POPULAR ANNUAL

CITY 1611 • SHIRE 1634 • MANAGER 1934 • COUNTY OF HENRICO, VIRGINIA

FY2025

Henrico County

FINANCIAL REPORT

MESSAGE FROM THE MANAGER

On behalf of the Board of Supervisors and the Department of Finance, I'm pleased to share Henrico County's Popular Annual Financial Report (PAFR) for the fiscal year ending June 30, 2025. This summary highlights the County's financial health and some of the exciting progress we've made over the past year.

Henrico continues to lead with strong financial stewardship. In 2025, we became the first locality in the nation to earn quadruple AAA bond ratings for both general obligation and utility system revenue bonds- saving millions in debt service and reinforcing our commitment to responsible planning and fiscal responsibility.

We're putting these savings to work through numerous projects across the County. In 2022, voters approved a $511 million bond referendum. During FY2025, we continued our investments in schools, public safety, parks, and infrastructure with projects including rebuilding three schools, constructing a new firehouse, and opening new parks and roadways. You can find details about these capital improvements in our annual report and on our website.

During fiscal year 2025, we completed the Virgil R. Hazelett Reservoir. This 1,100-acre site, financed through water and sewer revenue bonds, will meet our water needs for the next fifty years and culminates years of strategic vision and planning by our current and past Board of Supervisor members.

We also made strides in sports tourism with the creation of the Henrico Sports and Entertainment Authority (HSEA)–the first of its kind in Virginia. In 2023, HSEA opened the Henrico Sports and Entertainment Center. Then in 2024, they launched a public-private partnership to develop new baseball diamonds at Glover Park.

In 2025, the Authority announced plans to transform the Crossings Golf Course into a world-class venue and keep professional golfing events here for years to come. These facilities create exciting destinations for residents and visitors alike, with the Sports and Event Center driving an estimated $1.9 billion in local economic stimulus.

Henrico remains a great place to live, work, and grow. We're proud of what we've accomplished and grateful for the continued support of our residents, employees, and partners. To learn more, visit https://henrico.gov.

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. Henrico is 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, 2025, an estimated 354,000 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.

TABLE OF CONTENTS

HENRICO BY THE NUMBERS

EDUCATION

Cost per Student	$15,590
Teaching Positions	4,385
Student/Teacher Ratio	11:1
Elementary Schools	46
Middle Schools	12
High Schools	9
2025 Graduates	3,881
Scholarships Accepted	$19.3 Million

PARKS AND REC

Park Visitations	6,700,000
Library Visits	1,476,418

PUBLIC SAFETY

Calls for Police Service	181,979
Traffic Arrests	28,686
Criminal Arrests	23,429
Civil Papers Served	132,500
Calls for Fire Service	59,676
Calls for EMS & Rescue	49,493
Building Permits Issued	14,104
Inspections	66,084

COUNTY EMPLOYEES

FULL TIME EQUIVALENTS

General	4,510
Schools	7,798
Total Employees	12,308
County Population	353,770
Citizen Ratio	28.74:1

PUBLIC WORKS

Lane Miles Maintained	3,655
Traffic Signals Maintained	200
Plans Reviewed	1,475
Miles of Water Mains	1,697

MEET THE BOARD OF SUPERVISORS

Dan Schmitt (Chair) was elected to represent the Brookland Magisterial District in November 2018 and has been reelected twice. He served as Board chair in 2021 and is serving in the role again in 2025. He currently is serving his second full term as Brookland supervisor.

The founder and president of event-staffing company RMC Events, Mr. Schmitt serves on the boards of directors for Richmond Region Tourism, Sportable and the Greater Richmond Transit Company. He also has served a number of years on the board of directors for the Glen Allen Youth Athletic Association, including as president.

Mr. Schmitt earned a Bachelor of Science in Business Administration from the University of Richmond.

