ANNUAL COMPREHENSIVE FINANCIAL REPORT

County of Albemarle, Virginia

Fiscal Year Ended June 30, 2024

COUNTY OF ALBEMARLE, VIRGINIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2024

Prepared by:

County of Albemarle, Virginia
Department of Finance and Budget

COUNTY OF ALBEMARLE, VIRGINIA

TABLE OF CONTENTS

COUNTY OF ALBEMARLE, VIRGINIA

TABLE OF CONTENTS
(Continued)

Page(s)

FINANCIAL SECTION (Continued)

Required Supplementary Information

Other Supplementary Information

COUNTY OF ALBEMARLE, VIRGINIA

TABLE OF CONTENTS
(Continued)

Page(s)

FINANCIAL SECTION (Continued)

Other Supplementary Information (Continued)

COUNTY OF ALBEMARLE, VIRGINIA

TABLE OF CONTENTS
(Continued)

STATISTICAL SECTION

COMPLIANCE SECTION

COUNTY OF ALBEMARLE
Department of Finance & Budget
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December 6, 2024

To the Honorable Board of Supervisors and the County of Albemarle Community:

We are pleased to present the County of Albemarle's Annual Comprehensive Financial Report (ACFR), for the fiscal year ended June 30, 2024. Responsibility for the accuracy and completeness of the data presented and the fairness of the presentations, including all disclosures, rests with the County. We believe the data presented is accurate in all material aspects and that it is designed and presented to set forth the financial position and results of operations of the County as measured by the financial activity of its various funds. All the necessary disclosures have been included to enable the reader to gain the maximum understanding of the County's financial affairs. This report also may be found online at https://www.albemarle.org/government/finance.

The financial statements of Albemarle County are prepared by generally accepted accounting and reporting principles as determined by the Governmental Accounting Standards Board (GASB), using the financial reporting model as prescribed by the GASB Statement No. 34, *Basic Financial Statements*, and *Management's Discussion and Analysis - for State and Local Governments* (GASB 34).

Following Generally Accepted Accounting Principles (GAAP), a narrative introduction, overview, and analysis accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). The County of Albemarle's MD&A can be found immediately following the report of the independent auditors.

THE REPORTING ENTITY AND ITS SERVICES

A diverse locality of 726 square miles in the heart of Central Virginia, Albemarle County is a blend of primarily rural, but also suburban and urban settings. Albemarle County is 110 miles southwest of Washington, D.C. and 70 miles west of the state capital in Richmond. It is the sixth-largest county by area in the Commonwealth of Virginia. At the center of the County is the ten-square mile City of Charlottesville. Albemarle County's urban areas include the development area around City of Charlottesville, the Town of Scottsville, and Crozet. Albemarle County is located within the Charlottesville Metropolitan Statistical Area, which includes Albemarle County, Fluvanna County, Greene County, and the City of Charlottesville.

The County of Albemarle was formed from the County of Goochland in 1744 by an act of the Virginia General Assembly. The County is named for William Anne Keppel, the Second Earl of Albemarle, who was at that time the Governor-General of Virginia. Scottsville was the original County seat until 1761 when the County Government was moved to Charlottesville. The original land area included today's counties of Amherst, Buckingham, Fluvanna, Nelson, and portions of Appomattox and Campbell Counties. The present boundaries of the County were established in 1777. The development of the County and its 726 square miles is such that although it contains a large urban area, it also has a considerable amount of agricultural, commercial, and industrial land.

The County adopted the County Executive form of government and organization in 1933. Under this form of government, the County is governed by a popularly elected six-member Board of Supervisors representing each of the County's magisterial districts. A County Executive, appointed by the Board of Supervisors, serves as the County's Chief Executive Officer. The County Executive is responsible for implementing policies set by

THE REPORTING ENTITY AND ITS SERVICES (Continued)

the Board of Supervisors, and for directing, coordinating, and supervising the daily activities of the County government. The Chief Financial Officer/Director of Finance is responsible for the administration of the financial affairs of the county, including the budget; the custody of all public funds belonging to or handled by the county; the supervision of the expenditures of the county and its subdivisions; the disbursement of county funds; the purchase, storage and distribution of all supplies, materials, equipment and contractual services needed by any department, office or other using agency of the county unless some other officer or employee is designated for this purpose; and the keeping and supervision of all accounts. The Chief Financial Officer/Director of Finance assumes the role of Treasurer and Commissioner of Revenue.

A seven-member School Board elected by County voters oversees school issues. The school board also appoints a Superintendent of Schools who is responsible for providing leadership and oversight of Albemarle's Public Schools. The County contains the independent Town of Scottsville, governed by an elected six-member town council.

The County provides a full range of governmental services. Major programs include administration, judicial, public safety, public works, health and welfare, education, parks recreation and culture, and community development. The County also serves as fiscal agent for several City/County jointly governed entities that include the Charlottesville/UVA/Albemarle County Emergency Communications Center, the Charlottesville Albemarle Convention and Visitors Bureau, and the Blue Ridge Juvenile Detention Commission.

Public Schools

Albemarle County Public Schools (ACPS) operates 15 elementary schools, 5 middle schools, 3 comprehensive high schools, and one community charter school serving grades 6-12, plus four high school career academies, one high school center specializing in project-based learning, one education center specializing in short-term intervention, and one special education center designed to support the transition from school to adult life. Additionally, as of fiscal year 2024, ACPS jointly operates three regional centers including a technical education center with Charlottesville City Schools, a center serving special education students, and a center serving students with emotional disabilities with participating regional school boards.

Over the past ten years, the number of enrolled students in Albemarle County's public schools has risen 3% from 13,432 in 2013-2014 to 13,835 in 2023-2024. In the past five years, the school system has experienced a 1.3% decrease in the number of students. As of 2023-2024 school year, 24 Albemarle County public schools were accredited, 3 were accredited with conditions. The class of 2024 completed with 61.5% of students graduating with advanced diplomas and a dropout rate of 4.8%.

Higher Education

The County is also home to two institutions of higher learning, the University of Virginia (UVA) and Piedmont Virginia Community College (PVCC).

Founded in 1819 by Thomas Jefferson, the University of Virginia's storied lands comprise over 3,300 acres in the City of Charlottesville and Albemarle County. In 2024, (published in September 2023), the U.S. News and World Report ranked the University as the nation's 5th best public university and 24th best among all national universities. The University has a student enrollment of about 26,000 for Fall 2022 based on the ranking data. The University is comprised of the Schools of Architecture, Business, Commerce, Continuing and Professional Studies, Data Science, Engineering and Applied Science, Law, Leadership and Public Policy, Medicine, Nursing, Education and Human Development and the College and Graduate School of Arts and Sciences.

Piedmont Virginia Community College (PVCC) is a nonresidential two-year institution of higher education. PVCC offers associate's degrees as well as transfer opportunities to a four-year college or university to complete a bachelor's degree. Piedmont Virginia Community College has guaranteed admission agreements with most

THE REPORTING ENTITY AND ITS SERVICES: (CONTINUED)
Higher Education (Continued)

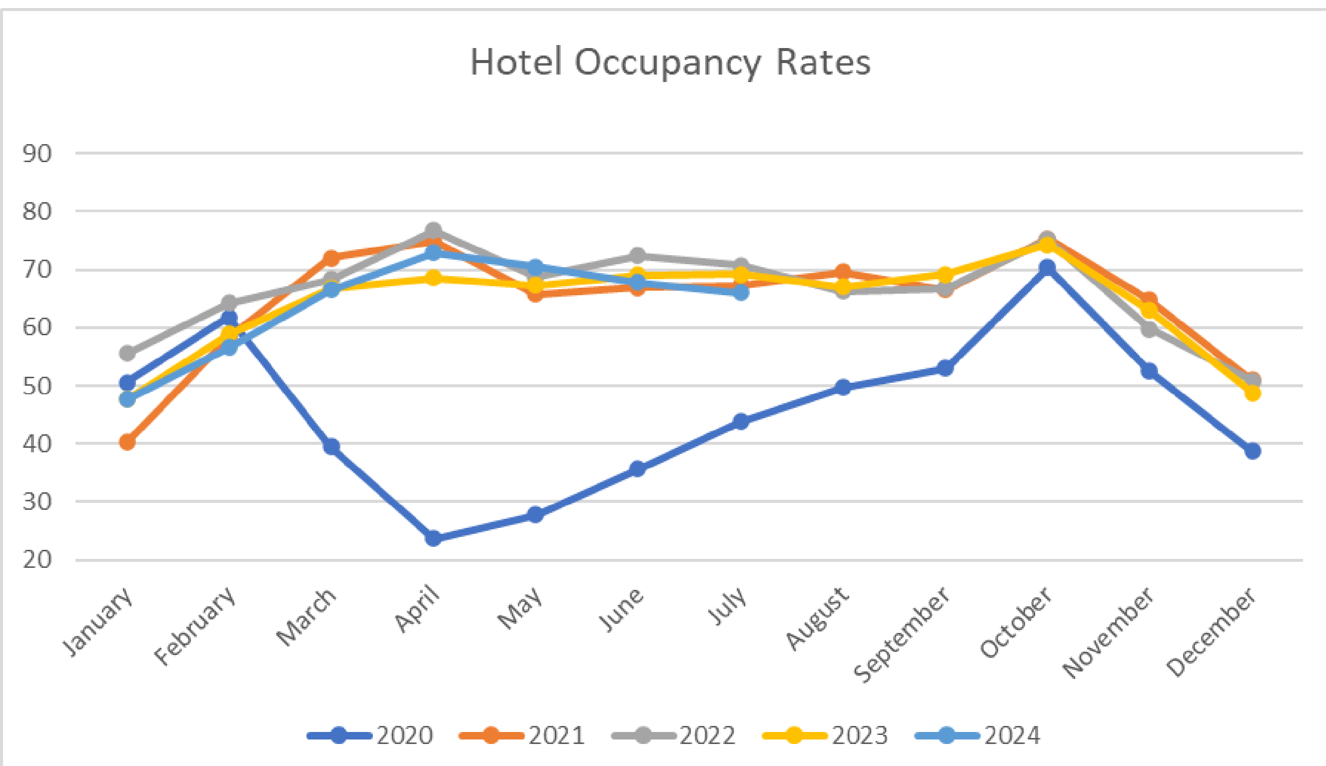
colleges and universities in Virginia. More than 2,400 students have transferred to the University of Virginia to date. PVCC is accredited by the Southern Association of Colleges and Schools Commission on Colleges.

Since its establishment in 1972, an estimated 213,000 students have attended credit and noncredit classes. PVCC has awarded over 15,500 associate degrees and certificates. PVCC also offers extensive workforce training programs for local employees.

Travel and Tourism

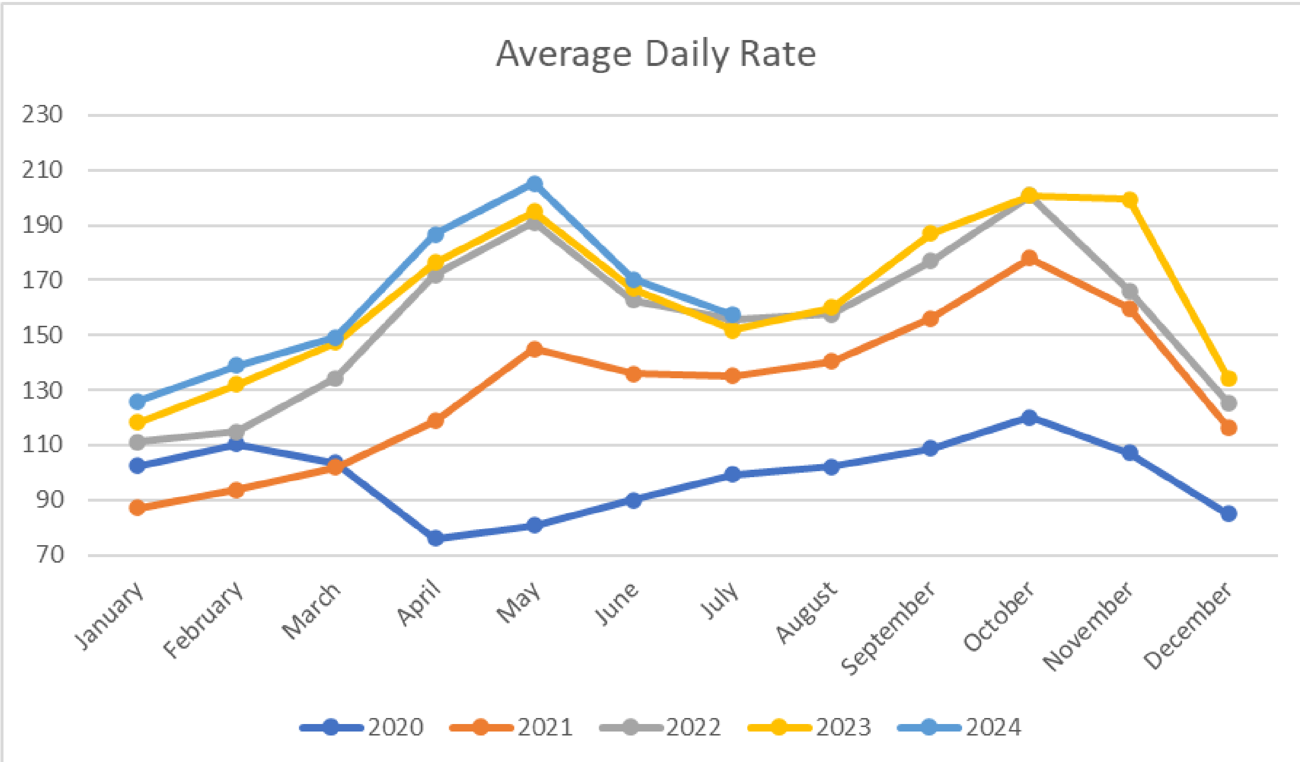
Tourism was a significant contributor to the local economy in 2024. The most recently published economic impact numbers for tourism are from 2023. According to Tourism Economics/Virginia Tourism Corporation, Albemarle County saw $551.3 million in visitor spending, a 7.8% increase over 2022. Tourism-supported jobs in the area exceeded 7,000 while local tourism-related taxes were $26.3 million in Albemarle County. These taxes include lodging tax, food and beverage tax and sales tax attributed to visitors.

You'll see from the chart below that Albemarle County area hotel occupancy rates are experiencing more seasonality than was seen before COVID-19 and are softer than initial COVID-19 recovery. Ongoing contributing factors for these lower occupancy rates are a lack of workforce and increased operating costs.

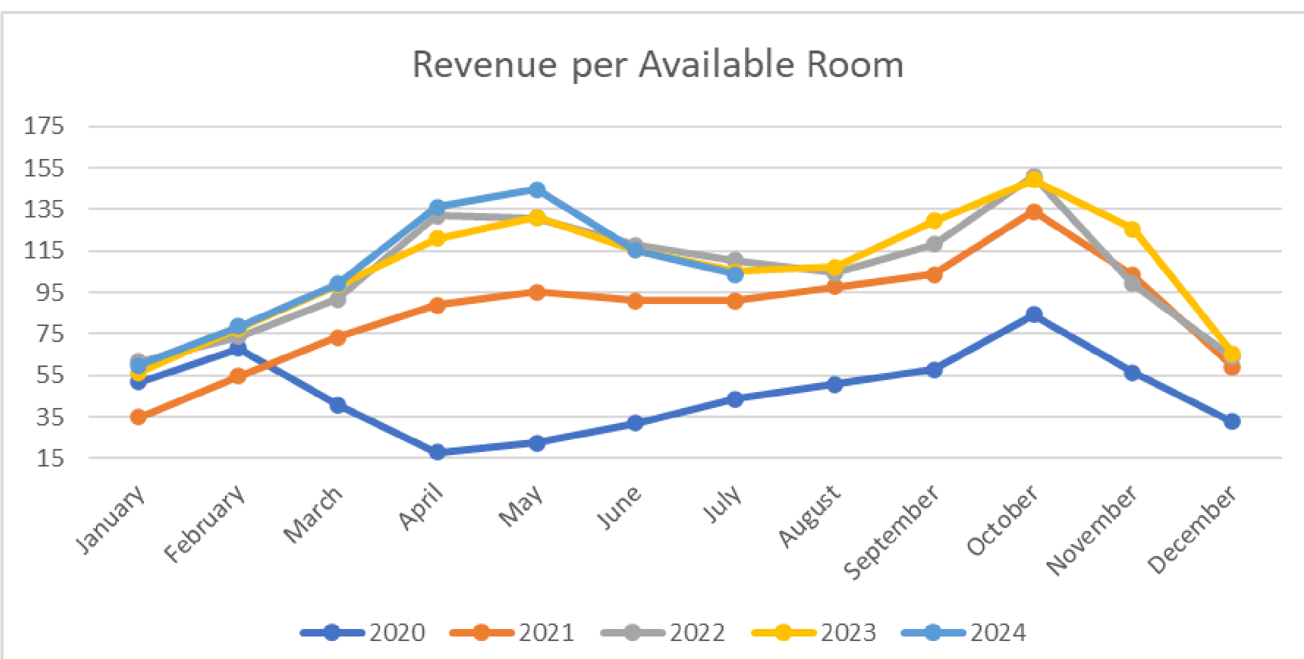


Hotel rates continue to climb to all-time high levels. These rates reflect an increase in demand for our area and a limited supply of rooms, as well as increased cost of labor and operations. However, the rate of increase has slowed as appears to be normalizing.

THE REPORTING ENTITY AND ITS SERVICE: (CONTINUED)
Travel and Tourism (Continued)



Revenue per available room (RevPAR) is beginning to show seasonality and is slowing. With ADR softening and without an increased hospitality industry workforce, these revenues will continue to slow and may dip below 2023 consistently.



THE REPORTING ENTITY AND ITS SERVICE: (CONTINUED)
Travel and Tourism (Continued)

The Charlottesville Albemarle Convention and Visitors Bureau (CACVB) is the County's dedicated destination marketing and management organization, which has continuously promoted the County (along with Charlottesville City) as a desirable place to visit for the past 20 years. The mission of the CACVB is to drive overnight stays and additional spending in hotels, restaurants, wineries, shops, and more, thereby generating additional transient occupancy, sales, and food and beverage tax revenue paid by visitors rather than residents.

The CACVB promotes the diversity of visitor experiences in Albemarle County. Albemarle boasts historic resources of national significance, including world renowned historic sites like Thomas Jefferson's Monticello, James Monroe's Highland, and the University of Virginia. Four sites are registered as National Historic Landmarks, and Monticello and the University of Virginia's "Academical Village" are on the UNESCO World Heritage list.

Albemarle County's natural landscape abounds in opportunities for hiking, paddling, bicycling, horseback riding or sipping wine at vineyards with a view. With more than 40 wineries along the Monticello Wine Trail, distilleries and breweries, and a reputation as a "foodie" destination, a visitor can return often and still enjoy new experiences. The Monticello American Viticultural Area has been recognized as the Wine Region of the Year in Wine Enthusiast's 2023 Wine Star Awards. Other area attractions include Skyline Drive, Blue Ridge Parkway, and Shenandoah National Park, all located in the western part of the County, for which Albemarle County and Charlottesville are the natural gateway for exploration.

The County is serviced by the Charlottesville-Albemarle Airport (CHO), a non-hub, commercial service airport offering daily non-stop flights to and from Charlotte, Chicago, New York/LaGuardia, Washington/Dulles, and Atlanta. CHO includes a 60,000 sq. ft. terminal facility with amenities including on-site rental cars, ground transportation, and food service. General aviation facilities include an executive terminal.

ECONOMIC CONDITION AND OUTLOOK

Albemarle County's rich history and targeted actions by Albemarle County to help existing businesses grow play a part in the area's economic growth. Its location, rural character, urban conveniences, strong educational system, and superior quality of life combine to make Albemarle an attractive, vibrant community. The predominant industries, by number of jobs, are federal, state and local government, healthcare and social assistance, retail trade, accommodation and food services, and professional, scientific, and technical services. The largest employers are the University of Virginia, County of Albemarle, Sentara Healthcare, U.S. Department of Defense, and Crutchfield Corporation. Emerging sectors include cybersecurity/IT and biotechnology.

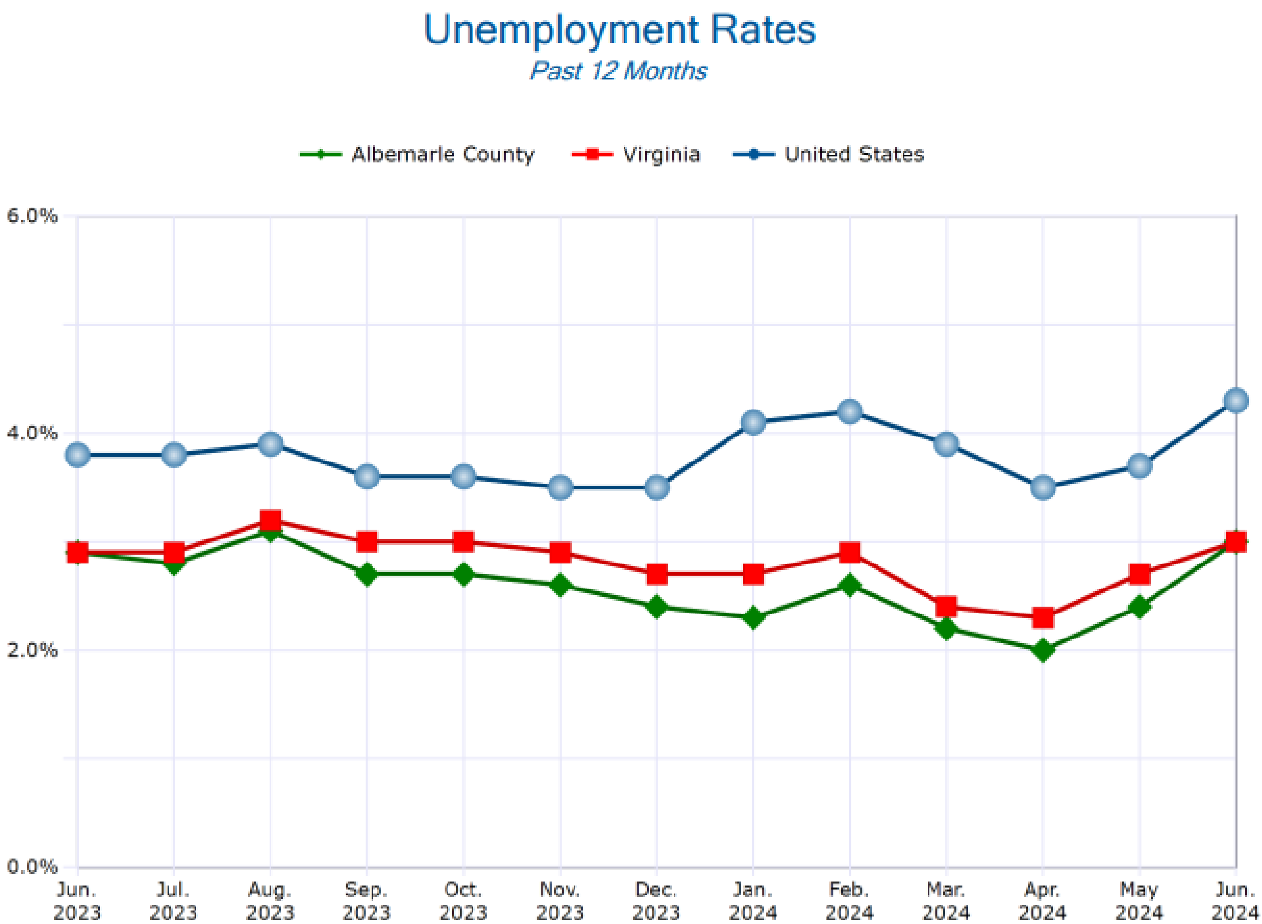
Top 10 Places Workers are Commuting From

Area	Workers
Charlottesville city, VA	5,966
Fluvanna County, VA	3,185
Greene County, VA	2,412
Louisa County, VA	1,567
Augusta County, VA	1,401
Nelson County, VA	1,195
Fairfax County, VA	979
Orange County, VA	908
Waynesboro city, VA	905
Buckingham County, VA	729

Additionally, workers are commuting from several surrounding counties to work alongside Albemarle County residents as depicted in this chart. (U.S. Census Bureau OnTheMap Application).

Despite the national economic slowdown, unemployment remains low. According to the Virginia Employment Commission, as of August 2024, the unemployment rate for Albemarle County was 2.4 percent, continuing Albemarle County's trend of lower unemployment rates than Virginia.

ECONOMIC CONDITION AND OUTLOOK (CONTINUED)

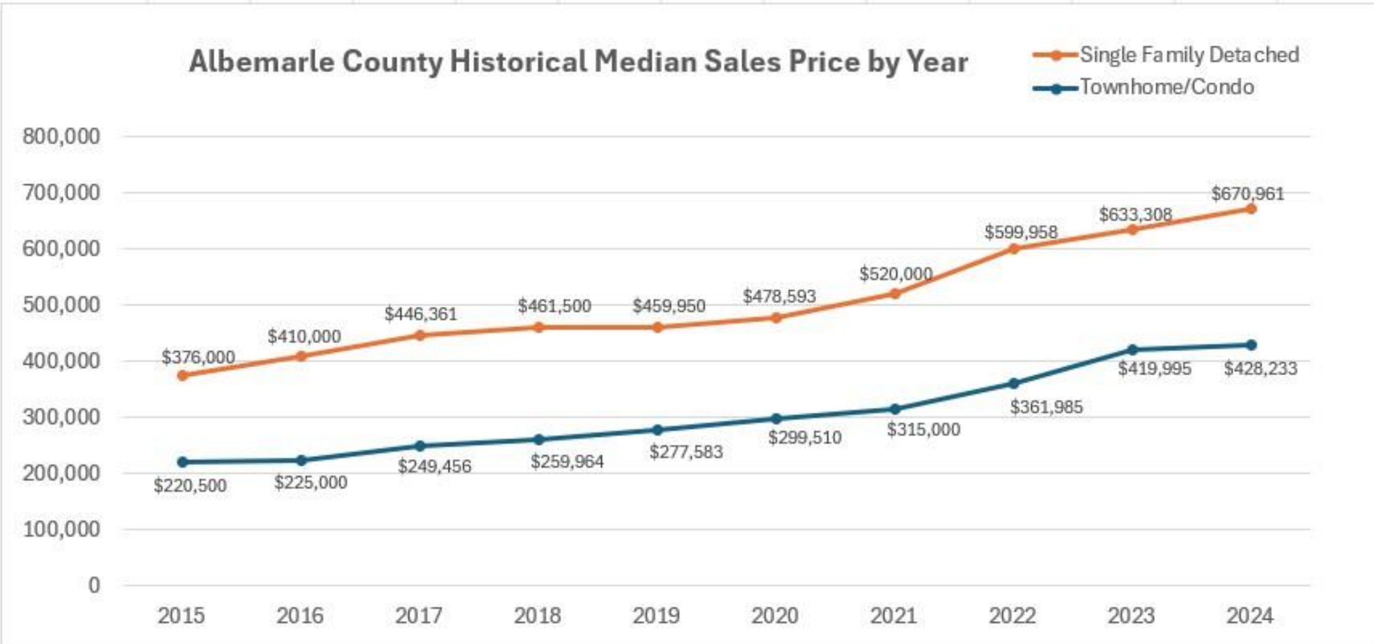


Housing prices remained sturdy with a continued but slower increase due to limited inventory, continued buyer demand and developer incentives. Demand for housing remained strong as compared to supply, despite the higher mortgage rates and home prices in the housing market. Existing homeowners are reluctant to sell their existing homes given the current higher mortgage rates compared to their existing mortgage rates and the economic uncertainty. As a result, home buyers increasingly turned to new homes and home builders.

This analysis is supported by Albemarle County's data and graph as shown below. The median sales price of a single-family detached home in Albemarle County was $670,961 in 2024. That was an increase of 6 percent from a year ago, and a gain of $37,653. The median sales price of a townhome/condo in Albemarle County was $428,233 in 2024, an increase of 2% from a year earlier.

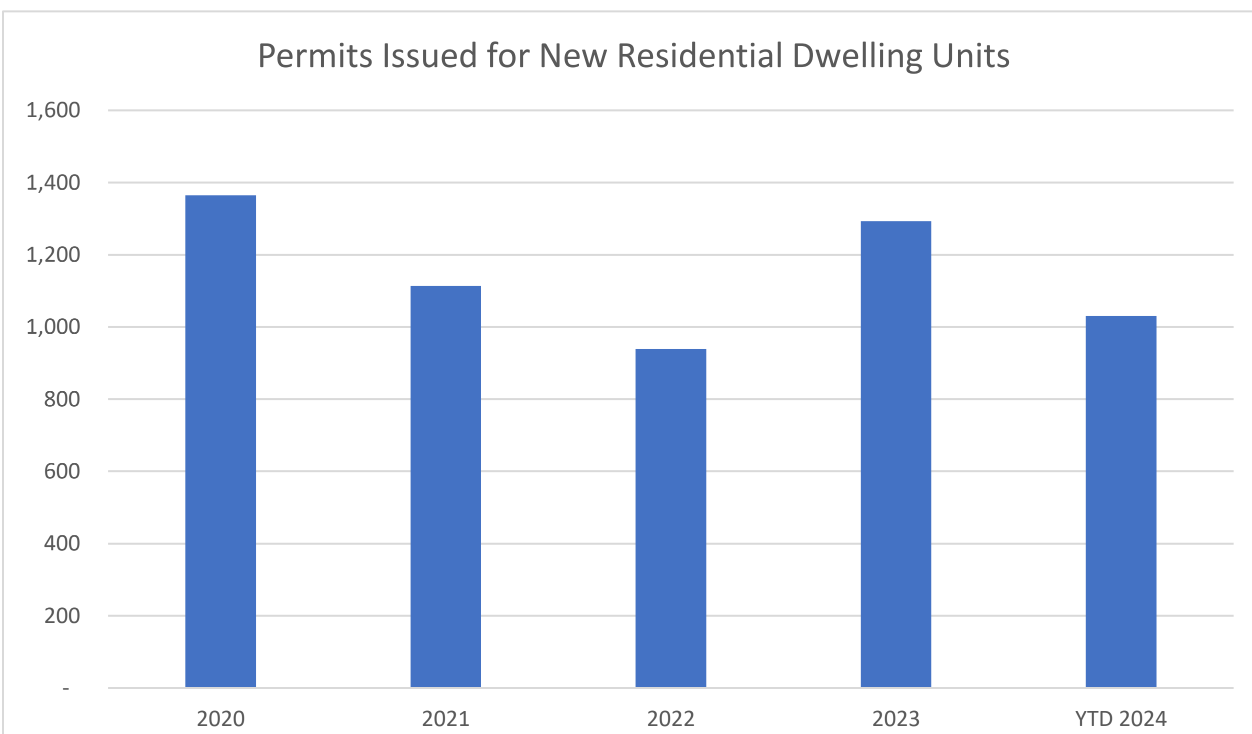
According to Virginia Realtors, as of July 2024, Albemarle County saw 36 more sales than last year, which represents a 2.5 percent increase. Total inventory in Albemarle County increased by more than 16 percent from 280 homes to 326 homes.

ECONOMIC CONDITION AND OUTLOOK (CONTINUED)



As a standard indicator of future home building and housing development, building permits continued to show a mostly decline in the US in the first eight months of 2024, based on the latest Census data. This slowdown followed declines overall in 2022-2023. The decline likely reflects the factors of continued weight of higher mortgage rates and affordability. Virginia's building permits followed the rise and fall in the housing market over the last four years.

This trend is also supported and reflected in Albemarle County's data and graph below. As of October 2024, 1,030 building permits were issued for new residential dwelling units, compared to 1,293 building permits issued in 2023, 939 issued in 2022, 1,114 issued in 2021 and 1,365 issued in 2020.



FINANCIAL POLICIES

The County's Financial Management Policies provide a solid framework from which sound financial decisions can be made for the long-term betterment and stability of the County. The County has a long-standing history of adherence to its fiscal policies, which effectively insulate the County from fiscal crises and enhances the County's creditworthiness. The County has achieved the highest credit and bond rating possible from Moody's, S&P, and Fitch credit rating agencies: Aaa/AAA/AAA, respectively. Albemarle is one of the smallest jurisdictions in the United States to achieve triple-AAA ratings; our excellent credit rating benefits our citizens because highly rated jurisdictions enjoy the most competitive interest rates on long-term borrowing, thus saving interest costs.

The local government annually conducts long-range financial planning that includes a review of revenue trends and expenditures from the prior years' projections of revenues and expenditures, as well as future costs and the financing of the Capital Improvement Plan. The five-year plan provides the Board with sufficient data and information on reasonable long-term financial projections and outlook to guide staff in the direction of fulfilling the Board's long-range goals and priorities. Long-range financial planning is based on the best information available at the time and sets direction that will influence budget decisions in the years to come. The County also adheres to the operating budget policies consistent with guidelines established by the Government Finance Officers Association. The County approves an annual capital budget in consideration of associated operating impacts and accordance with the Capital Improvement Program.

The management of Albemarle County is responsible for establishing and maintaining internal controls. Estimates and judgments by management are required to assess the expected benefits and related costs of internal control policies and procedures. Internal controls are designed to provide reasonable, but not absolute, assurance that County assets are safeguarded against unauthorized use or disposition and, financial transactions are conducted properly and in accordance with County policy.

Budgetary controls are established to ensure compliance with the annual appropriation ordinance adopted by the Board of Supervisors. General, School, Debt Service, and School Self-Sustaining Funds are included in this ordinance. Separate appropriations, approved by the Board of Supervisors, are adopted for Education and General Government Capital Improvement Programs. For local government, budgetary controls are appropriated and maintained at the department level.

MAJOR INITIATIVES

Current Initiatives

The County's Fiscal Year 2024-2028 Strategic Plan focuses on the following priority areas.

- Safety & Well-being
- Resilient, Equitable & Engaged Community
- Infrastructure & Placemaking
- Quality of Life
- Education & Learning
- Workforce & Customer Service

The foundation of the County's strategic plan is "quality government operations." The County understands that its ability to advance the plan's priorities includes investing in the organization's well-being, which includes investments in business processes, financial management, workforce stabilization, Human Resources Department redesign, and modernization of the County's core enterprise systems. The six strategic goals encompass where the County will focus resources to achieve progress in service to our community.

Current Initiatives (continued)

Current Initiatives highlights:

Parks and Infrastructures

- *Biscuit Run Park:* Biscuit Run Park is a nearly 1,200-acre property located in Albemarle County. The Commonwealth of Virginia acquired the property in 2009 and announced a partnership with Albemarle County to open Biscuit Run Park to the public. The park partnership is the first of its kind in Albemarle's development area and will provide high-quality recreational opportunities for Albemarle County and the surrounding communities. A minimum of 80 percent of the park will remain forested, all sensitive natural heritage resources will be protected, and management concerns like invasive species will be addressed. The Capital Improvement Plan provides funds to support Phases 1a and 1b of the Biscuit Run master plan. Elements of these phases include a park entrance with an asphalt access road; parking spaces; a vault toilet; design and construction of a parks maintenance facility; multi-use trail system expansion including new trail boardwalk and footbridges; and connector greenway trail enabling bike and pedestrian connections with destinations beyond the park itself. The construction of the various elements will be phased over the 5-year plan.

- *Expansion and Upgrades to the General District Court and the Circuit Court*: In 2018, Albemarle County and the City of Charlottesville began work to redevelop the Levy Opera House and site located at 350 Park Street. In the first phase of this work, a 3-story building will be constructed and connected to the Opera House. This building will accommodate court sets for the City and County's General District Courts. A portion of the Levy Opera House will also be renovated during this phase to accommodate the County Commonwealth Attorney's office; approximately 58,850 square feet will be included in this phase of construction and renovation. The second phase of work will include the renovation of and small addition to the Circuit Court at the current historic courthouse. This renovation and construction will encompass approximately 32,034 square feet. The renovations will be designed to function for a 21st-century judicial system with modern design features that will enhance security while maintaining accessibility for our community.

- *Fire Rescue Apparatus Replacement Program:* This project provides for the ongoing replacement of the Albemarle County Fire Rescue (ACFR) System's response apparatus as described by the adopted Fleet Plan policy for the fully funded and rotated replacement classifications. The replacement criteria are detailed in the Fleet Plan Policy. Funding for insurance, maintenance, fuel, and costs associated with unplanned, significant repairs that render the apparatus inoperable is included in the operating budget.

- *Public Safety Operations Center:* This project supports the renovation of portions of the former J.C. Penney's building at the Fashion Square Mall site to accommodate operational functions of the Albemarle County Police Department (ACPD) and Albemarle County Fire-Rescue Department (ACFR). ACPD operating functions to be housed at the new facility will include: Traffic Unit; vehicular evidence processing facility; and special response vehicle storage. ACFR operating functions to be housed will include a maintenance shop for fire trucks and emergency vehicles; Quartermaster offices; central storage of uniforms; turnout gear storage for ACFR and volunteer companies; and logistics supply storage.

- *Transportation Leveraging Program:* This program provides flexible and consistent funding to support high-priority transportation projects and initiatives in the County. These are typically high-cost projects requiring significant financial commitment to develop and implement. These projects are listed and prioritized in the County's Transportation Priority List which is updated and approved every other year by the Board of Supervisors.

Current Initiatives (Continued)

- *Neighborhood Improvement Funding Initiative (NIFI) – The Square:* The site is in downtown Crozet and focuses on an existing road with perpendicular parking known as The Square (State Route 1217). Although The Square also serves as an access road to the adjacent CSX parcel, the primary goal of the project is to improve the parking area and drainage infrastructure. The scope of the project includes the addition of parking spaces along The Square and drainage improvements. Project also includes road and stormwater improvements to Oak Avenue that connects with The Square.

- *Southern Albemarle Convenience Center*: In FY 23, the County developed the Convenience Center to include easy drop-off for some recyclables, bag or receptacle containing trash. The Convenience Center is staffed for residents who bring their own bagged trash and recyclables. The Convenience center opened in FY 24.

<u>Economic Development</u>

- *Rivanna Futures*: Rivanna Futures is a project of Albemarle County that obtained site control of 462 acres of property along Route 29 North adjacent to Rivanna Station, a sub-installation of Fort Belvoir and home to several defense intelligence agencies of the federal government – National Ground Intelligence Center, Defense Intelligence Agency, National Geospatial-Intelligence Agency. This project and its financing plan were approved by the Board of Supervisors in 2023 at a purchase price of $58 million.

  The vision for this acquisition is to solidify the long-term vibrancy of Rivanna Station in Albemarle. This project allows the County to remain attractive to Rivanna Station, the anchor for the defense sector in the region. A key element of Rivanna Futures is the establishment of an Intelligence and National Security Innovation Acceleration Campus (INSIAC), a place for public sector organizations, private sector businesses, and academic institutions to work together to co-create solutions to the biggest challenges facing our nation and the world.

- *Library Avenue Extension*: This project will extend Library Avenue eastward through the Barnes Lumber property to connect to High Street and then to Hilltop Street in Parkside Village as well as a connection to The Square. This project is part of the public-private partnership between the County, Economic Development Authority, and Crozet New Town Associates, LLC. to redevelop the former Barnes Lumber site in Downtown Crozet.

<u>Albemarle County Public Schools Projects</u>

- *High School Capacity and Improvements – Center II:* This project represents a 61,500 square foot facility with a 400 student per day capacity that is a resource for the entire Division. It is strategically geographically located to provide access to interdisciplinary, project-based, specialized programming. It will also serve as an interface between the school, community and professional organizations that provide out-of-building authentic learning experiences such as internships, and other work and community-based opportunities. Transportation to High School Center 2 is provided by the Division from all three feeder patterns to ensure equity of opportunity for every student. It is a facility that is an extension of the modernization projects at each base high school in that it will house a variety of learning spaces and technical resources. The project shall be LEED certified and comply with the Virginia High Performance Buildings Act.

- *School Maintenance/Replacement Program*: The ongoing program provides funding for major maintenance work that extends the useful life of school facilities by improving, exchanging or replacing building components that are at or near the end of their useful life. Such components include roofs; electrical; mechanical, and plumbing equipment; pavement rehabilitation; and flooring replacement. In addition, this program also funds energy conservation measures; asbestos abatement; kitchen equipment

Current Initiatives (Continued)

replacement; and playground equipment replacement. Facilities include three high schools, five middle schools, one charter school, fifteen elementary schools, two service facilities (Vehicle Maintenance Facility and Building Services), and the Piedmont Regional Education Program (PREP)/Ivy Creek School.

- *School Bus Replacement Program:* This ongoing program funds the replacement of school buses based on prescribed needs-based fleet size and replacement guidelines outlined in the School Board Policy. The purchase of a bus also includes necessary equipment to support operating the vehicle in a manner that meets the needs of the students (add-on equipment such as 2-way radios, wheelchair lifts, etc.). The project also includes the replacement of ancillary equipment throughout the fleet. Examples of such equipment include navigation tablets, video equipment and cameras, and radios.

- *School Network Infrastructure:* This provides resources and technical support for the communication and data infrastructure throughout the Public Schools. In addition, it supports a fiber network between and within all buildings that provides all internet and data services to and between the central office, schools, and departments. Network operations include ACPS's firewall, Internet filter, WIFI Access Points, Switches and other devices that provide safe and secure connectivity and communication. The Public Schools maintains a Data Center and two backup data centers that house servers, data storage and core systems for resiliency, efficiency, and cost effectiveness.

- *School Renovations*: This project includes substantive investments in school buildings at all levels, including the implementation of recommendations of the high school master plan study. A phased, multiyear approach will bring the Public Schools' aging schools to modern standards to include improvements such as electrical infrastructure updates to accommodate technology, ensuring classrooms have natural light, improvements to adhere to the Americans with Disabilities Act (ADA), outdoor learning space updates, and reconfiguration of spaces to improve function or efficiency.

Future Initiatives

The County is updating its Comprehensive Plan, which is a guiding document for growth, development, and investment in the county. The Plan has recommendations for how and where the County should grow, supporting local businesses and industry, protecting, and enhancing natural resources, providing transportation options for walking, biking, taking transit, and driving, and allowing and encouraging a variety of housing types. The Comprehensive Plan is used to guide decisions on public infrastructure and funding, plans and programs, and review of some development applications.

Future initiatives highlights:

- *Northern Albemarle Convenience Center:* The Capital Improvements Plan includes the development of a Northern Albemarle County Solid Waste Convenience Center, which would be comparable to the previously mentioned Southern Albemarle Convenience Center.

- *Fire Rescue Station Renovations*: This project includes the renovation and maintenance of key areas in Albemarle County Fire Rescue Station 11. Albemarle County was awarded a FEMA SAFER grant to provide additional staffing for a ladder truck at Station 11. The increase in personnel is more than the station was designed for and updates are needed to provide proper working conditions.

- *Woolen Mills Trailhead ADA Compliance:* This project will fund the design and construction improvements to the Woolen Mills trailhead to improve its accessibility for disabled persons. The project may include signage, minor amenities, and the acquisition of temporary construction easements and permanent access/maintenance easements.

Future Initiatives (Continued)

- *Rivanna Future:* The County will continue the partnership development and site readiness efforts to bring the vision for the Rivanna Futures to reality; to retain and expand the vibrancy of the missions of the federal agencies operating at Rivanna Station. Site readiness includes efforts such as zoning, engineering, infrastructure planning, and the identification and preparation of land with the intention of reducing the development timeline.

School Capacity Projects included in the Capital Improvements Plan:

- *Elementary School #1*: This project is to construct a new 500-student elementary school. The school would be located on a site in the Southern Feeder Pattern, as recommended in the Mountain View Facilities Master Plan Study. It is assumed that the site will have city water and sewer available at the property line. The project will incorporate LEED design principles, strategies and elements. The building size will be approximately 72,500 square feet.

- *Elementary School #2*: This project is to construct a second new 500-student elementary school. The school would be located on a proffered site in the Northern Feeder Pattern as a response to the high development growth along the 29 North Corridor and to relieve overcrowding at Baker-Butler Elementary School. It is assumed that the site will have city water and sewer available at the property line. The project will incorporate LEED design principles, strategies and elements. The building size will be approximately 72,500 square feet.

- *School Renovations*: The Capital Improvements Plan includes substantive investments in school buildings at all levels, including the implementation of recommendations of the high school master plan study. A phased, multi-year approach will bring the Public Schools' aging schools to modern standards to include improvements such as electrical infrastructure updates to accommodate technology, ensuring classrooms have natural light, improvements to adhere to the Americans with Disabilities Act (ADA), outdoor learning space updates, and reconfiguration of spaces to improve function or efficiency.

AUDIT INFORMATION

Independent Audit

The Commonwealth of Virginia requires that the financial statements of the County be audited by an independent certified public accountant. The accounting firm of Brown, Edwards & Company, L.L.P. has performed an audit for the County for the fiscal year ended June 30, 2024. The auditors' opinion is included in this report.

AWARDS AND ACKNOWLEDGEMENTS

Certificate of Achievement

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County of Albemarle, Virginia, for its annual comprehensive financial report for the fiscal year ended June 30, 2023. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. We believe that our current annual comprehensive financial report continues to meet the GFOA's Certificate of Achievement Program requirements, and we will submit it to the GFOA to determine its eligibility for an award.

Acknowledgements

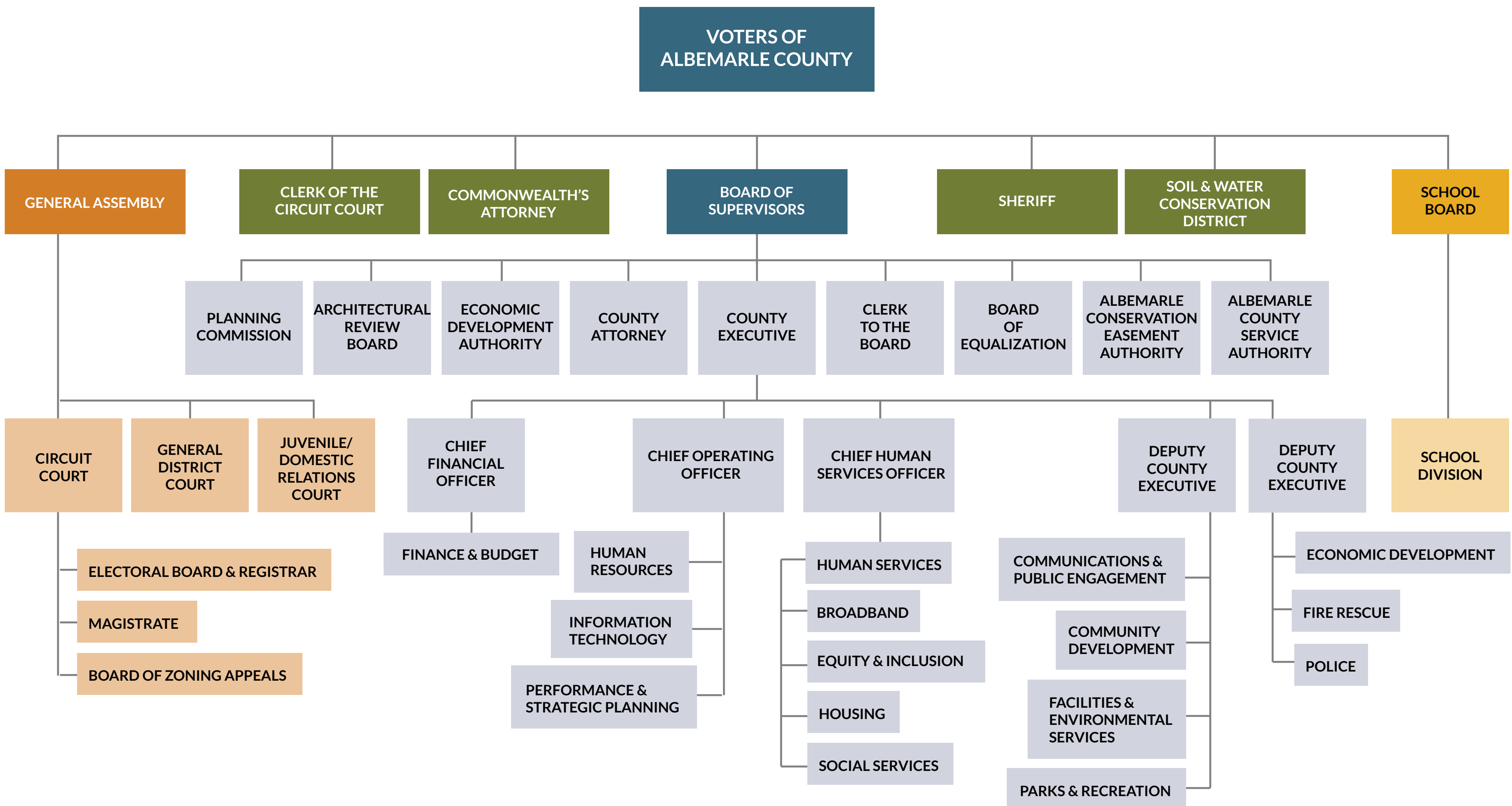
This Annual Comprehensive Financial Report is the result of work performed by a competent and dedicated team in the Department of Finance and Budget, to whom I am grateful for their commitment to excellence. I also thank the elected Board members of Albemarle County, as well as the County Executive's Office and School Superintendent's Office for their ongoing support of our professional and progressive financial operations.

