



*Hanover County, VA
Fiscal Year 2011
Adopted Budget*





GOVERNMENT FINANCE OFFICERS ASSOCIATION

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For the Fiscal Year Beginning

July 1, 2009

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Deputy County Administrator

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Deputy County Administrator

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Acting Assistant County Administrator

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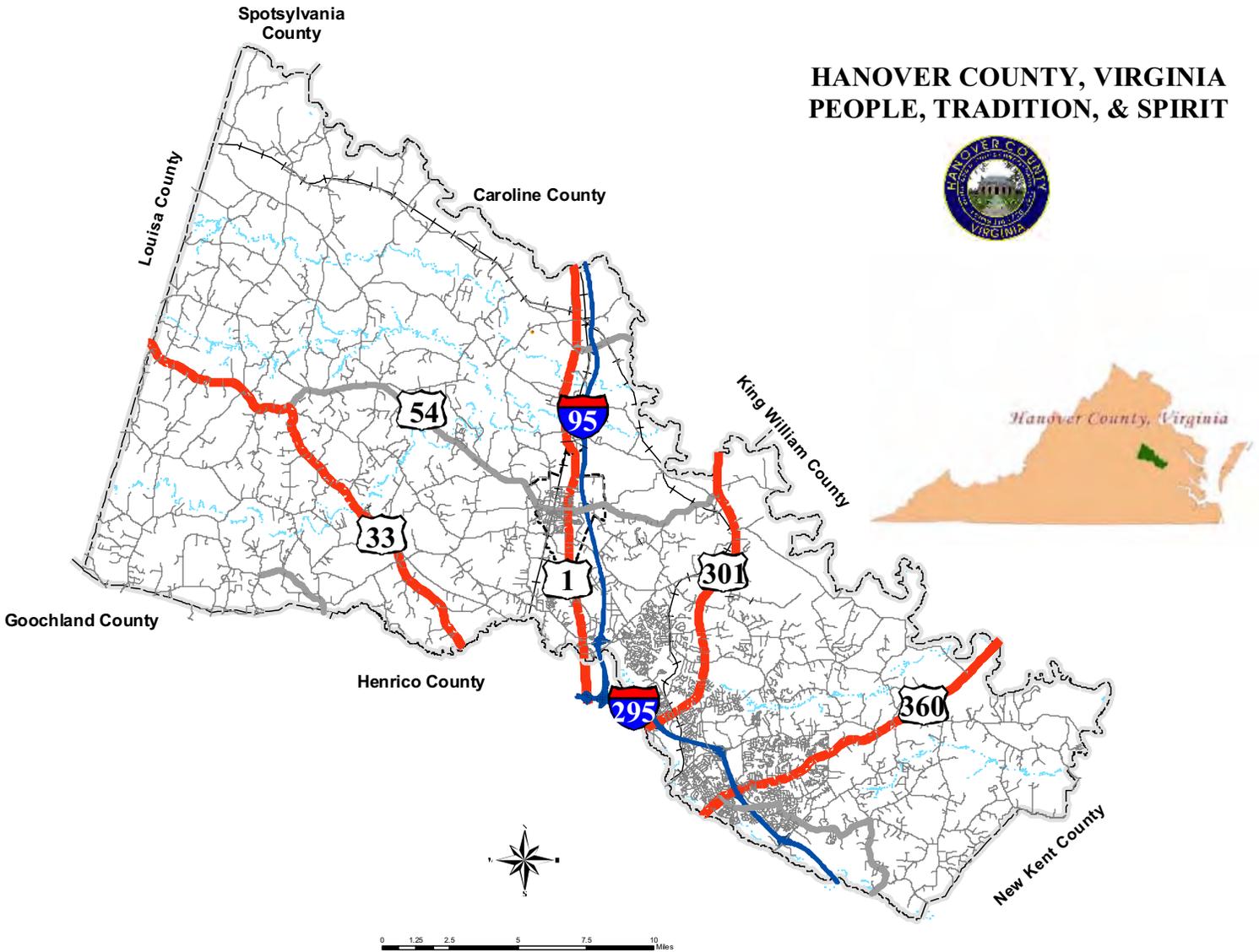
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HANOVER COUNTY, VIRGINIA PEOPLE, TRADITION, & SPIRIT





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Vision Statement

Hanover – where a family of communities, inspired by its people, traditions, spirit and history, is the foundation for its future.

Mission Statement

The mission of Hanover Government is to provide a superior quality of life that is defined, encouraged and supported by the community itself,

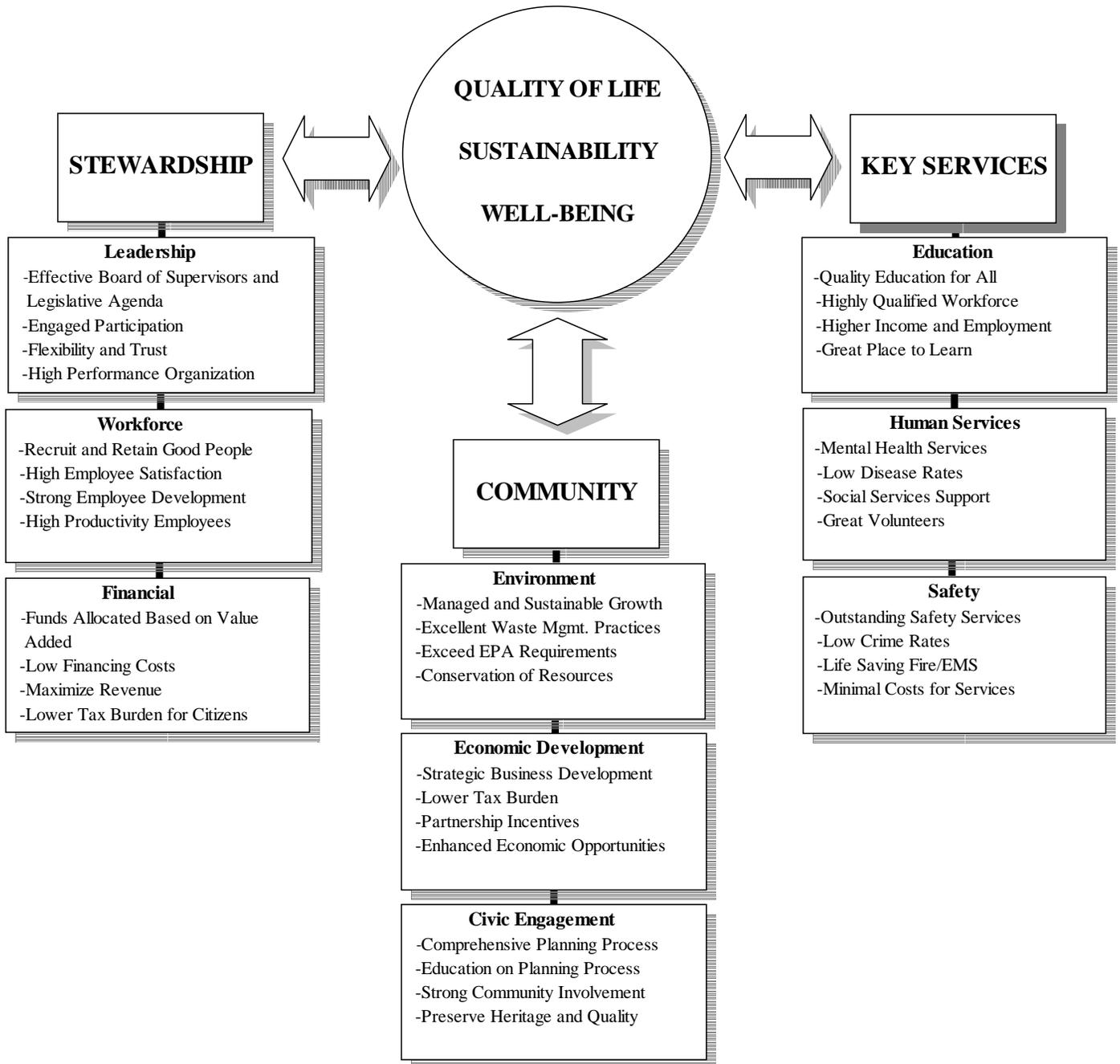
- *Where government focuses efficiently and effectively on the general well-being, education and safety of the people, and*
- *Where service delivery is based on sound financial management practices, and*
- *Where growth is managed in creative and innovative ways*

Value Statements

- *Commitment to Hanover Vision and Mission*
- *Open and Responsive Leadership that Promotes Trust*
- *Effective and Compassionate Government Focused on Citizen Needs*
- *Accountability for Results, Actions and Outcomes*
- *Mutual Respect that Fosters Civility*
- *Encouragement of Pride, Dedication and Integrity*
- *Foster an Environment that Encourages Citizen Participation in their Government and Community*

Hanover County Strives to Implement a Management-Led, Customer-Oriented Focus

Hanover’s Mission Themes of **Quality of Life, Sustainability** and **Well-being** are achieved through Mission Attributes of **Community, Stewardship** and **Key Services**. Under these attributes are nine Mission Focus Areas as follows:



How to Use This Document

The Hanover County budget document is divided into the following five sections:

Overview: This section provides an overview of the budget that includes the County Administrator’s letter to the Board of Supervisors with an appendix of additional information and graphs and charts that outline the major functions and categories of expenditures and revenues. In addition, a history and description of the County, organizational chart, Five-Year General Fund Financial Plan, the County’s service level plan for the budget year, a staffing table, and demographics are presented. Use this section to get a brief understanding of the overall size of the budget and its major components.

General Fund: This section provides a breakdown of the major expenditure categories by department and function. Each department’s analysis includes a description of the department, budget highlights, goals and objectives, service levels, and the percentage change between the prior year adopted budget and the next year’s funding level. The following is a brief example of a department:

	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY11	FY12 Plan
Expenditures					
Personnel	\$ 1,119,833	\$ 1,139,675	\$ 1,143,230	0.3%	\$ 1,157,378
Operating	121,265	120,347	111,504	(7.3%)	112,619
Total Expenditures	\$ 1,241,098	\$ 1,260,022	\$ 1,254,734	(0.4%)	\$ 1,269,997
Revenues					
Intergovernmental Revenue	\$ 271,332	\$ 268,000	\$ 80,800	(69.9%)	\$ 82,000
General Fund Revenue	969,767	992,022	1,173,934	18.3%	1,187,997
Total Revenue	\$ 1,241,098	\$ 1,260,022	\$ 1,254,734	(0.4%)	\$ 1,269,997
Generated Revenue Percent	21.9%	21.3%	6.4%		6.5%
General Fund Percent	78.1%	78.7%	93.6%		93.5%
Full-time Positions	19	19	19	0.0%	19
Part-time Positions	1	1	1	0.0%	1
Full-time Equivalents	19.4	19.4	19.4	0.0%	19.4

Personnel expenditures include salaries and benefits. Operating expenditures are all other recurring expenditures (contractual services, utilities, supplies, etc.). Capital expenditures represent expenditures for capital items greater than \$5,000 per unit cost (equipment and furniture). The percent change is the change between the next year’s budget and the current adopted budget. Full-time positions represent all County employees who work 40 hours per week. Other revenue consists of department-generated revenues directly charged by that department for services, permits, privilege fees, regulatory licenses, fines and forfeitures, recovered costs, and interdepartmental funding.

Other Funds: This section provides information regarding the County’s funds other than the General Fund and the Capital Improvements Funds, which are detailed in different sections.

CIP: This section provides detailed descriptions for projects in the Five-Year Capital Improvements Program (CIP).

Supplemental Data: This section provides supplemental appendices to the County budget. Included in this section are such items as budget directives, financial policies and regulations, supplemental statistics, and glossary.

BOARD OF SUPERVISORS

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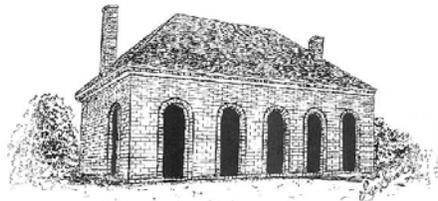
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HENRY DISTRICT

ROBERT R. SETLIFF
CHICKAHOMINY DISTRICT

AUBREY M. STANLEY
BEAVERDAM DISTRICT

ELTON J. WADE, SR.
COLD HARBOR DISTRICT



HANOVER COURTHOUSE

HANOVER COUNTY

ESTABLISHED IN 1720

COUNTY ADMINISTRATOR'S OFFICE

CECIL R. HARRIS, JR.
COUNTY ADMINISTRATOR

JOHN H. HODGES
DEPUTY COUNTY ADMINISTRATOR

JOSEPH P. CASEY
DEPUTY COUNTY ADMINISTRATOR

MARILYN J. BLAKE
ASSISTANT COUNTY ADMINISTRATOR

P.O. Box 470, HANOVER, VA 23069
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PHONE: 804-365-6005
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April 14, 2010

The Honorable Members of the Board of Supervisors
County of Hanover, Virginia

Dear Members of the Board:

We find ourselves not just in challenging economic times as we stated last year, but the most significant and prolonged recession since the Great Depression. FY10's budget message was about maintaining our quality of life and service levels in an economic downturn. While we hope to recognize that as a continuing theme throughout this recession, our simpler goal this year is to **preserve key services and realign staff resources**. It is our key services that define our quality of life and it is our employee's jobs that not only sustain these key services, but also contribute to the local economy.

Throughout this budget process we have all witnessed the national and state economy stagnating in its current mode and we still may not have seen the "bottom." Our local monthly economic indicators also confirm this:

- In February 2010, we had an unemployment rate of 7.3%, our highest since the Great Depression. Every 1.0% increase in unemployment rate translates to 500 newly unemployed people. Since Hanover has been fortunate to have had long-term unemployment rates of 3.0% or less over the last several decades, this means that over 2,000 additional people are experiencing unemployment.
- Social Services continues to have new requests for services with a 24.0% increase in benefit and fuel applications the first six months of this fiscal year compared to last year.
- Monthly local sales tax collections continue to trend below last year; the current collection is 11.7% lower than the same month in FY09 which was 18.7% below FY08.
- With 25% of real property tax bills declining \$160 on average and unprecedented depreciation of vehicle values of an average 24%, nearly all households are experiencing lower tax bills.

When this budget was recommended in February 2010, it was done so with a high level of caution as it was based on State revenue assumptions that were not expected to be sustained when the General Assembly deliberated its billion dollar shortfall. We already knew that State support for many programs would reach new lows. This partnership with the State was once a

Hanover: People, Tradition and Spirit

pillar of our financial foundation, but we built this budget and correlated services upon the new reality of far less State funding. The following chart provides some examples of State funding decreases from FY09 to FY11, with each reduction requiring a re-prioritization of local revenue support:

	State Reduction	% Change Reduction
Schools	\$8,900,000	9.8%
Sheriff's Office	332,000	9.4%
Other Constitutional Offices	434,000	19.3%
Human Services	168,000	12.7%

An opportunity that we have seized upon during this recession is to utilize the talents and skills of our tremendous workforce to **realign staff resources**. Through redeployment and cross utilization, the County is using over 30 employees in different and expanded capacities to help offset the reduction of a total of 50 positions. Both the County and schools have reduced their workforces.

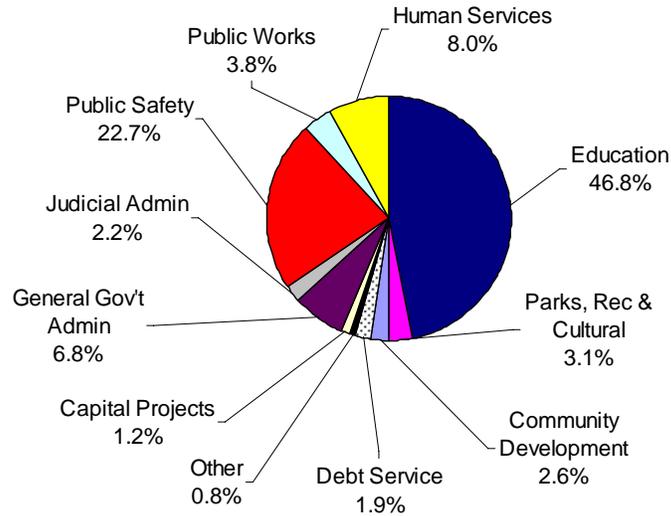
We recognize that in this challenging economy, citizens and businesses are strapped to meet their obligations. Therefore, this budget includes no increases in property tax rates; the budget is balanced by offsetting all reductions in revenues with cuts in spending and isolated cost recovery fee increases for certain services. The national recession which started in December 2007 has been declared over by some; however, this classification of recession means nothing to our many citizens who are unemployed and our businesses who are trying to survive. Hanover, the State, and the nation need to focus on jobs for our citizens and until we have sufficient work opportunities for our citizens, we will not be able to enjoy the quality of life we have had in the past. Our local revenue sources are based predominantly on real and personal property values and, as we have seen in prior recessions, recovery of these sources will lag behind that of businesses. Therefore, even if the recession were to end today with job opportunities and business profitability, it will not be over for local governments until at least FY12.

Budget Summary

We traditionally measure changes in our budget by comparing the total budget for all funds and the General Fund budget.

- The total budget for all funds is \$383.8 million, reflecting a 4.5% decrease from \$401.8 million. In addition to operating expenditures, the total budget includes impacts for capital expenditures, which may vary from year to year depending on projects. The decrease is due to adjusting expenditures to match lower levels of revenues throughout operating and capital portions of the budget.
- The total General Fund budget is \$198.6 million, a 2.6% decrease from \$204.0 million. This decrease reflects operating reductions and capital deferrals across all departments. The budget reflects the County still allocating most of its resources on Education (46.8%), Public Safety (22.7%) and Human Services (8.0%). These three services account for 77.5% of the total General Fund budget. The following graph illustrates the uses of the General Fund expenditures by function:

FY11 General Fund Expenditures



Primary General Fund Revenues

Although our focus during this budget process was to **preserve key services** and **realign staff resources**, we must recognize that in Hanover we first start with the revenue constraint and do our best to position services within existing tax rates. The primary local revenues reflect taxes, fees and State/Federal assistance which the County relies upon to fund services. While there are many other sources of revenues, the following revenues represent over 84.1% of General Fund on-going revenues.

Real Property (\$3.6 million decrease): We are very fortunate to have this portion of our budget only decrease 3.5%. This is primarily a result of declining assessments and very low new growth.

Personal Property (\$503,000 decrease): We are projecting a 2.2% revenue decrease based upon our preliminary assessment of existing vehicles for January 2011 and continued conservative assumptions for new vehicle purchases. Fortunately, it appears that current valuation tables illustrate a slower depreciating market for vehicles which helps stabilize this revenue source.

Sales Taxes (\$1.0 million decrease): Beginning in August 2008, sales taxes in the County have declined every month from the same period in the previous year. We were hopeful that with the prolonged recession, comparisons to the previous year's month would not further decline and actually remain flat for the remainder of the year. While we have seen lower declines in recent months, they are still continued monthly decreases and have resulted in a year-to-date decrease of 8.5%. Recent improvements lead us to forecast a flat trend for the remainder of the fiscal year and a flat trend thereafter throughout FY11.

State and Federal Revenues (\$1.3 million decrease): As noted previously, State support of programs continues to decline, especially as they pertain to Constitutional Office support. State

support of our Constitutional Officers has decreased by 10.5%. We are fortunate to have developed collaborative relationships with all of our Constitutional Officers and recognize the valued service provided by them to the citizens.

Certain Fee-Based Revenues (\$327,000 increase): In adhering to goals to keep all property tax rates the same, especially during this recessionary period, programmatic areas where direct services are provided for fees were thoroughly reviewed to determine what opportunity exists to try and maintain service levels through better cost recovery measures. Parks and Recreation, Fire-EMS, Treasurer, Cannery and Public Works are areas in which fee-based models have been updated to better recover fees from the customers of these direct service providers and reduce taxpayer subsidy for these services.

Preserve Key Services

Key services are defined as education, public safety and human services and account for over 77.5% of all expenditures; however, much of the remaining expenses are in areas that provide support to these key services and quality of life factors that we value greatly.

- **Schools:** The School Board's adopted budget reflects the continued impact of current economic conditions with State revenue decreases of 10.6% and local revenue decreases of 2.3%. Despite these decreases in the Board's two primary funding sources, the School Board remained committed to preserving a caring, high-performing school culture by limiting the impact on staff and students to the extent possible. Initial budget reductions were made to capital equipment items, operating budgets, vacant positions, and non-State required positions. When all reasonable non-classroom expenditure reductions were exhausted, the School made minimal reductions to the classroom which impacted the average, district-wide pupil teacher ratio by less than one student per classroom. This staffing ratio is comparable to the ratios in the late 1990's, prior to the increase in student performance and achievement mandates required under the No Child Left Behind Act.
- **Public Safety**
 - **Sheriff's Office:** This office will continue to strategically deploy its 194 sworn officers (90% of their personnel) to be a deterrent for crime and be responsive to incidents. The Sheriff and I have worked hard together in trying to maintain service levels with a reduced workforce of seven positions. We have focused on strategically hiring to fill vacancies to ensure certain staffing goals are accomplished.
 - **Fire-EMS:** We have also reduced Fire-EMS positions by five. While the results of the Quick Response Vehicle Program (QRV) have illustrated success, staffing at all Fire-EMS stations is a continuing challenge that will not be addressed until we are able to fill all vacant positions. Finally, our last fire station project from the 2005 referendum, the Black Creek Fire Station, is still on target to proceed with an award to construct anticipated in FY11.
- **Human Services:**
 - **Social Services:** Perhaps no one area of our operation experienced more new customers during this economic climate than Social Services. Often, these new customers are not sure of what services are available and have many questions or

concerns that go beyond our abilities to help. However, the entire staff of Social Services should be commended with treating every customer with compassion and concern during these very trying times. We also want to recognize the many County employees in other departments who have contributed their customer service skills to Social Services in answering phones, greeting customers and providing whatever support needed; while ensuring that their regular work was being covered by other co-workers.

- **Community Services Board (CSB):** The CSB strategic planning exercise from 2008 continues to yield dividends as many concepts and goals have come to or will be coming to fruition. With the implementation in 2009 of a wireless new client management system, staff resources are more effectively deployed and staffing efficiencies will enable a reduction of five vacant positions without impacting services.
- **Tax Relief for Elderly and Disabled:** Even with declining real property revenues, the County's tax relief for elderly and disabled program continues to be one of the fastest growing portions of the budget since this program was expanded in 2007. The amount proposed in the budget for this tax relief program totals \$1.9 million which is an increase of 5.0% from the FY10 budget and 38.1% increase since FY08.

Realign Staff Resources

A primary goal was to structure a budget to **realign staff resources** with service demands to **preserve key services**. As I stated earlier, I am very pleased and relieved to announce that we were able to achieve this goal for the County through staff attrition, eliminating vacant positions and leveraging other operating budget reductions throughout departments. It is also my hope that by working closely with the School Superintendent, we can achieve this same outcome in the schools through employee attrition.

To maximize employee resources, this budget standardizes the work week to 40 hours. Those employees currently on a 37.5 hour work week schedule will transition to a 40 hour schedule, thereby enabling our offices to remain open to citizens until 5 p.m. each workday. Unfortunately, the current economic conditions do not provide for any increase in the employees annual compensation.

With the realization early that this budget would not have traditional compensation increases from merits for the second straight year, a second goal was to provide employer contributions to health insurance so that employees would have no "net pay" decrease. We had also aspired to that goal in the prior year, but were unsuccessful due to escalating healthcare costs. However, we are beginning to recognize the flattening of the trend and can hopefully be in a position by June 2010 to maintain employee healthcare deductions.

We will continue to look at every new vacancy that arises as an opportunity to further **realign staff resources**. Our employees have risen to the challenge of finding new ways to provide current services, working above, beyond, down and across their job descriptions to help their fellow employees throughout the organization. We have also solicited cost savings suggestions

from all employees and we are grateful for their ideas. We acted upon many of their ideas that range from a few dollars to thousands of dollars as no saving is too small to ignore.

The County has long prided itself on working with departments to understand their service needs and mandates. This has enabled us to better determine appropriate reductions in setting department budget targets. In addition, consistent cost cutting guidelines initially started in FY09 for all departments were continued and further reduced in many cases for FY11. Some examples of these areas are as follows:

- **Community Support:** The County has developed many worthwhile relationships with non-profit organizations that provide historical, cultural, human services and educational benefits to the citizens. Unfortunately, we are forced to reduce our contribution rate generally 10.0%.
- **Operating Hours:** Our libraries and solid waste convenience centers provide valuable services to the public. The Library Board's goal is to implement reduced future funding so as not to effect current operating hours. However, budget constraints have caused us to operate only one of six (Courthouse) of our convenience centers on Wednesdays. We have made every effort to match these closures to a time when these facilities are being used by the fewest customers. There are other alternatives for solid waste convenience centers that our peers do, but we prefer the approach of continuing to provide free service at all six of our centers.
- **Capital:** Just as a business during tight times looks at capital investment deferral options, so too does a government. In addition to positioning the County at the high end of sound vehicle replacement programs, only funding for the most critical capital items exist. Hopefully, as part of the five-year capital improvements program (CIP), appropriate funding thresholds will be restored.

Public Utilities

The focus of the annual rate setting process is to ensure both the adequacy and equity of utility rates. While the utility operations of the County function in a self-sufficient manner from user and capacity fees charged for utility service, we are mindful that they are also part of the Hanover team. Therefore, all of the stringent operating targets applied to other departments were also applied to utilities. The operating component of the budget is impacted by many expenses that are uncontrollable in nature (e.g., contractual agreements for the purchase of water) that will be balanced with user rate increases of 3.0% for water and 1.0% for wastewater. The typical residential customer's water/sewer bill would increase by \$10.90 for the entire year. Utility capital planning has been scaled back and we are recommending no increases in capacity fees. We believe this will position the County favorably when the economy recovers, especially in regards to the Rt. 33/I-295 area we have targeted for business development which is critical to the long-term fiscal health of the County.

Conclusion

As I have talked with citizens and business leaders across the County over the last several months, there is recognition that our financial challenges are serious. We must find jobs for our unemployed citizens and we must change our spending habits to meet the new fiscal realities.

However, there is also a sense that we must not lose what has made Hanover a great place to live and work. We must find ways to retain a great business climate, safe community, superior school system and compassionate human services programs. The financial challenges for FY12 may be worse than FY11, but we also know that we have a strong and vibrant community, full of committed employees and citizens who keep sharing their talents and skills to see us through. This is a time to pull together to meet the demands of reduced resources and changes in services levels to our citizens.

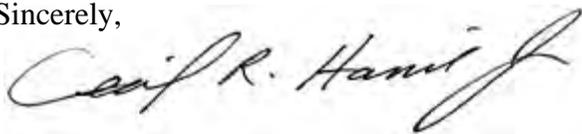
I stated in the FY10 budget letter that this recession was unlike past recessions for Hanover and that the FY10 budget was the first time in over 60 years that the government spending for both County and Schools was being reduced. As you can see, the FY11 budget continues that trend of reducing government spending for both County and Schools. As I stated in the opening of this budget message, our financial plans and the related key services are dependent on certain State funding assumptions. We must all commit ourselves to work with our legislative delegations to craft budgets which will maintain appropriate levels of State support for the programs and mandates they have placed upon us and to use these resources to maximize their impact to the citizens of Hanover.

Our long-standing five-year financial planning is surely being tested, but committing to deal with our future not just one year at a time, but for the longer horizon will pay tremendous dividends in providing us a roadmap to handle these challenges. Defining acceptable services that match conservative revenue assumptions and lowered State revenues will be a significant challenge to **preserve key services**.

Meeting the challenge to **preserve key services** and **realign staff resources** will not be an easy task as it requires more than ever a total team effort. I express my gratitude to all departments, Constitutional Officers, and the School Superintendent for stepping forward and showing great leadership and initiative in identifying cuts they could make while minimizing the impact to our citizens. I also express my gratitude to all employees in their adapting to this new fiscal reality and their continued focus on customer service. While none of us have ever managed through a crisis quite like this one, our collective experience and care for this County will be demonstrated as we make recommendations, adjust programs and for many of us, continue to work outside of our job descriptions.

In closing, I would like to thank the dedicated staffs of the County and School Board who have worked together for many long hours as a team to establish this financial plan. We will continue to seek timely economic and fiscal data to best gauge what actions we need to take on behalf of the County.

Sincerely,

A handwritten signature in black ink, appearing to read "Cecil R. Harris, Jr.", written in a cursive style.

Cecil R. Harris, Jr.
County Administrator

FY10 Initiatives Update

Following is a status report through December 2009 of the Board's Fiscal Year 2010 Initiatives:

- **Implement Fire/EMS Quick Response Program:** This program re-deployed existing resources to enable Advanced Life Support (ALS) providers to be more available for life-threatening emergencies while meeting the Board's response time goals. As a result of this change to a tiered deployment system, Basic Life Support (BLS) calls are now being handled by those units, with ALS providers being dispatched separately. Response times have also improved because more ambulances are available each day and units are located where calls are most likely to occur.
- **Expand use of the Hanover Center for Trades and Technology Center for residents and businesses:** Enrollment at this school has increased from 232 in its first year (opened September 2008) to a current level of 397. Programming for the community began in the fall of 2009 with an OSHA Safety Certification course; this course is expected to be offered again in 2010. An automotive troubleshooting class for the community was offered in December 2009. Future classes could include small engine winterization, an automotive maintenance series, cosmetology and welding.
- **Transition the Day Support program offered by Community Services to the old Mechanicsville Library:** The conversion of the old Library to the new use has been completed with most of the work being done in-house, saving about \$261,000. Services offered to the disabled clients began in January 2010. Guidelines for potential community use of the facility during off-hours are expected to be developed in 2010.
- **Further develop workforce transition assistance to help residents find employment:** The County is part of the Capital Region Workforce Partnership, which opened an Employment Transition Center (ETC) in the spring of 2009. The ETC offers a variety of services on a walk-in basis to local workers who have been laid off since December 1, 2008. The Partnership is currently developing a Strategic Plan with key strategies to take the region through the next three years.
- **Enhance communication methods to citizens and businesses via direct e-mail notifications to keep interested parties more informed of local government:** Citizens can now sign up for HAN (Hanover Access News) on the County's home page. These e-mailed news bulletins are sent out once or twice a week depending on the urgency of news. As of January 15, 2010, nearly 1,000 people had signed up to receive these bulletins.
- **Review citizen survey results to assess services and other perspectives of citizens for enhancement:** The staff identified several issues for further review from the 2009 Citizens Survey, including enhancing public knowledge of emergency management preparedness; employment opportunities and job growth; listening to citizens; welcoming citizen involvement; mental health services; ease of bicycle travel; availability of paths and walking trails; preservation of natural areas; and safety of shopping areas after dark. A report on the County's response to these issues was made to the Board on January 13, 2010.
- **Continue the update of zoning ordinances with focus upon reorganization of ordinances for better clarity and review of industrial districts:** In 2009 the Board adopted several

FY10 Initiatives Update

revisions to the zoning ordinance addressing such issues as required parking spaces, subdivision bond and recordation requirements, assisted living and residential facilities for children and dam inundation and wholesale automobile auctions. Ordinances that are expected to be presented to the Board for consideration in the first half of 2010 include revisions to the mixed-use ordinance, kennels in the Rural Conservation District, overlay districts and business districts. The creation of a residential multi-family district that would replace some current residential districts and a complete update to parking standards and design could also be presented to the Board in the spring of 2010. A revision of the Subdivision Ordinance could begin in Fiscal Year 2011.

- **Recognize and continually adjust to the new fiscal reality through closely monitored economic information:** Monthly meetings with key staff members to analyze sales tax and real and personal property tax revenues began in early 2009. Monthly dashboard summaries have also kept track of key indicators. The Finance Committee has met several times to review the information and the Board and School Board held a joint meeting in November to focus on FY10 and FY11 budget challenges. A revenue review was updated in December for FY10 and preliminary FY11.
- **Develop coordinated energy and environmental management plan and standards for County facilities, infrastructure and equipment:** All County facilities were inventoried and an Energy Conservation Action Plan (EACP) Committee formed to review and suggest opportunities for cost savings and sustainable practices. The EACP identifies benchmarks and goals to reduce and improve energy usage, reduce the consumption of natural gas, fuel oil and propane and develop “Green” guidelines for new construction and renovation of existing buildings. The County has received \$409,000 in Federal stimulus funds to be used for specific energy-saving projects in the IT data center and replacement of the old boiler systems for the Courts buildings. Among other changes made this year are replacing incandescent lamps with CFLs, installing occupancy sensors in large offices and conference rooms, installation of air-hand dryers in the Administration Building public restroom and making can-and-bottle-recycling containers available in all working areas or departments. The County was recently awarded Go Green Virginia “Green Government” status by the Virginia Association of Counties.
- **Continue Bond Referendum Project construction through completion of the new communications system and park improvements and begin construction of Black Creek Fire Station:** The new 15-site, 12-channel, digital communications system is due to become operational in 2010 with communications officers working out of the new 911 facility. Among the improvements made to parks in 2009 were playgrounds at Courthouse Park, Wayside Park and Montpelier Park. Among the projects scheduled to be completed in 2010 are athletic fields, a concession stand and restroom at Pole Green Park; new fields and lighting at Poor Farm Park; athletic field lights and parking at Courthouse Park; picnic shelter and parking lot at Wayside Park; and concession renovation and picnic shelter at Montpelier Park. Also, the new Ashland and Farrington Fire/EMS stations were opened in August and September, respectively, and work continues on the replacement Black Creek Fire/EMS facility approved in the 2005 Bond Referendum.

FY11 Adopted Initiatives

The following initiatives for Fiscal Year 2011 were adopted by the Board of Supervisors on April 14, 2010:

- **Complete the redistricting process, including the revision of district boundaries, and any associated changes to precinct boundaries and polling place locations:** Hanover County will use 2010 U.S. Census results to redraw district boundaries in a manner that meets all Department of Justice requirements. The redistricting process will begin after the County receives the information from the U.S. Census Bureau in the spring of 2011 and the new districts will be in effect for the November 2011 elections.
- **Continue the fiscal reality assessment to determine long range impacts of the recession and key service level goals:** County staff and elected financial officers (Treasurer and Commissioner of the Revenue) have been meeting on a monthly basis and team members will continue to closely monitor all financial trends to determine the best courses of action in response to the ongoing recession.
- **Update the subdivision ordinance:** With many updates to the zoning ordinance having been completed, the next step will be to review and update the subdivision ordinance to address issues covering construction plans, bonding and the recordation of new parcels in the County. Policies will be revised and updated as appropriate to comply with State law and complement changes in the zoning ordinance.
- **Develop strategies that more effectively serve at-risk children served through the Comprehensive Services Act in the community:** A major part of this initiative is the implementation of the new Kids' Interdisciplinary Treatment Team (KITT) to provide intensive community-based treatment for troubled adolescents that are now in expensive residential facilities or group homes.
- **Explore with the Historic Courthouse Area Committee and the Historical Society the possibility of enhanced uses of the 'old stone jail' for historic tourism:** The County will review its lease on the historic stone jail and meet with the Historic Courthouse Area Committee to discuss potential improvements.
- **Coordinate a long-range water study plan with the Town of Ashland:** Town and County officials will begin working on the technical assessment aspect of the study in the spring of 2010. The final report will have to be approved not only by the Board of Supervisors and the Town Council but by the Virginia Department of Environmental Quality.
- **Establish an Urban Development Area that will meet State-mandated higher-density requirements:** In response to a mandate from the General Assembly, the County will consider its policies associated with compact and suburban areas and secondary road access standards and recommend amendments to the Comprehensive Plan by the 2011 deadline.

FY11 Adopted Initiatives

- **Promote a “Buy Local Hanover” campaign to encourage County residents to shop at Hanover County stores, restaurants, and other businesses:** The County will join local merchants in developing and distributing printed and web-based materials to encourage Hanoverians to spend their money with County businesses.
- **Continue to implement energy management strategies and encourage employee participation in environmental best practices:** Hanover recently received a “Go Green” Award from the Virginia Association of Counties (VACo) as one of 10 counties to have “implemented practical actions that improve energy efficiency and reduce carbon emissions.” Future actions include the setting of benchmarks for the use of electricity, natural gas, fuel oil and propane.
- **Continue Bond Referendum project construction, including the implementation of the new communications system, construction of parks projects, and further development of the Black Creek Fire Station:** The new communications system is scheduled to become operational later in 2010. Parks projects are in various stages of development while the new Black Creek Fire Station is in the architectural design phase.

Hanover County FY11 Adopted Budget

Quick Facts of the FY11 Adopted Budget:

The FY11 adopted budget is \$383.8 million, a 4.4% decrease over the current year.

The County's General Fund budget is \$198.6 million, a 2.6% decrease over the current year.

Highlights of the FY11 Budget:

Revenues

- All property tax rates remain unchanged
- Real property revenue decrease of \$3.6 million or 3.5%
- Personal Property decrease of \$500,000 or 2.2%
- Sales tax decrease of \$1.0 million or 6.3%
- Intergovernmental revenues decrease \$1.3 million or 10.8%
- Fee changes are aimed at cost recovery; examples are the Parks and Recreation Youth Summer Program fee and EMS Cost Recovery Fees.

Service Demands

- 25% increase in Temporary Assistance to Needy Families and 21% increase for Food Assistance
- Increase hours to provide service from 8:30 to 4:30pm to 8:30 to 5:00pm countywide

Service Impacts

- Lowest reduced functions: Public Safety (-1.3%), Education (-2.2%) and Human Services (-3.0%)
- Convenience Centers closed on holidays and, with the exception of the Courthouse center, on Wednesdays.
- Contributions reduced another 10% above FY10 reduction of 20%

Schools

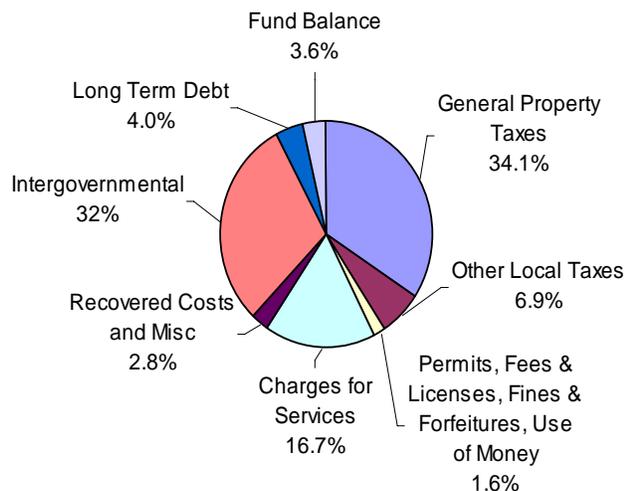
- One Student increase in pupil/teacher ratio, proposed to average 21.5 students to each teacher
- State funding decrease of 16.5% over the current year
- Staffing reduction of 5.0%

County Staff

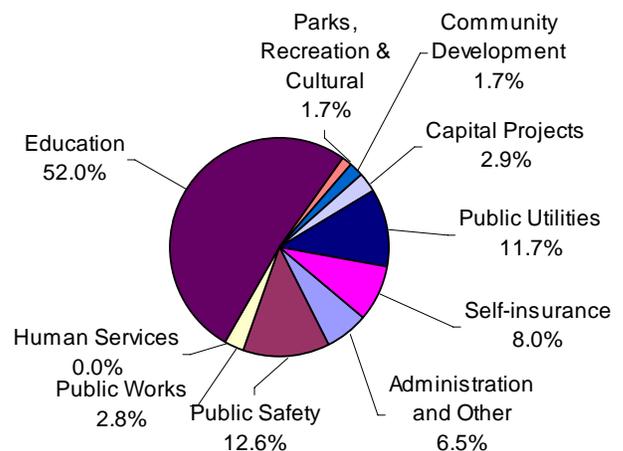
- Staffing reduction of 4.0%
- No layoffs and no furloughs
- All employees moved to 40 hour workweek schedule

ALL FUNDS

FY11 Revenues



FY11 Expenditures



Appendix to County Administrator's Letter

While the preceding County Administrator's Letter is meant to highlight the budget, the following supplemental information details the changes in the budget that are not otherwise addressed in the preceding letter. The purpose is to provide a summarized version of the manner in which the County's budget funds are allocated, the sources of such funding, long-term financial planning and other items illustrating how the County attempts to provide the services needed and desired by the citizens in an efficient and effective manner. The following areas are presented:

- Employee Compensation and Benefits
- General Fund – Budget Change Support
- General Fund – Revenues by Category
- Expenditures by Function
 - Public Safety
 - Public Schools
 - Parks, Recreation and Cultural
 - Human Services
 - Community Development
 - Public Works
 - General Government
 - Judicial Administration
 - Nondepartmental
- County and School – Five-Year Capital Improvements Program
- Public Utilities – Operating Budget and Five-Year Capital Improvements Program
- Financial Condition Overview
- Economic Development Update

EMPLOYEE COMPENSATION AND BENEFITS

The Board of Supervisors has long recognized that competitive employee compensation is critical to the County's success. Recognizing that compensation is only one aspect of a quality work environment, the County focuses on employee development in addition to the maintenance of competitive compensation and benefits.

- Due to the continuing economic downturn resulting in a reduction in general fund revenues, this is the second year that there will be no employee compensation changes in the budget. Since the surrounding jurisdictions are facing similar fiscal challenges and are offering either no or reduced compensation increases, the County's salary structure continues to remain competitive.
- Career ladders have been developed for many positions in the County to recognize the advancing achievements of the workforce during their careers with the County. This budget anticipates the continuation of this employee program.
- Funding is provided to try to limit any increase, if required, in employee health premiums with a 15% increase in the per employee cost for the employer. Due to the decrease in employees the employer cost will actually only be increased by 9.1%.
- This budget standardizes all employee work schedules to a 40 hour workweek. This will impact a section of our workforce currently on a 37.5 hour workweek schedule. Unfortunately, the current economic conditions do not provide for any additional annual compensation for this change. The standardization does help in some of our hard hit departments, such as our Human Services departments, by providing additional staff capacity.
- Included in the proposed budget are the elimination of President's Day as an annual holiday and the addition of two floating holidays. The net increase of one additional holiday brings parity with the local governments in the region and helps soften the impact to those moving to a longer work schedule.

Self-Insurance Fund (\$795,000 and 2.9% increase): The Self-Insurance Fund provides for health insurance payments through employer contributions and employee deductions and other post employment benefit

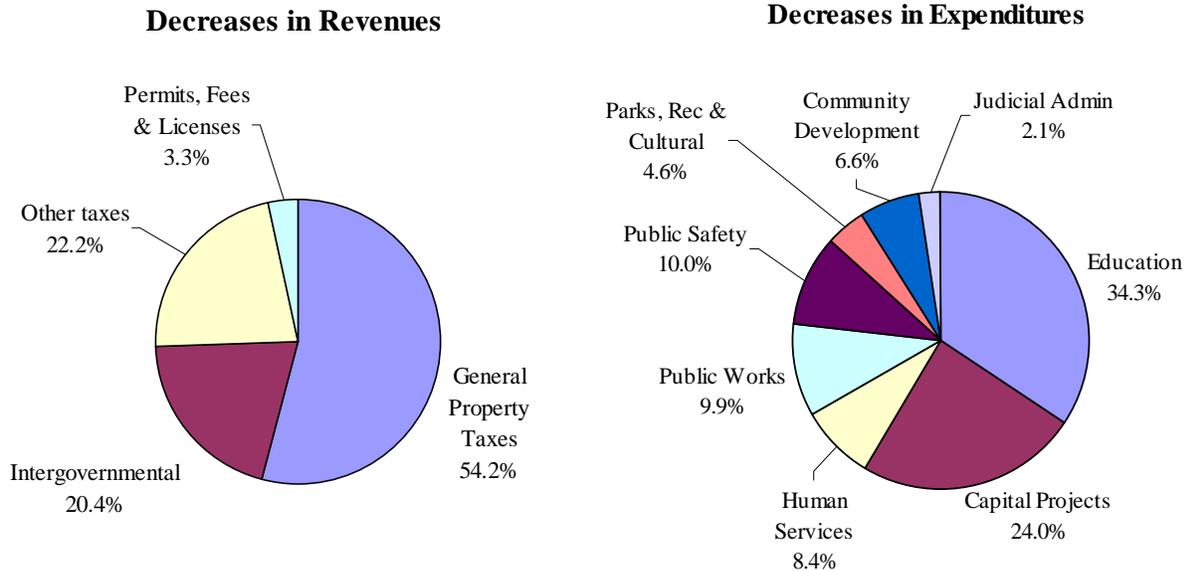
Appendix to County Administrator's Letter

(GASB45) payments. This program serves all County entities, including the Pamunkey Regional Jail and Pamunkey Regional Library. This budget also includes an opt-out credit in the amount of \$300 annually for employees that do not elect health insurance through the County and \$100,000 for the employee health and wellness program, of which \$50,000 is funded with revenues from our insurance carrier. Due to the over-funding of the Other Post-Employment Benefits (OPEB) liability in previous years, this budget includes a suspension of the OPEB credit for the current year's budget.

GENERAL FUND – BUDGET CHANGE SUPPORT

The General Fund serves as the primary operating fund from which nearly all County services receive all or most of their local funding. In addition to specific funding adjustments noted in other sections, the budget, while decreasing, is prepared to accommodate service level changes with many areas of the County's operation being mandated by Federal or State law for which budgetary control is always a challenge.

The following charts summarize the sources and uses for the decrease in the **total operating budget**:



Available revenues in the General Fund have experienced a reduction of \$5.4 million. The primary revenue reduction categories for this net decrease (representing 96.7% of the total decrease) are:

- **General Property taxes - \$3.4 million decrease:** This revenue source is decreasing 2.6% due in part to a decrease of \$3.6 million in real property revenues and in part to a decrease of \$500,000 in personal property taxes. These decreases are off-set slightly by a projected increase in public service corporation tax and delinquent tax collections.
- **Intergovernmental - \$1.3 million decrease:** The intergovernmental revenue includes anticipated revenues from the State based on the Governor's adopted budget. State revenue is projected to decrease significantly, especially in the State's funding of Constitutional Offices, which account for \$573,400 of the decrease.
- **Other local taxes - \$1.4 million decrease:** Sales tax is projected to decrease \$1 million or 6.3% from the FY10 budget; however, this is a slight increase over our FY10 forecast. Communications sales and use tax is projected to decrease \$287,000 or 5.0% from the current year budget as well.

Appendix to County Administrator's Letter

After reducing department budgets to best match current revenue levels, the following primary reductions and required increases account for the General Fund budget net decrease (representing 95.5% of the total change):

- Tax Relief for Elderly and Disabled - \$89,000 increase: This is one of the few areas of increase in the FY11 adopted budget. The enhancements to the relief program adopted by the Board of Supervisors in October 2007 allowed for higher participation and higher levels of tax relief. It is anticipated that even more residents will qualify for this program in FY11.
- Pamunkey Regional Jail - \$293,000 increase: This represents the largest expenditure increase in the budget to a program. Due to the Jail's State funding reduction from the Compensation Board and the anticipation of fewer Federal bed rentals, the local per diem cost for Hanover County is increasing 9.8%, despite operating expenditure reductions.
- Education - \$2.0 million decrease: The decrease in funding for the schools, as requested by the School Board, reflects the County's continuation to work collaboratively with the schools in all economic times. The Schools receive approximately 47.0% of the County's local funding availability. The reduction in available revenue requires both the County and the Schools to prioritize and reallocate available funding where necessary.
- County Departmental Operating Funds - \$1.7 million decrease: Funding for overall department operations has decreased 6.5%. Departments were requested to provide 5.0% reduction scenarios for FY11. These decreases are achieved with the input provided and are mostly department-specific reductions.
- County Improvements Fund - \$822,000 decrease: The decrease is primarily due to the use in FY10 of \$775,000 of one-time funding for projects such as the Black Creek Fire Station and the Old Mechanicsville Library's conversion to a Community Services Board day support program.
- County Positions - \$2.6 million decrease: The proposed budget includes a planned workforce reduction of 50 positions. 21 positions will be eliminated, while 29 positions will continue to be authorized, but unfunded. This does not include the enforced vacancy of 21 positions that are not yet authorized to fill. These position adjustments are necessary to help address unavoidable increases in expenditures, while dealing with decreasing revenues.

GENERAL FUND – REVENUES BY CATEGORY

The following revenues have been highlighted to reflect the County's reliance upon these revenue sources. In order to align revenues with specific expenditure functions, the revenues related to Schools, Community Services Board and Public Utilities are addressed under their applicable expenditure by function narratives.

Real Property Taxes (\$99.0 million, a \$3.6 million and 3.5% decrease): The total value of taxable real estate in the County decreased to \$13.1 billion in January 2010. The 2010 tax base is projected to decrease 0.5% by January 2011 (1.5% decrease from reassessments and 1.0% increase from new construction). This growth assumption is 6.0% below the FY10 Five-Year Financial Plan estimate and is based upon the sales to assessment ratio for 2009 sales. The margin between sales prices and assessments has narrowed and results in a lowering of future reassessment estimates. The total revenue includes \$250,000 of incremental revenues generated by the Lewistown CDA, which will be transferred to the Lewistown CSA fund upon receipt.

Public Service Corporation Taxes (\$4.2 million, a \$239,000 and 6.0% increase): This revenue category is a compilation of businesses that are directly assessed by the State Corporation Commission (SCC) and have property tax rates, as applicable, that are the same as those classified under real and personal property tax categories. The increase is mainly the result of an increased assessment for generating equipment in 2009.

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The Five-Year General Fund Financial Plan assumes a decrease of 5% in years two through five to recognize the expectation that new investments will likely not keep pace with depreciation.

Personal Property Taxes (\$22.3 million, a \$503,000 and 2.2% decrease): The decrease in personal property tax revenue is attributable to the high percentages of vehicle depreciation and the lower amounts of new vehicle sales. The State's fixed allotment of \$15.0 million for car tax relief is recognized as non-categorical State revenue. The actual percent relief to be applied to the taxpayer's bill is quantified in September of each year with completion of vehicle assessments. The 58.0% State relief for 2008 increased to 66.0% for 2009. As in the real property revenue, the total personal property revenue does include \$33,750 of incremental revenues generated by the Lewistown CDA.

Sales Taxes (\$15.1 million, a \$1.0 million and 6.3% decrease): The current year trend for sales tax continues to be below FY09 reduced revenues and overall is projected to decrease 6.3% from FY09. The estimate of a 6.3% decrease in FY10 has been incorporated into the FY11 budget with no perceptible projected change from FY10 to FY11. The total sales tax includes \$341,000 incremental sales tax revenue generated by the Lewistown CDA.

State and Federal Revenues (\$25.7 million, a \$1.3 million and 4.8% decrease): The State budget assumptions include the Governor's amendments to the 2010-2012 biennium budget. Some funding has been restored for State support of local offices but reductions are still significant in this category of intergovernmental revenue. Overall, Federal aid is expected to remain flat with the exception of a decrease in funding for social service programs. Only a slight increase is expected in Non-Categorical State Aid.

Charges for Services (\$3.6 million, a \$646,000 and 21.8% increase): These revenue accounts include Parks and Recreation fees and EMS cost recovery fees. Resolutions have been adopted to increase both of these fees; the Parks and Recreation fees to ensure the recovery of operating expenses and the EMS fees to maximize private health insurance reimbursements.

EXPENDITURES BY FUNCTION

The following section of the budget synopsis illustrates all the functions of the County. Under each functional area are the departmental budgets with the dollar and percentage change in the operating budget noted. A brief illustration of a department's budget and operating highlights is presented and more details can be found on the departmental pages later in the document. Generally, all functional areas of the County are impacted by the current and projected economic climate. Each department reflects department-specific reductions based on the requested 5.0% reduction scenarios. County-wide departments are dealing with staff reductions, modifications of the cyclical computer replacement program, and a significantly decreased service level plan that mainly addresses equipment replacements without additions.

PUBLIC SAFETY

Fire/EMS (\$484,000 and 3.4% decrease, 7.3% decrease in local funding): The FY11 budget removes funding for three vacant firefighter positions, eliminates a vacant part-time administrative assistant, and eliminates one vacant administration position through restructuring after a planned retirement. Included in the service level plan for FY11 is on-going funding to begin replacing the Scott Air Packs housed on first responder vehicles. The Fire/EMS portion of the capital budget includes \$500,000 for the fire engine and heavy rescue apparatus replacement plan as well as \$356,000 for the ambulance replacement plan. Fire/EMS has seen a 23% increase in other revenue sources that can mainly be attributed to the EMS Fee Recovery rate increase adopted in the FY11 budget process.

Sheriff's Office (\$338,000 and 1.7% decrease): The FY11 budget removes the funding for seven vacant Sheriff's Deputy positions. This budget does include 27 replacement vehicles at a cost of \$660,000 as these

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vehicles have generally met their 110,000-mile useful life. There are also funds allocated to replace 20 Mobile Data Terminals, at a cost of \$160,000, most of which are reaching the end of their extended warranty period and useful life. The Sheriff's Office budget will now include \$102,000 for building utilities and custodial costs which will be transferred from Facilities Management as part of the FY11 budget process.

The Sheriff's Office also includes the Court Services division (addressed under Judicial Administration function). Total funding provided to the Sheriff's Office, including Court Services, is \$20.4 million, a \$380,000 and 2.0% decrease.

Emergency Communications (\$120,000 and 3.2% increase; 0.9% increase in local funding): An integral component in ensuring public safety responsiveness is an effective and properly staffed Emergency Communications Department. As part of the implementation of a new radio system, the Radio Shop will be integrated into Emergency Communications from Fleet Services. This addition accounts for the increase in the Communication's budget, as \$250,000 of additional expenditures were added to this department. The decrease in local funding can also be attributed to the Radio Shop; as the repairs completed by the technicians generate revenue to mitigate operating costs. Emergency Communications has two vacant Communications Officer positions that are unfunded but still authorized in the FY11 budget, as well as one vacant Communications Officer position and one vacant Radio Technician position that are both eliminated.

Animal Control (\$43,000 and 4.1% decrease): The budget includes the funding for a replacement vehicle, facility security and lighting improvements as well as funding to replace perimeter fencing. A vacant Animal Control Officer position is unfunded in the budget.

Juvenile Court Services Unit (\$35,000 and 5.5% increase, 9.8% increase in local funding): The budget is primarily comprised of the cost of housing juvenile offenders who are placed at the Merrimac Juvenile Detention Center as well as other community programs provided to address accountability, public safety, and treatment (e.g., case management, probation, electronic monitoring, community service, and treatment groups). The overall increase can be attributed to an increased number of secure detention bed days projected based on usage in the two previous fiscal years. The increase in local funding is based on the reduction of the Virginia Juvenile Crime Community Control Act by 18.7% in the Governor's budget. Local funds supplanted the State cut to mitigate service impacts.

Pamunkey Regional Jail (\$293,000 and 6.6% increase): This budget reflects the per diem costs (\$48.06 per day increasing to \$52.77 per day, 9.8% increase) to house inmates as part of the County's participation in the Pamunkey Regional Jail Authority (PRJA). While the per diem cost has increased 9.8%, the County's population of inmates has decreased 3%; however the State reduction of funding to the jail along with the anticipation of fewer Federal bed rentals is driving the local increase. The jail is also experiencing additional cost of State out of compliance inmates, as they are typically being held longer in the local facility with a lower cost recovery per diem, which has resulted in funding being cut in half. In prior years, the costs for housing inmates have benefited from the economies of scale of the larger jail operations as well as the benefits of using available capacity for bed rentals to other governments.

Community Corrections (\$61,000 and 15.8% increase, 5.9% decrease in local funding): This function is required to provide community corrections and pre-trial services to those deemed necessary by the judges. Community Corrections receives a grant from the Department of Criminal Justice Services and during FY10 funding was increased to provide an additional Pre-Trial Investigator position and operational costs associated with the employee. The majority of the increases reflected can be attributed to this additional grant funding. The decrease in local funding is due to reduction efforts in operational lines.

Building Inspections (\$240,000 and 14.7% decrease): The fees charged by this function traditionally provide the funding for building inspection services. This budget includes two vacant positions, a building inspector and a plan review technician, that are not funded and a vacant plan examiner position that is

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eliminated. In addition to the aforementioned personnel adjustments, two customer service agents will be reassigned to the Treasurer's Office.

PUBLIC SCHOOLS

The County and School staffs continue to enjoy a solid working relationship to ensure that funding is provided and managed to meet the challenges and opportunities that accompany a successful school community. The School Board operates the 14th largest district in the Commonwealth, consisting of 25 schools throughout the County with a projected FY11 enrollment of 18,271 students (19,368 including non-K-12 students). The School Board is committed to preserving the core values of the District during this time of economic recession and enrollment change.

School Operating Budget (\$18.0 million and 9.1% decrease, 2.2% local decrease): The decrease in this budget is the result of reduced local and State funding. This budget includes the reduction of approximately 156 positions. These reductions, consisting of vacancies in leadership, teachers, instructional assistants, and various other positions are due to the economic recession and declining student enrollment. The remaining reductions consist primarily of support staff positions that are being eliminated due to the economic recession and a small number of positions that are currently vacant. Although the total budget is decreasing, funding has been incorporated to minimize the effect of the rising costs of health insurance on employees.

Textbook Fund Budget (\$0 and 0% increase): This budget contains funding for one full-time position and temporary part-time positions during the summer, as well as consumable textbook purchases for elementary students. Since no textbook adoptions are planned this fiscal year and given the current economic conditions, the local funding for textbooks is planned to be used by the Schools for operating expenditures for FY11 only.

Food Services Budget (\$847,000 and 10.7% decrease): The decrease in this budget results from the continued efforts to streamline the food services program. The budget includes a \$0.10 price increase for student and adult breakfasts and lunches.

School Capital Budget: The \$6.6 million dollar capital budget is funded with \$1.2 million of cash (including proffers) and \$5.4 million of debt. Funded projects include:

Technical & Career Facilities	\$118,000
Facilities Improvement	\$2,000,000
Mechanical/Roofing Improvements	\$3,452,000
Computer Replacement	\$274,000
School Buses	\$802,000



PARKS, RECREATION AND CULTURAL

Parks and Recreation (\$258,000 and 7.1% decrease, 12.0% decrease in local funding): The FY11 budget includes on-going funding for Taylor Shop maintenance and repairs, a software module to improve the efficiency related to program registration and finances, as well as funding for replacement mowers. The budget also includes the removal of funding for a vacant recreation coordinator position as well as the elimination of a vacant grant funded position. The increase in other revenues can be attributed to the increase in Summer Program fees; this fee increase along with some operational changes in program design strives to make the summer program revenue neutral for the department.

Pamunkey Regional Library (\$18,000 and .07% decrease): The County has benefited greatly as part of this regional library system that serves four counties. Over one million items were circulated in the library, an

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8.0% increase over the prior year. The County and the Pamunkey Regional Library often refer to the goal to have a ratio of 0.6 per square feet of library space per person in the County. With the replacement of the Mechanicsville Library the County's ratio is 0.43.

HUMAN SERVICES

Community Resources (\$6,900 and 1.7% decrease, 2.6% decrease in local funding): This department continues to serve as the foundation in facilitating and maximizing volunteer and community resources and anticipates several enhancements that will further strengthen the County's volunteer program. In addition, Community Resources provides the administrative oversight to the Comprehensive Services Act Fund as follows:

- **Comprehensive Services Act (CSA) (\$207,500 and 3.5% increase, 2.9% increase in local funding):** This mandated program for at-risk youth is funded from a compilation of relevant factors that include: level of care needed, cost and duration of services, and the number of youth served. The additional local funding reflects the anticipation of increased service demands, an increase in vendor costs, and a higher local requirement for Medicaid costs.

Social Services (\$320,000 and 5.4% decrease, 36.6% increase in local funding): Social Services is the primary local agency meeting the social service needs of individuals that arise from a variety of circumstances. Changes in the FY11 budget are correlated to serving individuals in mandated programs. All of the Federal, State and/or local service standards have been met or exceeded (e.g., time application processing of Food Stamps, Medicaid, and Temporary Assistance for Needy Families – TANF). The significant increase in local funding is due to the recognition of reduced State and Federal support. One position has been reassigned to CSB from this department as part of the Interdisciplinary Treatment Team.

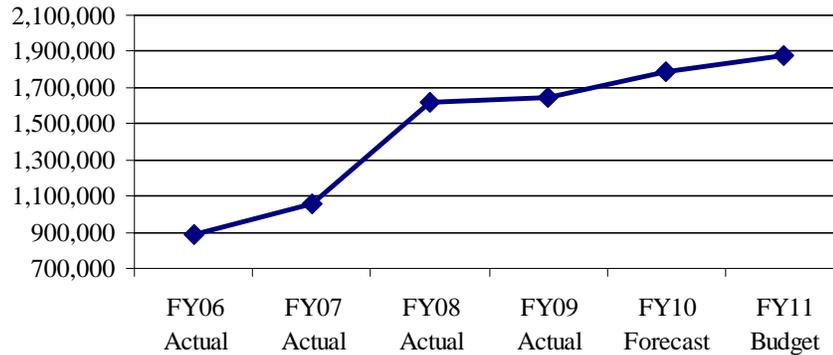
Health Department (\$25,000 and 5.0% decrease): This budget represents the County's tradition of funding a 45% share of this State agency budget. The Health Department represents a stand-alone State function for which the County's share changes in proportion to State funding of this service. The local budget reduction anticipates reduced State funding; thereby reducing the local match amount.

Community Services Board (CSB) (\$41,000 and 0.4% increase, 6.5% decrease in local funding): The total CSB budget is \$11.2 million and reflects an overall increase of 0.4%. The overall increase is net of the increase in funding received during FY09 and projected for FY10 for the State's Mental Health Reform initiative. The FY11 budget eliminates two vacant Clinician, one vacant Account Clerk, and two vacant Automation Specialist positions and leaves one vacant Case Manager position and one vacant Clinician position as authorized, but unfunded. One position will be reassigned from Social Services to this department as part of the Interdisciplinary Treatment Team. This team treatment approach housed in CSB will provide intensive community based treatment to up to 48 youth and their families annually. The decrease in local funding is due in part to the removal of local funding for the lease on two offices to support the debt service on the purchase of a building; creating overall savings.

Tax Relief for the Elderly and Disabled (\$89,000 and 5.0% increase): In order to recognize this real property tax relief in compliance with State accounting standards, the relief component of this program is illustrated as an expense and the offsetting revenue is recognized under real property tax revenues. This program is administered by the Commissioner of the Revenue's Office and the total relief is projected to be \$1.9 million for 1,744 households. Together with the County's land use program that provides approximately \$6.3 million in tax relief, the County's total tax relief is over \$8.2 million. The primary factors for the budget increase are the enhancements to the relief program that were adopted by the Board of Supervisors in 2007 to increase the eligibility criteria for gross income limit to \$50,000, including the acreage exclusion to ten acres, maximum allowable net worth to \$200,000, and removing the maximum discount that could be received by participants. This change has allowed for more households to access tax relief.

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Growth in the Tax Relief Program



COMMUNITY DEVELOPMENT

Economic Development (\$106,000 and 9.2% decrease): Economic development is fostered through strategic planning and creating and maintaining a positive business climate. The decrease in this budget is attributed to the reduced funding level necessary for the Greater Richmond Partnership, cost savings measures by switching to an electronic newsletter as well as reduced levels of funding for advertising and sponsorships used to promote Hanover County. Economic Development also provides administrative oversight over the following fund:

- **Economic Development Authority (EDA) Fund (\$72,700 and 38% increase):** The EDA issues tax-exempt bonds for qualifying projects and partners with local developers in furthering economic development goals. The budget consists of fees to partially recover Economic Development costs on revenue bonds issued. The increase is funding to support the Hanover County Clean Technology Innovation Center.

Planning Department (\$95,900 and 4.3% decrease): The proposed budget includes the elimination of an Administrative Assistant position, with the incumbent being reassigned to Finance, as well as anticipation of savings due to a planned retirement. The elimination of the County's Historic Preservation Fund and the suspension of the Citizens Planning Academy are included in the operating budget. The funding for the Historic Commission is being reduced as well.

The budgets of the following community development divisions are generally small in scope and require little administrative oversight of the budget for the two divisions:

- **Extension Service (\$17,000 and 15.9% decrease):** This function represents the County's share in participating in the State extension service (administered by Virginia Tech), which has been a valuable resource for our agri-business and residents interested in horticulture, 4-H and various other industry related programs. The decrease in local funding of this budget can be attributed to Hanover County's portion of a position not authorized to be filled by Virginia Tech that was removed from the budget.
- **Soil and Water Conservation District (\$5,000 and 4.8% decrease):** This is the County's share for participating in this district, which serves residents in conservation planning and education. The reduction in the local contribution will translate into reduced educational outreach.

Community Support (\$93,000 and 7.4% decrease): The contributions to various local and regional entities are classified under community development to reflect their community support intentions. The decrease is primarily due to lower levels of contribution based on the economic climate. In general, contributions were decreased by 10%, with a few exceptions due to existing funding agreements.

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PUBLIC WORKS

Public Works (\$78,300 and 4.3% decrease, 1.0% increase in local funding): The Public Works function continues to be mandated to meet various Federal and State regulations, often with no financial assistance provided.

The transportation section of public works continues to be challenged to define local responsibilities in the wake of insufficient funding from the State for their road infrastructure programs. These responsibilities include developing plans to manage State resources, road proffers, and developer contributions in meeting traffic impacts from existing and planned development.

For FY11, funding in the amount of \$15,000 has been included for automated stormwater facility monitoring and \$7,000 for the MS4 (Municipal Storm Sewer System) permit fee. The application fee is required when updating the MS4 permit with the Department of Conservation and Recreation. This Phase II permit is required of all localities with a population over 100,000 and is intended to address stormwater pollution.

In the capital budget, the transportation initiative of General Fund contributions to roadway improvements continues in the amount of \$1,350,000 and \$340,000 for regional stormwater implementation. Public Works also provides administrative oversight over the following divisions:

- **Public Works Operations (\$376,700 and 9.0% decrease):** A major function of Public Works Operations is the operation of the County's solid waste disposal and hauling system that includes a centralized transfer station available for commercial haulers and six convenience centers available free of charge to residents. There were 38,242 tons collected in the County in FY09 with the majority hauled to a facility for disposal outside of the County. In addition, recycling services are available at every convenience center and transfer station that collects 17,000 tons annually.

Included in the funding for this division is \$49,000 for operational equipment (e.g., roll-off containers and loader tire replacement). The personnel decrease is due to two unfunded, authorized part-time positions and the elimination of a vacant full-time Solid Waste Superintendent position. This budget also closes convenience centers on holidays and closes all convenience centers with the exception of the Courthouse location on Wednesdays. Public Works Operations also manages many of the County's easement clearing programs, street signs, anti-litter initiatives, and the Cannery.

- **Recycling Service District (\$600 and 0.8% increase):** Recycling Service Districts were established by the Board of Supervisors in 2008 in response to petitions from two subdivisions. The Board approved nine more requests from subdivisions to begin curbside recycling service in FY10 for a total of 11. The increase represents the potential addition of one subdivision in FY11. The rate will remain at \$22.80 per year for FY11.
- **Cannery (\$3,200 and 7.1% decrease):** This function provides a great resource for residents to can their fruits and vegetables and the budgetary needs over the years have been minimal. In FY11 funding decreased to reflect a decrease from 22 weeks per year to 20 weeks per year that the Cannery will be open.
-
- **Airport (\$1.2 million and 63.6% decrease, 5.3% decrease in local funding):** The County has a fixed-base operator (FBO) in a lease agreement managing the Hanover Airport. The local funding supports one County employee as well as maintenance and improvements to the airfield and terminal facilities. The Airport Fund includes both operating and capital accounts. The FY11 operating decrease is due to a reduction in funding for repair and maintenance, while the capital improvements program reduction is due to land acquisition that was budgeted in FY10.

Facilities Management (\$220,300 and 11.5% decrease): Facilities Management's primary function is to manage all County facilities, including repair, maintenance, and improvements, as well as the County's telecommunications, HVAC, generator and security systems. The FY11 plan reduces funding for painting

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services, custodial service contracts, and overtime. It also removes a portion of utility funding that was transferred to the Sheriff's budget. The increase in capital funding in the amount of \$13,500 provides for replacement of four HVAC units in the Old Wickham Building.

Fleet Services (\$422,200 and 16.4% decrease): This approximately \$2.2 million internal service fund provides a fleet management program of repair and maintenance for County and School vehicles for which it charges an internal fee to recover its cost of services. The hourly internal fee charged for fleet repair service will remain flat from FY10 at \$60. This vehicle maintenance rate is far below comparable private vendor rates for similar services. The leasing program, whereby Fleet Services purchases the vehicle and then leases it to the department, has been delayed until FY12 and a revised department vehicle replacement schedule has been created due to the current economic recession. The decrease in personnel is due to the removal and relocation of the Radio Shop and associated employees to the Emergency Communications budget, the elimination of two vacant Automotive Technician and one Automotive Service Coordinator positions, and the removal of funding for the vacant Parts/Fuel Coordinator position. The FY11 budget includes a transfer from the General Fund for a fuel management program and to support an Administrative Assistant position.

GENERAL GOVERNMENT

By their nature, many general government administrative departments have base budgets that change only slightly in their annual scope of operations. However, due to the economic challenges faced on the local and State levels, most departments have a reduction in their budget. The County continues to pride itself on providing high quality and technologically-current services to citizens in the most efficient and effective manner. This is further supported by the State's composite of the general government administration function statewide in which the County's cost for providing such services is 86.3% of the statewide per capita average and the lowest percentage in the region (including Caroline, New Kent, Goochland and King William Counties). The following summarizes the operating budgets for these administrative departments:

Board of Supervisors (\$40,600 and 7.6% decrease): The decrease in operating is primarily due to reductions in professional and contractual services as well as various other expenditures in light of the current economy. The audit contract remains intact while the citizen survey is performed periodically. The funding request for additional updating of audio visual equipment in the Boardroom has been moved to FY12.

County Administrator's Office (\$180,700 and 15.1% decrease): The County Administrator's Office provides supervision and direction to nearly all County-related operations, while also administering to the general inquiries of residents. The budget included removal of funding for a vacant Assistant County Administrator and a vacant Administrative Assistant along with operating reductions. The County Administrator's Office provides oversight for the following division:

- **Public Information (\$46,400 and 31.8% increase):** The County's one public information officer (PIO) provides a quarterly newsletter, WEB updates and highlights, press releases, cable TV contact and support to the many areas in which the County's departments need to communicate with the public. In FY11, the increase in personnel is due to the reassignment of a Customer Service Agent from General Services to this department. The operating decrease is primarily due to a reduction in funding for professional services. This budget continues to provide funding for the printing and mailing of the Hanover Review.

Human Resources (HR) (\$4,200 and 0.5% increase): Human Resources serves prospective employees in providing access to job-related information and application oversight (over 5,800 applications in FY09) while providing existing employees with a market-based compensation and benefits package, advancement opportunities through career ladders, and the training needed to better perform their job duties. The personnel increase is due to the reassignment of an employee from General Services to this department, which offsets the reduction of employee hours for a position. The operating decrease is primarily due to reductions in recruitment advertising and tuition assistance.

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County Attorney's Office (\$33,900 and 2.9% decrease): This office provides legal counsel to the Board of Supervisors, School Board, and nearly all County departments and agencies. This includes ordinance development, legal representation, and related support in ensuring compliance with policies, laws and regulations. This department has met the current economic challenges by achieving significant reductions in its operating budget; primarily in the areas of professional services, printing and binding, educational training, and in its personnel by the reduction of employee hours for a position.

Commissioner of the Revenue (\$11,700 and 0.9% decrease): In addition to many services provided by this office, two high volume activities include: 177,462 personal property taxpayer accounts valued in 2009 and 10,525 State income tax returns requiring processing assistance. The budget includes the removal of funding for a vacant Customer Service Agent position. This budget also includes funding for new vehicle registration and decal notices. These notices will serve as a reminder to citizens and potentially reduce the costs associated with collection efforts.

Assessor (\$69,700 and 7.5% decrease): The Assessor's Office is responsible for the appraisal of all real property in the County and to assure equalization of market value of assessments. Approximately 10,500 tax parcels were reassessed for 2010 (23% of the County). The office continues to maintain sales to assessment ratios of approximately 95% while keeping coefficient of dispersion levels (this measures volatility amongst assessed values) of less than 10%, and few appeals to the Board of Equalization result in valuation changes. The decrease in personnel is due to the elimination of one vacant full-time Customer Service Agent and one vacant part-time Real Estate Appraiser positions.

Treasurer (\$59,600 and 4.6% increase): This office attains an almost 100% collection rate on taxes owed the County and oversees an investment portfolio that has consistently outperformed established investment return benchmarks. The State of Virginia pays the County a commission to handle some basic DMV transactions, such as vehicle registration renewals or handicapped parking placards, etc. on their behalf. The increase in personnel is due to the reassignment of two part-time Customer Service Agents from Building Inspections to this department.

Finance (\$16,100 and 1.6% decrease): Finance provides the resources needed in its budget division to support departments, the County Administrator, and the Board of Supervisors. In addition, Finance also provides support services for payroll, accounts payable, financial reporting, debt management, and the audit. The operating decrease is primarily due to reductions in professional services, repair and maintenance, and educational training. An Administrative Assistant has been reassigned to this department from Planning. A vacant part-time Budget/Management Analyst position has been eliminated.

Internal Audit (\$3,200 and 1.2% increase): Internal Audit executes a Board Finance Committee approved Internal Audit Plan. Although standard business practices recommend an audit cycle review every three years, current resources provide for an audit cycle every seven years. The decrease in operating due to reductions in funding for small capital, office supplies, and local mileage reimbursement is offset by the increase in employee benefits; thereby, causing an increase in the FY11 budget.

Purchasing (\$60,000 and 10.6% decrease): Purchasing serves as the administrative agent in procuring goods and services above a \$5,000 unit cost. This department also supervises procurement card utilization and handles disposal of surplus property. In addition, Purchasing provides oversight and allocation of general liability, automobile and related insurance programs. The FY11 budget removes funding from one vacant Officer Manager position. The Purchasing Department recognizes the division of General Services separately as follows:

- **General Services (\$144,000 and 33.1% decrease):** A variety of services are provided through this division, including risk management ensuring workplace safety guidelines and related training; copier machine oversight; the phone system which includes the receptionist; motor pool fleet management; and mail courier for all internal and outgoing mail. The decrease in personnel is due to the elimination

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of a vacant Administrative Assistant position and the reassignment of two Customer Service Agents to Human Resources and the Public Information Office. Beginning in FY11, print shop services will be greatly reduced due to adjustments in staffing.

Registrar (\$2,300 and 0.7% decrease): The FY11 budget includes funding for the replacement of a portion of the batteries and basic input output systems (BIOS) used for the Electronic Poll Books required by the State Board of Elections.

Information Technology (IT) (\$196,200 and 5.6% decrease): IT's role in meeting the needs of departments and related entities is to provide the support and leadership to ensure a 24/7 fully functioning computer and system environment, with proper security, controls, archives, and contingency plans. The FY11 operating decrease is primarily due to reductions in professional services and educational training. The decrease in personnel is due mainly to the elimination of a vacant IT Project Manager position. IT provides the administrative oversight for the GIS Division as follows:

- **Geographic Information System (GIS) (\$147,000 and 20.4% decrease):** GIS provides a support service to other departments, the citizens, businesses and other interested users of GIS information. In recent years, the GIS department has made substantial updates to data and was able to defer maintenance and updating costs until economic conditions improve which is the cause for much of the decrease in funding.

JUDICIAL ADMINISTRATION

Clerk of the Circuit Court (\$76,600 and 5.5% decrease, 4.4% decrease in local funding): The Clerk of the Circuit Court's Office performs a variety of support functions for the Circuit Court and legal recordings (e.g., property, wills). The Clerk's Office has funding from the State Technology Trust Fund that is held on behalf of Hanover County. As part of the State budget cuts, approximately \$34,000 is no longer available to support the Clerk's technological advancements. The Clerk's Office has one vacant Deputy Clerk position that is unfunded for the FY11 budget cycle. This budget does include a portion of the maintenance requirement to implement a case imaging system

Commonwealth's Attorney's Office (\$5,500 and 0.3% decrease, 15.0% increase in local funding): The services of the Commonwealth's Attorney are needed almost in direct proportion to law enforcement personnel deployed arresting and/or charging people with crimes, traffic violations, and referral needs for legal counsel. The local funding increase is primarily the result of a decrease in State Compensation Board funding causing a greater portion of a vacant Assistant Commonwealth's Attorney position to fall under local responsibility.

Court Services (\$43,000 and 3.1% decrease): The security of the courts through bailiffs and serving of court-related papers (e.g., subpoenas) is performed by this division of the Sheriff's Office. Decreases can be attributed to operational adjustments, implemented as cost savings measures as well as the delayed replacement of vehicles.

The following divisions of judicial administration (totaling \$231,000 in funding) represent the County's mainly operating contributions to these State-related functions:

- **Circuit Court (\$8,600 and 8.5% decrease):** Decreases can be attributed to operational reductions implemented through collaboration between the Judge and County.
- **General District Court: (\$9,900 and 9.8% increase):** The increase seen in the departmental budget is directly linked to the increases in court appointed attorneys fees that the County has been incurring. Although the overall budget increased, other operational adjustments were made in office supplies and educational training as cost saving measures.
- **Juvenile and Domestic Relations Court (\$3,900 and 14.9% decrease):** Decreases can be attributed to operational reductions implemented as cost savings measures through collaboration between the Judge and County.

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- **Magistrates (\$208 and 6.5% decrease):** This department provides independent review for issuing warrants, bail bond hearings, and related incarceration procedures. The overall decrease can be attributed to reductions made by the County.

The capital budget includes additional funding for the new courts building in the amount of \$60.0 million. Due to the current economic conditions the new courts project has been delayed until FY15.

NONDEPARTMENTAL

This category traditionally appropriates funds for those functions not identified elsewhere and includes debt service for County obligations, excluding school, airport, and utility obligations, General Fund transfers to other funds, as well as reserves available for future appropriation. A transfer to the Lewistown CDA for incremental generated revenues in the amount of \$644,750 is included in this budget. Reserve for contingencies will meet the County's budget policy at \$976,400. The reserve for revenue transfers enables the County to recognize insurance recoveries, grants, and other revenue adjustments during the fiscal year (offsetting reserve is also budgeted in the revenue portion of the budget) and is \$500,000. A reserve for IT contingencies allowed the County's cyclical computer replacement plan to be modified for FY10 and FY11 providing a contingency to handle broken computers.

Debt Service (\$724,300 and 24.0% increase): The County's debt service is increasing due to the planned debt issuances for the 2005 bond referendum projects and the purchase of two buildings to eliminate rent payments for an overall cost savings. The debt issuance schedule meets anticipated cash flow needs of the capital projects.

COUNTY/SCHOOL **FIVE-YEAR CAPITAL IMPROVEMENTS PROGRAM**

The Capital Improvements Program (CIP) is the County's plan for investing in facilities, equipment, and vehicles over the next five years and includes those items with a unit cost greater than \$50,000. The FY11 capital budget for County and School projects is \$10.3 million, which is \$3.2 million lower than the current fiscal year. One cause of the decrease is attributed to \$775,000 in one time funding of projects in FY10 that was removed. Another cause is the delayed funding of two school projects. The FY11 budget includes the \$1,350,000 for road improvements, and \$856,000 for Fire/EMS fire apparatus and ambulances. The General Fund cash transfer for County and School projects is \$2.4 million, \$2 million and 83% decrease over prior year, which is primarily attributable to projects being delayed or items being reduced in scale based on the current economic condition. The continued controlled debt funding strategy for the CIP should help to further strengthen the County's debt ratios as well as improve "pay-as-you-go" funding with the total funding sources of the County and School Five-Year CIP representing 47% in "pay-as-you-go" funding (non-debt sources), which is well above the County's budget policy target of >10%. The CIP recognizes the continued accumulation and utilization of the School and County Savings Plan. This plan is designed to reserve County savings and proffers for future capital improvement projects that may have been previously debt financed or deferred.

PUBLIC UTILITIES **BUDGET AND CAPITAL IMPROVEMENTS PROGRAM**

Public Utilities operates as an enterprise fund, meaning the operations and capital expenditures are funded with revenues generated from customer user fees and one-time fees paid for capacity. The County's tax revenues are not used to support the utilities operations. Rather, the department operates as a self-supporting business, providing water and wastewater services to a customer base of 19,930 residences and businesses. The Public Utilities fund pays a recovered cost fee to the General Fund for administrative support provided to its

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operations and a service assessment charge for law enforcement, fire protection, and emergency medical services.

Utility Operating Budget: This \$22.5 million budget is a \$5.5 million (and 20%) decrease over the previous budget. This reduction is accomplished by deferring some maintenance and rehabilitation activities, reduced dependence on Henrico County for wastewater treatment, fewer price increases for non discretionary expenses, and lower debt service. Although the utility rate study recommends higher rates, a resolution was adopted increasing water and sewer user fees 3.0% and 1.0% respectively. The combined residential bill for water and sewer will increase on average \$10.86 for the entire year. There are no increases in miscellaneous fees. The County continues to provide a user fee relief program based upon the same qualifying criteria as the tax relief program.

Utility Capital Budget: Growth in the Suburban Service Area is below Comprehensive Plan estimates. The CIP goal is to position Public Utilities to ensure regulatory compliance and meet the needs of its current and future residential and commercial customers, including extending service to the route 33 corridor. The \$19.4 million CIP budget includes a final \$3.5 million capacity payment and a \$2.5 million joint capital payment to the City of Richmond, along with other water and sewer projects. There is no recommended increase in water or sewer capacity fees.

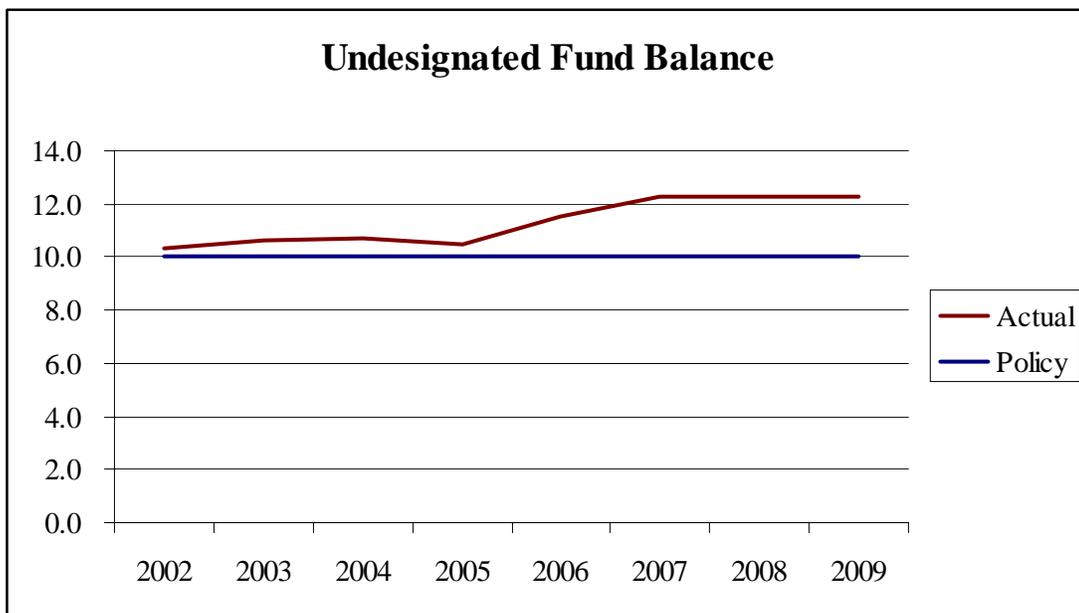
FINANCIAL CONDITION OVERVIEW

In May 2010 the County received its third AAA bond rating (which is the highest bond rating) from Moody's while Fitch Ratings and Standard & Poor's were affirmed, recognizing the County's strong financial management during the challenging economic environment in which several local governments have been downgraded or placed on watch lists. Standard & Poor's rating recognized the County's "healthy property tax base growth due to continued economic development; consistently strong financial operations, strong reserves, available taxing flexibility and excellent, well adhered to fiscal policies." The County received an upgrade to AAA from Standard & Poor's one year ago in January 2009. The upgrade notification referenced the County's "continued economic development in a resilient economy as a factor supporting the upgrade." Since 2006 the County also has had a AAA bond rating with Fitch Ratings, which positions the County to be one of about 36 counties of the total 3,045 counties in the United States to have received three AAA ratings, and the smallest county by population amongst this elite group. These strong ratings have enabled us to receive very low interest rates when issuing debt with the most recent bond sale in January 2010 receiving a total interest rate at an extremely low 3.2%.