Roscoe Cooper III (Vice Chair) 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 was twice 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 is serving her first term as supervisor for the Three Chopt Magesterial District with her November 2023 election to the Board of Supervisors. 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 and 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 Impactmakers, 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.

Tyrone Nelson was elected supervisor for the Varina Magisterial District in 2011 and has been reelected three times. He served as Board chair in 2016, 2019 and 2024. He currently is serving his fourth term as Varina supervisor.

The pastor of Sixth Mount Zion Baptist Church, Mr. Nelson is chair of the board of directors for the Greater Richmond Transit Company and chair of the Central Virginia Transportation Authority. He also serves on the Capital Region Airport Commission, Richmond Regional Planning District Commission and Richmond Metropolitan Transportation Authority.

Mr. Nelson earned an associate degree from J. Sargeant Reynolds Community College and a Bachelor of Science in Business Administration from Virginia Commonwealth University. He received a Master of Divinity from the Samuel DeWitt Proctor School of Theology at Virginia Union University.

HENRICO LOCAL ECONOMY

TOP TEN EMPLOYERS

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

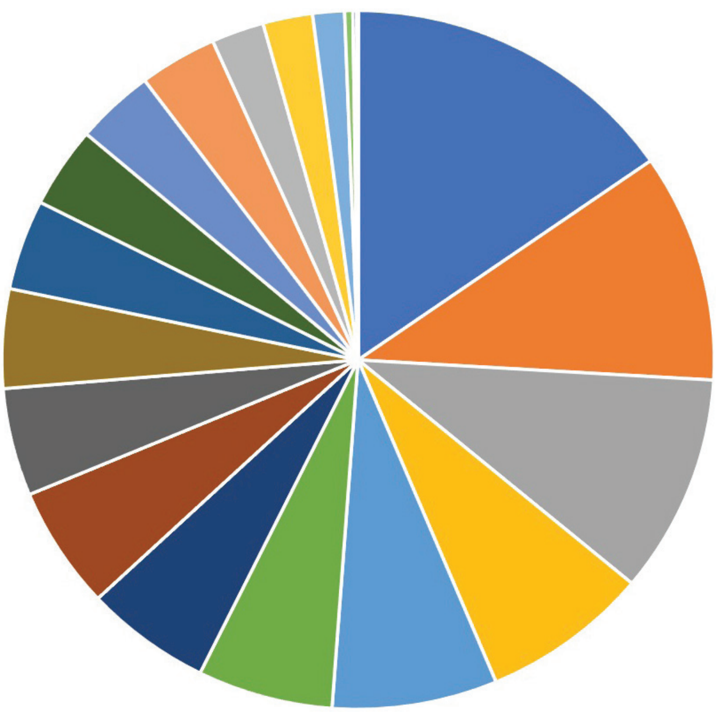
1st in taxable sales per capita in the State

