



POPULAR ANNUAL FINANCIAL REPORT

For the Year Ended June 30, 2023

Board of Supervisors

P. Jason Peters
Vinton
Magisterial District

Paul M. Mahoney
Cave Spring
Magisterial District

Martha B. Hooker
Catawba
Magisterial District

Phil C. North
Hollins
Magisterial District

David F. Radford
Windsor Hills
Magisterial District



County Administration

Richard L. Caywood, P.E.
County Administrator

Rebecca E. Owens
Deputy County Administrator

Douglas M. Blount
Assistant County Administrator



Table of Contents

Profile of Roanoke County	4
Financial Analysis of the County's Funds	5
FY 2023 County Revenue Resources - Governmental Funds	6
FY 2023 County Expenditures - Governmental Funds	7
Capital Improvements and Expenses	8
Managing the County's Debt	9
Roanoke County By The Numbers	10

To the Members of the Board of Supervisors and Citizens of the County of Roanoke, Virginia:

The Popular Annual Financial Report (PAFR) for the fiscal year ended June 30, 2023 was prepared by the Department of Finance and Management Services to provide an easy to understand summary of the County's financial activities. This report is intended to increase awareness of the financial operations of the County covering the period from June 1, 2022 to June 30, 2023 and focuses solely on the County's governmental funds. The report represents the ongoing commitment of Roanoke County officials to keep citizens informed and to be accountable, in all respects, for the receipt and expenditure of public funds.

All of the data presented in this report is taken from the County's 2023 Annual Comprehensive Financial Report (ACFR), which is independently audited and presented in accordance with Generally Accepted Accounting Principles (GAAP). Much of the information in the audited financial statements is technical and complex. As a result, the full financial statements may not be particularly useful to the citizens of the County who wish to better understand County finances. For that reason, this document is presented on a non-GAAP basis even though the original source is the ACFR, a GAAP-compliant document.

The 2023 ACFR is available in its entirety online at www.roanokecountyva.gov/2023ACFR.

We hope you enjoy reading this report and invite you to access this report and our audited ACFR online for more detailed information. We welcome your questions, comments and suggestions regarding the information included in this report.