The unreliability of State funding continues to be one of our biggest challenges. In December 2009, the State updated its revenue forecast and reported an estimated FY10 revenue shortfall of \$1.8 billion. While the Governor's proposed budget assumes general fund revenue growth of 3.8% to \$14.4 billion in FY11 and of 5.1% to \$15.2 billion in FY12, this is not enough to offset anticipated spending increases. The resulting shortfall is estimated at \$4.5 billion in the 2011-2012 biennium. The State's financial and economic condition has continued to worsen over the past two years with FY10's and FY11's State budget being partially restored by Federal Stimulus funds. In February 2009, Federal Stimulus funds provided immediate relief to School Divisions throughout the state that were anticipating FY10 budget reductions, with Hanover schools receiving \$15.0 million over two years (FY10 & FY11). However in FY10, recognizing the continued deterioration in revenues, primarily from income tax and sales tax declines, the State was required to utilize approximately one half of the Federal Stimulus funds set aside for Schools in FY11 to be used to fund FY10 shortfalls. For Hanover, the impact is a \$3.5 million reduction to Schools' FY11 budget. In addition, the FY10 cuts to the County's constitutional officers resulted in a FY10 mid-year reduction in state funding of \$0.5 million. While the State's budget initially included a reduction of \$1.7 million (30.8%) for the County's constitutional officers, the General Assembly amended the State budget to include the restoration of funding to the extent that the County's budget was adopted with a \$0.7 million reduction in FY11's State revenues, which represents a decrease of 12.7% from FY10's budget.

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The County relies upon a strong fund balance policy, which reserves at least 10.0% minimum (10.6% goal) of its general fund revenues (the industry benchmark for a fiscally well-managed local government). When balances are projected to be above such thresholds, excess balances can be either saved for future years in which economic conditions warrant using it to mitigate one-time revenue shortfalls or for expenditure mandates targeted for future capital needs to mitigate debt or other local funding needs. The undesignated fund balance as of June 2009 was \$24.5 million, which represented 12.3% of General Fund revenues. Beginning in August 2008, the County began to experience revenue reductions primarily in sales tax collections, personal property taxes and development related fees. By the end of FY09 the economic slowdown produced lower than budgeted revenue of \$8.5 million (4.1%). County management, recognizing that the recession would impact on multiple years, established a \$2.1 million new reserve for revenue stabilization during periods of economic downturn on June 30, 2009. The intent of this new reserve is to provide a source of one time funding to provide flexibility as the County continues to weather the recession. The FY11 budget includes use of \$1.0 million of the reserve for revenue stabilization.

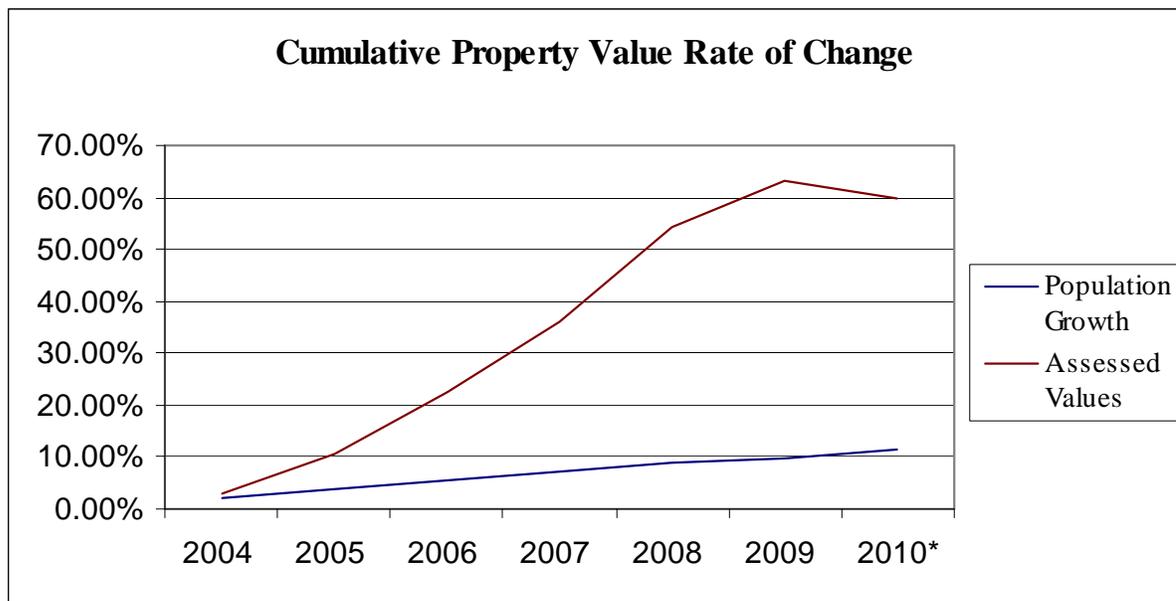


Our strategies to address recessionary challenges and Hanover's focus on long-term planning have positioned the County well to continue to provide high quality services to our citizens. The County Administrator's Office recognized the slowdown very early in FY09 and established a new task force to address the decreasing revenues, entitled the "Fiscal Reality Initiative". This team, made up of representatives from County Administration, Finance, Economic Development and the Commissioner of the Revenue offices, meet on a regular basis to share information on revenue trends, economic information and forecasts, to better anticipate future revenue streams and to provide the foundation for short-term and multi-year financial planning. The information gathered from this team was the basis for projecting FY10 budgeted revenue shortfalls of \$7.6 million. The financial management team has worked with department heads and constitutional officers to offset the FY10 reduced revenues and meet the traditional targeted year-end balances to be re-invested into the next fiscal year. The savings that traditionally arise from departments not spending their entire budgets, combined with additional cost-cutting measures, are projected to result in savings of \$10.4 million dollars which will add \$2.8 million to the County's fund balance at year end. The fund balance is projected to be favorable on June 30, 2010, after meeting year-end fund balance policy thresholds and planned needs for the FY11 budget. The Five-Year Financial Plan is balanced each year, and its reliance on the use of surplus each year reinvested into the subsequent year is at a conservative level that should be accomplished; therefore compliance with the fund balance policy is expected to be maintained throughout the next five years.

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With over one year into the recent downturn in the economy, the County remains strong and resilient as demonstrated by the following indicators of continued economic strength and strong financial condition:

- Virginia historically weathers recessions better than the Country and Hanover weathers in a manner similar to Virginia. The County's unemployment rate of 7.0% in March 2010 is below the State's 7.4% and compares favorably to the national rate of 9.7%;
- Because our long-term facility requirements were substantially met with the 2005 referendum projects the County is in an enviable position of having reduced capital financing and cash funding needs in the 5 year plan which has provided for enhanced flexibility in financial planning. Recent capacity from new schools and additions combined with flat enrollment growth has provided that 2019 is the year that the next new school is anticipated. In addition the replacement program for seven (7) fire and emergency medical services stations will be completed by 2011, finishing all major station projects. In addition, the targeted square footage per person has been achieved with the completion of recent library projects. The County has long-term solid waste contracts through 2023;
- One of Hanover's strengths in the current economically challenging times has been our stable real estate tax base. The total value of taxable real estate in the County has decreased by only 0.4% in calendar year 2009, which is the result of a 1.5% decrease from reassessments and 1.1% increase from new construction, which compares favorably to our neighbors who have seen more significant reductions in real estate reassessment;



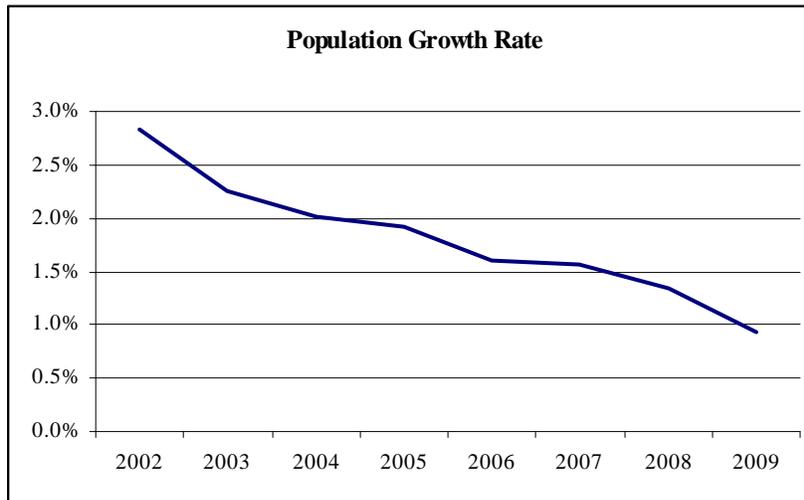
*Estimated

- Our retail vacancy rate of 5.3% is very low;
- Hanover has added 2.2 million square feet of new business construction since 2006;
- Our extremely low foreclosure rates as compared with other jurisdictions was 0.2% in November 2009 (with 50 homes in foreclosure) which reflects a 15.0% decrease from 2008's 59 homes;
- 2009's 740 new homes on the market was consistent with the prior year;
- Hanover citizens continue to benefit from high sales tax per capita of \$15,300 in FY09;
- While the average new home sale values are down from \$419,900 in 2008 to \$347,400 in 2009, the average overall home value is up from \$274,300 in 2008 to \$278,300 in 2009. The ability of existing homeowners to sell their homes at good values and shorter times on the market than regional

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benchmarks recognizes the demand and value that exists for the County's quality of life and strong business environment;

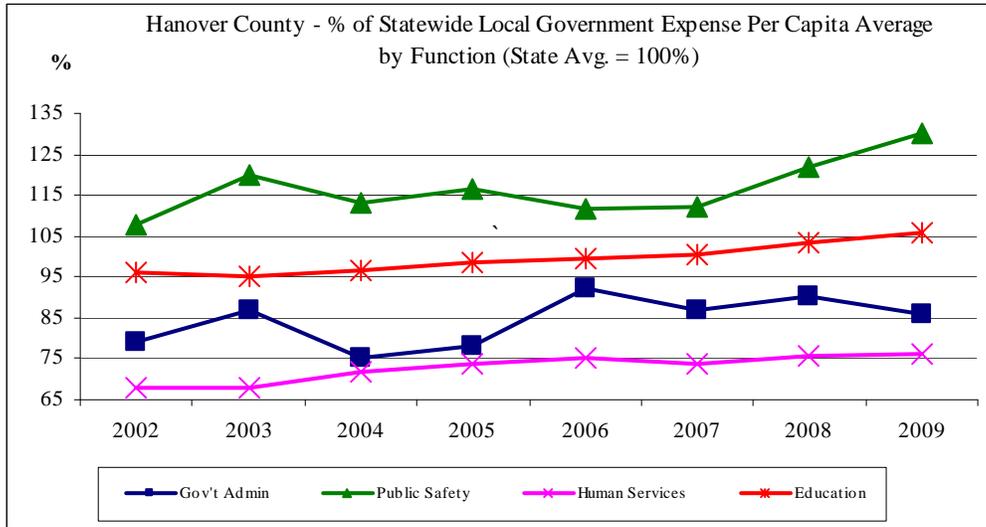
- The population growth rate was 0.9%, with a total estimated population of 103,025 as of June 2009 and the five-year average (1.5%) is in-line with the Comprehensive Plan assumption of 2.0%; and
- Schools enrollment growth is expected to decrease by 0.8% in FY11, with a total enrollment of 19,368 estimated for September 2010.



To assess internally our financial health, the County has traditionally tracked State-published indicators of fiscal stress and median adjusted gross income. The most recent State report shows that Hanover has the 16th lowest level of fiscal stress and the 9th highest median adjusted gross income (\$47,362). A component of the fiscal stress index is a locality's tax rate compared to State-wide averages, with low tax rate jurisdictions assigned a lower stress as they would appear to have the greater capacity to generate additional revenue. The County has the lowest regional real property tax rate of \$0.81 as compared to Henrico's \$0.87, Chesterfield's \$0.97 and Richmond's \$1.20. The preceding economic highlights are not only very strong indicators of fiscal health, but also indicative of the traditionally strong indicators that the County has maintained or improved over many years.

A general indicator of the efficiency with which the County operates is an analysis of comparative per capita spending in functional areas as prepared by the State's Auditor of Public Accounts. It shows that only in the County's two priority service level areas, public safety and education, is Hanover above the statewide per capita averages. Education is slightly above (5.9%) the state-wide average demonstrating the two Boards' commitment to quality education while maintaining efficient delivery of the educational services. Hanover's School system received notice from the State Department of Education that it had the 22nd lowest cost per pupil in the State of Virginia in 2007-09 (per pupil cost excludes debt service and capital costs). All of our other functional areas are below the county Statewide averages. Demonstrating the County's emphasis on efficiently providing services the County's general government function is at 86.3% of the statewide average. We are also below our regionally comparative governments of Henrico at 154.6%, Chesterfield at 101.6%, Goochland at 157.3% and New Kent at 149.4%. While it is not practical to provide an in depth analysis as part of this synopsis, the three areas – Public Safety, Education and General Administration – represent the County's two Board priorities and one other representative function of local government, respectively. The County's Community Development function, while operating at 46.0% below the statewide average, has significantly contributed in recent years to the quality of life in Hanover County, the diversification of the County's revenue base and to the County's ability to attain AAA bond status.

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ECONOMIC DEVELOPMENT UPDATE

The Board of Supervisors' adopted Economic Development Strategic Plan encourages and supports growth of existing and new businesses. This plan outlines the County's four major economic development goals: expansion of the tax base, economic stability, job retention, and job creation. The plan identifies target industries, utilization of incentives, the establishment of economic development zones for infrastructure enhancement, and revisions to the County's development regulations. In 2007 the Board completed a Comprehensive Plan update, which added significant new business designations to the area west of Route 33 to Hylas and northeast of Ashland, along Interstate 95. During 2009, the Economic Development Strategic Plan was updated as part of the Board of Supervisors' 2009 Board Initiatives.

Six Economic Development Zones (EDZs) give priority consideration for development of infrastructure and fast track permitting to support new and expanding industrial and office projects in the County. Selection of the EDZs was based on several factors: Comprehensive Plan designation, site location, cost to serve the site with infrastructure, the amount of product currently available for sale, and the level of private sector activity occurring in the area. The County's commercial tax base continues to grow through a combination of existing business expansions and new business attraction.

The County's four major business parks have over 600 acres of zoned property and over one million square feet of office and commercial space that are now generating revenue for the County and creating high-quality employment opportunities for residents. Owens & Minor, a Fortune 500 company, is located at the Atlee Station office park and employs approximately 500 people. Bass Pro Shops opened a 150,000 sf retail store at Winding Brook in October 2008. The Bass Pros project included the extension of Lakeridge Parkway from its current terminus to Lakeridge Industrial Park, interconnecting the Lewistown Road and Atlee/Elmont interchanges. Country Vintner completed its 130,000 sf headquarters and distribution center in Northlake in June 2008. Hanover County, in partnership with the Virginia Biotechnology Research Park, the Town of Ashland, and Dominion Resources, created the Dominion Resources GreenTech Incubator in December 2009. The incubator is designed to nurture early stage companies developing innovative green and clean technologies. The incubator is located in the Town of Ashland. The first four firms have been offered membership in the incubator and two firms have signed leases. Finally, Hanover Foils, a manufacturer of foil packaging products, began operations in the former Philip Morris research building, also in the Town of Ashland. The 350 acres around the Atlee/Elmont interchange has land for retail, hotel, commercial, and industrial development and a Home Depot and Gander Mountain have recently opened in that area. Also, the

Appendix to County Administrator's Letter

completion of the North Lakeridge Parkway extension to U.S. Rt. 1 in 2006 opened up an additional 200 acres for development. From 2003 through 2009, commercial and industrial development has accounted for 33.0% of the total value of building permits issued in Hanover.

The County continues to position itself well for economic development in the region. The County has the lowest property tax rate; no business, professional and occupational tax (BPOL); high residential wealth and education (i.e., customers and employees); available commercial and industrial sites; and water and wastewater capacity. In addition, the County utilizes comprehensive planning that targets business development for appropriate areas while maintaining a high quality of residential, forestry, and agricultural uses in other parts of the County.

County and Departmental Achievements

Hanover County and several departments were recognized for outstanding achievement in the last year:

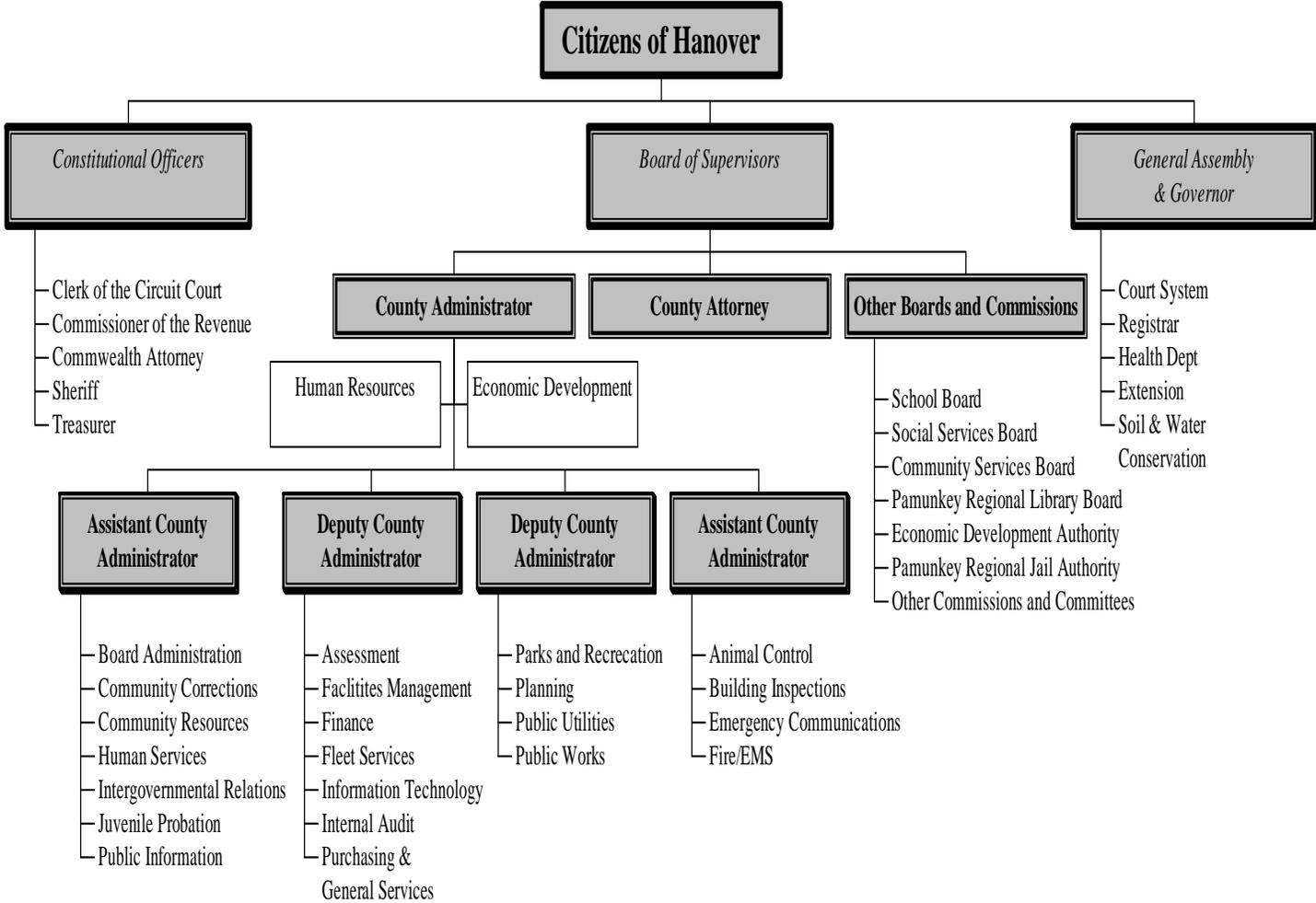
- The Department of **Public Works** received a 2009 National Association of Counties (NACo) Achievement Award and a 2009 Virginia Association of Counties (VACo) Achievement Award for its citizen-driven Curbside Recycling Districts program. Using an existing model for the establishment of water and sewer service districts, staff developed a program that established a mechanism to create special tax districts for curbside recycling collection. If a subdivision contacts the County with interest in starting such a program, a notice is sent to all residents in the subdivision announcing a public meeting. County staff and representatives of the subdivision are there to answer questions. After the meeting, the representatives begin a petition drive to achieve an 80 percent sign-up. If the 80 percent sign-up is reached, the petition is presented to the County. After holding a public hearing, the Board of Supervisors can then vote to establish a tax district for the service and all residents in the subdivision are assessed in the real estate tax bills. About 1,700 homes joined the program beginning July 1, 2009. The actual service is provided through a regional contract procured by the Central Virginia Waste Management Authority.
- The County's Community Development Departments – primarily **Planning, Public Utilities and Public Works** – received a 2009 National Association of Counties (NACo) Achievement Award for its Customer Service Initiative. As a result of the completion of this FY08 Board of Supervisors Initiative, most of the County's development review processes, including the review and approval of zoning applications, conditional use permits, special exceptions, site plans and subdivisions, were streamlined and re-engineered and timelines were reduced. Firm review deadlines were established to make these processes more predictable and the regulatory approach was replaced with a "how can we help you" approach. Performance tracking mechanisms also were created. These improvements were made possible in part by establishing staff multi-departmental case management teams. After a case management team has been assigned to a project, the same team remains with the project throughout the process. The case management teams report to a Project Manager who monitors on-time performance and serves as the liaison with the development community.
- The **Ashland Wastewater Treatment Plant** received the prestigious George W. Burke, Jr. Award, which recognizes a municipal or industrial wastewater facility for establishing and maintaining an active and effective safety program. The award is granted by the Water Environment Federation (WEF), an international organization with 35,000 members, and the Virginia Water Environment Association (VWEA), which is a member association of the WEF. The WEF is a non-profit association that has provided technical education and training for the world's water quality professionals since 1928. The Ashland Wastewater Treatment Plant was the only facility in the Commonwealth of Virginia to receive the Burke Award this year.
- Also, facilities operated by the Department of Public Utilities received a variety of awards from various regulatory agencies. The **Doswell Water Treatment Plant** received a Silver Award for Excellence in Granular Media Filter Water Treatment Plant Performance from the Office of Drinking Water of the Virginia Department of Health. This is an annual award and the Doswell Water Treatment Plant has received it for the last five years. This award is given to those operations which achieve Virginia's goals for clarification and filtration. The **Ashland and Doswell Wastewater Treatment Plants** have received NACWA Platinum Peak Performance Awards for five or more consecutive years of 100% NPDES permit

County and Departmental Achievements

compliance. NPDES (National Pollutant Discharge Elimination System) permits are issued by the U.S. Environmental Protection Agency to systems that meet the agency's requirements for protecting water quality. *Platinum Awards* are given to member agency facilities that have received *Gold Awards* for five or more consecutive years. The Ashland WWTP has had 10 consecutive years of perfect compliance and the Doswell WWTP has had 9 consecutive years of perfect compliance. The **Totopotomoy and the Courthouse Wastewater Treatment Plants** received *Gold Peak Performance Awards* from the NACWA. Gold Awards honor treatment facilities that have achieved 100% compliance with NPDES permit limits for an entire calendar year.

- **Emergency Communications** was one of only three local government agencies in its category to be recognized as a 2009 "Industry Leader" by the National Safety Council. The Department's employees worked 99,159 hours without any time lost to injuries in 2008. This was the second consecutive year the Department had received the award. The department was also one of 17 County departments to receive the National Safety Council's Occupational Excellence Award. Others were the **Assessor's Office**, the **County's Attorney's office**, **Animal Control**, **Building Inspection**, **Communications**, **Community Resources**, **Finance**, **Fire/EMS**, **General Services**, **Human Resources**, **Information Technology**, **Internal Audit**, **Planning**, **Public Utilities**, **Public Works**, **Purchasing**, and **Voter Registration**.
- **Hanover CASA** was certified by the National Court Appointed Special Advocate (CASA) Association. This certification recognizes that Hanover CASA is in compliance with National CASA's high standards for quality child advocacy. Hanover CASA is the second oldest program in the state of Virginia and has maintained its reputation as a solidly built and solidly run program since its inception in 1988. The Hanover CASA Program has trained over 143 volunteers, who over the years have advocated for over 450 children. The program is coordinated by the Department of Community Resources.
- The **Department of Community Resources** also was recognized by the Richmond chapter of the American Red Cross with a "Good Neighbor Award." The Good Neighbor Award recognizes an individual, organization or business outside of the American Red Cross that has made a significant humanitarian contribution to the local community in support of the Red Cross. The Good Neighbor Award was given to Community resources for its support of the chapter's transportation program that provides free trips to life sustaining medical appointments. The Department partners with Red Cross Transportation Services to provide County residents and other community members with transportation to essential medical appointments.
- The **Finance Office** received a Distinguished Budget Presentation Award from the Government Finance Officers Association (GFOA) for the 19th consecutive year and the Certificate of Achievement for Excellence in Financial Reporting for its Comprehensive Annual Financial Report (CAFR) for the 24th consecutive year.
- **County Administration** has guided Hanover County to its third AAA bond rating. In May 2010, Moody's Financial Service, one of the nation's three major municipal bond ratings agencies, has upgraded Hanover County to a 'AAA' rating, the highest possible. Hanover was already rated 'AAA' by Fitch Ratings and Standard & Poor's. We now become the smallest County, population-wise, to be rated AAA by all three ratings agencies; the next smallest has 170,000 residents. Only 1.2% of county governments in the U.S. have three AAA bond ratings. There are now 36 Triple-AAA's out of 3,034 counties in the U.S.

County of Hanover, Virginia Organizational Chart



History and Description of Government

History

The County of Hanover, Virginia was formed on November 26, 1720 by the Virginia General Assembly in “An Act for dividing New Kent County.” It is named for King George I of England, who, at the time he came to the throne, was Elector of Hannover in Germany. Two of the County’s native sons – Patrick Henry and Henry Clay – distinguished themselves as orators, patriots, and statesmen in the early history of this country. Prior to English colonization in the 17th century, the Pamunkey Indians populated this area. Our northern boundary, the Pamunkey River, carries their name, and they maintain a reservation on the lower part of the river in neighboring King William County. The Town of Ashland, Virginia, was incorporated in 1858 and is located within the County. The Town was originally founded as a summer community by the Richmond, Fredericksburg, and Potomac (R,F&P) Railway.

Demographic and Economic Factors

Located in Central Virginia about 15 miles north of Richmond and 70 miles south of Washington, D.C., the County of 471 square miles, or 301,000 acres, lies in the Commonwealth’s Piedmont and Coastal regions. Approximately 33% of the land in the County is utilized for agricultural and 33% for forestal purposes. The County is bordered by the Counties of Caroline, King William, New Kent, Henrico, Goochland, Spotsylvania, and Louisa, and by the Pamunkey (where the North and South Anna Rivers merge), North Anna, and Chickahominy Rivers. The County’s residential, commercial, and industrial areas are growing at moderate rates. New residents are attracted to Hanover’s exceptional schools, low taxes, and low crime rate. The County houses one private college, Randolph-Macon, which was founded in 1830.

Transportation

Based upon its proximity to Richmond and its rural character, the County has been an attractive location for businesses relocating or expanding, and for real estate developers interested in the opportunities in residential markets. The County is primarily served by Interstates 95 and 295, with Interstate 95 connecting the County to the metropolitan Richmond area to the south and providing the passage to Fredericksburg and Washington, D.C. to the north. Interstate 295 connects the east and west portions of the County together and represents a “loop” around the metropolitan Richmond area. U.S. Routes 1 and 301 are north/south primary roads: Route 1 runs parallel to I-95 and 301 runs northeastward toward Annapolis, Maryland. Maintenance of the primary and secondary roads of the County is under the jurisdiction of the Virginia Department of Transportation. Railroad passenger service is provided by Amtrak. Air transportation needs are served by the Richmond International Airport (RIC), located in neighboring Henrico County, while the Hanover County Municipal Airport operates primarily for small business and personal aircraft.

Tourism

Home of the internationally renowned Hanover Tomato, the County has a rich history and proud heritage. The landscape is marked by numerous historic sites and homes, including Scotchtown, the Hanover County Courthouse, and the Hanover Tavern. There are two national battlefields maintained and opened year round. Over two million visitors annually enjoy the thrills of Kings Dominion, a 630 acre amusement park featuring over 100 rides and shows. Not only is the County known for its own tourism sites, but it also is a point of origin from which many of the area’s historical, amusement, and entertainment options can be visited.

Description of Government

The County is a political subdivision of the Commonwealth of Virginia and currently employs the traditional Board form of government with a County Administrator. Policies governing the administration of the County are set by a seven member Board of Supervisors, elected from seven magisterial districts. A chairman and vice-chairman are selected by the Board on an annual basis from

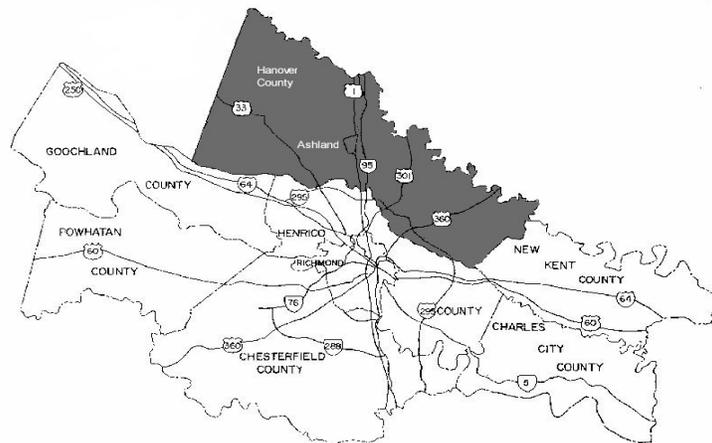
History and Description of Government

among its members. The Board is responsible for formulating policy, directing certain governmental services, and appointing members of various boards and agencies to implement specific policies or provide certain services. The body also has responsibility for appointing the County Administrator, who serves at the pleasure of the Board, implements Board policies, directs business and administrative procedures, and provides recommendations for various County boards and agency appointments. The County has taxing powers subject to statewide restrictions and tax limits. The operation of public schools in the County is vested in a seven member Hanover County School Board, the members of which are appointed by the Board of Supervisors. The local share of the cost of operating public schools is met with an appropriation by the Board from the County's general fund. Operations of the School Board, however, are independent of the Board of Supervisors and County administration as prescribed by Virginia law. A Superintendent is appointed by the School Board to administer the operations of the County's public schools.

The Town of Ashland provides certain additional levels of service to its residents. The ordinances and regulations of the County, with certain limitations as prescribed by State law, generally apply to Ashland. Property in Ashland is subject to both Ashland and County taxation, and Ashland may incur bonded indebtedness without the approval of the County.



Estimated Population (2010) – 103,849
Per capita income (2007) – \$ 41,119
Median Age (2000 census) – 37.4
Estimated School Enrollment (K-12)
(September 2010) – 19,368
Unemployment rate (Mar. 2010) - 7.0%



County Funds Structure and Basis of Budgeting

Basis of Accounting

The County's accounting records are maintained on a modified accrual basis for the General Fund, Special Revenue Funds, and Capital Improvement Funds. Under the modified accrual basis of accounting, Revenues are recognized when susceptible to accrual, i.e., as soon as they are both measurable and available. Revenues from intergovernmental reimbursement grants are recorded when earned. Other revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers general property tax and other intergovernmental revenues to be available if they are collected within 31 days of the end of the current fiscal period, and are due on or before the last day of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Funds Accounting

The accounts of the County and its discretely presented component units (Hanover County Public Schools and the Economic Development Authority) are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts, which comprise assets, liabilities, fund equities, revenues, and expenditures, or expenses, as appropriate. The various funds are summarized by governmental or business-type activities in the general purpose financial statements, while component units are reported in separate columns/rows. The following fund types and account groups are used by the County:

- A. Governmental Fund Type – Governmental type funds are those through which most governmental functions of the County are financed. The acquisition, use, and balances of the County's expendable financial resources and the related liabilities (except those accounted for in proprietary funds) are reported through governmental funds. The measurement focus is upon determination of changes in financial position, rather than upon net income determination. The County's governmental fund types are:

General Fund – The general fund is the chief operating fund of the County. All general tax revenues and other receipts that are not allocated by law or other contractual agreement to another fund are accounted for in this fund. From this fund are paid the general operating expenditures, the fixed charges, and the capital improvement costs that are not paid through other funds. This fund contains the operating budgets for most traditional local government programs such as Public Safety, Parks and Recreation, and Public Works.

Special Revenue Funds – Special revenue funds account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes. Special revenue funds consist of the Comprehensive Services and Community Services funds of the primary government; the School, Food Service, and Textbook Funds of the School Board component unit; and the Economic Development Authority Fund.

1. Comprehensive Services Fund – This fund reflects revenues and expenditures associated with providing child-centered, family-focused, and community-based system of services for youth with emotional or behavioral problems. Revenues are derived from General Fund transfers, state aid, and reimbursements from various insurance programs.

County Funds Structure and Basis of Budgeting

2. Community Services Fund – This fund reflects revenues and expenditures associated with providing a comprehensive system of community-based mental health, mental retardation, and substance abuse services. Revenues are generated primarily from General Fund transfers, charges for services, and state and federal aid.
3. School Fund – The School Fund is the primary operating fund for all education-related governmental activities. Revenues come primarily from General Fund transfers and state and federal aid.
4. Food Services Fund – The Food Service Fund accounts for all of the operations of the school food services program. Revenues are generated from charges for services and state and federal aid.
5. Textbook Fund – The Textbook Fund provides administration, maintenance, and control over all of the textbooks used in the schools. Revenues are derived from General Fund transfers and state aid.
6. Economic Development Authority (EDA) Fund – This fund reflects revenues and expenditures associated with the issuance of tax-exempt industrial development revenue bonds to qualifying enterprises wishing to utilize that form of financing. Those bonds representing limited obligations of the EDA are to be repaid solely from the revenue and receipts derived from the projects funded with the proceeds. The debt outstanding does not constitute a debt or pledge of the faith and credit of the County or the EDA.

Capital Improvement Funds – Capital improvement funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities other than those financed by proprietary funds. The County maintains two capital improvement funds.

1. County Improvement Fund – This fund controls the financing and construction of most non-educational County facilities, such as parks, libraries, and public safety facilities. The Board of Supervisors approves these projects through the County’s Capital Improvement Program (CIP). Revenue sources for this fund include transfers of local tax funding from the General Fund, the issuance of debt, and grants and developer contributions (proffers).
2. School Improvement Fund – This fund controls the financing and construction of local educational facilities. Revenue sources consist of local tax funding from the General Fund, the issuance of debt, and developer contributions.

- B. Proprietary Fund Type – Proprietary funds are used to account for a government’s business-type activities. The services provided in these funds are intended to recover all or a significant portion of their costs through user fees. The County’s proprietary fund types are:

Enterprise Funds – Enterprise Funds are used to provide services that are financed and operated similarly to those of a private business enterprise. The County has two enterprise funds: Public Utilities Fund and Airport Fund.

County Funds Structure and Basis of Budgeting

1. Public Utilities Fund – This fund accounts for the operation and maintenance of the County’s water and sewer system. The County’s Department of Public Utilities operates and maintains public water and wastewater systems in the Suburban Service Area, the Hanover Courthouse Area and five rural residential subdivisions. Operations and capital expenditures are funded with revenues generated from customer user fees and one-time fees paid for capacity at the time of connection to the system.
2. Airport Fund – An Airport Fund was created in February 2007 to account for the County’s oversight of the Hanover County Airport. A fixed base operator (FBO) handles the day-to-day operations of the airport. Revenues are derived primarily from rental income provided by the FBO, state aid, and General Fund transfers.

Internal Service Funds – Internal Service Funds are used to account for the costs of operations for services provided to other County departments. The County has two internal service funds: Fleet Services Fund and Self-Insurance Fund.

1. Fleet Services Fund - This fund accounts for the operations of the County garage. Services provided include preventative maintenance and repair of County and School vehicles and maintenance. Revenues are derived from inter-fund charges.
2. Self-Insurance Fund – This fund provides for the fiscal management of the County and School Board health insurance premiums. Revenues are generated primarily from premiums charged to employees and to departments.

C. Fiduciary Fund Type – Fiduciary funds are used to report resources that are used to report assets held for others and cannot be used to support the locality’s programs. The County has five fiduciary funds; however, only the following two are appropriated.

1. Bell Creek Community Development Authority Fund – This fund is used for the collection of revenue to provide for the repayment of the 2003 Special Assessment bonds issued for the Bell Creek Community Development Authority.
2. Lewistown Commerce Center Community Development Authority Fund – This fund is used for the collection of revenue to provide for the repayment of the 2007 Revenue bonds issued for the Lewistown Commerce Center Community Development Authority

Basis of Budgeting

In most cases, the County’s budget follows the same basis of accounting used in preparing the County’s Comprehensive Annual Financial Report (CAFR), which is prepared in accordance with generally accepted accounting principles (GAAP). Several exceptions should be noted. The budget document does not include the following funds listed as Fiduciary Funds in the CAFR: the Escrow Fund, Special Welfare Fund, and the Retiree Medical Benefits trust. Fiduciary funds are used to account for resources received and held in a fiduciary capacity for the benefit of individuals, private organizations, or other governments. In addition, budgets for the proprietary funds are adopted in accordance with GAAP with the exception that the budget recognizes the flow of funds (i.e., payment of debt principal is budgeted and depreciation is not budgeted).

Budget Process

The budget is the County's plan of how to collect and distribute revenues to departments in a manner that addresses the most critical public needs. Balancing a list of resources to an almost always longer list of needs is never easy. That is why the County devotes so much time and energy to the budget process.

In 1989 Hanover County began preparing a Five-Year Financial Plan for the General Fund. The plan is an integral part of the budget process, forming the basis for determining funding priorities. Priority is generally given to those items in the prior year's plan. Departments requesting funding for items not in the plan must clearly demonstrate what has occurred during the past year to make the item a priority. Knowing that the items included in the plan are more likely to be funded, departments plan for their growth and related resource needs five years at a time instead of year-to-year. All five years of the plan are adopted by the Board of Supervisors, however, only the first year is appropriated.

The County Administrator, after consultation with department heads, identifies budget objectives for the upcoming fiscal year. The budget objectives provide policy direction for the formulation of the County Administrator's proposed budget, while the County's budget calendar identifies important dates throughout budget preparation and adoption. The budget calendar is described in detail below.

September/October

The Finance Department and County Administrator establish a budget schedule by October 1. Budget development begins in late September when operating and Capital Improvement Program (CIP) budget worksheets are made available to all County department and agency heads. Budget training is held the first week of October with instructions for the upcoming budget process. All budget requests are due to the Budget Division at the end of October, providing detail as to personnel, operating and capital requests, including five-year CIP requests, five-year financial plan requests and performance objectives. Letters are mailed to community organizations to solicit contribution requests. County and School officials meet to reach consensus of enrollment projections, funding resources available, CIP needs and operating needs.

November

Budget Division analyzes and compares operating budget, personnel and CIP requests to target budgets established in the Five-Year General Fund Financial Plan. Budget requests are reviewed for feasibility and adjustments to personnel are reviewed for cost/benefit justification and relation to performance objectives. Outside organizations submit contribution requests. The County Administrator begins meeting with each department head to discuss needs and requested enhancements. County and School officials continue to meet and agree on a School target.

December

The County Administrator continues to meet with department heads. Preliminary estimates of revenues are compiled. The Governor presents his Recommended Budget to the General Assembly. County and School officials agree on target allocation of General Fund resources.

January

The County Administrator adjusts departmental requested budgets and works with Budget Division staff and County Administrator's senior staff to prepare a balanced budget for the Five-Year Financial Plan. The Superintendent presents a recommended budget to the School Board by

Budget Process

January 15 and the School Board approves the budget request, with any enumerated changes, by February 1. During the second half of the current fiscal year, quarterly financial reports are prepared by the Department of Finance and presented to the Board of Supervisors. The General Assembly begins to review the Governor's budget and applicable changes by the General Assembly are made in the County's budget.

February

Budget staff organizes, edits, and compiles the final draft of the County Administrator's Proposed Budget. The County Administrator presents the proposed budget to the Board of Supervisors. Copies are made available to the public and on the County's website. Summaries of the County Administrator's Proposed Budget are distributed to citizens, citizen action groups, businesses, media and other interested parties.

March

Department workshops are held by selected department heads and County staff to provide the Supervisors and citizens with an understanding of the proposed budget. Public notices of the budget summary, CIP, and all rate and user fee changes are published in the local paper, giving the citizens and other interested parties sufficient notice as to the date, time and place of public hearings. Based on input from County staff, the Supervisors make any necessary adjustments to the County Administrator's Proposed Budget. The Planning Commission also reviews the Five-Year CIP and issues a resolution for the Board of Supervisors' consideration.

April

Public hearings are held on the proposed budget and any changes in tax rates or County ordinances. The Proposed Budget and Five-Year Financial Plan are amended based on updated revenue projections, applicable General Assembly action and direction from the Board of Supervisors. The Board adopts a line-item budget, but appropriates by fund and major expenditure category as defined by the Auditor of Public Accounts. The Board sets tax rates and makes ordinance changes. The Board also adopts a Five-Year CIP and a Five-Year Financial Plan for the General Fund. Statutory deadlines for budget adoption are May 1 for the School Board and June 30 for the County. The County adopts the budget in early April to provide sufficient notice to taxpayers for the first half real property tax bills due on June 5.

May/June

The adopted budget document is prepared, distributed, and placed on the County's website.

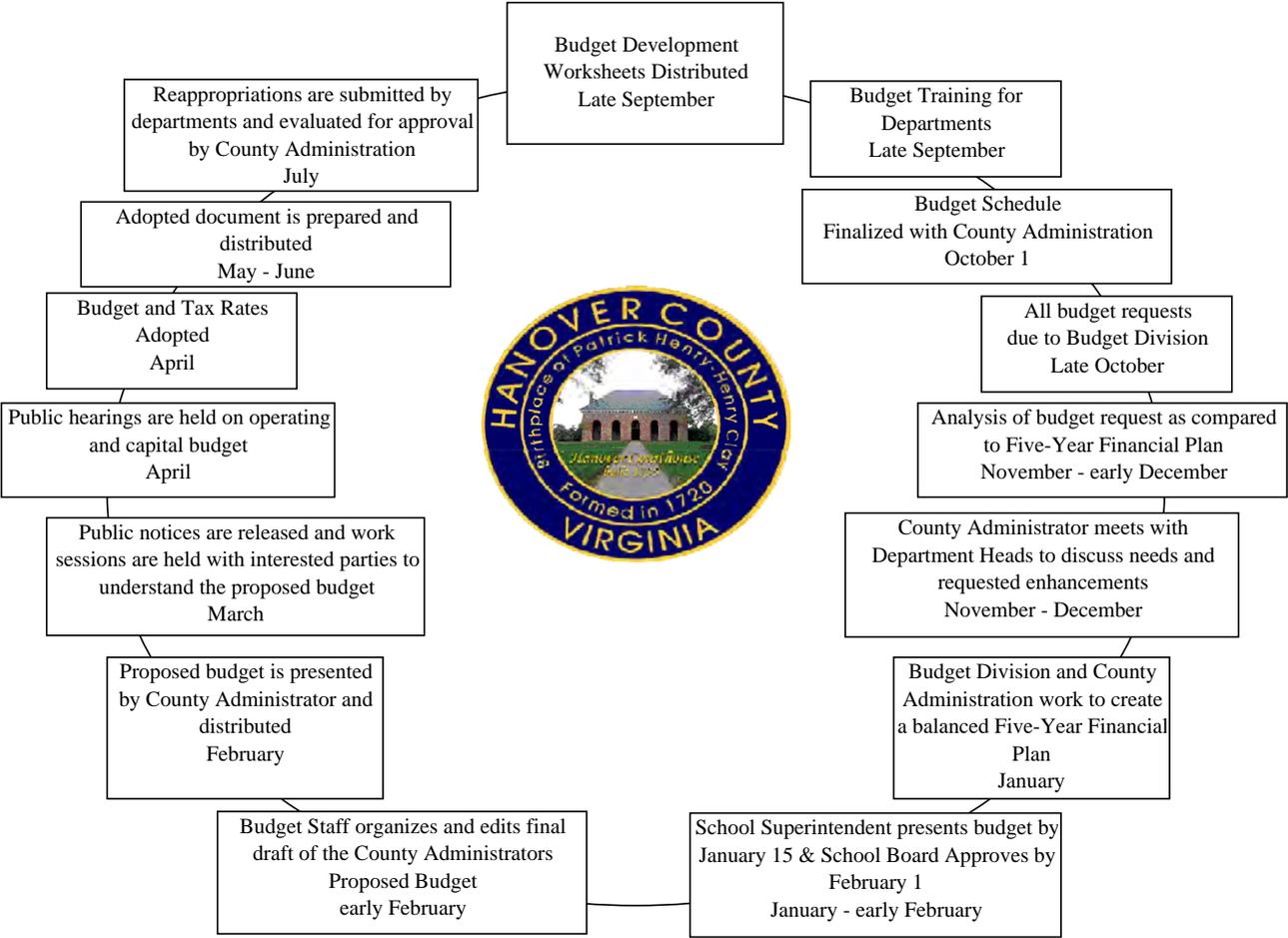
July

Department and agency heads submit requests to reappropriate unencumbered operating balances into the subsequent fiscal year. Reappropriations represent goods or services which had been previously approved in the existing budget but due to time constraints, delay in receipt, etc., these goods or services were not acquired during the current fiscal year. Requests are reviewed and adjustments are made. Encumbered items and unencumbered capital balances are reappropriated for the life of the projects, unless amended by the Board, effective July 1 of each year.

August

The County Administrator recommends to the Board of Supervisors reappropriation of unencumbered operating balances from the previous fiscal year. Adjustments, if any, are made to the County Administrator's recommended reappropriations.

Hanover County Budget Process



Summary of Revenues and Expenditures for All Funds

	FY 2009	FY 2010	FY 2011
	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>
Revenues			
General Property Taxes	\$ 134,631,879	\$ 133,963,000	\$ 130,517,875
Other Local Taxes	27,050,122	27,727,851	26,316,000
Permits, Fees and Licenses	2,220,584	2,462,905	2,413,680
Fines and Forfeitures	1,111,384	1,181,300	1,205,100
Use of Money and Property	2,936,582	2,475,448	2,339,332
Charges for Services	61,092,506	64,733,501	63,878,599
Recovered Costs and Misc	23,356,659	11,501,434	10,755,164
Intergovernmental	132,495,758	134,210,298	117,052,323
Transfers In	-	-	-
Long Term Debt	42,590,000	17,898,000	15,452,000
Fund Balance	-	5,604,407	13,916,904
Total Revenues	<u>\$ 427,485,474</u>	<u>\$ 401,758,144</u>	<u>\$ 383,846,977</u>
Expenditures			
Salaries and Fringe Benefits	\$ 261,349,462	\$ 264,589,866	\$ 251,932,735
Operating Expenditures	63,510,633	85,095,410	73,209,544
Capital Expenditures	81,351,098	26,819,331	33,375,233
Transfers Out	-	-	-
Debt Service			
Principal Payments	15,339,016	16,930,528	16,358,010
Interest Payments	7,991,767	8,323,009	8,971,455
Total Expenditures	<u>\$ 429,541,977</u>	<u>\$ 401,758,144</u>	<u>\$ 383,846,977</u>
Estimated Beginning Undesignated Fund Balance - June 30, 2010			<u>\$ 64,853,440</u>
Estimated Ending Undesignated Fund Balance - June 30, 2011			<u>\$ 50,936,536</u>
Estimated Ending Fund Balance as a Percent of Net Operating Revenues			13.3%
Estimated Change in Fund Balance			(21.5%)

All Funds FY 2011 Budget

	General Fund FY 2011 Budget	School Fund FY 2011 Budget	Capital Funds FY 2011 Budget	Special Revenue Funds FY 2011 Budget	Enterprise Funds FY 2011 Budget	Internal Service Funds FY 2011 Budget	Fiduciary Funds FY 2011 Budget	Transfers from Other Funds FY 2011 Budget	Grand Total FY 2011 Budget
Revenues									
General Property Taxes	\$ 130,517,875	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 130,517,875
Other Local Taxes	26,316,000	-	-	-	-	-	-	-	26,316,000
Permits, Fees and Licenses	1,645,600	-	340,000	184,080	244,000	-	-	-	2,413,680
Fines and Forfeitures	1,205,100	-	-	-	-	-	-	-	1,205,100
Use of Money and Property	1,509,000	10,000	94,000	19,000	557,332	150,000	-	-	2,339,332
Charges for Services	3,606,953	6,472,200	800,000	3,527,792	20,151,725	29,319,929	-	-	63,878,599
Recovered Costs and Misc	3,766,113	2,127,301	700,000	381,600	2,445,833	529,317	805,000	-	10,755,164
Intergovernmental	25,717,537	84,708,202	500,000	5,852,648	273,936	-	-	-	117,052,323
Transfers In	-	93,017,000	2,381,000	7,539,305	190,056	100,213	644,750	(103,872,324)	-
Long Term Debt	-	-	5,452,000	-	10,000,000	-	-	-	15,452,000
Fund Balance	4,343,776	-	50,000	80,000	8,718,969	724,159	-	-	13,916,904
Total Revenues	\$ 198,627,954	\$ 186,334,703	\$ 10,317,000	\$ 17,584,425	\$ 42,581,851	\$ 30,823,618	\$ 1,449,750	\$ (103,872,324)	\$ 383,846,977
Expenditures - by Function									
General Government	\$ 13,469,467	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,469,467
Judicial Administration	4,463,331	-	-	-	-	-	-	-	4,463,331
Public Safety	45,084,087	-	-	-	-	-	-	-	45,084,087
Public Works	7,640,299	-	-	-	689,324	2,159,744	-	(290,269)	10,199,098
Human Services	15,917,925	-	-	17,320,345	-	-	-	(7,539,305)	25,698,965
Education	93,017,000	186,334,703	-	-	-	-	-	(93,017,000)	186,334,703
Parks, Recreation & Cultural	6,118,472	-	-	-	-	-	-	-	6,118,472
Community Development	5,190,054	-	-	264,080	-	-	1,449,750	(644,750)	6,259,134
Nondepartmental	5,346,319	-	-	-	-	-	-	-	5,346,319
Capital Projects	2,381,000	-	10,317,000	-	-	-	-	(2,381,000)	10,317,000
Public Utilities	-	-	-	-	41,892,527	-	-	-	41,892,527
Self-insurance	-	-	-	-	-	28,663,874	-	-	28,663,874
Total	\$ 198,627,954	\$ 186,334,703	\$ 10,317,000	\$ 17,584,425	\$ 42,581,851	\$ 30,823,618	\$ 1,449,750	\$ (103,872,324)	\$ 383,846,977
Expenditures - by Category									
Salaries and Fringe Benefits	\$ 59,497,694	\$ 146,969,409	\$ -	\$ 9,144,426	\$ 6,423,065	\$ 29,898,141	\$ -	\$ -	\$ 251,932,735
Operating Expenditures	30,462,607	21,231,905	-	8,417,999	11,163,813	483,470	1,449,750	-	73,209,544
Capital Expenditures	1,053,410	1,216,389	10,317,000	22,000	20,324,427	442,007	-	-	33,375,233
Transfers Out	103,872,324	-	-	-	-	-	-	(103,872,324)	-
Debt Service									
Principal Payments	2,192,376	11,419,097	-	-	2,746,537	-	-	-	16,358,010
Interest Payments	1,549,543	5,497,903	-	-	1,924,009	-	-	-	8,971,455
Total Expenditures	\$ 198,627,954	\$ 186,334,703	\$ 10,317,000	\$ 17,584,425	\$ 42,581,851	\$ 30,823,618	\$ 1,449,750	\$ (103,872,324)	\$ 383,846,977

Estimated Beginning Undesignated Fund Balance - June 30, 2010

\$ 64,853,440

Estimated Ending Undesignated Fund Balance - June 30, 2011

\$ 50,936,536

Estimated Ending Fund Balance as a Percent of Net Operating Revenues

13.3%

Estimated Change in Fund Balance

(21.5%)

General Fund

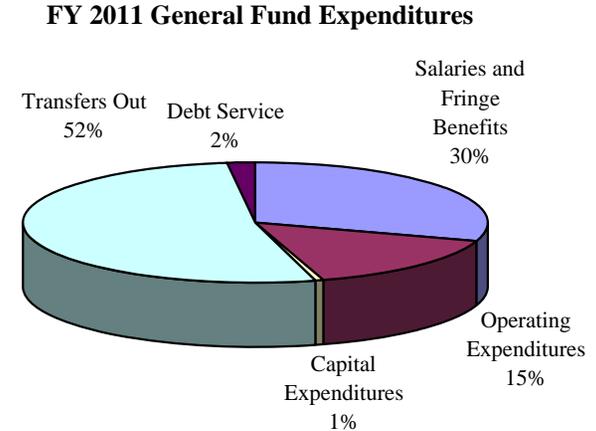
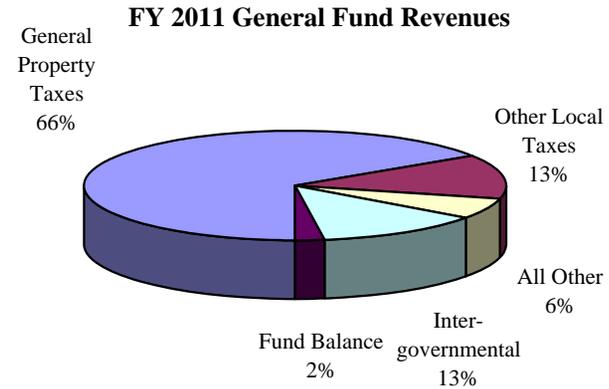
	FY 2009 Actual	FY 2010 Budget	FY 2011 Budget
Revenues			
General Property Taxes	\$ 134,631,879	\$ 133,963,000	\$ 130,517,875
Other Local Taxes	27,050,122	27,727,851	26,316,000
Permits, Fees and Licenses	1,756,290	1,853,500	1,645,600
Fines and Forfeitures	1,111,384	1,181,300	1,205,100
Use of Money and Property	1,316,408	1,421,703	1,509,000
Charges for Services	3,229,942	2,960,788	3,606,953
Recovered Costs and Misc	3,744,679	3,645,028	3,766,113
Intergovernmental	26,310,446	27,011,779	25,717,537
Fund Balance	-	4,245,600	4,343,776
Transfers In	-	-	-
Total Revenues	\$ 199,151,150	\$ 204,010,549	\$ 198,627,954

Expenditures			
Salaries and Fringe Benefits	\$ 59,190,269	\$ 60,902,751	\$ 59,497,694
Operating Expenditures	28,850,830	31,013,122	30,462,607
Capital Expenditures	1,913,573	1,308,397	1,053,410
Transfers Out	111,508,188	107,768,671	103,872,324
Debt Service			
Principal Payments	1,697,930	2,205,673	2,192,376
Interest Payments	514,194	811,935	1,549,543
Total Expenditures	\$ 203,674,984	\$ 204,010,549	\$ 198,627,954

Estimated Beginning Undesignated Fund Balance - June 30, 2010	<u>\$ 28,837,980</u>
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Estimated Ending Undesignated Fund Balance - June 30, 2011	<u>\$ 24,494,204</u>
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Estimated Ending Fund Balance as a Percent of Net Operating Revenues	12.6%
Estimated Change in Fund Balance	(15.1%)



School Funds

	School Operating Fund			School - Textbook Fund			School - Food Service Fund		
	FY 2009 Actual	FY 2010 Budget	FY 2011 Budget	FY 2009 Actual	FY 2010 Budget	FY 2011 Budget	FY 2009 Actual	FY 2010 Budget	FY 2011 Budget
Revenues									
General Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Local Taxes	-	-	-	-	-	-	-	-	-
Permits, Fees and Licenses	-	-	-	-	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-	-	-	-	-
Use of Money and Property	-	-	-	12,750	-	-	14,030	10,000	10,000
Charges for Services	675,084	813,158	890,000	-	-	-	5,701,169	6,428,188	5,582,200
Recovered Costs and Misc	1,607,791	2,038,880	2,107,301	-	-	-	19,754	22,000	20,000
Intergovernmental	96,164,130	98,005,592	82,993,050	195,560	256,211	256,211	1,397,909	1,362,027	1,458,941
Fund Balance	-	1,100,000	-	-	-	-	-	96,307	-
Transfers In	96,733,448	95,062,617	93,017,000	717,352	-	-	-	-	-
Total Revenues	\$195,180,453	\$197,020,247	\$179,007,351	\$ 925,662	\$ 256,211	\$ 256,211	\$ 7,132,862	\$ 7,918,522	\$ 7,071,141
Expenditures									
Salaries and Fringe Benefits	\$155,857,450	\$154,741,092	\$143,222,009	\$ 73,196	\$ 79,144	\$ 80,158	\$ 3,626,822	\$ 4,057,709	\$ 3,667,242
Operating Expenditures	15,966,355	23,184,149	17,856,953	3,689	2,067	1,053	3,456,832	3,860,813	3,373,899
Capital Expenditures	1,851,074	1,666,919	1,011,389	601,750	175,000	175,000	48,269	-	30,000
Transfers Out	-	-	-	-	-	-	-	-	-
Debt Service									
Principal Payments	11,336,693	11,932,672	11,419,097	-	-	-	-	-	-
Interest Payments	6,061,070	5,495,415	5,497,903	-	-	-	-	-	-
Total Expenditures	\$191,072,642	\$197,020,247	\$179,007,351	\$ 678,635	\$ 256,211	\$ 256,211	\$ 7,131,923	\$ 7,918,522	\$ 7,071,141
Estimated Beginning Undesignated Fund Balance - June 30, 2010			<u>\$ 249,996</u>			<u>\$ 1,813,432</u>			<u>\$ 280,379</u>
Estimated Ending Undesignated Fund Balance - June 30, 2011			<u>\$ 249,996</u>			<u>\$ 1,813,432</u>			<u>\$ 280,379</u>

Capital Funds

	County Improvements Fund			School Improvements Fund		
	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010	FY 2011
	Actual	Budget	Budget	Actual	Budget	Budget
Revenues						
General Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Local Taxes	-	-	-	-	-	-
Permits, Fees and Licenses	-	133,000	340,000	-	-	-
Fines and Forfeitures	-	-	-	-	-	-
Use of Money and Property	13,488	-	-	9,678	96,000	94,000
Charges for Services	869,886	300,000	100,000	588,002	700,000	700,000
Recovered Costs and Misc	4,223,616	184,500	700,000	3,220,250	-	-
Intergovernmental	1,513,606	375,000	500,000	326,719	-	-
Fund Balance	-	-	50,000	-	-	-
Transfers In	6,483,672	2,802,800	1,981,000	2,608,000	1,008,000	400,000
Long Term Debt	10,765,000	1,774,000	-	31,825,000	6,124,000	5,452,000
Total Revenues	\$ 23,869,269	\$ 5,569,300	\$ 3,671,000	\$ 38,577,649	\$ 7,928,000	\$ 6,646,000
Expenditures						
Salaries and Fringe Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Expenditures	-	-	-	-	-	-
Capital Expenditures	30,100,288	5,569,300	3,671,000	36,747,217	7,928,000	6,646,000
Transfers Out	-	-	-	-	-	-
Debt Service						
Principal Payments	-	-	-	-	-	-
Interest Payments	-	-	-	-	-	-
Total Expenditures	\$ 30,100,288	\$ 5,569,300	\$ 3,671,000	\$ 36,747,217	\$ 7,928,000	\$ 6,646,000
Estimated Beginning Undesignated Fund Balance - June 30, 2010			<u>\$ 429,937</u>			<u>\$ -</u>
Estimated Ending Undesignated Fund Balance - June 30, 2011			<u>\$ 379,937</u>			<u>\$ -</u>

Special Revenue Funds

	Community Services Board			Comprehensive Services			Economic Development Authority		
	FY 2009 Actual	FY 2010 Budget	FY 2011 Budget	FY 2009 Actual	FY 2010 Budget	FY 2011 Budget	FY 2009 Actual	FY 2010 Budget	FY 2011 Budget
Revenues									
General Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Local Taxes	-	-	-	-	-	-	-	-	-
Permits, Fees and Licenses	-	-	-	-	-	-	170,175	191,405	184,080
Fines and Forfeitures	-	-	-	-	-	-	-	-	-
Use of Money and Property	46,577	45,000	19,000	-	-	-	-	-	-
Charges for Services	3,294,773	3,203,000	3,527,792	-	-	-	-	-	-
Recovered Costs and Misc	294,938	240,000	299,100	85,675	82,500	82,500	-	-	-
Intergovernmental	2,721,799	2,720,945	2,721,448	2,699,197	3,005,744	3,131,200	-	-	-
Fund Balance	-	-	-	-	-	-	-	-	80,000
Transfers In	4,453,145	4,919,870	4,602,538	2,494,763	2,854,681	2,936,767	-	-	-
Total Revenues	\$ 10,811,232	\$ 11,128,815	\$ 11,169,878	\$ 5,279,634	\$ 5,942,925	\$ 6,150,467	\$ 170,175	\$ 191,405	\$ 264,080
Expenditures									
Salaries and Fringe Benefits	\$ 8,564,519	\$ 8,939,581	\$ 9,029,328	\$ 122,985	\$ 128,780	\$ 115,098	\$ -	\$ -	\$ -
Operating Expenditures	2,137,472	2,189,234	2,118,550	5,156,650	5,814,145	6,035,369	174,892	191,405	264,080
Capital Expenditures	-	-	22,000	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-	-
Debt Service									
Principal Payments	-	-	-	-	-	-	-	-	-
Interest Payments	-	-	-	-	-	-	-	-	-
Total Expenditures	\$ 10,701,991	\$ 11,128,815	\$ 11,169,878	\$ 5,279,634	\$ 5,942,925	\$ 6,150,467	\$ 174,892	\$ 191,405	\$ 264,080
Estimated Beginning Undesignated Fund Balance - June 30, 2010			<u>\$ 200,000</u>			<u>\$ 400,000</u>			<u>\$ 260,406</u>
Estimated Ending Undesignated Fund Balance - June 30, 2011			<u>\$ 200,000</u>			<u>\$ 400,000</u>			<u>\$ 180,406</u>

Enterprise Funds

	Public Utilities Fund			Airport Fund		
	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010	FY 2011
	Actual	Budget	Budget	Actual	Budget	Budget
Revenues						
General Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Local Taxes	-	-	-	-	-	-
Permits, Fees and Licenses	294,119	285,000	244,000	-	-	-
Long-term debt	-	10,000,000	10,000,000	-	-	-
Use of Money and Property	1,099,096	500,000	400,000	106,350	152,745	157,332
Charges for Services	20,544,077	20,740,721	20,151,725	-	-	-
Recovered Costs and Misc	8,992,957	3,995,000	2,377,833	3,075	68,000	68,000
Intergovernmental	-	-	-	1,166,391	1,473,000	273,936
Fund Balance	-	-	8,718,969	-	-	-
Transfers In	-	-	-	333,081	200,703	190,056
Total Revenues	<u>\$ 30,930,249</u>	<u>\$ 35,520,721</u>	<u>\$ 41,892,527</u>	<u>\$ 1,608,897</u>	<u>\$ 1,894,448</u>	<u>\$ 689,324</u>
Expenditures						
Salaries and Fringe Benefits	\$ 6,094,929	\$ 6,353,496	\$ 6,326,422	\$ 94,417	\$ 95,253	\$ 96,643
Operating Expenditures	6,577,043	16,398,020	11,107,530	48,768	74,217	56,283
Capital Expenditures	9,123,135	8,105,341	19,932,007	853,800	1,581,000	392,420
Transfers Out	-	-	-	-	-	-
Debt Service						
Principal Payments	2,304,393	2,737,363	2,685,931	-	54,820	60,606
Interest Payments	1,328,738	1,926,501	1,840,637	87,765	89,158	83,372
Total Expenditures	<u>\$ 25,428,238</u>	<u>\$ 35,520,721</u>	<u>\$ 41,892,527</u>	<u>\$ 1,084,751</u>	<u>\$ 1,894,448</u>	<u>\$ 689,324</u>
Estimated Beginning Undesignated Fund Balance - June 30, 2010			<u>\$ 30,102,755</u>			<u>\$ 699,351</u>
Estimated Ending Undesignated Fund Balance - June 30, 2011			<u>\$ 21,383,786</u>			<u>\$ 699,351</u>

Internal Service Funds

	Fleet Services Fund			Self-Insurance Fund		
	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010	FY 2011
	Actual	Budget	Budget	Actual	Budget	Budget
Revenues						
General Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Local Taxes	-	-	-	-	-	-
Permits, Fees and Licenses	-	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-	-
Use of Money and Property	-	-	-	318,205	250,000	150,000
Charges for Services	1,539,104	2,040,955	1,378,055	24,650,469	27,546,691	27,941,874
Recovered Costs and Misc	374,414	378,526	457,317	154,927	72,000	72,000
Intergovernmental	-	-	-	-	-	-
Fund Balance	-	162,500	224,159	-	-	500,000
Transfers In	-	-	100,213	-	-	-
Total Revenues	\$ 1,913,518	\$ 2,581,981	\$ 2,159,744	\$ 25,123,601	\$ 27,868,691	\$ 28,663,874
Expenditures						
Salaries and Fringe Benefits	\$ 1,677,703	\$ 1,753,369	\$ 1,392,679	\$ 26,047,171	\$ 27,538,691	\$ 28,505,462
Operating Expenditures	272,288	343,238	325,058	80,112	330,000	158,412
Capital Expenditures	111,993	485,374	442,007	-	-	-
Transfers Out	-	-	-	-	-	-
Debt Service						
Principal Payments	-	-	-	-	-	-
Interest Payments	-	-	-	-	-	-
Total Expenditures	\$ 2,061,984	\$ 2,581,981	\$ 2,159,744	\$ 26,127,283	\$ 27,868,691	\$ 28,663,874
Estimated Beginning Undesignated Fund Balance - June 30, 2010			<u>\$ 391,099</u>			<u>\$ 1,188,105</u>
Estimated Ending Undesignated Fund Balance - June 30, 2011			<u>\$ 166,940</u>			<u>\$ 688,105</u>

Fiduciary Funds

	Bell Creek Community Development Authority			Lewistown Community Development Authority		
	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010	FY 2011
	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>
Revenues						
General Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Local Taxes	-	-	-	-	-	-
Permits, Fees and Licenses	-	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-	-
Use of Money and Property	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-
Recovered Costs and Misc	605,932	650,000	605,000	28,651	125,000	200,000
Intergovernmental	-	-	-	-	-	-
Fund Balance	-	-	-	-	-	-
Transfers In	-	-	-	339,342	920,000	644,750
Total Revenues	<u>\$ 605,932</u>	<u>\$ 650,000</u>	<u>\$ 605,000</u>	<u>\$ 367,993</u>	<u>\$ 1,045,000</u>	<u>\$ 844,750</u>
Expenditures						
Salaries and Fringe Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Expenditures	625,419	650,000	605,000	160,283	1,045,000	844,750
Capital Expenditures	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Debt Service						
Principal Payments	-	-	-	-	-	-
Interest Payments	-	-	-	-	-	-
Total Expenditures	<u>\$ 625,419</u>	<u>\$ 650,000</u>	<u>\$ 605,000</u>	<u>\$ 160,283</u>	<u>\$ 1,045,000</u>	<u>\$ 844,750</u>
Estimated Beginning Undesignated Fund Balance - June 30, 2010			<u>\$ -</u>			<u>\$ -</u>
Estimated Ending Undesignated Fund Balance - June 30, 2011			<u>\$ -</u>			<u>\$ -</u>

Five-Year General Fund Financial Plan

Fiscal Years 2011 Through 2015

Background

The County began preparing a Five-Year Financial Plan for the General Fund in 1989. The plan plays a key role in assisting the County in determining funding priorities and balancing the budget each year. Because the plan is an important planning tool, priority funding is given to items in the previous year's adopted plan versus new requests. Departments wishing to fund an item that is not included in the previous year's approved plan must be able to demonstrate clearly what has occurred during the past year to make the item in question a funding priority over items that had been incorporated in the County's planning process. The plan helps identify which areas of the cumulative requests are higher than anticipated, allowing budget staff to focus on those areas and identify the unanticipated issues.

The plan is also an assurance to our citizens that the County is planning long-term and financially positioning itself to meet the needs of the future. This is particularly important in a growing county like Hanover where the service delivery expectations are increasing annually.

When reviewing the plan, it is important to remember that only the first year is adopted and appropriated by the Board of Supervisors. The remaining years of the plan are based on current programmatic and financial conditions. The *exact* dollars or positions in the plan are likely to change, but, if current needs and conditions remain relatively constant, the overall direction and emphasis reflected in the plan should remain consistent. The Five-Year General Fund Financial Plan is adopted by the Board of Supervisors during the budget process and is subject to a public hearing.

Major Assumptions

Traditionally, great efforts have been spent on the Five-Year General Fund Financial Plan in illustrating conservative revenue growth and how such revenue growth over current year projections can be reinvested in the County. As fiscal flexibility is limited in meeting current service levels, the County is selective in any enhancements of service levels and prioritizes resources in areas that core services are most being impacted (e.g., staffing of Fire/EMS, student-teacher ratios including ever-increasing need for special education services, sheriff patrols). Therefore, some service level enhancements are either staggered, phased-in or deferred until the County can afford to provide such enhancements, unless a corresponding revenue increase can be identified. This situation is most represented by the debt funded projects where such projects are staggered to enable revenue and debt affordability models to be accomplished without a tax rate increase.

The Five-Year General Fund Financial Plan represents the County's attempt to quantify the impacts of future needs matched with a projection of available resources. Each year this plan is adopted by the Board of Supervisors, thereby indicating to the public the County's expected tax rates, operating costs, capital improvements, debt service requirements, school allocations and service level plans. Generally, the plan seeks to maintain or enhance all current budget guidelines and the Board's adopted initiatives.

Five-Year General Fund Financial Plan

Fiscal Years 2011 Through 2015

Overarching Philosophy

The overarching philosophy for this five-year plan is that FY12 will be similar to FY11 without much growth, barring known exceptions. FY13 will see a spike as the recession is anticipated to have concluded and should see similar revenues as were seen in FY07 and FY08. FY14 and FY15 are projected to be back to almost regular growth levels experienced prior to the current recession.

Revenues

General Property Taxes

- Real property tax revenue from the reassessments of existing property is projected to decrease by 1.5% in calendar year 2011, increase 1.0% in 2012, and increase 4.0% annually thereafter.
- Real property tax revenue growth from the assessment of new construction is projected to be 1.0% in calendar year 2011, 2.0% in 2012 and 3.0% each year thereafter.
- Maintenance of the adopted \$0.81 per \$100 assessed value real property tax rate throughout the plan.
- Personal property tax revenues are projected to increase 2.25% in FY11, increase 5.5% in FY12 and FY13 and then increase 5.0% annually thereafter. The FY12 increase reflects the projection of the tax on an approximate \$25 million rollercoaster at the amusement park.

Other Revenues

- Sales tax receipts are projected to remain relatively flat in FY11 with a 0.5% increase from the current FY10 forecast. The projection for FY12 anticipates a 5.0% increase, then an increase of 11.0% in FY13 and a 6.0% increase for both FY14 and FY15.
- The five-year plan does not anticipate funding for any additional positions from the Compensation Board over the Governor's budget. Compensation Board funding in FY12 through FY15 is projected to increase on average 2.8% per year.
- Permits, privilege fees, and regulatory licenses are projected to increase 5.5% in FY12, then increase 17.1% in FY13, and increase around 3.3% for FY14 and FY15. The high increase in FY13 is due to the anticipation of a periodic targeted inflationary rate increases in fees to ensure continuation of cost recovery.
- Interest on investments is projected to be an interest rate of 2.5% in FY11, 3.0% in FY11, and 4.0% annually thereafter.

Expenditures

County-wide

- Merit compensation increases in the amount of 3.0% begin in FY13 and annually every year thereafter.
- Health insurance expenditures for the employer are projected at a 15.0% increase for FY11 and then a 12.0% increase the remainder of the plan. The plan assumes employee increases or plan modifications equal to the employer's increase in FY12 through FY15. It is anticipated that the FY11 increase will absorb any employee increase.
- Retirement benefit expenditures are based on current information for the Virginia Retirement System and its actuarial valuation as of June 30, 2009, and are anticipated to increase in FY13 (13.96%, 13.96%, 14.48%, 14.48%, and 14.48%).

Five-Year General Fund Financial Plan

Fiscal Years 2011 Through 2015

- The five-year plan assumes that nine (9) of the authorized, unfunded position are reinstated in FY14 and another two (2) in FY15. The plan does not include any new positions in the five years.
- Base operating expenditures increase approximately 1.0% in FY12 and then 3.0% annually thereafter.
- The tax relief for elderly and disabled program will raise total relief to almost \$1.9 million in FY11 and continues to grow at 10.0% each calendar year.

School Allocation Plan

- Funding provided to the Schools is projected to decrease at 2.9% in FY11 and includes reallocation of \$1.6 million in funding from the CIP to the School Operating fund. In FY12, the \$1.6 million is proposed to be allocated back to the School's CIP. Funding will increase in FY13 and annually thereafter at the same rate as the increase in on-going General Fund revenues.
- Debt service funding has been provided for all outstanding school bonds and all proposed bond issuances identified in the CIP.

Other Allocation Plans

- Funding to the Community Services Board (CSB) is projected to increase by 2.0% in FY12 and increase 4.0% annually thereafter.
- Funding to the Pamunkey Regional Jail is projected to increase 4.0% annual beginning in FY12.
- Funding to the Comprehensive Services Fund (CSA) is projected to increase 2.0% in FY12, increase 4.0% annually thereafter.
- Funding to the Hanover County Airport is projected to increase 1.1% in FY12, decrease 11.2% in FY13, increase 36.1% in FY14, increase 2.4% in FY15. The fluctuation in the funding of the Airport is due to the capital improvements portion of the transfer; FY14 has the local support of the Airport's capital at \$100,000.
- Funding in FY12 brings back the cyclical computer replacement program that was placed on hold in FY10 and FY11.
- Funding is provided to maintain the five-year Capital Improvements Program and meet vehicle replacement plans.

County of Hanover, Virginia
Five-Year General Fund Financial Plan
Fiscal Years 2011 through 2015

	Year 1	Year 2	Year 3	Year 4	Year 5
	<u>FY11</u>	<u>FY12</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
Revenues:					
General Property Taxes	\$ 130,517,875	\$ 133,555,000	\$ 140,476,100	\$ 147,809,200	\$ 155,519,400
Other Local Taxes	26,316,000	27,752,000	30,038,132	31,670,085	33,374,315
Permits, Fees, and Licenses	1,645,600	1,736,700	2,033,000	2,101,100	2,169,200
Fines and Forfeitures	1,205,100	1,240,200	1,276,300	1,313,400	1,350,500
Revenue from Use of Money	1,509,000	1,606,555	2,287,000	2,316,000	2,345,000
Charges for Services	3,606,953	3,729,788	3,875,788	3,991,788	4,148,788
Recovered Costs	3,013,961	3,107,012	3,202,626	3,302,263	3,403,273
Intergovernmental	25,717,537	25,882,459	26,218,459	26,563,459	26,919,459
Miscellaneous	752,152	756,152	710,152	714,152	718,152
Subtotal - Ongoing Revenues	194,284,178	199,365,866	210,117,557	219,781,447	229,948,087
Use of planned surpluses	4,343,776	4,703,947	3,753,604	3,470,119	3,690,302
Total Revenues	\$ 198,627,954	\$ 204,069,813	\$ 213,871,161	\$ 223,251,566	\$ 233,638,389
Expenditures:					
Salaries and Fringe Benefits	\$ 59,497,694	\$ 60,236,960	\$ 62,870,054	\$ 65,877,765	\$ 68,525,910
Operating	23,939,844	23,787,581	24,541,030	25,299,852	26,093,115
Tax Relief for the Elderly and Disabled	1,872,800	1,966,500	2,064,800	2,168,000	2,276,400
Capital	1,053,410	1,742,400	2,281,342	2,342,719	2,361,161
Service Level Plan	-	1,423,129	1,648,443	1,717,177	3,983,258
Debt Service	3,741,919	4,719,969	4,653,613	4,592,982	4,492,907
CSB Base Allocation Plan	4,602,538	4,665,320	4,851,900	5,046,000	5,247,800
CSA Allocation Plan	2,936,767	2,995,500	3,115,300	3,239,900	3,369,500
Airport Fund	190,056	208,900	185,500	252,400	258,500
Pamunkey Regional Jail	4,750,176	4,940,183	5,137,790	5,343,302	5,557,034
Lewistown CDA	644,750	666,000	716,100	760,200	805,400
County CIP	1,981,000	2,102,000	2,746,000	3,517,500	3,086,000
School Allocation Plan					
School Operating	76,105,500	76,346,900	80,391,600	84,094,500	87,986,600
School Debt	16,911,500	15,608,471	15,953,689	16,230,269	16,645,804
Subtotal Schools	93,017,000	\$ 91,955,371	96,345,289	100,324,769	104,632,404
School CIP	400,000	2,660,000	2,714,000	2,769,000	2,949,000
Total Schools	93,417,000	\$ 94,615,371	99,059,289	103,093,769	107,581,404
Total Expenditures	\$ 198,627,954	\$ 204,069,813	\$ 213,871,161	\$ 223,251,566	\$ 233,638,389

General Fund - Departmental Appropriations

	<u>FY09</u> <u>Actual</u>	<u>FY10</u> <u>Budget</u>	<u>FY11</u> <u>Budget</u>	<u>Percent</u> <u>Change</u>	<u>Dollar</u> <u>Change</u>
General Government Administration					
Board of Supervisors	\$ 551,321	\$ 537,526	\$ 496,914	(7.6%)	\$ (40,612)
County Administrator	1,063,965	1,195,070	1,014,300	(15.1%)	(180,770)
Human Resources	840,287	850,742	854,962	0.5%	4,220
County Attorney	1,155,860	1,183,907	1,149,968	(2.9%)	(33,939)
Commissioner of the Revenue	1,241,098	1,260,022	1,248,337	(0.9%)	(11,685)
Assessor	887,417	927,174	857,420	(7.5%)	(69,754)
Treasurer	1,297,693	1,306,241	1,365,866	4.6%	59,625
Finance	936,890	996,129	980,023	(1.6%)	(16,106)
Internal Audit	269,381	273,486	276,670	1.2%	3,184
Public Information Office	120,802	145,921	192,354	31.8%	46,433
Purchasing	559,505	567,325	507,368	(10.6%)	(59,957)
Information Technology	3,389,947	3,504,163	3,307,933	(5.6%)	(196,230)
Geographic Information System	691,798	723,506	576,224	(20.4%)	(147,282)
General Services	415,747	435,611	291,476	(33.1%)	(144,135)
Registrar	358,619	352,012	349,652	(0.7%)	(2,360)
Subtotal, General Government Admin.	\$ 13,780,330	\$ 14,258,835	\$ 13,469,467	(5.5%)	\$ (789,368)
Judicial Administration					
Circuit Court	123,133	101,518	92,889	(8.5%)	(8,629)
General District Court	109,418	102,320	112,303	9.8%	9,983
Magistrates	3,141	3,199	2,991	(6.5%)	(208)
Juvenile & Domestic Relations Court	19,482	26,275	22,367	(14.9%)	(3,908)
Clerk of the Circuit Court	1,474,876	1,400,107	1,323,494	(5.5%)	(76,613)
Court Services	1,346,112	1,372,380	1,329,221	(3.1%)	(43,159)
Commonwealth's Attorney	1,618,232	1,585,532	1,580,066	(0.3%)	(5,466)
Subtotal, Judicial Administration	\$ 4,694,395	\$ 4,591,331	\$ 4,463,331	(2.8%)	\$ (128,000)
Public Safety					
Sheriff	19,570,155	19,440,289	19,101,924	(1.7%)	(338,365)
Emergency Communications	3,398,297	3,742,434	3,862,980	3.2%	120,546
Fire/EMS	14,445,523	14,308,585	13,824,517	(3.4%)	(484,068)
Pamunkey Regional Jail	3,705,222	4,457,455	4,750,176	6.6%	292,721
Juvenile Court Services	663,142	650,702	686,213	5.5%	35,511
Community Corrections	381,742	386,763	447,744	15.8%	60,981
Building Inspections	1,562,057	1,633,482	1,392,613	(14.7%)	(240,869)
Animal Control	1,034,743	1,061,621	1,017,920	(4.1%)	(43,701)
Subtotal, Public Safety	\$ 44,760,882	\$ 45,681,331	\$ 45,084,087	(1.3%)	\$ (597,244)
Public Works					
Public Works	1,733,347	1,818,392	1,740,082	(4.3%)	(78,310)
Public Works Operations	3,952,534	4,170,646	3,793,988	(9.0%)	(376,658)
Recycling Service District	33,733	74,400	74,998	0.8%	598
Community Cannery	45,317	45,016	41,810	(7.1%)	(3,206)
Facilities Management	1,813,880	1,919,523	1,699,152	(11.5%)	(220,371)
Transfer to Fleet Services Fund	-	-	100,213	100.0%	100,213
Transfer to Airport Fund	333,081	200,703	190,056	(5.3%)	(10,647)
Subtotal, Public Works	\$ 7,911,892	\$ 8,228,680	\$ 7,640,299	(7.2%)	\$ (588,381)
Human Services					
Health	492,559	502,000	476,900	(5.0%)	(25,100)
Social Services	5,452,859	5,950,423	5,630,710	(5.4%)	(319,713)
Community Resources	392,674	405,107	398,210	(1.7%)	(6,897)
Tax Relief for the Elderly and Disabled	1,642,134	1,783,621	1,872,800	5.0%	89,179
Transfer to Community Services Fund	4,453,145	4,919,870	4,602,538	(6.5%)	(317,332)
Transfer to CSA Fund	2,494,763	2,854,681	2,936,767	2.9%	82,086
Subtotal, Human Services	\$ 14,928,134	\$ 16,415,702	\$ 15,917,925	(3.0%)	\$ (497,777)

General Fund - Departmental Appropriations

	<u>FY09</u> <u>Actual</u>	<u>FY10</u> <u>Budget</u>	<u>FY11</u> <u>Budget</u>	<u>Percent</u> <u>Change</u>	<u>Dollar</u> <u>Change</u>
Education					
Transfer to Education	\$ 94,796,185	\$ 95,062,617	\$ 93,017,000	(2.2%)	\$ (2,045,617)
Subtotal, Education	\$ 94,796,185	\$ 95,062,617	\$ 93,017,000	(2.2%)	\$ (2,045,617)
Parks, Rec & Cultural					
Parks and Recreation	3,573,109	3,654,388	3,396,191	(7.1%)	(258,197)
Pamunkey Regional Library	2,722,828	2,740,395	2,722,281	(0.7%)	(18,114)
Subtotal, Parks, Rec & Cultural	\$ 6,295,937	\$ 6,394,783	\$ 6,118,472	(4.3%)	\$ (276,311)
Community Development					
Planning	2,229,007	2,242,968	2,147,028	(4.3%)	(95,940)
Economic Development	1,064,438	1,158,371	1,052,165	(9.2%)	(106,206)
Transfer to EDA	-	-	-	0.0%	-
Extension Services	74,290	106,711	89,691	(15.9%)	(17,020)
Soil and Water Conservation District	103,500	103,500	98,500	(4.8%)	(5,000)
Community Support	1,392,857	1,251,001	1,157,920	(7.4%)	(93,081)
Transfer to Lewistown CDA	339,342	920,000	644,750	(29.9%)	(275,250)
Subtotal, Community Development	\$ 5,203,434	\$ 5,782,551	\$ 5,190,054	(10.2%)	\$ (592,497)
Debt Service					
Principal	1,697,930	2,205,673	2,192,376	(0.6%)	(13,297)
Interest	514,194	811,935	1,549,543	90.8%	737,608
Subtotal, Debt Service	\$ 2,212,123	\$ 3,017,608	\$ 3,741,919	24.0%	\$ 724,311
Nondepartmental					
Reserve for Contingencies	-	1,004,400	980,400	(2.4%)	(24,000)
Reserve for Revenue Transfers	-	500,000	500,000	0.0%	-
Reserve for IT Contingencies	-	100,000	124,000	24.0%	24,000
Compensation Savings Anticipated	-	(838,089)	-	0.0%	838,089
Subtotal, Nondepartmental	\$ -	\$ 766,311	\$ 1,604,400	109.4%	\$ 838,089
Capital Projects					
County Improvements Fund	6,483,672	2,802,800	1,981,000	(29.3%)	(821,800)
School Improvements Fund	2,608,000	1,008,000	400,000	(60.3%)	(608,000)
Subtotal, Capital Projects	\$ 9,091,672	\$ 3,810,800	\$ 2,381,000	(37.5%)	\$ (1,429,800)
TOTAL	\$ 203,674,984	\$ 204,010,549	\$ 198,627,954	(2.6%)	\$ (5,382,595)
Salaries and Fringe Benefits	\$ 59,190,269	\$ 60,902,751	\$ 59,497,694	(2.3%)	\$ (1,405,057)
Operating Expenditures	142,571,141	141,799,401	138,076,850	(2.6%)	(3,722,551)
Capital Outlay	1,913,573	1,308,397	1,053,410	(19.5%)	(254,987)
	\$ 203,674,984	\$ 204,010,549	\$ 198,627,954	(2.6%)	\$ (5,382,595)

Capital projects are segregated as to function in the Capital Improvements Program section. Operating expenditures includes all funds transferred from the General Fund to the Schools, Textbook Fund, Community Services Board, Comprehensive Services, Fleet Services Fund, Airport Fund, Lewistown Commerce Center CDA, and Capital Improvements funds. A portion of the transferred funds may have been used to pay for salaries and fringe benefits and capital outlay in those funds.

