

# **ANNUAL COMPREHENSIVE FINANCIAL REPORT**

**County of Albemarle, Virginia**



**Fiscal Year Ended June 30, 2025**



# County of Albemarle, Virginia

## Financial Report

Year Ended June 30, 2025

Prepared by:  
County of Albemarle, Virginia  
Department of Finance and Budget



# County of Albemarle, Virginia

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COUNTY OF ALBEMARLE  
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December 5, 2025

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, 2025. 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 2025, ACPS jointly operates regional centers including 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 3.5% from 13,689 in 2014-2015 to 14,173 in 2024-2025. In the past five years, the school system has experienced a 4.7% increase in the number of students.

### **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. The 2026 U.S. News and World Report ranked the University as the nation's 4th best public university and 26th best among all national universities. The University has a total undergraduate student enrollment of 17,901 for Fall 2024 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)

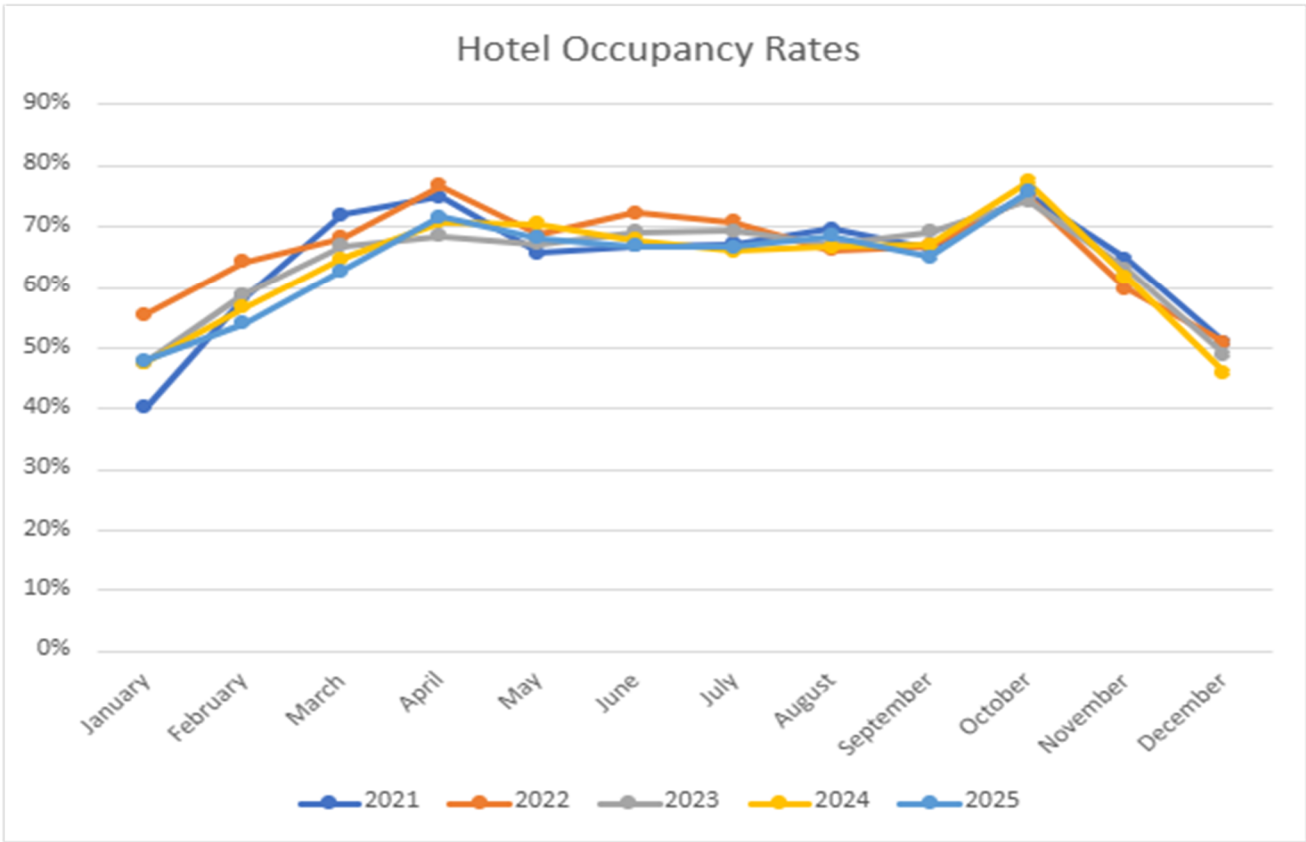
colleges and universities in Virginia. More than 2,400 students have transferred to the University of Virginia to date. PVCC is accredited by the Southern Association of Colleges and Schools Commission on Colleges.

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 is a major regional economic driver with nearly \$1 billion spent in Albemarle County and Charlottesville by visitors in 2024. Albemarle County specifically saw \$587.2 million in visitor spending, a 6.5% increase over 2023 (Tourism Economics/Virginia Tourism Corporation.)

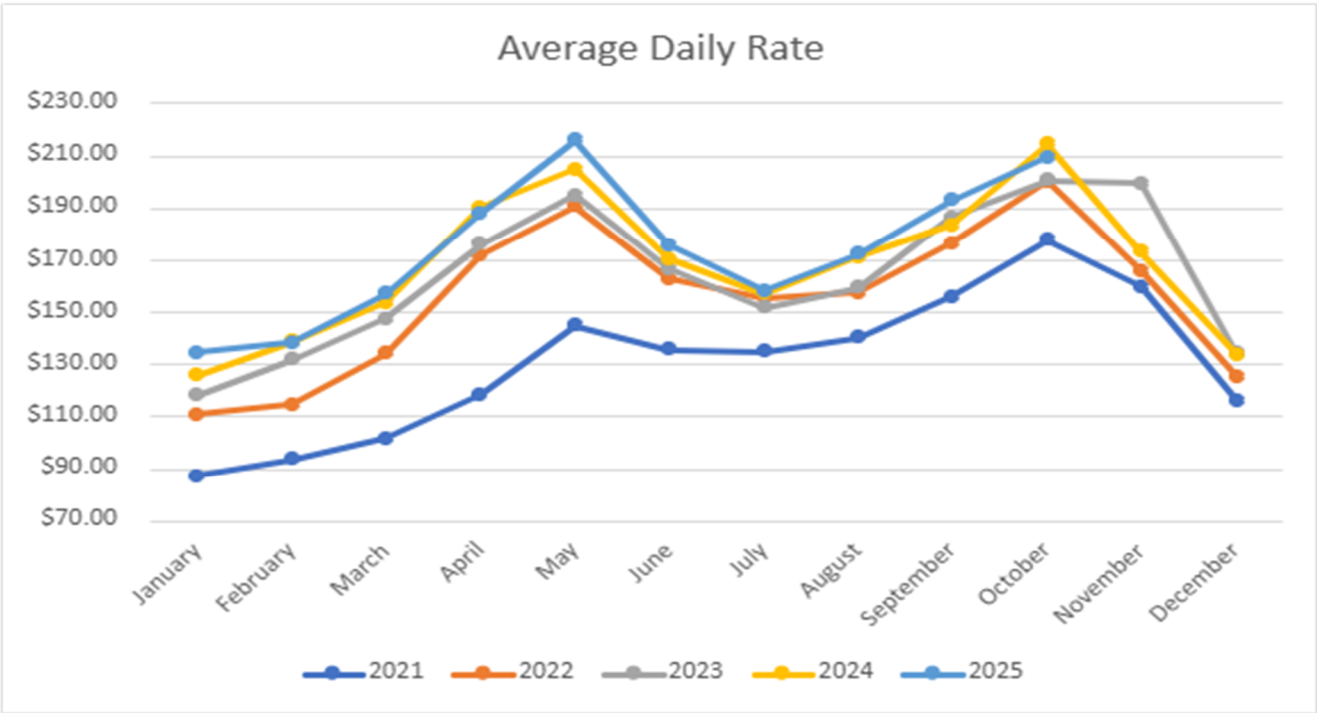
Tourism-supported jobs in the area exceeded 7,000 while local tourism-related taxes were \$27.7 million in Albemarle County. These taxes include lodging tax, food and beverage tax and sales tax attributed to visitors. You’ll see from the chart below that Albemarle County area hotel occupancy rates are experiencing more seasonality. Ongoing contributing factors for these lower occupancy rates are a lack of workforce, increased operating costs and increased daily rates.



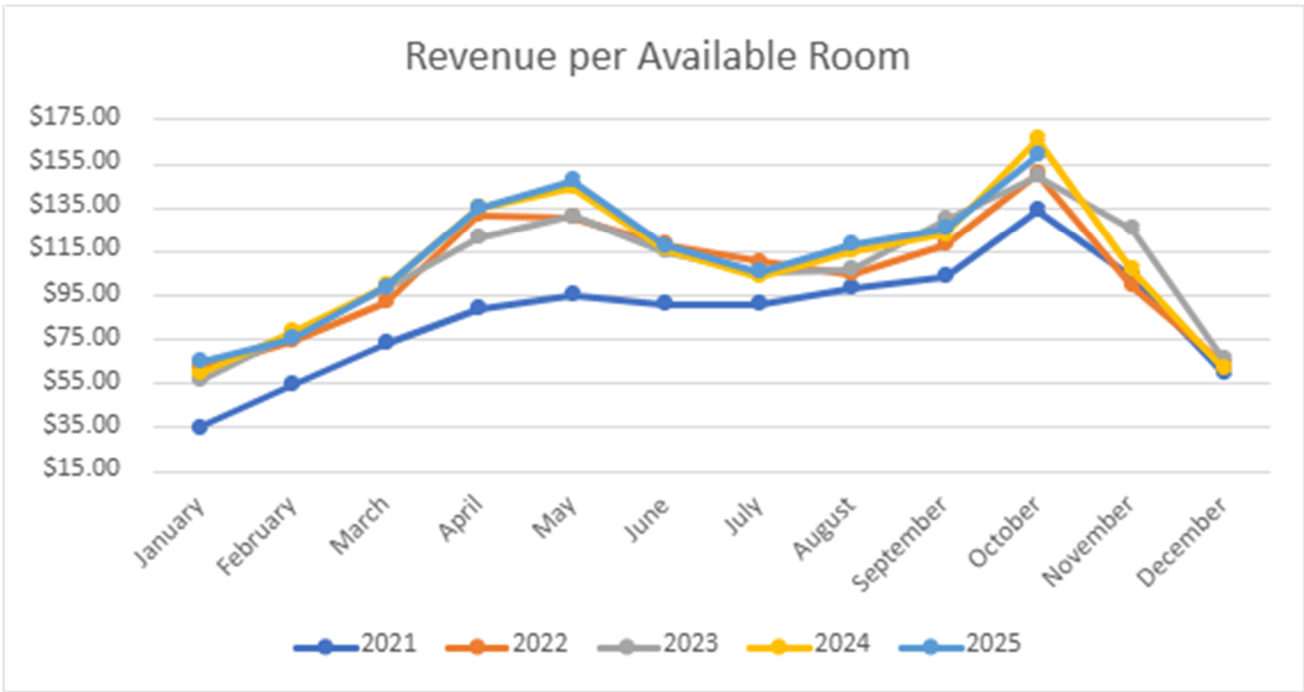
Hotel rates continue to climb to all-time high levels. These rates reflect an increase in demand for our area and a limited supply of rooms, as well as increased cost of labor and operations.

THE REPORTING ENTITY AND ITS SERVICE: (CONTINUED)

Travel and Tourism (Continued)



Revenue per available room (RevPAR) is showing seasonality and is slowing. With national economic uncertainty, Virginia workforce uncertainty, ADR softening, and without an increased hospitality industry workforce, these revenues will continue to slow and may dip below 2024 levels.



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 more than 20 years. The mission of the CACVB is to drive overnight stays and visitor spending in hotels, restaurants, wineries, stores, attractions, and more, thereby generating transient occupancy, sales, and food and beverage tax revenue paid by visitor s 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.

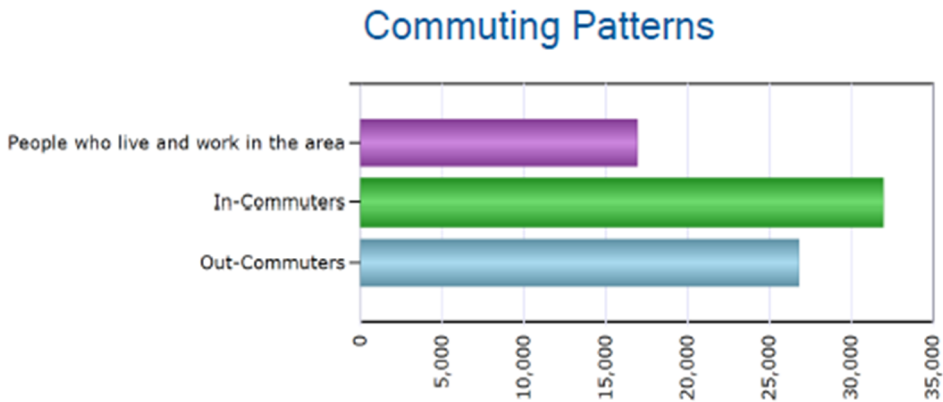
Albemarle County’s natural landscape abounds in opportunities for hiking, paddling, bicycling, horseback riding and sipping wine at vineyards with a view. With more than 40 wineries along the Monticello Wine Trail, distilleries and breweries, and a reputation as a “foodie” destination, a visitor can return often and still enjoy new experiences. The Monticello American Viticultural Area was 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

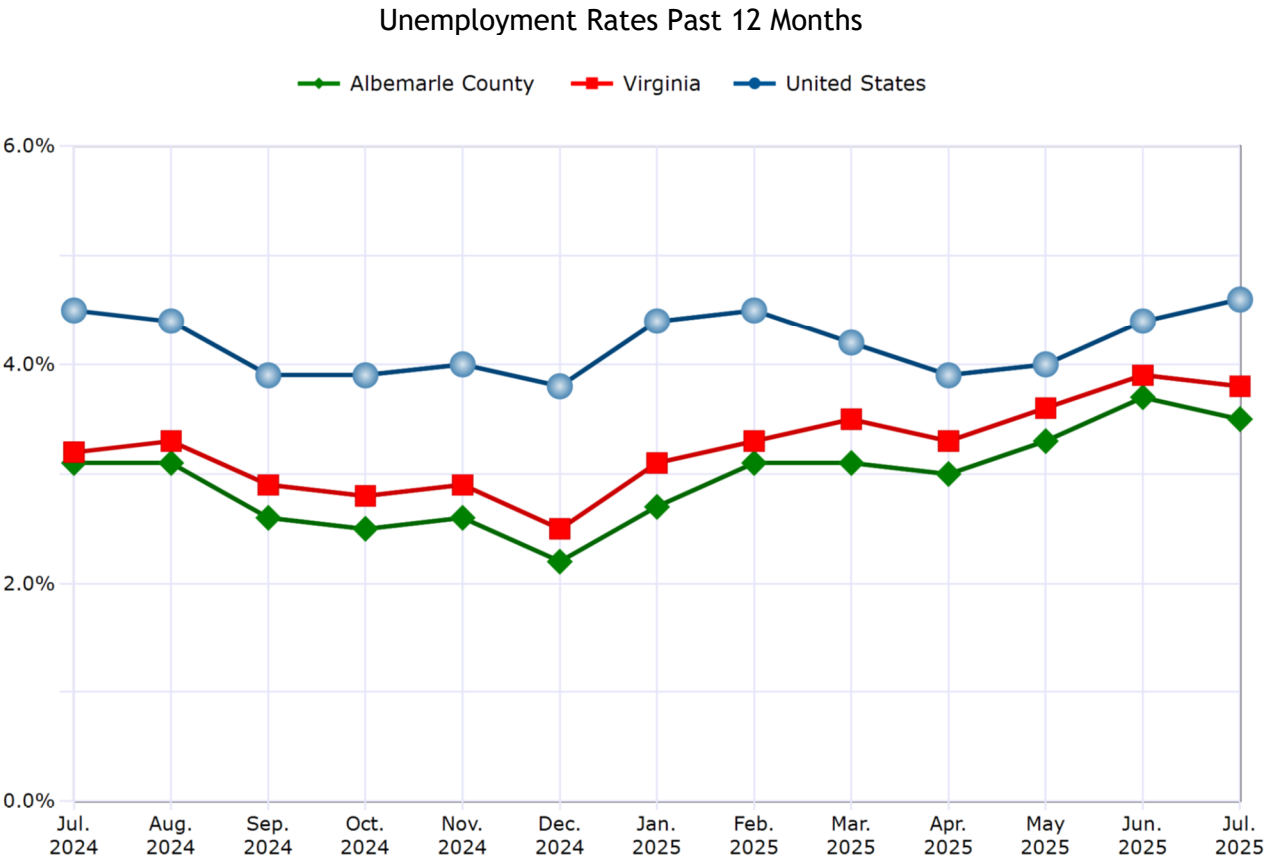
Albemarle County's rich history and targeted actions by Albemarle County to help existing businesses grow play a part in the area's economic growth. Its location, rural character, urban conveniences, strong educational system, and superior quality of life combine to make Albemarle an attractive, vibrant community. The predominant industries, by number of jobs, are federal, state and local governments, 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.

Additionally, workers are commuting from several surrounding counties to work alongside Albemarle County residents. Top ten places that workers commute from include Charlottesville City, Fluvanna County, Greene County, Louisa County, Augusta County, Nelson County, Fairfax County, Orange County, Waynesboro City and Buckingham County in Virginia. (U.S. Census Bureau OnTheMap Application).



ECONOMIC CONDITION AND OUTLOOK (CONTINUED)

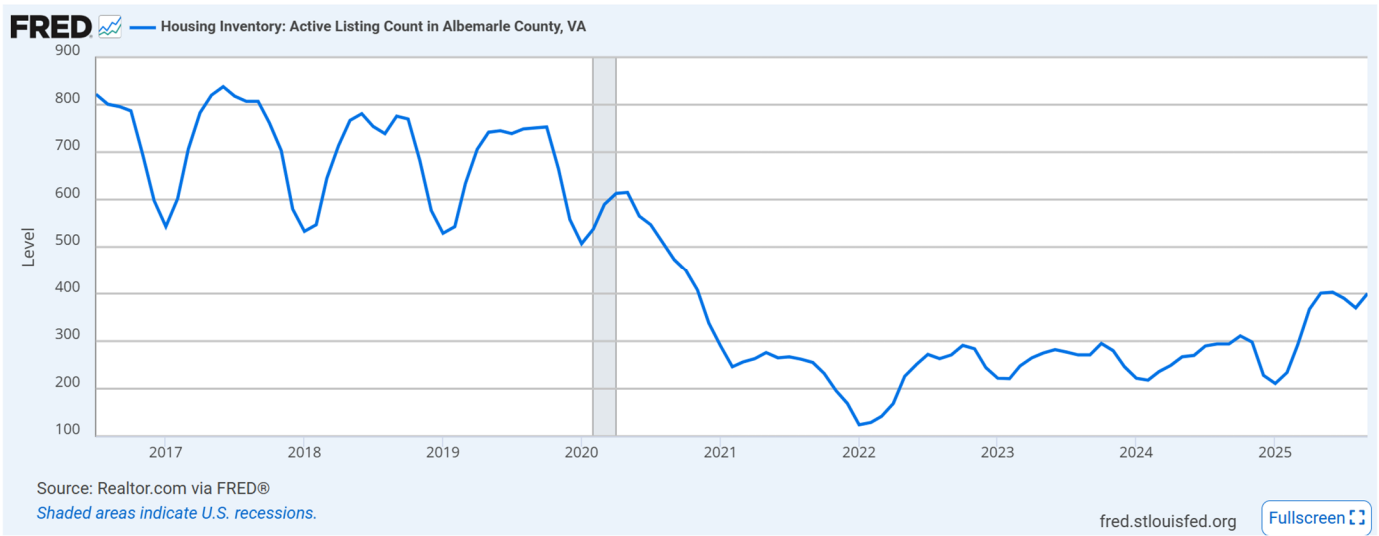
With the national economic slowdown, mirroring the Virginia state’s trend, the non-seasonally adjusted unemployment rate in Albemarle County has increased higher than a year ago. According to Virginia Works, as of July 2025, the unemployment rate for Albemarle County was 3.5%, or 0.4% above a year ago. However, it remains lower than those for both Virginia and the nation.



Source of graph: Virginia Works, Economic Information & Analytics, Local Area Unemployment Statistics

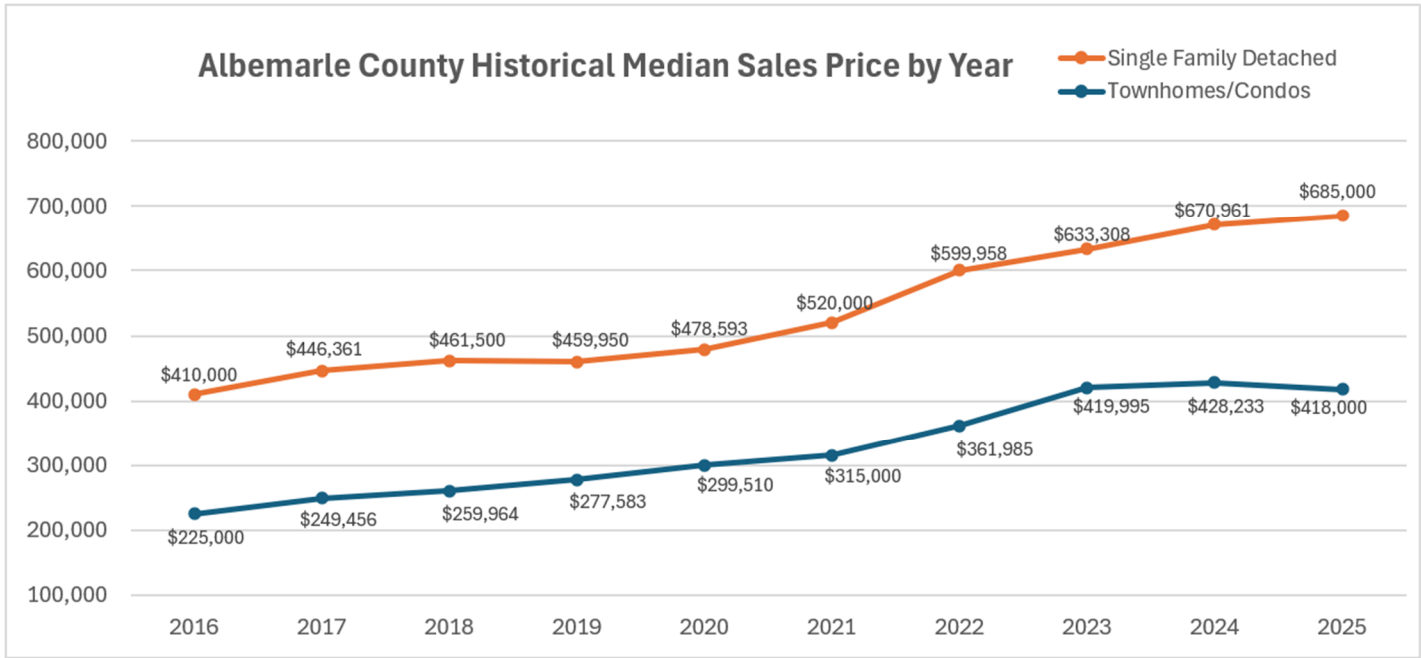
Home sales show signs of slower pace due to the continued economic uncertainty, elevated mortgage rates, rising home prices and challenging affordability conditions, despite increased inventory providing more options for buyers. According to data from Virginia Realtors, as of August 2025, Albemarle County saw 18 less home sales than the same period a year ago, which represents a 1.2% decrease. Total active listing count in Albemarle County increased by close to 26% as of August 2025 compared to the same period a year ago, from 294 to 370. (Realtor.com via FRED)

ECONOMIC CONDITION AND OUTLOOK (CONTINUED)



Home prices remain the upward trend primarily due to housing supply gap. There has been a shortage of new home construction compared to new household formation for over a decade. However, with the sales on existing homes starting to slow down, the increase of home prices is starting to moderate compared to previous years. In addition, builder incentives and price adjustments in the face of declining new home sales also contribute to the slower increase of home prices.

This analysis is supported by Albemarle County’s data and the graph as shown below. The median sales price of a single-family detached home in Albemarle County was \$685,000 in 2025, an increase of 2% from a year ago, and a gain of \$14,039. The median sales price of a townhome/condo in Albemarle County was \$418,000 in 2025, a decrease of 2% from a year earlier. As a comparison, there was an increase of 6% for the median sales price of a single-family detached home and an increase of 2% for that of a townhome/condo in the previous financial reporting period.

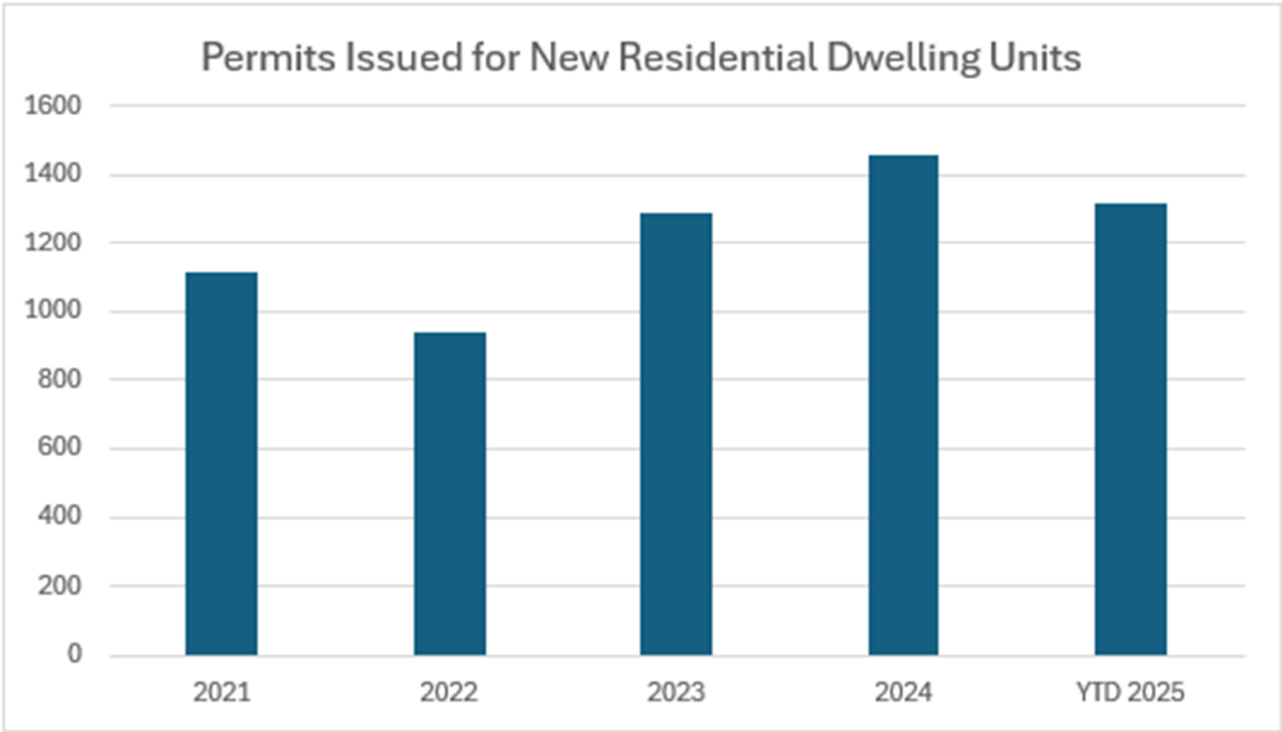


Source of data: Real Estate Office, County of Albemarle

ECONOMIC CONDITION AND OUTLOOK (CONTINUED)

Building permits are a standard indicator of future home building and housing development. In the first eight months of 2025, building permits show a mostly decline in the nation based on the latest data from the US Census Bureau: US Department of Housing and Urban Development. The slowdown is a reflection of continued economic uncertainty, labor market issues in the construction trades, lower consumer confidence and sentiment, cooling job market, elevated mortgage rates, and potential impacts of higher tariffs on building supplies.

The County’s economic indicators generally followed the overall patterns of related state and national indicators with sometimes at different levels. As of October 2025, 1,316 building permits were issued for new residential dwelling units, compared to 1,455 building permits issued in 2024, 1,293 issued in 2023, 939 issued in 2022 and 1,114 issued in 2021.



Source of data: Department of Community of Development, County of Albemarle

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



## FINANCIAL POLICIES (Continued)

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 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

## Current Initiatives (continued)

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 21<sup>st</sup>-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.
- *Emergency Communications Center (ECC) Regional 800 MHz Communication System ("P25 Project"):* This project is for the replacement of major technology components and infrastructure of the existing 800 MHz radio system, to include: electronic components at all tower sites and the ECC facility, as well as new console equipment at the ECC and backup location. It also includes equipment such as new site generators, recording systems and Uninterruptible Power Supply systems. Partners include Albemarle County, City of Charlottesville, University of Virginia, Regional Jail, Regional Airport, Albemarle County Service Authority, and Rivanna Water & Sewer Authority. As a regional system, costs will be shared proportional to use.
- *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.
- *Core Systems Modernization:* This project upgrades the County's core operational systems, such as development tracking, financial and time and attendance systems, to modern web-based/hosted solutions.
- *Rivanna Solid Waste Authority Baler Facility:* Rivanna Solid Waste Authority (RSWA) operates a facility to bale source separated recyclable materials from Albemarle County and the City of Charlottesville. This project supports the County's share of the construction of a new baling facility, to be located at the Ivy Solid Waste & Recycling Center. The current facility is located on leased property and is at the end of its useful life. The relocation of this facility will create a more streamlined and efficient recycling process while ensuring the continuation of the baling and recycling of solid waste for the region.

## Current Initiatives (Continued)

### Economic Development

- *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.
- *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.
- *Commonwealth and Dominion Drive Sidewalk:* This project will provide funding for design, property acquisition, and construction of pedestrian and transit improvements on Commonwealth Drive from Hydraulic Road to Peyton Drive (east side with crosswalk connections to the west side), and pedestrian improvements along Dominion Drive from Commonwealth Drive to US 29 (routing in design).
- *Berkmar Drive Bicycle and Pedestrian Improvements:* This project will provide funding for design, property acquisition, and construction of a Shared-Use Path from just south of Woodbrook Drive to Hilton Heights Road to connect to the new Shared-Use Path on Berkmar Extended.
- *Home Depot:* The project is a public-private partnership for the first redevelopment at Fashion Square mall. Home Depot's redevelopment of the former Sear's site will invest more than \$26 million into the property and is expected to create 100 new jobs. The County will benefit from the local share of sales tax revenue and the increase in real property tax. Home Depot opened in late August of 2024.
- *Afton Scientific:* A local biopharmaceutical manufacturing company, Afton Scientific, announced its expansion of over \$200 million to grow its operation in the County, which ultimately leads to more patients having access to lifesaving medicines. This project, supported by state and local governments, is projected to create 200 new jobs. It continues to build momentum for the region as a leader in bioscience.

### Albemarle County Public Schools Projects

- *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 will be LEED certified and comply with the Virginia High Performance Buildings Act.
- *Southern Elementary School:* This project is to construct a new 500-student elementary school in the Mountain View Elementary School district, thus creating Mountain View Upper Elementary School serving 3<sup>rd</sup> through 5<sup>th</sup> grade. It is assumed that the site will have public water and sewer available at the property line. The project will be LEED certified and comply with the Virginia High Performance Buildings Act. The assumed building size is 72,500 square feet (500 students at 145 square feet per student).

## Current Initiatives (Continued)

- *Mountain View Elementary Expansion and Site Improvements:* This project will expand and provide site improvements to support the current student population at Mountain View Elementary. The project expands the cafeteria and makes site improvements, including additional parking, enhanced outdoor learning spaces and playgrounds. The scope of work also includes renovations to the interior of the existing school to provide parity with the new Mountain View Upper Elementary School.
- *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 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:

- *Central Library:* This project provides the County's share of funding for the renovation of Jefferson Madison Regional Library-Central Library location. It involves a total renovation of the interior of the

## Future Initiatives (Continued)

Central Library to add public space for additional meeting rooms, technology, and youth services. Core systems will be addressed to ensure an efficient, safe and welcoming facility for the public.

- *Community Non-Profit Capital Process-Loaves and Fishes:* Loaves and Fishes is a local non-profit providing nourishing food with respect and dignity to all who seek assistance within our community. This project is for the purchase of a walk-in freezer to sustain and improve the food support for income-limited community residents. Providing food support and security is considered a safety net service and priority in the Human Service Needs Assessment. Refrigerated and frozen storage are essential components of the agency being able to provide healthy, safe, perishable food to income-insecure people in our community, 45.5% of whom were served being Albemarle County residents.
- *Rivanna Future:* An acquisition of 462 acres of property along Route 29 North adjacent to Rivanna Station, in 2023, with the vision to solidify the long-term vibrancy of Rivanna Station in Albemarle County and support the growth of the local economy. Rivanna Futures will host America’s next globally competitive innovation and technology hub, driving Intelligence and National Security technology dominance that is transferable to broader markets. The County will continue the partnership development and site readiness efforts to bring the vision for the Rivanna Futures to reality.

In October 2025, Governor Glenn Youngkin, Albemarle County and pharmaceutical company, AstraZeneca, announced an investment of \$4.5 billion to develop a new biopharmaceutical manufacturing facility at the Rivanna Futures site, bringing approximately 600 high-quality jobs to the area.

School Capacity Projects included in the Capital Improvements Plan:

- *Northern Elementary School:* This project is to construct a second new 600-student elementary school. The school would be located on a proffered site in North Pointe Development 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 public water and sewer available at the property line. The project will be LEED certified and comply with the Virginia High Performance Buildings Act. The assumed building size is 87,000 square feet (600 students at 145 square feet per student).

