Henrico County
VIRGINIA

POPULAR ANNUAL FINANCIAL REPORT

FY2024

Message from the Manager

On behalf of the Board of Supervisors and the Department of Finance, I am pleased to present the County of Henrico, Virginia, Popular Annual Financial Report (PAFR) for the fiscal year ended June 30, 2024. The PAFR is an unaudited summary of the financial activities and position of the County based on the Annual Comprehensive Financial Report (ACFR). Cherry Bekaert, LLP Certified Public Accountants issued an unmodified opinion for the ACFR in December 2024. These reports fulfill the Board of Supervisors and County Manager's commitment to timely and transparent financial reporting and accountability to residents and stakeholders. Our financial reports are available online at *henrico.gov/finance/divisions/accounting/*.

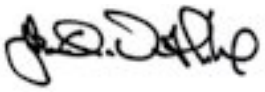
The Government Finance Officers Association of the United States and Canada (GFOA) awarded the Certificate of Achievement in Popular Annual Financial Reporting to the County for the fiscal year ended June 30, 2023. This was the fifth consecutive year the County has received this prestigious award.

Henrico remains a great place to live, work, and play in the region and across the Country. This year we announced plans to invest $60 million in affordable housing utilizing revenue from data centers under construction. Private investment continued at a rapid pace during the year with multiple economic development announcements including Berkley Insurance, Sentara Health, DPR Construction, and Owens & Minor announcing location or expansion plans in Henrico. In March 2024, all three major credit agencies reaffirmed the County's triple-AAA credit rating for the twenty-second consecutive year. This prestigious honor reflects the County's commitment to principled fiscal planning and execution.

We deliver services and attract investment in the community while maintaining the lowest tax burden of the 10 largest localities in Virginia. This type of performance is a testament to the leadership and vision of our Board of Supervisors and the result of exceptional execution by our over 12,000 school and county government employees to whom we express our sincerest appreciation.

There's a lot to be excited about in Henrico, and we appreciate you taking an interest in our annual financial results. I invite you to read further about the great work happening in the County and to stay engaged in your community by visiting our website, henrico.gov/ or contacting our office at (804) 501-4000.

Respectfully,



John A. Vithoulkas
County Manager

Henrico At A Glance

Located in Central Virginia, Henrico County surrounds the City of Richmond on the north side of the James River and constitutes about one-third of the Richmond Metropolitan area. The County's location in the middle of the eastern seaboard is within 750 miles of two-thirds of the nation's population, making it an ideal location for commerce. We are a major transportation hub that includes the intersection of Interstates 95, 64, 295, Route 895, major rail lines, and an international port on the James River. It is also home to Richmond International Airport, the primary airport for the Richmond Metropolitan Area. Henrico is conveniently located near oceanic ports in the Tidewater region. As of June 30, 2024, an estimated 347,000 residents call Henrico County home and enjoy a well-planned community of 244 square miles consisting of highly developed urban and suburban areas, as well as undeveloped agricultural and forest land.

Henrico follows the County Manager form of government with five voter-elected members on the Board of Supervisors who serve four-year terms. Supervisors represent the five magisterial districts of Brookland, Fairfield, Three Chopt, Tuckahoe, and Varina. The County Manager is hired by the Board of Supervisors and serves at their pleasure. The County Manager's duties include implementing approved ordinances and policies, appointing Department Directors, managing the day-to-day operations, and serving as the Director of Public Safety.

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Meet The Board of Supervisors

Tyrone Nelson (Chair) was first elected to the Henrico County Board of Supervisors in 2011 to represent the Varina Magisterial District. He serves on the Richmond Region Tourism Board of Directors, Richmond Metropolitan Transportation Authority Board of Directors, and Richmond Performing Arts Alliance as well as other boards and committees.

Mr. Nelson graduated from Virginia Union University—Samuel DeWitt Proctor School of Theology with a Master of Divinity degree. He received his Bachelor of Science in Business Administration from Virginia Commonwealth University and an Associate Degree in Business from J. Sargeant Reynolds Community College.

Dan Schmitt (Vice Chair) was elected in November 2018 to represent the Brookland Magisterial District. He also serves on the Sports Backers Board of Directors, Lewis Ginter Botanical Garden Board of Directors, and the Richmond Region Tourism Board of Directors, as well as other local, state, and national boards. He is particularly proud of his many years on the Glen Allen Youth Athletic Association Board of Directors, four of which were spent serving as president. Mr. Schmitt is a graduate of the University of Richmond, where he earned a Bachelor of Science in Business Administration. He is the owner of RMC Events, an event staffing company.

Roscoe Cooper III is serving his first term as supervisor for the Fairfield Magisterial District, following his election in November 2023. Before joining the Board of Supervisors, he twice was elected by Fairfield voters as the district's representative on the Henrico County School Board, on which he served from 2016 to 2023.

