



**POPULAR ANNUAL FINANCIAL REPORT
FOR FISCAL YEAR ENDED JUNE 30, 2024**

Photo credit: Matthew Borkoski



COUNTY OF SHENANDOAH, VIRGINIA

MISSION STATEMENT:



The government of Shenandoah County is to promote an organizational environment that emphasizes the efficient delivery of high-quality services to the public, assist the Board of Supervisors in carrying out its strategic objectives, and effectively communicate information about County operations and services to the citizens, the Board of Supervisors, the public, the employees, and the media.





BOARD OF SUPERVISORS*

- Josh Stephens, Vice Chairman, District 1
- Steven A. Baker, District 2
- David Ferguson, District 3
- Karl Roulston, District 4
- Dennis Morris, Chairman, District 5
- Timothy F. Taylor, District 6



TABLE OF CONTENTS

COUNTY OF SHENANDOAH GOVERNMENT	5
QUICK FACTS	6
COUNTY STATISTICS	7
SHENANDOAH COUNTY AT A GLANCE	8
PRIMARY GOVERNMENT REVENUES	9
PRIMARY GOVERNMENT REVENUES & EXPENSES	10
GOVERNMENTAL ACTIVITIES NET POSITION	12
PRIMARY GOVERNMENT NET POSITION	13
PRIMARY GOVERNMENT LONG-TERM LIABILITIES	14
PRIMARY GOVERNMENT CAPITAL ASSETS	15
GENERAL FUND REVENUES	17
GENERAL FUND EXPENSES	18
GENERAL FUND FUND BALANCE	19

INTRODUCTION

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, 2024. The PAFR provides a snapshot of the financial activities of the County for the period of July 1, 2023 through June 30, 2024. 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, 2024 is available in its entirety on the County's website at <https://shenandoahcountyva.us/finance>.

SHENANDOAH COUNTY EXECUTIVE LEADERSHIP

Evan Vass, COUNTY ADMINISTRATOR
Mandy Belyea, DEPUTY COUNTY ADMINISTRATOR
Amy Dill, DIRECTOR OF FINANCE



