

COUNTY OF HANOVER, VIRGINIA
Changes in Fund Balances, Governmental Funds ^{(3), (4)}
Last Ten Fiscal Years
(modified accrual basis of accounting)

Primary Government:	Fiscal Year				
	1998	1999	2000	2001	2002
REVENUES					
General property taxes	\$ 59,715,162	64,468,263	67,308,494	72,440,101	73,623,307
Other local taxes	15,852,810	17,092,758	18,051,340	19,819,431	21,344,614
Permits, privilege fees and regulatory licenses	1,388,641	1,749,818	1,868,160	1,785,941	1,971,098
Fines and forfeitures	374,522	296,407	429,827	393,703	402,496
Revenues from use of money and property	2,982,161	2,122,991	2,439,676	2,714,304	1,062,549
Charges for services	2,844,436	2,878,130	6,546,432	4,333,964	5,640,273
Miscellaneous	576,702	655,686	722,279	1,329,609	748,276
Recovered costs	1,511,218	1,460,212	2,409,698	2,126,294	2,646,507
Intergovernmental (state and federal)	10,014,440	12,641,698	20,037,569	22,702,302	30,298,996
Total revenues	<u>95,260,092</u>	<u>103,365,963</u>	<u>119,813,475</u>	<u>127,645,649</u>	<u>137,738,116</u>
EXPENDITURES					
General governmental administration	6,407,065	6,417,468	6,940,188	7,767,247	9,422,694
Judicial administration	1,319,086	1,530,273	1,897,526	2,453,645	2,801,675
Public safety	16,196,343	19,364,355	22,622,596	25,159,954	22,890,619
Public works	10,616,739	9,823,390	12,810,463	12,996,826	11,469,558
Human services	9,718,087	10,828,633	12,025,972	13,001,788	15,336,213
Parks, recreation and cultural	2,566,686	2,680,380	3,092,214	3,263,939	3,801,167
Community development	3,141,811	3,165,946	3,613,904	4,075,473	4,654,911
Education (appropriation to School Component Unit), for:					
Instruction, operations and administration	36,626,910	43,531,613	42,210,846	47,140,860	51,478,419
Capital outlay	9,288,879	7,878,187	20,021,254	18,837,592	18,994,111
Debt service:					
Principal retirement	6,040,378	6,406,036	6,397,666	7,072,242	7,727,463
Interest and fiscal charges	4,136,534	3,973,223	4,147,725	4,445,218	5,138,804
Total education, primary government	<u>56,092,701</u>	<u>61,789,059</u>	<u>72,777,491</u>	<u>77,495,912</u>	<u>83,338,797</u>
Debt service:					
Principal retirement	1,328,079	1,416,648	1,564,220	1,612,463	1,579,260
Interest and fiscal charges	1,183,217	1,002,092	923,450	849,329	774,420
Total expenditures	<u>108,569,814</u>	<u>118,018,244</u>	<u>138,268,024</u>	<u>148,676,576</u>	<u>156,069,314</u>
Excess of revenues over (under) expenditures	<u>(13,309,722)</u>	<u>(14,652,281)</u>	<u>(18,454,549)</u>	<u>(21,030,927)</u>	<u>(18,331,198)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	9,534,791	11,436,221	9,138,114	11,930,446	15,408,658
Transfers out	(8,807,119)	(5,886,221)	(7,238,114)	(11,649,042)	(14,217,374)
Bonds issued	6,734,908	11,114,070	11,328,252	18,245,000	22,065,000
Refunding bonds issued	-	-	-	-	-
Payments to escrow agent	-	(5,719,690)	-	-	-
Capital leases (refunding in 1999)	189,241	5,692,203	-	269,085	-
Total other financing sources (uses)	<u>7,651,821</u>	<u>16,636,583</u>	<u>13,228,252</u>	<u>18,795,489</u>	<u>23,256,284</u>
Net change in fund balances	\$ <u>(5,657,901)</u>	<u>1,984,302</u>	<u>(5,226,297)</u>	<u>(2,235,438)</u>	<u>4,925,086</u>
County capital outlay (other than for education) contained in functional expenditure categories, above	\$ 11,491,708	8,826,108	12,184,921	13,589,067	10,342,484
GASB 44 debt service disclosure (primary government): (2)					
Debt service as a percentage of noncapital expenditures, primary government, governmental funds	<u>14.5%</u>	<u>12.6%</u>	<u>12.3%</u>	<u>12.0%</u>	<u>12.0%</u>
Self-imposed debt margin compliance (total reporting entity): (1)					
Noncapital expenditures - total reporting entity	130,809,451	143,778,780	159,335,005	172,838,681	184,410,271
Debt service as a percent of noncapital expenditures - total reporting entity	<u>9.7%</u>	<u>8.9%</u>	<u>8.2%</u>	<u>8.1%</u>	<u>8.3%</u>

Notes: (1) **Self-imposed debt limit information**

The Commonwealth of Virginia does not impose a legal debt limit on the amount of long-term indebtedness the County can incur or have outstanding. The Board of Supervisors, however, has imposed limits in the County's Debt Policy. For example, the County's debt policy provides that the annual debt service will not exceed ten percent of noncapital expenditures for the governmental funds of the reporting entity as a whole (defined as the primary government and all component units, excluding capital projects funds). This table shows how the County has met this self-imposed debt limit for each of the past ten fiscal years. Information about additional self-imposed debt limits is presented on page 122.

