



**COUNTY OF SHENANDOAH, VIRGINIA**



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## BOARD OF SUPERVISORS\*

DISTRICT I: JOSHUA STEPHENS

DISTRICT II: STEVEN BAKER

DISTRICT III: BRADLEY POLLACK

DISTRICT IV: KARL ROULSTON

DISTRICT V: DENNIS MORRIS

DISTRICT VI: TIMOTHY TAYLOR

\*During Reporting Period

# INTRODUCTION

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The Shenandoah County Administration and Department of Finance are pleased to present the Popular Annual Financial Report (PAFR) for the fiscal year ended June 30, 2022. The PAFR provides a snapshot of the financial activities of the County for the period of July 1, 2021 through June 30, 2022. The PAFR includes summary data from a more detailed financial report, the Annual Comprehensive Financial Report (ACFR). The ACFR contains detailed financial statements, note disclosures, and schedules that are prepared in accordance with Generally Accepted Accounting Principles (GAAP). The ACFR is audited by a firm of licensed certified public accountants, Robinson, Farmer, Cox Associates, PLLC, and the ACFR has received an unmodified opinion. By its summary structure, the PAFR condenses financial information and does not conform to GAAP. Moreover, the PAFR focuses only on the primary government, which includes governmental and business-type activities, as well as the governmental fund, the General Fund. Complete financial information related to Shenandoah County Public Schools, a component unit of the County, is not contained in this PAFR.

This PAFR is intended to provide the public with important information about the County's financial condition in a concise and easily understandable format; as such, this PAFR supplements the ACFR and is not a substitute for the ACFR. The County's ACFR for the fiscal year ended June 30, 2022 is available in its entirety on the County's website at the following link:

<https://bit.ly/shenacfr22>

## **SHENANDOAH COUNTY EXECUTIVE LEADERSHIP**

**Evan Vass**

COUNTY ADMINISTRATOR

**Mandy Belyea**

DEPUTY COUNTY ADMINISTRATOR

**Amy Dill**

DIRECTOR OF FINANCE



Government Finance Officers Association

**Award for  
Outstanding  
Achievement in  
Popular Annual  
Financial Reporting**

Presented to

**County of Shenandoah  
Virginia**

For its Annual Financial Report  
For the Fiscal Year Ended

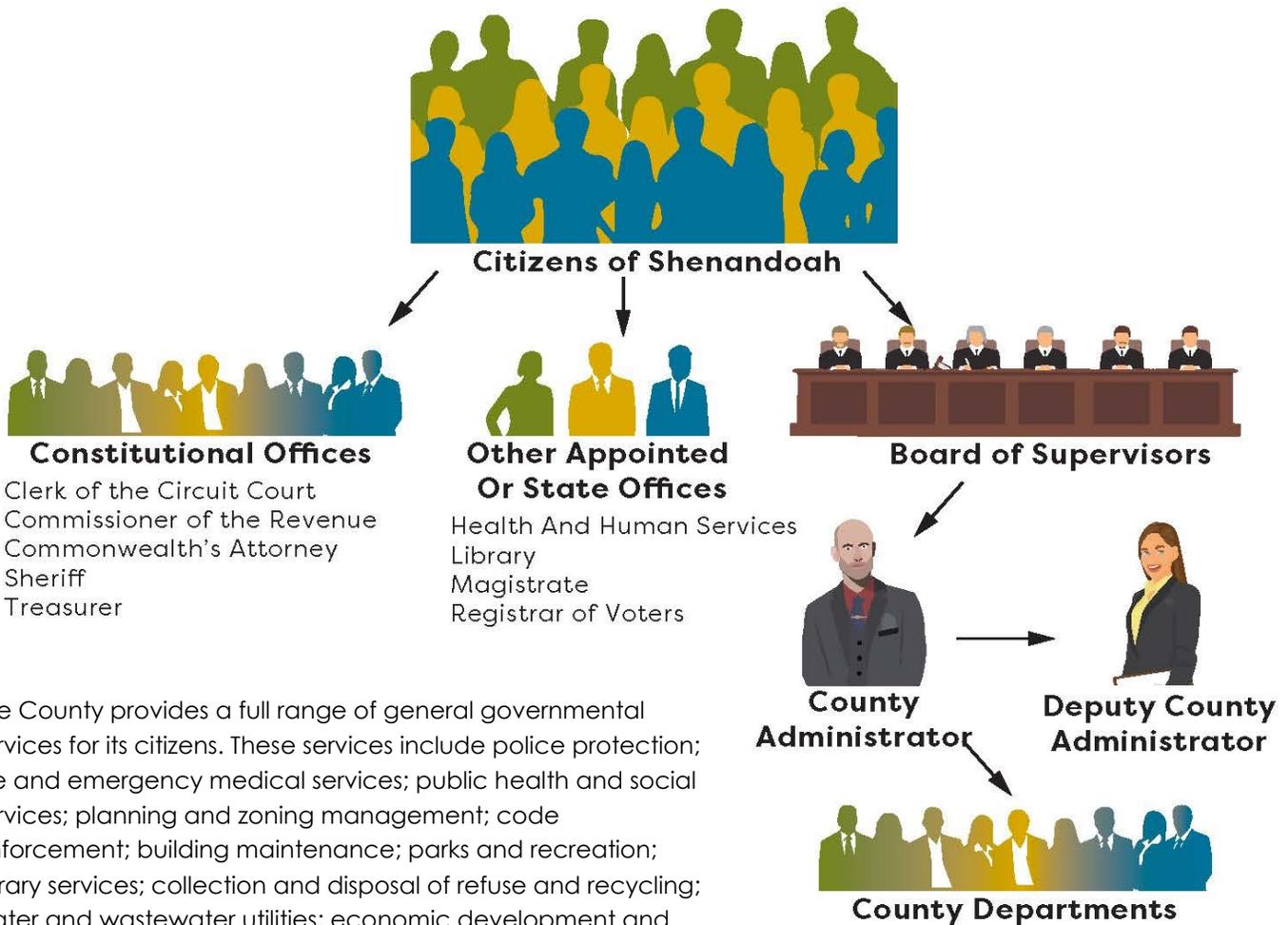
June 30, 2021

*Christopher P. Morill*

Executive Director/CEO

County of Shenandoah  
FY 2021 PAFR Award

# COUNTY OF SHENANDOAH GOVERNMENT



The County provides a full range of general governmental services for its citizens. These services include police protection; fire and emergency medical services; public health and social services; planning and zoning management; code enforcement; building maintenance; parks and recreation; library services; collection and disposal of refuse and recycling; water and wastewater utilities; economic development and tourism affairs; and general administrative services.

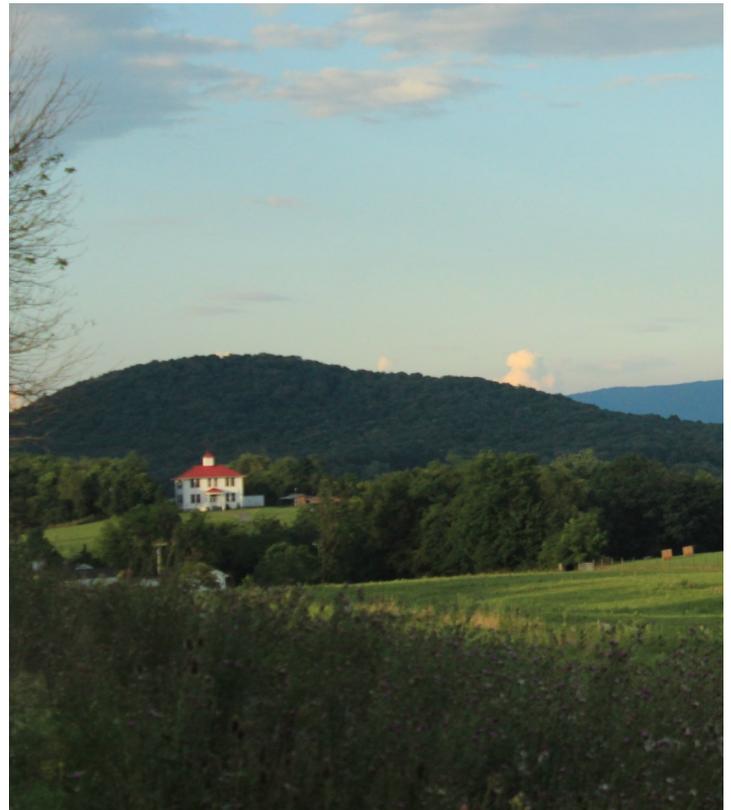
The Shenandoah County School Board, a component unit of the County, is a separate legal entity with an elected School Board. Although legally separate, the County is financially accountable and provides operating and capital funding for the Shenandoah County Public Schools (SCPS). The County's contribution to SCPS is denoted under the functional expense, "Education," within this PAFR. For more information about all financial activities for the SCPS, please see the FY2022 ACFR.

- Administration
- Animal Shelter
- Building Inspections
- Economic Development/Tourism
- Emergency Communications
- Finance
- Fire And Rescue Services
- General Properties
- GIS
- Parks And Recreation
- Planning And Zoning
- Public Utilities
- Solid Waste

# QUICK FACTS

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SHENANDOAH COUNTY,  
FORMED MAY 15, 1772,  
IS HOME TO **SIX**  
**INCORPORATED TOWNS**  
AS WELL AS **OVER**  
**100 UNINCORPORATED**  
**COMMUNITIES**



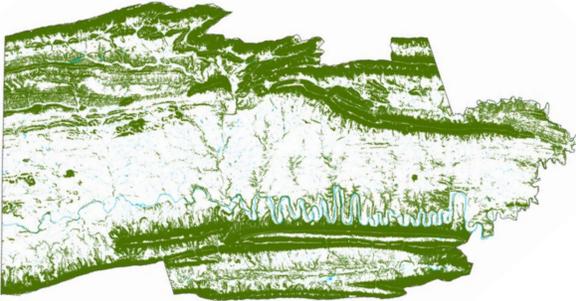
## TOP 10 EMPLOYERS\*

- |                                   |                                    |
|-----------------------------------|------------------------------------|
| 1. Shenandoah County School Board | 6. Winchester Regional Health, Inc |
| 2. George's Chicken               | 7. Masco Builder Cabinet Group     |
| 3. Shentel Management Company     | 8. Wal-Mart Associates, Inc        |
| 4. Bowman Andros Products         | 9. Food Lion, LLC                  |
| 5. County Of Shenandoah           | 10. Mercury Paper Inc              |

\*Source: Virginia Employment Commission - LMI [virginiaworks.com/Community-Profiles](https://www.virginiaworks.com/Community-Profiles)

# COUNTY STATISTICS

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## GEOGRAPHY

LAND	249.2 SQ. MI.
MOUNTAIN	249.2 SQ. MI.
WATER	13.6 SQ. MI.



