



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, Chairman, District 1

Steven A. Baker, District 2

David Ferguson, District 3

Karl Roulston, District 4

Dennis Morris, Vice-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, 2025. The PAFR provides a snapshot of the financial activities of the County for the period of July 1, 2024 through June 30, 2025. 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, 2025 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

**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

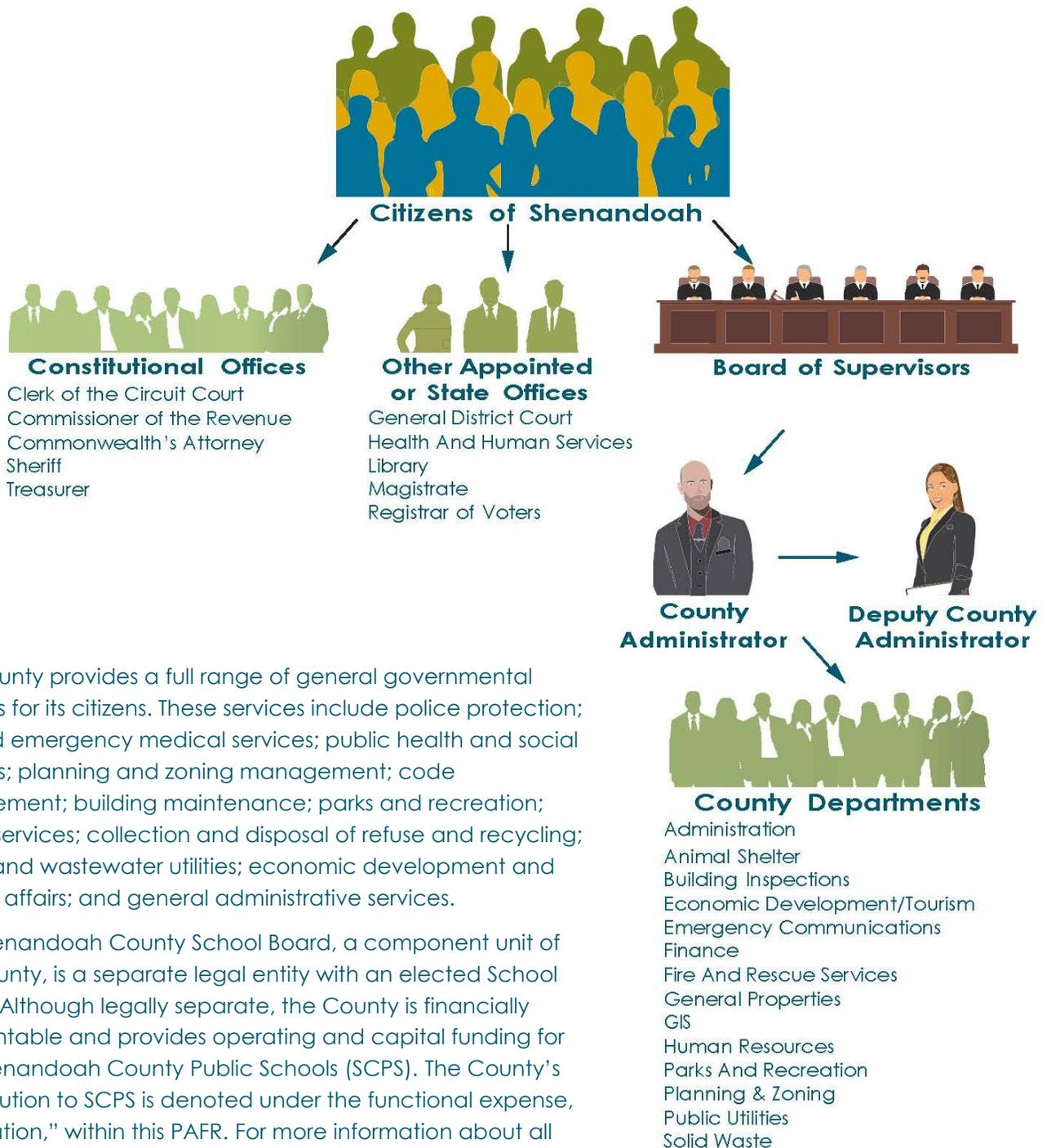
June 30, 2024

Christopher P. Morill

Executive Director/CEO

**County of Shenandoah
FY 2024 PAFR Award**

COUNTY OF SHENANDOAH GOVERNMENT

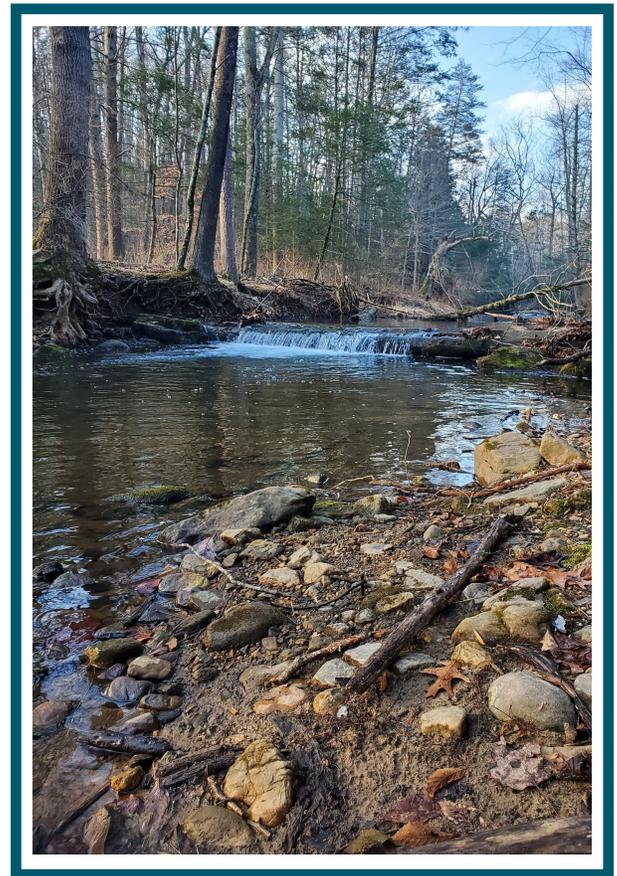


The County provides a full range of general governmental services for its citizens. These services include police protection; fire and emergency medical services; public health and social services; planning and zoning management; code enforcement; building maintenance; parks and recreation; library services; 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 FY2025 ACFR.

