year-end are reflected as unavailable revenues. Sales and utility taxes, which are collected by the state or utilities and subsequently remitted to the County, are recognized as revenues and receivables upon collection by the state or utility, which is generally within two months preceding receipt by the County.

Licenses, permits, fines and rents are recorded as revenues when received. Intergovernmental revenues, consisting primarily of federal, state and other grants for the purpose of funding specific expenditures, are recognized when earned or at the time of the specific expenditure. Revenues from general purpose grants are recognized in the period to which the grant applies. All other revenue items are considered to be measurable and available only when cash is received by the government.

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

1. Governmental Funds

   Governmental Funds are those through which most governmental functions typically are financed. The County reports the following governmental funds.

   a. General Fund

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

   b. Special Revenue Funds

      Special Revenue Funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The only two special revenue funds are the Sheriff's Fund and the Workforce Investment Act Fund, which are considered major funds.

2. Fiduciary Fund – (Custodial Fund)

   Fiduciary Fund (Custodial Fund) accounts for assets held by the County unit in a trustee capacity or custodian for individuals, private organizations, other governmental units, or other funds. This fund includes amounts held for Special Welfare, Richmond County Public Library, Northern Neck Regional Technical Center, Menokin Foundation, and Northern Neck Regional Special Education Program.

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

E. Cash and Cash Equivalents

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

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

F. Investments

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

State statutes authorize the government to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds and repurchase agreements.

G. Receivables and Payables

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

All trade and property tax receivables are shown net of an allowance for uncollectibles. The County calculates its allowance for uncollectible accounts using historical collection data and, in certain cases, specific account analysis. The allowance amounted to $82,888 at June 30, 2025 and is comprised solely of property taxes.

Real and Personal Property Tax Data:

The tax calendars for real and personal property taxes are summarized below.

	Real Property	Personal Property
Levy	January 1	January 1
Due Date	December 5	December 5
Lien Date	January 1	January 1

The County bills and collects its own property taxes.

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

H. Capital Assets

Capital assets are tangible and intangible assets, which include property, plant, equipment, lease, subscription, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), and are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets, 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.

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:

Assets	Years
Buildings	50
Building improvements	50
Vehicles	5
Buses	10
Equipment	10
Lease buildings	10
Lease machinery, equipment and vehicles	2-4
Lease land improvements	8
Subscriptions	10

I. 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.

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

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

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.

Lessor

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

Subscriptions

The County recognizes intangible right-to-use subscription assets (subscription assets) and corresponding subscription liabilities with an initial value of $5,000, 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.

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

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

Key Estimates and Judgments (Continued)

- 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.

J. Compensated Absences

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

Vacation

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

Sick Leave

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

K. 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)

L. Net Position

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

- Net investment in capital assets consists of capital assets, net of accumulated depreciation/ amortization and reduced by outstanding balances of bonds, notes, and other debt that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are included in this component of net position.

- Restricted net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Assets are reported as restricted when constraints are placed on asset use either by external parties or by law through constitutional provision or enabling legislation.

- Unrestricted net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that does not meet the definition of the two preceding categories.

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 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.

M. 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 fiduciary net position have been determined on the same basis as they were reported by the Virginia Retirement System (VRS). For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

N. 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, Teacher HIC and HIC (School Board nonprofessional) OPEB Plans and the additions to/deductions from the VRS OPEB Plans' fiduciary net position have been determined on the same basis as they were reported by VRS. In addition, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

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

O. Long-term Obligations

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

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

P. Fund Balance

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

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

- Restricted fund balance – amounts that can be spent only for the specific purposes stipulated by external resource providers such as grantors or enabling federal, state, or local legislation. Restrictions may be changed or lifted only with the consent of the resource providers;

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

- Assigned fund balance – amounts a government intends to use for a specific purpose but do not meet the criteria to be classified as committed; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment;

- Unassigned fund balance – amounts that are available for any purpose; positive amounts are only reported in the general fund. Additionally, any deficit fund balance within the other governmental fund types is reported as unassigned.

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

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

P. Fund Balance (Continued)

The Board of Supervisors establishes (and modifies or rescinds) fund balance commitments by passage of a 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).

The details of governmental fund balances, as presented in aggregate on Exhibit 3, are as follows:

	General	Sheriff's Fund	Total
Fund balances:			
Restricted:			
Drug seizure	$ -	$ 21,615	$ 21,615
Debt service reserve	198,355	-	198,355
Total restricted fund balance	$ 198,355	$ 21,615	$ 219,970
Committed:			
Courthouse maintenance	$ 21,455	$ -	$ 21,455
Total committed fund balance	$ 21,455	$ -	$ 21,455
Assigned:			
Reassessment fund	$ 46,570	$ -	$ 46,570
Asset forfeiture	16	-	16
Central accounting system	800	-	800
Capital improvement fund	280,405	-	280,405
Animal shelter	51,785	-	51,785
RCPS CIP fund	497,069	-	497,069
Total assigned fund balance	$ 876,645	$ -	$ 876,645
Unassigned	$ 3,428,392	$ -	$ 3,428,392
Total fund balances	$ 4,524,847	$ 21,615	$ 4,546,462

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

Q. Deferred Outflows/Inflows of Resources

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

Q. Deferred Outflows/Inflows of Resources (Continued)

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

Note 2—Stewardship, Compliance, and Accounting:

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

1. On or before March 30th, 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 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 of the primary government and the School Operating Fund and School Cafeteria 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.

Note 2—Stewardship, Compliance, and Accounting: (Continued)

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. Expenditures and Appropriations
Expenditures exceeded appropriations in the General Fund at June 30, 2025.

Note 3—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 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).

Credit Risk of Debt Securities

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

County's Rated Debt Investments' Values

Rated Debt Investments	Fair Quality Rating
	AAAm
Local Government Investment Pool	$ 24,943
Virginia Investment Pool	5,781
Total	$ 30,724

Note 3—Deposits and Investments: (Continued)

Interest Rate Risk

Investment Type	Fair Value	Investment Maturities (in years) Less Than 1 Year
Local Government Investment Pool	$ 24,943	$ 24,943
Virginia Investment Pool	5,781	5,781
Total	$ 30,724	$ 30,724

External Investment Pools

The value of the positions in the external investment pools (Local Government Investment Pool) is the same as the value of 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.

Fair Value Measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The County has measured fair value of the VML/VACO Virginia Investment Pool investment at the net asset value (NAV).

Redemption Restrictions

VML/VACO Virginia Investment Pool allows the authority to have the option to have access to withdrawal funds twice a month with a five-day period notice. Additionally, funds are available to meet unexpected needs such as fluctuations in revenue sources, one-time outlays (disasters, immediate capital needs, state budget cuts, and etc.).

The remainder of this page left blank intentionally.

Note 4—Due from/to Other Governments:

At June 30, 2025, amounts due from other governments are as follows:

	Primary Government	Component Unit School Board
Commonwealth of Virginia:		
Mobile home titling tax	$ 4,009	$ -
Motor vehicle rental tax	3,337	-
Rolling stock tax	1,676	-
Welfare	32,283	-
State sales Tax	-	271,331
Local sales tax	256,154	-
Constitutional officer reimbursements	134,434	-
Rescue squad	5,027	-
Victim witness	8,454	-
Children's services act	81,038	-
Communications tax	31,840	-
Wireless grant	9,304	-
School resource officer	14,872	-
Opioid settlement	129,225	-
Forestry	2,707	-
Federal Government:		
School fund grants	-	243,844
School food grants	-	126,869
Motor vehicle safety	8,340	-
Community development block grant	49,223	-
Victim witness	9,255	-
Refugee revenue sharing in lieu of taxes	25,197	-
Welfare	58,512	-
Total due from other governments	$ 864,887	$ 642,044

At June 30, 2025, amounts due to other local governments are as follows:

	Primary Government	Component Unit School Board
Other Local Governments:		
Richmond County School Board	$ -	$ 29,958
Total	$ -	$ 29,958

Note 5—Capital Assets:

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

	Balance July 1, 2024	Additions	Deletions	Balance June 30, 2025
Primary Government:				
Capital assets not subject to depreciation:				
Land	$ 1,437,492	$ -	$ -	$ 1,437,492
Construction in Progress	2,337,394	500,669	1,774,446	1,063,617
Total capital assets not subject to depreciation	$ 3,774,886	$ 500,669	$ 1,774,446	$ 2,501,109
Capital assets subject to depreciation:				
Buildings and improvements	$ 9,687,237	$ 1,586,998	$ -	$ 11,274,235
Machinery, equipment, and vehicles	4,349,129	337,047	-	4,686,176
Subscriptions	130,105	13,702	6,961	136,846
Lease buildings and improvements	792,963	-	-	792,963
Lease improvements other than buildings	61,620	-	-	61,620
Lease machinery, equipment, and vehicles	65,727	-	9,964	55,763
Jointly owned assets	17,240,450	-	1,028,756	16,211,694
Total capital assets subject to depreciation	$ 32,327,231	$ 1,937,747	$ 1,045,681	$ 33,219,297
Accumulated depreciation:				
Buildings and improvements	$ 3,506,404	$ 217,256	$ -	$ 3,723,660
Machinery, equipment, and vehicles	3,295,269	394,181	-	3,689,450
Subscriptions	31,540	17,731	1,687	47,584
Lease buildings and improvements	217,035	73,544	-	290,579
Lease improvements other than buildings	19,459	6,486	-	25,945
Lease machinery, equipment, and vehicles	30,332	10,655	9,964	31,023
Jointly owned assets	6,876,133	299,976	428,206	6,747,903
Total accumulated depreciation	$ 13,976,172	$ 1,019,829	$ 439,857	$ 14,556,144
Total capital assets subject to depreciation, net	$ 18,351,059	$ 917,918	$ 605,824	$ 18,663,153
Governmental activities capital assets, net	$ 22,125,945	$ 1,418,587	$ 2,380,270	$ 21,164,262

The remainder of this page left blank intentionally.

Note 5—Capital Assets: (Continued)

	Balance July 1, 2024	Additions	Deletions	Balance June 30, 2025
Component Unit-School Board:				
Capital assets not subject to depreciation:				
Land	$ 28,062	$ -	$ -	$ 28,062
Construction in progress	1,611,300	91,917	1,703,217	-
Total capital assets not subject to depreciation	$ 1,639,362	$ 91,917	$ 1,703,217	$ 28,062
Capital assets subject to depreciation:				
Buildings and improvements	$ 1,942,847	$ 1,660,084	$ -	$ 3,602,931
Machinery, equipment, and vehicles	5,375,631	540,687	158,460	5,757,858
Jointly owned assets	9,008,295	-	(1,028,756)	10,037,051
Total capital assets subject to depreciation	$ 16,326,773	$ 2,200,771	$ (870,296)	$ 19,397,840
Accumulated depreciation:				
Buildings and improvements	$ 361,459	$ 156,506	$ -	$ 517,965
Machinery, equipment, and vehicles	3,729,713	528,197	158,460	4,099,450
Jointly owned assets	3,592,844	156,740	(428,206)	4,177,790
Total accumulated depreciation	$ 7,684,016	$ 841,443	$ (269,746)	$ 8,795,205
Total capital assets subject to depreciation, net	$ 8,642,757	$ 1,359,328	$ (600,550)	$ 10,602,635
Governmental activities capital assets, net	$ 10,282,119	$ 1,451,245	$ 1,102,667	$ 10,630,697

The remainder of this page left blank intentionally.

Note 5—Capital Assets: (Continued)

	Balance July 1, 2024	Additions	Deletions	Balance June 30, 2025
Component Unit-Industrial Development Authority:				
Capital assets not subject to depreciation:				
Land	$ 149,907	$ -	$ -	$ 149,907
Total capital assets not subject to depreciation	$ 149,907	$ -	$ -	$ 149,907
Capital assets subject to depreciation:				
Buildings and improvements	$ 598,470	$ -	$ -	$ 598,470
Machinery, equipment, and vehicles	46,878	-	-	46,878
Total capital assets subject to depreciation	$ 645,348	$ -	$ -	$ 645,348
Accumulated depreciation:				
Buildings and improvements	$ 372,410	$ 11,970	$ -	$ 384,380
Machinery, equipment, and vehicles	31,204	3,918	-	35,122
Total accumulated depreciation	$ 403,614	$ 15,888	$ -	$ 419,502
Total capital assets subject to depreciation, net	$ 241,734	$ (15,888)	$ -	$ 225,846
Business-type activities capital assets, net	$ 391,641	$ (15,888)	$ -	$ 375,753

Depreciation expense was charged to functions/programs as follows:

Primary Government:	
Governmental activities:	
General government administration	$ 89,317
Judicial administration	146,930
Public safety	376,491
Public works	34,960
Health and welfare	59,913
Education	299,976
Parks, recreation and cultural	4,022
Community development	8,220
Total Governmental activities	$ 1,019,829
Component Unit - School Board	$ 841,443
Component Unit - Industrial Development Authority	$ 15,888

Note 6—Long-Term Obligations:

Primary Government:

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

	Balance at July 1, 2024	Restatement	Restated Balance July 1, 2024	Issuances/ Increases	Retirements/ Decreases	Balance at June 30, 2025	Amounts Due Within One Year
Governmental Activities Obligations:							
Incurred by County:							
Compensated absences	$ 207,293	$ 381,605	$ 588,898	$ 39,431	$ -	$ 628,329	$ 62,833
Lease revenue bonds	2,123,000	-	2,123,000	-	169,000	1,954,000	176,000
Subscription liability	99,090	-	99,090	13,702	20,619	92,173	18,437
Lease liabilities	677,181	-	677,181	-	86,133	591,048	88,293
Add deferred amounts:							
Issuance premium	282,031	-	282,031	-	31,337	250,694	-
Direct borrowings:							
USDA loans	34,644	-	34,644	-	8,935	25,709	9,157
Note payable	114,166	-	114,166	-	114,166	-	-
Net pension liability	259,687	-	259,687	2,867,300	2,505,315	621,672	-
Net OPEB liabilities	394,178	-	394,178	136,875	162,065	368,988	-
Total incurred by County	$ 4,191,270	$ 381,605	$ 4,572,875	$ 3,057,308	$ 3,097,570	$ 4,532,613	$ 354,720
Incurred by School Board:							
General obligation bonds	$10,364,317	$ -	$10,364,317	$ -	$ 900,526	$ 9,463,791	$ 910,526
Add deferred amounts:							
Issuance premium	181,711	-	181,711	-	15,143	166,568	-
Total incurred by School Board	$10,546,028	$ -	$10,546,028	$ -	$ 915,669	$ 9,630,359	$ 910,526
Total Governmental Activities Obligations	$14,737,298	$ 381,605	$15,118,903	$ 3,057,308	$ 4,013,239	$14,162,972	$ 1,265,246

The remainder of this page left blank intentionally.

Note 6—Long-Term Obligations: (Continued)

Primary Government: (Continued)

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

	Governmental Activities							
							Direct Borrowings	
Year Ending	Lease Liabilities		Subscription Liability		Lease Revenue Bonds		USDA Loan	
June 30	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2026	$ 88,293	$ 12,106	$ 18,437	$ 2,721	$ 176,000	$ 71,413	$ 9,157	$ 539
2027	87,233	10,184	19,787	2,195	183,000	63,812	9,388	308
2028	86,982	8,279	16,545	1,629	246,000	54,468	7,164	104
2029	87,036	6,349	17,954	1,130	258,000	43,255	-	-
2030	88,875	4,251	19,450	587	271,000	31,453	-	-
2031	77,002	2,510	-	-	195,000	20,403	-	-
2032	75,627	929	-	-	200,000	12,281	-	-
2033	-	-	-	-	425,000	4,578	-	-
Total	$ 591,048	$ 44,608	$ 92,173	$ 8,262	$ 1,954,000	$ 301,663 $	$ 25,709 $	$ 951

The remainder of this page left blank intentionally.

Note 6—Long-Term Obligations: (Continued)

Primary Government: (Continued)

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

	School Obligations	
Year Ending	General Obligation Bonds	
June 30	Principal	Interest
2026	$ 910,526	$ 414,324
2027	920,526	403,629
2028	883,467	386,478
2029	903,467	365,583
2030	923,467	346,979
2031	943,467	327,763
2032	963,467	307,939
2033	983,467	287,503
2034	1,003,467	266,459
2035	1,028,470	127,891
Total	$ 9,463,791	$ 3,234,548

The remainder of this page left blank intentionally.