## DEMOGRAPHICS

POPULATION	44,396
MEDIAN AGE	43.9
PER CAPITA PERSONAL INCOME	\$53,753
UNEMPLOYMENT	2.6%

## EDUCATION\*

HIGH SCHOOL	40%
SOME COLLEGE	21%
ASSOCIATES DEGREE	6%
BACHELORS DEGREE	12%
GRADUATE DEGREE+	6%



\*Source: Virginia Employment Commission - [virginiaworks.com](http://virginiaworks.com)

# SHENANDOAH COUNTY AT A GLANCE



## SHERIFF

1,230 TRAFFIC VIOLATIONS  
 12,276 CIVIL PAPERS SERVED  
 2,099 ANIMAL CONTROL CALLS ANSWERED



## FIRE & RESCUE

1 HEADQUARTERS  
 12 STATIONS  
 82 UNITS  
 10,829 CALLS ANSWERED



## RECREATION

342 RECREATION FACILITY PERMITS ISSUED  
 384 YOUTH SPORTS PARTICIPANTS  
 1 COMMUNITY CENTER  
 645 ACRES OF LAND



## PUBLIC WORKS: LANDFILL

13 CONVENIENCE SITES  
 172 TPD REFUSE COLLECTED  
 7 TPD RECYCLING  
\*TPD= TONS PER DAY

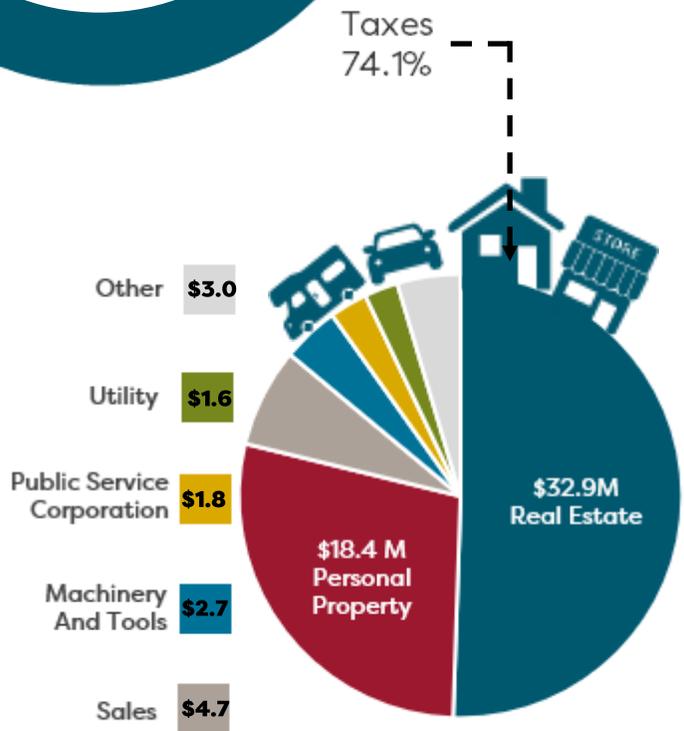
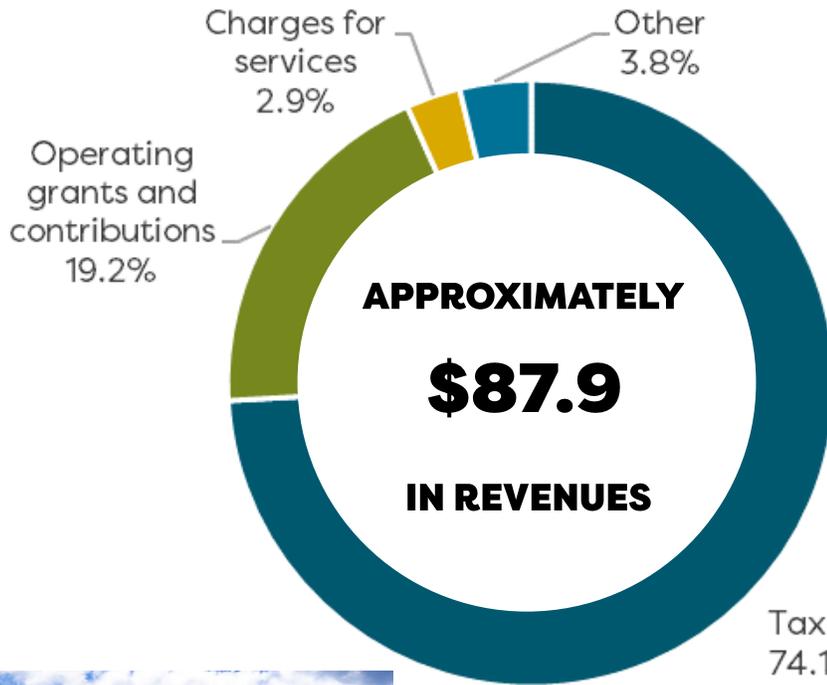