QUICK FACTS

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

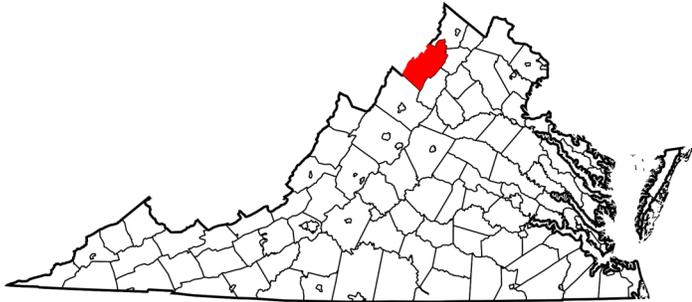


TOP 10 EMPLOYERS*

- | | |
|-----------------------------------|--------------------------------|
| 1. Shenandoah County School Board | 6. Shentel Management Company |
| 2. George's Chicken | 7. Mercury Paper Inc. |
| 3. County of Shenandoah | 8. Wal-Mart |
| 4. Bowman Andros Products | 9. Masco Builder Cabinet Group |
| 5. Valley Health System | 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	3.80%

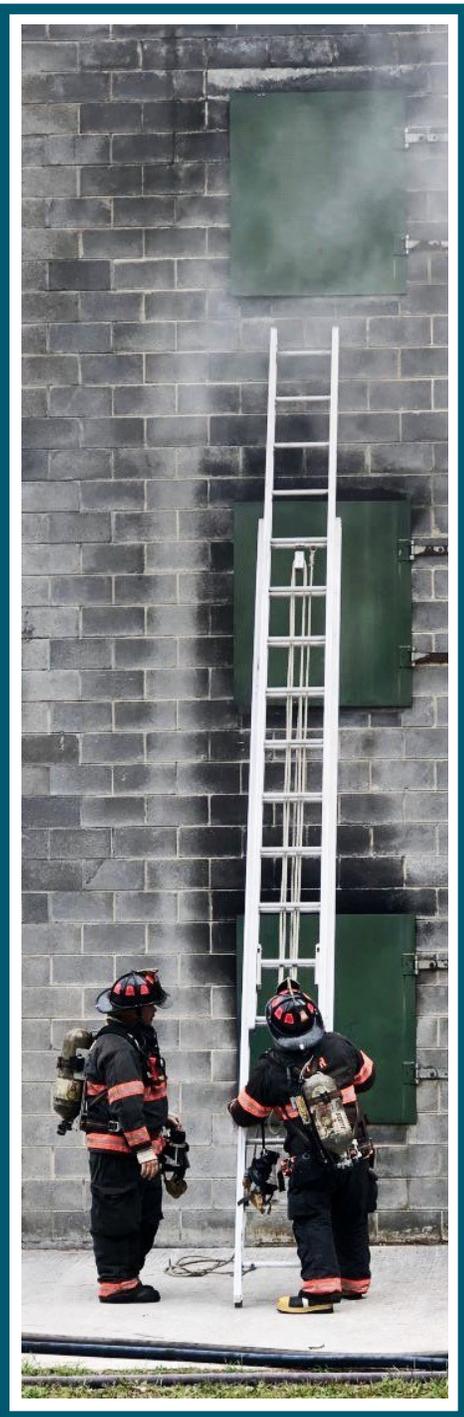
EDUCATION*

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

670	TRAFFIC VIOLATIONS
8,184	CIVIL PAPERS SERVED
1,932	ANIMAL CONTROL CALLS ANSWERED



FIRE & RESCUE

1	HEADQUARTERS
12	STATIONS
10,674	FIRE & RESCUE CALLS ANSWERED



RECREATION

1,382	RECREATION FACILITY PERMITS ISSUED
1,355	YOUTH SPORTS PARTICIPANTS
2	COMMUNITY CENTERS
645	ACRES OF LAND



PUBLIC WORKS: LANDFILL

12	CONVENIENCE SITES
158 TPD	REFUSE COLLECTED
6 TPD	RECYCLING

*TPD= TONS PER DAY

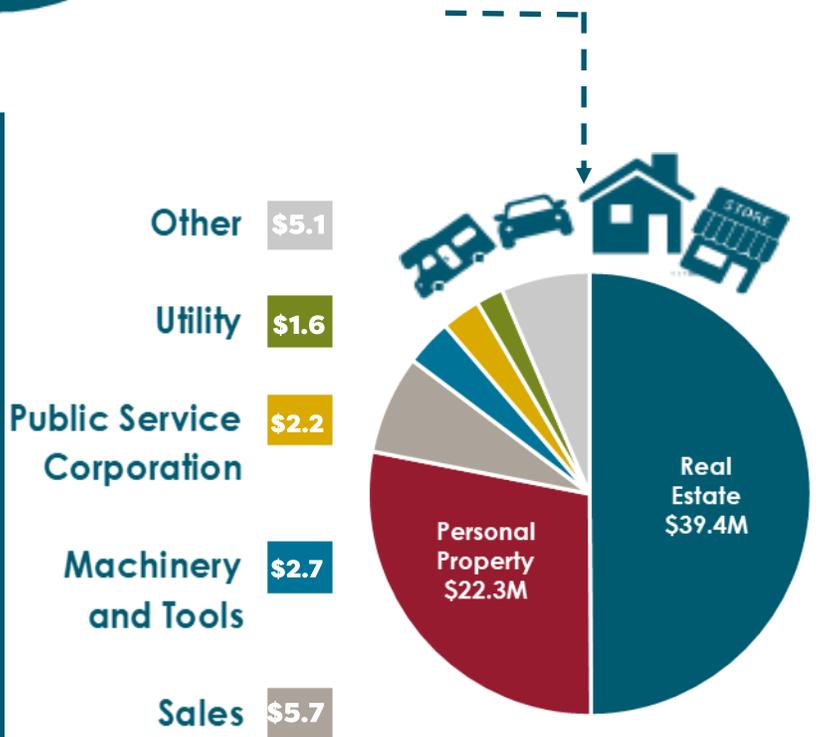
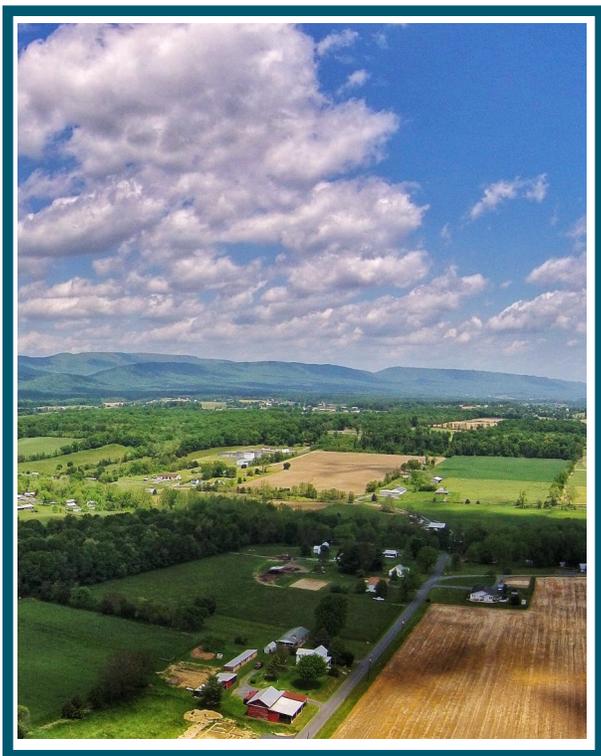
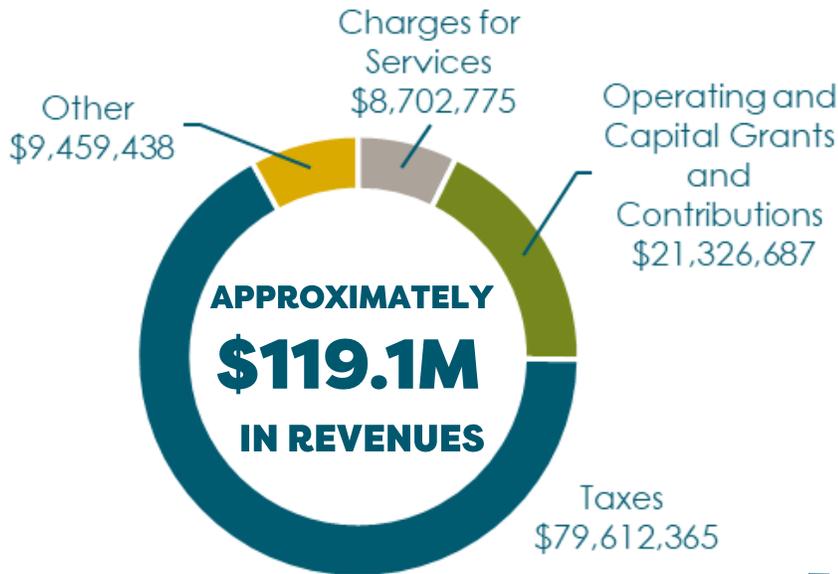


EDUCATION

10	SCHOOLS
114	SCHOOL BUSES
5,660	STUDENTS ENROLLED
483	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 FY2025 was \$119.10M compared to \$115.80M in FY2024. Furthermore, combined expenses for the County in FY2025 were \$110.48M compared to \$99.72M in FY2024.

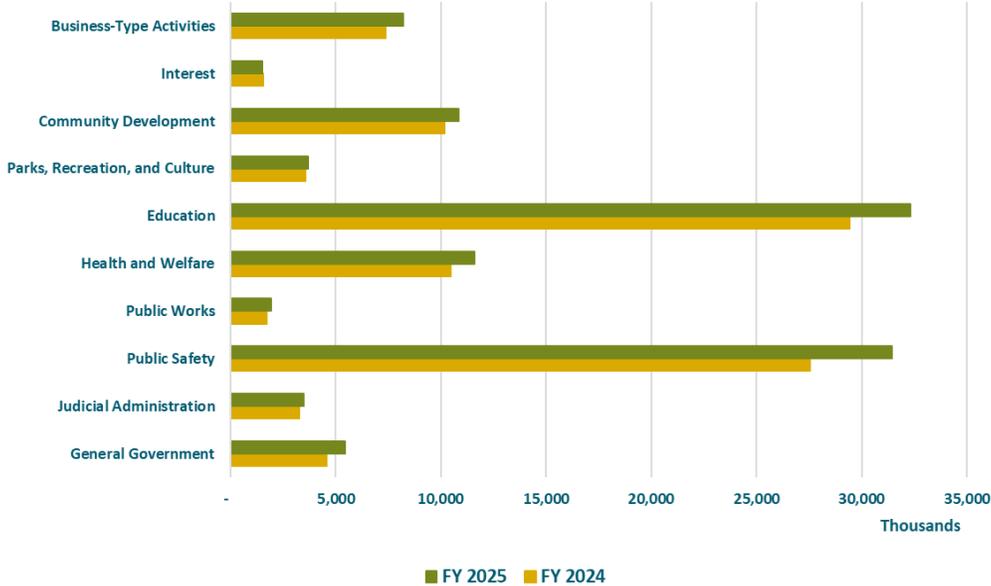