Respectfully,

Jacob Sumner
Chief Financial Officer

County of Albemarle

ORGANIZATIONAL CHART



COUNTY OF ALBEMARLE, VIRGINIA

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Judy Le, Chair
Kate Acuff, Vice-Chair

Charles Pace	Rebecca Berlin
Graham Paige	Allison Spillman
Ellen Osborne	

Christine Thompson, Clerk

COUNTY OF ALBEMARLE, VIRGINIA

OTHER OFFICIALS

County Executive	Jeffrey B. Richardson
Deputy County Executive	Trevor Henry
Deputy County Executive	Ann Wall
School Superintendent	Dr. Matthew S. Haas
Clerk of the Circuit Court	Jon Zug
Judge of the Circuit Court	Cheryl V. Higgins
Clerk of the General District Court	Leola Morse
Judge of the General District Court	Matthew J. Quatrara
Commonwealth Attorney	James M. Hingeley
Interim County Attorney	Andy Herrick
Chief Operating Officer	Kristy Shifflett
Chief Financial Officer	Jacob Sumner
Chief Human Services Officer	Kaki Dimock
Director of Information Technology	Roderick Burton
Director of Community Development	Jodie Filardo
Building Official	Michael Dellinger
Zoning Administrator	Bart Svoboda
Director of Emergency Communications Center	Sonny Saxton
Director of Parks and Recreation	Robert P. Crickenberger
Director of Human Resources	Jessica Rice
Director of Facilities & Environmental Services	Lance Stewart
Director, Communications & Public Engagement	Abbey Stumpf
Director of Economic Development	Emily Kilroy
Director, Office of Equity and Inclusion	Jesse Brookins
Chief of Police	Sean Reeves
Chief of Fire Rescue	Dan Eggleston
Sheriff	Chan Bryant
Registrar	Lauren Eddy

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

County of Albemarle
Virginia

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Morrill

Executive Director/CEO

BROWNEDWARDS
certified public accountants

INDEPENDENT AUDITOR'S REPORT

To the Honorable Members of the Board of Supervisors
County of Albemarle, Virginia

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Albemarle, Virginia (the "County") as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County, as of June 30, 2024, 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and *Specifications for Audits of Counties, Cities, and Towns* and *Specifications of Audits for Authorities, Boards, and Commissions* issued by the Auditor of Public Accounts of the Commonwealth of Virginia. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

***Responsibilities of Management for the Financial Statements* (Continued)**

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's of Albemarle's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County'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 other required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management, and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County of Albemarle's basic financial statements. The accompanying combining and individual nonmajor fund financial statements 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 nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 6, 2024, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Brown, Edwards & Company, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

Harrisonburg, Virginia
December 6, 2024

The County of Albemarle presents the following discussion and analysis as an overview of the financial activities of the County for the fiscal year ending June 30, 2024. Readers are encouraged to consider the information presented here in conjunction with the transmittal letter at the front of this report and the County's financial statements that follow this section.

FINANCIAL HIGHLIGHTS FOR THE YEAR

Government-wide Statements (Full Accrual Accounting)

- The County's total assets and deferred outflows of resources, excluding its component units, totaled $582,359,519. Liabilities and deferred inflows of resources totaled $448,154,578. Assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $134,204,941, of which $120,343,841 is unrestricted and may be used to meet the government's ongoing obligations to citizens and creditors.

- The County's total net position, excluding its component units, increased $1,742,099 from the prior year, which primarily resulted from an increase of $30,867,628 from General Property Taxes, Real & Personal and other taxes compared to 2023. Unrestricted use of money and property increased by $6,600,423 from 2023. These increases were mostly offset by an increase of $36,741,615 for the Education program expenses compared to 2023.

Fund Financial Statements (Modified Accrual Accounting)

- As of June 30, 2024, the County's total governmental funds reported combined fund balances of $193,090,514, an increase of $42,520,867 compared to the prior year. Approximately 45% of the combined fund balances, $87,633,042 is unassigned, an increase of $10,027,972 compared to June 30, 2023. This amount is available to meet the County's current and future needs.

- The General Fund reported a fund balance of $97,878,688, an increase of $6,552,107 from June 30, 2023. Federal/State Grant Funds reported a fund balance of $8,297,827; the General Capital Improvements Fund reported a fund balance of $71,915,593; Other Governmental Funds reported $16,990,493 in total fund balance; and the ARPA Fund reported a deficit of $(1,992,087).

OVERVIEW OF THE FINANCIAL STATEMENTS

This Annual Comprehensive Financial Report consists of four sections: introductory, financial, statistical, and compliance.

- The *introductory section* includes the Letter of Transmittal, the County's organizational chart and a list of principal officials, and the Certificate of Achievement for Excellence in Financial Reporting.

- The *financial section* has five component parts – (1) the independent auditor's report, (2) management's discussion and analysis (this section), (3) the basic financial statements (which include government-wide financial statements, fund financial statements and notes to the financial statements), (4) required supplementary information, and (5) other supplementary information.

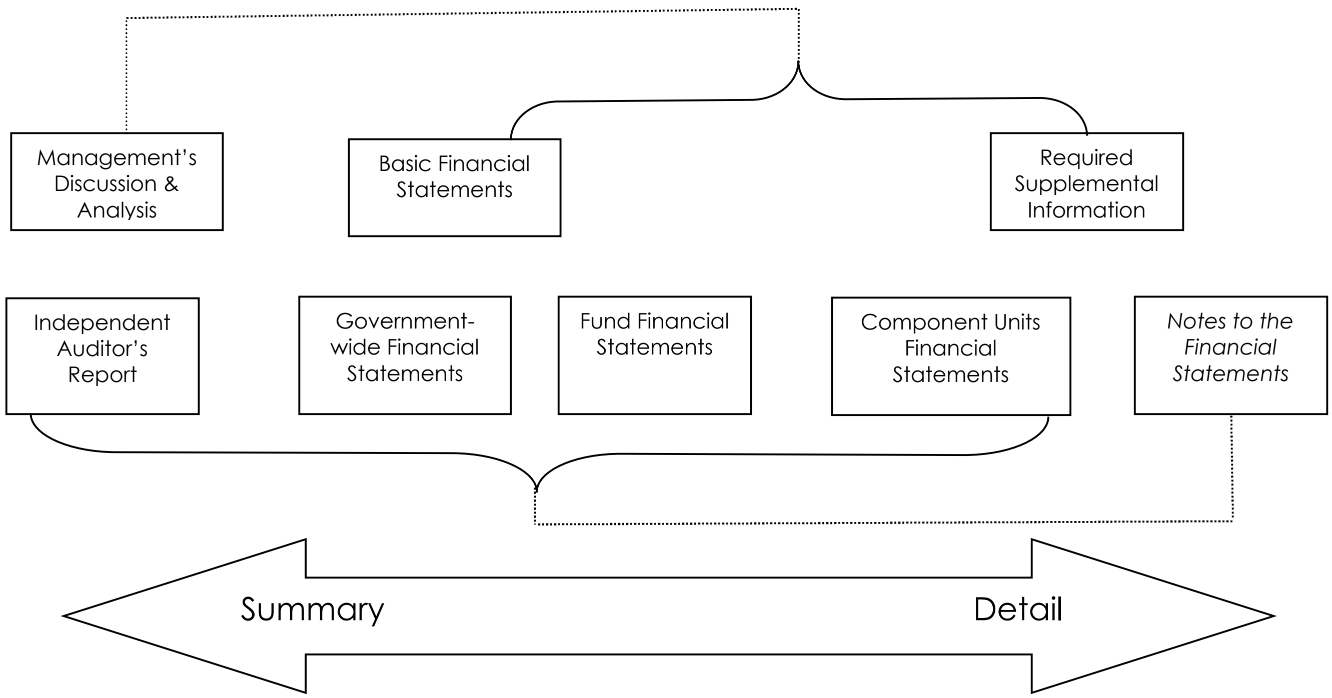
- The *statistical section* includes selected financial and demographic data related to the County, generally presented on a multi-year basis.

- The *compliance section* is required under the provisions of the Single Audit Act of 1984 and the U.S. Office of Management and Budget guidance in Title 2 of the Code of Federal Regulations, Part 200 of the Uniform

OVERVIEW OF THE FINANCIAL STATEMENTS: (CONTINUED)

Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and includes the auditors' reports on compliance and internal controls.

Components of the Financial Section



Local government financial reports consist of two kinds of statements, each with a different view of the County's finances. The government-wide financial statements provide both long-term and short-term information about the County's overall financial status. The fund financial statements focus on individual parts of the County's government, reporting the County's operations in more detail than the government-wide statements. The basic financial statements also contain notes to explain, in greater detail, the information found in the financial statements.

Government-wide Financial Statements

The government-wide financial statements provide readers with information of the County's finances as a whole using accounting methods similar to those found in the private sector. They also report on the County's net position and how they have changed during the fiscal year.

The first government-wide statement – the Statement of Net Position – presents information on all of the County's assets and liabilities. The difference between assets and liabilities, net position, can be used as one way to measure the County's financial condition. Over time, increases or decreases in the net position can be one indicator of whether the County's financial condition is improving or deteriorating. Other non-financial factors will also need to be considered, such as changes in the County's property tax base and the condition of County facilities.
The second statement – the Statement of Activities – also uses the accrual basis accounting method and shows how the County's net position changed during the fiscal year. All of the current year's revenues and expenses are shown in the Statement of Activities, regardless of when cash is received or paid.

Government-wide Financial Statements (Continued)

The government-wide statements are divided into the following three categories:

Governmental Activities: Most of the County's basic services are reported here, including general administration, judicial administration, public safety, public works, health and welfare, education, parks and recreation, and community development. These activities are financed primarily by property taxes, other local taxes, and federal and state grants. Governmental funds and internal service funds are included in the governmental activities.

Business-type Activities: Albemarle County does not have any business-type activities.

Discretely Presented Component Units: The County includes the Albemarle County Public Schools and Economic Development Authority in its annual financial report, because the School System and Economic Development Authority are fiscally dependent on the County, and the County can exert influence over their budgetary activities.

Fund Financial Statements

Traditional users of government financial statements will find the fund financial statements more familiar. These statements provide more detailed information about the County's most significant funds. Funds are used to ensure compliance with finance-related legal requirements and are used to keep track of specific sources of revenues and expenses for particular purposes. The County has three kinds of funds:

Governmental Funds – Most of the County's basic services are included in governmental funds. Governmental funds utilize the modified accrual basis of accounting, which focuses on (1) how cash and other financial assets that can readily be converted to cash and (2) the balances remaining at year-end that are available to meet current financial needs. The governmental funds financial statements provide a detailed short-term view that helps the reader determine whether there are financial resources that can be spent in the near future to finance the County's programs. Additional exhibits provide a reconciliation of the fund financial statements to the government-wide statements because they do not include information on long-term assets and liabilities. The General Fund is the main operating account of the County and therefore, the largest of the governmental funds. All other governmental funds, which include special revenue funds, capital projects fund (Storm Water Control) and debt service funds, are collectively referred to as non-major governmental funds. The Federal and State Grants Fund, the ARPA Fund, and General Capital Improvements Fund (capital projects) are considered to be major funds.

Proprietary Funds – Proprietary funds, which consist of enterprise funds and internal service funds, operate in a manner similar to private business enterprises in which costs are recovered primarily through user charges. Proprietary fund financial statements provide both long and short-term financial information. The County does not have an enterprise fund but does have eight internal service funds: Health Insurance Fund, Dental Plan Pool Fund, Duplicating Fund, Facilities Development Fund, Payroll Suspense Fund, CATEC Fund, Computer Replacement Fund and Vehicle Replacement Fund. These funds are funded by charging County departments and the School Board on a cost reimbursement basis.

Fiduciary Funds – Fiduciary funds are used to account for resources held by the County for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide statements because the funds are not available to support the County's programs. The County's fiduciary funds consist of private purpose trust funds and custodial funds. The funds are used to account for monies received, held, and disbursed on behalf of certain developers, housing programs, recipients of scholarship funds, the Commonwealth of Virginia, and certain other agencies and governments.

FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE

Statement of Net Position:

The following table reflects the condensed Statement of Net Position in Exhibit 1:

Summary of Net Position
As of June 30, 2024 and 2023
($ in thousands)

	Governmental Activities		Component Units		Total Reporting Entity	
	2024	2023	2024	2023	2024	2023
Assets:						
Current and other assets	$ 250,515	$ 195,752	$ 102,640	$ 53,319	$ 353,155	$ 249,071
Capital assets (net)	312,215	193,861	59,847	76,395	372,062	270,256
Total assets	$ 562,730	$ 389,613	$ 162,487	$ 129,714	$ 725,217	$ 519,327
Deferred outflows of resources	$ 19,629	$ 15,730	$ 54,771	$ 48,251	$ 74,400	$ 63,981
Total assets and deferred outflows of resources	$ 582,359	$ 405,343	$ 217,258	$ 177,965	$ 799,617	$ 583,308
Liabilities:						
Other liabilities	$ 28,240	$ 21,514	$ 29,940	$ 24,786	$ 58,180	$ 46,300
Long-term Liabilities	398,902	231,365	174,948	174,943	573,850	406,308
Total liabilities	$ 427,142	$ 252,879	$ 204,888	$ 199,729	$ 632,030	$ 452,608
Deferred inflows of resources	$ 21,012	$ 19,894	$ 29,440	$ 36,883	$ 50,452	$ 56,777
Net Position:						
Net investment in capital assets	$ 5,935	$ 14,434	$ 48,723	$ 70,008	$ 54,658	$ 84,442
Restricted	7,926	10,484	1,452	2,649	9,378	13,133
Unrestricted	120,344	107,652	(67,246)	(131,304)	53,098	(23,652)
Total net position	$ 134,205	$ 132,570	$ (17,071)	$ (58,647)	$ 117,134	$ 73,923
Total liabilities, deferred inflows of resources and net position	$ 582,359	$ 405,343	$ 217,258	$ 177,965	$ 799,617	$ 583,308

The Commonwealth of Virginia requires that counties, as well as their fiscally dependent component units, be financed under a single taxing structure. This results in counties issuing debt to finance capital assets, such as public school facilities, for their component units. For the purpose of this financial statement, the debt and correlating asset (or portion therefore) is recorded as an asset and long-term liability of the primary government. GASB Statement No. 14, as amended by GASB Statement No. 39, *The Financial Reporting Entity*, requires that the primary government and its component units, which make up the total reporting entity, be accounted for separately on the face of the basic financial statements.

Changes in net position is a useful indicator of the County's financial position. As a whole, including component units, the total reporting entity's assets and deferred outflows exceed the total liabilities and deferred inflows by $117.1 million at the close of the fiscal year 2024, an increase of $43.2 million from net position at June 30, 2023. Current and other assets increased by 42% and net capital assets increased by 38% from June 30, 2023. Contributing factors for the increases can be related to the gain on the sale of the technical educational center, the receipt of general projects unexpended bond proceeds for restricted investments, and the land purchase of Rivanna futures project. Total long-term liabilities increased by 40%, primarily due to the increase of long-term obligations including pension, OPEB, debt, lease and subscription liabilities.

FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE: (CONTINUED)

Statement of Activities:

The following table presents revenues and expenses of Governmental Activities excluding Component Units in Exhibit 2:

Changes in Net Position
For the Fiscal Year Ended June 30, 2024 and 2023
($ in thousands)

	Governmental Activities 2024	Governmental Activities 2023	Total % Change 2024-2023
Revenues:			
Program Revenues:			
Charges for services	$ 8,636	$ 8,455	2.14%
Operating grants and contributions	40,079	52,187	-23.20%
Capital grants and contributions	367	1,256	-70.78%
General Revenues:			
General property taxes, real and personal	282,675	256,096	10.38%
Other taxes	83,063	78,774	5.44%
Grants and contributions not restricted	19,126	19,912	-3.95%
Use of money and property	13,148	6,548	100.79%
Miscellaneous revenue	1,662	2,754	-39.65%
Total Revenues	$ 448,756	$ 425,982	5.35%
Expenses:			
General government	$ 33,207	$ 26,038	27.53%
Judicial administration	7,365	5,700	29.21%
Public safety	67,147	64,272	4.47%
Public works	14,590	16,159	-9.71%
Health and welfare	45,652	43,468	5.02%
Education	219,356	182,615	20.12%
Parks, recreation, and cultural	11,638	12,668	-8.13%
Community Development	36,499	43,385	-15.87%
Bond issuance costs	1,633		
Interest on long-term debt	9,927	4,845	104.89%
Total Expenses	$ 447,014	$ 399,150	11.99%
Increase (decrease) in net position	$ 1,742	$ 26,832	-93.51%
Beginning net position	132,571	105,738	25.38%
Prior period restatement	(108)	-	
Ending net position	$ 134,205	$ 132,571	1.32%

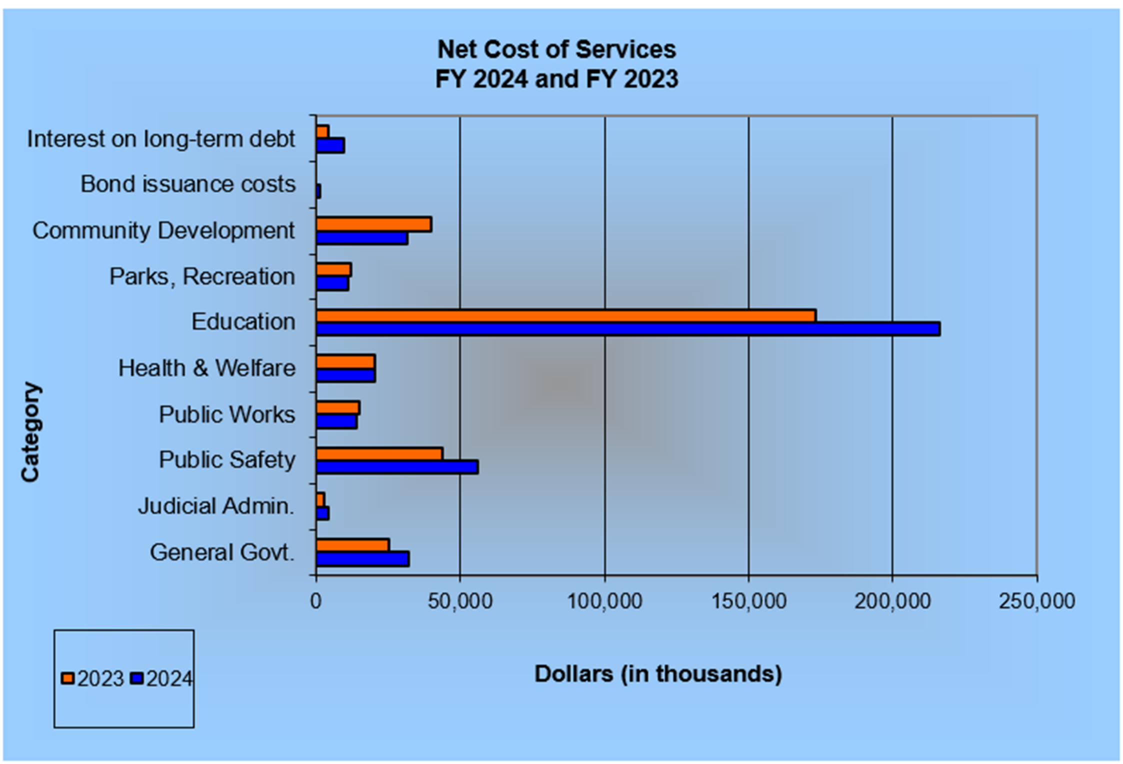
Total net position for governmental activities increased $1,742,099 with an ending net position of $134,204,941 for FY24, an increase of 1.32% from FY23. Generally, net position changes are the result of the difference between revenues and expenses. Governmental activities generated $49,080,859 in program revenues in FY24, offsetting 11% of the total cost to provide governmental services. The rest is mostly covered by taxes, the largest source of revenues.

FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE: (CONTINUED)

For the County's governmental activities, the net expense (total cost less associated fees and program-specific governmental aid) is illustrated in the following table.

Total Cost and Net Cost of Governmental Activities
For the Fiscal Year Ended June 30, 2024 and 2023

	Total Cost of Services			Net Cost of Services		
	2024	2023	Percentage Change	2024	2023	Percentage Change
General government	$ 33,207,274	$ 26,038,310	27.53%	$ 32,396,894	$ 25,292,528	28.09%
Judicial administration	7,364,592	5,698,775	29.23%	4,500,152	3,015,277	49.25%
Public safety	67,146,951	64,272,057	4.47%	56,055,296	44,033,307	27.30%
Public works	14,589,734	16,159,367	-9.71%	14,169,287	14,903,458	-4.93%
Health & welfare	45,651,847	43,468,438	5.02%	20,408,992	20,482,826	-0.36%
Education	219,356,084	182,614,469	20.12%	216,307,700	173,152,887	24.92%
Parks, recreation & cultural	11,637,519	12,667,681	-8.13%	11,270,551	11,922,957	-5.47%
Community development	36,498,959	43,385,081	-15.87%	31,702,333	40,013,552	-20.77%
Bond issuance costs	1,633,850	0		1,633,850	0	
Interest on long-term debt	9,926,596	4,845,069	104.88%	9,487,492	4,434,806	113.93%
Total	$ 447,013,406	$ 399,149,247	11.99%	$ 397,932,547	$ 337,251,598	17.99%



The total cost to run Education, the largest program expenses for governmental activities reported $219,356,084, offset by $3,048,384 of program revenues from operating grants and contributions, resulting a net cost of $216,307,700 or 54% of the total net cost to provide governmental services. For more information, refer to Exhibit 2.

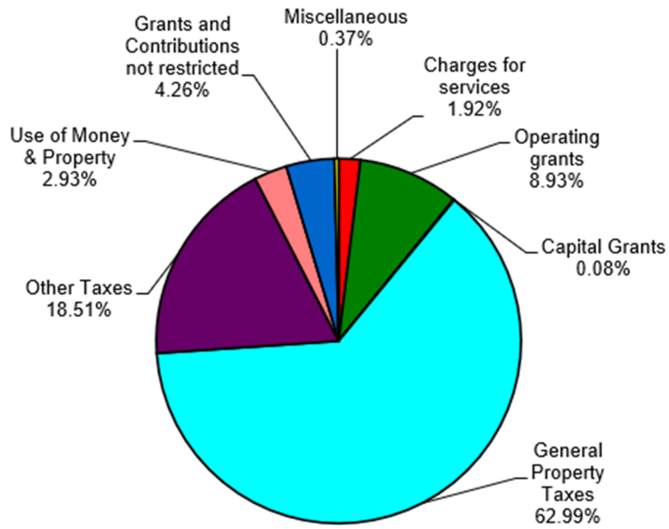
FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE: (CONTINUED)

Governmental Activities – Revenues by Source
For the Fiscal Year Ended June 30, 2024

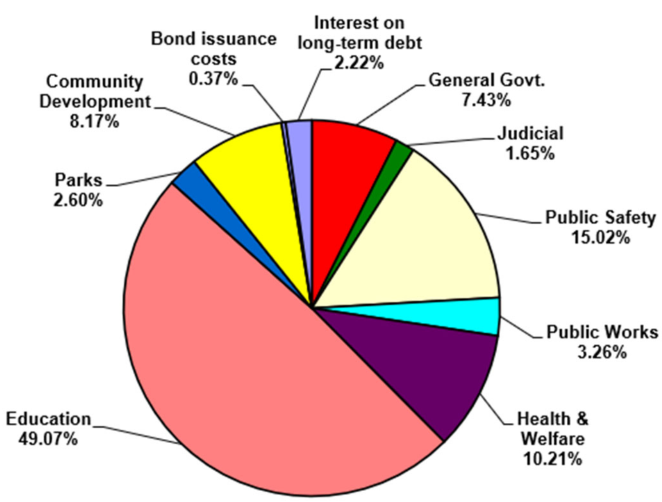
Revenues from governmental activities totaled $448,755,505 for FY24 compared to $425,981,750 for FY23, an increase of $22,773,755, or 5.35%.

The largest source of revenues came from taxes, totaling $365,737,960 or 82%. Of this amount, general property taxes totaled $282,675,094, an increase of $26,578,684, or 10.38% compared to FY23. This is primarily due to the steady local real estate market resulting real estate land book increased by approximately 5% in calendar year 2024 compared to 2023. The County did not change the real estate tax rate in calendar year 2024. An additional contributing factor is related to the increase of personal property tax rate by $0.54 from $3.42 to $3.96 per $100 of the assessed value in calendar year 2024.

Other taxes, mostly comprised of business and consumer driven taxes, totaled $83,062,866, an increase of $4,288,944 or 5%, compared to FY23, primarily due to the increased collections for Business, Professional, and Occupational Licenses, and continued strong growth in food and beverage and transient occupancy taxes.



Governmental Activities – Expenses by Function
For the Fiscal Year Ended June 30, 2024



The total cost to run all governmental activities for FY24 was $447,013,406, an increase of approximately 12% compared to FY23.

Education continues to be the County's largest program with expenses totaling $219,356,084, an increase of about 20% compared to FY23, primarily resulting from the calculation based on the formula in County's financial management policies to share available revenues for public schools operation.

Public Safety expenses, totaling $67,146,951, represent the second largest expense, followed by Health and Welfare, at $45,651,847. General Government Administration expenses totaled $33,207,274, an increase of 28%, primarily due to increased departmental expenses, ongoing maintenance contracts for information technology expenses and the support of the Core Systems Modernization project.

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

As of June 30, 2024, the County's governmental funds reported a combined ending fund balance of $193,090,514, an increase of $42,520,867 in comparison with the prior year. Approximately 45% ($87,633,042) is available for spending at the government's discretion (unassigned fund balance). The remainder of fund balance is non-spendable ($1,434,914); restricted ($38,414,234); or committed ($65,608,324). For further details on fund balances, refer to Exhibit 3 located in the Fund Financial Statements section.

Governmental Funds Balances For the Fiscal Year Ended June 30, 2024 ($ in thousands)							
		General Fund	Federal/State Grants Fund	ARPA Fund	General Capital Improvements	Other Governmental Funds	Total Governmental Funds
Revenues	$	418,683	20,349	1,397	2,737	6,115	449,280
Expenditures		375,463	26,703	1,397	151,247	26,931	581,741
Excess(deficiency) of revenues over(under) expenditures	$	43,220	(6,355)	-	(148,511)	(20,816)	(132,461)
Other Financing Sources(Uses)		(36,668)	3,866	(2,000)	183,949	25,835	174,982
Net Change in fund balance	$	6,552	(2,489)	(2,000)	35,438	5,019	42,521
Fund balance, beginning of year		91,327	10,787	8	36,477	11,971	150,570
Fund balance, end of year	$	97,879	8,298	(1,992)	71,916	16,990	193,091

The General Fund reported a fund balance of $97,878,688 on June 30, 2024. Total revenue for General Fund reported at $418,682,786, total expenditure at $375,463,169, out of which approximately $190.5 million, or 51%, was used to support Schools' operations, and other financing uses at $36,667,510, netting an increase of $6,552,107, or 7% increase for FY24 compared to June 30, 2023, This is primarily due to the steady local real estate market resulting real estate land book increased by approximately 5% in calendar year 2024 compared to 2023. The County did not change the real estate tax rate in calendar year 2024. An additional contributing factor is related to the increase of personal property tax rate by $0.54 from $3.42 to $3.96 per $100 of the assessed value in calendar year 2024.

The Federal/State Grants Fund reported a fund balance of $8,297,827 on June 30, 2024. Total revenues of the fund were reported at $20,348,665. Total expenditures were reported at $26,703,175, out of which 69% was used for health and welfare, with an increase of 33% from FY23, due to new grant expenditures. Other financing sources of $3,865,624 were used to offset the deficiency of revenues under expenditures, netting a decrease of $2,488,886, or 23% for FY24.

The General Capital Improvements Fund reported a fund balance of $71,915,593 on June 30, 2024, an increase of $35,438,353, or 97% from June 30, 2023, primarily due to increased expenditures for capital projects, funded mostly by other financing sources at $183,949,056, out of which, $168,155,000, or 91%, were public facility revenue bonds that County issued in FY24.

The County's ARPA Fund reported $1,396,822 in revenues and $1,396,822 in expenditures in FY 2024. The County transferred $2 million out of this fund to the Broadband Development fund, a non-major special revenue fund, resulting in a fund balance of negative $1,992,087 for FY 2024.

For further details on fund balances, refer to Exhibit 5 located in the Fund Financial Statements section.

BUDGETARY HIGHLIGHTS

General Fund

The following table provides a comparison of the original budget, final budget and actual revenues and expenditures in the general fund:

Budgetary Comparison General Fund For the Fiscal Year Ended June 30, 2024						
		Original Budget		Amended Budget		Actual
Revenues:						
Taxes	$	347,994,160	$	349,270,524	$	362,058,812
Other		14,360,435		19,969,396		19,448,483
Intergovernmental		38,368,446		38,697,878		37,175,491
Total	$	400,723,041	$	407,937,798	$	418,682,786
Expenditures:						
Expenditures		370,708,824		392,804,381		375,463,169
Excess (deficit) of revenues over expenditures	$	30,014,217	$	15,133,417	$	43,219,617
Other Financing Sources (Uses):						
Transfers in	$	6,093,503	$	9,043,872	$	9,054,065
Transfers out		(41,149,043)		(45,705,401)		(45,721,575)
Appropriation of fund balance		5,041,323		21,528,112		0
Total	$	(30,014,217)	$	(15,133,417)	$	(36,667,510)
Change in Fund Balance	$	-	$		$	6,552,107
Fund balance, beginning of year		-		-		91,326,581
Fund balance, end of year	$	-	$	-	$	97,878,688

For the fiscal year ended June 30, 2024, actual revenues were $418,682,786, exceeding the final amended budget by $10,744,988, or 3%. Actual expenditures were $375,463,169, a decrease of $17,341,212, or 4% from the final amended budget.

Highlights of the comparison between the actual and the final amended budget include the following:

- Actual tax revenues exceeded final amended budget by approximately $12.8 million mostly due to 1) the net impact of a calendar year 2024 real estate reassessment greater than the projected calendar year 2024 reassessment, actual collection rates, and other adjustments and billings, 2) and the increase of personal property tax rates by $0.54 from $3.42 to $3.96 per $100 of assessed value in calendar year 2024, resulting in June personal property collections that exceeded the amounts projected in FY24 appropriated budget.

- Actual revenues from the Commonwealth were $1.7 million less than the final amended budget. This is primarily due to State revenues for Social Services that are reimbursement in nature and were not received as there were not corresponding related expenditures to be reimbursed.

- Actual general government administration expenditures were $6.3 million less than final amended budget. County Executive expenditures were approximately $3.3 million less than budgeted, and Information Technology were approximately $1.9 million less than budgeted.

BUDGETARY HIGHLIGHTS (CONTINUED)

General Fund (Continued)

- Actual education expenditures were $3.4 million less than final amended budget, primarily due to the Public School's use of the budgeted use of fund balance.

For the fiscal year ended June 30, 2024, final amended budget for revenues were $407,937,798, an increase of $7,214,757 or 1.8% over the original budgeted. Final amended budget for expenditures were $392,804,381, an increase of $22,095,557, or 6%, of the original budgeted.

Highlights of the comparison between the final amended budget and the original budget include the following:

- Final amended budget for General Government Administration's expenditures increased $5.6 million over the original budget. Out of which, $3.7 million was for County Executive departmental expenditures and $1.1 million was for information technology expenditures.

- Final amended budget for Education expenditures increased approximately $1.2 million over the original budget. This is a projected increase in the School's Fund balance that is budgeted in the General Fund-School Reserve Fund account.

- Final amended budget for Public Safety expenditures increased by $6.1 million over the original budget, primarily due to the transfer of $2.7 million in budget from the capital fund to the General Fund for public safety technology purchases such as radios and mobile data computers that were previously budgeted and recorded in the capital improvement fund in prior fiscal years, the reappropriation of $914,000 from FY 23 to FY24 for materials, supplies and equipment purchases, and the appropriation of $600,000 in additional Emergency Medical Services fee revenue for the services related to that program..

- Final amended budget for Community Development expenditures increased $1.9 million over the original budget, primarily related to the reappropriation of $634,000 from FY 23 to FY24 for items related to Strategic Plan implementation, and the reappropriation of $275,000 from FY 23 to FY24 in Microtransit Reserve funding to cover the County's remaining match for the implementation of the Microtransit demonstration grant.

CAPITAL ASSETS AND LONG-TERM DEBT

Capital Assets

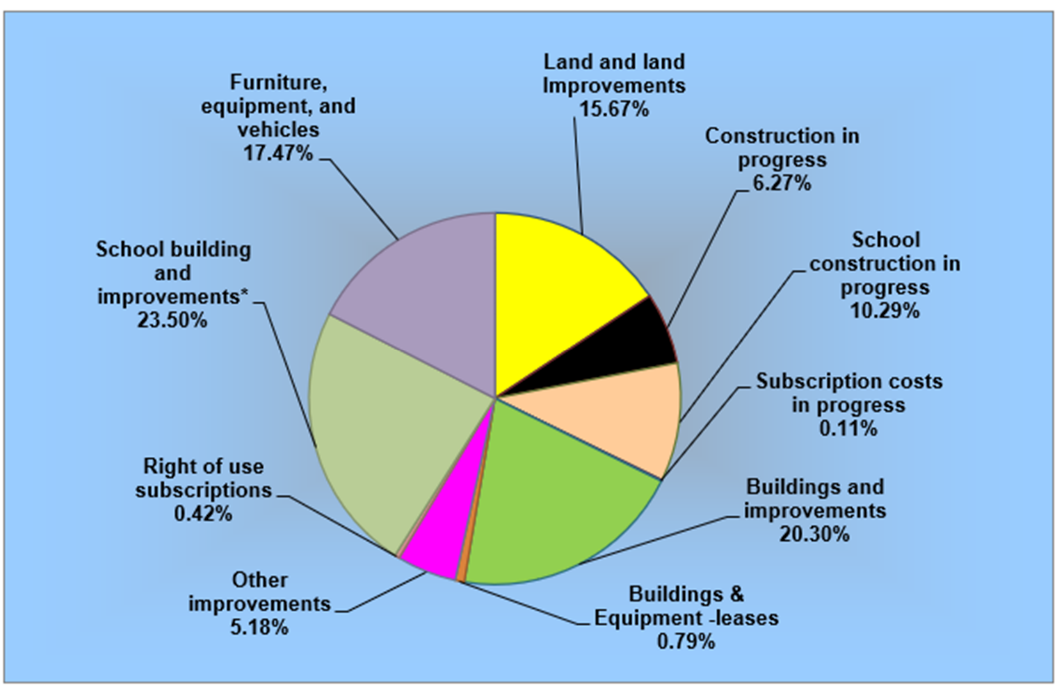
The County implemented GASB 96 Subscription Based Information Technology Arrangements during fiscal year 2024 resulting in the increase of right of use assets. The County's net capital assets, including additions, deletions, and depreciation, of Fiscal Year 2024 is summarized below:

Change in Capital Assets
Governmental Funds

	Balance July 1, 2023	Net Additions and Deletions	Balance June 30, 2024
Land and land Improvements	$ 11,678,020	$ 58,024,973	$ 69,702,993
Construction in progress	7,967,937	19,942,792	27,910,729
School land and construction in progress*	28,579,846	17,178,051	45,757,897
Subscriptions costs in progress	-	497,196	497,196
Buildings and improvements	90,567,841	(265,408)	90,302,433
Buildings & Equipment -leases	3,517,560	-	3,517,560
School building and improvements*	85,265,742	19,269,825	104,535,567
Furniture, equipment, and vehicles	75,048,028	2,655,928	77,703,956
Right of use subscriptions	1,879,285	-	1,879,285
Other improvements	18,814,247	4,251,201	23,065,448
Total Capital Assets	$ 323,318,506	$ 121,554,558	$ 444,873,064
Less accumulated depreciation	(124,061,025)	(8,596,670)	(132,657,695)
Total capital assets, net	$ 199,257,481	$ 112,957,888	$ 312,215,369

As of June 30, 2024, the County's balance of capital assets totaled $312,215,369, net of depreciation, an increase of $112,957,888 over 2023, and is summarized below:

Capital Assets as of June 30, 2024



CAPITAL ASSETS AND LONG-TERM DEBT: (Continued)

Capital Assets: (Continued)

School Board capital assets are jointly owned by the County (primary government) and the component unit School Board. The County share of the School Board capital assets is in proportion to the debt owed on such assets by the County. The County reports depreciation on these assets as an element of its share of the costs of the public school system.

This year's major capital asset events included the following:

- Biscuit Run Park
- CSM Core Systems Modernization
- Court Facilities Expansion and Upgrades
- Fire Rescue Apparatus Replacement
- Rivanna Solid Waste Authority Baler Facility
- Public Safety Center
- Southern Feeder Pattern ES
- School Maintenance/Replacement Program
- School Bus Replacement Program
- Mountain View Expansion
- School Network Infrastructure
- School Building and Property Improvements
- Rivanna Futures Land Purchase

Rivanna Futures: In FY24, Albemarle County obtained site control of 462 acres of property along Route 29 North adjacent to Rivanna Station, a sub-installation of Fort Belvoir and home to several defense intelligence agencies of the federal government – National Ground Intelligence Center, Defense Intelligence Agency, National Geospatial-Intelligence Agency. This project and its financing plan was approved by the Board of Supervisors in 2023 at a purchase price of $58 million.

The vision for this acquisition is to solidify the long-term vibrancy of Rivanna Station in Albemarle. This project allows the County to remain attractive to Rivanna Station, the anchor for the defense sector in the region. A key element of Rivanna Futures is the establishment of an Intelligence and National Security Innovation Acceleration Campus (INSIAC), a place for public sector organizations, private sector businesses, and academic institutions to work together to co-create solutions to the biggest challenges facing our nation and the world.

The County will continue the partnership development and site readiness efforts to bring the vision for the Rivanna Futures to reality; to retain and expand the vibrancy of the missions of the federal agencies operating at Rivanna Station. Site readiness includes efforts such as zoning, engineering, infrastructure planning, and the identification and preparation of land with the intention of reducing the development timeline.

More detailed information regarding capital assets can be found in Note 7 to the financial statements.

CAPITAL ASSETS AND LONG-TERM DEBT: (Continued)

Long-term Debt

The change in the County's long-term obligations are summarized in the following chart:

Summary of Long-Term Obligation Changes For the Fiscal Year Ended June 30, 2024	Amounts Payable July 1, 2023	Net Increase (Decrease)	Amounts Payable June 30, 2024
Primary Government			
General obligation school bonds	$ 44,385,000	$ (5,680,000)	$ 38,705,000
School - Public facility revenue bonds	69,460,588	53,302,752	122,763,340
County - Public facility revenue bonds	49,844,413	106,252,248	156,096,661
Premium on bonds payable	15,849,965	4,505,253	20,355,218
Discount on bonds payable	-	(105,154)	(105,154)
Arbitrage rebate liability	-	593,391	593,391
Lease liabilities	3,625,068	(261,186)	3,363,882
Subscription liabilities	1,879,284	(685,959)	1,193,325
Claims payable	3,923,586	551,244	4,474,830
Compensated absences	6,154,644	(297,419)	5,857,225
Net pension liability	27,718,724	7,347,874	35,066,598
Net OPEB obligations	14,027,735	(3,489,697)	10,538,038
Total	$ 236,869,007	$ 162,033,347	$ 398,902,354

In fiscal year 2024, the County issued $109,305,000 public facility revenue bonds, Series 2023A, to finance the capital program including reimbursements for Mountain View and Crozet Elementary School additions, School division-wide maintenance and improvement projects, fire rescue apparatus replacements, and the ongoing Courts facility construction. The County also issued $58,850,000 public facility revenue bonds, Series 2023B, to finance the Rivanna Futures land acquisition in FY24.

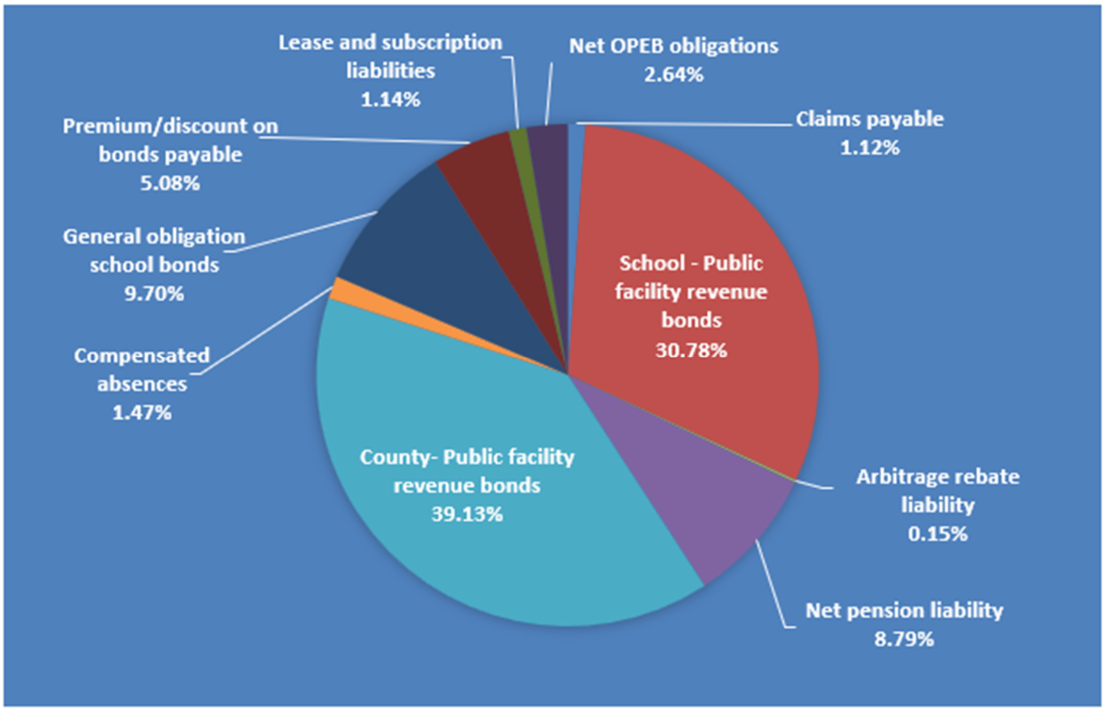
Series 2023A bonds have an outstanding amount of $109,305,000 and Series 2023B bonds have an outstanding amount of $58,850,000 at the end of fiscal year 2024. The total outstanding amount from the two new issuances comprised 60% of the total outstanding amount for all County and School's public facility revenue bonds reported at $156,096,661 and $122,763,340 respectively at the end of fiscal year 2024, as shown in the chart above.

CAPITAL ASSETS AND LONG-TERM DEBT: (Continued)

Long-term Debt (Continued)

As of June 30, 2024, the County's long-term obligations totaled $398,902,354 and are summarized as follows:

Long-Term Obligations
Primary Government as of June 30, 2024



The County has maintained a AAA credit and bond rating, the highest rating possible, from Moody's, S&P, and Fitch credit rating agencies. Albemarle is one of the smallest jurisdictions in the United States to achieve AAA ratings. Highly rated jurisdictions enjoy the most competitive interest rates on long-term borrowing, thus saving interest costs and benefiting the citizens of the County of Albemarle

General obligation indebtedness must be approved by voter referendum prior to issuance except for debt incurred from the State Literary Fund or the Virginia Public School Authority.

The Board of Supervisors has established the following policies relating to debt:

- The County will not fund current operations from the proceeds of borrowed funds.

- The County's debt offering documents will provide full and complete public disclosure of financial condition and operating results and other pertinent credit information in compliance with municipal finance industry standards for similar issues.

- Recognizing the importance of long-term financial obligations to its overall financial condition, the County will set target debt ratios, which will be calculated annually and published as part of the budget and bond issuance process:
  - Total long-term obligations, as defined above, as a percentage of the estimated market value of taxable property should not exceed 2%; and
  - The ratio of debt service expenditures to General Fund and School Fund revenues, less General Fund transfers to the School Fund, should not exceed 10%.

CAPITAL ASSETS AND LONG-TERM DEBT: (Continued)

Long-term Debt (Continued)

- The County intends to maintain a 10-year payout ratio at or above 60% at the end of each adopted five-year Capital Improvement Plan for tax supported debt and lease payments. When the County finances capital improvements or other projects through bonds or leases, it will repay the debt within a period not to exceed the expected useful life of the projects.
- The County will not entertain the use of derivatives as a method of financing debt unless and until such time as the Board of Supervisors adopts a specific derivatives-related policy.

More detailed information on the County's long-term obligations is presented in Notes 8, 13, 14, 16, 17, 18 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

- According to the Virginia Employment Commission, the unemployment rate for the County of Albemarle in June 2024 was at 3%, compared to 2.9% of the similar period a year ago. For the same period, Virginia's unemployment rate was at 3%. The national unemployment rate was at 4.3%.
- According to the U.S. Census Bureau, the population in Albemarle County was estimated at 116,148 as of July 1, 2023. This reflects a population growth of 17.4% since 2010.
- The fiscal year 2025 adopted budget anticipated general fund revenues and expenditures to be $437,974,231, a 7.3% increase over the fiscal year 2024 budget. The Adopted Budget revenue projections showed an anticipated increase in local revenues in real estate property tax ($12.7 million, an increase of 5.6%), and personal property tax ($3.3 million, an increase of 10.1%). The County's transfer to fund education operations (including education debt service) continues to be the largest expenditure area in fiscal year 2025 adopted budget at 48.3% of total expenditures, with public safety being the next largest at 15.4%.

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the County's finances and to demonstrate the County's accountability for the money it receives. Questions concerning this report or requests for additional information should be directed to the Chief Financial Officer, County of Albemarle, 401 McIntire Road, Room 149 Charlottesville, VA 22902, telephone (434) 296-5855, or visit the County's web site at www.albemarle.org.

BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

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EXHIBIT 1

COUNTY OF ALBEMARLE, VIRGINIA

STATEMENT OF NET POSITION
June 30, 2024

	Primary Government	Component Units	
	Governmental Activities	School Board	EDA
ASSETS			
Cash and investments	$ 174,419,620	$ 73,920,477	$ 870,800
Investments - restricted	28,403,215	14,442,414	-
Receivables (net of allowance for doubtful accounts) (Note 4)	28,813,701	1,138,480	313,461
Leases receivable (Note 24)	204,619	-	-
Due from other governments (Note 5)	16,953,072	9,626,672	-
Prepaid items	1,459,091	501,848	-
Inventories	261,755	374,431	-
Net pension asset (Note 13)	-	1,451,822	-
Capital asets (Note 7)			
Land and construction in progress	143,868,815	10,115,184	-
Other depreciable capital assets (net of accumulated depreciation)	168,346,554	49,731,419	-
Total assets	562,730,442	161,302,747	1,184,261
DEFERRED OUTFLOWS OF RESOURCES			
Deferred items related to pension (Notes 13, 14)	17,710,619	45,934,175	-
Deferred items related to OPEB (Notes 16, 17, 18)	1,918,458	8,837,312	-
Total deferred outflows of resources	19,629,077	54,771,487	-
LIABILITIES			
Accounts payable and accrued liabilities	20,156,183	29,630,096	311,303
Amounts held for others	955,645	-	-
Accrued interest payable	1,412,430	-	-
Unearned revenue	5,715,625	-	-
Long-term liabilities:			
Net pension liability due in more than one year (Notes 13, 14)	35,066,598	123,914,331	-
Net OPEB liability due in more than one year (Notes 16, 17, 18)	10,184,037	39,259,350	-
Net OPEB liability due within one year (Note 16, 18)	354,001	825,195	-
Due within one year (Note 8)	22,939,767	2,104,156	-
Due in more than one year (Note 8)	330,357,951	8,845,233	-
Total liabilities	427,142,237	204,578,361	311,303
DEFERRED INFLOWS OF RESOURCES			
Deferred revenue (Note 9)	8,382,473	-	-
Deferred items related to pension (Notes 13, 14)	6,449,731	15,255,737	-
Deferred items related to leases	184,365	-	-
Deferred items related to OPEB (Notes 16, 17, 18)	5,995,772	14,184,856	-
Total deferred inflows of resources	21,012,341	29,440,593	-
NET POSITION			
Net investment in capital assets	5,935,065	48,722,592	-
Restricted for:			
Grant compliance	7,926,035	-	-
Net pension asset	-	1,451,822	-
Unrestricted	120,343,841	(68,119,134)	872,958
Total net position	$ 134,204,941	$ (17,944,720)	$ 872,958

The Notes to Financial Statements are an integral part of this Statement.

EXHIBIT 2

COUNTY OF ALBEMARLE, VIRGINIA

STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2024

		Program Revenues			Net (Expenses) Revenues and Changes in Net Position		
					Primary Government	Component Units	
Functions/Programs	**Expenses**	**Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**	**Governmental Activities**	**Albemarle County Public Schools**	**Economic Development Authority**
Primary government:							
Governmental activities:							
General government administration	$ 33,207,274	$ 53,239	$ 757,141	$ -	$ (32,396,894)	$ -	$ -
Judicial administration	7,364,592	506,713	2,357,727	-	(4,500,152)	-	-
Public safety	67,146,951	4,268,162	6,823,493	-	(56,055,296)	-	-
Public works	14,589,734	-	55,478	364,969	(14,169,287)	-	-
Health and welfare	45,651,847	-	25,242,855	-	(20,408,992)	-	-
Education	219,356,084	-	3,048,384	-	(216,307,700)	-	-
Parks, recreation, and culture	11,637,519	341,968	25,000	-	(11,270,551)	-	-
Community development	36,498,959	3,466,345	1,330,281	-	(31,702,333)	-	-
Bond issuance costs	1,633,850				(1,633,850)		
Interest on long-term debt	9,926,596	-	439,104	-	(9,487,492)	-	-
Total governmental activities	$ 447,013,406	$ 8,636,427	$ 40,079,463	$ 364,969	$ (397,932,547)	$ -	$ -
Component units:							
Albemarle County Public Schools	$ 284,066,197	$ 5,711,643	$ 91,545,788	$ 1,068,537	$ -	$ (185,740,229)	$ -
Economic Development Authority	1,097,291	-	736,558	-	-	-	(360,733)
Total component units	$ 285,163,488	$ 5,711,643	$ 92,282,346	$ 1,068,537	$ -	$ (185,740,229)	$ (360,733)
General revenues:							
Taxes:							
General property taxes, real, and personal					$ 282,675,094	$ -	$ -
Local sales and use taxes					24,635,908	-	-
Business licenses tax					18,479,479	-	-
Consumer utility taxes					4,677,058	-	-
Meals tax					17,851,701	-	-
Motor vehicle licenses tax					4,282,252	-	-
Other taxes					13,136,468	-	-
Payment from County - Education					-	216,532,121	-
Grants and contributions not restricted to specific programs					19,126,135	-	-
Unrestricted use of money and property					13,148,498	810,636	42,292
Gain on sale of technical educational center					-	5,300,000	-
Miscellaneous					1,662,053	4,992,033	-
Total general revenues					399,674,646	227,634,790	42,292
Change in net position					1,742,099	41,894,561	(318,441)
Net position, beginning of year, as restated					132,462,842	(59,839,281)	1,191,399
Net position, end of year					$ 134,204,941	$ (17,944,720)	$ 872,958

The Notes to Financial Statements are an integral part of this Statement.

FUND FINANCIAL STATEMENTS

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EXHIBIT 3

COUNTY OF ALBEMARLE, VIRGINIA

BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2024

	General Fund	Special Revenue Funds: Federal and State Grants Fund	Special Revenue Funds: ARPA Fund	General Capital Improvements	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash and investments	$ 85,796,247	$ 6,630,451	$ 3,605,898	$ 49,207,946	$ 17,128,788	$ 162,369,330
Investments - restricted	-	-	-	28,403,215	-	28,403,215
Property taxes receivable, (net of allowance for uncollectibles) (Note 4)	20,497,248	-	-	-	-	20,497,248
Receivables (net of allowance for uncollectibles) (Note 4)	5,082,953	92,194	-	429,504	1,680,786	7,285,437
Lease receivable	204,619	-	-	-	-	204,619
Due from other governments (Note 5)	12,419,796	4,394,172	104,996	34,108	-	16,953,072
Prepaid items	779,148	371,792	-	1,090	875	1,152,905
Inventories	261,755	-	-	-	-	261,755
Total assets	$ 125,041,766	$ 11,488,609	$ 3,710,894	$ 78,075,863	$ 18,810,449	$ 237,127,581
LIABILITIES						
Accounts payable and accrued liabilities	$ 8,807,131	$ 3,160,706	$ 17,432	$ 6,160,270	$ 411,916	$ 18,557,455
Unearned revenue	-	30,076	5,685,549	-	-	5,715,625
Amounts held for others	955,645	-	-	-	-	955,645
Total liabilities	9,762,776	3,190,782	5,702,981	6,160,270	411,916	25,228,725
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue, property tax (Note 9)	17,215,937	-	-	-	-	17,215,937
Unavailable revenue, leases	184,365	-	-	-	-	184,365
Unavailable revenue, opioid settlement	-	-	-	-	1,408,040	1,408,040
Total deferred inflows of resources	17,400,302	-	-	-	1,408,040	18,808,342
FUND BALANCES						
Nonspendable:						
Inventories and prepaid items	1,040,903	371,792	-	1,090	875	1,414,660
Net leases receivable	20,254	-	-	-	-	20,254
Restricted:						
Debt service	-	-	-	-	2,084,984	2,084,984
Grant compliance	-	7,926,035	-	-	-	7,926,035
Capital projects	-	-	-	28,403,215	-	28,403,215
Committed:						
General government administration	876,424	-	-	-	-	876,424
Judicial administration	26,099	-	-	-	-	26,099
Public safety	1,248,230	-	-	-	-	1,248,230
Public works	243,263	-	-	-	-	243,263
Health and welfare	76,390	-	-	-	-	76,390
Community development	144,587	-	-	-	-	144,587
Transfers, contingencies, and refunds	-	-	-	-	-	-
General capital projects	-	-	-	43,511,288	-	43,511,288
Storm water projects	-	-	-	-	2,606,471	2,606,471
Special revenue	-	-	-	-	12,298,163	12,298,163
Education - School Reserve Fund	4,577,409	-	-	-	-	4,577,409
Unassigned	89,625,129	-	(1,992,087)	-	-	87,633,042
Total fund balance	97,878,688	8,297,827	(1,992,087)	71,915,593	16,990,493	193,090,514
Total liabilities, deferred inflows of resources and fund balance	$ 125,041,766	$ 11,488,609	$ 3,710,894	$ 78,075,863	$ 18,810,449	$ 237,127,581

The Notes to Financial Statements are an integral part of this Statement.

EXHIBIT 4

COUNTY OF ALBEMARLE, VIRGINIA

RECONCILIATION OF THE GOVERNMENT FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
For the Year Ended June 30, 2024

Total fund balances for governmental funds (Exhibit 3)		$ 193,090,514
Total net position reported for governmental activities in the statement of net position is different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Total net capital assets consist of:		
Land	$ 69,702,993	
Construction in progress	27,910,729	
School Board construction in progress	45,757,897	
Subscripton costs in progress	497,196	
Buildings and improvements, net of accumulated depreciation	44,457,401	
Leased buildings, net of amortization	3,089,880	
Other improvements, net of accumulated depreciation	11,441,506	
Furniture, equipment, and vehicles, net of accumulated depreciation	15,237,490	
Equipment leases, net of amortization	41,489	
Right-to-use subscriptions, net of amortization	1,181,625	
School Board capital assets, net of accumulated depreciation	92,897,163	312,215,369
Internal services funds are used by the County to charge the cost of health and dental insurance benefits, vehicle replacement and duplicating costs to individual funds and the School Board. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. The internal service funds net position is:		7,313,934
Some of the County's property taxes will be collected after year-end but are not available soon enough to pay for the currect year's expenditures and, therefore, are reported as unavailable revenue in the funds.		8,833,464
Long-term assets related to opioid settlements are not available to pay for current-period expenditures and, therefore, are deferred in the funds.		1,408,040
Financial statement elements related to pension and OPEB plans are applicable to future periods and, therefore, are not reported in the funds		
Deferred inflows related to pensions	(6,449,731)	
Deferred inflows related to OPEB	(5,995,772)	
Deferred outflows related to pensions	17,710,619	
Deferred outflows related to OPEB	1,918,458	7,183,574
Long-term liabilities applicable to the County's governmental activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities. Also, the County has received a premium and discount on its long-term debt issues when refunding debt. The premium costs will be amortized over the life of the new bond issue as interest is paid. Balances of long-term liabilities affecting net position are as follows:		
Accrued interest payable	(1,412,430)	
General obligation bonds	(38,705,000)	
Public facility revenue and refunding bonds	(278,860,001)	
Arbitrage rebate liability	(593,391)	
Lease liability	(3,363,882)	
Subscription liability	(1,193,325)	
Net pension liability	(35,066,598)	
Net OPEB liabilities	(10,538,038)	
Unamortized bond premium	(20,355,218)	
Bond discount	105,154	
Compensated absences	(5,857,225)	(395,839,954)
Total net position of governmental activities (Exhibits 1 and 2)		$ 134,204,941

The Notes to Financial Statements are an integral part of this Statement.

COUNTY OF ALBEMARLE, VIRGINIA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2024

		Special Revenue Funds				
	General Fund	Federal/ State Grants Fund	ARPA Fund	General Capital Improvements	Other Governmental Funds	Total Governmental Funds
REVENUES						
Property taxes	$ 281,918,666	$ -	$ -	$ -	$ -	$ 281,918,666
Other local taxes	80,140,146	-	-	-	2,922,721	83,062,867
Permits, privilege fees, and regulatory licenses	3,550,527	-	-	-	26,157	3,576,684
Fines and forfeitures	381,038	-	-	-	-	381,038
Use of money and property	8,296,142	15,810	-	1,960,408	2,399,059	12,671,419
Charges for services	4,678,704	-	-	-	-	4,678,704
Miscellaneous	318,966	83,894	-	375,000	-	777,860
Recovered costs	1,888,362	54,780	-	90,461	-	2,033,603
Other revenue	-	-	-	-	273,974	273,974
Intergovernmental:						
Contribution from School Board	483,128	2,900,000	-	-	-	3,383,128
Commonwealth	28,062,192	10,582,251	-	250,444	358,713	39,253,600
Federal Government	8,964,915	6,711,930	1,396,822	60,245	134,671	17,268,583
Total revenues	418,682,786	20,348,665	1,396,822	2,736,558	6,115,295	449,280,126
EXPENDITURES						
Current:						
General government administration	25,985,734	-	-	-	-	25,985,734
Judicial administration	7,960,147	110,344	-	-	-	8,070,491
Public safety	65,466,770	3,454,223	350,103	-	-	69,271,096
Public works	10,162,202	-	-	-	94,831	10,257,033
Health and welfare	27,426,631	18,330,479	286,597	-	68,075	46,111,782
Education - public school systems	190,451,772	-	-	61,024,302	-	251,476,074
Parks, recreation and cultural	11,084,942	51,588	25,000	-	-	11,161,530
Community development	30,076,132	4,756,541	735,122	-	599,389	36,167,184
Contingencies	5,653,935	-	-	-	-	5,653,935
Debt service:						
Principal payments	947,145	-	-	-	14,280,000	15,227,145
Interest and fiscal charges	247,759	-	-	-	11,104,872	11,352,631
Issuance costs	-	-	-	1,633,850	-	1,633,850
Capital projects	-	-	-	88,589,109	783,832	89,372,941
Total expenditures	375,463,169	26,703,175	1,396,822	151,247,261	26,930,999	581,741,426
Excess (deficiency) of revenues over (under) expenditures	43,219,617	(6,354,510)	-	(148,510,703)	(20,815,704)	(132,461,300)
OTHER FINANCING SOURCES (USES)						
Issuance of public facility revenue bonds	-	-	-	168,155,000	-	168,155,000
Premium on public facility revenue bonds issued	-	-	-	7,088,278	-	7,088,278
Discount on public facility revenue bonds issued	-	-	-	(119,466)	-	(119,466)
Transfers in	9,054,065	4,270,864	-	15,214,239	29,833,985	58,373,153
Transfers out	(45,721,575)	(405,240)	(2,000,000)	(6,388,995)	(3,998,988)	(58,514,798)
Total other financing sources (uses)	(36,667,510)	3,865,624	(2,000,000)	183,949,056	25,834,997	174,982,167
Net change in fund balance	6,552,107	(2,488,886)	(2,000,000)	35,438,353	5,019,293	42,520,867
Fund balance, beginning of year	91,326,581	10,786,713	7,913	36,477,240	11,971,200	150,569,647
Fund balance, end of year	$ 97,878,688	$ 8,297,827	$ (1,992,087)	$ 71,915,593	$ 16,990,493	$ 193,090,514

The Notes to Financial Statements are an integral part of this Statement.

EXHIBIT 6

COUNTY OF ALBEMARLE, 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, 2024

Net change in fund balances - total governmental funds (Exhibit 5)			$ 42,520,867
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. The amount by which depreciation exceed capital outlays in the currect period is as follows:			
Capital outlay additions:			
Construction and subscription in progress additions	$ 21,934,490		
Construction in progress deletions	(1,494,502)		
Land additions	58,064,854		
Other improvements additions	4,620,512		
Furniture, equipment and vehicle additions	6,147,988	$ 89,273,342	
Depreciation expense		(13,276,177)	75,997,165
In the Statement of Activities, only the gain (loss) on capital assets is reported, while in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net assets differs from the change in fund balance by the cost of the capital assets sold.			(250,040)
School Board capital assets are jointly owned by the County and School Board. The County share of School Board capital assets is in proportion to the debt owed on such by the County. The transfers to the School Board are affected by the relationship of the debt to assets on a year-to-year basis. The net transfer resulting from this relationship increased the transfers to the School Board as follows:			
School construction in progress additions		26,855,559	
School construction in progress deletions		(9,677,508)	
School buildings and improvements additions		29,403,835	
School buildings and improvements deletions, net		(9,371,123)	37,210,763
Under the modified accrual basis of accounting used in the governmental funds, revenues are recorded when measurable and available to pay current obligations. However, in the Statement of Net Position revenues are reported when earned. This requires adjustments to convert the revenues to the accrual basis.			1,366,647
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.			
Decrease in deferred inflows related to the measurement of the net pension liability		5,167,009	
Increase in deferred inflows related to the measurement of the net OPEB liability		(1,781,280)	3,385,729
Bond and capital lease proceeds are reported as financing sources in governmental funds and thus contribute to the change in fund balance. In the Statement of Net Position, however, issuing debt increases the long-term liabilities and does not affect the Statement of Activities. Similarly, the repayment of principal is an expenditure in the governmental funds but reduces the liability in the Statement of Net Position.			
Less public facility revenue bond proceeds		(168,155,000)	
Less premium on debt issued		(7,088,278)	
Add discount on debt issued		119,466	
Repayments:			
Payments on right of use liabilities		947,145	
General obligation school bonds		5,680,000	
Public facility revenue bonds		8,600,000	
			(159,896,667)
Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable financial resources. In the Statement of Activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues. This adjustment combines the net changes of the following:			
Compensated absences		297,419	
Amortization of bond premium		2,583,025	
Amortization of bond discount		(14,312)	
Increase in arbitrage liability		(593,391)	
Increase in net pension liability		(7,347,874)	
Decrease in net OPEB liabilites		3,489,697	
Increase in deferred outflows related to the measurement of the net pension liability		4,020,671	
Decrease in deferred outflows related to the measurement of the net OPEB liability		(121,108)	
Increase in accrued interest payable		(549,287)	1,764,840
Internal service funds are used by the County to charge the costs of health and dental insurance benefits, vehicle replacement and duplicating costs to individual funds. The change in net position of internal service funds is reported with governmental activities.			(357,205)
Change in net position of governmental activities (Exhibit 2)			$ 1,742,099

The Notes to Financial Statements are an integral part of this Statement.

COUNTY OF ALBEMARLE, VIRGINIA

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2024

		Governmental Activities
		Internal Service Funds
ASSETS		
Current assets:		
Cash and cash equivalents	$	12,050,290
Receivables, (net of allowance for doubtful accounts) - Note 4		1,031,016
Prepaid expenses		306,186
Total assets	$	13,387,492
LIABILITIES		
Current liabilities:		
Accounts payable and accrued liabilities	$	1,598,728
Claims payable:		
Due within one year		4,474,830
Total liabilities		6,073,558
NET POSITION		
Unrestricted	$	7,313,934

The Notes to Financial Statements are an integral part of this Statement.

COUNTY OF ALBEMARLE, VIRGINIA

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
For the Year Ended June 30, 2024

	Governmental Activities Internal Service Funds
OPERATING REVENUES	
Charges for services, net	$ 186,942,392
OPERATING EXPENSES	
Benefits and related expenses	51,072,668
Services and supplies	136,845,653
Total operating expenses	187,918,321
OPERATING LOSS	(975,929)
NON-OPERATING REVENUES	
Interest income	477,079
TRANSFERS	
Transfers in	141,645
Change in net position	(357,205)
Net position, beginning of year as restated	7,671,139
Net position, end of year	$ 7,313,934

The Notes to Financial Statements are an integral part of this Statement.

EXHIBIT 9

COUNTY OF ALBEMARLE, VIRGINIA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended June 30, 2024

	Governmental Activities — Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from insured	$ 50,042,065
Receipts from services	136,838,183
Payments to suppliers	(187,284,686)
Net cash used for operating activities	(404,438)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Transfers	141,645
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest income	477,079
Net increase in cash and cash equivalents	214,286
Cash and cash equivalents, beginning of year	11,836,004
Cash and cash equivalents, end of year	$ 12,050,290
RECONCILIATION OF OPERATING LOSS TO NET CASH USED FOR OPERATING ACTIVITIES	
Operating loss	$ (975,929)
Adjustments to reconcile operating loss to net cash used for operating activities:	
Changes in assets and liabilities:	
Receivables, net	(62,144)
Prepaid expenses	(299,082)
Accounts payable and accrued liabilities	381,473
Claims payable	551,244
Net cash used for operating activities	$ (404,438)

The Notes to Financial Statements are an integral part of this Statement.

EXHIBIT 10

COUNTY OF ALBEMARLE, VIRGINIA

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
June 30, 2024

	Private Purpose Trust Funds	Custodial Funds
ASSETS		
Cash and investments	$ 10,590,103	$ 9,203,031
Accounts receivable	24,950	4,347,755
Prepaid expenses	-	162,264
Net pension asset	-	117,911
Land and capital assets, net	-	23,489,723
Investments with trustee	479,178	-
Total assets	11,094,231	37,320,684
DEFERRED OUTFLOWS		
Deferred outflows	-	1,669,716
Total deferred outflows	-	1,669,716
LIABILITIES		
Accounts payable	-	2,107,164
Compensated absences	-	476,596
Deferred revenues	-	67,280
Lease and subscription liabilities	-	4,402,142
Pension and OPEB liabilities	-	3,568,424
Total liabilities	-	10,621,606
DEFERRED INFLOWS		
Deferred inflows	-	1,275,274
Total deferred inflows	-	1,275,274
NET POSITION		
Restricted	$ 11,094,231	$ 27,093,520

The Notes to Financial Statements are an integral part of this Statement.

EXHIBIT 11

COUNTY OF ALBEMARLE, VIRGINIA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
For the Year Ended June 30, 2024

	Private Purpose Trust Funds	Custodial Funds
ADDITIONS		
Contributions:		
Private contributions	$ -	$ 2,738,301
Government contributions	-	234,466
Charges for services	-	11,720,120
Intergovernmental	-	6,533,008
Miscellaneous	-	834,882
Proffers	53,900	-
Total contributions	53,900	22,060,777
Investment earnings:		
Interest	-	334,898
Investment earnings	713,760	-
Total investment earnings	713,760	334,898
Total additions	767,660	22,395,675
DEDUCTIONS		
Recipient payments	-	1,393,670
Administrative expenses	-	1,240,543
Parks and rec	-	356,928
Juvenile public safety	-	4,463,019
Emergency communications	-	10,445,430
Visitors Bureau	-	4,039,789
General	506	-
Contributions	1,577,521	-
Total deductions	1,578,027	21,939,379
Change in net position	(810,367)	456,296
Net position, beginning of year as restated	11,904,598	26,637,224
Net position, end of year	$ 11,094,231	$ 27,093,520

The Notes to Financial Statements are an integral part of this Statement.

Note 1. Summary of Significant Accounting Policies

Narrative Profile

The County of Albemarle, located in central Virginia and bordered by the counties of Augusta, Buckingham, Fluvanna, Greene, Louisa, Nelson, Orange and Rockingham, was founded in 1744. The County has a land area of 726 square miles.

The County is governed under the County Executive - Board of Supervisors form of government. Albemarle County engages in a comprehensive range of municipal services, including general government administration, public safety and administration of justice, education, health, welfare, human service programs, planning, community development and recreation, cultural, and historic activities.

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

A. Financial Reporting Entity

Governmental standards established a statement that includes requirements and a reporting model for the annual financial reports of state and local governments. The Statement was developed to make annual reports easy to understand and more useful to the people who use governmental financial information to make decisions and includes:

- Management's Discussion and Analysis: The financial statements are accompanied by a narrative introduction and analytical overview of the government's financial activities in the form of "management's discussion and analysis" (MD&A). This analysis is similar to analysis the private sector provides in their annual reports.

- Government-wide Financial Statements: The reporting model includes financial statements (statement of net position and statement of activities) prepared using full accrual accounting for all of the government's activities. This approach includes not just current assets and liabilities (such as cash and accounts payable) but also capital assets and long-term liabilities (such as buildings and infrastructure, including bridges and roads, and general obligation debt). Accrual accounting also reports all of the revenues and cost of providing services each year, not just those received or paid in the current year or soon thereafter.

- 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 report all capital assets, including infrastructure, in the government-wide Statement of Net Position and 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.

Note 1. Summary of Significant Accounting Policies (Continued)

A. Financial Reporting Entity (Continued)

- 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).

- Budgetary Comparison: Demonstrating compliance with the adopted budget is an important component of a government's accountability to the public. Many citizens participate 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. The County and many other governments revise their original budgets over the course of the year for a variety of reasons. Under the GASB No. 34 reporting model, governments will provide budgetary comparison information in their annual reports including the government's original budget to the current comparison of final budget and actual results for its major funds.

As required by the GAAP, these financial statements present the primary government and its component unit entities for which the government is considered to be financially accountable. 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. The County has no component units that meet the requirements for blending. The discretely presented component units, on the other hand, are reported in a separate column in the government-wide statements to emphasize they are legally separate from the primary government. The discretely presented component units have a June 30 fiscal year-end.

Jointly-Governed Organizations Excluded from the Reporting Entity:

Jointly governed organizations are regional governments or other multi-governmental arrangements that are governed by representation from each of the governments that create the organizations, and the participants do not retain an ongoing financial interest or responsibility in the organization. The financial activities of the following organizations are excluded from the accompanying financial statements for the reasons indicated:

Jefferson-Madison Regional Library

The Jefferson-Madison Regional Library provides library services to the Counties of Albemarle, Louisa, Madison, Greene and the City of Charlottesville. The participating localities provide annual contributions for operations based on book circulation. No one locality contributes more than 50% of the Library's funding nor can impose its will on the organization, and there is no financial benefit/burden relationship. The County appropriated to the Library $5,221,718 in operating funds in fiscal year 2024. The County has no equity interest in the Library.

Note 1. Summary of Significant Accounting Policies (Continued)

A. Financial Reporting Entity (Continued)

Jointly-Governed Organizations Excluded from the Reporting Entity: (Continued)

Albemarle-Charlottesville Jail Authority

The City of Charlottesville, the County and Nelson County provide the financial support for the Authority and appoint its governing Board, in which is vested the ability to execute contracts and to budget and expend funds. The localities are charged on a per diem rate for their respective prisoner days. Other localities, the state and the federal government also reimburse the Authority for prisoner care. The Authority is excluded from the reporting entity because the County has no control over Authority fiscal matters. The County has no equity interest in the Jail Authority.

Albemarle County Service Authority

The Authority was created by the Board of Supervisors to operate the County's water and sewer system. The County has no control over Authority fiscal matters, Board members have no continuing relationship with the County, the Authority's Board approves its own budget and appoints management, the County is neither legally nor morally obligated for the Authority's debt, the County has no claim on surpluses nor responsibility for financing deficits, and the Authority sets its own rates. The County has no equity interest in the Authority.

Charlottesville-Albemarle Airport Authority

The Authority is excluded from the reporting entity because the County has no control over Authority fiscal matters. Board members have no continuing relationship with the County, the Authority Board approves its own budget and appoints management, and the County is neither legally nor morally obligated for the Authority's debt, the County has no claim on surpluses nor responsibility for financing deficits and the Authority sets its own rates. The County has no equity interest in the Authority.

Rivanna Water and Sewer Authority and Rivanna Solid Waste Authority

The Authorities are excluded from the reporting entity because the County has no control over either Authority's fiscal matters. Both Authority Boards approve their own budget and appoint management. The County has no claims on surpluses, or responsibility for financing deficits, and the Authorities set their own rates. The County has no equity interest in either Authority.

(Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

A. Financial Reporting Entity (Continued)

Jointly-Governed Organizations Excluded from the Reporting Entity: (Continued)

Region Ten Community Services Board

The Region Ten Community Services Board was created to provide Health, Intellectual Disability, and Substance Abuse Services to the residents of the City of Charlottesville and the Counties of Albemarle, Fluvanna, Greene, and Nelson. The Board members are appointed by each participant locality. No locality appoints a majority of the Board members. The participant localities contribute annual operating grants but are not required to do so. The participants have no ongoing financial responsibilities to or equity interest in the Board.

Jointly-Governed Organizations Included in the Reporting Entity:

Custodial Funds of the Reporting Entity:

The financial activities of the following organizations are included in the reporting entity as custodial funds due to requirements under GASB No. 84. The County is a custodian for individuals, other governmental units, or other funds. These funds are accounted for in the same manner as a proprietary fund with the measurement focus upon determination of the changes in net position. These funds are excluded from government-wide activities.

Blue Ridge Juvenile Detention Commission

The Commission was created to construct and operate a juvenile detention center for the Counties of Albemarle, Fluvanna and Greene, and the City of Charlottesville. Commission members are appointed by each participant locality. No locality appoints a majority of the Board Members. The participating localities contribute operating and capital grants to the Commission for its operations and debt service. In 2024, the County contributed $390,047 in operating grants to the Commission. The County has no equity interest in the Commission.

Emergency Communications Center

The University of Virginia, the City of Charlottesville, and the County provide the financial support for the Center and appoint its governing Board, in which is vested the ability to execute contracts and to budget and expend funds. No one locality or organization contributes more than 50% of the Center's funding nor can impose its will on the organization, and there is no financial benefit/burden relationship. The County has no equity interest in the Center.

Note 1. Summary of Significant Accounting Policies (Continued)

A. Financial Reporting Entity (Continued)

Jointly-Governed Organizations Included in the Reporting Entity (Continued):

Charlottesville Albemarle Convention and Visitors Bureau

The City of Charlottesville and the County provide the financial support for the Bureau and appoint its governing Board, in which is vested the ability to execute contracts and to budget and expend funds. No one locality or organization contributes more than 50% of the Bureau's funding nor can impose its will on the organization, and there is no financial benefit/burden relationship. The County has no equity interest in the Bureau.

Darden Towe Memorial Park

The City of Charlottesville and the County provide the financial support for the Park and appoint its governing Board, in which is vested the ability to execute contracts and to budget and expend funds. No one locality or organization contributes more than 50% of the Park's funding nor can impose its will on the organization, and there is no financial benefit/burden relationship. The County has no equity interest in the Park.

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Note 1. Summary of Significant Accounting Policies (Continued)

A. Financial Reporting Entity (Continued)

Financial reports for the jointly governed organizations that issue separate financial statements can be obtained as follows:

Emergency Communications Center
Charlottesville Albemarle Convention & Visitors Bureau
Blue Ridge Juvenile Detention Center
Darden Towe Memorial Park
Chief Financial Officer
County of Albemarle
401 McIntire Road
Charlottesville, Virginia 22902

Jefferson-Madison Regional Library
Director of Finance
City of Charlottesville
City Hall
Charlottesville, Virginia 22902

Albemarle County Service Authority
168 Spotnap Road
Charlottesville, Virginia 22902

Albemarle-Charlottesville Jail Authority
160 Peregory Ln
Charlottesville, Virginia 22902

Charlottesville-Albemarle Airport Authority
100 Bowen Loop, Suite 200
Charlottesville, Virginia 22901

Region Ten Community Services Board
800 Preston Avenue
Charlottesville, Virginia 22902

Rivanna Water & Sewer Authority and Rivanna Solid Waste Authority
695 Moores Creek Lane
Charlottesville, Virginia 22902

(Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

B. Government-Wide and Fund Financial Statements

The basic financial statements include both government-wide (based on the County as a whole) and fund financial statements. In the current reporting model, the focus is on both the County as a whole and the fund financial statements, including the major individual funds, as well as the fiduciary funds, (by category) and the component unit. Both the government-wide and fund financial statements (within the basic financial statements) categorize primary activities as either governmental or business type. The government-wide financial statements exclude both fiduciary funds of the primary government and fiduciary-type component units.

In the government-wide Statement of Net Position, the governmental activities columns (a) are presented on a consolidated basis, and (b) are reflected, on a full accrual, economic resource basis, which incorporates long-term assets and receivables, as well as long-term obligations. Each presentation provides valuable information that can be analyzed and compared (between years and between governments) to enhance the usefulness of the information.

The government-wide Statement of Activities reflects both the gross and net cost per functional category (public safety, public works, health and welfare, etc.) that 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. 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, and 2) grants and contributions that are restricted to meeting the operation or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported as general revenues. The County does not allocate indirect expenses. The operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

Proprietary fund operating revenues consist of charges for services and related revenues. Non-operating revenues consist of contribution, grants, investment earnings and other revenues not directly derived from the providing of services. Internal service charges are eliminated and the net income or loss from internal service activities are allocated to the various functional expense categories based on the internal charges to each function.

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.

(Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

B. Government-Wide and Fund Financial Statements (Continued)

The governmental fund statements are presented on a current financial resource and modified accrual basis of accounting. This is the manner in which these funds are normally budgeted. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental column, a reconciliation is presented, which briefly explains the adjustment necessary to reconcile the fund financial statements to the governmental column of the government-wide financial statements.

The County's fiduciary funds are presented in the fund financial statements by type (private purpose and custodial). Since, by definition, these assets are being held for the benefit of a third-party (other local governments, private parties, etc.) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements. The following is a brief description of the specific funds used by the County.

1. Governmental Funds:

Governmental Funds account for the expendable financial resources, other than those accounted for in Proprietary and Fiduciary Funds. The Governmental Funds utilize the modified accrual basis of accounting where the measurement focus is upon determination of financial position and changes in financial position, rather than upon net income determination as would apply to a commercial enterprise. The individual Governmental Funds are:

a. General Fund - The General Fund is the primary operating fund of the County. This fund is used to account for and report all financial resources except those required to be accounted for and reported in another fund. Revenues are derived primarily from property and other local taxes, licenses, permits, charges for services, use of money and property, and intergovernmental grants. A significant part of the General Fund's revenues are used primarily to finance the operations of the Component Unit School Board. The General Fund is considered a major fund for financial reporting purposes.

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

Federal/State Grants Fund - This fund accounts for various federal and state grant funds including the funding for the Comprehensive Services Act program, criminal justice grants, Section 8 housing program and other related programs. The federal and state grant fund is considered a major fund for financial reporting purposes.

ARPA Fund – The fund accounts for American Rescue Plan Act (ARPA) Coronavirus State and Local Fiscal Recovery Funds received for COVID-19. The ARPA Act fund is considered a major fund for financial reporting purposes.

(Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

B. Government-Wide and Fund Financial Statements (Continued)

1. Governmental Funds: (Continued)

b. Special Revenue Funds (Continued)

The following special revenue funds are considered nonmajor for financial reporting purposes:

Water Resources Fund - This fund accounts for recent state mandates that have significance in water resources and to assist in storm water management.

Courthouse Maintenance Fund - This fund accounts for courthouse maintenance fees collected resulting from traffic and related fines.

Stream Buffer Fund – This fund accounts for revenues received in relation to stream protection projects.

Tourism Fund - This fund accounts for funds appropriated for tourism projects.

Old Crozet School Fund - This fund accounts for rental revenues and maintenance and operational expenditures for the Old Crozet School.

Plastic Bag Tax Fund - This fund accounts for revenues from the County's disposable plastic bag tax and expenditures to fund various environmental outreach initiatives.

Opioid Settlement Fund - This fund accounts for revenues and expenditures for opioid abatement and remediation purposes.

Broadband Development Fund – This fund accounts for broadband development programming including the installation of fiber for development areas where fiber is not currently planned and wireless broadband projects to address public safety needs in rural areas to help fill in known gaps in service.

Economic Development Fund - This fund accounts for revenues and expenditures for economic development.

c. Debt Service Funds – Debt service funds account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. Debt service funds should also be used to report financial resources that are being accumulated for future debt service. Debt service funds include the following nonmajor funds:

General Debt Service Fund - This fund accounts for resources accumulated to pay debt service for all general obligation debt incurred for general capital projects. Financing is provided by transfers from the General Fund.

School Debt Service Fund - This fund accounts for debt service expenditures for the school system for the payments of principal and interest on the school system's general long-term debt. Financing is provided by appropriations from the General Fund.

Note 1. Summary of Significant Accounting Policies (Continued)

B. Government-Wide and Fund Financial Statements (Continued)

1. Governmental Funds: (Continued)

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

General Capital Improvements Fund - This fund accounts for capital project expenditures for general public improvements and large equipment acquisitions. Financing is provided by governmental grants, leases, and general fund revenues. This fund is considered a major fund for financial reporting purposes.

Storm Water Control Fund - This fund accounts for expenditures for drainage and other systems for storm water control. Financing is provided primarily from General Fund revenues. This fund is considered a nonmajor fund for financial reporting purposes.

2. Proprietary Funds:

Proprietary Funds account for operations that are financed in a manner similar to private business enterprises. The Proprietary Funds utilize the accrual basis of accounting where the measurement focus is upon determination of net income, financial position, and changes in financial position. Proprietary Funds consist of Internal Service Funds.

Internal Service Funds - These funds account for the financing of goods and services provided by one department or agency to other departments or agencies of the County government. The Internal Service Funds consist of the Health Insurance Fund, Dental Plan Pool Fund, Duplicating Fund, Facilities Development Fund, Computer Replacement Fund and the Vehicle Replacement Fund. A description and nature of each fund follows:

Health Insurance Fund - This fund accounts for all activities of the County and Component Unit School Board employee health insurance program. Other jointly-governed organizations also participate in the program.

Dental Plan Pool Fund – This fund accounts for all activities of the County and Component Unit School Board employee dental insurance program. Other jointly-governed organizations also participate in the program.

Duplicating Fund - This fund accounts for revenues received for copying, printing, and related services.

Computer Replacement Fund - This fund accounts for activity of the County for the purchase and replacement of computers.

(Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

B. Government-Wide and Fund Financial Statements (Continued)

2. Proprietary Funds: (Continued)

Facilities Development Fund - This fund accounts for all the operations of the County's capital projects management function. The major revenues of this fund consist of charges for services provided in coordinating and supervising all County building construction projects.

Vehicle Replacement Fund - This fund accounts for activity of the County for the purchase and disposal of County vehicles.

Payroll Suspense Fund - This fund accounts for various employee payroll withholdings and payments of employee benefits.

CATEC Fund - This fund accounts for funds received from various sources for Charlottesville- Albemarle Vocational Technical Education Center. The County processes the payroll for the Center.

3. Fiduciary Funds (Trust and Custodial Funds):

Fiduciary Funds (Trust and Custodial Funds) account for assets held by a governmental unit in a trustee capacity or as an agent or custodian for individuals, private organizations, other governmental units, or other funds. The funds include Private Purpose Trust and Custodial Funds. Private purpose trust funds utilize the accrual basis of accounting as described in the Proprietary Funds presentation. Custodial funds also utilize the accrual basis of accounting. The Private Purpose Trust and Custodial Funds consist of the following:

a. Private Purpose Trust Funds:

McIntire Trust Fund - This fund accounts for monies provided by a private donor, the corpus of which is nonexpendable. Interest and other earnings on assets may be used for educational purposes. The County does not control the activity of this fund or utilize these funds for County operations.

Juanise Dyer Trust Fund - This fund accounts for monies provided by private donors, the corpus of which is nonexpendable. Interest earned on assets may be used to provide for college scholarships for a graduate of one of the County high schools.

Weinstein Trust Fund - This fund accounts for monies provided by private donors, the corpus of which is nonexpendable. Interest earned on assets may be used to provide for the installation of traffic control devices for a certain area of the County. The County does not control the activity of this fund or utilize these funds for County operations.

Crozet Crossings Trust Fund - This fund accounts for monies provided by private donors, the corpus of which is nonexpendable. Interest earned on assets may be used to provide for assistance to persons who qualify for the purchase of homes in the Crozet Crossings project. The County does not control the activity of this fund or utilize these funds for County operations.

(Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

B. Government-Wide and Fund Financial Statements (Continued)

3. Fiduciary Funds (Trust and Custodial Funds) (Continued)

a. Private Purpose Trust Funds (Continued):

Synthetic Turf Field Funds - These funds account for monies provided by private donors to be accumulated for purchase of synthetic turf fields. The County does not control the activity of this fund or utilize these funds for County operations.

Proffer Trust Fund - This fund accounts for funds received for proffers for seven communities located in the County. Earnings on these funds may be used for the construction of or upgrade of certain public improvements in the communities. The County does not control the activity of this fund or utilize these funds for County operations.

b. Custodial Funds:

Special Welfare Fund - This fund accounts for monies provided primarily through private donors for assistance of children in foster care, needy senior citizens and others. This fund is also used to account for monies received from other governments and individuals (i.e., social security and child support) to be paid to special welfare recipients.

Drug Fund - This fund accounts for monies received from state and federal authorities for the prevention of drug abuse and distribution of illegal substances.

HUD Family Self Sufficiency Fund - This fund accounts for funds received from various sources for families participating in the County housing programs.

County Contribution Fund - This fund accounts for funds received from various sources for charitable and other purposes.

ACE Contribution Fund – This fund accounts for funds received as private citizens-donations and will be used in combination with the funding from the County's ACE (Acquisition of Conservation Easements) program to obtain conservation easement acquisitions.

Firearms Range Operating Fund - This fund accounts for the operations of the Firearms Range facility.

State Account Fund - This fund accounts for various funds that are collected on behalf and remitted to the State and are unable to be used for local government operations.

(Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

B. Government-Wide and Fund Financial Statements (Continued)

3. Fiduciary Funds (Trust and Custodial Funds) (Continued)

b. Custodial Funds (Continued):

Appeal Bond Fund – This fund accounts for appeal bonds held for others.

Sheriff Reserve Fund – This fund accounts for funds held for the Sheriff's Department use.

Performance Bond Fund - This fund accounts for the receipt and disbursements of performance bonds required by the County for erosion and sediment control, and other items relative to construction by private developers.

Natural Heritage Fund – This fund accounts for contributions held for the Natural Heritage Committee.

Commonwealth Attorney Commission Fund – This fund accounts for commissions held by the Commonwealth Attorney for others.

Public Recreation Facility Authority – This fund is used to account for amounts held by the Authority for operations related to open-space land and interests therein.

Courts Escrow Fund – This fund accounts for monies, which were received as a result of a seizure warrant and which are being held for others.

Albemarle Broadband Authority – This fund is used to account for amounts held by the Authority for Broadband Purposes.

Darden Towe Memorial Park – This fund is used to account for assets held in an agency capacity for Darden Towe Memorial Park.

Charlottesville-UVA-Albemarle Emergency Communications Center – This fund is used to account for assets held in an agency capacity for the Emergency Communications Center.

Charlottesville Albemarle Convention & Visitors Bureau Center – This fund is used to account for assets held in an agency capacity for the Visitor's Bureau

Blue Ridge Juvenile Detention Commission – This fund is used to account for assets held in an agency capacity for the Juvenile Detention facility.

Note 1. Summary of Significant Accounting Policies (Continued)

B. Government-Wide and Fund Financial Statements (Continued)

4. Component Units:

Economic Development Authority:

The Economic Development Authority is a political subdivision of the Commonwealth of Virginia and created by the Board of Supervisors. The EDA's role is to assist in qualified businesses and industries who plan to expand or locate within the County by administering grant and bond programs that support economic vitality. The Authority is governed by seven directors approved by the Board of Supervisors of Albemarle County, Virginia.

Albemarle County School Board:

The Albemarle County School Board is elected to four-year terms by the County voters. The School Board may hold property and the County issues general obligation debt for the School Board's capital projects. The School Board provides public primary and secondary education services to the County residents. The primary funding sources of the School Board are state and federal grants, and appropriations from the County, which are significant since the School Board does not have separate taxing authority. The County also approves the School Board budget. The School Board does not issue separate financial statements. The Albemarle County School Board has the following funds:

Governmental Funds:

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

School Food Services Fund - This fund accounts for and reports the operations of the School Board's food service program. Financing is provided primarily by food and beverage sales, and State and Federal grants. The School Food Services Fund is considered a nonmajor fund of the School Board for financial reporting purposes.

School Activities Fund - This fund accounts for and reports the funds received from extracurricular school activities, such as entertainment, athletic contests, club dues, fundraisers, etc., and from any and all activities of the schools involving personnel, students, or property. The School Activities Fund is considered a nonmajor fund of the School Board for financial reporting purposes.

School Capital Projects Fund - This fund accounts for and reports school construction and related expenditures of the public school system. Funding is primarily from investment earnings and appropriations from the County of Albemarle. The School Capital Projects Fund is considered a nonmajor fund of the School Board for financial reporting purposes.

(Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

C. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using the current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet in the fund statements. Long-term assets and long-term liabilities are included in the government-wide statements. Operating statements of the governmental funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The government-wide statements of net position and statements of activities, all proprietary funds, and private-purpose trust funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these activities are either included on the statement of net position or on the statement of fiduciary net position. Proprietary fund-type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in total net position.

The statements of net position, statements of activities, financial statements of the Internal Service Funds and Fiduciary Funds are presented on the accrual basis of accounting. Under this method of accounting, revenues are recognized when earned and expenses are recorded when liabilities are incurred without regard to receipt or disbursement of cash.

The fund financial statements of the General, Special Revenue, Debt Service and Capital Projects (for the primary government and component units and EDA) are maintained and reported on the modified accrual basis of accounting using the current financial resources measurement focus. Under this method of accounting, revenues are recognized in the period in which they become measurable and available. With respect to real and personal property tax revenue and other local taxes, the term "available" is limited to collection within forty-five days of the fiscal year-end. Levies made prior to the fiscal year-end but which are not available are unavailable. Interest income is recorded as earned. Federal and State reimbursement-type grants are recorded as revenue when related eligible expenditures are incurred. Expenditures, other than accrued interest on long-term debt, are recorded when the fund liability is incurred.

D. Budgets and Budgetary Accounting

The Board of Supervisors annually adopts budgets for the various funds of the primary government and component units. All appropriations are legally controlled at the department level for the primary government funds. The School Board and EDA appropriations are determined by the Board of Supervisors and controlled in total by the primary government.

The budgets are integrated into the accounting system, and the budgetary data, as presented in the financial statements for all major funds with annual budgets, compare the expenditures with the amended budgets. All budgets are presented on the modified accrual basis of accounting. Accordingly, the Budgetary Comparison Schedule for the major funds presents actual expenditures in accordance with the GAAP on a basis consistent with the legally adopted budgets as amended. Unexpended appropriations on annual budgets lapse at the end of each fiscal year.

(Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

D. Budgets and Budgetary Accounting: (Continued)

Encumbrances:

Encumbrance accounting, the recording of purchase orders, contracts, and other monetary commitments in order to commit an applicable portion of an appropriation, is used as an extension of formal budgetary control in the primary government and component unit School Board. Encumbrances outstanding at year-end are reported as committed fund balance and do not constitute expenditures or liabilities because the commitments will be honored during the subsequent fiscal year. These encumbrances are subject to reappropriation by the Board of Supervisors in the succeeding fiscal year. At June 30, 2024, amounts reappropriated by the Board totaled $2,614,993.

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

1. Prior to April 1, the County Executive submits to the Board of Supervisors a proposed operating and capital budget for the fiscal year commencing the following July 1. The operating budget and capital budget includes proposed expenditures and the means of financing them.

2. Public hearings and open-houses are conducted to obtain citizen comments. Also, several work sessions between the Board of Supervisors and School Board are conducted on the School Board budget.

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 fund, function, and departmental level. The appropriation for each fund, function and department can be revised only by the Board of Supervisors; however, the School Board is authorized to transfer budgeted amounts within the school system's categories. Supplemental appropriations in addition to the appropriated budget were necessary during the year. Supplemental appropriations may not be made without amending the budget.

5. The County legally adopted budgets for the following funds:

   General, Federal/State Grants, ARPA, Courthouse Maintenance, Tourism, General Debt Service, School Debt Service, Stormwater Control, Economic Development, Plastic Bag Tax, Broadband Development Fund, School Operating, School Food Services, and School Capital Projects Funds.

   The County may adopt budgets for other funds, such as the Internal Service and Trust and Custodial Funds, for use as a management control device over such funds. The budget for the General Capital Improvements Fund is not presented.

6. All budgets are adopted on a basis consistent with GAAP.

7. All appropriations lapse on June 30, for all County and School Board funds.

8. All budgetary data presented in the accompanying financial statements is the original budget as of June 30, 2024, as adopted, appropriated and legally amended.

Note 1. Summary of Significant Accounting Policies (Continued)

D. Budgets and Budgetary Accounting (Continued)

Encumbrances: (Continued)

9. The expenditure budget is enacted through an annual appropriations ordinance. Appropriations are made at the departmental level for the primary government and at the function level for the School Board. State law requires that if budget amendments exceed 1% of the original adopted budget the Board of Supervisors may legally amend the budget only by following procedures used in the adoption of the original budget. There were several budget amendments during the year that exceeded the 1% or $500,000 limitations. The Board of Supervisors must approve all appropriations and transfers of appropriated amounts.

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 County's proprietary funds consider their demand deposits and all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

The County maintains a pool of cash and investments in which each fund participates on a dollar equivalent and daily transaction basis. Interest is distributed monthly based on average monthly balances. The majority of funds in the County's accounts are invested at all times.

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.

G. Allowance for Uncollectible Accounts

The County calculates its allowance for uncollectible accounts using historical collection data and, in certain cases, specific account analysis. The allowance amounted to approximately $1,623,801 at June 30, 2024, and consists of taxes receivable in the General Fund.

H. Prepaid Items

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

I. Inventories

Inventories are reported at average cost using the consumption method.