## EDUCATION

10 SCHOOLS  
 114 SCHOOL BUSES  
 5,618 STUDENTS ENROLLED  
 504 TEACHERS

\*Source: Individual County Departments

# PRIMARY GOVERNMENT REVENUES



# PRIMARY GOVERNMENT REVENUES & EXPENSES

The County's aggregate financial activities are made up of two all-encompassing classifications: governmental and business-type activities. Governmental Activities represent functions of the County that are principally supported by taxes and intergovernmental revenues, while business-type activities represent functions that are intended to recover all or a significant portion of their costs through user fees and charges. Additionally, there are two main sources of revenues: Program Revenues and General Revenues. Program Revenues include charges for services and program-specific grants and contributions. General Revenues include property and other local taxes, and other non-program specific revenues. The collective revenue for the County in FY2022 was \$93.76M compared to \$89.76M in FY2021. Furthermore, combined expenses for the County in FY 2022 were \$81.09M compared to \$83.49M in FY2021. Key elements impacting the increase in net position of the County's governmental activities include increased general property tax revenues associated with a significant increase in the valuation of personal property and a real estate tax increase effective January 1, 2021. Sales tax revenues increased, indicating a steady, growing local economy, and expenditures decreased due to multiple Community Development Grants administered in FY2021 ending. Business-type activities also saw an increased net position due to decreased maintenance expenditures for the Stoney Creek Sanitary District and increased charges for services in the Toms Brook Maurertown Sanitary District.

	PRIMARY GOVERNMENT				
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL FY 2022	TOTAL FY 2021	TOTAL FY 2020
<b>REVENUES</b>					
Program Revenues	17,447,388	4,073,554	21,520,942	24,580,329	16,301,671
General Revenues	71,665,905	573,225	72,239,130	65,177,119	62,648,041
<b>Total Revenues</b>	<b>89,113,293</b>	<b>4,646,779</b>	<b>93,760,072</b>	<b>89,757,448</b>	<b>78,949,712</b>
<b>EXPENSES</b>					
General Government	3,870,956	-	3,870,956	4,206,060	2,906,778
Judicial Administration	2,527,254	-	2,527,254	2,377,823	2,358,719
Public Safety	21,359,512	-	21,359,512	19,746,148	17,671,034
Public Works	1,393,594	-	1,393,594	1,471,966	1,401,848
Health And Welfare	11,724,892	-	11,724,892	12,065,852	10,356,776
Education	27,577,395	-	27,577,395	29,106,490	32,287,111
Parks, Recreation And Culture	2,517,604	-	2,517,604	2,068,448	2,407,958
Community Development	1,396,423	-	1,396,423	4,040,598	1,072,502
Interest	1,693,591	-	1,693,591	1,825,032	2,059,559
Business-Type Activities	-	7,033,725	7,033,725	6,577,458	5,243,532
<b>Total Expenses</b>	<b>74,061,221</b>	<b>7,033,725</b>	<b>81,094,946</b>	<b>83,485,875</b>	<b>77,765,817</b>
Transfers In (Out)	(1,317,587)	1,317,587	-	-	-
Increase (Decrease) In Net Position	13,734,485	(1,069,359)	12,665,126	6,271,573	1,183,895
Net Position - Beginning	42,329,616	1,648,090	43,977,706	37,780,214	36,596,319
Net Position - Ending	56,064,101	578,731	56,642,832	44,051,787	37,780,214

# GOVERNMENTAL ACTIVITIES NET POSITION

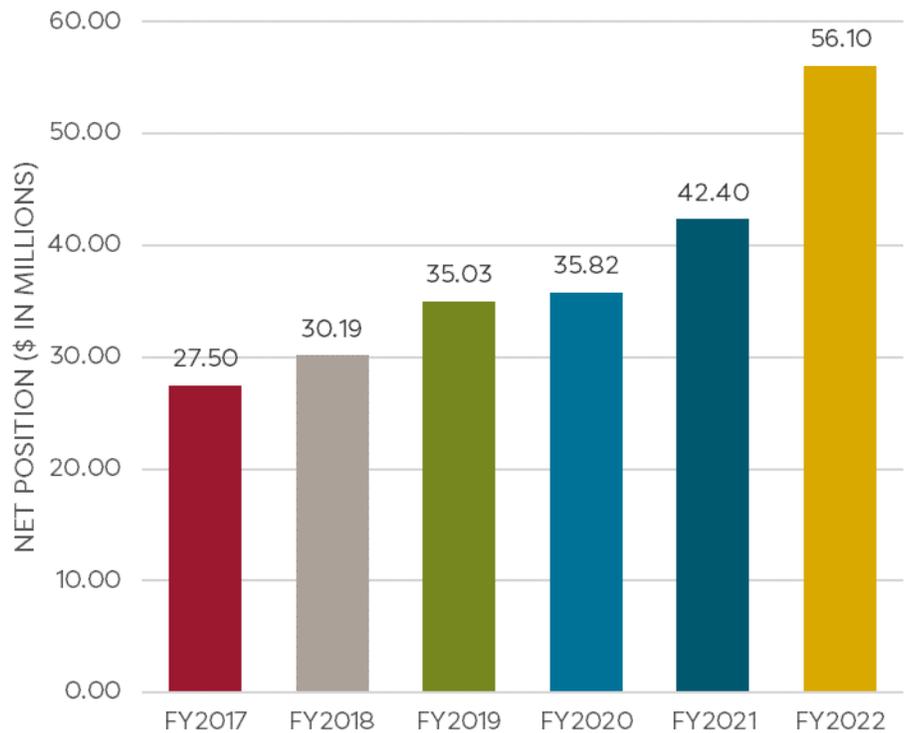
The County issues government-wide financial statements in its ACFR. These statements are designed to provide readers with a broad overview of the County. Included in this report is a "Statement of Net Position." This statement defines net position as the difference between all assets and all liabilities. **When analyzing the County's net position, it is important to consider the direction and rate at which the amount is increasing or decreasing, not merely the amount itself.**

Net Position is the difference between what the County owns and what the County owes.