Note 6—Long-Term Obligations: (Continued)

Primary Government: (Continued)

Details of Long-Term Obligations:

	Total Amount
Incurred by County:	
Lease Revenue Bonds:	
$1,880,000 lease revenue bond issued November 12, 2020, due in annual principal installments through April 1, 2033, interest payable semi-annually at 5.125%.	$ 1,550,000
$750,000 lease revenue bond issued July 2, 2019, due in annual principal installments through July 15, 2029, interest payable monthly at 3.05%.	404,000
Total Lease Revenue Bonds	$ 1,954,000
Bond issuance premium	$ 250,694
Direct Borrowings:	
USDA Loans:	
$45,500 USDA loan issued March 15, 2023, due in monthly installments of $808 through February 15, 2028 with interest due at 2.5%.	$ 25,709
Total USDA loans	$ 25,709
Subscription Liability:	
$130,105 software subscription, due in annual installments of $15,700-$16,485 through September 2025 at 3.02% interest	$ 92,173
Lease Liabilities:	
$530,857 office lease, due in monthly installments of $4,620 through May 2032 at 2% interest	$ 352,770
$154,260 office lease, due in monthly installments of $1,310 through May 2032 at 2% interest	102,510
$107,847 office lease, due in monthly installments of 1,000 through October 2031 at 2% interest	70,891
$17,603 office equipment lease, due in quarterly installments of $932 through November 2028 at 2.43% interest	12,469
$11,992 office equipment lease, due in monthly installments of $205 through December 2026 at 2% interest	3,738
$12,352 office equipment lease, due in monthly installments of 210 through December 2026 at 2% interest	3,637
$8,993 office equipment lease, due in monthly installments of $153 through December 2026 at 3.5% interest	2,727
$4,724 office equipment lease, due in monthly installments of $105 through October 2027 at 2.54% interest	2,173
$61,620 land improvement lease, due in variable monthly installments through December 2030 at 2%	40,133
Total lease liabilities	$ 591,048
Compensated absences (payable by General Fund)	$ 628,329
Net pension liability (payable by General Fund)	$ 621,672
Net OPEB liabilities (payable by General Fund)	$ 368,988
Total incurred by County	$ 4,532,613

Note 6—Long-Term Obligations: (Continued)

Primary Government: (Continued)

The County's outstanding direct borrowings related to governmental activities of $34,644 contain a provision that in the event of default, outstanding amounts become immediately due if the County is unable to make payment.

Incurred by School Board:

General Obligation Bonds:	
$2,500,000 School bonds issued September 1, 2010, due in annual principal installments of $147,059 through September 1, 2026. This bond is interest-free.	$ 294,118
$6,085,183 School bonds issued October 31, 2012, due in varying annual installments of principal and interest through December 1, 2034, interest payable semi-annually at the rate of 3.84% per annum.	3,034,673
$8,770,000 School bonds issued November 15, 2012, due in varying annual installments of principal and interest through July 15, 2034, interest payable semi-annually ranges from 2.05% to 5.05%.	6,135,000
Total General Obligation Bonds	$ 9,463,791
Bond issuance premium	$ 166,568
Total incurred by School Board	$ 9,630,359
Total Long-Term Obligations, Primary Government	$ 14,162,972

Component Unit-School Board:

The following is a summary of long-term obligation transactions for the fiscal year ended June 30, 2024:

	Balance at July 1, 2024	Restatement	Restated Balance July 1, 2024	Increases	Decreases	Balance at June 30, 2025	Amounts Due Within One Year
Component Unit-School Board:							
Compensated absences	$ 87,127	$ 822,818	$ 909,945	$ -	$ 70,505	$ 839,440	$ 83,944
Net pension liabilities	8,778,107	-	8,778,107	3,357,185	4,370,420	7,764,872	-
Net OPEB liabilities	2,501,487	-	2,501,487	663,870	670,801	2,494,556	-
Total Component Unit-School Board	$11,366,721	$ 822,818	$12,189,539	$ 4,021,055	$ 5,111,726	$11,098,868	$ 83,944

The remainder of this page left blank intentionally.

Note 6—Long-Term Obligations: (Continued)

Component Unit-School Board: (Continued)

Details of Long-Term Obligations:

	Total Amount
Incurred by School Board:	
Compensated absences	$ 839,440
Net pension liability	$ 7,764,872
Net OPEB liabilities	$ 2,494,556
Total incurred by School Board	$ 11,098,868

Note 7-Postclosure Costs:

Old County Landfill

The County demonstrated financial assurance requirements for postclosure care and corrective action costs, if any, through the submission of a Local Governmental Financial Test to the Virginia Department of Environmental Quality in accordance with Section 9VA20-70 of the Virginia Administrative Code. In addition, the County closed its landfill in August 1996 and is liable for the postclosure monitoring for a period of ten years. The County's ten-year period has expired but they are still required to complete an annual landfill assurance calculation. The amount reported as landfill postclosure liability on June 30, 2025 represents the estimated liability for postclosure monitoring of $0 over a period of one year. This amount is based on what it would cost to perform all postclosure care in 2025. Actual costs may be higher due to inflation, changes in technology or changes in regulations.

Note 8—Unearned and Deferred/Unavailable Revenue:

Unavailable revenue represents amounts for which asset recognition criteria have been met, but for which revenue recognition criteria have not been met. Under the modified accrual basis of accounting, such amounts are measurable, but not available. Under the accrual basis, assessments for future reporting periods are deferred. Unearned and unavailable/deferred revenue is comprised of the following:

Unavailable Property Tax Revenue - Deferred revenue representing uncollected tax billings not available for funding of current expenditures totaled $397,138 at June 30, 2025.

Unavailable Prepaid Property Taxes – Property taxes due subsequent to June 30, 2025 but paid in advance by the taxpayers totaled $60,946 at June 30, 2024.

Note 9—Commitments and Contingent Liabilities:

Federal programs in which the County and all discretely presented component units participate were audited in accordance with the provisions of the Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Pursuant to the provisions of this circular all major programs and certain other programs were tested for compliance with applicable grant requirements.

While no matters of noncompliance were disclosed by audit, the Federal Government may subject grant programs to additional compliance tests 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 10—Litigation:

At June 30, 2025, there were no matters of litigation 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 11—Risk Management:

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

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

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

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

Note 12—Pension Plans:

Plan Description

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

Note 12—Pension Plans: (Continued)

Benefit Structures

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

a. Employees with a membership date before July 1, 2010, vested as of January 1, 2013, and have not taken a refund, are covered under Plan 1, a defined benefit plan. Non-hazardous duty employees are eligible for an unreduced retirement benefit beginning at age 65 with at least 5 years of service credit or age 50 with at least 30 years of service credit. Non-hazardous duty employees may retire with a reduced benefit as early as age 55 with at least 5 years of service credit or age 50 with at least 10 years of service credit. Hazardous duty employees (law enforcement officers, firefighters, and sheriffs) are eligible for an unreduced benefit beginning at age 60 with at least 5 years of service credit or age 50 with at least 25 years of service credit. Hazardous duty employees may retire with a reduced benefit as early as age 50 with at least 5 years of service credit.

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

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

Average Final Compensation and Service Retirement Multiplier

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

Note 12—Pension Plans: (Continued)

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

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

Employees Covered by Benefit Terms

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

	Primary Government	Component Unit School Board Nonprofessional
Inactive members or their beneficiaries currently receiving benefits	59	7
Inactive members:		
Vested inactive members	10	1
Non-vested inactive members	25	6
Inactive members active elsewhere in VRS	55	2
Total inactive members	90	9
Active members	78	2
Total covered employees	227	18

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 15.87% 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 $756,840 and $577,876 for the years ended June 30, 2025 and June 30, 2024, respectively.

Note 12—Pension Plans: (Continued)

Contributions (Continued)

The Component Unit School Board's contractually required employer contribution rate for nonprofessional employees for the year ended June 30, 2025 was 0.00% 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 $0 and $375 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 $11,095 and $572 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 $10,238 and $0 for the County and School Board, respectively, for the year ended June 30, 2025. The total Hybrid plan participant covered payroll totaled $4,776,170 and $165,976 for the County and School Board, respectively, for the year ended June 30, 2025.

Net Pension Liability (Asset)

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

Actuarial Assumptions – General Employees

The total pension liability for General Employees in the County's and Component Unit School Board's (nonprofessional) Retirement Plan was based on an actuarial valuation as of June 30, 2023, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2024.

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

The remainder of this page left blank intentionally.

Note 12—Pension Plans: (Continued)

Actuarial Assumptions – General Employees (Continued)

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

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

Note 12—Pension Plans: (Continued)

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

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 remainder of this page left blank intentionally.

Note 12—Pension Plans: (Continued)

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

The remainder of this page left blank intentionally.

Note 12—Pension Plans: (Continued)

Long-Term Expected Rate of Return

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

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

*The above allocation provides a one-year expected return of 7.07% (includes 2.5% 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%.

The remainder of this page left blank intentionally.

Note 12—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%, respectively 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	$ 17,925,645	$ 17,665,958	$ 259,687
Changes for the year:			
Service cost	$ 754,648	$ -	$ 754,648
Interest	1,225,075	-	1,225,075
Differences between expected and actual experience	876,389	-	876,389
Contributions - employer	-	577,878	(577,878)
Contributions - employee	-	215,417	(215,417)
Net investment income	-	1,711,659	(1,711,659)
Benefit payments, including refunds of employee contributions	(1,062,072)	(1,062,072)	-
Administrative expenses	-	(11,188)	11,188
Other changes	-	361	(361)
Net changes	$ 1,794,040	$ 1,432,055	$ 361,985
Balances at June 30, 2024	$ 19,719,685	$ 19,098,013	$ 621,672

Note 12—Pension Plans: (Continued)

Changes in Net Pension Liability (Asset)

	Component School Board (nonprofessional)		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balances at June 30, 2023	$ 915,396	$ 993,288	$ (77,892)
Changes for the year:			
Service cost	$ 10,940	$ -	$ 10,940
Interest	60,940	-	60,940
Differences between expected and actual experience	(20,260)	-	(20,260)
Contributions - employer	-	375	(375)
Contributions - employee	-	4,934	(4,934)
Net investment income	-	94,908	(94,908)
Benefit payments, including refunds of employee contributions	(47,050)	(47,050)	-
Administrative expenses	-	(661)	661
Other changes	-	19	(19)
Net changes	$ 4,570	$ 52,525	$ (47,955)
Balances at June 30, 2024	$ 919,966	$ 1,045,813	$ (125,847)

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		
	1% Decrease (5.75%)	Current Discount (6.75%)	1% Increase (7.75%)
County			
Net Pension Liability (Asset)	$ 2,997,622	$ 621,672	$ (1,328,594)
Component Unit School Board (nonprofessional)			
Net Pension Liability (Asset)	$ (41,870)	$ (125,847)	$ (197,453)

Note 12—Pension Plans: (Continued)

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

For the year ended June 30, 2025, the County and Component Unit School Board (nonprofessional) recognized pension expense of $581,422 and ($35,648), 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	$ 632,970	$ -	$ -	$ -
Net difference between projected and actual earnings on pension plan investments	-	499,074	-	28,336
Employer contributions subsequent to the measurement date	756,840	-	-	-
Total	$ 1,389,810	$ 499,074	$ -	$ 28,336

$756,840 and $0 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 (increase to) the Net Pension Liability (Asset) in the fiscal year ending June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future reporting periods as follows:

Year ended June 30	Primary Government	Component Unit School Board (nonprofessional)
2026	$ (113,379)	$ (25,348)
2027	419,311	8,180
2028	(66,308)	(5,309)
2029	(105,728)	(5,859)
2030	-	-

Pension Plan Data

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

Note 12—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 political subdivisions by the Virginia General Assembly. Employees are required to contribute 5.00% of their compensation toward their retirement. Each School Division's contractually employer required contribution rate for the year ended June 30, 2025 was 14.21% of covered employee compensation. This was the General Assembly approved rate, which was based on an actuarially determined rate from an actuarial valuation as of June 30, 2023. The actuarially determined rate, when combined with employee contributions, was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the school division were $1,310,839 and $1,395,118 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 $34,093 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 $27,144 for the year ended June 30, 2025. The total Hybrid plan participant covered payroll totaled $9,224,762 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 $7,764,872 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 0.08272% as compared to 0.08685% at June 30, 2023.

For the year ended June 30, 2025, the school division recognized pension expense of $787,302. 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.

Note 12—Pension Plans: (Continued)

Component Unit School Board (professional) (Continued)

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

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 1,347,096	$ 159,884
Change of assumptions	140,943	-
Net difference between projected and actual earnings on pension plan investments	-	1,068,839
Changes in proportion and differences between employer contributions and proportionate share of contributions	152,138	331,242
Employer contributions subsequent to the measurement date	1,310,839	-
Total	$ 2,951,016	$ 1,559,965

$1,310,839 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:

Year ended June 30	
2026	$ (483,336)
2027	645,560
2028	67,492
2029	(149,504)
2030	-

The remainder of this page left blank intentionally.

Note 12—Pension Plans: (Continued)

Component Unit School Board (professional) (Continued)

Actuarial Assumptions

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

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

Mortality rates:

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

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

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

Beneficiaries and Survivors:
Pub-2010 Amount Weighted Teachers Contingent Annuitant Rates projected generationally

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

The remainder of this page left blank intentionally.

Note 12—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		51,235,326
Employers' Net Pension Liability (Asset)	$	9,386,934
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability		84.52%

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

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

Note 12—Pension Plans: (Continued)

Component Unit School Board (professional) (Continued)

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

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

	Rate		
	(5.75%)	(6.75%)	(7.75%)
School division's proportionate share of the VRS Teacher Employee Retirement Plan Net Pension Liability	$ 14,425,611	$ 7,764,872	$ 2,309,939

Pension Plan Fiduciary Net Position

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

Primary Government and Component Unit School Board

Aggregate Pension Information

	Primary Government				Component Unit School Board			
	Deferred Outflows	Deferred Inflows	Net Pension Liability (Asset)	Pension Expense	Deferred Outflows	Deferred Inflows	Net Pension Liability (Asset)	Pension Expense
VRS Pension Plans:								
Primary Government	$ 1,389,810	$ 499,074	$ 621,672	$ 581,422	$ -	$ -	$ -	$ -
School Board Nonprofessional	-	-	-	-	-	28,336	(125,847)	(35,648)
School Board Professional	-	-	-	-	2,951,016	1,559,965	7,764,872	787,302
Totals	$ 1,389,810	$ 499,074	$ 621,672	$ 581,422	$ 2,951,016	$ 1,588,301	$ 7,639,025	$ 751,654

Note 13—Group Life Insurance (GLI) Plan (OPEB Plan):

Plan Description

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

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

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

Eligible Employees

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

Benefit Amounts

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

Note 13—Group Life Insurance (GLI) Plan (OPEB Plan): (Continued)

Contributions

The contribution requirements for the GLI Plan are governed by §51.1-506 and §51.1-508 of the Code of Virginia, as amended, but may be impacted as a result of funding provided to state agencies and school divisions by the Virginia General Assembly. The total rate for the GLI Plan was 1.34% of covered employee compensation. This was allocated into an employee and an employer component using a 60/40 split. The employee component was 0.71% (1.18% x 60%) and the employer component was 0.47% (1.18% x 40%). Employers may elect to pay all or part of the employee contribution; however, the employer must pay all of the employer contribution. Each employer's contractually required employer contribution rate for the year ended June 30, 2025, was 0.47% of covered employee compensation. This rate was the final approved General Assembly rate, which was based on an actuarially determined rate from an actuarial valuation as of June 30, 2023. The actuarially determined rate, when combined with employee contributions, was expected to finance the costs of benefits payable during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the GLI Plan from the County were $22,414 and $24,356 for the years ended June 30, 2025 and June 30, 2024, respectively.

Contributions to the GLI Plan from the Component Unit School Board professional group were $43,356 and $47,398 for the years ended June 30, 2025 and June 30, 2024, respectively. Contributions to the GLI Plan from the Component Unit School Board nonprofessional group were $780 and $533 for the years ended June 30, 2025 and June 30, 2024, respectively.

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

At June 30, 2025, the County reported a liability of $196,068 for its proportionate share of the Net GLI OPEB Liability. The Component Unit School Board professional and nonprofessional groups reported liabilities of $381,422 and $4,241, 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 Group Life Insurance Program 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 proportion was 0.01757% as compared to 0.01763% at June 30, 2023. At June 30, 2024, the Component Unit School Board professional and nonprofessional groups' proportion were 0.03418% and 0.00038%, respectively as compared to 0.03629% and 0.00040%, respectively at June 30, 2023.

For the year ended June 30, 2025, the County recognized GLI OPEB expense of $10,737. For the year ended June 30, 2025, the Component Unit School Board professional group recognized GLI OPEB expense of $8,023. For the year ended June 30, 2025, the Component Unit School Board nonprofessional group recognized GLI OPEB expense of $219. 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.

