

DISCRETELY PRESENTED COMPONENT UNIT – SCHOOL BOARD

Governmental Funds:

School – Accounts for the activities of primary and secondary education.

Textbook – Accounts for the distribution of textbooks to students.

Cafeteria – Accounts for the operations of school food services.

COUNTY OF HANOVER, VIRGINIA
Discretely Presented Component Unit School Board
Combining Balance Sheet
June 30, 2009

Exhibit 25

	Governmental Funds			
	School	Textbook	Cafeteria	Totals
ASSETS				
Cash, cash equivalents and investments	\$ 16,879,004	2,097,229	700,065	19,676,298
Accounts receivable	146,678	-	-	146,678
Due from other governmental units	3,914,530	-	55,787	3,970,317
Inventory	-	-	120,024	120,024
Total assets	<u>\$ 20,940,212</u>	<u>2,097,229</u>	<u>875,876</u>	<u>23,913,317</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 1,219,075	2,009	26,129	1,247,213
Accrued liabilities	14,707,321	2,816	449,344	15,159,481
Deferred revenue	45,872	-	-	45,872
Total liabilities	<u>15,972,268</u>	<u>4,825</u>	<u>475,473</u>	<u>16,452,566</u>
Fund balances:				
Reserved for:				
Encumbrances	1,330,077	182,665	-	1,512,742
Inventory	-	-	120,024	120,024
Unreserved:				
Designated for specific purposes	2,287,871	96,307	-	2,384,178
Undesignated	1,349,996	1,813,432	280,379	3,443,807
Total fund balances	<u>4,967,944</u>	<u>2,092,404</u>	<u>400,403</u>	<u>7,460,751</u>
Total liabilities and fund balances	<u>\$ 20,940,212</u>	<u>2,097,229</u>	<u>875,876</u>	
Amounts reported for governmental activities in the statement of net assets are different because:				
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.				\$ 101,196,231
Long-term liabilities and some accrued liabilities are not due and payable in the current period and therefore are not reported in the funds:				
Compensated absences			\$ (4,457,798)	
Liability for early retirement program			(582,082)	
Accrued bond interest			(2,033,764)	<u>(7,073,644)</u>
Net assets of School Component Unit activities				<u>\$ 101,583,338</u>

COUNTY OF HANOVER, VIRGINIA

Exhibit 26

Discretely Presented Component Unit - School Board

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

For the Year Ended June 30, 2009

	Governmental Funds			
	School	Textbook	Cafeteria	Totals
REVENUES				
Revenue from local sources:				
Revenue from use of money and property	\$ -	12,750	14,032	26,782
Charges for services - operating	675,082	-	5,701,407	6,376,489
Miscellaneous	639,915	-	19,516	659,431
Recovered costs	967,694	-	-	967,694
Payments from primary government	94,078,833	717,352	-	94,796,185
Revenue from the Commonwealth	91,523,431	195,560	67,252	91,786,243
Revenue from the Federal government	5,989,388	-	1,330,657	7,320,045
Total revenues	193,874,343	925,662	7,132,864	201,932,869
EXPENDITURES				
Current:				
Education	173,674,883	681,404	7,131,923	181,488,210
Debt service:				
Principal retirement	11,336,693	-	-	11,336,693
Interest and fiscal charges	6,061,070	-	-	6,061,070
Total expenditures	191,072,646	681,404	7,131,923	198,885,973
Net change in fund balance	2,801,697	244,258	941	3,046,896
Fund balances - beginning	2,166,247	1,848,146	410,768	4,425,161
Decrease in reserve for inventory	-	-	(11,306)	(11,306)
Fund balances - ending	\$ 4,967,944	2,092,404	400,403	7,460,751

COUNTY OF HANOVER, VIRGINIA

Exhibit 27

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances
of Discretely Presented School Component Unit to the Statement of Activities
For the Year Ended June 30, 2009