## 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, 2025. 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, 2024. 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

### **Certificate of Achievement (Continued)**

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,

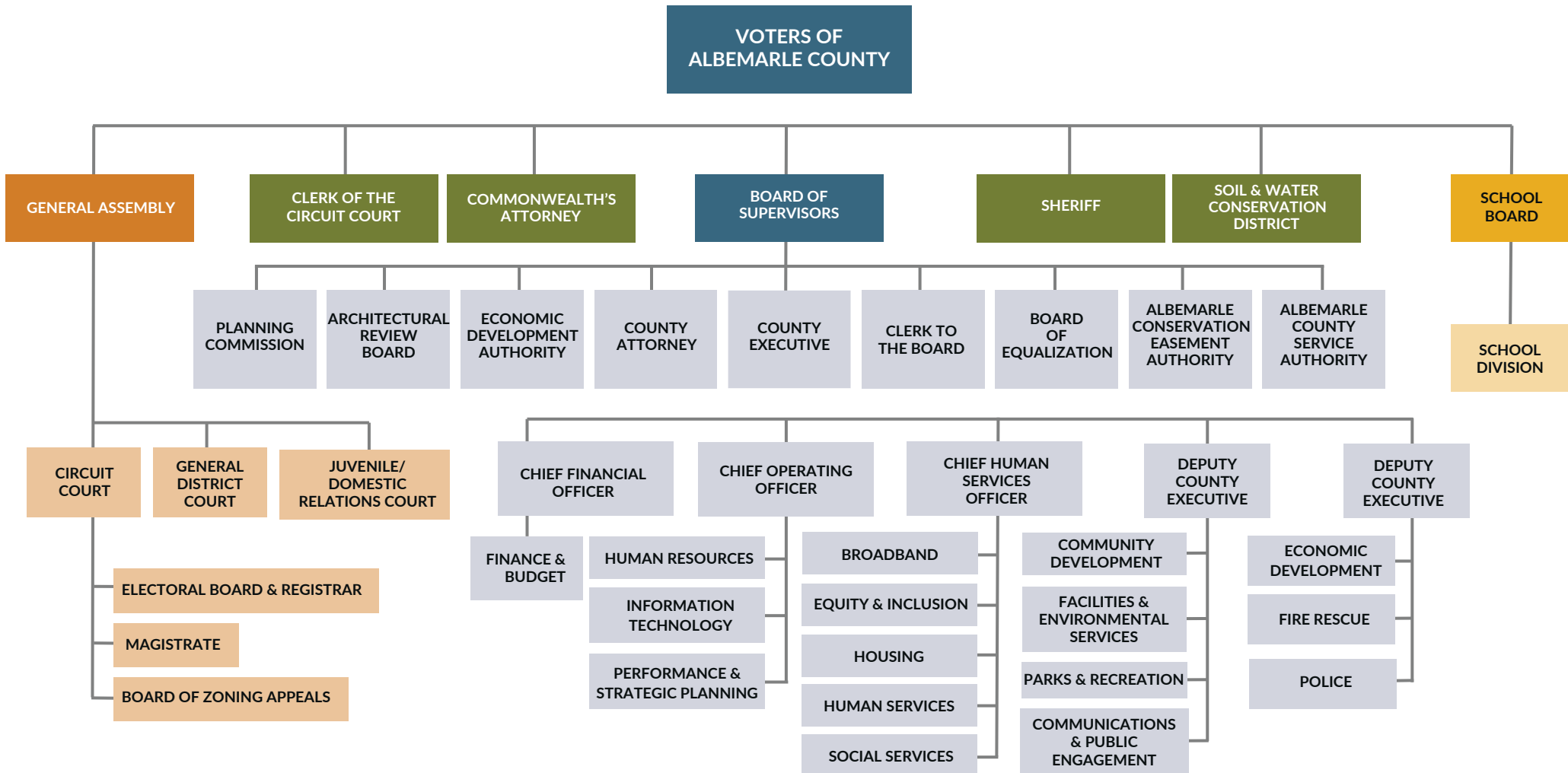
A handwritten signature in black ink, appearing to read "Jacob Sumner", written in a cursive style.

Jacob Sumner  
Chief Financial Officer



# County of Albemarle, Virginia

## ORGANIZATIONAL CHART



# County of Albemarle, Virginia

## **Board of Supervisors**

	Jim Andrews, Chair	
	Diantha H McKeel, Vice Chair	
Ned Gallaway		Ann Mallek
Bea LaPisto-Kirtley		Mike Pruitt
	Claudette K. Borgersen, Clerk	

## **School Board**

	Kate Acuff, Chair	
	Rebecca Berlin, Vice-Chair	
Leslie Pryor		Judy Le
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
Interim Director of Emergency Communications Center	Lily Gregg
Director of Parks and Recreation	Robert P. Crickenberger
Director of Human Resources	Jessica Rice
Director of Facilities & Environmental Services	Jeff Dumars
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
Interim Chief of Fire Rescue	Chip Walker
Sheriff	Chan Bryant
Registrar	Debbie Wilson



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, 2024

*Christopher P. Morill*

Executive Director/CEO



# Financial Statements



## **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, 2025, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

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

#### *Basis for Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and *Specifications for Audits of Counties, Cities, and Towns* and *Specifications for Audits of 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.

#### *Change in Accounting Principle*

As described in Note 26 to the financial statements, in 2025, the County adopted new accounting guidance, GASB Statement No. 101, *Compensated Absences*. Our opinion is not modified with respect to this matter.



## *Responsibilities of Management for the Financial Statements*

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


In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County'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's basic financial statements. The accompanying combining and individual nonmajor fund financial statements 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 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 5, 2025 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 5, 2025

## MANAGEMENT'S DISCUSSION AND ANALYSIS

---

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, 2025. 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 \$630,725,648. Liabilities and deferred inflows of resources totaled \$451,858,037. Assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$178,867,611, of which \$127,979,180 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 \$55,346,135 from the prior year, which primarily resulted from an increase in General Property Taxes, Real & Personal and other taxes of \$26,976,151 compared to 2024. Further, an increase in total program revenue of \$11,805,523 was seen, primarily centered around operating grants and contributions. Also attributable was a decrease in Education expenses of \$28,726,002 compared to 2024 (which had been an increase of \$36,741,615 from 2023).

#### **Fund Financial Statements (Modified Accrual Accounting)**

- As of June 30, 2025, the County's total governmental funds reported combined fund balances of \$172,564,427, a decrease of \$20,526,087 compared to the prior year. Approximately 51% of the combined fund balances, \$87,667,765 is unassigned, an increase of \$34,723 compared to June 30, 2024 (which had been an increase of \$10,027,972 from 2023). This amount is available to meet the County's current and future needs.
- The General Fund reported a fund balance of \$98,330,649, an increase of \$451,961 from June 30, 2024. Federal/State Grant Funds reported a fund balance of \$9,743,870; the General Capital Improvements Fund reported a fund balance of \$47,426,642; Other Governmental Funds reported \$19,055,353 in total fund balance; and the ARPA Fund reported \$(1,992,087).

### OVERVIEW OF THE FINANCIAL STATEMENTS

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

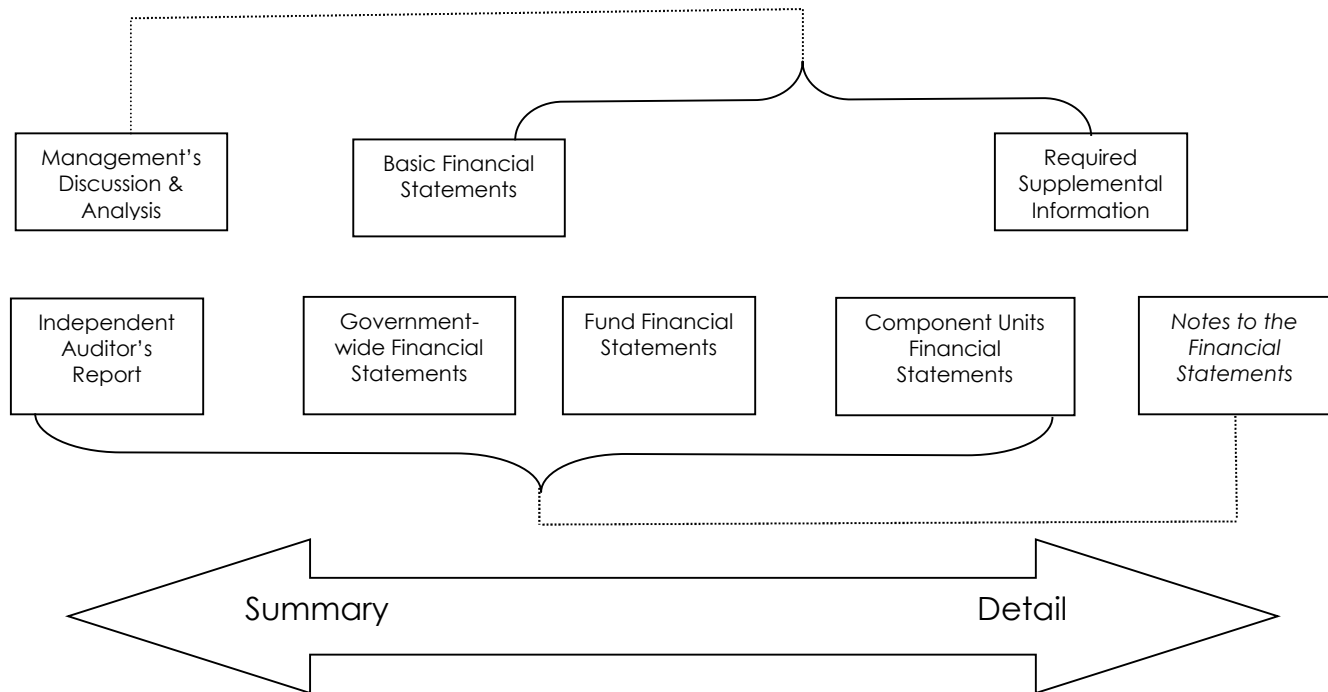
- The *introductory section* includes the Letter of Transmittal, the County's organizational chart and a list of principal officials.
- The *financial section* has five component parts - (1) the independent auditor's report, (2) management's discussion and analysis (this section), (3) the basic financial 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



## MANAGEMENT'S DISCUSSION AND ANALYSIS

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.

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 fund, capital projects fund (Storm Water Control) and debt service fund, 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 nine internal service funds: Health Insurance Fund, Dental Plan Pool Fund, Duplicating Fund, Facilities Development Fund, Payroll Suspense Fund, CATEC Fund, Risk Management 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.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### 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, 2025 and 2024 (\$ in thousands)						
	Governmental Activities		Component Units		Total Reporting Entity	
	2025	2024	2025	2024	2025	2024
<b>Assets:</b>						
Current and other assets	\$ 244,635	\$ 250,515	\$ 82,820	\$ 102,640	\$ 327,455	\$ 353,155
Capital assets (net)	362,775	312,215	53,556	59,847	416,331	372,062
<b>Total assets</b>	<b>\$ 607,410</b>	<b>\$ 562,730</b>	<b>\$ 136,376</b>	<b>\$ 162,487</b>	<b>\$ 743,786</b>	<b>\$ 725,217</b>
Deferred outflows of resources	\$ 23,316	\$ 19,629	\$ 60,609	\$ 54,770	\$ 83,925	\$ 74,399
<b>Total assets and deferred outflows of resources</b>	<b>\$ 630,726</b>	<b>\$ 582,359</b>	<b>\$ 196,985</b>	<b>\$ 217,257</b>	<b>\$ 827,711</b>	<b>\$ 799,616</b>
<b>Liabilities:</b>						
Other liabilities	\$ 36,305	\$ 28,240	\$ 36,500	\$ 29,940	\$ 72,805	\$ 58,180
Long-term Liabilities	397,807	398,902	199,618	174,948	597,425	573,850
<b>Total liabilities</b>	<b>\$ 434,112</b>	<b>\$ 427,142</b>	<b>\$ 236,118</b>	<b>\$ 204,888</b>	<b>\$ 670,230</b>	<b>\$ 632,030</b>
Deferred inflows of resources	\$ 17,746	\$ 21,012	\$ 32,128	\$ 29,440	\$ 49,874	\$ 50,452
<b>Net Position:</b>						
Net investment in capital assets	\$ 41,618	\$ 5,935	\$ 34,059	\$ 48,723	\$ 75,677	\$ 54,658
Restricted	9,271	7,926	861	1,452	10,132	9,378
Unrestricted	127,979	120,344	(106,181)	(67,246)	21,798	53,098
<b>Total net position</b>	<b>\$ 178,868</b>	<b>\$ 134,205</b>	<b>\$ (71,261)</b>	<b>\$ (17,071)</b>	<b>\$ 107,607</b>	<b>\$ 117,134</b>
<b>Total liabilities, deferred inflows of resources and net position</b>	<b>\$ 630,726</b>	<b>\$ 582,359</b>	<b>\$ 196,985</b>	<b>\$ 217,257</b>	<b>\$ 827,711</b>	<b>\$ 799,616</b>

*Due to rounding, some totals may not correspond with the sum of the separate figures*

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 \$178.9 million at the close of the fiscal year 2025, an increase of \$55.3 million from the net position at June 30, 2024. Current and other assets decreased by 2% and net capital assets increased by 16% from June 30, 2024. Contributing factors for the increase in capital assets can be related to school addition and infrastructure improvement upgrades, the courthouse renovation project, and fire/rescue apparatus purchases. Total liabilities and deferred inflows of resources were fairly stable, increasing only 1%.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### Statement of Activities:

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

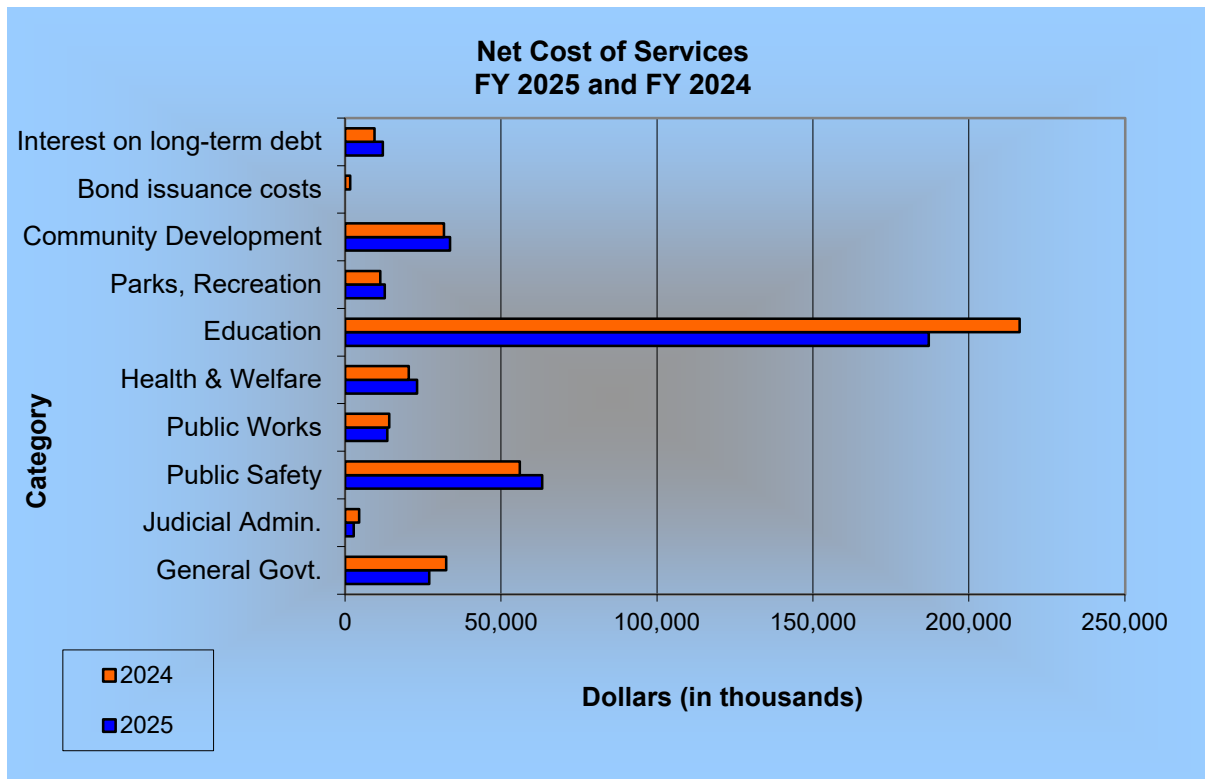
Changes in Net Position For the Fiscal Year Ended June 30, 2025 and 2024 (\$ in thousands)			
	Governmental Activities		Total % Change
	2025	2024	2025-2024
Revenues:			
Program Revenues:			
Charges for services	\$ 9,667	\$ 8,636	11.94%
Operating grants and contributions	50,237	40,079	25.34%
Capital grants and contributions	984	367	168.12%
General Revenues:			
General property taxes, real and personal	309,651	282,675	9.54%
Other taxes	87,374	83,063	5.19%
Grants and contributions not restricted	19,336	19,126	1.10%
Use of money and property	12,107	13,148	-7.92%
Miscellaneous revenue	2,047	1,662	23.16%
Total Revenues	\$ 491,403	\$ 448,756	9.50%
Expenses:			
General government	\$ 31,661	\$ 33,207	-4.66%
Judicial administration	5,789	7,365	-21.40%
Public safety	74,341	67,147	10.71%
Public works	14,076	14,590	-3.52%
Health and welfare	52,002	45,652	13.91%
Education	190,603	219,356	-13.11%
Parks, recreation, and cultural	13,151	11,638	13.00%
Community Development	42,311	36,499	15.92%
Bond issuance costs	(1)	1,633	%
Interest on long-term debt	12,121	9,927	22.10%
Total Expenses	\$ 436,054	\$ 447,014	-2.45%
Increase (decrease) in net position	\$ 55,346	\$ 1,742	3077.15%
Beginning net position	134,205	132,571	1.23%
Prior period restatement	(10,683)	(108)	
Ending net position	\$ 178,868	\$ 134,205	44.81%

Total net position for governmental activities increased \$55,346,135 with an ending net position of \$178,867,611 for FY25, an increase of 44.81% from FY24. Generally, net position changes are the result of the difference between revenues and expenses. Governmental activities generated \$60,886,382 in program revenues in FY25, offsetting 14% of the total cost to provide governmental services. The rest is mostly covered by taxes, the largest source of revenues.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

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, 2025 and 2024						
	Total Cost of Services			Net Cost of Services		
	2025	2024	Percentage Change	2025	2024	Percentage Change
General government	\$ 31,661,187	\$ 33,207,274	-4.66%	\$ 26,972,227	\$ 32,396,894	-16.74%
Judicial administration	5,788,768	7,364,592	-21.40%	2,747,100	4,500,152	-38.96%
Public safety	74,340,866	67,146,951	10.71%	63,158,143	56,055,296	12.67%
Public works	14,075,707	14,589,734	-3.52%	13,523,932	14,169,287	-4.55%
Health & welfare	52,001,961	45,651,847	13.91%	23,124,193	20,408,992	13.30%
Education	190,603,082	219,356,084	-13.11%	187,152,673	216,307,700	-13.48%
Parks, recreation & cultural	13,150,806	11,637,519	13.00%	12,755,749	11,270,551	13.18%
Community development	42,311,313	36,498,959	15.92%	33,613,291	31,702,333	6.03%
Bond issuance costs	-	1,633,850	100.00%	-	1,633,850	100.00%
Interest on long-term debt	12,120,946	9,926,596	22.11%	12,120,946	9,487,492	27.76%
Total	\$ 436,054,636	\$ 447,013,406	-2.45%	\$ 375,168,254	\$ 397,932,547	-5.72%



The total cost to run Education, the largest program expenses for governmental activities reported \$190,603,082, offset by \$3,477,409 of program revenues from operating grants and contributions, resulting a net cost of \$187,125,673 or 50% of the total net cost to provide governmental services. For more information, refer to Exhibit 2.

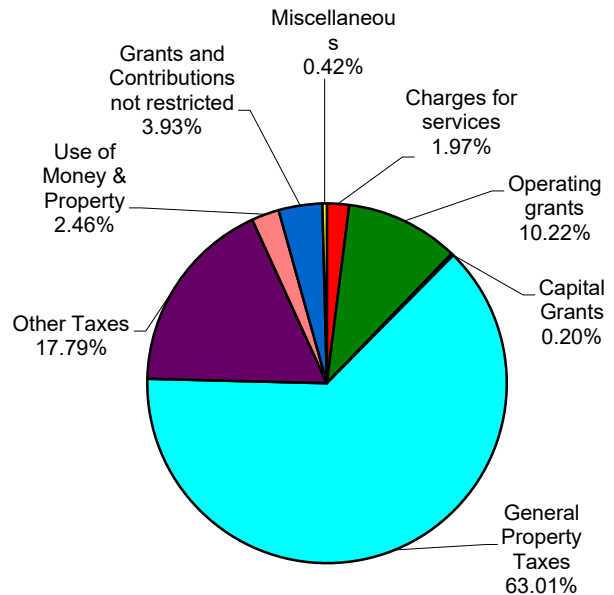
## MANAGEMENT'S DISCUSSION AND ANALYSIS

### Governmental Activities - Revenues by Source For the Fiscal Year Ended June 30, 2025

Revenues from governmental activities totaled \$491,400,771 for FY25 compared to \$448,755,505 for FY24, an increase of \$42,645,266, or 9.50%.

The largest source of revenues came from taxes, totaling \$397,025,091 or 81%. Of this amount, general property taxes totaled \$309,651,245, an increase of \$26,976,151, or 9.54% compared to FY24. This is primarily due to the 4% increase of the real property tax rate of \$0.04, bringing the rate from \$0.854 to \$0.894 per \$100 of assessed value and an increase of personal property tax rate by \$0.32 from \$3.96 to \$4.28 per \$100 of the assessed value, along with a 5.1% assessment value increase in calendar year 2025.

Other taxes, mostly comprised of business and consumer driven taxes, totaled \$87,373,846, an increase of \$4,310,980 or 5.1%, compared to FY24, primarily due to the increased collections for Business, Professional, and Occupational Licenses, and continued strong growth in food and beverage and transient occupancy taxes.

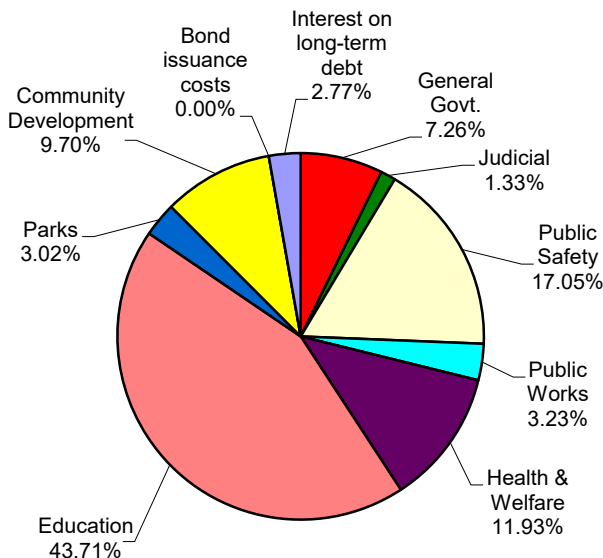


### Governmental Activities - Expenses by Function For the Fiscal Year Ended June 30, 2025

The total cost to run all governmental activities for FY25 was \$436,054,636, a decrease of 2.45% compared to FY24.

Education continues to be the County's largest program with expenses totaling \$190,603,082, a decrease of about 13% compared to FY24, primarily resulting from decreases in state and federal funding, many state funds decreased due to school funding formulas.

Public Safety expenses, totaling \$74,340,866, represent the second largest expense, an increase of 10.7%, due to departmental payroll expenses and increased equipment and apparatus investment, followed by Health and Welfare, at \$52,001,961. General Government Administration expenses totaled \$31,661,187, a decrease of 4.7%, primarily due to stable departmental expenses, and completion of major phases in the Core Systems Modernization project.



## MANAGEMENT'S DISCUSSION AND ANALYSIS

### FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

As of June 30, 2025, the County's governmental funds reported a combined ending fund balance of \$172,564,427, a decrease of \$20,526,086 in comparison with the prior year. Approximately 51% (\$87,667,765) is available for spending at the government's discretion (unassigned fund balance). The remainder of fund balance is non-spendable (\$2,203,109); restricted (\$21,163,343); or committed (\$61,530,210). For further details on fund balances, refer to Exhibit 3 located in the Fund Financial Statements section.

<b>Governmental Funds Balances</b> <b>For the Fiscal Year Ended June 30, 2025</b> <b>(\$ in thousands)</b>						
	General Fund	Federal/State Grants Fund	ARPA Fund	General Capital Improvements	Other Governmental Funds	Total Governmental Funds
Revenues	\$ 450,901	\$ 28,768	\$ 1,269	\$ 5,217	\$ 5,967	\$ 492,122
Expenditures	410,482	34,122	1,269	38,262	30,592	514,728
Excess(deficiency) of revenues over(under) expenditures	40,419	(5,354)	-	(33,045)	(24,625)	(22,607)
Other Financing Sources(Uses)	(39,967)	6,801	-	8,556	26,690	2,080
Net Change in fund balance	452	1,447	-	(24,489)	2,065	(20,527)
Fund balance, beginning of year	97,879	8,298	(1,992)	71,916	16,990	193,091
Fund balance, end of year	\$ 98,331	\$ 9,745	\$ (1,992)	\$ 47,426	\$ 19,055	\$ 172,564

The General Fund reported a fund balance of \$98,330,649 on June 30, 2025. Total revenue for General Fund reported at \$450,900,503, total expenditure at \$410,481,761, out of which approximately \$213 million, or 52%, was used to support School operations, and other financing uses at \$39,966,781, netting an increase of \$3,299,271, or 9% increase for FY25 compared to June 30, 2024, primarily due to the 5.1% increase of the real estate assessment, increase of real property tax rate from \$0.854 to \$0.894 per \$100 of the assessed value and \$0.32 increase of personal property tax rate from \$3.96 to \$4.28 per \$100 of the assessed value in calendar year 2025.

The Federal/State Grants Fund reported a fund balance of \$9,743,870 on June 30, 2025. Total revenues of the fund were reported at \$28,767,591. Total expenditures were reported at \$34,122,481, out of which 72% was used for health and welfare, with an increase of 34% from FY24, due to new grant expenditures. Despite strong expenditure growth, fund balance increased \$1,446,043, a 17% increase over FY24. This is primarily due to transfers in accounting for \$7,461,368 of the fund balance.

The General Capital Improvements Fund reported a fund balance of \$47,426,642 on June 30, 2025, a decrease of \$24,488,951, or 34%, primarily due to completion of capital projects, and a reduction in funding transferred in from \$15,214,239 to \$11,841,739. This is correlated with the explained net capital asset growth reported this year.

The County's ARPA Fund reported \$1,269,265 in revenues and \$1,269,265 in expenditures in FY 2025. This kept an unchanged fund balance from prior year, negative \$1,992,087 from the County having transferred \$2 million out of this fund to the Broadband Development fund, a non-major special revenue fund.

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

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### 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:

<b>Budgetary Comparison General Fund For the Fiscal Year Ended June 30, 2025</b>			
	Original Budget	Amended Budget	Actual
Revenues:			
Taxes	\$ 369,058,635	\$ 380,434,298	\$ 392,239,457
Other	16,895,607	17,742,450	20,173,149
Intergovernmental	39,558,094	39,577,670	38,487,897
Total	\$ 425,512,336	\$ 437,754,418	\$ 450,900,503
Expenditures:			
Expenditures	398,579,322	425,150,440	410,481,761
Excess of revenues over expenditures	\$ 26,933,014	\$ 12,603,978	\$ 40,418,742
Other Financing Sources (Uses):			
Transfers in	\$ 7,018,514	\$ 7,018,514	\$ 7,207,318
Transfers out	(41,529,909)	(49,418,009)	(49,286,727)
Appropriation of fund balance	7,578,381	29,795,517	2,112,628
Total	\$ (26,933,014)	\$ (12,603,978)	\$ (39,966,781)
Change in Fund Balance	\$ -	\$ -	\$ 451,961
Fund balance, beginning of year	-	-	97,878,688
Fund balance, end of year	\$ -	\$ -	\$ 98,330,649

For the fiscal year ended June 30, 2025, actual revenues were \$450,900,503, exceeding final amended budget by \$13,146,085, or 3%. Actual expenditures were \$410,481,761, a decrease of \$14,668,679, 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 \$8.3 million mostly due to 1) the net impact of a calendar year 2025 real estate reassessment greater than the projected calendar year 2025 reassessment, actual collection rates, and other adjustments and billings, 2) and the increase of the real property tax rate from \$0.854 to \$0.894 per \$100 of the assessed value and \$0.32 increase of personal property tax rate from \$3.96 to \$4.28 per \$100 of the assessed value in calendar year 2025, resulting in June personal property collections that exceeded the amounts projected in FY25 appropriated budget.
- Actual revenues from the Commonwealth were \$1.3 million less than the final amended budget. This is primarily due to State revenues for education that were decreased during the fiscal year (some for cost sharing reasons based on ability of the locality to pay).
- Actual general government administration expenditures were \$6.2 million less than final amended budget. County Executive expenditures were approximately \$3.1 million less than budgeted, and Information Technology were approximately \$1.9 million less than budgeted.



## BUDGETARY HIGHLIGHTS

### General Fund

- Actual education expenditures were \$1.9 million less than final amended budget, primarily due to the Public School's budgeted use of fund balance.

For the fiscal year ended June 30, 2025, final amended budget for revenues were \$437,754,418, an increase of \$12,242,082 or 2.88% over the original budgeted. Final amended budget for expenditures were \$425,150,440, an increase of \$26,571,118, or 7%, 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 \$4.7 million over the original budget. Out of which, \$3.2 million was for County Executive departmental expenditures and \$0.8 million was for information technology expenditures.
- Final amended budget for Education expenditures increased approximately \$13.7 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 \$3.7 million over the original budget, primarily due an additional \$2.5 million in funding for the police department, much funding was needed to stabilize positions previously funded by grants, and expanding programs such as the Human Services Alternative Response Team (HART).
- Final amended budget for Community Development expenditures increased \$1.2 million over the original budget. This funding primarily went towards economic development operations.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### CAPITAL ASSETS AND LONG-TERM DEBT

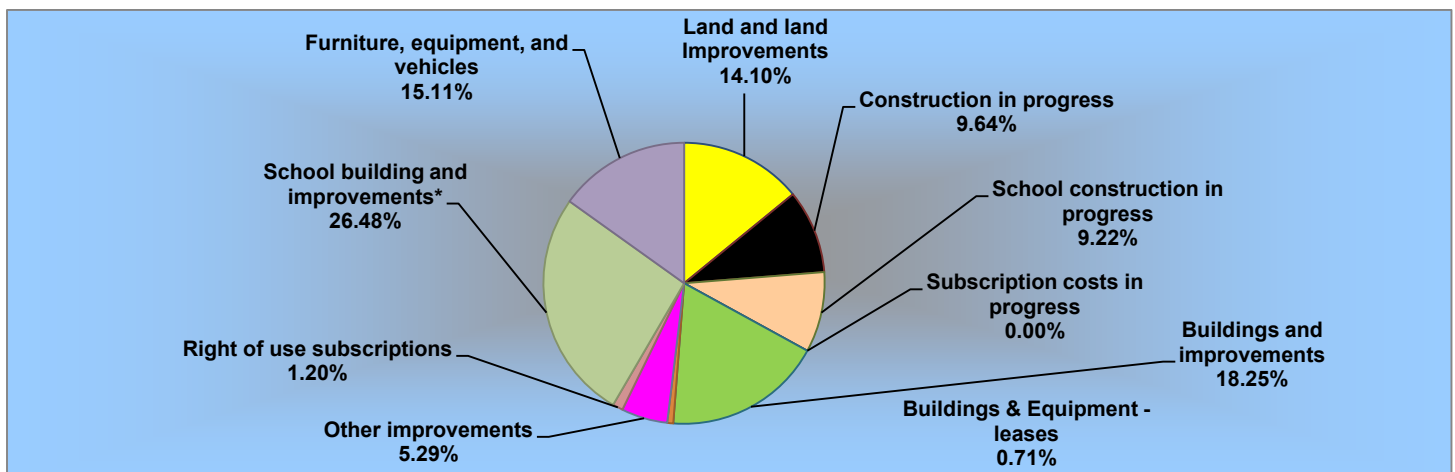
#### Capital Assets

The County implemented GASB 96 Subscription Based Information Technology Arrangements during fiscal year 2024 resulting in the increase of right of use assets. Since then, several major technology projects have increased our right to use asset totals. The County's net capital assets, including additions, deletions, and depreciation, of Fiscal Year 2025 is summarized below:

Change in Capital Assets Governmental Funds			
	Balance June 30, 2024	Net Additions and Deletions	Balance June 30, 2025
Land and land Improvements	\$ 69,702,993	\$ -	\$ 69,702,993
Construction in progress	27,910,729	19,770,047	47,680,776
School land and construction in progress*	45,757,897	(187,038)	45,570,859
Subscriptions costs in progress	497,196	(497,196)	-
Buildings and improvements	90,302,433	(52,212)	90,250,221
Buildings & Equipment -leases	3,517,560	-	3,517,560
School building and improvements*	104,535,567	26,393,855	130,929,422
Furniture, equipment, and vehicles	77,703,956	(2,992,371)	74,711,585
Right of use subscriptions	1,879,285	4,070,084	5,949,369
Other improvements	23,065,448	3,085,414	26,150,862
Total Capital Assets	\$ 444,873,064	\$ 49,590,583	\$ 494,463,647
Less accumulated depreciation	132,657,697	969,062	131,688,635
Total capital assets, net	\$ 312,215,367	\$ 48,621,521	\$ 362,775,012

As of June 30, 2025, the County's investment in capital assets totaled \$362,775,014, an increase of \$50,559,645 over 2024, and is summarized below:

#### Capital Assets as of June 30, 2025



## MANAGEMENT'S DISCUSSION AND ANALYSIS

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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:

- County Server Infrastructure Upgrade
- CSM Core Systems Modernization
- Court Facilities Expansion and Upgrades
- Fire Rescue Apparatus Replacement
- Rivanna Solid Waste Authority Baler Facility
- County Office Space Renovations
- 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: 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.