FY11 Service Level Plan

	Adopted FY11	Personnel	Recurring Operating	Operating/ Capital
GENERAL FUND				
GENERAL GOVERNMENT ADMINISTRATION				
Registrar:				
Replacement Batteries for Electronic Poll Book	2,600	-	2,600	-
Replacement Batteries for Basic Input/Output System	260	-	260	-
Total Registrar	2,860	-	2,860	-
Total General Government Admin.	2,860	-	2,860	-
JUDICIAL ADMINISTRATION				
Clerk of the Circuit Court:				
Case Imaging System Maint Fee	7,000	-	7,000	-
Total Clerk of the Circuit Court	7,000	-	7,000	-
Total Judicial Administration	7,000	-	7,000	-
PUBLIC SAFETY				
Sheriff:				
Vehicles (27)	666,225	-	-	666,225
Mobile Data Terminals (20)	160,000	-	-	160,000
Total Sheriff	826,225	-	-	826,225
Fire/EMS:				
Fire Marshal Vehicle	24,240	-	-	24,240
Admin Vehicle	24,240	-	-	24,240
Scott Air Pack Replacement	60,000	-	60,000	-
Total Fire/EMS	108,480	-	60,000	48,480
Animal Control:				
New Lights - Main Kennel	2,289	-	-	2,289
CSA Security	5,050	-	-	5,050
Perimeter Fencing	5,519	-	-	5,519
Vehicle Replacement	39,000	-	-	39,000
Total Animal Control	51,858	-	-	51,858
Total Public Safety	986,563	-	60,000	926,563
PUBLIC WORKS				
Public Works:				
Regional Stormwater Basins' Maintenance	7,000	-	7,000	-
Total Public Works	7,000	-	7,000	-
Public Works Operations:				
Roll Off Containers	26,789	-	-	26,789
Solid Tires for Loader at Transfer Station	22,158	-	-	22,158
Total Operations	48,947	-	-	48,947

FY11 Service Level Plan

	Adopted FY11	Personnel	Recurring Operating	Operating/ Capital
Facilities Management:				
HVAC Old Wickham replace 4	13,500	-	-	13,500
Total Facilities Management	13,500	-	-	13,500
Total Public Works	69,447	-	7,000	62,447
HUMAN SERVICES				
Social Services				
Vehicle Replacement (2)	26,000	-	-	26,000
Social Services	26,000	-	-	26,000
Total Human Services	26,000	-	-	26,000
PARKS, RECREATION AND CULTURAL				
Parks and Recreation:				
Online Training for CLASS	25,000	-	-	25,000
Repair Maint Shop Taylor	5,000	-	5,000	-
All Terrain Mower - Safety	38,400	-	-	38,400
Total Parks and Recreation	68,400	-	5,000	63,400
Total Parks, Recreation & Cultural	68,400	-	5,000	63,400
TOTAL GENERAL FUND	1,160,270	-	81,860	1,078,410
INTERNAL SERVICE FUND				
Fleet Services				
Alterations to Building	10,000	-	-	10,000
Fuel Management Program	60,000	-	-	60,000
Total Fleet Services	70,000	-	-	70,000
TOTAL INTERNAL SERVICE FUND	70,000	-	-	70,000
COMMUNITY SERVICES FUND				
Community Services Board:				
Training Specialist (.52, benefited) 3	82,228	62,515	19,713	-
Vehicle Replacement	22,000	-	-	22,000
Total Community Services Board	104,228	62,515	19,713	22,000
TOTAL COMMUNITY SERVICES FUND	104,228	62,515	19,713	22,000
PUBLIC UTILITIES FUND				
Customer Service:				
Meter Purchases	139,204	-	-	139,204
Capacity Fee Agreement File Retention Project	10,000	-	-	10,000
Total Customer Service	149,204	-	-	149,204

FY11 Service Level Plan

	Adopted FY11	Personnel	Recurring Operating	Operating/ Capital
Ashland Wastewater Treatment Plant:				
Painting UV Structure	7,000	-	-	7,000
Mag Meters	35,000	-	-	35,000
Total AWWTP	42,000	-	-	42,000
Operations:				
Motor Vehicle Equipment	44,000	-	-	44,000
Tool Boxes	4,320	-	-	4,320
Total Operations	48,320	-	-	48,320
Engineering:				
Motor Vehicle Equipment	20,000	-	-	20,000
Total Engineering	20,000	-	-	20,000
Maintenance:				
Motor Vehicle Equipment	18,000	-	-	18,000
AWWTP	35,000	-	-	35,000
Large Pump Repair Contingency	25,000	-	-	25,000
Install 2 8" EZ Valves on Rt.1 to N. Carter Rd.	16,500	-	-	16,500
Thomas Medical Center	7,700	-	-	7,700
w/4" Line & Blowoff	10,600	-	-	10,600
Install 8" EZ Valve on Hopson Rd. near Leadbetter Rd.	7,300	-	-	7,300
Total Maintenance	120,100	-	-	120,100
Totopotomoy Wastewater Plant:				
Auto Sampler for Influent	6,500	-	-	6,500
Total Totopotomoy WWTP	6,500	-	-	6,500
Doswell Water Treatment Plant:				
Swap & Rehab Raw Pump #1	12,600	-	-	12,600
Replace Plant HVAC Unit - Control Room	5,000	-	-	5,000
Replace Valves on Filters 1 & 2	30,000	-	-	30,000
Ground Water Monitoring Wells	50,000	-	-	50,000
Total Doswell Water Treatment Plant	97,600	-	-	97,600
Doswell Wastewater Treatment Plant:				
101 Composite Sampler	6,200	-	-	6,200
Modulating Valve Actuator	4,600	-	-	4,600
Total Doswell WWTP	10,800	-	-	10,800
TOTAL PUBLIC UTILITIES FUND	494,524	-	-	494,524
GRAND TOTAL - ALL FUNDS	1,829,022	62,515	101,573	1,664,934

FTE Summary Table

	FY09 Budget	FY10 Budget	FY11 Authorized			Authorized FTE		Funded FTE	
			Funded	Unfunded	Total	FTE Change	% Change	FTE Change	% Change
General Government									
Board of Supervisors	2.6	2.6	2.6	-	2.6	-	0.0%	-	0.0%
County Administrator	8.0	8.0	6.0	2.0	8.0	-	0.0%	(2.0)	(25.0%)
Human Resources	8.2	8.2	9.2	-	9.2	1.0	12.2%	1.0	12.2%
County Attorney	9.0	9.0	9.0	-	9.0	-	0.0%	-	0.0%
Commissioner of the Revenue	19.4	19.4	18.4	1.0	19.4	-	0.0%	(1.0)	(5.2%)
Assessor	11.8	11.8	10.0	-	10.0	(1.8)	(15.3%)	(1.8)	(15.3%)
Treasurer	16.0	16.0	17.0	-	17.0	1.0	6.3%	1.0	6.3%
Finance	12.6	12.6	12.0	-	12.0	(0.6)	(4.8%)	(0.6)	(4.8%)
Internal Audit	3.0	3.0	3.0	-	3.0	-	0.0%	-	0.0%
Public Information Officer	1.0	1.0	2.0	-	2.0	1.0	100.0%	1.0	100.0%
Purchasing	7.0	7.0	6.0	1.0	7.0	-	0.0%	(1.0)	(14.3%)
Information Technology	32.7	32.7	30.7	1.0	31.7	(1.0)	(3.1%)	(2.0)	(6.1%)
GIS	4.0	4.0	4.0	-	4.0	-	0.0%	-	0.0%
General Services	6.0	6.0	3.0	-	3.0	(3.0)	(50.0%)	(3.0)	(50.0%)
Registrar	3.2	3.2	3.2	-	3.2	-	0.0%	-	0.0%
Subtotal	144.5	144.5	136.1	5.0	141.1	(3.4)	(2.4%)	(8.4)	(5.8%)
Judicial Administration									
Courts	2.0	1.0	1.0	-	1.0	-	0.0%	-	0.0%
Clerk of the Court	17.5	18.5	17.5	1.0	18.5	-	0.0%	(1.0)	(5.4%)
Court Services	20.0	20.0	20.0	-	20.0	-	0.0%	-	0.0%
Commonwealth's Attorney	19.5	19.5	19.5	-	19.5	-	0.0%	-	0.0%
Subtotal	59.0	59.0	58.0	1.0	59.0	-	0.0%	(1.0)	(1.7%)
Public Safety									
Sheriff	221.0	221.5	214.5	7.0	221.5	-	0.0%	(7.0)	(3.2%)
Emergency Communications	51.4	51.4	47.4	2.0	49.4	(2.0)	(3.9%)	(4.0)	(7.8%)
Fire/EMS	151.5	151.5	146.9	3.0	149.9	(1.6)	(1.1%)	(4.6)	(3.1%)
Juvenile Court Services	4.5	4.5	4.5	-	4.5	-	0.0%	-	0.0%
Community Corrections	6.0	7.0	7.0	-	7.0	-	0.0%	-	0.0%
Building Inspections	23.0	23.0	19.0	2.0	21.0	(2.0)	(8.7%)	(4.0)	(17.4%)
Animal Control	15.0	15.0	14.0	1.0	15.0	-	0.0%	(1.0)	(6.7%)
Subtotal	472.4	473.9	453.3	15.0	468.3	(5.6)	(1.2%)	(20.6)	(4.4%)
Public Works									
Public Works	21.3	21.3	19.3	2.0	21.3	-	0.0%	(2.0)	(9.4%)
Public Works Operations	39.5	39.5	37.4	1.1	38.5	(1.0)	(2.5%)	(2.1)	(5.3%)
Fleet Services	29.0	29.0	25.0	1.0	26.0	(3.0)	(10.3%)	(4.0)	(13.8%)
Facilities Management	10.0	10.0	10.0	-	10.0	-	0.0%	-	0.0%
Community Cannery	1.0	1.0	1.0	-	1.0	-	0.0%	-	0.0%
Airport Fund	1.0	1.0	1.0	-	1.0	-	0.0%	-	0.0%
Subtotal	101.8	101.8	93.7	4.1	97.8	(4.0)	(3.9%)	(8.1)	(8.0%)

FTE Summary Table

	FY09 Budget	FY10 Budget	FY11 Authorized			Authorized FTE		Funded FTE	
			Funded	Unfunded	Total	FTE Change	% Change	FTE Change	% Change
Human Services									
Social Services	60.0	57.5	56.5	-	56.5	(1.0)	(1.7%)	(1.0)	(1.7%)
Community Resources	5.0	5.0	5.0	-	5.0	-	0.0%	-	0.0%
Community Services Fund	159.6	161.9	157.9	2.0	159.9	(2.0)	(1.2%)	(4.0)	(2.5%)
Comprehensive Services Fund	2.0	2.0	2.0	-	2.0	-	0.0%	-	0.0%
Subtotal	226.6	226.4	221.4	2.0	223.4	(3.0)	(1.3%)	(5.0)	(2.2%)
Parks, Recreation & Cultural									
Parks and Recreation	49.6	49.6	47.8	1.0	48.8	(0.8)	(1.6%)	(1.8)	(3.6%)
Subtotal	49.6	49.6	47.8	1.0	48.8	(0.8)	(1.6%)	(1.8)	(3.6%)
Community Development									
Planning	26.1	26.1	25.1	-	25.1	(1.0)	(3.8%)	(1.0)	(3.8%)
Economic Development	5.0	5.0	5.0	-	5.0	-	0.0%	-	0.0%
Subtotal	31.1	31.1	30.1	-	30.1	(1.0)	(3.2%)	(1.0)	(3.2%)
Public Utilities Fund									
Public Utilities	95.5	95.5	94.5	-	94.5	(1.0)	(1.0%)	(1.0)	(1.0%)
Subtotal	95.5	95.5	94.5	-	94.5	(1.0)	(1.0%)	(1.0)	(1.0%)
Self-Insurance Fund									
Self-Insurance	0.5	0.5	0.5	-	0.5	-	0.0%	-	0.0%
Subtotal	0.5	0.5	0.5	-	0.5	-	0.0%	-	0.0%
Subtotal County	1,181.0	1,182.3	1,135.3	28.1	1,163.4	(18.8)	(1.6%)	(46.9)	(4.0%)
Schools									
Total Education	2,203.0	2,122.9	1,951.6	-	1,951.6	(171.3)	(8.1%)		
Total County and Schools	4,154.4	4,081.1	3,877.8	28.1	3,905.9	(175.1)	(4.3%)	(203.2)	(5.0%)

General Fund Revenue Detail

<u>Type of Revenue</u>	<u>FY09 Actual</u>	<u>FY10 Budget</u>	<u>FY11 Budget</u>	<u>Percent Change</u>	<u>Dollar Change</u>
GENERAL PROPERTY TAXES					
Real Estate Property Tax	\$ 99,178,277	\$ 102,591,000	\$ 99,000,000	(3.5%)	\$ (3,591,000)
Public Service Corporation Tax	4,485,629	3,980,000	4,219,000	6.0%	239,000
Personal Property Tax	26,052,795	22,822,000	22,318,875	(2.2%)	(503,125)
Mobile Home Tax	35,171	34,000	30,000	(11.8%)	(4,000)
Machinery and Tools Tax	1,473,547	1,432,000	1,489,000	4.0%	57,000
Merchants' Capital Tax	904,857	989,000	907,000	(8.3%)	(82,000)
Delinquent Taxes	1,427,028	1,204,000	1,504,000	24.9%	300,000
Penalties and Interest	1,074,574	911,000	1,050,000	15.3%	139,000
General Property Taxes	\$ 134,631,879	\$ 133,963,000	\$ 130,517,875	(2.6%)	\$ (3,445,125)
OTHER LOCAL TAXES					
Local Sales and Use Tax	\$ 15,805,896	\$ 16,095,653	\$ 15,089,000	(6.3%)	\$ (1,006,653)
Sales Tax on Mobile Homes	25,372	15,000	23,000	53.3%	8,000
Consumer Utility Tax	1,703,428	1,784,000	1,784,000	0.0%	-
Contractor's Licenses	494,337	465,000	479,000	3.0%	14,000
Utility Franchise License Tax	583,790	615,000	538,000	(12.5%)	(77,000)
Motor Vehicle Licenses	35,249	26,000	110,000	323.1%	84,000
Lodging Tax	677,863	763,198	706,000	(7.5%)	(57,198)
Bank Stock Tax	341,916	377,000	386,000	2.4%	9,000
Recordation Tax	1,844,288	1,800,000	1,700,000	(5.6%)	(100,000)
Tax on Wills	33,547	26,000	27,000	3.8%	1,000
Communications Tax	5,504,436	5,761,000	5,474,000	(5.0%)	(287,000)
Other Local Taxes	\$ 27,050,122	\$ 27,727,851	\$ 26,316,000	(5.1%)	\$ (1,411,851)
PERMITS, FEES, AND LICENSES					
Well - Septic Inspection	\$ 2,625	\$ 3,000	\$ 3,000	0.0%	\$ -
Animal Licenses	111,638	108,000	111,000	2.8%	3,000
Planning Permits & Fees	228,195	309,000	250,000	(19.1%)	(59,000)
Building Permits	436,481	400,000	408,000	2.0%	8,000
Mechanical Permits	171,601	196,000	174,000	(11.2%)	(22,000)
Electrical Permits	138,104	167,000	140,000	(16.2%)	(27,000)
Plumbing Permits	72,751	92,000	74,000	(19.6%)	(18,000)
Septic Tank Permits	3,614	6,500	3,600	(44.6%)	(2,900)
Fire Inspection Fees	148,050	138,000	140,000	1.4%	2,000
Stormwater Management	148,000	154,000	161,000	4.5%	7,000
Erosion and Sediment Inspection	295,232	280,000	181,000	(35.4%)	(99,000)
Permits, Fees, and Licenses	\$ 1,756,290	\$ 1,853,500	\$ 1,645,600	(11.2%)	\$ (207,900)
FINES AND FORFEITURES					
Court Fines and Forfeitures	\$ 725,414	\$ 785,000	\$ 742,000	(5.5%)	\$ (43,000)
Interest on Fines	16,280	12,500	13,000	4.0%	500
Security Alarm Fees	41,700	45,000	45,000	0.0%	-
Jail Processing Fee	16,739	15,000	-	(100.0%)	(15,000)
Courtroom Security Fee	228,318	241,000	250,000	3.7%	9,000
Court Appointed Atty Fees	30,840	26,800	28,000	4.5%	1,200
Courthouse Maintenance Fees	52,092	54,000	125,000	131.5%	71,000
Public Works: E&S Fines	-	2,000	2,100	5.0%	100
Fines and Forfeitures	\$ 1,111,384	\$ 1,181,300	\$ 1,205,100	2.0%	\$ 23,800
REVENUE FROM USE OF MONEY & PROPERTY					
Interest on Investments	\$ 1,164,116	\$ 1,224,703	\$ 1,204,000	(1.7%)	\$ (20,703)
Rental Income	145,029	181,000	296,000	63.5%	115,000
Non-Taxable Sales	7,015	13,000	8,000	(38.5%)	(5,000)
Taxable Sales	248	3,000	1,000	(66.7%)	(2,000)
Revenue From Use of Money & Property	\$ 1,316,408	\$ 1,421,703	\$ 1,509,000	6.1%	\$ 87,297

General Fund Revenue Detail

<u>Type of Revenue</u>	<u>FY09 Actual</u>	<u>FY10 Budget</u>	<u>FY11 Budget</u>	<u>Percent Change</u>	<u>Dollar Change</u>
CHARGES FOR SERVICES					
Circuit Court: Excess Fees	\$ 255,079	\$ 122,500	\$ 155,000	26.5%	\$ 32,500
Circuit Court: Law Library Fees	14,779	15,000	8,000	(46.7%)	(7,000)
Clerk of Court: Sheriff Fees	6,160	5,788	5,788	0.0%	-
Transfer Fees	2,264	3,000	3,000	0.0%	-
Commonwealth's Attorney fees	4,306	4,000	4,000	0.0%	-
Animal Control: Boarding Fees	19,295	18,000	19,000	5.6%	1,000
Animal Control: Adoption Fees	21,220	21,000	22,000	4.8%	1,000
Radio Shop Charges	-	-	180,165	100.0%	180,165
Landfill: Fees	547,707	491,000	500,000	1.8%	9,000
Public Works: Fees	-	-	-	0.0%	-
Landfill: Penalty	189	2,000	1,000	(50.0%)	(1,000)
Cannery Fees	3,036	3,000	4,000	33.3%	1,000
Parks & Rec: Recreation Fees	531,639	582,000	693,500	19.2%	111,500
Planning: Brown Grove	11,599	12,500	11,500	(8.0%)	(1,000)
EMS Cost Recovery	1,812,546	1,681,000	2,000,000	19.0%	319,000
E911 Service Fees	123	-	-	0.0%	-
Charges for Services	\$ 3,229,942	\$ 2,960,788	\$ 3,606,953	21.8%	\$ 646,165
RECOVERED COSTS					
General Services	\$ 68,538	\$ 85,000	\$ 77,000	(9.4%)	\$ (8,000)
Pamunkey Regional Jail	277,000	370,826	396,000	6.8%	25,174
Utility Fund Cost Allocation	918,000	1,066,991	1,075,000	0.8%	8,009
Utility Service Assessment	382,000	285,494	378,254	32.5%	92,760
Sheriff Forfeiture State	10,004	-	-	0.0%	-
Sheriff Forfeiture Federal	91,914	-	-	0.0%	-
Comm. Atty-Forfeiture-State	3,822	-	-	0.0%	-
Comm Atty-Forfeiture-Federal	1	-	-	0.0%	-
Social Services: Bon Secours	49,024	25,660	25,660	0.0%	-
Contributions: GRCCA	447,285	457,800	306,500	(33.0%)	(151,300)
CDA: Lewistown	26,500	24,000	24,720	3.0%	720
Treasurer - Delinquent Taxes	19,360	11,000	120,000	990.9%	109,000
Landfill (Recycling)	191,468	100,000	150,000	50.0%	50,000
Economic Development	171,000	185,905	178,680	(3.9%)	(7,225)
Community Resources	5,000	5,000	5,000	0.0%	-
Fire: Instructor Reimbursement	82,494	43,000	44,000	2.3%	1,000
Fire - Dominion Resources	25,000	25,000	25,000	0.0%	-
Bldg Inspector: Unsafe Bldg	-	5,000	-	(100.0%)	(5,000)
General District Crt:Postage	9,738	13,300	14,099	6.0%	799
Clerk: Copier Charges	14,387	16,000	12,000	(25.0%)	(4,000)
Public Works	-	-	-	0.0%	-
Recycling Service District	43,902	74,400	74,998	0.8%	598
Sheriff - DEA	37,007	53,800	42,000	(21.9%)	(11,800)
Comm. Corr.-Caroline Cty	24,927	28,000	28,000	0.0%	-
DMV Select	20,238	10,000	5,050	(49.5%)	(4,950)
Check Enforcement Program	-	-	-	0.0%	-
Comm. Corr.-Supervision Fee	25,086	18,000	26,000	44.4%	8,000
Planning - Sign Violations	1,100	-	1,500	100.0%	1,500
Recovered Costs: Miscellaneous	2,754	200	4,500	2150.0%	4,300
Recovered Costs	\$ 2,947,549	\$ 2,904,376	\$ 3,013,961	3.8%	\$ 109,585

General Fund Revenue Detail

<u>Type of Revenue</u>	<u>FY09 Actual</u>	<u>FY10 Budget</u>	<u>FY11 Budget</u>	<u>Percent Change</u>	<u>Dollar Change</u>
INTERGOVERNMENTAL REVENUE					
NON-CATEGORICAL					
STATE AID					
ABC Profits	\$ -	\$ -	\$ -	0.0%	\$ -
Wine Taxes	-	-	-	0.0%	-
Rolling Stock Tax	62,320	50,424	71,000	40.8%	20,576
Vehicle Rental Tax	172,407	175,000	129,000	(26.3%)	(46,000)
Personal Property State Share	15,002,745	15,002,000	15,002,000	0.0%	-
Non-Categorical State Aid	\$ 15,237,473	\$ 15,227,424	\$ 15,202,000	(0.2%)	\$ (25,424)
STATE SHARE OF LOCAL OFFICES					
Commonwealth's Attorney	\$ 963,422	\$ 876,000	\$ 783,900	(10.5%)	\$ (92,100)
Sheriff and Court Services	3,474,450	3,469,000	3,135,000	(9.6%)	(334,000)
Commissioner of the Revenue	271,332	268,000	216,000	(19.4%)	(52,000)
Treasurer	253,944	248,000	192,000	(22.6%)	(56,000)
Clerk of Circuit Court	502,335	522,000	494,000	(5.4%)	(28,000)
Registrar	60,084	60,000	48,667	(18.9%)	(11,333)
State Share of Local Offices	\$ 5,525,567	\$ 5,443,000	\$ 4,869,567	(10.5%)	\$ (573,433)
CATEGORICAL STATE AID					
Social Services	\$ 1,278,808	\$ 1,118,892	\$ 1,118,596	(0.0%)	\$ (296)
Juv. Ct. Serv: Youth & Family	83,399	82,000	62,000	(24.4%)	(20,000)
Clerk: Comp Board Technology	147,123	83,500	38,000	(54.5%)	(45,500)
Emer. Comm.: State Cellular Tax	347,876	408,000	318,000	(22.1%)	(90,000)
Registrar: Voting Machines	-	-	-	0.0%	-
Comm. Atty: Victim Witness	102,359	87,000	80,000	(8.0%)	(7,000)
Sheriff: Hwy Safety Traffic Board	31,879	37,000	45,000	21.6%	8,000
Fire: Dept of Emergency Mgmt	48,966	80,000	82,000	2.5%	2,000
Fire: Fire Programs	212,603	211,000	226,000	7.1%	15,000
EMS: Four For Life	105,222	95,000	95,000	0.0%	-
OMES Lifepak Grant	85,660	-	-	0.0%	-
Animal Control:VDOT Sterilization	3,108	-	-	0.0%	-
Juror Reimbursement	12,570	15,000	15,000	0.0%	-
Landfill : Environmental Quality	18,504	19,000	15,000	(21.1%)	(4,000)
Sheriff: Alcohol Beverage Control	-	-	-	0.0%	-
Community Resources: CASA	43,500	36,000	36,000	0.0%	-
Spay & Neuter Contributions	220	-	-	0.0%	-
Community Corrections	268,136	273,000	327,646	20.0%	54,646
Citizen Corp	8,700	-	-	0.0%	-
Sheriff: DCJS	14,121	10,000	10,000	0.0%	-
Sheriff: Triad Grant	2,025	-	-	0.0%	-
State Reversion Clearing Account	(251,482)	(248,187)	(440,000)	0.0%	(191,813)
Categorical State Aid	\$ 2,563,295	\$ 2,307,205	\$ 2,028,242	(12.1%)	\$ (278,963)
CATEGORICAL FEDERAL AID					
Fire: Homeland Security	\$ -	\$ -	\$ -	0.0%	\$ -
PILT - US Dept of Interior	9,182	2,000	2,000	0.0%	-
Sheriff: Criminal Justice	8,431	8,000	8,000	0.0%	-
Sheriff: DOJ	1,111	-	-	0.0%	-
Sheriff: Homeland Security	-	-	-	0.0%	-
Fire: SAFER grant	400,108	283,000	317,000	12.0%	34,000
Social Services:Health	2,545,764	3,723,150	3,007,351	(19.2%)	(715,799)
Community Resources: Justice	19,515	18,000	20,000	11.1%	2,000
BAB Debt Service Revenue	-	-	263,377	100.0%	263,377
Categorical Federal Aid	\$ 2,984,111	\$ 4,034,150	\$ 3,617,728	(10.3%)	\$ (416,422)
TOTAL					
INTERGOVERNMENTAL	\$ 26,310,446	\$ 27,011,779	\$ 25,717,537	(4.8%)	\$ (1,294,242)

General Fund Revenue Detail

<u>Type of Revenue</u>	<u>FY09 Actual</u>	<u>FY10 Budget</u>	<u>FY11 Budget</u>	<u>Percent Change</u>	<u>Dollar Change</u>
MISCELLANEOUS					
Sheriff: Project Lifesaver	\$ 7,800	\$ 2,652	\$ 2,652	0.0%	\$ -
Miscellaneous Refunds	579,431	140,000	143,000	2.1%	3,000
Worker's Compensation Refunds	16,227	9,000	9,000	0.0%	-
Insurance Recoveries	112,361	28,000	29,000	3.6%	1,000
Sale of Assets	10,392	2,000	5,000	150.0%	3,000
Gifts and Donations	61,156	50,000	50,000	0.0%	-
Reserve for Revenue Transfers	-	500,000	500,000	0.0%	-
Comm. Res: Winterization Project	575	2,000	2,000	0.0%	-
Extension Office - Misc Revenue	9,189	7,000	11,500	64.3%	4,500
Miscellaneous	\$ 797,130	\$ 740,652	\$ 752,152	1.6%	\$ 11,500
Subtotal	\$ 199,151,150	\$ 199,764,949	\$ 194,284,178	(2.7%)	\$ (5,480,771)
Prior Year Balance	\$ 9,940,000	\$ 4,245,600	\$ 4,343,776	2.3%	\$ 98,176
TOTAL	\$ 209,091,150	\$ 204,010,549	\$ 198,627,954	(2.6%)	\$ (5,382,595)



Real Property Tax Rate is \$0.81 per \$100 of assessed value

Real Property Assessable Base = \$13.1 billion

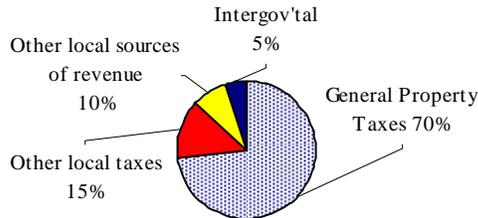
Real Property Tax Generated = \$99,000,000

One Penny Generates \$1.2 million

General Fund Revenue Information

The General Fund is the general operating fund of the County. Revenue for the General Fund is divided into four major categories:

1. General property taxes;
2. Other local taxes;
3. Other local sources of revenue; and
4. Intergovernmental.

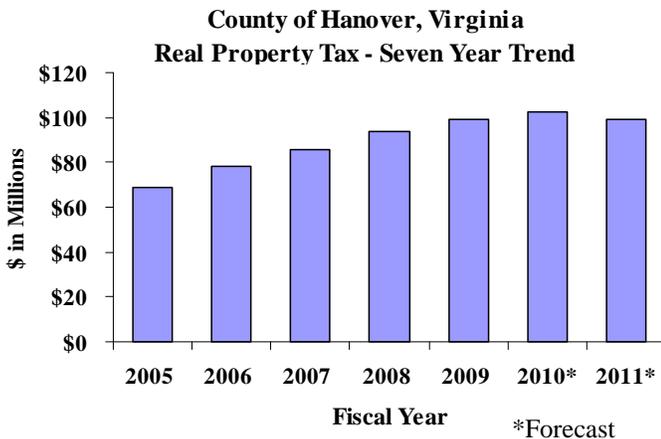


General Property Taxes

As reflected in the above pie chart, the majority of the County's General Fund revenue is generated through general property taxes, which refers to real property and personal property. The general property tax category refers to tax revenues received directly from taxpayers. In FY11 Hanover expects to receive \$130,500,000 in general property taxes.

Real Property Tax

The *Code of Virginia* §§ 58.1-3200 through 58.1-3389, authorizes localities to levy taxes on the assessed value of real estate property owned by businesses, individuals and public service corporations. Real property is defined as land and improvements, including buildings, and other structures.



Section 58.1-3201 provides that all general reassessments or annual assessments shall be at 100% of fair market value. The projection of real property tax revenue is contingent upon the accuracy of estimates of the real property tax base. In developing these estimates, the County Assessor incorporates a combination of factors, including historical trends, the current year's tax base, the cumulative effect of parcel reassessments, the value of land in the County's land use program, and an estimate of new construction during the upcoming year. The Assessor's Office appraises all real property annually.

The Board of Supervisors adopted an ordinance allowing property tax relief for elderly and disabled persons. The applicant for tax relief must be either disabled or not less than 65 years of age and must be the owner of the property for which relief is sought. The property must be the sole dwelling of the applicant. The maximum income level is \$50,000 and maximum net worth is \$200,000, with no maximum discount.

Real property taxes are levied in April and are collected semiannually on June 5th and October 5th. Supplemental prorated levies are performed throughout the year for construction occurring during the year. Collection rates have recently averaged 98.5%. The budget includes a county-wide real property tax rate of \$0.81 per \$100 of assessed value. The County expects to generate \$99,000,000, a \$3,600,000 or 3.5% decrease. This total includes \$303,750 of incremental revenue generated by the Lewistown CDA, which will be transferred to the Lewistown CDA Fund upon receipt. The estimated decrease for 2010 is a 1.5% decrease in reassessments and a 1.06% growth in new construction. Assumptions for 2011 are 1.5% decrease in reassessments and 1.0% growth in new construction.

Public Service Corporation Taxes

Public service corporation taxes are the real estate and personal property tax rate for companies whose purpose is to provide utilities for the public. An example is a railroad line or telephone company. The County receives annual assessments from the State Corporation

General Fund Revenue Information

Commission (SCC) and Department of Taxation. The County's real and personal property tax rates are applied to these assessments and from this the County expects to generate \$4,200,000, a \$239,000 or 6% increase. The current generating equipment tax rate is \$0.55.

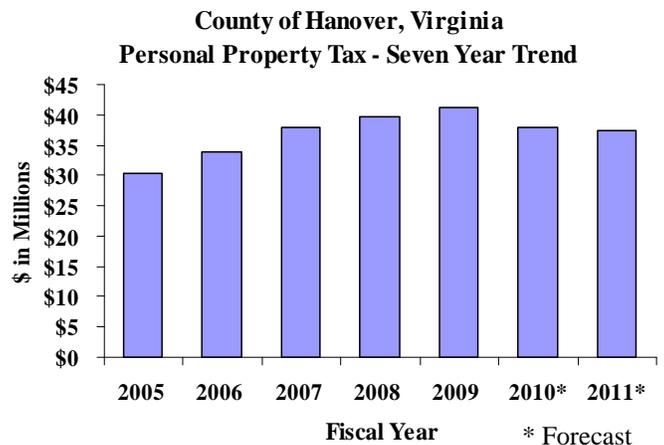
Personal Property Tax

Pursuant to the *Code of Virginia* §§ 58.1-3500 through 58.1-3536, counties may levy a tax on tangible personal property. Included in this category are such items as motor vehicles, farming equipment, and a variety of motorized vehicles, including boats, aircraft, recreational vehicles, campers, and trailers. Taxes are levied on 100% of trade-in assessed value, which are based on published market guides. Personal property projections incorporate historical analysis, estimates of future growth, and information regarding tangible property market values.

In 1999, the State began a phased reduction of personal property taxes on the first \$20,000 in value of private vehicles. In 2004, the reduction was held to 70% of the tax eliminated, with the foregone revenue reimbursed to localities from the State. In FY07, the State's reimbursement to localities was capped at \$950 million. Thus, Hanover's payments from the State will be a fixed sum that represents Hanover's pro rata share of the total State reimbursement. The actual percent relief to be applied to the taxpayer's bill will be quantified in September each year. It is anticipated that the 56% State relief for 2008 will be increased to approximately 58% based on the decrease of the County's tax base. The total personal property levy (taxpayer and State portion) is estimated to decrease 8.5% from the FY09 forecast.

Personal property taxes are estimated to generate \$37,320,000, a \$503,000 or 2.2% decrease. This includes \$15 million of personal property tax paid to the County from the State. The State's portion is classified as non-categorical State aid. This also includes \$33,750 of incremental revenue generated by the Lewistown CDA. The current tax rate is \$3.57 per \$100 of value and is collected annually on February 5th of the subsequent year. The rate for airplanes is \$0.50 per \$100 assessed value.

Assumptions for FY11 are a 2.25% growth in tax levy, which includes prorations. Hanover County prorates the personal property tax on vehicles (not including boats). The County also has an incentive program to recognize the contributions of fire and rescue squad volunteers, providing a tax relief of 50% on the primary vehicles used by volunteers. In November 2006, the Board of Supervisors established a separate classification for disabled veterans, providing 50% tax relief. Finally, in an effort to determine accurately the value of vehicles, Hanover County offers a discount for vehicles with high mileage.



Machinery and Tools Tax

Pursuant to the *Code of Virginia* § 58.1-3507, certain machinery and tools, such as those that are used for manufacturing, mining, processing, radio/television broadcasting, dairy, and laundry or dry cleaning are segregated for local taxation. The original cost of the machinery and tools plus installation is reported to the Commissioner of Revenue whereby an assessment ratio of 10% is applied to determine the assessed value for the tax levy. Machinery and tools taxes are expected to generate \$1,489,000, a \$57,000 or 4% increase.

Merchants' Capital Tax

The *Code of Virginia* §§ 58.1-3509 and 58.1-3510, provides that localities may impose a local tax on merchants' capital, which is defined as the inventory of stock on hand, daily rental of passenger cars, daily rental property, and all other

General Fund Revenue Information

tangible personal property. The County expects to generate \$907,000 in revenue from this source, a \$82,000 or 8.3% decrease.

Delinquent Taxes

The County considers taxes to be delinquent as of August 1st of the next fiscal year after the assessment of the property.

Penalties and Interest

Penalties and interest are charges assessed for paying a bill after the due date. In FY09, penalties were lowered from 10% to 2% if the tax amount is paid in full by the first day of the month immediately following the due date, and if not paid in full 10% on the total tax amount thereafter. Interest accumulates at a 10% annual rate.

Other Local Taxes

Hanover County also collects substantial revenue from local sales tax, which includes a variety of local tax revenues independent of general property taxes, such as sales tax and motor vehicle license tax. These other local taxes are projected to contribute \$26,316,000 in FY11 and are the General Fund's second largest revenue source.

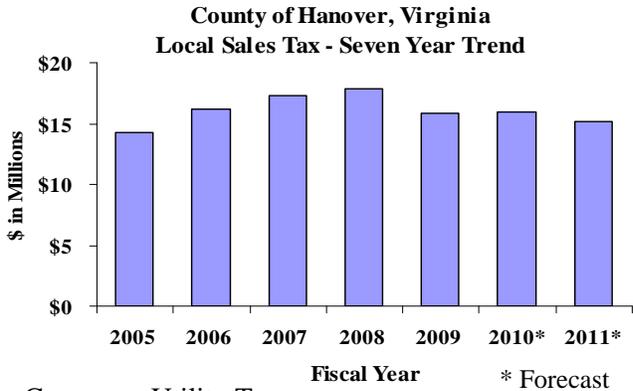
Local Sales Tax

The largest single item in this category is the local sales tax. The County receives 1.0% of the Commonwealth's 5.0% sales tax on all local sales, which is collected by merchants and remitted through the Commonwealth to Hanover. Pursuant to Virginia Code § 58.1-605, the County then remits 2.27% of that amount to the town of Ashland. This revenue began performing below budget beginning in the spring of 2008.

Local sales tax revenue is budgeted at \$15,089,000 in FY11, a \$1,006,000 or 6.3% decrease. This includes \$341,000 of incremental revenue generated by the Lewistown CDA. Without the CDA revenue, FY11 decrease is 6.5%. FY10 forecast is projected to come in under budget at \$14,875,000 or 5.7% decrease from FY09 actual.

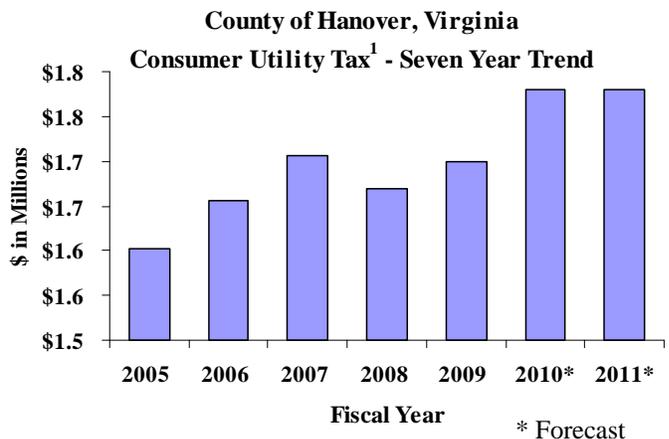
The following is the fiscal year 2009, taxable sales, as a percentage of total taxable sales, in the County:

Retail Trade	52.63%
Wholesale Trade	15.66%
Non-classified	5.49%
Recreation/Food Services	10.91%
Professional Services	5.48%
Manufacturing	4.31%
Construction	3.21%
Other Nonprofessional Services	1.85%
Agriculture	0.46%



Consumer Utility Tax

The *Code of Virginia* § 58.1-3814 authorizes localities to impose a tax on the consumers of public utilities. This tax is applied to all gas and electric service recipients residing within the County, excluding the Town of Ashland, which has a separate utility tax for Ashland residents. The County collects 20.0% of the first \$15 on utility purchases. Consumers pay these taxes on a monthly basis to their utility companies. Prior to January 2007, this tax also applied to all landline and wireless telephone service. Revenue from this utility tax is expected to generate \$1,784,000. There is no anticipated change from FY10.

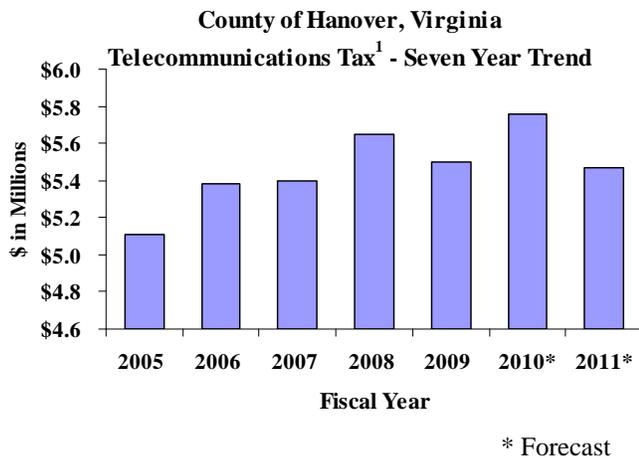


¹ Excluding Telephone Service

General Fund Revenue Information

Communications Sales and Use Tax

Legislation enacted during the 2006 General Assembly session considerably changed the manner in which taxes are levied on communications services. This new tax, effective January 1, 2007, replaced local communications taxes and fees with a uniform 5% tax per month on all telecommunications services as well as a uniform 911 fee of \$0.75 per line per month. Satellite television and voice over internet telephone service are also subject to the new 5% tax. The County's cable company, Comcast/AT&T Broadband, continues to pay a 5% franchise fee. Revenues are collected by the Virginia Department of Taxation and distributed to localities on a monthly basis. Hanover County is scheduled to receive approximately 1.19% of statewide collections. Projected revenue in FY11 is \$5,474,000, a \$287,000 or 5.0% decrease.



¹Combined Telephone tax, E-911 and Cable Franchise fee

Contractor's Licenses

The contractor's licenses tax is based on prior year gross receipts of every contractor having \$100,000 in gross receipts and having a definite place of business in the County, or having no definite place of business but residing in the County or defined as a contractor by the *Code of Virginia*. The tax rate is \$0.10 per \$100 of gross receipts. Payment is due on or before March 1 of the license tax year. This tax is projected to maintain a level of \$479,000 in generated revenue for FY11, a \$14,000 or 3.0% increase.

Utility Franchise License Tax

The *Code of Virginia* § 58.1-3731 authorizes localities to impose a license tax on telephone and water companies not to exceed ½ of 1% of the gross receipts of the previous year. This tax is due by January 31 of the license tax year. This tax is projected to generate \$538,000 in revenue, a \$77,000 or 12.5% decrease.

Lodging Tax

The lodging tax is a tax levied on limited-stay facilities, such as any hotel, motel, or travel campground occupied for a period of less than thirty consecutive days. The tax is 8% of the charge and includes charges for all services provided for the space or room as a unit price. The tax is projected to generate \$706,000 in revenue, a \$57,000 or 7.5% decrease. This includes \$39,000 of incremental revenue generated by the Lewistown CDA. Without the CDA revenue, FY11 decrease is 4.7%. This entire revenue source is transmitted to the Greater Richmond Convention Center Authority and forms the basis for a 25% refund for Hanover's contribution to the Richmond Convention Center. The refund is recorded under recovered costs.

Bank Stock Tax

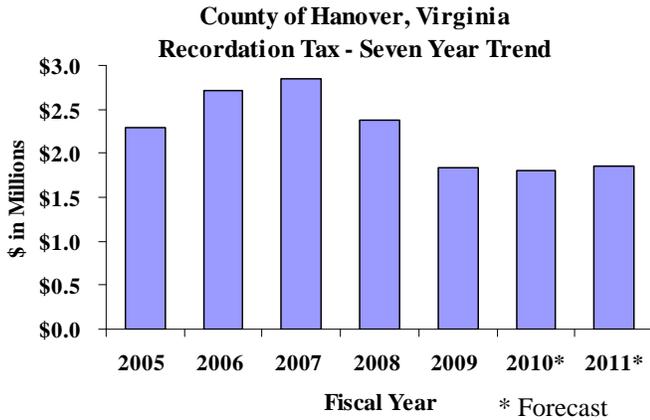
The bank stock tax is a tax on the net capital of a bank. The tax rate is \$0.80 per \$100 of net capital and is apportioned to the locality based on the number of branches located in the locality. The tax is projected to generate \$386,000 in revenue, a \$9,000 or 2.4% increase.

Recordation Tax

Section 58.1-3800 of the *Code of Virginia* authorizes localities to impose a recordation tax on transactions involving the recording of estates, deeds of trusts, mortgages, leases, contracts and agreements that are required to be admitted as matters of record to the Clerk of the Circuit Court. Amounts are collected by the Clerk of the Circuit Court's Office and are equal to one-third of the amount of the State recordation tax. The tax is projected to generate \$1,700,000 in revenue, a

General Fund Revenue Information

\$100,000 or 5.6% decrease. This revenue has declined since FY08 due to decreased activity.



Other Local Sources of Revenue

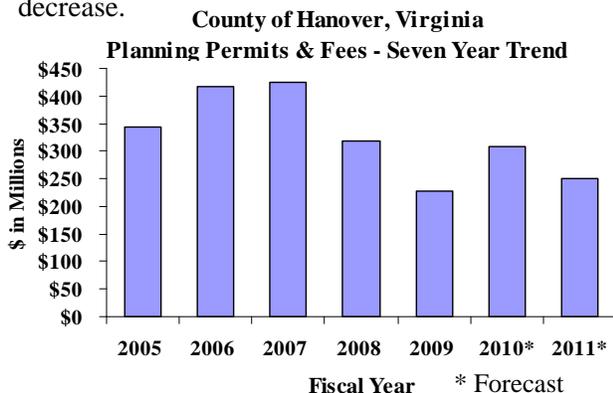
This category includes six types of revenue received by the General Fund that are not considered general-purpose forms of taxation and they include the following:

1. Permits, privilege fees and regulatory licenses;
2. Fines and forfeitures;
3. Use of money and property;
4. Charges for services;
5. Recovered costs; and
6. Miscellaneous revenue.

Only major sources of revenue are discussed.

Permits, Privilege Fees & Regulatory Licenses

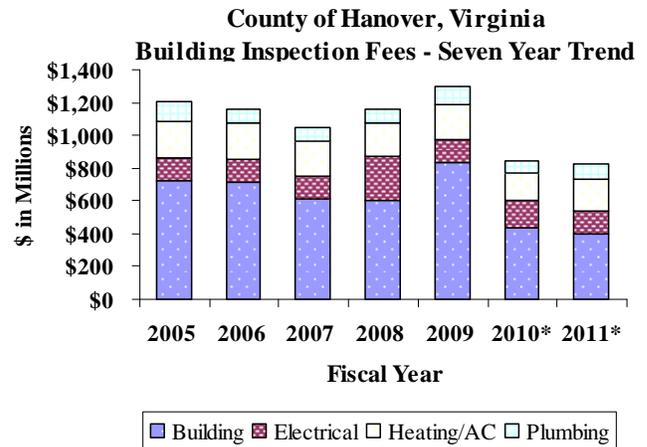
Planning Permits and Fees include all land use application fees and charges for service and materials such as documents for sale. These fees are used to recover a percentage of the costs associated with the processing, review and advertising of applications as well as the inspection of their respective projects. Projected revenue in FY10 is \$250,000, a \$59,000 or 19.1% decrease.



Building Inspection Fees include building, mechanical, electrical and plumbing permits. All of the four permit fees are collected to defray the costs of conducting code compliance plan reviews and field inspections of:

- the construction of buildings and structures;
- mechanical installations such as HVAC, gas installations and fire protection systems;
- electrical installations and alarm systems; and
- plumbing installations.

These costs also include the associated administrative costs. Projected revenue in FY10 is \$796,000, a \$59,000 or 7% decrease.



The Virginia Erosion and Sediment (E&S) Control Regulations require all new development to obtain a land disturbance permit prior to land disturbance activities, such as land clearing or grading. Fees are charged to help recover the cost of the County's adherence to State guidelines for inspecting and monitoring construction projects along with providing funds for designing, acquiring and building drainage basins. Fees for projects, such as single-family housing projects that are eligible for and "agreement in lieu of a plan," pay the fees at the time of building permit application. All other projects pay a fee at the time of plan approval, which is based on the type of project, such as commercial, residential subdivision, general/early land-disturbance, etc., and the amount of area disturbed. Projected revenue in FY10 is \$181,000, a \$99,000 or 35.4% decrease.

General Fund Revenue Information

The County's regional Stormwater Program provides for the collection of a one-time pro-rata share fee from development based on the amount of impervious surface constructed. Fees collected are used to construct regional stormwater management facilities to meet water quality requirements. Participation in this program is voluntary and property owners have the option of constructing their own facilities rather than participating in the County's regional program. Fees are set based on the capital, personnel, and overhead costs incurred in designing, acquiring and constructing regional stormwater treatment facilities. Fees will be increased to \$1,700 per equivalent residential unit in FY11. Revenue is remitted to the County Capital Improvements Fund. A portion of revenue is transferred to the General Fund to reimburse costs associated with one full-time and two part-time positions that manage this program. General Fund revenue support is project to increase in FY11 to \$161,000, a \$7,000 or 4.5% increase.

At this time it is uncertain how long the County's regional program will be able to continue as the State is in the process of updating stormwater regulations. Once new regulations are effective, Hanover's regional stormwater program will no longer be approved and will cease to be a viable option for development in Hanover. Currently new regulations are scheduled to be in place no later than December 1, 2011 so the regional program may stop being active during FY11. The County plans to work toward having a second generation regional stormwater program approved under the new state regulations at the appropriate time. Even if the County is successful in obtaining approval for and implementing a second generation regional stormwater program, it is likely that there will be a time gap of several years between closing the existing program and the starting the future program.

Fire inspections fees are charged to businesses that are required to obtain fire permits. Fees are based on occupancy, size and frequency of inspections. The fee was established in FY95 to provide adequate personnel to inspect all "High Hazard" businesses annually. Projected revenue in FY11 is \$140,000, a \$2,000 or 1.4% increase.

Fines and Forfeitures

Fines and forfeitures include revenue received primarily as a result of violations of County criminal ordinances. The Clerk of the Circuit Court assesses fines and forfeitures for violations of County criminal ordinances. The Circuit Court transmits money collected in the General District Courts in addition to money collected in the Circuit Courts. Interest is collected on fines that are past due.

Localities are authorized by the Virginia Code to assess a fee for the maintenance, renovation and construction of the courthouse. A \$3 fee is assessed on every filing, based on State code change the fee is now assessed on civil filings. In 2009, the State allowed for an additional \$3 fee to be assessed by localities whose courthouses did not meet minimum guidelines established by the Department of General Services. Hanover County's Courthouses were deemed non compliant allowing us to begin assessing the additional fee January, 1 2010. The revenue for FY11 is projected to increase from \$54,000 to \$125,000, \$71,000 or 131.5%.

Security alarm fees are collected as a result of the Security Alarm Ordinance that went in effect April 1, 2002. The fees collected are for excessive false alarms during a calendar year, failure to respond to an alarm activation, failure to apply for a permit once notified that it is required and other civil penalties.

Total projected revenue for fines and forfeitures in FY11 is \$1,205,100, a \$23,800 or 2.0% increase.

Use of Money and Property

Revenues from investments are expected to produce \$1,204,000, a \$20,703 or 1.7% decrease. This revenue source is affected by two variables: 1) the amount of cash available for investing (cash flow) and 2) the interest rate at the time of investment. Assumption for FY11 is a 1.2% growth in cash balances from the revised FY10 forecast and a 2.5% interest rate.

General Fund Revenue Information

Charges for Services

In March 2005, the County established an EMS Fee Recovery Program that leverages funding from Medicare/Medicaid and insurance companies for ambulance transports. Projections are based on average number of transports and collection rates. The fees are increased as part of the FY11 budget resulting in a revenue forecast for FY11 of \$2,000,000, a \$319,000 or 19.0% increase.

Hanover County Parks and Recreation offers a variety of educational, active and entertaining programs for both adults and children. Fees vary depending on the type of class. The County's Youth Summer Program is a supervised recreation program for children. The fees for the summer program have been increased from \$150 dollars six week session to \$300 to cover the costs of the Summer Youth Program; resulting in a projected revenue forecast for FY11 of \$693,500, a \$111,500 or 19.2% increase.

Landfill fees are those fees charged at the transfer station per ton for disposal of solid wastes. The rate is \$50 per ton. Projected revenue for FY11 is \$500,000, a \$9,000 or 1.8% increase. This increase recognizes the additional tonnage that is being received.

The Clerk of the Circuit Court's Office collects clerk's fees for every transaction. The expenditures authorized by the State Compensation Board are subtracted monthly from the Clerk's fees collected. Historically, two-thirds of the Clerk's fees collected in excess of authorized expenditures are then remitted to the County. The remaining one-third is paid to the State. In the Governor's 2008-2010 biennium budget this calculation is reversed and only one-third of the fees collected will be remitted to the County. Excess fees are expected to generate \$155,000, a \$32,500 or 26.5% increase.

Recovered Costs

Revenues are received from the Pamunkey Regional Jail and Public Utilities Fund in exchange for services of County departments such as information technology, finance, human resources, etc. Projected General Fund revenue

for FY11 is \$396,000, a \$25,000 or 6.8% increase and \$1,075,000, a \$8,000 or .8% increase for the Jail and Utilities Fund, respectively. In addition, a service assessment charge is imposed on Public Utilities for law enforcement, fire protection and emergency medical services. Projected revenue is \$378,000, a \$92,760 or 32.5% increase.

Due to the Sheriff's Office participation in local narcotics investigations and state and federal task forces, it is eligible to receive funds seized from narcotics enterprises and applicable criminal endeavors. Asset forfeiture funds received from these programs are maintained in an interest bearing escrow account and can only be expended on non-budgeted items with a direct correlation to law enforcement.

Landfill recycling recovered costs include proceeds from scrap metal recovery and recycling. Despite the outstanding efforts of the County's Public Works Operations department, projected revenue has decreased significantly, due to falling prices in recovery and recycling markets. The revenue projection for FY11 is \$150,000, a \$50,000 or 50.0% increase.

Fees are paid to the General Fund from the Economic Development Authority (EDA) to offset the County's economic development costs. Fees are based upon debt issuances of the EDA. Projected recovered costs for FY11 are \$178,680, a \$7,225 or 3.9% decrease.

The County receives an annual refund for its contribution to the Greater Richmond Convention Center Authority. Revenue assumption is based on 25% of the lodging tax plus anticipated rebates for any revenues exceeding costs. Projected recovered revenue is \$306,500, a \$151,300 or 33.1% decrease. This includes \$9,750 of incremental revenue generated by the Lewistown CDA. Without the CDA revenue, FY11 decrease is 32.9%.

Miscellaneous

Miscellaneous revenue represents refunds received by departments for administrative charges, such as documents sold or copying charges and sale of assets, reserve for revenue transfers as well as a

General Fund Revenue Information

\$50,000 donation to help fund the drug court. Total projected revenue for FY11 is \$752,152 a \$11,500 or 1.6% increase.

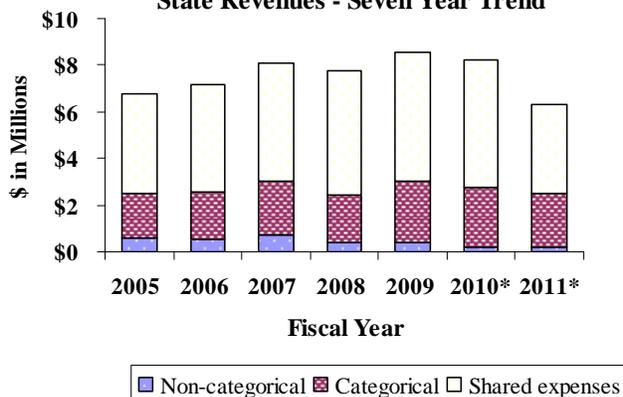
Intergovernmental

Intergovernmental revenues provide 5.0% of the General Fund budget. State revenue is divided into three categories: 1) State funding for programs that benefit both the County and the State, such as the Sheriff, Treasurer, Commonwealth’s Attorney, Commissioner of the Revenue, Clerk of the Circuit Court and Registrar; 2) Non-categorical State aid which includes vehicle rental tax and rolling stock; and 3) Categorical State aid for various County programs, primarily social services. General Fund revenue received from the State should reach \$7,097,800 (excluding “Car tax” funds).

In 2008, the General Assembly adopted a biennium budget which included a \$50 million reduction in aid to localities. This amounts to a 4.17% cut in FY09 and a 4.12% cut in FY10. This reduction has been carried into the next biennium and for FY11 the reduction in State aid is \$440,000, a \$192,000 or 77.3% increase over FY10. Each city and county has the flexibility to determine how it will implement the reduced funding. Options include (1) take the total reduction out of one program, (2) reduce multiple state aid programs on a proportional basis or (3) reimburse the Commonwealth in aggregate their share of the savings, thereby keeping the state aid programs at an unreduced level. For budgeting purposes, the County chose to maintain the budget for state revenue and create a contra account in categorical state aid. **NOTE:** Not shown in this graph is the non-categorical State aid that is part of the “No Car Tax” program mentioned above in the personal property tax section.

County of Hanover, Virginia

State Revenues - Seven Year Trend



Non-categorical State Aid

Non-categorical state aid and State share of local offices are types of shared revenue and tend to be reasonably predictable; however, in FY09 the State eliminated payments to cities and counties for ABC/Wine taxes. In FY11 the Rolling Stock tax is projected to increase by \$20,576 or 40.8%.

Vehicle Rental taxes are levied on the gross proceeds from the rental of motor vehicles in Virginia. The additional taxes (4-8%) are collected by the Department of Motor Vehicles and distributed to the County where the daily rental vehicle was delivered to the customer. Projected revenue is \$129,000, a \$46,000 or 26.3% decrease.

As mandated by the State in FY01, the State’s portion of the personal property tax relief program, mentioned above, is classified as reimbursement from the State as non-categorical state aid. Beginning in FY07, the County receives a pro-rata share of \$950 million of relief to be distributed statewide. This tax relief amount is \$15,002,000, and this funding will remain constant in future years.

State Share of Local Offices

The State Compensation Board provides funding for the various departments with constitutional officers to provide for the cost of salaries and benefits and office expenses. The County supplements these funds. These departments include Commonwealth’s Attorney, Sheriff and Court Services, Commissioner of the Revenue, Treasurer and Clerk of the Circuit Court. The State Board of Elections provides funding for the Registrar. Total projected revenue is \$4,869,500 an \$573,400 or 10.5% decrease.

Categorical State Aid

Federal and State categorical grants are obtained and designated for specific uses and are tightly restricted. Funding is generally granted on a project-by-project basis.

The Social Services Department receives state funding for a variety of purposes, including

General Fund Revenue Information

assistance for needy families. Projected State funding is \$1,118,596, a \$296 decrease.

The General Assembly created the Information Technology Trust Fund consisting of revenues obtained from an additional \$5 recordation and filing fee collected by each circuit court clerk. The fund is to be used to help circuit court clerks obtain office and information technology, preserve and maintain court records, improve public access to court records and to study the design of a Statewide system of remote access to the clerks' land records. Projected State funding is \$38,000, a \$45,500 or 54.5% decrease. The Governor's proposed amendments to the State's biennium budget include supplanting State general funds with the non-general fund technology trust fund. This will reduce available funds for the Clerk of the Circuit Court to improve technology by \$34,000.

The emergency communications State cellular tax is collected by the State and is applied for annually through the State Wireless 911 Board. Funding is used to supplement local salaries as well as the cost of training and equipment used for wireless 911. Projected State funding is \$318,000, a \$90,000 or 22.1% decrease.

The County receives funding from the Virginia Department of Fire Programs as "Aid to Localities." These funds are derived from one percent of fire-related insurance coverage. The funding provides the County with the funds to pay for training of volunteer and career firefighters, construction of training centers, fire fighting equipment and protective clothing. Projected State revenue is \$226,000, a \$15,000 or 7.1% increase.

Community Corrections is required to provide community corrections and pre-trial services to those deemed necessary by the judges. Projected State funding is \$327,646, a \$54,646 or 20.0% increase.

Categorical Federal Aid

The Social Services Department has multiple programs from which it receives federal funding, including Virginia's Temporary Assistance for Needy Families (TANF) Program. The purpose of TANF is to provide assistance to needy families so that children may be cared for in their own homes or in the homes of relatives and end the dependence of needy parents on government benefits by promoting job preparation. Projected Federal revenue is \$3,007,350, a \$715,800 or 19.2% decrease.

Hanover County was awarded two separate parts of a Staffing for Adequate Fire & Emergency Response (SAFER) grant from the Department of Homeland Security for the (1) hiring of firefighters and (2) recruitment and retention of volunteer firefighters. The Board of Supervisors approved the hiring portion of the grant in December 2006, which provides \$1.2 million over five years and funds the hiring of 12 firefighters. The grant requires a local match toward the costs of the salaries that will diminish over the course of the five-year performance period. Recruiting and retaining volunteer portion of the grant is required to reimburse volunteers for their time during the training process at an equivalent rate of \$10 per hour. Payments to volunteers will be distributed upon successful completion of the Fire Academy and/or EMT-Basic training. This is also a multi-year grant. Total projected revenue for FY11 is \$317,000.



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GENERAL GOVERNMENT ADMINISTRATION

	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY11	FY12 Plan
Board of Supervisors	\$ 551,321	\$ 537,526	\$ 496,914	(7.6%)	\$ 502,566
County Administrator	1,063,965	1,195,070	1,014,300	(15.1%)	1,026,774
Human Resources	840,287	850,742	854,962	0.5%	865,330
County Attorney	1,155,860	1,183,907	1,149,968	(2.9%)	1,164,071
Commissioner of the Revenue	1,241,098	1,260,022	1,248,337	(0.9%)	1,263,577
Assessor	887,417	927,174	857,420	(7.5%)	867,881
Treasurer	1,297,693	1,306,241	1,365,866	4.6%	1,382,307
Finance	936,890	996,129	980,023	(1.6%)	992,039
Internal Audit	269,381	273,486	276,670	1.2%	280,082
Public Information Office	120,802	145,921	192,354	31.8%	194,613
Purchasing	559,505	567,325	507,368	(10.6%)	513,626
Information Technology	3,389,947	3,504,163	3,307,933	(5.6%)	3,348,228
GIS	691,798	723,506	576,224	(20.4%)	582,791
General Services	415,747	435,611	291,476	(33.1%)	294,804
Registrar	358,619	352,012	349,652	(0.7%)	353,580
Total Expenditures	\$ 13,780,330	\$ 14,258,835	\$ 13,469,467	(5.5%)	\$ 13,632,269
Personnel	\$ 11,643,867	\$ 12,023,624	\$ 11,589,917	(3.6%)	\$ 11,733,924
Operating	2,062,067	2,203,211	1,879,550	(14.7%)	1,898,345
Capital	74,397	32,000	-	(100.0%)	-
Total Expenditures	\$ 13,780,330	\$ 14,258,835	\$ 13,469,467	(5.5%)	\$ 13,632,269
Revenues					
Intergovernmental Revenue	\$ 585,360	\$ 576,000	\$ 456,667	(20.7%)	\$ 466,000
Other Revenue	98,018	101,000	199,525	97.5%	206,500
General Fund Revenue	13,096,953	13,581,829	12,813,275	(5.7%)	12,959,769
Total Revenue	\$ 13,780,330	\$ 14,258,829	\$ 13,469,467	(5.5%)	\$ 13,632,269
Generated Revenue Percent	5.0%	4.7%	4.9%		4.9%
General Fund Percent	95.0%	95.3%	95.1%		95.1%
Full-time Positions	138	138	135	(2.2%)	135
Part-time Positions	32	32	32	0.0%	32
Full-time Equivalents	144.5	144.5	141.1	(2.4%)	141.1

Board of Supervisors

DESCRIPTION

The Board of Supervisors is a seven-member body elected to four-year terms by registered voters as representatives of each of the County's seven magisterial districts. The Board of Supervisors has both administrative and legislative responsibilities including, but not limited to, adopting the County budget; levying County taxes; appropriating funds; approving and enforcing ordinances; and establishing policies and procedures to efficiently and effectively improve the overall quality of life in Hanover County. In addition, the Board appoints the positions of County Administrator, County Attorney, School

Board members, Community Services Board members, Social Services Board members, Pamunkey Regional Library Board members, and Planning Commissioners, among others. Board meetings are traditionally held the second and fourth Wednesday of each month and are open to the general public. The Board provides residents with open lines of communication with which to voice concerns and suggestions and produces the most cost effective and efficient government services to Hanover residents.

BUDGET SUMMARY

	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY11	FY12 Plan
Expenditures					
Personnel	\$ 275,205	\$ 273,720	\$ 281,624	2.9%	\$ 285,123
Operating	233,650	243,806	215,290	(11.7%)	217,443
Capital	42,467	20,000	-	(100.0%)	-
Total Expenditures	<u>\$ 551,321</u>	<u>\$ 537,526</u>	<u>\$ 496,914</u>	<u>(7.6%)</u>	<u>\$ 502,566</u>
Revenues					
General Fund Revenue	\$ 551,321	\$ 537,526	\$ 496,914	(7.6%)	\$ 502,566
Total Revenue	<u>\$ 551,321</u>	<u>\$ 537,526</u>	<u>\$ 496,914</u>	<u>(7.6%)</u>	<u>\$ 502,566</u>
Full-time Positions	1	1	1	0.0%	1
Part-time Positions	7	7	7	0.0%	7
Full-time Equivalents	2.6	2.6	2.6	0.0%	2.6

BUDGET HIGHLIGHTS

In the FY11 budget, the decrease in operating is primarily due to reductions in professional and contractual services as well as various other expenditures in light of the current economy. The audit contract

remains intact while the citizen survey is performed periodically. The funding request for additional updating of boardroom audio visual equipment has been moved to FY12.

Board of Supervisors

GOALS AND OBJECTIVES

- Provide high quality customer service, prioritize essential services and emphasize a well-supported customer service oriented workforce;
- Provide for sound financial operations that emphasize efficiency in the delivery of services, stability in tax rates, and a strong program of economic development;
- Assess resident satisfaction with periodic citizen surveys; and
- Provide for planned growth of the County that includes practical initiatives in controlled growth as well as a reliable strategy for the provision of necessary infrastructure.

SERVICE LEVELS

	FY09	FY10	FY11
	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>
Per capita cost of operating department	\$5.56	\$5.34	\$4.78
Adopt and utilize an Operating, Five-Year Capital Improvement, and Five-Year Financial Plan	4/9/2008	4/15/2009	4/14/2010

County Administrator

DESCRIPTION

The County Administrator’s Office directs the daily operations of the County Government, provides advice and policy recommendations to the Board of Supervisors, and provides long range planning of government operations. The office is also responsible for implementing the policies and procedures

established by the Board of Supervisors. The County Administrator’s Office will advise and evaluate department heads and other personnel consistent with present and future community needs and in conformity with all laws, policies, and direction provided by the Board.

BUDGET SUMMARY

	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY11	FY12 Plan
Expenditures					
Personnel	\$ 995,834	\$ 1,117,623	\$ 961,200	(14.0%)	\$ 973,143
Operating	68,130	77,447	53,100	(31.4%)	53,631
Total Expenditures	<u>\$ 1,063,965</u>	<u>\$ 1,195,070</u>	<u>\$ 1,014,300</u>	<u>(15.1%)</u>	<u>\$ 1,026,774</u>
Revenues					
General Fund Revenue	\$ 1,063,965	\$ 1,195,070	\$ 1,014,300	(15.1%)	\$ 1,026,774
Total Revenue	<u>\$ 1,063,965</u>	<u>\$ 1,195,070</u>	<u>\$ 1,014,300</u>	<u>(15.1%)</u>	<u>\$ 1,026,774</u>
Full-time Positions	8	8	8	0.0%	8
Full-time Equivalents	8.0	8.0	8.0	0.0%	8.0

BUDGET HIGHLIGHTS

The County Administrator’s Office provides supervision and direction to nearly all County-related operations, while also administering to the general inquiries of residents. In addition, administrative oversight is provided over the Board of Supervisor’s budget and activities, as

well as serving as the agent for the Board’s initiatives, policy-setting goals and other focus areas. The decrease in personnel is due to two authorized unfunded vacancies. The decrease in operating is primarily due to reductions in professional services and educational training.

GOALS AND OBJECTIVES

- Provide leadership and direction to staff in conducting the business of the County;
- Provide administrative and managerial support, and professional advice to the Board of Supervisors;
- Develop and implement programs, policies, and procedures to ensure the provision of effective and efficient government services;
- Present a proposed balanced budget to the Board of Supervisors by the fourth Wednesday in February;

County Administrator

- Formulate Board initiatives by July 1 of each year;
- Provide an agenda package to each Board member by the Friday prior to each Board meeting.

SERVICE LEVELS

	FY09 <u>Actual</u>	FY10 <u>Budget</u>	FY11 <u>Budget</u>
Per capita cost of operating department	\$10.73	\$11.87	\$9.77
Size of budget (in millions)	\$429.5	\$401.8	\$383.8
Total number of full time equivalents (includes schools)	4,154.4	4,081.1	3,905.9

Human Resources

DESCRIPTION

The Human Resources Department provides support services to County departments, Constitutional offices, the Pamunkey Regional Jail, and the Pamunkey Regional Library. Primary areas of responsibility include policy development and interpretation, recruitment and selection, benefits, compensation, employee relations, training, and performance management. The Human Resources Department serves as the coordinating office to ensure fair and consistent application of County human resources policies in conformance with federal, state, and local laws and regulations.

The Human Resources Department is continuously interested in advancing the organization to a higher level. Employees continue to view Hanover County as a fair and consistent place to work, as evidenced by the very few grievances filed. In fact, in the most recent employee opinion survey, 96% of participants stated that they were satisfied working for Hanover County. Similarly, 93% said that they would recommend Hanover County as a place to work to a friend.

BUDGET SUMMARY

	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY11	FY12 Plan
Expenditures					
Personnel	\$ 708,435	\$ 709,249	\$ 749,490	5.7%	\$ 758,803
Operating	131,853	141,493	105,472	(25.5%)	106,527
Total Expenditures	<u>\$ 840,287</u>	<u>\$ 850,742</u>	<u>\$ 854,962</u>	<u>0.5%</u>	<u>\$ 865,330</u>
Revenues					
General Fund Revenue	\$ 840,287	\$ 850,742	\$ 854,962	0.5%	\$ 865,330
Total Revenue	<u>\$ 840,287</u>	<u>\$ 850,742</u>	<u>\$ 854,962</u>	<u>0.5%</u>	<u>\$ 865,330</u>
Full-time Positions	8	8	9	12.5%	9
Part-time Positions	2	2	2	0.0%	2
Full-time Equivalents	8.2	8.2	9.2	12.2%	9.2

BUDGET HIGHLIGHTS

Human Resources functions to help make Hanover County an attractive place to work, for both current employees and prospective employees. This is done by working directly with the departments to understand their needs and help them meet their staffing goals. Human Resources evaluate employee compensation and benefits programs to ensure our competitiveness in the region. Human Resources also monitor the climate of the County workforce, through employee

surveys and other mechanisms, to ascertain employee satisfaction. Human Resources will continue to offer career development opportunities to help employees reach their personal and professional goals. The personnel increase is due to the redeployment of an employee from General Services to this department. The operating decrease is primarily due to reductions in recruitment advertising and tuition assistance.

Human Resources

GOALS AND OBJECTIVES

- Implement redeployment strategies;
- Further refine dashboard reporting;
- Implement Stage 2 Wellness initiatives;
- Continue to pursue an Employee Self-Service module (web-based pay);
- Implement SPQA goals and initiatives;
- Develop an HR Strategic Plan.

SERVICE LEVELS

	FY09 <u>Actual</u>	FY10 <u>Budget</u>	FY10 <u>Forecast</u>	FY11 <u>Budget</u>
Per capita cost of operating department	\$8.47	\$8.45	\$8.45	\$8.23
Applications received (full-time)	5,841	7,000	6,000	6,500
Positions filled	207	280	200	250
Total full-time employees	1,055	1,085	1,060	1,080
Total part-time employees	283	295	285	295
Pamunkey Regional Library employees	158	167	160	165
Pamunkey Regional Jail employees	130	134	134	136
Grievances per 1,000 employees	3	1	4	4
Number of training classes offered	52	75	50	55

County Attorney

DESCRIPTION

The County Attorney's Office represents the County in all civil legal matters and is responsible for providing a full range of legal services to the Board of Supervisors and all Boards, departments, agencies, Constitutional offices, and employees of the County, as well as the School Board and School divisions. This office drafts or reviews proposed County

ordinances and represents the County and its agencies in litigation. In addition, this office supervises work performed by outside legal counsel, maintains and updates the Hanover County Code, responds to resident inquiries and drafts or reviews all deeds, leases, contracts, bonds, and other legal documents.

BUDGET SUMMARY

	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY11	FY12 Plan
Expenditures					
Personnel	\$ 1,069,107	\$ 1,083,064	\$ 1,073,447	(0.9%)	\$ 1,086,785
Operating	86,753	100,843	76,521	(24.1%)	77,286
Total Expenditures	<u>\$ 1,155,860</u>	<u>\$ 1,183,907</u>	<u>\$ 1,149,968</u>	<u>(2.9%)</u>	<u>\$ 1,164,071</u>
Revenues					
General Fund Revenue	\$ 1,155,860	\$ 1,183,907	\$ 1,149,968	(2.9%)	\$ 1,164,071
Total Revenue	<u>\$ 1,155,860</u>	<u>\$ 1,183,907</u>	<u>\$ 1,149,968</u>	<u>(2.9%)</u>	<u>\$ 1,164,071</u>
Full-time Positions	9	9	9	0.0%	9
Full-time Equivalents	9.0	9.0	9.0	0.0%	9.0

BUDGET HIGHLIGHTS

This office provides the legal counsel to the Board of Supervisors, School Board and nearly all County departments and agencies. This includes ordinance development, legal representation and related support in ensuring compliance with policies, laws and

regulations. This department has met the current economic challenges by achieving significant reductions in its operating budget; primarily in professional services, printing and binding, and educational training.

GOALS AND OBJECTIVES

- Provide prompt and effective legal assistance to all County elected and appointed Boards, Constitutional Officers, and all departments.



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Commissioner of the Revenue

DESCRIPTION

The Commissioner of Revenue's office is divided into three sections: Real Property, Personal Property, and Business Property. The Real Property Division prepares and maintains information in the Land Records Book and submits final assessments to the Treasurer for tax billing. Duties include incorporating land transfers and splits into the tax records, reviewing wills, and preparing and maintaining land parcel maps. Applications for land use tax deferrals and tax relief for the elderly and disabled are processed and administered by the Real Property Division. Rollback taxes are calculated and billed by this Division when changes in land use or zoning occur.

The Personal Property Division prepares information for the Personal Property Tax Book by assessing all vehicles, boats, motors, trailers, airplanes, and mobile homes. In cooperation with the Virginia Department of

Taxation, the Division assists the public in the completion of income tax filing forms, processes filings, and performs initial audits for accuracy. The Personal Property Division works closely with the Division of Motor Vehicles for vehicle transfers and registrations.

The Business Property Division is responsible for all business taxes, licenses, and associated records. Tax categories overseen by this Division include business personal property, machinery and tools, merchant's capital, transient occupancy, and contractor's business licenses. The Division works with businesses to ensure they are knowledgeable of tax ordinances and assists them with compliance and related issues.

The Commissioner of Revenue is a Constitutional Officer and is locally elected every four years.

BUDGET SUMMARY

	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY11	FY12 Plan
Expenditures					
Personnel	\$ 1,119,833	\$ 1,139,675	\$ 1,136,833	(0.2%)	\$ 1,150,958
Operating	121,265	120,347	111,504	(7.3%)	112,619
Total Expenditures	\$ 1,241,098	\$ 1,260,022	\$ 1,248,337	(0.9%)	\$ 1,263,577
Revenues					
Intergovernmental Revenue	\$ 271,332	\$ 268,000	\$ 216,000	(19.4%)	\$ 220,000
General Fund Revenue	969,767	992,022	1,032,337	4.1%	1,043,577
Total Revenue	\$ 1,241,098	\$ 1,260,022	\$ 1,248,337	(0.9%)	\$ 1,263,577
Generated Revenue Percent	21.9%	21.3%	17.3%		17.4%
General Fund Percent	78.1%	78.7%	82.7%		82.6%
Full-time Positions	19	19	19	0.0%	19
Part-time Positions	1	1	1	0.0%	1
Full-time Equivalents	19.4	19.4	19.4	0.0%	19.4

Commissioner of the Revenue

BUDGET HIGHLIGHTS

In addition to many services provided by this office, two high volume activities include: 177,462 personal property taxpayer items valued in 2009 and approximately 10,525 State income tax returns requiring processing assistance. The operating decrease is due primarily to delaying the

cyclical replacement of computer network equipment. This budget includes funding for new vehicle registration and decal notices. These notices will serve as reminders to citizens and potentially reduce the costs associated with collection efforts.

GOALS AND OBJECTIVES

- Issue business licenses by March 1;
- Update files for real estate transfers and wills by March 1;
- Process tax relief applications for the elderly and disabled by March 1 (1st half) and June 30 (2nd half);
- Process land use applications by November 1 and February 1;
- Assess real estate taxes and complete the Land Book by April 1;
- Process and audit State income taxes by June 1;
- Prorate and assess all personal property classes by December 31;
- Monitor sales tax revenues monthly and prepare monthly reports to track changes/trends;
- Assess and administer local option taxes on a monthly basis; and
- Improve services offered on the Commissioner of Revenue website.

SERVICE LEVELS

	FY09 <u>Actual</u>	FY10 <u>Budget</u>	FY10 <u>Forecast</u>	FY11 <u>Budget</u>
Per capita cost of operating department	\$12.51	\$12.51	\$12.51	\$12.02
Accounts in personal property file	81,620	87,430	86,518	89,979
Real estate transfers	2,173	3,650	2,260	2,351
Review of will disbursements	231	300	300	300
Land use applications	107	325	124	143
Land use parcels	3,306	3,560	3,505	3,681
Tax relief applications	1,552	1,625	1,625	1,788
Tax relief applications qualified	1,628	1,520	1,677	1,728
State income tax returns processed	8,038	11,500	9,115	9,360
Estimated tax forms processed	1,578	1,925	1,925	2,002

ASSESSED VALUE OF TAXABLE PROPERTY

Calendar Year	Real Estate	Personal Property	Machinery & Tools	Merchants' Capital	Public Service Companies	Total
2007	11,024.8	1,398.6	45.7	51.2	557.8	13,078.1
2008	12,135.8	1,454.8	41.9	48.2	591.7	14,272.4
2009	13,159.9	1,275.8	42.9	48.4	643.7	15,170.7

Dollars in Millions

Assessor

DESCRIPTION

The Assessor's Office is responsible for the appraisal of all real property for ad valorem tax purposes. In this capacity, the Assessor evaluates all real estate to assure equalization of market value. The scope of the Assessor's authority and the responsibility is controlled

by the statutes of the Commonwealth of Virginia. Included in the valuation of all real property are reassessments, property splits, consolidations, transfers of real estate, zoning changes, new subdivisions, and new construction.

BUDGET SUMMARY

	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY11	FY12 Plan
Expenditures					
Personnel	\$ 809,078	\$ 844,449	\$ 778,092	(7.9%)	\$ 787,760
Operating	78,339	82,725	79,328	(4.1%)	80,121
Total Expenditures	<u>\$ 887,417</u>	<u>\$ 927,174</u>	<u>\$ 857,420</u>	<u>(7.5%)</u>	<u>\$ 867,881</u>
Revenues					
General Fund Revenue	\$ 887,417	\$ 927,174	\$ 857,420	(7.5%)	\$ 867,881
Total Revenue	<u>\$ 887,417</u>	<u>\$ 927,174</u>	<u>\$ 857,420</u>	<u>(7.5%)</u>	<u>\$ 867,881</u>
Full-time Positions	11	11	10	(9.1%)	10
Part-time Positions	1	1	-	(100.0%)	-
Full-time Equivalents	11.8	11.8	10.0	(15.3%)	10.0

BUDGET HIGHLIGHTS

The Assessor's Office is responsible for the appraisal of all real property in the County. In this capacity the Assessor evaluates all real estate to assure equalization of market value. Approximately 10,500 tax parcels have been reassessed for 2010 (23% of the County). Despite this workload, the office has maintained sales to assessment ratios of 95-97% while keeping coefficient of

dispersion levels (this measures volatility amongst assessed values) of less than 10% and few appeals to the Board of Equalization result in valuation changes. The decrease in personnel is due to the elimination of one vacant full-time Customer Service Agent and one vacant part-time Real Estate Appraiser positions.

Assessor

GOALS AND OBJECTIVES

- Maintain and enhance the computer assisted Mass Appraisal System to further streamline functions of the Office;
- Provide accurate information to the public by maintaining all assessment files, computer print outs, and sales books;
- Appraise new construction within 30 days of completion; and
- Complete 100% of all assigned assessments effective for January 1.

SERVICE LEVELS

	<u>FY09</u> <u>Actual</u>	<u>FY10</u> <u>Budget</u>	<u>FY10</u> <u>Forecast</u>	<u>FY11</u> <u>Budget</u>
Per capita cost of operating department	\$8.95	\$9.21	\$9.21	\$8.26
Real estate property assessed as of January 1	100%	100%	100%	100%
Coefficient of Dispersion Levels <10%	8.44%	<10%	<10%	<10%
Successful Appeals <1% of total assessed value	<1%	<1%	<1%	<1%
Board of Equalization adjustments <.5% of total assessed value	<0.5%	<0.5%	<0.5%	<0.5%
Sales to assessment ratios >90% of total assessed value	93.75%	>90%	>90%	>90%
Percent of appraisal staff with professional designations	50%	50%	50%	50%
Estimated taxable parcels of land	43,615	44,000	44,500	44,000
Estimated non-taxable parcels of land	846	850	850	850
Estimated new lots	377	500	350	350
Percent of appraisal staff with state license	100%	100%	100%	100%

Treasurer

DESCRIPTION

The Treasurer is a Constitutional Officer who is elected every four years by the citizens of Hanover County. The Treasurer is charged with collecting taxes and other revenue of the County. Tax collection involves the billing and collection of current receivables and the

management of a delinquent collection program. The Treasurer is responsible for the safeguarding of receipts and managing the County's investment program and banking relationships.

BUDGET SUMMARY

	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY11	FY12 Plan
Expenditures					
Personnel	\$ 1,079,783	\$ 1,088,231	\$ 1,147,070	5.4%	\$ 1,161,323
Operating	217,911	218,010	218,796	0.4%	220,984
Total Expenditures	\$ 1,297,693	\$ 1,306,241	\$ 1,365,866	4.6%	\$ 1,382,307
Revenues					
Intergovernmental Revenue	\$ 253,944	\$ 248,000	\$ 192,000	(22.6%)	\$ 196,000
Other Revenue	29,479	16,000	122,525	665.8%	127,500
General Fund Revenue	1,014,269	1,042,241	1,051,341	0.9%	1,058,807
Total Revenue	\$ 1,297,693	\$ 1,306,241	\$ 1,365,866	4.6%	\$ 1,382,307
Generated Revenue Percent	21.8%	20.2%	23.0%		23.4%
General Fund Percent	78.2%	79.8%	77.0%		76.6%
Full-time Positions	15	15	15	0.0%	15
Part-time Positions	15	15	17	13.3%	17
Full-time Equivalents	16.0	16.0	17.0	6.3%	17.0

BUDGET HIGHLIGHTS

For many years now, this office has attained an almost 100% collection rate on taxes owed the County and oversees an investment portfolio that has consistently outperformed established investment return benchmarks. Beginning in May 2008, the Treasurer and Commissioner of the Revenue offices opened a joint DMV Select Office. The State of Virginia pays the County a commission to handle some basic transactions, such as vehicle registration renewals or handicapped parking placards, etc. on their behalf. The

commission is split evenly between the two offices. The Treasurer's Office continues its efforts to effectively serve citizens through the use of technology. Online services are offered that allow citizens to view the details of their tax payment billing anytime, day or night. These services also allow citizens to make tax payments online and sign-up for electronic billing. The increase in personnel is due to the redeployment of two part-time Customer Service Agents from Building Inspections to this department.

Treasurer

GOALS AND OBJECTIVES

- Maintain core services;
- Provide excellent customer service to citizens, businesses, and internal departments;
- Prepare accurate and timely reconciliations (bank within 30 days, tax within 45 days); and
- Maintain an on-line tax inquiry and payment system;
- Maintain high collection rates.

SERVICE LEVELS

	FY09 <u>Actual</u>	FY10 <u>Budget</u>	FY10 <u>Forecast</u>	FY11 <u>Budget</u>
Per capita cost of operating department	\$13.09	\$12.97	\$12.97	\$13.15
Tax collected in fiscal year	96.0%	97.0%	95.0%	95.0%

PROPERTY TAX LEVIES AND COLLECTIONS

FY	General Property Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	<u>Tax Collections to Date</u>	
		Amount	Percentage of Levy		Amount	Percentage of Levy
05	106,293,313	102,152,923	96.1%	3,857,011	106,009,934	99.7%
06	117,153,995	113,003,453	96.5%	3,497,668	116,501,121	99.4%
07	128,606,341	123,943,881	96.4%	3,031,713	126,975,594	98.7%
08	139,951,410	134,776,945	96.3%	1,463,771	136,240,716	97.3%
09	146,731,880	140,814,064	96.0%	-	140,814,064	96.0%

Source: CAFR Schedule

Finance

DESCRIPTION

The Finance Department is responsible for the financial management and planning of the County. This includes establishing and maintaining effective controls over the County's financial activities, providing accurate financial information to all County and School Board departments in a timely manner, and coordinating the annual budget

and monitoring compliance after adoption. Finance performs analyses of financial condition including interim and annual financial reports and recommends financial policies to the County Administrator and Board of Supervisors. The payroll processing function is performed by Finance, including the preparation of all payroll tax forms.