3rd in jobs provided in the State

4th on Gross Domestic Product by County in the State

7 Henrico businesses are on the Fortune 1000

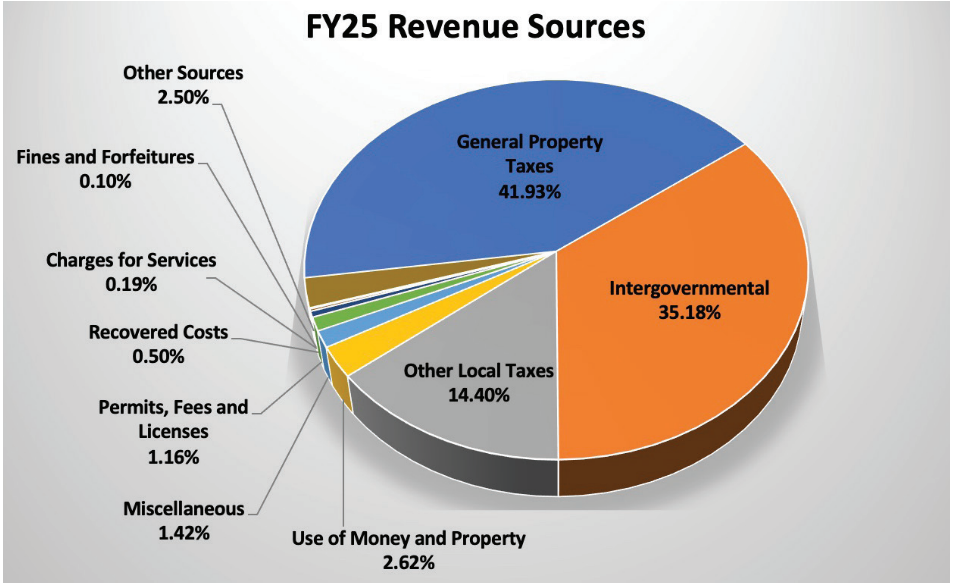
PERCENTAGE OF TOTAL JOBS BY INDUSTRY



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 includes the second half of the calendar year 2024 and the first half of the calendar year 2025 real property tax. The real estate tax revenue collected during fiscal year 2025 was $523.1 million, an increase of $28.9 million or 5.85% from fiscal year 2024 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.



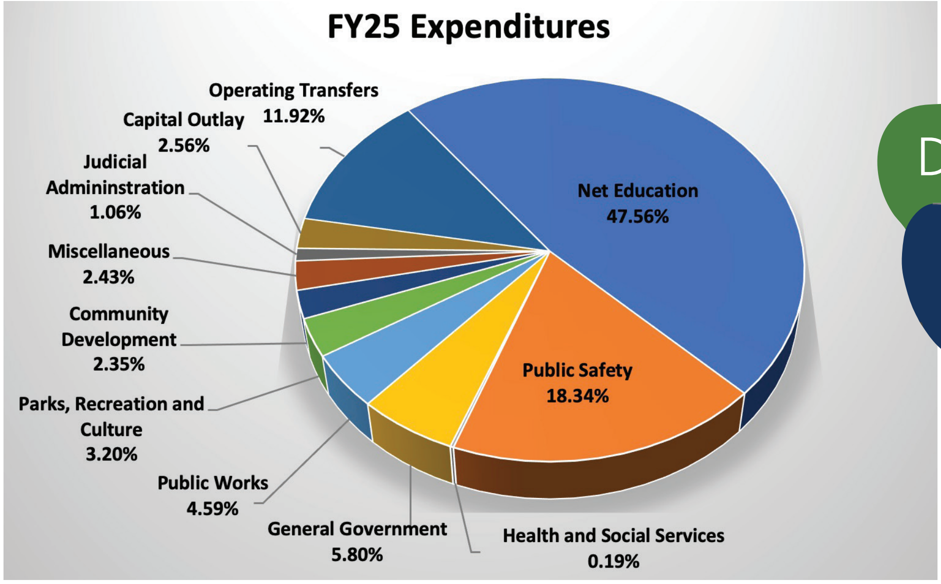
GENERAL FUND RESULTS | REVENUES

For the Fiscal Years Ended June 30, 2025
($-millions)

Revenues	Governmental Funds	Component Unit School Board	Combined General Fund	FY24 Combined	FY23 Combined	$ Change (FY25-FY24)
General Property Taxes	690,783,680	-	690,783,680	645,718,922	607,588,432	45,064,758
Other Local Taxes	237,303,319	-	237,303,319	231,837,133	222,617,999	5,466,186
Permits, Fees and Licenses	19,000,734	169,853	19,170,587	15,909,903	10,059,483	3,260,684
Fines and Forfeitures	1,612,368	-	1,612,368	1,636,205	1,683,002	(23,837)
Use of Money and Property	43,193,102	-	43,193,102	48,277,733	28,345,062	(5,084,631)
Charges for Services	3,155,911	18,301	3,174,212	3,593,043	3,458,718	(418,831)
Miscellaneous	12,058,541	11,328,875	23,387,416	21,515,711	21,869,539	1,871,705
Recovered Costs	7,927,989	248,571	8,176,560	11,088,485	7,297,629	(2,911,925)
Intergovernmental	158,506,090	421,064,660	579,570,750	530,719,570	483,018,372	48,851,180
Total Revenues	1,173,541,734	432,830,260	1,606,371,994	1,510,296,705	1,385,938,236	96,075,289
Other Sources						
Lease and SBITA Obligations	28,503,871	12,744,603	41,248,474	24,081,696	24,039,192	17,166,778
Total Revenue and Other Sources	1,202,045,605	445,574,863	1,647,620,468	1,534,378,401	1,409,977,428	113,242,067