Note 13—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:

	Primary Government		Component School Board (professional)		Component School Board (nonprofessional)	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 30,924	4,789	$ 60,159	$ 9,317	$ 669	$ 104
Net difference between projected and actual earnings on GLI OPEB plan investments	-	16,526	-	32,150	-	357
Change of assumptions	1,118	9,717	2,174	18,902	24	210
Changes in proportionate share	20,618	2,012	11,711	27,968	361	513
Employer contributions subsequent to the measurement date	22,414	-	43,356	-	780	-
Total	$ 75,074	$ 33,044	$ 117,400	$ 88,337	$ 1,834	$ 1,184

$22,414, $43,356, and $780, respectively, reported as deferred outflows of resources related to the GLI OPEB resulting from the County, Component Unit School Board professional and nonprofessional group's contributions subsequent to the measurement date will be recognized as a reduction of the Net GLI OPEB Liability in the fiscal year ending June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the GLI OPEB will be recognized in the GLI OPEB expense in future reporting periods as follows:

Year Ended June 30	Primary Government	Component Unit School Board (professional)	Component Unit School Board (nonprofessional)
2026	$ (2,851)	$ (18,752)	$ (187)
2027	10,207	5,189	110
2028	5,173	(1,565)	(72)
2029	4,150	(1,270)	(11)
2030	2,937	2,105	30
Thereafter	-	-	-

Note 13—Group Life Insurance (GLI) Plan (OPEB Plan): (Continued)

Actuarial Assumptions

The total GLI OPEB liability was based on an actuarial valuation as of June 30, 2023, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2024. The assumptions include several employer groups. Salary increases and mortality rates included herein are for relevant employer groups. Information for other groups can be referenced in the VRS Annual Report.

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

Mortality Rates – Teachers

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

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

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

Beneficiaries and Survivors:
Pub-2010 Amount Weighted Teachers Contingent Annuitant Rates projected generationally

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

Note 13—Group Life Insurance (GLI) 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

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

Note 13—Group Life Insurance (GLI) Plan (OPEB Plan): (Continued)

Actuarial Assumptions (Continued)

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

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

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

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

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

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

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

Note 13—Group Life Insurance (GLI) Plan (OPEB Plan): (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 as follows (amounts expressed in thousands):

		GLI OPEB Plan
Total GLI OPEB Liability	$	4,196,055
Plan Fiduciary Net Position		3,080,133
GLI Net OPEB Liability (Asset)	$	1,115,922
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.

Note 13—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:

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

*The above allocation provides a one-year expected return of 7.07% (includes 2.50% inflation assumption). However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected return for the System, stochastic projections are employed to model future returns under various economic conditions. These results provide a range of returns over various time periods that ultimately provide a median return of 7.10%, including expected inflation of 2.50%.

** On June 15, 2023, the VRS Board elected a long-term rate of return of 6.75%, which was roughly at the 45th percentile of expected long-term results of the VRS fund asset allocation at that time, providing a median return of 7.14%, including expected inflation of 2.50%.

Note 13—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:

	Rate		
	1% Decrease (5.75%)	Current Discount (6.75%)	1% Increase (7.75%)
County's proportionate share of the GLI Plan Net OPEB Liability	$ 304,910	$ 196,068	$ 108,137
Component School Board (professional)'s proportionate share of the GLI Plan Net OPEB Liability	$ 593,161	$ 381,422	$ 210,365
Component School Board (nonprofessional)'s proportionate share of the GLI Plan Net OPEB Liability	$ 6,595	$ 4,241	$ 2,339

GLI Plan Fiduciary Net Position

Detailed information about the GLI Program'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 14—Health Insurance Credit (HIC) Plan (OPEB Plan):

Plan Description

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

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

Eligible Employees

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

Benefit Amounts

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

HIC Plan Notes

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

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:

	Number
Inactive members or their beneficiaries currently receiving benefits	1
Vested inactive members	-
Active members	4
Total covered employees	5

Note 14—Health Insurance Credit (HIC) Plan (OPEB Plan): (Continued)

Contributions

The contribution requirements for active employees is governed by §51.1-1402(E) of the Code of Virginia, as amended, but may be impacted as a result of funding options provided to political subdivisions by the Virginia General Assembly. The School Board's contractually required employer contribution rate for the year ended June 30, 2025 was 0.87% 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 $1,444 and $513 for the years ended June 30, 2025 and June 30, 2024, respectively.

Net HIC OPEB Liability

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

Actuarial Assumptions

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

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

Note 14—Health Insurance Credit (HIC) 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; 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

Note 14—Health Insurance Credit (HIC) 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

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

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

Note 14—Health Insurance Credit (HIC) 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:

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

*The above allocation provides a one-year expected return of 7.07% (includes 2.50% inflation assumption). However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected return for the System, stochastic projections are employed to model future returns under various economic conditions. These results provide a range of returns over various time periods that ultimately provide a median return of 7.10%, including expected inflation of 2.50%.

** On June 15, 2023, the VRS Board elected a long-term rate of return of 6.75% which was roughly at the 45th percentile of expected long-term results of the VRS fund asset allocation at that time, providing a median return of 7.14%, including expected inflation of 2.50%.

Note 14—Health Insurance Credit (HIC) Plan (OPEB Plan): (Continued)

Discount Rate

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

Changes in Net HIC OPEB Liability

	Component Unit School Board (nonprofessional)		
	Increase (Decrease)		
	Total HIC OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net HIC OPEB Liability (Asset) (a) - (b)
Balances at June 30, 2023	$ 11,459	$ 1,353	$ 10,106
Changes for the year:			
Service cost	$ 57	$ -	$ 57
Interest	759	-	759
Differences between expected and actual experience	(58)	-	(58)
Contributions - employer	-	859	(859)
Net investment income	-	148	(148)
Benefit payments	(540)	(540)	-
Administrative expenses	-	(2)	2
Other changes	-	(1)	1
Net changes	$ 218	$ 464	$ (246)
Balances at June 30, 2024	$ 11,677	$ 1,817	$ 9,860

Note 14—Health Insurance Credit (HIC) Plan (OPEB Plan): (Continued)

Sensitivity of the School Board's HIC 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%)
Component School Board (nonprofessional):			
Net HIC OPEB Liability	$ 10,799	$ 9,860	$ 9,039

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 $95. 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:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 2,231
Net difference between projected and actual earnings on HIC OPEB plan investments	-	21
Change in assumptions	1,249	-
Employer contributions subsequent to the measurement date	1,444	$ -
Total	$ 2,693	$ 2,252

The remainder of this page left blank intentionally.

Note 14—Health Insurance Credit (HIC) Plan (OPEB Plan): (Continued)

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

$1,444 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:

Year Ended June 30		
2026	$	(970)
2027		(14)
2028		(9)
2029		(10)
2030		-
Thereafter		-

HIC Plan Data

Information about the VRS Political Subdivision HIC Plan is available in the separately issued VRS 2024 Annual Comprehensive Financial Report (Annual Report). A copy of the 2024 VRS Annual Report may be downloaded from the VRS website at 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 15—Teacher Employee Health Insurance Credit (HIC) Program (OPEB Plan):

Plan Description

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

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

Plan Description (Continued)

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.

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 $111,620 and $106,206 for the years ended June 30, 2025 and June 30, 2024, respectively.

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

Teacher Employee HIC OPEB Liabilities, Teacher Employee HIC 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 $946,822 for its proportionate share of the VRS Teacher Employee HIC 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 Plan OPEB plan for the year ended June 30, 2024 relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2024, the school division's proportion of the VRS Teacher Employee HIC was 0.08193% as compared to 0.08570% at June 30, 2023.

For the year ended June 30, 2025, the school division recognized VRS Teacher Employee HIC OPEB expense of $69,976. Since there was a change in proportionate share between measurement dates, a portion of the VRS Teacher Employee HIC Net OPEB expense was related to deferred amounts from changes in proportionate share and differences between actual and expected contributions.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 44,858
Net difference between projected and actual earnings on Teacher HIC OPEB plan investments	-	3,368
Change of assumptions	16,311	-
Changes in proportionate share and differences between actual and expected contributions	30,019	48,273
Employer contributions subsequent to the measurement date	111,620	-
Total	$ 157,950	$ 96,499

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

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

$111,620 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	$	(8,571)
2027		(5,016)
2028		(9,275)
2029		(9,686)
2030		(10,273)
Thereafter		(7,348)

Actuarial Assumptions

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

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

Mortality Rates – Teachers

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

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

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

Beneficiaries and Survivors:
Pub-2010 Amount Weighted Teachers Contingent Annuitant Rates projected generationally

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

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

Actuarial Assumptions (Continued)

The actuarial assumptions used in the June 30, 2022 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
Total Teacher Employee HIC OPEB Liability	$	1,478,105
Plan Fiduciary Net Position		322,457
Teacher Employee net HIC OPEB Liability (Asset)	$	1,155,648
Plan Fiduciary Net Position as a Percentage of the Total Teacher Employee HIC OPEB Liability		21.82%

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

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

Long-Term Expected Rate of Return

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

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

*The above allocation provides a one-year expected return of 7.07% (includes 2.50% inflation assumption). However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected return for the System, stochastic projections are employed to model future returns under various economic conditions. These results provide a range of returns over various time periods that ultimately provide a median return of 7.10%, including expected inflation of 2.50%.

**On June 15, 2023, the VRS Board elected a long-term rate of 6.75% which was roughly at the 45th percentile of expected long-term results of the VRS fund asset allocation at that time, providing a median return of 7.14%, including expected inflation of 2.50%.

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

Discount Rate

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

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

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

	Rate		
	1% Decrease (5.75%)	**Current Discount (6.75%)**	**1% Increase (7.75%)**
School division's proportionate share of the VRS Teacher Employee HIC OPEB Plan Net HIC OPEB Liability	$ 1,076,773	$ 946,822	$ 836,677

Teacher Employee HIC OPEB Fiduciary Net Position

Detailed information about the VRS Teacher Employee HIC Program'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 16—Medical and Dental Pay-as-You-Go (OPEB Plan):

County and School Board

Plan Description

In addition to the pension and OPEB benefits described in Notes 12-14, the County administers a single-employer defined benefit healthcare plan, The County of Richmond Postretirement Benefits Plan. The plan provides postemployment health care benefits to all eligible permanent employees who meet the requirements under the County's pension plans. The plan does not issue a publicly available financial report.

In addition to the pension and OPEB benefits described in Notes 12-15, the Component Unit School Board administers a single-employer defined benefit healthcare plan, The Richmond County Public Schools Postretirement Benefits Plan. The plan provides postemployment health care benefits to all eligible permanent employees who meet the requirements under the School Board's pension plans. The plan does not issue a publicly available financial report.

Benefits Provided

Postemployment benefits that are provided to eligible County retirees include medical and dental insurance. The benefits that are provided for active employees are the same for eligible retirees, spouses and dependents of eligible retirees. All permanent employees of the County who meet eligibility requirements of the pension plan are eligible to receive postemployment health care benefits.

Postemployment benefits that are provided to eligible School Board retirees include medical and dental insurance. The benefits that are provided for active employees are the same for eligible retirees, spouses and dependents of eligible retirees. All permanent employees of the School Board who meet eligibility requirements of the pension plan are eligible to receive postemployment health care benefits

Plan Membership

At June 30, 2025 (measurement date), the following employees were covered by the benefit terms:

	Primary Government	Component Unit School Board
Total active employees with coverage	77	154
Total retirees and spouses with coverage	3	10
Total	80	164

Contributions

The County nor the School Board pre-funds benefits; therefore, no assets are accumulated in a trust fund. The current funding policy is to pay benefits directly from general assets on a pay-as-you-go basis. The funding requirements are established and may be amended by the County or School Board. The amounts paid by the County and the School Board for OPEB as the benefits came due during the year ended June 30, 2025 were $31,225 and $110,454, respectively.

Note 16—Medical and Dental Pay-as-You-Go (OPEB Plan): (Continued)

County and School Board: (Continued)

Total OPEB Liability

The County and School Board's total OPEB liability was measured as of June 30, 2025. The total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of July 1, 2024.

Actuarial Assumptions

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

Inflation	2.50% per year
Salary Increases	The salary increase rate was 3.50% to 5.35% per annum.
Discount Rate	5.20% based on the Bond Buyer 20-Year Bond GO Index
Healthcare Trend Data	6.70% from 7/1/24 decreasing to 3.90% at 7/1/2073 is based on long-term healthcare trend rates generated by the Getzen Trend Model.

Mortality rates for the County were based on the following actuarial assumptions:

Pre-Retirement: RP-2014 General Employee Mortality Tables projected to 2023 using Scale BB with Males and Females setback 1 year.

Pre-Retirement: RP-2014 Public Safety Employer Mortality Tables projected to 2023 using Scale BB with Females set forward 1 year.

Post-Retirement: RP-2014 General Employees Mortality Tables projected to 2023 using Scale BB with females setback 1 year.

Post Retirement: RP-2014 Public Safety Mortality Tables projected to 2023 using Scale BB with males set forward 2 year and females set forward 3 years.

Post-Disablement: RP-2014 General Employee Disabled Life Mortality Tables projected to 2023 using Scale BB.

Post-Disablement: RP-2014 Public Safety Employees Disabled Life Mortality Tables projected to 2023 using Scale BB with males set forward 2 years.

Note 16—Medical and Dental Pay-as-You-Go (OPEB Plan): (Continued)

County and School Board: Continued)

Mortality rates for the School Board were based on the following actuarial assumptions:

Pre-Retirement: RP-2014 General Employee Mortality Tables projected to 2023 using Scale BB with Males and Females setback 1 year.

Post-Retirement: RP-2014 General Employees Mortality Tables projected to 2023 using Scale BB with females setback 1 year.

Post-Disablement: RP-2014 General Employee Disabled Life Mortality Tables projected to 2023 using Scale BB.

Discount Rate

The discount rate used when OPEB plan investments are insufficient to pay for future benefit payments is based on the Bond Buyer 20-Year Go Index as of June 30, 2025.

Changes in Total OPEB Liability

	Primary Government Total OPEB Liability	Component Unit School Board Total OPEB Liability
Balances at June 30, 2024	$ 182,739	$ 1,012,805
Changes for the year:		
Service cost	13,494	64,605
Interest	7,104	40,192
Effect of economic/demographic gains or losses	20,401	226,706
Changes of assumptions	(19,593)	(81,643)
Benefit payments	(31,225)	(110,454)
Net changes	$ (9,819)	$ 139,406
Balances at June 30, 2025	$ 172,920	$ 1,152,211

Note 16—Medical and Dental Pay-as-You-Go (OPEB Plan): (Continued)

County and School Board: (Continued)

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:

	Rate		
	1% Decrease (4.20%)	Current Discount Rate (5.20%)	1% Increase (6.20%)
Primary Government:			
Total OPEB liability	$ 190,759	$ 172,920	$ 156,972
Component Unit School Board:			
Total OPEB liability	$ 1,229,146	$ 1,152,211	$ 1,080,307

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 or one percentage point higher than the current healthcare cost trend rates:

	Rates		
	1% Decrease	Healthcare Cost Trend	1% Increase
Primary Government:			
Total OPEB liability	$ 149,717	$ 172,920	$ 200,832
Component Unit School Board:			
Total OPEB liability	$ 1,051,144	$ 1,152,211	$ 1,269,496

Note 16—Medical and Dental Pay-as-You-Go (OPEB Plan): (Continued)

County and School Board: (Continued)

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

For the year ended June 30, 2025, the County and the School Board recognized OPEB expense in the amount of $20,083 and $152,598. At June 30, 2025, the County and the School Board reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Primary Government		Component Unit School Board	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 54,381	$ 52,755	$ 376,360	$ -
Changes in assumptions	6,168	40,199	50,052	150,059
Total	$ 60,549	$ 92,954	$ 426,412	$ 150,059

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

Year Ended June 30	Primary Government	Component Unit School Board
2026	$ 336	$ 58,683
2027	(14,071)	58,683
2028	(18,910)	58,683
2029	142	49,471
2030	98	25,002
Thereafter	-	25,831

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

Note 17—Summary of Other Postemployment Benefit Plans:

Primary Government and Component Unit School Board

	Primary Government				Component Unit School Board			
	Deferred Outflows	Deferred Inflows	Net OPEB Liabilities	OPEB Expense	Deferred Outflows	Deferred Inflows	Net OPEB Liabilities	OPEB Expense
VRS OPEB Plans:								
Group Life Insurance Program (Note 13):								
County	$ 75,074	$ 33,044	$ 196,068	$ 10,737	$ -	$ -	$ -	$ -
School Board Nonprofessional	-	-	-	-	1,834	1,184	4,241	219
School Board Professional	-	-	-	-	117,400	88,337	381,422	8,023
Health Insurance Credit Plan (Note 14)	-	-	-	-	2,693	2,252	9,860	95
Teacher Health Insurance Credit Plan (Note 15)	-	-	-	-	157,950	96,499	946,822	69,976
County Stand-Alone Plan (Note 16)	60,549	92,954	172,920	20,083	-	-	-	-
School Stand-Alone Plan (Note 16)	-	-	-	-	426,412	150,059	1,152,211	152,598
Totals	$ 135,623	$ 125,998	$ 368,988	$ 30,820	$ 706,289	$ 338,331	$ 2,494,556	$ 230,911

Note: The plans should be customized and organized to agree to the ordering of each report's OPEB notes.