Sincerely,

Roanoke County
Department of Finance and Management Services

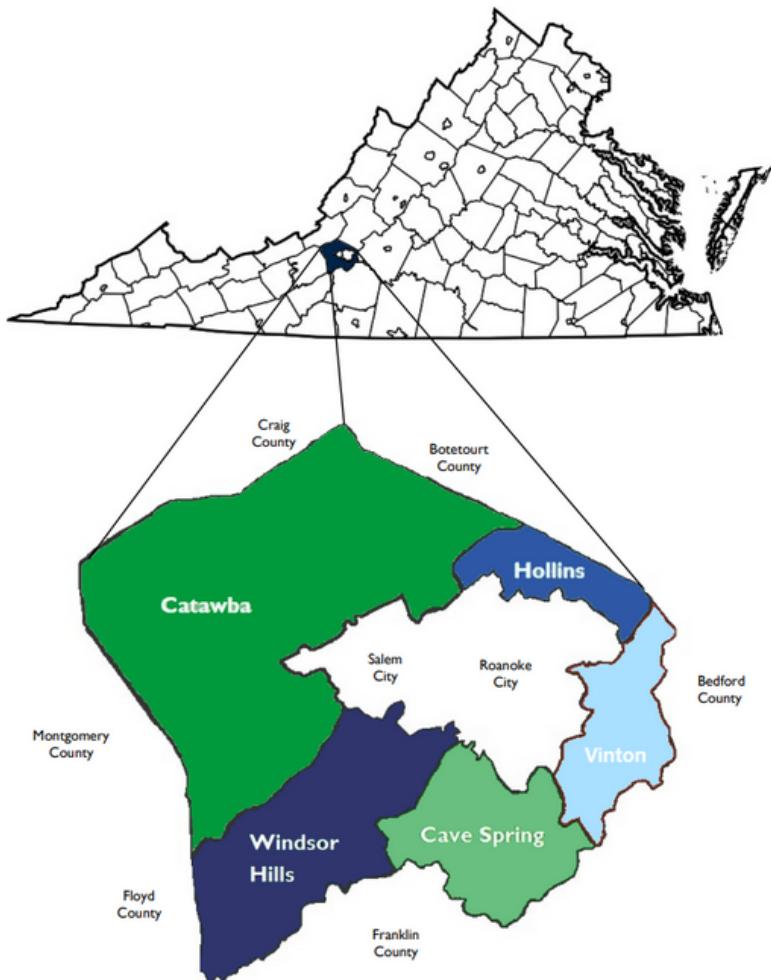


Profile of Roanoke County

Roanoke County, located in southwest Virginia, is a suburban hub of the Roanoke Valley and home to a population of 96,605. Within the County's geographical boundaries lie the independent cities of Roanoke and Salem, as well as the Town of Vinton. The County is centrally located within a short reach of major markets for local manufacturers and distributors via Interstate-81 and railway access.

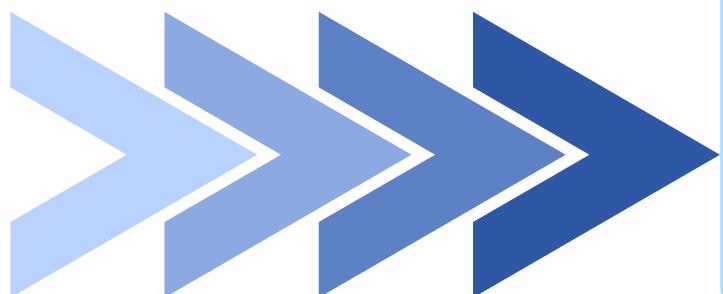
Roanoke County is governed by a charter approved in the 1986 session of the Virginia General Assembly. The Board of Supervisors (Board) is the governing body of the County.

The County provides a wide range of services, including public safety, trash collection, planning, recreation and cultural activities, and economic development. It collaborates with neighboring localities on services such as airport facilities, solid waste, and water services. Education is provided through the Roanoke County Public School system, a legally separate entity for which the County is financially accountable.



Looking forward to the ROANOKE COUNTY 200 PLAN

The Roanoke County 200 Plan is a major, 15-year update to the Comprehensive Plan to mark the County's bicentennial in 2038. The plan will guide public policies about land development, public services, and resource protection. It also allows decision makers to study the long-term consequences of current decisions and recognize that today's actions will impact the County for many years to come. View progress and documents at www.roanokecountyva.gov/200Plan.



Quick Facts	2023	2022	2021	2020	2019
Population	96,605	96,456	96,929	93,805	93,672
Per Capita Personal Income	\$ 57,434	\$ 57,434	\$ 57,434	\$ 54,977	\$ 53,489
School Enrollment	13,353	13,236	13,184	13,576	13,671
Unemployment Rate	2.60%	2.60%	3.60%	6.80%	2.70%

Financial Analysis of the County's Funds

The County's governmental funds consist of the General Fund, Special Revenue Fund, Debt Service Fund and Capital Projects Fund and account for the general operations of the County. The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources.

Fund balance is further categorized as:

Nonspendable

- Not in spendable form
- Assets that will never convert to cash (e.g., inventory and prepaid items)

Restricted

- Resources with externally enforceable limitations on their use imposed by grantor, or laws and regulations of other governments

Committed

- Must be used for a specific purpose, as determined by the Board of Supervisors
- Formal Board action is required to establish or rescind a committed fund balance

