

**COUNTY OF HANOVER, VIRGINIA**

Statement of Net Assets

June 30, 2006

	Primary Government			Component Units	
	Governmental	Business-type	Total	School	Economic Development Authority
	Activities	Activities			
<b>ASSETS</b>					
Current Assets:					
Cash, cash equivalents and investments	\$ 39,184,148	12,822,726	52,006,874	11,589,038	186,387
Receivables (net of allowance for uncollectibles)	52,263,730	4,136,738	56,400,468	4,227,136	-
Inventories	195,075	-	195,075	81,863	-
Total current assets	91,642,953	16,959,464	108,602,417	15,898,037	186,387
Noncurrent Assets:					
Cash, cash equivalents and investments - restricted	7,921,017	12,876,264	20,797,281	-	-
Capital assets (net of accumulated depreciation):					
Land	12,667,815	4,051,674	16,719,489	6,414,132	-
Buildings	128,196,769	58,292,385	186,489,154	72,194,623	-
Improvements other than buildings	9,066,503	96,514,123	105,580,626	2,702,889	-
Machinery and equipment	11,647,155	1,317,932	12,965,087	8,423,686	-
Infrastructure	13,694,985	-	13,694,985	-	-
Construction in progress	20,087,182	8,703,170	28,790,352	1,187,203	-
Total capital assets	195,360,409	168,879,284	364,239,693	90,922,533	-
Total noncurrent assets	203,281,426	181,755,548	385,036,974	90,922,533	-
Total assets	294,924,379	198,715,012	493,639,391	106,820,570	186,387
<b>LIABILITIES</b>					
Current Liabilities:					
Accounts payable	3,452,071	1,826,014	5,278,085	1,126,543	23
Incurred but not reported	1,554,000	-	1,554,000	-	-
Accrued liabilities	2,160,691	206,706	2,367,397	12,582,436	-
Accrued bond interest	107,267	345,444	452,711	2,723,021	-
Unearned revenue	41,738,118	-	41,738,118	49,963	-
Current portion of bonds payable	10,543,317	1,867,590	12,410,907	-	-
Current portion of capital lease obligations	825,185	-	825,185	-	-
Current portion of compensated absences	3,482,356	338,040	3,820,396	1,878,142	-
Current portion of landfill closure	75,755	-	75,755	-	-
Current portion of contractual obligations	-	140,889	140,889	-	-
Current portion of early retirement liability	-	-	-	143,544	-
Total current liabilities	63,938,760	4,724,683	68,663,443	18,503,649	23
Noncurrent Liabilities:					
Bonds payable	119,956,611	38,713,164	158,669,775	-	-
Capital lease obligations	3,602,672	-	3,602,672	-	-
Compensated absences	701,046	110,397	811,443	1,931,978	-
Deposits	-	146,599	146,599	-	-
Refundable developer capacity fees	-	158,950	158,950	-	-
Liability for landfill closure	2,629,788	-	2,629,788	-	-
Liability for early retirement program	-	-	-	1,383,280	-
Long-term contractual obligations	-	937,922	937,922	-	-
Total noncurrent liabilities	126,890,117	40,067,032	166,957,149	3,315,258	-
Total liabilities	190,828,877	44,791,715	235,620,592	21,818,907	23
<b>NET ASSETS</b>					
Invested in capital assets, net of related debt	67,583,618	136,220,116	203,803,734	90,922,533	-
Restricted for:					
Capital projects	6,288,750	3,716,918	10,005,668	-	-
Debt service	770,022	-	770,022	-	-
Unrestricted (deficit)	29,453,112	13,986,263	43,439,375	(5,920,870)	186,364
Total net assets	\$ 104,095,502	153,923,297	258,018,799	85,001,663	186,364

The notes to the financial statements are an integral part of this statement.

**COUNTY OF HANOVER, VIRGINIA**

Statement of Activities

For the Year Ended June 30, 2006

Function/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets			Component Units	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			School	Economic Development Authority
					Governmental Activities	Business-type Activities	Total		
<b>Primary government:</b>									
Governmental activities:									
General governmental administration	\$ 12,118,463	2,489,994	738,018	-	(8,890,451)	-	(8,890,451)	-	-
Judicial administration	3,978,959	1,415,939	1,211,036	-	(1,351,984)	-	(1,351,984)	-	-
Public safety	35,956,589	3,375,762	4,376,321	112,036	(28,092,470)	-	(28,092,470)	-	-
Public works	9,570,693	695,494	99,943	4,604,130	(4,171,126)	-	(4,171,126)	-	-
Human services	19,849,312	3,493,429	7,875,193	-	(8,480,690)	-	(8,480,690)	-	-
Parks, recreation and cultural	5,260,603	401,075	-	95,245	(4,764,283)	-	(4,764,283)	-	-
Community development	4,878,481	2,825,277	9,960	-	(2,043,244)	-	(2,043,244)	-	-
Education	83,003,947	-	-	2,393,637	(80,610,310)	-	(80,610,310)	-	-
Interest on long-term debt	314,867	-	-	-	(314,867)	-	(314,867)	-	-
Total governmental activities	174,931,914	14,696,970	14,310,471	7,205,048	(138,719,425)	-	(138,719,425)	-	-
Business-type activities:									
Public utilities	21,848,595	19,226,205	75,300	8,495,258	-	5,948,168	5,948,168	-	-
Total business-type activities	21,848,595	19,226,205	75,300	8,495,258	-	5,948,168	5,948,168	-	-
Total primary government	\$ 196,780,509	33,923,175	14,385,771	15,700,306	(138,719,425)	5,948,168	(132,771,257)	-	-
<b>Component Units:</b>									
School	\$ 157,418,906	7,313,165	76,068,501	-	-	-	-	(74,037,240)	-
Economic Development Authority	2,756	35,174	-	-	-	-	-	-	32,418
Total component units	\$ 157,421,662	7,348,339	76,068,501	-	-	-	-	(74,037,240)	32,418
<b>General revenues:</b>									
Taxes:									
General property taxes					104,905,885	-	104,905,885	-	-
Sales taxes					16,235,682	-	16,235,682	-	-
Utility taxes					4,403,173	-	4,403,173	-	-
Motor vehicle licenses					2,437,925	-	2,437,925	-	-
Recordation taxes					2,741,419	-	2,741,419	-	-
Other					2,371,936	-	2,371,936	-	-
Noncategorical State aid					15,674,963	-	15,674,963	-	-
Grants and contributions not restricted to specific programs					1,144,348	-	1,144,348	-	-
Unrestricted investment earnings					1,427,007	588,383	2,015,390	70,689	-
Gain on sale of capital assets					3,952	-	3,952	-	-
Payment from Hanover County					-	-	-	79,427,556	-
Total general revenues					151,346,290	588,383	151,934,673	79,498,245	-
Change in net assets					12,626,865	6,536,551	19,163,416	5,461,005	32,418
Net assets - beginning					91,468,637	147,386,746	238,855,383	79,540,658	153,946
Net assets - ending					\$ 104,095,502	153,923,297	258,018,799	85,001,663	186,364

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The notes to the financial statements are an integral part of this statement.