Note 1. Summary of Significant Accounting Policies (Continued)

J. Capital Assets

Capital outlays are recorded as expenditures of the governmental funds of the primary government and Component Unit School Board and as tangible and intangible assets in the government-wide financial statements to the extent the County's and School Board's capitalization threshold of $10,000 is met. The County and Component Unit School Board do not have any infrastructure in their capital assets since roads, streets, bridges, and similar assets within its boundaries are property of the Commonwealth of Virginia. Depreciation is recorded on capital assets on a government-wide basis using the straight-line method and the following estimated useful lives:

Buildings and improvements	20 to 40 years
Other improvements	10 to 20 years
Furniture, equipment, and vehicles	3 to 10 years

All capital assets are valued at historical cost or estimated historical cost if actual cost was not available (except for intangible right-to-use lease assets (lease assets), the measurement of which is discussed in more detail below). Donated capital assets are valued at their acquisition value on the date donated.

Right-to-use lease and subscription assets are amortized over the shorter of the contract term of useful life of the underlying asset. In contracts where a purchase option is reasonably certain of being exercised, the asset is amortized over the useful life, unless the underlying asset is nondepreciable, in which case the asset is not amortized.

Maintenance, repairs, and minor equipment are charged to operations when incurred. Expenses that materially change capacities or extend the useful life of an asset are capitalized. Upon sale or retirement of land, buildings, and equipment, the cost and related accumulated depreciation, if applicable, are eliminated from the respective accounts and any resulting gain or loss is included in the results of operations.

K. Leases

Lessee: For new or modified contracts, the County determines whether the contract is a lease. If a contract is determined to be, or contain, a lease with a non-cancellable term in excess of 12 months (including any options to extend or terminate the lease when exercise is reasonably certain), the County records a lease asset and lease obligation, which is calculated based on the value of the discounted future lease payments over the term of the lease. If the interest rate implicit in the lease is not readily determinable, the County will use the applicable incremental borrowing rate in the calculation of the present value of the lease payments. The County is a lessee for a non-cancellable lease of certain parking stalls. The County recognizes a lease liability and right to use lease asset on the Statement of Net Position. Leases with an initial, non-cancellable term of 12 months or less are not recorded on the Statement of Net Position and expense is recognized as incurred over the lease term. At the commencement of a lease, the County measures the lease liability at the present value of payments expected to be made during the lease term and then reduces the liability by the principal portion of lease payments made.

(Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

K. Leases: (Continued)

The lease asset is measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs, then amortized on a straight-line basis over a period that is the shorter of the lease term or the useful life of similar capital assets. Lease payments are apportioned between interest expense and principal based on an amortization schedule calculated using the effective interest method.

Lessor: For new or modified contracts, the County determines whether the contract is a lease. If a contract is determined to be, or contain, a lease with a non-cancellable term in excess of 12 months (including any options to extend or terminate the lease when exercise is reasonably certain), the County records a lease receivable and a deferred inflow of resources, which is calculated based on the value of the discounted future lease payments over the term of the lease. If the interest rate implicit in the lease is not explicit, the County may apply the guidance for imputation of interest as a means of determining the interest rate. The County will not recognize a lease receivable and a deferred inflow of resources for leases with a non-cancellable term of less than 12 months, and income is recognized as earned. The County is a lessor for non-cancellable leases of certain real estate. The County recognizes a lease receivable and a deferred inflow of resources on the Statement of Net Position. At the commencement of a lease, the County measures the lease receivable as the present value of payments expected to be received during the lease term and then reduces the receivable by the principal portion of lease payments received after satisfaction of accrued interest on the lease receivable, calculated using the effective interest method. The deferred inflow of resources is measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date, then recognized on a straight-line basis as revenue over the lease term.

L. Compensated Absences

The County and Component Unit School Board accrue compensated absences (annual and sick leave benefits) when vested. The County and School Board have accrued the liability arising from outstanding compensated absences.

Primary Government

County employees earn vacation and sick leave at various amounts depending on the length of service. Benefits or pay is received for unused sick leave or retirement bonus upon termination. There are various restrictions both for sick leave and retirement bonus upon termination of employment. Accumulated vacation up to 320 hours is paid upon termination. The County has outstanding accrued vacation and sick pay totaling $5,857,225.

Component Unit School Board

Certain School Board employees accrue vacation and sick leave. The School Board has outstanding accrued vacation and sick-pay totaling $5,040,805.

(Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

M. Use of Estimates

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

N. Net Position

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

- Net investment in capital assets consists of capital assets, net of accumulated depreciation 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.

- With exception to net position restricted for net OPEB assets, 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. OPEB assets, when present, are shown without reduction by respective deferred inflows or outflows of resources since those amounts are used in the derivation of the reported asset.

- 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.

O. Net Position Flow Assumption

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

P. Long-Term Obligations

The County reports long-term obligations of governmental funds at face value. The face value of the debt is believed to be approximate fair value. Long-term obligations financed by proprietary funds are reported as liabilities in the appropriate funds.

(Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

Q. Fund Balance

The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

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

- Restricted fund balance – amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;

- Committed fund balance – amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint;

- Assigned fund balance – amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;

- Unassigned fund balance – amounts that are available for any purpose; positive amounts are only reported in the general fund.

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

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the County's highest level of decision-making authority. The Board of Supervisors is the highest level of decision-making authority for the County that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation.

The Board of Supervisors has established a minimum unassigned fund balance in the General Fund to be no less than 10% of the County's total revenues and should the fund balance fall below the 10% target level, the County will develop a plan during the annual budget adoption process to replenish the fund balance over a period of not more than three years.

(Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

R. Deferred Outflows/Inflows of Resources

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

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

S. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the County's Retirement Plan and the additions to/deductions from the County'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.

T. Other Postemployment Benefits (OPEB)

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

Note 1. Summary of Significant Accounting Policies (Continued)

U. Upcoming Pronouncements

In June 2022, the GASB issued **Statement No. 101**, *Compensated Absences.* This statement updates the recognition and measurement guidance for compensated absences and amends certain previously required disclosures. The requirements of this statement are effective for reporting periods beginning after December 15, 2023.

In December 2023, the GASB issued **Statement No. 102**, *Certain Risk Disclosures.* This statement defines and requires governments to disclose the risks related to concentrations of inflows or outflows of resources. The requirements of this Statement are effective for reporting periods beginning after June 15, 2024.

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

Management has not determined the effects these new GASB Statements may have on prospective financial statements.

V. Subsequent Events

Management has evaluated subsequent events through December 6, 2024, the date the financial statements were available to be issued.

Note 2. Deposits and Investments

Deposits

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

Investments

Statutes authorize local governments and other public bodies to invest in obligations of the United States or agencies thereof, obligations of the Commonwealth of Virginia or political subdivisions thereof, obligations of the International Bank for Reconstruction and Development (World Bank), the Asian Development Bank, the African Development Bank, "prime quality" commercial paper that has received at least two of the following ratings: P-1 by Moody's Investors Service, Inc.; A-1 by Standard and 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).

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(Continued)

Note 2. Deposits and Investments (Continued)

Credit Risk of Debt Securities

State statutes require that commercial paper have a short-term debt rating of no less than “A-1” (or its equivalent) from at least two of the following: Moody’s Investors Service, Standard & Poor’s and Fitch Investor’s Service. Corporate notes, negotiable Certificates of Deposit and bank deposit notes maturing in less than one year must have a short-term debt rating of at least “A-1” by Standard & Poor’s and “P-1” by Moody’s Investor Service. Notes having a maturity of greater than one year must be rated “AA” by Standard & Poor’s and “Aa” by Moody’s Investor Service. The County’s rated debt investments as of June 30, 2024, were rated by Standard & Poor’s and/or an equivalent national rating organization and the ratings are presented below using the Standard & Poor’s rating scale.

County’s Rated Debt Investments’ Values

Rated Debt Investments	**Fair Quality Ratings**	
	AAAm	**Unrated**
Mutual Funds	$ -	$ 381,279
Virginia State Non-Arbitrage Program	44,859,953	-
Local Government Investment Pool	257,687,627	-
Total	$ 302,547,580	$ 381,279

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 categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. The County maximizes the use of observable inputs and minimizes the use of unobservable inputs. Observable inputs are inputs that market participants would use in pricing the asset or liability based on market data obtained from independent sources. Unobservable inputs reflect assumptions that market participants would use in pricing the asset or liability based on the best information available in the circumstances. The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three levels as follows:

- Level 1. Quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at a measurement date.

- Level 2. Directly or indirectly observable inputs for the asset or liability other than quoted prices.

- Level 3. Unobservable inputs that are supported by little or no market activity for the asset or liability.

Inputs are used in applying the various valuation techniques and broadly refer to the assumptions that market participants use to make valuation decisions, including assumptions about risk.

Note 2. Deposits and Investments (Continued)

The County has the following recurring fair value measurements as of June 30, 2024:

Investment Type	Level 1
Mutual Funds	$ 381,279

Concentration of Credit Risk

Concentration of credit risk is defined as the risk of loss attributed to the magnitude of a government's investment in a single issuer. If certain investments in any one issuer represent 5% of total investments, there must be a disclosure for the amount and issuer. At June 30, 2024, there is no portion of the County's portfolio, excluding the investments in LGIP and SNAP, that exceed 5% of the total portfolio. At present the County does not have a policy related to custodial credit risk.

External Investment Pools

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

Interest Rate Risk

Interest rate risk is defined as the risk that changes in interest rates will adversely affect the fair value of an investment.

Investment Maturities (in years)		
Investment Type	**Fair Value**	**Less Than 1 Year**
Virginia State Non-Arbitrage Program	$ 44,859,953	$ 44,859,953
Local Government Investment Pool	257,687,627	257,687,627
Total	$ 302,547,580	$ 302,547,580

Note 2. Deposits and Investments (Continued)

Restricted Investments

Restricted investments at June 30, 2024, are comprised of the following:

	Primary Government	Component Unit School Board
Government Activities:		
Capital Projects Fund:		
General projects unexpended bond proceeds	$ 28,403,215	$ 14,442,414

Note 3. Property Taxes

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

Real estate and personal property taxes are due in two installments, the first on June 25th and the second on December 5.

A ten-percent penalty is levied on all taxes not collected on or before their due date. An interest charge of 10% per annum is also levied on such taxes beginning on their due date.

Property taxes for calendar year 2024 were levied by the County Board of Supervisors on May 14, 2024, on the assessed value listed as of January 1, 2024.

Property taxes levied in the current and prior-year have been recorded as receivables as of the date the County has the legal right to receive payments thereon. Property tax amounts levied in May 2024, but due in December 2024, are not reported as receivables in the current year. The receivables collected during the fiscal year and during the first 45 days of the succeeding fiscal year are recognized as revenues in the current fiscal year. Taxes receivable as of the end of the year (June 30) and not collected until the succeeding year are reported as unavailable revenues.

(Continued)

Note 4. Receivables

	Primary Government - Governmental Activities					Component Unit
	General	Federal/ State Grants Fund	General Capital Improvements	Other Government Funds	Total	School Board
Property taxes	$ 22,121,049	$ -	$ -	$ -	$ 22,121,049	$ -
Other	5,082,953	92,194	429,504	1,680,786	7,285,437	1,138,480
Total	27,204,002	92,194	429,504	1,680,786	29,406,486	1,138,480
Allowance for uncollectibles	(1,623,801)	-	-	-	(1,623,801)	-
Net receivables	$ 25,580,201	$ 92,194	$ 429,504	$ 1,680,786	$ 27,782,685	$ 1,138,480

Receivables for internal service funds amounting to $1,031,016 are included in the government wide statements on Exhibit 1 and not included in the table above, for payroll services hosted for entities outside the local government.

At June 30, 2024, the Economic Development Authority had $313,461 in accounts receivable consisting of expected reimbursements for bond servicing costs and loans for economic development.

Note 5. Due from Other Governments

Due from other governments for Governmental Funds at June 30, 2024, consist of the following:

	General	Federal/ State Grants Fund	General Capital Improvements	ARPA Fund	Total
Commonwealth of Virginia:					
Local sales taxes	$ 4,119,286	$ -	$ -	$ -	$ 4,119,286
PPTRA	6,783,357	-	-	-	6,783,357
Communications tax	222,983	-	-	-	222,983
Comprehensive Services Act	-	2,509,994	-	-	2,509,994
Shared expenses	255,572	-	-	-	255,572
Public assistance grants	206,694	-	-	-	206,694
Other state funds	242,927	600,386	34,108	-	877,421
Federal government:					
Public assistance grants	588,977	-	-	-	588,977
Other federal funds	-	1,283,792	-	104,996	1,388,788
Total	$ 12,419,796	$ 4,394,172	$ 34,108	$ 104,996	$ 16,953,072

(Continued)

Note 5. Due from Other Governments (Continued)

Due from other governments for School Board Funds at June 30, 2024, consist of the following:

	School Board
Commonwealth of Virginia:	
State sales taxes	$ 3,603,201
Other state funds	287,298
Federal government:	
School funds	5,736,173
Total	$ 9,626,672

Note 6. Interfund Balances and Activity

Primary Government

Balances Due To/From Other Funds

There are no balances due to or from other funds at June 30, 2024.

Transfers To/From Other Funds

General Fund	
Federal/State/ARPA Grants Funds for other costs	$ 405,241
Capital Projects	4,869,621
Water resources for costs expended	1,257,137
Tourism Fund for tourism program costs expended	2,522,066
Total General Fund	9,054,065
Federal/State Grants Fund	
General and other funds for local match funds for various grant programs	4,270,864
General Debt Service	
General and other funds for debt service expenditures	9,278,375
School Debt Service	
General Fund for debt service expenditures	15,667,393
General Capital improvements:	
General Fund and special reserve funds for capital projects	15,191,664
Courthouse Maintenance Fund for building renovations and other costs	22,575
Total General Capital Improvements Fund	15,214,239

(Continued)

Note 6. Interfund Balances and Activity (Continued)

Computer Replacement Fund	
General Fund for paid in costs	141,645
Broadband Development Fund	
Grant Fund for future Broadband Development costs	2,372,003
Economic Development Fund	
Capital Improvement fund for development projects	500,000
Storm Water Control Fund	
Capital Improvement fund for stormwater projects	100,000
Water Resources Fund	
General Fund for water resources projects	1,916,214
Total transfers	$ 58,514,798

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Note 7. Capital Assets

The following is a summary of the changes in capital assets for the fiscal year ended June 30, 2024:

Governmental Activities:

	Balance July 1, 2023**	Additions	Deletions	Balance June 30, 2024
Capital assets not being depreciated:				
Land	$ 11,678,020	$ 58,064,854	$ 39,881	$ 69,702,993
Construction in progress	7,967,937	21,437,294	1,494,502	27,910,729
School construction in progress *	28,579,846	26,855,559	9,677,508	45,757,897
Subscriptions costs in progress	-	497,196	-	497,196
Total capital assets not being depreciated	48,225,803	106,854,903	11,211,891	143,868,815
Capital assets being depreciated:				
Buildings and improvements	90,567,841	-	265,408	90,302,433
Buildings – leases	3,468,233	-	-	3,468,233
Other improvements	18,814,247	4,620,512	369,311	23,065,448
School buildings and improvements *	85,265,742	29,403,835	10,134,010	104,535,567
Furniture, equipment, and vehicles	75,048,028	6,147,988	3,492,060	77,703,956
Equipment - leases	49,327	-	-	49,327
Right-of-use subscriptions	1,879,285	-	-	1,879,285
Total capital assets being depreciated	275,092,703	40,172,335	14,260,789	301,004,249
Accumulated depreciation:				
Buildings and improvements	44,110,090	1,978,006	243,064	45,845,032
Buildings – leases	-	378,353	-	378,353
Other improvements	10,984,197	922,067	282,322	11,623,942
School buildings and improvements *	7,327,966	5,073,325	762,887	11,638,404
Furniture, equipment, and vehicles	61,638,772	4,218,928	3,391,234	62,466,466
Equipment – leases	-	7,838	-	7,838
Right-of-use subscriptions	-	697,660	-	697,660
Total accumulated depreciation	124,061,025	13,276,177	4,679,507	132,657,695
Total capital assets being depreciated, net	151,031,678	26,896,158	9,581,282	168,346,554
Governmental activities capital assets, net	$ 199,257,481	$ 133,751,061	$ 20,793,173	$ 312,215,369

**Beginning balances are restated, see note 26.

Note 7. Capital Assets (Continued)

Governmental Activities:

Depreciation expense was allocated as follows:	
General government administration	$ 2,576,255
Judicial administration	390,228
Public safety	3,968,729
Public works	61,618
Health and welfare	116,252
Education	5,090,773
Parks, recreation, and cultural	975,142
Community development	97,180
Total depreciation expense	$ 13,276,177

Reconciliation of primary government net position net investment in capital assets:

Net capital assets		$ 312,215,369
Long-term debt applicable to capital assets at June 30, 2024:		
General obligation school bonds	$ 38,705,000	
School – Public facility revenue bonds	122,763,340	
County – Public facility revenue bonds	156,096,661	
Premium on bonds payable	20,355,218	
Discount on bonds payable	(105,154)	
Arbitrage rebate liability	593,391	
Lease liabilities	3,363,882	
Subscription liabilities	1,193,325	
		342,965,663
Less: debt proceeds received but not expended on capital assets at June 30, 2024		(42,845,629)
Net long-term debt		300,120,034
Balance of accounts payable related to capital assets		6,160,270
Net investment in capital assets		$ 5,935,065

Note 7. Capital Assets (Continued)

Component Unit School Board:

	Balance July 1, 2023**	Additions	Deletions	Balance June 30, 2024
Capital assets not being depreciated:				
Land and land improvements	$ 6,156,750	$ 1,900,375	$ 18,800	$ 8,038,325
Construction in progress	37,873,808	19,947,865	9,986,917	47,834,756
School construction in progress Allocated to County *	(28,579,846)	(26,855,559)	(9,677,508)	(45,757,897)
Total capital assets not being depreciated	15,450,712	(5,007,319)	328,209	10,115,184
Capital assets being depreciated:				
Buildings and improvements	323,880,758	-	1,125,171	322,755,587
Lease asset - buildings	2,221,532	-	-	2,221,532
Other improvements	34,454,999	16,072,136	498,386	50,028,749
School buildings, improvements, and vehicles *	(85,265,742)	(29,403,835)	(10,134,010)	(104,535,567)
Furniture, equipment, and vehicles	57,668,035	3,565,663	4,815,747	56,417,951
Right-to-use subscriptions	643,845	381,544	-	1,025,389
Lease asset - equipment	104,260	-	-	104,260
Total capital assets being depreciated	333,707,687	(9,384,492)	(3,694,706)	328,017,901
Accumulated depreciation:				
Buildings and improvements	212,024,606	10,215,670	1,061,319	221,178,957
Lease asset - buildings	1,088,098	544,048	-	1,632,146
Other improvements	18,651,614	3,020,773	485,264	21,187,123
School buildings, improvements, and vehicles *	(7,327,966)	(5,073,325)	(762,887)	(11,638,404)
Furniture, equipment, and vehicles	47,578,806	2,866,480	4,836,760	45,608,526
Right-to-use subscriptions	-	304,447	-	304,447
Lease asset - equipment	-	13,687	-	13,687
Total accumulated depreciation	272,015,158	11,891,780	5,620,456	278,286,482
Total capital assets being depreciated, net	61,692,529	(21,276,272)	(9,315,162)	49,731,419
School Board capital assets, net	$ 77,143,241	$ (26,283,591)	$ (8,986,953)	$ 59,846,603
Depreciation expense allocated to education		$ 11,891,780		

*School Board capital assets are jointly owned by the County (primary government) and the component unit School Board. The County share of the School Board capital assets is in proportion to the debt owed on such assets by the County. The County reports depreciation on these assets as an element of its share of the costs of the public school system.
**Beginning balances are restated, see note 26.

Note 7. Capital Assets (Continued)

Component Unit School Board: (Continued)

Reconciliation of School Board net investment in capital assets:

Net capital assets		$ 59,846,603
Long-term debt applicable to capital assets at June 30, 2024:		
School energy improvement loan	$ 4,478,876	
Lease liabilities	757,620	
Subscription liabilities	672,088	
		5,908,584
Balance of accounts payable related to capital assets		5,215,427
Net investment in capital assets		$ 48,722,592

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Note 8. Long-Term Obligations

Primary Government

General Fund revenues are used to pay all long-term general obligation debt, leases, pension, and OPEB liabilities and governmental activities compensated absences.

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

	Balance July 1, 2023*	Increases/ Issuances	Decreases/ Retirements	Balance June 30, 2024	Amounts Due Within One Year
General obligation school bonds:					
Direct Borrowings and Direct Placements	$ 44,385,000	$ -	$ 5,680,000	$ 38,705,000	$ 5,415,000
School - Public facility revenue bonds:					
Public Offerings	69,460,588	57,756,762	4,454,010	122,763,340	4,612,831
County – Public facility revenue bonds:					
Public Offerings	49,844,413	110,398,238	4,145,990	156,096,661	4,267,169
Premium on bonds payable	15,849,965	7,088,278	2,583,025	20,355,218	2,646,643
Discount on bonds payable	-	(119,466)	(14,312)	(105,154)	(26,282)
Arbitrage rebate liability	-	593,391	-	593,391	-
Lease liabilities	3,625,068	-	261,186	3,363,882	291,122
Subscription liabilities	1,879,284	-	685,959	1,193,325	672,732
Claims payable	3,923,586	551,244	-	4,474,830	4,474,830
Compensated absences	6,154,644	-	297,419	5,857,225	585,722
Total primary government	$ 195,122,548	$ 176,268,447	$ 18,093,277	$ 353,297,718	$ 22,939,767

Reconciliation to Exhibit 1:

Long-term liabilities due within one year:	$ 22,939,767
Long-term liabilities due in more than one year:	330,357,951
Total long-term obligations	$ 353,297,718

*Beginning balances are restated, see Note 26.

Note 8. Long-Term Obligations (Continued)

Primary Government (Continued)

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

Year Ending June 30,	Direct Borrowings and Direct Placements: General Obligation School Bonds Principal	Direct Borrowings and Direct Placements: General Obligation School Bonds Interest	Revenue & Refunding Bonds: School Public Facility Public Offerings Principal	Revenue & Refunding Bonds: School Public Facility Public Offerings Interest	Revenue & Refunding Bonds: County Public Facility Public Offerings Principal	Revenue & Refunding Bonds: County Public Facility Public Offerings Interest
2025	$ 5,415,000	$ 1,567,903	$ 4,612,831	$ 5,218,928	$ 4,267,169	$ 7,511,181
2026	5,035,000	1,321,021	7,907,870	5,070,364	7,397,130	7,317,100
2027	4,740,000	1,090,609	7,423,536	4,727,429	5,981,464	6,959,564
2028	3,985,000	883,854	7,240,739	4,365,369	64,904,261	6,671,376
2029	3,500,000	708,769	7,433,353	4,012,723	6,201,647	3,260,820
2030	2,180,000	579,316	7,389,471	3,660,136	6,255,530	2,972,258
2031	2,230,000	472,626	7,578,428	3,309,688	6,401,572	2,680,893
2032	1,790,000	371,181	7,772,336	2,949,741	6,552,664	2,382,127
2033	1,845,000	317,481	7,469,288	2,610,931	6,520,712	2,088,188
2034	1,900,000	262,131	7,091,907	2,283,628	5,193,093	1,794,471
2035	1,965,000	200,381	7,206,024	2,003,893	5,263,976	1,578,245
2036	2,025,000	136,519	6,920,623	1,719,961	5,179,377	1,358,963
2037	2,095,000	70,706	6,416,411	1,443,003	4,513,589	1,140,422
2038	-	-	5,891,280	1,183,340	3,903,720	944,560
2039	-	-	5,941,715	969,293	3,923,285	780,607
2040	-	-	5,999,356	754,237	3,945,644	616,263
2041		-	6,053,394	538,028	3,966,606	451,472
2042	-	-	3,207,390	320,739	2,862,612	286,261
2043	-	-	3,207,388	160,369	2,862,610	143,131
	$ 38,705,000	$ 7,982,497	$ 122,763,340	$ 47,301,800	$ 156,096,661	$ 50,937,902

Year Ending June 30,	Lease and Subscription Liabilities: Lease Liabilities Principal	Lease and Subscription Liabilities: Lease Liabilities Interest	Lease and Subscription Liabilities: Subscription Liabilities Principal	Lease and Subscription Liabilities: Subscription Liabilities Interest
2025	$ 291,122	$ 161,635	$ 672,732	$ 46,113
2026	321,831	146,383	520,593	12,005
2027	354,664	129,548	-	-
2028	389,751	111,020	-	-
2029	417,779	90,859	-	-
2030-2035	1,588,735	134,725	-	-
	$ 3,363,882	$ 774,170	$ 1,193,325	$ 58,118

(Continued)

Note 8. Long-Term Obligations (Continued)

Primary Government (Continued)

Details of general long-term obligations outstanding are as follows:

	Amount Outstanding
County Public Facilities Revenue Bonds:	
Public Offerings:	
$38,880,000, Public Facility Revenue Bonds 2015B Series, (General portion $26,139,343) issued September 30, 2015, maturing in various annual installments ranging from $1,000,000 to $3,125,000 through June 1, 2036, interest payable semi-annually 2.7%	$ 10,552,424
$22,240,000, Public Facility Revenue Bonds, Series 2017, (General portion $10,259,891) issued March 9, 2017, maturing in various annual installments through June 1, 2037, interest payable semi-annually 2.853%	7,065,549
$66,710,000, Public Facility Revenue and Refunding Bonds, Series 2021A (General portion $18,644,924), issued June 24, 2021, maturing in various annual installments through June 1, 2041, interest payable semi-annually ranging from 2.00% to 5.00%	16,836,609
$8,235,000, Public Facility Revenue Bonds, Series 2021B, (General portion $1,566,297), issued June 24, 2021, maturing in various annual installments through June 1, 2026, interest payable semi-annually ranging from 0.65% to 5.00%	743,682
$16,920,000, Public Facility Revenue Bonds, Series 2022, (General portion $12,363,444), issued March 30, 2022, maturing in various annual installments through June 1, 2033, interest payable semi-annually ranging from 3.375% to 5.00%	10,500,159
$109,305,000 Public Facility Revenue Bonds, Series 2023A, (General portion 2043, $51,438,238), issued November 15, 2023, maturing in various installments through June 1, 2043, interest payable semi-annually 5.00%	51,548,238
$58,850,000, Public Facility Revenue Bonds, Series 2023B, issued November 15, 2023, maturing in single installment on June 1, 2028, interest payable semi-annually 5.30%	58,850,000
Total County public facilities revenue bonds	156,096,661
School Public Facilities Revenue Bonds:	
Public Offerings:	
$66,710,000, Public Facility Revenue and Refunding Bonds, Series 2021A (School portion $48,065,076), issued June 24, 2021, maturing in various annual installments through June 1, 2041, interest payable semi-annually ranging from 2.00% to 5.00%	43,403,391
$8,235,000, Public Facility Revenue Bonds, Series 2021B, (School portion $6,668,703), issued June 24, 2021, maturing in various annual installments through June 1, 2026, interest payable semi-annually ranging from 0.65% to 5.00%	3,166,318
$22,240,000, Public Facility Revenue Bonds, Series 2017, (School portion $11,980,109) issued March 9, 2017, maturing in various annual installments through June 1, 2037, interest payable semi-annually 2.853%	7,519,452

Note 8. Long-Term Obligations (Continued)

Primary Government (Continued)

Details of general long-term obligations: (Continued)

	Amount Outstanding
School Public Facilities Revenue Bonds: (Continued)	
Public Offerings: (Continued)	
$38,880,000, Public Facility Revenue Bonds 2015B Series, (School portion $12,740,657) issued September 30, 2015, maturing in various annual installments ranging from $1,000,000 to $3,125,000 through June 1, 2036, , interest payable semi-annually 2.7%	7,047,577
$16,920,000, Public Facility Revenue Bonds, Series 2022, (School portion $4,556,556), issued March 30, 2022, maturing in various annual installments through June 1, 2033, interest payable semi-annually ranging from 3.375% to 5.00%	3,869,840
$109,305,000 Public Facility Revenue Bonds, Series 2023A, (School portion 2043, $57,756,762), issued November 15, 2023, maturing in various installments through June 1, 2043, interest payable semi-annually 5.00%	57,756,762
Total School public facilities revenue bonds	122,763,340
General Obligation School Bonds:	
Direct Borrowings and Direct Placements:	
$30,435,000, Series 2017, issued March 8, 2017, maturing in various annual installments through July 1, 2037, interest payable semi-annually at 2.853%	22,585,000
$2,000,000, Qualified School Construction Bonds, issued December 1, 2011, maturing in various annual installments through December 1, 2030, interest-free as a federal tax credit is provided to bondholders	770,000
$8,950,000, 2004B Series, issued November 10, 2004, maturing in various annual installments through July 15, 2024, interest payable semi-annually at rates from 4.10% to 5.60%	445,000
$7,380,000, 2005A Series, issued November 10, 2005, maturing in various annual installments through July 15, 2025, interest payable semi-annually at rates from 4.10% to 5.60%	730,000
$15,020,000, 2006B Series, issued November 9, 2006, maturing in various annual installments through July 15, 2026, interest payable semi-annually at rates from 4.34% to 5.10%	2,250,000
$11,325,000, 2007A Series, issued November 8, 2007, maturing in various annual installments through July 15, 2027, interest payable semi-annually at 5.10%	2,260,000

Note 8. Long-Term Obligations (Continued)

Primary Government (Continued)

Details of general long-term obligations: (Continued)

	Amount Outstanding
General Obligation School Bonds: (Continued)	
Direct Borrowings and Direct Placements: (Continued)	
$28,045,000, 2008A Series, issued December 11, 2008, maturing in various annual installments through July 15, 2028, interest payable semi-annually at 4.66%	7,000,000
$7,670,000, 2010D Series, issued November 10, 2010, maturing in various annual installments through July 15, 2030, interest payable semi-annually at 2.867%	2,665,000
Total general obligation school bonds	$ 38,705,000

Under U.S. Treasury Department regulations, all governmental tax-exempt debt issued after August 31, 1986, is subject to arbitrage rebate requirements. The requirements stipulate, in general, that the actual earnings from the investment of tax-exempt bond proceeds, which exceed related interest earnings if such investments were invested at a rate equal to the yield of the bonds, must be remitted to federal government on every fifth anniversary of each bond issuance. The County, w has evaluated each series of tax-exempt general obligation bonds, lease revenue bonds, and other direct loans. The County has recognized an arbitrage rebate of $593,391 in the government-wide statements subject to these requirements.

Further information on lease and subscriptions is outlined in Notes 24 and 25.

Note 8. Long-Term Obligations (Continued)

Component Unit—School Board:

The following is a summary of long-term obligation transactions of the School Board for the year ended June 30, 2024.

	Balance July 1, 2023*	Increases	Decreases	Balance June 30, 2024	Amounts Due Within One Year
Compensated absences	$ 5,409,420	$ -	$ 368,615	$ 5,040,805	$ 504,080
School energy improvement loan	5,159,288	-	680,412	4,478,876	703,003
Lease liabilities	1,332,577	-	574,957	757,620	632,675
Subscription liabilities	643,845	381,544	353,301	672,088	264,398
Total	$ 12,545,130	$ 381,544	$ 1,977,285	$ 10,949,389	$ 2,104,156
Reconciliation to Exhibit 1:					
Long-term liabilities due within one year				$ 2,104,156	
Long-term liabilities due in more than one year				8,845,233	
Total long-term debt				$ 10,949,389	

School fund revenues and appropriations from the General Fund are used to pay for its compensated absences.

Annual requirements to amortize the energy improvements loan, leases, and subscription liabilities are as follows. Further information on lease and subscriptions is outlined in notes 24 and 25:

*Beginning balances are restated, see note 26.

Year Ending June 30,	School Energy Improvement Loan		Lease and Subscription Liabilities			
			Lease Liabilities		Subscription Liabilities	
	Principal	Interest	Principal	Interest	Principal	Interest
2025	$ 703,003	$ 144,871	$ 632,675	$ 25,205	$ 264,398	$ 33,604
2026	726,140	119,790	73,664	4,657	211,693	20,384
2027	749,834	93,886	22,496	2,974	195,997	9,800
2028	774,098	67,141	19,429	1,436	-	-
2029	766,761	40,099	9,356	358	-	-
2030	759,040	13,321	-	-	-	-
	$ 4,478,876	$ 479,108	$ 757,620	$ 34,630	$ 672,088	$ 63,788

Note 8. Long-Term Obligations (Continued)

Component Unit—School Board: (Continued)

Details of Long-term obligations are as follows:

	Amount Outstanding
School Energy Improvement Loan	
$7,821,492, School Energy Improvement Lease, issued September 28, 2017, maturing in various annual installments through August 15, 2009, interest payable semi-annually at 3.510%	$ 4,478,876
Lease liabilities	757,620
Subscription liabilities	672,088
Compensated absences	5,040,805
Total long-term obligations	$ 10,949,389

Note 9. Unearned and Deferred/Unavailable Revenue

The following is a summary of unearned revenue for the year ended June 30, 2024.

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

	Government-Wide Statements	Balance Sheet
	Governmental Activities	Governmental Funds
Deferred/Unavailable revenue:		
Unearned revenue representing uncollected property tax billings for which asset recognition criteria has not been met. The uncollected tax billings are not available for the funding of current expenditures	$ -	$ 8,833,464
Prepaid property tax revenues representing collections received for property taxes that are applicable to the subsequent budget year	8,382,473	8,382,473
Total deferred/unavailable revenue	$ 8,382,473	$ 17,215,937

Note 10. Commitments and Contingencies

Primary Government and Component Unit School Board:

A. Federal programs in which the County and School Board participate were audited in accordance with the provisions of Title 2 U.S. Code of Federal Regulations 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 disallowances of current grant program expenditures, if any, would be immaterial.

B. The County is a defendant in various lawsuits. Although the outcomes are not presently determinable, in the Opinion of the County's counsel, the resolution of these matters will not have a material adverse effect on its' financial condition. All matters have been referred to the County's insurance carriers, which are handling the matters.

C. There are a number of other ongoing capital projects that have been approved and for which funds have been designated to finance them.

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(Continued)

Note 11. Part-Time Employee Pension Plan

The County contributes to the County of Albemarle Pension Plan for Permanent Part-time Employees, a defined contribution plan for its permanent part-time employees. Under the terms of the plan administered by Retirement Plan Administrative Services, Ltd., employees are eligible to participate following five years of service. Between five and ten years of service, participants receive a contribution of five percent (5%) of covered payroll. Between ten and fifteen years of service, participants receive a contribution of seven percent (7%) of covered payroll. Between fifteen and twenty years of service, participants receive a contribution of nine percent (9%) of covered payroll. Participants with over twenty (20) years of service receive a contribution of eleven percent (11%) of covered payroll.

The County Board of Supervisors and the School Board are responsible for establishing the plan's provisions, as well as all amendments each year as part of the budgetary process. They also provide all contributions to the plan (the employee makes no contributions to the plan). In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings.

The County and School Board's contributions to the plan for fiscal year 2024 were $34,153 and $205,980, respectively. The covered payroll for covered County employees was $478,618 and $2,841,019 for School Board employees, respectively. The contribution averaged 7.14% and 7.25% of the covered payrolls of the County and School Board, respectively. The County and School Board had no investments with the plan at any time during the year.

Note 12. Annexation and Revenue Sharing Agreement

An Annexation and Revenue Sharing Agreement dated February 17, 1982, between the County and the City of Charlottesville, Virginia was approved in a public referendum on May 18, 1982. The agreement requires the County and City annually to contribute portions of their respective real property tax bases and revenues to a Revenue and Economic Growth Sharing Fund. Distribution of the fund and the resulting net transfer of funds shall be made on each January 31 while this agreement remains in effect.

During the time this agreement is in effect, the City will not initiate any annexation procedures against the County. Also, pursuant to this agreement, a committee was created to study the desirability of combining the governments and the services presently provided by them.

This agreement became effective July 1, 1982, and remains in effect until:

1. The County and City are consolidated into a single political subdivision, or

2. The concept for independent cities presently existing in Virginia is altered by State law in such a manner that real property in the City becomes a part of the County's tax base, or

3. The County and City mutually agree to cancel or change the agreement.

During the fiscal year, the County paid $15,715,740 to the City as a result of this agreement. Amounts to be paid pursuant to this agreement are to be funded from revenues of the fiscal year in which paid.

(Continued)

Note 13. Defined Benefit Pension Plan

Plan Description

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

The System administers three different benefit structures for covered employees – Plan 1, Plan 2, and Hybrid. Each of these benefit structures has a different eligibility criteria. The specific information for each plan and the eligibility for covered groups within each plan are available at:

- https://www.varetire.org/members/benefits/defined-benefit/plan1.asp,
- https://www.varetire.org/members/benefits/defined-benefit/plan2.asp,
- https://www.varetirement.org/hybrid.html.

Employees Covered by Benefit Terms

As of the June 30, 2022, actuarial valuation, the following employees were covered by the benefit terms of the pension plan:

	County	School Non-Professional
Inactive members or their beneficiaries currently receiving benefits	553	236
Inactive members:		
Vested inactive members	151	47
Non-vested inactive members	204	183
Inactive members active elsewhere in VRS	239	122
Total inactive members	594	352
Active members	765	325
Total covered employees	1,912	913

Note 13. Defined Benefit Pension Plan (Continued)

Contributions

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

The political subdivision's contractually required contribution rate for the year ended June 30, 2024 was 15.42% of covered employee compensation. The School Board Non-Professional Employee Plan's contractually required rate for the year ended June 30, 2024, was 3.91%. These rates were based on an actuarially determined rate from an actuarial valuation as of June 30, 2021.

These rates, when combined with employee contributions, were expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the political subdivision were $9,568,225 and $8,281,606 for the years ended June 30, 2024 and June 30, 2023, respectively. Contributions to the pension plan from the School Board Non-Professional Employee Plan were $372,574 and $337,819 for the years ended June 30, 2024 and June 30, 2023, respectively.

Net Pension Liability

The net pension liability is calculated separately for each employer and represents that particular employer's total pension liability determined in accordance with GASB Statement No. 68, less that employer's fiduciary net position. For Political Subdivisions, the net pension liability was measured as of June 30, 2023. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of June 30, 2022, rolled forward to the measurement date of June 30, 2023.

Actuarial Assumptions

The total pension liability for General Employees, Public Safety employees with Hazardous Duty Benefits, and the VRS Teacher Retirement Plan in the Political Subdivision's Retirement Plan was based on an actuarial valuation as of June 30, 2022, 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, 2023.

Note 13. Defined Benefit Pension Plan (Continued)

Actuarial Assumptions (Continued)

Inflation	2.50%
General Employees – Salary increases, including inflation	3.50 – 5.35%
Public Safety Employees with hazardous duty benefits – Salary increases, including inflation	3.50 – 4.75%
Teacher Cost Sharing Plan – Salary increases, including inflation	3.50 – 5.95%
Investment rate of return	6.75%, net of pension plan investment expense, including inflation

Mortality rates: General employees – 15 to 20% of deaths are assumed to be service-related. Public Safety Employees – 45% to 70% of deaths are assumed to be service-related. Mortality is projected using the applicable Pub-2010 Mortality Table with various setbacks or set forwards for both males and females.

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, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2021. Changes to the actuarial assumptions as a result of the experience study are as follows:

General Employees – Largest 10 – Non-Hazardous Duty and All Others (Non 10 Largest): Updated mortality table; adjusted retirement rates to better fit experience; adjusted withdrawal rates to better fit experience at each year age and service through 9 years of service; no change to disability rates; no change to salary scale; no change to line of duty disability; and no change to discount rate.

Public Safety Employees – Largest 10 – Hazardous Duty and All Others (Non 10 Largest): Updated mortality table; adjusted retirement rate to better fit experience and increased final retirement age to 70; decreased rates of withdrawal; no change to disability rates; no changes to salary scale; no change to line of duty disability; and no change to discount rate.

Note 13. Defined Benefit Pension Plan (Continued)

Long-Term Expected Rate of Return

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

Asset Class (Strategy)	Target Allocation	Arithmetic Long-Term Expected Rate of Return	Weighted Average Long-Term Expected Rate of Return
Public Equity	34.00 %	6.14 %	2.09 %
Fixed Income	15.00	2.56	0.38
Credit Strategies	14.00	5.60	0.78
Real Assets	14.00	5.02	0.70
Private Equity	16.00	9.17	1.47
MAPS – Multi-Asset Public Strategies	4.00	4.50	0.18
PIP – Private Investment Partnership	2.00	7.18	0.14
Cash	1.00	1.20	0.01
Total	100.00 %		5.75 %
	Inflation		2.50 %
	*Expected arithmetic nominal return		8.25 %

* The above allocation provides for a one-year return of 8.25%. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected rate of return for the System, stochastic projections are employed to model future returns under various economic conditions. The results provide a range of returns over various time periods that ultimately provide a median return of 7.14%, including expected inflation of 2.50%. On June 15, 2023, the VRS Board elected a long-term rate of 6.75% which is roughly at the 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. Defined Benefit Pension Plan (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. Consistent with the phased-in funding provided by the General Assembly for state and teacher employer contributions, Political Subdivisions were also provided with an opportunity to use an alternate employer contribution rate. For the year ended June 30, 2023, the alternate rate was the employer contribution rate used in the fiscal year 2012 or 100% of the actuarially determined employer contribution rate from the June 30, 2022, actuarial valuations, whichever was greater. From July 1, 2023, on, participating employers 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 - County

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) – (b)
Balances at June 30, 2022	$ 231,093,531	$ 203,374,807	$ 27,718,724
Changes for the year:			
Service cost	6,917,174	-	6,917,174
Interest	15,472,544	-	15,472,544
Differences between expected and actual experience	8,858,833	-	8,858,833
Assumption changes	-	-	-
Contributions – employer	-	8,238,730	(8,238,730)
Contributions – employee	-	2,646,009	(2,646,009)
Net investment income	-	13,025,864	(13,025,864)
Benefit payments, including refunds of employee contributions	(10,902,716)	(10,902,716)	-
Administrative expenses	-	(126,372)	126,372
Other changes	-	116,446	(116,446)
Net changes	20,345,835	12,997,961	7,347,874
Balances at June 30, 2023	$ 251,439,366	$ 216,372,768	$ 35,066,598

Note 13. Defined Benefit Pension Plan (Continued)

Changes in Net Pension Liability (Asset) – School Board Non-Professional Employee Plan

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) – (b)
Balances at June 30, 2022	$ 34,544,846	$ 37,193,426	$ (2,648,580)
Changes for the year:			
Service cost	910,815	-	910,815
Interest	2,330,043	-	2,330,043
Differences between expected and actual experience	1,169,264	-	1,169,264
Assumption changes	-	-	-
Contributions – employer	-	333,588	(333,588)
Contributions – employee	-	529,126	(529,126)
Net investment income	-	2,373,638	(2,373,638)
Benefit payments, including refunds of employee contributions	(1,873,013)	(1,873,013)	-
Administrative expenses	-	(23,942)	23,942
Other changes	-	954	(954)
Net changes	2,537,109	1,340,351	1,196,758
Balances at June 30, 2023	$ 37,081,955	$ 38,533,777	$ (1,451,822)

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

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

	1.00% Decrease (5.75%)	Current Discount Rate (6.75%)	1.00% Increase (7.75%)
County's net pension liability	$ 69,057,896	$ 35,066,598	$ 7,093,164
School Board Non-Professional Employee Plan's net pension liability (asset)	$ 3,155,058	$ (1,451,822)	$ (5,245,536)

Note 13. Defined Benefit Pension Plan (Continued)

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

For the year ended June 30, 2024, the County recognized pension expense of $7,821,612. At June 30, 2024, the political subdivision 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	$ 6,363,387	$ 3,455,888
Change in assumptions	1,779,007	-
Net difference between projected and actual earnings on pension plan investments	-	2,993,843
Employer contributions subsequent to the measurement date	9,568,225	-
Total	$ 17,710,619	$ 6,449,731

The $9,568,225 reported as deferred outflows of resources related to pensions resulting from the Political Subdivision'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, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,	Effect on to Pension Expense
2025	$ (235,373)
2026	(2,402,926)
2027	4,235,054
2028	95,908
2029	-
Thereafter	-

Note 13. Defined Benefit Pension Plan (Continued)

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

For the year ended June 30, 2024, the School Board Non-Professional Employee Plan recognized pension expense of $145,767. At June 30, 2024, the political subdivision 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	$ 684,092	$ 142,772
Net difference between projected and actual earnings on pension plan investments	-	587,450
Employer contributions subsequent to the measurement date	372,574	-
Total	$ 1,056,666	$ 730,222

The $372,574 reported as deferred outflows of resources related to pensions resulting from the School'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, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,	Effect on Pension Expense
2025	$ (81,776)
2026	(520,421)
2027	535,658
2028	20,409
2029	-
Thereafter	-

Note 13. Defined Benefit Pension Plan (Continued)

Pension Plan Data

Information about the VRS Political Subdivision Retirement Plans is also available in the separately issued VRS 2023 Annual Report. A copy of the 2023 VRS Annual Report may be downloaded from the VRS website at http://www.varetire.org/Pdf/Publications/2023-annual-report.pdf, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

Note 14. Defined Benefit Pension Plan – Teacher Cost Sharing Plan

General Information about the Teacher Cost Sharing Plan

Plan Description

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

The System administers three different benefit structures for covered employees in the VRS Teacher Retirement Plan – Plan 1, Plan 2, and Hybrid. The provisions and features of the plans, as well as all actuarial assumptions, are substantially the same as those referenced in Note 13.

Contributions

The contribution requirement for active employees is governed by §51.1-145 of the *Code of Virginia*, as amended, but may be impacted as a result of funding provided to school divisions by the Virginia General Assembly. Employees are required to contribute 5.00% of their compensation toward their retirement. Each school division's contractually required contribution rate for the year ended June 30, 2024, was 16.62% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2021. 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 $21,351,088 and $19,353,135 for the years ended June 30, 2024 and June 30, 2023, respectively.

In June 2023, the Commonwealth made a special contribution of approximately $147.5 million to the VRS Teacher Employee Plan. This special payment was authorized by Chapter 2 of the Acts of Assembly of 2022, Special Session I, as amended by Chapter 769, 2023 Acts of Assemble Reconvened Session, and is classified as a non-employer contribution.

Note 14. Defined Benefit Pension Plan – Teacher Cost Sharing Plan (Continued)

General Information about the Teacher Cost Sharing Plan (Continued)

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

At June 30, 2024, the School Division reported a liability of $123,914,331 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2023, and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation performed as of June 30, 2022, and rolled forward to the measurement date of June 30, 2023. 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, 2023, relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2023, the school division's proportion was 1.2260% as compared to 1.2056% at June 30, 2022.

For the year ended June 30, 2024, the school division recognized pension expense of $14,994,795. Since there was a change in proportionate share between measurement dates, a portion of the pension expense was related to deferred amounts from changes in proportion and from differences between employer contributions and the proportionate share of employer contributions. Beginning with the June 30, 2022, measurement date, the difference between the expected and actual contributions is included with the pension expense calculation.