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, 2025, the governmental funds reflect a combined fund balance of $866.5 million, a decrease of $59.9 million from fiscal year 2024.



DID YOU KNOW?

Expenditures for Education of $767.3 million and Public Safety of $295.9 million represent 65.90% 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, 2025
($-millions)

Expenditures	Governmental Funds	Component Unit School Board	Combined General Fund	FY24 Combined	FY23 Combined	$ Change (FY25-FY24)
General Government	93,511,677	-	93,511,677	89,707,317	91,178,588	3,804,360
Judicial Administration	17,097,639	-	17,097,639	15,740,549	14,355,903	1,357,090
Public Safety	295,877,498	-	295,877,498	267,826,577	246,457,389	28,050,921
Public Works	74,021,141	-	74,021,141	66,676,023	60,438,358	7,345,118
Health and Social Services	3,096,073	-	3,096,073	3,211,130	3,130,561	(115,057)
Parks, Recreation and Culture	51,624,442	-	51,624,442	48,012,801	46,157,149	3,611,641
Community Development	37,908,522	-	37,908,522	35,037,365	29,243,094	2,871,157
*Education	346,988,418	420,291,851	767,280,269	684,809,048	662,697,211	82,471,221
Miscellaneous	39,264,072	-	39,264,072	43,956,129	48,974,386	(4,692,057)
Debt Service	11,601,374	16,406,626	28,008,000	19,551,855	14,132,540	8,456,145
Capital Outlay	28,503,871	12,744,603	41,248,474	24,081,696	24,039,192	17,166,778
Total Expenditures	999,494,727	449,443,080	1,448,937,807	1,298,610,490	1,240,804,371	150,327,317
Other Uses						
Operating Transfers to Other Funds	192,259,618	-	192,259,618	211,047,219	147,109,979	(18,787,601)
Total Expenditures and Other Uses	1,191,754,345	449,443,080	1,641,197,425	1,509,657,709	1,387,914,350	131,539,716

*Component Unit School Board expenditures are shown net (gross expenditures of $741,088,544 reported on Schedule 11 less adjustment for County transfer of $320,796,693)

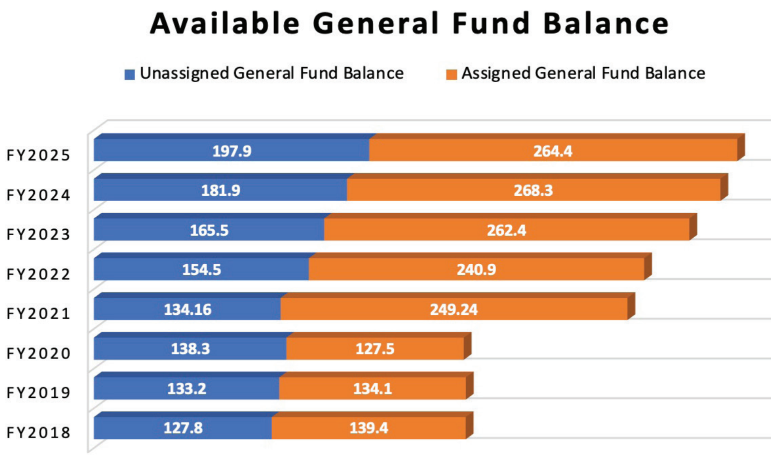
RESULTS OF OPERATIONS

General Fund Balance

A healthy fund balance demonstrates the County's conservative approach to financial management and is one of many factors in the County's strong AAA bond ratings.