Positive Net Position balances indicate a measure of financial stability.

The County's Net Position has increased steadily. This shows that the County is financially improving.

COUNTY-WIDE NET POSITION  
FY2017 - 2022



## NET POSITION IS BROKEN DOWN INTO THREE MAJOR CATEGORIES

### 1 NET INVESTMENT IN CAPITAL ASSETS:

Amount invested in capital assets less accumulated depreciation and outstanding balance of any debt used for construction or acquisition of the assets.

### 2 RESTRICTED NET POSITION :

Amounts that consist of resources that have limitations on their use.

### 3 UNRESTRICTED NET POSITION:

Remaining amounts that can be used to meet the County's ongoing obligations.

# PRIMARY GOVERNMENT NET POSITION

	PRIMARY GOVERNMENT				
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL FY 2022	TOTAL FY 2021	TOTAL FY 2020
<b>ASSETS</b>					
Current and Other Assets	95,948,334	3,150,819	99,099,153	72,884,100	70,152,358
Capital Assets	55,493,318	15,523,441	71,016,759	68,603,264	65,147,174
Deferred Outflows	4,497,214	387,297	4,884,511	5,419,074	2,870,916
<b>Total Assets + Deferred Outflows</b>	<b>155,938,866</b>	<b>19,061,557</b>	<b>175,000,423</b>	<b>146,906,438</b>	<b>138,170,448</b>
<b>LIABILITIES</b>					
Current Liabilities	11,409,789	258,124	11,667,913	6,446,437	7,808,781
Long-Term Liabilities	44,180,061	17,114,653	61,294,714	6,877,013	66,773,971
Deferred Inflows of Resources	44,284,915	1,110,049	45,394,964	27,638,201	25,807,482
<b>Total Liabilities + Deferred Inflows</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>102,854,651</b>	<b>100,390,234</b>
Net Investment in Capital Assets	25,266,213	11,574,663	36,840,876	30,711,939	31,445,295
Restricted	6,661,998	71,316	6,733,314	5,784,776	1,067,924
Unrestricted	24,135,890	(11,067,248)	13,068,642	7,555,072	5,266,995
<b>Total Net Position</b>	<b>56,064,101</b>	<b>578,731</b>	<b>56,642,832</b>	<b>44,051,787</b>	<b>37,780,214</b>



# PRIMARY GOVERNMENT LONG-TERM LIABILITIES

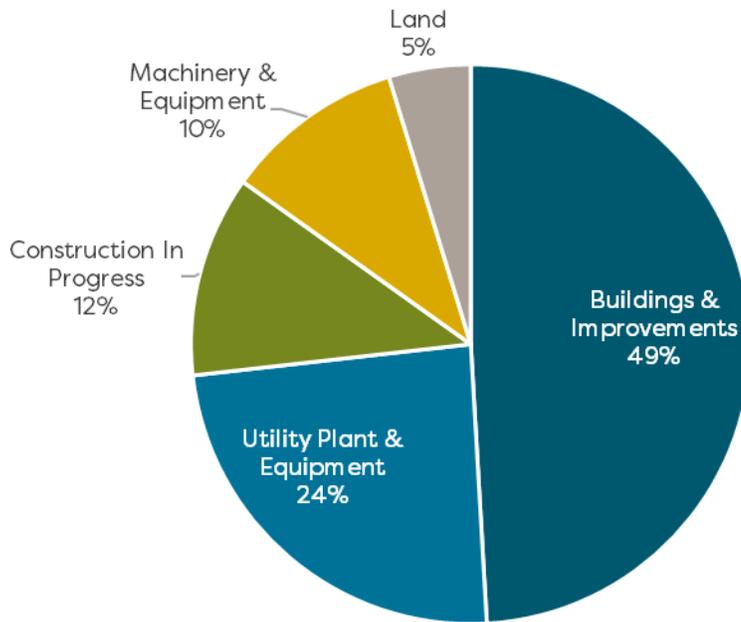
LONG-TERM LIABILITIES	PRIMARY GOVERNMENT				
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL FY 2022	TOTAL FY 2021	TOTAL FY 2020
General Obligation/Revenue Bonds	12,974,691	2,802,302	15,776,993	19,973,628	21,778,656
Bond Premium	1,852,138	412,842	2,264,980	2,501,303	2,440,775
Literary Loan Funds	-	-	-	-	314,500
Lease Revenue Bonds	24,535,000	-	24,535,000	19,575,000	19,790,000
Capital Leases	-	-	-	1,606,004	2,284,218
Notes Payable	-	358,865	358,865	494,837	626,720
Loans Payable	849,991	307,037	1,157,028	-	-
Lease Liabilities	237,647	-	237,647	-	-
Compensated Absences	1,076,478	140,991	1,217,469	1,285,902	1,281,889
Net Pension Liability	-	-	-	8,351,415	4,230,052
Net OPEB Liabilities	2,654,116	264,592	2,918,708	3,029,192	2,957,319
Landfill Closure and Post-Closure Care	-	12,828,024	12,828,024	11,952,732	11,069,842
<b>Total</b>	<b>44,180,061</b>	<b>17,114,653</b>	<b>61,294,714</b>	<b>68,770,013</b>	<b>66,773,971</b>

At the end of FY2022 the County had total bonded debt outstanding of \$42,576,973. The bonded debt outstanding comprises debt backed by the full faith and credit of the County.