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

**County of Shenandoah
Virginia**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

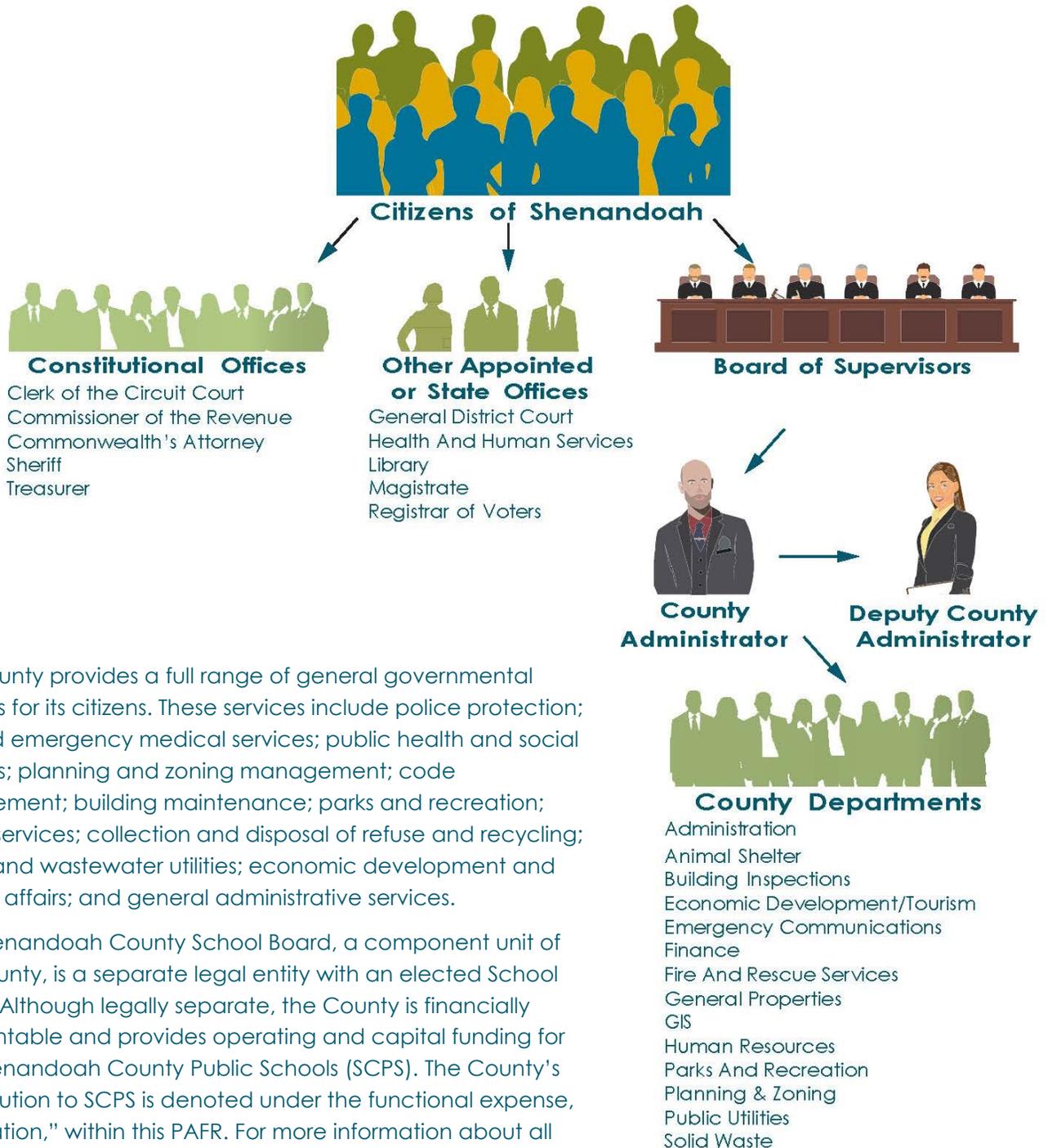
June 30, 2023

Christopher P. Morill

Executive Director/CEO

**County of Shenandoah
FY 2023 PAFR Award**

COUNTY OF SHENANDOAH GOVERNMENT

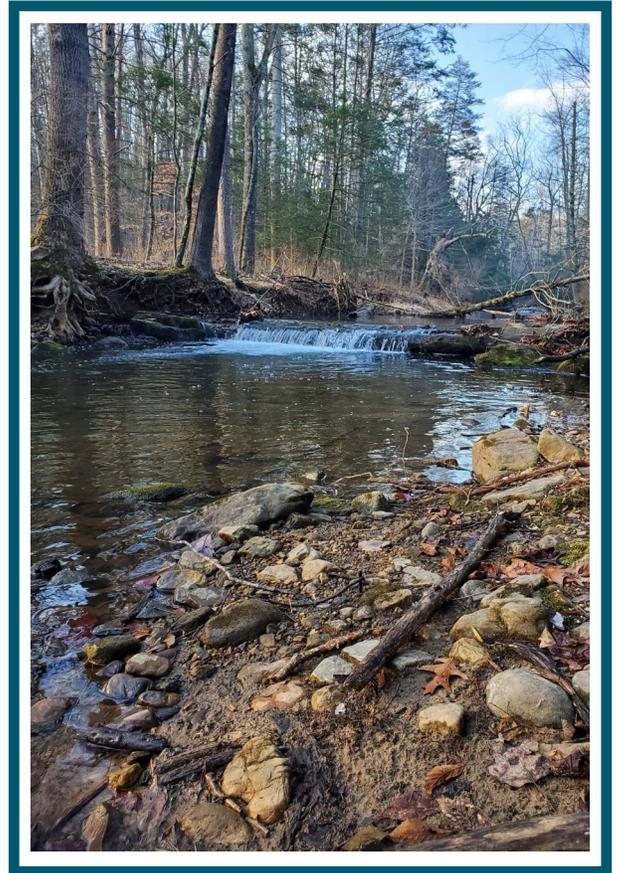


The County provides a full range of general governmental services for its citizens. These services include police protection; fire and emergency medical services; public health and social services; planning and zoning management; code enforcement; building maintenance; parks and recreation; library services; 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 FY2024 ACFR.

QUICK FACTS

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

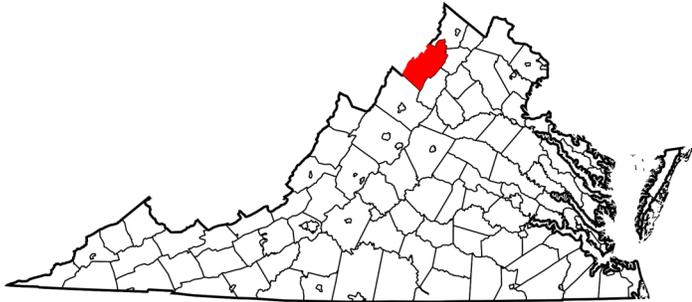


TOP 10 EMPLOYERS*

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

*Source: Virginia Works Economic Information & Analytics Division - viriniaworks.com/

COUNTY STATISTICS



GEOGRAPHY

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



DEMOGRAPHICS

POPULATION	45,228
MEDIAN AGE	43.6
PER CAPITA PERSONAL INCOME	\$56,651
UNEMPLOYMENT	2.7%

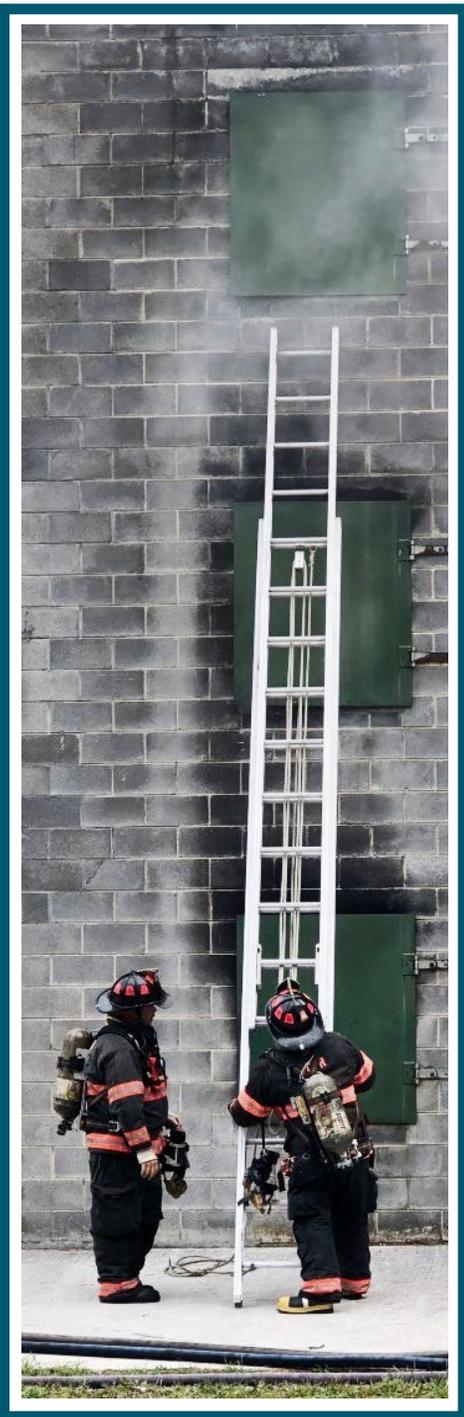
EDUCATION*



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

*Source: Virginia Works Economic Information & Analytics Department - virginiaworks.com/