General Fund Balance ($-millions)	Unassigned	Assigned	Total
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
FY2025	$197.9	$264.4	$462.3

Note for chart: Combined General Fund balance includes Component Unit School Board.



Primary Government Net Position

The Governmental Accounting Standards Board (GASB) defines Net Position as: Assets plus Deferred Outflows less Liabilities plus Deferred Inflows. 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, 2024, and 2025 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, 2025.

The total Primary Government's net position increased by 5.4%, or $184.8 million (rounding) to $3,623.0 million from $3,438.3 million. Both Governmental Activities and Business-type Activities contributed to the increase in net position.

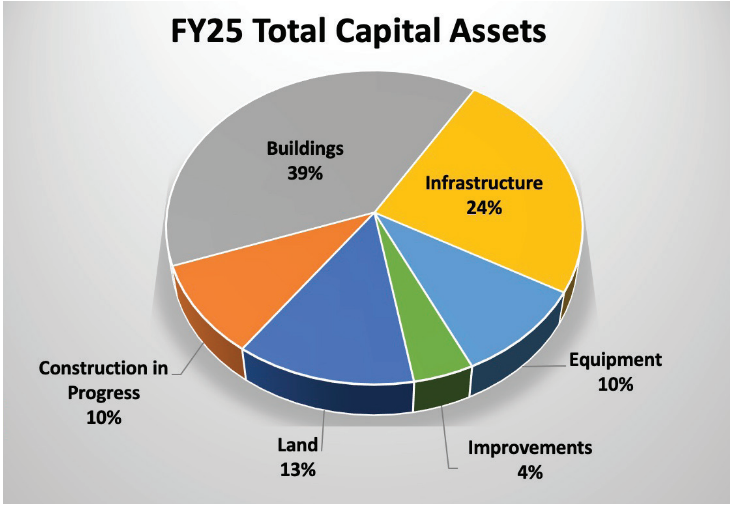
The net position of the County's governmental activities increased by 5.6%, or $110.8 million to $2,103.5 million (ACFR, Exhibit 2). Net Investment in Capital Assets increased by $75.5 million. GAAP requires the County to report all assets financed by the issuance of general obligation bonds backed by the full faith and credit of the County. Restricted net position decreased by $5.2 million. The unrestricted net position for the governmental activities of Henrico County increased by $113.1 million in FY2025. Overall increases in net position, coupled with the reduction in outstanding debt, resulted in an increase of the governmental activities' unrestricted net position.

Summary of Changes in Net Position
Total Primary Government
For the Fiscal Years Ended June 30, 2025
($-millions)

		FY 2024		FY 2025
Revenues				
Program Revenues				
Charges for services	$	223.1	$	238.6
Operating grants & contributions	$	170.3	$	197.4
Capital grants & contributions	$	14.6	$	21.5
General Revenues				
Property tax	$	646.5	$	690.9
Local sales and use tax	$	93.1	$	96.4
Business licenses	$	51.3	$	50.7
Other taxes	$	93.4	$	96.3
Unrestricted grants & contributions	$	128.7	$	157.9
Revenue from use of money	$	61.0	$	49.2
Recovered costs & miscellaneous	$	2.4	$	3.3
Total Revenues	$	1,484.40	$	1,602.20
Expenses				
Expenses				
General government administration	$	183.7	$	205.4
Judicial administration	$	17.6	$	19.2
Public safety	$	284.5	$	303.9
Public works	$	126.9	$	127.3
Health and welfare	$	92.4	$	101.7
Education	$	329.5	$	373.9
Parks, recreation and culture	$	63.4	$	62.6
Community development	$	44.0	$	58.9
Interest on long-term debt	$	13.9	$	18.3
Water and sewer	$	135.6	$	146.2
Total Expenses	$	1,291.5	$	1,417.4
Increase in net position	$	192.9	$	184.8
Beginning net position	$	3,245.4	$	3,438.3
Ending net position	$	3,438.3	$	3,623.0

CAPITAL ASSETS

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 $2,159.60 million, which represents a net increase of $104.6 million or 5.1% over the previous fiscal year-end balance. Infrastructure assets include roads, bridges, and water and wastewater systems.