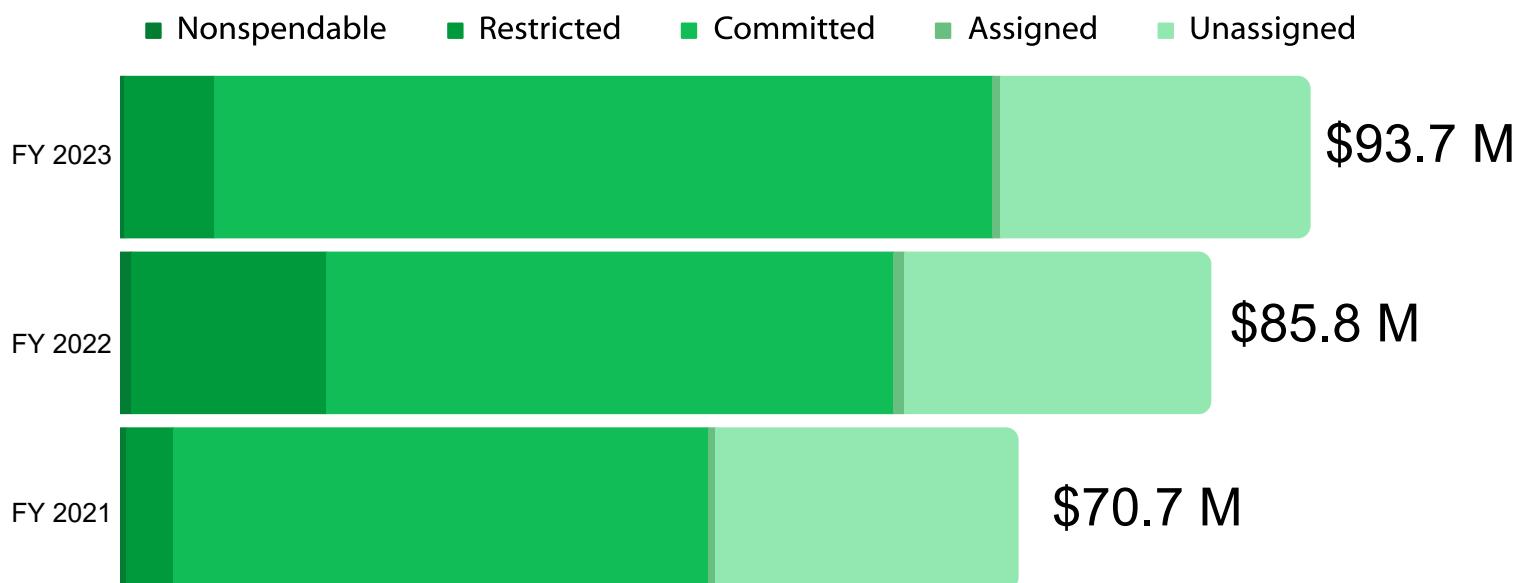
Assigned

- To be used for specific purposes and do not meet criteria to be classified as restricted or committed

Unassigned

- Residual, spendable amounts not contained in other classifications

The County is dedicated to maintaining a diversified and stable revenue system to shelter the government from fluctuations in any single revenue source and to ensure its ability to provide ongoing services. It is the policy of the County to spend all restricted monies first, committed funds second, with assigned funds third, and unassigned funds being spent last for any projects with multiple funding sources.



FY 2023 County Revenue Resources - Governmental Funds

Revenues by Sources	FY 2023	FY 2022	FY 2021
Taxes	\$ 192,451,563	\$ 177,674,695	\$ 168,668,692
Intergovernmental revenues	52,588,082	47,168,870	60,234,083
Other financing sources (uses)*	11,527,944	21,425,682	(792,948)
Charges for services	9,645,077	9,087,613	7,883,603
Other general revenues	4,665,149	4,932,032	4,292,092
Use of money and property	1,885,960	393,775	272,778
Permits, fees, and licenses	954,121	1,015,324	935,262
Fines and forfeitures	460,492	527,158	407,824
Total General Fund Revenues	\$ 274,168,388	\$ 262,225,149	\$ 241,901,386

*Other financing sources (uses) include issuance of bonds, proceeds from sale of land, buildings, and equipment, and net transfers.

Tax Revenues by Sources	FY 2023	FY 2022	FY 2021
Real estate	\$ 117,481,546	\$ 109,714,031	\$ 104,378,646
Personal property	29,984,125	25,653,824	25,949,907
Local sales and use	15,157,823	14,152,238	12,941,172
Business license	8,660,791	7,763,436	6,962,688
Prepared food	5,961,800	5,310,072	4,552,451
Consumer utility	3,743,043	3,731,298	3,730,296
Communications	2,739,072	2,810,863	2,955,602
Motor vehicle license	2,474,534	2,433,678	2,469,710
Hotel and motel	1,855,470	1,688,196	1,091,883
Other	1,753,961	1,658,219	1,653,515
Recordation	1,364,023	1,924,527	1,982,822
Cigarette	1,275,375	834,313	-
Total Tax Revenues	\$ 192,451,563	\$ 177,674,695	\$ 168,668,692