Subsequent to the period covered in these statements, AstraZeneca announced a \$4.5 billion investment to develop a new biopharmaceutical manufacturing facility in Albemarle County, creating approximately 600 high-quality jobs. The facility will support the enhanced manufacturing capability of a broad range of medicines, including cancer treatments.

This project will be located on Albemarle County's Rivanna Futures site in the northern portion of the county. The facilities will include manufacturing, office, and warehouse space and are expected to create highly skilled jobs, including engineers, scientists, and process facilitators.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

The project announcement is aligned with Albemarle County's Economic Development Strategic Plan, which was adopted in August 2025 and identifies biotechnology and life sciences, national security, and agribusiness as key industries for a balanced economy.

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

### Long-term Debt

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

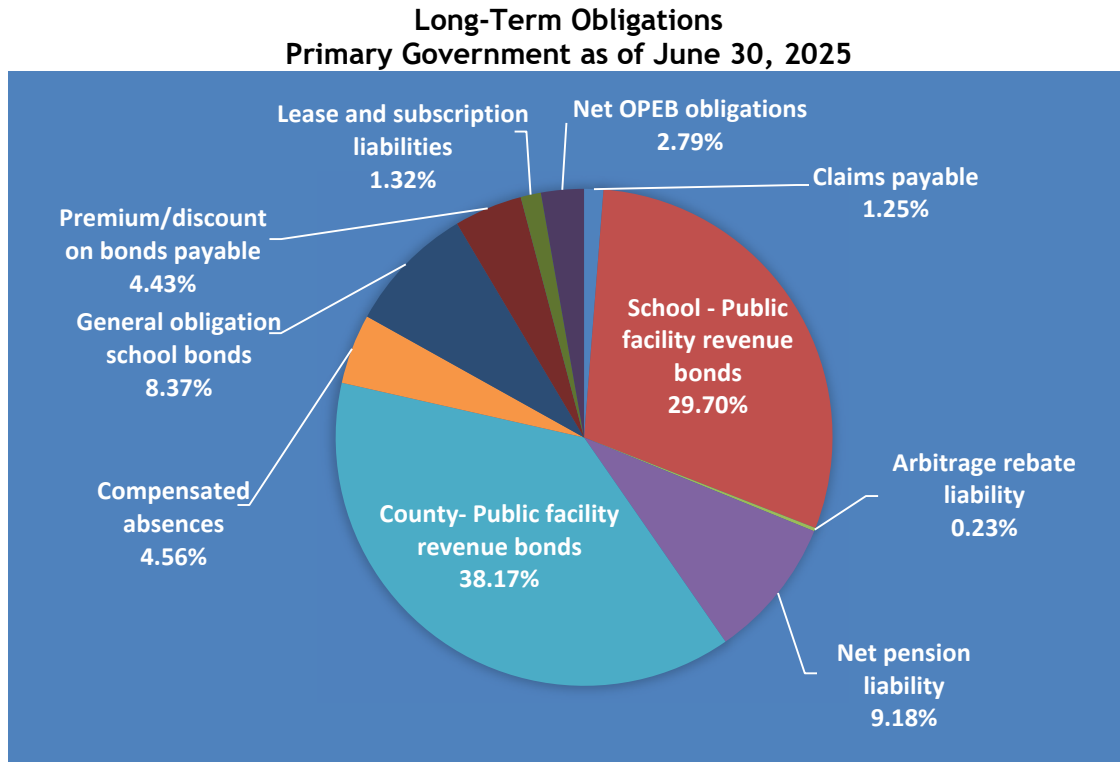
Summary of Long-Term Obligation Changes For the Fiscal Year Ended June 30, 2024			
	Amounts Payable June 30, 2024	Net Increase (Decrease)	Amounts Payable June 30, 2025
Primary Government			
General obligation school bonds	\$ 38,705,000	\$ (5,415,000)	\$ 33,290,000
School - Public facility revenue bonds	122,763,340	(4,612,831)	118,150,509
County - Public facility revenue bonds	156,096,661	(4,267,169)	151,829,492
Premium on bonds payable	20,355,218	(2,646,643)	17,708,575
Discount on bonds payable	(105,154)	26,282	(78,872)
Arbitrage rebate liability	593,391	319,958	913,349
Lease liabilities	3,363,882	(291,122)	3,072,760
Subscription liabilities	1,193,325	992,393	2,185,718
Claims payable	4,474,830	483,891	4,958,721
Compensated absences	16,540,690	1,581,145	18,121,835
Net pension liability	35,066,598	1,470,726	36,537,324
Net OPEB obligations	10,538,038	579,589	11,117,627
Total	<u>\$ 409,585,819</u>	<u>\$ (11,778,781)</u>	<u>\$ 397,807,038</u>

In fiscal year 2025, the County did not issue any public facility or GO bonds. Long-Term obligations continued to decrease without new bond issuances.

Series 2023A bonds have an outstanding amount of \$51,548,237 and Series 2023B bonds have an outstanding amount of \$58,850,000 at the end of fiscal year 2025. The total outstanding amount from the two new issuances comprised 73% of the total outstanding amount for all County's public facility revenue bonds reported at \$151,829,492 at the end of fiscal year 2025, as shown in the chart above.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

As of June 30, 2025, the County's long-term obligations total \$397,807,038 and can be summarized as follows:



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%.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

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- 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 capital leases, it will repay the debt within a period not to exceed the expected useful life of the projects.
- The County shall ensure compliance with federal arbitrage rebate requirements by maintaining accurate records of bond proceeds, investing earnings, and expenditures, and by conducting timely rebate calculations and filings, interest earnings on bond proceeds and payments will be recorded and restricted in the Debt Service funds.
- 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 Virginia Works, the unemployment rate for the County of Albemarle in July 2025 was at 3.5%, compared to 3.1% of the similar period a year ago. For the same period, Virginia's unemployment rate was at 3.8%. The national unemployment rate was at 4.6%.
- According to the U.S. Census Bureau, the population in Albemarle County was estimated at 117,313 as of July 1, 2024. This reflects a population growth of 18.5% since 2010.
- The fiscal year 2026 adopted budget anticipated general fund revenues and expenditures to be \$474,694,129, an 8.38% increase over the fiscal year 2025 budget. The Adopted Budget revenue projections showed an anticipated increase in local revenues in real estate property tax (\$35.7 million, an increase of 12.4%), and personal property tax (\$3.5 million, an increase of 4.3%). The County's transfer to fund education operations (including education debt service) continues to be the largest expenditure area in fiscal year 2026 adopted budget at 47.6% of total expenditures, with public safety being the next largest at 16.5%.

### **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 website at [www.albemarle.org](http://www.albemarle.org).



# **Basic Financial Statements**

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# **Government-Wide Financial Statements**

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## County of Albemarle, Virginia

## Statement of Position

June 30, 2025

	Primary Government	Component Units	
	Governmental Activities	School Board	EDA
<b>ASSETS</b>			
Cash and investments	\$ 178,495,964	\$ 68,119,592	\$ 1,893,366
Investments - restricted	8,371,547	3,969,665	-
Receivables (net of allowance for doubtful accounts) (Note 4)	35,218,223	631,325	167,669
Leases receivable (Note 24)	141,931	-	-
Due from other governments (Note 5)	20,221,139	8,847,973	-
Prepaid items	1,934,366	46,133	-
Inventories	251,575	343,726	-
Net pension asset (Note 13)	-	861,445	-
Capital assets (Note 7)			
Land and construction in progress	162,954,628	5,158,384	-
Other depreciable capital assets (net of accumulated depreciation)	199,820,386	48,398,057	-
Total assets	607,409,759	136,376,300	2,061,035
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred items related to pension (Notes 13, 14, 15)	21,450,379	52,347,355	-
Deferred items related to OPEB (Notes 16, 17, 18)	1,865,510	8,261,375	-
Total deferred outflows of resources	23,315,889	60,608,730	-
<b>LIABILITIES</b>			
Accounts payable and accrued liabilities	29,286,703	36,499,655	596,096
Amounts held for others	750,189	-	-
Accrued interest payable	1,293,761	-	-
Unearned revenue	4,974,830	-	-
Long-term liabilities:			
Net pension liability due in more than one year (Notes 13, 14, 15)	36,537,324	118,830,144	-
Net OPEB liability due within one year (Note 16, 18)	355,467	840,815	-
Net OPEB liability due in more than one year (Notes 16, 17, 18)	10,762,160	40,129,290	-
Due within one year (Note 8)	35,981,230	9,843,494	-
Due in more than one year (Note 8)	314,170,857	29,974,676	-
Total liabilities	434,112,521	236,118,074	596,096
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred revenue (Note 9)	5,952,048	-	-
Deferred items related to pension (Notes 13, 14, 15)	7,012,932	20,858,840	-
Deferred items related to leases	122,911	-	-
Deferred items related to OPEB (Notes 16, 17, 18)	4,657,625	11,269,065	-
Total deferred inflows of resources	17,745,516	32,127,905	-
<b>NET POSITION</b>			
Net investment in capital assets	41,617,634	34,059,466	-
Restricted for:			
Grant compliance	9,270,797	-	-
Net pension asset	-	861,445	-
Unrestricted	127,979,180	(106,181,860)	1,464,939
Total net position	\$ 178,867,611	\$ (71,260,949)	\$ 1,464,939

## County of Albemarle, Virginia

## Statement of Activities

For the Year Ended June 30, 2025

		Program Revenues			Net (Expenses) Revenues and Changes in Net Position		
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government	Component Units	
					Governmental Activities	Albemarle County Public Schools	Economic Development Authority
Primary government:							
Governmental activities:							
General government administration	\$ 31,661,187	\$ 85,758	\$ 4,603,202	\$ -	\$ (26,972,227)	\$ -	\$ -
Judicial administration	5,788,768	460,492	2,581,176	-	(2,747,100)	-	-
Public safety	74,340,866	4,913,877	6,268,846	-	(63,158,143)	-	-
Public works	14,075,707	48,137	503,638	-	(13,523,932)	-	-
Health and welfare	52,001,961	-	28,877,768	-	(23,124,193)	-	-
Education	190,603,082	-	3,450,409	-	(187,152,673)	-	-
Parks, recreation, and culture	13,150,806	338,775	56,282	-	(12,755,749)	-	-
Community development	42,311,313	3,820,305	3,895,516	982,201	(33,613,291)	-	-
Interest on long-term debt	12,120,946	-	-	-	(12,120,946)	-	-
Total governmental activities	<u>\$ 436,054,636</u>	<u>\$ 9,667,344</u>	<u>\$ 50,236,837</u>	<u>\$ 982,201</u>	<u>\$ (375,168,254)</u>	<u>\$ -</u>	<u>\$ -</u>
Component units:							
Albemarle County Public Schools	\$ 313,376,733	\$ 6,051,152	\$ 84,631,344	\$ 270,000	\$ -	\$ (222,424,237)	\$ -
Economic Development Authority	1,017,337	-	1,565,121	-	-	-	547,784
Total component units	<u>\$ 314,394,070</u>	<u>\$ 6,051,152</u>	<u>\$ 86,196,465</u>	<u>\$ 270,000</u>	<u>\$ -</u>	<u>\$ (222,424,237)</u>	<u>\$ 547,784</u>
General revenues:							
Taxes:							
General property taxes, real, and personal					\$ 309,651,245	\$ -	\$ -
Local sales and use taxes					26,631,311	-	-
Business licenses tax					19,052,647	-	-
Consumer utility taxes					4,756,068	-	-
Meals tax					18,269,650	-	-
Motor vehicle licenses tax					4,391,297	-	-
Other taxes					14,272,572	-	-
Payment from County - Education					-	190,603,082	-
Grants and contributions not restricted to specific programs					19,335,575	-	-
Unrestricted use of money and property					12,106,902	650,245	44,197
Miscellaneous					2,047,122	4,978,838	-
Total general revenues					<u>430,514,389</u>	<u>196,232,165</u>	<u>44,197</u>
Change in net position					55,346,135	(26,192,072)	591,981
Net position, beginning of year, as previously presented					134,204,941	(17,944,720)	872,958
Restatement					(10,683,465)	(27,124,157)	-
Net position, beginning of year, as restated					<u>123,521,476</u>	<u>(45,068,877)</u>	<u>872,958</u>
Net position, end of year					\$ 178,867,611	\$ (71,260,949)	\$ 1,464,939

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# **Fund Financial Statements**

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## County of Albemarle, Virginia

**Balance Sheet**  
**Governmental Funds**  
June 30, 2025

	Special Revenue Funds					
		Federal and		General	Other	Total
	General	State	ARPA	Capital	Governmental	Governmental
	Fund	Fund	Fund	Improvements	Funds	Funds
<b>ASSETS</b>						
Cash and investments	\$ 77,789,936	\$ 9,856,622	\$ 2,424,197	\$ 44,953,501	\$ 18,919,007	\$ 153,943,263
Investments - restricted	-	-	-	8,371,547	-	8,371,547
Property taxes receivable, (net of allowance for uncollectibles) (Note 4)	27,723,752	-	-	-	-	27,723,752
Receivables (net of allowance for uncollectibles) (Note 4)	5,491,304	18,849	-	96,575	1,611,090	7,217,818
Lease receivable	141,931	-	-	-	-	141,931
Due from other governments (Note 5)	13,216,711	6,192,079	-	512,785	299,564	20,221,139
Prepaid items	626,497	473,073	-	832,944	-	1,932,514
Inventories	251,575	-	-	-	-	251,575
Total assets	<u>\$ 125,241,706</u>	<u>\$ 16,540,623</u>	<u>\$ 2,424,197</u>	<u>\$ 54,767,352</u>	<u>\$ 20,829,661</u>	<u>\$ 219,803,539</u>
<b>LIABILITIES</b>						
Accounts payable and accrued liabilities	\$ 9,337,923	\$ 6,238,207	\$ -	\$ 7,340,710	\$ 459,574	\$ 23,376,414
Unearned revenue	-	558,546	4,416,284	-	-	4,974,830
Amounts held for others	750,189	-	-	-	-	750,189
Total liabilities	<u>10,088,112</u>	<u>6,796,753</u>	<u>4,416,284</u>	<u>7,340,710</u>	<u>459,574</u>	<u>29,101,433</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable revenue, property tax (Note 9)	16,700,034	-	-	-	-	16,700,034
Unavailable revenue, leases	122,911	-	-	-	-	122,911
Unavailable revenue, opioid settlement	-	-	-	-	1,314,734	1,314,734
Total deferred inflows of resources	<u>16,822,945</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,314,734</u>	<u>18,137,679</u>
<b>FUND BALANCES</b>						
Nonspendable:						
Inventories and prepaid items	878,072	473,073	-	832,944	-	2,184,089
Net leases receivable	19,020	-	-	-	-	19,020
Restricted:						
Debt service	-	-	-	-	3,520,999	3,520,999
Grant compliance	-	9,270,797	-	-	-	9,270,797
Capital projects	-	-	-	8,371,547	-	8,371,547
Committed:						
General government administration	488,223	-	-	-	-	488,223
Judicial administration	372,146	-	-	-	-	372,146
Public safety	1,632,609	-	-	-	-	1,632,609
Public works	188,340	-	-	-	-	188,340
Health and welfare	404,396	-	-	-	-	404,396
Parks and recreation	28,751	-	-	-	-	28,751
Community development	478,755	-	-	-	-	478,755
Transfers, contingencies, and refunds	775	-	-	-	-	775
General capital projects	-	-	-	38,222,151	-	38,222,151
Storm water projects	-	-	-	-	2,637,883	2,637,883
Special revenue	-	-	-	-	12,896,471	12,896,471
Education - School Reserve Fund	4,179,710	-	-	-	-	4,179,710
Unassigned	89,659,852	-	(1,992,087)	-	-	87,667,765
Total fund balance	<u>98,330,649</u>	<u>9,743,870</u>	<u>(1,992,087)</u>	<u>47,426,642</u>	<u>19,055,353</u>	<u>172,564,427</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 125,241,706</u>	<u>\$ 16,540,623</u>	<u>\$ 2,424,197</u>	<u>\$ 54,767,352</u>	<u>\$ 20,829,661</u>	<u>\$ 219,803,539</u>

**County of Albemarle, Virginia**  
**Reconciliation of the Government Funds Balance Sheet**  
**to the Statement of Net Position**  
**For the Year Ended June 30, 2025**

Total fund balances for governmental funds (Exhibit 3)		\$	172,564,427
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		47,680,776	
School Board construction in progress		45,570,859	
Buildings and improvements, net of accumulated depreciation		42,447,255	
Leased buildings, net of amortization		2,711,527	
Other improvements, net of accumulated depreciation		13,354,162	
Furniture, equipment, and vehicles, net of accumulated depreciation		21,150,660	
Equipment leases, net of amortization		31,624	
Right-to-use subscriptions, net of amortization		4,367,524	
School Board capital assets, net of accumulated depreciation		<u>115,757,634</u>	362,775,014
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:			13,962,196
Some of the County's property taxes will be collected after year-end but are not available soon enough to pay for the current year's expenditures and, therefore, are reported as unavailable revenue in the funds.			10,747,986
Long-term assets related to opioid settlements are not available to pay for current-period expenditures and, therefore, are deferred in the funds.			1,314,734
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		(7,012,932)	
Deferred inflows related to OPEB		(4,657,625)	
Deferred outflows related to pensions		21,450,379	
Deferred outflows related to OPEB		<u>1,865,510</u>	11,645,332
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		(1,293,761)	
General obligation bonds		(33,290,000)	
Public facility revenue and refunding bonds		(269,980,001)	
Arbitrage rebate liability		(913,349)	
Lease liability		(3,072,760)	
Subscription liability		(2,185,718)	
Net pension liability		(36,537,324)	
Net OPEB liabilities		(11,117,627)	
Unamortized bond premium		(17,708,575)	
Bond discount		78,872	
Compensated absences		<u>(18,121,835)</u>	<u>(394,142,078)</u>
Total net position of governmental activities (Exhibits 1 and 2)		\$	<u><u>178,867,611</u></u>

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

	Special Revenue Funds					
	General Fund	Federal/ State Grants Fund	ARPA Fund	General Capital Improvements	Other Governmental Funds	Total Governmental Funds
<b>REVENUES</b>						
Property taxes	\$ 307,736,723	\$ -	\$ -	\$ -	\$ -	\$ 307,736,723
Other local taxes	84,502,734	-	-	-	2,870,811	87,373,545
Permits, privilege fees, and regulatory licenses	3,880,447	-	-	-	24,818	3,905,265
Fines and forfeitures	820,078	-	-	-	-	820,078
Use of money and property	8,171,533	35,652	-	1,763,887	1,710,178	11,681,250
Charges for services	4,942,001	-	-	-	-	4,942,001
Miscellaneous	268,897	126,911	-	1,274,850	-	1,670,658
Recovered costs	2,090,193	10,315	-	867,181	-	2,967,689
Other revenue	-	-	-	-	469,770	469,770
Intergovernmental:						
Contribution from School Board	164,883	3,000,000	-	-	-	3,164,883
Commonwealth	28,861,388	16,768,429	-	1,311,120	769,482	47,710,419
Federal Government	9,461,626	8,826,284	1,269,265	-	122,136	19,679,311
Total revenues	450,900,503	28,767,591	1,269,265	5,217,038	5,967,195	492,121,592
<b>EXPENDITURES</b>						
Current:						
General government administration	27,128,375	13,000	-	291,847	-	27,433,222
Judicial administration	8,369,697	22,800	-	-	-	8,392,497
Public safety	69,107,822	4,302,545	-	-	-	73,410,367
Public works	11,480,214	-	-	-	132,624	11,612,838
Health and welfare	29,190,987	24,598,535	-	-	89,922	53,879,444
Education - public school systems	213,276,515	-	-	-	-	213,276,515
Parks, recreation and cultural	11,751,548	47,282	-	-	-	11,798,830
Community development	33,442,941	5,130,882	1,269,265	-	860,628	40,703,716
Contingencies	3,001,928	7,437	-	-	-	3,009,365
Debt service:						
Principal payments	1,411,357	-	-	-	14,295,000	15,706,357
Interest and fiscal charges	207,749	-	-	-	14,332,269	14,540,018
Capital projects	2,112,628	-	-	37,970,203	881,556	40,964,387
Total expenditures	410,481,761	34,122,481	1,269,265	38,262,050	30,591,999	514,727,556
Excess (deficiency) of revenues over (under) expenditures	40,418,742	(5,354,890)	-	(33,045,012)	(24,624,804)	(22,605,964)
<b>OTHER FINANCING SOURCES (USES)</b>						
Issuance of subscriptions	2,112,628	-	-	-	-	2,112,628
Transfers in	7,207,318	7,461,368	-	11,841,739	31,230,773	57,741,198
Transfers out	(49,286,727)	(660,435)	-	(3,285,678)	(4,541,109)	(57,773,949)
Total other financing sources (uses)	(39,966,781)	6,800,933	-	8,556,061	26,689,664	2,079,877
Net change in fund balance	451,961	1,446,043	-	(24,488,951)	2,064,860	(20,526,087)
Fund balance, beginning of year	97,878,688	8,297,827	(1,992,087)	71,915,593	16,990,493	193,090,514
Fund balance, end of year	<u>\$ 98,330,649</u>	<u>\$ 9,743,870</u>	<u>\$ (1,992,087)</u>	<u>\$ 47,426,642</u>	<u>\$ 19,055,353</u>	<u>\$ 172,564,427</u>



## 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, 2025**

Net change in fund balances - total governmental funds (Exhibit 5)		\$	(20,526,087)
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 current period is as follows:			
Capital outlay additions:			
Construction and subscription in progress additions	\$	27,720,691	
Construction in progress deletions		(6,298,595)	
Other improvements additions		3,343,559	
Subscription issuance additions, net of implementation costs		2,112,628	
Furniture, equipment and vehicle additions		<u>10,674,757</u>	
	\$	37,553,040	
Depreciation and amortization expense		<u>(9,261,884)</u>	28,291,156
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.			
			(404,944)
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		30,486,602	
School construction in progress deletions		(30,673,640)	
School buildings and improvements additions, net		31,781,370	
School buildings and improvements deletions, net		<u>(8,920,899)</u>	
			22,673,433
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.			
			1,821,216
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 pension liability		(563,201)	
Decrease in deferred inflows related to the measurement of the net OPEB liability		<u>1,338,147</u>	
			774,946
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.			
Repayments:			
Payments on right of use liabilities		1,411,357	
General obligation school bonds		5,415,000	
Public facility revenue bonds		<u>8,880,000</u>	
			15,706,357
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		(1,581,145)	
Issuance of subscription liability		(2,112,628)	
Amortization of bond premium		2,646,643	
Amortization of bond discount		(26,282)	
Increase in arbitrage liability		(319,958)	
Increase in net pension liability		(1,470,726)	
Increase in net OPEB liabilities		(579,589)	
Increase in deferred outflows related to the measurement of the net pension liability		3,739,760	
Decrease in deferred outflows related to the measurement of the net OPEB liability		(52,948)	
Decrease in accrued interest payable		<u>118,669</u>	
			361,796
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.			
			<u>6,648,262</u>
Change in net position of governmental activities (Exhibit 2)		\$	<u><u>55,346,135</u></u>

# County of Albemarle, Virginia

## Statement of Net Position

### Proprietary Funds

June 30, 2025

	Governmental Activities
	Internal Service Funds
<b>ASSETS</b>	
Current assets:	
Cash and cash equivalents	\$ 24,557,628
Receivables, (net of allowance for doubtful accounts) (Note 4)	276,653
Prepaid expenses	<u>1,852</u>
Total assets	<u>24,836,133</u>
<b>LIABILITIES</b>	
Current liabilities:	
Accounts payable and accrued liabilities	5,910,289
Reconciled overdraft	4,927
Claims payable:	
Due within one year	<u>4,958,721</u>
Total liabilities	<u>10,873,937</u>
<b>NET POSITION</b>	
Unrestricted	<u><u>\$ 13,962,196</u></u>

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

	<u>Governmental Activities Internal Service Funds</u>
<b>OPERATING REVENUES</b>	
Charges for services, net	\$ 211,404,796
<b>OPERATING EXPENSES</b>	
Benefits and related expenses	54,260,447
Services and supplies	150,954,490
Total operating expenses	205,214,937
<b>OPERATING INCOME</b>	6,189,859
<b>NON-OPERATING REVENUES</b>	
Interest income	425,652
<b>TRANSFERS</b>	
Transfers in	32,751
Change in net position	6,648,262
Net position, beginning of year	7,313,934
Net position, end of year	<u><u>\$ 13,962,196</u></u>

## County of Albemarle, Virginia

## STATEMENT OF CASH FLOWS

## PROPRIETARY FUNDS

For the Year Ended June 30, 2025

	<b>Governmental Activities Internal Service Funds</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Receipts from insured	\$ 61,116,065
Receipts from services	151,048,021
Payments to suppliers	<u>(200,115,151)</u>
Net cash provided by operating activities	<u>12,048,935</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
Transfers	<u>32,751</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Interest income	<u>425,652</u>
Net increase in cash and cash equivalents	12,507,338
Cash and cash equivalents, beginning of year	<u>12,050,290</u>
Cash and cash equivalents, end of year	<u><b>\$ 24,557,628</b></u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	
Operating income	\$ 6,189,859
Adjustments to reconcile operating income to net cash provided by operating activities:	
Changes in assets and liabilities:	
Receivables, net	754,363
Prepaid expenses	304,334
Accounts payable and accrued liabilities	4,311,561
Reconciled overdraft	4,927
Claims payable	<u>483,891</u>
Net cash provided by operating activities	<u><b>\$ 12,048,935</b></u>

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

	<b>Private Purpose Trust Funds</b>	<b>Custodial Funds</b>
<b>ASSETS</b>		
Cash and investments	\$ 11,186,780	\$ 13,328,980
Accounts receivable	593,556	356,016
Prepaid expenses	-	101,431
Land and capital assets, net	-	21,744,551
Investments with trustee	500,965	-
	<hr/>	<hr/>
Total assets	12,281,301	35,530,978
	<hr/>	<hr/>
<b>DEFERRED OUTFLOWS</b>		
Deferred outflows	-	2,273,994
	<hr/>	<hr/>
Total deferred outflows	-	2,273,994
	<hr/>	<hr/>
<b>LIABILITIES</b>		
Accounts payable	-	1,317,793
Compensated absences	-	1,108,744
Unearned revenue	-	10,823
Lease and subscription liabilities	-	4,197,083
Pension and OPEB liabilities	-	4,080,924
	<hr/>	<hr/>
Total liabilities	-	10,715,367
	<hr/>	<hr/>
<b>DEFERRED INFLOWS</b>		
Deferred inflows	-	1,247,034
	<hr/>	<hr/>
Total deferred inflows	-	1,247,034
	<hr/>	<hr/>
<b>NET POSITION</b>		
Restricted	<u>\$ 12,281,301</u>	<u>\$ 25,842,571</u>

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

# County of Albemarle, Virginia

## Statement of Changes in Fiduciary Net Position

### Fiduciary Funds

For the Year Ended June 30, 2025

	Private Purpose Trust Funds	Custodial Funds
<b>ADDITIONS</b>		
Contributions:		
Private contributions	\$ -	\$ 2,469,378
Government contributions	-	6,329,104
Charges for services	-	3,589,850
Intergovernmental	-	10,341,855
Miscellaneous	-	170,060
Proffers	1,942,950	-
Total contributions	1,942,950	22,900,247
Investment earnings:		
Interest	-	308,595
Investment earnings	622,729	-
Total investment earnings	622,729	308,595
Total additions	2,565,679	23,208,842
<b>DEDUCTIONS</b>		
Recipient payments	-	2,040,070
Broadband	-	1,269,265
Administrative expenses	-	463,220
Parks and rec	-	444,558
Juvenile public safety	-	4,927,849
Emergency communications	-	12,145,120
Visitors Bureau	-	2,525,004
General	556	-
Contributions	1,378,053	-
Total deductions	1,378,609	23,815,086
Change in net position	1,187,070	(606,244)
<b>Net position, beginning of year, as previously presented</b>	11,094,231	27,093,520
Restatement	-	(644,705)
<b>Net position, beginning of year as restated</b>	11,094,231	26,448,815
<b>Net position, end of year</b>	<b>\$ 12,281,301</b>	<b>\$ 25,842,571</b>

# County of Albemarle, Virginia

## Notes to the Financial Statement

June 30, 2025

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### Note 1 – Summary of Significant Accounting Policies

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#### *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.
- 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).

# County of Albemarle, Virginia

## Notes to the Financial Statement

June 30, 2025

- 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 \$5,508,305 in operating funds in fiscal year 2025. The County has no equity interest in the Library.

#### *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.



# County of Albemarle, Virginia

## Notes to the Financial Statement

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### *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.

### *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 2025, the County contributed \$580,250 for services 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.

# County of Albemarle, Virginia

## Notes to the Financial Statement

June 30, 2025

### *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.

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 Peregrine 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

### **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.

# County of Albemarle, Virginia

## Notes to the Financial Statement

June 30, 2025

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.

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

# County of Albemarle, Virginia

## Notes to the Financial Statement

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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.

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 stormwater 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:

# County of Albemarle, Virginia

## Notes to the Financial Statement

June 30, 2025

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.

- 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.

Stormwater Control Fund - This fund accounts for expenditures for drainage and other systems for stormwater 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.

- a. 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. A description and nature of each of the County's Internal Service Funds is as 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.

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.

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.

Risk Management Fund - This fund accounts for activity of the County for processing insurance coverage and reimbursements.

# County of Albemarle, Virginia

## Notes to the Financial Statement

June 30, 2025

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

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

### 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.

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.

# **County of Albemarle, Virginia**

## **Notes to the Financial Statement**

**June 30, 2025**

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.

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.

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

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

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

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

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.

# County of Albemarle, Virginia

## Notes to the Financial Statement

June 30, 2025

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

#### 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 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.

#### 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.



# County of Albemarle, Virginia

## Notes to the Financial Statement

June 30, 2025

The government-wide statements of net position and statements of activities, all proprietary funds, the custodial 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.

### **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, 2025, amounts reappropriated by the Board totaled \$3,593,995.

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.

# County of Albemarle, Virginia

## Notes to the Financial Statement

June 30, 2025

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, 2025, as adopted, appropriated and legally amended.
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 \$807,654 at June 30, 2025, and consists of taxes receivable in the General Fund.

# County of Albemarle, Virginia

## Notes to the Financial Statement

June 30, 2025

### 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.

### 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 thresholds are met. The County utilizes a capitalization threshold of \$10,000 for capital assets with exception to right of use assets recorded for lease and subscription transactions, for which a \$50,000 threshold is required. 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
	Lesser of contract term or useful
Right to use assets	life of asset

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-

# **County of Albemarle, Virginia**

## **Notes to the Financial Statement**

**June 30, 2025**

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.

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 recognize a liability for compensated absences for leave time that is (1) has been earned for services rendered, (2) accumulates and is allowed to be used in subsequent years, and (3) is more likely than not to be used by an employee as time off or settled during employment or upon separation of employment. As a result, the County and Component Unit School Board recognize a liability for three types of leave – vacation, retirement bonus, sick, and compensatory time. The County offers a fourth type, a retirement bonus, which is accrued based on the amount earned by the employee. The liability for compensated absences is reported as incurred in the government-wide financial statements, and includes salary-related benefits, where applicable.

### **Primary Government**

County employees earn annual, compensatory, and sick leave at various amounts depending on the length of service. Benefits or pay is received for unused annual and compensatory leave 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 utilizes a three-year look-back period in order to determine an estimate for the future use of leave accrued as of the date of the financial statements.

### **Component Unit School Board**

Certain School Board employees accrue annual, sick, and compensatory leave. Benefits or pay is received for unused annual leave upon termination of employment. Annual leave is subject to a maximum accumulation each year based on the contract type of the employee and is earned at different rates based on the employee's years of service. Accumulated

# County of Albemarle, Virginia

## Notes to the Financial Statement

June 30, 2025

annual leave up to 320 hours is paid upon termination. The County utilizes a three-year look-back period in order to determine an estimate for the future use of leave accrued as of the date of the financial statements.

### 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 pension 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. Pension 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.

### Q. Fund Balance

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

# County of Albemarle, Virginia

## Notes to the Financial Statement

June 30, 2025

- 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.

### 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 position 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 2<sup>nd</sup> 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 2<sup>nd</sup> 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.

# County of Albemarle, Virginia

## Notes to the Financial Statement

June 30, 2025

### 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.

### U. Upcoming Pronouncements

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.

In September 2024, the GASB issued **Statement No. 104**, *Disclosure of Certain Capital Assets*. This statement requires certain information regarding capital assets to be presented by major class. Certain types of capital assets are to be disclosed separately in the capital asset note disclosures required by Statement No. 34. 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 5, 2025, the date the financial statements were available to be issued.

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## Note 2 – Deposits and Investments

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### *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.

# County of Albemarle, Virginia

## Notes to the Financial Statement

June 30, 2025

### 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).

### 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, 2025, were rated by Standard & Poor’s and/or an equivalent national rating organization and the ratings are presented below using the Standard & Poor’s rating scale.