At June 30, 2024, 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	$ 10,644,347	$ 4,835,667
Change in assumptions	5,617,471	-
Net difference between projected and actual earnings on pension plan investments	-	8,056,931
Changes in proportion and differences between employer contributions and proportionate share of contributions	7,264,603	1,632,917
Employer contributions subsequent to the measurement date	21,351,088	-
Total	$ 44,877,509	$ 14,525,515

Note 14. Defined Benefit Pension Plan – Teacher Cost Sharing Plan (Continued)

General Information about the Teacher Cost Sharing Plan (Continued)

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

The $21,351,088 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, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,	Effect on Pension Expense
2025	$ (288,188)
2026	(5,509,452)
2027	12,044,306
2028	2,754,240
2029	-
Thereafter	-

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, 2023, NPL amounts for the VRS Teacher Employee Retirement Plan is as follows (amounts expressed in thousands):

	Teacher Employee Retirement Plan
Total pension liability	$ 57,574,609
Plan fiduciary net position	47,467,405
Employers' net pension liability (asset)	$ 10,107,204
Plan fiduciary net position as a percentage of the total pension liability	82.45%

Note 14. Defined Benefit Pension Plan – Teacher Cost Sharing Plan (Continued)

Net Pension Liability (Continued)

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

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 of the School Division 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 was calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate:

	1.00% Decrease (5.75%)	Current Discount Rate (6.75%)	1.00% Increase (7.75%)
School division's proportionate share of the VRS Teacher Employee Retirement Plan net pension liability	$ 219,655,911	$ 123,914,331	$ 45,206,876

Pension Plan Fiduciary Net Position

Detailed information about the VRS Teacher Retirement Plan's Fiduciary Net Position is available in the separately issued VRS 2023 Annual Report. A copy of the 2023 VRS Annual Report may be downloaded from the VRS website at http://www.varetire.org/Pdf/Publications/2023-annual-report.pdf, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

Note 15. Aggregate Pension Information

VRS Pension Plans

	Deferred Outflows	Deferred Inflows	Net Pension Liability/ (Asset)	Pension Expense
Primary Government	$ 17,710,619	$ 6,449,731	$ 35,066,598	$ 7,821,612
Component Unit School Board:				
Non-Professional	$ 1,056,666	$ 730,222	$ (1,451,822)	$ 145,767
Professional	44,877,509	14,525,515	123,914,331	14,994,795
	$ 45,934,175	$ 15,255,737	$ 122,462,509	$ 15,140,562

Note 16. Other Postemployment Benefits Liability – Local Plan

Plan Description

The County of Albemarle administers a cost-sharing defined benefit healthcare plan (VERIP). Participating employers include the County, the School Board, the Charlottesville-UVA-Albemarle Emergency Communications Center, the Blue Ridge Juvenile Detention Commission, Darden Towe Memorial Park, Charlottesville Albemarle Convention and Visitors Bureau, and Charlottesville-Albemarle Vocational Technical Education Center. VERIP benefits are paid monthly for a period of five years or until age 65, whichever comes first. In addition to the monthly stipend, the County will pay an amount equivalent to the Board's annual contribution toward medical insurance. Participants may accept it as a cash payment or apply it toward the cost of the continuation of their County medical/dental benefits. To be eligible, employees must meet the age and service criteria for reduced VRS retirement and be a current employee at least 50 years of age and have been employed by the County in a benefits-eligible position for 10 of the last 13 years prior to retirement. Assets in this plan are not administered through a trust.

The plan does not issue a publicly-available financial report.

Benefits Provided

Postemployment benefits that are provided to eligible retirees include Medical, Dental, and Life Insurance. The benefits that are provided for active employees are the same for eligible retirees, spouses, and dependents of eligible retirees. Retirees pay 100% of spousal premiums. Coverage ceases when retirees reach the age of 65. Surviving spouses are not allowed access to the plan.

Plan Membership

At June 30, 2023 (measurement date), the following employees were covered by the benefit terms:

Total active employees with coverage	3,535
Total retirees with VERIP	183
Total retirees with County Medical coverage	128
Total	3,846

Contributions

The board does not pre-fund benefits; therefore, no assets are accumulated in a trust fund. The current funding policy is to pay benefits directly from general assets on a pay-as-you-go basis. The funding requirements are established and may be amended by the County Board of Supervisors.

Note 16. Other Postemployment Benefits Liability – Local Plan (Continued)

Total and net OPEB Liability

At June 30, 2024, the County and School Board reported liabilities of $7,679,642 and $18,118,754, respectively for their proportionate shares of the collective net OPEB liability. The collective net OPEB liability was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of January 1, 2024. The County and School Board's proportion of the collective net OPEB liability was calculated based on each participating employer's actuarial accrued liabilities. At June 30, 2024, the County and School Board's proportion was 29.20% and 68.09% respectively.

	County	School Board	Other Employers	Total
Total OPEB liability	$ 7,679,642	$ 18,118,754	$ 811,611	$ 26,610,007
Plan fiduciary net position	-	-	-	-
Employers' net OPEB liability	$ 7,679,642	$ 18,118,754	$ 811,611	$ 26,610,007
Plan fiduciary net position as a percentage of total OPEB liability	100%	100%	100%	100%

Changes in Net OPEB Liability – Entire Plan

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) – (b)
Balances at June 30, 2022	$ 38,486,920	$ -	$ 38,486,920
Changes for the year:			
Service cost	2,877,375	-	2,877,375
Interest	1,368,830	-	1,368,830
Changes of benefit terms	(3,633,793)	-	(3,633,793)
Experience losses (gains)	(10,200,053)	-	(10,200,053)
Contributions – employer	-	1,211,918	(1,211,918)
Net investment income	-	-	-
Changes in assumptions	(1,077,354)	-	(1,077,354)
Benefit payments	(1,211,918)	(1,211,918)	-
Net changes	(11,876,913)	-	(11,876,913)
Balances at June 30, 2023	$ 26,610,007	$ -	$ 26,610,007

(Continued)

Note 16. Other Postemployment Benefits Liability – Local Plan (Continued)

Actuarial Assumptions

The total OPEB liability in the January 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%
Discount rate	3.86%
Healthcare cost trend rates	4.04% - 7.50%

Mortality rates for Active employees were based on a SOA Pub 2010 General Employee Headcount Mortality Table, projected on a fully generational basis using mortality improvement scale MP-2021,healthy retirees were based on a RP-2000 Fully Generational Combined Healthy table while mortality rates for disabled retirees were based on a RP-2000 Disabled Mortality Table.

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

Discount Rate

The final equivalent single discount rate for this year's valuation is 3.86% as of the end of the fiscal year with the expectation that the County and School Board will continue contributing the Actuarially Determined Contribution and paying the pay-go cost.

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

The following amounts present the total and net OPEB liabilities of the County and School Board, as well as what the total and net OPEB liabilities would be if it was calculated using a discount rate that is one percentage point lower (2.86%) or one percentage point higher (4.86%) that the current discount rate:

	1.00% Decrease (2.86%)	Current Discount Rate (3.86%)	1.00% Increase (4.86%)
Net OPEB liability:			
County	$ 8,200,349	$ 7,679,642	$ 7,185,905
School Board	19,347,269	18,118,754	16,953,870
Other Employers	866,643	811,611	759,432
Total	$ 28,414,261	$ 26,610,007	$ 24,899,207

Note 16. Other Postemployment Benefits Liability – Local Plan (Continued)

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

The following presents the total and net OPEB liabilities of the County and School Board, as well as what the total and net OPEB liabilities would be if it were calculated using the healthcare cost trend rates that are one percentage point lower (3.04%) or one percentage point higher (5.04%) than the current healthcare cost trend rates:

	1.00% Decrease (3.04%)	Current Discount Rate (4.04%)	1.00% Increase (5.04%)
Net OPEB liability:			
County	$ 6,944,758	$ 7,679,642	$ 8,521,940
School Board	16,384,929	18,118,754	20,106,008
Other Employers	733,947	811,611	900,629
Total	$ 24,063,634	$ 26,610,007	$ 29,528,577

OPEB Expense and Deferred Outflows of Resources and Deferred Inflow of Resources

For the year ended June 30, 2024, the County and School Board recognized OPEB expense/(income) in the amount of $(1,072,196) and $(1,853,295), respectively. At June 30, 2023, the County and School Board reported deferred outflows of resources and deferred inflows of resources related to OEPB from the following sources:

	County		School Board	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 275,511	$ 3,152,210	$ 650,022	$ 7,437,086
Changes in proportion	411,626	515,108	2,250,781	-
Changes in assumptions	247,860	1,928,026	584,780	4,548,842
Total	$ 934,997	$ 5,595,344	$ 3,485,583	$ 11,985,928

Note 16. Other Postemployment Benefits Liability – Local Plan

OPEB Expense and Deferred Outflows of Resources and Deferred Inflow of Resources (Continued)

Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in OPEB expense in future reporting periods as follow:

Year Ended June 30,	(Decrease) to OPEB Expense	
	County	School Board
2024	$ (1,165,752)	$ (2,074,034)
2025	(1,119,628)	(1,965,203)
2026	(975,659)	(1,625,557)
2027	(814,132)	(1,617,097)
2028	(585,176)	(1,218,454)
Thereafter	-	-

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

The plan is not administered through a trust, thus, a portion of the total OPEB liability is reported on the government-wide statements as current, representing the full amount of benefit payments expected to be paid within one year. A reconciliation of the total plan liabilities is reported below.

	County	School Board
Current portion	$ 354,001	$ 825,195
Noncurrent portion	7,325,641	17,293,559
Total OPEB liability	$ 7,679,642	$ 18,118,754

Note 17. Other Postemployment Benefits Liability – Virginia Retirement System Plans

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

Plan Descriptions

Group Life Insurance Program

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

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

Specific information for the GLI is available at https://www.varetire.org/members/benefits/life-insurance/basic-group-life-insurance.asp

Teacher Employee Health Insurance Credit Program

All full-time, salaried permanent (professional) employees of publicschool divisions are automatically covered by the VRS Teacher Employee Health Insurance Credit (HIC) Program. Members earn one month of service credit toward the benefit for each month they are employed and for which their employer pays contributions to VRS. The health insurance credit is a tax-free reimbursement in an amount set by the General Assembly for each year of service credit against qualified health insurance premiums retirees pay for single coverage, excluding any portion covering the spouse or dependents. The credit cannot exceed the amount of the premiums and ends upon the retiree's death.

Specific information about the Teacher HIC is available at
https://www.varetire.org/retirees/insurance/healthinscredit/index.asp

The GLI and Teacher HIC are administered by the VRS along with pensions and other OPEB plans, for public employer groups in the Commonwealth of Virginia. Both of these plans are considered multiple-employer, cost-sharing plans.

(Continued)

Note 17. Other Postemployment Benefits Liability – Virginia Retirement System Plans (Continued)

Plan Descriptions (Continued)

General Employee Health Insurance Credit Program

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

As of the June 30, 2023, actuarial valuation, the following employees were covered by the benefit terms of the General Employee Health Insurance Credit Program:

	Number
Inactive members or their beneficiaries currently receiving benefits	152
Inactive members:	
Vested inactive members	8
Active members	325
Total covered employees	485

Contributions

Contributions to the VRS OPEB programs were based on actuarially determined rates from actuarial valuations as of June 30, 2021. The actuarially determined rates were expected to finance the cost of benefits earned by employees during the year, with an additional amount to fund any unfunded accrued liability. Specific details related to the contributions for the VRS OPEB programs are as follows:

General Employee Health Insurance Credit Program

Governed by:	*Code of Virginia* 51.1-1401 and may be impacted as a result of funding provided to governmental agencies by the Virginia General Assembly.
Total rate:	0.46% of covered employee compensation.
June 30, 2024 Contribution	$63,387
June 30, 2023 Contribution	$55,689

Note 17. Other Postemployment Benefits Liability – Virginia Retirement System Plans (Continued)

Contributions (Continued)

Group Life Insurance Program

Governed by:	*Code of Virginia* 51.1-506 and 51.1-508 and may be impacted as a result of funding provided to school divisions and governmental agencies by the Virginia General Assembly.
Total rate:	1.34% of covered employee compensation. Rate allocated 60/40; 0.80% employee and 0.54% employer. Employers may elect to pay all or part of the employee contribution.

	County	School Board Non-Professional	School Board Professional
June 30, 2024 Contribution	$353,762	$74,646	$738,078
June 30, 2023 Contribution	$304,410	$65,374	$661,637

In June 2023, the Commonwealth made a special contribution of approximately $10.1 million to the Group Life Insurance Plan. This special payment was authorized by Chapter 2 of the Acts of Assembly of 2022, Special Session I, as amended by Chapter 769, 2023 Acts of Assembly Reconvened Session.

Teacher Health Insurance Credit Program

Governed by:	*Code of Virginia* 51.1-1401 and may be impacted as a result of funding provided to school divisions by the Virginia General Assembly.
Total rate:	1.21% of covered employee compensation.
June 30, 2024 Contribution	$1,646,388
June 30, 2023 Contribution	$1,482,414

In June 2023, the Commonwealth made a special contribution of approximately $4.0 million to the VRS Teacher Health Insurance Credit Program. This special payment was authorized by Chapter 2 of the Acts of Assembly of 2022, Special Session I, as amended by Chapter 769, 2023 Acts of Assembly Reconvened Session, and is classified as a non-employer contribution.

Note 17. Other Postemployment Benefits Liability – Virginia Retirement System Plans (Continued)

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

General Employee Health Insurance Credit Program

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

	Increase (Decrease)		
	Total OPEB Liability (a)	**Plan Fiduciary Net Position (b)**	**Net OPEB Liability (a) – (b)**
Balances at June 30, 2022	$ 664,800	$ 86,402	$ 578,398
Changes for the year:			
Service cost	6,448	-	6,448
Interest	44,909	-	44,909
Differences between expected and actual experience	(340,659)	-	(340,659)
Assumption changes	-	-	-
Contributions – employer	-	55,623	(55,623)
Net investment income	-	7,029	(7,029)
Benefit payments	(11,868)	(11,868)	-
Administrative expenses	-	(194)	194
Other changes	-	87	(87)
Net changes	(301,170)	50,677	(351,847)
Balances at June 30, 2023	$ 363,630	$ 137,079	$ 226,551

In addition, for the year ended June 30, 2024, the School Board recognized OPEB expense/(income) of $2,560 related to the General Employee Health Insurance Credit Program.

Note 17. Other Postemployment Benefits Liability – Virginia Retirement System Plans (Continued)

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

At June 30, 2024, the County and School Board reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Teacher HIC Program		
Differences between expected and actual experience	$ -	$ 655,144
Net difference between projected and actual earnings on GLI OPEB program investments	7,469	-
Change in assumptions	346,488	14,999
Changes in proportion	1,064,122	212,172
Employer contributions subsequent to the measurement date	1,646,388	-
Total Component Unit School Board (professional)	$ 3,064,467	$ 882,315
General Employee HIC Program (nonprofessional)		
Differences between expected and actual experience	$ -	$ 267,403
Net difference between projected and actual earnings on GLI OPEB program investments	2,067	-
Change in assumptions	96,132	-
Employer contributions subsequent to the measurement date	63,387	-
Total Component Unit School Board (nonprofessional)	$ 161,586	$ 267,403

Note 17. Other Postemployment Benefits Liability – Virginia Retirement System Plans (Continued)

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
GLI Program – County		
Differences between expected and actual experience	$ 285,484	$ 86,767
Net difference between projected and actual earnings on GLI OPEB program investments	-	114,867
Change in assumptions	61,100	198,041
Changes in proportion	283,115	753
Employer contributions subsequent to the measurement date	353,762	-
Total Primary Government	$ 983,461	$ 400,428
GLI Program – School Board (nonprofessional)		
Differences between expected and actual experience	$ 61,556	$ 18,709
Net difference between projected and actual earnings on GLI OPEB program investments	-	24,768
Change in assumptions	13,174	42,702
Changes in proportion	112,249	19,419
Employer contributions subsequent to the measurement date	74,646	-
Total Component Unit School Board (nonprofessional)	$ 261,625	$ 105,598
GLI Program – School Board (professional)		
Differences between expected and actual experience	$ 623,058	$ 189,366
Net difference between projected and actual earnings On GLI OPEB program investments	-	250,692
Change in assumptions	133,347	432,217
Changes in proportion	369,568	71,337
Employer contributions subsequent to the measurement date	738,078	-
Total Component Unit School Board (professional)	$ 1,864,051	$ 943,612

Note 17. Other Postemployment Benefits Liability – Virginia Retirement System Plans (Continued)

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

The net OPEB liabilities were measured as of June 30, 2023, and the total OPEB liabilities used to calculate the net OPEB liabilities were determined by an actuarial valuation performed as of June 30, 2022 and rolled forward to the measurement date of June 30, 2023. The covered employer's proportion of the net OPEB liabilities were based on the covered employer's actuarially determined employer contributions for the year ended June 30, 2023, relative to the total of the actuarially determined employer contributions for all participating employers.

Group Life Insurance Program

	County	School Board Nonprofessional	School Board Professional
June 30, 2024 proportionate share of liability	$2,858,396	$616,327	$6,238,349
June 30, 2023 proportion	0.2383%	0.0514%	0.5202%
June 30, 2022 proportion	0.2252%	0.0509%	0.5163%
June 30, 2024 expense	$222,634	$64,461	$380,381

Teacher Health Insurance Credit Program

June 30, 2024 proportionate share of liability	$14,884,564
June 30, 2023 proportion	1.2287%
June 30, 2022 proportion	1.2049%
June 30, 2024 expense	$1,338,744

Since there was a change in proportionate share between measurement dates, a portion of the OPEB expense above was related to deferred amount from changes in proportion.

Note 17. Other Postemployment Benefits Liability – Virginia Retirement System Plans (Continued)

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

The deferred outflows of resources related to OPEB resulting from the County and School Board's contributions subsequent to the measurement date will be recognized as a reduction of the Net OPEB Liability in the Fiscal Year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense in future reporting periods as follows:

Group Life Insurance Program

	Increase/(Reduction) to OPEB Expense		
	County	School Board Nonprofessional	School Board Professional
2025	$ 68,406	$ 30,177	$ 48,926
2026	(47,896)	7,871	(188,732)
2027	101,622	22,722	161,755
2028	49,571	13,590	90,879
2029	57,568	7,021	69,533
Thereafter	-	-	-

School Board Health Insurance Credit Programs

	Increase to OPEB Expense	
	General Employee	Teacher
2025	$ (46,719)	$ 118,494
2026	(46,717)	115,004
2027	(48,353)	131,497
2028	(27,415)	53,799
2029	-	88,928
Thereafter	-	28,042

Note 17. Other Postemployment Benefits Liability – Virginia Retirement System Plans (Continued)

Actuarial Assumptions and Other Inputs

The total OPEB liability was determined using the following assumptions based on an actuarial valuation date of June 30, 2022, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2023:

Inflation	2.50%
Salary increases, including inflation:	
• Locality – general employees	3.50 – 5.35%
• Locality – hazardous duty employees	3.50 – 4.75%
• Teachers	3.50 – 5.95%
Healthcare cost trend rates:	
• Under age 65	7.00 – 4.75%
• Ages 65 and older	5.25 – 4.75%
Investment rate of return, net of expenses, including inflation*	GLI & HIC: 6.75%;

Mortality rates used for the various VRS OPEB plans are the same as those used for the actuarial valuations of the VRS pension plans. The mortality rates are discussed in detail at Note 13.

Net OPEB Liabilities

The net OPEB liabilities represent each program'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, 2023, net OPEB liability amounts for the various VRS OPEB programs are as follows (amounts expressed in thousands):

	Group Life Insurance Program	Teacher Employee HIC OPEB Plan
Total OPEB liability	$ 3,907,052	$ 1,475,471
Plan fiduciary net position	2,707,739	264,054
Employers' net OPEB liability (asset)	$ 1,199,313	$ 1,211,417
Plan fiduciary net position as a percentage of total OPEB liability	69.30%	17.90%

Note 17. Other Postemployment Benefits Liability – Virginia Retirement System Plans (Continued)

Net OPEB Liabilities (Continued)

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

Long-Term Expected Rate of Return

Group Life Insurance and Health Insurance Credit Programs

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

Asset Class (Strategy)	Target Allocation	Arithmetic Long-Term Expected Rate of Return	Weighted Average Long-Term Expected Rate of Return
Public Equity	34.00 %	6.14 %	2.09 %
Fixed Income	15.00	2.56	0.38
Credit Strategies	14.00	5.60	0.78
Real Assets	14.00	5.02	0.70
Private Equity	16.00	9.17	1.47
MAPS – Multi-Asset Public Strategies	4.00	4.50	0.18
PIP – Private Investment Partnership	2.00	7.18	0.14
Cash	1.00	1.20	0.01
Total	100.00 %		5.75 %
Inflation		2.50 %	
*Expected arithmetic nominal return		8.25 %	

* The above allocation provides for a one-year return of 8.25%. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected rate of return for the system, stochastic projections are employed to model future returns under various economic conditions. The results provide a range of returns over various time periods that ultimately provide a median return of 7.14%, including expected inflation of 2.50%. On June 15, 2023, the VRS Board elected a long-term rate of 6.75% which is roughly at the 45th percentile of expected long-term results of the VRS fund asset allocation at that time, providing a median return of 7.14%, including inflation of 2.50%.

Note 17. Other Postemployment Benefits Liability – Virginia Retirement System Plans (Continued)

Discount Rate

The discount rate used to measure the GLI and HIC OPEB liabilities was 6.75%. The projection of cash flows used to determine the discount rate assumed that System member contributions will be made per the VRS Guidance and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Through the fiscal year ending June 30, 2023, the rate contributed by the employer for the OPEB liabilities will be subject to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly, which was 113% of the actuarially determined contribution rate for GLI and 100% of the actuarially determined contribution rate for all other OPEB Plans. From July 1, 2023 on, participating employers are assumed to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the OPEB plans' fiduciary net position was projected to be available to make all projected future benefit payments of eligible employees. Therefore, the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total OPEB liability.

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

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

	1.00% Decrease (5.75%)	Current Discount Rate (6.75%)	1.00% Increase (7.75%)
GLI Net OPEB liabilities:			
County	$ 4,237,037	$ 2,858,396	$ 1,743,756
School Nonprofessional	913,589	616,327	375,989
School Professional	9,247,182	6,238,349	3,805,687
Teacher HIC Net OPEB liability	$ 16,836,105	$ 14,884,564	$ 13,230,804
General Employee HIC Net OPEB liability - Schools	$ 270,053	$ 226,551	$ 190,079

OPEB Plan Fiduciary Net Position

Information about the various VRS OPEB plan fiduciary net position is available in the separately issued VRS 2023 Annual Report. A copy of the 2023 VRS Annual Report may be downloaded from the VRS website at http://www.varetire.org/Pdf/Publications/2023-annual-report.pdf, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

Note 18. Summary of Other Postemployment Benefits

	Deferred Outflows of Resources	Net OPEB Liability	Deferred Inflows of Resources	OPEB Expense/ (Income)
County OPEB:				
Local Plan	$ 934,997	$ 7,679,642	$ 5,595,344	$ (1,072,196)
GLI	983,461	2,858,396	400,428	222,634
	$ 1,918,458	$ 10,538,038	$ 5,995,772	$ (849,562)
Schools OPEB:				
Local Plan	$ 3,485,583	$ 18,118,754	$ 11,985,928	$ (1,853,295)
Nonprofessional - GLI	261,625	616,327	105,598	64,461
Professional – GLI	1,864,051	6,238,349	943,612	380,381
Nonprofessional – HIC	161,586	226,551	267,403	64,841
Professional – HIC	3,064,467	14,884,564	882,315	1,338,744
	$ 8,837,312	$ 40,084,545	$ 14,184,856	$ (4,868)

Note 19. Legal Compliance

A. Expenditures in Excess of Appropriations

Expenditures did not exceed appropriations in any fund at June 30, 2024.

B. Fund Deficits

There are no funds with deficit balances not expected to be recovered at June 30, 2024.

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Note 20. Self-Insurance/Risk Management

The County administers employee health, dental, and unemployment insurance programs. The health and dental insurance activity has accounting in an internal service fund. Unemployment programs have accounting in the General and School funds.

Employee Health Insurance:

Albemarle County, Albemarle County School Board, Albemarle County Water and Sewer Authority, and several other entities established a public entity risk pool to provide consolidated health care benefits for their employees. The plan is based on a service contract with a private carrier in which bills are derived from actual expenses incurred or claims filed. The participating agencies have established a reserve fund to meet any potential liability. Each participating agency is responsible for paying amounts billed by the County.

Liabilities for unpaid claims and claim adjustment expenses are estimated based on the estimated ultimate cost of settling the claims, including the effects of inflation and other societal and economic factors.

Changes in the balances of claim liabilities during the current and preceding two years:

Fiscal Year	Claims Liability Beginning of Year	Current Year Claims and Changes in Estimates	Claims and Other Payments	Claims Liability End of Year
2024	$ 3,779,028	$ 49,718,158	$ 49,195,276	$ 4,301,910
2023	3,305,922	40,895,816	40,422,710	3,779,028
2022	2,832,647	36,554,872	36,081,597	3,305,922

The following is a summary of revenues and claims expenses for the current and preceding nine years. The pool was formed in fiscal year 1995.

Fiscal Year	Operating Revenue	Non-operating Revenue	Claims and Related Expenses
2024	$ 48,486,844	$ 300,915	$ 49,195,276
2023	34,449,799	314,197	40,422,710
2022	31,209,382	52,902	36,081,597
2021	31,079,990	66,029	31,469,770
2020	31,459,259	297,421	32,204,289
2019	31,577,304	416,668	30,654,062
2018	28,309,690	173,258	25,682,418
2017	35,140,020	45,957	29,516,282
2016	31,676,132	20,139	30,859,391
2015	28,808,326	18,766	31,858,143

(Continued)

Note 20. Self-Insurance/Risk Management (Continued)

Employee Dental Insurance:

Albemarle County, Albemarle County School Board, Albemarle County Water and Sewer Authority, and several other entities established a public entity risk pool to provide consolidated Dental Care benefits for their employees. The plan is based on a service contract with a private carrier in which bills are derived from actual expenses incurred or claims filed. The participating agencies have established a reserve fund to meet any potential liability. Each participating agency is responsible for paying amounts billed by the County.

Liabilities for unpaid claims and claim adjustment expenses are estimated based on the estimated ultimate cost of settling the claims, including the effects of inflation and other societal and economic factors.

Changes in the balances of claim liabilities during the current and preceding two years

Fiscal Year	Claims Liability Beginning of Year	Current Year Claims and Changes in Estimates	Claims and Other Payments	Claims Liability End of Year
2024	$ 144,558	$ 1,905,754	$ 1,877,392	$ 172,920
2023	135,000	1,785,767	1,776,209	144,558
2022	125,418	1,689,686	1,680,104	135,000

The following is a summary of revenues and claims expenses for the pool.

Fiscal Year	Operating Revenue	Non-operating Revenue	Claims and Related Expenses
2024	$ 1,881,540	$ 110,871	$ 1,877,392
2023	1,750,723	66,892	1,776,209
2022	1,689,686	7,307	1,680,104
2021	1,809,993	6,712	1,807,777
2020	1,812,472	22,875	1,366,975
2019	1,741,854	25,482	1,496,085
2018	1,713,770	8,851	1,577,496
2017	1,685,979	2,869	1,719,941
2016	1,672,045	1,847	1,548,721
2015	1,508,742	1,126	1,619,940

Unemployment Insurance:

The County and School Board are responsible for employment claims. The Virginia Employment Commission bills the County for all unemployment claims. The liability for billed but unpaid claims has been accrued in the General and School Funds. No liability has been recorded for estimated unreported claims. The amount of estimated unreported claims is not expected to be significant.

Note 20. Self-Insurance/Risk Management (Continued)

Property and Casualty Insurance:

The County contracts with the Virginia Association of Counties Group Self-Insurance Risk Pool (VACORP) and the School Board contracts with School Systems of Virginia to provide workers compensation insurance coverage. In the event of a loss deficit and depletion of all assets and available insurance of the Pools, the Pools 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 School Board contracts with private insurance carriers for property damage, employee crime and dishonesty and general liability coverage. The property coverage value amounts are for specific amounts based on values assigned to the insured properties. Liability coverage is $13,000,000.

The County contracts with the Virginia Association of Counties for property, employee crime and dishonesty, general liability, public officials, and law enforcement liability coverage. This program is similar to the Virginia Municipal Group Self-Insurance Association as described above. Liability coverage ranges from $3,000,000 to $4,000,000 .

Other:

The County has had no reductions in insurance coverage or settlements in excess of insurance coverage for the past three fiscal years.

Note 21. Surety Bonds

The following County positions are covered by surety bonds in the following amounts:

Virginia Department of Risk Management:	
Clerk of the Circuit Court	$ 3,000,000
Chief Financial Officer	1,000,000
Sheriff	30,000
Commissioner of Revenue	3,000

Note 22. Accrued Landfill Costs

In 1991, the County transferred its share of the joint City-County landfill operations and the related assets and liabilities (including post-closure care and corrective account costs) to the Rivanna Solid Waste Authority. During the fiscal year ended June 30, 2005, the City and County entered in a Cost Sharing Agreement for purposes of paying any of the post-closure care and corrective action costs that the Rivanna Solid Waste Authority may not have the financial resources to pay. Although the County has entered into a Local Government Guarantee on behalf of the Rivanna Solid Waste Authority, the Virginia Department of Environmental Quality has no legal recourse against the County under this guarantee. The Rivanna Solid Waste Authority has the taxing authority to levy a utility tax on each parcel of real estate in the City and County to generate revenue to pay the post-closure care and corrective actions costs.

The County's percentage of shared costs pursuant to the Agreement is 64.5%. The estimated share of the County's post-closure care and corrective action costs is $3,167,816. During the fiscal year ended June 30, 2024, the County paid $1,183,831 to the Rivanna Solid Waste Authority under the terms and contditions of the Cost Sharing Agreement.

Note 23. Construction and Other Commitments

At June 30, 2024, the County and School Board has several construction contracts and other commitments, which are summarized as follows:

County Project Name	Contract Amount	Expended To Date	Balance
Courts Facilities Addition/Renovation	$ 34,576,952	$ 14,329,268	$ 20,247,684
Fire and Rescue Apparatus Replacement	8,667,756	2,608,365	6,059,391
Biscuit Run Park	5,265,932	1,475,021	3,790,911
RSWA Baler Facility	4,328,812	245,567	4,083,245
County Owned Facilities M/R	3,803,314	3,572,807	230,507
CSM Core Systems Modernization	3,203,368	1,699,037	1,504,331
Public Safety Center	2,387,579	2,360,268	27,311
Parks Improvements	1,418,053	623,754	794,299
Sidewalk Improvements	918,866	502,882	415,984
Other Projects	5,410,105	1,691,764	3,718,341
Total	$ 69,980,737	$ 29,108,733	$ 40,872,004

(Continued)

Note 23. Construction and Other Commitments (Continued)

School Board Project Name	Contract Amount	Expended To Date	Balance
School Maintenance/Replacement Program	$ 19,568,417	$ 13,988,977	$ 5,579,440
Mountain View Expansion	3,740,812	3,490,306	250,506
Southern Feeder Patter ES	3,310,930	1,770,814	1,540,116
High School Capacity Center 2	2,726,522	1,394,526	1,331,996
School Bus Replacement Program	2,510,802	1,100,427	1,410,375
School Network Infrastructure	2,276,890	2,076,714	200,176
School building and property improvements	2,910,364	1,982,805	927,559
Total	$ 37,044,737	$ 25,804,569	$ 11,240,168

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Note 24. Leases

County as Lessee

A summary of significant County leases as the Lessee is as follows:

The County entered into a leasing arrangement on September 1, 2022, with Fashion Square Assets, LLC to lease 32,140 square feet of office space, warehouse space, and Future Common Areas, for ten years with a commencement date of September 1, 2022. Per the agreement, monthly lease payments are $34,550 and increase 3.5% per year.

The County has elected to use their incremental borrowing rate of 5.00% as the implicit interest rate to measure the intangible right to use asset and liability as of September 1, 2022. As of June 30, 2024, the lease liability was $3,322,120 and the right to use asset balance was $3,089,880 net of amortization.

In addition to the significant lessee lease above, the County also leases various copiers through September 14, 2028. As of June 30, 2024, the value of these lease liabilities amounted to $41,762 and the right-of-use asset was $41,489, net of amortization. Payments are due monthly.

School Board as Lessee

The School Board entered into a leasing arrangement on May 10, 2018, with Seminole Trail Properties, LLC to lease 42,274 square feet of office and other space for seven years with a commencement date of August 1, 2018, through July 31, 2025. Per the agreement, monthly lease payments are $44,035 during the first year, $45,356 during the second year, $46,717 during the third year, $48,119 during the fourth year, $49,562 during the fifth year, $51,049 during the sixth year, and $52,581 during the seventh year.

The School Board has elected to use their incremental borrowing rate of 5% as the implicit interest rate, which was used to discount the annual lease payments to recognize the intangible right to use asset and the lease liability as of June 30, 2022. As of June 30, 2024, the lease liability was $665,640 and the right to use asset balance was $589,386 net of amortization.

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

Year Ending June 30	Principal	Interest
2025	$ 613,008	$ 19,402
2026	52,632	219
	$ 665,640	$ 19,621

In addition to the significant lessee lease above, the School Board also leases various copiers through February 29, 2028. As of June 30, 2024, the value of these lease liabilities amounted to $91,980 and the right-of-use asset was $90,573, net of amortization. Payments are due monthly.

(Continued)

Note 24. Leases (Continued)

Lessor

Crozet Library

On May 17, 2021, the County entered into an agreement with Crozet Sports Community Foundation, Inc. for the use of a section of the Crozet Library building starting on June 1, 2021, ("effective date") with a term ending on the fifth anniversary of the effective date. During the first year of the lease, the annual lease amount is $33,397, payable in equal monthly installments on the first day of each month. After the first year of the lease, the lease amount for subsequent years of the term of the lease shall be indexed for inflation and shall by calculated by first establishing a fraction, the numerator of which shall be the level of CPI Index as of the first day of that month, which is two months before the month in which the effective date occurs in the subsequent years, and the denominator of which shall be the level of the CPI index of the first day of that month, which is two months before the initial effective date. The resulting fraction multiplied by the rent agreed upon for the first year of the term of the lease.

The County implemented GASBS No. 87 for the year ended June 30, 2022, and used the original annual lease amount to measure the lease receivable and deferred inflows of resources of $147,477 as of July 1, 2021. In addition, the lease receivable was discounted to a net present value at July 1, 2021, using a 5.0% interest rate, the incremental borrowing rate utilized by the County during the year ended June 30, 2022.

As of June 30, 2024, the lease receivable balance was $60,919. For the year ended June 30, 2024, the County recognized $29,545 in lease revenue and $3,852 in lease interest revenue.

Tower and Ground Space

During 2018, the County entered into an agreement with USCOC of Virginia RSA #3, Inc. for tower and ground space starting on July 1, 2018, and ending on June 30, 2023. On October 22, 2020, the County extended the terms through June 30, 2028. Payment is due annually on July 1st of each year. Original annual payment was $32,508 with annual increase each year of 3%.

The County implemented GASBS No. 87 for the year ended June 30, 2022, and used the incremental increases of 3% each year to measure the lease receivable and deferred inflows of resources of $223,705 as of July 1, 2021. In addition, the lease receivable was discounted to a net present value at July 1, 2021, using a 5.0% interest rate, the incremental borrowing rate utilized by the County during the year ended June 30, 2022.

As of June 30, 2024, the lease receivable balance was $143,700. For the year ended June 30, 2024, the County recognized $31,958 in lease revenue and $8,637 in lease interest revenue.

Note 24. Leases (Continued)

Lessor (Continued)

Future payments due to the County under non-cancelable agreements are as follows for the year ended June 30:

Year Ending June 30	Principal	Interest
2025	$ 62,688	$ 9,526
2026	64,240	6,355
2027	37,296	3,885
2028	40,395	2,020
Total	$ 204,619	$ 21,786

Note 25. Subscription Liabilities

A summary of significant contracts for which the County has recorded an intangible right-to-use asset and subscription liability as required under GASB Statement No. 96, Subscription-Based Information Technology Arrangements (SBITAs) as the Lessee is as follows:

County

In July 2021, the County entered into an IT contract with ADP for the use of payroll and human resources management software, expiring in April 2026. The County is required to make annual payments of $53,500 which is based on an average number of licenses used through the length of the contract. The subscription was discounted at a rate of 5.00% which is the entity's incremental borrowing rate, and as of June 30, 2024, the value of the subscription liability is $1,117,394. The right to use asset amounts to $1,091,909 net of accumulated amortization.

In addition to the significant SBITA above, the County also has two subscriptions for educational software and housing management software through September 14, 2028. As of June 30, 2024, the value of these lease liabilities amounted to $75,931 and the right-of-use asset was $89,716, net of amortization. Payments are due monthly.

Note 25. Subscription Liabilities (Continued)

The school board has several contracts that qualify as subscriptions under GASB Statement No. 96, Subscription-Based Information Technology Arrangements, which are summarized below.

School Board

Lease Description	Term	Purpose	Aggregate Payments	Liability Balance
Illuminate (5.00%)	06/30/2023-06/30/2027	Student Assessment	$94,500/annual	$ 272,839
Lightspeed (5.00%)	11/01/2023-11/22/2026	Classroom management	$102,476/annual	279,068
Palo A (5.00%)	06/30/2023-06/30/2026	Threat Prevention	$27,677/annual	53,781
Snap N Read (5.00%)	10/31/2019-10/31/2024	Textbook	$36,893/annual	-
Schoology (5.00%)	03/14/2019-06/30/2025	Learning management	$77,356/annual	66,400
				$ 672,088

Note 26. Prior Period Restatement

The following is a summary of the restatement due to identified contracts previously not recorded subject to GASB Statements Nos. 87 and 96. Beginning net position was restated for both the County and the School Board to include assets and liabilities for contracts existing prior to July 1, 2023. The restatement had no impact to the corresponding fund statements.

	County	School Board
Net position, June 30, 2023, as previously reported	$ 132,570,349	$ (59,839,040)
To record balances not reported:		
Subscription assets	1,879,285	643,845
Lease assets	3,517,560	104,260
Subscription liabilities	(1,879,284)	(643,845)
Lease liabilities	(3,625,068)	(104,501)
Net position, June 30, 2023, as restated	$ 132,462,842	$ (59,839,281)

The Charlottesville-UVA-Albemarle Emergency Communications Center and Charlottesville-Albemarle Convention and Visitors Bureau reported restatements. Further information is detailed in their audited financial statements..

	Custodial Funds
Net position, June 30, 2023, as previously reported	$ 19,922,493
Effects on fund balance:	
Emergency Communications Center	6,713,802
Visitor's Bureau	929
Net position, June 30, 2023, as restated	$ 26,637,224

Note 27. Economic Incentive Agreements

Albemarle Business Campus

In April of 2020 the County and Economic Development Authority (EDA) entered into an agreement with 5th Street Forest LLC. Per the agreement, the County will provide the EDA funding for an Enhanced Development and Primary Business Restoration Incremental Tax Grant, subject to the County's Board of Supervisors annual appropriation. The grant will total $100,000 and be funded annually based on tax payments paid on the increase in assessed value on the property, with payments continuing until $100,000 is funded to the EDA. The first payment was made in December 2022 in the amount of $1,796 and total payments through June 30, 2024 amount to $62,618.

Brookdale Properties

In April of 2018 the County and EDA entered into a Performance Agreement with Brookdale Partner LP. Per the agreement, the County will provide the EDA funding for a Performance Incentive over a time period commencing with the first real estate tax bill that is based on an increased assessment of the property due to the development of the property. The Performance Incentive is based on 100% of real estate taxes paid on the assessment of property. In fiscal year 2024 the total tax rebate awarded to date from the County to the EDA was $96,688. This performance agreement has not ended as of June 30, 2024.

Crozet New Town

In July of 2019 the County and EDA entered into a Development Agreement with Crozet New Town Associates, LLC. Per the agreement, the County will, subject to appropriation from the Board of Supervisors, provide synthetic tax increment financing payments to the tax escrow agent defined in the agreement following completion of the project outlined in the agreement. The payments are equal to 100% of the total annual real property taxes received by the County attributable to the portion of increased value of the specific property. No payments have been awarded from the County to the EDA for this agreement in fiscal year 2024. This agreement remains active as of June 30, 2024.

CVEC Broadband

In December of 2018 the County and EDA entered into an agreement with Central Virginia Electric Cooperative (CVEC) and Central Virginia Services, Inc. (CVSI). Per the agreement, the County agrees to appropriate annually to the EDA for tax years 2019 through 2026 a sum equal to the County's public service taxes attributable to each year's construction cost of the project, not to exceed $105,000 annually and $550,000 over the life of the agreement. A total of $61,323 was awarded from the County to the EDA in fiscal year 2023 with an additional amount of $62,974 in fiscal year 2024 with the agreement active as of June 30, 2024.

(Continued)

Note 27. Economic Incentive Agreements (Continued)

Habitat/Southwood

In July of 2019, the County and EDA entered into an agreement with Habitat for Humanity of Greater Charlottesville, Inc, where the County and EDA will rebate up to $1,400,000 to Habitat for the equivalent of the portion of the increase in real property taxes collected through the end of the agreement. To expedite completion, the agreement stipulates that 100% of the increase in taxes are subject to rebate through the end of calendar year 2024, at which point the rebate decreases to 50% of the increase in real property taxes paid until a total period of ten years has elapsed or the total rebate has been provided. In fiscal year 2024, a rebate was awarded of $140,000 for assessment increases. As such, this agreement remains active as of June 30, 2024.

Willow Tree

In June of 2021, the County and the EDA entered into a performance agreement with Willow Tree, Inc. Per the agreement, the County agrees to appropriate a grant to the Authority on an annual basis in the amount of 50% of the incremental tax assessments paid to the County. The rebate payments are subject to begin after award of the certificate of occupancy. The County has agreed to appropriate tax refunds on an annual basis, and in no event shall the combination of the BPOL grant and annual tax rebate grant be less or more than $100,000, regardless of the amount of business license and real property taxes paid to the County. If at the end of the agreement, the total annual sums of the BPOL tax refund grant and real property tax refund grant exceed $500,000, the County agrees to make a grant to the EDA in the amount of the difference between the total rebated tax liability and $500,000. In fiscal year 2024, the County awarded the EDA a total of $100,000. The rebate will end in fiscal year 2025, which is also when the County will award its final rebate to the EDA. As such, this agreement is active as of June 30, 2024.

REQUIRED SUPPLEMENTARY INFORMATION

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COUNTY OF ALBEMARLE, VIRGINIA

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Property taxes	$ 271,201,989	$ 271,414,409	$ 281,918,666	$ 10,504,257
Other local taxes	76,792,171	77,856,115	80,140,146	2,284,031
Permits, privilege fees, and regulatory licenses	2,969,346	2,969,346	3,550,527	581,181
Fines and forfeitures	496,408	496,408	381,038	(115,370)
Use of money and property	4,163,989	7,369,489	8,296,142	926,653
Charges for services	4,439,270	5,039,270	4,678,704	(360,566)
Miscellaneous	343,568	2,096,794	318,966	(1,777,828)
Recovered costs	1,947,854	1,998,089	1,888,362	(109,727)
Intergovernmental:				
Contribution from School Board	48,131	150,729	483,128	332,399
Commonwealth	29,508,544	29,735,378	28,062,192	(1,673,186)
Federal Government	8,811,771	8,811,771	8,964,915	153,144
Total revenues	400,723,041	407,937,798	418,682,786	10,744,988
EXPENDITURES				
Current:				
General Government Administration				
Board of supervisors	690,483	781,992	782,223	(231)
County executive	3,484,795	7,191,960	3,929,955	3,262,005
Human resources	1,928,141	1,918,104	1,692,464	225,640
County attorney	1,590,932	1,679,196	1,629,695	49,501
Finance	9,348,757	9,809,537	9,183,062	626,475
Information technology	8,024,449	9,089,778	7,146,067	1,943,711
Voter registration	1,541,797	1,610,143	1,392,843	217,300
Other general government	40,000	101,284	169,425	(68,141)
Grant reserve general administration	-	60,000	60,000	-
Total general government administration	26,649,354	32,241,994	25,985,734	6,256,260
Judicial Administration				
Circuit court	121,471	128,273	124,198	4,075
General district court	38,300	38,300	22,445	15,855
Magistrate	5,465	5,465	5,190	275
Juvenile and domestic relations court	148,654	148,654	145,312	3,342
Clerk of the circuit court	1,195,215	1,436,609	1,203,601	233,008
Sheriff	3,764,941	4,023,515	3,917,933	105,582
Commonwealth attorney	2,409,332	2,564,222	2,541,468	22,754
Total judicial administration	7,683,378	8,345,038	7,960,147	384,891
Public Safety				
Police department	26,341,996	29,894,209	27,947,373	1,946,836
Fire and rescue services	25,043,502	27,336,977	26,287,850	1,049,127
Regional jail	4,290,717	4,290,717	4,290,717	-
Inspections	1,581,529	1,665,472	1,550,677	114,795
Contributions - various	5,247,995	5,333,402	5,333,402	-
Grant reserve public safety	-	56,751	56,751	-
Total public safety	62,505,739	68,577,528	65,466,770	3,110,758
Public Works				
Sanitation and waste removal	70,922	70,922	79,605	(8,683)
Contribution to RSWA	2,186,246	2,185,819	2,183,831	1,988
Maintenance of buildings and grounds	8,789,083	9,167,734	7,898,766	1,268,968
Total public works	11,046,251	11,424,475	10,162,202	1,262,273

The Notes to Required Supplementary Information are an integral part of this Statement.

COUNTY OF ALBEMARLE, VIRGINIA

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND (Continued)
For the Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
EXPENDITURES (Continued)				
Health and Welfare				
Family Services	1,810,299	1,906,283	1,900,620	5,663
Contribution human development	6,187,123	6,230,079	6,196,729	33,350
Social services	18,974,373	20,380,330	19,015,580	1,364,750
Grant reserve health and welfare	-	1,000,000	313,702	686,298
Total health and welfare	26,971,795	29,516,692	27,426,631	2,090,061
Education				
Appropriation to public school system	192,691,564	193,853,451	190,451,772	3,401,679
Total education	192,691,564	193,853,451	190,451,772	3,401,679
Parks, Recreation, and Cultural				
Parks and recreation	4,685,895	4,873,705	4,469,231	404,474
Towe park	300,122	306,674	272,239	34,435
Regional library	5,229,548	5,229,548	5,221,718	7,830
Miscellaneous contributions	1,040,617	1,055,617	1,055,617	-
Grant reserve parks, recreation, and cultural	-	70,000	66,137	3,863
Total parks, recreation, and cultural	11,256,182	11,535,544	11,084,942	450,602
Community Development				
Planning and community development	6,690,683	7,558,127	7,144,021	414,106
Contributions to other agencies	4,995,118	5,270,118	4,977,066	293,052
Revenue-sharing agreement - City of Charlottesville	15,715,740	15,715,740	15,715,740	-
Soil and Water Conservation District	164,853	165,281	165,280	1
Cooperative extension program	404,380	442,380	441,656	724
Economic development	1,100,405	1,361,833	1,196,513	165,320
Grant reserve community development	-	473,400	435,856	37,544
Total community development	29,071,179	30,986,879	30,076,132	910,747
Contingencies				
Total contingencies	2,833,382	6,322,780	5,653,935	668,845
Debt Service				
Principal	-	-	947,145	(947,145)
Interest	-	-	247,759	(247,759)
	-	-	1,194,904	(1,194,904)
Total expenditures	370,708,824	392,804,381	375,463,169	17,341,212
Excess (deficiency) of revenues over expenditures	30,014,217	15,133,417	43,219,617	28,086,200
OTHER FINANCING SOURCES (USES)				
Transfers in	6,093,503	9,043,872	9,054,065	10,193
Transfers out	(41,149,043)	(45,705,401)	(45,721,575)	(16,174)
Appropriation of fund balance	5,041,323	21,528,112	-	(21,528,112)
Total other financing sources (uses)	(30,014,217)	(15,133,417)	(36,667,510)	(21,534,093)
Net change in fund balance	-	-	6,552,107	6,552,107
Fund balance, beginning of year	-	-	91,326,581	91,326,581
Fund balance, end of year	$ -	$ -	$ 97,878,688	$ 97,878,688

The budgetary data presented above is on the modified accrual basis of accounting, which is in accordance with GAAP.