The pastor of Rising Mount Zion Baptist Church, Rev. Cooper, is a former president of the Baptist Ministers Conference of Richmond & Vicinity. He has served as chair of the board of directors for the Capital Area Health Network and as a member of the Religious Advisory Committee for Sen. Mark Warner.

A graduate of Henrico High School, Rev. Cooper earned a bachelor's degree from Virginia Union University and received a Master of Divinity from the Samuel DeWitt Proctor School of Theology at Virginia Union. He earned his Doctor of Divinity from Richmond Virginia Seminary.

Misty Roundtree with her November 2023 election to the Board of Supervisors, Misty D. Roundtree is serving her first term as supervisor for the Three Chopt Magisterial District. She serves on the Capital Region Airport Commission, PlanRVA Commission, Board of Social Services, Local Emergency Planning Committee, and Parks and Recreation Advisory Commission.

Mrs. Roundtree is the founding attorney of JustLaw, PLLC. She serves as a guardian ad litem for children and incapacitated adults and as court-appointed counsel for indigent defendants in Henrico. She is a 2023 recipient of Virginia Lawyers Weekly's Influential Women in the Law award and a 2024 recipient of the Women Who Drive Richmond award. She is a member of the board for Justice Forward VA. She also is a member of Lyric Ave, a performance collective.

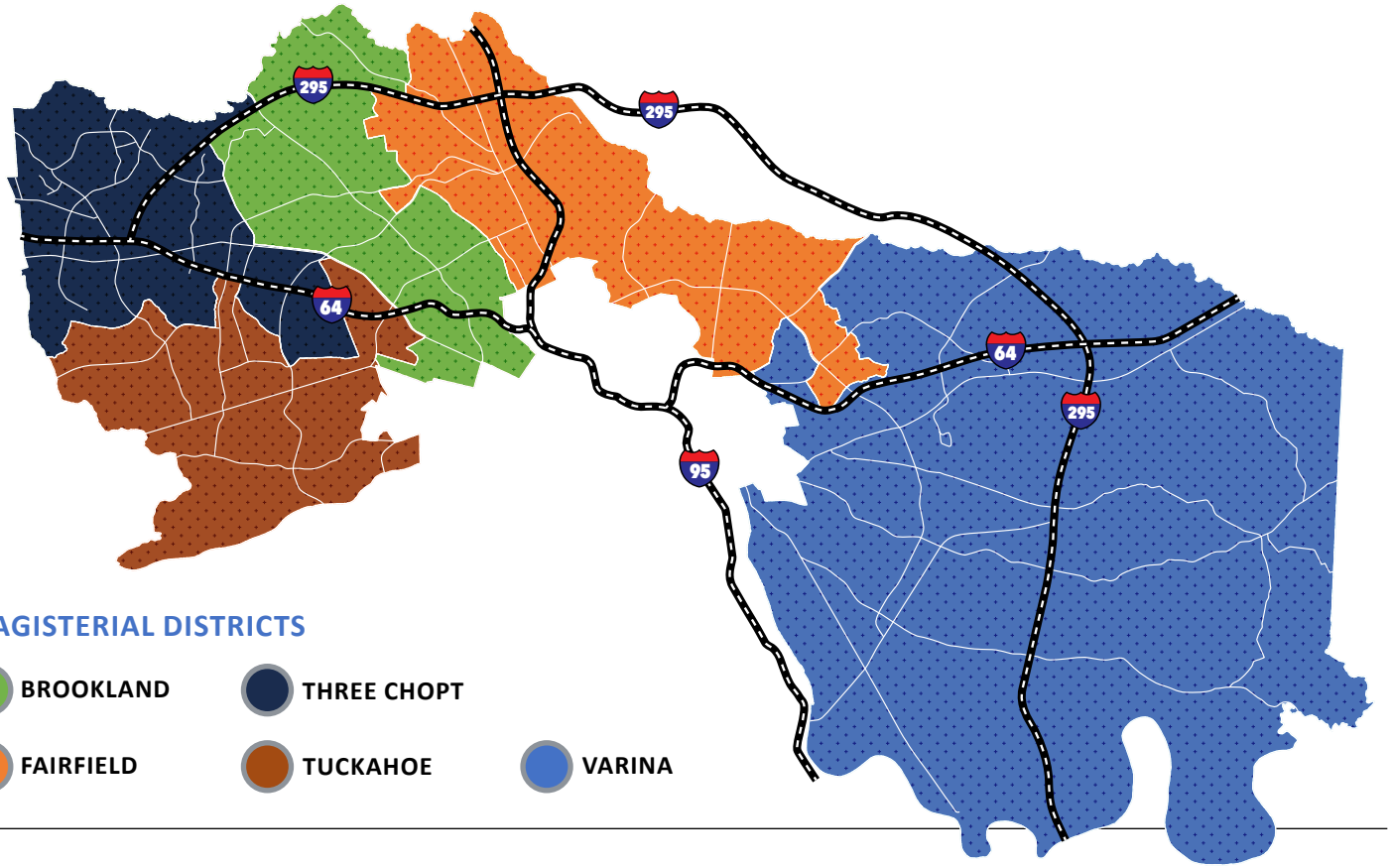
A veteran of the U.S. Army, Mrs. Roundtree earned a bachelor's degree from Virginia Commonwealth University and received her Juris Doctorate from the Marshall-Wythe School of Law at the College of William and Mary.