<b>Rated Debt Investments</b>	<b>AAAm</b>	<b>A-1+</b>	<b>Unrated</b>
Mutual Funds	\$ -	\$ -	\$ 403,303
Virginia State Non-Arbitrage Program	15,764,778	-	-
Local Government Investment Pool	241,261,160	-	-
US Government Debt Security	-	1,965,958	-
Total	<u><u>\$ 257,025,938</u></u>	<u><u>\$ 1,965,958</u></u>	<u><u>\$ 403,303</u></u>

### 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.

The County has the following recurring fair value measurements as of June 30, 2025:



# County of Albemarle, Virginia

## Notes to the Financial Statement

June 30, 2025

<b>Investment Type</b>	<b>Level 1</b>
Mutual Funds	\$ 403,303

### *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, 2025, 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.

<b>Investment Maturities (in years)</b>		
<b>Investment Type</b>	<b>Fair Value</b>	<b>Less Than 1 Year</b>
Virginia State Non-Arbitrage Program	\$ 15,764,778	\$ 15,764,778
US Government Debt Security	1,965,958	1,965,958
Local Government Investment Pool	241,261,160	241,261,160
Total	<u>\$ 258,991,896</u>	<u>\$ 258,991,896</u>

### *Restricted Investments*

Restricted investments at June 30, 2025, are comprised of the following:

	<b>Primary Government</b>	<b>Component Unit School Board</b>
General projects unexpended bond proceeds	<u>\$ 8,371,547</u>	<u>\$ 3,969,665</u>

# County of Albemarle, Virginia

## Notes to the Financial Statement

June 30, 2025

### 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 2025 were levied by the County Board of Supervisors on May 14, 2025, on the assessed value listed as of January 1, 2025.

Property taxes levied in the current and prior years 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 2025, but due in December 2025, 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.

### Note 4 – Receivables

	Primary Government					Component Unit
	Governmental Activities					
	General	Federal/ State Grants Fund	General Capital Improvements	Other Governmental Funds	Total	School Board
Property taxes	\$ 28,531,406	\$ -	\$ -	\$ -	\$ 28,531,406	\$ -
Other	5,491,304	18,849	96,575	1,611,090	7,217,818	631,325
Total	34,022,710	18,849	96,575	1,611,090	35,749,224	631,325
Allowance for uncollectibles	(807,654)	-	-	-	(807,654)	-
Net receivables	\$ 33,215,056	\$ 18,849	\$ 96,575	\$ 1,611,090	\$ 34,941,570	\$ 631,325

Receivables for internal service funds amounting to \$276,653 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, 2025, the Economic Development Authority had \$167,669 in accounts receivable consisting of expected reimbursements for bond servicing costs and loans for economic development.

# County of Albemarle, Virginia

## Notes to the Financial Statement

June 30, 2025

### Note 5 – Due from Other Governments

Due from other governments for Governmental Funds at June 30, 2025, consist of the following:

	General	Federal/ State Grants Fund	General Capital Improvements	Other Governmental Fund	Total
Commonwealth of Virginia:					
Local sales taxes	\$ 4,555,385	\$ -	\$ -	\$ -	\$ 4,555,385
PPTRA	6,783,357	-	-	-	6,783,357
Communications tax	479,551	-	-	-	479,551
Comprehensive Services Act	-	2,080,059	-	-	2,080,059
Shared expenses	241,817	-	-	-	241,817
Public assistance grants	184,922	-	-	-	184,922
Other state funds	354,999	2,450,526	512,785	-	3,318,310
Federal government:					
Public assistance grants	616,680	-	-	-	616,680
Other federal funds	-	1,661,494	-	299,564	1,961,058
Total	<u>\$ 13,216,711</u>	<u>\$ 6,192,079</u>	<u>\$ 512,785</u>	<u>\$ 299,564</u>	<u>\$ 20,221,139</u>

Due from other governments for School Board Funds at June 30, 2025 consist of the following:

	School Board
Commonwealth of Virginia:	
State sales taxes	\$ 3,706,292
Other state funds	1,047,135
Federal government:	
School funds	4,094,546
Total	<u>\$ 8,847,973</u>

# County of Albemarle, Virginia

## Notes to the Financial Statement

June 30, 2025

### 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, 2025.

##### Transfers From Other Funds

###### General Fund

Federal/State Grants Funds for other costs	\$ 660,435
Capital Projects	2,285,679
Water resources for costs expended	1,645,228
Tourism Fund for tourism program costs expended	2,615,976
Total General Fund	<u>7,207,318</u>

###### Federal/State Grants Fund

General and other funds for local match funds for various grant programs	<u>7,461,368</u>
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###### General Debt Service

General fund for debt service expenditures	11,597,133
Water resources for debt service expenditures	<u>197,515</u>

Total General Debt Service Fund	<u>11,794,648</u>
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###### School Debt Service

General Fund for debt service expenditures	<u>16,427,997</u>
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###### General Capital improvements:

General Fund and special reserve funds for capital projects	11,819,349
Courthouse Maintenance Fund for building renovations and other costs	<u>22,390</u>

Total General Capital Improvements Fund	<u>11,841,739</u>
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###### Risk Management Fund

General Fund for paid in costs	<u>32,751</u>
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###### Economic Development Fund

Capital Improvement fund for development projects	<u>985,165</u>
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###### Water Resources Fund

General Fund for water resources projects	2,022,963
Total transfers	<u><u>\$ 57,773,949</u></u>

# County of Albemarle, Virginia

## Notes to the Financial Statement

June 30, 2025

### Note 7 – Capital Assets

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

#### Governmental Activities:

	Balance July 1, 2024	Additions	Deletions	Balance June 30, 2025
Capital assets not being depreciated:				
Land	\$ 69,702,993	\$ -	\$ -	\$ 69,702,993
Construction in progress	27,910,729	26,068,642	6,298,595	47,680,776
School construction in progress *	45,757,897	30,486,602	30,673,640	45,570,859
Subscriptions costs in progress	497,196	1,652,049	2,149,245	-
Total capital assets not being depreciated	143,868,815	58,207,293	39,121,480	162,954,628
Capital assets being depreciated:				
Buildings and improvements	90,302,433	-	52,212	90,250,221
Buildings – leases	3,468,233	-	-	3,468,233
Other improvements	23,065,448	3,343,559	258,145	26,150,862
School buildings and improvements *	104,535,567	36,421,686	10,027,831	130,929,422
Furniture, equipment, and vehicles	77,703,956	10,674,757	13,667,128	74,711,585
Equipment – leases	49,327	-	-	49,327
Right-of-use subscriptions	1,879,285	4,261,873	191,789	5,949,369
Total capital assets being depreciated	301,004,249	54,701,875	24,197,105	331,509,019
Accumulated depreciation:				
Buildings and improvements	45,845,032	2,010,146	52,212	47,802,966
Buildings – leases	378,353	378,353	-	756,706
Other improvements	11,623,942	1,182,229	9,471	12,796,700
School buildings and improvements *	11,638,404	4,640,316	1,106,932	15,171,788
Furniture, equipment, and vehicles	62,466,466	4,605,317	13,510,858	53,560,925
Equipment – leases	7,838	9,865	-	17,703
Right-of-use subscriptions	697,660	1,075,974	191,789	1,581,845
Total accumulated depreciation	132,657,695	13,902,200	14,871,262	131,688,633
Total capital assets being depreciated, net	168,346,554	40,799,675	9,325,843	199,820,386
Governmental activities capital assets, net	<b>\$ 312,215,369</b>	<b>\$ 99,006,968</b>	<b>\$ 48,447,323</b>	<b>\$ 362,775,014</b>

\*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 schools system.

# County of Albemarle, Virginia

## Notes to the Financial Statement

June 30, 2025

### Governmental Activities:

Depreciation expense was allocated as follows:

General government administration	\$	2,573,528
Judicial administration		419,499
Public safety		4,853,803
Public works		91,341
Health and welfare		122,221
Education		4,640,316
Parks, recreation, and cultural		1,105,677
Community development		95,815
Total depreciation expense	\$	<u><u>13,902,200</u></u>

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

Net capital assets		\$	<u>362,775,014</u>
Long-term debt applicable to capital assets at June 30, 2025:			
General obligation school bonds	\$	33,290,000	
School – Public facility revenue bonds		118,150,509	
County – Public facility revenue bonds		151,829,492	
Premium on bonds payable		17,708,575	
Discount on bonds payable		(78,872)	
Lease liabilities		3,072,460	
Subscription liabilities		<u>2,185,718</u>	
			(326,157,882)
Less: debt proceeds received but not expended on capital assets at June 30, 2025			<u>12,341,212</u>
Balance of accounts payable related to capital assets			<u>(7,340,710)</u>
Net investment in capital assets		\$	<u><u>41,617,634</u></u>

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# County of Albemarle, Virginia

## Notes to the Financial Statement

June 30, 2025

### Component Unit School Board:

	<u>Balance July 1, 2024</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2025</u>
Capital assets not being depreciated:				
Land and land improvements	\$ 8,038,325	\$ -	\$ -	\$ 8,038,325
Construction in progress	47,834,756	30,486,602	35,630,440	42,690,918
School construction in progress				
Allocated to County *	(45,757,897)	(30,486,602)	(30,673,640)	(45,570,859)
Total capital assets not being depreciated	<u>10,115,184</u>	<u>-</u>	<u>4,956,800</u>	<u>5,158,384</u>
Capital assets being depreciated:				
Buildings and improvements	322,755,587	-	1,491,812	321,263,775
Lease asset - buildings	2,221,532	3,244,564	-	5,466,096
Other improvements	50,028,749	28,725,627	74,208	78,680,168
School buildings, improvements, and vehicles *	(104,535,567)	(36,421,686)	(10,027,831)	(130,929,422)
Furniture, equipment, and vehicles	56,417,951	7,696,059	13,037,568	51,076,442
Right-to-use subscriptions	1,025,389	307,864	197,560	1,135,693
Lease asset - equipment	104,260	-	-	104,260
Total capital assets being depreciated	<u>328,017,901</u>	<u>3,552,428</u>	<u>4,773,317</u>	<u>326,797,012</u>
Accumulated depreciation:				
Buildings and improvements	221,178,957	8,394,418	139,598	229,433,777
Lease asset - buildings	1,632,146	976,657	-	2,608,803
Other improvements	21,187,123	3,917,916	47,445	25,057,594
School buildings, improvements, and vehicles *	(11,638,404)	(4,640,316)	(1,106,932)	(15,171,788)
Furniture, equipment, and vehicles	45,608,526	3,222,782	12,959,219	35,872,089
Right-to-use subscriptions	304,447	456,271	197,560	563,158
Lease asset - equipment	13,687	21,635	-	35,322
Total accumulated depreciation	<u>278,286,482</u>	<u>12,349,363</u>	<u>12,236,890</u>	<u>278,398,955</u>
Total capital assets being depreciated, net	<u>49,731,419</u>	<u>(8,796,935)</u>	<u>(7,463,573)</u>	<u>48,398,057</u>
School Board capital assets, net	<u>\$ 59,846,603</u>	<u>\$ (8,796,935)</u>	<u>\$ (2,506,773)</u>	<u>\$ 53,556,441</u>

\*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.

### Reconciliation of School Board net investment in capital assets:

Net capital assets		<u>\$ 53,556,441</u>
Long-term debt applicable to capital assets at June 30, 2025:		
School energy improvement loan	\$ 3,775,873	
Lease liabilities	2,810,926	
Subscription liabilities	<u>625,698</u>	
		(7,212,497)
Balance of accounts payable related to capital assets		<u>(12,284,478)</u>
Net investment in capital assets		<u>\$ 34,059,466</u>

# County of Albemarle, Virginia

## Notes to the Financial Statement

June 30, 2025

### 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, 2025:

	Balance July 1, 2024*	Increases/ Issuances	Decreases/ Retirement	Balance June 30, 2025	Amounts Due Within One Year
General obligation school bonds:					
Direct borrowings and direct placements	\$ 38,705,000	\$ -	\$ 5,415,000	\$ 33,290,000	\$ 5,035,000
School – Public facility revenue bonds:					
Public offerings	122,763,340	-	4,612,831	118,150,509	7,907,870
County – Public facility revenue bonds:					
Public offerings	156,096,661	-	4,267,169	151,829,492	7,397,130
Premium on bonds payable	20,355,218	-	2,646,643	17,708,575	2,486,925
Discount on bonds payable	(105,154)	-	(26,282)	(78,872)	(26,282)
Arbitrage rebate liability	593,391	319,958	-	913,349	-
Lease liabilities	3,363,882	-	291,122	3,072,760	321,831
Subscription liabilities	1,193,325	2,112,628	1,120,235	2,185,718	918,858
Claims payable	4,474,830	483,891	-	4,958,721	4,958,721
Compensated absences**	16,540,690	1,581,145	-	18,121,835	6,981,177
Total primary government	<u>\$ 363,981,183</u>	<u>\$ 4,497,622</u>	<u>\$ 18,326,718</u>	<u>\$ 350,152,087</u>	<u>\$ 35,981,230</u>

\*Beginning balances are restated, see Note 26.

\*\*Change in compensated absences balance is shown net of increases and decreases.

#### Reconciliation to Exhibit 1:

Long-term liabilities due within one year:	\$ 35,981,230
Long-term liabilities due in more than one year:	314,170,857
Total long-term obligations	<u>\$ 350,152,087</u>



# County of Albemarle, Virginia

## Notes to the Financial Statement

June 30, 2025

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

Year Ending June 30,	Direct Borrowings and Direct Placements		Revenue & Refunding Bond			
	General Obligation School Bonds		School Public Facility		County Public Facility	
			Public Offerings		Public Offerings	
	Principal	Interest	Principal	Interest	Principal	Interest
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
2031-2035	9,730,000	1,623,801	37,117,984	13,157,880	29,932,016	10,523,924
2036-2040	4,120,000	207,225	31,169,384	6,069,835	21,465,616	4,840,814
2041-2045	-	-	12,468,172	1,019,136	9,691,828	880,866
	<b>\$ 33,290,000</b>	<b>\$ 6,414,595</b>	<b>\$ 118,150,509</b>	<b>\$ 42,082,872</b>	<b>\$ 151,829,492</b>	<b>\$ 43,426,722</b>

Year Ending June 30,	Lease and Subscription Liabilities			
	Lease Liabilities		Subscription Liabilities	
	Principal	Interest	Principal	Interest
2026	\$ 321,831	\$ 146,383	\$ 918,858	\$ 61,242
2027	354,664	129,548	410,042	37,461
2028	389,751	111,020	422,167	25,336
2029	417,779	90,859	434,651	12,853
2030	455,364	69,157	-	-
2031-2035	1,133,371	65,568	-	-
	<b>\$ 3,072,760</b>	<b>\$ 612,535</b>	<b>\$ 2,185,718</b>	<b>\$ 136,892</b>

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# County of Albemarle, Virginia

## Notes to the Financial Statement

June 30, 2025

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

	<u>Amount Outstanding</u>
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%	\$ 8,457,999
\$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%	6,589,989
\$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%	16,536,155
\$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%	300,516
\$16,920,000, Public Facility Revenue Bonds, Series 2022, (General portion \$12,363,444), \$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%	9,546,596
\$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%	51,548,237
\$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%	<u>58,850,000</u>
Total County public facilities revenue bonds	<u>\$ 151,829,492</u>
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%	\$ 42,628,845

# County of Albemarle, Virginia

## Notes to the Financial Statement

June 30, 2025

	<u>Amount Outstanding</u>
\$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%	1,279,484
\$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%	6,800,011
\$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%	6,167,000
\$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%	3,518,405
\$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%	57,756,764
Total School public facilities revenue bonds	\$ 118,150,509
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%	\$ 21,190,000
\$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	660,000
\$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%	365,000
\$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%	1,500,000
\$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%	1,695,000
\$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%	5,600,000

# County of Albemarle, Virginia

## Notes to the Financial Statement

June 30, 2025

	<b>Amount Outstanding</b>
\$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%	2,280,000
Total general obligation school bonds	\$ 33,290,000

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 \$913,349 in the government-wide statements subject to these requirements.

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

### 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.

	<b>Balance July 1, 2024*</b>	<b>Increases</b>	<b>Decreases</b>	<b>Balance June 30, 2025</b>	<b>Amounts Due Within One Year</b>
Compensated absences**	\$ 32,164,962	\$ 440,711	\$ -	\$ 32,605,673	\$ 8,476,077
School energy improvement loan	4,478,876	-	703,003	3,775,873	726,140
Lease liabilities	757,620	3,244,564	1,191,258	2,810,926	341,112
Subscription liabilities	672,088	307,864	354,254	625,698	300,165
Total	<b>\$ 38,073,546</b>	<b>\$ 3,993,139</b>	<b>\$ 2,248,515</b>	<b>\$ 39,818,170</b>	<b>\$ 9,843,494</b>

### Reconciliation to Exhibit 1:

Long-term liabilities due within one year	\$ 9,843,494
Long-term liabilities due in more than one year	29,974,676
Total long-term debt	<b>\$ 39,818,170</b>

\*Beginning balances are restated, see note 26.

\*\*Amount of increase/decrease is shown net.

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:

# County of Albemarle, Virginia

## Notes to the Financial Statement

June 30, 2025

Fiscal Year Ending June 30,	School Energy		Lease and Subscription Liabilities			
	Improvement Loan		Lease Liabilities		Subscription Liabilities	
	Principal	Interest	Principal	Interest	Principal	Interest
2026	\$ 726,140	\$ 119,790	\$ 341,112	\$ 67,294	\$ 300,165	\$ 27,113
2027	749,834	93,886	307,734	59,374	287,242	13,755
2028	774,098	67,141	323,277	51,185	12,405	1,095
2029	766,761	40,099	332,666	43,021	12,760	740
2030	759,040	13,321	343,657	35,123	13,126	375
2031-2035	-	-	1,162,480	55,278	-	-
	<b>\$ 3,775,873</b>	<b>\$ 334,237</b>	<b>\$ 2,810,926</b>	<b>\$ 311,275</b>	<b>\$ 625,698</b>	<b>\$ 43,078</b>

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, 2029, interest payable semi-annually at 3.510%	\$ 3,775,873
Lease liabilities	2,810,926
Subscription liabilities	625,698
Compensated absences	32,605,673
Total long-term obligations	<b>\$ 39,818,170</b>

## Note 9 – Unearned and Deferred/Unavailable Revenue

The County has \$4,974,830 of unearned revenue as of June 30, 2025, which consists of funds received for grants of which revenue recognition requirements have not been met.

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.

	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	\$ -	\$ 10,747,986
Prepaid property tax revenues representing collections received for property taxes that are applicable to the subsequent budget year	5,952,048	5,952,048
Total deferred/unavailable revenue	<b>\$ 5,952,048</b>	<b>\$ 16,700,034</b>

# County of Albemarle, Virginia

## Notes to the Financial Statement

June 30, 2025

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### Note 10 – Commitments and Contingencies

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#### Primary Government and Component Unit School Board:

- A. Under the terms of federal and state grants, periodic audits are required, and certain costs may be questioned as to being appropriate expenditures under terms of the grants. Such audits could lead to reimbursement to the grantor agencies. Management believes disallowances, if any, related to such audits would not be material to the financial position of the County as of June 30, 2025.
- 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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### Note 11 – Part-Time Employee Pension Plan

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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 2025 were \$38,280 and \$222,824, respectively. The covered payroll for covered County employees was \$580,309 and \$3,184,557 for School Board employees, respectively. The contribution averaged 6.60% and 7.00% 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.

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### Note 12 – Annexation and Revenue Sharing Agreement

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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.

# County of Albemarle, Virginia

## Notes to the Financial Statement

June 30, 2025

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 \$17,760,728 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.

### 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, 2023, 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	565	248
Inactive members:		
Vested inactive members	158	52
Non-vested inactive members	227	200
Inactive members active elsewhere in VRS	251	124
Total inactive members	636	376
Active members	810	319
Total covered employees	2,011	943

# County of Albemarle, Virginia

## Notes to the Financial Statement

June 30, 2025

### *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, 2025 was 15.27% of covered employee compensation. The School Board Non-Professional Employee Plan's contractually required rate for the year ended June 30, 2025, was 4.59%. These rates were based on an actuarially determined rate from an actuarial valuation as of June 30, 2023.

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 \$10,633,785 and \$9,568,225 for the years ended June 30, 2025 and June 30, 2024, respectively. Contributions to the pension plan from the School Board Non-Professional Employee Plan were \$685,430 and \$372,574 for the years ended June 30, 2025 and June 30, 2024, respectively.

The defined contributions component of the Hybrid plan includes member and employer mandatory and voluntary contributions. The Hybrid plan must contribute a mandatory rate of 1% of their covered payroll. The employer must also contribute a mandatory rate of 1% of this covered payroll, which totaled \$236,443 for the political subdivision and \$102,660 for the School Board Non-Professional Employee Plan for the year ended June 30, 2025. Hybrid plan members may also elect to contribute an additional voluntary rate of up to 4% of their covered payroll; which would require the employer a mandatory additional contribute rate of up to 2.5%. This additional employer mandatory contribution totaled \$334,563 for the political subdivision and \$82,979 for the School Board Non-Professional Employee Plan for the year ended June 30, 2025. The total Hybrid plan participant covered payroll totaled \$28,594,022 for the political subdivision and \$12,509,465 for the School Board Non-Professional Employee Plan for the year ended June 30, 2025.

### *Net Pension Liability (Asset)*

The net pension liability (asset) 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 (asset) was measured as of June 30, 2024. The total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation performed as of June 30, 2023, rolled forward to the measurement date of June 30, 2024.

### *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, 2023, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2024.

Inflation	2.50%
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%



# County of Albemarle, Virginia

## Notes to the Financial Statement

June 30, 2025

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 and a Modified MP-2020 Improvement Scale with various setbacks or set forwards for both males and females.

The actuarial assumptions used in the June 30, 2023, valuation were based on the results of an actuarial experience study for the period from July 1, 2016 through June 30, 2020, 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.

### *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	32.00%	6.70%	2.14%
Fixed Income	16.00	5.40	0.86
Credit Strategies	16.00	8.10	1.30
Real Assets	15.00	7.20	1.08
Private Equity	15.00	8.70	1.31
PIP – Private Investment Partnership	1.00	8.00	0.08
Diversifying Strategies	6.00	5.80	0.35
Cash	2.00	3.00	0.06
Leverage	(3.00)	3.50	(0.11)
Total	100.00%		7.07%

# County of Albemarle, Virginia

## Notes to the Financial Statement

June 30, 2025

\*Expected arithmetic nominal return

7.07%

\* The above allocation provides for a one-year return of 7.07% (includes 2.50% inflation assumption). However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected 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 7.10%, 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 45<sup>th</sup> percentile of expected long-term results of the VRS fund asset allocation at that time, providing a median return of 7.14%, including expected inflation of 2.50%.

### Discount Rate

The discount rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that System member contributions will be made per the VRS Statutes and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. For the year ended June 30, 2024, the employer contribution was 100% of the actuarially determined employer contribution rate from the June 30, 2023 actuarial valuations. From July 1, 2024, on, participating employers are assumed to continue to contribute 100% of the actuarially determined contribution rate. 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, 2023	\$ 251,439,366	\$ 216,372,768	\$ 35,066,598
Changes for the year:			
Service cost	8,328,687	-	8,328,687
Interest	16,778,844	-	16,778,844
Differences between expected and actual experience	9,705,444	-	9,705,444
Assumption changes	-	-	-
Contributions – employer	-	9,496,740	(9,496,740)
Contributions – employee	-	3,041,304	(3,041,304)
Net investment income	-	20,647,875	(20,647,875)
Benefit payments, including refunds of employee contributions	(11,793,980)	(11,793,980)	-
Administrative expenses	-	(125,222)	125,222
Other changes	-	281,552	(281,552)
Net changes	23,018,995	21,548,269	1,470,726
Balances at June 30, 2024	<u>\$ 274,458,361</u>	<u>\$ 237,921,037</u>	<u>\$ 36,537,324</u>

# County of Albemarle, Virginia

## Notes to the Financial Statement

June 30, 2025

### *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, 2023	\$ 37,081,955	\$ 38,533,777	\$ (1,451,822)
Changes for the year:	1,035,473	-	1,035,473
Service cost	2,501,320	-	2,501,320
Interest			
Differences between expected and actual experience	1,708,047	-	1,708,047
Assumption changes	-	-	-
Contributions – employer	-	374,463	(374,463)
Contributions – employee	-	600,024	(600,024)
Net investment income	-	3,704,401	(3,704,401)
Benefit payments, including refunds of employee contributions	(2,121,678)	(2,121,678)	-
Administrative expenses	-	(25,091)	25,091
Other changes	-	666	(666)
Net changes	3,123,162	2,532,785	590,377
Balances at June 30, 2024	\$ 40,205,117	\$ 41,066,562	\$ (861,445)

### *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	\$ 71,812,555	\$ 36,537,324	\$ 7,590,462
School Board Non-Professional Employee Plan's net pension liability (asset)	\$ 3,925,196	\$ (861,445)	\$ (4,803,569)

# County of Albemarle, Virginia

## Notes to the Financial Statement

June 30, 2025

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

For the year ended June 30, 2025, the County recognized pension expense of \$9,120,001. At June 30, 2025, 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	\$ 10,816,594	\$ 1,152,957
Change in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	5,859,975
Employer contributions subsequent to the measurement date	10,633,785	-
Total	<u>\$ 21,450,379</u>	<u>\$ 7,012,932</u>

The \$10,633,785 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, 2026. 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
2026	\$ (929,790)
2027	5,655,774
2028	349,763
2029	(1,272,085)
2030	-
Thereafter	-

### *Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – School Board Non-Professional Employee Plan*

For the year ended June 30, 2025, the School Board Non-Professional Employee Plan recognized pension expense of \$835,219. At June 30, 2025, 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	\$ 1,161,095	\$ -
Net difference between projected and actual earnings on pension plan investments	-	1,077,604
Employer contributions subsequent to the measurement date	685,430	-
Total	<u>\$ 1,846,525</u>	<u>\$ 1,077,604</u>

# County of Albemarle, Virginia

## Notes to the Financial Statement

June 30, 2025

The \$685,430 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, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Year Ending June 30,</b>	<b>Effect on Pension Expense</b>
2026	\$ (3,132)
2027	523,378
2028	(208,174)
2029	(228,581)
2030	-
Thereafter	-

### *Pension Plan Data*

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

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## **Note 14 – Defined Benefit Pension Plan – Teacher Cost Sharing Plan**

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### *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 and long-term expected rate of return, 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, 2025, was 14.21% of covered employee compensation. This was the General Assembly approved rate which was based on an actuarially determined rate from an actuarial valuation as of June 30, 2023. The actuarially determined rate, when combined with employee contributions, was expected to finance the costs

# County of Albemarle, Virginia

## Notes to the Financial Statement

June 30, 2025

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 \$20,023,006 and \$21,351,088 for the years ended June 30, 2025 and June 30, 2024, respectively.

The defined contributions component of the Hybrid plan includes member and employer mandatory and voluntary contributions. The Hybrid plan member must contribute a mandatory rate of 1% of their covered payroll. The employer must also contribute a mandatory rate of 1% of this covered payroll, which totaled \$612,393 for the year ended June 30, 2025. Hybrid plan members may also elect to contribute an additional voluntary rate of up to 4% of their covered payroll; which would require the employer a mandatory additional contribution rate of up to 2.5%. This additional employer mandatory contribution totaled \$692,442 for the year ended June 30, 2025. The total Hybrid plan participant covered payroll totaled \$74,225,879 for the year ended June 30, 2025.

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

At June 30, 2025, the School Division reported a liability of \$118,830,144 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2024, and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation performed as of June 30, 2023, and rolled forward to the measurement date of June 30, 2024. The School Division's proportion of the Net Pension Liability was based on the School Division's actuarially determined employer contributions to the pension plan for the year ended June 30, 2024, relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2024, the school division's proportion was 1.2659% as compared to 1.2260% at June 30, 2023.

For the year ended June 30, 2025, the school division recognized pension expense of \$14,571,220. 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:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 20,615,355	\$ 2,446,795
Change in assumptions	2,156,926	-
Net difference between projected and actual earnings on pension plan investments	-	16,357,042
Changes in proportion and differences between employer contributions and proportionate share of contributions	7,705,543	977,399
Employer contributions subsequent to the measurement date	20,023,006	-
Total	<u>\$ 50,500,830</u>	<u>\$ 19,781,236</u>

# County of Albemarle, Virginia

## Notes to the Financial Statement

June 30, 2025

The \$20,023,006 reported as deferred outflows of resources related to pensions resulting from the School Division's contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the Fiscal Year ending June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Year Ending June 30,</b>	<b>Effect on Pension Expense</b>
2026	\$ (5,010,380)
2027	13,095,300
2028	3,557,934
2029	(946,266)
2030	-
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, 2024, NPL amounts for the VRS Teacher Employee Retirement Plan is as follows (amounts expressed in thousands):

	<b>Teacher Employee Retirement Plan</b>
Total pension liability	\$ 60,622,260
Plan fiduciary net position	51,235,326
Employers' net pension liability (asset)	<u>\$ 9,386,934</u>
Plan fiduciary net position as a percentage of the total pension liability	84.52%

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

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

# County of Albemarle, Virginia

## Notes to the Financial Statement

June 30, 2025

### *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	<u>\$ 220,763,116</u>	<u>\$ 118,830,144</u>	<u>\$ 35,350,283</u>

### *Pension Plan Data*

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

## Note 15 – Aggregate Pension Information

VRS Pension Plans				
	Deferred Outflows	Deferred Inflows	Net Pension Liability/ (Asset)	Pension Expense
Primary Government	<u>\$ 21,450,379</u>	<u>\$ 7,012,932</u>	<u>\$ 36,537,324</u>	<u>\$ 9,120,001</u>
Component Unit School Board:				
Non-Professional	1,846,525	1,077,604	(861,445)	835,219
Professional	50,500,830	19,781,236	118,830,144	14,571,220
	<u>\$ 52,347,355</u>	<u>\$ 20,858,840</u>	<u>\$ 117,968,699</u>	<u>\$ 15,406,439</u>

## Note 16 – Other Postemployment Benefits Liability – Local Plan

### *Plan Description*

The County of Albemarle administers a cost-sharing defined benefit early retirement program (VERIP) under which certain benefits are provided to the County employees who elect to retire prior to reaching age 65 and meet the necessary requirements. The eligibility requirements to participate in VERIP are as follow: 1) employee must minimally meet the age and service criteria for Virginia Retirement System (VRS) retirement, 2) employee must be a current benefits-eligible employee at least 50 years of age, and 3) employee must have been employed by the County in a benefits-eligible position for 10 of the last 13 years immediately prior to retirement.



# County of Albemarle, Virginia

## Notes to the Financial Statement

June 30, 2025

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, and Charlottesville Albemarle Convention and Visitors Bureau.

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

### *Benefits Provided*

One of the benefits under VERIP is continued participation in the existing health insurance plan provided by the County at the time the employee elects early retirement. The County will continue to make the same contributions to the premium amounts as would be made for that same policy if the retiree was an active employee. Further, the retiree must pay the County an amount equal to the portion of the premium that an active employee would have withheld from their wages for that same policy. Premium payments are made to a third-party administrator hired by the County.

Alternatively, an early retiree may choose to receive a monthly cash payment of \$712 instead of remaining on the health insurance policy. These payments will continue for the same number of months that the retiree would be eligible to remain on the insurance policy. A retiree electing to remain on the insurance policy may choose at a later date to take the monthly cash payments instead of remaining on the County provided health insurance plan. Once a retiree elects to take the monthly cash payments, they cannot return to the County sponsored insurance plan.

VERIP benefits are provided for a maximum of five years or until age 65, whichever comes first.

### *Plan Membership*

As of the January 1, 2024 actuarial valuation, the following employees were covered by the benefit terms of the plan:

Total active employees with coverage	3,535
Total retirees with VERIP	183
Total retirees with County Medical coverage	128
Total	<u><u>3,846</u></u>

### *Contributions*

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

### *Total and net OPEB Liability*

At June 30, 2025, the County and School Board reported liabilities of \$8,281,979 and \$19,590,052, respectively for their proportionate shares of the collective net OPEB liability. The collective net OPEB liability was measured as of June 30, 2024, 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, 2025, the County and School Board's proportion was 28.80% and 68.12% respectively.

# County of Albemarle, Virginia

## Notes to the Financial Statement

June 30, 2025

	County	School Board	Other Employers	Total
Total OPEB liability	\$ 8,281,979	\$ 19,590,052	\$ 886,121	\$ 28,758,152
Plan fiduciary net position	-	-	-	-
Employers' net OPEB liability	<u>\$ 8,281,979</u>	<u>\$ 19,590,052</u>	<u>\$ 886,121</u>	<u>\$ 28,758,152</u>
Plan fiduciary net position as a percentage of total OPEB liability	0%	0%	0%	0%

### 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, 2023	\$ 26,610,007	\$ -	\$ 26,610,007
Changes for the year:			
Service cost	2,374,645	-	2,374,645
Interest	1,007,551	-	1,007,551
Changes of benefit terms	-	-	-
Experience losses (gains)	219,011	-	219,011
Contributions – employer	-	1,234,315	(1,234,315)
Net investment income	-	-	-
Changes in assumptions	(218,747)	-	(218,747)
Benefit payments	(1,234,315)	(1,234,315)	-
Net changes	2,148,145	-	2,148,145
Balances at June 30, 2024	<u>\$ 28,758,152</u>	<u>\$ -</u>	<u>\$ 28,758,152</u>

### 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.

# County of Albemarle, Virginia

## Notes to the Financial Statement

June 30, 2025

### Discount Rate

The final equivalent single discount rate for this year's valuation is 3.97% 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 (2.97%) or one percentage point higher (4.97%) than the current discount rate:

	1.00% Decrease (2.97%)	Current Discount Rate (3.97%)	1.00% Increase (4.97%)
Net OPEB liability:			
County	\$ 8,833,744	\$ 8,281,979	\$ 7,760,242
School Board	20,895,191	19,590,052	18,355,948
Other Employers	919,037	886,121	830,299
Total	<u>\$ 30,647,972</u>	<u>\$ 28,758,152</u>	<u>\$ 26,946,489</u>

### 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	\$ 7,447,515	\$ 8,281,979	\$ 9,244,583
School Board	17,616,225	19,590,052	21,866,983
Other Employers	796,838	886,121	989,113
Total	<u>\$ 25,860,578</u>	<u>\$ 28,758,152</u>	<u>\$ 32,100,679</u>

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

For the year ended June 30, 2025, the County and School Board recognized OPEB expense/(income) in the amount of \$(191,368) and \$230,895 respectively. At June 30, 2024, the County and School Board reported deferred outflows of resources and deferred inflows of resources related to OEPB from the following sources:

# County of Albemarle, Virginia

## Notes to the Financial Statement

June 30, 2025

	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	\$ 235,845	\$ 2,402,723	\$ 557,862	\$ 5,683,363
Change in proportion	308,380	381,948	1,680,122	-
Changes in assumptions	164,889	1,422,084	390,025	3,363,772
Total	<b>\$ 709,114</b>	<b>\$ 4,206,755</b>	<b>\$ 2,628,009</b>	<b>\$ 9,047,135</b>

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
2026	\$ (1,119,372)	\$ (1,964,177)
2027	(975,708)	(1,624,379)
2028	(814,421)	(1,615,856)
2029	(586,059)	(1,216,867)
2030	(2,081)	2,153
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	\$ 355,467	\$ 840,815
Noncurrent portion	7,926,512	18,749,237
Total OPEB liability	<b>\$ 8,281,979</b>	<b>\$ 19,590,052</b>

### 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.

# County of Albemarle, Virginia

## Notes to the Financial Statement

June 30, 2025

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/benefits-and-programs/benefits/life-insurance/>.