SHENANDOAH COUNTY AT A GLANCE



SHERIFF

757	TRAFFIC VIOLATIONS
9,975	CIVIL PAPERS SERVED
2,113	ANIMAL CONTROL CALLS ANSWERED



FIRE & RESCUE

1	HEADQUARTERS
12	STATIONS
10,967	FIRE & RESCUE CALLS ANSWERED



RECREATION

627	RECREATION FACILITY PERMITS ISSUED
1283	YOUTH SPORTS PARTICIPANTS
2	COMMUNITY CENTERS
645	ACRES OF LAND



PUBLIC WORKS: LANDFILL

12	CONVENIENCE SITES
150 TPD	REFUSE COLLECTED
9 TPD	RECYCLING
*TPD= TONS PER DAY	

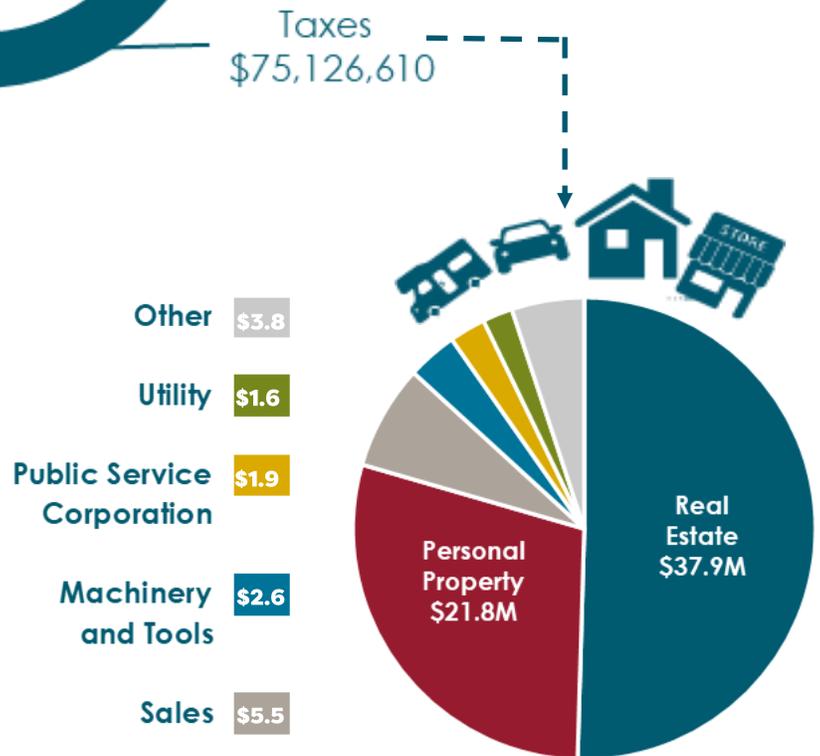
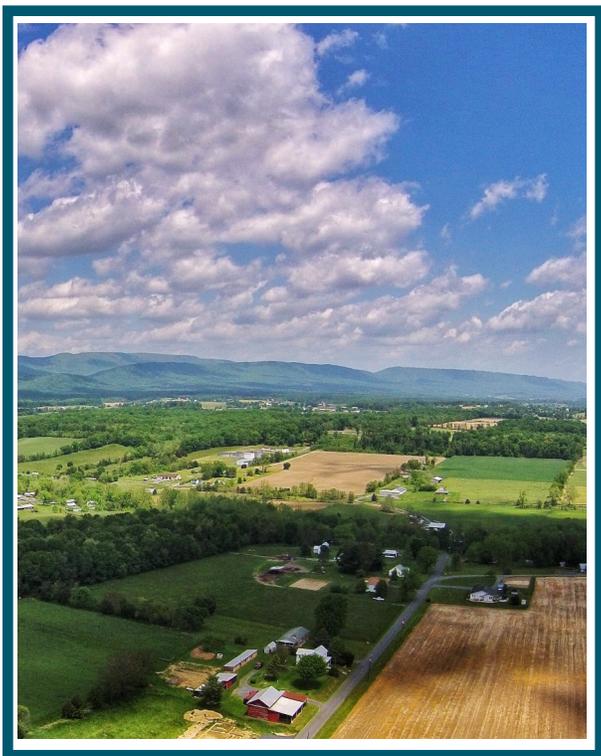
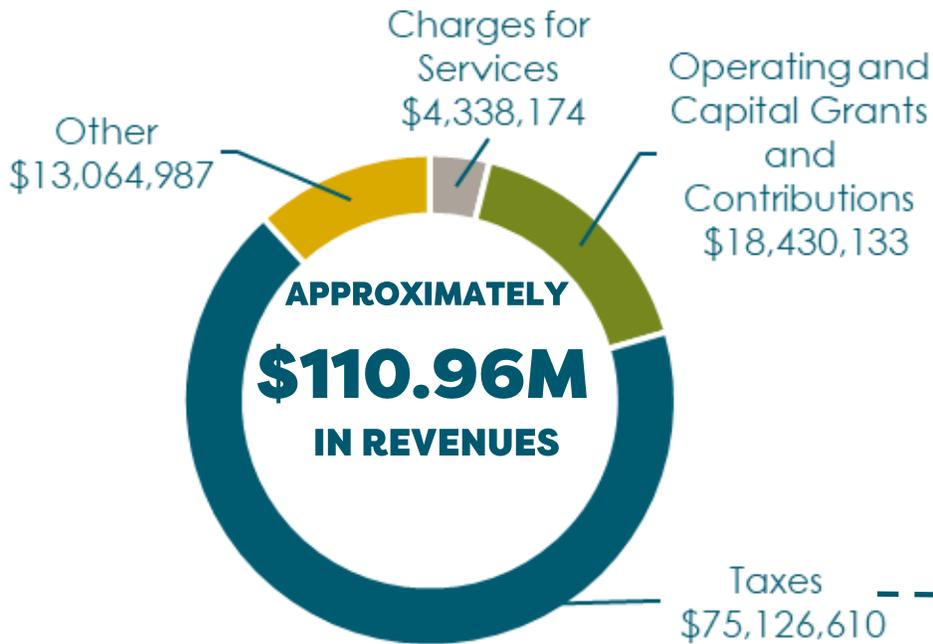