	PRIMARY GOVERNMENT				
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL FY 2025	TOTAL FY 2024	TOTAL FY 2023
REVENUES					
Program Revenues	25,677,968	4,351,494	30,029,462	26,918,373	22,196,790
General Revenues	88,135,436	936,367	89,071,803	88,881,909	81,915,380
Total Revenues	113,813,404	5,287,861	119,101,265	115,800,282	104,112,170
EXPENSES					
General Government	5,438,810	-	5,438,810	4,575,350	3,445,238
Judicial Administration	3,477,682	-	3,477,682	3,292,390	2,630,376
Public Safety	31,433,648	-	31,433,648	27,531,451	23,430,588
Public Works	1,928,760	-	1,928,760	1,734,246	1,760,037
Health And Welfare	11,605,940	-	11,605,940	10,477,640	12,437,107
Education	32,319,201	-	32,319,201	29,429,220	28,327,817
Parks, Recreation And Culture	3,709,374	-	3,709,374	3,578,986	2,789,164
Community Development	10,830,219	-	10,830,219	10,186,465	1,598,172
Interest	1,509,976	-	1,509,976	1,551,899	1,612,012
Business-Type Activities	-	8,226,149	8,226,149	7,360,095	7,900,384
Total Expenses	102,253,610	8,226,149	110,479,759	99,717,742	85,930,895
Transfers In (Out)	(2,917,000)	2,917,000	-	-	-
Increase (Decrease) In Net Position	8,642,794	(21,288)	8,621,506	16,082,540	18,181,275
Net Position - Beginning	88,602,083	(1,533,739)	87,068,344	70,985,804	52,218,766
Correction of Error	-	-	-	-	585,763
Implementation of GASB 101	(1,077,769)	(95,811)	(1,173,580)	-	-
Net Position - Ending	96,167,108	(1,650,838)	94,516,270	87,068,344	70,985,804