- (2) This table also shows debt service as a percent of noncapital expenditures for the governmental funds of the primary government only (excluding component units), as required by GASB Statement No. 44.
- (3) Certain reclassifications have been made for fiscal years 1998 - 2001 to conform with the presentations required for subsequent years in accordance with GASB Statement No. 34.
- (4) In addition, beginning in fiscal year 2005, the School Improvements Fund was included as a major fund of the primary government. To be consistent with subsequent presentation, amounts for fiscal years 1998 - 2004 have been restated to include revenues, expenditures and other financing sources (uses) of the School Improvements Fund.

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Fiscal Year					
2003	2004	2005	2006	2007	
					REVENUES
79,536,223	87,102,894	94,604,793	104,909,885	116,138,314	General property taxes
20,119,615	23,059,560	25,475,779	28,190,135	27,952,788	Other local taxes
2,031,537	2,382,618	2,723,338	2,741,893	2,840,734	Permits, privilege fees and regulatory licenses
535,613	755,612	900,479	922,784	979,511	Fines and forfeitures
1,158,711	469,494	739,604	1,778,603	2,948,143	Revenues from use of money and property
6,364,983	6,808,704	7,763,532	9,799,667	9,163,731	Charges for services
755,405	651,467	341,392	902,337	534,902	Miscellaneous
1,801,326	3,465,357	4,025,895	4,938,320	4,901,798	Recovered costs
27,205,814	31,953,115	30,661,978	31,784,408	31,601,395	Intergovernmental (state and federal)
<u>139,509,227</u>	<u>156,648,821</u>	<u>167,236,790</u>	<u>185,968,032</u>	<u>197,061,316</u>	Total revenues
					EXPENDITURES
9,046,646	9,996,622	10,820,949	11,842,572	12,998,848	General governmental administration
2,790,441	2,904,596	3,417,726	3,797,463	3,864,913	Judicial administration
28,218,865	28,867,772	33,448,190	36,508,483	40,357,437	Public safety
8,867,259	11,347,662	10,121,770	8,691,474	8,361,994	Public works
14,840,637	17,409,953	18,643,912	20,000,898	21,453,342	Human services
4,446,149	4,314,220	4,780,299	5,393,280	6,564,538	Parks, recreation and cultural
4,360,063	4,254,248	4,507,798	4,920,539	5,313,263	Community development
52,952,916	59,117,402	59,782,180	64,348,175	67,367,754	Education (appropriation to School Component Unit), for:
27,349,727	11,730,728	10,337,971	24,862,906	21,975,615	Instruction, operations and administration
					Capital outlay
					Debt service:
8,193,484	8,055,740	8,873,194	8,666,075	10,064,060	Principal retirement
5,015,871	5,794,545	5,268,461	5,389,377	5,592,647	Interest and fiscal charges
<u>93,511,998</u>	<u>84,698,415</u>	<u>84,261,806</u>	<u>103,266,533</u>	<u>105,000,076</u>	Total education, primary government
					Debt service:
1,561,108	1,527,625	1,448,913	1,185,722	1,220,185	Principal retirement
692,568	605,076	476,297	408,199	453,555	Interest and fiscal charges
<u>168,335,734</u>	<u>165,926,189</u>	<u>171,927,660</u>	<u>196,015,163</u>	<u>205,588,151</u>	Total expenditures
<u>(28,826,507)</u>	<u>(9,277,368)</u>	<u>(4,690,870)</u>	<u>(10,047,131)</u>	<u>(8,526,835)</u>	Excess of revenues over (under) expenditures
					OTHER FINANCING SOURCES (USES)
6,063,542	7,742,528	9,472,429	12,732,206	12,970,459	Transfers in
(5,535,931)	(6,282,077)	(9,527,429)	(12,982,206)	(13,589,531)	Transfers out
21,500,000	-	17,097,408	14,739,643	21,487,759	Bonds issued
-	-	-	-	14,653,901	Refunding bonds issued
-	-	-	-	(14,538,703)	Payments to escrow agent
-	-	-	-	-	Capital leases (refunding in 1999)
<u>22,027,611</u>	<u>1,460,451</u>	<u>17,042,408</u>	<u>14,489,643</u>	<u>20,983,885</u>	Total other financing sources (uses)
<u>(6,798,896)</u>	<u>(7,816,917)</u>	<u>12,351,538</u>	<u>4,442,512</u>	<u>12,457,050</u>	Net change in fund balances
<u>6,481,587</u>	<u>6,624,735</u>	<u>7,721,954</u>	<u>5,351,876</u>	<u>6,322,103</u>	County capital outlay (other than for education) contained in functional expenditure categories, above
					GASB 44 Debt Service Disclosure (primary government): (2)
11.5%	10.8%	10.4%	9.4%	9.8%	Debt service as a percentage of noncapital expenditures, primary government, governmental funds
					Self-imposed debt margin compliance (total reporting entity): (1)
195,661,023	214,131,882	232,429,030	249,296,596	273,302,713	Noncapital expenditures - total reporting entity
7.9%	7.5%	6.9%	6.3%	6.3%	Debt service as a percent of noncapital expenditures - total reporting entity

To assist the reader, the fiscal year 2007 percentages, calculated in accordance with the County's self-imposed debt margin, and with GASB 44, respectively, are as follows:

Debt Margin Information (1), (2)		
Fiscal Year 2007	Self-imposed	GASB 44
	Total	
	Reporting	Primary
	Entity	Government
Total expenditures	\$ 301,600,431	205,588,151
Less:		
Capital Outlay	(28,297,718)	(28,297,718)
Noncapital expenditures	<u>\$ 273,302,713</u>	<u>177,290,433</u>
Debt service expenditures	<u>\$ 17,330,447</u>	<u>17,330,447</u>
As a % of noncapital expenditures	<u>6.3%</u>	<u>9.8%</u>