Jody Rogish was first elected to the Board of Supervisors in November 2023, Jody Rogish is serving his initial term as supervisor for the Tuckahoe Magisterial District.

Before committing full-time to his work on the Board of Supervisors, Mr. Rogish was a consultant with the technology consulting firm !mpactmakers, with which he served as an information technology project manager for the Virginia Department of Corrections. He coaches baseball and softball teams for Tuckahoe Little League and serves on the organization's board of directors as its vice president for baseball.

Mr. Rogish earned a bachelor's degree and a Master of Science in Public Policy and Management from Carnegie Mellon University.

Henrico By The Numbers



MAGISTERIAL DISTRICTS

- BROOKLAND
- THREE CHOPT
- FAIRFIELD
- TUCKAHOE
- VARINA

EDUCATION

Cost per Student	14,472
Teaching Positions	4,285
Student/Teacher Ratio	11
Elementary Schools	46
Middle Schools	13
High Schools	9
2024 Graduates	3,820
Scholarships Accepted	$23 Million

PUBLIC SAFETY

Calls for Police Service	192,432
Traffic Arrests	31,963
Criminal Arrests	25,937
Civil Papers Served	132,000
Calls for Fire Service	57,050
Calls for EMS & Rescue	48,002
Building Permits Issued	15,127
Inspections	74,080

PARKS & REC

Park Visitations	7,200,000
Library Visits	1,378,419

COUNTY EMPLOYEES

Full Time Equivalents

General	4,424
Schools	7,620
Total Employees	12,044
County Population (XI)	347,938
Citizen Ratio	28.89

PUBLIC WORKS

Lane Miles Maintained	3,583
Traffic Signals Maintained	190
Plans Reviewed	1,400
Miles of Water Mains	1,697

Henrico Local Economy

TOP TEN EMPLOYERS

- Henrico County School Board
- County of Henrico
- Bon Secours Richmond Health System
- Henrico Doctors' Hospital (HCA)
- Ppd Development
- United States Postal Service
- Walmart
- Bank of America
- Amazon
- Ensemble Rcm, LLC

Henrico ranks 1st in taxable sales per capita in the State

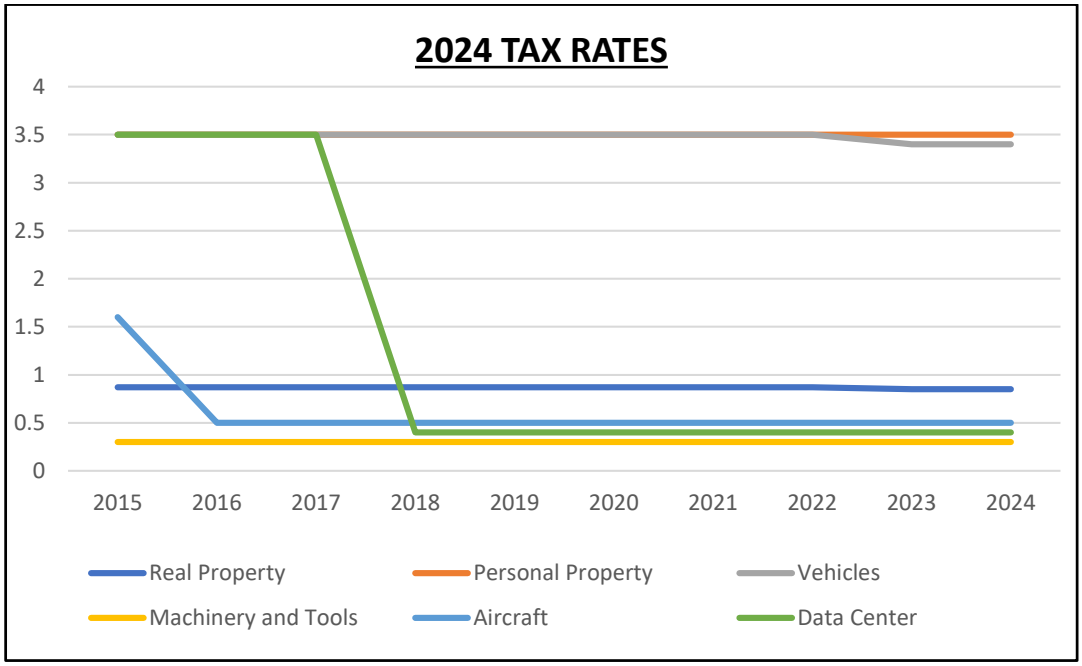
Henrico ranks 3rd in jobs provided in the State