FY 2025 Total Governmental Capital Assets

Capital Assets		Primary Government
Land	$	446,106,825
Construction in Progress		291,712,630
Buildings		1,377,014,200
Infrastructure		886,865,785
Equipment		340,596,384
Improvements		150,399,162
Total Capital Assets		3,492,694,986
Accumulated Depreciation		(1,333,093,773)
Total Capital Assets	$	2,159,601,213

DID YOU KNOW?

In July 2024, the County announced the creation of an Affordable Housing Trust Fund to help bolster the supply of affordable housing in Henrico County over the next five years. To date, the trust has approved 146 affordable units at a cost of just over $11 million. This first of its kind program accepts project proposals through a third-party administrator to fund the development of ongoing affordable housing in the County.

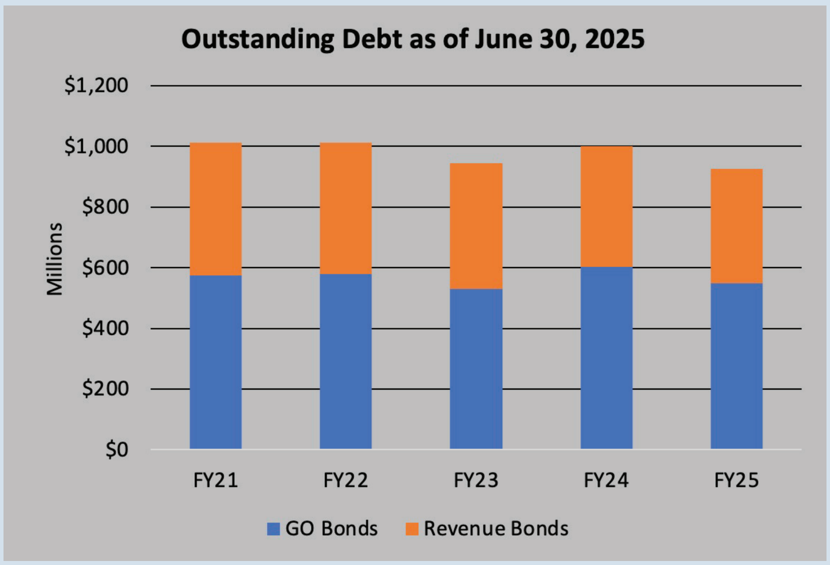
THE COUNTY'S CREDIT RATING

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

In 2025 Henrico County received AAA ratings from four bond rating agencies, adding a rating from Kroll Bond Rating Agency (KBRA) to the County's bond programs. Henrico was the first county in the nation to receive AAA ratings from four bond rating agencies on both general obligation and utility bonds.

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

THE COUNTY'S DEBT



A long-term debt affordability analysis is completed on an annual basis to ensure that the County does not exceed its ability to service current and future debt requirements. This analysis verifies that the County can maintain its prescribed ratios and is performed in conjunction with the County's Capital Improvement Program Process:

- 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.

HOW ARE WE DOING?

Do you like this report?
What other information would you like to see contained in this report?

Please let us know by contacting:

Department of Finance
henrico.gov/finance/divisions/accounting

Luke Kalda
(804) 501-4330
KAL003@henrico.gov

FY2025
Henrico County
POPULAR ANNUAL FINANCIAL REPORT

Henrico County's Popular Annual Financial Report is a publication of the Henrico County Department of Finance Produced 1/26

PO Box 90775 Henrico, VA 23273