BUDGET SUMMARY

	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY11	FY12 Plan
Expenditures					
Personnel	\$ 869,275	\$ 925,954	\$ 913,808	(1.3%)	\$ 925,162
Operating	67,615	70,175	66,215	(5.6%)	66,877
Total Expenditures	<u>\$ 936,890</u>	<u>\$ 996,129</u>	<u>\$ 980,023</u>	<u>(1.6%)</u>	<u>\$ 992,039</u>
Revenues					
General Fund Revenue	\$ 936,890	\$ 996,129	\$ 980,023	(1.6%)	\$ 992,039
Total Revenue	<u>\$ 936,890</u>	<u>\$ 996,129</u>	<u>\$ 980,023</u>	<u>(1.6%)</u>	<u>\$ 992,039</u>
Full-time Positions	12	12	12	0.0%	12
Part-time Positions	1	1	-	(100.0%)	-
Full-time Equivalents	12.6	12.6	12.0	(4.8%)	12.0

BUDGET HIGHLIGHTS

Finance's accounting division coordinates the annual audit and prepares the annual audited financial reports. Finance provides the resources needed in its budget division to support departments, County Administrator, and the Board of Supervisors. In addition, Finance also provides the support services for payroll, accounts payable, financial reporting,

debt management and audit. The operating decrease is primarily due to reductions in professional services, repair and maintenance, and educational training. An Administrative Assistant has been reassigned to this department from Planning. A vacant part-time Budget Management Analyst position has been eliminated.

GOALS AND OBJECTIVES

- Receive Government Finance Officers' Association's Distinguished Budget Award;
- Receive Government Finance Officers' Association's Certificate of Achievement for Excellence in Financial Reporting; and
- Adopt FY11 Proposed Budget by third Wednesday in April.

Finance

SERVICE LEVELS

	FY09 <u>Actual</u>	FY10 <u>Budget</u>	FY10 <u>Forecast</u>	FY11 <u>Budget</u>
Per capita cost of operating department	\$9.45	\$9.89	\$9.89	\$9.44
Average days after month end to close	8	8	8	8
Number of budget transfers processed	254	275	275	275

MUNICIPAL BOND RATING FOR HANOVER COUNTY

<u>Fiscal Year</u>	<u>Moody's</u>	<u>S&P</u>	<u>Fitch</u>
2000	Aa1	AA	AA+
2001	Aa1	AA	AA+
2002	Aa1	AA	AA+
2003	Aa1	AA	AA+
2004	Aa1	AA	AA+
2005	Aa1	AA	AA+
2006	Aa1	AA+	AAA
2007	Aa1	AA+	AAA
2008	Aa1	AAA	AAA
2009	Aa1	AAA	AAA
2010	AAA	AAA	AAA

Internal Audit

DESCRIPTION

The Internal Audit Department performs performance, financial and compliance audits of County, School Board, Regional Library and Regional Jail activities. Audit results and recommendations are reported to the respective Boards, Finance Committee, Administration and the agency reviewed. The Internal Auditors work closely with the Board and Administration to ensure the County provides quality service to the public through functions that are performed efficiently,

effectively, and in compliance with applicable laws and regulations. The Internal Audit Department develops an audit plan based on risk assessments and resources available to provide internal audit services for all areas of the County. The Internal Audit Department also maintains the County's Fraud, Waste and Abuse Hotline. The annual Internal Audit plan is approved by the Finance Committee of the Board of Supervisors.

BUDGET SUMMARY

	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY11	FY12 Plan
Expenditures					
Personnel	\$ 251,736	\$ 261,144	\$ 266,109	1.9%	\$ 269,415
Operating	17,645	12,342	10,561	(14.4%)	10,667
Total Expenditures	\$ 269,381	\$ 273,486	\$ 276,670	1.2%	\$ 280,082
Revenues					
General Fund Revenue	\$ 269,381	\$ 273,486	\$ 276,670	1.2%	\$ 280,082
Total Revenue	\$ 269,381	\$ 273,486	\$ 276,670	1.2%	\$ 280,082
Full-time Positions	3	3	3	0.0%	3
Full-time Equivalents	3.0	3.0	3.0	0.0%	3.0

BUDGET HIGHLIGHTS

Previous audits have identified performance recommendations that have resulted in business opportunities and position reclassifications for several departments. The Internal Audit Department has trained and maximized its own resources to assist with

County-wide training in the areas of Fraud and Ethics. The decrease in operating is primarily due to reductions in funding for small capital, office supplies, and local mileage reimbursement.

GOALS AND OBJECTIVES

- Develop, implement and execute an annual Internal Audit Plan adopted by the Board of Supervisors;
- Evaluate risk environments and systems of internal controls;
- Follow up on prior internal audit recommendations and provide departmental assistance;
- Perform special projects to support Board initiatives and assist County Administration;
- Coordinate regional and external audit services;

Internal Audit

- Meet Internal Audit Performance Measurement goals; and
- Meet Generally Accepted Auditing Standards for:
 - planning, conducting and reporting on work performed and
 - continuing professional education.

SERVICE LEVELS

	FY09	FY10	FY10	FY11
	<u>Actual</u>	<u>Budget</u>	<u>Forecast</u>	<u>Budget</u>
Per capita cost of operating department	\$2.72	\$2.72	\$2.72	\$2.66
Number of internal audits performed	32	25	30	27
Average Internal Audit cycle (years)	7	6.3	7	7
% of Audit Universe audited to date	56%	52%	60%	64%

Public Information Officer

DESCRIPTION

The Public Information Officer (PIO) is responsible for providing accurate and timely information on County services, programs and issues to the public. A primary means of conveying this information is through "The Hanover Review," a quarterly newsletter developed by the PIO, printed commercially and mailed to every address in the County. The Public Information Officer also writes and distributes press releases to media contacts (and to employees when appropriate), sends out regular "Hanover Access News" e-

mail blasts to subscribers and provides the Hanover County web page with weekly "News Flash" updates and other information. The PIO takes photographs, helps develop public presentations and generally provides the County Administrator and other County Departments with information and other assistance as needed. With a grant from the Department of Homeland Security, the PIO in conjunction with public safety departments developed a low-power AM radio function, providing emergency information to citizens.

BUDGET SUMMARY

	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY11	FY12 Plan
Expenditures					
Personnel	\$ 80,502	\$ 80,651	\$ 138,309	71.5%	\$ 140,028
Operating	40,301	65,270	54,045	(17.2%)	54,585
Total Expenditures	<u>\$ 120,802</u>	<u>\$ 145,921</u>	<u>\$ 192,354</u>	31.8%	<u>\$ 194,613</u>
Revenues					
General Fund Revenue	\$ 120,802	\$ 145,921	\$ 192,354	31.8%	\$ 194,613
Total Revenue	<u>\$ 120,802</u>	<u>\$ 145,921</u>	<u>\$ 192,354</u>	31.8%	<u>\$ 194,613</u>
Full-time Positions	1	1	2	100.0%	2
Full-time Equivalents	1.0	1.0	2.0	100.0%	2.0

BUDGET HIGHLIGHTS

The County's one Public Information Officer (PIO) provides a quarterly newsletter, WEB updates and highlights, press releases, cable TV contact and support to the many areas in which the County's departments need to communicate with the public. In FY11, the increase in personnel is due to the

redeployment of a Customer Service Agent from General Services to this department. The operating decrease is primarily due to a reduction in funding for professional services. This budget continues to provide funding for the printing and mailing of the Hanover Review.

Public Information Officer

GOALS AND OBJECTIVES

- Publish “The Hanover Review” four times annually;
- Develop 3 “News Flashes” weekly on the County's website (www.co.hanover.va.us);
- Provide other informational content and photos to the County’s website;
- Prepare or assist in the preparation of press releases for County departments;
- Develop fact sheets for use by the County Administration and other departments;
- Gather information and provide other assistance to the County Administration; and
- Send out Hanover Access News Bulletins in a timely fashion.

SERVICE LEVELS

	FY09	FY10	FY10	FY11
	<u>Actual</u>	<u>Budget</u>	<u>Forecast</u>	<u>Budget</u>
Per capita cost of operating department	\$1.22	\$1.45	\$1.45	\$1.85
Number of “News Flashes” on County’s website	200	250	200	200
Number of press releases	125	110	125	125
Issues of “The Hanover Review”	3	4	4	4

Purchasing

DESCRIPTION

Purchasing provides central procurement services for County departments and agencies. The Department's primary responsibilities include oversight review and assistance in preparation of specifications, commodity bidding, solicitation and oversight review of professional and non-professional service proposals. In addition, Purchasing is responsible for purchase authorization, construction bidding, disposal of real and

personal property, maintaining the vendor master file and issuance of 1099's, oversight of the County's procurement card program and wireless communications contracts, and general contract review, preparation, and administration. Purchasing obtains high quality goods and efficient, effective services at a reasonable cost within time frames referenced in the Purchasing Manual.

BUDGET SUMMARY

	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY11	FY12 Plan
Expenditures					
Personnel	\$ 533,689	\$ 541,429	\$ 488,325	(9.8%)	\$ 494,393
Operating	25,816	25,896	19,043	(26.5%)	19,233
Total Expenditures	\$ 559,505	\$ 567,325	\$ 507,368	(10.6%)	\$ 513,626
Revenues					
General Fund Revenue	\$ 559,505	\$ 567,325	\$ 507,368	(10.6%)	\$ 513,626
Total Revenue	\$ 559,505	\$ 567,325	\$ 507,368	(10.6%)	\$ 513,626
Full-time Positions	7	7	7	0.0%	7
Full-time Equivalents	7.0	7.0	7.0	0.0%	7.0

BUDGET HIGHLIGHTS

This function serves as administrative agent in procurement of all goods and services above a \$5,000 unit cost as well as all procurement card oversight and disposal of surplus property. In addition, Purchasing provides oversight of general liability, automobile and

related insurance programs. The decrease in operating is primarily due to reduced funding for books and subscriptions, print shop, and educational training. The decrease in personnel is due to one vacant authorized unfunded Officer Manager position.

GOALS AND OBJECTIVES

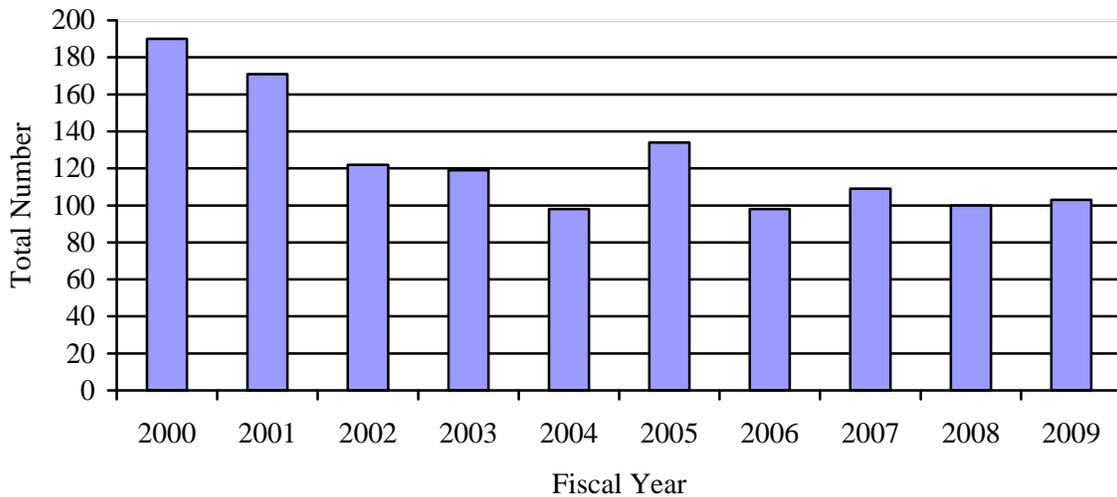
- Hold Training Workshops semi-annually on purchasing policies and procedures;
- Conduct four visits to user departments during the year;
- Identify and establish three new term contracts for services or commodities not previously contracted by the County;
- Complete contracting requirements for Bond Referendum Projects.

Purchasing

SERVICE LEVELS

	FY09 <u>Actual</u>	FY10 <u>Budget</u>	FY10 <u>Forecast</u>	FY11 <u>Budget</u>
Per capita cost of operating department	\$5.64	\$5.63	\$5.63	\$4.89
Purchase orders issued (millions of \$)	\$10.7	\$38.0	\$35.0	\$38.0
Sole source purchases (millions of \$)	\$0.9	\$0.5	\$0.5	\$0.5
Emergency purchases (actual \$)	\$21,440	\$20,000	\$25,000	\$25,000
Bids, proposals, and quotes issued	100	120	125	130
Number of bid related protests sustained	0	0	0	0
% Solicitations issued within guidelines	72%	90%	95%	95%

**County of Hanover, Virginia
Bids, Proposals and Quotes Issued**



Information Technology

DESCRIPTION

The Information Technology Department is a support organization that is vital to the mission of Hanover County Government. The department endeavors to attain the highest levels of technical proficiency, maintain secure available systems, and assure data integrity. Department services are focused on implementing, operating, and maintaining County computer systems, as well as a wide

area network which provides access to the County's central computer systems and various state systems. The County's major systems include email, website, financial management, payroll, tax assessment and billing, computer aided dispatch, public safety records management, utility billing, building permits, plan tracking, and code enforcement.

BUDGET SUMMARY

	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY11	FY12 Plan
Expenditures					
Personnel	\$ 3,042,022	\$ 3,141,658	\$ 2,975,154	(5.3%)	\$ 3,012,121
Operating	344,740	362,505	332,779	(8.2%)	336,107
Total Expenditures	<u>\$ 3,389,947</u>	<u>\$ 3,504,163</u>	<u>\$ 3,307,933</u>	<u>(5.6%)</u>	<u>\$ 3,348,228</u>
Revenues					
General Fund Revenue	\$ 3,389,947	\$ 3,504,163	\$ 3,307,933	(5.6%)	\$ 3,348,228
Total Revenue	<u>\$ 3,389,947</u>	<u>\$ 3,504,163</u>	<u>\$ 3,307,933</u>	<u>(5.6%)</u>	<u>\$ 3,348,228</u>
Full-time Positions	31	31	30	(3.2%)	30
Part-time Positions	2	2	2	0.0%	2
Full-time Equivalents	32.7	32.7	31.7	(3.1%)	31.7

BUDGET HIGHLIGHTS

Information Technology's role in meeting the system and technological needs of departments and related entities is to continue to provide the support and leadership, where applicable, in ensuring a 24/7 fully functioning computer and system environment, with proper security, controls, archives and contingency plans. The FY11

personnel decrease is due to an authorized unfunded IT Systems Engineer vacancy and the elimination of a vacant IT Project Manager position. The operating decrease is primarily due to reductions in funding for professional services, operating supplies, and educational training.

GOALS AND OBJECTIVES

- Attracting, developing and retaining highly competent staff;
- Cultivating an environment where innovation and strategic planning are encouraged;
- Integrating technology through communication, training, and support;
- Implementing innovative technologies to meet Hanover County government goals; and
- Operating secure, robust, and reliable systems.

Information Technology

SERVICE LEVELS

	FY09 <u>Actual</u>	FY10 <u>Budget</u>	FY10 <u>Forecast</u>	FY11 <u>Budget</u>
	\$34.18	\$35.94	\$35.94	\$31.85
Per capita cost of operating department		\$34.79	\$34.79	
Personal computers and network stations	1,213	1,064	1,213	1,213
Network Connections-workstations/printers	1,225	1,233	1,200	1,200
Network Connections-facilities	47	48	49	50
Network Accounts	1,934	1,749	1,934	1,934
Central computers & servers	94	103	85	86
Server Applications and Services Supported	110	110	112	113
County web site hits - monthly average	240,759	220,000	288,453	320,000
County web site visits - monthly average	35,753	57,000	43,000	47,000
Viruses blocked - monthly average	3,595	623	3,700	3,950
Intrusion prevention - monthly average*	76,188	319,950	77,200	79,000
Percent of viruses successfully blocked	100%	100%	100%	100%
Number of data losses due to intrusions	Zero loss	Zero loss	Zero loss	Zero loss

* Information Technology instituted intrusion prevention in FY07, which is an additional layer of protection between the email server and the Internet, thereby reducing greatly the number of viruses blocked.

Geographic Information System

DESCRIPTION

The Geographic Information System is responsible for maintaining, developing, and distributing geographic related data sets and applications. The GIS program supports operation of the Enhanced 911 emergency service response system by providing street name and address information for locating emergency calls. The GIS program also supports the County's HTEs management system by providing base data to support building permits, utility billing, code enforcement, and plan of development applications. GIS Technology is also being used in Utilities (water/sewer data), Public Works (watersheds, Chesapeake Bay program,

flood plain), and Planning (Zoning, Comprehensive Plan). Property record maps have been automated by the GIS Section and are linked to various County databases in an effort to more fully integrate graphic maps and their appurtenant database information. Most GIS data is provided free to the public through two internet mapping web pages. A third internet web page has been development that showcases buildings and sites that are being marketed through the Economic Development Department. The GIS is also used to support school redistricting efforts, sheriff incident location/reporting, and for various planning activities.

BUDGET SUMMARY

	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY11	FY12 Plan
Expenditures					
Personnel	\$ 326,674	\$ 329,283	\$ 331,849	0.8%	\$ 335,972
Operating	365,124	382,223	244,375	(36.1%)	246,819
Capital	-	12,000	-	(100.0%)	-
Total Expenditures	<u>\$ 691,798</u>	<u>\$ 723,506</u>	<u>\$ 576,224</u>	<u>(20.4%)</u>	<u>\$ 582,791</u>
Revenues					
General Fund Revenue	\$ 691,798	\$ 723,506	\$ 576,224	(20.4%)	\$ 582,791
Total Revenue	<u>\$ 691,798</u>	<u>\$ 723,506</u>	<u>\$ 576,224</u>	<u>(20.4%)</u>	<u>\$ 582,791</u>
Generated Revenue Percent	0.0%	0.0%	0.0%		0.0%
General Fund Percent	100.0%	100.0%	100.0%		100.0%
Full-time Positions	4	4	4	0.0%	4
Full-time Equivalents	4.0	4.0	4.0	0.0%	4.0

BUDGET HIGHLIGHTS

GIS has been reorganized into the General Government function with administrative oversight of the department being shifted from Planning to Information Technology. Most of the decline in funding was due to

GIS making substantial updates to data which enabled the deferral of maintenance and updating costs until economic conditions improve.

Geographic Information System

GOALS AND OBJECTIVES

- Maintain address, street centerline, tax parcel, zoning, public utility, planimetric, and related data layers;
- Maintain and enhance GIS internet sites to increase public use;
- Maintain and enhance GIS data access for County staff;
- Maintain and enhance pre-printed GIS map products for County staff and the public; and
- Integrate GIS with other County automated systems.

SERVICE LEVELS

	<u>FY09 Actual</u>	<u>FY10 Budget</u>	<u>FY10 Forecast</u>	<u>FY11 Budget</u>
Per capita cost of operating department	\$6.98	\$7.18	\$7.18	\$5.55
Maintain address database	470	475	450	450
Maintain tax parcel database	1,159	1,200	1,000	1,000
Maintain street centerline database	93	250	100	125
Building Permits Reviewed	316	450	275	300
Public access to GIS data (internet site monthly transactions)	450,000	600,000	500,000	500,000
Public access to GIS data (internet site monthly queries)	50,000	70,000	55,000	55,000

General Services

DESCRIPTION

The General Services Department includes Safety and Risk Management, Mail Room, Print Shop, Motor Pool check-out, and certain Telecommunications related functions, including internal billing for these services. The Mail Room provides departments with internal and U.S. Mail service. The Motor Pool maintains a fleet of vehicles for use by employees on County business if the

employee is not assigned a car on a permanent basis. The Print Shop provides copying related services on a limited basis. Risk Management enhances safety practices for all County employees, assists departments with determining compliance with Federal OSHA requirements, and assists in managing the County insurance program.

BUDGET SUMMARY

	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY11	FY12 Plan
Expenditures					
Personnel	\$ 294,104	\$ 310,868	\$ 170,475	(45.2%)	\$ 172,593
Operating	105,932	124,743	121,001	(3.0%)	122,211
Capital	15,710	-	-	0.0%	-
Total Expenditures	\$ 415,747	\$ 435,611	\$ 291,476	(33.1%)	\$ 294,804
Revenues					
Other Revenue	\$ 68,538	\$ 85,000	\$ 77,000	(9.4%)	\$ 79,000
General Fund Revenue	347,208	350,611	214,476	(38.8%)	215,804
Total Revenue	\$ 415,747	\$ 435,611	\$ 291,476	(33.1%)	\$ 294,804
Generated Revenue Percent	16.5%	19.5%	26.4%		26.8%
General Fund Percent	83.5%	80.5%	73.6%		73.2%
Full-time Positions	6	6	3	(50.0%)	3
Full-time Equivalents	6.0	6.0	3.0	(50.0%)	3.0

BUDGET HIGHLIGHTS

A variety of services are provided through this division, including risk management in ensuring workplace safety guidelines and related training are followed; the phone system which includes the switchboard receptionist; motor pool fleet management; and mail courier for all internal and outgoing

mail. The decrease in personnel is due to the elimination of a vacant Administrative Assistant position and the redeployment of two Customer Service Agents to Human Resources and the Public Information Office. Beginning in FY11, print shop services will be greatly reduced due to adjustments in staffing.

General Services

GOALS AND OBJECTIVES

- Prepare monthly interdepartmental billing statements for insurance, telephone (including wireless), postage, and motor pool costs;
- Improve safety and reduce losses by providing safety training, and increasing safety awareness through the use of departmental safety teams; and
- Serve as customer service and County liaison for cable TV issues.

SERVICE LEVELS

	FY09	FY10	FY10	FY11
	<u>Actual</u>	<u>Budget</u>	<u>Forecast</u>	<u>Budget</u>
Per capita cost of operating department	\$4.19	\$4.32	\$4.32	\$2.81
Average cost of 1 copy - General Services copiers	\$0.035	\$0.035	\$0.035	\$0.03
Percent of print jobs completed by date requested	100.0%	100.0%	100.0%	98.0%
Number of safety audits performed	32	32	32	32

Registrar

DESCRIPTION

The Registrar's Office is under the Electoral Board and implements the election laws of the Commonwealth of Virginia. The Electoral Board is a three member Board appointed by the Circuit Court to administer the election laws and other regulations promulgated by the State Board of Elections. The Electoral Board also appoints the General Registrar, over 200 election officials and voting machine custodians. Primary functions of the Registrar are to accept statewide voter registration

applications and to maintain records of such residents pursuant to State Law. The Electoral Board accepts Candidate Contributions Reports from candidates who run for positions within the County. These reports are maintained for public inspection along with other election records from previous elections. The Electoral Board also supervises the elections to verify compliance with the law and verifies the results to the State Board of Elections.

BUDGET SUMMARY

	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY11	FY12 Plan
Expenditures					
Personnel	\$ 188,591	\$ 176,626	\$ 178,132	0.9%	\$ 180,345
Operating	156,992	175,386	171,520	(2.2%)	173,235
Capital	13,035	-	-	0.0%	-
Total Expenditures	\$ 358,619	\$ 352,012	\$ 349,652	(0.7%)	\$ 353,580
Revenues					
Intergovernmental Revenue	\$ 60,084	\$ 60,000	\$ 48,667	(18.9%)	\$ 50,000
General Fund Revenue	298,535	292,012	300,985	3.1%	303,580
Total Revenue	\$ 358,619	\$ 352,012	\$ 349,652	(0.7%)	\$ 353,580
Generated Revenue Percent	16.8%	17.0%	13.9%		14.1%
General Fund Percent	83.2%	83.0%	86.1%		85.9%
Full-time Positions	3	3	3	0.0%	3
Part-time Positions	3	3	3	0.0%	3
Full-time Equivalents	3.2	3.2	3.2	0.0%	3.2

BUDGET HIGHLIGHTS

The decrease in operating is primarily due to reduced funding for repair and maintenance, small capital outlay, and fees and miscellaneous charges. The FY11 budget includes funding for the replacement of a

portion of the batteries and basic input output systems (BIOS) used for the Electronic Poll Books now required by the State Board of Elections.

Registrar

GOALS AND OBJECTIVES

- Continue to enter 100% of transactions on the State's computer system within seven days;
- Prepare for the 2010 decennial election census;
- Continue to monitor refinements in the Virginia Election and Registration Information System (VERIS);
- Adjust staffing to compensate for increased workload.

SERVICE LEVELS

	FY09	FY10	FY10	FY11
	<u>Actual</u>	<u>Budget</u>	<u>Forecast</u>	<u>Budget</u>
Per capita cost of operating department	\$3.62	\$3.49	\$3.49	\$3.37
Registered Voters:				
Number of registered voters	67,322	72,000	68,449	69,300
Voting age population	81,000	82,300	82,300	83,000
Percent of population	81.0%	72.0%	68.7%	69.5%
Percent of eligible voters	83.0%	87.8%	83.2%	83.5%
Voter Turnout:				
Number of voters	56,485	48,000	35,000	27,750
Percent of registered voters	83.3%	60.0%	51.1%	40.0%
Percent of eligible voters	56.7%	54.6%	45.9%	33.4%

JUDICIAL ADMINISTRATION

	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY11	FY12 Plan
Circuit Court	\$ 123,133	\$ 101,518	\$ 92,889	(8.5%)	\$ 93,943
General District Court	109,418	102,320	112,303	9.8%	113,426
Magistrates	3,141	3,199	2,991	(6.5%)	3,021
Juvenile and Domestic Relation	19,482	26,275	22,367	(14.9%)	22,591
Clerk of Circuit Court	1,474,876	1,400,107	1,323,494	(5.5%)	1,339,509
Court Services	1,346,112	1,372,380	1,329,221	(3.1%)	1,345,483
Commonwealth's Attorney	1,618,232	1,585,532	1,580,066	(0.3%)	1,599,520
Total Expenditures	\$ 4,694,395	\$ 4,591,331	\$ 4,463,331	(2.8%)	\$ 4,517,493
Personnel	\$ 3,891,390	\$ 3,918,870	\$ 3,929,119	0.3%	\$ 3,977,938
Operating	683,235	603,461	534,212	(11.5%)	539,555
Capital	119,769	69,000	-	(100.0%)	-
Total Expenditures	\$ 4,694,395	\$ 4,591,331	\$ 4,463,331	(2.8%)	\$ 4,517,493
Revenues					
Intergovernmental Revenue	\$ 1,727,809	\$ 1,583,500	\$ 1,410,900	(10.9%)	\$ 1,437,000
Other Revenue	589,139	461,588	478,887	3.7%	493,788
General Fund Revenue	2,377,447	2,546,243	2,573,544	1.1%	2,586,705
Total Revenue	\$ 4,694,395	\$ 4,591,331	\$ 4,463,331	(2.8%)	\$ 4,517,493
Generated Revenue Percent	49.4%	44.5%	42.3%		42.7%
General Fund Percent	50.6%	55.5%	57.7%		57.3%
Full-time Positions	56	56	56	0.0%	56
Part-time Positions	14	16	16	0.0%	16
Full-time Equivalents	59.0	59.0	59.0	0.0%	59.0

Courts

DESCRIPTION

The Courts system is made up of the Circuit Court, General District Court, Magistrate, and Juvenile and Domestic Relations Court. The Circuit Court of Hanover is a trial court of general jurisdiction which has authority to try both civil and criminal cases. The Supreme Court of Virginia establishes the rules of practice and procedures for the Circuit Court. The Circuit Court Judge is appointed to an eight year term by the General Assembly. The Circuit Court has appellate jurisdiction over all appeals from the General District Court and Juvenile and Domestic Relations Court. These cases are heard from the beginning as though there had been no prior trial. A final judgment of the Circuit Court may be appealed to the Virginia Court of Appeals or the Supreme Court of Virginia, depending on the nature of the case.

One of the principal functions of the Magistrate is to provide an independent review of complaints from Sheriff's Deputies and citizens of the County. These complaints form the basis for determining whether a

warrant of arrest should be issued. In addition, the Magistrate conducts bail bond hearings, commits offenders to jail, and releases prisoners from jail.

The Circuit Court appoints the following: jury commissioners, grand jurors, special policemen, Board of Zoning Appeals, Electoral Board, Courthouse Committee, Commissioner of Chancery, Marriage Commissioners, and others as provided by the Code of Virginia.

The Circuit Court is responsible for the law library. The law library (at the request of the Hanover Bar) contains legal information which may be of interest to local lawyers.

The Courts receive direct funding from the Commonwealth, in addition to funds appropriated by the County. Revenues recorded in the General Fund from the Courts represent fines, forfeitures, and excess fees from the Circuit Court.

Budget Summary

Circuit Court

	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY11	FY12 Plan
Expenditures					
Personnel	\$ 50,301	\$ 50,775	\$ 51,519	1.5%	\$ 52,159
Operating	72,832	50,743	41,370	(18.5%)	41,784
Total Expenditures	<u>\$ 123,133</u>	<u>\$ 101,518</u>	<u>\$ 92,889</u>	<u>(8.5%)</u>	<u>\$ 93,943</u>
Revenues					
General Fund Revenue	\$ 123,133	\$ 101,518	\$ 92,889	(8.5%)	\$ 93,943
Total Revenue	<u>\$ 123,133</u>	<u>\$ 101,518</u>	<u>\$ 92,889</u>	<u>(8.5%)</u>	<u>\$ 93,943</u>
Full-time Positions	2	1	1	0.0%	1
Full-time Equivalent	2.0	1.0	1.0	0.0%	1.0

Courts

General District Court

	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY11	FY12 Plan
Expenditures					
Operating	\$ 109,418	\$ 102,320	\$ 112,303	9.8%	\$ 113,426
Total Expenditures	\$ 109,418	\$ 102,320	\$ 112,303	9.8%	\$ 113,426
Revenues					
Other Revenue	\$ 9,738	\$ 13,300	\$ 14,099	6.0%	\$ 15,000
General Fund Revenue	99,680	89,020	98,204	10.3%	98,426
Total Revenue	\$ 109,418	\$ 102,320	\$ 112,303	9.8%	\$ 113,426

Magistrates

	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY11	FY12 Plan
Expenditures					
Operating	\$ 3,141	\$ 3,199	\$ 2,991	(6.5%)	\$ 3,021
Total Expenditures	\$ 3,141	\$ 3,199	\$ 2,991	(6.5%)	\$ 3,021
Revenues					
General Fund Revenue	\$ 3,141	\$ 3,199	\$ 2,991	(6.5%)	\$ 3,021
Total Revenue	\$ 3,141	\$ 3,199	\$ 2,991	(6.5%)	\$ 3,021

Juvenile & Domestic Relations Court

	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY11	FY12 Plan
Expenditures					
Operating	\$ 17,950	\$ 26,275	\$ 22,367	(14.9%)	\$ 22,591
Capital	1,532	-	-	0.0%	-
Total Expenditures	\$ 19,482	\$ 26,275	\$ 22,367	(14.9%)	\$ 22,591
Revenues					
General Fund Revenue	\$ 19,482	\$ 26,275	\$ 22,367	(14.9%)	\$ 22,591
Total Revenue	\$ 19,482	\$ 26,275	\$ 22,367	(14.9%)	\$ 22,591

Courts

BUDGET HIGHLIGHTS

The following divisions of judicial administration (totaling \$231,000 in funding) represent the County's contributions to these State-related functions, with expenditures primarily representing operating expenditures and two full-time positions.

Circuit Court – Decreases can be attributed to operational adjustments, implemented as cost savings measures through collaboration between the Judge and County.

General District Court – The growth in operating is largely due to the increases the

court is experiencing with fees associated with court appointed attorneys.

Juvenile and Domestic Relations Court – Decreases can be attributed to operational adjustments, implemented as cost savings measures through collaboration between the Judge and County.

Magistrates – Funding has been shifted within the budget to allow for needs to be met in small capital and office supplies.

GOALS AND OBJECTIVES

- Maintain file of drug offenders with suspended licenses;
- Maintain collections percentage at 75%;
- Set up receivables for cases within 24 hours; and
- Send out payment request notices within two days of court.

SERVICE LEVELS

	FY09 <u>Actual</u>	FY10 <u>Budget</u>	FY10 <u>Forecast</u>	FY11 <u>Budget</u>
Per capita cost of operating Courts	\$2.57	\$2.32	\$2.32	\$2.22

Clerk of the Circuit Court

DESCRIPTION

The Circuit Court Clerk's Office was created by the Virginia constitution and is headed by an elected Circuit Court Clerk. Its four primary responsibilities are maintenance of public records pertaining to real estate, probate, the court system, and collection of fines, costs, taxes, and fees. The Clerk's Office also performs many other duties such as administering oaths to law enforcement and government officials, qualifying ministers to perform weddings, storing election records, jury coordination, and issuing marriage licenses and concealed handgun permits.

Maintenance of public records: The Clerk's Office is a repository for copies of documents pertaining to real estate such as deeds, plats, and deeds of trust. The Clerk's Office also maintains judgments, financing statements, wills, and court orders. These records are indexed and are available to the public for examination.

Probate: The Clerk's Office has the responsibility for admitting wills to probate, qualifying executors and administrators, and maintaining copies of fiduciary accounting records.

Court system: The Clerk's Office maintains the official court records for civil and criminal cases and the Court's dockets. It issues subpoenas and summons and prepares records for cases that are appealed to appellate courts. Deputy clerks staff courtrooms while court is in session and draft over 1,500 criminal court orders annually.

Collection of fees, court costs, fines, and taxes: The Clerk's Office collects several million dollars annually that are transferred to state and local governments. It also collects clerk's fees on most transactions.

BUDGET SUMMARY

	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY11	FY12 Plan
Expenditures					
Personnel	\$ 1,163,793	\$ 1,175,230	\$ 1,146,404	(2.5%)	\$ 1,160,648
Operating	305,890	224,877	177,090	(21.3%)	178,861
Capital	5,193	-	-	0.0%	-
Total Expenditures	\$ 1,474,876	\$ 1,400,107	\$ 1,323,494	(5.5%)	\$ 1,339,509
Revenues					
Intergovernmental Revenue	\$ 662,028	\$ 620,500	\$ 547,000	(11.8%)	\$ 557,000
Other Revenue	330,521	192,288	214,788	11.7%	220,788
General Fund Revenue	482,327	587,319	561,706	(4.4%)	561,721
Total Revenue	\$ 1,474,876	\$ 1,400,107	\$ 1,323,494	(5.5%)	\$ 1,339,509
Generated Revenue Percent	67.3%	58.1%	57.6%		58.1%
General Fund Percent	32.7%	41.9%	42.4%		41.9%
Full-time Positions	17	18	18	0.0%	18
Part-time Positions	8	8	8	0.0%	8
Full-time Equivalents	17.5	18.5	18.5	0.0%	18.5

Clerk of the Circuit Court

Note: While the functions and services provided by the Circuit Court Clerk's Office generate more revenue than reported, only Excess Fee revenue and those revenues provided by the State to help fund the operations of the Office are reflected.

BUDGET HIGHLIGHTS

The Clerk of the Circuit Court's Office performs a variety of support functions for the Circuit Court and legal recordations (e.g., property, wills). The Clerk's Office has funding from the State Technology Trust Fund that is held on behalf of Hanover County. As part of the State budget cuts, approximately

\$34,000 is no longer available to support the Clerk's technological advancements. The Clerk's Office has one vacant Deputy Clerk position that is unfunded for the FY11 budget cycle. This budget does include a portion of the maintenance requirement to implement a case imaging system.

GOALS AND OBJECTIVES

- Continue work on digital imaging system by implementing a system of long term support and maintenance;
- Continue process of verifying and correcting backfiled converted data in the digital imaging system; and
- Secure sufficient staff to fully process historically neglected tasks such as evidence destruction.

SERVICE LEVELS

	FY09 <u>Actual</u>	FY10 <u>Budget</u>	FY10 <u>Forecast</u>	FY11 <u>Budget</u>
Per capita cost of operating department	\$14.87	\$13.90	\$13.90	\$12.74
Land records recorded	19,262	28,000	19,555	21,000
Wills probated/Administrators appointed	334	360	338	340
Marriage Licenses issued	527	600	558	550
Notary public appointments processed	406	450	450	450
Judgments docketed	3,388	3,330	3,420	3,400
Criminal cases	2,095	2,150	2,150	2,150
Civil cases filed	1,031	1,200	1,200	1,200
Concealed weapon permits issued	1,266	430	780	700

Court Services

DESCRIPTION

The Court Services Division of the Sheriff's Office is responsible for the security of the judiciary in Hanover County, its officers, visitors, and prisoners. This includes the General District Court, the Juvenile and Domestic Relations Court, and the Circuit Court. The Court Services Division provides court security for multiple courtrooms each day of the week. Court Services helps insure security and maintains order of courtrooms prior to and during all court sessions as well as responding to and executing orders of the

Judges. In addition, the Court Services Division performs the "paper process" services of the Courts and Sheriff's Office. This includes delivery of all warrants, DMV notices, subpoenas/ summons, jury notices, bills of complaint, detinue actions, levies and other notices. The final major component of this Division is the safe and efficient transportation of prisoners between the courts and other destinations, including the transportation of those persons remanded by the court for mental health evaluation.

BUDGET SUMMARY

	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY11	FY12 Plan
Expenditures					
Personnel	\$ 1,189,711	\$ 1,192,554	\$ 1,224,462	2.7%	\$ 1,239,676
Operating	90,524	110,826	104,759	(5.5%)	105,807
Capital	65,876	69,000	-	(100.0%)	-
Total Expenditures	\$ 1,346,112	\$ 1,372,380	\$ 1,329,221	(3.1%)	\$ 1,345,483
Revenues					
Other Revenue	\$ 245,057	\$ 256,000	\$ 250,000	(2.3%)	\$ 258,000
General Fund Revenue	1,101,055	1,116,380	1,079,221	(3.3%)	1,087,483
Total Revenue	\$ 1,346,112	\$ 1,372,380	\$ 1,329,221	(3.1%)	\$ 1,345,483
Generated Revenue Percent	18.2%	18.7%	18.8%		19.2%
General Fund Percent	81.8%	81.3%	81.2%		80.8%
Full-time Positions	19	19	19	0.0%	19
Part-time Positions	2	4	4	0.0%	4
Full-time Equivalents	20.0	20.0	20.0	0.0%	20.0

BUDGET HIGHLIGHTS

Decreases can be attributed to operational adjustments, implemented as cost savings measures. The budget also included the

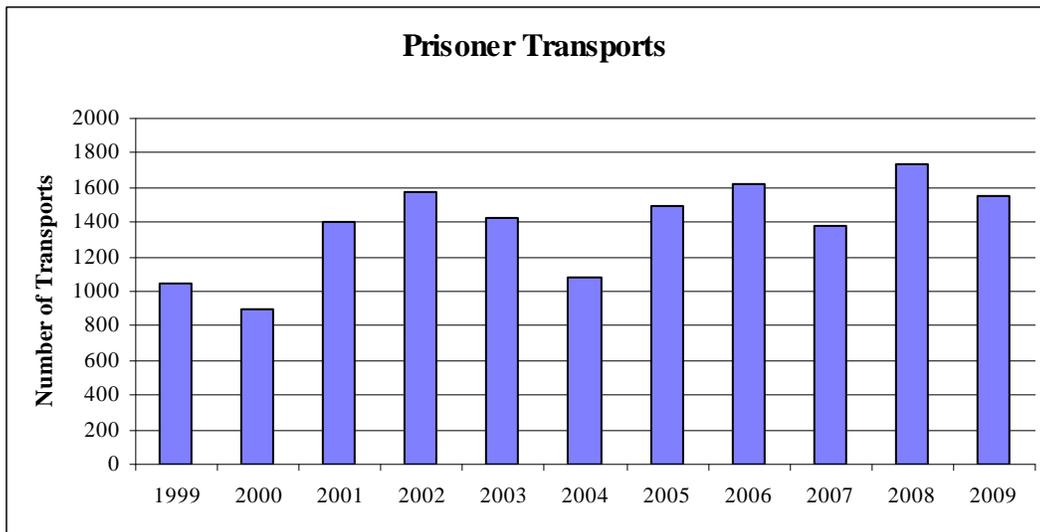
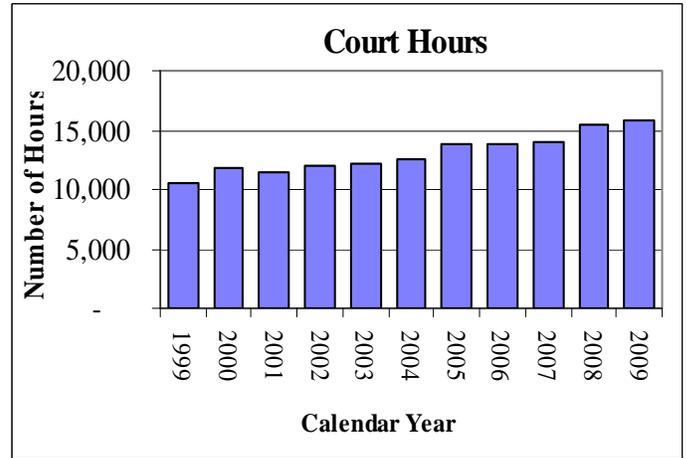
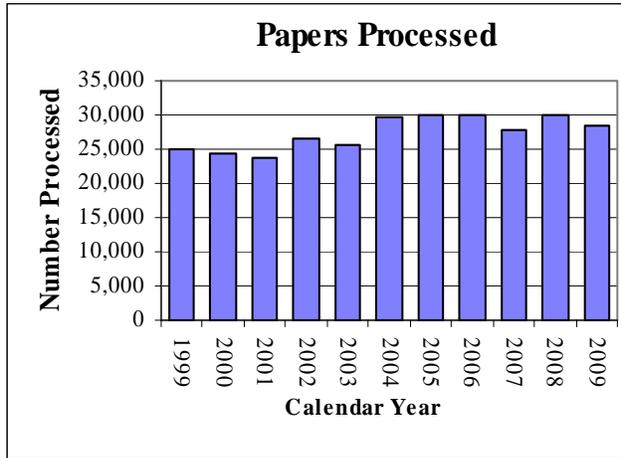
delayed replacement of three court bailiff vehicles.

Court Services

SERVICE LEVELS

	FY09 <u>Actual</u>	FY10 <u>Budget</u>	FY10 <u>Forecast</u>	FY11 <u>Budget</u>
Per capita cost of operating department	\$13.57	\$13.63	\$13.63	\$12.80

Each General District Court case utilizes three deputies, each Juvenile and Domestic Court case utilizes two deputies, and each Circuit Court case uses four deputies.



GOALS AND OBJECTIVES

- Maintain a safe and secure environment in the County's Courts;
- Facilitate the expeditious service of civil papers; and
- Conduct secure prisoner transports to and from Court appearances

Commonwealth's Attorney

DESCRIPTION

The Commonwealth's Attorney is an elected Constitutional Officer serving a four-year term of office. This Office is responsible for providing Hanover County and the Commonwealth of Virginia with legal representation in the prosecution of criminal and traffic violations in the Circuit, General District, and Juvenile and Domestic Relations

Courts. The Commonwealth's Attorney is also charged with prosecuting asset forfeiture matters, and collecting delinquent fines and court costs. Legal advice is provided to all local and state law-enforcement agencies and their officers investigating matters in Hanover County.

BUDGET SUMMARY

	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY11	FY12 Plan
Expenditures					
Personnel	\$ 1,487,585	\$ 1,500,311	\$ 1,506,734	0.4%	\$ 1,525,455
Operating	83,481	85,221	\$ 73,332	(14.0%)	74,065
Total Expenditures	\$ 1,618,232	\$ 1,585,532	\$ 1,580,066	(0.3%)	\$ 1,599,520
Revenues					
Intergovernmental Revenue	\$ 1,065,781	\$ 963,000	\$ 863,900	(10.3%)	\$ 880,000
Other Revenue	3,823	-	-	0.0%	-
General Fund Revenue	548,628	622,532	716,166	15.0%	719,520
Total Revenue	\$ 1,618,232	\$ 1,585,532	\$ 1,580,066	(0.3%)	\$ 1,599,520
Generated Revenue Percent	66.1%	60.7%	54.7%		55.0%
General Fund Percent	33.9%	39.3%	45.3%		45.0%
Full-time Positions	18	18	18	0.0%	18
Part-time Positions	4	4	4	0.0%	4
Full-time Equivalents	19.5	19.5	19.5	0.0%	19.5

BUDGET HIGHLIGHTS

The services of the Commonwealth's Attorney are needed almost in direct proportion to law enforcement personnel deployed arresting and/or charging people with crimes, traffic violations, and referral needs for legal counsel. The local funding

increase is primarily the result of a decrease in State Compensation Board funding causing a greater portion of a vacant Assistant Commonwealth's Attorney position to fall under local responsibility.

Commonwealth's Attorney

GOALS AND OBJECTIVES

- Augment successfully prosecution of all matters in courts through the increased use of technology;
- Seek appropriate punishment to deter criminal activity;
- Aggressively prosecute crimes victimizing children, including internet predators and cases involving sexual assault;
- Provide extensive training and advice to local law-enforcement departments, including annual legal legislative updates, academy instruction, and in-service training;
- Participate with County departments, schools, citizens groups and other organizations to conduct education on issues related to public safety and courts;
- Supervise and monitor the aggressive collection of delinquent fines and court costs for all courts;
- Maximize funding, technology, and programs designed to increase professionalism, job performance, and efficiency;
- Continue the office's ability to respond quickly to law enforcement, while maintaining our current ratio of attorneys to law enforcement at 1:37; and
- Continue newly achieved cooperation between office and law enforcement agencies.

SERVICE LEVELS

	FY09 <u>Actual</u>	FY10 <u>Budget</u>	FY10 <u>Forecast</u>	FY11 <u>Budget</u>
Per capita cost of operating department	\$16.32	\$15.74	\$15.74	\$15.22
Population served per attorney	13,250	13,500	13,500	12,500
Law enforcement served per attorney	35	37	37	37

PUBLIC SAFETY

	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY11	FY12 Plan
Sheriff	\$ 19,570,155	\$ 19,440,289	\$ 19,101,924	(1.7%)	\$ 18,496,565
Emergency Communications	3,398,297	3,742,434	3,862,980	3.2%	3,909,463
Fire/EMS	14,445,523	14,308,585	13,824,517	(3.4%)	13,699,181
Pamunkey Regional Jail	3,705,222	4,457,455	4,750,176	6.6%	4,940,183
Juvenile Court Services	663,142	650,702	686,213	5.5%	693,693
Community Corrections	381,742	386,763	447,744	15.8%	453,198
Building Inspections	1,562,057	1,633,482	1,392,613	(14.7%)	1,409,645
Animal Control	1,034,743	1,061,621	1,017,920	(4.1%)	977,502
Total Expenditures	\$ 44,760,882	\$ 45,681,331	\$ 45,084,087	(1.3%)	\$ 44,579,430
Personnel	\$ 31,407,408	\$ 32,399,217	\$ 31,843,336	(1.7%)	\$ 32,238,994
Operating	11,827,077	12,176,067	12,314,188	1.1%	12,340,436
Capital	1,526,397	1,106,047	926,563	(16.2%)	-
Total Expenditures	\$ 44,760,882	\$ 45,681,331	\$ 45,084,087	(1.3%)	\$ 44,579,430
Revenues					
Intergovernmental Revenue	\$ 5,002,629	\$ 4,956,000	\$ 4,625,646	(6.7%)	\$ 4,590,000
Other Revenue	3,184,693	3,051,152	3,491,917	14.4%	3,598,952
General Fund Revenue	36,573,560	37,674,179	36,966,524	(1.9%)	36,390,478
Total Revenue	\$ 44,760,882	\$ 45,681,331	\$ 45,084,087	(1.3%)	\$ 44,579,430
Generated Revenue Percent	18.3%	17.5%	18.0%		18.4%
General Fund Percent	81.7%	82.5%	82.0%		81.6%
Full-time Positions	461	462	458	(0.9%)	458
Part-time Positions	48	49	46	(6.2%)	46
Full-time Equivalents	472.4	473.9	468.3	(1.2%)	468.3

Sheriff

DESCRIPTION

Law enforcement in the County is provided by the Sheriff's Office. The Sheriff is an elected Constitutional Officer serving a four-year term of office. This Office is divided into three sections: Administrative Support Operations, Investigative Operations, and Uniform Patrol Operations. Each unit is responsible for various areas of law enforcement. The Sheriff provides preventive patrol through community policing, responds to calls for service, arrests suspected offenders, promotes traffic safety, combats drug related activities, and conducts

criminal investigations. Under each unit there are many specialized teams that provide service to the County, including the Accident Investigation Team, Canine Unit, High Risk Entry Team, Hostage Negotiation Team, Search and Rescue, and Underwater Forensic Team. The Sheriff is also responsible for courthouse security and the processing of civil court papers. The budget for these responsibilities is reflected under the Court Services section.

BUDGET SUMMARY

	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY11	FY12 Plan
Expenditures					
Personnel	\$ 15,545,874	\$ 16,038,381	\$ 15,714,191	(2.0%)	\$ 15,909,442
Operating	2,695,480	2,550,908	2,561,508	0.4%	2,587,123
Capital	1,328,801	851,000	826,225	(2.9%)	-
Total Expenditures	\$ 19,570,155	\$ 19,440,289	\$ 19,101,924	(1.7%)	\$ 18,496,565
Revenues					
Intergovernmental Revenue	\$ 3,532,017	\$ 3,524,000	\$ 3,198,000	(9.3%)	\$ 3,446,000
Other Revenue	44,807	56,452	44,652	(20.9%)	44,652
General Fund Revenue	15,993,331	15,859,837	15,859,272	(0.0%)	15,005,913
Total Revenue	\$ 19,570,155	\$ 19,440,289	\$ 19,101,924	(1.7%)	\$ 18,496,565
Generated Revenue Percent	18.3%	18.4%	17.0%		18.9%
General Fund Percent	81.7%	81.6%	83.0%		81.1%
Full-time Positions	220	220	220	0.0%	220
Part-time Positions	2	3	3	0.0%	3
Full-time Equivalents	221.0	221.5	221.5	0.0%	221.5

BUDGET HIGHLIGHTS

The FY11 budget removes the funding for seven vacant Sheriff's Deputy positions. This budget does include 27 replacement vehicles at a cost of \$660,000 as these vehicles have generally met their 110,000-mile useful life. There are also

funds allocated to replace 20 Mobile Data Terminals, at a cost of \$160,000, most of which are reaching the end of their extended warranty period and useful life.

Sheriff

The Sheriff's Office budget will now include \$102,000 for building utilities and custodial costs which will be transferred from Facilities Management as part of the FY11 budget process.

GOALS AND OBJECTIVES

- The Hanover County Sheriff's Office seeks to have a Safe Community through the delivery of high quality services;
- The Hanover County Sheriff's Office seeks to hire and retain skilled professionals dedicated to the Community;
- The Hanover County Sheriff's Office strives to maintain efficient internal operations; and
- The Hanover County Sheriff's Office will be fiscally responsible with tax payer money.

SERVICE LEVELS

	CY09 <u>Actual</u>	CY10 <u>Budget</u>	CY10 <u>Forecast</u>	CY11 <u>Budget</u>
Per capita cost of operating department (fiscal yr)	\$197.33	\$193.01	\$193.01	\$183.94
Total incidents	59,951	45,985	66,845	50,483
Cases per investigator	79.9	82.3	82.2	84.6
Average response time Priority 1 calls (minutes)	8.28	8.8	8.25	8.21
Number of authorized sworn officers per 10,000 people	19.5	19.7	19.3	19.1

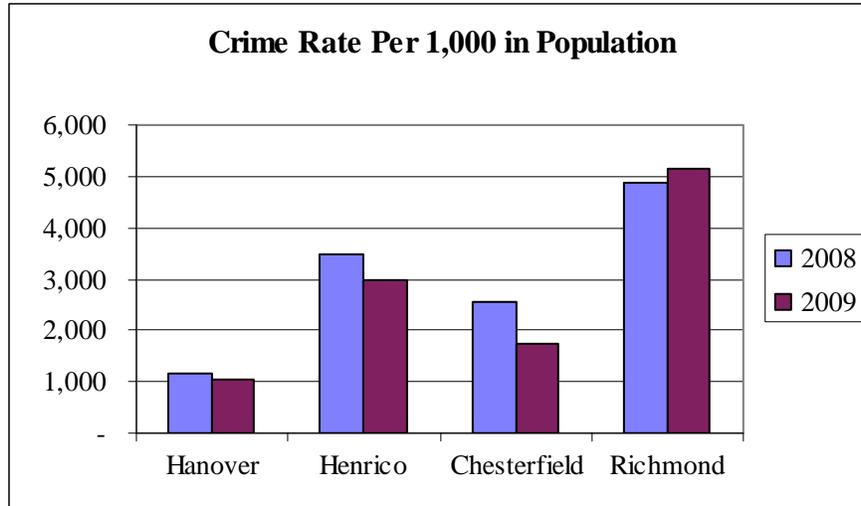
The following table reflects reported crimes and clearances by calendar year:

	2006		2007 ¹		2008 ²		2009	
	Crimes	Clearance	Crimes	Clearance	Crimes	Clearance	Crimes	Clearance
Murder	3	3	0	2	1	1	0	0
Rape	7	5	6	6	10	9	6	6
Robbery	20	10	22	8	9	11	9	5
Aggr. Assault	32	25	24	18	18	17	25	22
Burglary	87	82	109	52	114	67	110	57
Larceny	896	388	907	386	991	453	876	466
Auto Theft	41	15	39	15	48	16	57	16
Arson	5	5	7	5	7	6	4	4
TOTAL	1,091	533	1,114	492	1,198	580	1,087	576

¹ The murders cleared in 2007 were based on incidents that occurred in 2003 & 2006

² 3 of the 11 robberies cleared in 2008 were incidents that occurred in 2007

Sheriff



Emergency Communications

DESCRIPTION

The Emergency Communications Department serves as the 911 answering point and emergency dispatch center for Hanover County and the Town of Ashland. These services, as well as many other support activities, are provided to citizens and the various public safety and public service agencies and departments on 24/7 basis. The Department is able to provide these services

with well trained professional Communications Officers and the use of modern technology, such as a ten channel 800 Mhz trunked radio system, enhanced wireline and wireless 911 systems, a state of the art computer aided dispatch system, CAD mapping, digital recording systems, and other vital communications equipment.

BUDGET SUMMARY

	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY11	FY12 Plan
Expenditures					
Personnel	\$ 2,993,932	\$ 3,107,922	\$ 3,238,110	4.2%	\$ 3,278,344
Operating	397,605	538,615	624,870	16.0%	631,119
Capital	6,760	95,897	-	(100.0%)	-
Total Expenditures	\$ 3,398,297	\$ 3,742,434	\$ 3,862,980	3.2%	\$ 3,909,463
Revenues					
Intergovernmental Revenue	\$ 347,876	\$ 408,000	\$ 318,000	(22.1%)	\$ 334,000
Other Revenue	41,700	45,000	225,165	400.4%	231,000
General Fund Revenue	3,008,721	3,289,434	3,319,815	0.9%	3,344,463
Total Revenue	\$ 3,398,297	\$ 3,742,434	\$ 3,862,980	3.2%	\$ 3,909,463
Generated Revenue Percent	11.5%	12.1%	14.1%		14.5%
General Fund Percent	88.5%	87.9%	85.9%		85.5%
Full-time Positions	49	49	47	(4.1%)	47
Part-time Positions	26	26	26	0.0%	26
Full-time Equivalents	51.4	51.4	49.4	(3.9%)	49.4

BUDGET HIGHLIGHTS

As part of the implementation of a new radio system, the Radio Shop is integrated into Emergency Communications from Fleet Services. This addition accounts for the increase in Communication's budget, as \$250,000 of additional expenditures were added to this department. The decrease in local funding can also be attributed to the

Radio Shop; as the repairs completed by the technicians generate revenue to mitigate operating costs. Emergency Communications has two vacant Communications Officer that are unfunded but still authorized in the FY11 budget proposal, and one vacant Communications Officer and one vacant Radio Technician position that are eliminated.

Emergency Communications

GOALS AND OBJECTIVES

- Answer 99% of all incoming 911 calls in 10 seconds or less (2 rings or less);
- Dispatch 90% of all Fire, EMS, Animal Control and Law enforcement priority 1 calls in 60 seconds or less from call entry;
- Maintain a 90% employee retention rate and maintain a core group of well-trained, experienced communications officers, supervisors, managers and administrators;
- Maintain a 90% customer satisfaction rate by ensuring the department provides its required services to the citizens and the user agencies in a timely, efficient, effective and professional manner;
- Assure the Hanover County Security Alarm Ordinance is administered in a proper and efficient manner;
- Maintain a 90% accuracy rate when handling emergency medical dispatch related calls;
- Ensure that all vital and critical systems and equipment remain up and operational 95% of the time to assure the emergency communications, law enforcement and public safety personnel have the tools and equipment readily available to them 24/7 to allow them to perform their duties in an efficient, timely and professional manner;
- Assure the department continues to research, evaluate, and pursue equipment, technology, facilities, services and systems that will enhance the emergency communications operation and provide the emergency communications officers and field personnel the tools and technology they need to perform their duties in a safe, efficient and timely manner; and
- Continue to increase the skills, knowledge and service levels of our Communications Officers, Supervisors and Administrative staff.

SERVICE LEVELS

	FY09 <u>Actual</u>	FY10 <u>Budget</u>	FY10 <u>Forecast</u>	FY11 <u>Budget</u>
Per capita cost of operating department	\$34.27	\$37.16	\$37.16	\$37.20
Number of Non-911 telephone calls received	157,290	157,435	159,500	159,500
Number of Wireless 911 calls received	26,310	27,820	22,400	22,400
Number of Wire Line 911 calls received	21,975	20,407	80,500	80,500
Number of Public Safety Incidents received	79,584	74,358	70,144	70,144
Number of dispatch consoles	5	5	8	8
Number of call taker consoles	5	5	4	4

Fire/EMS

DESCRIPTION

The Department provides fire and emergency medical services to the citizens of Hanover County, utilizing a combination system of both paid and volunteer staff. Hanover County currently utilizes the support of approximately 400 volunteer personnel. Fire responsibilities include fire suppression, code inspections, investigations, hazardous materials coordination and response and training. Emergency Medical Services (EMS) responsibilities focus on providing the highest level of care and expertise in managing basic and advanced life support levels to critically ill or injured patients.

Services are provided out of twelve combination fire companies: Ashland (Company 1), Beaverdam (2), Black Creek (12), Chickahominy (10), Doswell (4), East Hanover (3), Farrington (11), Hanover Courthouse (5), Henry (6), Mechanicsville (7), Montpelier (8), and Rockville (9); and four volunteer rescue squads: Ashcake, Ashland, Eastern Hanover, and Western Hanover and four combination rescue squads: Ashcake (13), Ashland (16), Eastern Hanover (14), and Western Hanover (15).

Staff is also responsible for the maintenance of buildings and equipment that is designated to Hanover County Fire-EMS. In addition to responding to calls for service staff performs daily maintenance on apparatus, and all household duties including building maintenance and cleaning. The up keep of the each station's grounds and landscaping is also performed by company staff. Training is conducted on a daily basis to include pre-planning emergency response strategies of businesses, and residential neighborhoods in response districts. During the pre-planning process fire personnel map out a buildings layout to

include stairwells and exits. The probable location of any special needs person is identified as well as the location of any fire extinguishers and electric panel boxes. Gathering this information allows for the emergency response personnel to most effectively and efficiently respond to an emergency situation if one is to arise at that particular location.

Hanover County Fire-EMS provides a regional academy for career staff and volunteer members that includes over 300 hours of basic training to become an entry level Fire-EMS provider. The department also offers dual enrollment college courses in conjunction with J. Sergeant Reynolds Community College for EMT-Paramedic, EMT-Basic, Firefighter Level 1, and Firefighter Level 2 towards an associate and bachelor degrees. The dual enrollment program also includes Firefighter 1, Firefighter 2, EMT-Basic in Hanover County high schools during the school year. Departmental staff also coordinates all the career and volunteer in-service training to maintain updates and certification levels in all service areas.

Hanover County Fire-EMS uses schools and other community functions as an outlet to promote fire prevention and preparedness. All Fire and Rescue companies participate in prevention programs. Firefighters also participate in a Book Buddy program with Hanover County schools where they serve as mentors to students in the county.

In preparation for large scale disasters, the department continues to review policies and procedures to ensure adequate response capability to mitigate any size event. The staff participates in numerous regional exercises, and a regional grant program to

Fire/EMS

prepare Hanover County and the Richmond area any type of natural disaster or terrorist event. The Staff is working with a local partners and businesses to increase our response capabilities' without putting a financial strain on the County. The

department also participated in a full scale operational readiness exercise with the North Anna nuclear power station under the direction of the Nuclear Regulatory Commission and received an "Exceptional" rating with no deficiencies noted.

BUDGET SUMMARY

	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY11	FY12 Plan
Expenditures					
Personnel	\$ 10,127,983	\$ 10,393,797	\$ 10,219,468	(1.7%)	\$ 10,346,446
Operating	4,160,040	3,813,788	3,556,569	(6.7%)	3,352,735
Capital	157,500	101,000	48,480	(52.0%)	-
Total Expenditures	\$ 14,445,523	\$ 14,308,585	\$ 13,824,517	(3.4%)	\$ 13,699,181
Revenues					
Intergovernmental Revenue	\$ 767,874	\$ 669,000	\$ 720,000	7.6%	\$ 414,000
Other Revenue	2,068,090	1,887,000	2,209,000	17.1%	2,278,000
General Fund Revenue	11,609,559	11,752,585	10,895,517	(7.3%)	11,007,181
Total Revenue	\$ 14,445,523	\$ 14,308,585	\$ 13,824,517	(3.4%)	\$ 13,699,181
Generated Revenue Percent	19.6%	17.9%	21.2%		19.7%
General Fund Percent	80.4%	82.1%	78.8%		80.3%
Full-time Positions	144	144	143	(0.7%)	143
Part-time Positions	17	17	16	(5.9%)	16
Full-time Equivalents	151.5	151.5	149.9	(1.1%)	149.9

BUDGET HIGHLIGHTS

The FY11 budget, has removed the funding of three vacant firefighter positions, eliminated a vacant part time administrative assistant, and anticipates a restructuring of administration after a planned retirement, eliminating one vacant position. Included in the service level plan for FY11 is on-going funding to begin replacing the Scott Air Packs housed on first responder vehicles. The

Fire/EMS portion of the capital budget includes \$500,000 for fire engine and heavy rescue apparatus replacement as well as \$356,000 for ambulance replacement. Fire/EMS has seen a 23% increase in other revenue sources that can be attributed to the EMS Fee Recovery rate increase adopted in the FY11 budget process.

Fire/EMS

GOALS AND OBJECTIVES

- Respond to life threatening calls in less than 9 minutes on 80% of calls; respond in less than 13 minutes to emergency, non-life threatening calls on 80% of calls, and respond to all other calls in less than 16 minutes on 80% of calls;
- Respond, within the urban service district, with Fire apparatus capable of flowing designated fire flows at an initial alarm of fire less than 9 minutes 80% of the time. Areas outside the urban service district Hanover Fire/EMS will place the first arriving Fire apparatus capable of flowing water less than 15 minutes 90% of the time;
- Respond a minimum of 16 trained firefighters to an initial alarm of fire less than 9 minutes 80% of the time, and a minimum of 8 additional firefighters 90% of the time for a subsequent alarm on the same assignment;
- Conduct fire prevention programs for at least 10,000 citizens;
- Fire Inspectors/Investigators to conduct a fire prevention inspection on 100% of the identified commercial structures annually; and
- Hazardous materials inspector to conduct 60 fuel tank removal/installation inspections annually.

SERVICE LEVELS

	<u>FY09</u> <u>Actual</u>	<u>FY10</u> <u>Budget</u>	<u>FY10</u> <u>Forecast</u>	<u>FY11</u> <u>Budget</u>
Per capita cost of operating department	\$145.66	\$142.06	\$142.06	\$133.12
Respond to 80% Priority 1 calls in less than 9 minutes	76.6%	84.2%	84.2%	83.4%
Respond to 80% Priority 2 calls in less than 13 minutes	84.3%	88.3%	88.3%	91.4%
Respond to 80% Priority 3 calls in less than 16 minutes	82.9%	79.3%	88.5%	88.0%
Respond to 80% of urban fire calls in less than 9 minutes	82.24%	82.1%	82.1%	76.2%
Respond to 80% of non-urban fire calls in less than 15 minutes	90.4%	89.6%	89.6%	85.4%

Pamunkey Regional Jail

DESCRIPTION

The Pamunkey Regional Jail Authority (PRJA) operates a regional jail for the Counties of Hanover and Caroline, and the Town of Ashland, which began operations in 1998. The facility contains 437 beds, consisting of 403 general purpose beds, a 16

bed work release center, a 6 bed infirmary, and 12 special management beds. Hanover County is charged a per diem prisoner fee by the Jail sufficient to pay its operating and debt service costs.

BUDGET SUMMARY

	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY 11	FY12 Plan
Expenditures					
Operating	\$ 3,705,222	\$ 4,457,455	4,750,176	6.6%	\$ 4,940,183
Total Expenditures	<u>\$ 3,705,222</u>	<u>\$ 4,457,455</u>	<u>\$ 4,750,176</u>	<u>6.6%</u>	<u>\$ 4,940,183</u>
Revenues					
General Fund Revenue	\$ 3,705,222	\$ 4,457,455	\$ 4,750,176	6.6%	\$ 4,940,183
Total Revenue	<u>\$ 3,705,222</u>	<u>\$ 4,457,455</u>	<u>\$ 4,750,176</u>	<u>6.6%</u>	<u>\$ 4,940,183</u>

BUDGET HIGHLIGHTS

This budget reflects the per diem costs (\$48.06 per day increasing to \$52.77 per day, 9.8% increase) to house inmates as part of the County's participation in the Pamunkey Regional Jail Authority (PRJA). While the per diem cost has increased 9.8%, the

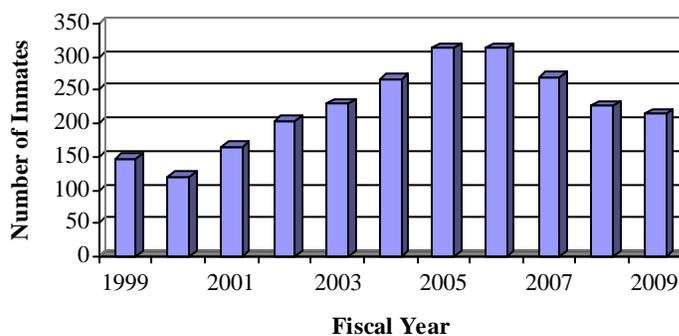
County's population of inmates has decreased 3%. The costs for housing inmates have benefited from the economies of scale of the larger jail operations as well as the benefits of using available capacity for bed rentals to other governments.

GOALS AND OBJECTIVES

- Maintain a high level of service to member jurisdictions;
- Provide staff the needed training to ensure a safe work environment;
- Provide inmates with quality medical care and a safe living environment; and
- Maintain American Correctional Association accreditation and Department of Corrections certification through staff development while adhering to facility policy and procedures.

SERVICE LEVELS

Average Hanover Inmate Population



Juvenile Court Services Unit

DESCRIPTION

The Juvenile Court Services Unit (JCSU) is responsible for providing intake, probation, case management, psychological services and social investigations. The intake officer has the authority, based on the definitions in the Code of Virginia, to divert relatively minor cases and first offenders (Children in Need of Services, Children in Need of Supervision, and Delinquent) from the court system to programs and services operated by the JCSU or outside the Unit. The intake officer also processes all requests for juvenile criminal charges that are directed to the court for adjudication. The intake officer has the ability to issue detention orders for juveniles who are charged with a class 1 misdemeanor or felony and who pose a threat to the safety of themselves or others. There are four levels of detention: secure detention, non-secure (shelter care), electronic monitoring and house arrest. The JCSU monitors all juveniles

during any level of detention. Domestic cases (custody, spousal and child support, spousal abuse and child visitation) are also prepared for the Court by the intake officer. The JCSU provides probation supervision as ordered by the court.

The length of probation is determined by the JCSU with judicial approval and said time period is dependent on the juvenile's adjustment and compliance with court ordered requirements. Programs provided to juveniles and their parents include electronic monitoring, anger management, group counseling, law related education, community improvement, community service work, parent to parent, parent orientation and stop thief. The JCSU provides funding for intensive in-home counseling services for probationers and their families when appropriate.

BUDGET SUMMARY

	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY 11	FY12 Plan
Expenditures					
Personnel	\$ 244,591	\$ 252,549	\$ 254,535	0.8%	\$ 257,698
Operating	418,551	398,153	431,678	8.4%	435,995
Total Expenditures	\$ 663,142	\$ 650,702	\$ 686,213	5.5%	\$ 693,693
Revenues					
Intergovernmental Revenue	\$ 83,399	\$ 82,000	\$ 62,000	(24.4%)	\$ 62,000
General Fund Revenue	579,743	568,702	624,213	9.8%	631,693
Total Revenue	\$ 663,142	\$ 650,702	\$ 686,213	5.5%	\$ 693,693
Generated Revenue Percent	12.6%	12.6%	9.0%		8.9%
General Fund Percent	87.4%	87.4%	91.0%		91.1%
Full-time Positions	4	4	4	0.0%	4
Part-time Positions	1	1	1	0.0%	1
Full-time Equivalents	4.5	4.5	4.5	0.0%	4.5

Juvenile Court Services Unit

BUDGET HIGHLIGHTS

The budget is primarily comprised of the cost of housing juvenile offenders who are placed at the Merrimac Juvenile Detention Center as well as other community programs provided to address accountability, public safety, and treatment (e.g., case management, probation, electronic monitoring, community service, and treatment groups). The overall increase can

be attributed to an increased number of secure detention bed days projected based on usage in the two previous fiscal years. The increase in local funding is based on the reduction of the Virginia Juvenile Crime Community Control Act by 18.7% in the Governor's budget. Local funds supplanted the State cut to mitigate service impacts.

GOALS AND OBJECTIVES

- Increase the number of cases placed in less restrictive detention through electronic monitoring and outreach;
- Enhance supervision of moderate and high risk juvenile offenders before the court;
- Continue to provide anger management groups for juveniles;
- Increase assessment and service referrals for youthful, first offenders;
- Increase community service opportunities for juvenile offenders;
- Continue to provide shoplifters program for first time offenders; and
- Increase referral of first time offenders to law related education classes.

SERVICE LEVELS

	<u>FY09 Actual</u>	<u>FY10 Budget</u>	<u>FY10 Forecast</u>	<u>FY11 Budget</u>
Per capita cost of operating department	\$6.69	\$6.46	\$6.46	\$6.61
Program Participation:				
Community Service	260	210	277	277
Intensive Probation	15	15	20	20
Stop Thief!	88	63	71	71
Truancy Project	99	61	75	75
Anger Management	73	50	60	60
Intensive In-home Counseling	10	9	9	3
Number of electronic monitoring cases	103	70	88	88
Total caseload (delinquent and domestic)	2,388	2,378	2,165	2,165
Total delinquent	1,204	908	1,500	1,500
Total diverted	185	160	665	665

Community Corrections

DESCRIPTION

The Community Corrections Program assists the Courts in Hanover and Caroline Counties by providing supervision and investigation of adult offenders. The department is designed to provide an alternative to incarceration while maintaining public safety.

BUDGET SUMMARY

	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY 11	FY12 Plan
Expenditures					
Personnel	\$ 329,554	\$ 347,175	\$ 402,726	16.0%	\$ 407,730
Operating	52,188	39,588	45,018	13.7%	45,468
Total Expenditures	\$ 381,742	\$ 386,763	\$ 447,744	15.8%	\$ 453,198
Revenues					
Intergovernmental Revenue	\$ 268,136	\$ 273,000	\$ 327,646	20.0%	\$ 334,000
Other Revenue	50,890	46,200	56,500	22.3%	60,600
General Fund Revenue	62,716	67,563	63,598	(5.9%)	58,598
Total Revenue	\$ 381,742	\$ 386,763	\$ 447,744	15.8%	\$ 453,198
Generated Revenue Percent	83.6%	82.5%	85.8%		87.1%
General Fund Percent	16.4%	17.5%	14.2%		12.9%
Full-time Positions	6	7	7	0.0%	7
Full-time Equivalents	6.0	7.0	7.0	0.0%	7.0

BUDGET HIGHLIGHTS

Community Corrections receives a grant from the Department of Criminal Justice Services and in FY10 was granted an additional Pre-Trial Investigator position and operational costs associated with the

employee, the increase in the budget can be attributed to this additional grant funding. The decrease in local funding is due to reduction efforts in operational lines.

GOALS AND OBJECTIVES

- Protect the community by providing effective supervision to offenders and defendants;
- Provide the local courts with an alternative to incarceration; and
- Offer a variety of resources and services to assist with treatment needs.

SERVICE LEVELS

	<u>FY08 Actual</u>	<u>FY09 Budget</u>	<u>FY09 Forecast</u>	<u>FY10 Budget</u>
Per capita cost of operating department	\$3.85	\$3.84	\$3.84	\$4.31



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Building Inspections

DESCRIPTION

The Building Inspection's Office is responsible for enforcement of the Virginia Uniform Statewide Building Code to protect the health, safety and welfare of the citizens of Hanover County. Traditionally this enforcement role has been focused on new construction and the renovation and rehabilitation of existing buildings. The Building Inspection's Office has expanded its duties to include enforcement of the Property Maintenance Code in addition to its traditional role. This code, the Property Maintenance Code, provides the minimum standards for the maintenance of existing buildings and structures to promote their continued healthy use and usability. Additionally, the Building Inspection's Office enforces erosion and sediment

control regulations relating to residential construction and proffered conditions for residential construction. The Building Inspection's Office also provides a central payment center and cashiering services for the fees charged and collected by the community development departments. A continuing focus of the department is customer service and the use of new technologies, as evidenced by the expansion of the Interactive Voice response telephone system and the continuing development and implementation of online services such as online inspection scheduling and permit tracking. Permanent records of these activities are maintained and available in the Building Inspector's Office.

BUDGET SUMMARY

	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY11	FY12 Plan
Expenditures					
Personnel	\$ 1,402,632	\$ 1,491,991	\$ 1,280,610	(14.2%)	\$ 1,296,522
Operating	126,091	141,491	\$ 112,003	(20.8%)	113,123
Capital	33,335	-	-	0.0%	-
Total Expenditures	\$ 1,562,057	\$ 1,633,482	\$ 1,392,613	(14.7%)	\$ 1,409,645
Revenues					
Other Revenue	\$ 825,175	\$ 869,500	\$ 802,600	(7.7%)	\$ 825,700
General Fund Revenue	736,882	763,982	590,013	(22.8%)	583,945
Total Revenue	\$ 1,562,057	\$ 1,633,482	\$ 1,392,613	(14.7%)	\$ 1,409,645
Generated Revenue Percent	52.8%	53.2%	57.6%		58.6%
General Fund Percent	47.2%	46.8%	42.4%		41.4%
Full-time Positions	22	22	21	(4.5%)	21
Part-time Positions	2	2	-	(100.0%)	-
Full-time Equivalents	23.0	23.0	21.0	(8.7%)	21.0

Building Inspections

BUDGET HIGHLIGHTS

The fees charged by this function traditionally provide the funding for building inspection services. This budget included a vacant building inspector and plan review technician that are unfunded but

still authorized as well as a vacant plan examiner position that was unfunded and eliminated. Two customer service positions are being transferred to the Treasurer's Office.

GOALS AND OBJECTIVES

- Continue cooperative training program within the region to promote enforcement uniformity and customer satisfaction;
- Process residential building permit applications within two weeks and commercial applications within 30 days;
- Utilize user fees to pay for departmental operating costs; and
- Continue our focus on customer service and new technology to better serve the needs of the community.

SERVICE LEVELS

	<u>FY09</u> <u>Actual</u>	<u>FY10</u> <u>Budget</u>	<u>FY10</u> <u>Forecast</u>	<u>FY11</u> <u>Budget</u>
Per capita cost of operating department	\$15.75	\$16.22	\$16.22	\$13.48
Commercial plan reviews:				
Number of plans reviewed	414	725	460	476
Average number of days to review	9	15	10	10
Pre-application plan reviews:				
Number of plans reviewed	15	90	40	4
Average number of days to review	41	40	40	40
Residential plan reviews:				
Number of plans reviewed	1,051	1,000	1,000	1,000
Average number of days to review	2.5	5.0	3.0	3.0
Inspections:				
Number of inspections per day	91	130	100	10
Number of inspections per inspector	11	14	12	14
Number of days from requested to completed inspection	1	1	1	1

Animal Control

DESCRIPTION

Hanover County Animal Control is responsible for providing the public safety and health of the community by enforcing both county and state animal laws. Hanover County Animal Control directly assists all other local and state public safety, health and law enforcement agencies to protect and serve the citizens of Hanover County, their pets and livestock, while promoting humane care and treatment of all animals within the County. The Animal Pound Facility functions also

include: coordinating information for missing animals, placement of unwanted animals, specialized care and security of impounded animals, assisting citizens and visitors with various animal related problems, quarantine and preparation for testing of animals involved with possible exposure to rabies and collection of fees associated with various facility and departmental functions. The Pound Facility currently has 144 kennels with an average daily capacity of ninety percent.

BUDGET SUMMARY

	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY11	FY12 Plan
Expenditures					
Personnel	\$ 762,842	\$ 767,402	\$ 733,696	(4.4%)	\$ 742,812
Operating	271,901	236,069	232,366	(1.6%)	234,690
Capital	-	58,150	51,858	(10.8%)	-
Total Expenditures	\$ 1,034,743	\$ 1,061,621	\$ 1,017,920	(4.1%)	\$ 977,502
Revenues					
Intergovernmental Revenue	\$ 3,328	\$ -	\$ -	0.0%	\$ -
Other Revenue	154,030	147,000	154,000	4.8%	159,000
General Fund Revenue	877,386	914,621	863,920	(5.5%)	818,502
Total Revenue	\$ 1,034,743	\$ 1,061,621	\$ 1,017,920	(4.1%)	\$ 977,502
Generated Revenue Percent	15.2%	13.8%	15.1%		16.3%
General Fund Percent	84.8%	86.2%	84.9%		83.7%
Full-time Positions	16	16	16	0.0%	16
Full-time Equivalents	15.0	15.0	15.0	0.0%	15.0

BUDGET HIGHLIGHTS

The budget includes funding for facility security, lighting and fencing improvements. The decrease in personnel expenditures is caused by an Animal Control Officer position that remains authorized but is unfunded for the

FY11 budget year. The relatively small decrease in operating is due to funding being kept at a steady level to meet the contractual and service needs of the department.

Animal Control

GOALS AND OBJECTIVES

- Increase citizen and pet participation in County Rabies Vaccination Clinics;
- Increase dog license sales and compliance;
- Expand community and school system education programs;
- Improve compliance and administration of animal sterilization program; and
- Improve Animal Control Employee in-service training and education.

SERVICE LEVELS

	<u>FY09 Actual</u>	<u>FY10 Budget</u>	<u>FY10 Forecast</u>	<u>FY11 Budget</u>
Per capita cost of operating department	\$10.43	\$10.54	\$10.54	\$9.80
Animal Control Service Calls	8,016	13,000	8,500	9,000
Total Animals Handled	7,062	7,000	7,500	7,000
Total Animals Redeemed to Owner or placed	1,751	3,000	2,000	3,000
Licensed dogs	19,310	18,000	20,000	18,000
Animal Attack reports	443	550	500	550
Positive rabies exposure reports	31	30	25	30
Summons/Warrants issued	389	800	600	800
Lost and found reports	1,199	1,000	1,200	1,000

PUBLIC WORKS

	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY11	FY12 Plan
Public Works	\$ 1,733,347	\$ 1,818,392	\$ 1,740,082	(4.3%)	\$ 1,761,212
Public Works Operations	3,952,534	4,170,646	3,793,988	(9.0%)	3,786,518
Recycling Service District	33,733	74,400	74,998	0.8%	79,000
Community Cannery	45,317	45,016	41,810	(7.1%)	42,283
Facilities Management	1,813,880	1,919,523	1,699,152	(11.5%)	1,704,107
Total Expenditures	\$ 7,578,811	\$ 8,027,977	\$ 7,350,030	(8.4%)	\$ 7,373,120
Personnel	\$ 4,069,646	\$ 4,207,214	\$ 3,880,085	(7.8%)	\$ 3,928,295
Operating	3,383,181	3,774,413	3,407,498	(9.7%)	3,444,825
Capital	125,984	46,350	62,447	34.7%	-
Total Expenditures	\$ 7,578,811	\$ 8,027,977	\$ 7,350,030	(8.4%)	\$ 7,373,120
Revenues					
Intergovernmental Revenue	\$ 18,504	\$ 19,000	\$ 15,000	(21.1%)	\$ 15,000
Other Revenue	1,185,631	1,032,000	999,100	(3.2%)	1,022,200
General Fund Revenue	6,374,676	6,976,977	6,335,930	(9.2%)	6,335,920
Total Revenue	\$ 7,578,811	\$ 8,027,977	\$ 7,350,030	(8.4%)	\$ 7,373,120
Generated Revenue Percent	15.9%	13.1%	13.8%		14.1%
General Fund Percent	84.1%	86.9%	86.2%		85.9%
Full-time Positions	61	61	60	(1.6%)	60
Part-time Positions	26	26	26	0.0%	26
Full-time Equivalents	71.8	71.8	70.8	(1.4%)	70.8

Public Works

DESCRIPTION

The Department of Public Works' (DPW) responsibilities include assisting with the planning, design and construction of capital projects within the County not related to Public Schools or Public Utilities, administration of the State mandated Chesapeake Bay, Floodplain and Erosion and Sediment Control programs and implementation of the County's regional stormwater quality program, oversight responsibility over solid waste disposal, refuse collection and recycling, management of

airport operations and facilities, and management of the cannery. DPW reviews subdivision and site plans, inspects subdivision roads, administers the flood plain ordinance, and manages underground storage tanks for County facilities. DPW provides input to the Virginia Department of Transportation regarding transportation (VDOT) projects being managed by VDOT and manages the planning, design and construction of County road projects.

BUDGET SUMMARY

	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY11	FY12 Plan
Expenditures					
Personnel	\$ 1,557,798	\$ 1,615,910	\$ 1,537,874	(4.8%)	\$ 1,556,982
Operating	175,549	202,482	202,208	(0.1%)	204,230
Total Expenditures	\$ 1,733,347	\$ 1,818,392	\$ 1,740,082	(4.3%)	\$ 1,761,212
Revenues					
Other Revenue	\$ 443,232	\$ 436,000	\$ 344,100	(21.1%)	\$ 351,200
General Fund Revenue	1,290,115	1,382,392	1,395,982	1.0%	1,410,012
Total Revenue	\$ 1,733,347	\$ 1,818,392	\$ 1,740,082	(4.3%)	\$ 1,761,212
Generated Revenue Percent	25.6%	24.0%	19.8%		19.9%
General Fund Percent	74.4%	76.0%	80.2%		80.1%
Full-time Positions	19	19	19	0.0%	19
Part-time Positions	4	4	4	0.0%	4
Full-time Equivalents	21.3	21.3	21.3	0.0%	21.3

BUDGET HIGHLIGHTS

For FY11, funding has been included for automated stormwater facility monitoring (\$15,000) and the MS4 permit fee (\$7,000). The application fee is required when updating the MS4 (Municipal Storm Sewer System) permit with the Department of

Conservation and Recreation. This Phase II permit is required of all localities with a population over 100,000 and is intended to address stormwater pollution. Funding for drainage easement maintenance will remain flat for FY11 from FY10.

Public Works

GOALS AND OBJECTIVES

- Provide construction management for assigned County projects;
- Review 100% of erosion and sediment control plans and utility plans within 14 days;
- Review 95% of building permits within four days;
- Review 100% of construction plans within three weeks of receipt from the Planning Department; and,
- Respond to 100% of all drainage complaints within five days.

SERVICE LEVELS

	FY09 <u>Actual</u>	FY10 <u>Budget</u>	FY10 <u>Forecast</u>	FY11 <u>Budget</u>
Per capita cost of operating department	\$17.48	\$18.05	\$18.05	\$16.76
Number of erosion control and utility plans submitted	42	10	35	35
Number of site plans submitted	0	40	49	49
Number of subdivision construction plans submitted	9	10	6	6
Number of subdivision plats submitted	16	10	6	6
Number of drainage complaints	124	200	200	200
Number of building permits submitted:				
- residential	729	400	237	237
- commercial	219	90	60	60
Septic Tank Pump-out letters sent	4,000	4,000	3,000	4,000

Public Works Operations

DESCRIPTION

Public Works Operations provides for solid waste disposal and recycling for Hanover citizens. The County has six manned convenience centers throughout the County that accept solid waste and numerous recyclables using hook lift trucks. Staff either sells the recovered materials or they are processed through outside contractors. DPW transports the mixed and corrugated paper to market. Yard waste and leaves are accepted at the Mechanicsville Convenience Center and the Route 301 Transfer Station. Leaves and

grass are accepted at the Courthouse and Elmont Convenience Centers. Brush is chipped and sold as mulch, used at schools/parks, and given away to the public. The agency operates the 301 Transfer Station and Yard Waste Composting Facility. Solid waste is loaded into contractor trailers and hauled to a private landfill. Public Works Operations is also responsible for street sign installation, stormwater drainage easement maintenance and litter control.