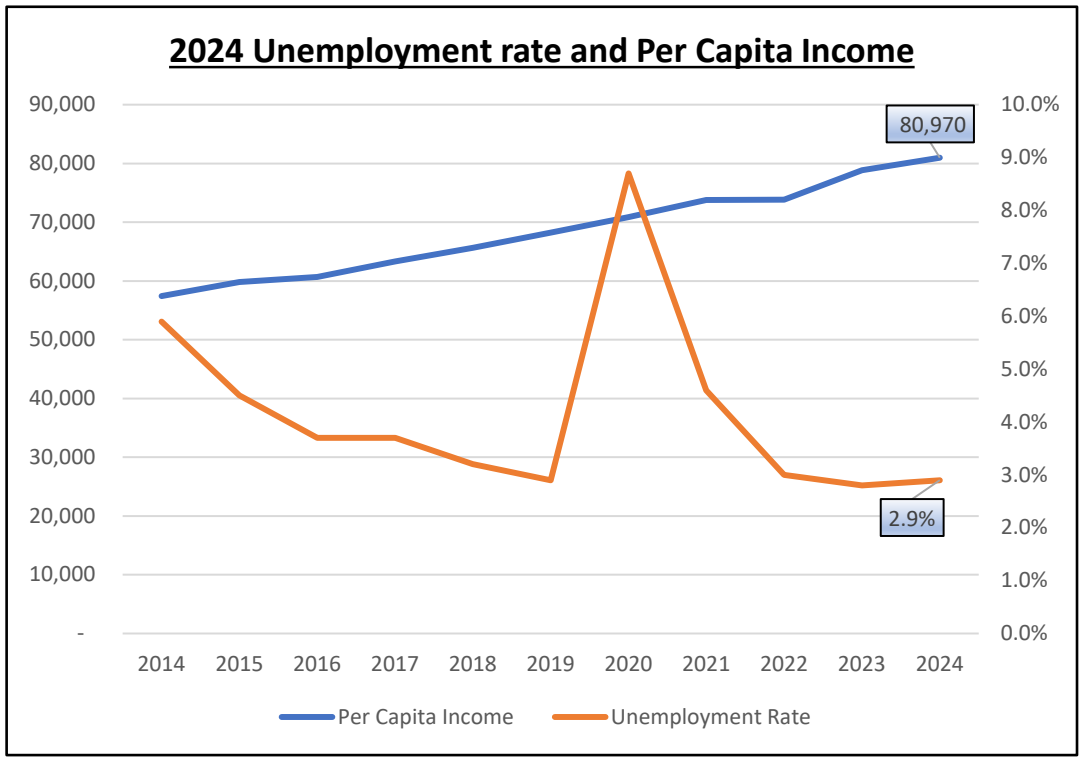
Henrico ranks 4th in Gross Domestic Product by County in the State.

Henrico ranks 3rd in the State for investment dollars

Henrico ranks 3rd in the State for business announcements

15 Local companies are on Inc. 5000

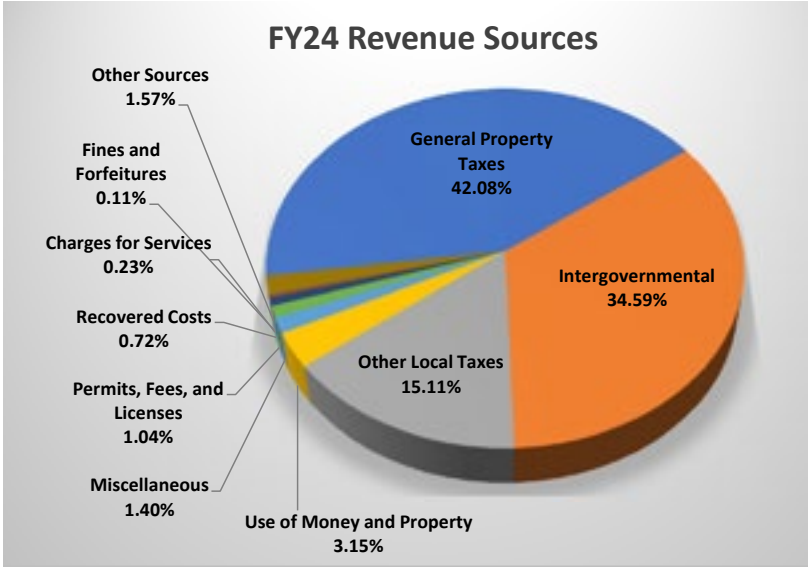




Where The Money Comes From

The general funds of the County and School Board account for all revenues of the County which are not accounted for in the other funds. Revenues are primarily derived from general property taxes, local sales taxes, license and permit fees, and revenues received from the Commonwealth of Virginia. The County's component units include the School Board and James River Juvenile Detention Center, however, for purposes of this report, only School Board component unit information is included.