Note 18-Surety Bonds:

	Amount
Fidelity and Deposit Company of Maryland - Surety:	
Cheryl B. Pierson, Clerk of the Circuit Court	$ 103,000
Kristie S. Brann, Treasurer	300,000
Jennifer W. Gomer, Commissioner of the Revenue	3,000
Stephan B. Smith, Sheriff	30,000
The above constitutional officer's employee - blanket bond	50,000
The Cincinnati Insurance Company - Surety:	
John David Parr, Supervisor	2,000
JR Fidler, Supervisor	2,000
Richard E. Thomas, Sr., Supervisor	2,000
Robert B. Pemberton, Supervisor	2,000
F. Lee Sanders, Supervisor	2,000
Bernard S. "Trey" Davis, III, Ed.D., Superintendent of Schools	10,000
Whitney Barrack, Director of Finance, School Board	10,000
All Department of Social Services Employees-blanket bond	100,000

Note 19-Line of Duty Act (LODA) (OPEB Benefits):

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 $20,147.

Note 20-Upcoming Pronouncements:

Statement No. 103, *Financial Reporting Model Improvements*, improves key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025.

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

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

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

Note 21-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.

The adoption of GASB 101 resulted in a restatement of beginning net position as shown in Note 22 below.

Note 22-Restatement of Beginning Balances:

The beginning net position as of July 1, 2024, has been restated to reflect the cumulative effect of implementing GASB Statement No. 101, *Compensated Absences*.

The impact of these adjustments on beginning net position is as follows:

	Net Position	
	Primary Government	Component Unit
		School Board
Balance, July 1, 2024, as previously stated	$ 10,619,821	$ 3,071,088
Implementation of GASB 101:		
Adjustment to compensated absences	(381,605)	(822,818)
Balance, July 1, 2024, as restated	$ 10,238,216	$ 2,248,270

THIS PAGE LEFT BLANK INTENTIONALLY

REQUIRED SUPPLEMENTARY INFORMATION

THIS PAGE LEFT BLANK INTENTIONALLY

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

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual Amounts	(Negative)
REVENUES				
General property taxes	$ 10,199,000	$ 10,199,000	$ 11,334,926	$ 1,135,926
Other local taxes	2,216,000	2,216,000	2,117,217	(98,783)
Permits, privilege fees, and regulatory licenses	103,850	103,850	185,324	81,474
Fines and forfeitures	42,000	42,000	31,999	(10,001)
Revenue from the use of money and property	234,500	234,500	346,512	112,012
Charges for services	477,550	477,550	628,904	151,354
Miscellaneous	902,890	902,890	48,939	(853,951)
Recovered costs	217,900	217,900	1,801,472	1,583,572
Intergovernmental:				
Commonwealth	3,807,889	3,807,889	4,127,823	319,934
Federal	665,247	665,247	1,088,226	422,979
Total revenues	$ 18,866,826	$ 18,866,826	$ 21,711,342	$ 2,844,516
EXPENDITURES				
Current:				
General government administration	$ 1,673,700	$ 2,914,415	$ 2,383,853	$ 530,562
Judicial administration	930,510	1,041,562	918,263	123,299
Public safety	4,583,695	5,349,727	5,044,830	304,897
Public works	1,244,541	1,493,127	1,503,408	(10,281)
Health and welfare	2,634,148	2,708,818	2,384,875	323,943
Education	12,098	171,598	4,910,850	(4,739,252)
Parks, recreation, and cultural	170,129	170,129	161,000	9,129
Community development	376,826	892,348	248,197	644,151
Nondepartmental	311,418	371,994	256,688	115,306
Capital projects	-	-	-	-
Debt service:				
Principal retirement	1,769,632	1,769,632	1,299,379	470,253
Interest and other fiscal charges	-	-	625,412	(625,412)
Total expenditures	$ 13,706,697	$ 16,883,350	$ 19,736,755	$ (2,853,405)
Excess (deficiency) of revenues over (under) expenditures	$ 5,160,129	$ 1,983,476	$ 1,974,587	$ (8,889)
OTHER FINANCING SOURCES (USES)				
Issuance of subscription liability	$ -	$ -	$ 13,702	$ 13,702
Total other financing sources (uses)	$ -	$ -	$ 13,702	$ 13,702
Net change in fund balances	$ 5,160,129	$ 1,983,476	$ 1,988,289	$ 4,813
Fund balances - beginning	116,600	3,293,253	2,536,558	(756,695)
Fund balances - ending	$ 5,276,729	$ 5,276,729	$ 4,524,847	$ (751,882)

County of Richmond, Virginia
Sheriff's Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2025

	Budgeted Amounts			Variance with Final Budget -
	Original	Final	Actual Amounts	Positive (Negative)
EXPENDITURES				
Current:				
Public safety	$ -	$ -	$ -	$ -
Total expenditures	$ -	$ -	$ -	$ -
Net change in fund balances	$ -	$ -	$ -	$ -
Fund balances - beginning	-	-	21,615	21,615
Fund balances - ending	$ -	$ -	$ 21,615	$ 21,615

Exhibit 11

County of Richmond, Virginia
Workforce Investment Act Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2025

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual Amounts	(Negative)
REVENUES				
Intergovernmental:				
Federal	$ -	$ 1,653,603	$ 1,653,603	$ -
Total revenues	$ -	$ 1,653,603	$ 1,653,603	$ -
EXPENDITURES				
Current:				
Community development	$ -	$ 1,653,603	$ 1,653,603	$ -
Total expenditures	$ -	$ 1,653,603	$ 1,653,603	$ -
Net change in fund balances	$ -	$ -	$ -	$ -
Fund balances - beginning	-	-	-	-
Fund balances - ending	$ -	$ -	$ -	$ -

THIS PAGE LEFT BLANK INTENTIONALLY

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

	2024	2023	2022	2021
Total pension liability				
Service cost	$ 754,648	$ 662,504	$ 490,599	$ 409,513
Interest	1,225,075	1,158,671	1,112,599	1,027,695
Changes in benefit terms	-	-	-	-
Changes of assumptions	-	-	-	524,309
Differences between expected and actual experience	876,389	112,898	(113,883)	(232,306)
Benefit payments	(1,062,072)	(1,022,826)	(934,524)	(989,424)
Net change in total pension liability	$ 1,794,040	$ 911,247	$ 554,791	$ 739,787
Total pension liability - beginning	17,925,645	17,014,398	16,459,607	15,719,820
Total pension liability - ending (a)	$ 19,719,685	$ 17,925,645	$ 17,014,398	$ 16,459,607
Plan fiduciary net position				
Contributions - employer	$ 577,878	$ 534,252	$ 440,688	$ 390,697
Contributions - employee	215,417	199,212	174,034	154,436
Net investment income	1,711,659	1,087,077	(16,912)	3,767,863
Benefit payments	(1,062,072)	(1,022,826)	(934,524)	(989,424)
Administrator charges	(11,188)	(10,849)	(10,756)	(9,553)
Other	361	437	397	353
Net change in plan fiduciary net position	$ 1,432,055	$ 787,303	$ (347,073)	$ 3,314,372
Plan fiduciary net position - beginning	17,665,958	16,878,655	17,225,728	13,911,356
Plan fiduciary net position - ending (b)	$ 19,098,013	$ 17,665,958	$ 16,878,655	$ 17,225,728
County's net pension liability (asset) - ending (a) - (b)	$ 621,672	$ 259,687	$ 135,743	$ (766,121)
Plan fiduciary net position as a percentage of the total pension liability (asset)	96.85%	98.55%	99.20%	104.65%
Covered payroll	$ 4,510,378	$ 4,153,680	$ 3,614,544	$ 3,204,359
County's net pension liability (asset) as a percentage of covered payroll	13.78%	6.25%	3.76%	-23.91%

Exhibit 12

2020	2019	2018	2017	2016	2015
$ 440,289	$ 403,911	$ 382,865	$ 373,373	$ 310,165	$ 312,395
967,490	926,566	934,448	895,648	863,095	823,735
-	-	-	160,091	-	-
-	403,203	-	(107,924)	-	-
377,564	131,371	(703,238)	(29,684)	37,278	72,953
(797,428)	(739,603)	(713,742)	(760,700)	(730,291)	(563,297)
$ 987,915	$ 1,125,448	$ (99,667)	$ 530,804	$ 480,247	$ 645,786
14,731,905	13,606,457	13,706,124	13,175,320	12,695,073	12,049,287
$ 15,719,820	$ 14,731,905	$ 13,606,457	$ 13,706,124	$ 13,175,320	$ 12,695,073
$ 307,494	$ 293,415	$ 305,935	$ 283,832	$ 279,196	$ 286,796
147,098	140,056	143,277	132,401	127,498	131,462
265,774	888,497	940,117	1,407,834	198,131	524,724
(797,428)	(739,603)	(713,742)	(760,700)	(730,291)	(563,297)
(9,190)	(8,905)	(8,182)	(8,296)	(7,489)	(7,222)
(314)	(559)	(833)	(1,247)	(86)	(115)
$ (86,566)	$ 572,901	$ 666,572	$ 1,053,824	$ (133,041)	$ 372,348
13,997,922	13,425,021	12,758,449	11,704,625	11,837,666	11,465,318
$ 13,911,356	$ 13,997,922	$ 13,425,021	$ 12,758,449	$ 11,704,625	$ 11,837,666
$ 1,808,464	$ 733,983	$ 181,436	$ 947,675	$ 1,470,695	$ 857,407
88.50%	95.02%	98.67%	93.09%	88.84%	93.25%
$ 3,020,649	$ 2,941,892	$ 2,914,636	$ 2,693,648	$ 2,602,804	$ 2,663,210
59.87%	24.95%	6.22%	35.18%	56.50%	32.19%

County of Richmond, 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

	2024	2023	2022	2021
Total pension liability				
Service cost	$ 10,940	$ 9,355	$ 8,903	$ 10,341
Interest	60,940	55,886	55,047	52,692
Changes of assumptions	-	-	-	6,135
Differences between expected and actual experience	(20,260)	54,163	(7,573)	169
Benefit payments	(47,050)	(45,197)	(43,607)	(43,077)
Net change in total pension liability	$ 4,570	$ 74,207	$ 12,770	$ 26,260
Total pension liability - beginning	915,396	841,189	828,419	802,159
Total pension liability - ending (a)	$ 919,966	$ 915,396	$ 841,189	$ 828,419
Plan fiduciary net position				
Contributions - employer	$ 375	$ 356	$ 2,390	$ 2,282
Contributions - employee	4,934	4,699	4,475	4,274
Net investment income	94,908	61,525	(509)	222,097
Benefit payments	(47,050)	(45,197)	(43,607)	(43,077)
Administrator charges	(661)	(634)	(637)	(573)
Other	19	25	23	21
Net change in plan fiduciary net position	$ 52,525	$ 20,774	$ (37,865)	$ 185,024
Plan fiduciary net position - beginning	993,288	972,514	1,010,379	825,355
Plan fiduciary net position - ending (b)	$ 1,045,813	$ 993,288	$ 972,514	$ 1,010,379
School Division's net pension liability (asset) - ending (a) - (b)	$ (125,847)	$ (77,892)	$ (131,325)	$ (181,960)
Plan fiduciary net position as a percentage of the total pension liability	113.68%	108.51%	115.61%	121.96%
Covered payroll	$ 98,680	$ 93,981	$ 89,506	$ 85,480
School Division's net pension liability (asset) as a percentage of covered payroll	-127.53%	-82.88%	-146.72%	-212.87%

Exhibit 13

	2020	2019	2018	2017	2016	2015
	$ 7,642	$ 7,380	$ 7,885	$ 10,704	$ 18,893	$ 22,347
	50,477	49,199	43,248	42,697	44,386	43,291
	-	19,420	-	7,790	-	-
	17,385	10,731	74,734	(6,389)	(13,893)	8,918
	(42,311)	(41,216)	(40,488)	(53,372)	(93,647)	(24,197)
	$ 33,193	$ 45,514	$ 85,379	$ 1,430	$ (44,261)	$ 50,359
	768,966	723,452	638,073	636,643	680,904	630,545
	$ 802,159	$ 768,966	$ 723,452	$ 638,073	$ 636,643	$ 680,904
	$ 576	$ 294	$ 20	$ 95	$ 3,660	$ 9,175
	3,642	3,701	3,021	3,308	4,457	11,112
	16,010	54,086	59,097	90,633	12,840	37,184
	(42,311)	(41,216)	(40,488)	(53,372)	(93,647)	(24,197)
	(568)	(563)	(531)	(561)	(538)	(506)
	(19)	(34)	(52)	(79)	(6)	(8)
	$ (22,670)	$ 16,268	$ 21,067	$ 40,024	$ (73,234)	$ 32,760
	848,025	831,757	810,690	770,666	843,900	811,140
	$ 825,355	$ 848,025	$ 831,757	$ 810,690	$ 770,666	$ 843,900
	$ (23,196)	$ (79,059)	$ (108,305)	$ (172,617)	$ (134,023)	$ (162,996)
	102.89%	110.28%	114.97%	127.05%	121.05%	123.94%
	$ 74,126	$ 81,627	$ 64,888	$ 72,168	$ 94,878	$ 230,452
	-31.29%	-96.85%	-166.91%	-239.19%	-141.26%	-70.73%

Exhibit 14

County of Richmond, Virginia
Schedule of Employer's Share of Net Pension Liability VRS Teacher Retirement Plan
Component Unit School Board
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	0.08272%	$ 7,764,872	$ 8,777,365	88.46%	84.52%
2023	0.08685%	8,778,107	8,548,026	102.69%	82.45%
2022	0.08680%	8,263,880	8,010,229	103.17%	82.61%
2021	0.08384%	6,508,581	7,339,714	88.68%	85.46%
2020	0.08340%	12,141,256	7,236,109	167.79%	71.47%
2019	0.08397%	11,050,930	6,990,664	158.08%	73.51%
2018	0.08141%	9,574,000	6,626,525	144.48%	74.81%
2017	0.08353%	10,272,000	6,599,563	155.65%	72.92%
2016	0.08270%	11,590,000	6,305,596	183.80%	68.28%
2015	0.08415%	10,591,000	6,256,592	169.28%	70.68%

Exhibit 15

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

Date	Contractually Required Contribution* (1)	Contributions in Relation to Contractually Required Contribution* (2)	Contribution Deficiency (Excess) (3)	Employer's Covered Payroll (4)	Contributions as a % of Covered Payroll (5)
Primary Government					
2025	$ 756,840	$ 756,840	$ -	$ 4,768,998	15.87%
2024	577,876	577,876	-	4,510,378	12.81%
2023	534,273	534,273	-	4,153,680	12.86%
2022	440,688	440,688	-	3,614,544	12.19%
2021	390,697	390,697	-	3,204,359	12.19%
2020	307,373	307,373	-	3,020,649	10.18%
2019	300,679	300,679	-	2,941,892	10.22%
2018	305,935	305,935	-	2,914,636	10.50%
2017	283,832	283,832	-	2,693,648	10.54%
2016	279,196	279,196	-	2,602,804	10.73%
Component Unit School Board (nonprofessional)					
2025	$ -	$ -	$ -	$ 165,976	0.00%
2024	375	375	-	98,680	0.38%
2023	357	357	-	93,981	0.38%
2022	2,892	2,892	-	89,506	3.23%
2021	2,282	2,282	-	85,480	2.67%
2020	566	566	-	74,126	0.76%
2019	314	314	-	81,627	0.38%
2018	212	212	-	64,888	0.33%
2017	95	95	-	72,168	0.13%
2016	3,660	3,660	-	94,878	3.86%
Component Unit School Board (professional)					
2025	$ 1,310,839	$ 1,310,839	$ -	$ 9,224,762	14.21%
2024	1,395,118	1,395,118	-	8,777,365	15.89%
2023	1,370,946	1,370,946	-	8,548,026	16.04%
2022	1,289,462	1,289,462	-	8,010,229	16.10%
2021	1,186,096	1,186,096	-	7,339,714	16.16%
2020	1,108,639	1,108,639	-	7,236,109	15.32%
2019	1,075,614	1,075,614	-	6,990,664	15.39%
2018	1,053,012	1,053,012	-	6,626,525	15.89%
2017	950,449	950,449	-	6,599,563	14.40%
2016	981,446	981,446	-	6,305,596	15.56%