PRIMARY GOVERNMENT REVENUES & EXPENSES

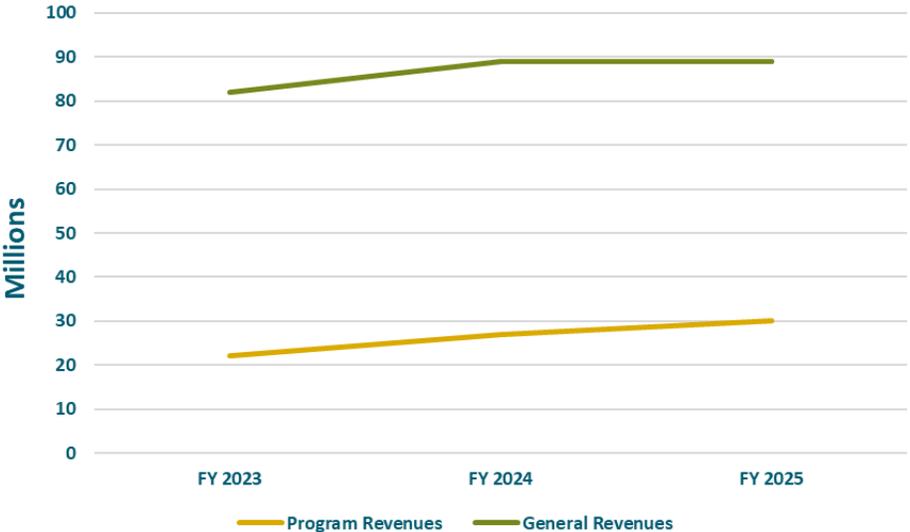
General government administration expenses were greater than the prior year largely due to the reassessment of real property. A significant increase in education expenses was largely attributable to the Local Composite Index (LCI) or the locality's ability to pay for education, as calculated by the state, which increased from .3852 to .4248 based upon the locality's true value of real property, adjusted gross income, and taxable retail sales. Additionally, the expenditure of American Rescue Plan Act funds associated with a major broadband project were recognized.

Key elements impacting the increase in net position of the County's governmental activities include increased general property tax revenues attributed to a real and personal property tax rate increase effective in fiscal year 2025. Business-type activities saw an improvement in the change in net position between FY 2024 and 2025, 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.