Under the [Virginia Retirement System](#) (VRS), all full-time, salaried employees are automatically covered by a VRS retirement plan. Because benefit payments are due and payable after separation in accordance with the plan, the value of these benefits must be recognized as a liability to the County.

# PRIMARY GOVERNMENT CAPITAL ASSETS

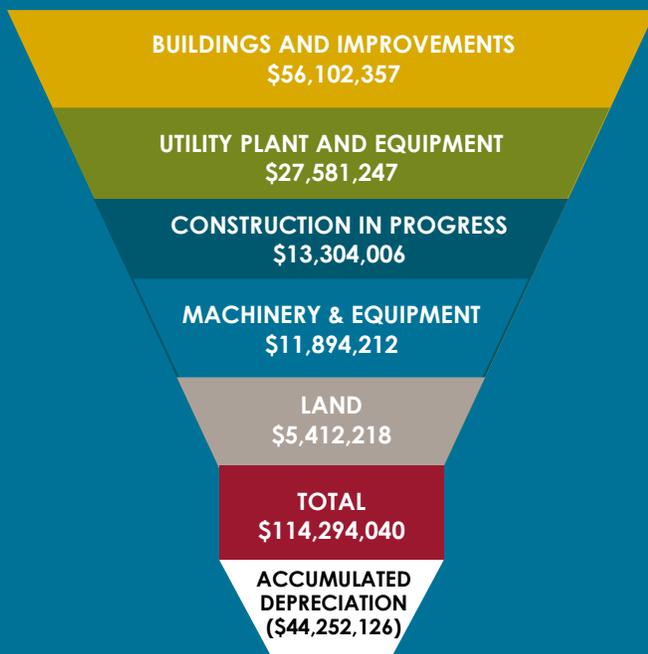
## WHERE TO FIND OUR CAPITAL ASSETS



Capital Assets are significant pieces of property such as facilities, parks, water lines, fire trucks, and construction projects.

The County's Capital Assets are split into two types with Land and Construction In Progress not being depreciated while Buildings, Improvements, Infrastructure, and Machinery and Equipment are being depreciated.

## HOW OUR CAPITAL ASSETS BREAK DOWN

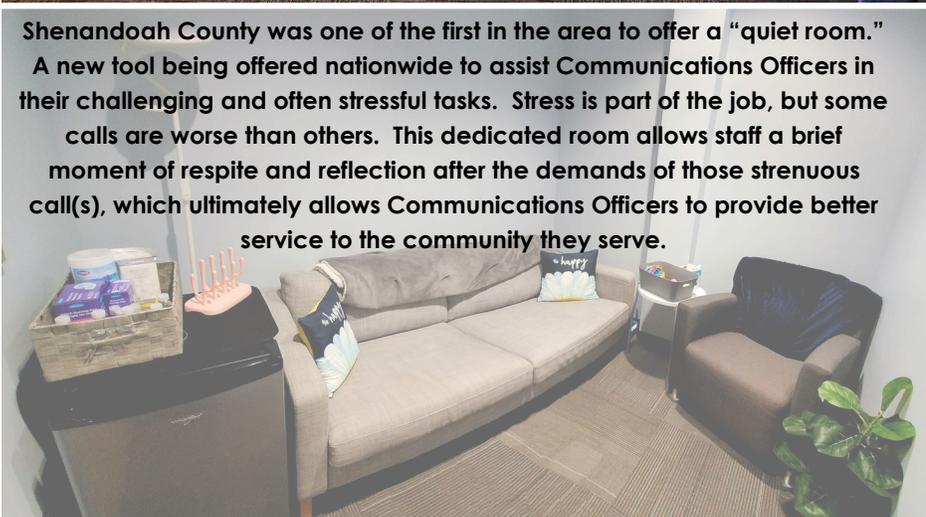
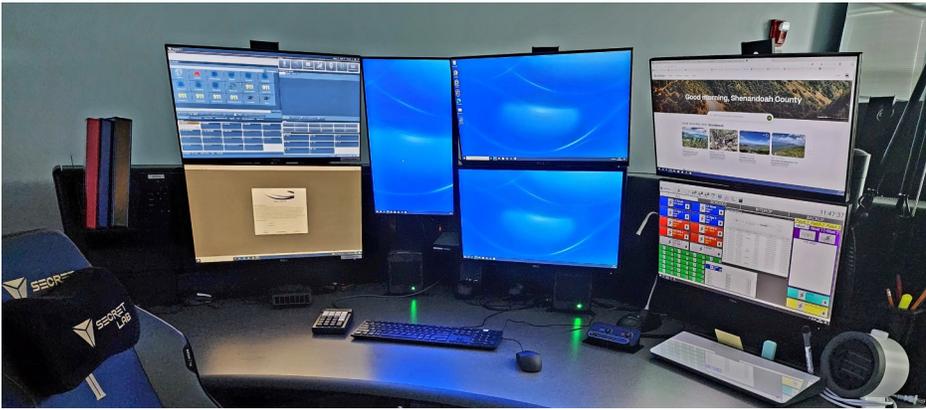


TOTAL CAPITAL ASSETS \$70.04M

Capital Assets for the County totaled \$70.04 M.

Capital Assets for Governmental Activities increased 3.5% or \$1.8 M from the prior year. Capital Assets for business-type activities decreased 1.2% or \$194K from the prior year.