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

County of Richmond, Virginia
Notes to Required Supplementary Information
Pension Plans
For the Year Ended June 30, 2025

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

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

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

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

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

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

Component Unit School Board - Professional Employees:

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

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

Date (1)	Employer's Proportion of the Net GLI OPEB Liability (Asset) (2)	Employer's Proportionate Share of the Net GLI OPEB Liability (Asset) (3)	Employer's Covered Payroll (4)	Employer's Proportionate Share of the Net GLI OPEB Liability (Asset) as a Percentage of Covered Payroll (3)/(4) (5)	Plan Fiduciary Net Position as a Percentage of Total GLI OPEB Liability (6)
Primary Government:					
2024	0.01757%	$ 196,068	$ 4,510,378	4.35%	73.41%
2023	0.01763%	211,439	4,153,680	5.09%	69.30%
2022	0.01660%	200,121	3,614,544	5.54%	67.21%
2021	0.01550%	180,695	3,204,359	5.64%	67.45%
2020	0.01470%	244,985	3,020,649	8.11%	52.64%
2019	0.01501%	244,253	2,941,892	8.30%	52.00%
2018	0.01533%	233,000	2,914,636	7.99%	51.22%
2017	0.01460%	220,000	2,693,648	8.17%	48.86%
Component Unit School Board (nonprofessional):					
2024	0.00038%	$ 4,241	$ 98,680	4.30%	73.41%
2023	0.00040%	4,797	93,981	5.10%	69.30%
2022	0.00040%	4,937	89,506	5.52%	67.21%
2021	0.00040%	4,890	85,480	5.72%	67.45%
2020	0.00040%	6,008	74,126	8.11%	52.64%
2019	0.00041%	6,672	81,627	8.17%	52.00%
2018	0.00034%	6,000	64,888	9.25%	51.22%
2017	0.00039%	5,000	72,168	6.93%	48.86%
Component Unit School Board (professional):					
2024	0.03418%	$ 381,422	$ 8,777,365	4.35%	73.41%
2023	0.03629%	435,231	8,548,026	5.09%	69.30%
2022	0.03680%	443,348	8,010,229	5.53%	67.21%
2021	0.03550%	413,898	7,339,714	5.64%	67.45%
2020	0.03520%	586,763	7,236,109	8.11%	52.64%
2019	0.03573%	581,422	7,003,694	8.30%	52.00%
2018	0.03470%	527,000	6,598,082	7.99%	51.22%
2017	0.03578%	539,000	6,599,563	8.17%	48.86%

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

Exhibit 18

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

Date	Contractually Required Contribution (1)	Contributions in Relation to Contractually Required Contribution (2)	Contribution Deficiency (Excess) (3)	Employer's Covered Payroll (4)	Contributions as a % of Covered Payroll (5)
Primary Government:					
2025	$ 22,414	$ 22,414	$ -	$ 4,768,998	0.47%
2024	24,356	24,356	-	4,510,378	0.54%
2023	22,430	22,430	-	4,153,680	0.54%
2022	19,519	19,519	-	3,614,544	0.54%
2021	17,304	17,304	-	3,204,359	0.54%
2020	15,707	15,707	-	3,020,649	0.52%
2019	15,298	15,298	-	2,941,892	0.52%
2018	15,156	15,156	-	2,914,636	0.52%
2017	14,007	14,007	-	2,693,648	0.52%
2016	12,493	12,493	-	2,602,804	0.48%
Component Unit School Board (nonprofessional):					
2025	$ 780	$ 780	$ -	$ 165,976	0.47%
2024	533	533	-	98,680	0.54%
2023	507	507	-	93,981	0.54%
2022	483	483	-	89,506	0.54%
2021	462	462	-	85,480	0.54%
2020	385	385	-	74,126	0.52%
2019	424	424	-	81,627	0.52%
2018	337	337	-	64,888	0.52%
2017	375	375	-	72,168	0.52%
2016	455	455	-	94,878	0.48%
Component Unit School Board (professional):					
2025	$ 43,356	$ 43,356	$ -	$ 9,224,762	0.47%
2024	47,398	47,398	-	8,777,365	0.54%
2023	46,159	46,159	-	8,548,026	0.54%
2022	43,255	43,255	-	8,010,229	0.54%
2021	39,634	39,634	-	7,339,714	0.54%
2020	37,628	37,628	-	7,236,109	0.52%
2019	36,419	36,419	-	7,003,694	0.52%
2018	34,574	34,574	-	6,598,082	0.52%
2017	34,318	34,318	-	6,599,563	0.52%
2016	30,267	30,267	-	6,305,596	0.48%

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

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

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

Teachers

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

Non-Largest Ten Locality Employers - General Employees

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

Non-Largest Ten Locality Employers - Hazardous Duty Employees

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

Exhibit 20

County of Richmond, 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, 2020 through June 30, 2024

	2024	2023	2022	2021	2020
Total HIC OPEB Liability					
Service cost	$ 57	$ 57	$ 40	$ 47	$ -
Interest	759	1,078	553	497	-
Changes in benefit terms	-	-	3,536	-	7,366
Differences between expected and actual experience	(58)	(5,325)	(3,042)	-	-
Changes of assumptions	-	-	7,192	495	-
Benefit payments	(540)	(540)	(495)	-	-
Net change in total HIC OPEB liability	$ 218	$ (4,730)	$ 7,784	$ 1,039	$ 7,366
Total HIC OPEB Liability - beginning	11,459	16,189	8,405	7,366	-
Total HIC OPEB Liability - ending (a)	$ 11,677	$ 11,459	$ 16,189	$ 8,405	$ 7,366
Plan fiduciary net position					
Contributions - employer	$ 859	$ 818	$ 913	$ 521	$ -
Net investment income	148	73	(6)	76	-
Benefit payments	(540)	(540)	(495)	-	-
Administrator charges	(2)	(2)	(3)	(2)	-
Other	(1)	-	-	-	-
Net change in plan fiduciary net position	$ 464	$ 349	$ 409	$ 595	$ -
Plan fiduciary net position - beginning	1,353	1,004	595	-	-
Plan fiduciary net position - ending (b)	$ 1,817	$ 1,353	$ 1,004	$ 595	$ -
School Board's net HIC OPEB liability - ending (a) - (b)	$ 9,860	$ 10,106	$ 15,185	$ 7,810	$ 7,366
Plan fiduciary net position as a percentage of the total HIC OPEB liability	18.43%	13.39%	6.61%	7.62%	0.00%
Covered payroll	$ 98,680	$ 93,981	$ 89,506	$ 85,480	$ -
School Board's net HIC OPEB liability as a percentage of covered payroll	9.99%	10.75%	16.97%	9.14%	0.00%

Schedule is intended to show information for 10 years. Information prior to the 2020 valuation is not available. However, additional years will be included as they become available.

County of Richmond, Virginia
Schedule of Employer Contributions
Health Insurance Credit (HIC) Plan
For the Years Ended June 30, 2021 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)
2025	$ 1,444	$ 1,444	$ -	$ 165,976	0.87%
2024	513	513	-	98,680	0.52%
2023	489	489	-	93,981	0.52%
2022	546	546	-	89,506	0.61%
2021	521	521	-	85,480	0.61%

Schedule is intended to show information for 10 years. However, the program was not utilized until the year ended June 30, 2021.

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

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

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

Non-Largest Ten Locality Employers - General Employees

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

Non-Largest Ten Locality Employers - Hazardous Duty Employees

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

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

Date (1)	Employer's Proportion of the Net HIC OPEB Liability (Asset) (2)	Employer's Proportionate Share of the Net HIC OPEB Liability (Asset) (3)	Employer's Covered Payroll (4)	Employer's Proportionate Share of the Net HIC OPEB Liability (Asset) as a Percentage of Covered Payroll (3)/(4) (5)	Plan Fiduciary Net Position as a Percentage of Total HIC OPEB Liability (6)
2024	0.08193%	$ 946,822	$ 8,777,365	10.79%	21.82%
2023	0.08570%	1,038,548	8,548,026	12.15%	17.90%
2022	0.08595%	1,073,555	8,010,229	13.40%	15.08%
2021	0.08299%	1,065,234	7,339,714	14.51%	13.15%
2020	0.08254%	1,076,748	7,236,109	14.88%	9.95%
2019	0.08334%	1,091,002	6,990,664	15.61%	8.97%
2018	0.08134%	1,033,000	6,578,062	15.70%	8.08%
2017	0.08362%	1,061,000	6,599,563	16.08%	7.04%

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

County of Richmond, Virginia
Schedule of Employer Contributions - Component Unit School Board
Teacher Employee Health Insurance Credit (HIC) Plan
For the Years Ended June 30, 2016 through June 30, 2025

Date	Contractually Required Contribution (1)	Contributions in Relation to Contractually Required Contribution (2)	Contribution Deficiency (Excess) (3)	Employer's Covered Payroll (4)	Contributions as a % of Covered Payroll (5)
2025	$ 111,620	$ 111,620	$ -	$ 9,224,762	1.21%
2024	106,206	106,206	-	8,777,365	1.21%
2023	103,431	103,431	-	8,548,026	1.21%
2022	96,924	96,924	-	8,010,229	1.21%
2021	88,811	88,811	-	7,339,714	1.21%
2020	86,833	86,833	-	7,236,109	1.20%
2019	83,888	83,888	-	6,990,664	1.20%
2018	80,910	80,910	-	6,578,062	1.23%
2017	73,255	73,255	-	6,599,563	1.11%
2016	66,839	66,839	-	6,305,596	1.06%

County of Richmond, Virginia
Notes to Required Supplementary Information -Component Unit School Board
Teacher Employee Health Insurance Credit (HIC) Plan
For the Year Ended June 30, 2025

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

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

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

County of Richmond, Virginia
Schedule of Changes in Total OPEB Liability and Related Ratios
Primary Government
For the Years Ended June 30, 2018 through June 30, 2025

	2025	2024	2023	2022	2021	2020	2019	2018
Total OPEB liability								
Service cost	$ 13,494	$ 11,561	$ 13,816	$ 17,450	$ 15,527	$ 8,311	$ 7,912	$ 9,704
Interest	7,104	7,058	11,635	7,967	3,716	5,108	6,543	6,179
Effect of economic/demographic gains or losses	20,401	-	(109,281)	-	171,699	-	(7,271)	-
Changes of assumptions	(19,593)	(4,112)	(23,902)	(38,982)	28,193	15,531	(29,129)	(6,057)
Benefit payments	(31,225)	(26,930)	(23,715)	(22,337)	(18,390)	(9,600)	(8,082)	(8,370)
Net change in total OPEB liability	$ (9,819)	$ (12,423)	$ (131,447)	$ (35,902)	$ 200,745	$ 19,350	$ (30,027)	$ 1,456
Total OPEB liability - beginning	182,739	195,162	326,609	362,511	161,766	142,416	172,443	170,987
Total OPEB liability - ending	$ 172,920	$ 182,739	$ 195,162	$ 326,609	$ 362,511	$ 161,766	$ 142,416	$ 172,443
Covered-employee payroll	$ 4,669,392	$ 4,015,725	$ 4,015,725	$ 3,269,443	$ 3,269,443	$ 2,985,128	$ 2,985,128	$ 2,541,300
County's total OPEB liability as a percentage of covered-employee payroll	3.70%	4.55%	4.86%	9.99%	11.09%	5.42%	4.77%	6.79%

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

Exhibit 27

County of Richmond, Virginia
Schedule of Changes in Total OPEB Liability and Related Ratios
Component Unit School Board
For the Years Ended June 30, 2018 through June 30, 2025

	2025	2024	2023	2022	2021	2020	2019	2018
Total OPEB liability								
Service cost	$ 64,605	$ 49,390	$ 58,829	$ 67,962	$ 48,507	$ 26,960	$ 32,999	$ 38,500
Interest	40,192	37,569	28,734	18,990	13,678	18,348	24,008	24,705
Effect of economic/demographic gains or losses	226,706	-	250,369	-	87,180	-	(68,794)	-
Changes of assumptions	(81,643)	(19,668)	(42,800)	(91,376)	125,887	55,275	(112,610)	(21,945)
Benefit payments	(110,454)	(68,138)	(68,055)	(40,140)	(28,799)	(26,076)	(42,782)	(61,983)
Net change in total OPEB liability	$ 139,406	$ (847)	$ 227,077	$ (44,564)	$ 246,453	$ 74,507	$ (167,179)	$ (20,723)
Total OPEB liability - beginning	1,012,805	1,013,652	786,575	831,139	584,686	510,179	677,358	698,081
Total OPEB liability - ending	$ 1,152,211	$ 1,012,805	$ 1,013,652	$ 786,575	$ 831,139	$ 584,686	$ 510,179	$ 677,358
Covered-employee payroll	$ 9,146,803	$ 7,736,743	$ 7,736,743	$ 7,150,416	$ 7,150,416	$ 6,522,584	$ 6,522,584	$ 5,904,727
School Board's total OPEB liability (asset) as a percentage of covered-employee payroll	12.60%	13.09%	13.10%	11.00%	11.62%	8.96%	7.82%	11.47%

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

County of Richmond, Virginia
Notes to Required Supplementary Information - Primary Government OPEB
For the Year Ended June 30, 2025

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

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

Methods and assumptions used to determine OPEB liability:

Actuarial Cost Method	Entry age normal level % of salary
Discount Rate	5.20% based on the Bond Buyer 20-Year Bond GO Index as of their respective measurement dates.
Inflation	2.50% per year
Healthcare Trend Rate	The healthcare trend rate assumption starts at 6.70% graded down to 3.90% over 50 years
Salary Increase Rates	The salary increase rate was 3.50% to 5.35% per annum for non-law officers and 3.50% to 4.75% per annum for law officers.
Retirement Age	The average age of retirement is 65
Mortality Rates	Pre-Retirement: Pub-2010 Amount Weighted General Employee Rates projected generationally; females set forward 2 years. Base rates are shown below. Base rates are projected generationally with a Modified MP-2020 Improvement Scale that is 75% of the MP- 2020 rates. 25% of deaths are assumed to be service-related. Post-Retirement: Pub-2010 Amount Weighted General Healthy Retiree Rates projected generationally; 110% of rates for females. Base rates are shown below. Base rates are projected generationally with a Modified MP-2020 Improvement Scale that is 75% of the MP-2020 rates. Post-Disablement: Pub-2010 Amount Weighted General Disabled Rates projected generationally; males and females set forward 3 years. Base rates are shown below. Base rates are projected generationally with a Modified MP-2020 Improvement Scale that is 75% of the MP-2020 rates.