BUDGET SUMMARY

	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY11	FY12 Plan
Expenditures					
Personnel	\$ 1,847,460	\$ 1,911,447	\$ 1,660,460	(13.1%)	\$ 1,681,091
Operating	1,993,832	2,212,849	2,084,581	(5.8%)	2,105,427
Capital	111,242	46,350	48,947	5.6%	-
Total Expenditures	\$ 3,952,534	\$ 4,170,646	\$ 3,793,988	(9.0%)	\$ 3,786,518
Revenues					
Intergovernmental Revenue	\$ 18,504	\$ 19,000	\$ 15,000	(21.1%)	\$ 15,000
Other Revenue	739,363	593,000	651,000	9.8%	667,000
General Fund Revenue	3,194,667	3,558,646	3,127,988	(12.1%)	3,104,518
Total Revenue	\$ 3,952,534	\$ 4,170,646	\$ 3,793,988	(9.0%)	\$ 3,786,518
Generated Revenue Percent	19.2%	14.7%	17.6%		18.0%
General Fund Percent	80.8%	85.3%	82.4%		82.0%
Full-time Positions	33	33	32	(3.0%)	32
Part-time Positions	16	16	16	0.0%	16
Full-time Equivalents	39.5	39.5	38.5	(2.5%)	38.5

BUDGET HIGHLIGHTS

Included in FY11 funding for this division is \$49,000 for operational equipment (e.g. roll off containers and loader tire replacement) and \$10,000 to address drainage issues. This department also monitors the curbside recycling programs for a total of 12

subdivisions in the Recycling Service District. The personnel decrease is due to two unfunded authorized vacant part-time positions and the elimination of a vacant full-time Solid Waste Superintendent position.

Public Works Operations

GOALS AND OBJECTIVES

- Maintain solid waste disposal services within resources;
- Maintain street sign maintenance services;
- Maintain drainage easement maintenance at the highest level within the resources available;
- Maintain compost program;
- Maintain litter and special waste programs within resources.

SERVICE LEVELS

	FY09	FY10	FY10	FY11
	<u>Actual</u>	<u>Budget</u>	<u>Forecast</u>	<u>Budget</u>
Per capita cost of operating department	\$39.85	\$41.41	\$41.41	\$36.53
MSW Tonnage received at convenience centers:				
Private	10,334	10,000	10,000	10,000
Public	27,908	30,600	28,500	29,900
Pulls from Convenience Center	3,403	3,500	3,400	3,450
Number of tons recycled	17,000	14,000	14,000	14,000
Drainage maintenance requests - DPW crews	111	150	150	150
Street Signs	128	200	200	200

Recycling Service District

DESCRIPTION

The Board of Supervisors established Recycling Service Districts for the residents of the Ashcreek and Milestone subdivisions on January 23, 2008. There are now twelve (12) subdivisions under one united Service District.

After a public meeting, owners of at least eighty percent of the lots in each subdivision signed a petition requesting that a district be established.

This authorization was in response to petitions for establishment of service districts for the purpose of funding every other week curbside recycling service for plastic and glass bottles, metal cans and paper from these communities.

The pro-rata cost of the service is established annually and added to the real estate tax bill for all lots within the subdivisions. Services are provided through an agreement between the County and Central Virginia Waste Management Authority (CVWMA).

BUDGET SUMMARY

	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY11	FY12 Plan
Expenditures					
Operating	\$ 33,733	\$ 74,400	\$ 74,998	0.8%	\$ 79,000
Total Expenditures	\$ 33,733	\$ 74,400	\$ 74,998	0.8%	\$ 79,000
Revenues					
Other Revenue	\$ 43,902	\$ 74,400	\$ 74,998	0.8%	\$ 79,000
Total Revenue	\$ 43,902	\$ 74,400	\$ 74,998	0.8%	\$ 79,000

BUDGET HIGHLIGHTS

In FY11 the rate will remain flat from FY10 at \$22.80 per lot located in the following subdivisions for the purpose of funding recycling services: Ashcreek, Milestone, Reardon's Ridge, Somerset, Castlewood, Madison Springs, Royal Glen, Deer Valley,

Craney Island Farms, Atlee Ridge, and Kings Charter. The operating increase represents the addition of the Hickory Ridge subdivision which currently has approximately 26 homes. The fee will be included on the real property tax bills.

GOALS AND OBJECTIVES

- Maintain support for citizen requests to establish Recycling Service District.

Community Cannery

DESCRIPTION

The Cannery is a facility that enables people of Hanover and surrounding areas to use equipment and technical expertise in the canning of food. Located two miles east of Ashland on Route 54, this facility provides everyone the opportunity to can without

preservatives, utilizing the seasoning they desire or need. The Cannery is under the guidance of the Chief of Public Works Operations. In the 2009 season 9,636 items (7,503 cans and 2,133 jars) were processed.

BUDGET SUMMARY

	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY11	FY12 Plan
Expenditures					
Personnel	\$ 24,554	\$ 25,827	\$ 22,638	(12.3%)	\$ 22,919
Operating	20,762	19,189	19,172	(0.1%)	19,364
Total Expenditures	\$ 45,317	\$ 45,016	\$ 41,810	(7.1%)	\$ 42,283
Revenues					
Other Revenue	\$ 3,036	\$ 3,000	\$ 4,000	33.3%	\$ 4,000
General Fund Revenue	42,281	42,016	37,810	(10.0%)	38,283
Total Revenue	\$ 45,317	\$ 45,016	\$ 41,810	(7.1%)	\$ 42,283
Generated Revenue Percent	6.7%	6.7%	9.6%		9.5%
General Fund Percent	93.3%	93.3%	90.4%		90.5%
Part-time Positions	4	4	4	0.0%	4
Full-time Equivalents	1.0	1.0	1.0	0.0%	1.0

BUDGET HIGHLIGHTS

This function provides a great resource for residents to can their fruits and vegetables and the budgetary needs over the years have

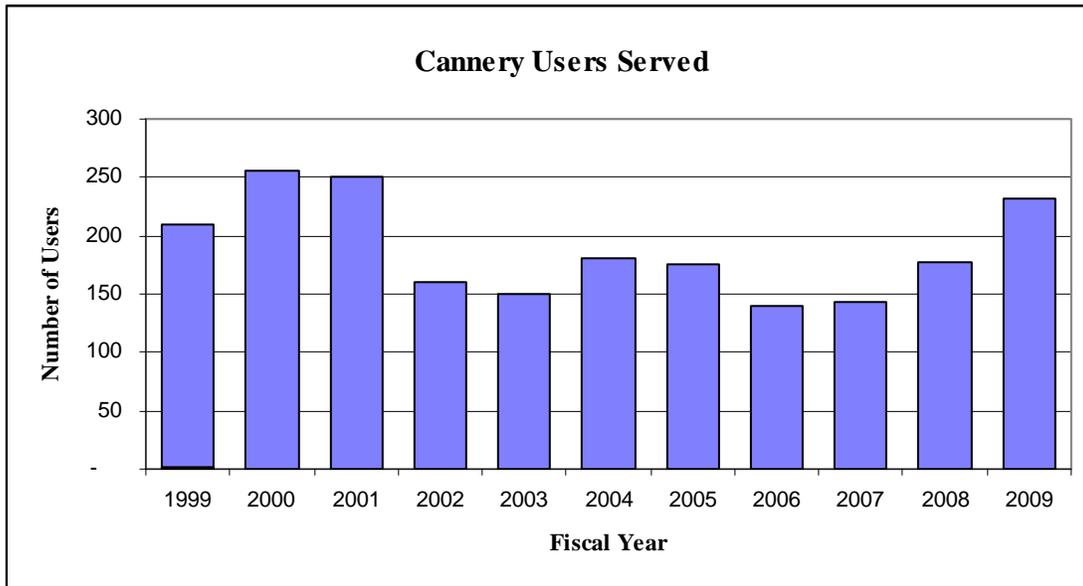
been minimal. In FY11 funding decreased primarily as a result of reduced funding for part-time hours.

GOALS AND OBJECTIVES

- Continue to provide specialized information on special diets;
- Continue to involve patrons from each district with representation on the Cannery Advisory Board;
- Continue to inform the public about the Cannery at county fairs;
- Support the Value Added program for revenue producing rental of Cannery for retail users as resources allow.

Community Cannery

SERVICE LEVELS



Facilities Management

DESCRIPTION

Facilities Management is responsible for property management, maintenance and renovation of all non-school, County owned facilities. This consists of the overall responsibility for the planning, budgeting, and operations of a preventative maintenance program, in-house repairs, and alterations of the buildings and related mechanical, electrical, and plumbing systems.

The department also provides project management services for contractors, architects, and others performing new work and renovations of existing County facilities. Facilities also provide in-house telephone service and maintenance for government and school locations and are also responsible for surplus property and off-site record storage, building access, and custodial contracts.

In recent years Facilities Management has become more involved in the development

stages of new building design by creating a “design criteria” guide for architects to consider using. The guide lists building systems such as roof, mechanical, and envelope with various methods of construction that we feel are beneficial in terms of reliability and performance.

Facilities has also completed its combined policy and energy management manual which clearly defines its mission, types of service, how to request service, and other facets of our maintenance organization as well as outlines for best energy practices.

Facilities considers itself a “one stop shop” for our customers providing not only maintenance but a variety of services including BOS operations, countywide telephone services, furniture and office moves, keys and locks, project guidance, special event set ups and many other services and special requests.

BUDGET SUMMARY

	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY11	FY12 Plan
Expenditures					
Personnel	\$ 639,835	\$ 654,030	\$ 659,113	0.8%	\$ 667,303
Operating	1,159,304	1,265,493	1,026,539	(18.9%)	1,036,804
Capital	14,741	-	13,500	100.0%	-
Total Expenditures	\$ 1,813,880	\$ 1,919,523	\$ 1,699,152	(11.5%)	\$ 1,704,107
Revenues					
General Fund Revenue	\$ 1,813,880	\$ 1,919,523	\$ 1,699,152	(11.5%)	\$ 1,704,107
Total Revenue	\$ 1,813,880	\$ 1,919,523	\$ 1,699,152	(11.5%)	\$ 1,704,107
Full-time Positions	9	9	9	0.0%	9
Part-time Positions	2	2	2	0.0%	2
Full-time Equivalent	10.0	10.0	10.0	0.0%	10.0

Facilities Management

BUDGET HIGHLIGHTS

The FY11 plan reduces funding for painting services, custodial service contracts, and overtime. It also removes a portion of electrical and heating funding for placement in

the Sheriff's budget. The increase in capital funding in the amount of \$13,500 provides for the replacement of four HVAC units in the Old Wickham Building.

GOALS AND OBJECTIVES

- Respond to all emergency calls in 3 hours or less;
- Complete preventive work requests within five days of issue;
- Review open work orders weekly to prioritize workload; and
- Identify and perform energy saving projects that are in line with the Board's Energy Initiative.

SERVICE LEVELS

	<u>FY09 Actual</u>	<u>FY10 Budget</u>	<u>FY10 Forecast</u>	<u>FY11 Budget</u>
Per capita cost of operating department	\$18.29	\$19.06	\$19.06	\$16.36
Square feet maintained	558,564	539,044	558,564	558,564

HUMAN SERVICES

	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY11	FY12 Plan
Health	\$ 492,559	\$ 502,000	\$ 476,900	(5.0%)	\$ 481,669
Social Services	5,452,859	5,950,423	5,630,710	(5.4%)	5,668,730
Community Resources	392,674	405,107	398,210	(1.7%)	403,058
Tax Relief	1,642,134	1,783,621	1,872,800	5.0%	1,966,500
Total Expenditures	\$ 7,980,226	\$ 8,641,151	\$ 8,378,620	(3.0%)	\$ 8,519,957
Personnel	\$ 3,553,786	\$ 3,625,140	\$ 3,644,713	0.5%	\$ 3,689,999
Operating	4,426,440	5,016,011	4,707,907	(6.1%)	4,829,958
Capital	-	-	26,000	100.0%	-
Total Expenditures	\$ 7,980,226	\$ 8,641,151	\$ 8,378,620	(3.0%)	\$ 8,519,957
Revenues					
Intergovernmental Revenue	\$ 3,887,587	\$ 4,896,042	\$ 4,181,947	(14.6%)	\$ 4,334,000
Other Revenue	54,599	32,660	32,660	0.0%	33,000
General Fund Revenue	4,038,041	3,712,449	4,164,013	12.2%	4,152,957
Total Revenue	\$ 7,980,226	\$ 8,641,151	\$ 8,378,620	(3.0%)	\$ 8,519,957
Generated Revenue Percent	49.4%	57.0%	50.3%		51.3%
General Fund Percent	50.6%	43.0%	49.7%		48.7%
Full-time Positions	64	62	61	(1.6%)	61
Part-time Positions	13	12	12	0.0%	12
Full-time Equivalents	65.0	62.5	61.5	(1.6%)	61.5



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Health Department

DESCRIPTION

The Hanover Health Department is part of the Virginia Department of Health's Chickahominy Health District. The District encompasses the Counties of Charles City, Goochland, Hanover, and New Kent. Funding is predominantly through a cooperative agreement with the Commonwealth of Virginia in which Hanover pays 45% of the Health Department's budget. The Hanover Health Department provides medical,

emergency preparedness and environmental services that are preventive in nature, and collaborates with other agencies, health care providers and local communities to address public health issues and to provide public health leadership, guidance, education and consultation to the community. These services are detailed in the local cooperative agreement and in the Virginia Department of Health's Healthy Virginians 2010 Plan.

BUDGET SUMMARY

	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY11	FY12 Plan
Expenditures					
Operating	\$ 492,559	\$ 502,000	\$ 476,900	(5.0%)	\$ 481,669
Total Expenditures	\$ 492,559	\$ 502,000	\$ 476,900	(5.0%)	\$ 481,669
Revenues					
General Fund Revenue	\$ 492,559	\$ 502,000	\$ 476,900	(5.0%)	\$ 481,669
Total Revenue	\$ 492,559	\$ 502,000	\$ 476,900	(5.0%)	\$ 481,669

BUDGET HIGHLIGHTS

The Health Department represents a stand-alone State function for which the County's

share rises in proportion to State funding of this service.

GOALS AND OBJECTIVES

- Promote a healthy environment through education and enforcement of environmental regulations with two food safety inspections annually, the turn over of Authorized Onsite Soil Evaluator (AOSE) packets within ten business days, and the standardization of environmental health training;
- Assist individual Hanover citizens in maintaining optimal health with safety net services;
- Improve services with Assure Continuous Quality Improvement training for all staff members and with program statistics monitoring;
- Promote a healthy lifestyle through community education about important public health topics;
- Provide clinical care in certain program areas (maternity care, family planning, sexually transmitted diseases);

Health Department

- Prepare staff, community partners and volunteers to respond to emergencies by revising and updating emergency plans, and training on those plans;
- Reduce the incidences of communicable diseases; and
- Monitor the public’s health through epidemiologic surveillance. In addition, provide epidemiologic investigation and response to outbreaks of disease.

SERVICE LEVELS

	FY09 <u>Actual</u>	FY10 <u>Budget</u>	FY10 <u>Forecast</u>	FY11 <u>Budget</u>
Communicable disease visits/investigations	969	1,350	1,000	1,000
Pediatric visits	9	15	15	15
Family planning visits	774	800	800	800
Maternity	311	410	350	350
WIC participation	757	750	750	750
Immunization visits	358	750	300	350
Septic system repair applications	67	60	60	60
Septic system new applications	124	275	105	120
Well applications	176	350	154	160
Restaurant inspection visits	1,024	1,100	1,100	1,100
Temporary event inspections	138	45	48	50
District's State Budget Contribution	\$602,016	\$649,000	\$613,556	\$628,222

Social Services

DESCRIPTION

The Department of Social Services provides a comprehensive array of service and benefit programs to County citizens. Benefit Programs include Medicaid, Supplemental Nutrition Assistance Program (formerly referred to as the Food Stamp Program), and Temporary Assistance for Needy Families. Social services programs include child and adult protection, foster care, employment, child day care, and prevention. These programs assist Hanover's residents in achieving self-sufficiency, well-being and safety for their families and themselves. The Department provides temporary crisis help to the traditional poor, the "new" poor who do not make a living wage, the elderly who need

nursing home care, and low- income parents who cannot afford child care while they work. Other major programs include energy assistance, information and referral for housing, food, utilities and medication assistance. The Department's mission is Helping Others Promoting Empowerment (HOPE). Its values are to: recognize strengths; respond to needs; be service-oriented, innovative and creative; and be a strong community partner. The Department continues to work in partnership with other County agencies as part of the emergency response team, strategic planning teams for safe community and human services, and other collaborative county efforts.

BUDGET SUMMARY

	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY11	FY12 Plan
Expenditures					
Personnel	\$ 3,215,409	\$ 3,271,743	\$ 3,287,501	0.5%	\$ 3,328,349
Operating	2,237,450	2,678,680	2,317,209	(13.5%)	2,340,381
Capital	-	-	26,000	100.0%	-
Total Expenditures	\$ 5,452,859	\$ 5,950,423	\$ 5,630,710	(5.4%)	\$ 5,668,730
Revenues					
Intergovernmental Revenue	\$ 3,824,572	\$ 4,842,042	\$ 4,125,947	(14.8%)	\$ 4,280,000
Other Revenue	49,024	25,660	25,660	0.0%	26,000
General Fund Revenue	1,579,264	1,082,721	1,479,103	36.6%	1,362,730
Total Revenue	\$ 5,452,859	\$ 5,950,423	\$ 5,630,710	(5.4%)	\$ 5,668,730
Generated Revenue Percent	71.0%	81.8%	73.7%		76.0%
General Fund Percent	29.0%	18.2%	26.3%		24.0%
Full-time Positions	59	57	56	(1.8%)	56
Part-time Positions	13	12	12	0.0%	12
Full-time Equivalents	60.0	57.5	56.5	(1.7%)	56.5

Social Services

BUDGET HIGHLIGHTS

Social Services is the primary local agency meeting the social service needs of individuals that arise from a variety of circumstances and who are being impacted dramatically by the downturn in the economy. Changes in the FY11 budget are correlated to serving individuals in mandated programs. All of the Federal, State and/or local service standards

have been met or exceeded (e.g., time application processing of the Supplemental Nutrition Assistance Program - SNAP, Medicaid, and Temporary Assistance for Needy Families – TANF). One position has been reassigned to CSB from this department as part of the Interdisciplinary Treatment Team.

GOALS AND OBJECTIVES

- Promote safety, stability, and well-being (including independence and personal responsibility) for children, families and adults;
- Expand services and resources by maximizing all revenue and community sources; and
- Provide excellent customer service by developing public trust.

SERVICE LEVELS

	FY09 <u>Actual</u>	FY10 <u>Budget</u>	FY10 <u>Forecast</u>	FY11 <u>Budget</u>
Per capita cost of operating department	\$54.98	\$59.08	\$59.08	\$54.22
Continuous Quality Improvement and Customer Service:				
Eligibility application processing compliance with all standards	98%	99%	99%	99%
Front desk telephone calls	25,679	24,711	28,247	29,659
Lobby traffic	16,271	14,693	17,898	18,793
Abuse cases (child and adult) investigated/assessed:	305	373	335	335
Public Assistance recipients:				
Supplemental Nutrition Assistance Program	5,987	5,898	7,184	8,262
Medicaid	6,854	7,773	7,539	8,293
Temporary Assistance for Needy Families	820	644	902	992
Energy Assistance	3,394	3,111	4,073	4,684
Child Welfare recipients:				
Child Day Care	378	484	397	417
Foster Care	42	60	46	48
Foster Care Prevention	20	28	24	26
Adult Services recipients:	134	178	147	154

Community Resources

DESCRIPTION

The mission of the Department of Community Resources is to promote Hanover's people, traditions, and spirit by mobilizing volunteers and maximizing available resources to address community needs. To support this mission, the Department works with citizens, government departments and local non-profit agencies to assist in finding resources to address individual needs and community needs. The Department administers the following programs: 1) the Hanover Court Appointed Special Advocate (CASA) Program, which utilizes trained community volunteers to advocate for abused and neglected children involved in the Juvenile Court system. 2) the Winterization Program and the Volunteer Home Repair Referral Program, serving the County's elderly, low-income families, and persons with disabilities. Both programs use donated materials and

volunteer work crews to either provide temporary heat-saving measures in preparation of the winter months or address home repair needs not otherwise eligible for existing community services/programs. 3) Youth Services which includes the Hanover Youth Service Council, a group of middle and high school students dedicated to planning and implementing service projects and promoting youth service in the community such as through the annual Global Youth Service Day activities. 4) Hanover's Promise, through which the business, faith-based, civic, and human service communities work together to help assure that the County's youth have access to the "five promises" they need to succeed. The Department also oversees the County's Comprehensive Services Act (CSA) Office.

BUDGET SUMMARY

	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY11	FY12 Plan
Expenditures					
Personnel	\$ 338,377	\$ 353,397	\$ 357,212	1.1%	\$ 361,650
Operating	54,297	51,710	40,998	(20.7%)	41,408
Total Expenditures	\$ 392,674	\$ 405,107	\$ 398,210	(1.7%)	\$ 403,058
Revenues					
Intergovernmental Revenue	\$ 63,015	\$ 54,000	\$ 56,000	3.7%	\$ 54,000
Other Revenue	5,575	7,000	7,000	0.0%	7,000
General Fund Revenue	324,085	344,107	335,210	(2.6%)	342,058
Total Revenue	\$ 392,674	\$ 405,107	\$ 398,210	(1.7%)	\$ 403,058
Generated Revenue Percent	17.5%	15.1%	15.8%		15.1%
General Fund Percent	82.5%	84.9%	84.2%		84.9%
Full-time Positions	5	5	5	0.0%	5
Full-time Equivalents	5.0	5.0	5.0	0.0%	5.0

Community Resources

BUDGET HIGHLIGHTS

This department continues to serve as the foundation in facilitating and maximizing volunteer and community resources and anticipates several enhancements that will further strengthen the County's volunteer

program. In addition, Community Resources provides the administrative oversight to the Comprehensive Services Act Fund.

GOALS AND OBJECTIVES

- Participate in the implementation of the goals and strategies approved in the Hanover Human Services Plan, specifically related to specialized transportation and early childhood services;
- Determine and implement strategies to best meet the Department's mission of mobilizing community resources to address community needs;
- Continue to administer the Court Appointed Special Advocate Program for abused and neglected children;
- Continue to provide Winterization and Home Repair services to eligible residents;
- Continue to promote youth service by meeting targets for HYSC and expanding participation in GYSD; and
- Continue to support county-wide volunteer engagement and provide volunteer appreciation and recognition.

SERVICE LEVELS

	<u>FY09 Actual</u>	<u>FY10 Budget</u>	<u>FY10 Forecast</u>	<u>FY11 Budget</u>
Per capita cost of operating department	\$3.96	\$4.02	\$4.02	\$3.83
Estimated volunteer hours reported	214,388	425,000	250,000	255,000
Agencies registered on www.HanoverVolunteers.org	64	65	69	73
Volunteer Opportunities posted on www.HanoverVolunteers.org	211	260	240	265
Volunteer profiles on www.HanoverVolunteers.org	597	500	800	900
Homes served through Winterization Program	68	75	65	60
Home repair projects completed	42	40	30	30
HYSC Projects	27	30	36	30
HYSC Service Hours	700	700	820	750
Number of CASA volunteers	15	19	20	20
Number of children served through CASA	26	38	34	35
Grant funds/donations received	\$75,791	\$73,000	\$70,600	\$47,500

Tax Relief for the Elderly and Disabled

DESCRIPTION

The tax relief program is authorized by the Board of Supervisors to provide a discount on tax bills to elderly or permanently disabled residents meeting certain income and net worth thresholds. The discount applies to the taxes on the value of the house and up to ten

acres of land. Currently, the County maximum income level is \$50,000 and the maximum net worth is \$200,000. An application or renewal affidavit is required to be submitted to the Commissioner of Revenue's Office each year.

BUDGET SUMMARY

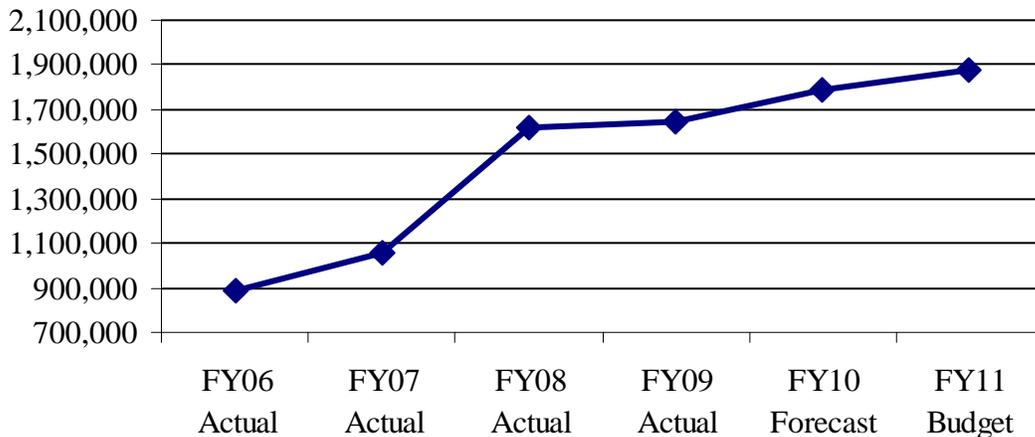
	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY11	FY12 Plan
Expenditures					
Operating	\$ 1,642,134	\$ 1,783,621	\$ 1,872,800	5.0%	\$ 1,966,500
Total Expenditures	<u>\$ 1,642,134</u>	<u>\$ 1,783,621</u>	<u>\$ 1,872,800</u>	<u>5.0%</u>	<u>\$ 1,966,500</u>
Revenues					
General Fund Revenue	\$ 1,642,134	\$ 1,783,621	\$ 1,872,800	5.0%	\$ 1,966,500
Total Revenue	<u>\$ 1,642,134</u>	<u>\$ 1,783,621</u>	<u>\$ 1,872,800</u>	<u>5.0%</u>	<u>\$ 1,966,500</u>

BUDGET HIGHLIGHTS

Enhancements to the relief program were adopted by the Board of Supervisors in October 2007 to increase the eligibility criteria for gross income limit to \$50,000, including the acreage exclusion to ten acres, maximum

allowable net worth to \$200,000, and removed the maximum discount that could be received by participants. This change has allowed for more households to access tax relief.

Growth in the Tax Relief Program



PARKS, RECREATION AND CULTURAL

	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY11	FY12 Plan
Parks and Recreation	\$ 3,573,109	\$ 3,654,388	\$ 3,396,191	(7.1%)	\$ 3,371,294
Pamunkey Regional Library	2,722,828	2,740,395	2,722,281	(0.7%)	2,756,100
Total Expenditures	\$ 6,295,937	\$ 6,394,783	\$ 6,118,472	(4.3%)	\$ 6,127,394
Personnel	\$ 2,168,223	\$ 2,195,212	\$ 2,133,933	(2.8%)	\$ 2,160,447
Operating	4,078,956	4,144,571	3,946,139	(4.8%)	3,966,947
Capital	48,759	55,000	38,400	(30.2%)	-
Total Expenditures	\$ 6,295,937	\$ 6,394,783	\$ 6,118,472	(4.3%)	\$ 6,127,394
Revenues					
Other Revenue	\$ 531,639	\$ 582,000	\$ 693,500	19.2%	\$ 728,000
General Fund Revenue	5,764,298	5,812,783	5,424,972	(6.7%)	5,399,394
Total Revenue	\$ 6,295,937	\$ 6,394,783	\$ 6,118,472	(4.3%)	\$ 6,127,394
Generated Revenue Percent	8.4%	9.1%	11.3%		11.9%
General Fund Percent	91.6%	90.9%	88.7%		88.1%
Full-time Positions	34	34	34	0.0%	34
Part-time Positions	104	104	103	(1.0%)	103
Full-time Equivalent	49.6	49.6	48.8	(1.6%)	48.8

Parks and Recreation

DESCRIPTION

The Parks and Recreation Department provides and promotes leisure services to the citizens of Hanover County. The Department specifically offers, or is involved with, passive park activities, maintenance of County grounds, educational/hobby programs, senior citizens activities, youth programs, athletic leagues, bus tours and special events. It is our mission to promote, advocate and provide the highest quality parks and recreation resources and leisure services. Our vision is to provide, through a comprehensive delivery system,

safe, healthy and strategically placed resources and leisure services of the highest quality. These resources and services are diversely funded, accessible and affordable. It is also part of our vision that the Parks and Recreation Department plays a key leadership role in providing for and improving the quality of life while conserving and protecting natural, cultural and historic resources. The Parks and Recreation Advisory Commission serves as a liaison between the citizens and the Board of Supervisors.

BUDGET SUMMARY

	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY11	FY12 Plan
Expenditures					
Personnel	\$ 2,168,223	\$ 2,195,212	\$ 2,133,933	(2.8%)	\$ 2,160,447
Operating	1,356,128	1,404,176	1,223,858	(12.8%)	1,210,847
Capital	48,759	55,000	38,400	(30.2%)	-
Total Expenditures	\$ 3,573,109	\$ 3,654,388	\$ 3,396,191	(7.1%)	\$ 3,371,294
Revenues					
Other Revenue	\$ 531,639	\$ 582,000	\$ 693,500	19.2%	\$ 728,000
General Fund Revenue	3,041,470	3,072,388	2,702,691	(12.0%)	2,643,294
Total Revenue	\$ 3,573,109	\$ 3,654,388	\$ 3,396,191	(7.1%)	\$ 3,371,294
Generated Revenue Percent	14.9%	15.9%	20.4%		21.6%
General Fund Percent	85.1%	84.1%	79.6%		78.4%
Full-time Positions	34	34	34	0.0%	34
Part-time Positions	104	104	103	(1.0%)	103
Full-time Equivalents	49.6	49.6	48.8	(1.6%)	48.8

BUDGET HIGHLIGHTS

The FY11 budget includes ongoing money for Taylor Shop maintenance and repairs, a software module to improve the efficiency related to program registration and finances, as well as funding for replacement mowers. The budget also includes an unfunded but vacant recreation coordinator as well as the

elimination of a vacant grant funded position. The increase in other revenues can be attributed to the increase in Summer Program fees; this fee increase and some operational changes in program design makes the summer program revenue neutral for the department.

Parks and Recreation

GOALS AND OBJECTIVES

- Promote, advocate and provide the highest quality park and recreational resources and leisure services;
- Provide a balance of recreational programs and facilities to meet the present and planned population needs of Hanover County;
- Preserve, maintain and further enhance public grounds, areas of scenic beauty and areas of historic significance;
- Encourage the use of existing recreational and scenic areas;
- Complete updating the Parks Master Plan, designed to integrate park site plans therefore ensuring that facilities are not needlessly duplicated or geographically unbalanced, analyze and provide recommendations for improvements to the County recreation facilities, guide future development of acquired property for parks and recreation facilities, ascertain the community’s opinions regarding the condition of existing facilities, and provide a management plan that describes relevant development costs and funding strategies;
- Complete the construction of Bond Referendum improvements to Courthouse Park, Hanover Wayside Park, Pole Green Park and Poor Farm Park;
- Design, bid and construct Bond Referendum improvements to Montpelier Park (Phase II) and Taylor Park;
- Work with Planning Department, Martin Marietta and various historic-based organizations in the planning and development of additional park acreage at North Anna Battlefield Park;
- Resolve all facility use issues associated with Doswell Park and complete improvements to walking trails and parking lot;
- Continue enhancements to services provided to the general public including preparation for on-line registration and increased hours of operation at both Pole Green Community Center and Montpelier Community Center;
- Complete minor facility improvements to the existing administrative offices at Taylor Complex and at Montpelier Community Center.

SERVICE LEVELS

	FY09 <u>Actual</u>	FY10 <u>Budget</u>	FY10 <u>Forecast</u>	FY11 <u>Budget</u>
Per capita cost of operating department	\$36.03	\$36.28	\$36.28	\$32.70
Hanover parks	9	11	10	11
Boat ramps	4	4	4	4
% of time sites mowed within 10 days	99%	96%	96%	95%
% of time all athletic fields are inspected monthly	100%	100%	100%	100%
% of time sites are mowed within 10 working days (March 15 – November 1)	99%	99%	99%	98%
FTE’s per 1,000 population – maintenance	.241	.242	.242	.239
FTE’s per 1,000 population – recreation	.234	.235	.235	.235
Park visitation total	1,243,387	1,332,541	1,332,541	1,400,000

Pamunkey Regional Library

DESCRIPTION

The Pamunkey Regional Library is a political subdivision of the Commonwealth of Virginia, governed by a 10 member Board of Trustees appointed by the Board of Supervisors of the participating counties (four are appointed by Hanover), which provides public library service to Hanover County through six libraries and the Bookmobile. The mission of the Library is to enhance the quality of life in our communities by providing access to information, promoting reading and enjoyment, nurturing life-long learning, and providing places for people to interact with others.

The Library offers programs for all ages, such as storytimes, book groups, the Bookmobile, movies, author visits, teen stuff, workshops and lectures, senior center visits and concerts. Citizens may borrow from more than 435,000 items for free, reserve a meeting room, connect on our wi-fi network for free, use a high-speed computer or join a summer reading program.

The County has benefited greatly as part of this regional library system that serves four counties. Over 1,000,000 items were circulated in the Hanover libraries in 2009, an 8% increase over the prior year.

LIBRARY DESCRIPTIONS

Hanover's public service outlets are as follows:

1. The Richard S. Gillis, Jr. Ashland Branch Library, 201 S. Railroad Avenue, Ashland, a 10,000 square foot library with 42,000 volumes, open 60 hours a week with a circulation of 320,789 in 2009.
2. The Atlee Branch Library, 9161 Atlee Road, Mechanicsville, a 10,000 square foot library with 50,000 volumes, open 60 hours a week with a circulation of 229,149 in 2009. The bookmobile delivery and library collections are located in the building.
3. The Hanover Courthouse Library, Hanover Courthouse, a 3,000 square foot public service area library with 25,000 volumes, open 60 hours a week with a circulation of 52,061 in 2009. The Library's administrative headquarters are also located in the building.
4. The Mechanicsville Branch, 7461 Sherwood Crossing Place, Mechanicsville, a 16,000 square foot library with 35,000 volumes, open 60 hours a week with a circulation of 275,264 in 2009.
5. The Lois Wickham Jones/Montpelier Library, a 2,500 square foot library with 10,000 volumes, open 40 hours a week with a circulation of 64,372 in 2009.
6. The Rockville Branch Library, a 3,600 square foot library with 18,000 volumes open 60 hours a week with a circulation of 63,235 in 2009.
7. The Bookmobile stops throughout the County on Tuesday and Thursday with a circulation of 17,005 in 2009.
8. The Library provides weekly service to Pamunkey Regional Jail with a circulation of 1,848 in 2009.

Pamunkey Regional Library

BUDGET SUMMARY

	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY11	FY12 Plan
Expenditures					
Operating	\$ 2,722,828	\$ 2,740,395	\$ 2,722,281	(0.7%)	\$ 2,756,100
Total Expenditures	<u>\$ 2,722,828</u>	<u>\$ 2,740,395</u>	<u>\$ 2,722,281</u>	<u>(0.7%)</u>	<u>\$ 2,756,100</u>
Revenues					
General Fund Revenue	\$ 2,722,828	\$ 2,740,395	\$ 2,722,281	(0.7%)	\$ 2,756,100
Total Revenue	<u>\$ 2,722,828</u>	<u>\$ 2,740,395</u>	<u>\$ 2,722,281</u>	<u>(0.7%)</u>	<u>\$ 2,756,100</u>

BUDGET HIGHLIGHTS

The County has benefited greatly as part of this regional library system that serves four counties. Over one million items were circulated in the library, an 8.0% increase over the prior year. The County and the Pamunkey Regional Library often

refer to the goal to have a ratio of 0.6 per square feet of library space per person in the County. With the replacement of the Mechanicsville Library the County's ratio is 0.43.

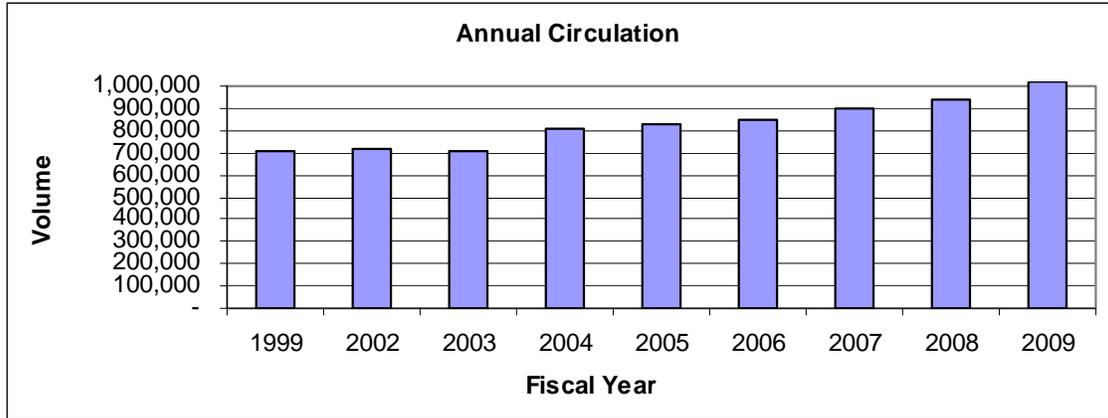
GOALS AND OBJECTIVES

- Provide convenient access to library materials and the Internet to all Hanover citizens;
- Provide web access to the library catalog and electronic databases;
- Maintain a collection of 3 volumes per capita;
- Continue to work to have .6 square feet of library space per capita; and
- Increase membership and attendance at library programs.

SERVICE LEVELS

	<u>FY09 Actual</u>	<u>FY10 Budget</u>	<u>FY10 Forecast</u>	<u>FY11 Budget</u>
Per capita cost of operating Library	\$27.46	\$27.05	\$27.21	\$26.21
Active cardholders	50,149	52,000	55,000	57,250
Attendance at library programs	25,285	35,500	35,500	35,500
Internet workstations – hours used	72,130	70,000	125,000	135,000
References questions answered	214,409	230,000	220,000	225,000
Average number of daily website hits	1,137	1,500	1,500	1,650
Library visits per capita	5.17	4.75	5.25	5.25

Pamunkey Regional Library



FY09 Statistics

Pamunkey Regional Library		Statewide Average	
Circulation per capita	9.2	Circulation per capita	9.1
Holdings per capita	2.33	Holdings per capita	2.96
Holdings turnover rate	3.95	Holdings turnover rate	3.09
Total expenditure per capita	\$32.56	Total expenditure per capita	\$35.4
Local expenditure per capita	\$27.46	Local expenditure per capita	\$24.79
Local expenditure per circulation	\$2.68	Local expenditure per circulation	\$3.78
Total expenditure per circulation	\$3.54	Total expenditure per circulation	\$3.87
% of total expenditure for materials	19%	% of total expenditure for materials	15%
Visits per capita	4.82	Visits per capita	4.99

COMMUNITY DEVELOPMENT

	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY11	FY12 Plan
Planning	\$ 2,229,007	\$ 2,242,968	\$ 2,147,028	(4.3%)	\$ 2,173,224
Economic Development	1,064,438	1,158,371	1,052,165	(9.2%)	1,063,967
Virginia Cooperative Extension	74,290	106,711	89,691	(15.9%)	90,588
Soil & Water Conservation Dist	103,500	103,500	98,500	(4.8%)	99,485
Community Support	1,392,857	1,251,001	1,157,920	(7.4%)	1,157,884
Total Expenditures	\$ 4,864,092	\$ 4,862,551	\$ 4,545,304	(6.5%)	\$ 4,585,148
Personnel	\$ 2,782,623	\$ 2,862,757	\$ 2,808,440	(1.9%)	\$ 2,843,335
Operating	2,754,998	2,711,300	2,313,088	(14.7%)	2,324,604
Capital	18,268	12,000	-	(100.0%)	-
Total Expenditures	\$ 5,555,889	\$ 5,586,057	\$ 5,121,528	(8.3%)	\$ 5,167,939
Revenues					
Other Revenue	419,982	514,405	451,680	(12.2%)	494,500
General Fund Revenue	4,444,109	4,348,146	4,093,624	(5.9%)	4,090,648
Total Revenue	\$ 4,864,092	\$ 4,862,551	\$ 4,545,304	(6.5%)	\$ 4,585,148
Full-time Positions	29	29	28	(3.4%)	32
Part-time Positions	33	33	32	(3.0%)	22
Full-time Equivalents	35.1	35.1	34.1	(2.8%)	34.1

Planning

DESCRIPTION

Planning aids the Board of Supervisors, Planning Commission, Historical Commission, Architectural Review Board, Board of Zoning Appeals, and other designated committees in establishing and implementing development policies for the County. Proposals for changes in plans, ordinances, land use, and the division of land are reviewed with Federal, State, and local agencies for consistency with applicable regulations and policies. The staff also disseminates policy information to the Board, Planning Commission, Architectural Review Board, other boards and committees, and the public. The revenue is received primarily from planning permits and fees.

The Planning Department is made up of four sections. The Administration Section of the Planning Department is responsible for overall management. It is also responsible for the

preparation of ordinances, ordinance amendments, procedures and forms for the Department, and the ongoing advance planning activity for the County, including the comprehensive plan amendments, demographics, and regional issues. The Current Section is responsible for the acceptance, review, and disposition of all land-use and subdivision applications, exclusive of variances. The Development Review Section is responsible for the acceptance, review, tracking, and coordination of County response to, and approval of site plan and subdivision applications. The Zoning Section is responsible for the administration and enforcement of the Zoning Ordinance to include review and approval of building permits, as well as processing variances and appeals.

BUDGET SUMMARY

	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY11	FY12 Plan
Expenditures					
Personnel	\$ 1,940,092	\$ 2,009,826	\$ 1,948,364	(3.1%)	\$ 1,972,573
Operating	270,647	233,142	198,664	(14.8%)	200,651
Capital	18,268	-	-	0.0%	-
Total Expenditures	\$ 2,229,007	\$ 2,242,968	\$ 2,147,028	(4.3%)	\$ 2,173,224
Revenues					
Other Revenue	\$ 239,794	\$ 321,500	\$ 261,500	(18.7%)	\$ 312,000
General Fund Revenue	1,989,213	1,921,468	1,885,528	(1.9%)	1,861,224
Total Revenue	\$ 2,229,007	\$ 2,242,968	\$ 2,147,028	(4.3%)	\$ 2,173,224
Generated Revenue Percent	10.8%	14.3%	12.2%		14.4%
General Fund Percent	89.2%	85.7%	87.8%		85.6%
Full-time Positions	24	24	23	(4.2%)	23
Part-time Positions	22	22	22	0.0%	22
Full-time Equivalents	26.1	26.1	25.1	(3.8%)	25.1

Planning

BUDGET HIGHLIGHTS

The overall decreases in the operating budget are due to savings initiatives enacted by the County, as well as anticipated savings from a planned retirement. Funding has been eliminated for the County's Historic

Preservation Fund. The Citizens Planning Academy has been suspended as well as a reduction in funding for the Historic Commission. There are no fee increases included in the FY11 budget.

GOALS AND OBJECTIVES

- Continue the timely processing of applications:
 - Process Economic Development cases within 60 days;
 - Process site plan applications in less than 30 days and subdivisions in less than 45 days.
- Continue public education efforts:
 - Sponsor the Citizen's Planning Academy and the Youth Planning Academy;
 - Continue to participate in the Virginia Citizen's Planning Association; and
 - Make presentations to civic and community organizations.
- Continue improvements to customer service:
 - Provide for educational and training opportunities for staff;
 - Continue training specific to customer service;
 - Complete and implement departmental procedures manual; and
 - Continue quarterly development community meetings.

SERVICE LEVELS

	FY08 <u>Actual</u>	FY09 <u>Budget</u>	FY09 <u>Forecast</u>	FY10 <u>Budget</u>
Per capita cost of operating department	\$22.48	\$22.27	\$22.27	\$20.67
Processing times:				
Economic development cases	60	60	60	60
Residential zoning cases	115	120	120	120
Other zoning cases	100	100	100	100
Site plan applications	30	30	30	30
Building permits	10	10	10	10
Average number of days to:				
Respond to code violation reports	2	2	2	2
Resolve violation once report is issued	30	28	28	30

Economic Development

DESCRIPTION

The Economic Development Department provides services designed to attract, retain, and facilitate expansion of high quality business and industry resulting in a stable, diverse local economy and an improved standard of living for the citizens of the County. The County is becoming an increasingly important part of the diverse and growing Richmond metropolitan economy. Based upon economic forecasts, the County should continue to maintain above average employment rates, per capita income, and growth. The main objective of the

Department is to provide an expanding tax base and employment opportunities for Hanover citizens, while improving the overall standard of living. Economic Development assists existing businesses in the County with expansion, relocation (within the County), and retention issues, and recruits new businesses that may be interested in relocation, expansion, or consolidation to the County from both domestic and international markets. The Department also works to designate additional areas of the Comprehensive Plan for business development.

BUDGET SUMMARY

	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY11	FY12 Plan
Expenditures					
Personnel	\$ 515,858	\$ 523,648	\$ 528,227	0.9%	\$ 534,790
Operating	548,580	634,723	523,938	(17.5%)	529,177
Total Expenditures	<u>\$ 1,064,438</u>	<u>\$ 1,158,371</u>	<u>\$ 1,052,165</u>	<u>(9.2%)</u>	<u>\$ 1,063,967</u>
Revenues					
Other Revenue	\$ 171,000	\$ 185,905	\$ 178,680	(3.9%)	\$ 171,000
General Fund Revenue	893,438	972,466	873,485	(10.2%)	892,967
Total Revenue	<u>\$ 1,064,438</u>	<u>\$ 1,158,371</u>	<u>\$ 1,052,165</u>	<u>(9.2%)</u>	<u>\$ 1,063,967</u>
Generated Revenue Percent	16.1%	16.0%	17.0%		16.1%
General Fund Percent	83.9%	84.0%	83.0%		83.9%
Full-time Positions	5	5	5	0.0%	5
Full-time Equivalents	5.0	5.0	5.0	0.0%	5.0

BUDGET HIGHLIGHTS

The decrease in this budget is attributed to the reduced funding level necessary for the Greater Richmond Partnership, cost savings measures

by switching to an electronic newsletter, as well as reduced levels of funding for advertising and sponsorships used to promote Hanover County.

Economic Development

GOALS AND OBJECTIVES

- Implement the *Business First – Hanover* business retention and expansion program;
- Maintain and enhance programs and services to support the retention and expansion of existing businesses;
- Encourage new investment projects (new business attraction and existing business expansion) by providing site location assistance information and permit review and approval assistance;
- Market Hanover as a business location;
- Network in professional real estate community;
- Host an annual “Business Appreciation Week” event;
- Publish a quarterly newsletter for distribution to all County businesses;
- Maintain a business resource center;
- Maintain a database of available sites and buildings and an economic development internet site; and
- Maintain a database of existing and prospective businesses.

SERVICE LEVELS

	<u>FY09</u> <u>Actual</u>	<u>FY10</u> <u>Budget</u>	<u>FY10</u> <u>Forecast</u>	<u>FY11</u> <u>Budget</u>
Per capita cost of operating department	\$10.73	\$11.50	\$11.50	\$10.13
Business prospects serviced	40	65	45	50
Information inquiries	150	250	165	135
Existing business visits	121	100	125	100

Lodging Available (Hotel Rooms)

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010*</u>
Town of Ashland	1,173	1,012	1,012	1,177	1,177
County (excluding Town)	541	519	572	649	780

Source: RMCVB

* Projected

Soil and Water Conservation District

DESCRIPTION

The Soil and Water Conservation District of Hanover and Caroline County (SWCD) is a subdivision of State government responsible under State law for conservation work within its boundaries. The activities are governed by a six member Board of Directors of which four members are elected and two members are appointed by Virginia's Division of Soil and Water Conservation. The District maintains an office in Hanover and is staffed by four employees. The Soil and Water Conservation District is designed to assist County landowners with conservation

planning and assistance with conservation programs. The District administers the Virginia Best Management Practices Cost Share Program and the Virginia Tax Credit Program. This program provides financial and technical assistance to install best management practices on agricultural land to reduce non-point source pollution and improve water quality. The District is funded with monies appropriated by the Commonwealth, the U.S. Environmental Protection Agency, and Hanover and Caroline Counties.

BUDGET SUMMARY

	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY 11	FY12 Plan
Expenditures					
Operating	\$ 103,500	\$ 103,500	\$ 98,500	(4.8%)	\$ 99,485
Total Expenditures	\$ 103,500	\$ 103,500	\$ 98,500	(4.8%)	\$ 99,485

BUDGET HIGHLIGHTS

The reduction in funding will impact the educational outreach programs put on by the District. The department did not receive any additional funding cuts from the County; but

was subject to cuts from the state in fiscal year 2009 as well as additional reductions in fiscal year 2010.

GOALS AND OBJECTIVES

- Continue to locally administer the Virginia Best Management Practices (BMP) Cost-share and Tax Credit Program in order to provide financial assistance to local landowners and operators for proper installation of conservation practices;
- Continue to bring landowners into compliance with USDA Farm Bill regulations through conservation planning and implementation of BMPs using federal programs such as the Environmental Quality Incentive Program (EQIP), Continuous Conservation Reserve Program (CCRP), and the Conservation Reserve Enhancement Programs (CREP);
- Continue to assist local citizens with the on-farm resource planning through the development of Chesapeake Bay Act Soil and Water Quality Conservation Plans and installation of riparian buffers on the land to reduce erosion and improve water quality;
- Continue to promote conservation no-tillage planting techniques and residue management through the District's Seeder Program;

Soil and Water Conservation District

- Continue to assist the Department of Public Works with the tracking of biosolids applications and CBPA tracts, plans, and plan revisions;
- Continue to administer the Ag Stewardship Act by investigating and resolving complaints against agricultural producers;
- Continue to assist the County with the development and implementation of TMDLs (total maximum daily loads) for locally impaired streams and basin-wide tributary strategies initiatives for the York and James Rivers;
- Continue to provide assistance to urban and suburban landowners for water quality problems, drainage problems, erosion and sediment control problems, and other natural resource problems as referred to us by the County;
- Actively promote flood hazard awareness, perform inspections and maintenance, and maintain a current and executable emergency action plan for dam Site 52-B in Hanover County;
- Continue to provide conservation education through such youth and adult programs as the Envirothon Competition, Ag Day, Conservation Awards Programs, Quarterly Newsletters, Website development, Conservation Camp, career days, Youth Scholarship Opportunities, Bayscapes Workshops, Scout Programs (Soil and Water Conservation Merit Badge), and conservation workshops/topics of interest as requested; and
- Manage fiscal and administrative operations of the District to comply with regulations and directives.

SERVICE LEVELS

The SWCD works with agricultural landowners to verify if farms are in compliance with State and local ordinances of the Chesapeake Bay Preservation Act. SWCD provides a minimum of 30 Soil and Water Quality Conservation plans to landowners each year to document riparian buffer information and assist with nutrient management, erosion control measures, and pesticide management. SWCD provides Hanover County Department of Public Works with a current database and GIS information generated through the identification and tracking of these CBPA agricultural tracts, plans, and biosolids applications.

The Virginia BMP Cost-share program funding will be used to assist landowners in Hanover and Caroline Counties with implementing best management practices that reduce erosion and improve water quality on agricultural land. Education is provided on conservation and natural resource issues in the schools systems through an annual agriculture day for third graders, an Envirothon competition, Youth Conservation Camp for 9-12 graders, and college scholarships for a graduating senior at each county high school in the field of conservation.

Virginia Cooperative Extension

DESCRIPTION

The Hanover Unit of the Virginia Cooperative Extension is one of 107 units across the Commonwealth bringing the resources of the two Land Grant Universities of Virginia Tech and Virginia State to their local communities. Cooperative Extension provides research-based information to residents in the areas of agriculture, horticulture, community resource development, disaster management and

assessment, and youth development and programming. The unit receives partial funding from the U. S. Department of Agriculture and the Commonwealth. Staff and volunteers utilize telephone contacts, print, video, computer media, hands-on workshops, office visits and lab testing to provide services throughout the county.

BUDGET SUMMARY

	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY11	FY12 Plan
Expenditures					
Operating	\$ 74,290	\$ 106,711	\$ 89,691	(15.9%)	\$ 90,588
Total Expenditures	<u>\$ 74,290</u>	<u>\$ 106,711</u>	<u>\$ 89,691</u>	<u>(15.9%)</u>	<u>\$ 90,588</u>
Revenues					
Other Revenue	\$ 9,189	\$ 7,000	\$ 11,500	64.3%	\$ 11,500
General Fund Revenue	\$ 65,101	\$ 99,711	\$ 78,191	(21.6%)	\$ 79,088
Total Revenue	<u>\$ 74,290</u>	<u>\$ 106,711</u>	<u>\$ 89,691</u>	<u>(15.9%)</u>	<u>\$ 90,588</u>
Generated Revenue Percent	12.4%	6.6%	12.8%		12.7%
General Fund Percent	87.6%	93.4%	87.2%		87.3%

BUDGET HIGHLIGHTS

This function represents the County's share in participating in the State extension service (administered by Virginia Tech), which has been a valuable resource for our agri-business and residents interested in horticulture, 4-H, and various other industry

related programs. The decrease in local funding of this budget can be attributed to Hanover County's portion of a position not authorized to fill by Virginia Tech that was removed from the budget.

GOALS AND OBJECTIVES

- Provide systematic recruitment and training of volunteers on civil rights compliance, risk management, organization, delivery modes, policies and fiscal management;
- Collaborate with other organizations for reaching underserved audiences and seek outside funding;

Virginia Cooperative Extension

- Continue to offer programs reflecting the interests, needs and demographics of current Hanover County residents and prepare to adapt to indicated trends;
- Health, nutrition, fitness will be an interdisciplinary initiative across all three program areas;
- Prepare for federal Civil Rights Audit.

SERVICE LEVELS

	FY09 <u>Actual</u>	FY10 <u>Budget</u>	FY10 <u>Forecast</u>	FY11 <u>Budget</u>
Per capita cost of operating department	\$0.75	\$1.06	\$1.06	\$0.86
Telephonic and electronic citizen contact	12,000	18,000	19,000	20,000
Newsletter and mailing citizen contact	5,200	6,000	6,000	4,000
Volunteer members	400	450	450	475
Volunteer contacts	30,000	33,000	33,000	36,000
Volunteer hours	35,000	36,000	36,000	37,000
4-H Youth Participants	1,500	1,600	1,600	1,700

This information does not include services produced through the media including print and local broadcast stations.

Community Support

DESCRIPTION

The County recognizes the benefit obtained by its citizens from the agencies listed below and is pleased to provide a share of the operation of these agencies.

BUDGET SUMMARY

	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY11	FY12 Plan
Expenditures					
Operating	\$ 1,392,857	\$ 1,251,001	\$ 1,157,920	(7.4%)	\$ 1,157,884
Total Expenditures	\$ 1,392,857	\$ 1,251,001	\$ 1,157,920	(7.4%)	\$ 1,157,884
Revenues					
General Fund Revenue	\$ 1,392,857	\$ 1,251,001	\$ 1,157,920	(7.4%)	\$ 1,157,884
Total Revenue	\$ 1,392,857	\$ 1,251,001	\$ 1,157,920	(7.4%)	\$ 1,157,884

BUDGET HIGHLIGHTS

The FY11 budget for Community Support reflects a general decrease in contributions of 10% due to the current economic climate. The slight increase (1.4%) in the funding to the Richmond Metropolitan Convention and Visitors Bureau is based on a calculation of actual prior year (FY07) lodging tax receipts.

GOALS AND OBJECTIVES

To continue to honor regional and local funding agreements that recognize the County's share of participation.

SERVICE LEVELS

The County appropriated funds for the following agencies. Note that during the course of a fiscal year additional contributions may be appropriated.

Community Support

<u>Organization</u>	<u>FY09</u> <u>Adopted</u>	<u>FY10</u> <u>Adopted</u>	<u>FY11</u> <u>Proposed</u>
American Red Cross	\$ 8,000	\$ 6,400	\$ 5,760
Beaverdam Heritage Days	5,000	4,000	3,600
Capital Area Training Consortium	5,000	5,000	5,000
Central Virginia Health Planning	3,000	2,400	-
Council On Aging	5,100	4,080	-
CulturalWorks	16,000	12,800	11,520
FeedMore	5,000	4,000	3,600
Governor's School	66,892	-	-
Greater Richmond Convention Cntr Authority	802,399	763,198	706,000
Greater Works Comm. Dev. Corp.	2,500	2,000	1,800
Hanover Adult Center	5,000	4,000	3,600
Hanover Arts & Activities Center	5,000	-	-
Hanover Habitat for Humanity	40,000	-	-
Hanover Safe Place	8,000	6,400	5,760
Hanover Tavern Foundation	15,500	12,400	11,160
Heritage and History of Hanover County	15,000	-	-
Historic Polegreen Church Foundation	2,000	1,600	1,440
Homeward	5,000	4,000	3,600
Irvin Gammon Craig Health Center	4,500	-	-
J. Sergeant Reynolds Community College	97,381	97,381	93,891
Jamestown 4H Educational Center	2,500	2,000	1,800
Leadership Metro Richmond	1,000	800	720
Maymont Foundation	13,000	10,400	9,360
Montpelier Center	10,000	-	-
Operation Hope	25,000	15,000	-
Parson's Cause Foundation	3,000	2,400	2,160
Read Center	4,500	3,600	3,240
Regional Taxicab Program (GRTC)	2,000	1,000	900
Richmond Metro Convention & Visitors Bureau	147,648	152,128	154,182
Richmond Regional Planning District Comm	58,260	59,280	59,047
Richmond Sports Backers	7,000	5,600	5,040
RideFinders	2,500	2,000	1,800
Science Museum of VA	13,000	10,400	9,360
Scotchtown	5,500	4,400	3,960
Senior Connections	28,667	22,934	20,640
St. Joseph's Villa	4,000	3,200	2,880
Town of Ashland	5,000	-	-
VCU Children's Medical Center	25,000	-	-
VCU School of Engineering	25,000	25,000	25,000
Virginians For High Speed Rail	1,000	1,000	900
Western Hanover Committee for Aging	1,390	200	200
	\$ 1,501,237	\$ 1,251,001	\$ 1,157,920

Community Support

American Red Cross – Provides free transportation to Hanover County Residents to life-sustaining medical appointments. July 2008 thru October 2009, approximately 1,605 medical trips were provided.

Beaverdam Heritage Days – Nonprofit organization founded in 1996 for the purpose of broadening our understanding of the history, culture and contributions of various groups in the founding of the Town of Beaverdam. The foundation has received an antique collection contingent upon it providing suitable housing that would permit public access to the collection. Plans are to build a replica old store designated as a Pop's Country Store Heritage Museum and Learning Center in Beaverdam.

Capital Region Workforce Partnership (Capital Area Training Consortium) – Provides job training and employment assistance services to all residents of Hanover.

Central Virginia Health Planning Agency – Plans for medical services and facilities; collecting, analyzing, and disseminating health care data and information; and advocating for the health needs of Hanover County residents.

Council on Aging – Provides services for the senior population including a health fair, health screenings, and health counseling.

CultureWorks – Formally the Arts Council of Richmond. Consolidates and provides funding for the arts and cultural organizations in the Richmond metropolitan area. Direct benefits to the County include operational support for the Barksdale Theatre, Richmond Symphony's Musical Ambassadors Program, Theatre IV performances, and Virginia Opera's In-School Touring. Hanover County residents account for an estimated 33% of the population served by the Consortium.

FeedMore – Provides hot meals to seniors and homebound residents. FeedMore, Inc. is the umbrella organization that brings together Meals on Wheels, Central Virginia Food Bank, and the Community Kitchen. Funding will help acquire and distribute food to those in need.

Governor's School – Each locality that participates in the Governor's School supported the capital renovation costs for the facility based on the number of students attending from the respective locality. Hanover's completed payment of its share in fiscal year 2009.

Greater Richmond Convention Center Authority – The Authority is funded through the lodging tax generated in each participating locality. The amount appropriated totals 100% of this tax in Hanover.

Greater Works Community Development Corp – Operates The Pharmacy Connection (TPC), which is a program to help uninsured persons obtain cost-free prescriptions for chronic medications.

Hanover Adult Center – The agency provides affordable, supportive adult day services to older adults and their families who face long-term care decisions.

Hanover Arts & Activities Center - The center is a 148-year old facility located in Ashland. The organizational goal of this non-profit is to provide opportunities for cultural enrichment, educational ventures, and personal growth for area citizens. In fiscal year 2009 Hanover County made a one time contribution for technology equipment.

Hanover Habitat for Humanity – Building and selling affordable homes in Hanover County. The contribution offset the associated fees and utility connection for building homes in Hanover County.

Community Support

Hanover Safe Place (Domestic and Sexual Violence Program) – Provides financial counseling and legal services for victims, training programs, prevention programs, and batterers counseling groups.

Hanover Tavern Foundation – Hanover Tavern offers visitors cultural experiences, educational programming, a restaurant, professional theatre, and a venue for special events.

Heritage and History of Hanover County – This one-time funding was used to provide assistance to Heritage and History of Hanover County, Inc. in the form of the purchase of a Hanover County history book written by Mr. Priddy.

Historic Polegreen Church Foundation – Provides educational programs based on the theme of the Polegreen Church site and the struggle for civil and religious freedom.

Homeward – Regional homeless services coordinating organization for Hanover, Richmond, Henrico, and Chesterfield.

Irvin Gammon Craig Health Center - Located at St. Joseph's Villa, the Center provided healthcare to low income and underserved individuals regardless of their ability to pay. This organization ceased operations in December 2008.

J. Sargeant Reynolds Community College – Hanover pays approximately 15% of the College's operating and capital costs. Capital costs support infrastructure development in support of new facilities and to upgrade existing infrastructure as needed. Other contributors are the counties of Goochland, Henrico, Louisa, Powhatan, and the City of Richmond.

Jamestown 4-H Center – The Center provides camping, environmental education, and leadership training to youth and adult volunteers.

Leadership Metro Richmond – LMR's Leadership Quest. This contribution is to offset the costs of the training provided to Hanover employees.

Maymont Foundation – Hanover funds the Foundation along with the other localities in the region. These funds allow Maymont to provide admission-free cultural and educational opportunities to Hanover students and citizens.

Montpelier Center for Arts & Education – The Center, located in Western Hanover County, is committed to providing educational opportunities and encouraging participation in the arts and creative expression for all ages. Hanover County provided two years of one-time capital support.

Operation Hope – Operation Hope is a citizen organized and led project to create, fund, and build all-access playgrounds at Pole Green and Poor Farm Parks. Hanover County agreed to match local contributions for playgrounds at Pole Green and Poor Farm parks.

Parson's Cause Foundation – (Hanover County Historical Society) Promotes Hanover County's role in American history by performing reenactments throughout Hanover County.

Read Center – Provides and supports literacy services to Hanover County residents who meet the entry requirements.

Regional Taxicab Program – Implements programs and improves services for taxicab customers.

Community Support

Richmond Metropolitan Convention and Visitors Bureau - The Bureau is designed to promote the metropolitan Richmond area (including Hanover) as an attractive vacation spot, convention place, and motion picture filming location. Specifically for Hanover, this includes promotional inducement with Kings Dominion, familiarization tours of horse racing farms, Scotchtown, battlefields, shuttle service from County hotels to Richmond conventions, radio station advertising highlighting Hanover attractions, and coordinating all feature films, commercial production, and television shooting in Hanover.

Richmond Regional Planning District Commission – Represents the Counties of Hanover, Charles City, Chesterfield, Goochland, Henrico, New Kent, Powhatan, the Town of Ashland, and the City of Richmond. Funding is based on \$.60 per capita.

Richmond Sports Backers – To support efforts to attract sports tourists and generate media exposure for the region through sporting events.

RideFinders – Serves Hanover as the region's ridesharing agency.

Science Museum of Virginia – Provides educational resources and exhibits focusing on the sciences.

Scotchtown – The birthplace of Patrick Henry. Provides tours and special events for the public.

Senior Connections - An agency for people age sixty and older living in Planning District 15 (includes Hanover) under the jurisdiction of the Older Americans Act.

St. Joseph's Villa – Flagler Home provides temporary housing and support to families who have experienced the crisis of homelessness.

Town of Ashland – This one time funding supported the 150th Anniversary Celebration of the town.

VCU Children's Medical Center – Funds were provided to support the creation of a dedicated center for children with diabetes and to endow a pediatric diabetologist.

VCU School of Engineering – These funds recognize the important impact of the School to the Richmond metropolitan area and support the School's growth and success by providing capital support to the Monroe Park Campus addition project. Hanover's commitment will end in fiscal year 2011.

Virginians for High Speed Rail – Nonprofit organization that advocates for the improvement and expansion of rail service in Virginia.

Western Hanover Committee for the Aging – Provides nourishing meals, programs, and companionship for senior citizens in Western Hanover County.

Non-departmental

DESCRIPTION

Non-departmental is comprised of General Fund transfers to other funds and appropriated reserves. The County's general fund provides transfers to the various other funds to supplement revenue collected by these funds. The School Fund, Textbook Fund, Comprehensive Services (CSB) Fund, Community Services (CSA) Fund, Fleet Services Fund and the Airport Fund receive operating and capital funds from the General

Fund. The County Improvement Fund and School Improvement Fund receive capital funds from the General Fund. The Lewistown Commerce Center Community Development Authority (CDA) receives the transfer of its generated revenue. In addition, contingency funds for unexpected budgetary needs are included in this area. For further information on transfers to other funds, refer to the funds applicable sections of this budget document.

BUDGET HIGHLIGHTS

FY11 includes a transfer to the Fleet Services Fund. This transfer includes funding for a fuel management system.

compensation savings for a reduced workforce are formalized and frozen positions are either eliminated or still authorized, but unfunded.

The compensation savings reserve was an actual credit amount in FY10 in anticipation of compensation savings due to maintaining a reduced workforce. In the FY11 budget, the

The Reserve for Contingencies is decreasing, as it is a ratio of the budget and the overall budget is decreasing.

GOALS AND OBJECTIVES

- Provide necessary operating and capital funding from general fund as approved by the Board of Supervisors;
- Provide sufficient reserves for contingencies of at least .5% of total general revenues less general fund capital transfers to ensure unexpected budgetary needs are satisfied; and
- Comply with all debt payment schedules and covenants contained in debt agreements.

Non-departmental

BUDGET SUMMARY

	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY11	FY12 Plan
School Funds					
School Fund	\$ 94,078,833	\$ 95,062,617	\$ 93,017,000	(2.2%)	\$ 91,955,371
Textbook Fund	717,352	-	-	0.0%	-
Subtotal, School Fund	94,796,185	95,062,617	93,017,000	(2.2%)	91,955,371
Other Funds					
Community Services Fund	\$ 4,453,145	\$ 4,919,870	\$ 4,602,538	(6.5%)	\$ 4,665,320
Comprehensive Services Fund	2,494,763	2,854,681	2,936,767	2.9%	2,995,500
Fleet Services	-	-	100,213	100.0%	100,213
Airport	333,081	200,703	190,056	(5.3%)	208,900
Lewistown CDA	339,342	920,000	644,750	(29.9%)	666,000
Subtotal, Other Funds	7,620,331	8,895,254	8,474,324	(4.7%)	8,635,933
Capital Funds					
County Improvements Fund	\$ 6,483,672	\$ 2,802,800	\$ 1,981,000	(29.3%)	\$ 2,102,000
School Improvements Fund	2,608,000	1,008,000	400,000	(60.3%)	2,725,000
Subtotal, Capital Transfers	9,091,672	3,810,800	2,381,000	(37.5%)	4,827,000
Total Transfers	\$ 111,508,188	\$ 107,768,671	\$ 103,872,324	(3.6%)	\$ 105,418,304
Reserves					
Reserve for Contingencies	\$ -	\$ 1,004,400	\$ 980,400	(2.4%)	\$ 996,200
Reserve for Revenue Transfers	-	500,000	500,000	0.0%	500,000
Reserve for IT Contingencies	-	100,000	124,000	24.0%	-
Compensation Savings	-	(838,089)	-	0.0%	-
Total Nondepartmental	\$ 111,508,188	\$ 108,534,982	\$ 105,476,724	(2.8%)	\$ 106,914,504

Debt Management

DESCRIPTION

Debt service is an expense to the County for principal and interest payments on financing mechanisms, which include: general obligation bonds, revenue bonds, lease-purchase arrangements and loans from the Virginia Department of Education Literary Loan Fund.

The Constitution of Virginia and the Virginia Public Finance Act provide the county with authority to issue general obligation debt secured solely by the pledge of its full faith and credit. The issuance of general obligation bonds must have been approved by public referendum, unless such bonds are issued to certain State authorities. In the Commonwealth of Virginia, there is no statutory limitation on the amount of general obligation debt the County may incur. It should be noted that the County is restricted by its own policies to borrowing no more than 2.5% of its assessed value of taxable real and

personal property. Debt secured solely by the revenues generated by the system for which the bonds were issued may be issued in any amount without a public referendum.

As of June 30, 2009, the County had total bonded debt outstanding of \$192.7 million. Of this amount, \$154 million comprises debt backed by the full faith and credit of the County. The remainder of the County's debt represents bonds secured by specified revenue sources (i.e., revenue bonds and obligations under capital leases).

The County's commitment to established debt and financial management policies has enabled the County to achieve AAA bond ratings from Fitch Ratings and Standard & Poor's. Moody's Investors Services has also recently upgraded their rating from Aa1 to AAA.

DEBT MANAGEMENT

The process of debt funding begins with the Five-Year Capital Improvements Program (CIP). The Board of Supervisors is not only approving which projects are to be funded in which year, but the Board also approves a

means of financing. The debt service of the CIP is designed to have minimal impact on the General Fund balance and not produce wide fluctuations of annual debt service requirements.

BUDGET SUMMARY

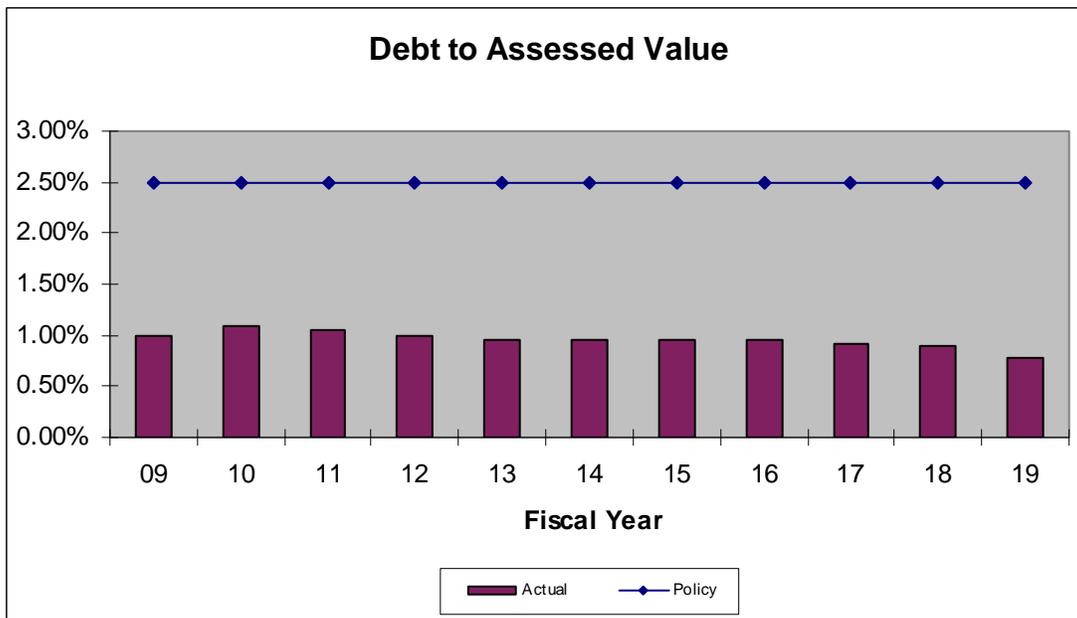
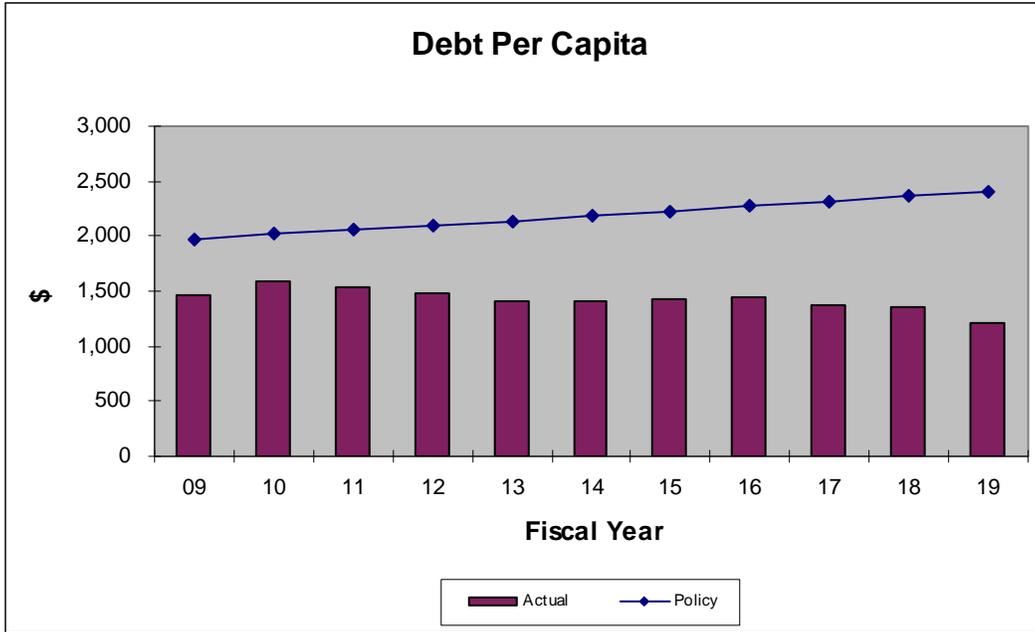
	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY 11	FY12 Plan
Debt Service					
Principal	\$ 1,697,930	\$ 2,205,673	\$ 2,192,376	(0.6%)	2,677,227
Interest	514,194	811,935	1,549,543	90.8%	2,042,742
Total Debt Service	\$ 2,212,123	\$ 3,017,608	\$ 3,741,919	24.0%	\$ 4,719,969

Debt Management

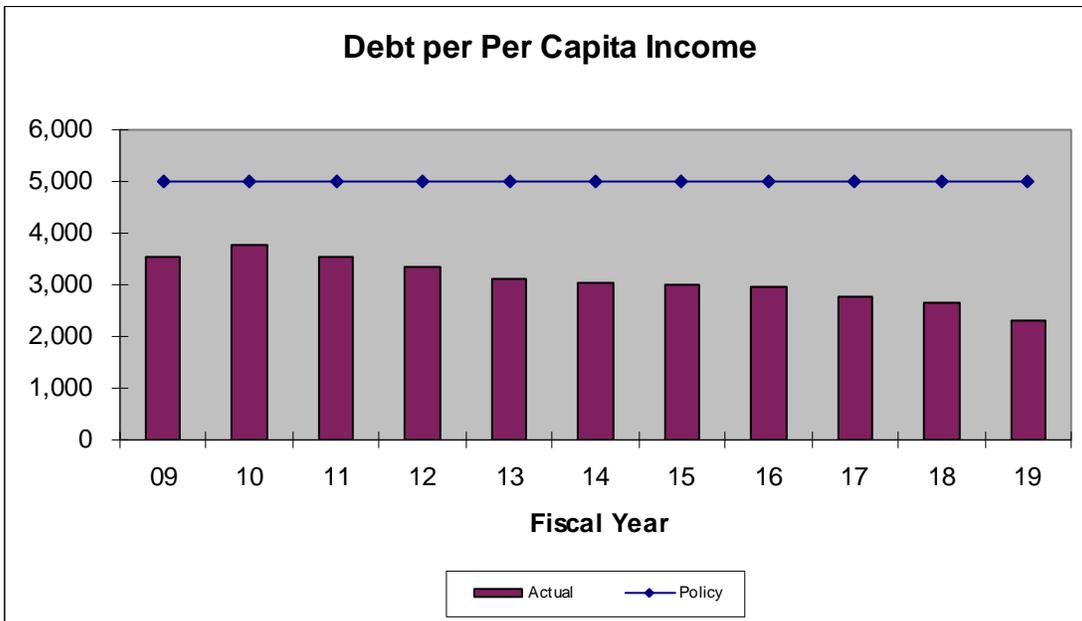
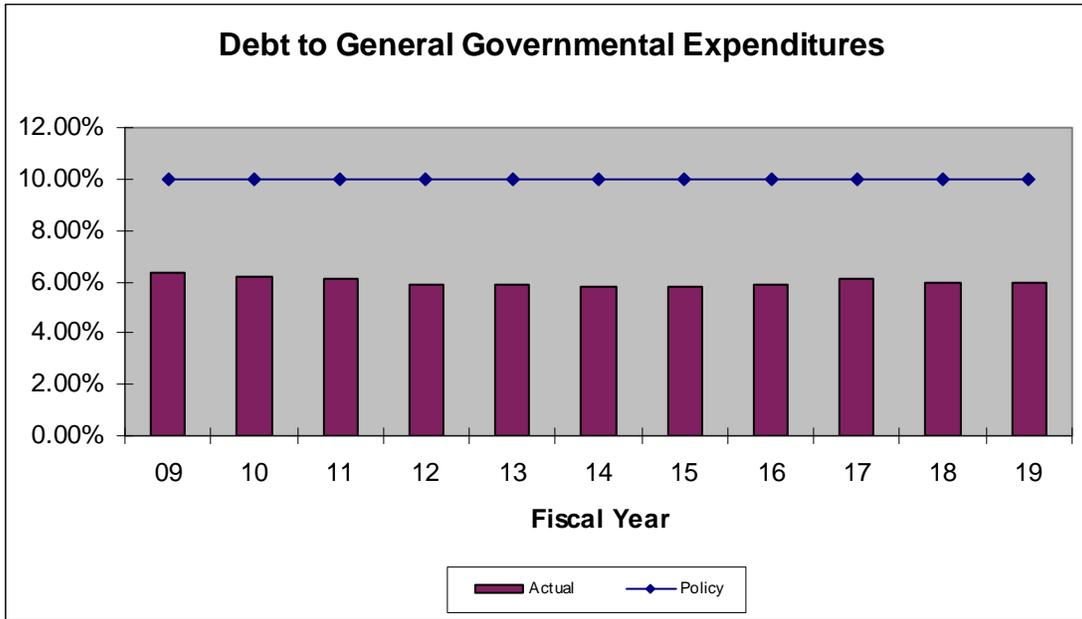
DEBT RATIO POLICIES

In an effort to maintain fiscal restraint and control, the Board of Supervisors has established guidelines for each of the following debt ratios: debt per capita (\$1,900 growing by 2% annually beginning FY2008); debt to assessed value (2.5%); debt service to

general government expenditures (10%); and debt per per capita income (\$5,000). The following graphs illustrate the County's actual and projected compliance with the debt policy:



Debt Management





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OTHER FUNDS

	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY11
Community Services Fund	\$ 10,701,991	\$ 11,128,815	\$ 11,169,878	0.4%
Comprehensive Services Fund	5,279,634	5,942,925	6,150,467	3.5%
Hanover County Public Schools	198,883,200	205,194,980	186,334,703	(9.2%)
Economic Development Authority Fund	174,892	191,405	264,080	38.0%
Public Utilities Fund	25,428,238	35,520,721	41,892,527	17.9%
Airport Fund	1,084,751	1,894,448	689,324	(63.6%)
Self-Insurance Fund	26,127,283	27,868,691	28,663,874	2.9%
Fleet Services Fund	2,061,984	2,581,981	2,159,744	(16.4%)
Bell Creek CDA	625,419	650,000	605,000	(6.9%)
Lewistown CDA	160,283	1,045,000	844,750	(19.2%)
Total Expenditures	\$ 270,527,674	\$ 292,018,966	\$ 278,774,347	(4.5%)
Personnel	\$ 202,159,192	\$ 203,687,115	\$ 192,435,041	(5.5%)
Operating	34,659,803	54,082,288	42,746,937	(21.0%)
Operating Capital	328,112	642,283	544,524	(15.2%)
Debt Service	21,118,659	22,235,929	21,587,546	(2.9%)
Capital Improvements	12,261,909	11,371,351	21,460,299	88.7%
Total Expenditures	\$ 270,527,674	\$ 292,018,966	\$ 278,774,347	(4.5%)
Revenues				
Non-General Fund Revenue	\$ 176,618,380	\$ 188,061,095	\$ 177,283,023	(5.7%)
General Fund Revenue	101,699,163	103,957,871	101,491,324	(2.4%)
Total Revenue	\$ 278,317,543	\$ 292,018,966	\$ 278,774,347	(4.5%)
Generated Revenue Percent	63.5%	64.4%	63.6%	
General Fund Percent	36.5%	35.6%	36.4%	
*Full-time Positions	266	260	254	(2.3%)
*Part-time Positions	76	84	86	1.9%
*Full-time Equivalents	287.6	289.9	283.9	(2.1%)

*Excludes Schools. See School Board Adopted FY11 Budget <http://hcps2.hanover.k12.va.us> for FTE summary.

Community Services Fund

DESCRIPTION

Hanover County's Community Services Board (CSB) Administration provides the leadership, direction, and support to all agency programs in the areas of Board relations, management, strategic planning, finance, budgeting, personnel, payroll, purchasing, centralized management information system, Department of Behavioral Health and Developmental Services reporting, building maintenance, centralized accounts payable and receivable systems, and vehicle management.

Mental Health and Substance Abuse Services

Emergency Services

Emergency or Crisis Services provides 24-hour immediate care to persons suffering from a mental health or substance abuse related emergency. Specific activities include suicide prevention/intervention, Temporary Detention Order evaluations and management, assistance to law enforcement on mental health related emergencies, training with law enforcement on mental health related issues, critical incident stress debriefings, and pre-admission screening of residents and jail inmates for admittance into state and local psychiatric facilities.

Outpatient Services

Outpatient mental health and substance abuse services include individual family and group counseling, psychiatric services, psychiatric nursing and medication management, state hospital liaison and discharge planning. Populations served include adults with a serious mental illness, emotionally disturbed children and their families, sexually or physically abused children, adults and adolescents addicted or abusing substances, and Pamunkey Regional Jail inmates.

Local Inpatient and Detoxification Services

Local Inpatient Services provides short-term inpatient stabilization for adults with a serious mental illness and in-patient detoxification services for adults addicted to alcohol or other substances.

Psychosocial Rehabilitation Services

This service provides employment related support and training during the day to adults with a serious mental illness.

Residential Services

The Residential Services program provides residential support to persons with a mental illness, including rent subsidies, case management, independent living skills training, and in-home supports. The goal is to assist to live at the highest possible level of independence.

Intensive Community Treatment (ICT)

This service is provided by a team of clinicians, case managers, a nurse, and psychiatrist. This team provides comprehensive, community-based psychiatric treatment, rehabilitation, and support to adults with serious mental illness who have severe functional impairments and who have not responded well to traditional outpatient mental health care. The target population also includes individuals with serious mental illness and substance abuse problems. Services include assessments, case management, counseling, crisis intervention, individualized supports, and instruction in meeting daily living needs, advocacy, family support, and education.

Prevention Services and Community Education

Prevention services are those services that attempt to prevent the development of mental health and/or substance abuse problems from occurring or to intervene in those problems at an early enough point as to prevent them from getting worse. Services generally focus on providing education and intervention services to children and adults seen as being "at risk" for the development of problems. Specific services include the provision of specialized mental health consultation, group services to students and their families in the Hanover Head Start Program, parent consultations and education, and support and skill building for teenage parents.

Community Services Fund

Intellectual Disability Services

Case Management

Case managers work with persons of all ages with intellectual disabilities, helping individuals and families link with programs and services, helping coordinate the services to avoid duplication of effort, monitoring the quality of the services, and working with the individuals and families to be able to negotiate within the services system more independently.

Day and Health Rehabilitation

This day program provides community based training in adult daily living skills for adults with intellectual disabilities who either choose not to work or are unable to do so. Each staff person works with a small group of individuals, supervising them in the community to increase their skills in such areas as self care, communication, mobility, and community integration. At the same time, by being in the community and by working with community businesses and activities, each team increases the awareness of Hanover's citizens about persons with intellectual disabilities.

Employment Programs

CSB offers both center based and community based employment training programs. Our center based employment training opportunities includes Hanover Industries and Hanover Recycling. Individuals in Hanover Industries conduct work in light assembly and bulk mailings for a variety of community businesses. Individuals are assisted with improvement in work, social, and self help skills. Individuals employed in Hanover Recycling develop skills through the sorting and processing of paper and e-waste products for recycling.

CSB's community based employment opportunities are implemented through the Supported Employment team. Job assessment, training, and follow along are provided to individuals who require extra assistance to be employed in competitive jobs and to maintain their jobs in the community. Job coaches work with employers, employees, co-workers, and families to

assist and support the individuals in learning all aspects of the jobs, to make physical accommodations for disabilities, if necessary, and to support the individuals in maintaining employment.

Group Homes, 24 hour Supervised

The CSB operates 3 group homes, one of which is owned by Hanover County, one of which is owned by Hanover Community Support Services, Inc. (HCSS), and one of which is owned by a private individual. The programs provide supervised residential training in adult daily living skills including self-care, mobility, communication, recreation and community integration.

Supported Living

A community residential team works with adults living independently in the community to link them with services and programs, coordinate services to avoid duplication of effort, monitor the quality of the services, and to help the individuals learn to be able to negotiate service systems more independently.