EDUCATION

10	SCHOOLS
114	SCHOOL BUSES
5,655	STUDENTS ENROLLED
481	TEACHERS

*Source: Individual County Departments

PRIMARY GOVERNMENT REVENUES



TAX REVENUES BY SOURCE
(IN MILLIONS)

PRIMARY GOVERNMENT REVENUES & EXPENSES

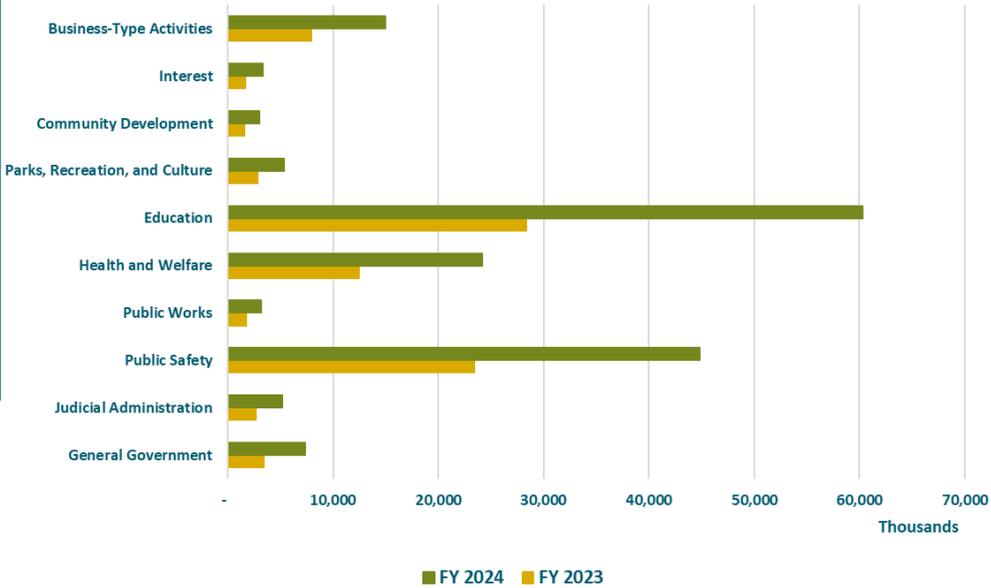
The County's aggregate financial activities are made up of two all-encompassing classifications: governmental and business-type activities. Governmental Activities represent functions of the County that are principally supported by taxes and intergovernmental revenues, while business-type activities 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 FY2024 was \$115.80M compared to \$104.11M in FY2023. Furthermore, combined expenses for the County in FY2024 were \$99.72M compared to \$85.93M in FY2023.

	PRIMARY GOVERNMENT				
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL FY 2024	TOTAL FY 2023	TOTAL FY 2022
REVENUES					
Program Revenues	22,768,307	4,150,066	26,918,373	22,196,790	21,520,942
General Revenues	88,191,597	690,312	88,881,909	81,915,380	72,239,130
Total Revenues	110,959,904	4,840,378	115,800,282	104,112,170	93,760,072
EXPENSES					
General Government	4,575,350	-	4,575,350	3,445,238	3,870,956
Judicial Administration	3,292,390	-	3,292,390	2,630,376	2,527,254
Public Safety	27,531,451	-	27,531,451	23,430,588	21,359,512
Public Works	1,734,246	-	1,734,246	1,760,037	1,393,594
Health And Welfare	10,477,640	-	10,477,640	12,437,107	11,724,892
Education	29,429,220	-	29,429,220	28,327,817	27,577,395
Parks, Recreation And Culture	3,578,986	-	3,578,986	2,789,164	2,517,604
Community Development	10,186,465	-	10,186,465	1,598,172	1,396,423
Interest	1,551,899	-	1,551,899	1,612,012	1,693,591
Business-Type Activities	0	7,360,095	7,360,095	7,900,384	7,033,725
Total Expenses	92,357,647	7,360,095	99,717,742	85,930,895	81,094,946
Transfers In (Out)	(1,991,199)	1,991,199	-	-	-
Increase (Decrease) In Net Position	16,611,058	(528,518)	16,082,540	18,181,275	12,665,126
Net Position - Beginning	71,991,025	(1,005,221)	70,985,804	52,218,766	43,977,706
Net Position - Ending	88,602,083	(1,533,739)	87,068,344	70,400,041	56,642,832

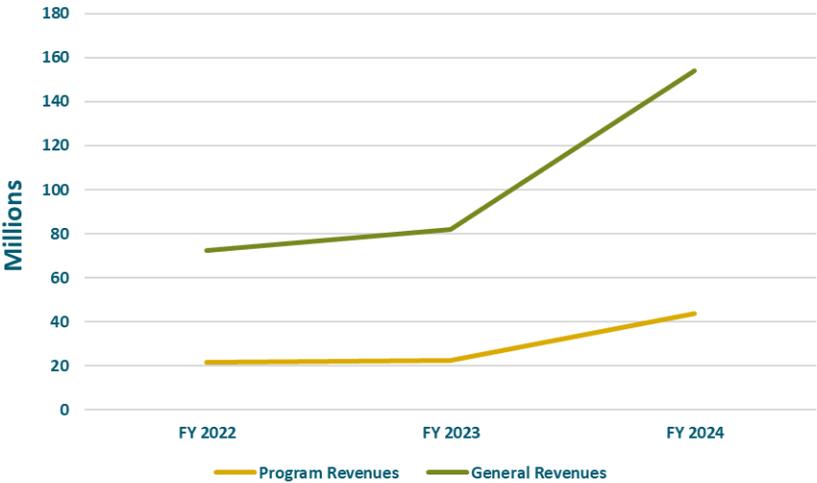
PRIMARY GOVERNMENT REVENUES & EXPENSES

Expenditures increased in FY 2024 compared to FY 2023 by \$14.3M primarily in general government administration, judicial administration, public safety, education, parks and recreation, and community development; as well as due to the continued expenditure of grant funds.