### Teacher Employee Health Insurance Credit Program

All full-time, salaried permanent (professional) employees of public school 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.

### General Employee Health Insurance Credit Program (nonprofessional)

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, 2024, actuarial valuation, the following employees were covered by the benefit terms of the General Employee Health Insurance Credit Program:

Inactive members or their beneficiaries currently receiving benefits	37
Vested inactive members	5
Active members	434
Total	<u>476</u>

### *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, with the exception of GLI, which was also combined with employee contributions. Specific details related to the contributions for the VRS OPEB programs are as follows:

# County of Albemarle, Virginia

## Notes to the Financial Statement

June 30, 2025

### General Employee Health Insurance Credit Program (nonprofessional)

Governed by:	<i>Code of Virginia</i> 51.1-1402(E) and may be impacted as a result of funding provided to school divisions by the Virginia General Assembly.
Total rate:	0.46 % of covered employee compensation.
June 30, 2025 Contribution	\$68,692
June 30, 2024 Contribution	\$63,387

### Group Life Insurance Program

Governed by:	<i>Code of Virginia</i> 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:	1.18% of covered employee compensation. Rate allocated 60/40; 0.71% employee and 0.47% employer. Employers may elect to pay all or part of the employee contribution.

	<b>County</b>	<b>School Board Non-Professional</b>	<b>School Board Professional</b>
June 30, 2025 Contribution	\$ 328,687	\$ 70,257	\$ 663,880
June 30, 2024 Contribution	\$ 353,762	\$ 74,646	\$ 738,078

### Teacher Health Insurance Credit Program

Governed by:	<i>Code of Virginia</i> 51.1-1401(E) 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, 2025 Contribution	\$1,704,985
June 30, 2024 Contribution	\$1,646,388

# County of Albemarle, Virginia

## Notes to the Financial Statement

June 30, 2025

### 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, 2023	\$ 363,630	\$ 137,079	\$ 226,551
Changes for the year			
Service cost	6,146	-	6,146
Interest	24,497	-	24,497
Benefit changes	-	-	-
Differences between expected and actual experience	(15,678)	-	(15,678)
Assumption changes	-	-	-
Contributions – employer	-	63,416	(63,416)
Net investment income	-	15,994	(15,994)
Benefit payments	(13,717)	(13,717)	-
Administrative expenses	-	(245)	245
Net changes	1,248	65,448	(64,200)
Balances at June 30, 2024	<u>\$ 364,878</u>	<u>\$ 202,527</u>	<u>\$ 162,351</u>

In addition, for the year ended June 30, 2024, the School Board recognized OPEB expense/(income) of \$(31,314) related to the General Employee Health Insurance Credit Program.

At June 30, 2025, the County and School Board reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources.

	Deferred Outflows of Resources	Deferred Inflows of Resources
<b>General Employee HIC Program (nonprofessional)</b>		
Differences between expected and actual experience	\$ -	\$ 201,262
Change in assumptions	65,012	-
Net difference between projected and actual earnings on OPEB plan investments	-	2,424
Employer contributions subsequent to the measurement date	68,692	-
	<u>\$ 133,704</u>	<u>\$ 203,686</u>
<b>Teacher HIC Program</b>		
Differences between expected and actual experience	\$ -	\$ 695,343
Change in assumptions	252,836	-
Net difference between projected and actual earnings on OPEB plan investments	-	52,205
Changes in proportion	1,263,987	171,544
Employer contributions subsequent to the measurement date	1,704,985	-
	<u>\$ 3,221,808</u>	<u>\$ 919,092</u>

# County of Albemarle, Virginia

## Notes to the Financial Statement

June 30, 2025

	Deferred Outflows of Resources	Deferred Inflows of Resources
<b>GLI Program – County</b>		
Differences between expected and actual experience	\$ 447,247	\$ 69,265
Change in assumptions	16,163	140,529
Net difference between projected and actual earnings on OPEB plan investments	-	239,015
Changes in proportion	364,299	2,061
Employer contributions subsequent to the measurement date	328,687	-
	<b>\$ 1,156,396</b>	<b>\$ 450,870</b>
	Deferred Outflows of Resources	Deferred Inflows of Resources
<b>GLI Program – School Board (nonprofessional)</b>		
Differences between expected and actual experience	\$ 94,762	\$ 14,676
Change in assumptions	3,425	29,775
Net difference between projected and actual earnings on OPEB plan investments	-	50,642
Changes in proportion	96,315	13,261
Employer contributions subsequent to the measurement date	70,257	-
	<b>\$ 264,759</b>	<b>\$ 108,354</b>
	Deferred Outflows of Resources	Deferred Inflows of Resources
<b>GLI Program – School Board (professional)</b>		
Differences between expected and actual experience	\$ 936,918	\$ 145,101
Change in assumptions	33,860	294,388
Net difference between projected and actual earnings on OPEB plan investments	-	500,703
Changes in proportion	378,437	50,606
Employer contributions subsequent to the measurement date	663,880	-
	<b>\$ 2,013,095</b>	<b>\$ 990,798</b>

### *OPEB Liabilities, OPEB Expense and Deferred Inflows and Outflows of Resources Related to OPEB*

The net OPEB liabilities were measured as of June 30, 2024 and the total OPEB liabilities used to calculate the net OPEB liabilities was determined by an actuarial valuation performed as of June 30, 2023 and rolled forward to the measurement date of June 30, 2024. The covered employer's proportion of the net OPEB liabilities were based on the covered employer's actuarially determined employer contributions for the year ended June 30, 2024 relative to the total of the actuarially determined employer contributions for all participating employers.



# County of Albemarle, Virginia

## Notes to the Financial Statement

June 30, 2025

### Group Life Insurance Program

	County	School Board Nonprofessional	School Board Professional
June 30, 2025 proportionate share of liability	\$ 2,835,648	\$ 600,812	\$ 5,940,276
June 30, 2024 proportion	0.2541%	0.0539%	0.5323%
June 30, 2023 proportion	0.2383%	0.0514%	0.5202%
June 30, 2025 expense	\$ 192,647	\$ 54,366	\$ 263,950

### Teacher Health Insurance Credit Program

June 30, 2025 proportionate share of liability	\$ 14,676,614
June 30, 2024 proportion	1.2700%
June 30, 2023 proportion	1.2287%
June 30, 2024 expense	\$ 1,376,470

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.

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, 2026. 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

Year Ending June 30,	Increase/(Reduction) to OPEB Expense		
	County	School Board Nonprofessional	School Board Professional
2026	\$ (19,751)	\$ 12,050	\$ (166,593)
2027	140,780	28,602	192,336
2028	85,974	19,036	119,304
2029	95,490	12,695	99,086
2030	74,346	13,765	114,284
Thereafter	-	-	-

### School Board Health Insurance Credit Programs

Year Ending June 30,	Increase to OPEB Expense	
	General Employee	Teacher
2026	\$ (51,278)	\$ 139,796
2027	(52,914)	157,852
2028	(31,976)	78,450
2029	(2,506)	113,443
2030	-	71,395
Thereafter	-	36,795

# County of Albemarle, Virginia

## Notes to the Financial Statement

June 30, 2025

### *Actuarial Assumptions and Other Inputs*

The total OPEB liability was determined using the following assumptions based on an actuarial valuation date of June 30, 2023, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2024:

Inflation	2.50%
Salary increases, including inflation:	
• Locality – general employees	3.50 – 5.35%
• Locality – hazardous duty employees	3.50 – 4.75%
• Teachers	3.50 – 5.95%
Healthcare cost trend rates:	
• Under age 65	7.25 – 4.25%
• Ages 65 and older	6.50 – 4.25%
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):

	<b>Group Life Insurance Program</b>	<b>Teacher Employee HIC OPEB Plan</b>
Total OPEB liability	\$ 4,196,055	\$ 1,478,105
Plan fiduciary net position	3,080,133	322,457
Employers' net OPEB liability (asset)	1,115,922	1,155,648
Plan fiduciary net position as a percentage of total OPEB liability	73.41%	21.82%

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.

# County of Albemarle, Virginia

## Notes to the Financial Statement

June 30, 2025

### 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	32.00%	6.70%	2.14%
Fixed Income	16.00	5.40	0.86
Credit Strategies	16.00	8.10	1.30
Real Assets	15.00	7.20	1.08
Private Equity	15.00	8.70	1.31
PIP – Private Investment Partnership	1.00	8.00	0.08
Diversifying Strategies	6.00	5.80	0.35
Cash	2.00	3.00	0.06
Leverage	(3.00)	3.50	(0.11)
Total	100.00%		<u><u>7.07%</u></u>
Expected arithmetic nominal return*		<u><u>7.07%</u></u>	

- \* The above allocation provides for a one-year expected return of 7.07% (includes 2.50% inflation assumption). However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected 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 7.10%, 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 45<sup>th</sup> 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%.

### 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, 2024, 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, 2024 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

# County of Albemarle, Virginia

## Notes to the Financial Statement

June 30, 2025

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	\$ 4,219,905	\$ 2,835,648	\$ 1,736,706
School Nonprofessional	934,341	600,812	331,365
School Professional	9,237,901	5,940,276	3,276,229
Teacher HIC Net OPEB liability	16,690,972	14,676,614	12,969,262
General Employee HIC Net OPEB liability - Schools	205,857	162,351	125,853

### *OPEB Plan Fiduciary Net Position*

Information about the various VRS OPEB plan fiduciary net position is available in the separately issued VRS 2024 *Annual Comprehensive Financial Report* (Annual Report). A copy of the 2024 VRS Annual Report may be downloaded from the VRS website at <https://www.varetire.org/media/shared/pdf/publications/2024-annual-report.pdf>, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

### **Note 18 – Summary of Other Postemployment Benefits**

	Deferred Outflows of Resources	Net OPEB Liability	Deferred Inflows of Resources	OPEB Expense/ (Income)
County OPEB:				
Local Plan	\$ 709,114	\$ 8,281,979	\$ 4,206,755	\$ (191,368)
GLI	1,156,396	2,835,648	450,870	192,647
	<u>\$ 1,865,510</u>	<u>\$ 11,117,627</u>	<u>\$ 4,657,625</u>	<u>\$ 1,279</u>
Schools OPEB:				
Local Plan	\$ 2,628,009	\$ 19,590,052	\$ 9,047,135	\$ 230,895
Nonprofessional - GLI	264,759	600,812	108,354	54,366
Professional – GLI	2,013,095	5,940,276	990,798	263,950
Nonprofessional – HIC	133,704	162,351	203,686	(31,314)
Professional – HIC	3,221,808	14,676,614	919,092	1,376,470
	<u>\$ 8,261,375</u>	<u>\$ 40,970,105</u>	<u>\$ 11,269,065</u>	<u>\$ 1,894,367</u>

# County of Albemarle, Virginia

## Notes to the Financial Statement

June 30, 2025

### Note 19 – Legal Compliance

#### A. Expenditures in Excess of Appropriations

Expenditures did not exceed appropriations in any fund at June 30, 2025.

#### B. Fund Deficits

There are no funds with deficit balances not expected to be recovered at June 30, 2025.

### 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 Service 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
2025	\$ 4,301,910	\$ 52,536,596	\$ 52,066,159	\$ 4,772,347
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

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
2025	\$ 58,947,163	\$ 283,633	\$ 52,066,159
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

# County of Albemarle, Virginia

## Notes to the Financial Statement

June 30, 2025

<b>Fiscal Year</b>	<b>Operating Revenue</b>	<b>Non-operating Revenue</b>	<b>Claims and Related Expenses</b>
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

### *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

<b>Fiscal Year</b>	<b>Claims Liability Beginning of Year</b>	<b>Current Year Claims and Changes in Estimates</b>	<b>Claims and Other Other Payments</b>	<b>Claims Liability End of Year</b>
2025	\$ 172,920	\$ 2,207,742	\$ 2,194,288	\$ 186,374
2024	144,558	1,905,754	1,877,392	172,920
2023	135,000	1,785,767	1,776,209	144,558

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

<b>Fiscal Year</b>	<b>Operating Revenue</b>	<b>Non-operating Revenue</b>	<b>Claims and Related Expenses</b>
2025	\$ 1,908,248	\$ 99,327	\$ 2,194,288
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

### *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

# County of Albemarle, Virginia

## Notes to the Financial Statement

June 30, 2025

Funds. No liability has been recorded for estimated unreported claims. The amount of estimated unreported claims is not expected to be significant.

### *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 VACORP 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 \$15,000,000.

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 is provided in the amount of \$5,000,000.

### *Other*

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

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## Note 21 – Surety Bonds

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

Virginia Department of Risk Management:	
Clerk of the Circuit Court	\$ 1,500,000
Commonwealth's Attorney	1,000,000
Treasurer	1,000,000
Chief Financial Officer	1,000,000
Sheriff	1,000,000
County Executive	1,500,000
Board of Supervisors	1,500,000
Commissioner of Revenue	1,000,000

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## Note 22 – Accrued Landfill Costs

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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.

# County of Albemarle, Virginia

## Notes to the Financial Statement

June 30, 2025

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 \$2,771,266. During the fiscal year ended June 30, 2024, the County paid \$2,526,205 to the Rivanna Solid Waste Authority under the terms and conditions of the Cost Sharing Agreement.

### Note 23 – Construction and Other Commitments

At June 30, 2025, 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	\$ 22,168,662	\$ 16,439,727	\$ 5,728,935
Fire and Rescue Apparatus Replacement	11,076,152	5,840,096	5,236,056
Biscuit Run Park	4,455,653	3,454,569	1,001,084
RSWA Baler Facility	4,083,245	651,088	3,432,157
County Owned Facilities M/R	1,640,691	924,499	716,192
CSM Core Systems Modernization	2,653,325	2,483,841	169,484
Parks Improvements	2,713,029	1,346,399	1,366,630
Sidewalk Improvements	742,347	297,797	444,550
Other Projects	6,251,330	3,893,038	2,358,292
Total	<u>\$ 55,784,434</u>	<u>\$ 35,331,054</u>	<u>\$ 20,453,380</u>

School Board Project Name	Contract Amount	Expended To Date	Balance
School Maintenance/Replacement Program	\$ 16,726,739	\$ 9,863,691	\$ 6,863,048
Mountain View Expansion	934,527	314,737	619,790
Southern Feeder Patter ES	44,289,014	8,363,705	35,925,309
High School Capacity Center 2	43,096,285	8,849,760	34,246,525
School Bus Replacement Program	4,328,053	1,702,576	2,625,477
School Network Infrastructure	826,569	655,900	170,669
School building and property improvements	7,965,283	2,807,187	5,158,096
Total	<u>\$ 118,166,470</u>	<u>\$ 32,557,556</u>	<u>\$ 85,608,914</u>

### 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.



# County of Albemarle, Virginia

## Notes to the Financial Statement

June 30, 2025

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, 2025, the lease liability was \$3,040,244 and the right to use asset balance was \$2,711,527 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, 2025, the value of these lease liabilities amounted to \$32,516 and the right-of-use asset was \$31,624, 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, 2025, the lease liability was \$52,632 and the right to use asset balance was \$45,338 net of amortization. An extension was entered into in July 2025 which, effective August 1, 2025, would extend the lease of the space through 2034. Balances for the extension will be recorded in the following fiscal year.

Effective July 1, 2024, the County recorded an additional leasing arrangement with Seminole Trail Properties, LLC to lease 26,302 square feet of office and shop space through February 28, 2034. Per the agreement, monthly lease payments are \$25,678, increasing 3.50% on March 1 of each year.

The School Board has elected to use their incremental borrowing rate of 2.332% as the implicit interest rate, which was used to discount the annual lease payments to recognize the intangible right to use asset and lease liability as of July 1, 2024. As of June 30, 2025, the lease liability was \$2,685,980 and the right to use asset balance was \$2,811,955 net of amortization.

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

<b>Fiscal Year Ending June 30</b>	<b>Principal</b>	<b>Interest</b>
2026	\$ 320,080	\$ 62,856
2027	285,238	56,400
2028	303,847	49,748
2029	323,309	42,663
2030	343,657	35,123
2031-2034	1,162,481	55,278
	<b>\$ 2,738,612</b>	<b>\$ 302,068</b>

In addition to the significant lessee lease above, the School Board also leases various copiers through February 29, 2028. As of June 30, 2025, the value of these lease liabilities amounted to \$72,314 and the right-of-use asset was \$68,938, net of amortization. Payments are due monthly.

# County of Albemarle, Virginia

## Notes to the Financial Statement

June 30, 2025

### *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 be 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, 2025, the lease receivable balance was \$29,862. For the year ended June 30, 2025, the County recognized \$31,056 in lease revenue and \$2,341 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, 2025, the lease receivable balance was \$112,069. For the year ended June 30, 2025, the County recognized \$31,958 in lease revenue and \$7,185 in lease interest revenue.

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

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2026	\$ 64,240	\$ 6,355
2027	37,296	3,885
2028	40,395	2,020
Total	<u>\$ 141,931</u>	<u>\$ 12,260</u>

# County of Albemarle, Virginia

## Notes to the Financial Statement

June 30, 2025

### 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, 2025, the value of the subscription liability is \$520,593. The right to use asset amounts to \$496,323 net of accumulated amortization.

In January 2025, the County recorded an arrangement with Tyler Technologies for the use of Enterprise Resource Planning software, for a sixty month term. The County is required to make fixed annual payments of \$447,503 which is based on an average number of licenses used throughout the length of the contract. The subscription was discounted at a rate of 2.957%, which is the entity's incremental borrowing rate, and as of June 30, 2025, the value of the subscription liability is \$1,665,125. The right to use asset amounts to \$3,871,201 net of accumulated amortization, and includes payments to the vendor prior to the commencement of the subscription as well as other costs incurred to implement the system prior to the commencement of the system.

In addition to the two significant arrangements above, the County also has two subscriptions for educational software and housing management software which, as of June 30, 2025, have reached the end of their subscription terms and no longer require the reporting of a right of use asset or liability.

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 Classroom management	\$94,500/annual	\$ 189,181
Lightspeed (5.00%)	11/01/2023-11/22/2026	Threat Prevention	\$102,476/annual	190,545
Palo A (5.00%)	06/30/2023-06/30/2026	Educational Software	\$27,677/annual	27,964
Cordance (2.86%)	04/08/2025-04/21/2030	Learning Management	\$13,500/annual	62,076
Powerschool (3.18%)	07/01/2024-06/30/2027		\$81,701/annual	155,932
				<u>\$ 625,698</u>

### Note 26 – Restatement of Net Position

For the year ended June 30, 2025, the County adopted GASB **Statement No. 101**, *Compensated Absences*, which requires liabilities for compensated absences to be recognized when leave has not been used and may be paid in future reporting periods. Implementation of the statement requires a restatement of net position in the earliest year presented. The County's restatement of net position is summarized below.

# County of Albemarle, Virginia

## Notes to the Financial Statement

June 30, 2025

	County	School Board
Net position, June 30, 2024, as previously reported	\$ 134,204,941	\$ (17,944,720)
Effects on adopted GASB <b>Statement No. 101</b>	(10,683,465)	(27,124,157)
Net position, June 30, 2024, as restated	<u>\$ 123,521,476</u>	<u>\$ (45,068,877)</u>

The Blue Ridge Juvenile Detention Center, Charlottesville-UVA-Albemarle Emergency Communications Center and Charlottesville-Albemarle Convention and Visitors Bureau, and Darden Towe Park reported restatements. Further information is detailed in their independently issued financial statements.

	Blue Ridge Juvenile Detention	Charlottesville UVA Albemarle ECC	Charlottesville Albemarle Convention and Visitors Bureau	Darden Towe Memorial Park
Net position, June 30, 2024, as previously reported	\$ 7,026,250	\$ 14,251,497	\$ (501,638)	\$ (20,168)
Effects on net position	(307,792)	(232,300)	(62,656)	(43,957)
Net position, June 30, 2024, as restated	<u>\$ 6,720,458</u>	<u>\$ 14,019,197</u>	<u>\$ (564,024)</u>	<u>\$ (64,125)</u>

### 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, \$60,823 in FY24 and \$37,381, result in total payments through June 30, 2025 amounting to \$100,000. The agreement is no longer active as of June 2025.

#### *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 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 2025 the total tax rebate awarded to date from the County to the EDA was \$48,708 for 2024 second half assessments and \$53,633 for 2025 first half assessments. This performance agreement has not ended as of June 30, 2025.

#### *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

# County of Albemarle, Virginia

## Notes to the Financial Statement

June 30, 2025

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 2025. This agreement remains active as of June 30, 2025.

### *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 and \$64,389 in FY25. This agreement remains active as of June 30, 2025.

### *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 2025, a rebate was awarded of \$309,054 for assessment increases. As such, this agreement remains active as of June 30, 2025.

### *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 ended in fiscal year 2025, which is also when the County awarded its final rebate to the EDA in the amount of \$389,724.

### *Home Depot*

In August 2024, Home Depot and Albemarle County entered into a public private partnership to redevelop the former Sears site at Fashion Square Mall. Under the agreement, Home Depot will invest \$26 million to demolish the existing structure and build a new 134,262-square-foot retail store and garden center. The company is required to obtain a certificate of occupancy by December 24, 2025, and actively market the adjacent restaurant parcel to attract complementary development. Home Depot will coordinate with the county to transfer right-of-way for future infrastructure improvements. The project is expected to create over 100 new jobs and significantly expand the local tax base, serving as a catalyst for broader revitalization of the Fashion Square Mall area. No funds were distributed in FY25 and as of June 30, 2025, the agreement is still active.

# **County of Albemarle, Virginia**

## **Notes to the Financial Statement**

**June 30, 2025**

### *Siller Pollinator Company*

In 2024, SPC was awarded a \$26,000 Agriculture and Forestry Industries Development (AFID) Infrastructure Grant to develop a Mobile Honey Processing Facility. Albemarle County and Fluvanna County provided matching funds totaling \$13,000 to support the project. The mobile facility will enable local beekeepers to produce value added products such as creamed honey, infused honey, and wax goods, enhancing regional agricultural capacity. A total of \$19,500 from the Commonwealth was transferred to the Company in FY25 along with \$6,500 in funds from the County and \$6,500 contributed by Fluvanna County. The final reimbursement from VDACS is anticipated in FY26. This agreement remains active as of June 30, 2025.



# **Required Supplementary Information**

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**County of Albemarle, Virginia**  
**Budgetary Comparison Schedule**  
**General Fund**  
**For the Year Ended June 30, 2025**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>REVENUES</b>				
Property taxes	\$ 288,057,950	\$ 299,433,613	\$ 307,736,723	\$ 8,303,110
Other local taxes	81,000,685	81,000,685	84,502,734	3,502,049
Permits, privilege fees, and regulatory licenses	3,321,196	3,321,196	3,880,447	559,251
Fines and forfeitures	474,106	474,106	820,078	345,972
Use of money and property	5,794,667	5,794,667	8,171,533	2,376,866
Charges for services	5,073,470	5,081,570	4,942,001	(139,569)
Miscellaneous	326,727	1,107,973	268,897	(839,076)
Recovered costs	1,905,441	1,962,938	2,090,193	127,255
Intergovernmental:				
Contribution from School Board	165,917	165,917	164,883	(1,034)
Commonwealth	30,135,511	30,142,587	28,861,388	(1,281,199)
Federal Government	9,256,666	9,269,166	9,461,626	192,460
Total revenues	<u>425,512,336</u>	<u>437,754,418</u>	<u>450,900,503</u>	<u>13,146,085</u>
<b>EXPENDITURES</b>				
Current:				
General Government Administration				
Board of supervisors	794,435	826,564	826,564	-
County executive	3,916,855	7,073,945	3,975,672	3,098,273
Human resources	2,025,597	2,037,977	1,728,427	309,550
County attorney	1,714,338	1,721,874	1,451,137	270,737
Finance	9,790,485	10,070,178	9,709,575	360,603
Information technology	8,768,969	9,606,205	7,722,093	1,884,112
Voter registration	1,552,970	1,800,249	1,568,888	231,361
Other general government	50,000	194,872	146,019	48,853
Total general government administration	<u>28,613,649</u>	<u>33,331,864</u>	<u>27,128,375</u>	<u>6,203,489</u>
Judicial Administration				
Circuit court	128,772	138,914	138,914	-
General district court	38,300	38,300	26,721	11,579
Magistrate	5,725	14,725	-	14,725
Juvenile and domestic relations court	144,465	144,465	144,465	-
Clerk of the circuit court	1,351,868	1,566,929	1,391,091	175,838
Sheriff	4,251,585	4,100,546	3,989,079	111,467
Commonwealth attorney and public defender	2,713,948	2,743,503	2,679,427	64,076
Total judicial administration	<u>8,634,663</u>	<u>8,747,382</u>	<u>8,369,697</u>	<u>377,685</u>
Public Safety				
Police department	27,837,081	30,340,999	27,966,078	2,374,921
Fire and rescue services	28,688,682	29,755,443	28,848,718	906,725
Regional jail	4,560,092	4,560,092	4,560,092	-
Inspections	1,655,042	1,661,373	1,540,427	120,946
Contributions - various	6,157,060	6,252,363	6,192,507	59,856
Total public safety	<u>68,897,957</u>	<u>72,570,270</u>	<u>69,107,822</u>	<u>3,462,448</u>
Public Works				
Sanitation and waste removal	70,922	70,922	69,855	1,067
Contribution to RSWA	2,526,205	2,526,205	2,526,205	-
Maintenance of buildings and grounds	9,323,956	9,868,931	8,884,154	984,777
Total public works	<u>11,921,083</u>	<u>12,466,058</u>	<u>11,480,214</u>	<u>985,844</u>



## County of Albemarle, Virginia

## Budgetary Comparison Schedule

## General Fund (Continued)

For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>EXPENDITURES (Continued)</b>				
Health and Welfare				
Family Services	2,030,048	2,050,502	1,864,905	185,597
Contribution human development	6,503,524	6,661,021	6,535,971	125,050
Social services	21,089,050	21,902,393	20,460,936	1,441,457
Grant reserve health and welfare	-	686,298	329,175	357,123
Total health and welfare	29,622,622	31,300,214	29,190,987	2,109,227
Education				
Appropriation to public school system	201,394,833	215,136,485	213,276,515	1,859,970
Total education	201,394,833	215,136,485	213,276,515	1,859,970
Parks, Recreation, and Cultural				
Parks and recreation	4,752,080	4,894,039	4,663,206	230,833
Towe park	376,451	397,226	346,596	50,630
Regional library	5,508,305	5,508,305	5,508,305	-
Miscellaneous contributions	1,233,441	1,233,441	1,233,441	-
Grant reserve parks and recreation	-	41,407	-	41,407
Total parks, recreation, and cultural	11,870,277	12,074,418	11,751,548	322,870
Community Development				
Planning and community development	7,654,958	8,186,988	7,785,770	401,218
Contributions to other agencies	7,124,769	7,126,269	5,671,338	1,454,931
Revenue-sharing agreement - City of Charlottesville	17,760,728	17,760,728	17,760,728	-
Soil and Water Conservation District	168,899	168,899	168,899	-
Cooperative extension program	422,073	517,191	517,014	177
Economic development	1,072,656	1,675,182	1,539,192	135,990
Total community development	34,204,083	35,435,257	33,442,941	1,992,316
Contingencies				
Total contingencies	3,420,155	4,088,492	3,001,928	1,086,564
Debt Service				
Principal	-	-	1,411,357	(1,411,357)
Interest	-	-	207,749	(207,749)
	-	-	1,619,106	(1,619,106)
Capital projects				
Capital outlay	-	-	2,112,628	(2,112,628)
Total expenditures	398,579,322	425,150,440	410,481,761	14,668,679
Excess of revenues over expenditures	26,933,014	12,603,978	40,418,742	27,814,764
<b>OTHER FINANCING SOURCES (USES)</b>				
Issuance of subscriptions	-	-	2,112,628	2,112,628
Transfers in	7,018,514	7,018,514	7,207,318	188,804
Transfers out	(41,529,009)	(49,418,009)	(49,286,727)	131,282
Appropriation of fund balance	7,578,381	29,795,517	-	(29,795,517)
Total other financing sources (uses)	(26,933,014)	(12,603,978)	(39,966,781)	(27,362,803)
Net change in fund balance	-	-	451,961	451,961
<b>Fund balance, beginning of year</b>	-	-	97,878,688	97,878,688
<b>Fund balance, end of year</b>	\$ -	\$ -	\$ 98,330,649	\$ 98,330,649

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

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

## County of Albemarle, Virginia

**Budgetary Comparison Schedule**  
**Federal and State Grants Funds**  
For the Year Ended June 30, 2025

	Federal and State Grants Fund			Variance from Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Use of money and property	\$ 4,695	\$ 4,717	\$ 35,652	\$ 30,935
Miscellaneous	-	126,911	126,911	-
Recovered costs	35,000	45,000	10,315	(34,685)
Intergovernmental:				
Contribution from School Board	3,000,000	3,000,000	3,000,000	-
Revenue from the Commonwealth	10,388,151	17,998,649	16,768,429	(1,230,220)
Revenue from the Federal Government	6,491,002	18,006,837	8,826,284	(9,180,553)
Total revenues	19,918,848	39,182,114	28,767,591	(10,414,523)
<b>EXPENDITURES</b>				
Current:				
General Government Administration				
County executive	-	10,000	10,000	-
Information technology	-	3,000	3,000	-
Total general government administration	-	13,000	13,000	-
Judicial Administration				
Clerk of the circuit court	-	22,800	22,800	-
Public Safety				
Police department	1,011,540	1,720,530	1,593,168	127,362
Fire-Rescue	50,904	8,344,939	2,709,377	5,635,562
Total public safety	1,062,444	10,065,469	4,302,545	5,762,924
Public Works				
Facilities and environmental services	-	510,459	-	510,459
Health and Welfare				
Comprehensive Services Act programs	19,641,176	25,452,491	22,196,712	3,255,779
Contribution human development	-	9,809,008	2,356,935	7,452,073
Other	-	150,000	44,888	105,112
Total health and welfare	19,641,176	35,411,499	24,598,535	10,812,964
Parks and Recreation				
Parks and Recreation	-	100,437	47,282	53,155
Community Development				
Planning and community development	-	20,046	-	20,046
Broadband	-	2,808,226	2,764,005	44,221
Housing programs	-	3,001,410	2,366,877	634,533
Total community development	-	5,829,682	5,130,882	698,800
Contingencies				
Total contingencies	1,500,000	679,515	7,437	672,078
Total expenditures	22,203,620	52,632,861	34,122,481	18,510,380
Deficiency of revenues under expenditures	(2,284,772)	(13,450,747)	(5,354,890)	8,095,857
Other financing sources (uses):				
Transfers in	2,756,404	8,183,045	7,461,368	(721,677)
Transfers out	(471,632)	(471,632)	(660,435)	(188,803)
Appropriation of fund balance	-	5,739,334	-	(5,739,334)
Total other financing sources (uses)	2,284,772	13,450,747	6,800,933	(6,649,814)
Net changes in fund balances	-	-	1,446,043	1,446,043
Fund balances at beginning of year	-	-	8,297,827	8,297,827
Fund balances at end of year	\$ -	\$ -	\$ 9,743,870	\$ 9,743,870

## County of Albemarle, Virginia

## Budgetary Comparison Schedule

## ARPA Fund

For the Year Ended June 30, 2025

	ARPA Fund			Variance from Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Intergovernmental				
Federal Government	\$ -	\$ -	\$ 1,269,265	\$ 1,269,265
Total revenues	-	-	1,269,265	1,269,265
<b>EXPENDITURES</b>				
Current				
Public Safety				
Fire and rescue services	-	110,722	-	110,722
Total public safety	-	110,722	-	110,722
Community Development				
Broadband	-	2,087,000	1,269,265	817,735
Total expenditures	-	2,197,722	1,269,265	928,457
Deficiency of revenues under expenditures	-	(2,197,722)	-	2,197,722
Other financing sources (uses):				
Appropriation of fund balance	-	5,685,549	-	(5,685,549)
Transfers (out)	-	(3,487,827)	-	3,487,827
Total other financing sources (uses)	-	2,197,722	-	(2,197,722)
Net changes in fund balances	-	-	-	-
Fund balances at beginning of year	-	-	(1,992,087)	(1,992,087)
Fund balances at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,992,087)</u>	<u>\$ (1,992,087)</u>