VHDA Voucher Program

The CSB currently receives housing certificates and vouchers from the Virginia Housing Development Authority, which are used to subsidize rent throughout the County for individuals who are CSB clients and who are trying to live independently. Community residential counselors provide supervision and training for these individuals and others who are living independently.

Community Services Fund

BUDGET SUMMARY

	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY11
Expenditures				
Personnel	\$ 8,564,519	\$ 8,939,581	\$ 9,029,328	1.0%
Operating	2,137,472	2,189,234	2,118,550	(3.2%)
Capital	-	-	22,000	100.0%
Total Expenditures	<u>\$ 10,701,991</u>	<u>\$ 11,128,815</u>	<u>\$ 11,169,878</u>	<u>0.4%</u>

Revenues

Use of Money and Property	\$ 46,577	\$ 45,000	\$ 19,000	(57.8%)
Charges for Services	3,294,773	3,203,000	3,527,792	10.1%
Recovered Costs	252,644	160,000	192,000	20.0%
Categorical State Aid	2,169,328	2,187,135	2,190,916	0.2%
Categorical Federal Aid	552,472	533,810	530,532	(0.6%)
Other Revenue	42,294	5,000	32,100	542.0%
Reserve for Revenue	-	75,000	75,000	0.0%
Transfer from General Fund	4,453,145	4,919,870	4,602,538	(6.5%)
Total Revenue	<u>\$ 10,811,232</u>	<u>\$ 11,128,815</u>	<u>\$ 11,169,878</u>	<u>0.4%</u>

Generated Revenue Percent	58.8%	55.8%	58.8%
General Fund Percent	41.2%	44.2%	41.2%

Full-time Positions	139	133	131	(1.5%)
Part-time Positions	74	82	84	1.9%

BUDGET HIGHLIGHTS

The CSB FY11 budget reflects an overall increase of .4%. The operating decrease is due primarily to cyclical computer replacements completed in FY10 and the elimination of funding for contracted transportation. The plan eliminates a total of five vacant positions; Account Clerk, Automation Specialist, Administrative Assistant, and two Clinicians. The decrease in local funding is due to the recognition of the

mentioned eliminated vacant positions and two unfunded authorized positions in FY11. One position will be reassigned from Social Services to this department as part of the Interdisciplinary Treatment Team. This team treatment approach housed in CSB will provide intensive community based treatment to up to 48 youth and their families annually.

GOALS AND OBJECTIVES

- To improve program effectiveness and services to consumers;
- To improve finance and technology; and
- To improve our efficiency and service delivery.

Community Services Fund

SERVICE LEVELS

	FY09 <u>Actual</u> Served	FY10 <u>Budget</u> Served	FY10 <u>Forecast</u> Served	FY11 <u>Budget</u> Served
Mental Health Services				
Acute Psychiatric or Inpatient Services	32	30	30	30
Outpatient Services	806	1,175	800	800
Assertive Community Treatment	56	60	55	55
Case Management Services	606	800	600	600
Day Treatment	16	12	15	15
Rehabilitation	78	65	75	75
Supportive Residential Services	22	15	20	20
Intellectual Disability Services				
Case Management Services	222	320	250	250
Rehabilitation	49	50	40	40
Sheltered Employment	22	32	22	22
Individual Supported Employment	73	100	75	75
Intensive Residential Services	13	14	10	10
Supportive Residential Services	30	30	30	30
Substance Abuse Services				
Acute Psychiatric or Inpatient Services	6	15	10	10
Outpatient Services	284	300	300	300
Case Management Services	135	50	150	150
Intensive Residential Services	25	25	25	25
Emergency Services				
Emergency Services	480	1,500	500	500
Assessment and Evaluation Services	225	110	200	200

Comprehensive Services Fund

DESCRIPTION

The Comprehensive Services Act (CSA) was passed by the 1992 General Assembly to develop a method to improve services for youth with emotional or behavioral problems and to control the escalating costs of residential care to state and local governments. The intent of the legislation was to create a collaborative system of services and funding that is child-centered, family-focused, and community-based.

The statute requires the establishment of a management team that is appointed by the County Board of Supervisors. The Hanover Community Policy and Management Team include the department head (or designee) from the Court Services Unit, Hanover Public Schools, Social Services, and the Community Services Board. In addition, a private provider and community representative are included. The Act mandates that priority be given to expenditures for services as follows:

- a. "Children placed for purposes of special education in approved private school educational programs, previously funded by the Department of Education through private tuition assistance;
- b. Children with disabilities placed by local social services agencies or the Department of Juvenile Justice in private residential facilities or across jurisdictional lines in private, special education day schools, if the individualized education program indicates such school is the appropriate placement while living in foster homes or child-caring facilities, previously funded by the Department of Education through the Interagency

Assistance Fund or Non-educational Placements of Handicapped Children;

- c. Children for whom foster care services, as defined by Section 63.2-905, are being provided to prevent foster care placements, and children placed through parental agreements, entrusted to local social service agencies by their parents or guardians or committed to the agencies by any court of competent jurisdiction for purposes of placement in suitable family homes, child-caring institutions, residential facilities or independent living arrangements, as authorized by Section 63.2-900;
- d. Children placed by a juvenile and domestic relations court in accordance with the provisions of Section 16.1-286 in a private or locally operated public facility or non-residential program, or in a community or facility-based treatment program in accordance with the provisions of subsections B or C of Section 16.1-284.1; and,
- e. Children committed to the Department of Juvenile Justice and placed by it in a private home or in a public or private facility in accordance with Section 66-14."

Children for whom access to funds and services is mandated are those defined by a, b, and c above. Children for whom access to funds and services is not mandated but is "protected" through a limited amount of pool funds are those defined by (d) and (e) above.

Comprehensive Services Fund

BUDGET SUMMARY

	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY11	FY12 Plan
Expenditures					
Personnel	\$ 122,985	\$ 128,780	\$ 115,098	(10.6%)	\$ 116,528
Operating	5,156,650	5,814,145	6,035,369	3.8%	6,092,672
	<u>\$ 5,279,634</u>	<u>\$ 5,942,925</u>	<u>\$ 6,150,467</u>	3.5%	<u>\$ 6,209,200</u>
Revenues					
Recovered Costs	\$ 85,675	\$ 82,500	\$ 82,500	0.0%	\$ 82,500
Categorical State Aid	2,699,197	3,005,744	3,131,200	4.2%	3,131,200
Transfer from General Fund	2,494,763	2,854,681	2,936,767	2.9%	2,995,500
Total Revenue	<u>\$ 5,279,634</u>	<u>\$ 5,942,925</u>	<u>\$ 6,150,467</u>	3.5%	<u>\$ 6,209,200</u>
Generated Revenue Percent	52.7%	52.0%	52.3%		51.8%
General Fund Percent	47.3%	48.0%	47.7%		48.2%
Full-time Positions	2	2	2	0.0%	2
Full-time Equivalents	2.0	2.0	2.0	0.0%	2.0

BUDGET HIGHLIGHTS

The overall FY11 budget is increasing due to two items; 1) the anticipation of an increase in the population served and an increase in vendor costs and 2) Medicaid. The local share of Medicaid costs is anticipated to increase 10% in FY11.

GOALS AND OBJECTIVES

- To ensure compliance with the Comprehensive Services Act;
- To continue to provide a high level of services to children mandated through the CSA;
- To continue cost containment and monitoring of CSA funds through the Utilization Review Process;
- To recover CSA expenditures by actively pursuing reimbursements, including Medicaid, parental co-pay/child support, SSI, and Title IV-E, as appropriate.

SERVICE LEVELS

	FY09 <u>Actual</u>	FY10 <u>Budget</u>	FY10 <u>Forecast</u>	FY11 <u>Budget</u>
Number of children served	126	142	142	142
Total expenditures (Mandated & Non-mandated)	\$5,103,311	\$5,601,435	\$5,670,044	\$5,601,435
Average cost per child	\$40,502	\$39,477	\$39,930	\$39,447
Medicaid funding - total paid	\$1,035,022	\$1,000,000	\$1,000,000	\$1,000,000
Medicaid funding - local share	\$199,540	\$277,800	\$287,017	\$287,017
Total recoveries	\$52,930	\$82,500	\$82,500	\$82,500
Parental co-pay received	\$4,432	\$3,000	\$3,000	\$3,000

Hanover County Public Schools

DESCRIPTION

Hanover County Public Schools' mission is for a student-centered, community-driven school district that assures a quality education for success in a changing world. Charged with the responsibility to preserve and enhance public education in Hanover is the Hanover County Public Schools Board; a seven member body appointed to four-year terms by the Board of Supervisors of Hanover County. The chief administrator and executive officer appointed by the School Board is School Superintendent Dr. Stewart D. Roberson.

Hanover County Public Schools is the largest school district in the Commonwealth to have 100% of the schools achieve Adequate Yearly Progress under the No Child Left Behind Act. This was achieved while maintaining one of the lowest pupil cost in the State. The quality of the school system has produced many accolades for Hanover's students and teachers over the past year. Among them is the fact that Hanover County Public Schools is among the first in Virginia to receive SACS/CASI accreditation.

In an effort to effectively align with its mission statement, Hanover County Public Schools is divided into four central departmental areas of responsibility: Instructional Leadership; Business and Operations; Human Resources; and Administration and Communication. The responsibilities of each are outlined as follows:

Instructional Leadership is responsible for: accreditation, accountability and performance

measurement, curriculum development, instructional programming, student classification and academic requirements, guidance, library/media, textbooks, instructional materials, development of the school calendar, summer school, long-range planning, evaluation and reporting.

Business and Operations is responsible for: management of funds, budget planning, annual operating budget, financial operations, purchasing, vendor relations, accounting, payroll, grants/gifts/bequests, business partnerships, risk management, food services, and technology services, capital facility planning and budgeting, maintenance, custodial services, facility usage, and records management.

Human Resources is responsible for: recruiting, staffing, staff development and evaluation, personnel policies and goals, board/staff communication, student health services, personnel records, ethics, hiring, appointments, transfers, resignations, conditions of employment, compensation, fringe benefits, and compliance with state and federal programs for OSHA, FMLA and ADA.

Administration and Communication is responsible for: administrative services for the Superintendent and School Board, community and media relations, pupil transportation, School Board relations, legislative services, school security and safety policy development, district Web site content, TV99 and publications.

Hanover County Public Schools

BUDGET SUMMARY

	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY11
Expenditures				
Personnel	\$ 159,557,468	\$ 158,877,945	\$ 146,969,409	(7.5%)
Operating	19,426,876	27,047,029	21,231,905	(21.5%)
Capital	2,501,093	1,841,919	1,216,389	(34.0%)
Debt Service	17,397,763	17,428,087	16,917,000	(2.9%)
Total Expenditures	\$ 198,883,200	\$ 205,194,980	\$ 186,334,703	(9.2%)
Revenues				
Non-General Fund Revenue	\$ 107,136,683	\$ 110,132,363	\$ 93,317,703	(15.3%)
General Fund Revenue	94,078,833	95,062,617	93,017,000	(2.2%)
Total Revenue	\$ 201,215,516	\$ 205,194,980	\$ 186,334,703	(9.2%)
Generated Revenue Percent	53.2%	53.7%	50.1%	
General Fund Percent	46.8%	46.3%	49.9%	

BUDGET HIGHLIGHTS

The FY11 Budget reflects the input of School Board members, School staff, and parent and professional organizational representatives working together as a budget advisory focus group to propose a budget that maximized resources in a year that again saw reductions in many major recurring funding sources.

The budget does contain funding provided by the American Recovery and Reinvestment Act (ARRA). Although the ARRA does provide additional temporary Federal funding to offset reductions in State funding, significant expenditure reductions were required to balance the FY11 budget. Specific budget highlights include:

- 1) Employees will not receive a pay raise for the second consecutive year.
- 2) Employer contributions to health insurance increased by 15% from the prior fiscal year.
- 3) The district will serve approximately 19,400 students. Due to funding constraints, pupil teacher ratios will increase by an average of 1 student.
- 4) The reduction of approximately 156 positions plus targeted stipends.
- 5) Base funding for all schools and school board office departments will decrease by 12.5%.
- 6) The reduction of maintenance and technology funding.

Hanover County Public Schools

GOALS AND OBJECTIVES

- To provide the highest quality education and appropriate support for each student while meeting and exceeding state, national and international standards;
- To manage the influences of prevailing enrollment trends;
- To incorporate the fiscal requirements and leadership focus for the implementation of the mandated No Child Left Behind Act;
- To employ and retain highly qualified staff for all positions; and
- To increase family involvement and community partnerships.

SCHOOL FUNDS SUMMARY

Hanover County Public Schools operate four separate funds; the School Fund, the School Textbook Fund, the School Food Service Fund and the School Capital Improvements Fund. Complete detail of all funds can be found in the Superintendent's Recommended FY10-11 Budget, which can be accessed on the School's website at <http://hcps2.hanover.k12.va.us>. Following are summaries for the School Fund, the Textbook Fund, and the Food Service Fund.

Hanover County Public Schools

SCHOOL FUND REVENUE

	FY09	FY10	FY11	Percent
	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>Change</u>
Charges for Services				
Tuition Payments	\$ 466,843	\$ 590,000	\$ 590,000	0.0%
Drivers Ed Fees	139,200	153,158	200,000	30.6%
Student Parking Fees	69,040	70,000	100,000	42.9%
Charges for Services	<u>\$ 675,083</u>	<u>\$ 813,158</u>	<u>\$ 890,000</u>	<u>9.4%</u>
Recovered Costs				
Miscellaneous Refunds	\$ 794,789	\$ 820,000	\$ 760,000	(7.3%)
Payments-Other Agencies	19,815	28,880	28,880	0.0%
Recovered Costs	<u>\$ 814,604</u>	<u>\$ 848,880</u>	<u>\$ 788,880</u>	<u>(7.1%)</u>
Intergovernmental				
State Aid				
Basic Aid	\$ 55,915,578	\$ 50,114,584	\$ 42,515,468	(15.2%)
Vocational Education - SOQ	819,837	816,128	773,371	(5.2%)
Special Education-SOQ	5,618,613	5,593,194	5,816,175	4.0%
Gifted and Talented-SOQ	491,902	489,677	476,736	(2.6%)
Remedial Education	371,659	369,978	349,606	(5.5%)
Fringe Benefits	6,336,485	6,235,214	4,280,026	(31.4%)
Other Non-Categorical State Aid	3,959,916	2,746,973	2,150,986	(21.7%)
Sales Tax	16,208,964	16,994,095	16,187,285	(4.7%)
Textbook	1,100,000	1,033,488	300,405	(70.9%)
Foster Home Children	187,329	160,000	170,790	6.7%
General Adult Education	7,627	9,450	9,450	0.0%
Vocational Education	52,784	44,686	52,785	18.1%
Federal Stimulus Funds	-	5,591,804	1,980,127	(64.6%)
Federal Stimulus Funds - Title VI B	-	1,891,117	1,891,117	0.0%
Other Categorical	365,293	233,991	182,645	(21.9%)
Subtotal State Aid	<u>\$ 91,435,987</u>	<u>\$ 92,324,379</u>	<u>\$ 77,136,972</u>	<u>(16.5%)</u>
Federal Aid				
Drug Free Schools Grant	36,410	-	-	0.0%
Carl Perkins Grant	147,212	166,209	166,209	0.0%
Preschool Grants	79,373	84,571	84,571	0.0%
Basic Skills-Adult	55,323	40,000	40,000	0.0%
Title I	664,816	625,000	625,000	0.0%
Title II	344,218	397,582	397,582	0.0%
Title V	7,933	-	-	0.0%
Title VI-B Flow Thru	3,168,324	3,174,292	3,246,157	2.3%
H.E.L.P. Grant	197,022	-	-	0.0%
Enhancing Edu thru Technology	26,446	-	-	0.0%
Title III Immigrant & Youth Grant	27,013	-	-	0.0%
Head Start	861,133	936,559	936,559	0.0%
Other Federal Funds	273,520	257,000	360,000	40.1%
Subtotal Federal Aid	<u>\$ 5,888,743</u>	<u>\$ 5,681,213</u>	<u>\$ 5,856,078</u>	<u>3.1%</u>
Intergovernmental	<u>\$ 97,324,730</u>	<u>\$ 98,005,592</u>	<u>\$ 82,993,050</u>	<u>(15.3%)</u>
Miscellaneous				
Refunds and Rebates	\$ 367,471	\$ 248,000	\$ 253,000	2.0%
Miscellaneous Revenue	613,623	942,000	1,065,421	13.1%
Miscellaneous	<u>\$ 981,094</u>	<u>\$ 1,190,000</u>	<u>\$ 1,318,421</u>	<u>10.8%</u>
Interfund Transfers-In				
Transfers from General Fund	\$ 94,078,833	\$ 95,062,617	\$ 93,017,000	(2.2%)
Interfund Transfers-In	<u>\$ 94,078,833</u>	<u>\$ 95,062,617</u>	<u>\$ 93,017,000</u>	<u>(2.2%)</u>
Use of Prior Year Balance				
Fund Balance	\$ -	\$ 1,100,000	\$ -	100.0%
Total	<u>\$ 193,874,344</u>	<u>\$ 197,020,247</u>	<u>\$ 179,007,351</u>	<u>(9.1%)</u>

Hanover County Public Schools

SCHOOL FUND EXPENDITURES

	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY11
General Support				
Expenditures				
Personnel	\$ 8,958,740	\$ 9,261,759	\$ 8,742,751	(5.6%)
Operating	780,909	860,960	774,721	(10.0%)
Capital	16,878	116,813	114,869	(1.7%)
Total Expenditures	\$ 9,756,527	\$ 10,239,532	\$ 9,632,341	(5.9%)
Pupil Transportation				
Personnel	\$ 6,139,770	\$ 6,174,581	\$ 6,119,086	(0.9%)
Operating	2,355,612	3,059,996	2,980,460	(2.6%)
Capital	11,042	-	-	0.0%
Total Expenditures	\$ 8,506,424	\$ 9,234,577	\$ 9,099,546	(1.5%)
Operations and Maintenance				
Personnel	\$ 6,410,423	\$ 6,606,353	\$ 6,428,396	(2.7%)
Operating	6,199,782	7,010,374	6,703,083	(4.4%)
Capital	104,116	35,000	37,000	5.7%
Total Expenditures	\$ 12,714,321	\$ 13,651,727	\$ 13,168,479	(3.5%)
Instruction				
Personnel	\$ 134,147,148	\$ 132,499,241	\$ 121,739,816	(8.1%)
Operating	6,100,412	11,514,687	6,995,592	(39.2%)
Capital	1,010,603	757,284	499,277	(34.1%)
Total Expenditures	\$ 141,258,163	\$ 144,771,212	\$ 129,234,685	(10.7%)
Facilities				
Personnel	\$ 201,369	\$ 199,158	\$ 191,960	(3.6%)
Operating	541,840	738,132	403,097	(45.4%)
Capital	696,235	757,822	360,243	(52.5%)
Total Expenditures	\$ 1,439,444	\$ 1,695,112	\$ 955,300	(43.6%)
Other Use of Funds				
Operating	\$ 17,397,763	\$ 17,428,087	\$ 16,917,000	(2.9%)
Total Expenditures	\$ 17,397,763	\$ 17,428,087	\$ 16,917,000	(2.9%)
School Fund, Grand Total	\$ 191,072,642	\$ 197,020,247	\$ 179,007,351	(9.1%)

Hanover County Public Schools

SCHOOL FUND

DESCRIPTION

The General Fund is the main operating fund from the School Division and is comprised of six components; General Support, Pupil Transportation, Operations and Maintenance, Instruction, Facilities and Other Use of Funds.

General Support

General Support includes the Executive Board, Superintendent, Administration and Communications, Finance, Budget and Risk Management, Purchasing, Information Technology, Human Resources, Health Services, Psychological Services, and Speech/Audiology Services, and provides an oversight and support function to all the schools and school related programs in the County. The mission is to coordinate its educational and support services to provide an environment in which all children have an opportunity to learn.

Pupil Transportation

The School Transportation Program plays a vital role in the education process in the County. In addition to providing safe and effective transportation to and from school, buses also transport students to extra curricular activities such as educational field trips, band and choral concerts, and sporting events.

Operations and Maintenance

The Building Services provides technical and maintenance support to enable all facilities to remain in full and efficient operation. Services provided on a daily basis by the staff include installation, repairs and/or work in the following areas: carpentry, doors and locks, alarms and security systems, heating ventilation, and air conditioning, electrical, plumbing, painting, welding, roof repairs, grounds, refrigeration, kitchen equipment, and many other miscellaneous tasks. Additionally, the Building Services Department provides

complete custodial services to schools throughout the district.

Instruction

Instruction is comprised of three levels of education: elementary, middle, and high school education. The fifteen elementary schools are Battlefield Park, Beaverdam, Cold Harbor, Cool Spring, Elmont, Henry Clay, John M. Gandy, Kersey Creek, Mechanicsville, Pearson's Corner, Pole Green, Rural Point, South Anna, Washington-Henry and Laurel Meadow. The four middle schools include Chickahominy, Liberty, Oak Knoll, and Stonewall Jackson, and the four high schools are Atlee, Hanover, Lee-Davis, and Patrick Henry. Schools also provide an alternative learning opportunity at The Georgetown School as well as a Career and Technical education curriculum at The Hanover Center for Trades and Technology.

Facilities

Facilities oversees all construction and facility planning activities and is responsible for the acquisition and placement of temporary classrooms.

Other Use of Funds

Debt service costs comprise this portion of the General Fund. Debt service includes the payment of principal, interest, and debt handling charges on Virginia Public School Authority bonds, State Literary Fund loans, and obligations under capital leases.

Hanover County Public Schools

BUDGET SUMMARY

	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY11
Expenditures				
Personnel	\$ 155,857,450	\$ 154,741,092	\$ 143,222,009	(7.4%)
Operating Expenditures	15,966,355	23,184,149	17,856,953	(23.0%)
Capital Expenditures	1,851,074	1,666,919	1,011,389	(39.3%)
Debt Service				
Principal	11,336,693	11,932,672	11,419,097	(4.3%)
Interest	6,061,070	5,495,415	5,497,903	0.0%
Total Expenditures	\$ 191,072,642	\$ 197,020,247	\$ 179,007,351	(9.1%)
Revenues				
Charges for Services	\$ 675,083	\$ 813,158	\$ 890,000	9.4%
Recovered Costs	814,604	848,880	788,880	(7.1%)
Non-Categorical State Aid	74,689,430	74,963,389	60,561,140	(19.2%)
Categorical State Aid	533,593	366,895	388,547	5.9%
Sales Tax	16,208,964	16,994,095	16,187,285	(4.7%)
Categorical Federal Aid	5,892,743	5,681,213	5,856,078	3.1%
Miscellaneous	981,094	1,190,000	1,318,421	10.8%
Transfer from General Fund	94,078,833	95,062,617	93,017,000	(2.2%)
Use of Fund Balance	-	1,100,000	-	(100.0%)
Total Revenue	\$ 193,874,344	\$ 197,020,247	\$ 179,007,351	(9.1%)

Hanover County Public Schools

TEXTBOOK FUND

DESCRIPTION

The Textbook Fund provides administration, maintenance, and control over all of the textbooks used in the schools. The County's policy is to issue the books, at no cost, to the students during the school year. Revenue is

received from the State, County, and miscellaneous sources, such as the sale of used textbooks and damaged book recoveries. Fund balances from one year are carried forward to the following year.

BUDGET SUMMARY

School-Textbook Fund

	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY11
Expenditures				
Personnel	\$ 73,196	\$ 79,144	\$ 80,158	1.3%
Operating	3,689	2,067	1,053	(49.1%)
Capital	601,750	175,000	175,000	0.0%
Total Expenditures	\$ 678,635	\$ 256,211	\$ 256,211	0.0%
Revenues				
Use of Money and Property	\$ 12,750	\$ -	\$ -	0.0%
Categorical State Aid	195,560	256,211	256,211	0.0%
Transfer from General Fund	717,352	-	-	0.0%
Total Revenue	\$ 925,662	\$ 256,211	\$ 256,211	0.0%

Hanover County Public Schools

FOOD SERVICE FUND

DESCRIPTION

The Food Service Fund accounts for all of the operations of the school food services program. The elementary and middle schools participate in the National School Breakfast and Lunch Program, which

provides subsidized meals to eligible students at reduced or no cost. An a la carte food service program is available at the high schools.

BUDGET SUMMARY

School - Food Service Fund

	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY11
Expenditures				
Personnel	\$ 3,626,822	\$ 4,057,709	\$ 3,667,242	(9.6%)
Operating	3,456,832	3,860,813	3,373,899	(12.6%)
Capital	48,269	-	30,000	100.0%
Total Expenditures	\$ 7,131,923	\$ 7,918,522	\$ 7,071,141	(10.7%)
Revenues				
Use of Money and Property	\$ 14,030	\$ 10,000	\$ 10,000	0.0%
Charges for Services	5,701,169	6,428,188	5,582,200	(13.2%)
Categorical State Aid	67,025	67,000	57,000	(14.9%)
Categorical Federal Aid	1,330,884	1,295,027	1,401,941	8.3%
Miscellaneous	19,754	22,000	20,000	(9.1%)
Prior Year's Fund Balance	-	96,307	-	(100.0%)
Total Revenue	\$ 7,132,862	\$ 7,918,522	\$ 7,071,141	(10.7%)

Economic Development Authority Fund

DESCRIPTION

The Hanover County Economic Development Authority (EDA) consists of seven members appointed by their respective Board member from each magisterial district in the County. The Industrial Development Authority was created by an ordinance adopted by the Board of Supervisors on August 30, 1967, and is a political subdivision of the Commonwealth of Virginia, but has no taxing authority. The General Assembly amended the Code in 2004 to allow the governing body of any jurisdiction to change the name of its Industrial Development Authority to an Economic Development Authority. The Board of Supervisors made the name change

on July 28, 2004. The EDA is empowered to, among other things, acquire, construct, improve, maintain, equip, own, lease, and dispose of various types of facilities, including facilities for use by the County, and to finance the same by issuance of revenue bonds. Though the powers of the EDA are legislatively broad, Hanover's EDA has primarily been used for the purpose of considering industrial revenue bond requests and assisting the County in lease revenue bonds. Revenue is generated from a management fee of 1/10 of 1% of all outstanding debt issued after 1996 from inducement resolutions approved by the EDA.

BUDGET SUMMARY

	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY11
Expenditures				
Operating	\$ 174,892	\$ 191,405	\$ 264,080	38.0%
Total Expenditures	<u>\$ 174,892</u>	<u>\$ 191,405</u>	<u>\$ 264,080</u>	<u>38.0%</u>
Revenues				
Permits, Fees and Regulatory	\$ 170,175	\$ 191,405	\$ 184,080	(3.8%)
Prior Year Balance	-	-	80,000	100.0%
Total Revenue	<u>\$ 170,175</u>	<u>\$ 191,405</u>	<u>\$ 264,080</u>	<u>38.0%</u>
Generated Revenue Percent	100.0%	100.0%	100.0%	
General Fund Percent	0.0%	0.0%	0.0%	

BUDGET HIGHLIGHTS

The FY11 budget includes the pass through funds that are used to support the Economic Development Department in the General Fund. Revenues are down slightly because bond payments have been restructured and

reflect reductions in payments as principles decrease. The use of prior year fund balance is to support the Green Technology Incubator project.

GOALS AND OBJECTIVES

The EDA intends to promptly service industrial revenue bond requests and, after a thorough study, make timely recommendations to the Board of Supervisors for their consideration.

Public Utilities Fund

DESCRIPTION

The County's Department of Public Utilities owns, operates and maintains public water and wastewater systems in the Suburban Service Area, the Hanover Courthouse Area and five rural residential subdivisions (collectively, the "System"). The Suburban Service Area is the crescent shaped area north of the Chickahominy River, generally between and along Route 1 to the west and Creighton Road to the east, including the Town of Ashland, the Doswell area, and the Route 33 area adjacent to Henrico County. The County provides utility service to approximately 19,930 water customers and 18,178 wastewater customers.

The County operates the System as a self-supporting enterprise fund, the Utility Enterprise Fund, whereby the operations and capital expenditures are funded with revenues generated from customer user fees and one-time fees paid for capacity at the time of connection to the System. County General Fund tax dollars are not used to fund the operating or capital expenses of the System. The Utility Enterprise Fund reimburses the County's General Fund for direct services provided to support the Department of Public Utilities and also pays a service assessment charge to the General Fund in lieu of taxes for indirect Public Safety and Fire EMS Services. The Board of Supervisors establishes and revises both water and wastewater rates and fees as well as adopts the annual operating and capital improvements plan budgets.

The Department develops its overall operations, maintenance and capital construction plans for the System in support of Hanover's Comprehensive Plan which ensures operational reliability and adequate capacity. In addition, the utility capital needs are also impacted by compliance with local, State and Federal regulations. The Department of Public Utilities operates the System with County personnel and maintains the System with both County and private contractor personnel. The Department reads meters, prepares bills and maintains customer accounts. The Department's activities extend to providing assistance to other utility purveyors within the County, supporting economic development initiatives, and

participating in regional approaches to providing water and wastewater services. These activities are accomplished with 94.5 full-time employees.

MISSION

The Mission of the Department of Public Utilities is "to provide water and wastewater services that, within regulatory guidelines, meet or exceed our customers' needs and expectations for safety, quality and quantity; to provide these services at a competitive price and in a fair and equitable and environmentally responsible manner, and to provide opportunities for personal and professional development for employees at all levels of the department."

EXISTING FACILITIES & SERVICE AREA

The County's water system consists of eleven potable water wells, two surface water treatment plants, seven water pumping stations and eight storage facilities. The water transmission and distribution system is comprised of approximately 387 miles of waterline ranging in size from 2 to 30 inches in diameter. The Doswell Water Treatment Plant, rated at 4 million gallons per day (mgd), was constructed in 1974 and upgraded and expanded in 1991. The South Anna Water Treatment Plant is rated at 2.0 mgd and was constructed in the early 1960's. The South Anna plant is currently not in service and would require rehabilitation and upgrades to return it to service. Additional water supplies are provided by long-term contracts with City of Richmond and Henrico County, which serve the Suburban Service Area and the Route 33 area, respectively. In the Route 33 area, the County provides water service to Tyson Foods and a limited number of residential and commercial customers via a water purchase agreement with Henrico County. The County also has an interconnection with the Henrico County system along Route 1 at the Chickahominy River, which is not routinely utilized. Rural Systems operated by the County include Georgetown, Dianne Ridge, Oak Hill Estates, Strawhorn, Sinclair Manor, and Courthouse.

Public Utilities Fund

The County's wastewater system consists of four wastewater treatment plants and thirty-eight wastewater pumping stations. The wastewater collection system is comprised of approximately 360 miles of sewerline. The Doswell Wastewater Treatment Plant, rated at 1.0 mgd, serves the Doswell area and was placed in service in 1975. Ashland is served by the 2.0 mgd Ashland Wastewater Treatment Plant, which was placed in service in 1992. The Hanover Courthouse area is served by the 0.08 mgd Courthouse Wastewater Treatment Plant, which has a 1978 in-service date. The Totopotomoy Wastewater Treatment Plant is rated at 5.0 mgd, was placed in service in September 2004 and serves a portion of the Suburban Service Area. The majority of wastewater generated in the Suburban Service Area is pumped from Hanover's Beaverdam Creek Wastewater Pump Station (5.4 mgd average capacity) to Henrico County's Strawberry Hill Wastewater Pump Station for conveyance to and treatment by Henrico's wastewater treatment plant.

WATER SUPPLY CONTRACTS

The County has purchased water from Henrico County since 1974. This water supply currently provides water for Hanover's Route 33 service area. On April 10, 1995, the County negotiated a new agreement with Henrico County to purchase up to 0.775 mgd. The term of the Henrico water contract is through June 30, 2014, and continues thereafter until terminated by either the County Manager of Henrico or the County Administrator of Hanover, upon giving the other party ten years written notice. On December 16, 2006 the Board of Supervisors approved the first Amendment to the Henrico Contract to revise and upgrade the

methodology for calculating the cost of capacity reserved for Hanover County.

On July 1, 1994, the County entered into a contract with the City of Richmond, which established a long-term potable water supply for the Suburban Service Area. The term of the Richmond contract is through June 30, 2035, and continues thereafter until terminated by either the City Manager of Richmond by giving fifteen years written notice (such notice may not be given earlier than July 1, 2025), or the County Administrator by giving ten years notice (such notice may not be given earlier than July 1, 2020), unless a shorter time for notice is mutually agreed upon. The County's current available capacity from Richmond is 20 mgd and the final capacity purchase occurs in 2010.

WASTEWATER TREATMENT CONTRACT

While the County treats a portion of the wastewater it collects, since 1979 it has also purchased wastewater treatment services from Henrico County. On April 10, 1995, the two counties entered a new wastewater agreement, which provides long-term wastewater treatment for the Suburban Service Area. The term of the contract is through June 30, 2014, and continues thereafter until terminated by mutual agreement by the two counties in writing. The new agreement increased the capacity from 3.69 mgd to 5.4 mgd, which is based upon a 90-day rolling average. Wastewater is conveyed to Henrico County's Strawberry Hill Pump Station from Hanover's Beaverdam Creek Pump Station via a 20" force main.

Public Utilities Fund

BUDGET SUMMARY

	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY11
Expenditures				
Personnel	\$ 6,094,929	\$ 6,353,496	\$ 6,326,422	(0.4%)
Operating	6,577,043	16,398,020	11,107,530	(32.3%)
Operating Capital	327,673	592,283	494,524	(16.5%)
Debt Service				
Principal	2,304,393	2,737,363	2,685,931	(1.9%)
Interest	1,328,738	1,926,501	1,840,637	(4.5%)
Capital Improvements	8,795,462	7,513,058	19,437,483	158.7%
Total Expenditures	\$ 25,428,238	\$ 35,520,721	\$ 41,892,527	17.9%
Revenues				
Permits, Fees, and Licenses	\$ 294,119	\$ 285,000	\$ 244,000	(14.4%)
Use of Money and Property	1,099,096	500,000	400,000	(20.0%)
Charges for Services	20,544,077	20,740,721	20,151,725	(2.8%)
Miscellaneous Revenue	235,062	90,000	138,000	53.3%
Recovered Costs	246,817	180,000	239,833	33.2%
Non Operating Revenue	3,145,803	3,700,000	2,000,000	(45.9%)
Other Revenue	5,365,275	25,000	-	(100.0%)
Prior Year Balance	-	-	8,718,969	100.0%
Long-term debt	-	10,000,000	10,000,000	0.0%
Capital Grants	110,051	-	-	0.0%
Total Revenue	\$ 31,040,300	\$ 35,520,721	\$ 41,892,527	17.9%
Generated Revenue Percent	99.6%	71.8%	55.3%	
Full-time Positions	95	95	94	(1.1%)
Part-time Positions	1	1	1	0.0%
Full-time Equivalent	95.5	95.5	94.5	(1.0%)

Public Utilities Fund

LARGEST CUSTOMERS

The following table provides annual data on the County's ten largest water customers for the fiscal year ended June 30, 2009:

	Water Usage*	Water Revenue	% of Total Revenue
Bear Island Paper Company, L.P.	537,030	\$ 1,040,429	9.31%
Tyson Food	201,433	\$ 692,306	6.19%
Kings Dominion	115,500	\$ 251,966	2.25%
Doswell Limited Partnership	91,947	\$ 192,137	1.72%
Hanover Medical Park	40,416	\$ 114,349	1.02%
Aqua Virginia	26,623	\$ 95,210	0.85%
Randolph - Macon College	20,672	\$ 85,070	0.76%
Covenant Woods	11,170	\$ 36,076	0.32%
Doswell All American Plaza	10,895	\$ 35,443	0.32%
Hanover Crossing Apartments	10,138	\$ 34,622	0.31%
Total	1,065,824	\$ 2,577,608	23.06%

*in 1,000 gallons

The ten largest water customers together represent about 23.06% of total water operating and non-operating revenues, with the largest customer representing approximately 9.31% of that total.

The following table provides annual data on the County's ten largest wastewater customers for the fiscal year ended June 30, 2009:

	Wastewater Usage*	Wastewater Revenue	% of Total Revenue
Kings Dominion	91,108	\$ 379,467	2.87%
Hanover Medical Park	40,416	\$ 198,374	1.50%
Randolph - Macon College	20,311	\$ 112,402	0.85%
Bear Island Paper Company, L.P.	11,397	\$ 54,704	0.41%
Covenant Woods	11,170	\$ 60,528	0.46%
Doswell All American Plaza	10,895	\$ 52,033	0.39%
Hanover Crossing Apartments	10,065	\$ 53,891	0.41%
Ramada Inn/Super 8	8,903	\$ 42,613	0.32%
Mill Trace Apartments	8,084	\$ 47,600	0.36%
Richfood	7,510	\$ 36,299	0.27%
Total	219,859	\$ 1,037,911	7.86%

*in 1,000 gallons

The ten largest wastewater customers together represent about 7.86% of total operating and non-operating wastewater revenues with the largest customer representing approximately 2.87% of that total. Water and wastewater usage by a specific customer may not be equal based upon the specific needs for each service.

Public Utilities Fund

FINANCIAL AND BUDGETARY PROCEDURES

The Director of Public Utilities is responsible for budgeting, accounting, procurement, billing, collection activities, capital construction and financial and strategic planning for the System. Mr. Frank W. Harksen, Jr. has served as the Director of Public Utilities since January 1999.

The operating budget and the Capital Improvement Plan for the System are updated and presented annually to the County Administrator in December and the Board of Supervisors in March. Approval usually occurs in April.

In support of the County's Comprehensive Plan and the Voluntary Settlement Agreement with the Town of Ashland (which provided for annexation of certain territory and the merger of the Ashland and County water and wastewater systems), the Department of Public Utilities plans, implements and funds improvements to make water and wastewater capacity available to an expansion area and areas within the Town of Ashland sometime during the five year period after an area comes in to phase, typically toward the end of the five year period. When the County does make capacity available to an area, it is normally to a single point within or near the area. The County does not make water and wastewater service available to every parcel in an area when an area is in phase. The intent of the plan is that the Department make water and wastewater treatment capacity available so that every lot within the Suburban Service Area could be serviced by public water and wastewater if a property owner desired to extend public water and/or wastewater to their property.

The self-supporting Utility Enterprise Fund, which is funded by utility ratepayers, reimburses the County's General Fund through a calculated allocated payment for services such as procurement, finance, information technology, human resources, administration and legal that are provided by other County departments to support the Department of Public Utilities. In addition, although the Department is a part of the County

government and thus tax exempt, the County's General Fund also charges a service charge to the utility as a payment in lieu of taxes to recover costs associated with services provided by the Sheriff's Office and Public Safety Department, which are not a part of the calculated allocated payment.

The system is divided into four service routes and most customers are billed bi-monthly. Bills are due and payable upon receipt by the customer, with a past due notice mailed if the bill remains unpaid 30 days after the billing date. If payment is not made in accordance with the past due notice, the County Code requires that utility service be disconnected. A \$40 fee is assessed to all accounts where service has been discontinued due to nonpayment and a 10% late penalty fee is charged for all past due accounts. The County's annual losses from uncollected accounts have been less than 1% of total billings since 1990.

RATES, FEES, AND CHARGES

The principal sources of revenue for the Utilities Enterprise Fund are user fees and capacity fees. The user fee is a monthly or bi-monthly charge comprised of a base charge by meter size, levied regardless of usage, and a commodity charge that is typically based upon metered water consumption. The capacity fee is a one-time charge for each new connection to the water and wastewater systems. Capacity fees are based on the size of the water meter necessary to serve the new customer. In setting these fees, the goal is to cover projected operating, maintenance, general improvement, and rehabilitation costs with user fees. The projected capacity related capital improvement costs and the costs to support the Comprehensive Plan and Voluntary Settlement Agreement are funded with capacity fees. This practice generally allows growth in use of the County's services to pay for the costs of increasing the System capacity and expanding service territory. This rate structure applies to both water and wastewater services.

Public Utilities Fund

Rate Structure

Water - Base Charges by Meter Size	FY10	FY11
5/8 inch & 3/4 inch	\$8.13	\$8.37
1 inch	20.37	20.98
1 1/2 inch	40.62	41.84
2 inch	64.99	66.94
3 inch	129.99	133.89
4 inch	203.11	209.20
6 inch	406.21	418.40

Water - Residential	FY10	FY11
Base charge by meter size (table above)		
Consumption charge as follows:		
0 to 4,000 gallons, per 1,000 gallons	\$1.29	\$1.33
4,001 to 15,000 gallons, per 1,000 gallons	3.93	4.05
15,001 and above, per 1,000 gallons	5.13	5.28

Water - Commercial Schedule I Rates	FY10	FY11
Base charge by meter size (table above)		
Consumption charge as follows:		
0 to 15,000 gallons, per 1,000 gallons	\$3.49	\$3.59
15,001 to 1,000,000 gallons, per 1,000 gallons	3.93	4.05
Above 1,000,000 gallons, per 1,000 gallons	2.18	2.25
Separate irrigation meter, per 1,000 gallons	4.84	4.99

Water - Commercial Schedule II Rates	FY10	FY11
Base charge	\$124.99	\$128.74
Consumption charge as follows:		
All usage, per 1,000 gallons	2.04	2.10
Peak Use Fee, per 1,000 gallons greater than 150% of previous fiscal year average	1.25	1.29

Water - Commercial Schedule III Rates	FY10	FY11
Base Charge	\$12,499	\$12,874
Consumption charge as follows:		
All usage, per 1,000 gallons	1.66	1.71
Peak Use Fee, per 1,000 gallons greater than 150% of previous fiscal year average	1.25	1.29

Wastewater - Base charges by meter size	FY10	FY11
5/8 inch	\$18.87	\$19.06
3/4 inch	18.87	19.06
1 inch	18.87	19.06
1 1/2 inch	18.87	19.06
2 inch	94.37	95.31
3 inch	94.37	95.31
4 inch	94.37	95.31
6 inch	94.37	95.31

Public Utilities Fund

Wastewater - Residential	FY10	FY11
Base charge by meter size (table above)		
Consumption charge as follows:		
0 to 4,000 gallons, per 1,000 gallons	\$5.07	\$5.12
4,001 and above, per 1,000 gallons	6.37	6.43
Flat Rate Wastewater	90.80	90.80

Wastewater - Commercial Schedule I Rates	FY10	FY11
Base charge by meter size (table above)		
Consumption charge as follows:		
0 to 50,000 gallons, per 1,000 gallons	\$5.90	\$5.96
Above 50,000, per 1,000 gallons	4.72	4.77

Wastewater - Commercial Schedule II Rates	FY10	FY11
Base charge	\$1,179.68	\$1,191.48
Consumption charge as follows:		
All usage, per 1,000 gallons	3.89	3.93
Peak Use Fee (per 1,000 gallons greater than 150% of previous fiscal year average)	1.18	1.19

Capacity Fees

Capacity fees are the fees charged to customers when initially connected to the County's system. The detailed fee schedule is listed below.

Residential Water

In FY10 single and multi-family units are charged \$5,161 for a standard connection. There will be no increase in the per unit fee for a standard connection in FY11.

Commercial, Industrial, and Public Facilities Water	FY10	FY11
All capacity fees for these entities are based on meter size		
5/8 inch	\$5,161	\$5,161
1 inch	12,903	12,903
1 1/2 inch	25,806	25,806
2 inch	41,290	41,290
3 inch	82,579	82,579
4 inch	129,030	129,030
6 inch	258,061	258,061
8 inch	412,897	412,897

Public Utilities Fund

Residential Wastewater

In FY10 single and multi-family units are charged \$7,838 for a standard connection. There will be no increase in the per unit fee for a standard connection in FY11.

Commercial, Industrial, and Public Facilities	FY10	FY11
All capacity fees for these entities are based on meter size		
5/8 inch	\$7,838	\$7,838
1 inch	19,593	19,593
1 1/2 inch	39,187	39,187
2 inch	62,699	62,699
3 inch	125,399	125,399
4 inch	195,935	195,935
6 inch	391,870	391,870
8 inch	626,992	626,992

OBJECTIVES

- Provide reliable water and wastewater service in accordance with all applicable regulatory requirements;
- Maintain fiscal integrity to provide for system growth, adequate maintenance, and replacement of capital to ensure quality service, system reliability and to control future costs;
- Emphasize continuing education to maintain staff competency ensuring EPA regulatory compliance;
- Continue implementing Capital Improvement Plan, meeting customer capacity needs, Comprehensive Plan requirements and economic development; and
- Receive NACWA (National Association of Clean Water Agencies) Peak Performance Awards.

SERVICE LEVELS	FY09	FY10	FY10	FY11
	<u>Actual</u>	<u>Budget</u>	<u>Forecast</u>	<u>Budget</u>
Water customers	19,930	20,020	20,129	20,330
Wastewater customers	18,178	18,118	18,359	18,543
Customer calls	35,998	34,902	39,071	39,500
Plans reviewed	514	600	500	500
Samples collected	281,680	310,000	300,000	N/A
Water distributed (mgd)	8.77	9.41	8.21	8.30
Wastewater collected (mgd)	6.08	7.32	6.94	7.01
Miles of water line maintained	387	390	-	-
Miles of sewer line maintained	360	363	-	-

Airport Fund

DESCRIPTION

The Hanover County Airport is a 232 acre facility strategically located between Ashland and Richmond, and is easily accessible to Interstate 95 for multimodal transportation. The airport is a reliever airport within the Richmond Metropolitan Service Area and also provides a significant economic benefit to the County. The facility has a 5,400 x 100 foot

runway, non-precision landing system, and with the services provided by a contracted operator, the airport is able to accommodate corporate aircraft and the upscale businesses which they represent. Services at the facility include flight instruction, aircraft fueling, aircraft charters, repairs, rentals, and aircraft storage.

BUDGET SUMMARY

	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY11
Expenditures				
Personnel	\$ 94,417	\$ 95,253	\$ 96,643	1.5%
Operating	48,768	74,217	56,283	(24.2%)
Operating Capital	439	50,000	50,000	0.0%
Debt Service				
Principal	-	54,820	60,606	10.6%
Interest	87,765	89,158	83,372	(6.5%)
Capital Improvements	853,361	1,531,000	342,420	(77.6%)
Total Expenditures	\$ 1,084,751	\$ 1,894,448	\$ 689,324	(63.6%)
Revenues				
Use of Money and Property	\$ 106,350	\$ 152,745	\$ 157,332	3.0%
Miscellaneous Revenue	-	-	18,000	100.0%
Categorical State Aid	17,908	573,000	273,936	(52.2%)
Categorical Federal Aid	1,148,483	900,000	-	(100.0%)
Reserve for Revenue	3,075	68,000	50,000	(26.5%)
Transfer from General Fund	333,081	200,703	190,056	(5.3%)
Total Revenue	\$ 1,608,897	\$ 1,894,448	\$ 689,324	(63.6%)
Generated Revenue Percent	0.0%	89.4%	72.4%	
General Fund Percent	0.0%	10.6%	27.6%	
Full-time Positions	1	1	1	0.0%
Full-time Equivalents	1.0	1.0	1.0	0.0%

Airport Fund

BUDGET HIGHLIGHTS

In FY07 an airport enterprise fund was created to track the revenue, debt service, operating and capital transactions for this activity. The FY11 operating decrease is due to a reduction in funding for repair and maintenance. The reduction in the capital improvements program is due to land acquisition that occurred in FY10. The local funding supports one County employee as well as maintenance and improvements to the airfield and terminal facilities. This budget also includes maintenance of airfield lighting and educational training. When available, State funds are invested into this function, reducing the local burden of funding such operations. The capital budget provides local funding in the amount of

\$68,484 to leverage State and Federal grants. The general fund collects approximately \$40,000 per year in aircraft personal property tax.

The stipends for the two Board members on the Airport Board were relocated to the Board of Supervisors' budget in FY09.

The last of the hangar improvements was completed in January 2008 with this project a great example of a public-private partnership together with State/Federal grants in developing a facility that can better serve everyone from residents enjoying their smaller aircraft to the increased convenience of the business community.

GOALS AND OBJECTIVES

- Continue the removal of obstructions to accommodate safe operations;
- Protect air space;
- Begin land acquisition for East side development;
- Maintain 60 day turn around time between invoice and revenue recovery for all grants and capital projects.

SERVICE LEVELS

	<u>FY09 Actual</u>	<u>FY10 Budget</u>	<u>FY10 Forecast</u>	<u>FY11 Budget</u>
Number of based aircraft	135	132	125	135
Aircraft hanger spaces	54	54	54	54
Aircraft tie down spaces	56	56	56	56
Corporate Hangars	14,800 sq/ft	14,800 sq/ft	14,800 sq/ft	14,800 sq/ft
Gallons of fuel sold	178,557	198,200	198,200	200,000

Self-Insurance Fund

DESCRIPTION

The Self-Insurance Fund provides for fiscal management of the County and School Board health insurance costs. The employer's share of health insurance costs and retiree healthcare liability costs are budgeted in departmental budgets, but this internal service fund serves in the payment of claims, accounting for employee health insurance deductions, and providing adequate reserves to mitigate increases in claims beyond those anticipated.

The revenue for the fund comes primarily from employer contributions, employee deductions, and investment income. The County's share is \$6,271 for each participating employee. Each employee has a deduction based on the level of coverage selected in the program. The fund earns interest on cash balances. There are currently 3,132 budgeted plan participants.

BUDGET SUMMARY

	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY11
Expenditures				
Personnel	\$ 26,047,171	\$ 27,538,691	\$ 28,505,462	3.5%
Operating	80,112	330,000	158,412	(52.0%)
Total Expenditures	\$ 26,127,283	\$ 27,868,691	\$ 28,663,874	2.9%
Revenues				
Use of Money and Property	\$ 318,205	\$ 250,000	\$ 150,000	(40.0%)
Employee	6,226,971	8,927,994	8,527,994	(4.5%)
Employer	17,322,340	17,797,715	19,413,880	9.1%
OPEB	1,101,158	820,982	-	(100.0%)
Other	154,927	72,000	72,000	0.0%
Fund Balance	-	-	500,000	100.0%
Total Revenue	\$ 25,123,601	\$ 27,868,691	\$ 28,663,874	2.9%
Part-time Positions	1	1	1	0.0%
Full-time Equivalents	0.5	0.5	0.5	0.0%

BUDGET HIGHLIGHTS

The increase in FY11 expenses is based on market trend increases in health care claims and the funding of a joint County and School health and wellness program. There is no additional liability requirement anticipated in FY11; therefore, the FY11 budget proposes a

one year deferment. Employee premiums will be established in the spring time frame. Employer health insurance costs will increase to \$6,271 for each full-time participating employee.

Self-Insurance Fund

Five-Year Financial Plan FY2011 - FY2015

	FY11 Budget	FY12 Plan	FY13 Plan	FY14 Plan	FY15 Plan
Expenditures					
Personnel	\$ 28,505,462	\$ 31,873,968	\$ 35,004,323	\$ 38,477,217	\$ 42,332,025
Operating	158,412	158,412	158,412	158,412	158,412
Total Expenditures	<u>\$ 28,663,874</u>	<u>\$ 32,032,380</u>	<u>\$ 35,162,735</u>	<u>\$ 38,635,629</u>	<u>\$ 42,490,437</u>
Revenues					
Use of Money and Property	\$ 150,000	\$ 162,000	\$ 174,960	\$ 188,957	\$ 204,074
Employee	8,527,994	8,954,394	9,402,114	9,872,220	10,365,831
Employer	19,413,880	21,743,546	24,352,772	27,275,105	30,548,118
OPEB	-	600,000	660,000	726,000	798,600
Other	72,000	72,440	72,889	73,347	73,814
Use of Fund Balance	500,000	500,000	500,000	500,000	500,000
Total Revenue	<u>\$ 28,663,874</u>	<u>\$ 32,032,380</u>	<u>\$ 35,162,735</u>	<u>\$ 38,635,629</u>	<u>\$ 42,490,437</u>

Fleet Services Fund

DESCRIPTION

Fleet Services provides preventive maintenance and repair service for County and School vehicles and motorized equipment. The Department provides fleet management services including vehicle registrations, preparing vehicle and equipment specifications, vehicle acquisition and disposal, vehicle replacement, and maintaining vehicle history records.

BUDGET SUMMARY

	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY11
Expenditures				
Personnel	\$ 1,677,703	\$ 1,753,369	\$ 1,392,679	(20.6%)
Operating	272,288	343,238	325,058	(5.3%)
Capital	111,993	485,374	442,007	(8.9%)
Total Expenditures	\$ 2,061,984	\$ 2,581,981	\$ 2,159,744	(16.4%)
Revenues				
Charges for Services	\$ 1,539,104	\$ 2,040,955	\$ 1,378,055	(32.5%)
Recovered Costs	271,221	276,526	265,502	(4.0%)
Miscellaneous Revenue	103,193	102,000	141,815	39.0%
Prior Year Balance	180,745	162,500	224,159	37.9%
Reserve for Revenue	-	-	50,000	100.0%
Transfer from General Fund	-	-	100,213	100.0%
Total Revenue	\$ 2,094,263	\$ 2,581,981	\$ 2,159,744	(16.4%)
Generated Revenue Percent	100.0%	100.0%	95.4%	
General Fund Percent	0.0%	0.0%	4.6%	
Full-time Positions	29	29	26	(10.3%)
Full-time Equivalents	29.0	29.0	26.0	(10.3%)

BUDGET HIGHLIGHTS

In FY11, the fleet repair service hourly fee charged will remain flat from FY10 at \$60. This vehicle maintenance rate continues to be far below comparable private vendor rates for similar services. The leasing program has been delayed until FY12 and a revised department vehicle replacement schedule has been created due to the economic recession.

The decrease in personnel is due to the removal and relocation of the Radio Shop and associated employees to Emergency Communications and the elimination of three vacant positions. The FY11 budget does include \$60,000 for capital expenditure on the new fuel management program.

GOALS AND OBJECTIVES

- Maintain County and School fleets in a safe and cost effective manner;

Fleet Services Fund

- Use best practices to keep abreast of changing vehicle technology to provide improving customer service;
- Assist customers with fleet needs and promote effective fleet management through fleet best management practices.

SERVICE LEVELS

	FY09 <u>Actual</u>	FY10 <u>Budget</u>	FY10 <u>Forecast</u>	FY11 <u>Budget</u>
Vehicles:				
School buses	309	320	300	305
Public safety	433	470	450	450
Other	393	385	400	400
Total	1,135	1,175	1,150	1,155
Special purpose equipment	75	70	80	80
Work Orders:				
Preventive maintenance	4,599	4,600	4,100	4,200
Repair	2,736	2,850	2,650	2,700
Total	7,335	7,450	6,750	6,900
24 hour or less PM turnaround time	83.1%	75%	75%	75%
Ratio of PM to repair work orders	62.6%	56%	55%	55%
Fleet availability	97.0%	95%	95%	95%
Parts inventory loss/inventory purchases	<1%	2%	<2%	<2%

FIVE-YEAR PLAN

	FY11 <u>Budget</u>	FY12 <u>Plan</u>	FY13 <u>Plan</u>	FY14 <u>Plan</u>	FY15 <u>Plan</u>
Expenditures					
Personnel	\$ 1,392,679	\$ 1,409,983	\$ 1,471,617	\$ 1,528,463	\$ 1,588,073
Operating	325,058	328,309	338,158	348,303	358,752
Capital	442,007	602,527	761,620	740,919	793,701
Total Expenditures	\$ 2,159,744	\$ 2,340,819	\$ 2,571,395	\$ 2,617,685	\$ 2,740,526
Revenues					
Charges for Services	\$ 1,378,055	\$ 1,504,029	\$ 1,573,789	\$ 1,622,740	\$ 1,692,889
Recovered Costs	265,502	308,437	479,976	519,976	583,546
Miscellaneous Revenue	141,815	142,651	143,504	144,374	145,261
Reserve for Revenue	50,000	50,000	50,000	50,000	50,000
Prior Year Balance	224,159	234,487	219,875	176,344	164,579
Transfer from General Fund	100,213	101,215	104,251	104,251	104,251
Total Revenue	\$ 2,159,744	\$ 2,340,819	\$ 2,571,395	\$ 2,617,685	\$ 2,740,526

Full-time Positions	26	26	26	26	26
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Bell Creek Community Development Authority

DESCRIPTION

The Bell Creek Community Development Authority was created in 2002 and consists of 325 acres of land within the County. The property encompasses a mixed-use development and is expected to provide commercial development with retail space including a shopping center known as “The Shoppes at Bell Creek”, a light industrial park, and a residential development on 167 acres known as “The Bluffs at Bell Creek.”

The Bell Creek Community Development Special Assessment Bonds were issued in 2003 in the total principal amount of

\$15,980,000. The bonds were issued to finance the acquisition and construction of roads and road improvements, water and sanitary sewer improvements, storm water management improvements and certain other infrastructure improvements. The Board of Supervisors, at the request of the Bell Creek Community Development Authority, adopted a special assessment levy on all residential, retail, commercial and light industrial properties within the authority to repay the bonds. As of June 2009, \$11,084,239 of the bonds has been repaid, reducing the outstanding debt to \$4,895,761.

BUDGET SUMMARY

	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY11
Expenditures				
Operating	\$ 625,419	\$ 650,000	\$ 605,000	(6.9%)
Total Expenditures	<u>\$ 625,419</u>	<u>\$ 650,000</u>	<u>\$ 605,000</u>	<u>(6.9%)</u>
Revenues				
Recovered Costs	\$ 605,932	\$ 650,000	\$ 605,000	(6.9%)
Total Revenue	<u>\$ 605,932</u>	<u>\$ 650,000</u>	<u>\$ 605,000</u>	<u>(6.9%)</u>



Lewistown Community Development Authority

DESCRIPTION

The Lewistown Commerce Center Community Development Authority was created in 2006 and consists of 186.5 acres of land within the County. The property is part of a business complex that is expected to provide commercial and retail spaces, recreation and tourism facilities and other amenities that are expected to be developed in phases by different entities. The overall development has been named Winding Brook.

The Lewistown Community Development Authority Revenue Bonds were issued in 2007 in the total principal amount of \$37,675,000. The bonds were issued to finance the acquisition of certain land and the construction of certain infrastructure improvements.

Pursuant to the terms of a Special Assessment Agreement between the County, the Authority, and the Developers, the 2007 Bonds will be payable from (1) a Special Real Property Tax, equal to \$0.10 per \$100 of the assessed or assessable value of taxable real and leasehold property, respectively, within the District, beginning with calendar year 2008, (2) Incremental Tax Revenues consisting of specified percentages of incremental real and personal property, hotel occupancy, and the County's portion of sales tax revenues collected beginning in 2007 over and above 2006 collections within the District, and (3) Special Assessments imposed and collected by the County, if necessary, at the request of the Authority on taxable real property within the District, in that order. No special assessments were made during fiscal years 2007 to 2009.

BUDGET SUMMARY

	FY09 Actual	FY10 Budget	FY11 Budget	FY10 to FY11
Expenditures				
Operating	\$ 160,283	\$ 1,045,000	\$ 844,750	(19.2%)
Total Expenditures	<u>\$ 160,283</u>	<u>\$ 1,045,000</u>	<u>\$ 844,750</u>	<u>(19.2%)</u>
Revenues				
Recovered Costs	\$ 28,651	\$ 125,000	\$ 200,000	60.0%
Transfer from General Fund	339,342	920,000	644,750	(29.9%)
Total Revenue	<u>\$ 367,993</u>	<u>\$ 1,045,000</u>	<u>\$ 844,750</u>	<u>(19.2%)</u>



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Capital Improvements Program

Process

The Capital Improvements Program (CIP) is the County's plan for expenditures on facilities, equipment, and vehicles over the next five fiscal years. Capital improvements are separated from the annual operating budget because they include any proposed public construction, acquisition of land, buildings and accessory equipment, or vehicles or equipment with a unit cost greater than \$50,000. The Code of Virginia provides that a CIP be prepared to carry out policies adopted through the Comprehensive Plan. The CIP performs this function by outlining anticipated County projects by year, by cost and by recommended funding source. The Comprehensive Plan includes the Community Facilities Plan, which along with the CIP provides for capital improvements necessitated by growth for a twenty year period. Hanover County has maintained compliance with capital outlay programs as stated in Section 15.2-2239 of the Code of Virginia as follows:

"Local planning commissions to prepare and submit annually capital improvement programs to governing body or official charged with preparation of budget. -- A local planning commission may, and at the direction of the governing body shall, prepare and revise annually a capital improvement program based on the comprehensive plan of the locality for a period not to exceed the ensuing five years. The commission shall submit the program annually to the governing body, or to the chief administrative officer or other official charged with preparation of the budget for the locality, at such time as it or he shall direct.

The capital improvement program shall include the commission's recommendations, and estimates of cost of the facilities, including any road improvement and any transportation improvement the locality chooses to include in its capital improvement plan and as provided for in the comprehensive plan, and the means of financing them, to be undertaken in the ensuing fiscal year and in a period not to exceed the next four years, as the basis of the capital budget for the locality. In the preparation of its capital budget recommendations, the commission shall consult with the chief administrative officer or other executive head of the government of the locality, the heads of departments and interested citizens and organizations and shall hold such public hearings as it deems necessary."

The purpose of having a CIP is to assess the County's existing condition and identify needs which must be addressed to accomplish planning goals. A principal goal is to provide for the orderly and timed development of land consistent with the County's ability to provide services in accordance with the Comprehensive Plan.

The CIP sets forth needs and priorities to coordinate development of County facilities with anticipated revenues, growth and the community's ability to pay. By saying where public schools, water or sewer lines, drainage, and other improvements should be constructed, the County can encourage development in appropriate areas. "Appropriate" is used here to mean consistent with adopted policies. This makes the CIP a key document in influencing and managing growth. The CIP is also an important tool in insuring efficient use of limited financial

Capital Improvements Program

resources. By reviewing anticipated revenues with anticipated capital needs, priorities can be established to insure that essential public services can be continued and improved without interruption.

The CIP process is used to establish priorities between competing needs: 1) The County Departments recommend individual projects based on their needs assessment; 2) The Finance Department and County Administrator's office reviews and recommends proposals based on an assessment of community needs and financial resources available; 3) The Planning Commission reviews the recommendations and provides input to the Board of Supervisors; 4) The Board of Supervisors acts on the recommendations from public hearings, the County staff and the Planning Commission.

Financing

The Five-Year Financial Plan forecasts the anticipated expenditures, approximate timing, and source of funding for each project. The adoption of the CIP does not appropriate funds nor commit the Board to any expenditure in fiscal years two through five whereas fiscal year one is appropriated in conjunction with the Adopted Budget. The relationship between the CIP and the operating budget is carefully considered during the operating budget process. The CIP has three direct impacts on the operating budget: 1) Any projects funded with general fund resources must be evaluated with other needs for the competing resources for that year, 2) Any project funded with long term debt financing, must be in compliance with the debt policy and must anticipate the impact of the repayment of debt service on current and future years budgets, and 3) Implementation costs such as staffing and operating costs should be formulated. The following are the current CIP funding sources available to the County:

General Fund: Direct payments from the County's operating revenue.

General Obligation (GO) Bonds: Payments from the proceeds of the sale of General Obligation (GO) Bonds. These bonds must be approved by a general referendum of voters of the County, with the exception of Virginia Public School Authority (VPSA) bonds and State Literary Loans. GO bonds pledge the full faith and credit of the County for their repayment. VPSA bonds and State Literary Loans can only be issued for the financing of public school projects.

Revenue Bonds: Payments from the proceeds of the sale of Revenue Bonds. These bonds pledge the revenue generating potential of a facility or utility system.

State and Federal Grants: Payments from the State and Federal Government to provide facilities promoted by the State and Federal agencies.

Developer Contributions: Payments from private developers to provide community facilities. These donations are usually as a result of development, proffers and/or recovered cost.

Proffers: Cash proffers are the result of rezoning whereas rezoning and development of properties for residential or commercial use result in increased population or demand and a commensurate increase in the need for capital improvements.

Capital Improvements Program

Public Utility Capacity Fees: Fees associated with new water and sewer connections to obtain capacity in the utility system.

Public Utility User Fees: There may be certain utility projects which benefit the existing utility customer for which user fee charges are the appropriate funding source of the utility project.

Savings Plan: The County established a savings plan to mitigate the need for debt financing of school and/or County capital improvements. The savings plan is based upon designation of year-end General Fund surpluses, anticipated current fiscal year surpluses, cash proffers, grants, proffers and/or investment income earned.

Stormwater Fees: The stormwater management program is funded by pro-rata fees charged to developers to fund appropriate stormwater management projects as a result of such development.

New Facility Construction Cost Guide

Elementary, Middle and High Schools:

The County utilizes the Marshall Swift Valuation Index to provide square foot costs for new facilities. The Marshall Swift index is recognized nationally in evaluating construction costs based upon class and type of construction. The class component of the buildings define how well the building is constructed, with "A" being the best structurally built. Class A is a description of the quality and design of the building's exterior and interior. The square foot cost of a building is calculated using class and type with the cost adjusted by the local index multiplier and current multiplier. The local index multiplier adjusts for the variability in construction costs by region in the country and the current multiplier adjusts for inflation since class and type components were last valued. Therefore, the adjusted square foot cost represents a current square foot cost for the facility.

All schools in Hanover are excellent class A constructions. The schools have fireproof structural steel frames with reinforced concrete or masonry floors and roofs. The exterior walls are constructed of stone, brick, metal, glass, and are highly ornamental. The interior finish is made of plaster, glazed finishes, enamel, carpet, and vinyl. These types of schools have the best classroom lighting, cabling systems, and plumbing, including an elevator for high schools.

Marshall Swift Valuation Index

<u>Schools</u>	<u>Elementary</u>	<u>Middle</u>	<u>High</u>
Square foot cost	\$247.09	\$235.71	\$252.82
Local Multiplier	0.9	0.9	0.9
Current Multiplier	0.96	0.96	0.96
Adj. Sq. ft. Cost	<u>\$213.49</u>	<u>\$203.65</u>	<u>\$218.44</u>

Capital Improvements Program

Libraries

The libraries are good class A buildings. The libraries have masonry or concrete exterior walls and wood or steel roofs. The floors are made of concrete slab on grade. The exterior walls are made of special architecture metal and glass, face brick, stone, and concrete. The interior finish is constructed from the best plaster, carpeting, vinyl, and equipped with a kitchenette. Libraries have high-level lighting, audio-visual wiring, and good plumbing.

Marshall Swift Valuation Index

Libraries

Square foot cost	\$215.08
Local Multiplier	0.9
Current Multiplier	<u>1.06</u>
Adj. Sq. ft. Cost	<u><u>\$205.19</u></u>

Fire Stations and Rescue Squads:

The fire stations and rescue squads are good class A buildings. The buildings have masonry or ornamental block concrete exterior walls; wood or steel roofs and floor structures or concrete slab on grade for the floors. The interior finish has an office, classroom, kitchenette, drywall and acoustic tile. In these buildings there is good lighting, adequate plumbing, and restrooms.

Marshall Swift Valuation Index

Fire Stations & Rescue Squads

Square foot cost	\$217.89
Local Multiplier	0.9
Current Multiplier	<u>1.06</u>
Adj. Sq. ft. Cost	<u><u>\$207.87</u></u>

Sample Capital Improvement

Functional Area: The functional area is a group of related activities aimed at accomplishing a major service or regulatory program for which a locality is responsible. Examples of functions are Judicial Administration, Public Safety, and Health and Welfare.

Department: The "Department" denotes the County (or School) department that has oversight responsibility for the capital improvement. If applicable, other departments will provide their services to ensure that the capital improvement meets all specifications, laws and budgetary controls.

Project: Denotes the project name.

Capital Improvements Program

Location:	The physical address of where the capital improvement is to be located. Countywide is used for location if the capital improvement is not physically set (e.g. equipment) or maintained in one location.
Description/ Justification:	A brief description outlines the capital improvement and will contain the reasons behind the capital improvement and other pertinent information. Included in the description, if applicable, are the number of acres required, square feet of structure desired, feasibility studies, and design work status. For construction projects, a cost/sq. ft. will be provided and adjusted for inflation and contingency.
Timetable:	This is the date(s) anticipated that the capital improvement will be acquired or completed. If construction of a capital improvement is required, the estimated starting and ending dates are noted. Request for Bid (RFB) or Requests for Proposals (RFP) with a vendor are required, with an appropriate contract awarded, in completing a capital improvement. This is not provided for all projects.
PY Allocation:	PY allocation represents appropriations from previous fiscal years in relation to the capital improvement.
Operating Impact:	Operating impact will describe what effect, if any, the capital improvement will have on the operating budget. Impacts are salaries/fringe benefits, operating and/or capital outlay. Only incremental impacts are shown in subsequent years as growth of base impacts are correlated to growth rates in Five-Year Financial Plan assumptions. Debt service impacts are shown in the Five-Year Financial Plan and the Indebtedness Section of the Budget document. Any reduced expenditures or increased revenues are also noted, if applicable. Generally, if the impact is less than \$5,000 it will be noted as \$0 as base operating budget would be expected to absorb such costs.
Non-Financial Operating Impact	Not all value can be quantified with a dollar figure, this section explains the intrinsic value of the project and non financial impacts such as safety, or improved efficiency that is achieved by completing this Capital Project.
Funding Uses:	Funding uses represent, by fiscal year, the capital improvement expenditures and the classification of such expenditures. Classifications are segregated as follows: professional, land, construction, EDP equipment, vehicles, and other. Total costs are rounded to the nearest \$1000.

CAPITAL IMPROVEMENTS PROGRAM

<u>FY11 Proposed CIP</u>	<u>FY11</u>	<u>FY12</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>	<u>Grand Total</u>	General Funds	Long-Term Debt	Cash Proffers	Other Sources
GENERAL GOVERNMENT ADMINISTRATION										
Information Technology:										
Technology Infrastructure	\$ 650,000	\$ 736,000	\$ 675,000	\$ 675,000	\$ 675,000	\$ 3,411,000	\$ 3,411,000	\$ -	\$ -	\$ -
Data Center Maintenance	100,000	-	75,000	-	-	175,000	175,000	-	-	-
Storage Area Network	-	-	-	215,000	265,000	480,000	480,000	-	-	-
Document Imaging	-	-	-	350,000	-	350,000	350,000	-	-	-
Total	\$ 750,000	\$ 736,000	\$ 750,000	\$ 1,240,000	\$ 940,000	\$ 4,416,000	\$ 4,416,000	\$ -	\$ -	\$ -
Category Total	\$ 750,000	\$ 736,000	\$ 750,000	\$ 1,240,000	\$ 940,000	\$ 4,416,000	\$ 4,416,000	\$ -	\$ -	\$ -
JUDICIAL ADMINISTRATION										
Courts:										
New Courts Building	\$ -	\$ -	\$ -	\$ -	\$ 60,000,000	\$ 60,000,000	\$ -	\$ 60,000,000	\$ -	\$ -
Total	\$ -	\$ -	\$ -	\$ -	\$ 60,000,000	\$ 60,000,000	\$ -	\$ 60,000,000	\$ -	\$ -
Category Total	\$ -	\$ -	\$ -	\$ -	\$ 60,000,000	\$ 60,000,000	\$ -	\$ 60,000,000	\$ -	\$ -
PUBLIC SAFETY										
Fire/EMS:										
Fire Engine & Heavy Squad Replacement	\$ 500,000	\$ 500,000	\$ 900,000	\$ 1,300,000	\$ 1,200,000	\$ 4,400,000	\$ 4,400,000	\$ -	\$ -	\$ -
Ambulance Replacement	356,000	366,000	376,000	386,000	396,000	1,880,000	1,880,000	-	-	-
Fire Training Center Improvements	-	-	-	-	230,000	230,000	-	230,000	-	-
Fire/EMS Training Center Paving	-	-	-	-	300,000	300,000	-	300,000	-	-
Total	\$ 856,000	\$ 866,000	\$ 1,276,000	\$ 1,686,000	\$ 2,126,000	\$ 6,810,000	\$ 6,280,000	\$ 530,000	\$ -	\$ -
Category Total	\$ 856,000	\$ 866,000	\$ 1,276,000	\$ 1,686,000	\$ 2,126,000	\$ 6,810,000	\$ 6,280,000	\$ 530,000	\$ -	\$ -
PUBLIC WORKS										
Public Works:										
Road Improvements	\$ 1,350,000	\$ 450,000	\$ 550,000	\$ 600,000	\$ 650,000	\$ 3,600,000	\$ 1,400,000	\$ -	\$ 1,200,000	\$ 1,000,000
Subtotal	\$ 1,350,000	\$ 450,000	\$ 550,000	\$ 600,000	\$ 650,000	\$ 3,600,000	\$ 1,400,000	\$ -	\$ 1,200,000	\$ 1,000,000
Regional Stormwater Implementation	\$ 340,000	\$ -	\$ -	\$ -	\$ -	\$ 340,000	\$ -	\$ -	\$ -	\$ 340,000
Subtotal	\$ 340,000	\$ -	\$ -	\$ -	\$ -	\$ 340,000	\$ -	\$ -	\$ -	\$ 340,000
Solid Waste Services:										
Solid Waste Equipment Replacement	\$ 125,000	\$ 125,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 850,000	\$ 850,000	\$ -	\$ -	\$ -
Transfer Station Scales and Building	-	-	-	-	-	-	-	-	-	-
Subtotal	\$ 125,000	\$ 125,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 850,000	\$ 850,000	\$ -	\$ -	\$ -
Total	\$ 1,815,000	\$ 575,000	\$ 750,000	\$ 800,000	\$ 850,000	\$ 4,790,000	\$ 2,250,000	\$ -	\$ 1,200,000	\$ 1,340,000
Facilities Management:										
Boiler for Court Building	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ 50,000
Vaughn-Bradley Building HVAC	-	125,000	-	-	-	125,000	125,000	-	-	-
Elevator Cylinder Replacement (Wickham Bldg)	-	-	85,000	-	-	85,000	85,000	-	-	-
Voice Mail System	-	-	100,000	-	-	100,000	100,000	-	-	-
Ashland Library Roof Replacement	-	-	85,000	-	-	85,000	85,000	-	-	-
Vaughn-Bradley Building Roof Replacement	-	-	-	91,500	-	91,500	91,500	-	-	-
Total	\$ 50,000	\$ 125,000	\$ 270,000	\$ 91,500	\$ -	\$ 536,500	\$ 486,500	\$ -	\$ -	\$ 50,000
Category Total	\$ 1,865,000	\$ 700,000	\$ 1,020,000	\$ 891,500	\$ 850,000	\$ 5,326,500	\$ 2,736,500	\$ -	\$ 1,200,000	\$ 1,390,000
PARKS, RECREATION AND CULTURAL										
Parks and Recreation:										
Taylor Park-Phase Two	\$ -	\$ -	\$ -	\$ -	\$ 1,580,000	\$ 1,580,000	\$ -	\$ 1,580,000	\$ -	\$ -
Pole Green Park - Additional Softball Fields	-	-	-	-	1,200,000	1,200,000	-	1,200,000	-	-
Passive Park Development	-	-	-	-	225,000	225,000	-	225,000	-	-
Courthouse Park Lighting Projects	-	-	-	-	515,000	515,000	-	515,000	-	-
Pole Green Park Community Center	-	-	-	-	2,500,000	2,500,000	-	2,500,000	-	-
Montpelier Community Center	-	-	-	-	200,000	200,000	-	200,000	-	-
Future Park Improvements	-	-	-	-	-	-	-	-	-	-
Total	\$ -	\$ -	\$ -	\$ -	\$ 6,220,000	\$ 6,220,000	\$ -	\$ 6,220,000	\$ -	\$ -
Library:										
Atlee Branch Library	\$ -	\$ -	\$ -	\$ -	\$ 11,350,000	\$ 11,350,000	\$ -	\$ 11,350,000	\$ -	\$ -
Total	\$ -	\$ -	\$ -	\$ -	\$ 11,350,000	\$ 11,350,000	\$ -	\$ 11,350,000	\$ -	\$ -
Category Total	\$ -	\$ -	\$ -	\$ -	\$ 17,570,000	\$ 17,570,000	\$ -	\$ 17,570,000	\$ -	\$ -
NON-DEPARTMENTAL										
Reserve for Revenue Transfers										
Reserve for Revenue Transfer	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 1,000,000	\$ -	\$ -	\$ -	\$ 1,000,000
Total	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 1,000,000	\$ -	\$ -	\$ -	\$ 1,000,000
Category Total	\$ 200,000	\$ 1,000,000	\$ -	\$ -	\$ -	\$ 1,000,000				
Total County Improvements Fund	\$ 3,671,000	\$ 2,502,000	\$ 3,246,000	\$ 4,017,500	\$ 81,686,000	\$ 95,122,500	\$ 13,432,500	\$ 78,100,000	\$ 1,200,000	\$ 2,390,000

CAPITAL IMPROVEMENTS PROGRAM

FY11 Proposed CIP	FY11	FY12	FY13	FY14	FY15	Grand Total	General Funds	Long-Term Debt	Cash Proffers	Other Sources
EDUCATION										
School Board:										
Facilities Improvements	2,000,000	3,470,000	2,500,000	-	1,000,000	8,970,000	-	8,970,000	-	-
Computer Replacement	274,000	1,259,000	1,523,000	1,579,000	1,650,000	6,285,000	5,458,000	-	727,000	100,000
School Buses	802,000	2,084,000	2,021,000	2,035,000	2,144,000	9,086,000	5,852,000	-	2,990,000	244,000
Technology Infrastructure	118,000	182,000	-	-	-	300,000	182,000	-	118,000	-
Mechanical/Roofing Repairs/Replacement	3,452,000	1,000,000	-	-	-	4,452,000	-	4,452,000	-	-
Tech & Career Facilities	-	-	8,600,000	-	-	8,600,000	-	8,600,000	-	-
Beaverdam ES Renovations	-	-	900,000	12,633,900	-	13,533,900	-	13,533,900	-	-
Elmont Elementary School	-	-	-	450,000	-	450,000	-	450,000	-	-
High School Athletic Facilities	-	-	-	-	500,000	500,000	-	500,000	-	-
Washington-Henry Elementary School	-	-	-	-	15,882,200	15,882,200	-	15,882,200	-	-
Total Education	\$ 6,646,000	\$ 7,995,000	\$ 15,544,000	\$ 16,697,900	\$ 21,176,200	\$ 68,059,100	\$ 11,492,000	\$ 52,388,100	\$ 3,835,000	\$ 344,000
Total County Improvements Fund & Education	\$ 10,317,000	\$ 10,497,000	\$ 18,790,000	\$ 20,715,400	\$ 102,862,200	\$ 163,181,600	\$ 24,924,500	\$ 130,488,100	\$ 5,035,000	\$ 2,734,000
AIRPORT										
Airport:										
Airport Safety Improvements	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ 200,000	\$ 40,000	\$ -	\$ -	\$ 160,000
Airport Improvements	142,420	340,000	-	445,000	999,300	1,926,720	241,484	-	-	1,685,236
Airport Land Acquisition	-	-	1,946,000	-	-	1,946,000	39,000	-	-	1,907,000
Terminal Building Improvement	-	-	-	275,000	-	275,000	55,000	-	-	220,000
Total Airport	\$ 342,420	\$ 340,000	\$ 1,946,000	\$ 720,000	\$ 999,300	\$ 4,347,720	\$ 375,484	\$ -	\$ -	\$ 3,972,236
PUBLIC UTILITIES										
Water Source and Distribution Projects:										
Hanover-Richmond Water Contract	6,026,483	6,056,503	7,395,516	7,517,483	5,964,645	32,960,630	-	14,366,073	-	18,594,557
Waterline Replacement	50,000	50,000	50,000	50,000	50,000	250,000	-	-	-	250,000
Water Tank Rehabilitation	165,000	130,000	130,000	330,000	70,000	825,000	-	-	-	825,000
Sliding Hill Rd to Countryside Lane Waterline	64,000	256,000	-	-	-	320,000	-	320,000	-	-
Cedar Lane-Winns Church Rd.-Rt. 33 Waterline	5,200,000	-	-	-	-	5,200,000	-	1,000,000	-	4,200,000
Water Treatment Plant Rehabilitation	50,000	50,000	50,000	50,000	50,000	250,000	-	-	-	250,000
Chapman Street Waterline Replacement	122,000	-	-	-	-	122,000	-	-	-	122,000
Lee Davis/Cold Harbor Road Waterline	100,000	-	-	-	-	100,000	-	-	-	100,000
Shady Grove Waterline	37,000	154,000	-	-	-	191,000	-	191,000	-	-
Stebbins Street Waterline Replacement	73,000	-	-	-	-	73,000	-	-	-	73,000
New Ashcake Road Waterline	-	60,000	-	-	-	60,000	-	-	-	60,000
Rt. 30 Waterline Interconnect and Valving	-	73,000	-	-	-	73,000	-	-	-	73,000
Walnut Grove Waterline	-	72,000	297,000	-	-	369,000	-	369,000	-	-
Atlee Station Road Waterline Interconnect	-	72,000	-	-	-	72,000	-	-	-	72,000
Cedar Lane Waterline Improvements	-	-	500,000	-	2,092,000	2,592,000	-	2,592,000	-	-
Doswell Water Treatment Plant Sludge Collector	-	-	70,000	-	-	70,000	-	-	-	70,000
Lockwood Pump Station Improvements	-	-	-	391,000	1,390,000	1,781,000	-	-	-	1,781,000
Meadowbridge Road Waterline	-	-	-	172,000	701,000	873,000	-	350,000	-	523,000
South Anna WTP Upgrade	-	-	-	-	1,600,000	1,600,000	-	-	-	1,600,000
Wastewater Collection and Treatment Projects										
Crump Creek Sewerage Improvements	465,000	-	-	-	-	465,000	-	465,000	-	-
Grassy Swamp Sewerage Improvements	6,800,000	-	-	-	-	6,800,000	-	5,000,000	-	1,800,000
Sanitary Sewer and Facility Rehabilitation	50,000	50,000	50,000	50,000	50,000	250,000	-	-	-	250,000
South Center Street Sewerline Rehabilitation	125,000	-	-	-	-	125,000	-	-	-	125,000
Wastewater Treatment Plant Rehabilitation	50,000	50,000	50,000	50,000	50,000	250,000	-	-	-	250,000
Beaverdam WWTP Pump Station	-	412,000	-	-	-	412,000	-	412,000	-	-
Washington Highway Sewerline Rehabilitation	-	300,000	-	-	-	300,000	-	-	-	300,000
Ashland WWTP Alkalinity Feed System	-	25,000	100,000	-	-	125,000	-	-	-	125,000
Totopotomoy WWTP Expansion	-	-	2,000,000	-	-	2,000,000	-	2,000,000	-	-
Country Club Hills Pump Station	-	-	111,000	-	-	111,000	-	-	-	111,000
North Doswell Sewerage Improvements	-	-	-	-	3,500,000	3,500,000	-	-	-	3,500,000
Shelton Pointe Pump Station & Force Main	-	-	-	-	78,000	78,000	-	-	-	78,000
Other Projects:										
Vehicle Replacement	60,000	170,000	-	-	-	230,000	-	-	-	230,000
Communication System Radio Replacement	-	167,000	-	-	-	167,000	-	-	-	167,000
Supervisory Control and Data Acquisition	-	-	419,000	-	256,000	675,000	-	-	-	675,000
Vacuum Excavator	-	-	-	-	81,000	81,000	-	-	-	81,000
Total Public Utilities	\$ 19,437,483	\$ 8,147,503	\$ 11,222,516	\$ 8,610,483	\$ 15,932,645	\$ 63,350,630	\$ -	\$ 27,065,073	\$ -	\$ 36,285,557
GRAND TOTAL	\$ 30,096,903	\$ 18,984,503	\$ 31,958,516	\$ 30,045,883	\$ 119,794,145	\$ 230,879,950	\$ 25,299,984	\$ 157,553,173	\$ 5,035,000	\$ 42,991,793

CAPITAL IMPROVEMENTS PROGRAM

	<u>FY11</u>	<u>FY12</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>	<u>Grand Total</u>
SUMMARY OF FUNDING SOURCES:						
GENERAL FUND:						
School Improvements Func	\$ 400,000	\$ 2,660,000	\$ 2,714,000	\$ 2,769,000	\$ 2,949,000	\$ 11,492,000
County Improvements Func	1,981,000	2,102,000	2,746,000	3,517,500	3,086,000	13,432,500
Airport Fund	68,484	68,000	39,000	100,000	100,000	375,484
Utility Fund	-	-	-	-	-	-
TOTAL GENERAL FUND	\$ 2,449,484	\$ 4,830,000	\$ 5,499,000	\$ 6,386,500	\$ 6,135,000	\$ 25,299,984
LONG-TERM DEBT:						
School Improvements Func	\$ 5,452,000	\$ 4,470,000	\$ 12,000,000	\$ 13,083,900	\$ 17,382,200	\$ 52,388,100
County Improvements Func	-	-	-	-	78,100,000	78,100,000
Airport Fund	-	-	-	-	-	-
Public Utilities Fund	7,465,000	3,922,251	6,494,758	3,758,741	5,424,323	27,065,073
TOTAL DEBT FUNDING	\$ 12,917,000	\$ 8,392,251	\$ 18,494,758	\$ 16,842,641	\$ 100,906,523	\$ 157,553,173
PROFFERS:						
School Improvements Fund	\$ 700,000	\$ 765,000	\$ 780,000	\$ 795,000	\$ 795,000	\$ 3,835,000
County Improvements Fund/ Non-roa	-	-	-	-	-	-
County Improvements Fund/ Roac	100,000	200,000	300,000	300,000	300,000	1,200,000
Airport Fund	-	-	-	-	-	-
Utility Fund	-	-	-	-	-	-
TOTAL PROFFERS	\$ 800,000	\$ 965,000	\$ 1,080,000	\$ 1,095,000	\$ 1,095,000	\$ 5,035,000
OTHER SOURCES:						
School Improvements Func	\$ 94,000	\$ 100,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 344,000
County Improvements Func	1,590,000	200,000	200,000	200,000	200,000	2,390,000
Airport Fund	273,936	272,000	1,907,000	620,000	899,300	3,972,236
Public Utilities Fund	11,972,483	4,225,252	4,727,758	4,851,742	10,508,322	36,285,557
TOTAL OTHER SOURCES	\$ 13,930,419	\$ 4,797,252	\$ 6,884,758	\$ 5,721,742	\$ 11,657,622	\$ 42,991,793
TOTAL FUNDING SOURCES	\$ 30,096,903	\$ 18,984,503	\$ 31,958,516	\$ 30,045,883	\$ 119,794,145	\$ 230,879,950
SUMMARY BY FUNCTION:						
General Government Administrati	\$ 750,000	\$ 736,000	\$ 750,000	\$ 1,240,000	\$ 940,000	\$ 4,416,000
Judicial Administration	-	-	-	-	60,000,000	60,000,000
Public Safety	856,000	866,000	1,276,000	1,686,000	2,126,000	6,810,000
Public Works	1,865,000	700,000	1,020,000	891,500	850,000	5,326,500
Human Services	-	-	-	-	-	-
Parks, Recreation and Cultural	-	-	-	-	17,570,000	17,570,000
Community Developmen	-	-	-	-	-	-
Non-Departmental	200,000	200,000	200,000	200,000	200,000	1,000,000
Education	6,646,000	7,995,000	15,544,000	16,697,900	21,176,200	68,059,100
Airport	342,420	340,000	1,946,000	720,000	999,300	4,347,720
Public Utilities	19,437,483	8,147,503	11,222,516	8,610,483	15,932,645	63,350,630
TOTAL BY FUNCTION	\$ 30,096,903	\$ 18,984,503	\$ 31,958,516	\$ 30,045,883	\$ 119,794,145	\$ 230,879,950
Summary by Fund:						
School Improvements Func	\$ 6,646,000	\$ 7,995,000	\$ 15,544,000	\$ 16,697,900	\$ 21,176,200	\$ 68,059,100
County Improvements Func	3,671,000	2,502,000	3,246,000	4,017,500	81,686,000	95,122,500
Airport Fund	342,420	340,000	1,946,000	720,000	999,300	4,347,720
Public Utilities Fund	19,437,483	8,147,503	11,222,516	8,610,483	15,932,645	63,350,630
TOTAL	\$ 30,096,903	\$ 18,984,503	\$ 31,958,516	\$ 30,045,883	\$ 119,794,145	\$ 230,879,950
FUNDING ANALYSIS						
General Funded % of County/School Projects	23%	45%	29%	30%	6%	15%
Proffer Funded % of County/School Projects	8%	9%	6%	5%	1%	3%
Other Sources Funded % of County/School Proj	16%	3%	1%	1%	0%	2%
Total Non-Debt Funding %	47%	57%	36%	37%	7%	20%
Total Debt Funding %	53%	43%	64%	63%	93%	80%
FUNDING SOURCES						
COUNTY IMPROVEMENTS FUND						
General Fund	\$ 1,981,000	\$ 2,102,000	\$ 2,746,000	\$ 3,517,500	\$ 3,086,000	\$ 13,432,500
Long-Term Debt	-	-	-	-	78,100,000	78,100,000
Cash Proffers	100,000	200,000	300,000	300,000	300,000	1,200,000
Other Sources	1,590,000	200,000	200,000	200,000	200,000	2,390,000
Total Capital Improvements Func	\$ 3,671,000	\$ 2,502,000	\$ 3,246,000	\$ 4,017,500	\$ 81,686,000	\$ 95,122,500
SCHOOL IMPROVEMENTS FUND						
General Fund	\$ 400,000	\$ 2,660,000	\$ 2,714,000	\$ 2,769,000	\$ 2,949,000	\$ 11,492,000
Long-Term Debt	5,452,000	4,470,000	12,000,000	13,083,900	17,382,200	52,388,100
Cash Proffers	700,000	765,000	780,000	795,000	795,000	3,835,000
Other Sources	94,000	100,000	50,000	50,000	50,000	344,000
Total School Improvements Func	\$ 6,646,000	\$ 7,995,000	\$ 15,544,000	\$ 16,697,900	\$ 21,176,200	\$ 68,059,100

CAPITAL IMPROVEMENTS PROGRAM

	<u>FY11</u>	<u>FY12</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>	<u>Grand Total</u>
AIRPORT FUND						
General Fund	\$ 68,484	\$ 68,000	\$ 39,000	\$ 100,000	\$ 100,000	\$ 375,484
Long-Term Debt	-	-	-	-	-	-
Cash Proffers	-	-	-	-	-	-
Other Sources	273,936	272,000	1,907,000	620,000	899,300	3,972,236
Total Airport Fund	\$ 342,420	\$ 340,000	\$ 1,946,000	\$ 720,000	\$ 999,300	\$ 4,347,720

UTILITY FUND						
General Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Long-Term Debt	7,465,000	3,922,251	6,494,758	3,758,741	5,424,323	27,065,073
Cash Proffers	-	-	-	-	-	-
Other Sources	11,972,483	4,225,252	4,727,758	4,851,742	10,508,322	36,285,557
Total Public Utilities Fund	\$ 19,437,483	\$ 8,147,503	\$ 11,222,516	\$ 8,610,483	\$ 15,932,645	\$ 63,350,630

TOTAL CAPITAL IMPROVEMENTS FUND:						
General Funds	\$ 2,449,484	\$ 4,830,000	\$ 5,499,000	\$ 6,386,500	\$ 6,135,000	\$ 25,299,984
Long-Term Debt	12,917,000	8,392,251	18,494,758	16,842,641	100,906,523	157,553,173
Cash Proffers	800,000	965,000	1,080,000	1,095,000	1,095,000	5,035,000
Other Sources	13,930,419	4,797,252	6,884,758	5,721,742	11,657,622	42,991,793
Total Capital Improvements Fund	\$ 30,096,903	\$ 18,984,503	\$ 31,958,516	\$ 30,045,883	\$ 119,794,145	\$ 230,879,950

DETAIL OF OTHER SOURCES

County Improvements Fund						
Public Works Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reserve for Revenue	200,000	200,000	200,000	200,000	200,000	1,000,000
Recovered Cost	-	-	-	-	-	-
State Revenue	1,000,000	-	-	-	-	1,000,000
Prior Year Fund Balance	50,000	-	-	-	-	50,000
Stormwater Fees	340,000	-	-	-	-	340,000
Total Other Sources	\$ 1,590,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 2,390,000

School Improvements Fund						
Interest Income	94,000	100,000	50,000	50,000	50,000	344,000
State Revenue	-	-	-	-	-	-
Fund Balance	-	-	-	-	-	-
Total Other Sources	\$ 94,000	\$ 100,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 344,000

Airport Fund						
State Revenue	\$ 273,936	\$ 272,000	\$ 59,000	\$ 620,000	\$ 465,150	\$ 1,690,086
Federal Revenue	-	-	1,848,000	-	434,150	2,282,150
Total Other Sources	\$ 273,936	\$ 272,000	\$ 1,907,000	\$ 620,000	\$ 899,300	\$ 3,972,236

Public Utilities Fund						
Capacity Fees	\$ 11,227,483	\$ 3,028,252	\$ 3,697,758	\$ 4,321,742	\$ 8,301,322	\$ 30,576,557
User Fees	745,000	1,197,000	1,030,000	530,000	2,207,000	5,709,000
State Grants	-	-	-	-	-	-
Total Other Sources	\$ 11,972,483	\$ 4,225,252	\$ 4,727,758	\$ 4,851,742	\$ 10,508,322	\$ 36,285,557

School Improvement Fund - Fund Balance

School Savings Plan

	<u>FY11</u>	<u>FY12</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
Beginning Balance	634,437	696,446	676,202	699,331	769,808
Sources	6,708,009	7,974,756	15,567,129	16,768,377	21,284,126
Uses	6,646,000	7,995,000	15,544,000	16,697,900	21,176,200
Net Change	62,009	(20,244)	23,129	70,477	107,926
Ending Balance	\$ 696,446	\$ 676,202	\$ 699,331	\$ 769,808	\$ 877,734

County Improvement Fund - Fund Balance

County Savings Plan

	<u>FY11</u>	<u>FY12</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
Beginning Balance	(271,433)	348,955	853,970	1,314,243	1,833,537
Sources	3,041,388	2,807,015	3,506,273	4,336,794	3,939,578
Uses	2,421,000	2,302,000	3,046,000	3,817,500	3,386,000
Net Change	620,388	505,015	460,273	519,294	553,578
Ending Balance	348,955	853,970	1,314,243	1,833,537	2,387,115

FY 10 Mid Year CIP Adjustments

During FY10, Hanover County took action to purchase two buildings allowing the County to gain long term savings by moving away from escalating lease agreements to ownership of these new facilities. Typically, these items would have been in the Five-Year Capital Improvements Plan but several factors including the value in the price of the real estate, as well as favorable interest rates for debt financing, caused this mid year purchase to be considered and approved by the Hanover County Board of Supervisors.