Expenses by Type by Fiscal Year



Revenues by Type by Fiscal Year



GOVERNMENTAL ACTIVITIES NET POSITION

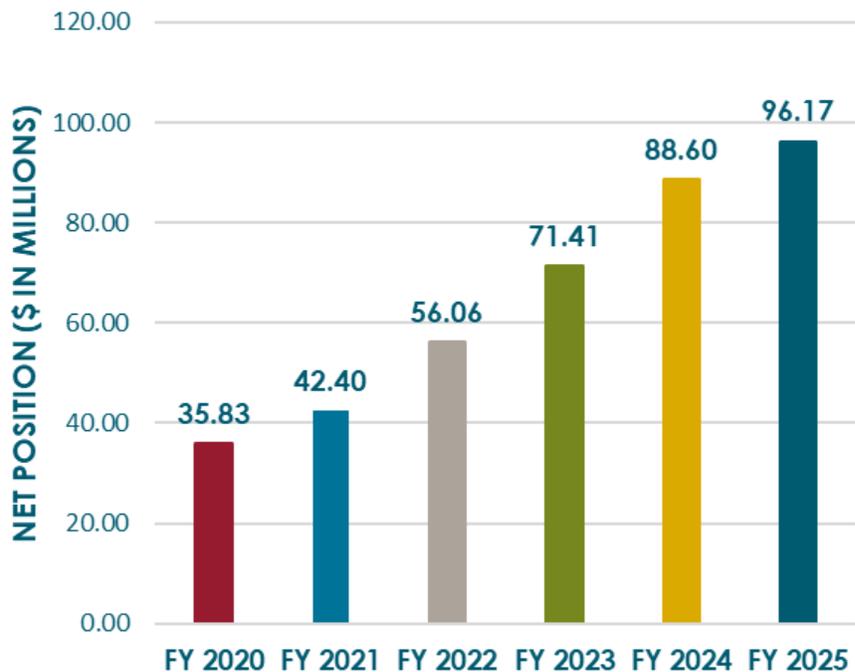
The County issues government-wide financial statements in its ACFR. These statements are designed to provide readers with a broad overview of the County. Included in this report is a "Statement of Net Position." This statement defines net position as the difference between all assets and all liabilities. **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 2025	TOTAL FY 2024	TOTAL FY 2023
ASSETS					
Current and Other Assets	126,787,096	12,599,244	139,386,340	115,327,616	104,784,103
Capital Assets	58,975,887	13,766,969	72,742,856	77,457,387	78,359,038
Deferred Outflows*	5,660,361	642,661	6,303,022	3,526,555	3,954,906
Total Assets + Deferred Outflows	191,423,344	27,008,874	218,432,218	196,311,558	187,098,047
LIABILITIES					
Current Liabilities	8,189,149	341,356	8,530,505	7,385,386	10,583,737
Long-Term Liabilities	44,982,699	27,637,130	72,619,829	60,201,099	64,390,739
Deferred Inflows of Resources*	42,084,388	681,226	42,765,614	41,656,729	41,137,767
Total Liabilities + Deferred Inflows	95,256,236	28,659,712	123,915,948	109,243,214	116,112,243
Net Investment in Capital Assets	25,932,690	11,603,083	37,535,773	40,611,744	40,276,823
Restricted	1,839,950	1,161	1,841,111	1,829,281	1,583,299
Unrestricted	68,394,468	(13,255,082)	55,139,386	44,627,319	29,125,682
Total Net Position	96,167,108	(1,650,838)	94,516,270	87,068,344	70,985,804

*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 2025	TOTAL FY 2024	TOTAL FY 2023
General Obligation/Revenue Bonds	4,497,329	9,912,852	14,410,181	8,963,937	11,419,457
Bond Premium	1,696,572	934,590	2,631,162	1,889,636	2,056,407
Lease Revenue Bonds	24,945,000	-	24,945,000	21,715,000	23,228,000
Notes Payable	-	-	-	74,273	218,680
Loans Payable	5,733,976	-	5,733,976	6,347,884	6,207,184
Arbitrage Liabilities	195,907	66,311	262,218	140,891	82,879
Lease Liabilities	89,978	-	89,978	77,789	108,392
Subscription Liabilities	-	-	-	35,007	84,585
Compensated Absences	3,091,150	179,618	3,270,768	1,417,967	1,441,379
Net Pension Liability	2,324,327	248,681	2,573,008	970,099	2,218,429
Net OPEB Liabilities	2,408,460	259,101	2,667,561	3,301,753	2,704,911
Landfill Closure and Post-Closure Care	-	16,035,977	16,035,977	15,266,863	14,620,435
Total	44,982,699	27,637,130	72,619,829	60,201,099	64,390,738

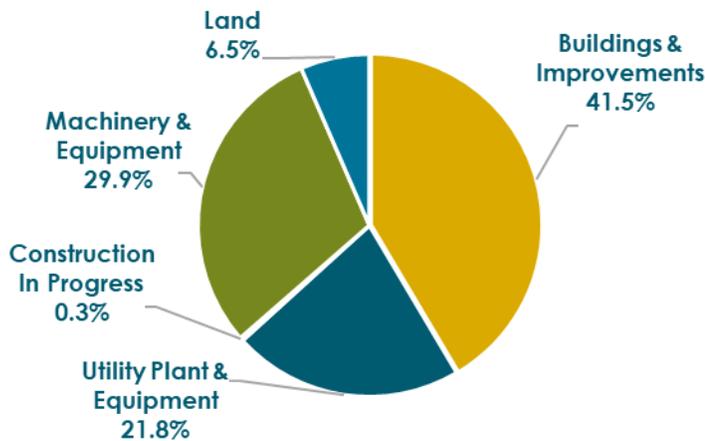
At the end of FY 2025 the County had total bonded debt outstanding of \$41,986,343. The bonded debt outstanding is comprised of a combination of general obligation/revenue bonds, bond premiums, and lease revenue bonds.

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.



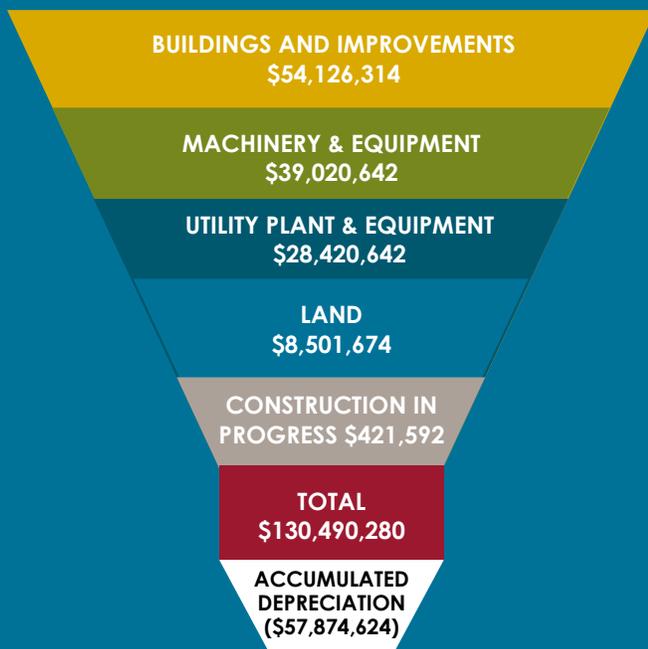
PRIMARY GOVERNMENT CAPITAL ASSETS

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 \$72.74M.

Net Capital Assets for Governmental Activities decreased 7.32% or \$4.65M from the prior year. Net Capital Assets for business-type activities decreased 0.4% or \$0.06M from the prior year.