County of Richmond, Virginia
Notes to Required Supplementary Information - Component Unit School Board OPEB
For the Year Ended June 30, 2023

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

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

Methods and assumptions used to determine OPEB liability:

Actuarial Cost Method	Entry age normal level % of salary
Discount Rate	5.20% based on the Bond Buyer 20-Year Bond GO Index as of their respective measurement dates.
Inflation	2.50% per year
Healthcare Trend Rate	6.70% for fiscal year end 2025, decreasing yearly to an ultimate rate of 3.90% in 2073
Salary Increase Rates	The salary increase rate was 3.50% to 5.35% per annum.
Retirement Age	The average age of retirement is 65
Mortality Rates	RP-2014 Mortality Table, fully generational with base year 2006, projected using two-dimensional mortality improvement scale MP-2020

THIS PAGE LEFT BLANK INTENTIONALLY

OTHER SUPPLEMENTARY INFORMATION

THIS PAGE LEFT BLANK INTENTIONALLY

County of Richmond, Virginia
Combining Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2025

	Custodial Funds					
	Richmond County Public Library	Special Welfare	Menokin Foundation	Northern Neck Regional Technical Center	Northern Neck Regional Special Education Program	Total
ASSETS						
Cash and cash equivalents	$ 5,020	$ 30,665	$ 59,076	$ 388,489	$ 1,550,383	$ 2,033,633
Total assets	$ 5,020	$ 30,665	$ 59,076	$ 388,489	$ 1,550,383	$ 2,033,633
NET POSITION						
Restricted for:						
Individuals, organizations,and other governments	$ 5,020	$ 30,665	$ 59,076	$ 388,489	$ 1,550,383	$ 2,033,633
Total net position	$ 5,020	$ 30,665	$ 59,076	$ 388,489	$ 1,550,383	$ 2,033,633

Exhibit 31

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

	Custodial Funds					
	Richmond County Public Library	Special Welfare	Menokin Foundation	Northern Neck Regional Technical Center	Northern Neck Regional Special Education Program	Total
ADDITIONS						
Contributions	$ 126,150	$ 12,189	$ -	$ 2,447,636	$ 1,781,891	$ 4,367,866
Investment earnings:						
Interest and dividends	1,792	1,300	-	21,822	79,825	104,739
Revenue from the Commonwealth	50,112	-	500,000	-	-	550,112
Revenue from the Federal Government	-	-	60,576	-	-	60,576
Total additions	$ 178,054	$ 13,489	$ 560,576	$ 2,469,458	$ 1,861,716	$ 5,083,293
DEDUCTIONS						
Recipient payments	$ -	$ 9,037	$ 501,500	$ -	$ -	$ 510,537
Operations	187,282	-	-	2,407,150	1,885,858	4,480,290
Total deductions	$ 187,282	$ 9,037	$ 501,500	$ 2,407,150	$ 1,885,858	$ 4,990,827
Net increase (decrease) in fiduciary net position	$ (9,228)	$ 4,452	$ 59,076	$ 62,308	$ (24,142)	$ 92,466
Net position, beginning	14,248	26,213	-	326,181	1,574,525	1,941,167
Net position, ending	$ 5,020	$ 30,665	$ 59,076	$ 388,489	$ 1,550,383	$ 2,033,633

County of Richmond, Virginia
Combining Balance Sheet - Governmental Funds
Discretely Presented Component Unit - School Board
June 30, 2025

	School Operating Fund	School Cafeteria Fund	School Activity Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	$ 764,716	$ 459,331	$ 428,700	$ 1,652,747
Receivables (net of allowance for uncollectibles):				
Accounts receivable	27,819	-	-	27,819
Due from other governmental units	515,175	126,869	-	642,044
Total assets	$ 1,307,710	$ 586,200	$ 428,700	$ 2,322,610
LIABILITIES				
Accounts payable	$ 105,439	$ -	$ -	$ 105,439
Accrued liabilities	764,716	-	-	764,716
Due to primary government	29,958		-	29,958
Total liabilities	$ 900,113	$ -	$ -	$ 900,113
FUND BALANCES				
Reserved for:				
Education	$ 407,597	$ -	$ -	$ 407,597
Committed:				
School Cafeteria Fund	-	586,200	-	586,200
School Activity Funds	-	-	428,700	428,700
Total fund balances	$ 407,597	$ 586,200	$ 428,700	$ 1,422,497
Total liabilities and fund balances	$ 1,307,710	$ 586,200	$ 428,700	$ 2,322,610

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

Total fund balances per above		$ 1,422,497
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Capital assets, cost	$ 19,425,902	
Accumulated depreciation	(8,795,205)	10,630,697
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.		
Net pension asset		125,847
Deferred outflows of resources are not available to pay for current-period expenditures and, therefore, are not reported in the funds.		
Pension related items	$ 2,951,016	
OPEB related items	706,289	3,657,305
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	$ (839,440)	
Net pension liability	(7,764,872)	
Net OPEB liabilities	(2,494,556)	(11,098,868)
Deferred inflows of resources are not due and payable in the current period and, therefore, are not reported in the funds.		
Pension related items	$ (1,588,301)	
OPEB related items	(338,331)	(1,926,632)
Net position of governmental activities		$ 2,810,846

THIS PAGE LEFT BLANK INTENTIONALLY

County of Richmond, Virginia
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	School Activity Funds	Total Governmental Funds
REVENUES				
Revenue from the use of money and property	$ -	$ 21,204	$ -	$ 21,204
Charges for services	-	-	-	-
Miscellaneous	273,124	33,224	408,021	714,369
Recovered costs	153,520	-	-	153,520
Intergovernmental:				
Local government	4,739,252	-	-	4,739,252
Commonwealth	13,866,498	32,652	-	13,899,150
Federal	1,078,851	1,115,051	-	2,193,902
Total revenues	$ 20,111,245	$ 1,202,131	$ 408,021	$ 21,721,397
EXPENDITURES				
Current:				
Education	$ 20,474,733	$ 1,202,438	$ 497,007	$ 22,174,178
Debt service:				
Principal retirement	-	-	-	-
Interest and other fiscal charges	-	-	-	-
Total expenditures	$ 20,474,733	$ 1,202,438	$ 497,007	$ 22,174,178
Excess (deficiency) of revenues over (under) expenditures	$ (363,488)	$ (307)	$ (88,986)	$ (452,781)
Net change in fund balances	$ (363,488)	$ (307)	$ (88,986)	$ (452,781)
Fund balances - beginning	771,085	586,507	517,686	1,875,278
Fund balances - ending	$ 407,597	$ 586,200	$ 428,700	$ 1,422,497

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		$ (452,781)
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.		
Capital asset additions	$ 589,471	
Depreciation expense	(841,443)	
Transfer of joint tenancy assets to Component Unit School Board from Primary Gc	600,550	348,578
The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		
Principal retirement on capital financing		-
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.		
Change in compensated absences	$ 70,505	
Pension expense	559,185	
OPEB expense	37,089	666,779
Change in net position of governmental activities		$ 562,576

County of Richmond, 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			
	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
REVENUES				
Revenue from the use of money and property	$ -	$ -	$ -	$ -
Miscellaneous	145,007	145,007	273,124	128,117
Recovered costs	61,500	61,500	153,520	92,020
Intergovernmental:				
Local government	6,192,813	6,192,813	4,739,252	(1,453,561)
Commonwealth	12,997,195	12,997,195	13,866,498	869,303
Federal	768,355	768,355	1,078,851	310,496
Total revenues	$ 20,164,870	$ 20,164,870	$ 20,111,245	$ (53,625)
EXPENDITURES				
Current:				
Education	$ 20,164,870	$ 20,164,870	$ 20,474,733	$ (309,863)
Total expenditures	$ 20,164,870	$ 20,164,870	$ 20,474,733	$ (309,863)
Excess (deficiency) of revenues over (under) expenditures	$ -	$ -	$ (363,488)	$ (363,488)
Net change in fund balances	$ -	$ -	$ (363,488)	$ (363,488)
Fund balances - beginning	-	-	771,085	771,085
Fund balances - ending	$ -	$ -	$ 407,597	$ 407,597

Exhibit 34

School Cafeteria Fund			
Budgeted Amounts			Variance with Final Budget Positive
Original	Final	Actual	(Negative)
$ -	$ -	$ 21,204	$ 21,204
-	-	33,224	33,224
-	-	-	-
-	-	-	-
28,383	28,383	32,652	4,269
793,328	880,235	1,115,051	234,816
$ 821,711	$ 908,618	$ 1,202,131	$ 293,513
$ 821,711	$ 908,618	$ 1,202,438	$ (293,820)
$ 821,711	$ 908,618	$ 1,202,438	$ (293,820)
$ -	$ -	$ (307)	$ (307)
$ -	$ -	$ (307)	$ (307)
-	-	586,507	586,507
$ -	$ -	$ 586,200	$ 586,200

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

		Industrial Development Authority
ASSETS		
Cash and cash equivalents	$	35,102
Lease receivable		40,750
Interest receivable		136
Capital assets:		
Land		149,907
Buildings and improvements		598,470
Machinery, equipment and vehicles		46,878
Accumulated depreciation		(419,502)
Total assets	$	451,741
DEFERRED OUTFLOWS OF RESOURCES		
Lease related	$	35,386
NET POSITION		
Investment in capital assets	$	375,753
Unrestricted		40,602
Total net position	$	416,355

Exhibit 36

County of Richmond, Virginia
Statement of Revenues, Expenses, and Changes in Net Position
Discretely Presented Component Unit - Industrial Development Authority
For the Year Ended June 30, 2025

		Industrial Development Authority
OPERATING REVENUES		
Charges for services:		
Rents	$	15,917
Total operating revenues	$	15,917
OPERATING EXPENSES		
Other charges	$	26,307
Depreciation		15,888
Total operating expenses	$	42,195
Operating income (loss)	$	(26,278)
NONOPERATING REVENUES (EXPENSES)		
Interest income	$	3,716
Contribution from County of Richmond		10,000
Total nonoperating revenues (expenses)	$	13,716
Changes in net position	$	(12,562)
Net position - beginning		428,917
Net position - ending	$	416,355

Exhibit 37

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

CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers and users	$	15,199
Other receipts (payments)		(26,307)
Net cash provided by (used for) operating activities	$	(11,108)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Contribution from Richmond County	$	10,000
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income	$	3,764
Net cash provided by (used for) investing activities	$	3,764
Net increase (decrease) in cash and cash equivalents	$	2,656
Cash and cash equivalents - beginning		32,446
Cash and cash equivalents - ending	$	35,102
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:		
Operating income (loss)	$	(26,278)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation		15,888
(Increase) decrease in lease receivable		14,448
Increase (decrease) in deferred inflows of resources - lease		(15,166)
Total adjustments	$	15,170
Net cash provided by (used for) operating activities	$	(11,108)

SUPPORTING SCHEDULES

THIS PAGE LEFT BLANK INTENTIONALLY

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

Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
General Fund:				
Revenue from local sources:				
General property taxes:				
Real property taxes	$ 6,850,000	$ 6,850,000	$ 7,315,317	$ 465,317
Real and personal public service corporation taxes	675,000	675,000	858,151	183,151
Personal property taxes	2,394,500	2,394,500	2,797,147	402,647
Mobile home taxes	11,500	11,500	17,101	5,601
Merchant's capital taxes	105,000	105,000	120,914	15,914
Machinery and tools taxes	60,000	60,000	77,989	17,989
Penalties	67,000	67,000	106,138	39,138
Interest	36,000	36,000	42,169	6,169
Total general property taxes	$ 10,199,000	$ 10,199,000	$ 11,334,926	$ 1,135,926
Other local taxes:				
Local sales and use taxes	$ 1,700,000	$ 1,700,000	$ 1,564,444	$ (135,556)
Consumers' utility taxes	122,000	122,000	119,770	(2,230)
Consumption tax	20,000	20,000	19,573	(427)
Motor vehicle licenses	264,000	264,000	270,066	6,066
Taxes on recordation and wills	90,000	90,000	117,806	27,806
Tobacco	20,000	20,000	25,558	5,558
Total other local taxes	$ 2,216,000	$ 2,216,000	$ 2,117,217	$ (98,783)
Permits, privilege fees, and regulatory licenses:				
Animal licenses	$ 3,500	$ 3,500	$ 2,011	$ (1,489)
Permits and other licenses	100,350	100,350	183,313	82,963
Total permits, privilege fees, and regulatory licenses	$ 103,850	$ 103,850	$ 185,324	$ 81,474
Fines and forfeitures:				
Court fines and forfeitures	$ 42,000	$ 42,000	$ 31,999	$ (10,001)
Revenue from use of money and property:				
Revenue from use of money	$ 210,500	$ 210,500	$ 319,398	$ 108,898
Revenue from use of property	24,000	24,000	27,114	3,114
Total revenue from use of money and property	$ 234,500	$ 234,500	$ 346,512	$ 112,012
Charges for services:				
Sheriff's fees	$ 1,000	$ 1,000	$ 5,250	$ 4,250
Charges for copier	40,000	40,000	25	(39,975)
Charges for courthouse maintenance	4,050	4,050	2,565	(1,485)
Charges for courthouse security	22,000	22,000	27,627	5,627
Charges for other court costs	500	500	11,718	11,218
Charges for EMS billings	410,000	410,000	566,913	156,913
Charges for correction and detention	-	-	714	714
Charges for other protection	-	-	6,830	6,830
Charges for postage	-	-	1,802	1,802
Charges for DMV fees	-	-	5,460	5,460
Total charges for services	$ 477,550	$ 477,550	$ 628,904	$ 151,354

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

Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
General Fund: (Continued)				
Revenue from local sources: (Continued)				
Miscellaneous:				
Miscellaneous	$ 902,890	$ 902,890	$ 48,939	$ (853,951)
Recovered costs:				
Streetlights	$ 4,150	$ 4,150	$ 1,667	$ (2,483)
Solar project	177,000	177,000	1,738,393	1,561,393
Court services unit	15,750	15,750	14,541	(1,209)
Landfill	-	-	9,546	9,546
Debt service refund	21,000	21,000	24,394	3,394
Other recovered costs	-	-	12,931	12,931
Total recovered costs	$ 217,900	$ 217,900	$ 1,801,472	$ 1,583,572
Total revenue from local sources	$ 14,393,690	$ 14,393,690	$ 16,495,293	$ 2,101,603
Intergovernmental:				
Revenue from the Commonwealth:				
Noncategorical aid:				
Mobile home titling tax	$ 12,000	$ 12,000	$ 17,602	$ 5,602
Rolling stock tax	1,000	1,000	1,676	676
Auto Rental	-	-	40,842	40,842
Communications tax	210,000	210,000	199,526	(10,474)
Opioid settlement	-	-	14,246	14,246
Moped and all-terrain vehicle tax	-	-	155	155
Personal property tax relief funds	803,954	803,954	803,955	1
Total noncategorical aid	$ 1,026,954	$ 1,026,954	$ 1,078,002	$ 51,048
Categorical aid:				
Shared expenses:				
Commonwealth's attorney	$ 211,000	$ 211,000	$ 264,071	$ 53,071
Sheriff	855,000	855,000	923,675	68,675
Commissioner of revenue	104,000	104,000	120,995	16,995
Treasurer	120,500	120,500	127,256	6,756
Registrar/electoral board	53,000	53,000	63,991	10,991
Clerk of the Circuit Court	242,000	242,000	269,213	27,213
Total shared expenses	$ 1,585,500	$ 1,585,500	$ 1,769,201	$ 183,701
Other categorical aid:				
Four for life grant	$ 9,739	$ 9,739	$ (2,147)	$ (11,886)
Fire program funds	31,000	31,000	37,340	6,340
Children's services act	275,000	275,000	516,407	241,407
Public assistance and welfare administration	611,840	611,840	339,784	(272,056)
Litter control grant	-	-	11,033	11,033

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

Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
General Fund: (Continued)				
Intergovernmental: (Continued)				
Revenue from the Commonwealth: (Continued)				
Categorical aid: (Continued)				
Other categorical aid: (Continued)				
Wireless grant	$ 40,000	$ 40,000	$ 241,870	$ 201,870
Forest	-	-	2,706	2,706
School resource officer	42,000	42,000	59,486	17,486
Victim witness grant	57,000	57,000	23,431	(33,569)
Circuit court records preservation grant	65,136	65,136	-	(65,136)
Law enforcement grant	58,120	58,120	-	(58,120)
Grand jury	5,600	5,600	1,933	(3,667)
Library	-	-	27,616	27,616
Deeds	-	-	21,161	21,161
Total other categorical aid	$ 1,195,435	$ 1,195,435	$ 1,280,620	$ 85,185
Total categorical aid	$ 2,780,935	$ 2,780,935	$ 3,049,821	$ 268,886
Total revenue from the Commonwealth	$ 3,807,889	$ 3,807,889	$ 4,127,823	$ 319,934
Revenue from the federal government:				
Noncategorical aid:				
Payments in lieu of taxes	$ 26,000	$ 26,000	$ 37,697	$ 11,697
Categorical aid:				
Emergency management plan grant	$ -	$ -	$ 7,500	$ 7,500
Law enforcement grant	22,400	22,400	-	(22,400)
State and community highway safety	-	-	34,288	34,288
Public assistance and welfare administration	400,000	400,000	662,509	262,509
QSCB interest rate subsidy	216,847	216,847	220,352	3,505
Victim witness grant	-	-	37,019	37,019
ARPA Act	-	-	38,124	38,124
Community development block grant			49,223	49,223
Homeland security	-	-	1,514	1,514
Total categorical aid	$ 639,247	$ 639,247	$ 1,050,529	$ 411,282
Total revenue from the federal government	$ 665,247	$ 665,247	$ 1,088,226	$ 422,979
Total General Fund	$ 18,866,826	$ 18,866,826	$ 21,711,342	$ 2,844,516

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

Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
Special Revenue Funds:				
Workforce Investment Act Fund:				
Intergovernmental:				
Revenue from the federal government:				
Categorical aid:				
Workforce Investment Act	$ -	$ 1,653,603	$ 1,653,603	$ -
Total revenue from the federal government	$ -	$ 1,653,603	$ 1,653,603	$ -
Total Workforce Investment Act Fund	$ -	$ 1,653,603	$ 1,653,603	$ -
Total Primary Government	$ 18,866,826	$ 20,520,429	$ 23,364,945	$ 2,844,516
Discretely Presented Component Unit - School Board:				
School Operating Fund:				
Revenue from local sources:				
Miscellaneous:				
Miscellaneous	$ 145,007	$ 145,007	$ 273,124	$ 128,117
Total miscellaneous	$ 145,007	$ 145,007	$ 273,124	$ 128,117
Recovered costs:				
Other recovered costs	$ 61,500	$ 61,500	$ 153,520	$ 92,020
Total recovered costs	$ 61,500	$ 61,500	$ 153,520	$ 92,020
Total revenue from local sources	$ 206,507	$ 206,507	$ 426,644	$ 220,137
Intergovernmental:				
Revenues from local governments:				
Contribution from County of Richmond, Virginia	$ 6,192,813	$ 6,192,813	$ 4,739,252	$ (1,453,561)