Project: Community Services Board Atlee Commons Building

Cost:

Cost of Building and Up fitting: \$1,722,000
Cost of Debt Issuance: \$50,000

Description: The County has an opportunity to save through the leveraging of existing rental payments of two CSB facilities into one more efficient use of space for its MR Services programs. The County currently has two CSB buildings, the Dow-Gil facility and the annex space behind Route 1 Human Services Center, with this purchase the CSB will be located in six adjacent condos within a new office condo building on Atlee Commons Lane. The leases of the two facilities currently being used as CBS buildings expire between January 31 and March 31, 2010, and the opening of the new facility is planned to occur prior to the expiration of the leases. The source of funding for this project is debt financing.

Project: Economic Development Rutland Condominium Office Unit

Cost:

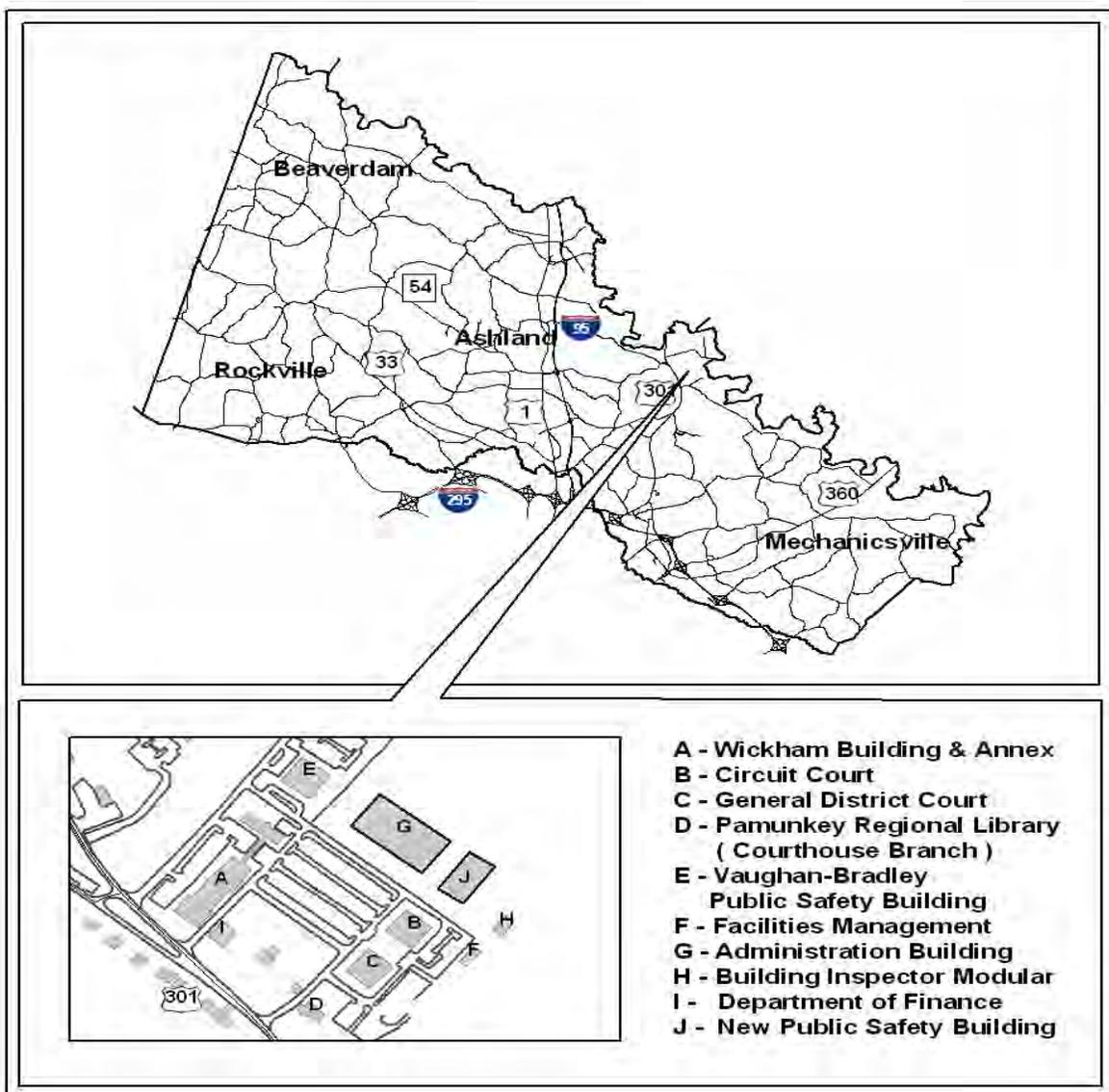
Cost of Building and Up fitting: \$610,000
Cost of Debt Issuance: \$20,000

Description: The County has an opportunity to purchase a 3,639 square-foot condo office unit in the Rutland development, which represents a 37 percent increase in floor area and will accommodate the needs of the Economic Development department for the foreseeable future. The department currently occupies 2,650 feet of rental space in the Lockwood Building on Atlee Station Road. The County current pays \$52,147 in annual lease payments for this space and this payment will increase by 3 percent to \$53,711 on May 1, 2010. Debt financing will be the source of funding for this project. It is anticipated that the difference between the rental and debt service payments plus operating expenses will be at a break-even point by year 3 and savings will grow proportionally higher each year thereafter as debt service payments are fixed, and rental agreements have escalators.

General Government Administration

The Hanover County Government Complex is comprised of ten buildings: Wickham Building & Annex, Circuit Court, General District Court, Pamunkey Regional Library (Courthouse Branch), Vaughan-Bradley Public Safety Building, Facilities Management, Administration Building, Building Inspector/Modular Building, Department of Finance and Internal Audit, New Public Safety Building.

The Administration Building houses the Board of Supervisors meeting room and the offices for the following general government administrative functions: County Administrator, County Attorney, Public Utilities, Building Inspector, Public Works and the Planning Department. The Wickham Building houses the Commissioner of Revenue, Treasurer, Information Technology, General Services, Registrar, Purchasing and the Department of Human Resources. Offices for certain other functions are also housed in the Wickham and Wickham Annex Buildings.



Information Technology

FUNCTIONAL AREA: General Government
DEPARTMENT: Information Technology
PROJECT: Technology Infrastructure
LOCATION: 7497 County Complex Road, Hanover, VA 23069

DESCRIPTION of PROJECT AND DESCRIPTION OF IMPACTS: Technology Infrastructure includes the County's Wide Area Network (WAN), Central Computers & Servers, and security methods. Some costs are not separated by categories, since vendors bid most of these purchases as bundled prices including equipment, software licenses, and maintenance. Upgrade cycles are five years for WAN equipment and three years for Central Computers. In FY10 ITD transitioned to a 4-5 year replacement cycle for Servers. The upgrades are required for technology changes, system enhancements, growth, and new systems. The WAN provides connectivity for all County computers & servers plus 10 State of Virginia computer systems. Three AS/400 (iSeries) Central Computers are designated for Public Safety, Administrative, & Testing Systems.

USEFUL LIFE: Varies

TIMETABLE: Major purchases during the next five years include: FY11, FY13 & FY14 AS/400 System Upgrades. Core Infrastructure upgrades, and catching up on replacement cycles from delays in FY10 & FY11 are shown in FY12 & FY13. FY12, FY13, FY14, & FY15 are setup as level funding years.

PRIOR YEAR ALLOCATION: \$647,116

FINANCIAL OPERATING IMPACT:

	FY11	FY12	FY13	FY14	FY15	Total Impact
	-	-	-	-	-	\$ -
	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
General Fund	\$ 650,000	\$ 736,000	\$ 675,000	\$ 675,000	\$ 675,000	\$ 3,411,000
Total Funding Sources	\$ 650,000	\$ 736,000	\$ 675,000	\$ 675,000	\$ 675,000	\$ 3,411,000
Funding Uses						
Equipment	\$ 535,000	\$ 678,000	\$ 617,000	\$ 617,000	\$ 617,000	3,064,000
Software	115,000	58,000	58,000	58,000	58,000	347,000
Total Funding Uses	\$ 650,000	\$ 736,000	\$ 675,000	\$ 675,000	\$ 675,000	\$ 3,411,000

Information Technology

FUNCTIONAL AREA: General Government
DEPARTMENT: Information Technology
PROJECT: Data Center Maintenance
LOCATION: Wickham Building, 7497 County Complex Road, Hanover, VA 23069

DESCRIPTION of PROJECT AND DESCRIPTION OF IMPACTS: These upgrades are mandatory for the County's Data Center to be able to handle the projected growth of technology in FY11. Without these modifications, all technology growth and expansion will be severely impaired. A facilities study is scheduled to provide specific recommendations for improving the facilities to allow moderate growth and mitigate major risks to the County's data center. Inadequate power, HVAC, vulnerable backup power generation, outdated UPS, and water leaks are all threats to providing IT computing and data resources to critical business operations. Including critical public safety functions like E911, Sheriff's Office, and Fire/EMS.

USEFUL LIFE: 5 years

TIMETABLE: Begin renovations summer 2010 complete project by June 2012.

PRIOR YEAR ALLOCATION: \$0

FINANCIAL OPERATING IMPACT:

	FY11	FY12	FY13	FY14	FY15	Total Impact
	-	-	-	-	-	\$ -
	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
General Fund	\$ 100,000	\$ -	\$ 75,000	\$ -	\$ -	\$ 175,000
Total Funding Sources	\$ 100,000	\$ -	\$ 75,000	\$ -	\$ -	\$ 175,000
Funding Uses						
Equipment	\$ 100,000	\$ -	\$ 75,000	\$ -	\$ -	\$ 175,000
Total Funding Uses	\$ 100,000	\$ -	\$ 75,000	\$ -	\$ -	\$ 175,000

Information Technology

FUNCTIONAL AREA: General Government
DEPARTMENT: Information Technology
PROJECT: Technology Infrastructure - Storage Area Network
LOCATION: 7497 County Complex Road, Hanover, VA 23069

DESCRIPTION of PROJECT AND DESCRIPTION OF IMPACTS: Technology Infrastructure enhancement for a storage area network. This equipment was originally carried as a FY12 purchase starting in FY08. The Storage area network will be put in place to support County end user home drives that can be accessed from any system and included in a normal backup routine. Utilizing a central Storage Area Network will also position the County to make the transition to a thin client computing model and the use of roaming profiles for all County users.

USEFUL LIFE:
TIMETABLE: Major purchase in FY12 of new SAN (Storage Area Network) with 3 years of maintenance. System enhancements in FY15 consists of a redundant SAN (215,000) and the beginning of annual maintenance (50,000) for the FY12 SAN. Annual cost in FY16, FY17 would be approximately 50,000 then up to approximately 100,000 in FY18.

PRIOR YEAR ALLOCATION: \$0

FINANCIAL OPERATING IMPACT:

	FY11	FY12	FY13	FY14	FY15	Total Impact
	-	-	-	-	-	\$ -
	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
General Fund	\$ -	\$ -	\$ -	\$ 215,000	\$ 265,000	\$ 480,000
Total Funding Sources	\$ -	\$ -	\$ -	\$ 215,000	\$ 265,000	\$ 480,000
Funding Uses						
Equipment	\$ -	\$ -	\$ -	\$ 215,000	\$ 265,000	\$ 480,000
Total Funding Uses	\$ -	\$ -	\$ -	\$ 215,000	\$ 265,000	\$ 480,000

Information Technology

FUNCTIONAL AREA: General Government

DEPARTMENT: Information Technology

PROJECT: Document Imaging System

LOCATION: Wickham Building, 7497 County Complex Road, Hanover, VA 23069

DESCRIPTION of PROJECT AND DESCRIPTION OF IMPACTS: Due to the decrease in space available for storage of files, a document imaging system is requested which allow all agencies to review electronic versions of applications and plans thereby reducing duplicate copies of the same information being kept by each department. The use of an imaging system will also reduce the amount of time spent by department staff to copy information and route to each department. It is intended that the document imaging system would be shared by Planning, DPU, DPW and Building Inspections. The Information Technology Department will lead the investigations into the exact hardware and software needs and costs.

USEFUL LIFE: 5 years

TIMETABLE: Complete needs assessment in FY09. Award contract in FY2012 with implementation of system in FY2013.

PRIOR YEAR ALLOCATION: \$0

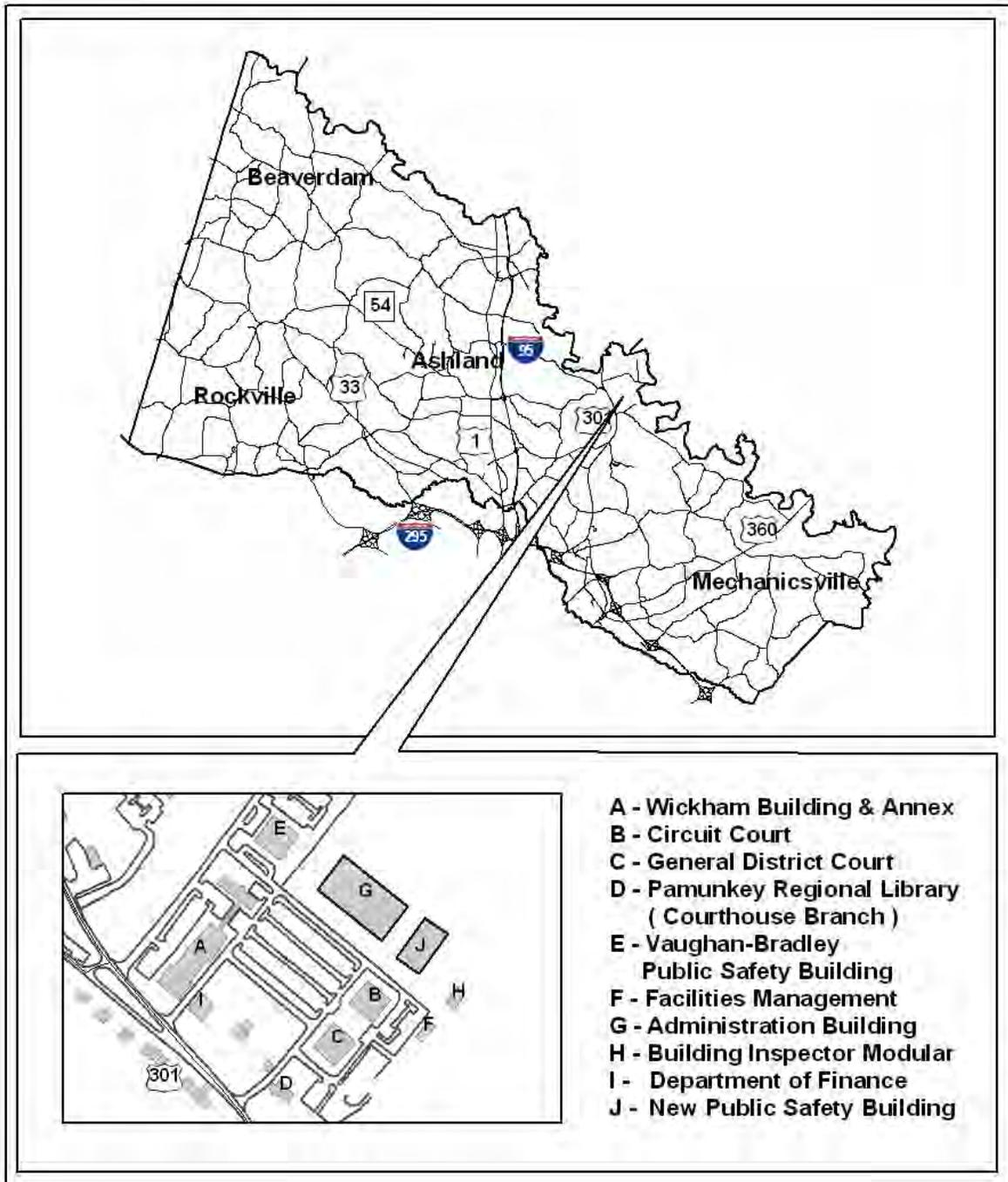
FINANCIAL

OPERATING IMPACT:

	FY11	FY12	FY13	FY14	FY15	Total Impact
	-	-	-	-	55,000	\$ 55,000
	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
General Fund	\$ -	\$ -	\$ -	\$ 350,000	\$ -	\$ 350,000
Total Funding Sources	\$ -	\$ -	\$ -	\$ 350,000	\$ -	\$ 350,000
Funding Uses						
Equipment	\$ -	\$ -	\$ -	\$ 350,000	\$ -	\$ 350,000
Total Funding Uses	\$ -	\$ -	\$ -	\$ 350,000	\$ -	\$ 350,000

Judicial Administration

The Judicial Administration functions are performed at the Circuit Court (B) and General District Court Buildings (C) and the offices for the following judicial administration functions: Circuit Court, General District Court, Magistrate, Juvenile and Domestic Relations Court, Clerk of the Circuit Court, Commonwealth Attorney and Court Services.



Courts

FUNCTIONAL AREA: Judicial Administration
DEPARTMENT: Courts
PROJECT: New Courts Building
LOCATION: County Government Complex

DESCRIPTION of PROJECT AND DESCRIPTION OF IMPACTS: In response to the Board initiative regarding facility space needs and meetings with Judges, the Commonwealth's Attorney and the Clerk of Circuit Court, a plan to address space constraints for the courts was deemed necessary. As a result of a space utilization assessment conducted in FY07 it has been determined that the County Courts are in need of expanded facilities to address current and future needs. The new courts facility will provide a facility that is more secure, and energy efficient as well as providing adequate workspace for employees to operate the courts system on a daily basis.

USEFUL LIFE: 50 years
TIMETABLE: Design anticipated for FY09 with construction to begin in FY14 and completed within 18
PRIOR YEAR ALLOCATION: \$0

FINANCIAL OPERATING IMPACT:

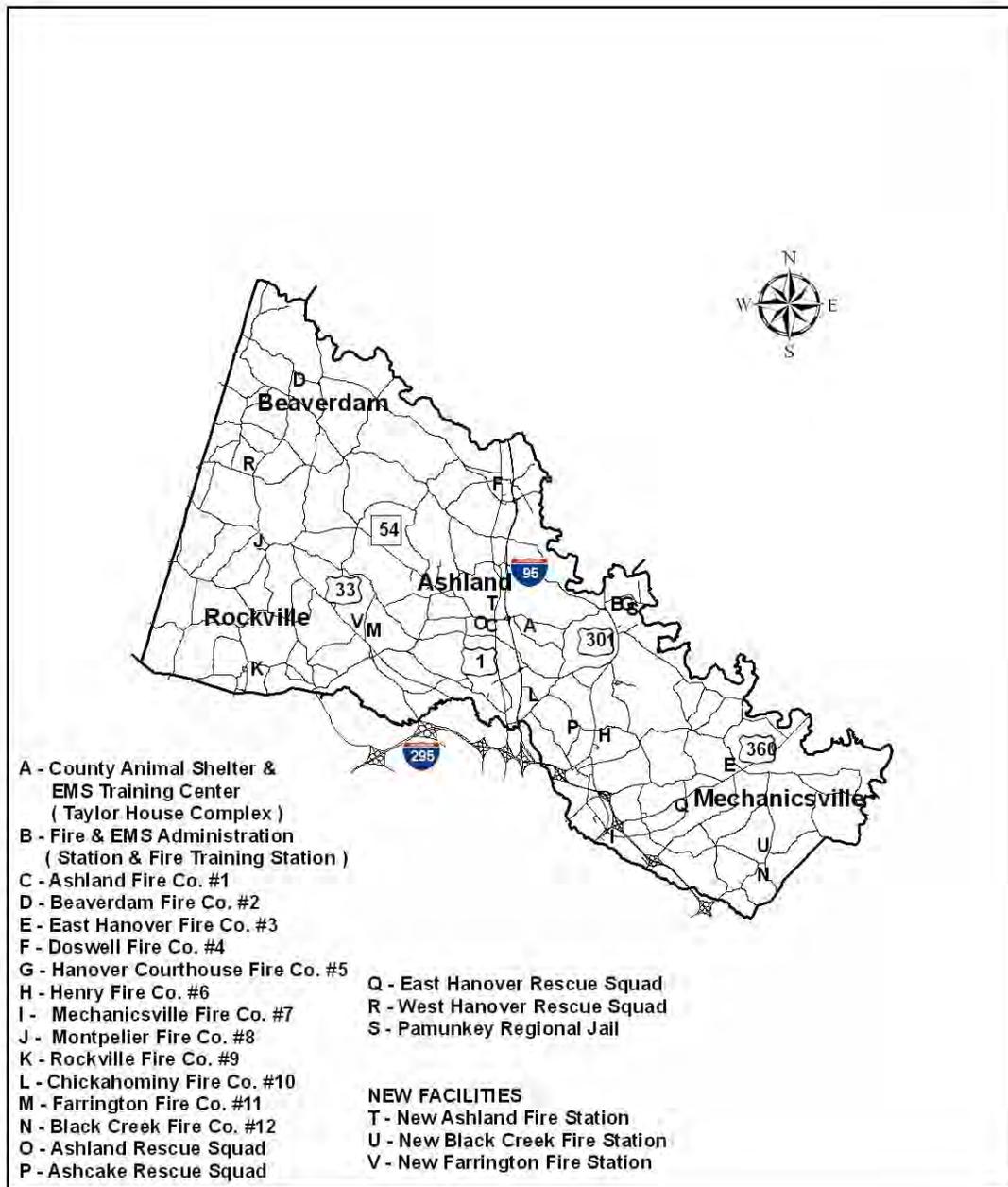
FY11	FY12	FY13	FY14	FY15	Total Impact
-	-	-	-	-	\$ -

	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
Debt Financing	\$ -	\$ -	\$ -	\$ -	\$ 60,000,000	\$ 60,000,000
Total Funding Sources	\$ -	\$ -	\$ -	\$ -	\$ 60,000,000	\$ 60,000,000
Funding Uses						
Construction	\$ -	\$ -	\$ -	\$ -	\$ 57,800,000	\$ 57,800,000
Professional Services	-	-	-	-	2,200,000	2,200,000
Total Funding Uses	\$ -	\$ -	\$ -	\$ -	\$ 60,000,000	\$ 60,000,000

Public Safety

The existing Public Safety Functions include the Sheriff, Emergency Communications, Community Corrections, Juvenile Court Services, and Building Inspector's Office located at the Hanover County Government Complex. In addition, the County provides facilities for the Animal Shelter and Emergency Medical Services Training Center at the Taylor House Complex (A). Fire and Emergency Medical Services administration are located at the Hanover Courthouse Station and Fire Training Center (B). The twelve fire stations are: Ashland Co. #1 (C), Beaverdam Co.#2 (D), Black Creek Co. #12 (N), Chickahominy Co. #10 (L), Doswell Co. #4 (F), East Hanover Co. #3 (E), Farrington Co. #11 (M), Hanover Courthouse Co. #5 (G), Henry Co. #6 (H), Mechanicsville Co. #7 (I), Montpelier Co. #8 (J), and Rockville Co. #9 (K). The six rescue squads are: Ashland (O), Ashcake (P), East Hanover (Q), and West Hanover (R). The County participates in the Pamunkey Regional Jail (S).

New facilities in CIP: Ashland Fire Station (T), Black Creek Fire Station (U), Farrington Fire Station (V).



Fire/EMS

FUNCTIONAL AREA: Public Safety
DEPARTMENT: Fire/EMS
PROJECT: Fire Engine and Heavy Squad Replacement
LOCATION: Fire Stations in Hanover County

DESCRIPTION of PROJECT AND DESCRIPTION OF IMPACTS:

The County operates a fleet of 21 engines, five (5) tankers, three (3) ladder trucks and miscellaneous air utility vehicles, brush trucks, heavy duty squad trucks, first responder all purpose vehicles and a mobile command unit. The current replacement plan envisions a 10 year useful life for engines, a 15 year useful life for ladder trucks, and a 15 year useful life for tankers. To maintain this plan it is necessary to replace two engines per year within the five year plan. The engines in this rotation are the first line engines for fire and medical response from the County fire stations. They have a capacity of 750 gallons of water, 2,000 gallon per minute pump, 2,000 feet of assorted hose, breathing apparatus and the capability of transporting six fire fighters to emergency scenes. This plan will not expand the current fleet of fire engines beyond the 21 currently in operation. Repair expenses increase and reliability decreases with the age of equipment; the replacement plan has been created to mitigate the cost and hazard of malfunctioning equipment in order to better insure the prompt response to c

USEFUL LIFE: The current replacement plan envisions a 10 year useful life for engines, a 15 year useful life for ladder trucks, and a 15 year useful life for tankers.

TIMETABLE: Two fire engines would be replaced each year with a projected delivery 270 days from the date of purchase.

PRIOR YEAR ALLOCATION: \$500,000

FINANCIAL OPERATING IMPACT:

	FY11	FY12	FY13	FY14	FY15	Total Impact
	-	-	-	-	-	\$ -
	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
General Fund	\$ 500,000	\$ 500,000	\$ 900,000	\$ 1,300,000	\$ 1,200,000	\$ 4,400,000
Total Funding Sources	\$ 500,000	\$ 500,000	\$ 900,000	\$ 1,300,000	\$ 1,200,000	\$ 4,400,000
Funding Uses						
Vehicles	\$ 500,000	\$ 500,000	\$ 900,000	\$ 1,300,000	\$ 1,200,000	\$ 4,400,000
Total Funding Uses	\$ 500,000	\$ 500,000	\$ 900,000	\$ 1,300,000	\$ 1,200,000	\$ 4,400,000

Fire/EMS

FUNCTIONAL AREA: Public Safety
DEPARTMENT: Fire/EMS
PROJECT: Ambulance Replacement
LOCATION: Ambulances in the County

DESCRIPTION of PROJECT AND DESCRIPTION OF IMPACTS: Hanover County currently operates 21 ambulances from 9 stations with planned expansion to 12 stations. The fleet will remain at 21 ambulances. Ambulances are chosen for replacement based on estimated costs to maintain, mileage, age, and number of previous chassis applied to the ambulance. All ambulances will be outfitted to advanced life support standards. Expected useful life is 15 years with proper maintenance. Repair expenses increase and reliability decreases with the age of equipment; the replacement plan has been created to mitigate the cost and hazard of malfunctioning equipment in order to better insure the prompt response to calls for service.

USEFUL LIFE: 15 Years
TIMETABLE: Two ambulances per year.

PRIOR YEAR ALLOCATION: \$356,000

FINANCIAL

OPERATING IMPACT:

	FY11	FY12	FY13	FY14	FY15	Total Impact
	-	-	-	-	-	\$ -
	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
General Fund	\$ 356,000	\$ 366,000	\$ 376,000	\$ 386,000	\$ 396,000	\$ 1,880,000
Total Funding Sources	\$ 356,000	\$ 366,000	\$ 376,000	\$ 386,000	\$ 396,000	\$ 1,880,000
Funding Uses						
Vehicles	\$ 356,000	\$ 366,000	\$ 376,000	\$ 386,000	\$ 396,000	\$ 1,880,000
Total Funding Uses	\$ 356,000	\$ 366,000	\$ 376,000	\$ 386,000	\$ 396,000	\$ 1,880,000

Fire/EMS

FUNCTIONAL AREA: Public Safety
DEPARTMENT: Fire/EMS
PROJECT: Fire Training Center Upgrades and Improvements
LOCATION: 13038 Winston Road, Ashland, VA 23005

DESCRIPTION of PROJECT AND DESCRIPTION OF IMPACTS:

In 2005 when the proposed Public Safety Training Center was removed from the 2005 bond referendum upgrades to the existing Fire Training Center were proposed. Rental agreements will expire in 2011 for the current classrooms on the facility, but will be renegotiated until a permanent structure is built. A permanent structure or structures offers the best alternative to the increased costs of ownership. Adequate land utilities and support facilities exist on the current property to support a training center. This funding would allow for the planning and design of a training center that would better meet the training needs of current and future Hanover County first responders.

USEFUL LIFE: 20 Years
TIMETABLE: FY15

PRIOR YEAR ALLOCATION: \$0

FINANCIAL

OPERATING IMPACT:

FY11	FY12	FY13	FY14	FY15	Total Impact
-	-	-	-	-	\$ -

	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
Debt Financing	\$ -	\$ -	\$ -	\$ -	\$ 230,000	\$ 230,000
Total Funding Sources	\$ -	\$ -	\$ -	\$ -	\$ 230,000	\$ 230,000
Funding Uses						
Professional Services	\$ -	\$ -	\$ -	\$ -	\$ 230,000	\$ 230,000
Total Funding Uses	\$ -	\$ -	\$ -	\$ -	\$ 230,000	\$ 230,000

Fire/EMS

FUNCTIONAL AREA: Public Safety
DEPARTMENT: Fire/EMS
PROJECT: Training Center Paving Project
LOCATION: 13038 Winston Road, Ashland, VA 23005

DESCRIPTION of PROJECT AND DESCRIPTION OF IMPACTS: The Fire-EMS Training Center is the hub of all career and volunteer training for Hanover County Fire-EMS personnel. Outside agencies including state and all local agencies use the facility on a frequent basis. Request is to pave the entrance and the parking lot around the administrative building to create a parking service that is more conducive and appealing to this high traffic area.

USEFUL LIFE: 20 Years

TIMETABLE: Spring of 2012

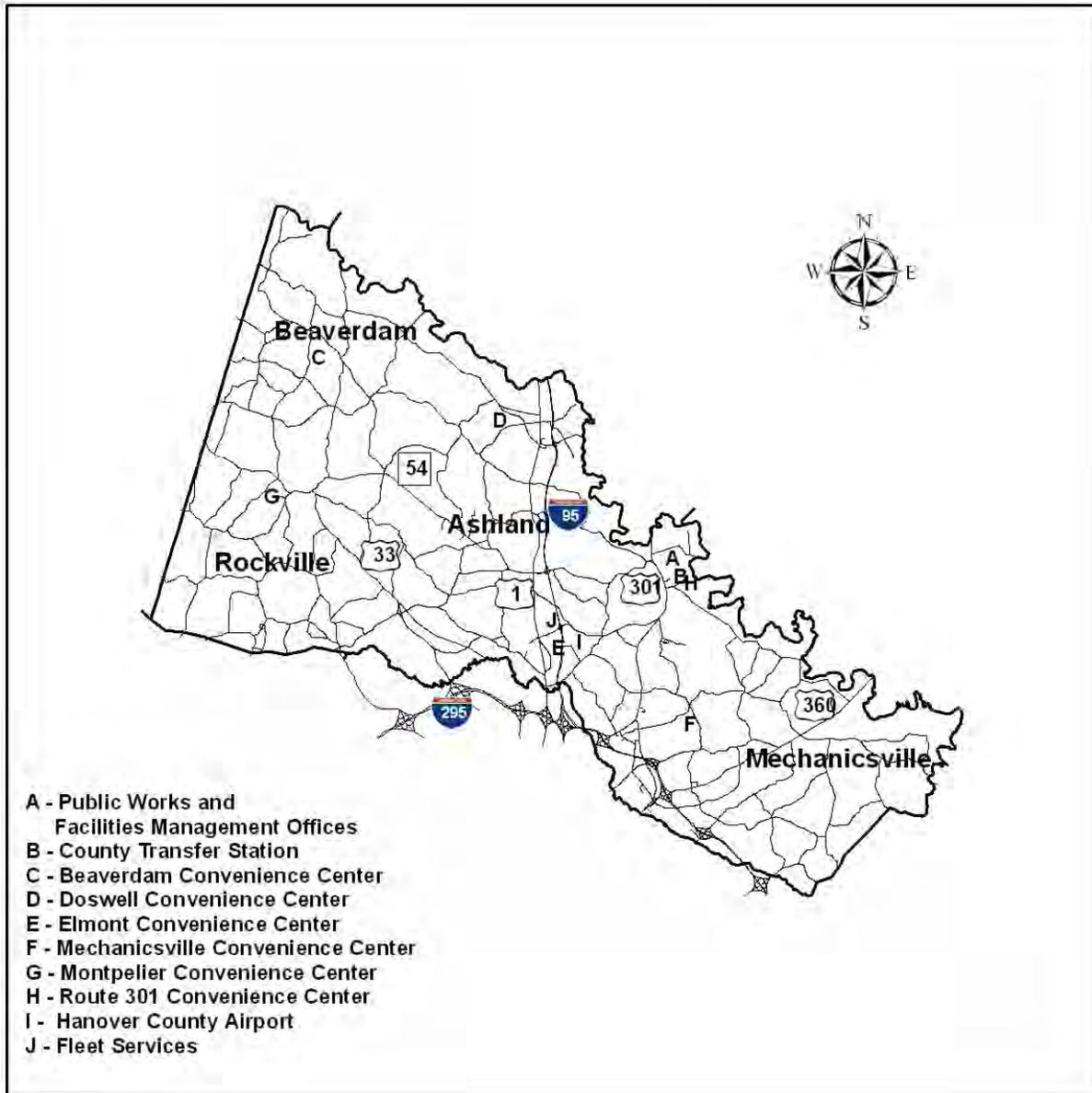
PRIOR YEAR ALLOCATION: \$0

FINANCIAL OPERATING IMPACT:

	FY11	FY12	FY13	FY14	FY15	Total Impact
	-	-	-	-	-	\$ -
	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
General Fund	\$ -	\$ -	\$ -	\$ -	\$ 300,000	\$ 300,000
Total Funding Sources	\$ -	\$ -	\$ -	\$ -	\$ 300,000	\$ 300,000
Funding Uses						
Construction	\$ -	\$ -	\$ -	\$ -	\$ 300,000	\$ 300,000
Total Funding Uses	\$ -	\$ -	\$ -	\$ -	\$ 300,000	\$ 300,000

Public Works

The Public Works function facilities include the Public Works and Facilities Management offices in the Administration Building at the Hanover County Government Complex (A). In addition, this function also includes the Hanover County Airport (I), and the County Transfer Station (B) and its six Solid Waste convenience centers: Beaverdam (C), Doswell (D), Elmont (E), Mechanicsville (F), Montpelier (G), Route 301 (H). The County Garage is located on Lewistown Road (J).



Public Works

FUNCTIONAL AREA: Public Works
DEPARTMENT: Public Works
PROJECT: Reserve for Future Roadway Improvements
LOCATION: Not determined

DESCRIPTION of PROJECT AND DESCRIPTION OF IMPACTS: The intent of this project is to improve traffic operations and highway capacity or construct new roadways on an as needed basis as determined by the Board of Supervisors. The funds will also be used to meet matching fund requirements for specific road projects and to help offset unforeseen construction cost increases on current and future road projects.

USEFUL LIFE: N/A

TIMETABLE: Various

PRIOR YEAR ALLOCATION: \$250,000

FINANCIAL OPERATING IMPACT:

FY11	FY12	FY13	FY14	FY15	Total Impact
-	-	-	-	-	\$ -

	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
General Fund	\$ 250,000	\$ 250,000	\$ 250,000	\$ 300,000	\$ 350,000	\$ 1,400,000
Cash Proffers	100,000	200,000	300,000	300,000	300,000	1,200,000
Developer Fees	500,000	-	-	-	-	500,000
State Revenue Sharing	500,000	-	-	-	-	500,000
Total Funding Sources	\$ 1,350,000	\$ 450,000	\$ 550,000	\$ 600,000	\$ 650,000	\$ 3,600,000
Funding Uses						
Construction	\$ 1,012,500	\$ 337,500	\$ 412,500	\$ 450,000	\$ 487,500	\$ 2,700,000
Professional Services	337,500	112,500	137,500	150,000	162,500	900,000
Total Funding Uses	\$ 1,350,000	\$ 450,000	\$ 550,000	\$ 600,000	\$ 650,000	\$ 3,600,000

Public Works

FUNCTIONAL AREA: Public Works
DEPARTMENT: Public Works
PROJECT: Stormwater Implementation
LOCATION: Suburban Service Area

DESCRIPTION of PROJECT AND DESCRIPTION OF IMPACTS:

The County's stormwater program provides for the collection of a one-time pro-rata share fee from development based on the amount of impervious surface. Fees collected are used to construct regional stormwater management ponds to meet water quality requirements instead of requiring on-site Best Management Practices. Participation in the County's program is voluntary. The fee models that support the program are based upon the capital and oversight costs incurred in designing, acquiring and building drainage basins. The revenue is remitted to the Capital Improvements Fund, which then transfers a portion to the General Fund to reimburse one full-time and two part-time positions plus overhead. Due to proposed changes to the State's Stormwater Management Regulations anticipated to become effective in July 1, 2010, the County's regional stormwater program may no longer be able provide credits for development area so no collection of fees for 2011 has been assumed. If continued, State approval of the modified program will need to be obtained prior to the County being in a position to collect pro-rata fees.

USEFUL LIFE: N/A
TIMETABLE: FY11 Construction of Forest Lake Hills (P4); FY13 Construction of Featherstone (L13)
PRIOR YEAR ALLOCATION: \$250,000

FINANCIAL OPERATING IMPACT:

FY11	FY12	FY13	FY14	FY15	Total Impact
1,000	4,000	1,000	-	-	\$ 6,000

	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
Other	\$ 340,000	\$ -	\$ -	\$ -	\$ -	\$ 340,000
Total Funding Sources	\$ 340,000	\$ -	\$ -	\$ -	\$ -	\$ 340,000
Funding Uses						
Construction	\$ 340,000	\$ -	\$ -	\$ -	\$ -	\$ 340,000
Total Funding Uses	\$ 340,000	\$ -	\$ -	\$ -	\$ -	\$ 340,000

Public Works Operations

FUNCTIONAL AREA: Public Works
DEPARTMENT: Public Works Operations
PROJECT: Solid Waste Equipment Replacement
LOCATION: 301 Transfer Station

DESCRIPTION of PROJECT AND DESCRIPTION OF IMPACTS: The project will purchase replacement equipment to handle solid waste at the County Transfer Stations. This project is necessary to maintain a viable fleet of solid waste handling equipment. Aging equipment will be taken out of service and replaced with modern, reliable equipment. Acquisition of new equipment will provide for more efficient operations with less maintenance and repair downtime. Upon replacement the current Rubber Tire Loader and Roll-Off Trucks will be used as back-up equipment.

USEFUL LIFE: 10 Years

TIMETABLE: FY11 - (One Chassis & One Fifth Wheel Conversion), FY12 - (One Chassis), FY13 - (Farm Tractor & Road tractor), FY14 - (Wheeled tire loader), FY15 - (Lowboy & Roll Off Truck)

PRIOR YEAR ALLOCATION: \$250,000

FINANCIAL

OPERATING IMPACT:

FY11	FY12	FY13	FY14	FY15	Total Impact
-	-	6,000	6,000	-	\$ 12,000

	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
General Fund	\$ 125,000	\$ 125,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 850,000
Total Funding Sources	\$ 125,000	\$ 125,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 850,000
Funding Uses						
Equipment	\$ 125,000	\$ 125,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 850,000
Total Funding Uses	\$ 125,000	\$ 125,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 850,000

Facilities Management

FUNCTIONAL AREA: Public Works

DEPARTMENT: Facilities Management

PROJECT: Boiler for Courts Building

LOCATION: Hanover General District Court

DESCRIPTION of PROJECT AND DESCRIPTION OF IMPACTS: The current boiler that is the original associated with the Courts building and is 30 years old. Replacing the boiler will mitigate the risk of equipment failure due to the age of the boiler, as well as create a more energy efficient heating method.

USEFUL LIFE: 20 years

TIMETABLE: Summer 2010 - approximately 90 days to complete project

PRIOR YEAR ALLOCATION: \$0

FINANCIAL

OPERATING IMPACT:	FY11	FY12	FY13	FY14	FY15	Total Impact
	-	-	-	-	-	\$ -
	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
Fund Balance	\$ 50,000		\$ -	\$ -	\$ -	\$ 50,000
Total Funding Sources	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ 50,000
Funding Uses						
Equipment	\$ 50,000		\$ -	\$ -	\$ -	\$ 50,000
Total Funding Uses	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ 50,000

Facilities Management

FUNCTIONAL AREA: Public Works
DEPARTMENT: Facilities Management
PROJECT: Vaughn-Bradley Building HVAC System
LOCATION: Vaughn-Bradley Building

DESCRIPTION of PROJECT AND DESCRIPTION OF IMPACTS: Present Chiller will be near its twenty year expected life cycle in FY12 and ready for replacement. Existing chiller has operated in a mechanical room in conjunction with boilers and limited space. This chiller provides AC for the entire building and will provide more reliable and energy efficient cooling methods.

USEFUL LIFE: 20 years
TIMETABLE: Replace unit in fall of 2012

PRIOR YEAR ALLOCATION: \$0

FINANCIAL OPERATING IMPACT:

FY11	FY12	FY13	FY14	FY15	Total Impact
-	-	-	-	-	\$ -

	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
General Fund	\$ -	\$ 125,000	\$ -	\$ -	\$ -	\$ 125,000
Total Funding Sources	\$ -	\$ 125,000	\$ -	\$ -	\$ -	\$ 125,000
Funding Uses						
Construction	\$ -	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000
Professional Services	-	5,000	-	-	-	5,000
Equipment	-	95,000	-	-	-	95,000
Total Funding Uses	\$ -	\$ 125,000	\$ -	\$ -	\$ -	\$ 125,000

Facilities Management

FUNCTIONAL AREA: Public Works
DEPARTMENT: Facilities Management
PROJECT: Wickham Elevator
LOCATION: New Wickham Building, Government Complex

DESCRIPTION of PROJECT AND DESCRIPTION OF IMPACTS: Elevator cylinder is beyond its' life expectancy and a replacement plan needs to be established. If the unit were to fail an annual pressure test it will be shut down until replaced.

USEFUL LIFE: Twenty-five years +/- ten years depending on condition at installation.

TIMETABLE: Replace unit in fall of 2012

PRIOR YEAR ALLOCATION: \$0

FINANCIAL OPERATING IMPACT:

FY11	FY12	FY13	FY14	FY15	Total Impact
-	-	-	-	-	\$ -

	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
General Fund	\$ -	\$ -	\$ 85,000	\$ -	\$ -	\$ 85,000
Total Funding Sources	\$ -	\$ -	\$ 85,000	\$ -	\$ -	\$ 85,000
Funding Uses						
Equipment	-	-	85,000	-	-	85,000
Total Funding Uses	\$ -	\$ -	\$ 85,000	\$ -	\$ -	\$ 85,000

Facilities Management

FUNCTIONAL AREA: Public Works
DEPARTMENT: Facilities Management
PROJECT: Voicemail System Replacement
LOCATION: New Wickham Telecom Room

DESCRIPTION of PROJECT AND DESCRIPTION OF IMPACTS: This is for a replacement voicemail system for the Octel Aria 250 system, serving all County and School offices. The present system provides employees and auto attendants with 1,800 voicemail boxes. The current system is no longer supported by the manufacturer and a component part failure may mean considerable downtime.

USEFUL LIFE: 10 to 15 years
TIMETABLE: Bid issued in July 2012 and implementation to be completed in 2012
PRIOR YEAR ALLOCATION: \$0

FINANCIAL OPERATING IMPACT:

	FY11	FY12	FY13	FY14	FY15	Total Impact
	-	-	-	-	-	\$ -
	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
General Fund	\$ -	\$ -	\$ 100,000	\$ -	\$ -	\$ 100,000
Total Funding Sources	\$ -	\$ -	\$ 100,000	\$ -	\$ -	\$ 100,000
Funding Uses						
Equipment	-	-	\$ 100,000	-	-	100,000
Total Funding Uses	\$ -	\$ -	\$ 100,000	\$ -	\$ -	\$ 100,000

Facilities Management

FUNCTIONAL AREA: Public Works

DEPARTMENT: Facilities Management

PROJECT: Ashland Library Roof

LOCATION: Ashland Library

DESCRIPTION of PROJECT AND DESCRIPTION OF IMPACTS: Library roof installed 9/1997 with a fifteen year warranty. Purpose is to place money in budget to replace roof in 2017 timeframe.

USEFUL LIFE: twenty years +/- 5 years

TIMETABLE: Perform evaluation services in FY13 and plan to replace roof at 20 year life-cycle of FY17.

PRIOR YEAR ALLOCATION: \$0

FINANCIAL

OPERATING IMPACT:

FY11	FY12	FY13	FY14	FY15	Total Impact
-	-	-	-	-	\$ -

	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
General Fund	\$ -	\$ -	\$ 85,000	\$ -	\$ -	\$ 85,000
Total Funding Sources	\$ -	\$ -	\$ 85,000	\$ -	\$ -	\$ 85,000
Funding Uses						
Construction	\$ -	\$ -	\$ 85,000	\$ -	\$ -	\$ 85,000
Total Funding Uses	\$ -	\$ -	\$ 85,000	\$ -	\$ -	\$ 85,000

Facilities Management

FUNCTIONAL AREA: Public Works
DEPARTMENT: Facilities Management
PROJECT: Re-roof Vaughn Bradley Building
LOCATION: Vaughn-Bradley Public Safety Building

DESCRIPTION of PROJECT AND DESCRIPTION OF IMPACTS: This roof has a 15 year warranty, which has expired, and the roof has already been patched several times. The roof of this building is subject to additional strain due to the public safety equipment that must be housed on the roof. The roof should be replaced during its useful life to mitigate building damage and work interruption due to leaks and repairs.

USEFUL LIFE: twenty years +/- 5 years
TIMETABLE: Start work July 2013 with completion within two weeks.

PRIOR YEAR ALLOCATION: \$0

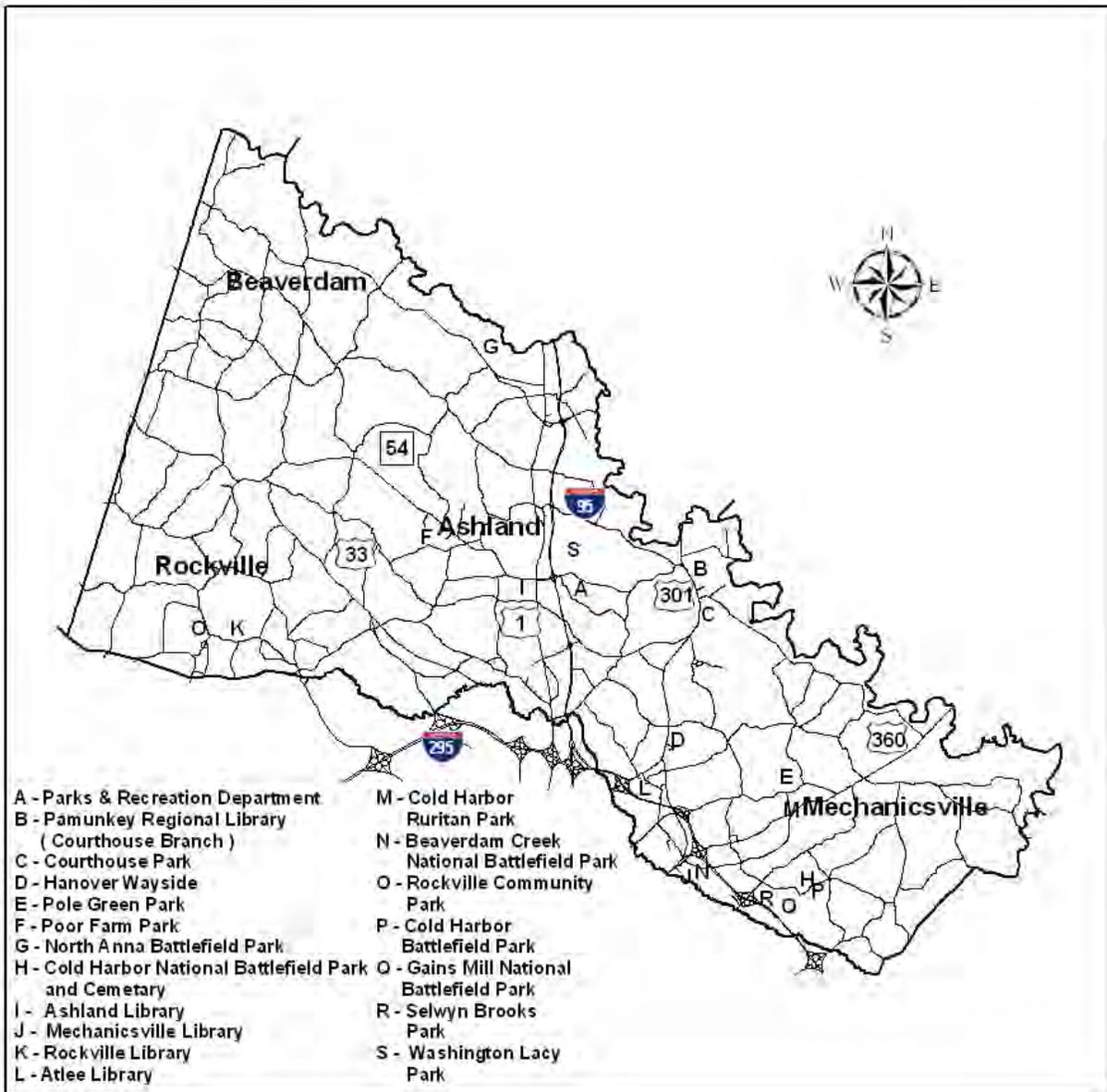
FINANCIAL OPERATING IMPACT:

FY11	FY12	FY13	FY14	FY15	Total Impact
-	-	-	-	-	\$ -

	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
General Fund	\$ -	\$ -	\$ -	\$ 91,500	\$ -	\$ 91,500
Total Funding Sources	\$ -	\$ -	\$ -	\$ 91,500	\$ -	\$ 91,500
Funding Uses						
Construction	\$ -	\$ -	\$ -	\$ 86,550	\$ -	\$ 86,550
Asbestos Abatement	-	-	-	1,200	-	1,200
Professional Services	-	-	-	3,750	-	3,750
Total Funding Uses	\$ -	\$ -	\$ -	\$ 91,500	\$ -	\$ 91,500

Parks, Recreation and Cultural

Parks, Recreation and Cultural Facilities include the services provided by the Parks and Recreation Department located at the Taylor Complex (A) and the Pamunkey Regional Library located at the Hanover County Government Complex (B). Existing Parks include Courthouse Park (C), Hanover Wayside (D), Pole Green (E), Poor Farm (F), North Anna Battlefield Park (G), Cold Harbor Battlefield Park (H), Cold Harbor Ruritan Park (M), Beaverdam Creek Battlefield Park (N), Rockville Community Park (O), Gains Mill Battlefield Park (Q), Selwyn Brooks Park (R), and Washington Lacy Park (S). Libraries include Ashland (I), Atlee (L), Hanover Courthouse (B), Mechanicsville (J), and Rockville (K).



Parks and Recreation

FUNCTIONAL AREA: Parks, Recreation and Cultural

DEPARTMENT: Parks & Recreation

PROJECT: Taylor Park - Phase Two Additions

LOCATION: Taylor Park

DESCRIPTION of PROJECT AND DESCRIPTION OF IMPACTS:

This 53-acre park site is currently under Phase One construction for the addition of two smaller, irrigated multi-purpose fields and one small shelter utilizing remaining 2005 Bond Referendum Funds. As a continuation of this project, Phase Two additions would involve construction of the following park amenities: two additional smaller multi-purpose fields, two full-size multi-purpose fields, a new parking lot, picnic pavilion, horseshoe pits, volleyball courts, utility improvements and a playground. Additional staff resources are necessary to maintain the park and its amenities to a satisfactory level. Additional equipment, materials and supplies as well as replacement parts also are necessary to maintain stated levels of service. Utility costs also increase greatly with amenity enhancement. All of these factors will be addressed as operating impacts in the associated year of project completion.

USEFUL LIFE:

Multi-purpose athletic fields are expected to have a useful life of 30-40 years given a proper nutrient management program, preventative maintenance and constant care. The parking lot should have a 20 year useful life. The useful life of picnic pavilions is 20-40 years, horseshoe pits and volleyball courts have a 10 year useful life and the playground will have a 15 year useful life.

TIMETABLE:

Anticipated start of project- January 2015 / Anticipated completion of project- June 2017

OPERATING IMPACT:

	FY11	FY12	FY13	FY14	FY15	Total Impact
	-	-	-	-	-	\$ -
	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
Debt Financing	\$ -	\$ -	\$ -	\$ -	\$ 1,580,000	\$ 1,580,000
Total Funding Sources	\$ -	\$ -	\$ -	\$ -	\$ 1,580,000	\$ 1,580,000
Funding Uses						
Construction	\$ -	\$ -	\$ -	\$ -	\$ 1,440,000	\$ 1,440,000
Professional Services	-	-	-	-	140,000	140,000
Total Funding Uses	\$ -	\$ -	\$ -	\$ -	\$ 1,580,000	\$ 1,580,000

Parks and Recreation

FUNCTIONAL AREA: Parks, Recreation and Cultural
DEPARTMENT: Parks & Recreation
PROJECT: Pole Green Park - Additional Softball Fields
LOCATION: Pole Green Park

DESCRIPTION of PROJECT AND DESCRIPTION OF IMPACTS: This 217-acre site provides a regional park in the heavily populated eastern area of Hanover. This project would complete construction of the final two softball fields identified on the park master plan. These two, lighted and irrigated fields would be located in the northwest portion of the park near the communications tower. A 100-space parking lot would be constructed adjacent to the fields. A restroom/concession building, scheduled to be constructed in Summer 2010 utilizing 2005 Bond Referendum Funds will service these two fields as well. Additional staff resources are necessary to maintain the park and its amenities to a satisfactory level. Additional equipment, materials and supplies as well as replacement parts also are necessary to maintain stated levels of service. Utility costs also increase greatly with amenity enhancement. All of these factors will be addressed as operating impacts in the associated year of project completion.

USEFUL LIFE: Softball athletic fields are expected to have a useful life of 20-30 years given a proper nutrient management program, preventative maintenance and constant care. The parking lot should have a 20 year useful life.

TIMETABLE: Anticipated start of project- February 2015 / Anticipated completion of project- March 2017

OPERATING IMPACT:	FY11	FY12	FY13	FY14	FY15	Total Impact
	-	-	-	-	-	\$ -
	FY 13	FY 14	FY 15	FY 16	FY 17	Totals
Funding Sources						
Debt Financing	\$ -	\$ -	\$ -	\$ -	\$ 1,200,000	\$ 1,200,000
Total Funding Sources	\$ -	\$ -	\$ -	\$ -	\$ 1,200,000	\$ 1,200,000
Funding Uses						
Professional Services	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ 100,000
Construction	-	-	-	-	1,100,000	1,100,000
Total Funding Uses	\$ -	\$ -	\$ -	\$ -	\$ 1,200,000	\$ 1,200,000

Parks and Recreation

FUNCTIONAL AREA: Parks, Recreation and Cultural

DEPARTMENT: Parks & Recreation

PROJECT: Passive Park Development (various)

LOCATION: Various Parks

**DESCRIPTION of PROJECT
AND
DESCRIPTION OF IMPACTS:**

Development and improvements at various passive park sites within the County includes improvements to Little River Park, a 22-acre site along the Little River in Doswell, North Anna Battlefield Park, a 170-acre historical park in Doswell, Cold Harbor Battlefield Park, a 50-acre historical park in eastern Hanover, and Winding Brook Park, a 40-acre site in central Hanover. Additional equipment, materials and supplies as well as replacement parts also are necessary to maintain stated levels of service. Utility costs also increase greatly with amenity enhancement. All of these factors will be addressed as operating impacts in the associated year of project completion.

USEFUL LIFE: Passive park improvements have an expected useful life of 30-50 years with preventive maintenance and constant care.

TIMETABLE: Anticipated start of project- January 2015 / Anticipated completion of project- March 2020

OPERATING IMPACT:

FY11	FY12	FY13	FY14	FY15	Total Impact
-	-	-	-	-	\$ -

	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
Debt Financing	\$ -	\$ -	\$ -	\$ -	\$ 225,000	\$ 225,000
Total Funding Sources	\$ -	\$ -	\$ -	\$ -	\$ 225,000	\$ 225,000
Funding Uses						
Construction	\$ -	\$ -	\$ -	\$ -	\$ 204,000	\$ 204,000
Professional Services	-	-	-	-	21,000	21,000
Total Funding Uses	\$ -	\$ -	\$ -	\$ -	\$ 225,000	\$ 225,000

Parks and Recreation

FUNCTIONAL AREA: Parks, Recreation and Cultural

DEPARTMENT: Parks & Recreation

PROJECT: Courthouse Park Lighting Projects

LOCATION: Courthouse Park

DESCRIPTION of PROJECT AND DESCRIPTION OF IMPACTS:

This 120-acre site provides a regional park in central Hanover. This project would construct athletic field lighting on Fields #1, #2, & #3, which are primarily used for soccer. This would complete the last of the athletic lighting projects for existing fields at the site. Utility costs as well as expenditures associated with materials and supplies (bulb replacement/inspections) increase with the addition of these amenities. All of these factors will be addressed as operating impacts in the associated year of project completion.

USEFUL LIFE: Athletic field lights are expected to have a useful life of 15-25 years.

TIMETABLE: Anticipated start of project- January 2015 / Anticipated completion of project- August 2016

OPERATING IMPACT:

FY11	FY12	FY13	FY14	FY15	Total Impact
-	-	-	-	-	\$ -

	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
Debt Financing	\$ -	\$ -	\$ -	\$ -	\$ 515,000	\$ 515,000
Total Funding Sources	\$ -	\$ -	\$ -	\$ -	\$ 515,000	\$ 515,000
Funding Uses						
Construction	\$ -	\$ -	\$ -	\$ -	\$ 478,000	\$ 478,000
Professional Services	-	-	-	-	37,000	37,000
Total Funding Uses	\$ -	\$ -	\$ -	\$ -	\$ 515,000	\$ 515,000

Parks and Recreation

FUNCTIONAL AREA: Parks, Recreation and Cultural
DEPARTMENT: Parks & Recreation
PROJECT: Pole Green Park Community Center
LOCATION: Pole Green Park

**DESCRIPTION of PROJECT
AND
DESCRIPTION OF IMPACTS:**

This 217-acre site provides a regional park in the heavily populated eastern area of Hanover. This project would involve replacement of the existing community center at the park with a larger, multi-use, inter-generational center. This center would include a gymnasium, fitness room, classrooms, office space, mechanical and storage. It would be approximately 20,000 square feet in size. Additional staff resources, including maintenance and custodial, will be necessary to maintain this facility at a satisfactory level. Additional equipment, materials and supplies as well as replacement parts are also necessary to maintain stated levels of service. Utility costs, including electrical, water and sewer, will be much higher than current levels. All of these factors will be addressed as operating impacts in the associated year of project completion.

USEFUL LIFE: With proper maintenance and preventative care, a small to mid size community center should have a useful life of 30-40 years.

TIMETABLE: Anticipated start of project- November 2015 / Anticipated completion of project- September 2018

OPERATING IMPACT:

FY11	FY12	FY13	FY14	FY15	Total Impact
-	-	-	-	-	\$ -

	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
Debt - Referendum	\$ -	\$ -	\$ -	\$ -	\$ 2,500,000	\$ 2,500,000
Total Funding Sources	\$ -	\$ -	\$ -	\$ -	\$ 2,500,000	\$ 2,500,000
Funding Uses						
Professional Services	\$ -	\$ -	\$ -	\$ -	\$ 275,000	\$ 275,000
Construction	-	-	-	-	2,225,000	2,225,000
Total Funding Uses	\$ -	\$ -	\$ -	\$ -	\$ 2,500,000	\$ 2,500,000

Parks and Recreation

FUNCTIONAL AREA: Parks, Recreation and Cultural

DEPARTMENT: Parks & Recreation

PROJECT: Montpelier Community Center

LOCATION: Montpelier Park

DESCRIPTION of PROJECT AND DESCRIPTION OF IMPACTS: This 50-acre site provides a community park in the western area of Hanover. This project would involve construction of a larger, multi-use, inter-generational community center at the park. This center would include a gymnasium, a small fitness room, classrooms, small office space, mechanical and storage. It would be approximately 18,000 square feet in size. Additional staff resources, including maintenance and custodial, will be necessary to maintain this facility at a satisfactory level. Additional equipment, materials and supplies as well as replacement parts are also necessary to maintain stated levels of service. Utility costs, including electrical, water and sewer, will be much higher than current levels. All of these factors will be addressed as operating impacts in the associated year of project completion.

RELEVANCE TO COMPREHENSIVE & STRATEGIC PLAN: Improvements to Montpelier Park, including Community Center construction, are referenced in the draft Parks & Recreation Comprehensive Facilities Master Plan.

USEFUL LIFE: With proper maintenance and preventative care, a small to mid size community center should have a useful life of 30-40 years.

TIMETABLE: Anticipated start of project- September 2014 / Anticipated completion of project- September 2017

OPERATING IMPACT:	FY11	FY12	FY13	FY14	FY15	Total Impact
	-	-	-	-	-	\$ -
	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
Debt - Referendum	\$ -	\$ -	\$ -	\$ -	\$ 200,000	\$ 200,000
Total Funding Sources	\$ -	\$ -	\$ -	\$ -	\$ 200,000	\$ 200,000
Funding Uses						
Construction	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ 100,000
Professional Services	-	-	-	-	100,000	100,000
Total Funding Uses	\$ -	\$ -	\$ -	\$ -	\$ 200,000	\$ 200,000

Pamunkey Regional Library

FUNCTIONAL AREA: Parks, Recreation and Cultural
DEPARTMENT: Pamunkey Regional Library
PROJECT: Atlee Branch Library
LOCATION: Rutland (2.2 acre site donated for proffer credits)

DESCRIPTION of PROJECT AND DESCRIPTION OF IMPACTS: A 25,000 square foot library to replace the 10,000 square foot storefront library and 3,000 square feet of space for the Library's Technical Services and Mobile Services Departments. The lease of the storefront will expire in 2011. The additional space is needed to provide contemporary library services to customers. In Hanover County, based on the standard of .6 square foot per person and a population of 96,992 (Weldon Cooper Center, 2007 estimate, final), the library needs 58,195 square feet of space. Currently, the library has 50,200 square feet of space. A new Atlee branch library with a total of 28,000 square feet will add 15,000 square feet of space. This would allow the library to meet the space standard with room for a small amount of growth, until the county's population exceeds approximately 104,000.

USEFUL LIFE: NA

TIMETABLE: Site acquisition by donation 2007. Construction to begin in FY15 and project complete FY17

PRIOR YEAR ALLOCATION: \$0

FINANCIAL

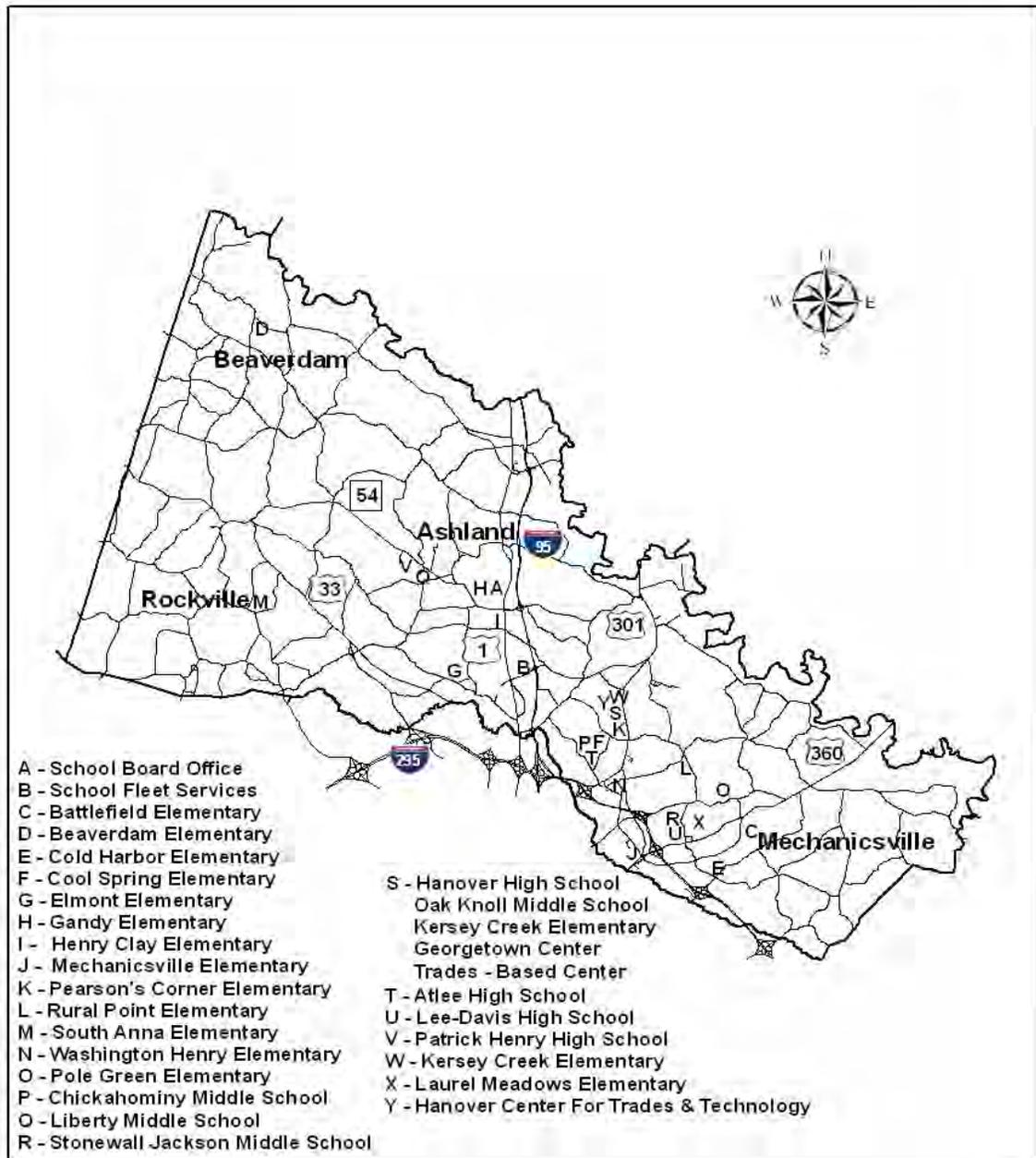
OPERATING IMPACT:

FY11	FY12	FY13	FY14	FY15	Total Impact
-	-	-	-	-	\$ -

	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
Debt Financing					\$ 11,350,000	\$ 11,350,000
Total Funding Sources	\$ -	\$ -	\$ -	\$ -	\$ 11,350,000	\$ 11,350,000
Funding Uses						
Construction	\$ -	\$ -	\$ -	\$ -	\$ 8,750,000	\$ 8,750,000
Professional Services	-	-	-	-	750,000	750,000
Equipment	-	-	-	-	1,000,000	1,000,000
Moving	-	-	-	-	100,000	100,000
Addition to Library Collection	-	-	-	-	750,000	750,000
Total Funding Uses	\$ -	\$ -	\$ -	\$ -	\$ 11,350,000	\$ 11,350,000

Education

The Education facilities for the Hanover County Public Schools include the School Board (A) where all administrative functions are performed and the School Bus Garage (B). There are twenty-four schools in the County including fifteen elementary schools: Battlefield (C), Beaverdam (D), Cold Harbor (E), Cool Spring (F), Elmont (G), Gandy (H), Henry Clay (I), Kersey Creek (W), Mechanicsville (J), Pearson's Corner (K), Rural Point (L), South Anna (M), Washington-Henry (N), Pole Green (O) and Laurel Meadows (X); four middle schools: Chickahominy (P), Liberty (Q), Stonewall Jackson (R), and Oak Knoll (S); four high schools: Atlee (T), Lee-Davis (U), Patrick Henry (V), and Hanover (W); one trade school: Hanover Center for Trades & Technology (Y).



Education

FUNCTIONAL AREA: Education

DEPARTMENT: Hanover County Public Schools

PROJECT: Facilities Improvement

LOCATION: School facilities constructed prior to 2000

DESCRIPTION of PROJECT AND DESCRIPTION OF IMPACTS: During the 1998 -99 school year, all facilities constructed prior to Pole Green ES were surveyed to determine infrastructure system needs and/or improvements. The work will be prioritized and improvements will occur annually. School Division personnel recommend this project. Project was included in previous CIP submitted to County.

USEFUL LIFE:

TIMETABLE: On-going

PRIOR YEAR ALLOCATION: On-going

FINANCIAL OPERATING IMPACT:

FY11	FY12	FY13	FY14	FY15	Total Impact
-	-	-	-	-	\$ -

	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
Debt - VPSA	\$ 2,000,000	\$ 3,470,000	\$ 2,500,000	\$ -	\$ 1,000,000	\$ 8,970,000
Total Funding Sources	\$ 2,000,000	\$ 3,470,000	\$ 2,500,000	\$ -	\$ 1,000,000	\$ 8,970,000
Funding Uses						
Construction	\$ 2,000,000	\$ 3,470,000	\$ 2,500,000	\$ -	\$ 1,000,000	\$ 8,970,000
Total Funding Uses	\$ 2,000,000	\$ 3,470,000	\$ 2,500,000	\$ -	\$ 1,000,000	\$ 8,970,000

Education

FUNCTIONAL AREA: Education

DEPARTMENT: Hanover County Public Schools

PROJECT: Computer Replacement

LOCATION: All Schools

DESCRIPTION of PROJECT AND DESCRIPTION OF IMPACTS: This request provides for a phased replacement of computer units at various facilities. Provisions are also made for Specialty Center equipment replacement cycle. Maintaining an annual replacement cycle for computers allows the district to provide the proper technology to enhance the education of our students.

USEFUL LIFE:

TIMETABLE: Annual purchase of computers and related hardware.

PRIOR YEAR ALLOCATION: On-going project

FINANCIAL OPERATING IMPACT:

FY11	FY12	FY13	FY14	FY15	Total Impact
-	-	-	-	-	\$ -

	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
County Transfer	\$ 224,000	\$ 1,185,000	\$ 1,470,000	\$ 1,254,000	\$ 1,325,000	\$ 5,458,000
Cash Proffers	-	24,000	53,000	325,000	325,000	727,000
Interest Income	50,000	50,000	-	-	-	100,000
Total Funding Sources	\$ 274,000	\$ 1,259,000	\$ 1,523,000	\$ 1,579,000	\$ 1,650,000	\$ 6,285,000
Funding Uses						
Equipment	\$ 274,000	\$ 1,259,000	\$ 1,523,000	\$ 1,579,000	\$ 1,650,000	\$ 6,285,000
Total Funding Uses	\$ 274,000	\$ 1,259,000	\$ 1,523,000	\$ 1,579,000	\$ 1,650,000	\$ 6,285,000

Education

FUNCTIONAL AREA: Education
DEPARTMENT: Hanover County Public Schools
PROJECT: School Buses
LOCATION: Transportation

DESCRIPTION of PROJECT AND DESCRIPTION OF IMPACTS: Annually, school buses need to be purchased on a replacement schedule to minimize the number of buses over 12 years old in the fleet. Further, additional buses need to be purchased for growth in enrollment, special needs and out of service units. The annual replacement of school buses removes the oldest, least efficient buses from the fleet and increases the operational efficiency and reliability of the fleet.

USEFUL LIFE:
TIMETABLE: Annual Purchases
PRIOR YEAR ALLOCATION: Ongoing project

FINANCIAL OPERATING IMPACT:

FY11	FY12	FY13	FY14	FY15	Total Impact
-	-	-	-	-	\$ -

	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
County Transfer	\$ 176,000	\$ 1,293,000	\$ 1,244,000	\$ 1,515,000	\$ 1,624,000	\$ 5,852,000
Cash Proffers	582,000	741,000	727,000	470,000	470,000	2,990,000
Interest Income	44,000	50,000	50,000	50,000	50,000	244,000
Total Funding Sources	\$ 802,000	\$ 2,084,000	\$ 2,021,000	\$ 2,035,000	\$ 2,144,000	\$ 9,086,000
Funding Uses						
Vehicles	\$ 802,000	\$ 2,084,000	\$ 2,021,000	\$ 2,035,000	\$ 2,144,000	\$ 9,086,000
Total Funding Uses	\$ 802,000	\$ 2,084,000	\$ 2,021,000	\$ 2,035,000	\$ 2,144,000	\$ 9,086,000

Education

FUNCTIONAL AREA: Education
DEPARTMENT: Hanover County Public Schools
PROJECT: Technology Infrastructure
LOCATION: All Schools

DESCRIPTION of PROJECT AND DESCRIPTION OF IMPACTS: Where necessary the technology infrastructure will be replaced in the schools. This upgrade includes cabling and associated electronics. This project allows the district to increase technological capabilities in the schools.

USEFUL LIFE:

TIMETABLE: June 2012: Improvements complete

PRIOR YEAR ALLOCATION: \$0

FINANCIAL

OPERATING IMPACT:

FY11	FY12	FY13	FY14	FY15	Total Impact
-	-	-	-	-	\$ -

	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
Cash Proffers	\$ 118,000	\$ -	\$ -	\$ -	\$ -	118,000
County Transfer	-	182,000	-	-	-	182,000
Total Funding Sources	\$ 118,000	\$ 182,000	\$ -	\$ -	\$ -	300,000
Funding Uses						
Construction	\$ 118,000	\$ 182,000	\$ -	\$ -	\$ -	300,000
Total Funding Uses	\$ 118,000	\$ 182,000	\$ -	\$ -	\$ -	300,000

Education

FUNCTIONAL AREA: Education

DEPARTMENT: Hanover County Public Schools

PROJECT: Mechanical /Roofing Improvements

LOCATION: School facilities constructed prior to 2000

DESCRIPTION of PROJECT AND DESCRIPTION OF IMPACTS:

During the 1998-99 school year, all facilities constructed prior to Pole Green ES were surveyed to determine infrastructure systems needs and/or improvements. The mechanical/roofing was part of the original study and part of the Facilities Improvement line item in the CIP. It was determined that this area of repair justified a separate CIP category and focus. The work will be prioritized and improvements will occur annually. Replacing mechanical and roofing systems increases the comfort of the school facilities for students and teachers and makes the buildings for efficient to operate and maintain.

USEFUL LIFE:

TIMETABLE: On-going

PRIOR YEAR ALLOCATION: On-going

FINANCIAL OPERATING IMPACT:

FY11	FY12	FY13	FY14	FY15	Total Impact
-	-	-	-	-	\$ -

	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
Debt - VPSA	\$ 3,452,000	\$ 1,000,000	\$ -	\$ -	\$ -	\$ 4,452,000
Total Funding Sources	\$ 3,452,000	\$ 1,000,000	\$ -	\$ -	\$ -	\$ 4,452,000
Funding Uses						
Construction	\$ 3,452,000	\$ 1,000,000	\$ -	\$ -	\$ -	\$ 4,452,000
Total Funding Uses	\$ 3,452,000	\$ 1,000,000	\$ -	\$ -	\$ -	\$ 4,452,000

Education

FUNCTIONAL AREA: Education

DEPARTMENT: Hanover County Public Schools

PROJECT: Technical & Career Facilities

LOCATION: Patrick Henry High School and Atlee High School

DESCRIPTION of PROJECT AND DESCRIPTION OF IMPACTS: As a result of the Option F plan in the 1999 study, additions and renovations are planned at Lee Davis, Patrick Henry and Atlee high schools. Renovations and additions are slated for the program expansion at the two remaining high school facilities. School personnel recommend this project, as this project increases the educational opportunities for high school students and makes course offerings consistent at all high schools.

USEFUL LIFE:

TIMETABLE: March 2012 - Design completed for Patrick Henry and Atlee
 July 2012 - Construction starts at Patrick Henry and Atlee
 August 2013 - Additions and renovations complete at both sites

PRIOR YEAR ALLOCATION: \$284,000

FINANCIAL

OPERATING IMPACT:

FY11	FY12	FY13	FY14	FY15	Total Impact
-	9,000	9,000	9,000	9,000	\$ 36,000

	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
Debt - VPSA	\$ -	\$ -	\$ 8,600,000	\$ -	\$ -	\$ 8,600,000
Total Funding Sources	\$ -	\$ -	\$ 8,600,000	\$ -	\$ -	\$ 8,600,000
Funding Uses						
Construction	\$ -	\$ -	\$ 8,600,000	\$ -	\$ -	\$ 8,600,000
Total Funding Uses	\$ -	\$ -	\$ 8,600,000	\$ -	\$ -	\$ 8,600,000

Education

FUNCTIONAL AREA: Education
DEPARTMENT: Hanover County Public Schools
PROJECT: Facility Renovations
LOCATION: Beaverdam

DESCRIPTION of PROJECT AND DESCRIPTION OF IMPACTS: As a result of the 2005 Facilities Renovation Study a wholistic renovation of BES is planned. The renovation will include exterior windows, carpet/tile replacement, new marker boards, lighting, HVAC, energy management and other items. The renovation replaces older equipment and provides more economical systems resulting in a better educational environment. The school will also be equipped with better technology for teaching.