Construction In Progress for government -type activities decreased by \$1.46M with fewer major construction projects carrying over into the succeeding fiscal year.

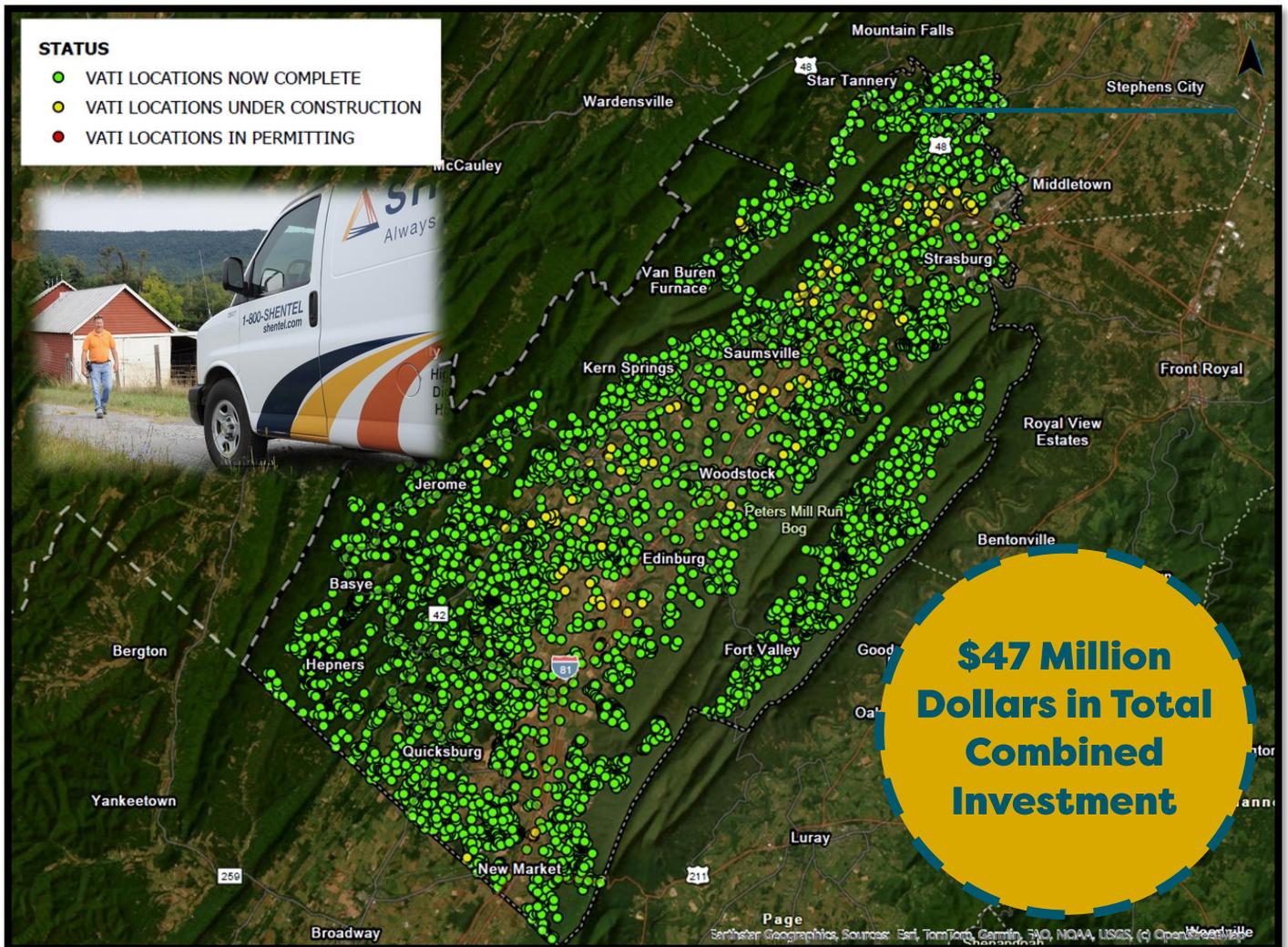
VATI Broadband Initiative

The Virginia Telecommunications Initiative (VATI) administered by the Virginia Department of Housing and Community Development (DHCD) aims to extend broadband service to underserved areas.

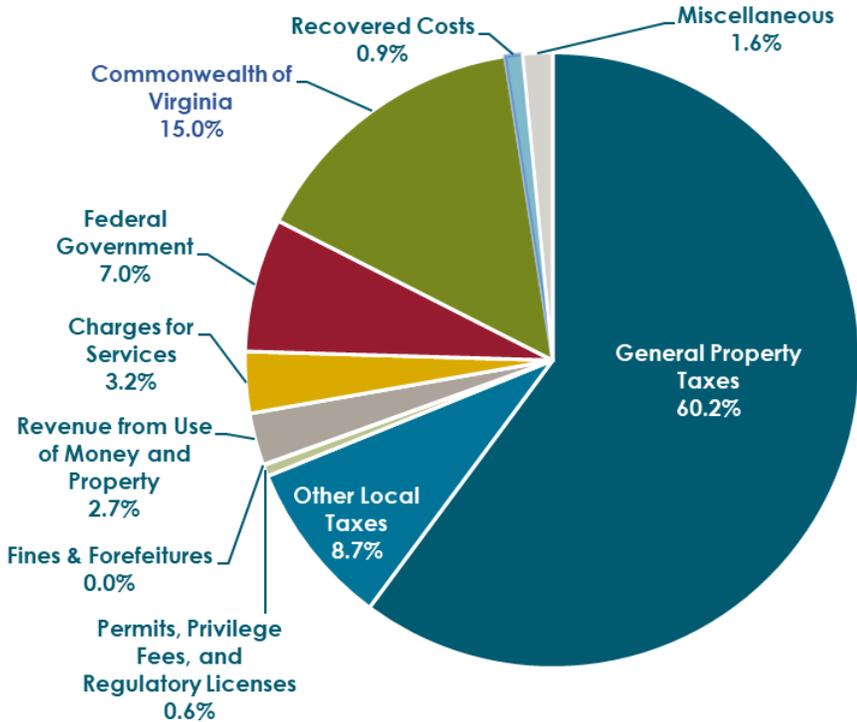
7,000 unserved and underserved homes and businesses now receive broadband internet service. This partnership with the County, Commonwealth and Shentel has resulted in \$47 million being invested in communications infrastructure serving Shenandoah County residents. Investments include multiple state grants, the continued utilization of American Rescue Plan Act funds, and corporate investment.