EXHIBIT 13

COUNTY OF ALBEMARLE, VIRGINIA

BUDGETARY COMPARISON SCHEDULE
FEDERAL AND STATE GRANTS FUND
For the Year Ended June 30, 2024

	Federal and State Grants Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
REVENUES				
Use of money and property	$ 3,750	$ 3,750	$ 15,810	$ 12,060
Miscellaneous	-	71,589	83,894	12,305
Recovered costs	35,000	86,294	54,780	(31,514)
Intergovernmental:				
Contribution from School Board	2,900,000	2,900,000	2,900,000	-
Revenue from the Commonwealth	8,898,374	13,831,257	10,582,251	(3,249,006)
Revenue from the Federal Government	5,330,556	15,992,833	6,711,930	(9,280,903)
Total revenues	17,167,680	32,885,723	20,348,665	(12,537,058)
EXPENDITURES				
Current:				
General Government Administration				
County executive	-	10,000	-	10,000
Judicial Administration				
Clerk of the circuit court	-	110,344	110,344	-
Public Safety				
Police department	970,276	1,528,257	1,429,268	98,989
Fire-Rescue	50,904	8,712,551	2,024,955	6,687,596
Total public safety	1,021,180	10,240,808	3,454,223	6,786,585
Health and Welfare				
Comprehensive Services Act programs	12,873,331	15,125,073	13,532,448	1,592,625
Contribution human development	-	10,423,159	4,797,167	5,625,992
Other	-	864	864	-
Total health and welfare	12,873,331	25,549,096	18,330,479	7,218,617
Parks and Recreation				
Parks and Recreation	-	52,004	51,588	416
Community Development				
Planning and community development	-	2,255,135	-	2,255,135
Housing programs	4,284,431	7,406,989	4,756,541	2,650,448
Total community development	4,284,431	9,662,124	4,756,541	4,905,583
Contingencies				
Total contingencies	1,000,000	386,265	-	386,265
Total expenditures	19,178,942	46,010,641	26,703,175	19,307,466
Excess (deficiency) of revenues over (under) expenditures	(2,011,262)	(13,124,918)	(6,354,510)	6,770,408
Other financing sources (uses):				
Transfers in	2,325,158	4,363,808	4,270,864	(92,944)
Transfers out	(394,797)	(405,240)	(405,240)	-
Appropriation of fund balance	80,901	9,166,350	-	(9,166,350)
Total other financing sources (uses)	2,011,262	13,124,918	3,865,624	(9,259,294)
Net changes in fund balances	-	-	(2,488,886)	(2,488,886)
Fund balances at beginning of year	-	-	10,786,713	10,786,713
Fund balances at end of year	$ -	$ -	$ 8,297,827	$ 8,297,827

The Notes to Required Supplementary Information are an integral part of this Statement.

EXHIBIT 14

COUNTY OF ALBEMARLE, VIRGINIA

BUDGETARY COMPARISON SCHEDULE
ARPA FUND
For the Year Ended June 30, 2024

	ARPA Fund			
	Original Budget	**Final Budget**	**Actual**	**Variance from Final Budget Positive (Negative)**
REVENUES				
Intergovernmental				
Federal Government	$ -	$ 7,266,595	$ 1,396,822	$ (5,869,773)
Total revenues	-	7,266,595	1,396,822	(5,869,773)
EXPENDITURES				
Current				
Judicial Administration				
Sheriff's office	-	5,667	-	5,667
Public Safety				
Police department	-	244,607	231,154	13,453
Fire and rescue services	-	150,325	118,949	31,376
Total public safety	-	394,932	350,103	44,829
Health and Welfare				
Housing	-	357,046	286,597	70,449
Parks, Recreation, and Cultural				
Convention and Visitors Bureau	-	25,000	25,000	-
Community Development				
Broadband	-	4,483,950	735,122	3,748,828
Total expenditures	-	5,266,595	1,396,822	3,869,773
Excess (deficiency) of revenues over (under) expenditures	-	2,000,000	-	(2,000,000)
Other financing sources (uses):				
Transfers (out)	-	(2,000,000)	(2,000,000)	-
Total other financing sources (uses)	-	(2,000,000)	(2,000,000)	-
Net changes in fund balances	-	-	(2,000,000)	(2,000,000)
Fund balances at beginning of year	-	-	7,913	7,913
Fund balances at end of year	$ -	$ -	$ (1,992,087)	$ (1,992,087)

The budgetary data presented above is on the modified accrual basis of accounting which is in accordance with GAAP.

COUNTY OF ALBEMARLE, VIRGINIA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER'S PROPORTIONATE SHARE OF NET PENSION LIABILITY
VRS TEACHER RETIREMENT PLAN
June 30, 2024

School Division Fiscal Year Ended June 30	Employer's Proportion of the Net Pension Liability (Asset)	Employer's Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2024	1.2260%	$ 123,914,331	$ 122,513,538	101.14%	82.45%
2023	1.2056%	114,782,242	112,297,914	102.21%	82.61%
2022	1.1334%	87,983,840	100,425,892	87.61%	85.46%
2021	1.1640%	169,385,292	102,008,315	166.05%	71.47%
2020	1.1587%	152,492,821	97,216,833	156.86%	73.51%
2019	1.1316%	133,078,000	92,641,849	143.65%	74.81%
2018	1.1229%	138,093,000	89,432,661	154.41%	72.92%
2017	1.1247%	157,621,000	85,955,205	183.38%	68.28%
2016	1.1081%	139,474,000	82,923,869	168.20%	70.88%
2015	1.1100%	134,516,000	81,425,849	165.20%	70.88%

The covered payroll amounts above are for the measurement period, which is the twelve months prior to the school division's fiscal year.

Exhibit 16

COUNTY OF ALBEMARLE, VIRGINIA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS - PRIMARY GOVERNMENT
June 30, 2024

	Plan Year									
	2023	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**
Total Pension Liability										
Service cost	$ 6,917,174	$ 5,835,774	$ 5,665,085	$ 5,491,482	$ 4,724,662	$ 4,528,764	$ 4,419,721	$ 4,494,883	$ 4,272,148	$ 4,070,336
Interest on total pension liability	15,472,544	15,212,014	13,899,679	12,839,484	12,231,006	11,502,085	11,040,411	10,550,955	9,852,328	9,297,560
Changes in benefit terms	-	-	-	-	-	-	-	-	-	-
Difference between expected and actual experience	8,858,833	(6,470,512)	(2,826,104)	6,307,003	1,122,464	2,246,800	(802,381)	(512,269)	90,923	(76,865)
Changes in assumptions	-	-	9,433,746	-	5,765,145	-	(834,185)	(624,361)	1,975,546	-
Benefit payments	(10,902,716)	(10,860,958)	(9,432,734)	(8,440,228)	(8,264,270)	(7,464,720)	(6,991,702)	(6,842,282)	(5,578,814)	(5,152,755)
Net change in total pension liability	20,345,835	3,716,318	16,739,672	16,197,741	15,579,007	10,812,929	6,831,864	7,066,926	10,612,131	8,138,276
Total pension liability - beginning	231,093,531	227,377,213	210,637,541	194,439,800	178,860,793	168,047,864	161,216,000	154,149,074	143,536,943	135,398,667
Total pension liability - ending	251,439,366	231,093,531	227,377,213	210,637,541	194,439,800	178,860,793	168,047,864	161,216,000	154,149,074	143,536,943
Plan Fiduciary Net Position										
Contributions - employer	8,238,730	6,610,029	6,222,083	5,319,827	4,989,395	4,443,455	4,485,771	4,862,785	4,675,570	4,749,057
Contributions - employee	2,646,009	2,333,267	2,253,401	2,178,746	2,073,370	1,913,007	1,853,057	1,836,946	1,790,020	1,759,867
Net investment income	13,025,864	(239,503)	44,388,495	3,070,450	10,152,955	10,487,286	15,425,414	2,199,549	5,406,293	15,915,304
Benefit payments	(10,902,716)	(10,860,958)	(9,432,734)	(8,440,228)	(8,264,270)	(7,464,720)	(6,991,702)	(6,842,282)	(5,578,814)	(5,152,755)
Administrator charges	(126,372)	(125,492)	(108,208)	(102,928)	(98,875)	(89,306)	(87,835)	(76,959)	(71,997)	(83,854)
Other	116,446	238,361	219,270	(935,981)	(167,171)	757,520	971,139	(717,964)	1,868,626	(159,813)
Net change in plan fiduciary net position	12,997,961	(2,044,296)	43,542,307	1,089,886	8,685,404	10,047,242	15,655,844	1,262,075	8,089,698	17,027,806
Plan fiduciary net position - beginning	203,374,807	205,419,103	161,876,796	160,786,910	152,101,506	142,054,264	126,398,420	125,136,345	117,046,647	100,018,841
Plan fiduciary net position - ending	216,372,768	203,374,807	205,419,103	161,876,796	160,786,910	152,101,506	142,054,264	126,398,420	125,136,345	117,046,647
Net pension liability - ending	$ 35,066,598	$ 27,718,724	$ 21,958,110	$ 48,760,745	$ 33,652,890	$ 26,759,287	$ 25,993,600	$ 34,817,580	$ 29,012,729	$ 26,490,296
Plan fiduciary net position as a percentage of total pension liability	86%	88%	90%	77%	83%	85%	85%	78%	81%	82%
Covered payroll	$ 56,273,003	$ 49,478,019	$ 46,049,559	$ 45,318,590	$ 42,229,160	$ 41,921,141	$ 39,352,233	$ 38,473,766	$ 37,323,375	$ 36,352,047
Net pension liability as a percentage of covered payroll	62%	56%	48%	108%	80%	64%	66%	90%	78%	73%

The plan years above are reported in the county's financial statements in the fiscal year following the plan year - i.e., plan year 2014 information was presented in the county's fiscal year 2015 financial report.

COUNTY OF ALBEMARLE, VIRGINIA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS - COMPONENT UNIT SCHOOL BOARD (nonprofessional)
June 30, 2024

	Plan Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability										
Service cost	$ 910,815	$ 734,019	$ 794,724	$ 649,302	$ 591,992	$ 614,260	$ 630,798	$ 637,830	$ 794,863	$ 828,627
Interest on total pension liability	2,330,043	2,287,974	2,121,112	2,020,371	1,973,519	1,931,746	1,858,795	1,923,580	1,817,237	1,720,625
Difference between expected and actual experience	1,169,264	(750,312)	(544,047)	465,165	(53,379)	(422,954)	256,654	(2,112,662)	177,527	-
Changes in assumptions	-	-	1,076,677	-	822,887	-	(257,121)	-	-	-
Benefit payments	(1,873,013)	(1,777,461)	(1,643,452)	(1,641,298)	(1,552,154)	(1,500,432)	(1,393,503)	(1,355,010)	(1,185,865)	(1,152,293)
Net change in total pension liability	2,537,109	494,220	1,805,014	1,493,540	1,782,865	622,620	1,095,623	(906,262)	1,603,762	1,396,959
Total pension liability - beginning	34,544,846	34,050,626	32,245,612	30,752,072	28,969,207	28,346,587	27,250,964	28,157,226	26,553,464	25,156,505
Total pension liability - ending	37,081,955	34,544,846	34,050,626	32,245,612	30,752,072	28,969,207	28,346,587	27,250,964	28,157,226	26,553,464
Plan Fiduciary Net Position										
Contributions - employer	333,588	369,524	324,181	303,793	243,047	298,819	295,542	493,668	504,909	748,757
Contributions - employee	529,126	525,327	436,863	459,364	338,569	330,605	330,846	320,570	318,408	395,722
Net investment income	2,373,638	(32,914)	8,317,902	588,194	1,970,730	2,111,330	3,181,638	453,639	1,171,563	3,512,738
Benefit payments	(1,873,013)	(1,777,461)	(1,643,452)	(1,641,298)	(1,552,154)	(1,500,432)	(1,393,503)	(1,355,010)	(1,185,865)	(1,152,293)
Administrator charges	(23,942)	(23,794)	(20,973)	(20,348)	(20,044)	(18,581)	(18,741)	(16,579)	(16,163)	(18,770)
Other	954	874	782	(812)	(1,239)	(1,865)	(2,817)	(194)	(247)	185
Net change in plan fiduciary net position	1,340,351	(938,444)	7,415,303	(311,107)	978,909	1,219,876	2,392,965	(103,906)	792,605	3,486,339
Plan fiduciary net position - beginning	37,193,426	38,131,870	30,716,567	31,027,674	30,048,765	28,828,889	26,435,924	26,539,830	25,747,225	22,260,886
Plan fiduciary net position - ending	38,533,777	37,193,426	38,131,870	30,716,567	31,027,674	30,048,765	28,828,889	26,435,924	26,539,830	25,747,225
Net pension liability - ending	$ (1,451,822)	$ (2,648,580)	$ (4,081,244)	$ 1,529,045	$ (275,602)	$ (1,079,558)	$ (482,302)	$ 815,040	$ 1,617,396	$ 806,239
Plan fiduciary net position as a percentage of total pension liability	104%	108%	112%	95%	101%	104%	102%	97%	94%	97%
Covered payroll	$12,106,307	$11,080,576	$ 9,510,601	$ 10,016,892	$ 7,387,004	$ 7,210,978	$ 6,763,407	$ 6,439,895	$ 6,461,738	$ 7,956,214
Net pension liability as a percentage of covered payroll	-12%	-24%	-43%	15%	-4%	-15%	-7%	13%	25%	10%

The plan years above are reported in the county's financial statements in the fiscal year following the plan year - i.e., plan year 2014 information was presented in the county's fiscal year 2015 financial report.

COUNTY OF ALBEMARLE, VIRGINIA

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REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PENSION CONTRIBUTIONS
June 30, 2024

Entity Fiscal Year Ended June 30	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Payroll	Contributions as a Percentage of Covered Payroll
Primary Government					
2024	$ 9,568,225	$ 9,568,225	$ -	$ 65,512,942	14.61%
2023	8,281,606	8,281,606	-	56,273,003	14.72%
2022	6,688,051	6,688,051	-	49,478,019	13.52%
2021	6,227,157	6,227,157	-	46,049,559	13.52%
2020	5,333,508	5,333,508	-	45,318,590	11.77%
2019	4,996,779	4,996,779	-	42,229,160	11.83%
2018	4,770,361	4,770,361	-	41,921,141	11.38%
2017	4,611,455	4,611,455	-	39,352,233	11.72%
2016	5,190,111	5,190,111	-	38,473,766	13.49%
2015	5,034,924	5,034,924	-	37,323,375	13.49%
Component Unit School Board (nonprofessional)					
2024	$ 372,574	$ 372,574	$ -	$ 13,779,716	2.70%
2023	337,819	337,819	-	12,106,307	2.79%
2022	375,379	375,379	-	11,080,576	3.39%
2021	327,696	327,696	-	9,510,601	3.45%
2020	309,723	309,723	-	10,016,892	3.09%
2019	244,830	244,830	-	7,387,004	3.31%
2018	303,972	303,972	-	7,210,978	4.22%
2017	319,116	319,116	-	6,763,407	4.72%
2016	506,176	506,176	-	6,439,895	7.86%
2015	507,893	507,893	-	6,461,738	7.86%
Component Unit School Board (professional)					
2024	$ 21,351,088	$ 21,351,088	$ -	$ 136,067,806	15.69%
2023	19,353,135	19,353,135	-	122,513,538	15.80%
2022	17,910,347	17,910,347	-	112,297,914	15.95%
2021	16,033,889	16,033,889	-	100,425,892	15.97%
2020	15,466,883	15,466,883	-	102,008,315	15.16%
2019	15,441,877	15,441,877	-	97,216,833	15.88%
2018	14,568,185	14,568,185	-	92,641,849	15.73%
2017	13,110,828	13,110,828	-	89,432,661	14.66%
2016	12,085,302	12,085,302	-	85,955,205	14.06%
2015	12,023,961	12,023,961	-	82,923,869	14.50%

The Notes to Required Supplementary Information are an integral part of this Statement.

EXHIBIT 19

COUNTY OF ALBEMARLE, VIRGINIA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN TOTAL LOCAL PLAN OPEB LIABILITY AND RELATED RATIOS
June 30, 2024

	Plan Year Ended					
	2024	**2023**	**2022**	**2021**	**2020**	**2019**
Local Plan - Totals for all employers						
Total OPEB Liability						
Service cost	$ 2,877,375	$ 3,592,533	$ 3,779,701	$ 3,301,759	$ 3,534,456	$ 3,419,923
Interest	1,368,830	819,469	1,103,228	1,290,921	1,516,119	1,426,624
Changes in assumptions	(1,077,354)	(4,522,832)	(4,896,285)	2,003,951.00	(1,007,843.00)	(220,599.00)
Changes in benefit terms	(3,633,793)	(2,428,649)	-	-	-	-
Experience Losses/(Gains)	(10,200,053)	(2,376,537)	1,574,030	391,150	(2,484,008)	(898,166)
Benefit payments, net of retiree contributions	(1,211,918)	(932,039)	(3,706,437)	(3,109,894)	(2,173,452)	(1,618,253)
Net change in total OPEB liability	(11,876,913)	(5,848,055)	(2,145,763)	3,877,887	(614,728)	2,109,529
Total OPEB liability - beginning	38,486,920	44,334,975	46,480,738	42,602,851	43,217,579	41,108,050
Total OPEB liability - ending	$ 26,610,007	$ 38,486,920	$ 44,334,975	$ 46,480,738	$ 42,602,851	$ 43,217,579
Covered-employee payroll	n/a	n/a	n/a	n/a	n/a	n/a
County’s total OPEB liability (asset) as a percentage of covered-employee payroll	n/a	n/a	n/a	n/a	n/a	n/a

The Notes to Required Supplementary Information are an integral part of this Statement.

COUNTY OF ALBEMARLE, VIRGINIA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF COUNTY AND SCHOOL BOARD'S SHARE OF NET OPEB LIABILITY- LOCAL PLAN
June 30, 2024

Date	Employer's Proportion of the Net OPEB Liability (Asset)	Total OPEB Liability	Employer's Proportionate Share of the Net OPEB Liability	Covered Employee Payroll
Primary Government				
2024	$ 7,679,642	$ 26,610,007	28.86%	n/a
2023	11,316,457	38,486,920	29.40%	n/a
2022	12,622,167	44,334,975	28.47%	n/a
2021	13,818,723	46,480,738	29.73%	n/a
2020	12,665,828	42,602,851	29.73%	n/a
2019	11,611,987	43,217,579	26.87%	n/a
Component Unit School Board				
2024	$ 18,118,754	$ 26,610,007	68.09%	n/a
2023	25,905,546	38,486,920	67.31%	n/a
2022	28,292,826	44,334,975	63.82%	n/a
2021	25,932,355	46,480,738	55.79%	n/a
2020	27,380,505	42,602,851	64.27%	n/a
2019	27,380,505	43,217,579	63.36%	n/a

Schedule is intended to show information for 10 years. Information prior to the 2019 is not available. However, additional years will be included as they become available.

EXHIBIT 21

COUNTY OF ALBEMARLE, VIRGINIA

REQUIRED SUPPLEMEMENTAL INFORMATION
SCHEDULE OF COUNTY AND SCHOOL BOARD'S SHARE OF NET OPEB LIABILITY
GROUP LIFE INSURANCE (GLI) PLAN
June 30, 2024

Plan Year Ended June 30	Employer's Proportion of the Net OPEB Liability (Asset)	Employer's Proportionate Share of the Net OPEB Liability (Asset)	Employer's Covered Payroll	Employer's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
Primary Government					
2023	0.2383%	$ 2,858,396	$ 56,372,213	5.07%	69.30%
2022	0.2252%	2,711,278	49,506,198	5.48%	67.21%
2021	0.2348%	2,596,773	46,049,559	5.64%	67.45%
2020	0.2317%	3,674,833	45,299,516	8.11%	52.64%
2019	0.2268%	3,506,896	42,229,160	8.30%	52.00%
2018	0.2174%	3,126,819	41,338,393	7.56%	51.22%
2017	0.2134%	3,211,000	39,352,223	8.16%	48.83%
Component Unit School Board (nonprofessional)					
2023	0.0514%	$ 616,327	$ 12,106,307	5.09%	69.30%
2022	0.0509%	613,367	11,080,576	5.54%	67.21%
2021	0.0461%	536,263	9,510,601	5.64%	67.45%
2020	0.0487%	812,223	10,016,892	8.11%	52.64%
2019	0.0377%	613,154	7,387,004	8.30%	52.00%
2018	0.0374%	568,000	7,109,483	7.99%	51.22%
2017	0.0367%	552,000	6,763,407	8.16%	48.83%
Component Unit School Board (professional)					
2023	0.5202%	$ 6,238,349	$ 122,525,352	5.09%	69.30%
2022	0.5163%	6,217,231	112,316,451	5.54%	67.21%
2021	0.4864%	5,663,132	100,425,892	5.64%	67.45%
2020	0.4957%	8,271,754	102,008,318	8.11%	52.64%
2019	0.4959%	8,069,938	97,216,833	8.30%	52.00%
2018	0.4822%	7,324,000	91,694,292	7.99%	51.22%
2017	0.4813%	7,242,000	88,770,270	8.16%	48.83%

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

EXHIBIT 22

COUNTY OF ALBEMARLE, VIRGINIA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
GROUP LIFE INSURANCE (GLI) PLAN
June 30, 2024

Entity Fiscal Year Ended June 30	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Payroll	Contributions as a Percentage of Covered Payroll
Primary Government					
2024	$ 353,762	$ 353,762	$ -	$ 65,507,401	0.54%
2023	304,410	304,410	-	56,372,213	0.54%
2022	267,333	267,333	-	49,506,198	0.54%
2021	248,668	248,668	-	46,049,559	0.54%
2020	235,652	235,652	-	45,299,516	0.52%
2019	219,680	219,680	-	42,229,160	0.52%
2018	216,613	216,613	-	41,338,393	0.52%
2017	204,632	204,632	-	39,352,233	0.52%
Component Unit School Board (nonprofessional)					
2024	$ 74,646	$ 74,646	$ -	$ 13,823,274	0.54%
2023	65,374	65,374	-	12,106,307	0.54%
2022	59,835	59,835	-	11,080,576	0.54%
2021	51,357	51,357	-	9,510,601	0.54%
2020	52,088	52,088	-	10,016,892	0.52%
2019	38,412	38,412	-	7,387,004	0.52%
2018	37,254	37,254	-	7,109,483	0.52%
2017	35,170	35,170	-	6,763,407	0.52%
Component Unit School Board (professional)					
2024	$ 738,078	$ 738,078	$ -	$ 136,681,129	0.54%
2023	661,637	661,637	-	122,525,352	0.54%
2022	606,509	606,509	-	112,316,451	0.54%
2021	542,300	542,300	-	100,425,892	0.54%
2020	530,443	530,443	-	102,008,315	0.52%
2019	505,528	505,528	-	97,216,833	0.52%
2018	480,478	480,478	-	91,694,292	0.52%
2017	461,605	461,605	-	88,770,270	0.52%

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

COUNTY OF ALBEMARLE, VIRGINIA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF SCHOOL BOARD'S SHARE OF NET OPEB LIABILITY
TEACHER EMPLOYEE HEALTH INSURANCE CREDIT (HIC) PLAN
June 30, 2024

Plan Year Ended June 30	Employer's Proportion of the Net OPEB Liability (Asset)	Employer's Proportionate Share of the Net OPEB Liability (Asset)	Employer's Covered Payroll	Employer's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
2023	1.2287%	$ 14,884,564	$ 122,513,538	12.15%	17.90%
2022	1.2049%	15,049,637	112,297,914	13.40%	15.08%
2021	1.1355%	14,575,313	100,425,892	14.51%	13.15%
2020	1.1636%	15,179,094	102,008,315	14.88%	9.95%
2019	1.1591%	15,174,269	97,225,436	15.61%	8.97%
2018	1.1338%	14,395,000	91,694,292	15.70%	8.08%
2017	1.2470%	14,267,000	88,757,889	16.07%	7.04%

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

EXHIBIT 24

COUNTY OF ALBEMARLE, VIRGINIA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
HEALTH INSURANCE CREDIT (HIC) PLAN
June 30, 2024

Entity Fiscal Year Ended June 30	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Payroll	Contributions as a Percentage of Covered Payroll
Virginia Retirement System - Teachers					
2024	$ 1,646,388	$ 1,646,388	$ -	$ 136,065,141	1.21%
2023	1,482,414	1,482,414	-	122,513,538	1.21%
2022	1,358,805	1,358,805	-	112,297,914	1.21%
2021	1,215,153	1,215,153	-	100,425,892	1.21%
2020	1,224,100	1,224,100	-	102,008,315	1.20%
2019	1,166,705	1,166,705	-	97,225,436	1.20%
2018	1,127,840	1,127,840	-	91,694,292	1.23%
2017	985,213	985,213	-	88,757,889	1.11%
Virginia Retirement System - Nonprofessional					
2024	$ 63,387	$ 63,387	$ -	$ 13,779,716	0.46%
2023	55,689	55,689	-	12,106,307	0.46%
2022	49,863	49,863	-	11,080,576	0.45%
2021	42,798	42,798	-	9,510,601	0.45%

Schedule is intended to show information for 10 years. Information prior to 2017 (teacher plan) and 2021 (nonprofessional) is not available. However, additional years will be included as they become available.

COUNTY OF ALBEMARLE, VIRGINIA

REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF CHANGES IN THE SCHOOL BOARD NONPROFESSIONAL'S
NET OPEB LIABILITY AND RELATED RATIOS
HEALTH INSURANCE CREDIT (HIC) NONPROFESSIONAL PLAN
June 30, 2024

	Plan Year Ended			
	2024	**2023**	**2022**	**2021**
TOTAL HIC OPEB LIABILITY				
Service Cost	$ 6,448	$ 7,058	$ 9,612	$ -
Interest	44,909	33,487	29,808	-
Change in benefit terms	-	-	-	-
Differences between expected and actual experience	(340,659)	(6,215)	(1)	-
Changes in assumptions	-	147,240	13,827	441,604
Benefit payments	(11,868)	(11,620)	-	-
Net change in total HIC OPEB liability	(301,170)	169,950	53,246	441,604
Total HIC OPEB Liability - beginning	664,800	494,850	441,604	-
Total HIC OPEB Liability - ending	363,630	664,800	494,850	441,604
PLAN FIDUCIARY NET POSITION				
Contributions - employer	55,623	49,862	42,798	-
Net investment income	7,029	(891)	4,991	-
Benefit payments	(11,868)	(11,620)	-	-
Administrator charges	(194)	(157)	(187)	-
Other	87	1,606	-	-
Net change in plan fiduciary net position	50,677	38,800	47,602	-
Plan fiduciary net position - beginning	86,402	47,602	-	-
Plan fiduciary net position - ending	137,079	86,402	47,602	-
County's net HIC OPEB liability - ending	$ 226,551	$ 578,398	$ 447,248	$ 441,604
Plan fiduciary net position as a percentage of the total HIC OPEB liability	38%	13%	10%	0%
Covered payroll	$ 12,106,307	$ 11,080,576	$ 9,510,601	$ 10,016,892
County's net HIC OPEB liability as a percentage of covered payroll	2%	5%	5%	4%

Schedule is intended to show information for 10 years. Information prior to the 2021 plan year is not available. However, additional years will be included as they become available.

The Notes to Required Supplementary Information are an integral part of this Statement.

Note 1. Changes of Benefit Terms

Pension

There have been no actuarially material changes to the Virginia Retirement System (the "System") benefit provisions since the prior actuarial valuation.

Other Postemployment Benefits (OPEB)

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

Note 2. Changes of Assumptions

The actuarial assumptions used in the June 30, 2022, valuation were based on the results of an actuarial experience study for the period from July 1, 2016, through June 30, 2020, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2021. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

Non-Hazardous Duty:

- Update mortality table to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Scape MP-2020.
- Adjusted retirement rates to better-fit experience for Plan 1; set separate rates based on experience for Plan2/Hybrid; changed final retirement age from 75 to 80 for all.
- Adjusted withdrawal rates to better-fit experience at each age and service through 9 years of service.
- No change to disability rates.
- No change to salary scale.
- No change to line of duty rates.
- No change to discount rate.

Largest 10 – Hazardous Duty/Public Safety Employees:

- Update mortality table to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Scale MP-2020.
- Adjusted retirement rates to better-fit experience and changed final retirement age from 65 to 70.
- Decreased withdrawal rates.
- No change to disability rates.
- No change to salary scale.
- No change to line of duty rates.
- No change to discount rate.

Note 2. Changes of Assumptions (Continued)

All Others (Non 10 Largest) – Hazardous Duty/Public Safety Employees:

- Update mortality table to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Scale MP-2020.
- Adjusted retirement rates to better-fit experience and changed final retirement age from 65 to 70.
- Decreased withdrawal 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.
- No change to disability rates.
- No change to salary scale.
- No change to line of duty rates.
- No change to discount rate.

Teacher cost-sharing pool

- Update mortality table to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Scale MP-2020.
- Adjusted retirement rates to better-fit experience for Plan 1; set separate rates based on experience for Plan2/Hybrid; changed final retirement age from 75 to 80 for all.
- Adjusted withdrawal rates to better-fit experience at each age and service through 9 years of service.
- No change to disability rates.
- No changes to salary scale.
- No change to discount rate.

Note 2. Local Plan - VERIP

Benefits for the plan are paid on a pay-as-you-go basis. As such, there are no assets accumulated in a trust to pay related benefits for the plan.

OTHER SUPPLEMENTARY INFORMATION

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EXHIBIT 26

COUNTY OF ALBEMARLE, VIRGINIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2024

	Special Revenue	Debt Service	Capital Projects Storm Water Control Fund	Total
ASSETS				
Cash and investments	$ 12,096,498	$ 2,084,984	$ 2,947,306	$ 17,128,788
Receivables, (net of allowance for uncollectibles) (Note 4)	1,680,786	-	-	1,680,786
Prepaid expenses	875	-	-	875
Total assets	$ 13,778,159	$ 2,084,984	$ 2,947,306	$ 18,810,449
LIABILITIES				
Accounts payable and accrued liabilities	$ 71,081	$ -	$ 340,835	$ 411,916
Total liabilities	71,081	-	340,835	411,916
DEFERRED INFLOWS				
Unavilable revenue, opioid settlement	1,408,040	-	-	1,408,040
Total deferred inflows	1,408,040	-	-	1,408,040
FUND BALANCE				
Nonspendable				
Prepaid items	875	-	-	875
Restricted:				
Debt service	-	2,084,984	-	2,084,984
Committed:				
Stormwater projects	-	-	2,606,471	2,606,471
Special revenue	12,298,163	-	-	12,298,163
Total fund balance	12,299,038	2,084,984	2,606,471	16,990,493
Total liabilities, deferred inflows, and fund balance	$ 13,778,159	$ 2,084,984	$ 2,947,306	$ 18,810,449

COUNTY OF ALBEMARLE, VIRGINIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2024

	Special Revenue	Debt Service	Capital Projects Storm Water Control Fund	Total
REVENUES				
Other local taxes	$ 2,922,721	$ -	$ -	$ 2,922,721
Permits, privilege fees, and regulatory licenses	26,157	-	-	26,157
Use of money and property	162,751	2,084,984	151,324	2,399,059
Other revenue	273,974	-	-	273,974
Intergovernmental:				
Commonwealth	-	358,713	-	358,713
Federal Government	-	80,391	54,280	134,671
Total revenues	3,385,603	2,524,088	205,604	6,115,295
EXPENDITURES				
Current:				
Public works	94,831	-	-	94,831
Health and welfare	68,075	-	-	68,075
Community development	599,389	-	-	599,389
Debt service:				
Principal payments	-	14,280,000	-	14,280,000
Interest and fiscal charges	-	11,104,872	-	11,104,872
Capital projects	-	-	783,832	783,832
Total expenditures	762,295	25,384,872	783,832	26,930,999
Excess (deficiency) of revenues over (under) expenditures	2,623,308	(22,860,784)	(578,228)	(20,815,704)
OTHER FINANCING SOURCES (USES)				
Transfers in	4,788,217	24,945,768	100,000	29,833,985
Transfers (out)	(3,998,988)	-	-	(3,998,988)
Total other financing sources (uses)	789,229	24,945,768	100,000	25,834,997
Net change in fund balance	3,412,537	2,084,984	(478,228)	5,019,293
Fund balance, beginning of year	8,886,501	-	3,084,699	11,971,200
Fund balance, end of year	$ 12,299,038	$ 2,084,984	$ 2,606,471	$ 16,990,493

COUNTY OF ALBEMARLE, VIRGINIA

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
June 30, 2024

	Water Resources Fund	Courthouse Maintenance Fund	Stream Buffer Fund	Tourism Fund	Old Crozet School Fund	Plastic Bag Tax Fund	Opioid Settlement Fund	Broadband Development Fund	Economic Development Fund	Total
ASSETS										
Cash and Investments	$ 920,037	$ 1,536	$ 3,063	$ 1,144,081	$ 72,615	$ 177,696	$ 458,020	$ 2,402,047	$ 6,917,403	$ 12,096,498
Receivables, (net of allowance for uncollectibles) - Note 4	-	2,046	-	242,525	-	28,175	1,408,040	-	-	1,680,786
Prepaid expenses	-	-	-	-	-	-	-	-	875	875
Total assets	$ 920,037	$ 3,582	$ 3,063	$ 1,386,606	$ 72,615	$ 205,871	$ 1,866,060	$ 2,402,047	$ 6,918,278	$ 13,778,159
LIABILITIES										
Accounts payable and accrued liabilities	$ -	$ -	$ -	$ -	$ 6,280	$ -	$ 6,000	$ -	$ 58,801	$ 71,081
Total liabilities	-	-	-	-	6,280	-	6,000	-	58,801	71,081
DEFERRED INFLOWS										
Unavilable revenue, opioid settlement	-	-	-	-	-	-	1,408,040	-	-	1,408,040
Total deferred inflows	-	-	-	-	-	-	1,408,040	-	-	1,408,040
FUND BALANCE										
Nonspendable:										
Prepaid items	-	-	-	-	-	-	-	-	875	875
Committed:										
Special revenue	920,037	3,582	3,063	1,386,606	66,335	205,871	452,020	2,402,047	6,858,602	12,298,163
Total fund balance	920,037	3,582	3,063	1,386,606	66,335	205,871	452,020	2,402,047	6,859,477	12,299,038
Total liabilities, deferred inflows, and fund balance	$ 920,037	$ 3,582	$ 3,063	$ 1,386,606	$ 72,615	$ 205,871	$ 1,866,060	$ 2,402,047	$ 6,918,278	$ 13,778,159

COUNTY OF ALBEMARLE, VIRGINIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NONMAJOR SPECIAL REVENUE FUNDS
For the Year Ended June 30, 2024

	Water Resources Fund	Courthouse Maintenance Fund	Stream Buffer Fund	Tourism Fund	Old Crozet School Fund	Plastic Bag Tax Fund	Opioid Settlement Fund	Broadband Development Fund	Economic Development Fund	Total
REVENUES										
Other local taxes	$ -	$ -	$ -	$ 2,747,198	$ -	$ 175,523	$ -	$ -	$ -	$ 2,922,721
Permits, privilege fees, and regulatory licenses	-	26,157	-	-	-	-	-	-	-	26,157
Use of money and property	-	-	-	-	117,067	-	15,640	30,044	-	162,751
Opioid settlemement	-	-	-	-	-	-	273,974	-	-	273,974
Total revenues	-	26,157	-	2,747,198	117,067	175,523	289,614	30,044	-	3,385,603
EXPENDITURES										
Current:										
Public works	-	-	-	-	94,831	-	-	-	-	94,831
Health and welfare	-	-	-	-	-	-	68,075	-	-	68,075
Community development	-	-	-	-	-	-	-	-	599,389	599,389
Total expenditures	-	-	-	-	94,831	-	68,075	-	599,389	762,295
Excess (deficiency) of revenues over (under) expenditures	-	26,157	-	2,747,198	22,236	175,523	221,539	30,044	(599,389)	2,623,308
OTHER FINANCING SOURCES (USES)										
Transfers in	1,916,214	-	-	-	-	-	-	2,372,003	500,000	4,788,217
Transfers (out)	(1,454,347)	(22,575)	-	(2,522,066)	-	-	-	-	-	(3,998,988)
Total other financing sources (uses)	461,867	(22,575)	-	(2,522,066)	-	-	-	2,372,003	500,000	789,229
Net change in fund balance	461,867	3,582	-	225,132	22,236	175,523	221,539	2,402,047	(99,389)	3,412,537
Fund balance, beginning of year	458,170	-	3,063	1,161,474	44,099	30,348	230,481	-	6,958,866	8,886,501
Fund balance, end of year	$ 920,037	$ 3,582	$ 3,063	$ 1,386,606	$ 66,335	$ 205,871	$ 452,020	$ 2,402,047	$ 6,859,477	$ 12,299,038

EXHIBIT 30

COUNTY OF ALBEMARLE, VIRGINIA

COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS
June 30, 2024

	General	School	Total
ASSETS			
Cash and investments	$ 1,374,976	$ 710,008	$ 2,084,984
Total assets	$ 1,374,976	$ 710,008	$ 2,084,984
FUND BALANCE			
Restricted	$ 1,374,976	$ 710,008	$ 2,084,984
Total fund balance	$ 1,374,976	$ 710,008	$ 2,084,984

EXHIBIT 31

COUNTY OF ALBEMARLE, VIRGINIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR DEBT SERVICE FUNDS
For the Year Ended June 30, 2024

	General	School	Total
REVENUES			
Use of money and property	$ 1,374,976	$ 710,008	$ 2,084,984
Intergovernmental:			
Commonwealth	-	358,713	358,713
Federal government	-	80,391	80,391
Total revenues	1,374,976	1,149,112	2,524,088
EXPENDITURES			
Debt service:			
Principal payments	4,145,990	10,134,010	14,280,000
Interest and fiscal charges	5,132,385	5,972,487	11,104,872
Total expenditures	9,278,375	16,106,497	25,384,872
Excess (deficiency) of revenues over (under) expenditures	(7,903,399)	(14,957,385)	(22,860,784)
OTHER FINANCING SOURCES			
Transfers in	9,278,375	15,667,393	24,945,768
Total other financing sources	9,278,375	15,667,393	24,945,768
Net change in fund balance	1,374,976	710,008	2,084,984
Fund balance, beginning of year	-	-	-
Fund balance, end of year	$ 1,374,976	$ 710,008	$ 2,084,984

EXHIBIT 32

COUNTY OF ALBEMARLE, VIRGINIA

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
June 30, 2024

	Health Insurance Fund	Dental Plan Pool Fund	Duplicating Fund	Facilities Development Fund	Payroll Suspense Fund	CATEC Fund	Computer Replacement Fund	Vehicle Replacement Fund	Total Internal Service Funds
ASSETS									
Current assets:									
Cash and investments	$ 9,505,970	$ 2,294,692	$ 33,811	$ 4,857	$ 260,713	$ (453,856)	$ 52,353	$ 351,750	$ 12,050,290
Accounts receivable	322,931	3,388	905	-	111,376	592,416	-	-	1,031,016
Prepaid expenses	0.00	-	-	-	-	712	305,474	-	306,186
Total assets	9,828,901	2,298,080	34,716	4,857	372,089	139,272	357,827	351,750	13,387,492
LIABILITIES									
Current liabilities:									
Accounts payable and accrued liabilities	968,412	46,662	4,257	-	372,089	139,272	5,492	62,544	1,598,728
Claims payable:									
Due within one year	4,301,910	172,920	-	-	-	-	-	-	4,474,830
Total liabilities	5,270,322	219,582	4,257	-	372,089	139,272	5,492	62,544	6,073,558
NET POSITION									
Unrestricted	$ 4,558,579	$ 2,078,498	$ 30,459	$ 4,857	$ -	$ -	$ 352,335	$ 289,206	$ 7,313,934

EXHIBIT 33

COUNTY OF ALBEMARLE, VIRGINIA

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN NET POSITION
INTERNAL SERVICE FUNDS
For the Year Ended June 30, 2024

	Health Insurance Fund	Dental Plan Pool Fund	Duplicating Fund	Facilities Development Fund	Payroll Suspense Fund	CATEC Fund	Computer Replacement Fund	Vehicle Replacement Fund	Total Internal Service Funds
OPERATING REVENUES									
Charges for services, net	$ 48,486,844	$ 1,881,540	$ 41,231	$ -	$ 132,446,521	$ 1,931,090	$ 807,182	$ 1,347,984	$ 186,942,392
OPERATING EXPENSES									
Benefits and related expenses	49,195,276	1,877,392	-	-	-	-	-	-	51,072,668
Services and supplies	-	-	8,940	-	132,446,521	1,931,090	623,211	1,835,891	136,845,653
Total operating expenses	49,195,276	1,877,392	8,940	-	132,446,521	1,931,090	623,211	1,835,891	187,918,321
Operating income (loss)	(708,432)	4,148	32,291	-	-	-	183,971	(487,907)	(975,929)
NON-OPERATING REVENUES									
Interest income	300,915	110,871	-	-	-	-	-	65,293	477,079
TRANSFERS									
Transfers in	-	-	-	-	-	-	141,645	-	141,645
Net transfers	-	-	-	-	-	-	141,645	-	141,645
Change in net position	(407,517)	115,019	32,291	-	-	-	325,616	(422,614)	(357,205)
Net position, beginning of year as restated	4,966,096	1,963,479	(1,832)	4,857	-	-	26,719	711,820	7,671,139
Net position, end of year	$ 4,558,579	$ 2,078,498	$ 30,459	$ 4,857	$ -	$ -	$ 352,335	$ 289,206	$ 7,313,934

COUNTY OF ALBEMARLE, VIRGINIA

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Year Ended June 30, 2024

	Health Insurance Fund	Dental Plan Pool Fund	Duplicating Fund	Facilities Development Fund	Payroll Suspense Fund	CATEC FUND	Computer Replacement Fund	Vehicle Replacement Fund	Total Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES									
Receipts from insured	$ 48,163,913	$ 1,878,152	$ -	$ -	$ -	$ -	$ -	$ -	$ 50,042,065
Receipts from services	-	-	40,771	-	132,396,095	2,246,151	807,182	1,347,984	136,838,183
Payment to suppliers	(47,733,806)	(1,802,368)	(10,989)	-	(132,299,079)	(2,700,007)	(923,193)	(1,815,244)	(187,284,686)
Net cash provided by (used for) operating activities	430,107	75,784	29,782	-	97,016	(453,856)	(116,011)	(467,260)	(404,438)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES									
Transfers in	-	-	-	-	-	-	141,645	-	141,645
CASH FLOWS FROM INVESTING ACTIVITIES									
Interest income	300,915	110,871	-	-	-	-	-	65,293	477,079
Net increase (decrease) in cash and cash equivalents	731,022	186,655	29,782	-	97,016	(453,856)	25,634	(401,967)	214,286
Cash and cash equivalents, beginning of year	8,774,948	2,108,037	4,029	4,857	163,697	-	26,719	753,717	11,836,004
Cash and cash equivalents, end of year	$ 9,505,970	$ 2,294,692	$ 33,811	$ 4,857	$ 260,713	$ (453,856)	$ 52,353	$ 351,750	$ 12,050,290
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES									
Operating income (loss)	$ (708,432)	$ 4,148	$ 32,291	$ -	$ -	$ -	$ 183,971	$ (487,907)	$ (975,929)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:									
Change in assets and liabilities:									
Receivables, net	(322,931)	(3,388)	(460)	-	(50,426)	315,061	-	-	(62,144)
Prepaid expenses	7,104	-	-	-	-	(712)	(305,474)	-	(299,082)
Accounts payable and accrued liabilities	931,484	46,662	(2,049)	-	147,442	(768,205)	5,492	20,647	381,473
Claims payable	522,882	28,362	-	-	-	-	-	-	551,244
Net cash provided by (used for) operating activities	$ 430,107	$ 75,784	$ 29,782	$ -	$ 97,016	$ (453,856)	$ (116,011)	$ (467,260)	$ (404,438)

EXHIBIT 35

COUNTY OF ALBEMARLE, VIRGINIA

COMBINING STATEMENT OF FIDUCIARY NET POSITION
PRIVATE PURPOSE TRUST FUNDS
June 30, 2024

	McIntire Trust Fund	Juanise Dyer Trust Fund	Weinstein Trust Fund	Crozet Crossings Trust Fund	Synthetic Turf Field Fund	Proffer Trust Fund	Total
ASSETS							
Cash and investments	$ -	$ 14,495	$ 97,517	$ 68,889	$ 38,500	$ 10,370,702	$ 10,590,103
Accounts receivable	-	-	-	-	24,950	-	24,950
Investments with trustee	479,178	-	-	-	-	-	479,178
Total assets	479,178	14,495	97,517	68,889	63,450	10,370,702	11,094,231
NET POSITION							
Restricted	479,178	14,495	97,517	68,889	63,450	10,370,702	11,094,231
Total net position	$ 479,178	$ 14,495	$ 97,517	$ 68,889	$ 63,450	$ 10,370,702	$ 11,094,231

COUNTY OF ALBEMARLE, VIRGINIA

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PRIVATE PURPOSE TRUST FUNDS
For the Year Ended June 30, 2024

	McIntire Trust Fund	Juanise Dyer Trust Fund	Weinstein Trust Fund	Crozet Crossings Trust Fund	Synthetic Turf Field Fund	Proffer Trust Fund	Total
ADDITIONS							
Contributions - proffers	$ -	$ -	$ -	$ -	$ -	$ 53,900	$ 53,900
Total contributions	-	-	-	-	-	53,900	53,900
Investment earnings:							
Investment earnings	38,536	717	4,824	3,407	51,350	614,926	713,760
Total additions	38,536	717	4,824	3,407	51,350	668,826	767,660
DEDUCTIONS							
General	506	-	-	-	-	-	506
Contributions	-	-	-	-	234,406	1,343,115	1,577,521
Total deductions	506	-	-	-	234,406	1,343,115	1,578,027
Change in net position	38,030	717	4,824	3,407	(183,056)	(674,289)	(810,367)
Net position, beginning of year	441,148	13,778	92,693	65,482	246,506	11,044,991	11,904,598
Net position, end of year	$ 479,178	$ 14,495	$ 97,517	$ 68,889	$ 63,450	$ 10,370,702	$ 11,094,231

COUNTY OF ALBEMARLE, VIRGINIA

COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
June 30, 2024

	Special Welfare Fund	Drug Fund	HUD Family Self Sufficiency Fund	County Contribution Fund	Ace Contribution Fund	Firearms Range Operating Fund	Appeal Bond Fund
ASSETS							
Cash and investments	$ 118,799	$ 226,410	$ 24,127	$ 116,754	$ 23,712	$ 914,487	$ 4,500
Accounts receivable	-	-	-	-	-	30,293	-
Prepaid expenses	-	-	-	-	-	-	-
Net pension asset	-	-	-	-	-	-	-
Land and capital assets, net	-	-	-	-	-	-	-
Total assets	118,799	226,410	24,127	116,754	23,712	944,780	4,500
DEFERRED OUTFLOWS							
Deferred outflows	-	-	-	-	-	-	-
Total deferred outflows	-	-	-	-	-	-	-
LIABILITIES							
Accounts payable	-	-	-	-	-	31,062	-
Compensated absences	-	-	-	-	-	-	-
Deferred revenues	-	-	-	-	-	-	-
Pension and OPEB liabilities	-	-	-	-	-	-	-
Total liabilities	-	-	-	-	-	31,062	-
DEFERRED INFLOWS							
Deferred inflows	-	-	-	-	-	-	-
Total deferred inflows	-	-	-	-	-	-	-
NET POSITION							
Restricted for:							
Other Governments	-	-	-	-	-	-	-
Restricted for net pension asset	-	-	-	-	-	-	-
Individuals and organizations	118,799	226,410	24,127	116,754	23,712	913,718	4,500
Total net position	$ 118,799	$ 226,410	$ 24,127	$ 116,754	$ 23,712	$ 913,718	$ 4,500

COUNTY OF ALBEMARLE, VIRGINIA

COMBINING STATEMENT OF FIDUCIARY NET POSITION (Continued)
CUSTODIAL FUNDS
June 30, 2024

	Sheriff Reserve Fund	Performance Bond Fund	Natural Heritage Fund	Commonwealth Attorney Commission Fund	Public Recreation Facility Fund	Courts Escrow Fund
ASSETS						
Cash and investments	$ 2,043	$ 4,112,740	$ 1,263	$ 7,596	$ 714,411	$ 7,807
Accounts receivable	-	-	-	-	-	-
Prepaid expenses	-	-	-	-	-	-
Net pension asset	-	-	-	-	-	-
Deferred outflows	-	-	-	-	-	-
Land and capital assets, net	-	-	-	-	-	-
Total assets	2,043	4,112,740	1,263	7,596	714,411	7,807
DEFERRED OUTFLOWS						
Deferred outflows	-	-	-	-	-	-
Total deferred outflows	-	-	-	-	-	-
LIABILITIES						
Accounts payable	-	-	-	-	-	-
Compensated absences	-	-	-	-	-	-
Deferred revenues	-	-	-	-	-	-
Deferred inflows	-	-	-	-	-	-
Pension and OPEB liabilities	-	-	-	-	-	-
Total liabilities	-	-	-	-	-	-
DEFERRED INFLOWS						
Deferred inflows	-	-	-	-	-	-
Total deferred inflows	-	-	-	-	-	-
NET POSITION						
Restricted for:						
Other Governments	-	-	-	-	-	-
Restricted for net pension asset	-	-	-	-	-	-
Individuals and organizations	2,043	4,112,740	1,263	7,596	714,411	7,807
Total net position	$ 2,043	$ 4,112,740	$ 1,263	$ 7,596	$ 714,411	$ 7,807