Expenses by Type by Fiscal Year



Revenues by Type by Fiscal Year



Key elements impacting the increase in net position of the County's governmental activities include increased general property tax revenues attributed to a real property tax rate increase effective in fiscal year 2024, as well as an increase in the valuation of personal property and increased tax rate also effective in fiscal year 2024. Unrestricted revenues from the use of money and property, and grants and contributions not restricted to specific programs increased by \$3.5M due to recognition of American Rescue Plan Act funds as projects were completed. Business-type activities saw an improvement in the change in net position between FY 2023 and 2024, however it recognized a decreased ending net position. This is due to the negative impact of the Landfill Fund requiring transfers from the General Fund; however, the General Fund assets benefit from this transfer.

GOVERNMENTAL ACTIVITIES NET POSITION

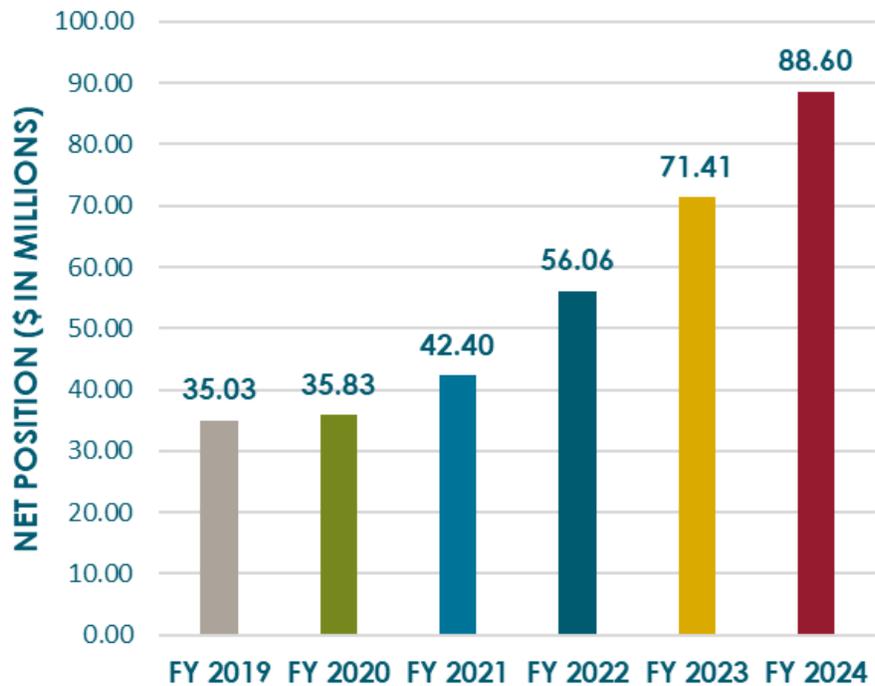
The County issues government-wide financial statements in its ACFR. These statements are designed to provide readers with a broad overview of the County. Included in this report is a "Statement of Net Position." This statement defines net position as the difference between all assets and all liabilities. **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 since FY 2020.

GOVERNMENTAL NET POSITION



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 2024	TOTAL FY 2023	TOTAL FY 2022
ASSETS					
Current and Other Assets	111,558,071	3,769,545	115,327,616	104,784,103	99,099,153
Capital Assets	63,630,883	13,826,504	77,457,387	78,359,038	71,016,759
Deferred Outflows*	3,152,919	373,636	3,526,555	3,954,906	4,884,511
Total Assets + Deferred Outflows	178,341,873	17,969,685	196,311,558	187,098,047	175,000,423
LIABILITIES					
Current Liabilities	6,969,217	416,169	7,385,386	10,583,737	11,667,913
Long-Term Liabilities	41,707,085	18,494,014	60,201,099	64,390,739	61,294,714
Deferred Inflows of Resources*	41,063,488	593,241	41,656,729	41,137,767	45,394,964
Total Liabilities + Deferred Inflows	89,739,790	19,503,424	109,243,214	116,112,243	118,357,591
Net Investment in Capital Assets	29,490,555	11,121,189	40,611,744	40,276,823	36,840,876
Restricted	1,829,281	0	1,829,281	1,583,299	6,733,314
Unrestricted	57,282,247	(12,654,928)	44,627,319	29,125,682	13,068,642
Total Net Position	88,602,083	(1,533,739)	87,068,344	70,985,804	56,642,832

*The [Governmental Accounting Standards Board \(GASB\)](#) defines deferred outflows of resources as the consumption of net assets by the government that is applicable to a future reporting period, while deferred inflows of resources refers to the acquisition of net assets by the government that is applicable to a future reporting period. Due to GASB pronouncements that have been implemented in recent years, government entities are now required to report both in their financial statements.