Accomplishments:

- 610 miles of Broadband constructed
- 8 fiber node cabinets fully built and in-service
- 7,177 formerly unserved / underserved homes and business now have broadband
- 80 homes and business currently in construction
- Targeted completion of 100% of contract by December 2025



GENERAL FUND REVENUES



General Fund revenues of \$113.7 M were approximately \$5M more than final budgeted amounts. FY 2025 revenues represent a 1.6% increase over FY 2024.

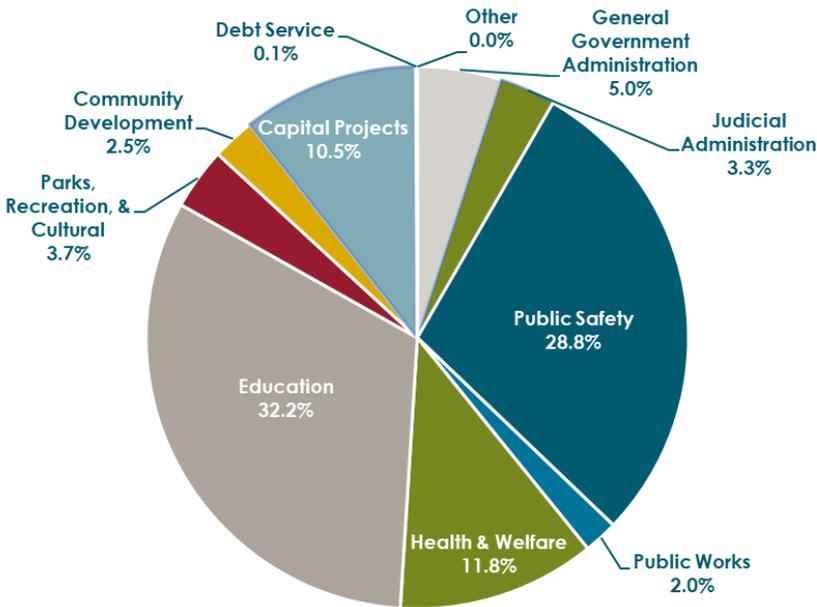
The General Fund is the general operating fund of the County which is used to account for all of the financial resources, except those required to be accounted for in another fund.

GENERAL FUND REVENUES

REVENUES	TOTAL FY 2025	TOTAL FY 2024	TOTAL FY 2023
General Property Taxes	68,427,410	65,928,141	62,651,435
Other Local Taxes	9,898,812	9,173,476	8,602,468
Permits, Privilege Fees, and Regulatory Licenses	689,928	642,249	495,720
Fines & Forfeitures	37,960	29,788	37,536
Revenue from Use of Money and Property	3,110,627	2,606,650	1,966,716
Charges for Services	3,673,140	3,666,137	3,359,042
Federal Government	7,986,321	12,895,952	3,928,150
Commonwealth of Virginia	17,104,501	14,405,258	13,945,120
Recovered Costs	1,046,757	798,794	729,840
Miscellaneous	1,777,328	1,850,949	2,523,628
Total Revenues	113,752,784	111,997,394	98,239,655

FY 2025 revenues were \$1.7M more than FY 2024 due to increased real and personal property tax collections due to increased tax rates for both in FY 2025. Federal government revenues decreased as the recognition of American Rescue Plan Act funds were reduced due to the VATI Broadband Initiative nearing completion.

GENERAL FUND EXPENSES



General Fund expenses of \$97.5 M were \$19.8 M less than final budgeted amounts, and do not include transfers to other funds.

This results in an increase of 4.5% or \$4.2 M from the prior year.

Transfers to other funds include \$8.8 M to fund capital improvements, including County government and Shenandoah County Public School capital projects.

EXPENSES

EXPENSES	GENERAL FUND EXPENSES		
	TOTAL FY 2025	TOTAL FY 2024	TOTAL FY 2023
General Government Administration	4,888,574	4,004,975	3,632,845
Judicial Administration	3,230,046	2,829,172	2,513,046
Public Safety	28,081,926	27,109,929	24,180,862
Public Works	1,986,411	1,846,485	1,749,014
Health & Welfare	11,522,872	10,934,844	12,865,459
Education	31,332,484	28,329,101	31,296,917
Parks, Recreation, & Cultural	3,597,040	3,491,379	2,819,627
Community Development	2,483,084	2,516,294	2,283,464
Capital Projects	10,237,908	12,114,251	1,293,534
Debt Service	88,047	108,528	-
Other	7,548	16,712	2,334
Total Expenses	97,455,940	93,301,670	82,637,102

FY 2025 General Fund expenses were \$4.1 M more than FY 2024 in general operating expenditures, primarily in education, public safety, and general government administration. These increased expenses are associated with the reassessment of real property, new public safety positions, and an increase in the Local Composite Index (LCI) or locality's ability to pay for education, as calculated by the Commonwealth.