Net change in fund balances - total governmental funds \$ 3,046,896

The County's School Improvements Fund accounts for the construction and acquisition of School Board capital assets. As the School Improvements Fund makes capital outlay expenditures, the capital assets, and a corresponding increase in the "Payment from Hanover County" are recorded by the School Component Unit in the government-wide financial statements. After their completion, the cost of the capital assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which the increase in the Payment from Hanover County due to capital asset acquisitions (\$9,706,042) exceeded depreciation expense (\$8,759,014) in the current period. 947,028

Under Virginia law, the County has a tenancy in common for School Component Unit capital assets for which the County is obligated to repay outstanding "on-behalf" bonds. Under the tenancy in common, the County reports the net book value of School Component Unit capital assets up to the outstanding principal balance of "on-behalf" bonds at year end. This amount is the increase in the net book value of School Component Unit capital assets reported by the County for the fiscal year, which resulted primarily from school construction activity funded by newly issued County bonds. The amount of the capital assets transferred to the County from the School Component Unit results in a decrease in net assets reported by the School Component Unit on the statement of activities. (2,686,843)

Some expenses reported in this statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. 1,477,031

Changes in net assets of School Component Unit activities \$ 2,784,112

COUNTY OF HANOVER, VIRGINIA

Exhibit 28

School Fund - School Board

Schedule of Revenues, Expenditures and Changes in Fund Balance- Budget and Actual

For the Year Ended June 30, 2009

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
REVENUES				
Revenue from local sources:				
Charges for services:				
Tuition and other charges for services	\$ 799,158	806,348	675,082	(131,266)
Total charges for services	<u>799,158</u>	<u>806,348</u>	<u>675,082</u>	<u>(131,266)</u>
Miscellaneous:				
Miscellaneous	783,000	980,369	639,915	(340,454)
Total miscellaneous revenue	<u>785,000</u>	<u>982,369</u>	<u>639,915</u>	<u>(342,454)</u>
Recovered costs:				
Recovered costs	773,880	876,443	967,694	91,251
Total recovered costs	<u>773,880</u>	<u>876,443</u>	<u>967,694</u>	<u>91,251</u>
Payments from primary government:				
General Fund	96,733,548	96,733,548	94,078,833	(2,654,715)
Total payments from primary government	<u>96,733,548</u>	<u>96,733,548</u>	<u>94,078,833</u>	<u>(2,654,715)</u>
Total revenue from local sources	<u>99,091,586</u>	<u>99,398,708</u>	<u>96,361,524</u>	<u>(3,037,184)</u>
Revenue from the Commonwealth:				
Non-categorical aid:				
Lottery proceeds and basic school aid	73,515,359	73,544,569	73,589,430	44,861
Total non-categorical aid	<u>73,515,359</u>	<u>73,544,569</u>	<u>73,589,430</u>	<u>44,861</u>
Categorical aid:				
Categorical aid programs	18,155,075	19,394,536	17,934,001	(1,460,535)
Total categorical aid	<u>18,155,075</u>	<u>19,394,536</u>	<u>17,934,001</u>	<u>(1,460,535)</u>
Total revenue from the Commonwealth	<u>91,670,434</u>	<u>92,939,105</u>	<u>91,523,431</u>	<u>(1,415,674)</u>
Revenue from the Federal government:				
Categorical aid:				
Department of Education	6,284,913	6,681,710	5,989,388	(692,322)
Total revenue from the Federal government	<u>6,284,913</u>	<u>6,681,710</u>	<u>5,989,388</u>	<u>(692,322)</u>
Total revenues	<u>197,046,933</u>	<u>199,019,523</u>	<u>193,874,343</u>	<u>(5,145,180)</u>
EXPENDITURES				
Education:				
General support	9,994,574	10,243,957	9,542,631	701,326
Pupil transportation	9,366,523	9,469,027	8,506,424	962,603
Operations and maintenance	12,952,489	13,907,146	12,714,325	1,192,821
Instruction	145,142,021	147,566,810	141,472,059	6,094,751
Facilities	2,193,463	2,304,165	1,439,444	864,721
Total education	<u>179,649,070</u>	<u>183,491,105</u>	<u>173,674,883</u>	<u>9,816,222</u>
Debt service:				
Principal retirement	11,336,693	11,336,693	11,336,693	-
Interest and fiscal charges	6,061,170	6,061,170	6,061,070	100
Total debt service	<u>17,397,863</u>	<u>17,397,863</u>	<u>17,397,763</u>	<u>100</u>
Total expenditures	<u>197,046,933</u>	<u>200,888,968</u>	<u>191,072,646</u>	<u>9,816,322</u>
Net change in fund balance	-	(1,869,445)	2,801,697	4,671,142
Fund balance - beginning	-	1,869,445	2,166,247	296,802
Fund balance - ending	<u>\$ -</u>	<u>-</u>	<u>4,967,944</u>	<u>4,967,944</u>