PRIMARY GOVERNMENT LONG-TERM LIABILITIES

LONG-TERM LIABILITIES	PRIMARY GOVERNMENT				
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL FY 2024	TOTAL FY 2023	TOTAL FY 2022
General Obligation/Revenue Bonds	6,719,137	2,224,800	8,963,937	11,419,457	15,776,993
Bond Premium	1,568,536	321,100	1,889,636	2,056,407	2,264,980
Literary Loan Funds	-	-	-	-	-
Lease Revenue Bonds	21,715,000	-	21,715,000	23,228,000	24,535,000
Capital Leases	-	-	-	-	-
Notes Payable	-	74,273	74,273	218,680	358,865
Loans Payable	6,282,742	65,142	6,347,884	6,207,184	1,157,028
Arbitrage Liabilities	140,891	-	140,891	82,879	-
Lease Liabilities	77,789	-	77,789	108,392	237,647
Subscription Liabilities	35,007	-	35,007	84,585	-
Compensated Absences	1,354,451	139,115	1,417,967	1,441,379	1,217,469
Net Pension Liability	874,922	95,177	970,099	2,218,429	-
Net OPEB Liabilities	3,014,209	287,544	3,301,753	2,704,911	2,918,708
Landfill Closure and Post-Closure Care	-	15,266,863	15,266,863	14,620,435	12,828,024
Total	41,707,085	18,494,014	60,201,099	64,390,738	61,294,714

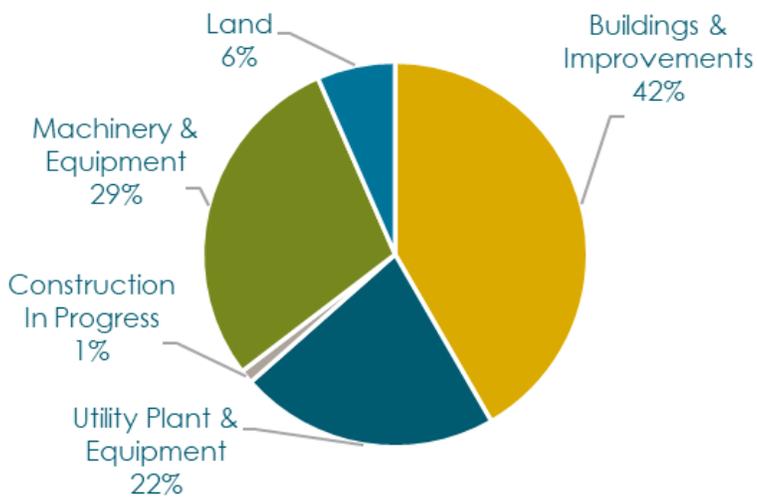
At the end of FY2024 the County had total bonded debt outstanding of \$32,568,573. The bonded debt outstanding comprises debt backed by the full faith and credit of the County.

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.



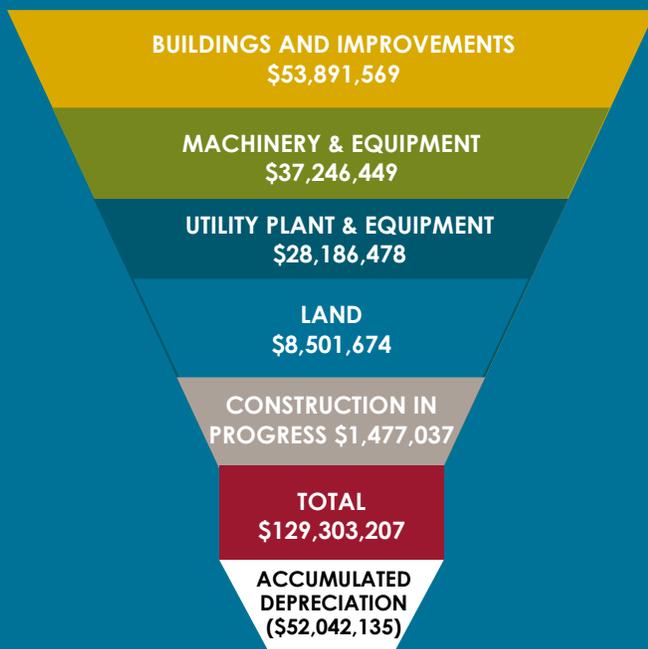
PRIMARY GOVERNMENT CAPITAL ASSETS

WHERE TO FIND OUR CAPITAL ASSETS



Capital Assets are significant pieces of property such as facilities, parks, water lines, heavy equipment, 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

Net Capital Assets for the County totaled approximately \$77.46 M.

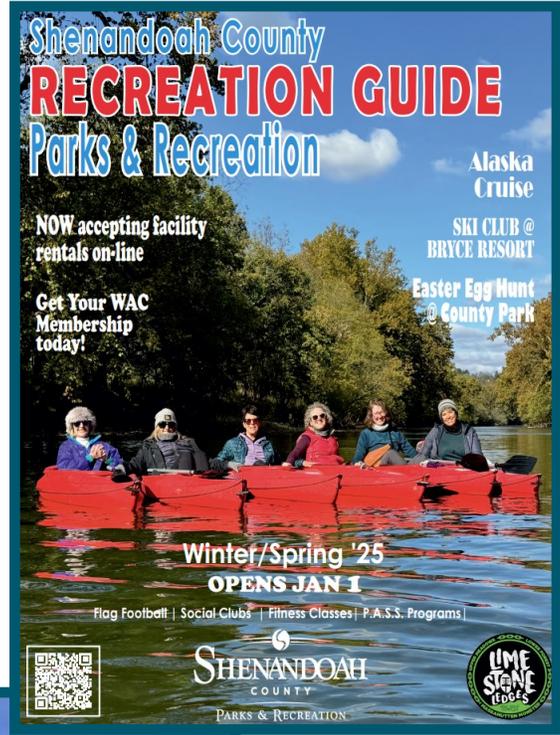
Net Capital Assets for Governmental Activities decreased 0.49% or \$0.31 M from the prior year. Net Capital Assets for business-type activities decreased 4.1% or \$0.59M from the prior year.