FY 2023 County Expenditures - Governmental Funds

Operational Area	FY 2023	FY 2022	FY 2021
Education	\$ 78,096,927	\$ 70,263,842	\$ 69,147,126
Public safety	60,700,404	53,631,798	49,983,802
Health and welfare	25,571,923	23,176,426	23,282,780
Capital infrastructure	20,961,280	27,287,865	13,395,301
Public works	20,213,030	15,853,689	17,716,616
Long-term debt	19,758,318	19,268,713	20,714,465
General government	18,626,498	17,389,535	20,685,109
Parks, recreation, & culture	9,495,607	7,170,073	8,303,893
Library	5,633,326	5,116,325	4,833,407
Community development	3,842,956	4,595,737	4,930,055
Judicial administration	3,453,954	3,301,715	3,127,573
Total Governmental Expenditures	\$ 266,354,223	\$ 247,055,718	\$ 236,120,127

The difference between governmental fund revenues and expenditures result in a net change to fund balance. Fund balance, described on page 5, is similar to equity on a balance sheet. It is considered a measure of the available spendable financial resources. The County maintains a formal fund balance policy to provide for long-term economic stability.

Positive fund balance is one indicator of financial stability, however another key consideration is the direction and speed at which it is increasing or decreasing. As of the end of the fiscal year, the County's governmental funds reported combined fund balance of \$93.6 million, an increase of \$7.9 million in comparison with fiscal year 2022.

Capital Improvements and Expenses

In order to make sure the community grows, it is necessary to make sure the resources and infrastructure needed to thrive and grow are up to date. As of June 30, 2023, Roanoke County has invested a net total of \$218.1 million in a wide array of capital assets including land, land improvements, buildings and construction-in-progress, machinery, and equipment.



FY 2023 Capital Improvements

This year's major County capital asset additions included the following:



Building Renovations and Improvements

\$1.6 M

Mount Pleasant Library renovations, Court Services renovations, Walrond Park and Oak Grove Park improvements



Fleet Replacements

\$3.8 M

3 Recycle Trailers, 51 Light Fleet Vehicles, 2 Ambulances, 1 Brush Truck, 1 Solid Waste Truck

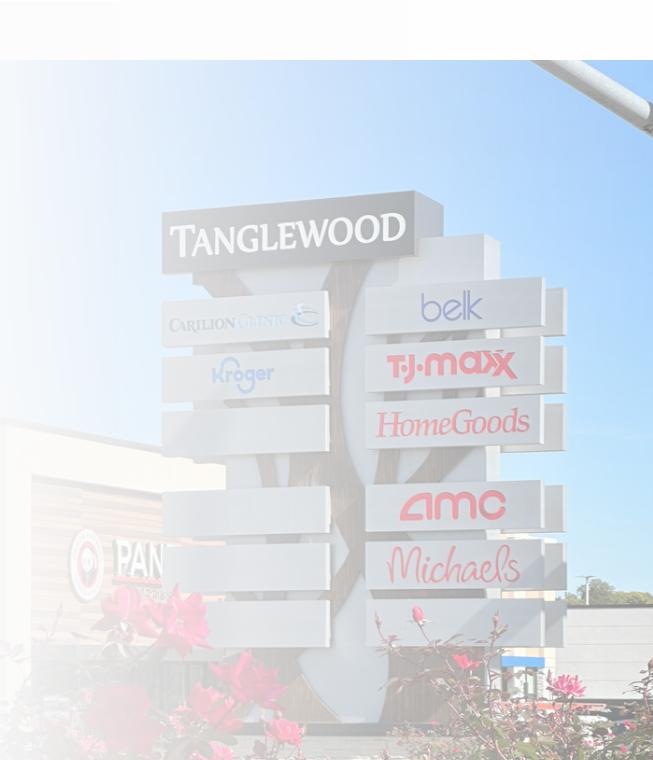


Future Capital Project Planning

\$147.1 M

Approved FY 2024 - FY 2033 Capital Improvement Program

Each year Roanoke County separately publishes a 10-year Capital Improvement Program. Project planning is funded through various sources, including capital reserves, future bond issuances, general government transfers, and other non-County funding avenues. The priorities of the most recent plan include funding to support maintenance of facilities and technology infrastructure, funding for replacement/improvements to County facilities, and continuing progress on commitments to promote community and economic development in Roanoke County. This plan can be viewed in detail at www.roanokecountyyva.gov/CIP.



Managing the County's Debt

At the end of FY 2023, the County had a total of \$174.7 million in long-term liabilities outstanding. This includes \$82.8 million of lease revenue bonds and \$77.8 million of Virginia Public School Authority (VPSA) bonds for school purposes.