COUNTY OF HANOVER, VIRGINIA

Exhibit 29

Textbook Fund - School Board

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Year Ended June 30, 2009

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
REVENUES				
Revenue from local sources:				
Revenue from use of property	\$ -	-	12,750	12,750
Total revenue from use of property	-	-	12,750	12,750
Payments from primary government:				
General Fund	717,352	717,352	717,352	-
Total payments from primary government	717,352	717,352	717,352	-
Total revenue from local sources	717,352	717,352	730,102	12,750
Revenue from the Commonwealth:				
Categorical aid:				
Textbook	1,300,156	200,156	195,560	(4,596)
Total revenue from the Commonwealth	1,300,156	200,156	195,560	(4,596)
Total revenues	2,017,508	917,508	925,662	8,154
EXPENDITURES				
Education:				
Textbook	2,017,508	917,508	681,404	236,104
Total expenditures	2,017,508	917,508	681,404	236,104
Net change in fund balance	-	-	244,258	244,258
Fund balance - beginning	-	-	1,848,146	1,848,146
Fund balance - ending	\$ -	-	2,092,404	2,092,404

COUNTY OF HANOVER, VIRGINIA

Exhibit 30

Cafeteria Fund - School Board

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Year Ended June 30, 2009

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
REVENUES				
Revenue from local sources:				
Revenue from use of money and property	\$ 14,000	14,000	14,032	32
Charges for services	6,612,996	6,612,996	5,701,407	(911,589)
Miscellaneous revenue	23,800	23,800	19,516	(4,284)
Total revenue from local sources	<u>6,650,796</u>	<u>6,650,796</u>	<u>5,734,955</u>	<u>(915,841)</u>
Revenue from the Commonwealth:				
Categorical aid:				
School food programs	68,000	68,000	67,252	(748)
Total revenue from the Commonwealth	<u>68,000</u>	<u>68,000</u>	<u>67,252</u>	<u>(748)</u>
Revenue from the Federal government:				
Categorical aid:				
USDA donated commodities	254,180	254,180	262,495	8,315
School food programs	846,034	846,034	894,361	48,327
Breakfast reimbursement	165,850	165,850	173,801	7,951
Total revenue from the Federal government	<u>1,266,064</u>	<u>1,266,064</u>	<u>1,330,657</u>	<u>64,593</u>
Total revenues	<u>7,984,860</u>	<u>7,984,860</u>	<u>7,132,864</u>	<u>(851,996)</u>
EXPENDITURES				
Education:				
Cafeteria	8,038,586	8,038,586	7,131,923	906,663
Total expenditures	<u>8,038,586</u>	<u>8,038,586</u>	<u>7,131,923</u>	<u>906,663</u>
Net change in fund balance	(53,726)	(53,726)	941	54,667
Fund balance - beginning	53,726	53,726	410,768	357,042
Decrease in reserve for inventory	-	-	(11,306)	(11,306)
Fund balance - ending	<u>\$ -</u>	<u>-</u>	<u>400,403</u>	<u>400,403</u>