Construction In Progress increased by \$0.22M or 18.8% from the prior year. This increase is attributed to continued work on the Circuit Court HVAC project and the County's broadband initiative.



SHENANDOAH
COUNTY
PARKS & RECREATION

Shenandoah County purchased a Wellness and Activity Center in August, 2023, largely funded with American Rescue Plan Act proceeds. The Parks and Recreation department relocated its administrative offices to the new facility, which opened for public use in December, 2023. The facility offers paid memberships to citizens and non-citizens alike, and includes access to a variety of fitness equipment. This additional space has also allowed the Parks and Recreation department to expand its recreational program opportunities. To find out more about the Wellness and Activity Center or the many Parks and Recreation programs check out our [Recreation Guide](#).



Shenandoah County
RECREATION GUIDE
Parks & Recreation

Alaska Cruise
SKI CLUB @ BRYCE RESORT
Easter Egg Hunt @ County Park

NOW accepting facility rentals on-line
Get Your WAC Membership today!

Winter/Spring '25
OPENS JAN 1

Flag Football | Social Clubs | Fitness Classes | P.A.S.S. Programs

SHENANDOAH COUNTY
PARKS & RECREATION

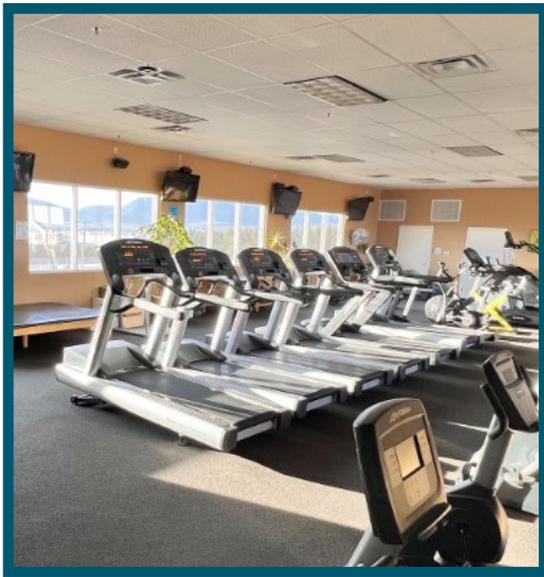
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STONE ISLAND

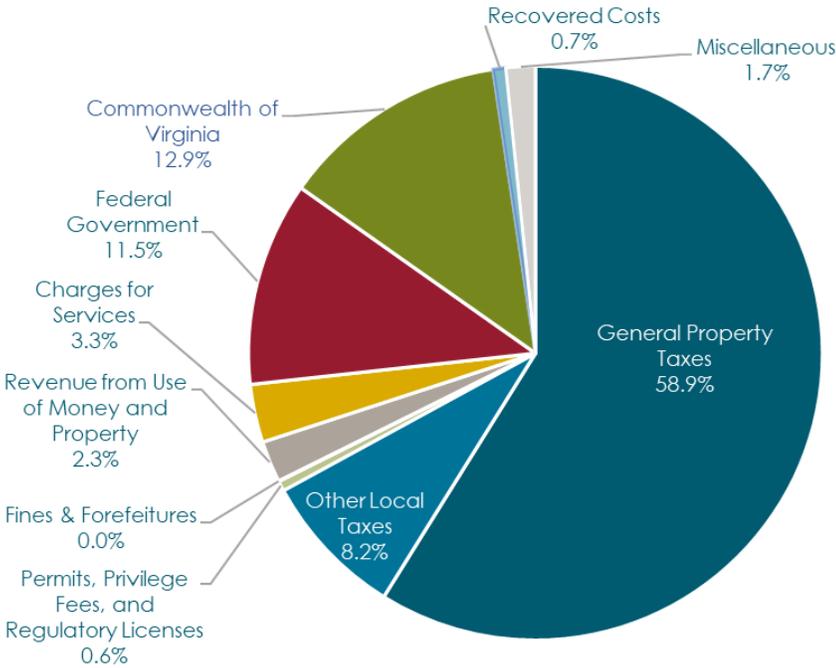


\$2.8 Million Dollars

88.8% American Rescue Plan Act Funded



GENERAL FUND REVENUES



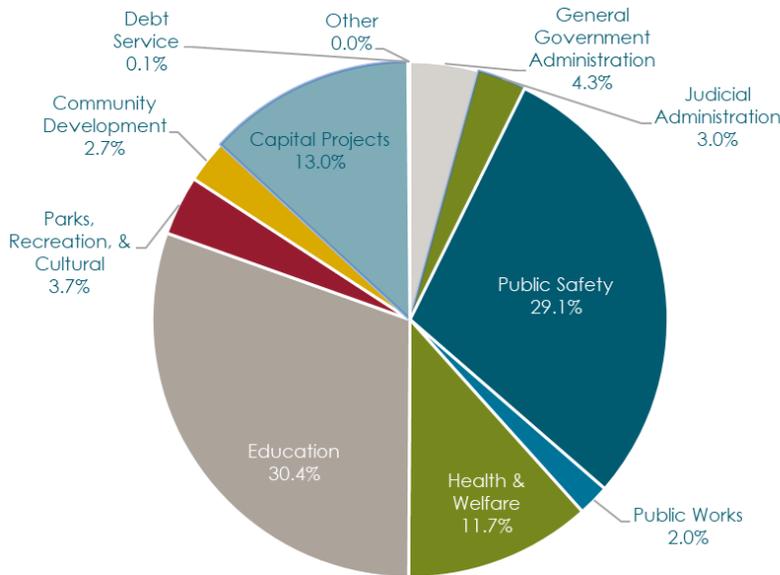
General Fund revenues of \$112 M were \$11.9M more than budgeted, a 13.8% increase from the prior year.