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, 2025**

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	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
				Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	
2025	1.2659%	\$ 118,830,144	\$ 136,067,806	87.33%	84.52%
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%

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

**County of Albemarle, Virginia**  
**Required Supplementary Information**  
**Schedule of Changes in Net Pension Liability and Related Ratios - Primary Government**  
**June 30, 2025**

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b>Total Pension Liability</b>										
Service cost	\$ 8,328,687	\$ 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
Interest on total pension liability	16,778,844	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
Changes in benefit terms	-	-	-	-	-	-	-	-	-	-
Difference between expected and actual experience	9,705,444	8,858,833	(6,470,512)	(2,826,104)	6,307,003	1,122,464	2,246,800	(802,381)	(512,269)	90,923
Changes in assumptions	-	-	-	9,433,746	-	5,765,145	-	(834,185)	(624,361)	1,975,546
Benefit payments	(11,793,980)	(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)
Net change in total pension liability	23,018,995	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
<b>Total pension liability - beginning</b>	<b>251,439,366</b>	<b>231,093,531</b>	<b>227,377,213</b>	<b>210,637,541</b>	<b>194,439,800</b>	<b>178,860,793</b>	<b>168,047,864</b>	<b>161,216,000</b>	<b>154,149,074</b>	<b>143,536,943</b>
<b>Total pension liability - ending</b>	<b>274,458,361</b>	<b>251,439,366</b>	<b>231,093,531</b>	<b>227,377,213</b>	<b>210,637,541</b>	<b>194,439,800</b>	<b>178,860,793</b>	<b>168,047,864</b>	<b>161,216,000</b>	<b>154,149,074</b>
<b>Plan Fiduciary Net Position</b>										
Contributions - employer	9,496,740	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
Contributions - employee	3,041,304	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
Net investment income (loss)	20,647,875	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
Benefit payments	(11,793,980)	(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)
Administrator charges	(125,222)	(126,372)	(125,492)	(108,208)	(102,928)	(98,875)	(89,306)	(87,835)	(76,959)	(71,997)
Other	281,552	116,446	238,361	219,270	(935,981)	(167,171)	757,520	971,139	(717,964)	1,868,626
Net change in plan fiduciary net position	21,548,269	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
<b>Plan fiduciary net position - beginning</b>	<b>216,372,768</b>	<b>203,374,807</b>	<b>205,419,103</b>	<b>161,876,796</b>	<b>160,786,910</b>	<b>152,101,506</b>	<b>142,054,264</b>	<b>126,398,420</b>	<b>125,136,345</b>	<b>117,046,647</b>
<b>Plan fiduciary net position - ending</b>	<b>237,921,037</b>	<b>216,372,768</b>	<b>203,374,807</b>	<b>205,419,103</b>	<b>161,876,796</b>	<b>160,786,910</b>	<b>152,101,506</b>	<b>142,054,264</b>	<b>126,398,420</b>	<b>125,136,345</b>
<b>Net pension liability - ending</b>	<b>\$ 36,537,324</b>	<b>\$ 35,066,598</b>	<b>\$ 27,718,724</b>	<b>\$ 21,958,110</b>	<b>\$ 48,760,745</b>	<b>\$ 33,652,890</b>	<b>\$ 26,759,287</b>	<b>\$ 25,993,600</b>	<b>\$ 34,817,580</b>	<b>\$ 29,012,729</b>
Plan fiduciary net position as a percentage of total pension liability	<b>87%</b>	<b>86%</b>	<b>88%</b>	<b>90%</b>	<b>77%</b>	<b>83%</b>	<b>85%</b>	<b>85%</b>	<b>78%</b>	<b>81%</b>
Covered payroll	<b>\$ 65,512,942</b>	<b>\$ 56,273,003</b>	<b>\$ 49,478,019</b>	<b>\$ 46,049,559</b>	<b>\$ 45,318,590</b>	<b>\$ 42,229,160</b>	<b>\$ 41,921,141</b>	<b>\$ 39,352,233</b>	<b>\$ 38,473,766</b>	<b>\$ 37,323,375</b>
Net pension liability as a percentage of covered payroll	<b>56%</b>	<b>62%</b>	<b>56%</b>	<b>48%</b>	<b>108%</b>	<b>80%</b>	<b>64%</b>	<b>66%</b>	<b>90%</b>	<b>78%</b>

The plan years above are reported in the county's financial statements in the fiscal year following the plan year - i.e., plan year 2015 information was presented in the county's fiscal year 2016 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, 2025**

	2024	2023	2022	2021	Plan Year		2020	2019	2018	2017	2016	2015
<b>Total Pension Liability</b>												
Service cost	\$ 1,035,473	\$ 910,815	\$ 734,019	\$ 794,724	\$ 649,302	\$ 591,992	\$ 614,260	\$ 630,798	\$ 637,830	\$ 794,863		
Interest on total pension liability	2,501,320	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		
Difference between expected and actual experience	1,708,047	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	(2,121,678)	(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)		
Net change in total pension liability	3,123,162	2,537,109	494,220	1,805,014	1,493,540	1,782,865	622,620	1,095,623	(906,262)	1,603,762		
<b>Total pension liability - beginning</b>	<b>37,081,955</b>	<b>34,544,846</b>	<b>34,050,626</b>	<b>32,245,612</b>	<b>30,752,072</b>	<b>28,969,207</b>	<b>28,346,587</b>	<b>27,250,964</b>	<b>28,157,226</b>	<b>26,553,464</b>		
<b>Total pension liability - ending</b>	<b>40,205,117</b>	<b>37,081,955</b>	<b>34,544,846</b>	<b>34,050,626</b>	<b>32,245,612</b>	<b>30,752,072</b>	<b>28,969,207</b>	<b>28,346,587</b>	<b>27,250,964</b>	<b>28,157,226</b>		
<b>Plan Fiduciary Net Position</b>												
Contributions - employer	374,463	333,588	369,524	324,181	303,793	243,047	298,819	295,542	493,668	504,909		
Contributions - employee	600,024	529,126	525,327	436,863	459,364	338,569	330,605	330,846	320,570	318,408		
Net investment income (loss)	3,704,401	2,373,638	(32,914)	8,317,902	588,194	1,970,730	2,111,330	3,181,638	453,639	1,171,563		
Benefit payments	(2,121,678)	(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)		
Administrator charges	(25,091)	(23,942)	(23,794)	(20,973)	(20,348)	(20,044)	(18,581)	(18,741)	(16,579)	(16,163)		
Other	666	954	874	782	(812)	(1,239)	(1,865)	(2,817)	(194)	(247)		
Net change in plan fiduciary net position	2,532,785	1,340,351	(938,444)	7,415,303	(311,107)	978,909	1,219,876	2,392,965	(103,906)	792,605		
<b>Plan fiduciary net position - beginning</b>	<b>38,533,777</b>	<b>37,193,426</b>	<b>38,131,870</b>	<b>30,716,567</b>	<b>31,027,674</b>	<b>30,048,765</b>	<b>28,828,889</b>	<b>26,435,924</b>	<b>26,539,830</b>	<b>25,747,225</b>		
<b>Plan fiduciary net position - ending</b>	<b>41,066,562</b>	<b>38,533,777</b>	<b>37,193,426</b>	<b>38,131,870</b>	<b>30,716,567</b>	<b>31,027,674</b>	<b>30,048,765</b>	<b>28,828,889</b>	<b>26,435,924</b>	<b>26,539,830</b>		
<b>Net pension liability - ending</b>	<b>\$ (861,445)</b>	<b>\$ (1,451,822)</b>	<b>\$ (2,648,580)</b>	<b>\$ (4,081,244)</b>	<b>\$ 1,529,045</b>	<b>\$ (275,602)</b>	<b>\$ (1,079,558)</b>	<b>\$ (482,302)</b>	<b>\$ 815,040</b>	<b>\$ 1,617,396</b>		
Plan fiduciary net position as a percentage of total pension liability	<b>102%</b>	<b>104%</b>	<b>108%</b>	<b>112%</b>	<b>95%</b>	<b>101%</b>	<b>104%</b>	<b>102%</b>	<b>97%</b>	<b>94%</b>		
Covered payroll	<b>\$ 13,779,716</b>	<b>\$ 12,106,307</b>	<b>\$ 11,080,576</b>	<b>\$ 9,510,601</b>	<b>\$ 10,016,892</b>	<b>\$ 7,387,004</b>	<b>\$ 7,210,978</b>	<b>\$ 6,763,407</b>	<b>\$ 6,439,895</b>	<b>\$ 6,461,738</b>		
Net pension liability as a percentage of covered payroll	<b>-6%</b>	<b>-12%</b>	<b>-24%</b>	<b>-43%</b>	<b>15%</b>	<b>-4%</b>	<b>-15%</b>	<b>-7%</b>	<b>13%</b>	<b>25%</b>		

The plan years above are reported in the county's financial statements in the fiscal year following the plan year - i.e., plan year 2015 information was presented in the county's fiscal year 2016 financial report.

**County of Albemarle, Virginia**  
**Required Supplementary Information**  
**Schedule of Pension Contributions**  
June 30, 2025

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
<b>Primary Government</b>					
2025	\$ 10,633,785	\$ 10,633,785	\$ -	\$ 69,633,473	15.27%
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%
<b>Component Unit School Board (nonprofessional)</b>					
2025	\$ 685,430	\$ 685,430	\$ -	\$ 14,933,106	4.59%
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%
<b>Component Unit School Board (professional)</b>					
2025	\$ 20,023,006	\$ 20,023,006	\$ -	\$ 140,907,855	14.21%
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%

**County of Albemarle, Virginia**  
**Required Supplementary Information**  
**Schedule of Changes in Total Local Plan OPEB Liability and Related Ratios**  
**June 30, 2025**

	Plan Year Ended						
	2025	2024	2023	2022	2021	2020	2019
<b>Local Plan - Totals for all employers</b>							
<b>Total OPEB Liability</b>							
Service cost	\$ 2,374,645	\$ 2,877,375	\$ 3,592,533	\$ 3,779,701	\$ 3,301,759	\$ 3,534,456	\$ 3,419,923
Interest	1,007,551	1,368,830	819,469	1,103,228	1,290,921	1,516,119	1,426,624
Changes in assumptions	(218,747)	(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)	219,011	(10,200,053)	(2,376,537)	1,574,030	391,150	(2,484,008)	(898,166)
Benefit payments, net of retiree contributions	(1,234,315)	(1,211,918)	(932,039)	(3,706,437)	(3,109,894)	(2,173,452)	(1,618,253)
Net change in total OPEB liability	2,148,145	(11,876,913)	(5,848,055)	(2,145,763)	3,877,887	(614,728)	2,109,529
<b>Total OPEB liability - beginning</b>	<u>26,610,007</u>	<u>38,486,920</u>	<u>44,334,975</u>	<u>46,480,738</u>	<u>42,602,851</u>	<u>43,217,579</u>	<u>41,108,050</u>
<b>Total OPEB liability - ending</b>	<u><b>\$ 28,758,152</b></u>	<u><b>\$ 26,610,007</b></u>	<u><b>\$ 38,486,920</b></u>	<u><b>\$ 44,334,975</b></u>	<u><b>\$ 46,480,738</b></u>	<u><b>\$ 42,602,851</b></u>	<u><b>\$ 43,217,579</b></u>
Covered-employee payroll	n/a	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	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.



**County of Albemarle, Virginia**  
**Required Supplementary Information**  
**Schedule of County and School Board's Share of Net OPEB Liability - Local Plan**  
**June 30, 2025**

<b>Date</b>	<b>Employer's Proportion of the Net OPEB Liability (Asset)</b>	<b>Total OPEB Liability</b>	<b>Employer's Proportionate Share of the Net OPEB Liability</b>	<b>Covered Employee Payroll</b>
<b>Primary Government</b>				
2025	\$ 8,281,979	\$ 28,758,152	28.80%	n/a
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
<b>Component Unit School Board</b>				
2025	\$ 19,590,052	\$ 28,758,152	68.12%	n/a
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.

**County of Albemarle, Virginia**  
**Required Supplemental Information**  
**Schedule of County and School Board's Share of Net OPEB Liability**  
**Group Life Insurance (GLI) Plan**  
**June 30, 2025**

<b>Plan Year Ended June 30</b>	<b>Employer's Proportion of the Net OPEB Liability (Asset)</b>	<b>Employer's Proportionate Share of the Net OPEB Liability (Asset)</b>	<b>Employer's Covered Payroll</b>	<b>Employer's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll</b>	<b>Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability</b>
<b>Primary Government</b>					
2024	0.2541%	\$ 2,835,648	\$ 65,507,401	4.33%	73.41%
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%
<b>Component Unit School Board (nonprofessional)</b>					
2024	0.0539%	\$ 600,812	\$ 13,823,274	4.35%	73.41%
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%
<b>Component Unit School Board (professional)</b>					
2024	0.5323%	\$ 5,940,276	\$ 136,681,129	4.35%	73.41%
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.

**County of Albemarle, Virginia**  
**Required Supplementary Information**  
**Schedule of Employer Contributions**  
**Group Life Insurance (GLI) Plan**  
June 30, 2025

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
<b>Primary Government</b>					
2025	\$ 328,687	\$ 328,687	\$ -	\$ 69,933,568	0.47%
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%
<b>Component Unit School Board (nonprofessional)</b>					
2025	\$ 70,257	\$ 70,257	\$ -	\$ 14,948,384	0.47%
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%
<b>Component Unit School Board (professional)</b>					
2025	\$ 663,880	\$ 663,880	\$ -	\$ 141,251,112	0.47%
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, 2025

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
2024	1.2700%	\$ 14,676,614	\$ 136,065,141	10.79%	21.82%
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.

**County of Albemarle, Virginia**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF EMPLOYER CONTRIBUTIONS**  
**HEALTH INSURANCE CREDIT (HIC) PLAN**  
June 30, 2025

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
<b>Virginia Retirement System - Teachers</b>					
2025	\$ 1,704,985	\$ 1,704,985	\$ -	\$ 140,907,855	1.21%
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%
<b>Virginia Retirement System - Nonprofessional</b>					
2025	\$ 68,692	\$ 68,692	\$ -	\$ 14,933,106	0.46%
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, 2025**

	Plan Year Ended				
	2024	2024	2023	2022	2021
<b>TOTAL HIC OPEB LIABILITY</b>					
Service Cost	\$ 6,146	\$ 6,448	\$ 7,058	\$ 9,612	\$ -
Interest	24,497	44,909	33,487	29,808	-
Change in benefit terms	-	-	-	-	-
Differences between expected and actual experience	(15,678)	(340,659)	(6,215)	(1)	-
Changes in assumptions	-	-	147,240	13,827	441,604
Benefit payments	(13,717)	(11,868)	(11,620)	-	-
Net change in total HIC OPEB liability	1,248	(301,170)	169,950	53,246	441,604
<b>Total HIC OPEB Liability - beginning</b>	<b>363,630</b>	<b>664,800</b>	<b>494,850</b>	<b>441,604</b>	<b>-</b>
<b>Total HIC OPEB Liability - ending</b>	<b>364,878</b>	<b>363,630</b>	<b>664,800</b>	<b>494,850</b>	<b>441,604</b>
<b>PLAN FIDUCIARY NET POSITION</b>					
Contributions - employer	63,416	55,623	49,862	42,798	-
Net investment income (loss)	15,994	7,029	(891)	4,991	-
Benefit payments	(13,717)	(11,868)	(11,620)	-	-
Administrator charges	(245)	(194)	(157)	(187)	-
Other	-	87	1,606	-	-
Net change in plan fiduciary net position	65,448	50,677	38,800	47,602	-
<b>Plan fiduciary net position - beginning</b>	<b>137,079</b>	<b>86,402</b>	<b>47,602</b>	<b>-</b>	<b>-</b>
<b>Plan fiduciary net position - ending</b>	<b>202,527</b>	<b>137,079</b>	<b>86,402</b>	<b>47,602</b>	<b>-</b>
<b>School Board's net HIC OPEB liability - ending</b>	<b>\$ 162,351</b>	<b>\$ 226,551</b>	<b>\$ 578,398</b>	<b>\$ 447,248</b>	<b>\$ 441,604</b>
Plan fiduciary net position as a percentage of the total HIC OPEB liability	<b>56%</b>	<b>38%</b>	<b>13%</b>	<b>10%</b>	<b>0%</b>
Covered payroll	<b>\$ 13,779,716</b>	<b>\$ 12,106,307</b>	<b>\$ 11,080,576</b>	<b>\$ 9,510,601</b>	<b>\$ 10,016,892</b>
County's net HIC OPEB liability as a percentage of covered payroll	<b>1%</b>	<b>2%</b>	<b>5%</b>	<b>5%</b>	<b>4%</b>

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.

**County of Albemarle, Virginia**  
**Notes to Required Supplementary Information**  
**June 30, 2025**

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**Note 1 – Changes of Benefit Terms**

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*Pension*

There have been no actuarially material changes to 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.

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**Note 2 – Changes of Assumptions**

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

**Largest 10 – Non-Hazardous Duty:**

- Update mortality table to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement 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 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 rates.
- No change to discount rate.

**Largest 10 – Hazardous Duty/Public Safety Employees:**

- Update mortality table to PUB2010 public sector mortality tables. Increased disability life expectancy. For future mortality improvements, replace load with a modified Mortality Improvement 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.

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

- Update mortality table to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement 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 year age and service through 9 years of service.
- No change to disability rates.

# County of Albemarle, Virginia

## Notes to Required Supplementary Information

June 30, 2025

- No change to salary scale.
- No change to line of duty rates.
- No change to discount rate.

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

- Update mortality table to PUB2010 public sector mortality tables. Increased disability life expectancy. For future mortality improvements, replace load with a modified Mortality Improvement 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 Improvement 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 year age and service through 9 years of service.
- No change to disability rates.
- No changes to salary scale.
- No change to discount rate.

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### Note 3 – Local Plan - VERIP

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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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## County of Albemarle, Virginia

**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
June 30, 2025

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects Storm Water Control Fund</u>	<u>Total</u>
<b>ASSETS</b>				
Cash and investments	\$ 12,711,306	\$ 3,524,499	\$ 2,683,202	\$ 18,919,007
Receivables, (net of allowance for uncollectibles) (Note 4)	1,611,090	-	-	1,611,090
Due from other governments	-	-	299,564	299,564
Total assets	<u><u>\$ 14,322,396</u></u>	<u><u>\$ 3,524,499</u></u>	<u><u>\$ 2,982,766</u></u>	<u><u>\$ 20,829,661</u></u>
<b>LIABILITIES</b>				
Accounts payable and accrued liabilities	\$ 111,191	\$ 3,500	\$ 344,883	\$ 459,574
Total liabilities	<u>111,191</u>	<u>3,500</u>	<u>344,883</u>	<u>459,574</u>
<b>DEFERRED INFLOWS</b>				
Unavailable revenue, opioid settlement	1,314,734	-	-	1,314,734
Total deferred inflows	<u>1,314,734</u>	<u>-</u>	<u>-</u>	<u>1,314,734</u>
<b>FUND BALANCE</b>				
Restricted:				
Debt service	-	3,520,999	-	3,520,999
Committed:				
Stormwater projects	-	-	2,637,883	2,637,883
Special revenue	12,896,471	-	-	12,896,471
Total fund balance	<u>12,896,471</u>	<u>3,520,999</u>	<u>2,637,883</u>	<u>19,055,353</u>
Total liabilities, deferred inflows, and fund balance	<u><u>\$ 14,322,396</u></u>	<u><u>\$ 3,524,499</u></u>	<u><u>\$ 2,982,766</u></u>	<u><u>\$ 20,829,661</u></u>

## County of Albemarle, Virginia

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

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects Storm Water Control Fund</u>	<u>Total</u>
<b>REVENUES</b>				
Other local taxes	\$ 2,870,811	\$ -	\$ -	\$ 2,870,811
Permits, privilege fees, and regulatory licenses	24,818	-	-	24,818
Use of money and property	148,189	1,436,016	125,973	1,710,178
Other revenue	169,770	-	300,000	469,770
Intergovernmental:				
Commonwealth	-	324,468	445,014	769,482
Federal Government	-	80,155	41,981	122,136
Total revenues	<u>3,213,588</u>	<u>1,840,639</u>	<u>912,968</u>	<u>5,967,195</u>
<b>EXPENDITURES</b>				
Current:				
Public works	132,624	-	-	132,624
Health and welfare	89,922	-	-	89,922
Community development	860,628	-	-	860,628
Debt service:				
Principal payments	-	14,295,000	-	14,295,000
Interest and fiscal charges	-	14,332,269	-	14,332,269
Capital projects	-	-	881,556	881,556
Total expenditures	<u>1,083,174</u>	<u>28,627,269</u>	<u>881,556</u>	<u>30,591,999</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,130,414</u>	<u>(26,786,630)</u>	<u>31,412</u>	<u>(24,624,804)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	3,008,128	28,222,645	-	31,230,773
Transfers (out)	<u>(4,541,109)</u>	<u>-</u>	<u>-</u>	<u>(4,541,109)</u>
Total other financing sources (uses)	<u>(1,532,981)</u>	<u>28,222,645</u>	<u>-</u>	<u>26,689,664</u>
Net change in fund balance	597,433	1,436,015	31,412	2,064,860
Fund balance, beginning of year	<u>12,299,038</u>	<u>2,084,984</u>	<u>2,606,471</u>	<u>16,990,493</u>
Fund balance, end of year	<u><u>\$ 12,896,471</u></u>	<u><u>\$ 3,520,999</u></u>	<u><u>\$ 2,637,883</u></u>	<u><u>\$ 19,055,353</u></u>

## County of Albemarle, Virginia

Combining Balance Sheet  
Nonmajor Special Revenue Funds

June 30, 2025

	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
<b>ASSETS</b>										
Cash and Investments	\$ 1,100,257	\$ 4,047	\$ 3,063	\$ 1,218,946	\$ 94,302	\$ 308,682	\$ 510,335	\$ 2,402,047	\$ 7,069,627	\$ 12,711,306
Receivables, (net of allowance for uncollectibles) - Note 4	-	1,963	-	263,444	2,887	28,062	1,314,734	-	-	1,611,090
Total assets	<u>\$ 1,100,257</u>	<u>\$ 6,010</u>	<u>\$ 3,063</u>	<u>\$ 1,482,390</u>	<u>\$ 97,189</u>	<u>\$ 336,744</u>	<u>\$ 1,825,069</u>	<u>\$ 2,402,047</u>	<u>\$ 7,069,627</u>	<u>\$ 14,322,396</u>
<b>LIABILITIES</b>										
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ -	\$ 12,195	\$ -	\$ 13,383	\$ -	\$ 85,613	\$ 111,191
Total liabilities	-	-	-	-	12,195	-	13,383	-	85,613	111,191
<b>DEFERRED INFLOWS</b>										
Unavailable revenue, opioid settlement	-	-	-	-	-	-	1,314,734	-	-	1,314,734
Total deferred inflows	-	-	-	-	-	-	1,314,734	-	-	1,314,734
<b>FUND BALANCE</b>										
Committed:										
Special revenue	1,100,257	6,010	3,063	1,482,390	84,994	336,744	496,952	2,402,047	6,984,014	12,896,471
Total fund balance	1,100,257	6,010	3,063	1,482,390	84,994	336,744	496,952	2,402,047	6,984,014	12,896,471
Total liabilities, deferred inflows, and fund balance	<u>\$ 1,100,257</u>	<u>\$ 6,010</u>	<u>\$ 3,063</u>	<u>\$ 1,482,390</u>	<u>\$ 97,189</u>	<u>\$ 336,744</u>	<u>\$ 1,825,069</u>	<u>\$ 2,402,047</u>	<u>\$ 7,069,627</u>	<u>\$ 14,322,396</u>

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

	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
<b>REVENUES</b>										
Other local taxes	\$ -	\$ -	\$ -	\$ 2,711,760	\$ -	\$ 159,051	\$ -	\$ -	\$ -	\$ 2,870,811
Permits, privilege fees, and regulatory licenses	-	24,818	-	-	-	-	-	-	-	24,818
Use of money and property	-	-	-	-	123,105	-	25,084	-	-	148,189
Opioid settlement	-	-	-	-	-	-	169,770	-	-	169,770
Total revenues	-	24,818	-	2,711,760	123,105	159,051	194,854	-	-	3,213,588
<b>EXPENDITURES</b>										
Current:										
Public works	-	-	-	-	104,446	28,178	-	-	-	132,624
Health and welfare	-	-	-	-	-	-	89,922	-	-	89,922
Community development	-	-	-	-	-	-	-	-	860,628	860,628
Total expenditures	-	-	-	-	104,446	28,178	89,922	-	860,628	1,083,174
Excess (deficiency) of revenues over (under) expenditures	-	24,818	-	2,711,760	18,659	130,873	104,932	-	(860,628)	2,130,414
<b>OTHER FINANCING SOURCES (USES)</b>										
Transfers in	2,022,963	-	-	-	-	-	-	-	985,165	3,008,128
Transfers (out)	(1,842,743)	(22,390)	-	(2,615,976)	-	-	(60,000)	-	-	(4,541,109)
Total other financing sources (uses)	180,220	(22,390)	-	(2,615,976)	-	-	(60,000)	-	985,165	(1,532,981)
Net change in fund balance	180,220	2,428	-	95,784	18,659	130,873	44,932	-	124,537	597,433
Fund balance, beginning 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
Fund balance, end of year	<u>\$ 1,100,257</u>	<u>\$ 6,010</u>	<u>\$ 3,063</u>	<u>\$ 1,482,390</u>	<u>\$ 84,994</u>	<u>\$ 336,744</u>	<u>\$ 496,952</u>	<u>\$ 2,402,047</u>	<u>\$ 6,984,014</u>	<u>\$ 12,896,471</u>

# County of Albemarle, Virginia

## Combining Balance Sheet Nonmajor Debt Service Funds June 30, 2025

	<u>General</u>	<u>School</u>	<u>Total</u>
<b>ASSETS</b>			
Cash and investments	<u>\$ 2,360,286</u>	<u>\$ 1,164,213</u>	<u>\$ 3,524,499</u>
Total assets	<u><b>\$ 2,360,286</b></u>	<u><b>\$ 1,164,213</b></u>	<u><b>\$ 3,524,499</b></u>
<b>LIABILITIES</b>			
Accounts payable	<u>\$ 1,714</u>	<u>\$ 1,786</u>	<u>\$ 3,500</u>
Total liabilities	<u>1,714</u>	<u>1,786</u>	<u>3,500</u>
<b>FUND BALANCE</b>			
Restricted	<u>2,358,572</u>	<u>1,162,427</u>	<u>3,520,999</u>
Total liabilities and fund balance	<u><b>\$ 2,360,286</b></u>	<u><b>\$ 1,164,213</b></u>	<u><b>\$ 3,524,499</b></u>

# County of Albemarle, Virginia

## Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

### Nonmajor Debt Service Funds

For the Year Ended June 30, 2025

	<u>General</u>	<u>School</u>	<u>Total</u>
<b>REVENUES</b>			
Use of money and property	\$ 983,596	\$ 452,420	\$ 1,436,016
Intergovernmental:			
Commonwealth	-	324,468	324,468
Federal government	-	80,155	80,155
Total revenues	<u>983,596</u>	<u>857,043</u>	<u>1,840,639</u>
<b>EXPENDITURES</b>			
Debt service:			
Principal payments	4,267,169	10,027,831	14,295,000
Interest and fiscal charges	<u>7,527,479</u>	<u>6,804,790</u>	<u>14,332,269</u>
Total expenditures	<u>11,794,648</u>	<u>16,832,621</u>	<u>28,627,269</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(10,811,052)</u>	<u>(15,975,578)</u>	<u>(26,786,630)</u>
<b>OTHER FINANCING SOURCES</b>			
Transfers in	<u>11,794,648</u>	<u>16,427,997</u>	<u>28,222,645</u>
Total other financing sources	<u>11,794,648</u>	<u>16,427,997</u>	<u>28,222,645</u>
Net change in fund balance	983,596	452,419	1,436,015
Fund balance, beginning of year	<u>1,374,976</u>	<u>710,008</u>	<u>2,084,984</u>
Fund balance, end of year	<u><u>\$ 2,358,572</u></u>	<u><u>\$ 1,162,427</u></u>	<u><u>\$ 3,520,999</u></u>

**County of Albemarle, Virginia**  
**Combining Statement of Net Position**  
**Internal Service Funds**  
June 30, 2025

	Health Insurance Fund	Dental Plan Pool Fund	Duplicating Fund	Facilities Development Fund	Payroll Suspense Fund	CATEC Fund	Risk Management Fund	Computer Replacement Fund	Vehicle Replacement Fund	Total Internal Service Funds
<b>ASSETS</b>										
Current assets:										
Cash and investments	\$ 17,321,763	\$ 2,145,711	\$ 64,137	\$ 4,857	\$ 4,679,738	\$ -	\$ 45,848	\$ 33,217	\$ 262,357	\$ 24,557,628
Accounts receivable	59,531	6,134	791	-	169,855	-	40,342	-	-	276,653
Prepaid expenses	-	-	-	-	-	-	1,852	-	-	1,852
Total assets	<u>17,381,294</u>	<u>2,151,845</u>	<u>64,928</u>	<u>4,857</u>	<u>4,849,593</u>	<u>-</u>	<u>88,042</u>	<u>33,217</u>	<u>262,357</u>	<u>24,836,133</u>
<b>LIABILITIES</b>										
Current liabilities:										
Accounts payable and accrued liabilities	885,731	73,686	6,700	-	4,849,593	48	-	18,943	75,588	5,910,289
Reconciled overdraft	-	-	-	-	-	4,927	-	-	-	4,927
Claims payable:										
Due within one year	<u>4,772,347</u>	<u>186,374</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,958,721</u>
Total liabilities	<u>5,658,078</u>	<u>260,060</u>	<u>6,700</u>	<u>-</u>	<u>4,849,593</u>	<u>4,975</u>	<u>-</u>	<u>18,943</u>	<u>75,588</u>	<u>10,873,937</u>
<b>NET POSITION</b>										
Unrestricted	<u>\$ 11,723,216</u>	<u>\$ 1,891,785</u>	<u>\$ 58,228</u>	<u>\$ 4,857</u>	<u>\$ -</u>	<u>\$ (4,975)</u>	<u>\$ 88,042</u>	<u>\$ 14,274</u>	<u>\$ 186,769</u>	<u>\$ 13,962,196</u>



**County of Albemarle, Virginia**  
**Combining Statement of Revenues, Expenses, and Changes in Net Position**  
**Internal Service Funds**  
For the Year Ended June 30, 2025

	Health Insurance Fund	Dental Plan Pool Fund	Duplicating Fund	Facilities Development Fund	Payroll Suspense Fund	CATEC Fund	Risk Management Fund	Computer Replacement Fund	Vehicle Replacement Fund	Total Internal Service Funds
<b>OPERATING REVENUES</b>										
Charges for services, net	\$ 58,947,163	\$ 1,908,248	\$ 34,356	\$ -	\$ 146,583,215	\$ -	\$ 1,957,906	\$ 961,903	\$ 1,012,005	\$ 211,404,796
<b>OPERATING EXPENSES</b>										
Benefits and related expenses	52,066,159	2,194,288	-	-	-	-	-	-	-	54,260,447
Services and supplies	-	-	6,587	-	146,583,215	4,975	1,914,426	1,299,964	1,145,323	150,954,490
Total operating expenses	52,066,159	2,194,288	6,587	-	146,583,215	4,975	1,914,426	1,299,964	1,145,323	205,214,937
Operating income (loss)	6,881,004	(286,040)	27,769	-	-	(4,975)	43,480	(338,061)	(133,318)	6,189,859
<b>NON-OPERATING REVENUES</b>										
Interest income	283,633	99,327	-	-	-	-	11,811	-	30,881	425,652
<b>TRANSFERS</b>										
Transfers in	-	-	-	-	-	-	32,751	-	-	32,751
Net transfers	-	-	-	-	-	-	32,751	-	-	32,751
Change in net position	7,164,637	(186,713)	27,769	-	-	(4,975)	88,042	(338,061)	(102,437)	6,648,262
Net position	4,558,579	2,078,498	30,459	4,857	-	-	-	352,335	289,206	7,313,934
Net position, end of year	<u>\$ 11,723,216</u>	<u>\$ 1,891,785</u>	<u>\$ 58,228</u>	<u>\$ 4,857</u>	<u>\$ -</u>	<u>\$ (4,975)</u>	<u>\$ 88,042</u>	<u>\$ 14,274</u>	<u>\$ 186,769</u>	<u>\$ 13,962,196</u>

**County of Albemarle, Virginia**  
**Combining Statement of Cash Flows**  
**Internal Service Funds**  
For the Year Ended June 30, 2025

