

**COUNTY OF HANOVER, VIRGINIA**  
 Changes in Fund Balances, Governmental Funds <sup>(3), (4)</sup>  
 Last Ten Fiscal Years  
 (modified accrual basis of accounting)

Primary Government:	Fiscal Year				
	1999	2000	2001	2002	2003
<b>REVENUES</b>					
General property taxes	\$ 64,468,263	67,308,494	72,440,101	73,623,307	79,536,223
Other local taxes	17,092,758	18,051,340	19,819,431	21,344,614	20,119,615
Permits, privilege fees and regulatory licenses	1,749,818	1,868,160	1,785,941	1,971,098	2,031,537
Fines and forfeitures	296,407	429,827	393,703	402,496	535,613
Revenues from use of money and property	2,122,991	2,439,676	2,714,304	1,062,549	1,158,711
Charges for services	2,878,130	6,546,432	4,333,964	5,640,273	6,364,983
Miscellaneous	655,686	722,279	1,329,609	748,276	755,405
Recovered costs	1,460,212	2,409,698	2,126,294	2,646,507	1,801,326
Intergovernmental (state and federal)	12,641,698	20,037,569	22,702,302	30,298,996	27,205,814
Total revenues	<u>103,365,963</u>	<u>119,813,475</u>	<u>127,645,649</u>	<u>137,738,116</u>	<u>139,509,227</u>
<b>EXPENDITURES</b>					
General governmental administration	6,417,468	6,940,188	7,767,247	9,422,694	9,046,646
Judicial administration	1,530,273	1,897,526	2,453,645	2,801,675	2,790,441
Public safety	19,364,355	22,622,596	25,159,954	22,890,619	28,218,865
Public works	9,823,390	12,810,463	12,996,826	11,469,558	8,867,259
Human services	10,828,633	12,025,972	13,001,788	15,336,213	14,840,637
Parks, recreation and cultural	2,680,380	3,092,214	3,263,939	3,801,167	4,446,149
Community development	3,165,946	3,613,904	4,075,473	4,654,911	4,360,063
Education expenditures, for:					
Instruction, operations and administration	43,846,740	43,011,696	47,894,364	52,238,183	54,046,905
Capital outlay	7,563,060	19,220,404	18,084,088	18,234,347	26,255,738
Debt service:					
Principal retirement	6,406,036	6,397,666	7,072,242	7,727,463	8,193,484
Interest and fiscal charges	3,973,223	4,147,725	4,445,218	5,138,804	5,015,871
Total education, primary government	<u>61,789,059</u>	<u>72,777,491</u>	<u>77,495,912</u>	<u>83,338,797</u>	<u>93,511,998</u>
Debt service:					
Principal retirement	1,416,648	1,564,220	1,612,463	1,579,260	1,561,108
Interest and fiscal charges	1,002,092	923,450	849,329	774,420	692,568
Total expenditures	<u>118,018,244</u>	<u>138,268,024</u>	<u>148,676,576</u>	<u>156,069,314</u>	<u>168,335,734</u>
Excess of revenues over (under) expenditures	<u>(14,652,281)</u>	<u>(18,454,549)</u>	<u>(21,030,927)</u>	<u>(18,331,198)</u>	<u>(28,826,507)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	11,436,221	9,138,114	11,930,446	15,408,658	6,063,542
Transfers out	(5,886,221)	(7,238,114)	(11,649,042)	(14,217,374)	(5,535,931)
Bonds issued	11,114,070	11,328,252	18,245,000	22,065,000	21,500,000
Refunding bonds issued	-	-	-	-	-
Payments to escrow agent	(5,719,690)	-	-	-	-
Capital leases (refunding in 1999)	5,692,203	-	269,085	-	-
Total other financing sources (uses)	<u>16,636,583</u>	<u>13,228,252</u>	<u>18,795,489</u>	<u>23,256,284</u>	<u>22,027,611</u>
<b>Net change in fund balances</b>	\$ <u>1,984,302</u>	<u>(5,226,297)</u>	<u>(2,235,438)</u>	<u>4,925,086</u>	<u>(6,798,896)</u>
County capital outlay (other than for education) contained in functional expenditure categories, above	\$ <u>8,826,108</u>	<u>12,184,921</u>	<u>13,589,067</u>	<u>8,092,149</u>	<u>5,452,015</u>
<b>GASB 44 debt service disclosure (primary government): (2)</b>					
Debt service as a percentage of noncapital expenditures, primary government, governmental funds	<u>12.6%</u>	<u>12.2%</u>	<u>11.9%</u>	<u>11.7%</u>	<u>11.3%</u>
<b>Self-imposed debt margin compliance (total reporting entity): (1)</b>					
Noncapital expenditures - total reporting entity	\$ 143,778,780	159,335,005	172,838,681	184,410,271	195,661,023
Debt service as a percent of noncapital expenditures - total reporting entity	<u>8.9%</u>	<u>8.2%</u>	<u>8.1%</u>	<u>8.3%</u>	<u>7.9%</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. For this purpose, capital outlay consists of total expenditures of the County and School Improvements Funds (Capital Projects Funds), and noncapital expenditures consist of total expenditures of the reporting entity, exclusive of the 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 126.
- (2) **GASB 44 debt service disclosure**  
 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. For this purpose, capital outlay is defined in accordance with GASB 44 as the amount of capital assets constructed or acquired during the fiscal year in accordance with the County's asset capitalization policy.
- (3) Certain estimates and reclassifications have been made to conform with the presentations required by GASB Statements No. 34 and 44.
- (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 1999 - 2004 have been restated to include revenues, expenditures and other financing sources (uses) of the School Improvements Fund.