Real estate tax revenue is the County's largest revenue source and reflects the recognition of the second half of the calendar year 2023 and the first half of the calendar year 2024 real property tax. The Real estate tax revenue collected during fiscal year 2024 was $494.2 million, an increase of $41.5 million or 9.2% from fiscal year 2023 due to increased property values. Through prudent financial management, Henrico County has maintained the lowest real estate tax rate among Virginia's ten largest localities.



General Fund Results - Revenues
For the Fiscal Years Ended June 30, 2024
($-millions)

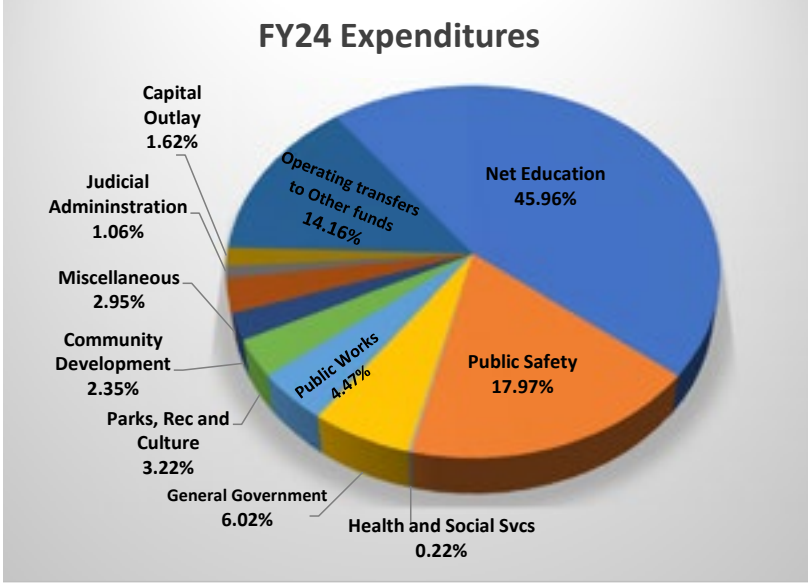
	FY24					
Revenues	Governmental - General Fund	Component Unit School Board	Combined General Fund	FY23 Comparison	FY22 Comparison	$ Change (FY24-FY23)
General property taxes	645,718,922	-	645,718,922	607,588,432	538,134,543	38,130,490
Other local taxes	231,837,133	-	231,837,133	222,617,999	222,552,512	9,219,134
Licenses and permits	15,646,771	263,132	15,909,903	10,059,483	11,308,150	5,850,420
Fines and forfeitures	1,636,205	-	1,636,205	1,683,002	1,674,840	(46,797)
Use of money and property	48,277,733	-	48,277,733	28,345,062	1,739,092	19,932,671
Charges for services	3,559,399	33,644	3,593,043	3,458,718	3,561,012	134,325
Miscellaneous	9,869,955	11,645,756	21,515,711	21,869,539	12,368,946	(353,828)
Recovered costs	10,529,938	558,547	11,088,485	7,297,629	6,596,963	3,790,856
Intergovernmental	153,092,181	377,627,389	530,719,570	483,018,372	443,248,903	47,701,198
Total Revenues	1,120,168,237	390,128,468	1,510,296,705	1,385,938,236	1,241,184,961	124,358,469
Other Sources						
Lease and SBITA obligations	4,136,957	19,944,739	24,081,696	24,039,192	1,622,546	42,504
Total Revenue and Other Sources	1,124,305,194	410,073,207	1,534,378,401	1,409,977,428	1,242,807,507	124,400,973

Where The Money Goes

Expenditures for the County and School Board identify the uses of funding that are being spent on behalf of its residents. The chart identifies major expenditure sources and reflects the Board's commitment to serving the community. The County's component units are the School Board and James River Juvenile Detention Center, however, for purposes of this report, only the School Board component unit is included. For the fiscal year ended June 30, 2024, the governmental funds reflect a combined fund balance of $926.4 million, an increase of $133.2 million from fiscal year 2023.

Did you know?

Expenditures for Education of $684.8 million and Public Safety of $267.8 million represent 63.93% of total expenditures for the County's Combined General Fund. Education and Public Safety are two of the County's highest priorities and commitments.