COUNTY OF ALBEMARLE, VIRGINIA

COMBINING STATEMENT OF FIDUCIARY NET POSITION (Continued)
CUSTODIAL FUNDS
June 30, 2024

	Charlottesville UVA Albemarle ECC	Blue Ridge Juvenille Detention Commission	Darden Towe Memorial Park	Charlottesville Albemarle Convention and Visitors Bureau	State Account Fund	Albemarle Broadband Authority	Total
ASSETS							
Cash and investments	$ -	$ 2,217,755	$ 20,281	$ 343,350	$ 55,325	$ 291,671	$ 9,203,031
Accounts receivable	4,147,217	18,467	46,289	100,000	5,489	-	4,347,755
Prepaid expenses	129,524	22,973	385	9,382	-	-	162,264
Net pension asset	-	117,911	-	-	-	-	117,911
Land and capital assets, net	17,675,264	5,477,107	27,810	309,542	-	-	23,489,723
Total assets	21,952,005	7,854,213	94,765	762,274	60,814	291,671	37,320,684
DEFERRED OUTFLOWS							
Deferred outflows	1,128,698	251,126	43,074	246,818	-	-	1,669,716
Total deferred outflows	1,128,698	251,126	43,074	246,818	-	-	1,669,716
LIABILITIES							
Accounts payable and accrued liabilities	1,135,025	240,654	15,213	396,154	-	289,056	2,107,164
Compensated absences	293,864	118,505	11,681	52,546	-	-	476,596
Deferred revenues	-	-	-	67,280	-	-	67,280
Leases and subscriptions	4,104,437	-	-	297,705	-	-	4,402,142
Pension and OPEB liabilities	2,526,484	383,985	102,029	555,926	-	-	3,568,424
Total liabilities	8,059,810	743,144	128,923	1,369,611	-	289,056	10,621,606
DEFERRED INFLOWS							
Deferred inflows	769,396	335,945	29,084	140,849	-	-	1,275,274
Total deferred inflows	769,396	335,945	29,084	140,849	-	-	1,275,274
NET POSITION							
Restricted for:							
Other Governments	14,251,497	6,908,339	(20,168)	(501,368)	-	-	20,638,300
Restricted for net pension asset	-	117,911	-	-	-	-	117,911
Individuals and organizations	-	-	-	-	60,814	2,615	6,337,309
Total net position	$ 14,251,497	$ 7,026,250	$ (20,168)	$ (501,368)	$ 60,814	$ 2,615	$ 27,093,520

COUNTY OF ALBEMARLE, VIRGINIA

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
For the Year Ended June 30, 2024

	Special Welfare Fund	Drug Fund	HUD Family Self Sufficiency Fund	County Contribution Fund	Ace Contribution Fund	Firearms Range Operating Fund	Bond Appeal Funds
Additions							
Contributions:							
Private contributions	$ 136,120	$ -	$ -	$ 16,808	$ -	$ 323,161	$ -
Government contributions	-	3,550	-	-	-	159,414	-
Charges for services	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Miscellaneous	-	5,680	-	-	-	-	-
Total contributions	136,120	9,230	-	16,808	-	482,575	-
Investment earnings:							
Interest	-	8,761	-	6,732	1,173	43,976	-
Total investment earnings	-	8,761	-	6,732	1,173	43,976	-
Total additions	136,120	17,991	-	23,540	1,173	526,551	-
Deductions							
Recipient payments	114,529	-	-	25,044	-	-	-
Administrative expenses	-	-	-	-	-	389,335	-
Parks and rec	-	-	-	-	-	-	-
Juvenile public safety	-	-	-	-	-	-	-
Emergency communications	-	-	-	-	-	-	-
Visitors Bureau	-	-	-	-	-	-	-
Total deductions	114,529	-	-	25,044	-	389,335	-
Net increase (decrease) in fiduciary net position	21,591	17,991	-	(1,504)	1,173	137,216	-
Net position - beginning, as restated	97,208	208,419	24,127	118,258	22,539	776,502	4,500
Net position - ending	$ 118,799	$ 226,410	$ 24,127	$ 116,754	$ 23,712	$ 913,718	$ 4,500

COUNTY OF ALBEMARLE, VIRGINIA

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION (Continued)
CUSTODIAL FUNDS
For the Year Ended June 30, 2024

	Sheriff Reserve Fund	Performance Bond Fund	Natural Heritage Fund	Commonwealth Attorney Commission Fund	Public Recreation Facility Authority	Courts Escrow Fund
Additions						
Contributions:						
Private contributions	$ -	$ 1,373,270	$ -	$ 38,520	$ -	$ -
Government contributions	-	-	-	-	71,502	-
Charges for services	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Miscellaneous	-	9,294	-	-	-	-
Total contributions	-	1,382,564	-	38,520	71,502	-
Investment earnings:						
Interest	101	16,639	62	-	32,338	-
Total investment earnings	101	16,639	62	-	32,338	-
Total additions	101	1,399,203	62	38,520	103,840	-
Deductions						
Recipient payments	-	1,236,394	-	17,703	-	-
Administrative expenses	-	-	-	-	715	-
Parks and rec	-	-	-	-	-	-
Juvenile public safety	-	-	-	-	-	-
Emergency communications	-	-	-	-	-	-
Visitors Bureau	-	-	-	-	-	-
Total deductions	-	1,236,394	-	17,703	715	-
Net increase (decrease) in fiduciary net position	101	162,809	62	20,817	103,125	-
Net position - beginning, as restated	1,942	3,949,931	1,201	(13,221)	611,286	7,807
Net position - ending	$ 2,043	$ 4,112,740	$ 1,263	$ 7,596	$ 714,411	$ 7,807

COUNTY OF ALBEMARLE, VIRGINIA

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION (Continued)
CUSTODIAL FUNDS
For the Year Ended June 30, 2024

	Charlottesville Albemarle UVA ECC	Blue Ridge Juvenille Detention Commission	Darden Towe Memorial Park	Charlottesville Albemarle Visitors Bureau	State Account Fund	Albemarle Broadband Authority	Total
Additions							
Contributions:							
Private contributions	$ -	$ -	$ -	$ -	$ 115,300	$ 735,122	$ 2,738,301
Government contributions	-	-	-	-	-	-	234,466
Charges for services	7,643,198	3,611,689	404,913	60,320	-	-	11,720,120
Intergovernmental	2,616,007	1,160,390	-	2,756,611	-	-	6,533,008
Miscellaneous	66,247	58,805	13,180	681,676	-	-	834,882
Total contributions	10,325,452	4,830,884	418,093	3,498,607	115,300	735,122	22,060,777
Investment earnings:							
Interest	77,126	120,975	-	25,400	-	1,615	334,898
Total investment earnings	77,126	120,975	-	25,400	-	1,615	334,898
Total additions	10,402,578	4,951,859	418,093	3,524,007	115,300	736,737	22,395,675
Deductions							
Recipient payments	-	-	-	-	-	-	1,393,670
Administrative expenses	-	-	-	-	85,327	765,166	1,240,543
Parks and rec	-	-	356,928	-	-	-	356,928
Juvenile public safety	-	4,463,019	-	-	-	-	4,463,019
Emergency communications	10,445,430	-	-	-	-	-	10,445,430
Visitors Bureau	-	-	-	4,039,789	-	-	4,039,789
Total deductions	10,445,430	4,463,019	356,928	4,039,789	85,327	765,166	21,939,379
Net increase (decrease) in fiduciary net position	(42,852)	488,840	61,165	(515,782)	29,973	(28,429)	456,296
Net position - beginning, as restated	14,294,349	6,537,410	(81,333)	14,414	30,841	31,044	26,637,224
Net position - ending	$ 14,251,497	$ 7,026,250	$ (20,168)	$ (501,368)	$ 60,814	$ 2,615	$ 27,093,520

COUNTY OF ALBEMARLE, VIRGINIA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS - BUDGET AND ACTUAL
June 30, 2024

	Special Revenue Funds			
	Courthouse Maintenance Fund			
	Original Budget	Final Budget	Actual	Variance From Final Budget Positive (Negative)
REVENUES				
Other local taxes	$ -	$ -	$ -	$ -
Use of money and property	-	-	-	-
Permits, preivilege fees, and regulatory licenses	22,575	22,575	26,157	3,582
Intergovernmental:				
Commonwealth	-	-	-	-
Federal Government	-	-	-	-
Total revenues	22,575	22,575	26,157	3,582
EXPENDITURES				
Current:				
Health and welfare	-	-	-	-
Community development	-	-	-	-
Total expenditures	-	-	-	-
Debt service:				
Principal payments	-	-	-	-
Interest and fiscal charges	-	-	-	-
Capital projects	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	22,575	22,575	26,157	3,582
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers (out)	(22,575)	(22,575)	(22,575)	-
Appropriation of fund balance	-	-	-	-
Total other financing sources (uses)	(22,575)	(22,575)	(22,575)	-
Net change in fund balance	-	-	3,582	3,582
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	$ -	$ -	$ 3,582	$ 3,582

(Continued)

COUNTY OF ALBEMARLE, VIRGINIA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS - BUDGET AND ACTUAL
June 30, 2024

	Economic Development Fund			
	Original Budget	Final Budget	Actual	Variance From Final Budget Positive (Negative)
REVENUES				
Other local taxes	$ -	$ -	$ -	$ -
Use of money and property	-	-	-	-
Permits, preivilege fees, and regulatory licenses	-	-	-	-
Intergovernmental:				
Commonwealth	-	200,000	-	(200,000)
Federal Government	-	-	-	-
Total revenues	-	200,000	-	(200,000)
EXPENDITURES				
Current:				
Health and welfare	-	-	-	-
Community development	312,530	1,587,867	599,389	988,478
Total expenditures	312,530	1,587,867	599,389	988,478
Debt service:				
Principal payments	-	-	-	-
Interest and fiscal charges	-	-	-	-
Capital projects	1,500,000	7,370,436	-	7,370,436
Total expenditures	1,812,530	8,958,303	599,389	8,358,914
Excess (deficiency) of revenues over (under) expenditures	(1,812,530)	(8,758,303)	(599,389)	8,158,914
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	500,000	500,000
Transfers (out)	-	-	-	-
Appropriation of fund balance	1,812,530	8,758,303	-	(8,758,303)
Total other financing sources (uses)	1,812,530	8,758,303	500,000	(8,258,303)
Net change in fund balance	-	-	(99,389)	(99,389)
Fund balance, beginning of year	-	-	6,958,866	(6,958,866)
Fund balance, end of year	$ -	$ -	$ 6,859,477	$ 6,859,477

(Continued)

COUNTY OF ALBEMARLE, VIRGINIA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS - BUDGET AND ACTUAL
June 30, 2024

	Tourism Fund			
	Original Budget	Final Budge	Actual	Variance From Final Budget Positive (Negative)
REVENUES				
Other local taxes	$ 2,225,242	$ 2,522,066	$ 2,747,198	$ 225,132
Use of money and property			-	-
Permits, preivilege fees, and regulatory licenses	-	-	-	-
Intergovernmental:				
Commonwealth	-	-	-	-
Federal Government	-	-	-	-
Total revenues	2,225,242	2,522,066	2,747,198	225,132
EXPENDITURES				
Current:				
Health and welfare	-	-	-	-
Community development	-	-	-	-
Total expenditures	-	-	-	-
Debt service:				
Principal payments	-	-	-	-
Interest and fiscal charges	-	-	-	-
Capital projects	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	2,225,242	2,522,066	2,747,198	225,132
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers (out)	(2,225,242)	(2,522,066)	(2,522,066)	-
Appropriation of fund balance	-	-	-	-
Total other financing sources (uses)	(2,225,242)	(2,522,066)	(2,522,066)	-
Net change in fund balance	-	-	225,132	225,132
Fund balance, beginning of year	-	-	1,161,474	1,161,474
Fund balance, end of year	$ -	$ -	$ 1,386,606	$ 1,386,606

(Continued)

COUNTY OF ALBEMARLE, VIRGINIA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (Continued)
NONMAJOR GOVERNMENTAL FUNDS - BUDGET AND ACTUAL
June 30, 2024

	Plastic Bag Tax Fund			
	Original Budget	Final Budget	Actual	Variance From Final Budget Positive (Negative)
REVENUES				
Other local taxes	$ 40,000	$ 40,000	$ 175,523	$ 135,523
Use of money and property	-	-	-	-
Permits, preivilege fees, and regulatory licenses	-	-	-	-
Intergovernmental:				
Commonwealth	-	-	-	-
Federal Government	-	-	-	-
Total revenues	40,000	40,000	175,523	135,523
EXPENDITURES				
Current:				
Health and welfare	40,000	70,348	-	70,348
Community development	-	-	-	-
Total community development	40,000	70,348	-	70,348
Debt service:				
Principal payments	-	-	-	-
Interest and fiscal charges	-	-	-	-
Capital projects	-	-		-
Total expenditures	40,000	70,348	-	70,348
Excess (deficiency) of revenues over (under) expenditures	-	(30,348)	175,523	205,871
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Appropriation of fund balance	-	30,348	-	(30,348)
Total other financing sources (uses)	-	30,348	-	(30,348)
Net change in fund balance	-	-	175,523	175,523
Fund balance, beginning of year	-	-	30,348	30,348
Fund balance, end of year	$ -	$ -	$ 205,871	$ 205,871

(Continued)

COUNTY OF ALBEMARLE, VIRGINIA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (Continued)
NONMAJOR GOVERNMENTAL FUNDS - BUDGET AND ACTUAL
June 30, 2024

	Broadband Development Fund			
	Original Budget	Final Budget	Actual	Variance From Final Budget Positive (Negative)
REVENUES				
Other local taxes	$ -	$ -	$ -	$ -
Use of money and property	-	-	30,044	30,044
Permits, preivilege fees, and regulatory licenses	-	-	-	-
Intergovernmental:				
Commonwealth	-	-	-	-
Federal Government	-	-	-	-
Total revenues	-	-	30,044	30,044
EXPENDITURES				
Current:				
Health and welfare	-	2,402,047	-	2,402,047
Community development	-	-	-	-
Total expenditures	-	2,402,047	-	2,402,047
Debt service:				
Principal payments	-	-	-	-
Interest and fiscal charges	-	-	-	-
Capital projects	-	-	-	-
Total expenditures	-	2,402,047	-	2,402,047
Excess (deficiency) of revenues over (under) expenditures	-	(2,402,047)	30,044	(2,432,091)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	2,402,047	2,372,003	(30,044)
Transfers (out)	-	-	-	-
Appropriation of fund balance	-	-	-	-
Total other financing sources (uses)	-	2,402,047	2,372,003	(30,044)
Net change in fund balance	-	-	2,402,047	2,402,047
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	$ -	$ -	$ 2,402,047	$ 2,402,047

(Continued)

COUNTY OF ALBEMARLE, VIRGINIA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (Continued)
NONMAJOR GOVERNMENTAL FUNDS - BUDGET AND ACTUAL
June 30, 2024

	General Debt Service Fund			
	Original Budget	Final Budget	Actual	Variance From Final Budget Positive (Negative)
REVENUES				
Other local taxes	$ -	$ -	$ -	$ -
Use of money and property	-	-	1,374,976	1,374,976
Permits, preivilege fees, and regulatory licenses	-	-	-	-
Intergovernmental:				
Commonwealth	-	-	-	-
Federal Government	-	-	-	-
Total revenues	-	-	1,374,976	1,374,976
EXPENDITURES				
Current:				
Health and welfare	-	-	-	-
Community development	-	-	-	-
Total expenditures	-	-	-	-
Debt service:				
Principal payments	4,145,990	4,145,990	4,145,990	-
Interest and fiscal charges	3,491,590	5,133,385	5,132,385	1,000
Capital projects	-	-	-	-
Total expenditures	7,637,580	9,279,375	9,278,375	1,000
Excess (deficiency) of revenues over (under) expenditures	(7,637,580)	(9,279,375)	(7,903,399)	1,375,976
OTHER FINANCING SOURCES (USES)				
Transfers in	7,637,580	9,279,375	9,278,375	(1,000)
Transfers (out)	-	-	-	-
Appropriation of fund balance	-	-	-	-
Total other financing sources (uses)	7,637,580	9,279,375	9,278,375	(1,000)
Net change in fund balance	-	-	1,374,976	1,374,976
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	$ -	$ -	$ 1,374,976	$ 1,374,976

(Continued)

COUNTY OF ALBEMARLE, VIRGINIA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (Continued)
NONMAJOR GOVERNMENTAL FUNDS - BUDGET AND ACTUAL
June 30, 2024

	School Debt Service Fund			
	Original Budget	Final Budget	Actual	Variance From Final Budget Positive (Negative)
REVENUES				
Other local taxes	$ -	$ -	$ -	$ -
Use of money and property	-	-	710,008	710,008
Permits, preivilege fees, and regulatory licenses	-	-	-	-
Intergovernmental:				
Commonwealth	358,713	358,713	358,713	-
Federal Government	80,155	80,155	80,391	236
Total revenues	438,868	438,868	1,149,112	710,244
EXPENDITURES				
Current:				
Health and welfare	-	-	-	-
Community development	-	-	-	-
Total expenditures	-	-	-	-
Debt service:				
Principal payments	10,134,011	10,134,011	10,134,010	1
Interest and fiscal charges	6,695,907	5,973,486	5,972,487	999
Capital projects	-	-	-	-
Total expenditures	16,829,918	16,107,497	16,106,497	1,000
Excess (deficiency) of revenues over (under) expenditures	(16,391,050)	(15,668,629)	(14,957,385)	711,244
OTHER FINANCING SOURCES (USES)				
Transfers in	16,391,050	15,668,629	15,667,393	(1,236)
Transfers (out)	-	-	-	-
Appropriation of fund balance	-	-	-	-
Total other financing sources (uses)	16,391,050	15,668,629	15,667,393	(1,236)
Net change in fund balance	-	-	710,008	710,008
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	$ -	$ -	$ 710,008	$ 710,008

(Continued)

COUNTY OF ALBEMARLE, VIRGINIA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (Continued)
NONMAJOR GOVERNMENTAL FUNDS - BUDGET AND ACTUAL
June 30, 2024

	Capital Projects Fund			
	Storm Water Control			
	Original Budget	Final Budget	Actual	Variance From Final Budget Positive (Negative)
REVENUES				
Other local taxes	$ -	$ -	$ -	$ -
Use of money and property	-	-	151,324	151,324
Permits, preivilege fees, and regulatory licenses	-	-	-	-
Intergovernmental:				
Commonwealth	-	859,635	-	(859,635)
Federal Government	-	96,261	54,280	(41,981)
Total revenues	-	955,896	205,604	(750,292)
EXPENDITURES				
Current:				
Health and welfare	-	-	-	-
Community development	-	-	-	-
Total expenditures	-	-	-	-
Debt service:				
Principal payments	-	-	-	-
Interest and fiscal charges	-	-	-	-
Capital projects	-	2,980,676	783,832	2,196,844
Total expenditures	-	2,980,676	783,832	2,196,844
Excess (deficiency) of revenues over (under) expenditures	-	(2,024,780)	(578,228)	1,446,552
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	100,000	100,000
Transfers (out)	-	-	-	-
Appropriation of fund balance	-	2,024,780	-	(2,024,780)
Total other financing sources (uses)	-	2,024,780	100,000	(1,924,780)
Net change in fund balance	-	-	(478,228)	(478,228)
Fund balance, beginning of year	-	-	3,084,699	3,084,699
Fund balance, end of year	$ -	$ -	$ 2,606,471	$ 2,606,471

EXHIBIT 40

COUNTY OF ALBEMARLE, VIRGINIA

COMPONENT UNIT SCHOOL BOARD
COMBINING BALANCE SHEET
June 30, 2024

	School Operating Fund	School Food Services Fund	School Activities Fund	School Capital Projects Fund	Total Governmental Funds
ASSETS					
Cash and investments	$ 24,138,551	$ 3,978,333	$ 2,951,801	$ 42,851,792	$ 73,920,477
Investments - restricted	-	-	-	14,442,414	14,442,414
Accounts receivable	1,135,571	2,909	-	-	1,138,480
Due from other governments	9,036,786	589,886	-	-	9,626,672
Prepaid items	500,861	-	-	987	501,848
Inventories	237,124	137,307	-	-	374,431
Total assets	$ 35,048,893	$ 4,708,435	$ 2,951,801	$ 57,295,193	$ 100,004,322
LIABILITIES					
Accounts payable and accrued liabilities	$ 24,096,550	$ 318,119	$ -	$ 5,215,427	$ 29,630,096
Total liabilities	24,096,550	318,119	-	5,215,427	29,630,096
FUND BALANCE					
Nonspendable:					
Inventories and prepaid items	737,985	137,307	-	987	876,279
Restricted:					
Capital projects	-	-	-	14,442,414	14,442,414
Scholarships	-	-	46,936	-	46,936
Committed:					
Education					
Special revenue	10,214,358	4,253,009	2,904,865	-	17,372,232
Assigned:					
Capital Projects	-	-	-	37,636,365	37,636,365
Total fund balance	10,952,343	4,390,316	2,951,801	52,079,766	70,374,226
Total liabilities and fund balance	$ 35,048,893	$ 4,708,435	$ 2,951,801	$ 57,295,193	$ 100,004,322

The Notes to Financial Statements are an integral part of this Statement.

COUNTY OF ALBEMARLE, VIRGINIA

COMPONENT UNIT SCHOOL BOARD
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION
June 30, 2024

Total fund balances for governmental funds		$ 70,374,226
Total net position reported for governmental activities in the statement of net position is different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:		
Land and land improvements	$ 8,038,325	
Construction in progress	2,076,859	
Buildings and improvements, net of accumulated depreciation	130,418,256	
Lease buildings, net of depreciation	589,386	
SBITA and Lease equipment, net of depreciation	811,515	
Furniture, equipment, and vehicles, net of depreciation	10,809,425	
School Board capital assets in primary government, net of depreciation	(92,897,163)	
		59,846,603
Financial statement elements related to pension and OPEB plans are applicable to future periods and, therefore, are not reported in the funds		
Deferred outflows related to pensions	45,934,175	
Deferred outflows related to OPEB	8,837,312	
Deferred inflows related to pensions	(15,255,737)	
Deferred inflows related to OPEB	(14,184,856)	
		25,330,894
Long-term liabilities applicable to the School Board's governmental activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities. Balances of long-term liabilities affecting net position consist of the following:		
Compensated absences	(5,040,805)	
School energy improvement loan	(4,478,876)	
Lease liabilities	(757,620)	
Subscription liabilities	(672,088)	
Net pension asset	1,451,822	
Net pension liability	(123,914,331)	
Net OPEB liabilities	(40,084,545)	
		(173,496,443)
Total net position of governmental activities (Exhibit 1)		$ (17,944,720)

COUNTY OF ALBEMARLE, VIRGINIA

COMPONENT UNIT SCHOOL BOARD
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
June 30, 2024

	School Operating Fund	School Food Services Fund	School Activities Fund	School Capital Projects Fund	Total Governmental Funds
REVENUES					
Use of money and property	$ 595,184	$ 215,452	$ -	$ -	$ 810,636
Charges for services	3,359,647	2,351,996	-	-	5,711,643
Miscellaneous	2,191,535	173,675	2,356,823	1,773,923	6,495,956
Recovered costs	1,230,530	-	-	-	1,230,530
Intergovernmental:					
Appropriation from primary government	183,446,641	-	-	68,029,433	251,476,074
Commonwealth	78,225,725	105,924	-	486,770	78,818,419
Federal Government	9,129,621	4,084,518	-	581,767	13,795,906
Total revenues	278,178,883	6,931,565	2,356,823	70,871,893	358,339,164
EXPENDITURES					
Current:					
Education:					
Instruction	178,912,032	-	2,671,487	-	181,583,519
Administration, attendance, and health	23,379,252	-	-	-	23,379,252
Transportation	14,874,606	-	-	-	14,874,606
Special programs	23,470,381	-	-	-	23,470,381
Facilities operations and maintenance	24,065,268	-	-	-	24,065,268
School food services	-	7,695,879	-	-	7,695,879
Technology	8,858,294	-	-	-	8,858,294
Contribution to primary government	3,383,128	-	-	-	3,383,128
Capital projects	381,544	-	-	28,813,123	29,194,667
Debt service:					
Principal	1,583,505	-	-	25,165	1,608,670
Interest	222,853	-	-	2,511	225,364
Total expenditures	279,130,863	7,695,879	2,671,487	28,840,799	318,339,028
Excess (deficiency) of revenues over (under) expenditures	(951,980)	(764,314)	(314,664)	42,031,094	40,000,136
OTHER FINANCING SOURCES (USES)					
Transfers in	-	151,606	-	750,000	901,606
Transfers out	(901,606)	-	-	-	(901,606)
Issuance of subscription liability	381,544	-	-	-	381,544
Sale of technical education center	-	-	-	5,300,000	5,300,000
Total other financing sources (uses)	(520,062)	151,606	-	6,050,000	5,681,544
Net change in fund balance	(1,472,042)	(612,708)	(314,664)	48,081,094	45,681,680
Fund balance, beginning of year	12,424,385	5,003,024	3,266,465	3,998,672	24,692,546
Fund balance, end of year	$ 10,952,343	$ 4,390,316	$ 2,951,801	$ 52,079,766	$ 70,374,226

EXHIBIT 43

COUNTY OF ALBEMARLE, VIRGINIA

COMPONENT UNIT SCHOOL BOARD
RECONCILIATION OF THE STATEMENT FO REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
June 30, 2024

Net change in fund balances - total governmental funds		$ 45,681,680
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful live and reported as depreciation expense. The amount by which capital outlays exceeded depreciation in the current period is as follows:		
Capital outlay:		
Construction in progress additions	$ 19,947,865	
Construction in progress deletions	(9,986,917)	
Subscription asset additions	381,544	
Land additions	1,900,375	
Land deletions	(18,800)	
Buildings and improvements deletions	(1,125,171)	
Removal of accumulated depreciation	5,620,456	
Other improvements additions	16,072,136	
Other improvements deletions	(498,386)	
Furniture, equipment, and vehicle additions	3,565,663	
Furniture, equipment, and vehicle deletions	(4,815,747)	31,043,018
Depreciation expense		(11,891,780)
School Board capital assets are jointly owned by the County and School Board. The County share of School Board capital assets is in proportion to the debt owed on such by the County. The transfers to the School Board are affected by the relationship of the debt to assets on a year-to-year basis. The net transfer resulting from this relationship decreased the transfers to the School Board.		
School buildings and improvements additions		(36,447,876)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.		
(Increase) in deferred inflows related to the measurement of the net OPEB liability	(4,280,328)	
Decrease in deferred inflows related to the measurement of the net pension liability	11,722,346	7,442,018
Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable financial resources. In the statement of activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues. The issuance of long-term debt provides current financial resources to governmental funds. This adjustment combines the net changes of the following:		
Principal retirement of energy loan	680,412	
Issuance of subscription liability	(381,544)	
Principal retirement of lease and subscription liabilities	928,258	
Increase in deferred outflows related to the measurement of the net pension liability	6,993,193	
(Decrease) in deferred outflows related to the measurement of the net OPEB liabilities	(472,220)	
Decrease of net OPEB liability	8,279,634	
(Decrease) of net pension asset	(1,196,758)	
(Increase) of net pension liability	(9,132,089)	
Decrease of compensated absences	368,615	6,067,501
Changes in net position of governmental activities (Exhibit 2)		$ 41,894,561

The Notes to Financial Statements are an integral part of this Statement.

COUNTY OF ALBEMARLE, VIRGINIA

COMPONENT UNIT SCHOOL BOARD - SCHOOL FUNDS
BUDGETARY COMPARISON SCHEDULE
June 30, 2024

	School Operating Fund			
	Original Budget	Final Budget	Actual	Variance From Final Budget Positive (Negative)
REVENUES				
Use of money and property	$ 260,000	$ 260,000	$ 595,184	$ 335,184
Charges for services	4,572,324	4,572,324	3,359,647	(1,212,677)
Miscellaneous	1,006,943	1,006,943	2,191,535	1,184,592
Recovered costs	941,979	941,979	1,230,530	288,551
Intergovernmental:				
Appropriation from primary government	182,019,694	182,630,849	183,446,641	815,792
Commonwealth	74,475,296	77,238,790	78,225,725	986,935
Federal Government	9,305,425	9,305,425	9,129,621	(175,804)
Total revenues	272,581,661	275,956,310	278,178,883	2,222,573
EXPENDITURES				
Current:				
Education:				
Instruction	179,789,645	179,990,827	178,912,032	1,078,795
Administration, attendance, and health	24,992,955	26,255,863	23,379,252	2,876,611
Transportation	15,470,986	15,467,986	14,874,606	593,380
Special Programs	20,107,731	29,338,588	23,470,381	5,868,207
Facilities operations and maintenance	23,036,557	23,308,185	24,065,268	(757,083)
Food service operations	-	-	-	-
Technology	10,101,618	10,101,618	8,858,294	1,243,324
Contribution to primary government	2,945,786	2,945,786	3,383,128	(437,342)
Capital projects	-	-	381,544	(381,544)
Debt service:				
Principal	849,600	849,600	1,583,505	(733,905)
Interest	-	-	222,853	(222,853)
Total expenditures	277,294,878	288,258,453	279,130,863	9,127,590
Excess (deficiency) of revenues over (under) expenditures	(4,713,217)	(12,302,143)	(951,980)	11,350,163
OTHER FINANCING SOURCES (USES)				
Transfers in	311,378	661,378	-	(661,378)
Transfers (out)	-	-	(901,606)	(901,606)
Issuance of subscription liability	-	-	381,544	381,544
Sale of technical education center	-	-	-	-
Appropriation of fund balance	4,401,839	11,640,765	-	(11,640,765)
Total other financing sources (uses)	4,713,217	12,302,143	(520,062)	(12,822,205)
Net change in fund balance	-	-	(1,472,042)	(1,472,042)
Fund balance, beginning of year	-	-	12,424,385	12,424,385
Fund balance, end of year	$ -	$ -	$ 10,952,343	$ 10,952,343

The Notes to Financial Statements are an integral part of this Statement.

School Food Services Fund				School Capital Projects Fund			
Original Budget	Final Budget	Actual	Variance From Final Budget Positive (Negative)	Original Budget	Final Budget	Actual	Variance From Final Budget Positive (Negative)
$ 51,153	$ 51,153	$ 215,452	$ 164,299	$ -	$ -	$ -	$ -
2,938,752	2,938,752	2,351,996	(586,756)	-	-	-	-
-	-	173,675	173,675	270,000	270,000	1,773,923	1,503,923
-	-	-	-	-	-	-	-
		-	-				-
-	-	-	-	-	-	68,029,433	68,029,433
114,000	114,000	105,924	(8,076)	-	795,355	486,770	(308,585)
3,351,140	3,351,140	4,084,518	733,378	-	1,842,985	581,767	(1,261,218)
6,455,045	6,455,045	6,931,565	476,520	270,000	2,908,340	70,871,893	67,963,553
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
6,455,045	11,330,150	7,695,879	3,634,271	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	23,223,800	89,455,823	28,813,123	60,642,700
-	-	-	-	-	-	25,165	(25,165)
-	-	-	-	-	-	2,511	(2,511)
6,455,045	11,330,150	7,695,879	3,634,271	23,223,800	89,455,823	28,840,799	60,615,024
-	(4,875,105)	(764,314)	4,110,791	(22,953,800)	(86,547,483)	42,031,094	128,578,577
-	4,875,105	151,606	(4,723,499)	24,478,823	105,987,328	750,000	(105,237,328)
-	-	-	-	-	-	-	-
-	-	-	-	-	5,300,000	5,300,000	-
-	-	-	-	1,525,023	24,739,845	-	(24,739,845)
-	4,875,105	151,606	(4,723,499)	26,003,846	136,027,173	6,050,000	(129,977,173)
-	-	(612,708)	(612,708)	3,050,046	49,479,690	48,081,094	(1,398,596)
-	-	5,003,024	5,003,024	-	-	3,998,672	3,998,672
$ -	$ -	$ 4,390,316	$ 4,390,316	$ 3,050,046	$ 49,479,690	$ 52,079,766	$ 2,600,076

The Notes to Financial Statements are an integral part of this Statement.

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STATISTICAL SECTION

Contents Pages

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

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Table 1

COUNTY OF ALBEMARLE, VIRGINIA

NET POSITION BY COMPONENT
Last Ten Fiscal Years
(accrual basis of accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental activities										
Net investment in capital assets	$ 19,617,917	$ 19,119,107	$ 13,365,493	$ 14,365,980	$ 18,886,437	$ 37,769,441	$ 7,114,866	$ 11,080,909	$ 14,434,413	$ 5,935,065
Restricted:										
Grant compliance	1,049,763	1,966,148	3,827,416	2,257,492	3,147,427	5,046,435	5,074,713	8,170,829	10,484,407	7,926,035
Unrestricted	23,907,935	28,705,894	17,812,570	43,055,795	54,142,737	36,660,001	51,662,626	86,486,248	107,651,529	120,343,841
Total governmental activities net position	$ 44,575,615	$ 49,791,149	$ 35,005,479	$ 59,679,267	$ 76,176,601	$ 79,475,877	$ 63,852,205	$ 105,737,986	$ 132,570,349	$ 134,204,941
Component Unit - School Board										
Net investment in capital assets	$ 68,284,362	$ 65,392,519	$ 59,845,625	$ 64,536,183	$ 67,135,276	$ 70,997,714	$ 64,195,087	$ 68,009,537	$ 70,007,772	$ 48,722,592
Restricted for net pension asset	-	-	-	-	-	-	-	4,081,244	2,648,580	1,451,822
Unrestricted	(144,572,714)	(138,243,494)	(106,394,995)	(169,446,808)	(174,530,051)	(181,552,654)	(133,916,098)	(136,964,203)	(132,495,392)	(68,119,134)
Total governmental activities net position	$ (76,288,352)	$ (72,850,975)	$ (46,549,370)	$ (104,910,625)	$ (107,394,775)	$ (110,554,940)	$ (69,721,011)	$ (64,873,422)	$ (59,839,040)	$ (17,944,720)

Table 2

COUNTY OF ALBEMARLE, VIRGINIA

CHANGES IN NET POSITION
Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Expenses										
Governmental activities:										
General government administration	$ 13,857,864	$ 14,184,519	$ 14,159,853	$ 13,180,551	$ 16,033,434	$ 20,152,213	$ 22,663,518	$ 20,655,655	$ 26,038,310	$ 33,207,274
Judicial administration	6,047,874	5,909,977	5,955,611	6,115,421	6,423,724	6,914,556	7,006,895	5,048,125	5,698,775	7,364,592
Public safety	41,294,799	44,153,582	45,574,488	45,989,178	47,607,466	52,253,314	56,437,283	57,489,744	64,272,057	67,146,951
Public works	7,842,960	7,783,781	7,661,298	12,610,005	8,557,091	10,056,684	11,531,644	13,797,269	16,159,367	14,589,734
Health and welfare	27,157,789	27,448,264	26,701,233	27,868,798	31,364,841	30,827,079	37,346,963	35,223,630	43,468,438	45,651,847
Education	117,177,041	122,557,855	156,222,909	114,359,371	136,979,246	160,479,578	185,074,053	147,596,404	182,614,469	219,356,084
Parks, recreation, and cultural	7,852,218	11,098,308	8,804,004	9,333,628	8,910,639	10,425,952	10,618,313	9,775,450	12,667,681	11,637,519
Community development	27,900,025	27,080,262	26,614,114	28,358,277	31,930,547	30,569,280	35,292,202	34,627,418	43,385,081	36,498,959
Bond issuance costs	-	-	-	-	-	-	-	-	-	1,633,850
Interest on long-term debt	5,416,853	6,105,200	6,695,703	7,370,089	6,386,159	5,896,836	5,753,837	5,110,508	4,845,069	9,926,596
Total governmental activities expenses	$ 254,547,423	$ 266,321,748	$ 298,389,213	$ 265,185,318	$ 294,193,147	$ 327,575,492	$ 371,724,708	$ 329,324,203	$ 399,149,247	$ 447,013,406
Program Revenues										
Governmental activities:										
Charges for services:										
General government administration	$ 379,547	$ 397,260	$ 382,375	$ 407,226	$ 402,374	$ 533,458	$ 575,409	$ 159,810	$ 23,833	$ 53,239
Judicial administration	503,083	500,335	495,670	545,992	482,515	473,122	369,342	610,498	486,574	506,713
Public safety	2,803,272	3,161,337	3,117,781	3,293,635	3,393,997	3,220,032	3,014,561	3,500,292	4,407,887	4,268,162
Public works	95,345	102,082	92,316	63,340	96,292	59,844	48,660	-	-	-
Education	-	-	25,000	23,821	25,000	25,000	22,500	-	-	-
Parks, recreation, and cultural	335,885	336,689	314,000	312,151	333,205	155,050	41,994	280,282	321,860	341,968
Community development	1,839,909	2,477,563	2,500,395	2,814,120	2,365,686	2,474,691	2,466,608	3,618,598	3,215,020	3,466,345
Operating grants and contributions	23,351,090	24,223,061	24,523,951	24,733,655	27,736,396	35,938,814	53,197,772	35,701,494	52,186,566	40,079,463
Capital grants and contributions	2,100,329	3,356,618	1,440,477	1,541,603	947,025	763,951	460,212	1,625,099	1,255,909	364,969
Total governmental activities program revenues	31,408,460	34,554,945	32,891,965	33,735,543	35,782,490	43,643,962	60,197,058	45,496,073	61,897,649	49,080,859
Net (expense)/revenue										
Governmental activities	$(223,138,963)	$(231,766,803)	$(265,497,248)	$(231,449,775)	$(258,410,657)	$(283,931,530)	$(311,527,650)	$(283,828,130)	$(337,251,598)	$(397,932,547)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes:										
General property taxes, real and personal	$ 152,302,505	$ 165,115,649	$ 174,980,809	$ 184,916,636	$ 195,223,133	$ 206,274,520	$ 216,284,089	$ 233,881,733	$ 256,096,410	$ 282,675,094
Local sales and use taxes	14,405,992	15,093,147	16,229,409	16,858,642	16,996,773	18,492,964	19,806,666	22,446,273	23,966,608	24,635,908
Business license tax	10,883,364	11,952,487	12,849,303	13,231,145	13,480,638	13,834,555	13,811,085	15,355,367	16,808,507	18,479,479
Consumer utility taxes	4,439,504	4,404,363	4,462,769	4,607,616	4,570,646	4,493,304	4,540,578	4,761,328	4,834,766	4,677,058
Meals tax	6,950,994	7,415,331	7,971,041	8,580,284	8,849,721	7,909,209	7,332,394	10,217,608	16,892,773	17,851,701
Motor vehicle licenses taxes	3,566,011	3,732,953	3,910,692	3,925,015	4,224,340	3,945,530	4,007,434	4,008,964	4,141,427	4,282,252
Other local taxes	5,709,797	6,137,652	7,258,368	6,593,424	6,626,738	6,006,504	7,546,429	9,117,799	12,129,841	13,136,468
Unrestricted grants and contributions	21,120,038	21,017,419	21,113,223	20,816,629	20,389,874	20,497,314	19,402,652	19,456,125	19,911,934	19,126,135
Unrestricted revenues from use of money and property	985,769	1,631,677	1,653,038	2,515,915	3,504,029	2,691,171	1,665,951	1,661,227	6,548,075	13,148,498
Miscellaneous	1,362,906	481,659	282,926	1,774,308	1,042,099	3,103,735	1,488,500	4,807,687	2,753,760	1,662,053
Total governmental activities	221,726,880	236,982,337	250,711,578	263,819,614	274,907,991	287,248,806	295,885,778	325,714,111	364,084,101	399,674,646
Change in Net Position										
Governmental Activities	$ (1,412,083)	$ 5,215,534	$ (14,785,670)	$ 32,369,839	$ 16,497,334	$ 3,317,276	$ (15,641,872)	$ 41,885,981	$ 26,832,503	$ 1,742,099

The Notes to Financial Statements are an integral part of this Statement.

Table 2

COUNTY OF ALBEMARLE, VIRGINIA

CHANGES IN NET POSITION (Continued)
Last Ten Fiscal Years
(accrual basis of accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Expenses										
Component unit activities:										
Albemarle County Public Schools	$ 183,267,944	$ 188,700,452	$ 207,155,126	$ 202,743,987	$ 206,281,210	$ 224,268,894	$ 223,214,007	$ 240,636,806	$ 273,104,869	$ 284,066,197
Economic Development Authority	-	-	-	-	-	-	-	-	1,202,514	1,097,291
Total component unit activities program expenses	$ 183,267,944	$ 188,700,452	$ 207,155,126	$ 202,743,987	$ 206,281,210	$ 224,268,894	$ 223,214,007	$ 240,636,806	$ 274,307,383	$ 285,163,488
Program Revenues										
Component unit activities:										
Albemarle County Public Schools										
Charges for services:	$ 5,906,669	$ 6,583,247	$ 6,104,492	$ 5,721,410	$ 6,196,353	$ 4,790,755	$ 1,212,995	$ 3,486,353	$ 5,589,446	$ 5,711,643
Operating grants and contributions	53,440,814	55,447,030	58,701,661	59,187,971	58,530,559	61,839,647	74,674,431	92,323,244	83,849,178	91,545,788
Capital grants and contributions	300,000	1,026,000	1,752,000	1,000,000	960,000	960,000	960,000	960,887	4,115,335	1,068,537
Total ACPS program revenues	59,647,483	63,056,277	66,558,153	65,909,381	65,686,912	67,590,402	76,847,426	96,770,484	93,553,959	98,325,968
Economic Development Authority										
Operating grants and contributions	-	-	-	-	-	-	-	-	1,320,587	736,558
Total EDA program revenues	-	-	-	-	-	-	-	-	1,320,587	736,558
Total component unit activities program expenses	59,647,483	63,056,277	66,558,153	65,909,381	65,686,912	67,590,402	76,847,426	96,770,484	94,874,546	99,062,526
Net (expense)/revenue										
Albemarle County Public Schools	$ (123,620,461)	$ (125,644,175)	$ (140,596,973)	$ (136,834,606)	$ (140,594,298)	$ (156,678,492)	$ (146,366,581)	$ (143,866,322)	$ (179,550,910)	$ (185,740,229)
Economic Development Authority	-	-	-	-	-	-	-	-	118,073	(360,733)
Total Component Unit Activities	(123,620,461)	(125,644,175)	(140,596,973)	(136,834,606)	(140,594,298)	(156,678,492)	(146,366,581)	(143,866,322)	(179,432,837)	(186,100,962)
General Revenues and Other Changes in Net Position										
Component unit - School Board:										
Payment from COA: Education	$ 117,153,017	$ 122,891,483	$ 162,121,149	$ 110,978,380	$ 133,748,641	$ 149,352,216	$ 181,794,643	$ 144,513,727	$ 180,066,954	$ 216,532,121
Unrestricted revenues from use of money and property	923,260	1,206,650	1,123,464	1,294,270	1,418,504	680,369	149,533	307,009	521,893	810,636
Gain on sale of technical education center										5,300,000
Miscellaneous	3,186,814	3,244,419	3,653,968	3,130,408	2,943,003	3,515,742	2,045,740	3,620,085	3,996,445	4,992,033
Total Albemarle County Public Schools	121,263,091	127,342,552	166,898,581	115,403,058	138,110,148	153,548,327	183,989,916	148,440,821	184,585,292	227,634,790
Component Unit - Economic Development Authority:										
Unrestricted revenues from use of money and property	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 29,595	$ 42,292
Miscellaneous	-	-	-	-	-	-	-	-	4,532	-
Total Economic Development Authority	-	-	-	-	-	-	-	-	34,127	42,292
Total Component Unit Activities	121,263,091	127,342,552	166,898,581	115,403,058	138,110,148	153,548,327	183,989,916	148,440,821	184,619,419	227,677,082
Changes in Net Position										
Albemarle County Public Schools	$ (2,357,370)	$ 1,698,377	$ 26,301,608	$ (21,431,548)	$ (2,484,150)	$ (3,130,165)	$ 37,623,335	$ 4,574,499	$ 5,034,382	$ 41,894,561
Economic Development Authority	-	-	-	-	-	-	-	-	152,200	(318,441)
Component unit activities	$ (2,357,370)	$ 1,698,377	$ 26,301,608	$ (21,431,548)	$ (2,484,150)	$ (3,130,165)	$ 37,623,335	$ 4,574,499	$ 5,186,582	$ 41,576,120

The Notes to Financial Statements are an integral part of this Statement.

COUNTY OF ALBEMARLE, VIRGINIA

GOVERNMENT ACTIVITIES TAX REVENUES BY SOURCE
Last Ten Fiscal Years
(accrual basis of accounting)

Fiscal Year	General Property Tax*	Local Sales and use Tax*	Meals Tax*	Consumer Utility Tax*	Motor Vehicle License Tax*	Bank Franchise Tax*	Recordation and Wills Tax*	Business License Tax*	Utility Company Tax*	Seller's Tax*	Other*	Total*
2015	152,303	14,406	6,951	4,440	3,566	791	1,668	10,640	244	468	2,781	198,258
2016	165,116	15,093	7,415	4,404	3,733	836	1,679	11,692	260	456	3,167	213,851
2017	174,981	16,229	7,971	4,463	3,911	1,035	2,308	12,626	224	712	3,203	227,663
2018	184,917	16,859	8,580	4,608	3,925	1,105	1,830	13,231	-	587	3,071	238,713
2019	195,223	16,997	8,850	4,571	4,224	1,321	1,944	13,481	-	623	2,738	249,972
2020	206,275	18,493	7,909	4,493	3,945	1,043	2,063	13,835	-	603	2,298	260,957
2021	216,284	19,807	7,332	4,541	4,007	1,326	3,203	13,811	-	811	2,207	273,329
2022	233,882	22,446	10,218	4,761	4,009	1,397	2,972	15,355	-	863	3,886	299,789
2023	256,942	23,967	16,893	4,835	4,141	1,512	2,239	16,809	-	760	6,772	334,870
2024	282,676	24,635	17,851	4,677	4,282	1,463	2,179	18,479	-	798	8,698	365,738

**amounts expressed in thousands*

Table 4

COUNTY OF ALBEMARLE, VIRGINIA

FUND BALANCES OF GOVERNMENTAL FUNDS (1)
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General fund										
Nonspendable	$ 118,063	$ 110,587	$ 105,800	$ 157,766	$ 362,776	$ 194,447	$ 118,095	$ 297,510	$ 1,862,816	$ 1,061,157
Committed	3,150,271	728,372	1,065,746	1,049,115	2,994,658	2,086,684	1,106,902	11,495,856	2,696,762	2,614,993
Education - School Reserve	-	1,397,998	1,975,506	3,177,769	3,348,919	8,544,517	8,602,629	2,146,237	9,161,933	4,577,409
Unassigned	36,587,173	45,696,114	53,158,067	79,108,973	49,071,604	48,890,972	71,692,134	60,299,825	77,605,070	89,625,129
Total general fund	$ 39,855,507	$ 47,933,071	$ 56,305,119	$ 83,493,623	$ 55,777,957	$ 59,716,620	$ 81,519,760	$ 74,239,428	$ 91,326,581	$ 97,878,688
All other governmental funds										
Nonspendable										
Inventories and prepaid	$ 48,732	$ 36,548	$ 24,364	$ 12,180	$ -	$ -	$ -	$ 299	$ 605,374	$ 373,757
Restricted										
Grant compliance	1,049,763	1,966,148	3,827,416	2,257,492	3,147,427	5,064,435	5,074,713	8,170,829	10,484,407	7,926,035
Capital projects	-	-	-	-	-	-	9,237,024	1,645,949	113,743	28,403,215
Debt service funds	648,765	12,019,324	-	-	-	-	-	-	-	2,084,984
Committed										
Capital projects funds	17,102,971	33,972,293	37,441,136	36,649,886	24,892,624	13,330,475	8,146,445	27,287,783	36,068,342	43,511,288
Storm water projects	-	-	-	3,906,158	3,212,165	3,610,836	3,486,321	3,805,915	3,084,699	2,606,471
Special revenue	1,183,677	2,535,230	3,084,375	6,067,502	7,416,208	5,902,368	4,799,387	10,010,254	8,886,501	12,298,163
Unassigned	-	-	-	-	-	(33,349)	(33,349)	-	-	-
Total all other governmental funds	$ 20,033,908	$ 50,529,543	$ 44,377,291	$ 48,893,218	$ 38,668,424	$ 27,874,765	$ 30,710,541	$ 50,921,029	$ 59,243,066	$ 97,203,913

The Notes to Financial Statements are an integral part of this Statement.