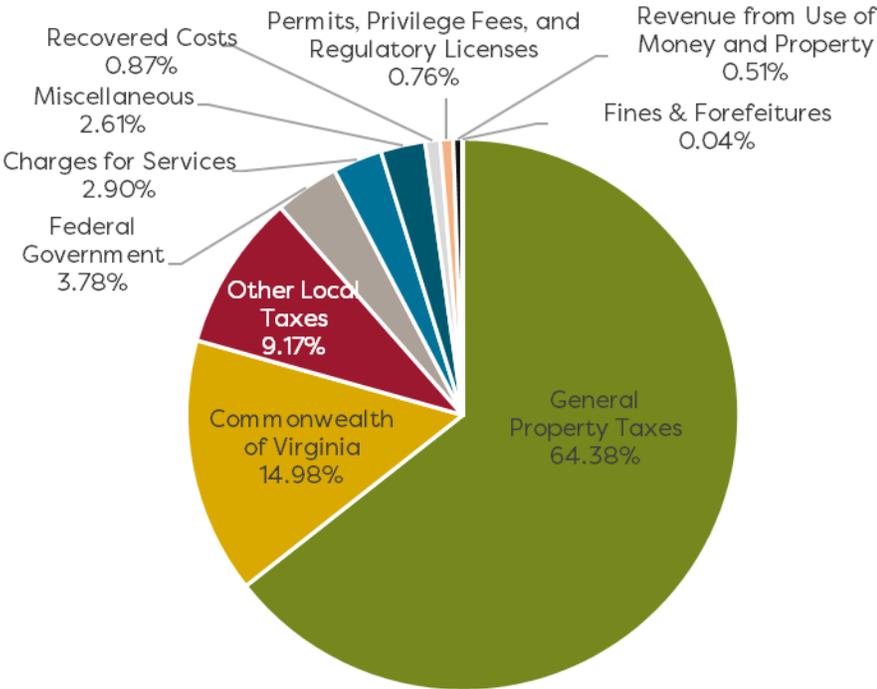
Construction In Progress increased by \$3.95 M or 42.3% from the prior year. This increase is attributed to the construction of the new Emergency Communications Center.



September 14, 2023, the County relocated their 911 center to a new, state-of-the-art facility. The new facility currently has eight dispatch positions that monitor all County deputies, town police officers, all volunteer and professional firefighters, EMTs, and fire marshals, as well as any supporting departments needed to assist in emergency and non-emergency calls for service while aiding our community members. The center features the upgraded Public Safety Radio System, Next-Generation 911, upgraded VESTA phone system, and various tools to ensure the safety of the community.

Shenandoah County was one of the first in the area to offer a “quiet room.” A new tool being offered nationwide to assist Communications Officers in their challenging and often stressful tasks. Stress is part of the job, but some calls are worse than others. This dedicated room allows staff a brief moment of respite and reflection after the demands of those strenuous call(s), which ultimately allows Communications Officers to provide better service to the community they serve.

# GENERAL FUND REVENUES



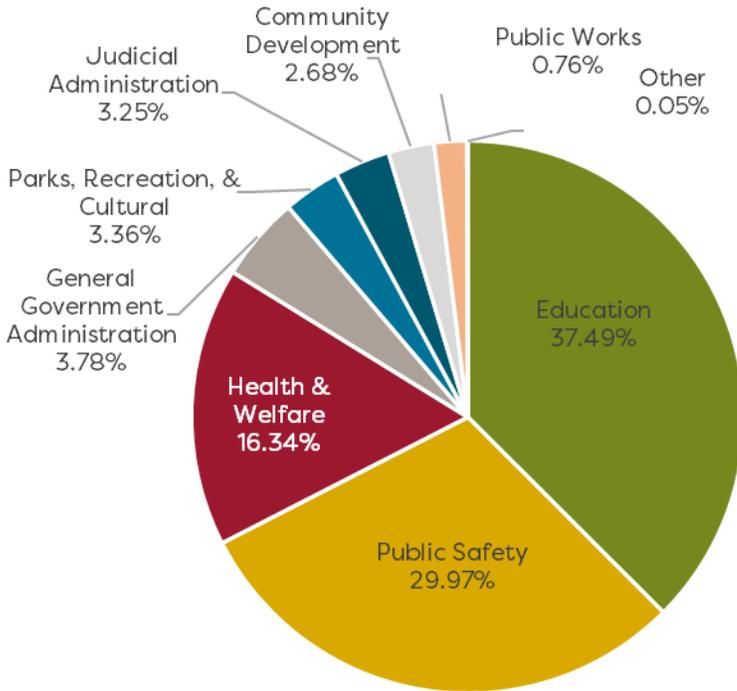
General Fund revenues of \$87.9 M were \$9.3 M more than budgeted, a 3% increase from the prior year.

The General Fund is the general operating fund of the County which is used to account for all of the financial resources, except those REQUIRED to be accounted for in another fund.