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Fiscal Year					
2004	2005	2006	2007	2008	
87,102,894	94,604,793	104,909,885	116,138,314	127,752,615	<b>REVENUES</b>
23,059,560	25,475,779	28,190,135	27,952,788	29,953,700	General property taxes
2,382,618	2,723,338	2,741,893	2,840,734	2,570,668	Other local taxes
755,612	900,479	922,784	979,511	967,867	Permits, privilege fees and regulatory licenses
469,494	739,604	1,778,603	2,948,143	2,507,279	Fines and forfeitures
6,808,704	7,763,532	9,799,667	9,163,731	8,165,843	Revenues from use of money and property
651,467	341,392	902,337	534,902	654,065	Charges for services
3,465,357	4,025,895	4,938,320	4,901,798	6,824,257	Miscellaneous
31,953,115	30,661,978	31,784,408	31,601,395	34,398,123	Recovered costs
156,648,821	167,236,790	185,968,032	197,061,316	213,794,417	Intergovernmental (state and federal)
					Total revenues
					<b>EXPENDITURES</b>
9,996,622	10,820,949	11,842,572	12,998,848	13,604,057	General governmental administration
2,904,596	3,417,726	3,797,463	3,864,913	4,342,825	Judicial administration
28,867,772	33,448,190	36,508,483	40,357,437	47,391,988	Public safety
11,347,662	10,121,770	8,691,474	8,361,994	12,212,146	Public works
17,409,953	18,643,912	20,000,898	21,453,342	22,960,809	Human services
4,314,220	4,780,299	5,393,280	6,564,538	9,221,302	Parks, recreation and cultural
4,254,248	4,507,798	4,920,539	5,313,263	5,547,312	Community development
					Education expenditures, for:
59,586,631	60,195,699	65,364,031	67,881,714	75,940,541	Instruction, operations and administration
11,261,499	9,924,452	23,847,050	21,461,655	22,020,675	Capital outlay
					Debt service:
8,055,740	8,873,194	8,666,075	10,064,060	10,888,261	Principal retirement
5,794,545	5,268,461	5,389,377	5,592,647	5,936,066	Interest and fiscal charges
84,698,415	84,261,806	103,266,533	105,000,076	114,785,543	Total education, primary government
					Debt service:
1,527,625	1,448,913	1,185,722	1,220,185	1,578,504	Principal retirement
605,076	476,297	408,199	453,555	727,242	Interest and fiscal charges
165,926,189	171,927,660	196,015,163	205,588,151	232,371,728	Total expenditures
(9,277,368)	(4,690,870)	(10,047,131)	(8,526,835)	(18,577,311)	Excess of revenues over (under) expenditures
					<b>OTHER FINANCING SOURCES (USES)</b>
7,742,528	9,472,429	12,732,206	12,970,459	16,327,577	Transfers in
(6,282,077)	(9,527,429)	(12,982,206)	(13,589,531)	(16,557,255)	Transfers out
-	17,097,408	14,739,643	21,487,759	14,614,880	Bonds issued
-	-	-	14,653,901	-	Refunding bonds issued
-	-	-	(14,538,703)	-	Payments to escrow agent
-	-	-	-	-	Capital leases (refunding in 1999)
1,460,451	17,042,408	14,489,643	20,983,885	14,385,202	Total other financing sources (uses)
(7,816,917)	12,351,538	4,442,512	12,457,050	(4,192,109)	<b>Net change in fund balances</b>
5,722,320	3,651,890	4,724,911	7,706,846	11,459,039	County capital outlay (other than for education) contained in functional expenditure categories, above
10.7%	10.1%	9.3%	9.8%	9.6%	<b>GASB 44 Debt Service Disclosure (primary government): (2)</b> Debt service as a percentage of noncapital expenditures, primary government, governmental funds
214,131,882	232,429,030	249,296,596	273,302,713	292,793,745	<b>Self-imposed debt margin compliance (total reporting entity): (1)</b> Noncapital expenditures - total reporting entity Debt service as a percent of noncapital expenditures - total reporting entity
7.5%	6.9%	6.3%	6.3%	6.5%	

To assist the reader, the fiscal year 2008 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 2008	Self-imposed	GASB 44
	Total	
	Reporting	Primary
	Entity	Government
	(Note 1)	(Note 2)
Total expenditures	\$ 331,043,062	232,371,728
Less:		
Capital Outlay	(38,249,317)	(33,479,714)
Noncapital expenditures	\$ 292,793,745	198,892,014
Debt service expenditures	\$ 19,130,073	19,130,073
As a % of noncapital expenditures	6.5%	9.6%