General Fund Results - Expenditures
For the Fiscal Years Ended June 30, 2024
($-millions)

	FY24					
Expenditures	Governmental Funds	Unit School Board	Combined General Fund	FY23 Comparison	FY22 Comparison	$ Change (FY24-FY23)
General Government	89,707,317	-	89,707,317	91,178,588	75,630,631	(1,471,271)
Judicial Administration	15,740,549	-	15,740,549	14,355,903	12,873,375	1,384,646
Public Safety	267,826,577	-	267,826,577	246,457,389	230,743,089	21,369,188
Public Works	66,676,023	-	66,676,023	60,438,358	50,024,602	6,237,665
Health and Social Services	3,211,130	-	3,211,130	3,130,561	2,888,239	80,569
Parks, recreation, and culture	48,012,801	-	48,012,801	46,157,149	40,562,724	1,855,652
Community Development	35,037,365	-	35,037,365	29,243,094	26,921,548	5,794,271
*Education	310,022,872	374,786,176	684,809,048	662,697,211	586,549,674	22,111,837
Miscellaneous	43,956,129	-	43,956,129	48,974,386	45,717,516	(5,018,257)
Debt Service	6,591,386	12,960,469	19,551,855	14,132,540	6,269,803	5,419,315
Capital Outlay	4,136,957	19,944,739	24,081,696	24,039,192	1,622,546	42,504
Total Expenditures	890,919,106	407,691,384	1,298,610,490	1,240,804,371	1,079,803,747	57,806,119
Other Uses						
Operating Transfers to Other Funds	211,047,219	-	211,047,219	147,109,979	154,464,294	63,937,240
Total Expenditures and Other Uses	1,101,966,325	407,691,384	1,509,657,709	1,387,914,350	1,234,268,041	121,743,359

*Component Unit School Board expenditures are shown net (gross expenditures of $669,143,997 reported on Schedule 9 less adjustment of multi-fund reporting of $294,357,821)

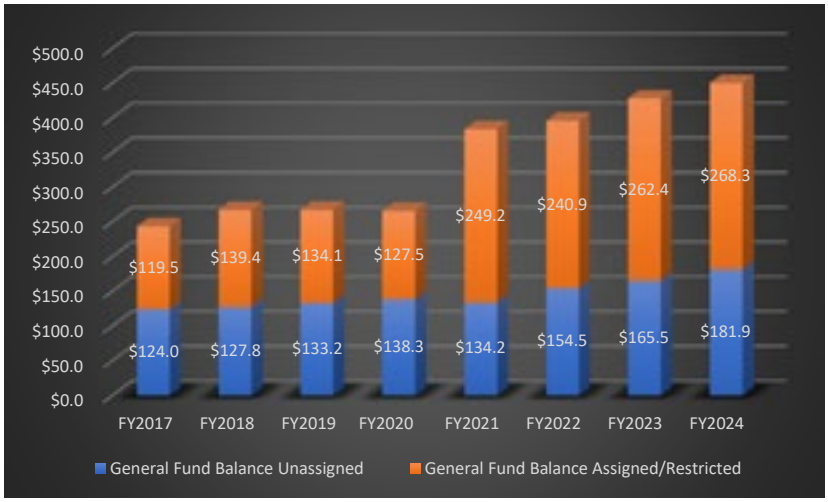
Schedule of Activities

General Fund Balance for Fiscal Year ended June 30, 2024 ($ in millions)

Maintaining a healthy fund balance demonstrates the County's conservative approach to finances and aids the County in continuing to receive the highly coveted triple-AAA bond rating.

Note for chart: The chart above shows the combined General Fund balance, including Component Unit School Board.

General Fund Balance			
	Unassigned	Assigned/Restricted	Total
FY2017	$124.0	$119.5	$243.5
FY2018	$127.8	$139.4	$267.2
FY2019	$133.2	$134.1	$267.3
FY2020	$138.3	$127.5	$265.8
FY2021	$134.2	$249.2	$383.4
FY2022	$154.5	$240.9	$395.4
FY2023	$165.5	$262.4	$427.9
FY2024	$181.9	$268.3	$450.2



Primary Government Net Position

The Governmental Accounting Standards Board (GASB) defines Net Position as: Assets + Deferred Outflows less Liabilities + Deferred Inflows. In other words, Net Position of governmental activities reflects the difference between all economic assets and liabilities, both short-term and long-term. This chart summarizes the revenues and expenses (in millions) for all the County's activities for the fiscal years ended June 30, 2023, and 2024 and how the difference in revenues and expenses increased ending net position. More detail can be found in Exhibits 1 and 2 of the Annual Comprehensive Financial Report for Fiscal Year ended June 30, 2024.

The County's net position increased by 5.9%, or $193.0 million to $3,451.5 million from $3,258.5 million. Both Governmental Activities and Business-type Activities contributed to the increase in net position.