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

Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
Discretely Presented Component Unit - School Board: (Continued)				
School Operating Fund: (Continued)				
Intergovernmental: (Continued)				
Revenue from the Commonwealth:				
Categorical aid:				
Share of state sales tax	$ 1,505,105	$ 1,505,105	$ 1,561,733	$ 56,628
Basic school aid	6,079,026	6,079,026	6,350,876	271,850
At risk payments	1,351,030	1,351,030	1,396,610	45,580
Bonus payment	-	-	144,929	144,929
Compensation supplement	233,722	233,722	242,983	9,261
Early reading intervention	70,394	70,394	64,528	(5,866)
English as a second language	96,754	96,754	88,494	(8,260)
Fringe benefits	1,046,501	1,046,501	1,089,486	42,985
Gifted and talented	56,663	56,663	58,991	2,328
Hold harmless	239,765	239,765	-	(239,765)
Homebound education - special ed	-	-	2,262	2,262
In lieu of sales tax	-	-	239,765	239,765
Jobs for VA graduates	-	-	30,000	30,000
Lottery/per pupil	410,321	410,321	411,358	1,037
Mentor teacher program	1,295	1,295	526	(769)
Primary class size	273,743	273,743	279,938	6,195
Project graduation	3,784	3,784	3,784	-
Remedial summer education	96,625	96,625	90,152	(6,473)
Special education	750,790	750,790	781,627	30,837
Special education - foster children	-	-	15,521	15,521
Special education - northern neck regional SPED	-	-	194,396	194,396
Special education - jails	-	-	3,704	3,704
Special education - regional	-	-	121,324	121,324
SOL algebra readiness	35,994	35,994	33,095	(2,899)
Technology	102,000	102,000	-	(102,000)
Textbook payment	141,782	141,782	147,606	5,824
Vocational education	205,405	205,405	213,841	8,436
Vocational education - career and tech	-	-	3,214	3,214
VPSI one time grant - Preschool	281,586	281,586	295,322	13,736
Workforce readiness	-	-	433	433
Other state funds	14,910	14,910	-	(14,910)
Total categorical aid	$ 12,997,195	$ 12,997,195	$ 13,866,498	$ 869,303
Total revenue from the Commonwealth	$ 12,997,195	$ 12,997,195	$ 13,866,498	$ 869,303

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

Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
Discretely Presented Component Unit - School Board: (Continued)				
School Operating Fund: (Continued)				
Intergovernmental: (Continued)				
Revenue from the federal government:				
Categorical aid:				
Title VI-B, special education flow-through	$ 265,650	$ 265,650	$ 277,214	$ 11,564
Title I, Part A, Student Support	-	-	64,295	64,295
Preschool	-	-	18,939	18,939
Vocational education	24,748	24,748	2,674	(22,074)
Title I	333,592	333,592	394,034	60,442
Title II, Part A	45,937	45,937	46,731	794
Title III	5,898	5,898	5,581	(317)
JROTC	20,799	20,799	32,312	11,513
COVID 19 - ARPA funding	71,731	71,731	71,731	-
COVID 19 - ESSER funding	-	-	165,340	165,340
Total categorical aid	$ 768,355	$ 768,355	$ 1,078,851	$ 310,496
Total revenue from the federal government	$ 768,355	$ 768,355	$ 1,078,851	$ 310,496
Total School Operating Fund	$ 20,164,870	$ 20,164,870	$ 20,111,245	$ (53,625)
Special Revenue Fund:				
School Cafeteria Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
Revenue from the use of money	$ -	$ -	$ 21,204	$ 21,204
Miscellaneous:				
Other miscellaneous	$ -	$ -	$ 33,224	$ 33,224
Total revenue from local sources	$ -	$ -	$ 54,428	$ 54,428
Revenue from the Commonwealth:				
Categorical aid:				
School food program	$ 28,383	$ 28,383	$ 32,652	$ 4,269
Total categorical aid	28,383	28,383	32,652	4,269
Total revenue from the Commonwealth	28,383	28,383	32,652	4,269
Revenue from the federal government:				
Categorical aid:				
School nutrition program	$ 793,328	$ 793,328	$ 911,709	$ 118,381
Commodities	-	86,907	86,907	-
Other categorical aid	-	-	116,435	116,435
Total categorical aid	$ 793,328	$ 880,235	$ 1,115,051	$ 234,816
Total School Cafeteria Fund	$ 821,711	$ 908,618	$ 1,202,131	$ 293,513
School Activity Funds:				
Revenue from local sources:				
Miscellaneous:				
Miscellaneous	$ -	$ -	$ 408,021	$ 408,021
Total School Activity Funds	$ -	$ -	$ 408,021	$ 408,021
Total Discretely Presented Component Unit - School Board	$ 20,986,581	$ 21,073,488	$ 21,721,397	$ 647,909

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

Fund, Function, Activity and Elements	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
General Fund:				
General government administration:				
Legislative:				
Board of Supervisors	$ 196,846	$ 1,118,820	$ 796,020	$ 322,800
General and financial administration:				
County administrator	$ 282,311	$ 304,465	$ 282,193	$ 22,272
Information technology	449,714	629,058	527,413	101,645
Commissioner of revenue	255,661	276,251	258,397	17,854
Assessor	45,000	47,691	2,691	45,000
Treasurer	311,038	341,751	316,406	25,345
Total general and financial administration	$ 1,343,724	$ 1,599,216	$ 1,387,100	$ 212,116
Board of elections:				
Registrar	$ 133,130	$ 196,379	$ 200,733	$ (4,354)
Total board of elections	$ 133,130	$ 196,379	$ 200,733	$ (4,354)
Total general government administration	$ 1,673,700	$ 2,914,415	$ 2,383,853	$ 530,562
Judicial administration:				
Courts:				
Circuit court	$ 34,000	$ 37,265	$ 37,265	$ -
General district court	4,485	4,485	2,628	1,857
Magistrate	58,368	58,368	40,832	17,536
Clerk of the circuit court	444,050	483,458	406,372	77,086
Total courts	$ 540,903	$ 583,576	$ 487,097	$ 96,479
Commonwealth's attorney:				
Commonwealth's attorney	$ 389,607	$ 457,986	$ 431,166	$ 26,820
Total judicial administration	$ 930,510	$ 1,041,562	$ 918,263	$ 123,299
Public safety:				
Law enforcement and traffic control:				
Sheriff	$ 2,534,977	$ 2,841,136	$ 2,617,184	$ 223,952
Fire and rescue services:				
Volunteer fire department	$ 212,500	$ 218,840	$ 216,862	$ 1,978
Volunteer rescue squad	1,442,688	1,788,015	1,635,877	152,138
Total fire and rescue services	$ 1,655,188	$ 2,006,855	$ 1,852,739	$ 154,116
Correction and detention:				
Juvenile group home	$ 13,913	$ 13,913	$ 13,913	$ -

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

Fund, Function, Activity and Elements	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
General Fund: (Continued)				
Public safety: (Continued)				
Inspections:				
Building	$ 104,066	$ 111,518	$ 92,829	$ 18,689
Other protection:				
Animal control	$ 146,451	$ 158,814	$ 144,562	$ 14,252
Medical examiner	400	400	80	320
E-911 system	128,700	217,091	323,523	(106,432)
Total other protection	$ 275,551	$ 376,305	$ 468,165	$ (91,860)
Total public safety	$ 4,583,695	$ 5,349,727	$ 5,044,830	$ 304,897
Public works:				
Maintenance of highways, streets, bridges and sidewalks:				
Streetlights	$ 4,150	$ 4,150	$ 5,875	$ (1,725)
Sanitation and waste removal:				
Refuse collection and disposal	$ 866,000	$ 992,888	$ 995,655	$ (2,767)
Maintenance of general buildings and grounds:				
General properties	$ 374,391	$ 496,089	$ 501,878	$ (5,789)
Total public works	$ 1,244,541	$ 1,493,127	$ 1,503,408	$ (10,281)
Health and welfare:				
Health:				
Supplement of local health department	$ 188,937	$ 188,937	$ 177,437	$ 11,500
Mental health and mental retardation:				
Community services board	$ 42,000	$ 42,000	$ 42,000	$ -
Welfare:				
Area agency on aging	$ 8,371	$ 8,371	$ 8,371	$ -
Virginia public assistance	1,984,840	2,059,510	1,283,078	776,432
Tax relief for the elderly	-	-	80,727	(80,727)
Children's services act	410,000	410,000	783,262	(373,262)
NN free clinic	-	-	3,000	(3,000)
Tappahannock free clinic	-	-	7,000	(7,000)
Total welfare	$ 2,403,211	$ 2,477,881	$ 2,165,438	$ 312,443
Total health and welfare	$ 2,634,148	$ 2,708,818	$ 2,384,875	$ 323,943
Education:				
Other instructional costs:				
Contributions to Rappahannock Community College	$ 12,098	$ 37,098	$ 37,098	$ -
Contribution to County School Board	-	-	4,739,252	(4,739,252)
School bus	-	134,500	134,500	-
Total education	$ 12,098	$ 171,598	$ 4,910,850	$ (4,739,252)

Fund, Function, Activity and Elements	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
General Fund: (Continued)				
Parks, recreation, and cultural:				
Parks and recreation:				
Recreational programs	$ 40,000	$ 40,000	$ 45,000	$ (5,000)
Cultural enrichment:				
Richmond County museum	$ 18,129	$ 18,129	$ 4,000	$ 14,129
Library:				
Contribution to county library	$ 112,000	$ 112,000	$ 112,000	$ -
Total parks, recreation, and cultural	$ 170,129	$ 170,129	$ 161,000	$ 9,129
Community development:				
Planning and community development:				
Planning	$ 290,654	$ 306,176	$ 174,421	$ 131,755
Economic development	11,500	511,500	7,500	504,000
Northern Neck planning district commission	9,500	9,500	9,500	-
Total planning and community development	$ 311,654	$ 827,176	$ 191,421	$ 635,755
Environmental management:				
Contribution to soil and water conservation district	$ 15,000	$ 15,000	$ 15,000	$ -
Wetlands board	3,172	3,172	4,098	(926)
Total environmental management	$ 18,172	$ 18,172	$ 19,098	$ (926)
Cooperative extension program:				
Extension office	$ 47,000	$ 47,000	$ 37,678	$ 9,322
Total community development	$ 376,826	$ 892,348	$ 248,197	$ 644,151
Nondepartmental:				
Other nondepartmental	$ 311,418	$ 371,994	$ 256,688	$ 115,306
Total nondepartmental	$ 311,418	$ 371,994	$ 256,688	$ 115,306
Debt service:				
Principal retirement	$ 1,769,632	$ 1,769,632	$ 1,299,379	$ 470,253
Interest and other fiscal charges	-	-	625,412	(625,412)
Total debt service	$ 1,769,632	$ 1,769,632	$ 1,924,791	$ (155,159)
Total General Fund	$ 13,706,697	$ 16,883,350	$ 19,736,755	$ (2,853,405)

Fund, Function, Activity and Elements	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
Special Revenue Funds:				
Workforce Investment Act Fund:				
Community development:				
Bay Consortium Workforce Investment Board				
Other protection	$ -	$ 1,653,603	$ 1,653,603	$ -
Total community development	$ -	$ 1,653,603	$ 1,653,603	$ -
Total Workforce Investment Act Fund	$ -	$ 1,653,603	$ 1,653,603	$ -
Total Primary Government	$ 13,706,697	$ 18,536,953	$ 21,390,358	$ (2,853,405)
Discretely Presented Component Unit - School Board:				
School Operating Fund:				
Education:				
Instruction costs:				
Instructional costs	$ 15,755,724	$ 15,755,724	$ 15,942,394	$ (186,670)
Operating costs:				
Administration, attendance and health services	$ 1,295,179	$ 1,295,179	$ 1,347,974	$ (52,795)
Pupil transportation	1,371,954	1,371,954	1,510,366	(138,412)
Operation and maintenance of school plant	1,742,013	1,742,013	1,673,999	68,014
Total operating costs	$ 4,409,146	$ 4,409,146	$ 4,532,339	$ (123,193)
Total education	$ 20,164,870	$ 20,164,870	$ 20,474,733	$ (309,863)
Total School Operating Fund	$ 20,164,870	$ 20,164,870	$ 20,474,733	$ (309,863)
Special Revenue Fund:				
School Cafeteria Fund:				
Education:				
School food services:				
Administration of school food program	$ 821,711	$ 908,618	$ 1,202,438	$ (293,820)
Total school food services	$ 821,711	$ 908,618	$ 1,202,438	$ (293,820)
Total education	$ 821,711	$ 908,618	$ 1,202,438	$ (293,820)
Total School Cafeteria Fund	$ 821,711	$ 908,618	$ 1,202,438	$ (293,820)
School Activity Funds:				
Education:				
Instruction	$ -	$ -	$ 497,007	$ (497,007)
Total education	$ -	$ -	$ 497,007	$ (497,007)
Total School Activity Funds	$ -	$ -	$ 497,007	$ (497,007)
Total Discretely Presented Component Unit - School Board	$ 20,986,581	$ 21,073,488	$ 22,174,178	$ (1,100,690)

STATISTICAL INFORMATION

THIS PAGE LEFT BLANK INTENTIONALLY

Table 1

County of Richmond, Virginia
Government-Wide Expenses by Function
Last Ten Fiscal Years

Fiscal Year	General Government Administration	Judicial Administration	Public Safety	Public Works	Health and Welfare	Education	Parks, Recreation, and Cultural	Community Development	Interest on Long-Term Debt	Total
2025	$ 2,560,281	$ 1,029,737	$ 4,931,928	$ 1,505,970	$ 2,396,095	$ 5,811,376	$ 126,979	$ 129,000	$ 545,843	$ 19,037,209
2024	2,527,589	837,447	4,639,264	1,405,427	1,764,822	6,416,110	111,136	1,638,952	582,758	19,923,505
2023	2,319,783	863,534	4,166,137	1,164,594	1,730,951	4,802,075	166,080	2,195,905	516,599	17,925,658
2022	1,644,874	810,671	4,415,169	1,110,140	1,676,140	5,175,333	156,251	1,700,927	532,201	17,221,706
2021	2,612,721	780,515	3,459,679	1,168,914	1,596,157	5,331,834	162,210	1,423,998	692,900	17,228,928
2020	1,615,192	737,081	2,966,810	1,155,898	1,514,695	5,210,228	158,884	2,158,471	692,599	16,209,858
2019	1,115,970	676,827	2,692,882	1,366,630	1,712,735	5,482,484	150,976	2,035,917	612,099	15,846,520
2018	1,156,714	702,259	2,810,860	1,200,647	1,655,037	5,093,707	142,795	2,181,334	676,629	15,619,982
2017	1,199,922	679,860	2,565,301	1,001,652	1,553,210	5,561,858	128,334	2,336,174	546,455	15,572,766
2016	1,201,406	670,488	2,493,259	1,023,874	1,630,672	7,274,186	88,765	229,255	583,898	15,195,803

Table 2

County of Richmond, Virginia
Government-Wide Revenues
Last Ten Fiscal Years

	PROGRAM REVENUES		GENERAL REVENUES						
Fiscal Year	Charges for Services	Operating Grants and Contributions	General Property Taxes	Other Local Taxes	Unrestricted Investment Earnings	Miscellaneous	Grants and Contributions Not Restricted to Specific Programs	Contributions from Richmond IDA	Total
2025	$ 873,341	$ 5,745,536	$ 11,427,265	$ 2,117,217	$ 319,398	$ 48,939	$ 1,115,699	$ -	$ 21,647,395
2024	877,989	6,289,716	10,134,963	1,836,093	371,027	87,677	1,127,523	-	20,724,988
2023	753,019	5,571,808	9,673,222	1,886,236	262,575	105,587	1,149,591	-	19,402,038
2022	698,476	4,899,054	9,274,101	1,782,508	14,047	45,054	1,685,258	-	18,398,498
2021	508,706	5,242,855	9,016,703	1,976,648	39,202	312,974	1,246,390	-	18,343,478
2020	440,318	4,689,466	8,518,390	1,813,034	95,099	339,758	1,196,507	10,000	17,102,572
2019	502,285	4,597,607	8,475,342	1,712,840	95,241	56,022	1,133,335	-	16,572,672
2018	496,099	4,946,946	8,298,459	1,504,943	46,929	165,675	1,145,684	-	16,604,735
2017	464,313	4,775,138	8,097,044	1,595,454	22,904	80,301	1,118,371	-	16,153,525
2016	436,188	2,933,962	7,682,309	1,508,226	16,539	149,040	1,144,085	-	13,870,349

Table 3

County of Richmond, Virginia
General Governmental Expenditures by Function (1)
Last Ten Fiscal Years

Fiscal Year	General Government Administration	Judicial Administration	Public Safety	Public Works	Health and Welfare	Education (2)	Parks, Recreation, and Cultural	Community Development	Non-departmental	Debt Service	Total
2025	$ 2,383,853	$ 918,263	$ 5,044,830	$ 1,503,408	$ 2,384,875	$ 22,345,776	$ 161,000	$ 1,901,800	$ 256,688	$ 1,924,791	$ 38,825,284
2024	3,739,552	841,407	5,414,820	1,380,772	1,771,905	22,737,513	156,500	1,810,934	234,232	1,955,322	40,042,957
2023	2,242,119	758,571	4,175,451	1,169,295	1,766,119	20,963,258	166,080	2,297,628	181,163	2,115,210	35,834,894
2022	2,476,801	692,990	3,952,740	1,081,888	2,590,050	19,404,489	156,251	1,796,368	47,500	1,739,272	33,938,349
2021	2,530,108	643,211	3,181,384	1,128,221	2,408,671	16,943,328	161,520	1,534,561	111,441	3,831,992	32,474,437
2020	1,477,139	623,833	2,987,688	1,127,992	2,304,703	15,848,844	159,179	2,158,112	81,861	1,845,363	28,614,714
2019	1,129,077	594,757	3,137,698	1,029,423	2,546,282	15,250,992	152,620	2,045,011	68,228	1,810,162	27,764,250
2018	1,076,488	571,533	3,006,303	1,034,255	2,505,914	14,751,040	142,532	2,177,947	49,128	1,808,739	27,123,879
2017	1,138,798	557,419	2,661,534	991,323	2,174,990	14,691,720	128,386	2,334,403	67,957	1,718,644	26,465,174
2016	1,221,390	629,439	2,732,816	1,041,407	2,222,780	14,466,568	167,886	217,722	66,227	1,633,827	24,400,062

(1) Includes general and special revenue funds of the Primary Government, and its Discretely Presented Component Unit-School Board; excludes capital projects expenditures.