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
<i>Examples:</i> Inventory Prepaid Expenditures	<i>Examples:</i> Opioid Settlement Funds Construction	<i>Examples:</i> Debt service proceeds Asset forfeiture

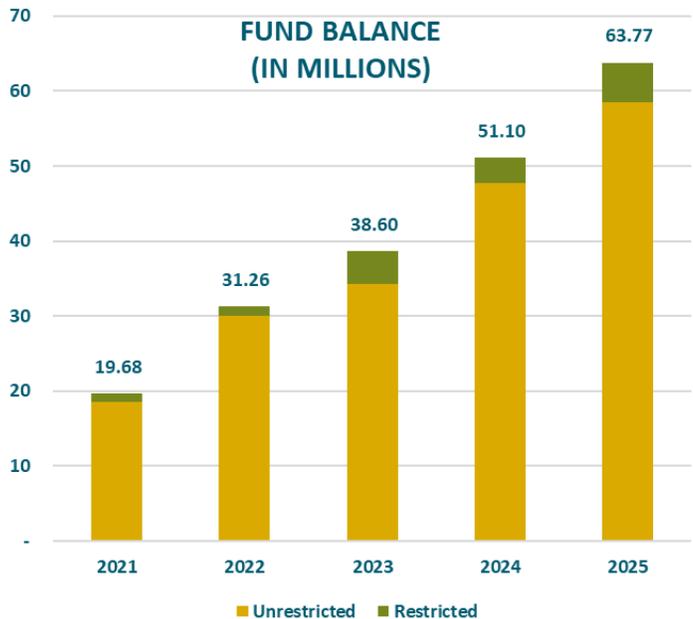
UNRESTRICTED

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 FY 2025 WAS \$63.77M.

THIS INCLUDES \$0.53M IN NONSPENDABLE FUNDS, \$4.79M IN RESTRICTED, \$14.28M IN ASSIGNED, and \$44.16M IN UNASSIGNED.

FOR THE FISCAL YEAR ENDED JUNE 30, 2025, UNASSIGNED FUND BALANCE REPRESENTED 26.9% OF TOTAL GENERAL FUND EXPENDITURES, INCLUDING TOTAL SCHOOL EXPENDITURES, LESS TRANSFERS (FORMULA OUTLINED BY THE COUNTY'S FUND BALANCE POLICY). TOTAL GENERAL FUND BALANCE REPRESENTS 65.4% OF TOTAL GENERAL FUND EXPENDITURES.



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 2026 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

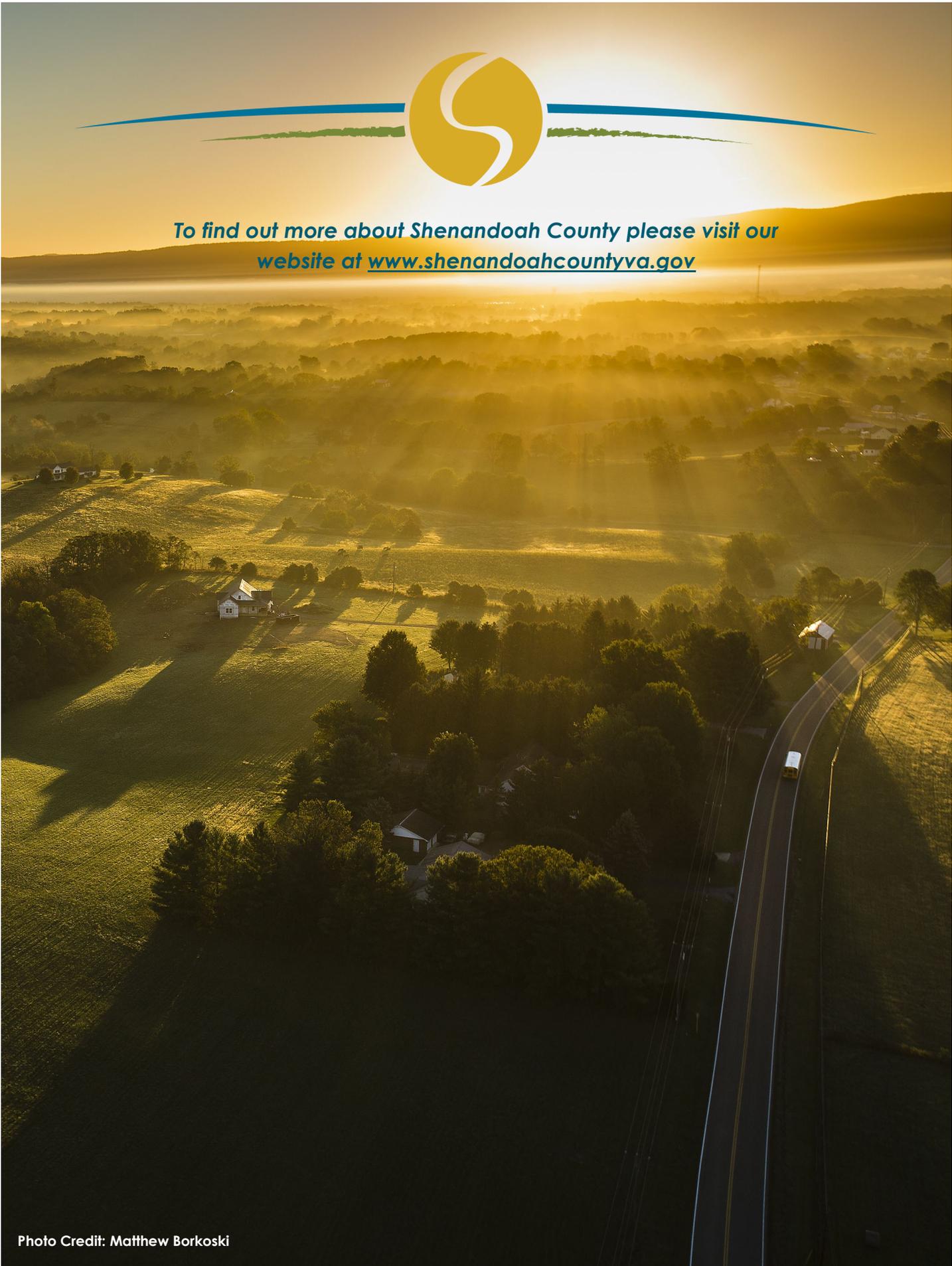


Photo Credit: Matthew Borkoski