

COUNTY OF HANOVER, VIRGINIA

Pledged Revenue Coverage

Last Ten Fiscal Years (1)

Fiscal Year	Utility Revenues (2)	Less: Operating Expenses (3)	Net Available Revenues	Debt Service		Net Available Revenues Coverage (4)	Debt Covenant Coverage Ratio (5)		
				Principal	Interest		Debt Service		Debt Covenant Coverage Test
							Senior Debt Service	Subordinate Debt Service	
1997	\$ 20,011,350	7,699,944	12,311,406	2,480,279	1,532,329	3.1	1,901,625	2,110,983	2.9
1998	20,236,947	8,881,253	11,355,694	2,599,666	1,386,499	2.8	1,886,392	2,099,773	2.7
1999	20,810,380	9,233,147	11,577,233	2,695,681	1,244,300	2.9	1,852,277	2,087,704	2.7
2000	22,114,387	9,796,526	12,317,861	2,787,179	1,086,461	3.2	1,396,609	2,477,031	3.0
2001	22,390,288	9,675,260	12,715,028	1,375,213	1,142,682	5.0	1,200,484	1,317,411	4.7
2002	22,862,743	9,738,936	13,123,807	1,125,068	1,107,767	5.9	1,315,060	917,775	5.4
2003	22,019,995	10,739,603	11,280,392	1,194,006	979,335	5.2	1,221,541	951,800	4.8
2004	20,204,934	11,575,054	8,629,880	1,920,222	1,062,654	2.9	1,996,845	986,031	2.6
2005	22,269,236	13,583,502	8,685,734	2,538,853	1,329,792	2.2	3,076,445	792,200	2.0
2006	24,926,132	14,357,272	10,568,860	1,957,330	988,352	3.6	2,750,338	195,344	3.1
% Change			21.7%	-22.9%	-25.7%	59.8%	-10.6%	-75.3%	56.9%
% Ch. Since 1997			-14.2%	-21.1%	-35.5%	16.9%	44.6%	-90.7%	9.9%

- Notes: (1) Prior years coverage tests have been restated to comply with current revenue covenants for Water and Sewer System Revenue Bonds. The County was in compliance with all debt coverage ratios applicable to prior years before restatement.
- (2) Revenue covenants for Water and Sewer System Revenue Bonds include monetary revenues from all sources for the calculation of coverage ratios.
- (3) Revenue covenants exclude interest and depreciation from operating expenses for the calculation of coverage ratios.
- (4) Net available revenues coverage equals net available revenues divided by total debt service principal and interest requirements. This ratio assists users to assess the County's ability to generate sufficient resources to repay its public utility revenue bonds.
- (5) The debt covenant coverage ratio assists users to assess the County's legal compliance with its debt service covenant requirements. The County's debt covenants require the ratio of the net revenues divided by the sum of 115% of senior debt service and 100% of subordinate debt service to exceed 1.0.