Table 4

County of Richmond, Virginia
General Governmental Revenues by Source (1)
Last Ten Fiscal Years

Fiscal Year	General Property Taxes	Other Local Taxes	Permits, Privilege Fees, Regulatory Licenses	Fines and Forfeitures	Revenue from the Use of Money and Property	Charges for Services	Miscellaneous	Recovered Costs	Inter-governmental (2)	Total
2025	$ 11,334,926	$ 2,117,217	$ 185,324	$ 31,999	$ 367,716	$ 628,904	$ 763,308	$ 1,954,992	$ 22,962,704	$ 40,347,090
2024	10,155,663	1,836,093	327,773	48,432	397,007	501,839	1,342,095	363,422	23,890,375	38,862,699
2023	9,669,669	1,886,236	184,342	57,438	265,071	511,514	1,012,690	298,434	22,997,183	36,882,577
2022	9,206,194	1,782,508	207,310	53,780	14,090	452,089	766,572	1,134,780	20,836,281	34,453,604
2021	9,080,147	1,976,648	71,301	48,578	39,228	393,257	766,512	1,415,505	18,346,373	32,137,549
2020	8,425,987	1,813,034	74,400	25,433	95,126	372,732	477,651	908,436	16,844,920	29,037,719
2019	8,449,105	1,712,840	57,859	42,323	99,632	438,830	222,081	904,762	16,080,401	28,007,833
2018	8,369,159	1,504,943	80,149	50,298	47,622	455,063	336,932	992,723	16,069,022	27,905,911
2017	8,196,389	1,595,454	46,744	42,184	37,418	472,121	302,813	688,818	15,389,005	26,770,946
2016	7,647,553	1,508,226	54,875	41,110	20,598	460,271	555,726	829,382	13,047,621	24,165,362

(1) Includes general and special revenue funds of the Primary Government and its Discretely Presented Component Unit-School Board; excludes capital projects funds.

Table 5

County of Richmond, Virginia
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 (1,2)	Total Tax Collections	Percent of Total Tax Collections to Tax Levy	Outstanding Delinquent Taxes (1, 2)	Percent of Delinquent Taxes to Tax Levy
2025	$ 12,573,212	$ 11,703,747	93.08%	$ 286,827	$ 11,990,574	95.37%	$ 461,134	3.67%
2024	11,112,256	10,563,262	95.06%	245,344	10,808,606	97.27%	345,509	3.11%
2023	10,846,709	10,115,224	93.26%	222,910	10,338,134	95.31%	347,713	3.21%
2022	9,989,882	9,948,145	99.58%	164,297	10,112,442	101.23%	330,480	3.31%
2021	9,425,511	9,301,600	98.69%	446,688	9,748,288	103.42%	281,200	2.98%
2020	9,174,934	8,866,262	96.64%	187,327	9,053,589	98.68%	335,685	3.66%
2019	9,132,382	8,815,793	96.53%	203,967	9,019,760	98.77%	267,301	2.93%
2018	8,965,692	8,739,107	97.47%	248,563	8,987,670	100.25%	254,106	2.83%
2017	8,808,383	8,427,059	95.67%	358,576	8,785,635	99.74%	292,770	3.32%
2016	8,357,577	7,995,339	95.67%	244,771	8,240,110	98.59%	410,884	4.92%

(1) Exclusive of penalties and interest.
(2) Delinquent tax collections are exclusive of land redemptions.

Table 6

County of Richmond, Virginia
Assessed Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year	Real Estate (1)	Personal Property and Mobile Homes	Machinery and Tools	Merchant's Capital	Public Utility (2) Real Estate	Public Utility (2) Personal Property	Total
2025	$ 1,201,443,884	$ 109,087,579	$ 20,123,310	$ 3,554,390	$ 143,756,239	$ 1,850,022	$ 1,479,815,424
2024	900,166,399	103,057,640	17,314,800	3,476,380	70,636,542	1,152,775	1,095,804,536
2023	856,642,787	107,241,566	13,917,050	3,014,050	83,836,715	1,705,168	1,066,357,336
2022	842,831,910	82,066,680	14,043,010	2,679,000	84,211,938	1,930,469	1,027,763,007
2021	826,222,795	77,798,108	11,370,210	2,264,830	75,161,362	2,010,857	994,828,162
2020	806,371,551	70,823,970	10,771,210	1,990,350	69,092,906	1,556,117	960,606,104
2019	803,825,024	70,041,071	4,721,940	1,947,780	75,657,362	1,686,879	957,880,056
2018	802,339,284	66,559,619	4,711,590	1,879,500	73,189,440	1,786,937	950,466,370
2017	795,835,664	64,488,034	4,049,620	1,827,220	63,132,163	1,614,273	930,946,974
2016	791,569,124	61,822,591	3,405,019	1,798,680	59,110,301	1,499,177	919,204,892

(1) Real estate is assessed at 100% of fair market value.
(2) Assessed values are established by the State Corporation Commission.

Table 7

County of Richmond, Virginia
Property Tax Rates
Last Ten Fiscal Years

					Public Utility	
Fiscal Year	Real Estate	Personal Property	Machinery and Tools	Merchant's Capital	Real Estate	Personal Property
2025	$ 0.60	$ 3.75	$ 0.40	$ 3.50	$ 0.60	$ 3.75
2024	0.70	3.75	0.40	3.50	0.70	3.75
2023	0.70	3.75	0.40	3.50	0.70	3.75
2022	0.70	3.75	0.40	3.50	0.70	3.75
2021	0.70	3.75	0.40	3.50	0.70	3.75
2020	0.70	3.75	0.40	3.50	0.70	3.75
2019	0.70	3.75	0.40	3.50	0.70	3.75
2018	0.70	3.75	0.40	3.50	0.70	3.75
2017	0.70	3.75	0.40	3.50	0.70	3.75
2016	0.67	3.75	0.40	3.50	0.67	3.75

Table 8

County of Richmond, Virginia
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 and Net Bonded Debt (3)	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt per Capita
2025	8,947	$ 1,479,815	$ 9,463,791	0.64%	$ 1,058
2024	8,947	1,095,805	10,364,317	0.95%	1,158
2023	8,947	1,066,357	11,263,875	1.06%	1,259
2022	8,947	1,027,763	12,148,433	1.18%	1,358
2021	8,923	994,828	13,017,992	1.31%	1,459
2020	9,254	960,606	13,872,551	1.44%	1,499
2019	9,254	957,880	14,433,868	1.51%	1,560
2018	9,254	950,466	14,987,305	1.58%	1,620
2017	9,254	930,947	15,528,235	1.67%	1,678
2016	9,254	919,205	16,061,983	1.75%	1,736

(1) Center for Weldon Cooper Public Service at the University of Virginia from 2010 and 2020 census.
(2) From Table 6.
(3) Includes all long-term general obligation bonded debt and literary fund loans.
Excludes revenue bonds, landfill closure/post-closure care liability, capital leases, and compensated absences.

COMPLIANCE

THIS PAGE LEFT BLANK INTENTIONALLY

ROBINSON, FARMER, COX ASSOCIATES, PLLC

Certified Public Accountants

CPAs | CONSULTANTS

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

To the Honorable Members of the Board of Supervisors
County of Richmond
Warsaw, 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 Richmond, Virginia, as of and for the year ended June 30, 2025, and the related notes to the financial statements which collectively comprise County of Richmond, Virginia's basic financial statements and have issued our report thereon dated June 4, 2026.

Report on Internal Control over Financial Reporting

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

Purpose of This Report

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

Robinson, Farmer, Cox Associates

Richmond, Virginia
June 4, 2026

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

To the Honorable Members of the Board of Supervisors
County of Richmond
Warsaw, Virginia

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

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

Report on Internal Control over Compliance (Continued)

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

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Robinson, Farmer, Cox Associates

Richmond, Virginia
June 4, 2026

County of Richmond, 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	Pass-Through to Subrecipients		Federal Expenditures
Department of Health and Human Services:					
Pass-Through Payments:					
Department of Social Services:					
Guardianship Assistance	93.090	1110124/1110125			$ 152
Title IV-E Prevention Program	93.472	1140124/1140125			3,294
MaryLee Allen Promoting Safe and Stable Families Program	93.556	0950123/0950124/ 0980120			11,596
Temporary Assistance for Needy Families	93.558	0400124/0400125			95,217
Refugee and Entrant Assistance State/Replacement Designee Administered Programs	93.566	0500125			215
Low-Income Home Energy Assistance	93.568	0600424/0600425			19,980
CCDF Cluster:					
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	0760124/0760125			19,543
Stephanie Tubbs Jones Child Welfare Services Program	93.645	0900123/0900124			376
Foster Care - Title IV-E	93.658	1100124/1100125			46,769
Adoption Assistance	93.659	1120124/1120125			31,072
Social Services Block Grant	93.667	1000124/1000125			85,403
John H. Chafee Foster Care Program for Successful Transition to Adulthood	93.674	9150123/9150124			636
Children's Health Insurance Program	93.767	0540124/0540125			2,069
Medicaid Cluster:					
Medical Assistance Program	93.778	1200124/1200125			161,381
Total Department of Health and Human Services					$ 477,703
Department of Homeland Security:					
Pass Through Payments:					
Department of Emergency Management:					
Emergency Management Performance Grants	97.042	7750100-52740			$ 7,500
Homeland Security Grant Program	97.067	EMW-2023-SS-00109			1,514
Total Department of Homeland Security					$ 9,014
Department of Agriculture:					
Pass-Through Payments:					
Child Nutrition Cluster:					
Department of Agriculture:					
Summer Food Service Programs for Children	10.559	202424N11994 1		$ 82,166	
Food Distribution	10.555	17901-45707		86,907	
Department of Education:					
National School Lunch Program	10.555	202323N89034 1/202424N11994 1/202525N11994 1		632,657	
Total 10.555				$ 801,730	
School Breakfast Program	10.553	202424N11994 1/202525N11994 1		$ 279,053	1,080,783
Department of Agriculture:					
Child and Adult Care Food Program (CACFP)	10.558	202525N11994 1			11,190
Child Nutrition Discretionary Grants Limited Availability	10.579	202525N810341			23,078
Department of Social Services:					
SNAP Cluster:					
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	0010124/0010125/ 0040124/0040125		$ 184,806	184,806
Total Department of Agriculture					$ 1,299,857

County of Richmond, 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	Pass-Through to Subrecipients		Federal Expenditures
Department of Labor:					
Pass Through Payments:					
Virginia Community College System:					
WIOA Cluster:					
WIOA Adult Program	17.258	Not Available	$ 414,654	$ 414,654	
WIOA Youth Activities	17.259	Not Available	499,354	499,354	
WIOA Dislocated Worker Formula Grants	17.278	Not Available	401,218	401,218	$ 1,315,226
WIOA Dislocated Worker National Reserve Demonstration Grants	17.280	Not Available			338,377
Total Department of Labor					$ 1,653,603
Department of Justice:					
Pass Through Payments:					
Department of Criminal Justice Services:					
Crime Victim Assistance	16.575	24-O1239VW20			$ 37,019
Juvenile Justice and Delinquency Prevention	16.540	504159/521564			60,576
Total Department of Justice					$ 97,595
Department of Transportation:					
Pass-Through Payments:					
Department of Motor Vehicles:					
Highway Safety Cluster:					
State and Community Highway Safety	20.600	605007			$ 19,202
Alcohol Open Container Requirements	20.607	605007			15,086
Total Department of Transportation					$ 34,288
Department of Housing and Urban Development:					
Pass Through Payments:					
Department of Housing and Community Development:					
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	14.228	53005-HCD50790			$ 49,223
Department of Education:					
Pass-Through Payments:					
Department of Education:					
Title I Grants to Local Educational Agencies	84.010	S010A240046			$ 394,034
Special Education Cluster:					
Special Education - Grants to States	84.027	H027A220107/H027X230107/H027A240107		$ 277,214	
Special Education - Preschool Grants	84.173	H173X230112/H173A240112		18,939	296,153
Career and Technical Education - Basic Grants to States	84.048	V048A230046			2,674
English Language Acquisition State Grants	84.365	17901-60512			5,581
Supporting Effective Instruction State Grants	84.367	S367A230044/S367A240044			46,731
Student Support and Academic Enrichment Program	84.424	S424A230048/S424A240048			64,295
COVID-19 - American Rescue Plan - Elementary and Secondary School Emergency Relief (ARP ESSER)	84.425U	S425U210008			165,340
Total Department of Education					$ 974,808
Department of Treasury:					
Pass-Through Payments:					
Department of Accounts:					
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	9123222/2406FFARPA/SLFRP1026			$ 109,855
Department of Defense:					
Direct Payments:					
Junior ROTC	12.U01	N/A			$ 32,312
Total Expenditures of Federal Awards			$ 1,315,226		$ 4,738,258

See accompanying notes to schedule of expenditures of federal awards.

County of Richmond, Virginia
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2025

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the County of Richmond, 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 of Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the County of Richmond, Virginia, it is not intended to be and does not present the financial position, changes in net position, or cash flows of the County of Richmond, 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 - 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	$	1,088,226
Special Revenue Funds:		
Workforce Investment Act Fund		1,653,603
Fiduciary Funds:		
Menokin Foundation Fund		60,576
Total primary government	$	2,802,405
Component Unit School Board:		
School Operating Fund	$	1,078,851
School Cafeteria Fund		1,115,051
Total Component Unit School Board	$	2,193,902
Total federal expenditures per basic financial statements	$	4,996,307
Add: USDA loan proceeds		
Less: Federal interest subsidy		(220,352)
Less: Payment in Lieu of Taxes		(37,697)
Total expenditures of federal awards per the Schedule of Expenditures of Federal Awards	$	4,738,258

Note 5 - De Minimis Cost Rate
The County did not elect to use the 15-percent de minimis indirect cost rate allowed under Uniform Guidance.

Note 6 - Loan Balances
The County has no loans or loan guarantees which are subject to reporting requirements for the current year.

County of Richmond, 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?	______ yes	✓ no
Significant deficiency(ies) identified?	______ yes	✓ none reported
Noncompliance material to financial statements noted?	______ yes	✓ no

Federal Awards

Internal control over major programs:		
Material weakness(es) identified?	______ yes	✓ no
Significant deficiency(ies) identified?	______ yes	✓ none reported
Type of auditors' report issued on compliance for major programs:	*unmodified*	
Any findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)?	______ yes	✓ no

Identification of major programs:

Assistance Listing Number(s)	Name of Federal Program or Cluster
17.258/17.259/17.278	WIOA Cluster
10.553/10.555/10.559	Child Nutrition Cluster

Dollar threshold used to distinguish between type A and type B programs:	$750,000	
Auditee qualified as low-risk auditee?	✓ yes	______ no

Section II-Financial Statement Findings

None

Section III-Federal Award Findings and Questioned Costs

None

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

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