\$13.0 million of lease revenue bonds were issued in FY 2023. This bond funding was borrowed for the following capital projects:

\$6.8 M
Bonsack
Fire Station
Construction

\$4.8 M
Public
Service
Center

\$1.4 M
Explore Park
Infrastructure
Improvements

Outstanding Debt by Type

Lease Revenue Bonds

\$82.8 MILLION

VPSA Bonds

\$77.8 MILLION

Bond Premiums

\$12.1 MILLION

Lease Obligations

\$0.2 MILLION

Subscription Obligations

\$1.8 MILLION

County Debt Policy

Roanoke County has adopted a debt policy which serves as a careful framework for when debt is issued. It ensures that the amount of debt issued does not compromise the County's financial stability and operating efficiency. The County measures its total level of debt through three ratios:

- 1) net debt per capita should not exceed \$2,500,
- 2) net debt per assessed taxable property values should not exceed 3%, and
- 3) debt service to general fund expenditures should not exceed 10%.

As of June 30, 2023, Roanoke County was within all three established guidelines, as shown below.

	POLICY	FY 2023
Net Debt Per Capita	\$2,500	\$1,788
Net Debt Per Assessed Property Value	3.00%	1.35%
Debt Service to General Fund Expenditures	10.00%	5.17%

The County's Strong Bond Rating

Bond ratings are similar to credit scores for counties. The higher the bond rating, the lower the cost of borrowing (e.g., lower interest rate and more favorable bond terms). When this occurs, the money saved on bond payments can go towards other services for residents of the County as a whole.

Aa1

Moody's

AA+

Standard & Poor's

AA+

Fitch

Roanoke County By The Numbers

Public Safety

Calls for Police Service.....33,476
Calls for Fire Service.....14,182
Physical Arrests.....3,468
Fire Inspections.....2,151



Health & Welfare

Children in Foster Care.....106
Individuals Enrolled in Medicaid.....23,320
Households receiving Supplemental Nutritional Assistance.....4,534



Top Employers

- 1.....Roanoke County Schools
- 2.....Wells Fargo Operations Center
- 3.....County of Roanoke
- 4.....Kroger
- 5...Friendship Retirement Community



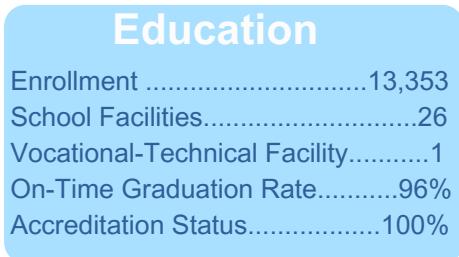
Parks & Libraries

Total Parks.....38
Park Acreage.....2,679
Library Patrons.....62,714
Library Materials Circulated.....912,249



Community Development

Business Licenses Issued.....508
Building Permits Issued.....1,084
Acres within Community Development Authority.....62.5



Roanoke County Tax Rates

The real estate, property, and machinery and tools tax rates were reduced in FY 2023 and are taxed per \$100 of assessed value.

Real Estate

FY 2023



FY 2022



Personal Property

FY 2023



FY 2022



Machinery and Tools

FY 2023



FY 2022





Laurie L. Gearheart, CPA
Director of Finance and Management Services

Jessica E. Beemer, CPA
Assistant Director of Finance and Management Services

W. L. Heath Honaker
Purchasing Division Director

Steven R. Elliott, MPA
Budget Administrator

Shannon L. Lecas, CPA
Finance Manager

Paul R. Workman, CPA
Finance Manager

Amy B. Meacham
Finance Manager

Cynthia L. Kakouras
Finance Manager

Kim S. Lescure
Financial Analyst

Joshua B. Pegram
Financial Analyst

Corey S. White
Budget Analyst

Robin B. Shelton, MBA
Financial Analyst

With Special Thanks To:
Ethan P. Palaskas
2023 Finance Intern

The Popular Annual Financial Report (PAFR) is intended to provide the public with information about Roanoke County's financial condition in an easy to read format. The PAFR supplements the Annual Comprehensive Financial Report (ACFR) and is not a substitute for the ACFR.

A copy of the Annual Comprehensive Financial Report is available online at
www.roanokecountyva.gov/2023ACFR.

Please direct any questions and comments to:

Department of Finance and Management Services
5204 Bernard Drive
Roanoke, VA 24018



roanokecountyva.gov