The net position of the County's governmental activities increased by 6.7%, or $126.4 million to $2,004.8 million (ACFR, Exhibit 2). Net Investment in Capital Assets increased by $117.6 million. GAAP requires the County to report all assets financed by the issuance of general obligation bonds backed by the full faith and credit of the County. Restricted net position decreased by $182.9 million due to capitalizing projects and by additional funds reserved for grants. The unrestricted net position increased by $191.6 million to $411.5 million on June 30, 2024, due mainly to the increase in revenue collections and the spend down of federal grants and other restricted net position.

Summary of Changes in Net Position
Total Primary Government
For the Fiscal Years Ended June 30, 2024
($-millions)

	FY 2023	FY 2024
Revenues		
Program Revenues		
Charges for services	$ 189.6	$ 223.1
Operating grants & contributions	$ 194.7	$ 170.3
Capital grants & contributions	$ 15.0	$ 14.6
General Revenues		
Property tax	$ 606.7	$ 646.5
Local sales and use tax	$ 92.8	$ 93.1
Business licenses	$ 51.1	$ 51.3
Other taxes	$ 84.5	$ 93.4
Unrestricted grants & contributions	$ 116.1	$ 128.7
Revenue from use of money	$ 38.0	$ 61.0
Recovered costs & miscellaneous	$ 2.3	$ 2.4
Total Revenues	$ 1,390.80	$ 1,484.40
Expenses		
Expenses		
General government administration	$ 145.1	$ 183.7
Judicial administration	$ 15.9	$ 17.6
Public safety	$ 248.1	$ 284.5
Public works	$ 92.0	$ 126.9
Health and welfare	$ 80.8	$ 92.4
Education	$ 331.6	$ 329.5
Parks, recreation and culture	$ 46.2	$ 63.4
Community development	$ 35.3	$ 44.0
Interest on long-term debt	$ 13.1	$ 13.9
Water and sewer	$ 124.8	$ 135.6
Total Expenses	$ 1,132.9	$ 1,291.5
Increase in net position	$ 257.9	$ 192.9
Beginning net position	$ 3,000.6	$ 3,258.5
Ending net position	$ 3,258.5	$ 3,451.4