Table 5

COUNTY OF ALBEMARLE, VIRGINIA

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
REVENUES										
General property taxes	$ 154,708,440	$ 166,478,084	$ 174,497,297	$ 183,727,785	$ 195,682,664	$ 204,574,224	$ 216,599,323	$ 232,723,027	$ 256,942,007	$ 281,918,666
Other local taxes	45,955,663	48,735,933	52,681,579	53,796,125	54,748,856	54,682,066	57,044,586	65,907,339	78,773,923	83,062,867
Permits, privilege fees, and regulatory licenses	1,991,189	2,790,331	2,770,923	3,123,406	2,624,646	2,778,338	2,816,383	3,626,114	3,354,586	3,576,684
Fines and forfeitures	609,085	472,385	440,281	487,221	515,342	410,333	199,460	310,213	418,241	381,038
Revenue from use of money and property	964,609	1,607,884	1,600,779	2,324,936	3,033,072	2,342,399	1,588,670	1,596,044	6,116,469	12,671,419
Charges for services	3,356,766	3,712,549	3,716,333	3,849,659	3,959,081	3,752,526	3,523,231	4,233,153	4,682,346	4,678,704
Miscellaneous	1,362,906	481,659	282,926	1,774,308	1,042,099	3,103,735	1,488,500	3,832,495	2,708,973	777,860
Recovered costs	1,983,051	421,454	386,582	1,020,571	536,259	805,841	993,728	8,327,540	1,872,395	2,033,603
Other revenue	-	-	-	-	-	-	-	-	222,156	273,974
Intergovernmental:										
Contribution from School Board	2,761,462	3,303,104	2,654,940	3,486,080	2,453,243	7,765,466	6,475,479	2,141,183	9,461,582	3,383,128
Commonwealth	35,248,698	36,374,530	36,176,577	36,128,492	37,889,849	36,319,422	36,519,672	37,319,722	37,635,035	39,253,600
Federal	11,401,555	12,301,788	10,980,211	10,963,395	11,183,446	13,115,191	30,065,485	17,321,813	26,257,794	17,268,583
Total revenues	$ 260,343,424	$ 276,679,701	$ 286,188,428	$ 300,681,978	$ 313,668,557	$ 329,649,541	$ 357,314,517	$ 377,338,643	$ 428,445,507	$ 449,280,126
EXPENDITURES										
General government administration	$ 12,111,158	$ 12,362,302	$ 12,904,062	$ 14,168,560	$ 14,784,312	$ 16,702,735	$ 19,417,583	$ 20,487,030	$ 23,161,610	$ 25,985,734
Judicial administration	5,514,630	5,654,087	5,736,153	5,878,164	6,397,668	6,768,196	6,602,031	6,298,624	6,926,542	8,070,491
Public safety	38,481,310	39,752,946	40,684,363	42,667,290	44,490,384	48,044,334	48,067,465	53,046,814	61,920,156	69,271,096
Public works	3,925,228	4,392,018	4,545,067	4,938,047	5,834,937	6,230,396	8,396,765	7,741,015	8,597,386	10,257,033
Health and welfare	26,479,644	27,773,579	27,482,404	28,156,350	31,177,577	29,911,276	35,905,960	34,732,123	42,613,648	46,111,782
Education - local community college	24,024	23,510	23,981	164,934	164,255	164,008	24,048	-	-	-
Education - public school system	121,104,651	129,982,080	165,748,099	124,103,485	144,618,369	153,197,759	199,661,229	159,650,640	169,090,100	251,476,074
Parks, recreation, and cultural	7,085,748	7,370,670	7,662,290	8,083,543	8,562,105	9,029,681	8,902,007	8,826,407	10,529,219	11,161,530
Community development	26,536,309	26,392,792	26,553,188	28,309,648	29,729,320	28,419,242	34,470,950	30,511,268	34,793,444	36,167,184
Contingencies	605,241	632,799	621,493	605,666	548,509	523,728	596,120	1,179,255	578,652	5,653,935
Capital outlay	20,247,892	18,537,609	14,557,174	17,661,822	11,299,957	14,086,054	13,329,064	18,223,559	21,420,862	89,372,941
Debt service										
Principal	12,174,372	12,463,533	14,273,729	14,934,960	15,845,231	16,031,534	36,357,876	36,081,559	15,995,000	15,227,145
Interest and other fiscal charges	6,573,486	7,417,869	7,991,378	9,355,077	8,156,393	7,395,597	7,866,853	7,992,119	7,338,886	11,352,631
Issuance costs	-	-	-	-	-	-	-	-	-	1,633,850
Total expenditures	$ 280,863,693	$ 292,755,794	$ 328,783,381	$ 299,027,546	$ 321,609,017	$ 336,504,540	$ 419,597,951	$ 384,770,413	$ 402,965,505	$ 581,741,426
Excess (deficit) of revenues over (under) expenditures	$ (20,520,269)	$ (16,076,093)	$ (42,594,953)	$ 1,654,432	$ (7,940,460)	$ (6,854,999)	$ (62,283,434)	$ (7,431,770)	$ 25,480,002	$ (132,461,300)
Other financing sources (uses)										
Transfers in	24,641,685	44,275,579	47,256,574	63,175,156	41,695,980	40,657,495	54,371,006	79,343,074	59,570,695	58,373,153
Transfers out	(24,641,685)	(44,275,579)	(47,663,276)	(63,125,156)	(41,695,980)	(40,657,495)	(54,451,006)	(79,596,085)	(59,641,507)	(58,514,798)
Bonds issued	9,630,000	38,880,000	52,675,000	-	-	-	74,945,000	16,920,000	-	168,155,000
Discount on bonds issued	-	-	-	-	-	-	-	-	-	(119,466)
Premium on bonds issued	-	4,398,732	4,565,775	-	-	-	12,057,353	3,394,937	-	7,088,278
Total other financing sources (uses)	9,630,000	43,278,732	56,834,073	50,000	-	-	86,922,353	20,061,926	(70,812)	174,982,167
Net change in fund balances	$ (10,890,269)	$ 27,202,639	$ 14,239,120	$ 1,704,432	$ (7,940,460)	$ (6,854,999)	$ 24,638,919	$ 12,630,156	$ 25,409,190	$ 42,520,867
Debt service as a percentage of noncapital expenditures	7.03%	7.01%	6.96%	8.37%	7.58%	7.13%	10.70%	11.67%	11.67%	5.40%

The Notes to Financial Statements are an integral part of this Statement.

COUNTY OF ALBEMARLE, VIRGINIA

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
Last Ten Fiscal Years
(amounts expressed in thousands)

Fiscal Year	Real Estate (3)	Personal Property (1, 2)	Public Service	Total Taxable Assessed Value	Total Direct Tax Rate (4)
2015	$ 15,467,281	$ 951,629	$ 358,256	$ 16,777,166	$ 1.000
2016	16,059,837	998,813	388,154	17,446,804	0.983
2017	16,719,336	1,040,481	391,501	18,151,318	0.972
2018	17,543,064	1,046,359	397,434	18,986,857	0.981
2019	18,459,194	1,098,864	437,903	19,995,961	0.975
2020	19,457,789	1,090,069	449,544	20,997,402	0.978
2021	20,300,083	1,200,642	473,631	21,974,356	0.983
2022	21,673,254	1,472,874	514,123	23,660,251	0.988
2023	25,463,385	1,894,432	616,117	27,973,934	1.028
2024	27,578,951	1,716,646	665,068	29,960,665	1.001

(1) Personal property includes personal property, business personal property, machinery/tools, and mobile homes

(2) Personal property, machinery and tools, and public service is assessed at 100% fair market value

(3) Real estate net of exemptions for land use deferral and tax relief for the elderly/disabled

(4) The total direct tax rate is calculated using the weighted-average method

COUNTY OF ALBEMARLE, VIRGINIA

PROPERTY TAX RATES (1) (2)
Last Ten Fiscal Years

Fiscal Year	Real Estate (3)	Personal Property (1, 2)	Public Service	Total Taxable Assessed Value	Total Direct Tax Rate (4)
2015	.799/.819	4.28/4.28	.799/.819	4.28/4.28	1.000
2016	.819/.839	4.28/4.28	.819/.839	4.28/4.28	0.983
2017	.839/.839	4.28/4.28	.839/.839	4.28/4.28	0.972
2018	.839/.839	4.28/4.28	.839/.839	4.28/4.28	0.981
2019	.839/.854	4.28/4.28	.839/.854	4.28/4.28	0.975
2020	.854/.854	4.28/4.28	.854/.854	4.28/4.28	0.978
2021	.854/.854	4.28/4.28	.854/.854	4.28/4.28	0.983
2022	.854/.854	4.28/3.42	.854/.854	4.28/3.42	0.988
2023	.854/.854	4.28/3.42	.854/.854	4.28/3.42	1.028
2024	.854/.854	3.42/3.96	.854/.854	3.42/4.28	0.988

(1) Per $100 of assessed value

(2) Includes 1st Half Rate/2nd Half Rate

(3) Mobile homes taxed as personal property using the Real Estate tax rate

(4) The total direct tax rate is calculated using the weighted-average method

Table 8

COUNTY OF ALBEMARLE, VIRGINIA

PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND THE PERIOD NINE YEARS PRIOR (3)
(Dollar Amounts Expressed in Thousands)

	Fiscal Year 2024			Fiscal Year 2015		
Taxpayer	**2024 Assessed Valuation (1)**	**Rank**	**% of Total Assessed Valuation (2)**	**2015 Assessed Valuation (3)**	**Rank (3)**	**% of Total Assessed Valuation**
University Of Virginia Foundation -98 Parcels (4)	$ 243,755	1	0.99%	$ 409,886	1	1.62%
Westminster - Canterbury Of The Blueridge	162,289	2	0.66%	144,172	3	0.91%
5Th Street Station Ventures LLC	115,322	3	0.47%	-		0.00%
Brookhill Apartments LLC	90,266	4	0.37%	-		0.00%
Oct Stonefield Property Owner LLC	89,814	5	0.36%	-		0.00%
Charlottesville Crossing Propco LLC (Abington Crossing Apts)	87,930	6	0.36%	-		0.00%
Reserve At Belvedere LLC	85,709	7	0.35%	-		0.00%
Maalp Stonefield Commons LLC	82,906	8	0.34%	46,968	10	0.00%
Avemore Associates LP	76,581	9	0.31%	-		0.00%
Presidio Apartments LLC	74,166	10	0.30%	-		0.00%
Martha Jefferson Hospital	-		-	265,697	2	0.45%
Albemarle Place EAAP, LLC	-		-	77,023	4	0.39%
Shopping Center Associates	-		-	72,530	5	0.45%
JDM II SF National LLC	-		-	64,620	6	0.35%
Murcielago, LLC	-		-	52,904	7	0.29%
SCT Rio Hill. LLC	-		-	48,857	8	0.29%
March Mountain Properties , LLC	-		-	47,127	9	0.29%
	$ 1,108,738		4.49%	$ 1,229,784		5.04%

(1) Based on January 1, 2024, real estate tax assessment records

(2) Average taxable Land Book total assessed value from 2023 and 2024 tax years. (see table 11)

(3) Based on January 1, 2015, real estate tax assessment records

(4) University Real Estate Foundation assessments combined beginning FY 2015

Table 9

COUNTY OF ALBEMARLE, VIRGINIA

PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Fiscal Years

Date (1)	Total Tax Levy for Fiscal Year (1)	Collected within the Fiscal Year of the Levy: Amount		Collected within the Fiscal Year of the Levy: Percentage of Levy		Collections in Subsequent Years	Total Collections to Date: Amount	Total Collections to Date: Percentage of Levy
2015	$ 167,821,725	$ 162,541,808		96.85%		$ 5,179,166	$ 167,720,974	99.94%
2016	177,465,143	171,967,912		96.90%		5,400,359	177,368,271	99.95%
2017	186,788,335	181,098,238		96.95%		5,395,793	186,494,031	99.84%
2018	193,611,195	189,968,058		98.12%		3,514,757	193,482,815	99.93%
2019	205,017,770	199,964,487		97.54%		4,391,093	204,355,580	99.68%
2020	214,696,751	196,210,787	(2)	91.39%	(2)	17,440,512	213,651,299	99.51%
2021	223,531,251	213,417,187	(2)	95.48%	(2)	7,828,582	221,245,769	98.98%
2022	239,424,984	228,405,312	(2)	95.40%	(2)	4,419,288	232,824,600	97.24%
2023	254,943,986	251,766,996		98.75%		920,609	252,687,605	99.11%
2024	275,065,294	267,821,990		97.37%		-	267,821,990	97.37%

(1) Net of Land Use and Tax Relief

(2) The due date for the 1st half installment of 2020 taxes was moved from June 5th to June 30th due to COVID-19. As a result, there was a significant increase in tax collections after year-end.

COUNTY OF ALBEMARLE, VIRGINIA

Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

	Governmental Activities								
Fiscal Year	General Obligation Bonds	School Pub. Facility Bonds	County Pub. Facility Bonds	Unamortized Bond Premium	Unamortized Bond Discount	Virginia Resource Authority	Total Outstanding Debt	Percentage of Personal Income (1)	Per Capita (1)
2015	$ 52,630,000	$ 12,542,312	$ 46,797,688	$ 6,037,843	$ -	$ 283,423	$ 118,291,266	1.69%	1,430
2016	64,970,000	34,075,077	69,381,923	9,231,886	-	242,890	177,901,776	1.94%	1,693
2017	87,575,000	44,572,048	74,722,952	12,498,227	-	201,161	219,569,388	2.34%	2,077
2018	79,450,000	42,519,246	70,008,755	10,774,451	-	158,200	202,910,652	1.93%	1,884
2019	71,930,000	40,296,516	63,950,483	9,260,373	-	113,971	185,551,343	1.59%	1,708
2020	64,670,000	37,934,072	57,586,927	7,884,707	-	68,437	168,144,143	1.38%	1,538
2021	57,515,000	79,709,164	61,600,837	18,023,808	-	21,559	216,870,368	1.78%	1,962
2022	50,430,000	74,666,768	54,588,233	18,430,616	-	-	198,115,617	1.45%	1,745
2023	44,385,000	69,460,588	49,844,413	15,849,965	-	-	179,539,966	1.23%	1,555
2024	38,705,000	122,763,340	156,096,661	20,355,218	(105,154)	-	337,815,065	2.04%	2,908

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

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

COUNTY OF ALBEMARLE, VIRGINIA

PERCENTAGE OF NET GENERAL BONDED DEBT TO ASSESSED VALUE AND NET BONDED DEBT PER CAPITA
Last Ten Fiscal Years

Fiscal Year	Real Estate Assessed Value (1)	Net Bonded Debt (3)	Net General Bonded Debt as % of Assessed Value	Net Bonded Debt per Capita (2)
2015	$ 15,467,280,583	$ 84,021,531	0.54%	$ 810
2016	16,059,836,557	66,133,135	0.41%	630
2017	16,719,336,669	91,218,535	0.55%	863
2018	17,543,064,000	79,450,000	0.45%	738
2019	18,459,193,250	71,930,000	0.39%	662
2020	19,457,789,000	64,670,000	0.33%	592
2021	20,300,083,000	57,515,000	0.28%	520
2022	21,673,254,000	50,430,000	0.23%	444
2023	25,463,385,000	44,385,000	0.17%	384
2024	27,207,234,865	38,705,000	0.14%	333

(1) Real estate net of exemptions for land use deferral and tax relief for the elderly/disabled.

(2) Population data can be found in the Schedule of Demographic and Economic Statistics - Table 13.

(3) Includes all long-term general obligation bonded debt and literaray fund loans only.

COUNTY OF ALBEMARLE, VIRGINIA

LEGAL DEBT MARGIN INFORMATION
Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Debt limit	$ 1,546,728,058	$ 1,605,983,656	$ 1,671,933,667	$ 1,754,306,200	$ 1,845,919,325	$ 1,945,778,900	$ 2,030,008,300	$ 2,167,325,400	$ 2,467,626,747	$ 2,720,723,486
Total net debt applicable to limit	84,021,531	66,133,135	91,218,535	79,450,000	71,930,000	64,670,000	57,515,000	50,430,000	44,385,000	38,705,000
Legal debt margin	$ 1,462,706,527	$ 1,539,850,521	$ 1,580,715,132	$ 1,674,856,200	$ 1,773,989,325	$ 1,881,108,900	$ 1,972,493,300	$ 2,116,895,400	$ 2,423,241,747	$ 2,682,018,486
Total net debt applicable to the limit as a percentage of debt limit	5.43%	4.12%	5.46%	4.53%	3.90%	3.32%	2.83%	2.33%	1.80%	1.42%

Legal Debt Margin Calculation for Fiscal Year 2024

Assessed value	$ 27,207,234,865
Debt limit (10% of total assessed value)	$ 2,720,723,486
Net debt applicable to limit	38,705,000
Legal debt margin	$ 2,682,018,486

COUNTY OF ALBEMARLE, VIRGINIA

DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Fiscal Years

Fiscal Year	Population (1)	Personal Income (2)(5)	Per Capita Personal Income (2)(5)	Median Age (1)	School Enrollment (3)	Unemployment Rate (4)
2015	103,707	$ 8,795,194,000	$ 58,603	38.4	13,680	4.7%
2016	105,051	9,182,721,000	60,294	37.7	13,767	3.6%
2017	105,715	9,375,633,000	60,964	38.2	13,790	3.7%
2018	107,697	10,531,351,000	67,630	38.1	13,927	3.0%
2019	108,639	11,702,008,000	74,613	38.6	13,994	2.7%
2020	109,330	12,160,700,000	77,650	39.7	14,435	2.9%
2021	110,545	12,160,701,000	77,657	39.7	13,532	3.9%
2022	113,535	13,670,666,000	85,867	40.8	13,749	2.8%
2023	115,495	14,583,689,000	91,201	38.6	13,970	2.7%
2024	116,148	16,545,814,000	102,987	42.1	13,749	2.6%

(1) U.S. Census Burea (estimates based on July 1)

(2) Bureau of Economic Analysis (estimates based on prior calendar year)

(3) Albemarle County Public Schools

(4) Virginia Employment Commission

(5) Includes the City of Charlottesville

COUNTY OF ALBEMARLE, VIRGINIA

PRINCIPAL EMPLOYERS
Current Year and Nine Years Ago

	Fiscal Year 2024		Fiscal Year 2015	
Employer	**Rank**	**Employees**	**Rank**	**Employees**
University of Virginia / Blue Ridge Hospital	1	1,000 +	1	1,000 +
County of Albemarle	2	1,000 +	2	1,000 +
Sentara Healthcare (Formerly Martha Jefferson)	3	1,000 +	3	1,000 +
U.S. Department of Defense	4	500 to 999	5	500 to 999
Crutchfield Corporation	5	500 to 999		
Northup Grumman Corporation	6	250 to 499	6	500 to 999
Wal Mart	7	250 to 499	9	250 to 499
Wegmans Store #07	8	250 to 499		
Piedmont VA Community College	9	250 to 499	7	500 to 999
Atlantic Coast Athletic Club	10	250 to 499		
Troy Construction, LLC			8	250 to 499
State Farm Mutual Automobile Insurance			4	1,000 +
GE Fanuc Automation Manufacturing			10	250 to 499

Source: Virginia Employment Commission

Table 15

COUNTY OF ALBEMARLE, VIRGINIA

FULL-TIME EQUIVALENT COUNTY GOVERNMENT AUTHORIZED POSITIONS BY FUNCTION
Last Ten Fiscal Years

Function	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Government										
Administration										
Board of Supervisors	2.0	2.5	2.5	2.5	2.8	3.0	3.0	3.0	4.0	4.00
County Executive (1)	8.0	9.5	9.5	9.5	14.0	20.8	20.8	20.5	26.8	22.75
Yancey School Community Center Grant	-	-	-	-	-	-	1.0	1.0	-	-
Human Resources	1.0	1.0	1.0	2.5	2.5	1.0	3.0	15.0	15.0	14.70
County Attorney	8.0	8.0	8.0	9.0	9.0	90.0	9.0	10.0	10.0	10.00
Finance (1)	54.8	55.8	55.8	58.8	60.8	62.8	62.8	73.1	71.9	77.50
F&B-Capital Fund	-	-	-	-	-	-	-	-	4.5	-
F&B-Health Fund	-	-	-	-	-	-	-	-	0.8	0.60
F&B-Grant Funded	-	-	-	-	-	-	-	-	1.0	-
Information Technology	21.0	22.0	22.0	21.5	23.0	27.0	27.0	29.0	35.0	38.00
Board of Elections (Registrar)	4.8	4.8	4.8	4.8	4.8	4.8	5.8	5.8	5.8	5.80
Judicial										
Circuit Court	1.0	1.0	1.0	1.0	1.0	2.0	2.0	2.0	2.0	1.00
Clerk of the Circuit Court	11.0	11.0	11.5	11.5	11.5	15.5	12.5	12.5	12.5	12.50
Sheriff	23.0	23.0	23.0	23.0	25.0	26.0	27.0	27.0	27.0	27.00
Commonwealth's Attorney	11.5	11.5	11.5	12.5	12.5	13.5	13.5	15.5	15.5	17.75
Public Safety										
Police	156.5	163.5	163.5	166.5	169.5	173.0	173.0	180.5	182.5	186.50
Victim Witness	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	3.0	3.00
Crime Analysis Grant	1.0	1.0	1.0	-	-	-	-	-	-	-
Problem-Oriented Policing	-	1.0	1.0	1.0	1.0	-	-	-	-	-
Fire/Rescue	98.6	109.0	109.0	113.0	119.5	121.5	142.5	139.0	147.0	148.00
FEMA Grant Fund #1 (4)	8.4	-	-	-	-	-	10.0	20.0	10.0	10.00
FEMA Grant Fund #2									10.0	10.00
Public Works (5)										
Facilities & Environmental Services	23.0	26.3	26.3	27.3	28.3	28.3	29.3	29.5	32.3	44.75
Facilities - Project Mgmt.	9.0	8.5	8.5	9.0	9.0	11.5	11.5	11.5	11.5	-
Human Development										
Social Services	110.1	115.2	117.2	126.7	135.3	137.8	137.8	151.8	158.0	174.00
Housing Fund									1.0	1.00
Bright Stars	18.7	21.1	21.1	21.1	23.5	23.5	23.5	1.0	-	-
Parks, Recreation, and Culture										
Parks and Recreation	17.0	17.0	17.0	17.8	19.8	21.8	21.8	21.0	25.0	27.00
Towe Park	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.00
Community Development										
Community Development Department	63.5	66.5	68.5	72.5	76.5	75.5	75.5	76.5	77.5	76.50
Economic Development Office (3)	2.5	2.5	2.5	3.0	3.0	3.0	3.0	1.0	1.0	-
Housing	6.0	6.0	6.0	-	-	-	-	4.0	4.0	4.00
TJ Soil and Water Conservation	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.00
Totals	666.4	693.7	698.2	720.5	758.3	868.3	821.3	856.2	898.6	920.35

(1) Management & Budget relocated from County Executive to Finance FY 09/10
(2) Management & Budget relocated from Finance to Independent Office FY 10/11
(3) Independent Office Established FY 14/15
(4) FEMA Grant Ended - Positions Incorporated into Fire/Rescue FY 15/16
(5) General Services & Facilities Development Combined & Restructured FY 15/16

Table 16

COUNTY OF ALBEMARLE, VIRGINIA

OPERATING INDICATORS BY FUNCTION
Last Ten Fiscal Years

Function	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Public safety										
Police department:										
Physical arrests	3,268	3,157	2,753	2,278	3,120	2,094	2,855	1,766	2,630	2,630
Traffic violations	10,251	6,939	9,243	9,083	9,363	6,048	3,698	10,091	12,748	9,334
Fire and rescue:										
Number of calls answered	13,053	13,507	13,263	14,336	15,152	15,302	14,329	16,855	17,208	18,085
Zoning & current development										
New residential construction (unit #)	474	449	592	664	661	909	701	409	670	678
New commercial construction (unit #)	29	42	48	53	46	26	11	2	14	8
Health and welfare										
Department of Social Services:										
Caseload	17,336	16,612	N/A	13,647	21,229	15,682	15,682	16,944	22,899	26,613
Culture and recreation										
Parks and recreation:										
Middle school sports program participants	1,114	1,106	1,036	1,076	1,002	951	200	1,049	1,129	1,244
Fee-based classes/camps	1,899	1,767	1,850	2,758	3,095	766	394	1,018	936	1,296
Summer playground program	347	298	293	365	418	-	600	325	280	302
Men’s basketball	340	340	350	320	320	320	-	320	246	190
Component Unit - School Board										
Education:										
School enrollment	13,680	13,737	13,790	13,927	14,013	14,435	13,532	13,749	13,970	13,749
Number of central office instructors	51	63	66	84	74	88	99	74	119	110
Number of elementary instructors	571	562	568	580	590	608	602	614	626	625
Number of secondary instructors	610	608	616	626	629	647	694	656	673	667

Source: Individual county departments

COUNTY OF ALBEMARLE, VIRGINIA

CAPITAL ASSET STATISTICS BY FUNCTION
Last Ten Fiscal Years

Function	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Government										
Administration vehicles	7	7	9	9	10	12	12	10	10	10
Judicial										
Sherriff's department patrol units	40	39	44	44	49	49	49	60	61	61
Public safety										
Police department patrol units	227	220	223	223	243	244	244	252	283	285
Fire/Rescue department vehicles	54	52	63	63	64	62	62	85	95	93
Economic Development(4)										
Economic Development (2)	-	-	1	1	8	8	8	1	1	1
Community Development(4)										
Planning(4)	0	0	0	0	0	0	0	0	0	0
Zoning Vehicles(4)	0	0	0	0	0	0	0	0	0	5
FES(4)										
General maintenance vehicles	8	8	11	11	11	10	10	10	11	11
Facilities Development/ESD(4)	3	3	3	3	3	3	3	6	6	6
Pool vehicles	12	12	11	11	11	11	11	11	11	12
Health and Welfare Services(4)										
Human Services vehicles(4)	0	0	0	0	0	0	0	0	0	8
Social Services vehicles	16	16	13	13	13	14	14	15	15	9
Parks and recreation										
Community centers	3	3	3	4	4	4	4	4	4	4
Vehicles	29	29	29	29	29	34	34	28	29	36
Parks (1)	38	38	38	39	39	39	39	39	39	41
Parks acreage (1) (3)	5044	5044	5044	6234	6234	6234	6234	6234	6234	7485
Tennis courts	36	36	36	36	36	36	36	36	36	36
Office of Housing(4)										
Housing vehicles	1	1	1	1	1	1	1	2	2	2

(1) Includes schools, which serve as community and district parks

(2) New to Vehicle Inventory FY 16/17

(3) FY18 Parks acreage increase attributable to the County's signing of a lease for the Biscuit Run Park

COMPLIANCE SECTION

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Honorable Members of the Board of Supervisors
County of Albemarle, 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,* and the *Specifications for Audits of Authorities, Boards, and Commissions*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Albemarle, Virginia (the "County") as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated December 6, 2024.

Report on Internal Control over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as described in the accompanying Schedule of Findings and Questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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. **We consider the deficiency described in the accompanying Schedule of Findings and Questioned Costs, as item 2024-001, to be a material weakness.**

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. **We consider the deficiency described in the accompanying Schedule of Findings and Questioned Costs, as item 2024-002, to be a significant deficiency.**

Report on Compliance and Other Matters

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

County's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the County's response to the findings identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. The County's responses were not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

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 County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Brown, Edwards & Company, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

Harrisonburg, Virginia
December 6, 2024

INDEPENDENT AUDITOR'S 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 Albemarle, Virginia

Report on Compliance for Each Major Federal Program

Opinion on Compliance for Each Major Federal Program

We have audited the County of Albemarle, Virginia's (the "County") compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2024. The County's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the County of Albemarle, Virginia, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

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 Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the County of Albemarle and to meet our other ethical responsibilities, in accordance with relevant ethical requirements related 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 documentation of County of Albemarle, 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 the County of Albemarle's federal programs.

Report on Compliance for Each Major Federal Program (Continued)

Auditor's 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 the County'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 the County's compliance 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 risk 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 the County of Albemarle, 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 the County of Albemarle, 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 Albemarle, Virginia's internal control over compliance Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

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

Report on Internal Control over Compliance (Continued)

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's 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 have not been 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.

Brown, Edwards & Company, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

Harrisonburg, Virginia
December 6, 2024

COUNTY OF ALBEMARLE, VIRGINIA

SUMMARY OF COMPLIANCE MATTERS

As more fully described in the Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards,* we performed tests of the County's compliance with certain provisions of the laws, regulations, contracts, and grants shown below.

STATE COMPLIANCE MATTERS

Code of Virginia
Budget and Appropriation Laws
Cash and Investment Laws
Conflicts of Interest Act
Local Retirement Systems
Debt Provisions
Procurement Laws
Comprehensive Services Act
Uniform Disposition of Unclaimed Property Act

State Agency Requirements
Education
Social Services
Fire Programs Aid to Localities
Opioid Abatement Program

FEDERAL COMPLIANCE MATTERS

Compliance Supplement for Single Audits of State and Local Governments

Provisions and conditions of agreements related to federal program selected for testing.

COUNTY OF ALBEMARLE, VIRGINIA
Schedule of Expenditures of Federal Awards
Primary Government and Discretely Presented Component Unit
Year Ended June 30, 2024

Federal Grantor/State Pass - Through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures		Expenditures to Subrecipients
Primary Government:					
U.S. Department of Agriculture:					
Pass-Through Payments:					
Virginia Department of Social Services					
SNAP Cluster:					
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	10123,10124,40123,40124,50123,50124		$ 2,782,842	
Total U.S. Department of Agriculture				$ 2,782,842	
U.S. Department of Health and Human Services:					
Pass-Through Payments:					
Virginia Department of Social Services					
Guardianship Assistance	93.090	84928,85528,85828		$ 1,937	
Title IV-E Prevention Program	93.472	83503,84951,85551,85851		$ 30,775	
MaryLee Allen Promoting Safe and Stable Families Program	93.556	950122,950123		$ 67,714	
Temporary Assistance for Needy Families	93.558	400123,400124		$ 423,684	
CCDF Cluster:					
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	760123, 760124	$ 113,511		
Total CCDF Cluster:				$ 113,511	
Refugee and Entrant Assistance State/Replacement Designee Administered Programs	93.566	500123,500124		$ 42,846	
Low-Income Home Energy Assistance	93.568	600423,600424		$ 82,920	
Chafee Education and Training Vouchers Program	93.599	9160122,9160123		$ 5,698	
Adoption and Legal Guardianship Incentive Payments	93.603	82001		$ 3,593	
Stephanie Tubbs Jones Child Welfare Services Program	93.645	85531,84931		$ 760	
Foster Care Title IV-E	93.658	1100123, 1100124		$ 886,949	
Adoption Assistance	93.659	1120123, 1120124		$ 1,280,863	
Social Services Block Grant	93.667	1000123, 1000124		$ 536,946	
John H. Chafee Foster Care Program for Successful Transition to Adulthood	93.674	9150122,9150123		$ 10,828	
Elder Abuse Prevention Interventions Programs	93.747	8000221,8000321		$ 16,570	
Children's Health Insurance Program	93.767	540123, 540124		$ 44,184	
Medical Assistance Program (Medicaid Cluster)	93.778	1200123, 1200124		$ 2,576,379	
Total U.S. Department of Health and Human Services				$ 6,126,157	
U.S. Department of Housing and Urban Development:					
Direct Payments:					
Section 8 Project Based Cluster:					
Lower Income Housing Assistance Program Section 8 Moderate Rehabilitation	14.856	N/A	$ 299,780	$ 299,780	
Housing Voucher Cluster:					
Section 8 Housing Choice Vouchers	14.871	N/A	$ 3,346,603		
Mainstream Vouchers	14.879	N/A	$ 871,023	$ 4,217,626	
Pass-Through Payments:					
Virginia Department of Housing and Community Development					
Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	14.228	Unknown		$ 54,632	
Total U.S. Department of Housing and Urban Development				$ 4,572,038	
U.S. Department of the Interior:					
Direct Payments:					
Payments in Lieu of Taxes	15.226	Unknown		$ 49,543	
Total U.S. Department of the Interior				$ 49,543	
U.S. Department of Justice:					
Pass-Through Payments:					
Virginia Department of Criminal Justice Services					
Crime Victim Assistance	16.575	Unknown		$ 84,625	
Edward Byrne Memorial Justice Assistance Grant Program	16.738	39001-41000		$ 1,358	
Total U.S. Department of Justice				$ 85,983	
U.S. Department of Treasury:					
Direct Payments:					
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A		$ 1,371,822	$ 735,122
Pass-Through Payments:					
Virginia Department of Social Services					
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	85101		$ 41,778	
Pass-Through Payments:					
Virginia Tourism Commission					
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A		$ 25,000	
Pass-Through Payments:					
Virginia Department of Education					
Coronavirus State and Local Fiscal Recovery Funds	21.027	Unknown		$ 581,767	
Total U.S. Department of Treasury				$ 2,020,367	

Schedule of Expenditures of Federal Awards
Primary Government and Discretely Presented Component Unit
Year Ended June 30, 2023 (Continued)

Federal Grantor/State Pass - Through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number		Federal Expenditures	Expenditures to Subrecipients
Primary Government: (Continued)					
U.S. Department of Transportation:					
Pass-Through Payments:					
Virginia Department of Transportation					
Highway Planning and Construction	20.205	Unknown		$ 60,245	
Total U.S. Department of Transportation				$ 60,245	
U.S. Department of Homeland Security:					
Direct Payments:					
Staffing for Adequate Fire and Emergency Response (SAFER)	97.083	Unknown		$ 2,001,359	
Pass-Through Payments:					
Virginia Department of Emergency Services					
Emergency Management Performance Grants	97.042	Unknown		$ 25,452	
BRIC: Building Resilient Infrastructure and Communities	97.047	Unknown		$ 54,280	
Total U.S. Department of Homeland Security				$ 2,081,091	
Total Federal Expenditures - Primary Government				$ 17,778,267	
Component Unit - School Board:					
U.S. Department of Agriculture:					
Pass-Through Payments:					
Child Nutrition Cluster:					
Virginia Department of Education					
School Breakfast Program	10.553	17901-40591, 40253	$ 837,612		
National School Lunch Program	10.555	17901-40623, 40254	$ 2,617,681		
Summer Food Service Program for Children	10.559	N/A	$ 96,528		
Total Child Nutrition Cluster:				$ 3,551,821	
COVID-19 Pandemic EBT Administrative Costs	10.649	Unknown		$ 6,180	
Department of Agricutlure and Consumer Services					
Child Nutrition Cluster:					
National School Lunch Program (Commodities)	10.555	N/A		$ 514,460	
Total U.S. Department of Agriculture				$ 4,072,461	
U.S. Department of Education:					
Pass-Through Payments:					
Virginia Department of Education					
Title I Grants to Local Educational Agencies	84.010	17901-42901		$ 1,719,614	
Title I State Agency Program for Neglected and Delinquent Children and Youth	84.013	Unknown		$ 26,325	
Special Education Cluster (IDEA):					
Special Education Grants to States	84.027	17901-43071	$ 3,711,969		
Special Education Preschool Grants	84.173	17901-62521	$ 82,098	$ 3,794,067	
Migrant Education State Grant Program	84.011	17901-42910		$ 114,952	
Career and Technical Education - Basic Grants to States	84.048	17901-61095		$ 198,450	
Migrant Education Coordination Program	84.144	17901-61399		$ 6,831	
English Language Acquisition State Grants	84.365	17901-60512		$ 148,738	
Student Support and Acagemic Enrichment Program	84.424	Unknown		$ 138,607	
COVID-19 Education Stabilization Fund	84.425U	Unknown		$ 2,384,589	
Supporting Effective Instruction State Grant (formerly Improving Teacher Quality State Grants)	84.367	17901-61480		$ 295,411	
Pass Through Payments:					
William and Mary University					
Education for Homeless Children and Youth	84.196	17901-42940		$ 31,009	
COVID-19 Education Stabilization Fund	84.425U	Unknown		$ 195,121	
Total U.S. Department of Education				$ 9,053,714	
Centers for Disease Control and Prevention:					
Pass-Through Payments:					
Virginia Department of Education					
Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	93.354	Unknown		$ (24,095)	
Total Centers for Disease Control and Prevention				$ (24,095)	
Total Federal Expenditures - Component Unit- School Board				$ 13,102,080	
Total Expenditures of Federal Awards				$ 30,880,347	

Notes to the Schedule of Expenditures of Federal Awards

Federal Grantor/State Pass - Through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures	Expenditures to Subrecipients

Note 1 - Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the County of Albemarle, Virginia under programs of the federal government for the year ended June 30, 2024. The information in this Schedule is presented in accordance with the reporting requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the County of Albemarle, Virginia, it is not intended to and does not present the financial position, changes in net position or cash flows of the County of Albemarle, Virginia.

Note 2 - Summary of Significant Accounting Policies

(1) Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance wherein certain types of expenditures are not allowable or are limited as to reimbursement.

(2) Pass-through entity identifying numbers are presented where available.

Note 3 - Food Donation

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

Note 4 - De Minimis Cost Rate

The County did not elect to use the 10-percent de minimis indirect cost rate allowed under Uniform Guidance.

Note 5 - Loan Balances

The County has no loans or loan guarantees, which are subject to reporting requirements for the current year.

Note 6 - Period of Reporting

The amount reported for COVID-19 Coronavirus State and Local Fiscal Recovery Funds passed through from the Virginia Department of Education on the accompanying Schedule of Expenditures includes $382,814of expenses incurred in fiscal year 2023 but not requested for reimbursement until fiscal year 2024. The related expenses were incurred in the allowable award period.

COUNTY OF ALBEMARLE, VIRGINIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
June 30, 2024

A. SUMMARY OF AUDITOR'S RESULTS

1. The auditor's report expresses an **unmodified opinion** on the financial statements.
2. **One significant deficiency and one material weaknesses** relating to the audit of the financial statements were reported in the Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
3. **No instances of noncompliance** material to the financial statements were disclosed.
4. **No significant deficiencies and no material weaknesses** relating to the audit of the major federal award programs were reported in the Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance.
5. The auditor's report on compliance for the major federal award programs expresses an **unmodified opinion**.
6. The audit disclosed **no audit findings relating to the major programs**.
7. The programs tested as major were:

Name of Program	Assistance Listing Number
Child Nutrition Cluster – School Breakfast Program	10.553
Child Nutrition Cluster – National School Lunch Program	10.555
Child Nutrition Cluster – Summer Food Service Program for Children	10.559
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027
Medical Assistance Program - Medicaid Cluster	93.778

8. The threshold for distinguishing Type A and B programs was **$926,410**
9. The County was determined to be a **low-risk auditee**.

B. FINDINGS – FINANCIAL STATEMENT AUDIT

2024-001: Capital Asset Reporting (Material Weakness)

Condition:

Multiple audit adjustments proposed to capital asset balances, including entries relating to entity for which asset was recorded to, unrecorded capital asset additions in the current year, necessary removals of duplicated asset additions, and timing of asset additions. Also noted classifications of construction in project (CIP) for which various replacement costs were broadly specified to a single project and were not easily separated for the work performed to specific assets.

Criteria:

Capital asset reporting is a key accounting function with substantial impacts on the County's annual reporting. Projects should be recorded reflective of costs expended and completed projects should be placed in service accurately upon completion and use of projects.

B. FINDINGS – FINANCIAL STATEMENT AUDIT (Continued)

2024-001: Capital Asset Reporting (Continued)

Criteria: (Continued)

Asset listings should reflect asset activity within the fiscal year for the reporting entity and be properly classified under the entity and functional cost category for which it was expended to.

Cause:

Gaps in employment in key accounting roles overseeing the reporting of capital assets lead to breaks in reporting of balances. Additionally, procedures designed to assist employees in identifying and tracking asset information did not properly identify all asset additions, resulting in need for proposed audit adjustments.

Effect:

Asset balances, and capital assets, could go unreported, or be reported inconsistent with the nature at hand. The process of recording activity to projects that have yet to be placed in service, if not reviewed timely, may end up with missed expenditures not included in the capitalized balance, or not be placed in service timely, and thus, result in an overvaluation of the asset's carrying value.

Recommendation:

We recommend reviewing and revising written procedures to ensure that all balances for which costs could be recorded to are properly coded and identified to ensure accurate reporting. Additionally, we recommend regular reviews over capital asset reporting by individuals outside the accounting team, such as those involved in major budgeting decisions, procurement, or project managers, who are involved in overseeing major projects and could offer additional review over reported balances.

Views of Responsible Officials and Planned Corrective Action:

Following the gaps of employment in key accounting roles responsible for the reporting of the capital assets within this reporting cycle, the County is developing a plan to include additional staff in the review process of capital assets and strengthen the capital asset identification review process for data accuracy and timeliness.

Additional capabilities in the new financial ERP system will further enhance safeguards of proper coding and asset identification in future years. Asset adjustments or modifications will be solely modified through the capital asset module. Capital asset identification with pre-sorted capability will add potential capital assets into a review queue for accountant review.

B. FINDINGS – FINANCIAL STATEMENT AUDIT (Continued)

2024-002: Revenue and Expenditure Recognition (Significant Deficiency)

Condition:

Audit adjustments were proposed to record expenditures and revenues in the correct accounting period. Specifically, audit adjustments were noted or proposed for accrual adjustments in areas including capital assets, grant revenues, recognition of expenditures, and fund balance.

Criteria:

All revenues, expenditures, assets, and liabilities should be recorded in the accounting period for which it was earned or incurred. Transactions surrounding grants, programs, and projects should be recorded in the fiscal year for which it was earned or incurred.

Cause:

Transaction cycles, which have added complexities or are handled outside of accounting may be more at risk of improper accrual. Notably, grants which are handled outside of the Office of Grant & Agreements, and departments which oversee smaller programs maintained by the County, may be more at risk of improper activity due to their separation from centralized financial reporting processes.

Effect:

Revenues and expenditures may be recorded outside of the appropriate fiscal year as required under GAAP.

Recommendation:

We recommend additional reviews over transactions at the end of month end and year-end reporting cycles to ensure transactions are required to the appropriate year. We also recommend that the County review the process balances that are derived from departments outside of the accounting department to ensure appropriate documentation is retained to substantiate the accounting period. Lastly, we recommend that the County review payments approved for future accounting periods to be reviewed to ensure that they are placed in the proper accounting period in lieu of the period for which payment is to be made.

Views of Responsible Officials and Planned Corrective Action:

The County will develop a regular, routine reconciliation process to ensure grant revenues received are reconciled with corresponding expenditures and are recorded in the appropriate financial reporting period. Included in this process will be additional reviews conducted by those overseeing the work.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
June 30, 2024

C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAM AUDIT

None

D. FINDINGS – COMMONWEALTH OF VIRGINIA

None

COUNTY OF ALBEMARLE, VIRGINIA

SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
Year Ended June 30, 2024

A. FINDINGS – FINANCIAL STATEMENT AUDIT

2023-001: School Grant Reimbursements (Significant Deficiency)

Condition:

Reimbursement requests for qualifying grant expenditures for Title I and Special Education programs were not made until four months after the fiscal year-end.

Recommendation:

We recommend that reimbursement requests for identified programs be submitted quarterly, or monthly if practical, in order to allow the local government to accurately make and reflect changes in tracking and reporting of program costs and related revenues to the School Board.

Current Status:

Transactions for noted grants appear to be consistent with improvements in timely grant requests. The comment is no longer applicable to these specified grants, but we did note instances as outlined in 2024-002 which may result if timely requesting of reimbursement and could continue to be improved.

2023-002: Capital Asset Reporting (Significant Deficiency)

Condition:

Construction in progress (CIP) expenditures and other aspects of capital asset reporting required significant corrections to identify all capitalizable projects and record related activity.

Recommendation:

We recommend additional reviews over capital asset reporting to ensure new projects are recorded timely and reflected in CIP schedules. We also recommend the office of accounting integrate a process with project managers to receive prompt and accurate updates on projects to ensure they are placed in service. Regular reviews over the CIP schedule should be held performed by departments outside of accounting to ensure projects are capitalized when completed or expended if abandoned. We also recommend retainage be reviewed on these projects to ensure proper treatment at year-end.

Current Status:

Still applicable. See 2024-001 for update to material weakness.

SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
Year Ended June 30, 2024

A. FINDINGS – FINANCIAL STATEMENT AUDIT (Continued)

2023-003: Fiduciary Fund Reporting (Significant Deficiency)

Condition:

Certain funds included in the County's Annual Comprehensive Financial Report were inaccurately classified or not included based on the nature and involvement the County has for financial reporting relationships.

Recommendation:

We recommend and have worked to include these funds to be reported as custodial funds in the County's Annual Comprehensive Financial Report. We recommend regular reviews over new relationships or aspects of financial involvement in which the County may have fiduciary responsibility.

Current Year Status:

Comment no longer applicable.

B. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAM AUDIT

None.

C. FINDINGS – COMMONWEALTH OF VIRGINIA

2023-004: VDSS Information Security Policy

Condition:

Social Services could not locate the VDSS Information Security – Policy Acknowledgement and Non-disclosure agreement for three employees selected in a sample to ensure that employees are performing security training each year. Additionally, Social Services could not locate a request for access form for one employee to ensure that accesses provided are appropriate for the employee's approved job responsibilities.

Recommendation:

We recommend maintaining copies of all forms to ensure that systems access and job responsibilities are reflected accurately and that employees with these accesses are receiving systems training once a year.

Current Year Status:

No longer applicable.

SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
Year Ended June 30, 2024

D. FINDINGS – COMMONWEALTH OF VIRGINIA (Continued)

2023-005: Annual School Report

Condition:

The Annual School Report had not been submitted as of the date of the audit.

Recommendation:

We recommend submission of the Annual School Report to the State Board of Education no later than September 15 of each year as provided by §22.1-81 of the Code of Virginia. In instances in which the September 15 deadline cannot be met, an extension of time not exceeding fifteen days may be granted for good cause by the Superintendent of Public Instruction for the preceding due date.

Current Year Status:

Comment no longer applicable.

ACKNOWLEDGMENTS

As with many County of Albemarle programs, the compilation of the Annual Comprehensive Financial Report is a Department of Finance and Budget team effort. This acknowledgment identifies key individuals who shared in the development of this report; many others who assisted organizationally are not individually identified.

Lara Andrake, Chief of Shared Services, Enterprise Risk Management & Analytics
Troy Arevalo, Senior Accountant
Andy Bowman, Assistant Chief Financial Officer
Sharon Cash, Deputy Chief of Procurement
Dennis Click, Deputy Controller
Ryan Davidson, Deputy Chief of Office of Management and Budget
Lisa Davis, Senior Accountant
Mukhtar Farhang, Payroll Manager
Daniel Greene, Chief of Investment & Debt Management
Lindsay Huff, Deputy Chief of Investment & Debt Management
Tonya Kernodle, Lead Accountant
Shelby Kullman, Lead Accountant
Troy Lane, Deputy Chief of Revenue Administration
Erin Lenherr, Revenue Manager
Jian Lin, Controller
Peter Lynch, County Assessor
Jennifer Matheny, Chief of Revenue Administration
Allison McNally, Chief of Procurement
Morgan Rakes, Chief of Grants & Agreements
Erik Rego, Accountant
Ethan Riley, Accounting Manager
Staci Smith, Lead Accountant
Valore Smith, Management Analyst IV
Jessica Strother, Accountant
Brandee Sullivan, Deputy Chief of Grants & Agreements
Dino Tubin, Procurement Programs Manager
Shenandra Usher, Assistant Chief Financial Officer
Laura Vinzant, Senior Budget Analyst
Robert Wilson, Revenue Analyst
Brown, Edwards & Company, L.L.P