REVENUES	GENERAL FUND REVENUES		
	TOTAL FY 2022	TOTAL FY 2021	TOTAL FY 2020
General Property Taxes	56,998,543	50,937,428	48,206,372
Other Local Taxes	8,117,144	7,911,111	7,658,607
Permits, Privilege Fees, and Regulatory Licenses	675,224	664,815	521,730
Fines & Forfeitures	36,731	36,379	52,366
Revenue from Use of Money and Property	436,052	448,041	667,709
Charges for Services	2,566,812	1,794,750	2,122,848
Federal Government	3,345,770	10,354,848	2,488,636
Commonwealth of Virginia	13,259,116	12,123,609	11,953,904
Recovered Costs	771,935	528,055	484,538
Miscellaneous	1,723,757	606,095	747,251
<b>Total Revenues</b>	<b>87,931,084</b>	<b>85,405,131</b>	<b>74,903,961</b>

FY 2022 revenues were \$2.5M more than FY 2021 due to increased personal property tax collections that were higher than anticipated, as a result of greater than anticipated increases in personal property valuations. Real property taxes were more than FY 2021 due to a real property tax rate increase that was effective January 1, 2022.

# GENERAL FUND EXPENSES



General Fund expenses of \$74.96 M were 7.2% less than budgeted and do not include transfers to other funds.

This results in an increase of 4.7% or \$3.3 M from the prior year.

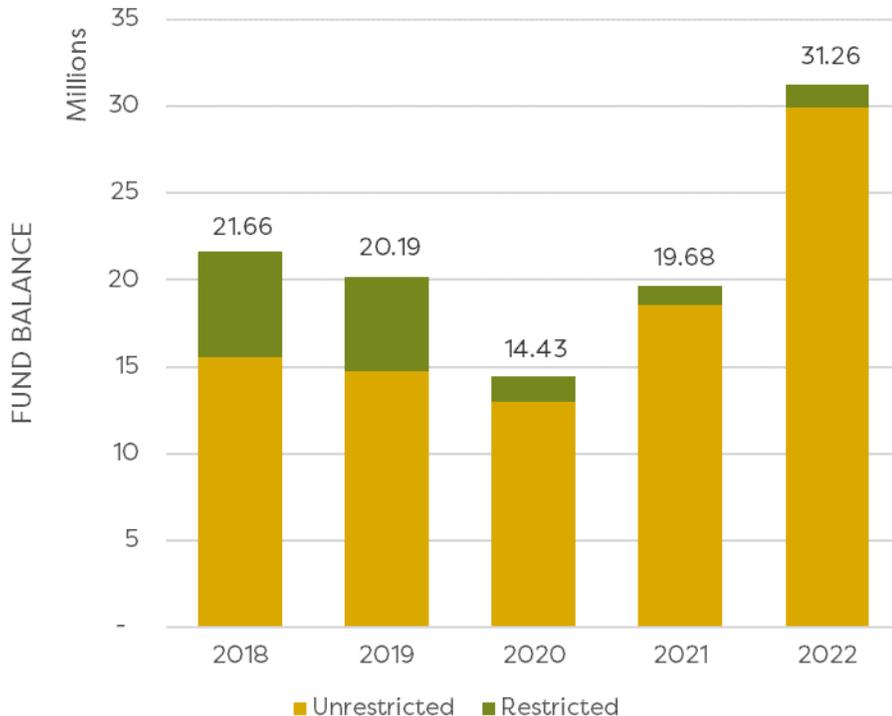
Transfers to other funds include \$1.3 M to fund capital projects, including construction of a new Emergency Communications Center and an emergency radio system replacement.

	GENERAL FUND EXPENSES		
EXPENSES	TOTAL FY 2022	TOTAL FY 2021	TOTAL FY 2020
General Government Administration	3,706,528	3,770,714	2,845,989
Judicial Administration	2,437,426	2,159,194	2,133,644
Public Safety	22,467,268	18,961,893	17,995,053
Public Works	1,433,805	1,449,966	1,342,442
Health & Welfare	12,247,451	12,231,084	10,732,125
Education	28,101,691	26,573,821	29,637,854
Parks, Recreation, & Cultural	2,520,247	2,005,987	2,386,781
Community Development	2,008,232	4,414,083	1,474,148
Other	37,662	56,943	8,026
<b>Total Expenses</b>	<b>74,960,310</b>	<b>71,623,685</b>	<b>68,556,062</b>

FY 2022 expenses were \$3.3M more than FY 2021 due to the first phase implementation of a classification and compensation study. Additionally, FY 2022 saw the addition of 7 new positions. Finally, support to the Department of Social Services was increased and inflationary pressures increased overall.

# GENERAL FUND FUND BALANCE

RESTRICTED			UNRESTRICTED			
Nonspendable		Restricted	Committed	Assigned	Unassigned	
are not in spendable form (i.e. inventory or prepaids)	legally or contractually required to stay intact	externally imposed by bond holders, grantors, or County Ordinances	must be used for specific purposes imposed by formal action of Board of Supervisors	may be redeployed for other purposes with appropriate due process	to be used for specific purposes: intent can be expressed by the Board or an official delegated by the Board.	amounts available for any purpose, only positive amounts are reported in the General Fund



**TOTAL FUND BALANCE FOR FY2022 WAS \$31.26 M.**

**THIS INCLUDES \$308 K IN NONSPENDABLE FUNDS, \$987 K IN RESTRICTED, \$2.7 M IN ASSIGNED, \$ 27.24 M IN UNASSIGNED.**

**THE COUNTY STRIVES TO MAINTAIN AN UNASSIGNED FUND BALANCE OF 12.5% OF TOTAL EXPENDITURES.**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2022, UNASSIGNED FUND BALANCE REPRESENTED 36% OF TOTAL GENERAL FUND EXPENDITURES. THIS IS HIGHER THAN USUAL DUE TO THE INCLUSION OF BOND FINANCING PROCEEDS OF \$5.7M .**



# SHENANDOAH

COUNTY

BE INSPIRED