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 2024	TOTAL FY 2023	TOTAL FY 2022
General Property Taxes	65,928,141	62,651,435	56,998,543
Other Local Taxes	9,173,476	8,602,468	8,117,144
Permits, Privilege Fees, and Regulatory Licenses	642,249	495,720	675,224
Fines & Forfeitures	29,788	37,536	36,731
Revenue from Use of Money and Property	2,606,650	1,966,716	436,052
Charges for Services	3,666,137	3,359,042	2,566,812
Federal Government	12,895,952	3,928,150	3,345,770
Commonwealth of Virginia	14,405,258	13,945,120	13,259,116
Recovered Costs	798,794	729,840	771,935
Miscellaneous	1,850,949	2,523,628	1,723,757
Total Revenues	111,997,394	98,239,655	87,931,084

FY 2024 revenues were \$11.9M more than FY 2023 due to increased personal property tax collections that were higher than anticipated, greater than anticipated personal property valuations, real & personal property tax rate increases, receipt of increased grant funding, and the recognition of a portion of American Rescue Plan Act funds in FY 2024.

GENERAL FUND EXPENSES



General Fund expenses of \$93.3 M were \$11.7M less than budgeted and do not include transfers to other funds.

This results in an increase of 12.9% or \$10.66M from the prior year.

Transfers to other funds include \$5.5 M to fund capital improvements, including County government and Shenandoah County Public School capital projects.

GENERAL FUND EXPENSES

EXPENSES	TOTAL FY 2024	TOTAL FY 2023	TOTAL FY 2022
General Government Administration	4,004,975	3,632,845	3,706,528
Judicial Administration	2,829,172	2,513,046	2,437,426
Public Safety	27,109,929	24,180,862	22,467,268
Public Works	1,846,485	1,749,014	1,433,805
Health & Welfare	10,934,844	12,865,459	12,247,451
Education	28,329,101	31,296,917	28,101,691
Parks, Recreation, & Cultural	3,491,379	2,819,627	2,520,247
Community Development	2,516,294	2,283,464	2,008,232
Capital Projects	12,114,251	1,293,534	-
Debt Service	108,528	-	-
Other	16,712	2,334	37,662
Total Expenses	93,301,670	82,637,102	74,960,310

FY 2024 expenses were \$10.66M more than FY 2023 due to continued inflationary pressures on general operating expenditures, primarily in public safety; increased expenditures in Parks, Recreation & Cultural due to expenses associated with the new Wellness & Activity Center, and increased capital project expenditures, including FY 2023 projects that were carried forward into FY 2024.

GENERAL FUND FUND BALANCE

RESTRICTED

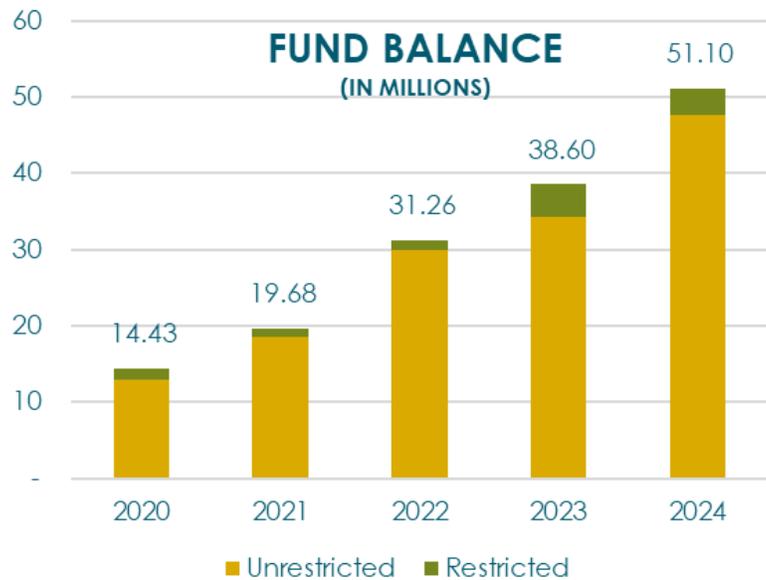
Nonspendable		Restricted
are not in spendable form (i.e. inventory or prepaids)	legally or contractually required to stay intact	externally imposed by bond holders, grantors, or County Ordinances
Examples: Inventory Prepaid Expenditures	Examples: Opioid Settlement Funds Construction	Examples: Debt service proceeds Asset forfeiture

UNRESTRICTED

Committed	Assigned	Unassigned
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 FY2024 WAS \$51.1M

THIS INCLUDES \$0.73M IN NONSPENDABLE FUNDS: \$2.68M IN RESTRICTED, \$9.94M IN ASSIGNED, and \$37.75M IN UNASSIGNED.



FOR THE FISCAL YEAR ENDED JUNE 30, 2024, UNASSIGNED FUND BALANCE REPRESENTED 40% OF TOTAL GENERAL FUND EXPENDITURES. THIS INCREASE IS DUE IN PART TO UNANTICIPATED REVENUES DUE TO REAL & PERSONAL PROPERTY RATE INCREASES WITH THE ADOPTION OF THE FY 2025 BUDGET, AND FLUCTUATING PERSONAL PROPERTY VALUES.

THE COUNTY STRIVES TO MAINTAIN AN UNASSIGNED FUND BALANCE OF 12.5% OF TOTAL EXPENDITURES. THE COUNTY WILL BE REEVALUATING THE FUND BALANCE POLICY IN FISCAL YEAR 2025 FOR POSSIBLE REVISION TO ENSURE ADEQUATE CASH FLOWS ARE AVAILABLE IN RESERVES.



To find out more about Shenandoah County please visit our
website at www.shenandoahcountyva.gov