	Health Insurance Fund	Dental Plan Pool Fund	Duplicating Fund	Facilities Development Fund	Payroll Suspense Fund	CATEC FUND	Risk Management Fund	Computer Replacement Fund	Vehicle Replacement Fund	Total Internal Service Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>										
Receipts from insured	\$ 59,210,563	\$ 1,905,502	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 61,116,065
Receipts from services	-	-	34,470	-	146,524,736	597,343	1,917,564	961,903	1,012,005	151,048,021
Payment to suppliers	(51,678,403)	(2,153,810)	(4,144)	-	(142,105,711)	(143,487)	(1,916,278)	(981,039)	(1,132,279)	(200,115,151)
Net cash provided by (used for) operating activities	7,532,160	(248,308)	30,326	-	4,419,025	453,856	1,286	(19,136)	(120,274)	12,048,935
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>										
Transfers in	-	-	-	-	-	-	32,751	-	-	32,751
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
Interest income	283,633	99,327	-	-	-	-	11,811	-	30,881	425,652
Net increase (decrease) in cash and cash equivalents	7,815,793	(148,981)	30,326	-	4,419,025	453,856	45,848	(19,136)	(89,393)	12,507,338
Cash and cash equivalents, beginning of year	9,505,970	2,294,692	33,811	4,857	260,713	(453,856)	-	52,353	351,750	12,050,290
Cash and cash equivalents, end of year	<u>\$ 17,321,763</u>	<u>\$ 2,145,711</u>	<u>\$ 64,137</u>	<u>\$ 4,857</u>	<u>\$ 4,679,738</u>	<u>\$ -</u>	<u>\$ 45,848</u>	<u>\$ 33,217</u>	<u>\$ 262,357</u>	<u>\$ 24,557,628</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES</b>										
Operating income (loss)	\$ 6,881,004	\$ (286,040)	\$ 27,769	\$ -	\$ -	\$ (4,975)	\$ 43,480	\$ (338,061)	\$ (133,318)	\$ 6,189,859
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:										
Change in assets and liabilities:										
Receivables, net	263,400	(2,746)	114	-	(58,479)	592,416	(40,342)	-	-	754,363
Prepaid expenses	-	-	-	-	-	712	(1,852)	305,474	-	304,334
Accounts payable and accrued liabilities	(82,681)	27,024	2,443	-	4,477,504	(139,224)	-	13,451	13,044	4,311,561
Reconciled overdraft	-	-	-	-	-	4,927	-	-	-	4,927
Claims payable	470,437	13,454	-	-	-	-	-	-	-	483,891
Net cash provided by (used for) operating activities	<u>\$ 7,532,160</u>	<u>\$ (248,308)</u>	<u>\$ 30,326</u>	<u>\$ -</u>	<u>\$ 4,419,025</u>	<u>\$ 453,856</u>	<u>\$ 1,286</u>	<u>\$ (19,136)</u>	<u>\$ (120,274)</u>	<u>\$ 12,048,935</u>

**County of Albemarle, Virginia**  
**Combining Statement of Fiduciary Net Position**  
**Private Purpose Trust Funds**  
June 30, 2025

	McIntire Trust Fund	Juanise Dyer Trust Fund	Weinstein Trust Fund	Crozet Crossings Trust Fund	Synthetic Turf Field Fund	Proffer Trust Fund	Total
<b>ASSETS</b>							
Cash and investments	\$ -	\$ 15,177	\$ 102,108	\$ 72,132	\$ 89,155	\$ 10,908,208	\$ 11,186,780
Accounts receivable	14,933	-	-	-	11,880	566,743	593,556
Investments with trustee	500,965	-	-	-	-	-	500,965
Total assets	515,898	15,177	102,108	72,132	101,035	11,474,951	12,281,301
<b>NET POSITION</b>							
Restricted	515,898	15,177	102,108	72,132	101,035	11,474,951	12,281,301
Total net position	<u>\$ 515,898</u>	<u>\$ 15,177</u>	<u>\$ 102,108</u>	<u>\$ 72,132</u>	<u>\$ 101,035</u>	<u>\$ 11,474,951</u>	<u>\$ 12,281,301</u>

**County of Albemarle, Virginia**  
**Combining Statement of Changes in Fiduciary Net Position**  
**Private Purpose Trust Funds**  
**For the Year Ended June 30, 2025**

	McIntire Trust Fund	Juanise Dyer Trust Fund	Weinstein Trust Fund	Crozet Crossings Trust Fund	Synthetic Turf Field Fund	Proffer Trust Fund	Total
<b>ADDITIONS</b>							
Contributions - proffers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,942,950	\$ 1,942,950
Total contributions	-	-	-	-	-	1,942,950	1,942,950
Investment earnings:							
Investment earnings	37,276	682	4,591	3,243	37,585	539,352	622,729
Total additions	37,276	682	4,591	3,243	37,585	2,482,302	2,565,679
<b>DEDUCTIONS</b>							
General	556	-	-	-	-	-	556
Contributions	-	-	-	-	-	1,378,053	1,378,053
Total deductions	556	-	-	-	-	1,378,053	1,378,609
Change in net position	36,720	682	4,591	3,243	37,585	1,104,249	1,187,070
Net position, beginning of year	479,178	14,495	97,517	68,889	63,450	10,370,702	11,094,231
Net position, end of year	<u>\$ 515,898</u>	<u>\$ 15,177</u>	<u>\$ 102,108</u>	<u>\$ 72,132</u>	<u>\$ 101,035</u>	<u>\$ 11,474,951</u>	<u>\$ 12,281,301</u>

**County of Albemarle, Virginia**  
**Combining Statement of Fiduciary Net Position**  
**Custodial Funds**  
June 30, 2025

	Special Welfare Fund	Drug Fund	HUD Family Self Sufficiency Fund	County Contribution Fund	ACE Contribution Fund	Firearms Range Operating Fund	Appeal Bond Fund
<b>ASSETS</b>							
Cash and investments	\$ 101,990	\$ 251,784	\$ 24,127	\$ 137,614	\$ 24,828	\$ 1,079,371	\$ 4,500
Accounts receivable	-	-	-	-	-	-	-
Prepaid expenses	-	-	-	-	-	-	-
Land and capital assets, net	-	-	-	-	-	-	-
Total assets	101,990	251,784	24,127	137,614	24,828	1,079,371	4,500
<b>DEFERRED OUTFLOWS</b>							
Deferred outflows	-	-	-	-	-	-	-
Total deferred outflows	-	-	-	-	-	-	-
<b>LIABILITIES</b>							
Accounts payable	-	-	-	-	-	17,134	-
Compensated absences	-	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-	-
Pension and OPEB liabilities	-	-	-	-	-	-	-
Total liabilities	-	-	-	-	-	17,134	-
<b>DEFERRED INFLOWS</b>							
Deferred inflows	-	-	-	-	-	-	-
Total deferred inflows	-	-	-	-	-	-	-
<b>NET POSITION</b>							
Restricted for:							
Other Governments	-	-	-	-	-	-	-
Individuals and organizations	101,990	251,784	24,127	137,614	24,828	1,062,237	4,500
Total net position	\$ 101,990	\$ 251,784	\$ 24,127	\$ 137,614	\$ 24,828	\$ 1,062,237	\$ 4,500

**County of Albemarle, Virginia**  
**Combining Statement of Fiduciary Net Position (Continued)**  
**Custodial Funds**  
June 30, 2025

	Sheriff Reserve Fund	Performance Bond Fund	Natural Heritage Fund	Commonwealth Attorney Commission Fund	Public Recreation Facility Fund	Courts Escrow Fund
<b>ASSETS</b>						
Cash and investments	\$ 2,139	\$ 4,128,569	\$ 1,323	\$ 3,511	\$ 830,530	\$ 7,807
Accounts receivable	-	-	-	-	-	-
Prepaid expenses	-	-	-	-	-	-
Deferred outflows	-	-	-	-	-	-
Land and capital assets, net	-	-	-	-	-	-
Total assets	<u>2,139</u>	<u>4,128,569</u>	<u>1,323</u>	<u>3,511</u>	<u>830,530</u>	<u>7,807</u>
<b>DEFERRED OUTFLOWS</b>						
Deferred outflows	-	-	-	-	-	-
Total deferred outflows	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>LIABILITIES</b>						
Accounts payable	-	9,500	-	19,574	-	-
Compensated absences	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-
Deferred inflows	-	-	-	-	-	-
Pension and OPEB liabilities	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>9,500</u>	<u>-</u>	<u>19,574</u>	<u>-</u>	<u>-</u>
<b>DEFERRED INFLOWS</b>						
Deferred inflows	-	-	-	-	-	-
Total deferred inflows	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET POSITION</b>						
Restricted for:						
Other Governments	-	-	-	-	-	-
Individuals and organizations	2,139	4,119,069	1,323	(16,063)	830,530	7,807
Total net position	<u>\$ 2,139</u>	<u>\$ 4,119,069</u>	<u>\$ 1,323</u>	<u>\$ (16,063)</u>	<u>\$ 830,530</u>	<u>\$ 7,807</u>

**County of Albemarle, Virginia**  
**Combining Statement of Fiduciary Net Position (Continued)**  
**Custodial Funds**  
**June 30, 2025**

	Charlottesville UVA Albemarle ECC	Blue Ridge Juvenile Detention Commission	Darden Towe Memorial Park	Charlottesville Albemarle Convention and Visitors Bureau	State Account Fund	Albemarle Broadband Authority	Total
<b>ASSETS</b>							
Cash and investments	\$ 3,468,824	\$ 2,395,936	\$ -	\$ 434,665	\$ 42,269	\$ 389,193	\$ 13,328,980
Accounts receivable	191,673	95,074	62,747	-	6,522	-	356,016
Prepaid expenses	71,948	7,303	-	22,180	-	-	101,431
Land and capital assets, net	16,149,269	5,270,124	104,545	220,613	-	-	21,744,551
Total assets	19,881,714	7,768,437	167,292	677,458	48,791	389,193	35,530,978
<b>DEFERRED OUTFLOWS</b>							
Deferred outflows	1,509,389	394,693	55,330	314,582	-	-	2,273,994
Total deferred outflows	1,509,389	394,693	55,330	314,582	-	-	2,273,994
<b>LIABILITIES</b>							
Accounts payable and accrued liabilities	403,162	281,335	37,382	163,387	-	386,319	1,317,793
Compensated absences	506,448	435,603	57,664	109,029	-	-	1,108,744
Unearned revenue	-	-	-	10,823	-	-	10,823
Leases and subscriptions	3,954,573	17,910	-	224,600	-	-	4,197,083
Pension and OPEB liabilities	2,915,830	428,791	111,335	624,968	-	-	4,080,924
Total liabilities	7,780,013	1,163,639	206,381	1,132,807	-	386,319	10,715,367
<b>DEFERRED INFLOWS</b>							
Deferred inflows	769,520	302,893	26,714	147,907	-	-	1,247,034
Total deferred inflows	769,520	302,893	26,714	147,907	-	-	1,247,034
<b>NET POSITION</b>							
Restricted for:							
Other Governments	12,841,570	6,696,598	(10,473)	(288,674)	-	-	19,239,021
Individuals and organizations	-	-	-	-	48,791	2,874	6,603,550
Total net position	<u>\$ 12,841,570</u>	<u>\$ 6,696,598</u>	<u>\$ (10,473)</u>	<u>\$ (288,674)</u>	<u>\$ 48,791</u>	<u>\$ 2,874</u>	<u>\$ 25,842,571</u>

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

	Special Welfare Fund	Drug Fund	HUD Family Self Sufficiency Fund	County Contribution Fund	ACE Contribution Fund	Firearms Range Operating Fund	Bond Appeal Fund
<b>Additions</b>							
Contributions:							
Private contributions	\$ 135,125	\$ -	\$ -	\$ 14,904	\$ -	\$ 144,529	\$ -
Government contributions	-	13,991	-	-	-	138,630	-
Charges for services	-	-	-	-	-	-	-
Intergovernmental	-	3,339	-	-	-	-	-
Miscellaneous	-	-	-	-	-	4,500	-
Total contributions	135,125	17,330	-	14,904	-	287,659	-
Investment earnings:							
Interest	-	8,751	-	5,956	1,116	49,203	-
Total investment earnings	-	8,751	-	5,956	1,116	49,203	-
Total additions	135,125	26,081	-	20,860	1,116	336,862	-
<b>Deductions</b>							
Recipient payments	151,934	-	-	-	-	-	-
Administrative expenses	-	707	-	-	-	188,343	-
Parks and rec	-	-	-	-	-	-	-
Juvenile public safety	-	-	-	-	-	-	-
Emergency communications	-	-	-	-	-	-	-
Visitors Bureau	-	-	-	-	-	-	-
Total deductions	151,934	707	-	-	-	188,343	-
Net increase (decrease) in fiduciary net position	(16,809)	25,374	-	20,860	1,116	148,519	-
Net position, beginning of year, as previously presented	118,799	226,410	24,127	116,754	23,712	913,718	4,500
Restatement	-	-	-	-	-	-	-
Net position , beginning of year, as restated	118,799	226,410	24,127	116,754	23,712	913,718	4,500
Net position - ending	<u>\$ 101,990</u>	<u>\$ 251,784</u>	<u>\$ 24,127</u>	<u>\$ 137,614</u>	<u>\$ 24,828</u>	<u>\$ 1,062,237</u>	<u>\$ 4,500</u>



**County of Albemarle, Virginia**  
**Combining Statement of Changes in Fiduciary Net Position (Continued)**  
**Custodial Funds**  
For the Year Ended June 30, 2025

	Sheriff Reserve Fund	Performance Bond Fund	Natural Heritage Fund	Commonwealth Attorney Commission Fund	Public Recreation Facility Authority	Courts Escrow Fund
<b>Additions</b>						
Contributions:						
Private contributions	\$ -	\$ 1,960,070	\$ -	\$ 39,072	\$ -	\$ -
Government contributions	-	-	-	-	81,564	-
Charges for services	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Total contributions	-	1,960,070	-	39,072	81,564	-
Investment earnings:						
Interest	96	13,774	60	-	35,371	-
Total investment earnings	96	13,774	60	-	35,371	-
Total additions	96	1,973,844	60	39,072	116,935	-
<b>Deductions</b>						
Recipient payments	-	1,849,146	-	38,990	-	-
Administrative expenses	-	118,369	-	23,741	816	-
Parks and rec	-	-	-	-	-	-
Juvenile public safety	-	-	-	-	-	-
Emergency communications	-	-	-	-	-	-
Visitors Bureau	-	-	-	-	-	-
Total deductions	-	1,967,515	-	62,731	816	-
Net increase (decrease) in fiduciary net position	96	6,329	60	(23,659)	116,119	-
Net position, beginning of year, as previously presented	2,043	4,112,740	1,263	7,596	714,411	7,807
Restatement	-	-	-	-	-	-
Net position , beginning of year, as restated	2,043	4,112,740	1,263	7,596	714,411	7,807
Net position - ending	<u>\$ 2,139</u>	<u>\$ 4,119,069</u>	<u>\$ 1,323</u>	<u>\$ (16,063)</u>	<u>\$ 830,530</u>	<u>\$ 7,807</u>

**County of Albemarle, Virginia**  
**Combining Statement of Changes in Fiduciary Net Position (Continued)**  
**Custodial Funds**  
**For the Year Ended June 30, 2025**

	Charlottesville Albemarle UVA ECC	Blue Ridge Juvenile Detention Commission	Darden Towle Memorial Park	Charlottesville Albemarle Visitors Bureau	State Account Fund	Albemarle Broadband Authority	Total
<b>Additions</b>							
Contributions:							
Private contributions	\$ -	\$ -	\$ -	\$ 56,457	\$ 119,221	\$ -	\$ 2,469,378
Government contributions	1,675,623	-	477,355	2,672,676	-	1,269,265	6,329,104
Charges for services	-	3,534,244	-	55,606	-	-	3,589,850
Intergovernmental	9,166,921	1,171,595	-	-	-	-	10,341,855
Miscellaneous	65,698	79,007	20,855	-	-	-	170,060
Total contributions	10,908,242	4,784,846	498,210	2,784,739	119,221	1,269,265	22,900,247
Investment earnings:							
Interest	59,251	119,143	-	15,615	-	259	308,595
Total investment earnings	59,251	119,143	-	15,615	-	259	308,595
Total additions	10,967,493	4,903,989	498,210	2,800,354	119,221	1,269,524	23,208,842
<b>Deductions</b>							
Recipient payments	-	-	-	-	-	-	2,040,070
Broadband	-	-	-	-	-	1,269,265	1,269,265
Administrative expenses	-	-	-	-	131,244	-	463,220
Parks and rec	-	-	444,558	-	-	-	444,558
Juvenile public safety	-	4,927,849	-	-	-	-	4,927,849
Emergency communications	12,145,120	-	-	-	-	-	12,145,120
Visitors Bureau	-	-	-	2,525,004	-	-	2,525,004
Total deductions	12,145,120	4,927,849	444,558	2,525,004	131,244	1,269,265	23,815,086
Net increase (decrease) in fiduciary net position	(1,177,627)	(23,860)	53,652	275,350	(12,023)	259	(606,244)
Net position, beginning of year, as previously presented	14,251,497	7,026,250	(20,168)	(501,368)	60,814	2,615	27,093,520
Restatement	(232,300)	(305,792)	(43,957)	(62,656)	-	-	(644,705)
Net position - beginning, as restated	14,019,197	6,720,458	(64,125)	(564,024)	60,814	2,615	26,448,815
Net position - ending	<u>\$ 12,841,570</u>	<u>\$ 6,696,598</u>	<u>\$ (10,473)</u>	<u>\$ (288,674)</u>	<u>\$ 48,791</u>	<u>\$ 2,874</u>	<u>\$ 25,842,571</u>

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## County of Albemarle, Virginia

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

	Special Revenue Funds			
	Courthouse Maintenance Fund			
	Original Budget	Final Budget	Actual	Variance From Final Budget Positive (Negative)
<b>REVENUES</b>				
Other local taxes	\$ -	\$ -	\$ -	\$ -
Use of money and property	-	-	-	-
Permits, privilege fees, and regulatory licenses	22,390	22,390	24,818	2,428
Intergovernmental:				
Commonwealth	-	-	-	-
Federal Government	-	-	-	-
Total revenues	22,390	22,390	24,818	2,428
<b>EXPENDITURES</b>				
Current:				
Public works	-	-	-	-
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	22,390	22,390	24,818	2,428
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	-	-
Transfers (out)	(22,390)	(22,390)	(22,390)	-
Appropriation of fund balance	-	-	-	-
Total other financing sources (uses)	(22,390)	(22,390)	(22,390)	-
Net change in fund balance	-	-	2,428	2,428
Fund balance, beginning of year	-	-	3,582	3,582
Fund balance, end of year	\$ -	\$ -	\$ 6,010	\$ 6,010

## County of Albemarle, Virginia

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

	Economic Development Fund			Variance From Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Other local taxes	\$ -	\$ -	\$ -	\$ -
Use of money and property	-	-	-	-
Permits, privilege fees, and regulatory licenses	-	-	-	-
Intergovernmental:				
Commonwealth	-	200,000	-	(200,000)
Federal Government	-	-	-	-
Total revenues	-	200,000	-	(200,000)
<b>EXPENDITURES</b>				
Current:				
Public works	-	-	-	-
Health and welfare	-	-	-	-
Community development	1,525,000	8,268,179	860,628	7,407,551
Total expenditures	1,525,000	8,268,179	860,628	7,407,551
Debt service:				
Principal payments	-	-	-	-
Interest and fiscal charges	-	-	-	-
Capital projects	-	-	-	-
Total expenditures	1,525,000	8,268,179	860,628	7,407,551
Excess (deficiency) of revenues over (under) expenditures	(1,525,000)	(8,068,179)	(860,628)	7,207,551
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	985,165	985,165	-
Transfers (out)	(177,530)	(1,075,900)	-	1,075,900
Appropriation of fund balance	1,702,530	8,158,914	-	(8,158,914)
Total other financing sources (uses)	1,525,000	8,068,179	985,165	(7,083,014)
Net change in fund balance	-	-	124,537	124,537
Fund balance, beginning of year	-	-	6,859,477	6,859,477
Fund balance, end of year	\$ -	\$ -	\$ 6,984,014	\$ 6,984,014

## County of Albemarle, Virginia

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

	Tourism Fund			Variance From Final Budget Positive (Negative)
	Original Budget	Final Budge	Actual	
<b>REVENUES</b>				
Other local taxes	\$ 2,615,976	\$ 2,615,976	\$ 2,711,760	\$ 95,784
Use of money and property	-	-	-	-
Permits, privilege fees, and regulatory licenses	-	-	-	-
Intergovernmental:				
Commonwealth	-	-	-	-
Federal Government	-	-	-	-
Total revenues	<u>2,615,976</u>	<u>2,615,976</u>	<u>2,711,760</u>	<u>95,784</u>
<b>EXPENDITURES</b>				
Current:				
Public works	-	-	-	-
Health and welfare	-	-	-	-
Community development	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Debt service:				
Principal payments	-	-	-	-
Interest and fiscal charges	-	-	-	-
Capital projects	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,615,976</u>	<u>2,615,976</u>	<u>2,711,760</u>	<u>95,784</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	-	-
Transfers (out)	(2,615,976)	(2,615,976)	(2,615,976)	-
Appropriation of fund balance	-	-	-	-
Total other financing sources (uses)	<u>(2,615,976)</u>	<u>(2,615,976)</u>	<u>(2,615,976)</u>	<u>-</u>
Net change in fund balance	-	-	95,784	95,784
Fund balance, beginning of year	-	-	1,386,606	1,386,606
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,482,390</u>	<u>\$ 1,482,390</u>

## County of Albemarle, Virginia

## Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)

## Nonmajor Governmental Funds - Budget and Actual

For the Year Ended June 30, 2025

	Plastic Bag Tax Fund			Variance From Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Other local taxes	\$ 120,000	\$ 120,000	\$ 159,051	\$ 39,051
Use of money and property	-	-	-	-
Permits, privilege fees, and regulatory licenses	-	-	-	-
Intergovernmental:				
Commonwealth	-	-	-	-
Federal Government	-	-	-	-
Total revenues	120,000	120,000	159,051	39,051
<b>EXPENDITURES</b>				
Current:				
Public works	120,000	325,871	28,178	297,693
Health and welfare	-	-	-	-
Community development	-	-	-	-
Total community development	120,000	325,871	28,178	297,693
Debt service:				
Principal payments	-	-	-	-
Interest and fiscal charges	-	-	-	-
Capital projects	-	-	-	-
Total expenditures	120,000	325,871	28,178	297,693
Excess (deficiency) of revenues over (under) expenditures	-	(205,871)	130,873	336,744
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Appropriation of fund balance	-	205,871	-	(205,871)
Total other financing sources (uses)	-	205,871	-	(205,871)
Net change in fund balance	-	-	130,873	130,873
Fund balance, beginning of year	-	-	205,871	205,871
Fund balance, end of year	\$ -	\$ -	\$ 336,744	\$ 336,744

## County of Albemarle, Virginia

## Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)

## Nonmajor Governmental Funds - Budget and Actual

For the Year Ended June 30, 2025

	Broadband Development Fund			Variance From Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Other local taxes	\$ -	\$ -	\$ -	\$ -
Use of money and property	-	-	-	-
Permits, privilege fees, and regulatory licenses	-	-	-	-
Intergovernmental:				
Commonwealth	-	-	-	-
Federal Government	-	-	-	-
Total revenues	-	-	-	-
<b>EXPENDITURES</b>				
Current:				
Public works	-	-	-	-
Health and welfare	-	-	-	-
Community development	-	2,402,047	-	2,402,047
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)	-	(2,402,047)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	2,402,047	-	(2,402,047)
Transfers (out)	-	-	-	-
Appropriation of fund balance	-	-	-	-
Total other financing sources (uses)	-	2,402,047	-	(2,402,047)
Net change in fund balance	-	-	-	-
Fund balance, beginning of year	-	-	2,402,047	2,402,047
Fund balance, end of year	\$ -	\$ -	\$ 2,402,047	\$ 2,402,047



## County of Albemarle, Virginia

## Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)

## Nonmajor Governmental Funds - Budget and Actual

For the Year Ended June 30, 2025

	General Debt Service Fund			Variance From Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Other local taxes	\$ -	\$ -	\$ -	\$ -
Use of money and property	-	-	983,596	983,596
Permits, privilege fees, and regulatory licenses	-	-	-	-
Intergovernmental:				
Commonwealth	-	-	-	-
Federal Government	-	-	-	-
Total revenues	-	-	983,596	983,596
<b>EXPENDITURES</b>				
Current:				
Public works	-	-	-	-
Health and welfare	-	-	-	-
Community development	-	-	-	-
Total expenditures	-	-	-	-
Debt service:				
Principal payments	4,267,169	4,267,169	4,267,169	-
Interest and fiscal charges	7,502,436	7,527,778	7,527,479	299
Capital projects	-	-	-	-
Total expenditures	11,769,605	11,794,947	11,794,648	299
Excess (deficiency) of revenues over (under) expenditures	(11,769,605)	(11,794,947)	(10,811,052)	983,895
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	11,769,605	11,794,947	11,794,648	(299)
Transfers (out)	-	-	-	-
Appropriation of fund balance	-	-	-	-
Total other financing sources (uses)	11,769,605	11,794,947	11,794,648	(299)
Net change in fund balance	-	-	983,596	983,596
Fund balance, beginning of year	-	-	1,374,976	1,374,976
Fund balance, end of year	\$ -	\$ -	\$ 2,358,572	\$ 2,358,572

## County of Albemarle, Virginia

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

	School Debt Service Fund			Variance From Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Other local taxes	\$ -	\$ -	\$ -	\$ -
Use of money and property	-	-	452,420	452,420
Permits, privilege fees, and regulatory licenses	-	-	-	-
Intergovernmental:				
Commonwealth	324,468	324,468	324,468	-
Federal Government	80,155	80,155	80,155	-
Total revenues	404,623	404,623	857,043	452,420
<b>EXPENDITURES</b>				
Current:				
Public works	-	-	-	-
Health and welfare	-	-	-	-
Community development	-	-	-	-
Total expenditures	-	-	-	-
Debt service:				
Principal payments	10,027,831	10,027,831	10,027,831	-
Interest and fiscal charges	6,795,574	6,805,589	6,804,790	799
Capital projects	-	-	-	-
Total expenditures	16,823,405	16,833,420	16,832,621	799
Excess (deficiency) of revenues over (under) expenditures	(16,418,782)	(16,428,797)	(15,975,578)	453,219
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	16,418,782	16,428,797	16,427,997	(800)
Transfers (out)	-	-	-	-
Appropriation of fund balance	-	-	-	-
Total other financing sources (uses)	16,418,782	16,428,797	16,427,997	(800)
Net change in fund balance	-	-	452,419	452,419
Fund balance, beginning of year	-	-	710,008	710,008
Fund balance, end of year	\$ -	\$ -	\$ 1,162,427	\$ 1,162,427

## County of Albemarle, Virginia

## Schedule of Revenues, Expenditures, and Changes in Fund Balances (Continued)

## Nonmajor Governmental Funds - Budget and Actual

For the Year Ended June 30, 2025

	Capital Projects Fund			
	Storm Water Control			
	Original Budget	Final Budget	Actual	Variance From Final Budget Positive (Negative)
<b>REVENUES</b>				
Other local taxes	\$ -	\$ -	\$ -	\$ -
Use of money and property	-	-	125,973	125,973
Other revenue	-	300,000	300,000	-
Permits, privilege fees, and regulatory licenses	-	-	-	-
Intergovernmental:				
Commonwealth	-	937,522	445,014	(492,508)
Federal Government	-	41,981	41,981	-
Total revenues	-	1,279,503	912,968	(366,535)
<b>EXPENDITURES</b>				
Current:				
Public works	-	-	-	-
Health and welfare	-	-	-	-
Community development	-	-	-	-
Total expenditures	-	-	-	-
Debt service:				
Principal payments	-	-	-	-
Interest and fiscal charges	-	-	-	-
Capital projects	-	2,674,731	881,556	1,793,175
Total expenditures	-	2,674,731	881,556	1,793,175
Excess (deficiency) of revenues over (under) expenditures	-	(1,395,228)	31,412	1,426,640
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Appropriation of fund balance	-	1,395,228	-	(1,395,228)
Total other financing sources (uses)	-	1,395,228	-	(1,395,228)
Net change in fund balance	-	-	31,412	31,412
Fund balance, beginning of year	-	-	2,606,471	2,606,471
Fund balance, end of year	\$ -	\$ -	\$ 2,637,883	\$ 2,637,883

## County of Albemarle, Virginia

**Component Unit School Board**  
**Combining Balance Sheet**  
June 30, 2025

	School Operating Fund	School Food Services Fund	School Activities Fund	School Capital Projects Fund	Total Governmental Funds
<b>ASSETS</b>					
Cash and investments	\$ 26,520,269	\$ 1,938,272	\$ 2,972,058	\$ 36,688,993	\$ 68,119,592
Investments - restricted	-	-	-	3,969,665	3,969,665
Accounts receivable	533,727	44,065	-	53,533	631,325
Due from other governments	7,870,447	977,526	-	-	8,847,973
Prepaid items	44,444	-	-	1,689	46,133
Inventories	200,758	142,968	-	-	343,726
Total assets	<u>\$ 35,169,645</u>	<u>\$ 3,102,831</u>	<u>\$ 2,972,058</u>	<u>\$ 40,713,880</u>	<u>\$ 81,958,414</u>
<b>LIABILITIES</b>					
Accounts payable and accrued liabilities	\$ 24,154,134	\$ 61,043	\$ -	\$ 12,284,478	\$ 36,499,655
Total liabilities	<u>24,154,134</u>	<u>61,043</u>	<u>-</u>	<u>12,284,478</u>	<u>36,499,655</u>
<b>FUND BALANCE</b>					
Nonspendable:					
Inventories and prepaid items	245,202	142,968	-	1,689	389,859
Restricted:					
Capital projects	-	-	-	3,969,665	3,969,665
Scholarships	-	-	57,457	-	57,457
Committed:					
Education					
Special revenue	10,770,309	2,898,820	2,914,601	-	16,583,730
Assigned:					
Capital Projects	-	-	-	24,458,048	24,458,048
Total fund balance	<u>11,015,511</u>	<u>3,041,788</u>	<u>2,972,058</u>	<u>28,429,402</u>	<u>45,458,759</u>
Total liabilities and fund balance	<u>\$ 35,169,645</u>	<u>\$ 3,102,831</u>	<u>\$ 2,972,058</u>	<u>\$ 40,713,880</u>	<u>\$ 81,958,414</u>

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, 2025**

Total fund balances for governmental funds		\$ 45,458,759
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	(2,879,941)	
Buildings and improvements, net of accumulated depreciation	145,452,572	
Lease buildings, net of depreciation	2,857,293	
SBITA and Lease equipment, net of depreciation	641,473	
Furniture, equipment, and vehicles, net of depreciation	15,204,353	
School Board capital assets in primary government, net of depreciation	<u>(115,757,634)</u>	
		53,556,441
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	52,347,355	
Deferred outflows related to OPEB	8,261,375	
Deferred inflows related to pensions	(20,858,840)	
Deferred inflows related to OPEB	<u>(11,269,065)</u>	
		28,480,825
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	(32,605,673)	
School energy improvement loan	(3,775,873)	
Lease liabilities	(2,810,926)	
Subscription liabilities	(625,698)	
Net pension asset	861,445	
Net pension liability	(118,830,144)	
Net OPEB liabilities	<u>(40,970,105)</u>	
		(198,756,974)
Total net position of governmental activities (Exhibit 1)		<u><u>\$ (71,260,949)</u></u>

**County of Albemarle, Virginia**  
**Component Unit School Board**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**For the Year Ended June 30, 2025**

	School Operating Fund	School Food Services Fund	School Activities Fund	School Capital Projects Fund	Total Governmental Funds
<b>REVENUES</b>					
Use of money and property	\$ 508,197	\$ 142,048	\$ -	\$ -	\$ 650,245
Charges for services	3,913,566	2,137,586	-	-	6,051,152
Miscellaneous	2,082,564	249,617	2,646,657	-	4,978,838
Recovered costs	1,181,337	-	-	33,098	1,214,435
Intergovernmental:					
Appropriation from primary government	203,106,508	-	-	10,170,007	213,276,515
Commonwealth	73,243,084	410,459	-	270,000	73,923,543
Federal Government	6,746,906	4,230,895	-	-	10,977,801
Total revenues	<u>290,782,162</u>	<u>7,170,605</u>	<u>2,646,657</u>	<u>10,473,105</u>	<u>311,072,529</u>
<b>EXPENDITURES</b>					
Current:					
Education:					
Instruction	187,005,892	-	2,626,400	-	189,632,292
Administration, attendance, and health	29,763,179	-	-	-	29,763,179
Transportation	16,838,038	-	-	-	16,838,038
Special programs	19,403,771	-	-	-	19,403,771
Facilities operations and maintenance	22,453,008	-	-	-	22,453,008
School food services	-	8,393,402	-	-	8,393,402
Technology	9,723,787	-	-	-	9,723,787
Contribution to primary government	3,164,883	-	-	-	3,164,883
Capital projects	3,552,428	-	-	34,094,963	37,647,391
Debt service:					
Principal	2,222,698	-	-	25,817	2,248,515
Interest	269,469	-	-	2,689	272,158
Total expenditures	<u>294,397,153</u>	<u>8,393,402</u>	<u>2,626,400</u>	<u>34,123,469</u>	<u>339,540,424</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,614,991)</u>	<u>(1,222,797)</u>	<u>20,257</u>	<u>(23,650,364)</u>	<u>(28,467,895)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	782,071	74,269	-	-	856,340
Transfers out	(656,340)	(200,000)	-	-	(856,340)
Issuance of subscription liability	307,864	-	-	-	307,864
Issuance of lease liability	3,244,564	-	-	-	3,244,564
Total other financing sources (uses)	<u>3,678,159</u>	<u>(125,731)</u>	<u>-</u>	<u>-</u>	<u>3,552,428</u>
Net change in fund balance	63,168	(1,348,528)	20,257	(23,650,364)	(24,915,467)
Fund balance, beginning of year	<u>10,952,343</u>	<u>4,390,316</u>	<u>2,951,801</u>	<u>52,079,766</u>	<u>70,374,226</u>
Fund balance, end of year	<u><u>\$ 11,015,511</u></u>	<u><u>\$ 3,041,788</u></u>	<u><u>\$ 2,972,058</u></u>	<u><u>\$ 28,429,402</u></u>	<u><u>\$ 45,458,759</u></u>

**County of Albemarle, Virginia**  
**Component Unit School Board**  
**Reconciliation of the Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances of Governmental Funds to the Statement of Activities**  
**June 30, 2025**

Net change in fund balances - total governmental funds \$ (24,915,467)

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful life 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	\$ 30,486,602	
Construction in progress deletions	(35,630,440)	
Lease asset additions	3,244,564	
Subscription asset additions	307,864	
Other improvements additions	28,725,627	
Furniture, equipment, and vehicle additions	7,696,059	34,830,276
Depreciation and amortization expense		(16,989,679)