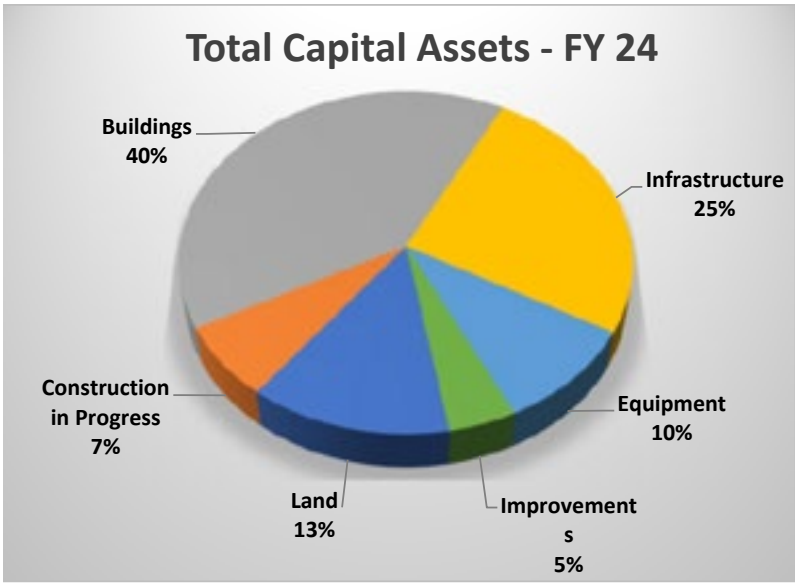
Capital Assets

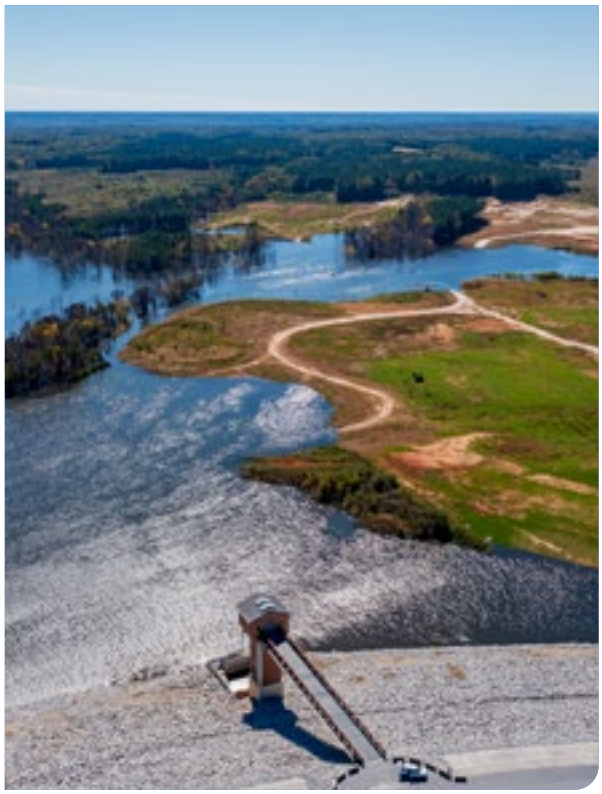
Three Lakes Park & Nature Center

As illustrated in the chart below, at the end of the fiscal year, the County's governmental activities (including Internal Service Funds) had net capital assets totaling $2,055.0 million, which represents a net increase of $108.8 million or 5.6% over the previous fiscal year-end balance. Infrastructure assets include roads, bridges, and water and wastewater systems.

FY 2024 Total Governmental Capital Assets

Capital Assets	Primary Government
Land	$ 437,524,842
Construction in Progress	$ 230,484,373
Buildings	$ 1,339,065,502
Infrastructure	$ 842,690,575
Equipment	$ 322,629,912
Improvements	$ 147,605,525
Total Capital Assets	$ 3,320,000,729
Accumulated Depreciation	$ (1,265,008,233)
Total Capital Assets	$ 2,054,992,496





Did you know?

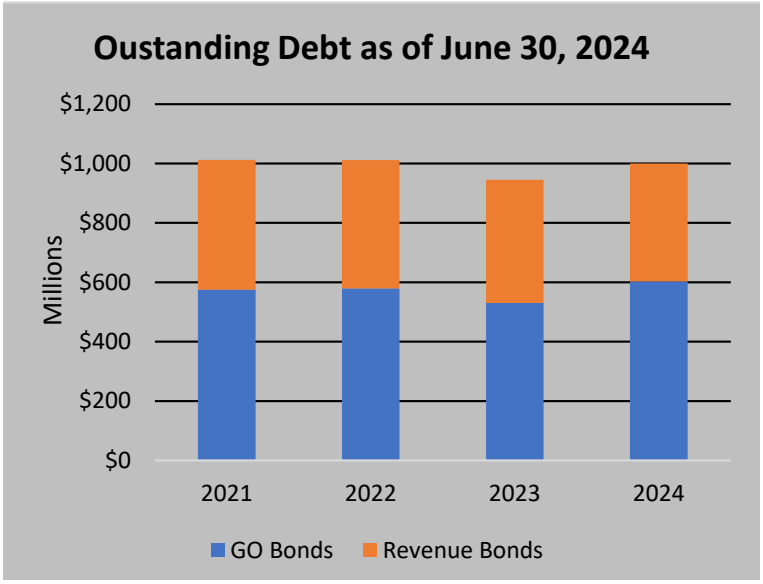
Henrico County completed work on the Virgil R. Hazelett Reservoir at Cobb's Creek and began filling it during the summer of 2024. The 1,100-acre, 14.8-billion-gallon reservoir is expected to fill to capacity over twelve months and secures the County's water needs for the next fifty years.

The County's Credit Rating

Credit Ratings given by Moody's, S&P and Fitch

Top bond ratings allow capital projects to be financed at extremely competitive interest rates. Henrico County capitalized on its premier credit rating by taking advantage of historically low interest rates in recent years. The County continues to monitor the municipal market as part of an actively managed debt program.

BOND PROGRAM	MOODY'S	S&P GLOBAL	FITCH RATINGS
General Obligation	Aaa	AAA	AAA
Water & Sewer Revenue	Aaa	AAA	AAA



The County's Debt

A long-term debt affordability analysis will be completed on an annual basis as a means of ensuring that the County does not exceed its ability to service current and future debt requirements. This analysis will verify that the County is maintaining the following prescribed ratios and will be performed in conjunction with the County's Capital Improvement Program Process. The maximum guidelines that are utilized are as follows:

- Debt Service as a Percentage of General Fund Expenditures: 7.75%
- Net Bonded Debt as a Percentage of Assessed Value: 1.49%

The County's Mission

In partnership with our residents, Henrico County Government is dedicated to enhancing the quality of life for all our residents. As a nationally-acclaimed local government, the County accepts the challenges of our changing social, physical, and economic environments by serving in an efficient manner with pride and concern for the present and excitement for the future.

We value diversity and strive to meet the needs of our ever-changing community. Our differences enhance our performance; through individual contributions, involvement, and creativity, the quality and effectiveness of our government are strengthened. By working together and learning from each other, we reach common goals and fulfill our responsibilities.

Do you like this report?
What other information would you like to see contained in this report?
Please let us know by contacting:

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