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. (1,457,326)

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 construction in progress, buildings, and improvements transfers (22,673,433)

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 OPEB liability	2,915,791	
(Increase) in deferred inflows related to the measurement of the net pension liability	<u>(5,603,103)</u>	(2,687,312)

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	703,003	
Issuance of subscription liability	(307,864)	
Issuance of lease liability	(3,244,564)	
Principal retirement of lease and subscription liabilities	1,545,512	
Increase in deferred outflows related to the measurement of the net pension liability	6,413,180	
(Decrease) in deferred outflows related to the measurement of the net OPEB liabilities	(575,937)	
(Increase) of net OPEB liability	(885,560)	
(Decrease) of net pension asset	(590,377)	
Decrease of net pension liability	5,084,187	
(Increase) in compensated absences	<u>(440,711)</u>	<u>7,700,869</u>
Changes in net position of governmental activities (Exhibit 2)		<u>\$ (26,192,072)</u>

**County of Albemarle, Virginia**  
**Component Unit School Board - School Funds**  
**Budgetary Comparison Schedule**  
For the Year Ended June 30, 2025

	School Operating Fund			Variance From Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Use of money and property	\$ 260,000	\$ 260,000	\$ 508,197	\$ 248,197
Charges for services	4,229,625	4,229,625	3,913,566	(316,059)
Miscellaneous	1,000,962	1,000,962	2,082,564	1,081,602
Recovered costs	944,079	944,079	1,181,337	237,258
Intergovernmental:				
Appropriation from primary government	195,048,815	202,708,809	203,106,508	397,699
Commonwealth	71,655,489	73,151,286	73,243,084	91,798
Federal Government	6,662,687	6,662,687	6,746,906	84,219
Total revenues	279,801,657	288,957,448	290,782,162	1,824,714
<b>EXPENDITURES</b>				
Current:				
Education:				
Instruction	192,563,453	190,959,174	187,005,892	3,953,282
Administration, attendance, and health	15,668,821	25,281,739	29,763,179	(4,481,440)
Transportation	17,162,075	16,863,639	16,838,038	25,601
Special Programs	17,906,463	25,541,158	19,403,771	6,137,387
Facilities operations and maintenance	25,036,934	24,484,791	22,453,008	2,031,783
Food service operations	-	669,786	-	669,786
Technology	11,935,867	9,576,367	9,723,787	(147,420)
Contribution to primary government	3,045,786	3,000,000	3,164,883	(164,883)
Capital projects	-	-	3,552,428	(3,552,428)
Contingency	2,663,892	7,905,237	-	7,905,237
Debt service:				
Principal	849,600	849,600	2,222,698	(1,373,098)
Interest	-	-	269,469	(269,469)
Total expenditures	286,832,891	305,131,491	294,397,153	10,734,338
Excess (deficiency) of revenues over (under) expenditures	(7,031,234)	(16,174,043)	(3,614,991)	12,559,052
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	4,934,834	4,934,834	782,071	(4,152,763)
Transfers (out)	(1,437,267)	(4,482,174)	(656,340)	3,825,834
Issuance of subscription liability	-	-	307,864	307,864
Issuance of lease liability	-	-	3,244,564	3,244,564
Appropriation of fund balance	3,533,667	15,721,383	-	(15,721,383)
Total other financing sources (uses)	7,031,234	16,174,043	3,678,159	(12,495,884)
Net change in fund balance	-	-	63,168	63,168
Fund balance, beginning of year	-	-	10,952,343	10,952,343
Fund balance, end of year	\$ -	\$ -	\$ 11,015,511	\$ 11,015,511

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)
\$ 155,000	\$ 155,000	\$ 142,048	\$ (12,952)	\$ -	\$ -	\$ -	\$ -
2,538,043	2,538,043	2,137,586	(400,457)	-	-	-	-
-	-	249,617	249,617	-	-	-	-
-	-	-	-	-	10,940	33,098	22,158
-	-	-	-	4,211,018	10,170,007	10,170,007	-
116,280	116,280	410,459	294,179	270,000	270,000	270,000	-
3,847,073	3,847,073	4,230,895	383,822	-	-	-	-
6,656,396	6,656,396	7,170,605	514,209	4,481,018	10,450,947	10,473,105	22,158
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
6,656,396	10,909,407	8,393,402	2,516,005	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	70,683,083	131,308,221	34,094,963	97,213,258
-	-	-	-	-	-	25,817	(25,817)
-	-	-	-	-	-	2,689	(2,689)
6,656,396	10,909,407	8,393,402	2,516,005	70,683,083	131,308,221	34,123,469	97,184,752
-	(4,253,011)	(1,222,797)	3,030,214	(66,202,065)	(120,857,274)	(23,650,364)	97,206,910
-	-	-	-	-	-	-	-
-	-	74,269	74,269	59,827,647	95,533,426	-	(95,533,426)
-	-	(200,000)	(200,000)	-	-	-	-
-	4,253,011	-	(4,253,011)	6,374,418	25,323,848	-	(25,323,848)
-	4,253,011	(125,731)	(4,378,742)	66,202,065	120,857,274	-	(120,857,274)
-	-	(1,348,528)	(1,348,528)	-	-	(23,650,364)	(23,650,364)
-	-	4,390,316	4,390,316	-	-	52,079,766	52,079,766
\$ -	\$ -	\$ 3,041,788	\$ 3,041,788	\$ -	\$ -	\$ 28,429,402	\$ 28,429,402

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# Statistical Section



# County of Albemarle, Virginia

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### Statistical Section

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

**County of Albemarle, Virginia**  
**NET POSITION BY COMPONENT**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>Governmental activities</b>										
Net investment in capital assets	\$ 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	\$ 41,617,634
Restricted:										
Grant compliance	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	9,270,797
Unrestricted	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	127,979,180
Total governmental activities net position	<u>\$ 49,791,149</u>	<u>\$ 35,005,479</u>	<u>\$ 59,679,267</u>	<u>\$ 76,176,601</u>	<u>\$ 79,475,877</u>	<u>\$ 63,852,205</u>	<u>\$ 105,737,986</u>	<u>\$ 132,570,349</u>	<u>\$ 134,204,941</u>	<u>\$ 178,867,611</u>
<b>Component Unit - School Board</b>										
Net investment in capital assets	\$ 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	\$ 34,059,466
Restricted for net pension asset	-	-	-	-	-	-	4,081,244	2,648,580	1,451,822	861,445
Unrestricted	(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)	(106,181,860)
Total governmental activities net position	<u>\$ (72,850,975)</u>	<u>\$ (46,549,370)</u>	<u>\$ (104,910,625)</u>	<u>\$ (107,394,775)</u>	<u>\$ (110,554,940)</u>	<u>\$ (69,721,011)</u>	<u>\$ (64,873,422)</u>	<u>\$ (59,839,040)</u>	<u>\$ (17,944,720)</u>	<u>\$ (71,260,949)</u>

## County of Albemarle, Virginia

Changes in Net Position  
Last Ten Fiscal Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>Expenses</b>										
Governmental activities:										
General government administration	\$ 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	\$ 31,661,187
Judicial administration	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	5,788,768
Public safety	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	74,340,866
Public works	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	14,075,707
Health and welfare	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	52,001,961
Education	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	190,603,082
Parks, recreation, and cultural	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	13,150,806
Community development	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	42,311,313
Bond issuance costs	-	-	-	-	-	-	-	-	1,633,850	-
Interest on long-term debt	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	12,120,946
Total governmental activities expenses	<u>\$ 266,321,748</u>	<u>\$ 298,389,213</u>	<u>\$ 265,185,318</u>	<u>\$ 294,193,147</u>	<u>\$ 327,575,492</u>	<u>\$ 371,724,708</u>	<u>\$ 329,324,203</u>	<u>\$ 399,149,247</u>	<u>\$ 447,013,406</u>	<u>\$ 436,054,636</u>
<b>Program Revenues</b>										
Governmental activities:										
Charges for services:										
General government administration	\$ 397,260	\$ 382,375	\$ 407,226	\$ 402,374	\$ 533,458	\$ 575,409	\$ 159,810	\$ 23,833	\$ 53,239	\$ 85,758
Judicial administration	500,335	495,670	545,992	482,515	473,122	369,342	610,498	486,574	506,713	460,492
Public safety	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	4,913,877
Public works	102,082	92,316	63,340	96,292	59,844	48,660	-	-	-	48,137
Education	-	25,000	23,821	25,000	25,000	22,500	-	-	-	-
Parks, recreation, and cultural	336,689	314,000	312,151	333,205	155,050	41,994	280,282	321,860	341,968	338,775
Community development	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	3,820,305
Operating grants and contributions	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	50,236,837
Capital grants and contributions	3,356,618	1,440,477	1,541,603	947,025	763,951	460,212	1,625,099	1,255,909	364,969	982,201
Total governmental activities program revenues	<u>34,554,945</u>	<u>32,891,965</u>	<u>33,735,543</u>	<u>35,782,490</u>	<u>43,643,962</u>	<u>60,197,058</u>	<u>45,496,073</u>	<u>61,897,649</u>	<u>49,080,859</u>	<u>60,886,382</u>
Net (expense)/revenue										
Governmental activities	<u>\$ (231,766,803)</u>	<u>\$ (265,497,248)</u>	<u>\$ (231,449,775)</u>	<u>\$ (258,410,657)</u>	<u>\$ (283,931,530)</u>	<u>\$ (311,527,650)</u>	<u>\$ (283,828,130)</u>	<u>\$ (337,251,598)</u>	<u>\$ (397,932,547)</u>	<u>\$ (375,168,254)</u>
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities:										
Taxes:										
General property taxes, real and personal	\$ 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	\$ 309,651,245
Local sales and use taxes	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	26,631,311
Business license tax	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	19,052,647
Consumer utility taxes	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	4,756,068
Meals tax	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	18,269,650
Motor vehicle licenses taxes	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	4,391,297
Other local taxes	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	14,272,572
Unrestricted grants and contributions	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	19,335,575
Unrestricted revenues from use of money and property	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	12,106,902
Miscellaneous	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	2,047,122
Total governmental activities	<u>236,982,337</u>	<u>250,711,578</u>	<u>263,819,614</u>	<u>274,907,991</u>	<u>287,248,806</u>	<u>295,885,778</u>	<u>325,714,111</u>	<u>364,084,101</u>	<u>399,674,646</u>	<u>430,514,389</u>
<b>Change in Net Position</b>										
Governmental Activities	<u>\$ 5,215,534</u>	<u>\$ (14,785,670)</u>	<u>\$ 32,369,839</u>	<u>\$ 16,497,334</u>	<u>\$ 3,317,276</u>	<u>\$ (15,641,872)</u>	<u>\$ 41,885,981</u>	<u>\$ 26,832,503</u>	<u>\$ 1,742,099</u>	<u>\$ 55,346,135</u>

**County of Albemarle, Virginia**  
**Changes in Net Position (Continued)**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>Expenses</b>										
Component unit activities:										
Albemarle County Public Schools	\$ 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	\$ 313,376,733
Economic Development Authority	-	-	-	-	-	-	-	1,202,514	1,097,291	1,017,337
Total component unit activities program expenses	\$ 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	\$ 314,394,070
<b>Program Revenues</b>										
Component unit activities:										
Albemarle County Public Schools										
Charges for services:	\$ 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	\$ 6,051,152
Operating grants and contributions	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	84,631,344
Capital grants and contributions	1,026,000	1,752,000	1,000,000	960,000	960,000	960,000	960,887	4,115,335	1,068,537	270,000
Total ACPS program revenues	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	90,952,496
Economic Development Authority										
Operating grants and contributions	-	-	-	-	-	-	-	1,320,587	736,558	1,565,121
Total EDA program revenues	-	-	-	-	-	-	-	1,320,587	736,558	1,565,121
Total component unit activities program expenses	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	92,517,617
Net (expense)/revenue										
Albemarle County Public Schools	\$ (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)	\$ (222,424,237)
Economic Development Authority	-	-	-	-	-	-	-	118,073	(360,733)	547,784
Total Component Unit Activities	(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)	(221,876,453)
<b>General Revenues and Other Changes in Net Position</b>										
Component unit - School Board:										
Payment from COA: Education	\$ 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	\$ 190,603,082
Unrestricted revenues from use of money and property	1,206,650	1,123,464	1,294,270	1,418,504	680,369	149,533	307,009	521,893	810,636	650,245
Gain on sale of technical education center	-	-	-	-	-	-	-	-	5,300,000	-
Miscellaneous	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	4,978,838
Total Albemarle County Public Schools	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	196,232,165
Component Unit - Economic Development Authority:										
Unrestricted revenues from use of money and property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 29,595	\$ 42,292	\$ 44,197
Miscellaneous	-	-	-	-	-	-	-	4,532	-	-
Total Economic Development Authority	-	-	-	-	-	-	-	34,127	42,292	44,197
Total Component Unit Activities	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	196,276,362
<b>Changes in Net Position</b>										
Albemarle County Public Schools	\$ 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	\$ (26,192,072)
Economic Development Authority	-	-	-	-	-	-	-	152,200	(318,441)	591,981
Component unit activities	\$ 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	\$ (25,600,091)

**County of Albemarle, Virginia**  
**Governmental 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*
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
2025	309,651	26,631	18,269	4,756	4,391	1,601	2,430	19,053	-	826	9,418	397,026

\*amounts expressed in thousands



**County of Albemarle, Virginia**  
**Fund Balances of Governmental Funds (1)**  
**Last Ten Fiscal Years**  
(modified accrual basis of accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General fund										
Nonspendable	\$ 110,587	\$ 105,800	\$ 157,766	\$ 362,776	\$ 194,447	\$ 118,095	\$ 297,510	\$ 1,862,816	\$ 1,061,157	\$ 897,092
Committed	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	3,593,995
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	4,179,710
Unassigned	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	89,659,852
Total general fund	<u>\$ 47,933,071</u>	<u>\$ 56,305,119</u>	<u>\$ 83,493,623</u>	<u>\$ 55,777,957</u>	<u>\$ 59,716,620</u>	<u>\$ 81,519,760</u>	<u>\$ 74,239,428</u>	<u>\$ 91,326,581</u>	<u>\$ 97,878,688</u>	<u>\$ 98,330,649</u>
All other governmental funds										
Nonspendable										
Inventories and prepaid	\$ 36,548	\$ 24,364	\$ 12,180	\$ -	\$ -	\$ -	\$ 299	\$ 605,374	\$ 373,757	\$ 1,306,017
Restricted										
Grant compliance	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	9,270,797
Capital projects	-	-	-	-	-	9,237,024	1,645,949	113,743	28,403,215	8,371,547
Debt service funds	12,019,324	-	-	-	-	-	-	-	2,084,984	3,520,999
Committed										
Capital projects funds	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	38,222,151
Storm water projects	-	-	3,906,158	3,212,165	3,610,836	3,486,321	3,805,915	3,084,699	2,606,471	2,637,883
Special revenue	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	12,896,471
Unassigned	-	-	-	-	(33,349)	(33,349)	-	-	-	(1,992,087)
Total all other governmental funds	<u>\$ 50,529,543</u>	<u>\$ 44,377,291</u>	<u>\$ 48,893,218</u>	<u>\$ 38,668,424</u>	<u>\$ 27,874,765</u>	<u>\$ 30,710,541</u>	<u>\$ 50,921,029</u>	<u>\$ 59,243,066</u>	<u>\$ 97,203,913</u>	<u>\$ 74,233,778</u>

**County of Albemarle, Virginia**  
**Changes in Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>REVENUES</b>										
General property taxes	\$ 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	\$ 307,736,723
Other local taxes	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	87,373,545
Permits, privilege fees, and regulatory licenses	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	3,905,265
Fines and forfeitures	472,385	440,281	487,221	515,342	410,333	199,460	310,213	418,241	381,038	820,078
Revenue from use of money and property	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	11,681,250
Charges for services	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	4,942,001
Miscellaneous	481,659	282,926	1,774,308	1,042,099	3,103,735	1,488,500	3,832,495	2,708,973	777,860	1,670,658
Recovered costs	421,454	386,582	1,020,571	536,259	805,841	993,728	8,327,540	1,872,395	2,033,603	2,967,689
Other revenue	-	-	-	-	-	-	-	222,156	273,974	469,770
Intergovernmental:										
Contribution from School Board	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	3,164,883
Commonwealth	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	47,710,419
Federal	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	19,679,311
Total revenues	<u>\$ 276,679,701</u>	<u>\$ 286,188,428</u>	<u>\$ 300,681,978</u>	<u>\$ 313,668,557</u>	<u>\$ 329,649,541</u>	<u>\$ 357,314,517</u>	<u>\$ 377,338,643</u>	<u>\$ 428,445,507</u>	<u>\$ 449,280,126</u>	<u>\$ 492,121,592</u>
<b>EXPENDITURES</b>										
General government administration	\$ 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	\$ 27,433,222
Judicial administration	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	8,392,497
Public safety	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	73,410,367
Public works	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	11,612,838
Health and welfare	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	53,879,444
Education - local community college	23,510	23,981	164,934	164,255	164,008	24,048	-	-	-	-
Education - public school system	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	213,276,515
Parks, recreation, and cultural	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	11,798,830
Community development	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	40,703,716
Contingencies	632,799	621,493	605,666	548,509	523,728	596,120	1,179,255	578,652	5,653,935	3,009,365
Capital outlay	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	40,964,387
Debt service										
Principal	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	15,706,357
Interest and other fiscal charges	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	14,540,018
Issuance costs	-	-	-	-	-	-	-	-	1,633,850	-
Total expenditures	<u>\$ 292,755,794</u>	<u>\$ 328,783,381</u>	<u>\$ 299,027,546</u>	<u>\$ 321,609,017</u>	<u>\$ 336,504,540</u>	<u>\$ 419,597,951</u>	<u>\$ 384,770,413</u>	<u>\$ 402,965,505</u>	<u>\$ 581,741,426</u>	<u>\$ 514,727,556</u>
Excess (deficit) of revenues over (under) expenditures	<u>\$ (16,076,093)</u>	<u>\$ (42,594,953)</u>	<u>\$ 1,654,432</u>	<u>\$ (7,940,460)</u>	<u>\$ (6,854,999)</u>	<u>\$ (62,283,434)</u>	<u>\$ (7,431,770)</u>	<u>\$ 25,480,002</u>	<u>\$ (132,461,300)</u>	<u>\$ (22,605,964)</u>
Other financing sources (uses)										
Issuance of subscriptions	-	-	-	-	-	-	-	-	-	2,112,628
Transfers in	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	57,741,198
Transfers out	(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)	(57,773,949)
Bonds issued	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)	<u>43,278,732</u>	<u>56,834,073</u>	<u>50,000</u>	<u>-</u>	<u>-</u>	<u>86,922,353</u>	<u>20,061,926</u>	<u>(70,812)</u>	<u>174,982,167</u>	<u>2,079,877</u>
Net change in fund balances	<u>\$ 27,202,639</u>	<u>\$ 14,239,120</u>	<u>\$ 1,704,432</u>	<u>\$ (7,940,460)</u>	<u>\$ (6,854,999)</u>	<u>\$ 24,638,919</u>	<u>\$ 12,630,156</u>	<u>\$ 25,409,190</u>	<u>\$ 42,520,867</u>	<u>\$ (20,526,087)</u>
Debt service as a percentage of noncapital expenditures	7.01%	6.96%	8.37%	7.58%	7.13%	10.70%	11.67%	11.67%	5.40%	6.34%

**County of Albemarle, Virginia**  
**ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY**  
**Last Ten Fiscal Years**  
**(amounts expressed in thousands)**

<b>Fiscal Year</b>	<b>Real Estate (3)</b>	<b>Personal Property (1, 2)</b>	<b>Public Service</b>	<b>Total Taxable Assessed Value</b>	<b>Total Direct Tax Rate (4)</b>
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	1.032
2025	29,878,993	1,836,261	676,475	32,391,730	1.058

(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)
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	3.42/3.96	1.032
2025	.854/.894	3.96/4.28	.854/.894	3.96/4.28	1.058

(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

**County of Albemarle, Virginia**  
**PRINCIPAL PROPERTY TAXPAYERS**  
**CURRENT YEAR AND THE PERIOD NINE YEARS PRIOR (3)**  
**(Dollar Amounts Expressed in Thousands)**

Taxpayer	Fiscal Year 2025			Fiscal Year 2016		
	2025 Assessed Valuation (1)	Rank	% of Total Assessed Valuation (2)	2016 Assessed Valuation (3)	Rank (3)	% of Total Assessed Valuation
University Of Virginia Foundation- 98 Parcels	\$ 239,440	1	0.83%	\$ 209,368	1	1.20%
Westminster - Canterbury Of The Blue Ridge	160,231	2	0.55%	109,614	2	0.63%
5th Street Station Ventures LLC	111,054	3	0.38%	-		0.00%
Oct Stonefield Property Owner LLC	85,375	4	0.30%	-		0.00%
Reserve At Belvedere LLC	84,953	5	0.29%	42,519	10	0.24%
Brookhill Apartments LLC	82,836	6	0.29%	-		0.00%
Charlottesville Crossing Propco LLC (Abington Crossing Apts)	77,934	7	0.27%	-		0.00%
Maalp Stonefield Residential Property Owner LLC	75,147	8	0.26%	48,380	6	0.28%
The Ridge at North Pointe SPE LLC	74,848	9	0.26%	-		0.00%
OC Stonefield Residential Property Owner LLC	73,133	10	0.25%	-		0.00%
Albemarle Place EAAP, LLC	-		-	77,022	3	0.44%
Shopping Center Associates	-		-	73,441	4	0.42%
JDM II SF National LLC	-		-	68,520	5	0.39%
Martha Jefferson Hospital	-		-	47,564	7	0.27%
Columbia II Hollymead, LLC	-		-	45,743	8	0.26%
University Of Virginia Host Properties	-		-	42,886	9	0.25%
	<u>\$ 1,064,951</u>		<u>3.68%</u>	<u>\$ 765,057</u>		<u>4.38%</u>

(1) Based on January 1, 2025, real estate tax assessment records

(2) Average taxable Land Book total assessed value from 2024 and 2025 tax years. (see table 11)

(3) Based on January 1, 2016, real estate tax assessment records

(4) University Real Estate Foundation assessments combined beginning FY 2016

**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		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
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	270,403,247	98.31%	1,169,343	271,572,590	98.73%
2025	297,952,084	296,159,548	99.40%	-	296,159,548	99.40%

(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**

Fiscal Year	Governmental Activities									Percentage of Personal Income (1)(2)	Per Capita (1)
	General Obligation Bonds	School Pub. Facility Bonds	County Pub. Facility Bonds	Unamortized Bond Premium	Unamortized Bond Discount	Virginia Resource Authority	Leases	Subscriptions	Total Outstanding Debt		
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	-	-	3,625,065	1,879,284	185,044,315	1.27%	1,602
2024	38,705,000	122,763,340	156,096,661	20,355,218	(105,154)	-	3,363,882	1,193,325	342,372,272	2.07%	2,948
2025	33,290,000	118,150,509	151,829,492	17,708,575	(78,872)	-	3,072,760	2,185,718	326,158,182	N/A	2,769

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

(2) Information from external sources not available as of the report date and as such, not included.

**County of Albemarle, Virginia**  
**Percentage of Net General Bonded Debt to**  
**Assessed Value and Net Bonded Debt Per Capita**  
**Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Real Estate Assessed Value (1)</b>	<b>Net Bonded Debt (3)</b>	<b>Net General Bonded Debt as % of Assessed Value</b>	<b>Net Bonded Debt per Capita (2)</b>
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
2025	28,897,056,600	33,290,000	0.12%	283

(1) Real estate net of land use deferral using average of two included tax years.

(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 literary fund loans only.



## County of Albemarle, Virginia

Legal Debt Margin Information  
Last Ten Fiscal Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Debt limit	\$ 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	\$ 2,889,705,660
Total net debt applicable to limit	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	33,290,000
Legal debt margin	<u>\$ 1,539,850,521</u>	<u>\$ 1,580,715,132</u>	<u>\$ 1,674,856,200</u>	<u>\$ 1,773,989,325</u>	<u>\$ 1,881,108,900</u>	<u>\$ 1,972,493,300</u>	<u>\$ 2,116,895,400</u>	<u>\$ 2,423,241,747</u>	<u>\$ 2,682,018,486</u>	<u>\$ 2,856,415,660</u>
Total net debt applicable to the limit as a percentage of debt limit	4.12%	5.46%	4.53%	3.90%	3.32%	2.83%	2.33%	1.80%	1.42%	1.15%

## Legal Debt Margin Calculation for Fiscal Year 2025

Assessed value	<u>\$ 28,897,056,600</u>
Debt limit (10% of total assessed value)	\$ 2,889,705,660
Net debt applicable to limit	<u>33,290,000</u>
Legal debt margin	<u>\$ 2,856,415,660</u>

**County of Albemarle, Virginia**  
**Demographic and Economic Statistics**  
**Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Population (1)</b>	<b>Personal Income (2)(5)(6)</b>	<b>Per Capita Personal Income (2)(5)(6)</b>	<b>Median Age (1)</b>	<b>School Enrollment (3)</b>	<b>Unemployment Rate (4)</b>
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%
2025	117,790	N/A	N/A	39.8	14,173	3.5%

(1) U.S. Census Bureau (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

(6) Information from external sources not available as of the report date and as such, not included.

**County of Albemarle, Virginia**  
**Principal Employers**  
**Current Year and Nine Years Ago**

<b>Employer</b>	<b>Fiscal Year 2025</b>		<b>Fiscal Year 2016</b>	
	<b>Rank</b>	<b>Employees</b>	<b>Rank</b>	<b>Employees</b>
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	250 to 499		
Northrup Grumman Corporation	6	251 to 499	8	500 to 999
Walmart	7	252 to 499	10	250 to 499
Piedmont VA Community College	8	253 to 499	7	500 to 999
Atlantic Coast Athletic Club	9	254 to 499	6	250 to 499
Boar's Head Inn	10	255 to 499		
Troy Construction, LLC			8	250 to 499
State Farm Mutual Automobile Insurance			4	1,000 +
GE Fanuc Automation Manufacturing			9	250 to 499

Source: Virginia Employment Commission

**County of Albemarle, Virginia**  
**Full-Time Equivalent County Government Authorized Positions by Function**  
**Last Ten Fiscal Years**

Function	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Government										
Administration										
Board of Supervisors	2.5	2.5	2.8	3.0	3.0	3.0	3.0	4.0	4.00	4.00
County Executive (1)	9.5	9.5	9.5	19.8	20.8	18.0	20.5	22.8	23.00	23.00
Yancey School Community Center Grant	-	-	-	-	-	1.0	1.0	-	-	-
Human Resources	1.0	1.0	2.5	2.5	3.0	3.0	15.0	14.0	13.70	13.70
County Attorney	8.0	8.0	9.0	9.0	90.0	9.0	10.0	10.0	10.00	10.00
Finance (1)	55.8	55.8	58.8	60.8	62.8	62.8	73.1	71.9	77.50	77.50
F&B-Capital Fund	-	-	-	-	-	-	-	4.5	-	-
F&B-Health Fund	-	-	-	-	-	-	-	0.8	0.60	0.60
F&B-Grant Funded	-	-	-	-	-	-	-	1.0	-	-
Information Technology	22.0	22.0	21.5	23.0	27.0	27.0	29.0	35.0	38.00	39.00
Board of Elections (Registrar)	4.8	4.8	4.8	4.8	4.8	5.8	5.8	5.8	5.80	5.80
Judicial										
Circuit Court	1.0	1.0	1.0	1.0	2.0	2.0	2.0	2.0	1.00	1.00
Clerk of the Circuit Court	11.0	11.5	11.5	11.5	15.5	12.5	12.5	12.5	12.50	12.50
Sheriff	23.0	23.0	23.0	25.0	26.0	27.0	27.0	27.0	27.00	28.00
Commonwealth's Attorney	11.5	11.5	12.5	12.5	13.5	13.5	15.5	15.5	17.75	17.75
Public Safety										
Police	163.5	163.5	166.5	169.5	173.0	173.0	180.5	182.5	186.50	190.50
Victim Witness	2.0	2.0	2.0	2.0	2.0	2.0	2.0	3.0	3.00	3.00
Crime Analysis Grant	1.0	1.0	-	-	-	-	-	-	-	-
Problem-Oriented Policing	1.0	1.0	1.0	1.0	-	-	-	-	-	-
Fire/Rescue	109.0	109.0	113.0	119.5	121.5	142.5	139.0	147.0	148.00	177.00
FEMA Grant Fund #1 (4)	-	-	-	-	-	10.0	20.0	10.0	10.00	-
FEMA Grant Fund #2	-	-	-	-	-	-	-	10.0	10.00	10.00
FEMA Grant Fund #3	-	-	-	-	-	-	-	-	-	30.00
Public Works (5)										
Facilities & Environmental Services	26.3	26.3	27.3	28.3	28.3	29.3	29.5	32.3	44.75	45.75
Facilities - Project Mgmt.	8.5	8.5	9.0	9.0	11.5	11.5	11.5	11.5	-	-
Human Development										
Social Services	115.2	117.2	126.7	135.3	137.8	137.8	151.8	158.0	174.00	177.62
Housing Fund	-	-	-	-	-	-	-	1.0	1.00	-
Bright Stars	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	17.8	19.8	21.8	21.8	21.0	25.0	27.00	27.00
Towe Park	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.00	3.00
Community Development										
Community Development Department	66.5	68.5	72.5	76.5	75.5	75.5	76.5	77.5	76.50	77.50
Economic Development Office (3)	2.5	2.5	3.0	3.0	3.0	3.0	1.0	1.0	-	-
Housing	6.0	6.0	-	-	-	-	4.0	4.0	4.00	4.00
TJ Soil and Water Conservation	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.00	-
Totals	693.7	698.2	720.8	764.3	870.3	818.5	856.2	893.6	919.6	978.22

(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

**County of Albemarle, Virginia**  
**Operating Indicators by Function**  
**Last Ten Fiscal Years**

Function	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Public safety										
Police department:										
Physical arrests	3,157	2,753	2,278	3,120	2,094	2,855	1,766	2,630	2,630	2,741
Traffic violations	6,939	9,243	9,083	9,363	6,048	3,698	10,091	12,748	9,334	9,620
Fire and rescue:										
Number of calls answered	13,507	13,263	14,336	15,152	15,302	14,329	16,855	17,208	18,085	18,973
Zoning & current development										
New residential construction (unit #)	449	592	664	661	909	701	409	670	678	671
New commercial construction (unit #)	42	48	53	46	26	11	2	14	8	5
Health and welfare										
Department of Social Services:										
Caseload	16,612	N/A	13,647	21,229	15,682	15,682	16,944	22,899	26,613	23,994
Culture and recreation										
Parks and recreation:										
Middle school sports program participants	1,106	1,036	1,076	1,002	951	200	1,049	1,129	1,244	1,268
Fee-based classes/camps	1,767	1,850	2,758	3,095	766	394	1,018	936	1,296	1,438
Summer playground program	298	293	365	418	-	600	325	280	302	255
Men's basketball	340	350	320	320	320	-	320	246	190	240
Component Unit - School Board										
Education:										
School enrollment	13,737	13,790	13,927	14,013	14,435	13,532	13,749	13,970	13,749	14,173
Number of central office instructors	63	66	84	74	88	99	74	119	110	114
Number of elementary instructors	562	568	580	590	608	602	614	626	625	638
Number of secondary instructors	608	616	626	629	647	694	656	673	667	679

Source: Individual county departments

**County of Albemarle, Virginia**  
**Capital Asset Statistics by Function**  
**Last Ten Fiscal Years**

Function	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Government										
Administration vehicles	7	9	9	10	12	12	10	10	10	10
Judicial										
Sheriff's department patrol units (3)	39	44	44	49	49	49	60	61	61	40
Public safety										
Police department patrol units	220	223	223	243	244	244	252	283	285	270
Fire/Rescue department vehicles	52	63	63	64	62	62	85	95	93	80
Economic Development										
Economic Development	-	1	1	8	8	8	1	1	1	1
Community Development										
Planning	0	0	0	0	0	0	0	0	0	0
Zoning Vehicles	0	0	0	0	0	0	0	0	5	5
FES										
Facilities & Operations vehicles (1)	8	11	11	11	10	10	10	11	11	12
Facilities, Planning, & Construction/Environmental Services (1)	3	3	3	3	3	3	6	6	6	6
Facilities & Operations (2)	-	-	-	-	-	-	-	-	-	1
Pool vehicles	12	11	11	11	11	11	11	11	12	12
Health and Welfare Services										
Human Services vehicles	0	0	0	0	0	0	0	0	8	2
Social Services vehicles	16	13	13	13	14	14	15	15	9	17
Parks and recreation										
Community centers	3	3	4	4	4	4	4	4	4	4
Vehicles	29	29	29	29	34	34	28	29	36	41
Parks	38	38	39	39	39	39	39	39	41	41
Parks acreage	5,044	5,044	6,234	6,234	6,234	6,234	6,234	6,234	7,485	7,485
Tennis courts	36	36	36	36	36	36	36	36	36	36
Office of Housing										
Housing vehicles	1	1	1	1	1	1	2	2	2	2

(1) Department/Division Name Update or Changes

(2) New to Vehicle Inventory FY25

(3) Per Sheriff's Department in prior years they had listed all capital assets and not just vehicles. Listed for FY25 is just vehicles.



# Compliance Section



## **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, 2025, 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 5, 2025.

### **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 opinions 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.

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

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





## Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County'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*.**

### 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.



CERTIFIED PUBLIC ACCOUNTANTS

Harrisonburg, Virginia  
December 5, 2025

# County of Albemarle, Virginia

## Summary of Compliance Matters

June 30, 2025

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.

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### STATE COMPLIANCE MATTERS

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#### *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

## 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 acknowledgement identifies key individuals who shared in the development of this report; many others who assisted organizationally are not individually identified.

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