USEFUL LIFE:
TIMETABLE: April 2013 - Solicit A/E Proposals
 2015 - Project Complete

PRIOR YEAR ALLOCATION: \$0

FINANCIAL OPERATING IMPACT:

FY11	FY12	FY13	FY14	FY15	Total Impact
-	-	-	-	-	\$ -

	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
Debt - VPSA	\$ -	\$ -	\$ 900,000	\$ 12,633,900	\$ -	\$ 13,533,900
Total Funding Sources	\$ -	\$ -	\$ 900,000	\$ 12,633,900	\$ -	\$ 13,533,900
Funding Uses						
Professional Services	\$ -	\$ -	\$ 900,000	\$ -	\$ -	\$ 900,000
Construction	-	-	-	12,633,900	-	12,633,900
Total Funding Uses	\$ -	\$ -	\$ 900,000	\$ 12,633,900	\$ -	\$ 13,533,900

Education

FUNCTIONAL AREA: Education

DEPARTMENT: Hanover County Public Schools

PROJECT: Elmont - Public Utilities

LOCATION: Elmont Elementary School

DESCRIPTION of PROJECT AND DESCRIPTION OF IMPACTS: Extend waterlines to serve Elmont ES. This will provide public water to the school as well as closure of the well. This project provides for a more reliable water system requiring no monitoring and maintenance.

USEFUL LIFE:

TIMETABLE: April 2013 - Solicit A/E Proposals
August 2013 - Project Complete

PRIOR YEAR ALLOCATION: \$0

FINANCIAL OPERATING IMPACT:

FY11	FY12	FY13	FY14	FY15	Total Impact
-	-	-	-	-	\$ -

	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
Debt - VPSA	\$ -	\$ -	\$ -	\$ 450,000	\$ -	\$ 450,000
Total Funding Sources	\$ -	\$ -	\$ -	\$ 450,000	\$ -	\$ 450,000
Funding Uses						
Construction	\$ -	\$ -	\$ -	\$ 450,000	\$ -	\$ 450,000
Total Funding Uses	\$ -	\$ -	\$ -	\$ 450,000	\$ -	\$ 450,000

Education

FUNCTIONAL AREA: Education

DEPARTMENT: Hanover County Public Schools

PROJECT: High School Athletic Facilities

LOCATION: County High Schools

DESCRIPTION of PROJECT AND DESCRIPTION OF IMPACTS: Funds for improvements and/or upgrades to the athletic facilities and the four high schools. This project provides time saving improvements to each high school allowing more time for athletic instruction.

USEFUL LIFE:

TIMETABLE: Fiscal Year 2014-15

PRIOR YEAR ALLOCATION: \$0

FINANCIAL OPERATING IMPACT:

FY11	FY12	FY13	FY14	FY15	Total Impact
-	-	-	-	-	\$ -

	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
Debt - VPSA	\$ -	\$ -	\$ -	\$ -	\$ 500,000	\$ 500,000
Total Funding Sources	\$ -	\$ -	\$ -	\$ -	\$ 500,000	\$ 500,000
Funding Uses						
Professional Services	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ 100,000
Construction	-	-	-	-	400,000	\$ 400,000
Total Funding Uses	\$ -	\$ -	\$ -	\$ -	\$ 500,000	\$ 500,000

Education

FUNCTIONAL AREA: Education

DEPARTMENT: Hanover County Public Schools

PROJECT: Facility Renovations: Washington-Henry Elementary School

LOCATION: Washington-Henry Elementary School

DESCRIPTION of PROJECT AND DESCRIPTION OF IMPACTS: As a result of the 2005 Facilities Renovation Study a wholistic renovation of WHES is planned. The renovation will include exterior windows, carpet/tile replacement, new marker boards, lighting, HVAC, energy management and other items. The renovation replaces older equipment and provides more economical systems resulting in a better educational environment. The school will also be equipped with better technology for teaching.

USEFUL LIFE:

TIMETABLE: April 2014 - Solicit A/E proposals
August 2015 - Project complete

PRIOR YEAR ALLOCATION: \$0

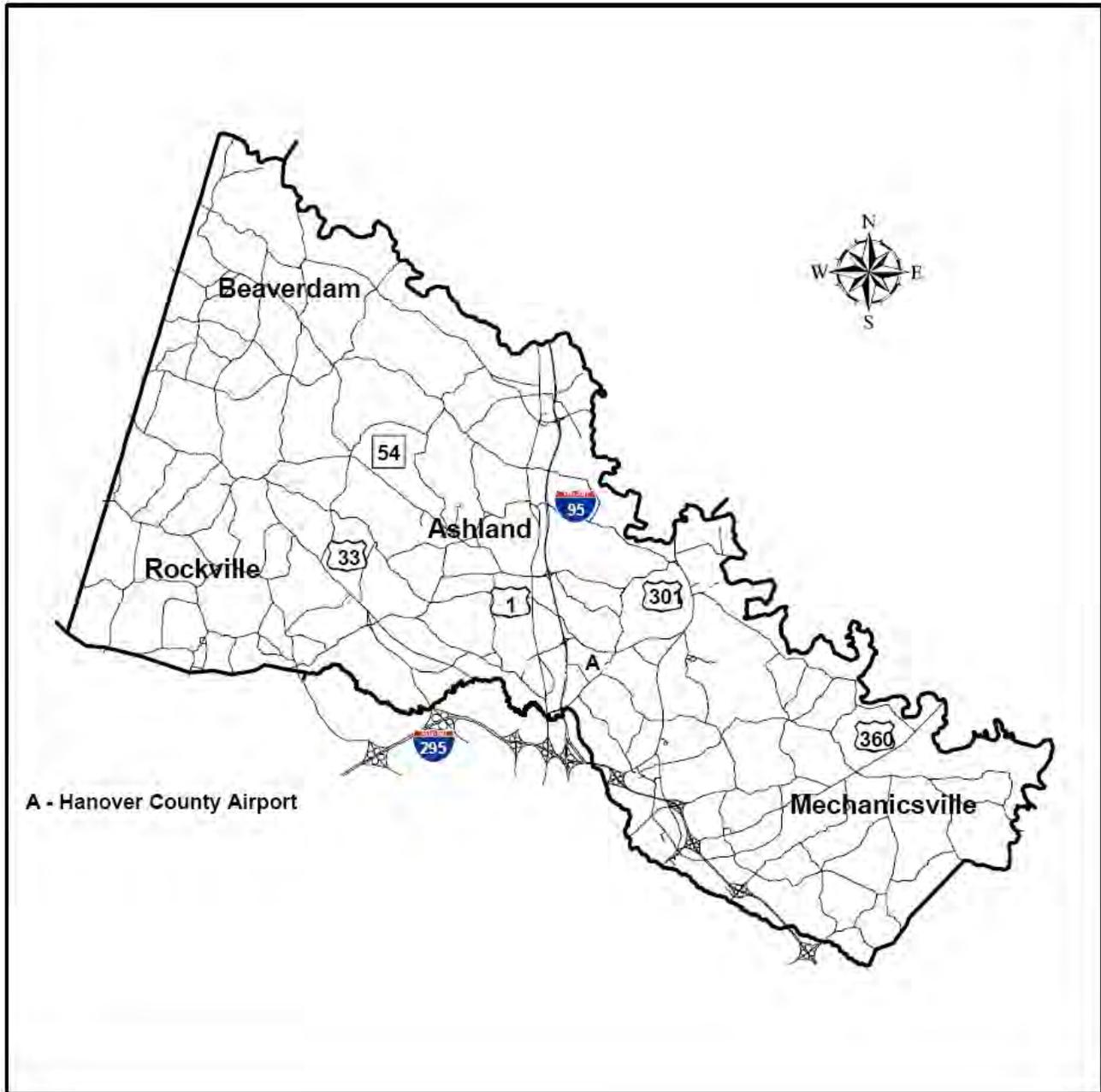
FINANCIAL OPERATING IMPACT:

FY11	FY12	FY13	FY14	FY15	Total Impact
-	-	-	-	-	\$ -

	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
Debt - VPSA	\$ -	\$ -	\$ -	\$ -	\$ 15,882,200	\$ 15,882,200
Total Funding Sources	\$ -	\$ -	\$ -	\$ -	\$ 15,882,200	\$ 15,882,200
Funding Uses						
Construction	\$ -	\$ -	\$ -	\$ -	\$ 14,882,200	\$ 14,882,200
Professional Services	-	-	-	-	1,000,000	1,000,000
Total Funding Uses	\$ -	\$ -	\$ -	\$ -	\$ 15,882,200	\$ 15,882,200

Hanover County Airport

The Hanover County Airport facilities include the County Airport (A) located at 11152 Airpark Rd.



Airport

FUNCTIONAL AREA: Public Works
DEPARTMENT: Airport
PROJECT: Airport Safety Improvements
LOCATION: Hanover County Airport, 11152 Airpark Road, Ashland VA 23005

DESCRIPTION of PROJECT AND DESCRIPTION OF IMPACTS: The South approach contains overhead utilities along Sliding Hill Road bordering the Runway Protection Zone. FAA regulations recommend that there be nothing in an RPZ other than navigational aids and appropriate security fencing. Underground utility connections will be designed, coordinated and relocated by the impacted utility companies. Once this project is complete there will be no overhead utilities impacting the airport.

USEFUL LIFE: N/A

TIMETABLE:

PRIOR YEAR ALLOCATION:

FINANCIAL

OPERATING IMPACT:

FY11	FY12	FY13	FY14	FY15	Total Impact
-	-	-	-	-	\$ -

	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
General Fund	\$ 40,000	\$ -	\$ -	\$ -	\$ -	\$ 40,000
Categorical State Aid	\$ 160,000					
Total Funding Sources	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ 200,000
Funding Uses						
Construction	\$ 140,000	\$ -	\$ -	\$ -	\$ -	\$ 140,000
Other Facility Improvements	60,000	-	-	-	-	60,000
Total Funding Uses	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ 200,000

Airport

FUNCTIONAL AREA: Public Works

DEPARTMENT: Airport

PROJECT: Airport Improvements

LOCATION: Hanover County Airport, 11152 Airpark Road, Ashland VA 23005

DESCRIPTION of PROJECT AND DESCRIPTION OF IMPACTS: Funding initiative to be used towards the construction of projects identified in the Airport Master Plan. FY14-obstruction removal runway 34- 457,000

USEFUL LIFE:

TIMETABLE: Projects will be initiated as sufficient funding is accumulated and/or grant funds become available

PRIOR YEAR ALLOCATION:

FINANCIAL

OPERATING IMPACT:

FY11	FY12	FY13	FY14	FY15	Total Impact
-	-	-	-	-	\$ -

	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
General Fund	\$ 28,484	\$ 68,000	\$ -	\$ 45,000	\$ 100,000	\$ 241,484
Categorical State Aid	113,936	272,000	-	400,000	465,150	1,251,086
FAA Grant	-	-	-	-	434,150	434,150
Total Funding Sources	\$ 142,420	\$ 340,000	\$ -	\$ 445,000	\$ 999,300	\$ 1,926,720
Funding Uses						
Other Facility Improvements	\$ 142,420	\$ 340,000	\$ -	\$ 445,000	\$ 999,300	\$ 1,926,720
Total Funding Uses	\$ 142,420	\$ 340,000	\$ -	\$ 445,000	\$ 999,300	\$ 1,926,720

Airport

FUNCTIONAL AREA: Public Works

DEPARTMENT: Airport

PROJECT: Airport Land Acquisition

LOCATION: Hanover County Airport, 11152 Airpark Road, Ashland VA 23005

DESCRIPTION of PROJECT AND DESCRIPTION OF IMPACTS: The 2000 Airport Master Plan indicates the need to purchase 85 acres of land and aviation easements to the South and East of the runway to meet FAA Airport Safety Criteria. Purchase of this land or easement is required to remove airport space obstructions, and complete East side expansion. The County will give priority for acquisition of required land when it is on the market.

USEFUL LIFE: N/A

TIMETABLE: FY11-FY13 Purchase of land or easements

PRIOR YEAR ALLOCATION: \$0

FINANCIAL

OPERATING IMPACT:

FY11	FY12	FY13	FY14	FY15	Total Impact
-	-	-	-	-	\$ -

	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
General Fund	\$ -	\$ -	\$ 39,000	\$ -	\$ -	\$ 39,000
Categorical State Aid	-	-	59,000	-	-	59,000
FAA Grant	-	-	1,848,000	-	-	1,848,000
Total Funding Sources	\$ -	\$ -	\$ 1,946,000	\$ -	\$ -	\$ 1,946,000
Funding Uses						
Land	\$ -	\$ -	\$ 1,846,000	\$ -	\$ -	\$ 1,846,000
Professional Services	-	-	100,000	-	-	100,000
Total Funding Uses	\$ -	\$ -	\$ 1,946,000	\$ -	\$ -	\$ 1,946,000

Airport

FUNCTIONAL AREA: Public Works

DEPARTMENT: Airport

PROJECT: Terminal Building Improvements

LOCATION: Hanover County Airport, 11152 Airpark Road, Ashland VA 23005

DESCRIPTION of PROJECT AND DESCRIPTION OF IMPACTS: The 2000 Airport Master Plan envisions a new Terminal building to service the East Side Terminal Area. The terminal building will service all areas of aviation including flight training, maintenance and customer/passenger waiting areas. A feasibility study will identify requirements including square footage plus the amount of funding by the Virginia Department of Aviation. Design will include the architectural, structural, and civil design of the building and will establish the engineers cost estimate to construct. A preliminary construction cost estimate is \$2.2 million dollars.

USEFUL LIFE: 25 Years

TIMETABLE: FY14 Feasibility Study and Design of Terminal Building. Terminal Building construction anticipated in FY16-FY17

PRIOR YEAR ALLOCATION: \$0

FINANCIAL

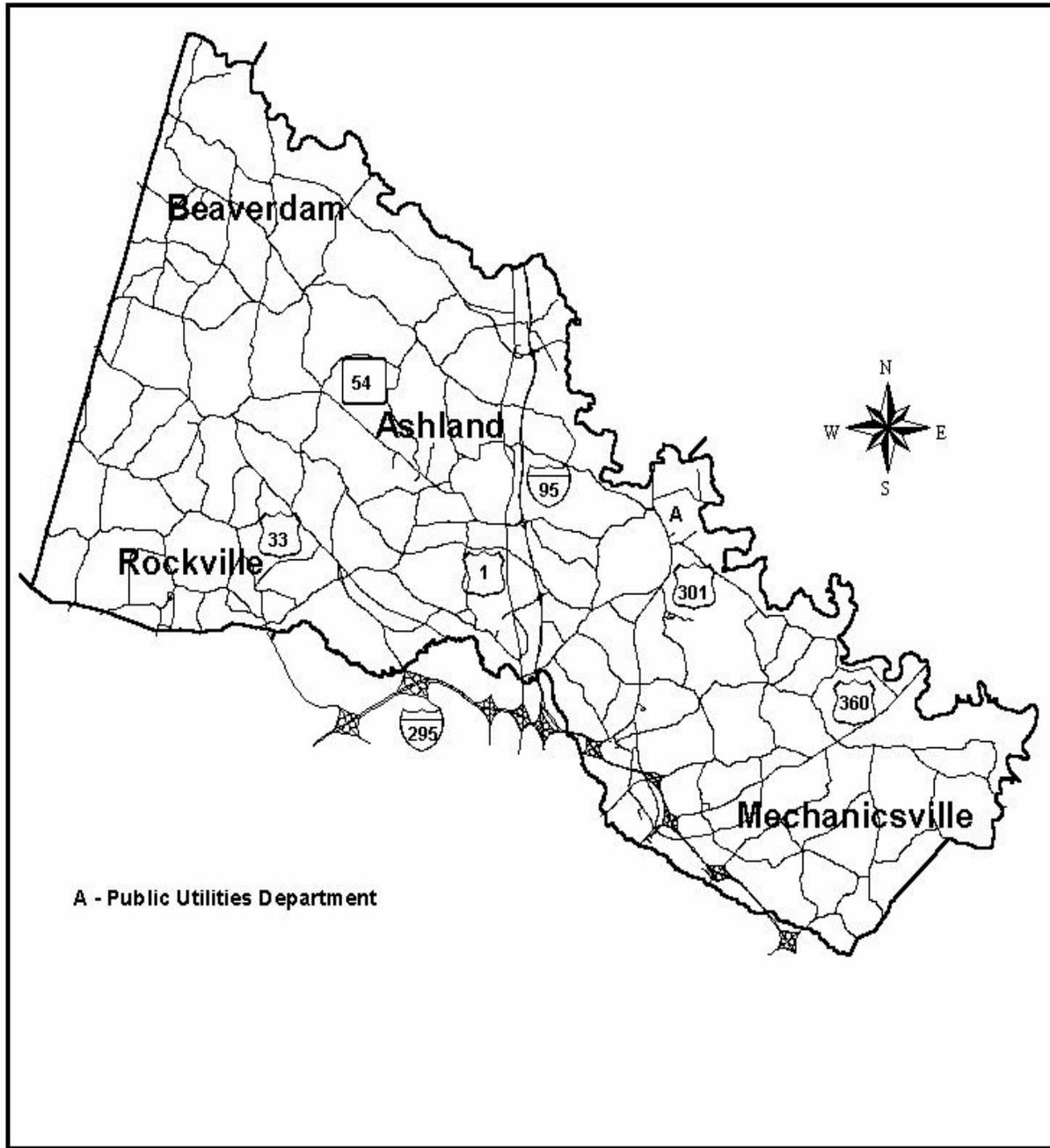
OPERATING IMPACT:

FY11	FY12	FY13	FY14	FY15	Total Impact
-	-	-	-	-	\$ -

	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
General Fund	\$ -	\$ -	\$ -	\$ 55,000	\$ -	\$ 55,000
Categorical State Aid	-	-	-	220,000	-	220,000
Total Funding Sources	\$ -	\$ -	\$ -	\$ 275,000	\$ -	\$ 275,000
Funding Uses						
Professional Services	\$ -	\$ -	\$ -	\$ 275,000	\$ -	\$ 275,000
Equipment	-	-	-	-	-	-
Total Funding Uses	\$ -	\$ -	\$ -	\$ 275,000	\$ -	\$ 275,000

PUBLIC UTILITIES

The Public Utilities Department is located at the Hanover County Complex on Rt. 301. Capital improvements (e.g., water/sewer lines) are shown with a map, if applicable. Refer to the description of the Public Utilities Department in the operating budget document for a comprehensive overview of the utility system.



Utilities

FUNCTIONAL AREA: Public Utilities

DEPARTMENT: Public Utilities

PROJECT: Hanover Richmond Water Contract

**DESCRIPTION/
JUSTIFICATION::** This project provides for water resource development to serve the Suburban Service Area via a water transmission pipeline from the City of Richmond. Included in this project is \$29,471,630 over five years for jointly funded capital improvements in the City. In FY11, a final capacity payment of \$3,489,000 is required by contract for the purchase of an additional 5 MGD of water treatment plant capacity. The total amount of water treatment plant capacity purchased from Richmond after this payment is 20 MGD.

PRIOR YEAR ALLOCATION: \$2,090,550 - Phase 6 Construction; \$1,881,508 - Joint Capital

OPERATING IMPACT \$0

	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
Capacity Fees	\$ 5,127,483	\$ 3,028,252	\$ 3,697,758	\$ 3,758,742	\$ 2,982,322	\$ 18,594,557
Long Term Debt	899,000	3,028,251	3,697,758	3,758,741	2,982,323	14,366,073
Total Sources	\$ 6,026,483	\$ 6,056,503	\$ 7,395,516	\$ 7,517,483	\$ 5,964,645	\$ 32,960,630
Funding Uses						
Joint Capital	\$ 2,537,483	\$ 6,056,503	\$ 7,395,516	\$ 7,517,483	\$ 5,964,645	\$ 29,471,630
Capacity Payments	3,489,000	-	-	-	-	3,489,000
Total Uses	\$ 6,026,483	\$ 6,056,503	\$ 7,395,516	\$ 7,517,483	\$ 5,964,645	\$ 32,960,630

Utilities

FUNCTIONAL AREA: Public Utilities

DEPARTMENT: Public Utilities

PROJECT: Waterline Replacement

LOCATION: Suburban Service Area and Rural Systems

**DESCRIPTION/
JUSTIFICATION:** This project provides for the replacement of aged and undersized waterlines in various streets within the Suburban Service Area and Rural Systems.

TIMETABLE: Design & Construction (FY11-FY15)

PRIOR YEAR ALLOCATION: \$50,000

OPERATING IMPACT: \$0

	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
User Fees	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 250,000
Total Sources	\$ 50,000	\$ 250,000				
Funding Uses						
Professional	\$ 6,250	\$ 6,250	\$ 6,250	\$ 6,250	\$ 6,250	\$ 31,250
Construction	43,750	43,750	43,750	43,750	43,750	218,750
Total Uses	\$ 50,000	\$ 250,000				

Utilities

FUNCTIONAL AREA: Public Utilities

DEPARTMENT: Public Utilities

PROJECT: Water Tank Rehabilitation

LOCATION: Suburban Service Area and Rural Systems

**DESCRIPTION/
JUSTIFICATION:** This project provides for the continuing funding of rehabilitating existing water storage tanks throughout the Suburban Service Area and Rural Systems. Specific and planned repairs are scheduled for the following tanks: Pamunkey Regional Jail, FY11; Wickham, FY12; Georgetown, FY13; Airpark, FY14; Oakhill, FY15.

TIMETABLE: Design and Construction (FY11-FY15)

PRIOR YEAR ALLOCATION: \$340,000 Jackson Ave

OPERATING IMPACT: \$0

	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
User Fees	\$ 165,000	\$ 130,000	\$ 130,000	\$ 330,000	\$ 70,000	\$ 825,000
Total Sources	\$ 165,000	\$ 130,000	\$ 130,000	\$ 330,000	\$ 70,000	\$ 825,000
Funding Uses						
Professional	\$ 30,000	\$ 10,000	\$ 10,000	\$ 30,000	\$ 7,000	\$ 87,000
Construction	135,000	120,000	120,000	300,000	63,000	738,000
Total Uses	\$ 165,000	\$ 130,000	\$ 130,000	\$ 330,000	\$ 70,000	\$ 825,000

Utilities

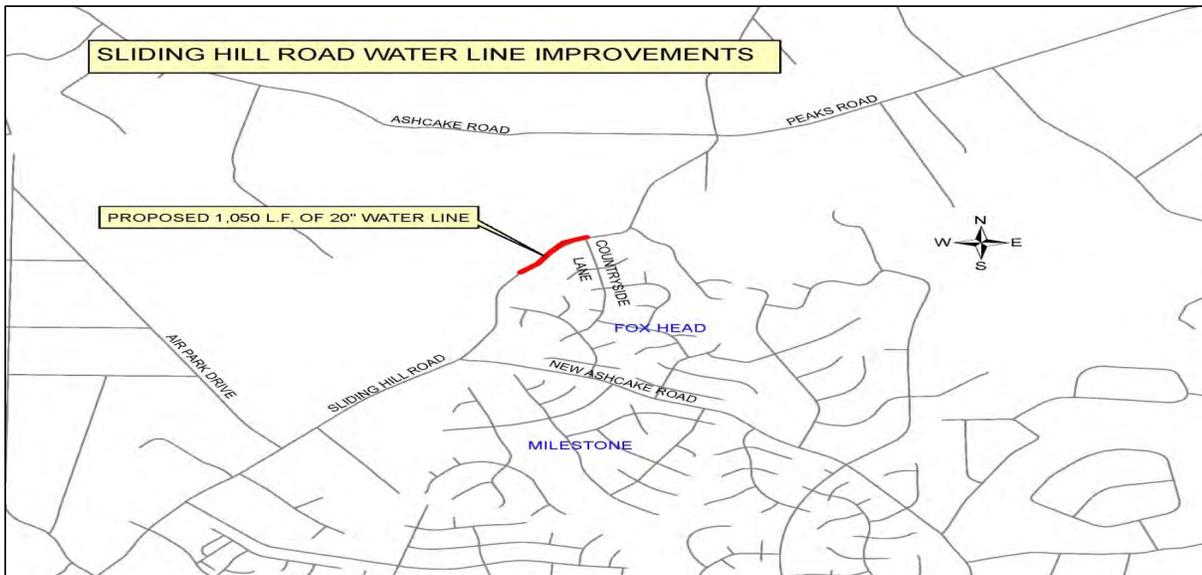
FUNCTIONAL AREA: Public Utilities

DEPARTMENT: Public Utilities

PROJECT: Sliding Hill Road Countryside Lane Waterline

LOCATION: Sliding Hill Road from the end of the current VDOT road improvement to Countryside Lane (FMP W19 Modified Phase 1)

**DESCRIPTION/
JUSTIFICATION:** This project provides for the FY11 design and easement acquisition necessary to construct 1,050' of 20" waterline in FY12 along Sliding Hill Road from the end of the current VDOT road improvement project to Countryside Lane. This project is necessary in order to utilize the existing 20" waterline in Sliding Hill Road, improve system reliability, prepare for the future Garnett Road WPS and tank project, and provide additional transmission capacity for future CIP projects in this area.



TIMETABLE: Design and Easement Acquisition (FY11); Construction (FY12)

PRIOR YEAR ALLOCATION: \$0

OPERATING IMPACT: \$0

	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
Long Term Debt	\$ 64,000	\$ 256,000	\$ -	\$ -	\$ -	\$ 320,000
Total Sources	\$ 64,000	\$ 256,000	\$ -	\$ -	\$ -	\$ 320,000
Funding Uses						
Professional	\$ 32,000	\$ -	\$ -	\$ -	\$ -	\$ 32,000
Land	32,000	-	-	-	-	32,000
Construction	-	256,000	-	-	-	256,000
Total Uses	\$ 64,000	\$ 256,000	\$ -	\$ -	\$ -	\$ 320,000

Utilities

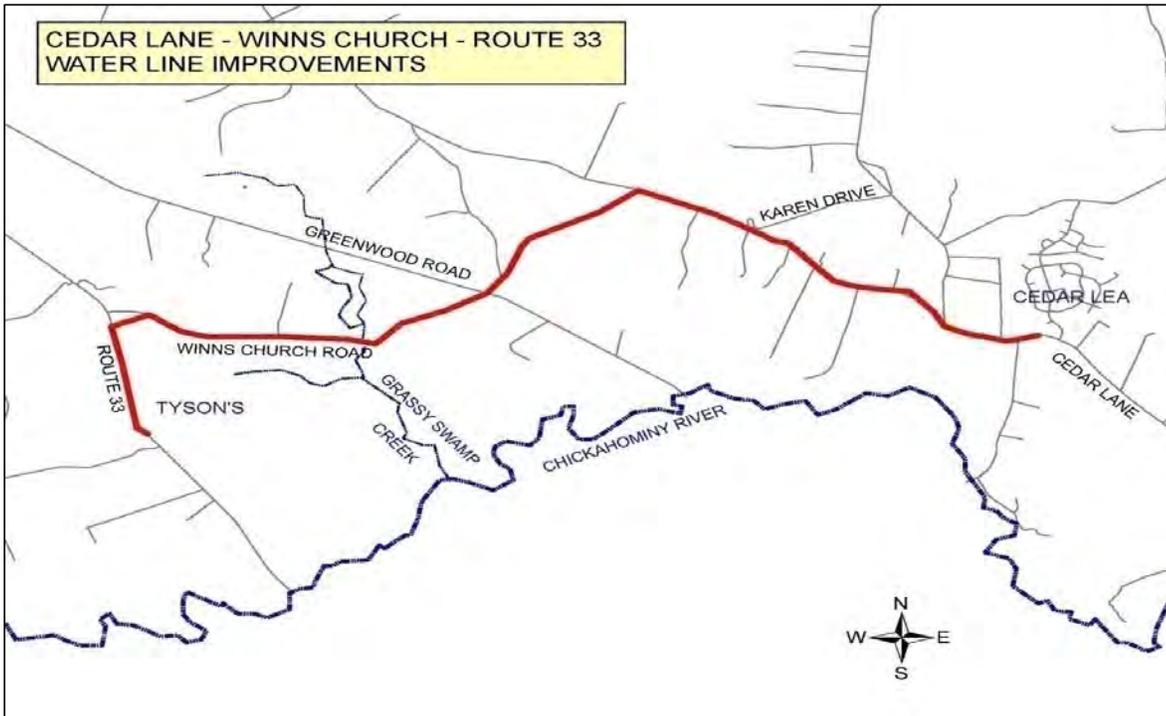
FUNCTIONAL AREA: Public Utilities

DEPARTMENT: Public Utilities

PROJECT: Cedar Lane-Winns Church- Route 33. Water Line Improvements

LOCATION: West along Cedar Lane from Cedarlea Parkway to Winns Church Road; then west along Winns Church Road to Mountain Road and then southeast along Mountain Road toward Tyson Foods (FMP W24)

DESCRIPTION/ JUSTIFICATION: Construction for approximately 27,000' of 16" waterline to connect Overhill Estates Water System (PWS ID #4085649) to the Hanover Suburban Water System (PWS ID #4085398).



TIMETABLE: Construction (FY11)

PRIOR YEAR ALLOCATION: \$0

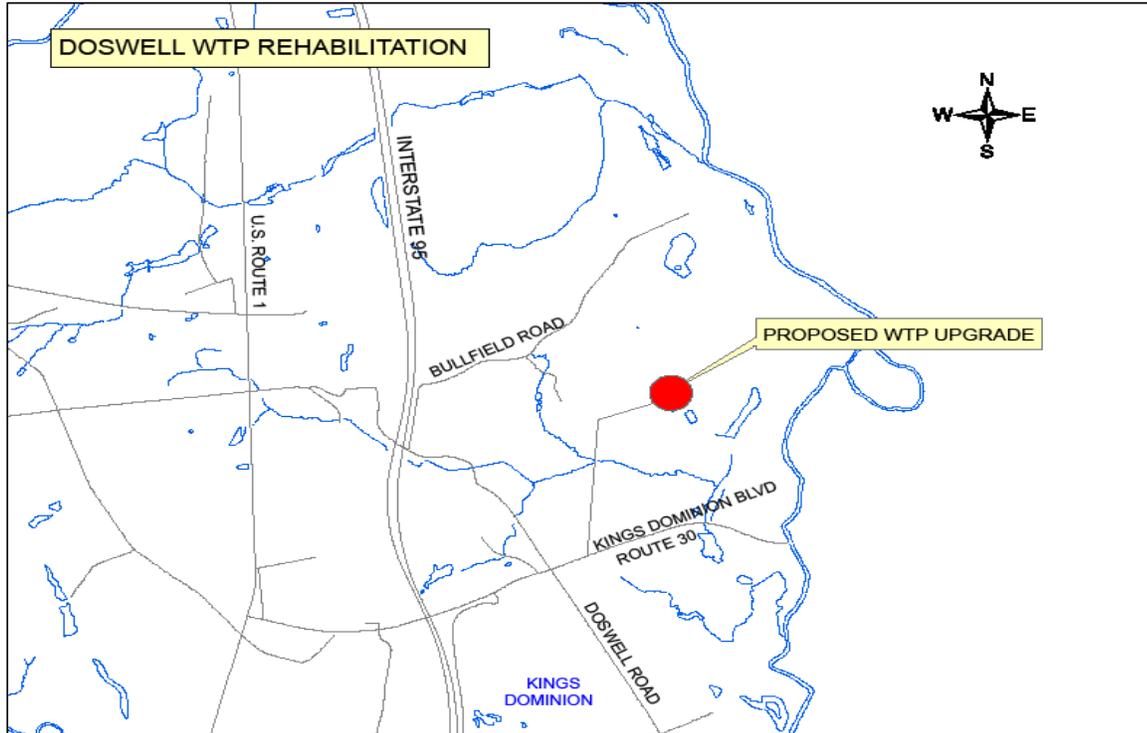
OPERATING IMPACT: \$0

	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
Capacity Fees	\$ 4,200,000	\$ -	\$ -	\$ -	\$ -	4,200,000
Long Term Debt	1,000,000	-	-	-	-	1,000,000
Total Sources	\$ 5,200,000	\$ -	\$ -	\$ -	\$ -	5,200,000
Funding Uses						
Construction	\$ 5,200,000	\$ -	\$ -	\$ -	\$ -	5,200,000
Total Uses	\$ 5,200,000	\$ -	\$ -	\$ -	\$ -	5,200,000

Utilities

FUNCTIONAL AREA: Public Utilities
DEPARTMENT: Public Utilities
LOCATION: Doswell Water Treatment Plant

**DESCRIPTION/
 JUSTIFICATION:** This project provides for the continuing funding of rehabilitating various equipment, structural components and process enhancements at the Doswell Water Treatment Plant.



TIMETABLE: Design & Construction (FY11-FY15)

PRIOR YEAR ALLOCATION: \$0

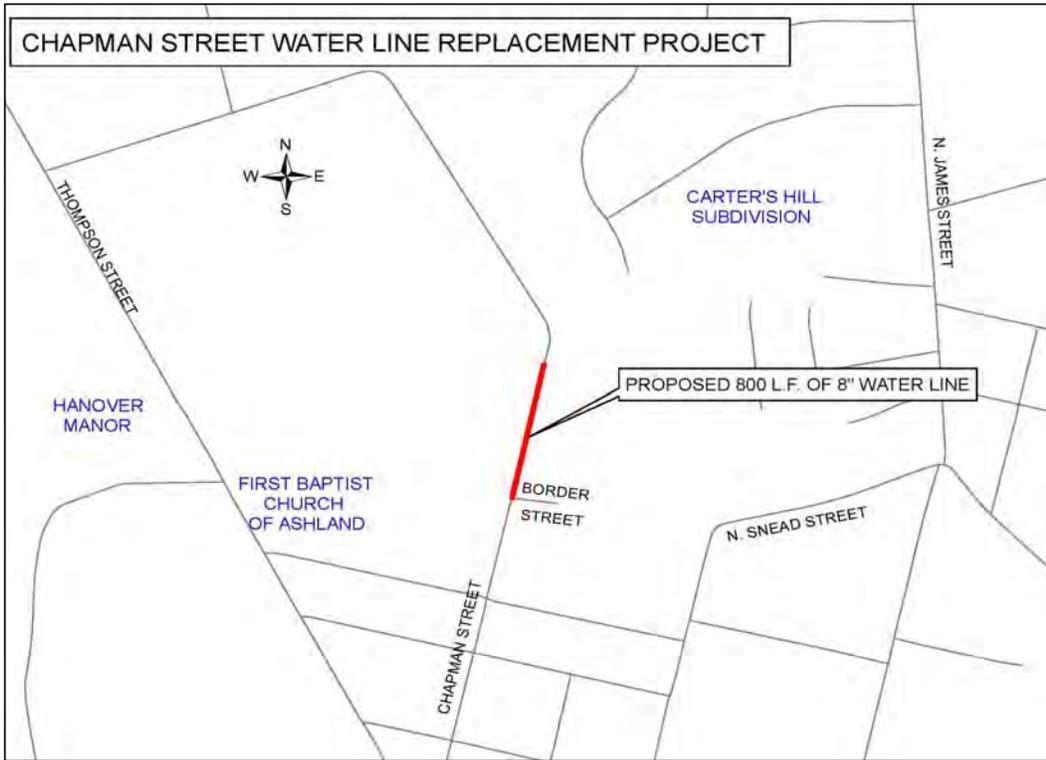
OPERATING IMPACT: \$0

	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
User Fees	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 250,000
Total Sources	\$ 50,000	\$ 250,000				
Funding Uses						
Professional	\$ 6,250	\$ 6,250	\$ 6,250	\$ 6,250	\$ 6,250	\$ 31,250
Construction	43,750	43,750	43,750	43,750	43,750	218,750
Total Uses	\$ 50,000	\$ 250,000				

Utilities

FUNCTIONAL AREA: Public Utilities
DEPARTMENT: Public Utilities
PROJECT: Chapman Street Waterline Replacement
LOCATION: Chapman Street between Border Street and Wesley Street

**DESCRIPTION/
JUSTIFICATION:** This project provides for the replacement of 800' of existing 2" galvanized waterline with a new 8" PVC as the existing line has exceeded its service life and is undersized. This project will improve water quality and pressure along Chapman Street.



TIMETABLE: Construction (FY11)

PRIOR YEAR ALLOCATION: \$22,500 - Design

OPERATING IMPACT: \$0

	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
User Fees	\$ 122,000	\$ -	\$ -	\$ -	\$ -	\$ 122,000
Total Sources	\$ 122,000	\$ -	\$ -	\$ -	\$ -	\$ 122,000
Funding Uses						
Construction	\$ 122,000	\$ -	\$ -	\$ -	\$ -	\$ 122,000
Total Uses	\$ 122,000	\$ -	\$ -	\$ -	\$ -	\$ 122,000

Utilities

FUNCTIONAL AREA: Public Utilities
DEPARTMENT: Public Utilities
PROJECT: Lee Davis/Cold Harbor Road Waterline
LOCATION: Lee Davis and Cold Harbor Road

**DESCRIPTION/
JUSTIFICATION:** This project provides for the construction of 550' of 16" waterline from Walnut Grove Road to Mary Esther Lane during FY11. This waterline improvement provides increased transmission and distribution capacity to areas off of Cold Harbor Road and is being done in conjunction with the VDOT intersection and road improvement project as a betterment (100% DPU costs).



TIMETABLE: Construction (FY11)

PRIOR YEAR ALLOCATION: \$0

OPERATING INCOME: \$0

	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
Capacity Fees	\$ 100,000	\$ -	\$ -	\$ -	\$ -	100,000
Total Sources	\$ 100,000	\$ -	\$ -	\$ -	\$ -	100,000
Funding Uses						
Construction	\$ 100,000	\$ -	\$ -	\$ -	\$ -	100,000
Total Uses	\$ 100,000	\$ -	\$ -	\$ -	\$ -	100,000

Utilities

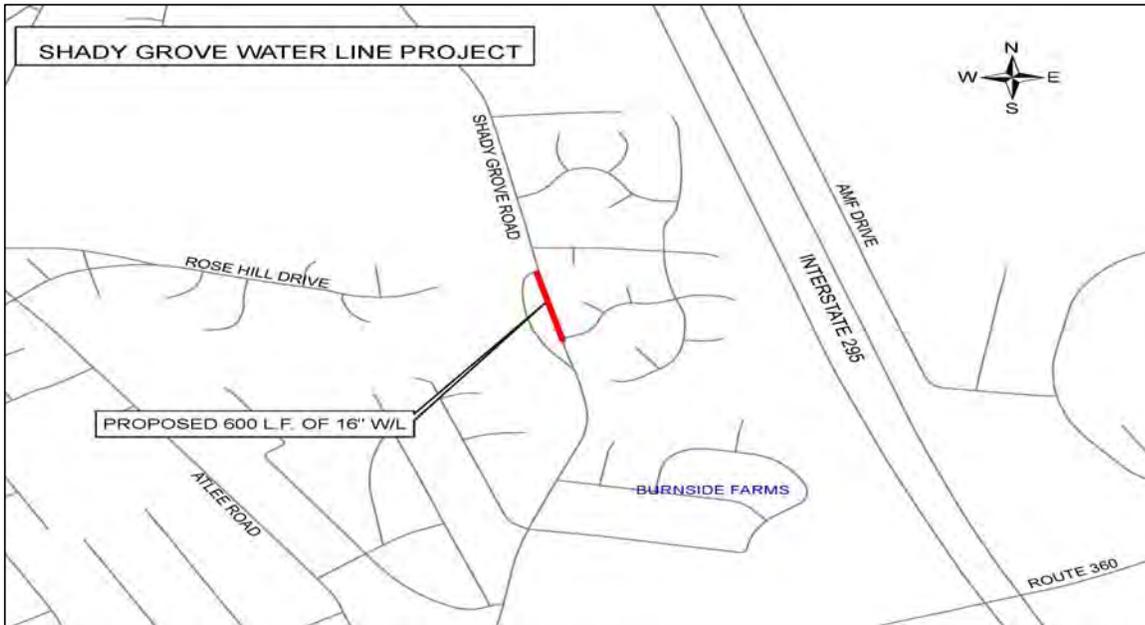
FUNCTIONAL AREA: Public Utilities

DEPARTMENT: Public Utilities

PROJECT: Shady Grove Waterline

LOCATION: Shady Grove Road from the Old Shady Grove Road subdivision to the Shady Grove Forest subdivision (FMP W11)

**DESCRIPTION/
JUSTIFICATION:** This project provides for the FY11 design and easement acquisition and FY12 construction of 600' of 16" waterline on Shady Grove Road from Kelley Drive to Mountain Lily Lane. This project provides an interconnection and allows distribution to the eastern portion of the Lockwood Pressure Zone.



TIMETABLE: Design and Easement Acquisition (FY11); Construction (FY12)

PRIOR YEAR ALLOCATION: \$0

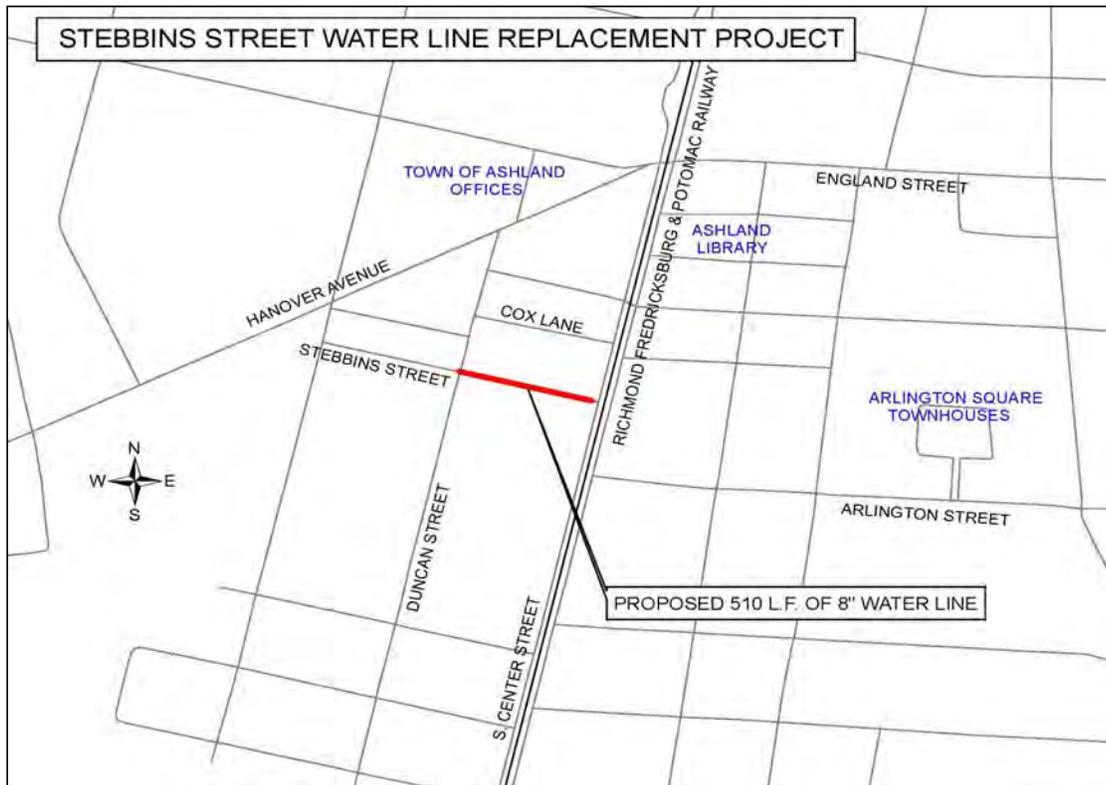
OPERATING IMPACT: \$0

	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
Long Term Debt	\$ 37,000	\$ 154,000	\$ -	\$ -	\$ -	191,000
Total Sources	\$ 37,000	\$ 154,000	\$ -	\$ -	\$ -	191,000
Funding Uses						
Professional	\$ 18,500	\$ -	\$ -	\$ -	\$ -	18,500
Land	18,500	-	-	-	-	18,500
Construction	-	154,000	-	-	-	154,000
Total Uses	\$ 37,000	\$ 154,000	\$ -	\$ -	\$ -	191,000

Utilities

FUNCTIONAL AREA: Public Utilities
DEPARTMENT: Public Utilities
PROJECT: Stebbins Street Waterline Replacement
LOCATION: Stebbins Street between Duncan Street and South Center Street

**DESCRIPTION/
JUSTIFICATION:** This project provides for the replacement of 450' of existing 4" cast iron waterline with 510' of new 8" PVC as the existing line has exceeded its service life. This project will improve water quality, pressure, and fire protection along Stebbins Street.



TIMETABLE: Construction (FY11)

PRIOR YEAR ALLOCATION: \$9,600 - Design

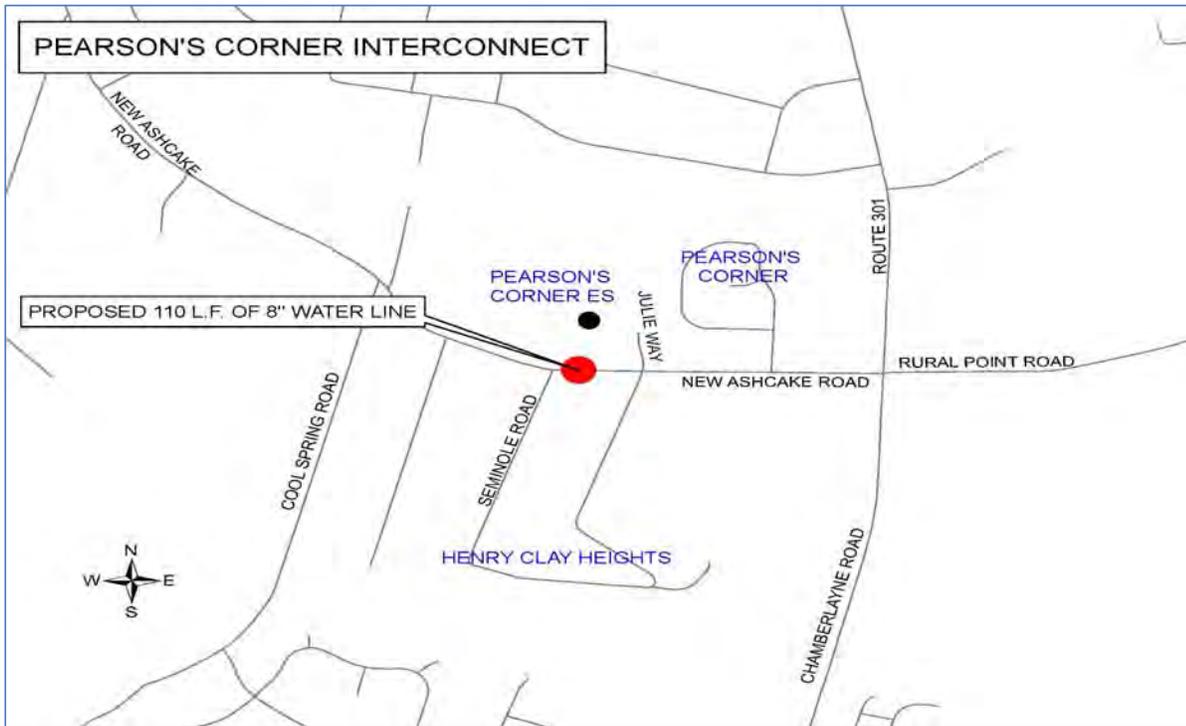
OPERATING IMPACT: \$0

	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
User Fees	\$ 73,000	\$ -	\$ -	\$ -	\$ -	73,000
Total Sources	\$ 73,000	\$ -	\$ -	\$ -	\$ -	73,000
Funding Uses						
Professional	\$ 8,000	\$ -	\$ -	\$ -	\$ -	8,000
Construction	65,000	-	-	-	-	65,000
Total Uses	\$ 73,000	\$ -	\$ -	\$ -	\$ -	73,000

Utilities

FUNCTIONAL AREA: Public Utilities
DEPARTMENT: Public Utilities
PROJECT: New Ashcake Road Waterline Interconnect at Pearson's Corner
LOCATION: New Ashcake Road at Pearson's Corner

**DESCRIPTION/
JUSTIFICATION:** This project provides for the design and construction of approximately 110' of 8" waterline to interconnect the existing 6" waterline along the north side of New Ashcake Road with the existing 20" waterline on the south side to improve water distribution, fire suppression, and reliability of service.



TIMETABLE: Design and Construction (FY12)

PRIOR YEAR ALLOCATION: \$0

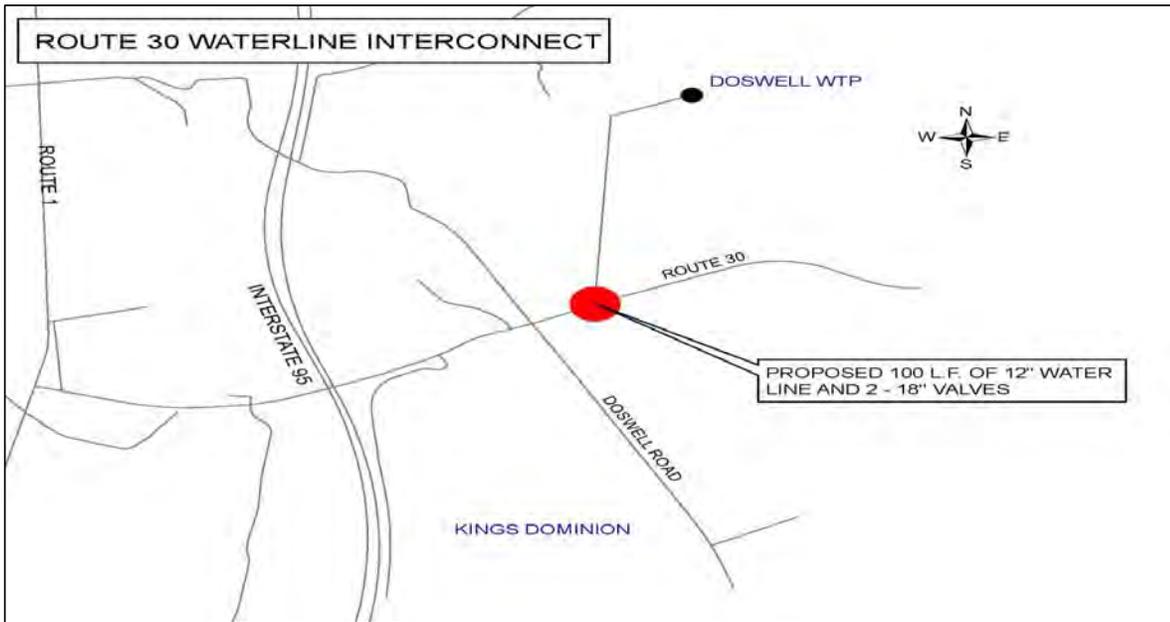
OPERATING IMPACT: \$0

	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
User Fees	\$ -	\$ 60,000	\$ -	\$ -	\$ -	60,000
Total Sources	\$ -	\$ 60,000	\$ -	\$ -	\$ -	60,000
Funding Uses						
Professional	\$ -	\$ 7,000	\$ -	\$ -	\$ -	7,000
Construction	-	53,000	-	-	-	53,000
Total Uses	\$ -	\$ 60,000	\$ -	\$ -	\$ -	60,000

Utilities

FUNCTIONAL AREA: Public Utilities
DEPARTMENT: Public Utilities
PROJECT: Rt. 30 Waterline Interconnect and Valving
LOCATION: Rt. 30 at Doswell Road

**DESCRIPTION/
JUSTIFICATION:** This projects provides for the design and construction of approximately 100' of 12" waterline to interconnect the existing 8" waterline along the south side of Rt. 30 with the existing 12" waterline on the Kings Dominion Dormitory site and to add two 18" valves to the existing 18" waterline on the north side of Rt. 30 near the intersection of Rt. 30 and Doswell Road to improve water distribution, fire suppression, and reliability of water service.



TIMETABLE: Design and Construction (FY12)

PRIOR YEAR ALLOCATION: \$0

OPERATING IMPACT: \$0

	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
User Fees	\$ -	\$ 73,000	\$ -	\$ -	\$ -	73,000
Total Sources	\$ -	\$ 73,000	\$ -	\$ -	\$ -	73,000
Funding Uses						
Professional	\$ -	\$ 8,000	\$ -	\$ -	\$ -	8,000
Construction	-	65,000	-	-	-	65,000
Total Uses	\$ -	\$ 73,000	\$ -	\$ -	\$ -	73,000

Utilities

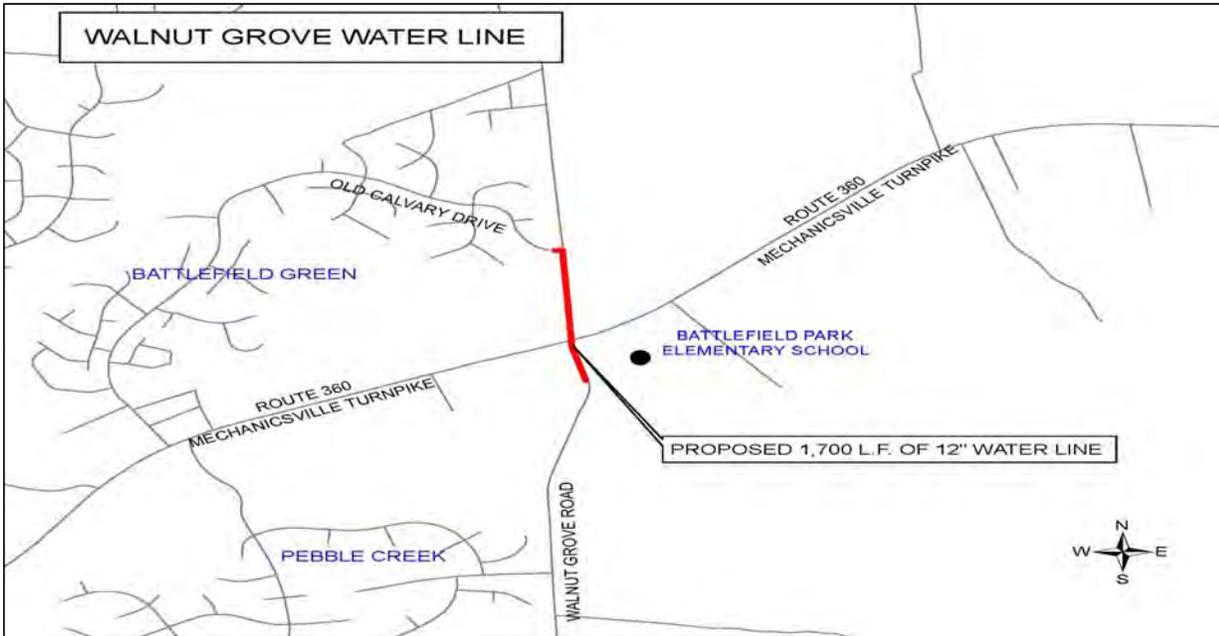
FUNCTIONAL AREA: Public Utilities

DEPARTMENT: Public Utilities

PROJECT: Walnut Grove Waterline

LOCATION: Walnut Grove at Route 360 to Old Calvary Drive (FMP W16)

**DESCRIPTION/
JUSTIFICATION:** This project provides for the FY12 design and easement acquisition and FY13 construction of 1,700' of 12" waterline from Walnut Grove Road at its intersection with Route 360 to Old Calvary Drive. This project is required to provide adequate fire flow in the Battlefield Park Elementary School area.



TIMETABLE: Design and Easement Acquisition (FY12); Construction (FY13)

PRIOR YEAR ALLOCATION: \$0

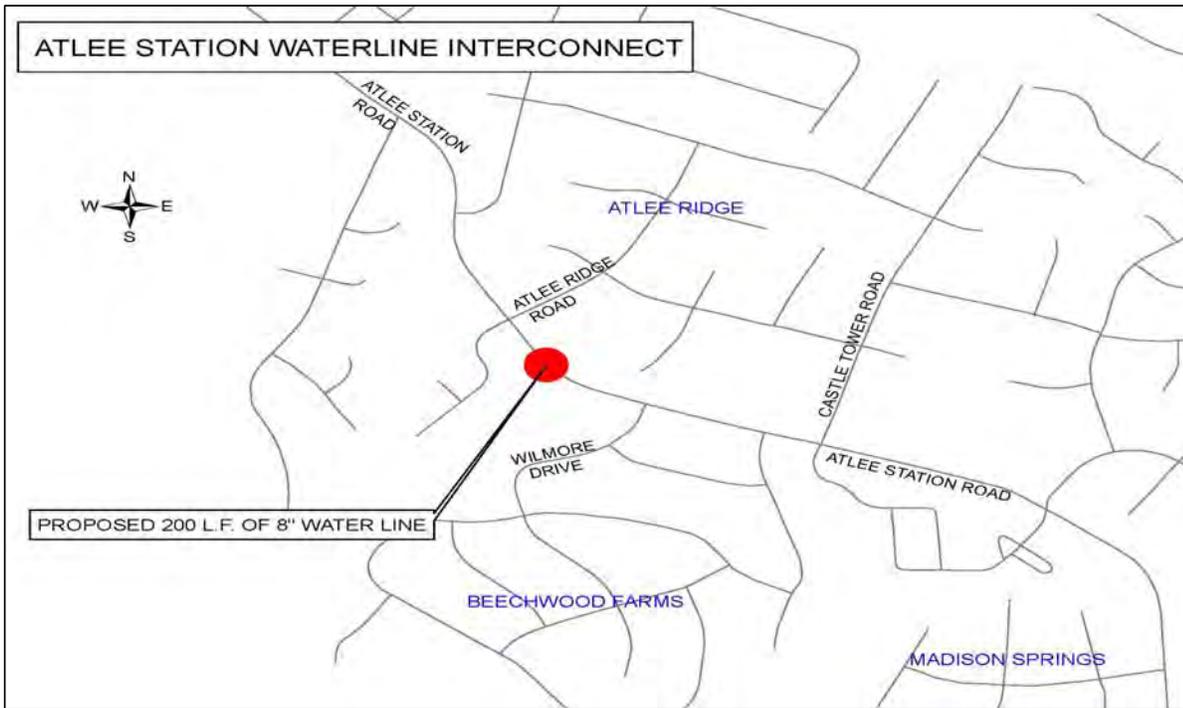
OPERATING IMPACT: \$0

	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
Long Term Debt	\$ -	\$ 72,000	\$ 297,000	\$ -	\$ -	\$ 369,000
Total Sources	\$ -	\$ 72,000	\$ 297,000	\$ -	\$ -	\$ 369,000
Funding Uses						
Professional	\$ -	\$ 36,000	\$ -	\$ -	\$ -	\$ 36,000
Land	-	36,000	-	-	-	36,000
Construction	-	-	297,000	-	-	297,000
Total Uses	\$ -	\$ 72,000	\$ 297,000	\$ -	\$ -	\$ 369,000

Utilities

FUNCTIONAL AREA: Public Utilities
DEPARTMENT: Public Utilities
PROJECT: Atlee Station Road Waterline Interconnect at Beechwood Farms
LOCATION: Atlee Station Road at Beechwood

**DESCRIPTION/
JUSTIFICATION:** This project provides for the design and construction of approximately 200' of 8" waterline to interconnect the existing 6" waterline along the south side of Atlee Station Road with the existing 16" waterline along the north side to improve water distribution, fire suppression, and reliability of water service.



TIMETABLE: Design and Construction (FY12)

PRIOR YEAR ALLOCATION: \$0

OPERATING IMPACT: \$0

	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
User Fees	\$ -	\$ 72,000	\$ -	\$ -	\$ -	72,000
Total Sources	\$ -	\$ 72,000	\$ -	\$ -	\$ -	72,000
Funding Uses						
Professional	\$ -	\$ 8,000	\$ -	\$ -	\$ -	8,000
Construction	-	64,000	-	-	-	64,000
Total Uses	\$ -	\$ 72,000	\$ -	\$ -	\$ -	72,000

Utilities

FUNCTIONAL AREA: Public Utilities
DEPARTMENT: Public Utilities
PROJECT: Cedar Lane Waterline Improvements
LOCATION: Cedarlea Parkway along Cedar Lane to Rt.1 (FMP W25)

**DESCRIPTION/
JUSTIFICATION:** This project provides for the design, easement acquisition and construction of approximately 8,600' of 16" waterline from Cedarlea along Cedar Lane to Route 1. This waterline project provides improved water distribution service for both domestic service and fire suppression use along Cedar Lane and will support the Cedar Lane-Winns Church Road-Route 33 waterline project.



TIMETABLE: Design and Easement Acquisition (FY13); Construction (FY15)

PRIOR YEAR ALLOCATION: \$0

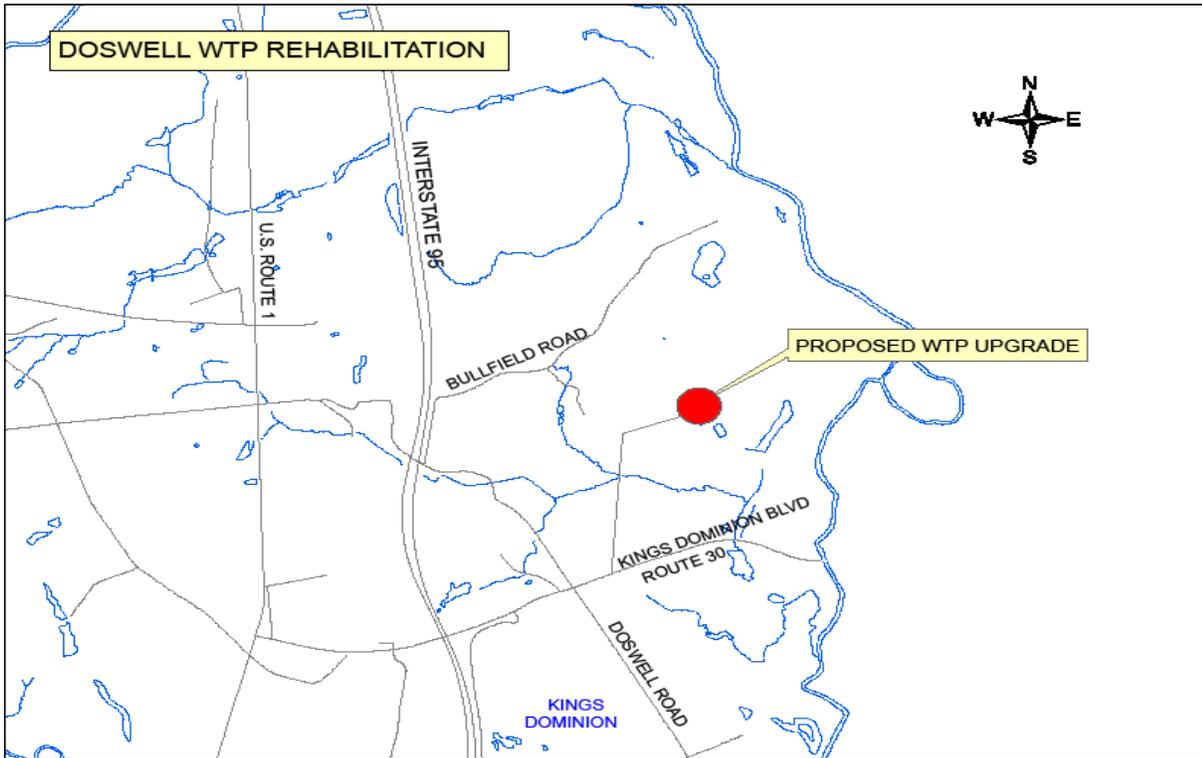
OPERATING IMPACT: \$0

	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
Long Term Debt	\$ -	\$ -	\$ 500,000	\$ -	\$ 2,092,000	\$ 2,592,000
Total Sources	\$ -	\$ -	\$ 500,000	\$ -	\$ 2,092,000	\$ 2,592,000
Funding Uses						
Professional	\$ -	\$ -	\$ 250,000	\$ -	\$ -	\$ 250,000
Land	-	-	250,000	-	-	250,000
Construction	-	-	-	-	2,092,000	2,092,000
Total Uses	\$ -	\$ -	\$ 500,000	\$ -	\$ 2,092,000	\$ 2,592,000

Utilities

FUNCTIONAL AREA: Public Utilities
DEPARTMENT: Public Utilities
PROJECT: Doswell Water Treatment Plant Sludge Collector Drive
LOCATION: Doswell Water Treatment Plant

**DESCRIPTION/
JUSTIFICATION:** FY13 replacement of the existing sludge collector drive in basin #3 of the Doswell Water Treatment Plant that is approaching the end of its 20 year useful life (2011). This unit is critical to the plant and capacity will be reduced by 1/3 if it fails.



TIMETABLE: FY13

PRIOR YEAR ALLOCATION: \$0

OPERATING IMPACT: \$0

	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
User Fees	\$ -	\$ -	\$ 70,000	\$ -	\$ -	\$ 70,000
Total Sources	\$ -	\$ -	\$ 70,000	\$ -	\$ -	\$ 70,000
Funding Uses						
Equipment	\$ -	\$ -	\$ 70,000	\$ -	\$ -	\$ 70,000
Total Uses	\$ -	\$ -	\$ 70,000	\$ -	\$ -	\$ 70,000

Utilities

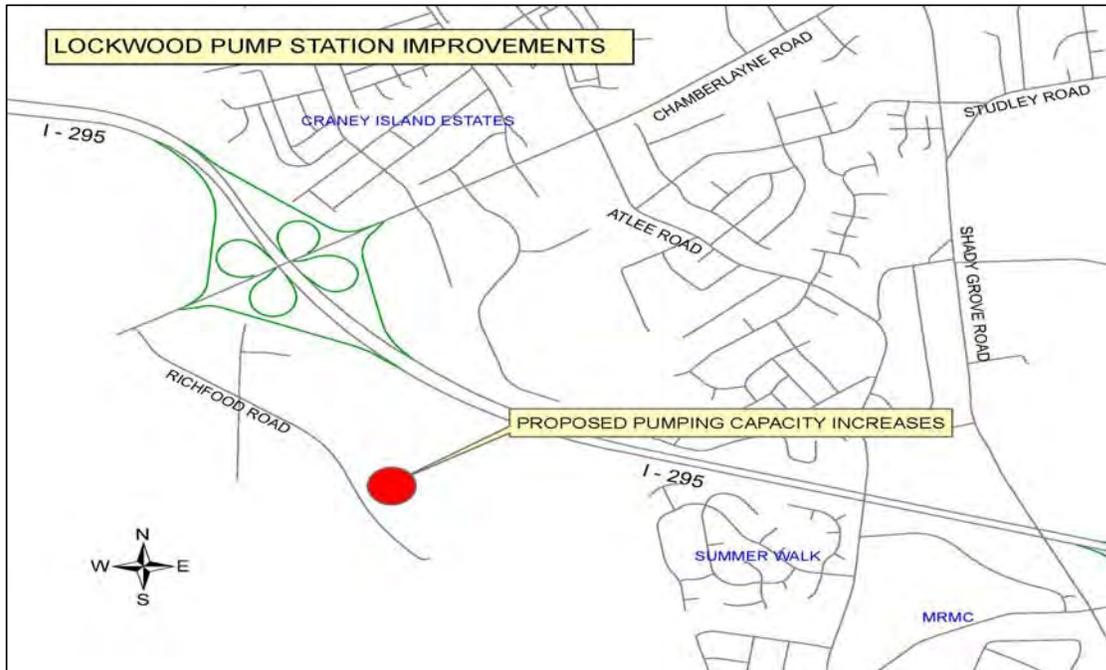
FUNCTIONAL AREA: Public Utilities

DEPARTMENT: Public Utilities

PROJECT: Lockwood Pump Station Improvements

LOCATION: Lockwood Pump Station on Richfood Road (FMP W53)

**DESCRIPTION/
JUSTIFICATION:** This project provides additional pumping capacity at the Lockwood Water Pump Station. The FY14-FY15 improvements will provide a total pumping capacity of 20 MGD.



TIMETABLE: Design (FY14); Construction (FY15)

PRIOR YEAR ALLOCATION: \$0

OPERATING IMPACT: \$0

	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
Capacity Fees	\$ -	\$ -	\$ -	\$ 391,000	\$ 1,390,000	\$ 1,781,000
Total Sources	\$ -	\$ -	\$ -	\$ 391,000	\$ 1,390,000	\$ 1,781,000
Funding Uses						
Professional	\$ -	\$ -	\$ -	\$ 391,000	\$ -	\$ 391,000
Construction	-	-	-	-	1,390,000	1,390,000
Total Uses	\$ -	\$ -	\$ -	\$ 391,000	\$ 1,390,000	\$ 1,781,000

Utilities

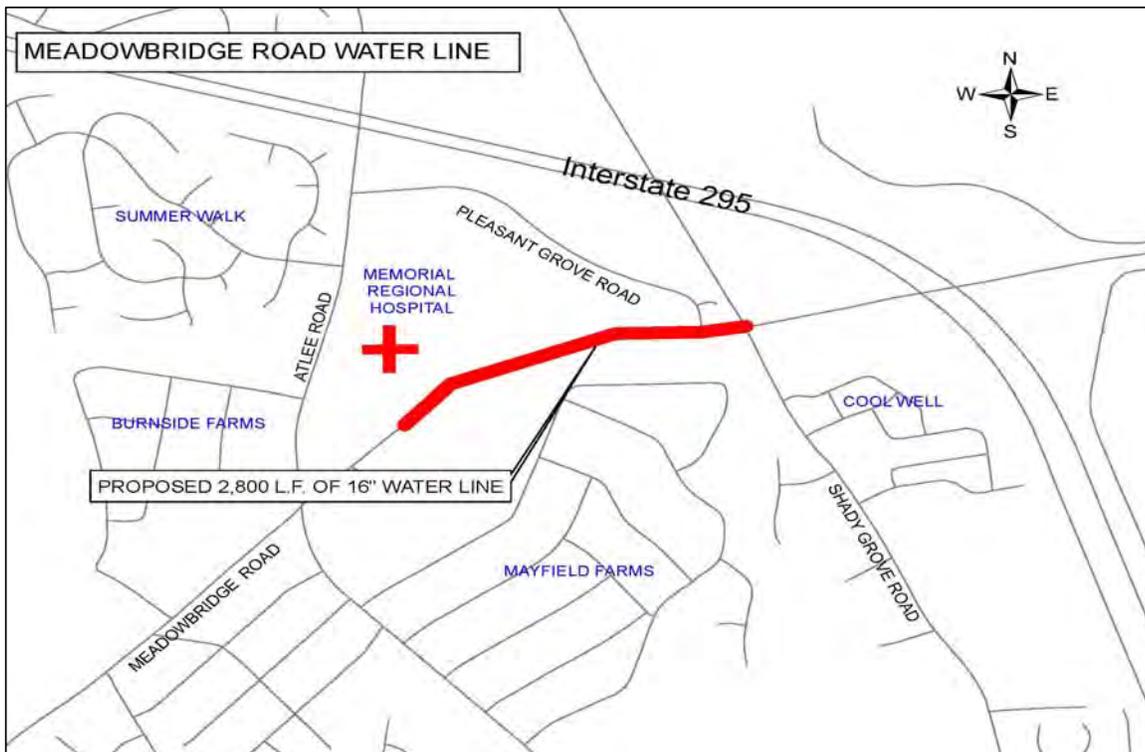
FUNCTIONAL AREA: Public Utilities

DEPARTMENT: Public Utilities

PROJECT: Meadowbridge Road Waterline

LOCATION: Along Meadowbridge Road from Memorial Regional Medical Center entrance to Shady Grove Road (FMP W77)

**DESCRIPTION/
JUSTIFICATION:** This project provides for the design, easement acquisition and construction of 2,800' of 16" waterline from the east entrance of Memorial Regional Medical Center to Shady Grove Road. This waterline will provide increased water supply to the Mechanicsville area to meet projected demands.



TIMETABLE: Design and Easement Acquisition (FY14); Construction (FY15)

PRIOR YEAR ALLOCATION: \$160,000 - additional construction funding for 1,500' of 20" waterline

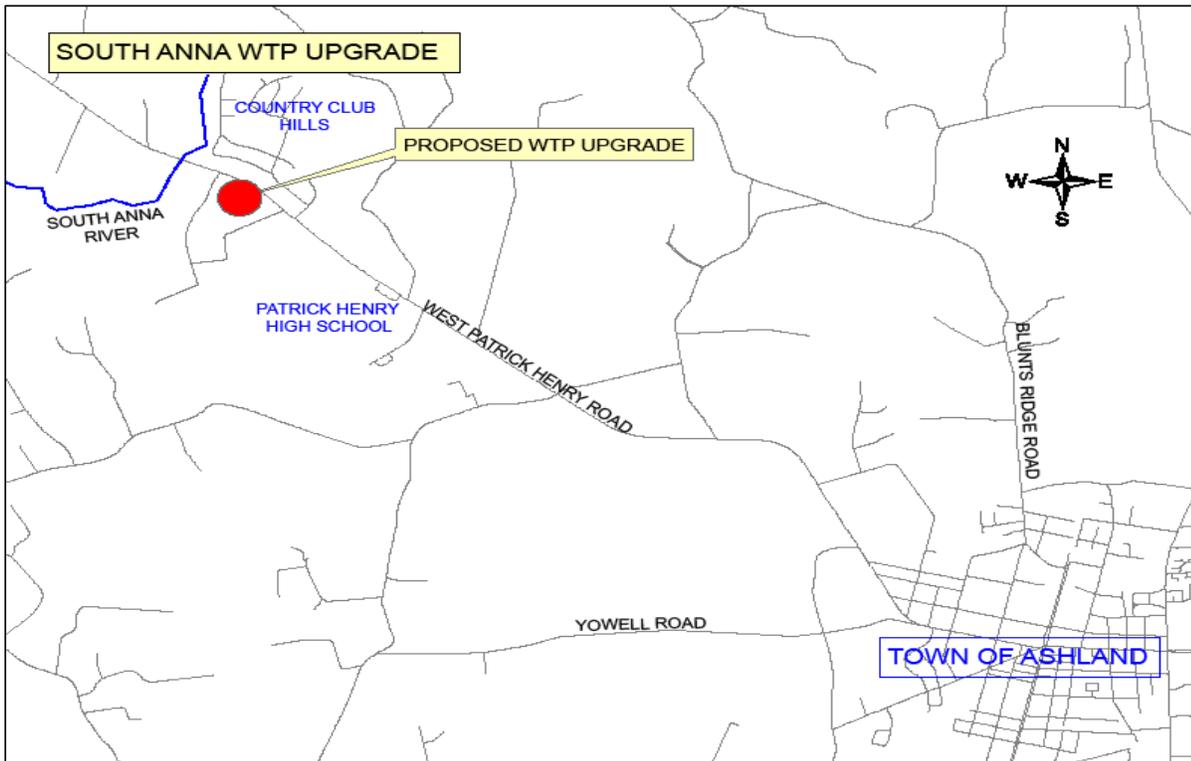
OPERATING IMPACT: \$0

	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
Capacity Fees	\$ -	\$ -	\$ -	\$ 172,000	\$ 351,000	\$ 523,000
Long Term Debt	-	-	-	-	350,000	350,000
Total Funding Sources	\$ -	\$ -	\$ -	\$ 172,000	\$ 701,000	\$ 873,000
Funding Uses						
Professional	\$ -	\$ -	\$ -	\$ 86,000	\$ -	\$ 86,000
Land	-	-	-	86,000	-	86,000
Construction	-	-	-	-	701,000	701,000
Total Funding Uses	\$ -	\$ -	\$ -	\$ 172,000	\$ 701,000	\$ 873,000

Utilities

FUNCTIONAL AREA: Public Utilities
DEPARTMENT: Public Utilities
PROJECT: South Anna Water Treatment Plant Upgrade
LOCATION: South Anna Water Treatment Plant

**DESCRIPTION/
JUSTIFICATION:** The South Anna Water Treatment Plant was taken out of service in 1999 because it was neither cost effective to have it in service, nor was it equipped to meet all VDH regulatory requirements. This project will include design and construction necessary to upgrade the water treatment plant to current VDH standards at its existing capacity of 2.0 MGD.



TIMETABLE: Design & Construction (FY15)

PRIOR YEAR ALLOCATION: \$0

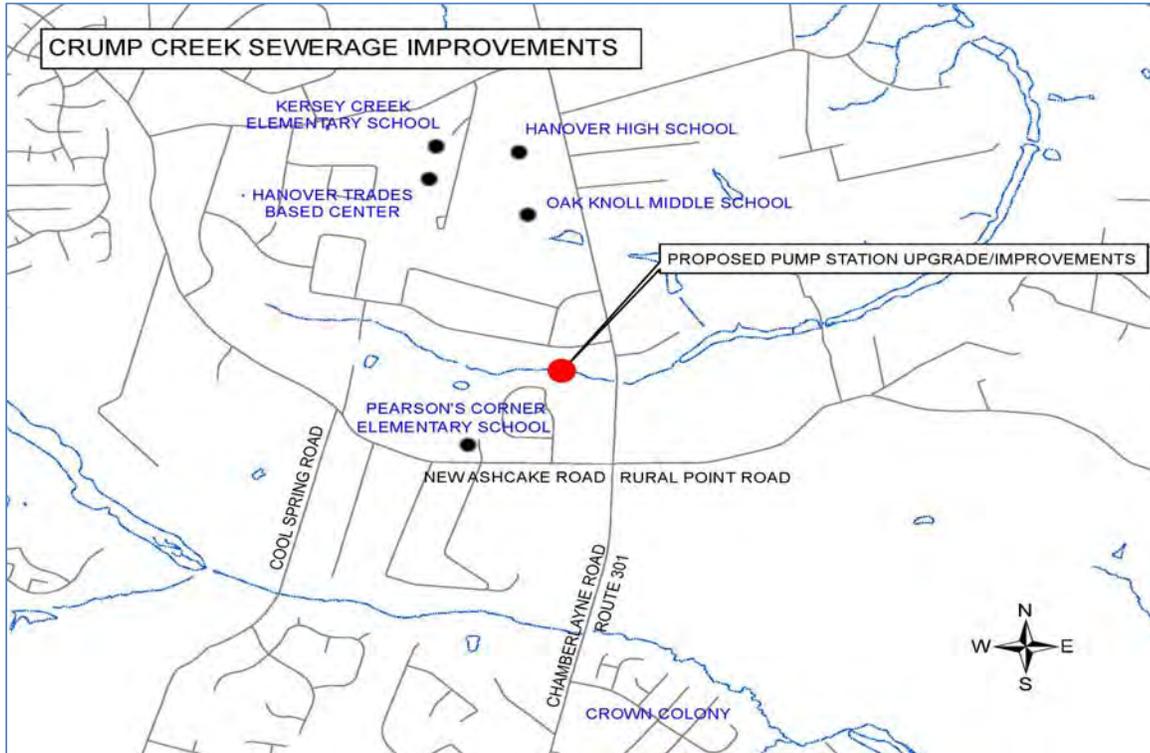
OPERATING IMPACT: \$0

	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
User Fees	\$ -	\$ -	\$ -	\$ -	\$ 1,600,000	\$ 1,600,000
Total Sources	\$ -	\$ -	\$ -	\$ -	\$ 1,600,000	\$ 1,600,000
Funding Uses						
Professional	\$ -	\$ -	\$ -	\$ -	\$ 165,000	\$ 165,000
Construction	-	-	-	-	1,435,000	1,435,000
Total Uses	\$ -	\$ -	\$ -	\$ -	\$ 1,600,000	\$ 1,600,000

Utilities

FUNCTIONAL AREA: Public Utilities
DEPARTMENT: Public Utilities
PROJECT: Crump Creek Sewerage Improvements
LOCATION: Crump Creek Pump Station near Pearsons Corner

**DESCRIPTION/
JUSTIFICATION:** This project provides for construction in FY11 of improvements to the Crump Creek Pump Station to increase its peak flow capacity and reliability by the addition of a flow equalization structure and a screening device.



TIMETABLE: Construction (FY11)

PRIOR YEAR ALLOCATION: \$55,000 - Design

OPERATING IMPACT: \$0

	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
Long Term Debt	\$465,000	\$ -	\$ -	\$ -	\$ -	465,000
Total Sources	\$465,000	\$ -	\$ -	\$ -	\$ -	465,000
Funding Uses						
Construction	\$465,000	\$ -	\$ -	\$ -	\$ -	465,000
Total Uses	\$465,000	\$ -	\$ -	\$ -	\$ -	465,000

Utilities

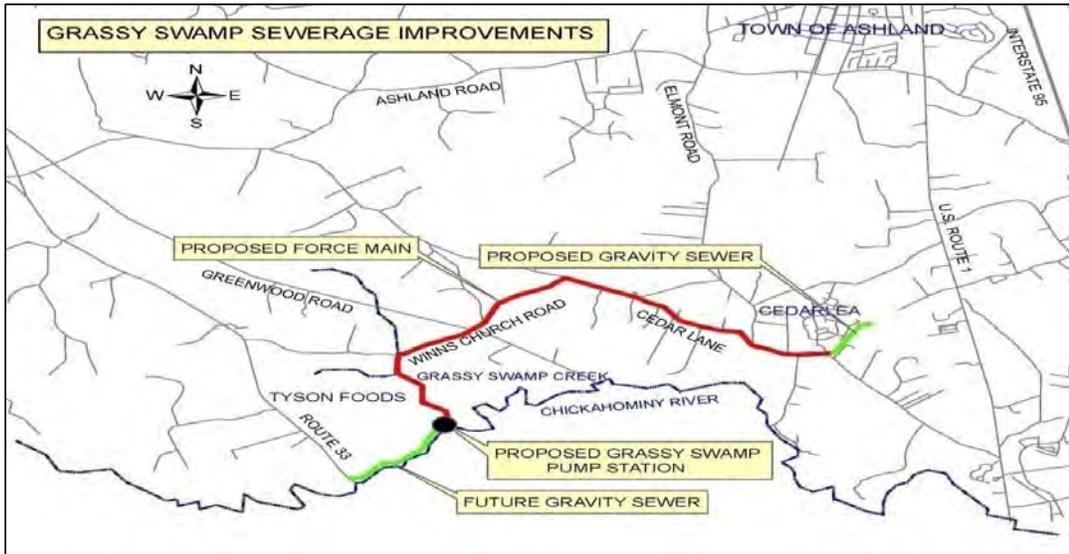
FUNCTIONAL AREA: Public Utilities

DEPARTMENT: Public Utilities

PROJECT: Grassy Swamp Sewerage Improvements

LOCATION: The vicinity of the confluence of Grassy Swamp Creek and the Chickahominy River. Force main runs from the pump station generally along Winns Church Road and Cedar Lane to the existing Stony Run Trunk Sewer (FMP S39 FM, S48 PS, S100 GS)

DESCRIPTION/ JUSTIFICATION: This project provides for the FY11 construction of a 2.5 MGD pump station, 2,350' of 18" gravity sanitary sewer and 23,000' of 16" force main. The pump station is envisioned to be in the vicinity of the confluence of Grassy Swamp Creek and the Chickahominy River with the force main generally following Grassy Swamp Creek to Winns Church Road, and following Winns Church to Cedar Lane to a proposed gravity sewer extension off of the Stony Run Trunk Sewer. The project provides service to the Rt. 33 area.



TIMETABLE: Construction (FY11)

PRIOR YEAR ALLOCATION: \$750,000 - Easement Acquisition

FY12

OPERATING IMPACT: \$3,968

	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
Capacity Fees	\$ 1,800,000	\$ -	\$ -	\$ -	\$ -	1,800,000
Long Term Debt	5,000,000	-	-	-	-	5,000,000
Total Sources	\$ 6,800,000	\$ -	\$ -	\$ -	\$ -	6,800,000
Funding Uses						
Construction	\$ 6,800,000	\$ -	\$ -	\$ -	\$ -	6,800,000
Total Uses	\$ 6,800,000	\$ -	\$ -	\$ -	\$ -	6,800,000

Utilities

FUNCTIONAL AREA: Public Utilities

DEPARTMENT: Public Utilities

PROJECT: Sanitary Sewer and Facility Rehabilitation

LOCATION: Suburban and Courthouse Systems

DESCRIPTION/JUSTIFICATION: This project provides for minor sanitary sewer and facility rehabilitation and improvements that become necessary in order to maintain wastewater infrastructure.

TIMETABLE: Design and Construction (FY11-FY15)

PRIOR YEAR ALLOCATION: \$50,000

OPERATING IMPACT: \$0

	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
User Fees	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 250,000
Total Sources	\$ 50,000	\$ 250,000				
Funding Uses						
Professional	\$ 6,250	\$ 6,250	\$ 6,250	\$ 6,250	\$ 6,250	\$ 31,250
Construction	43,750	43,750	43,750	43,750	43,750	218,750
Total Uses	\$ 50,000	\$ 250,000				

Utilities

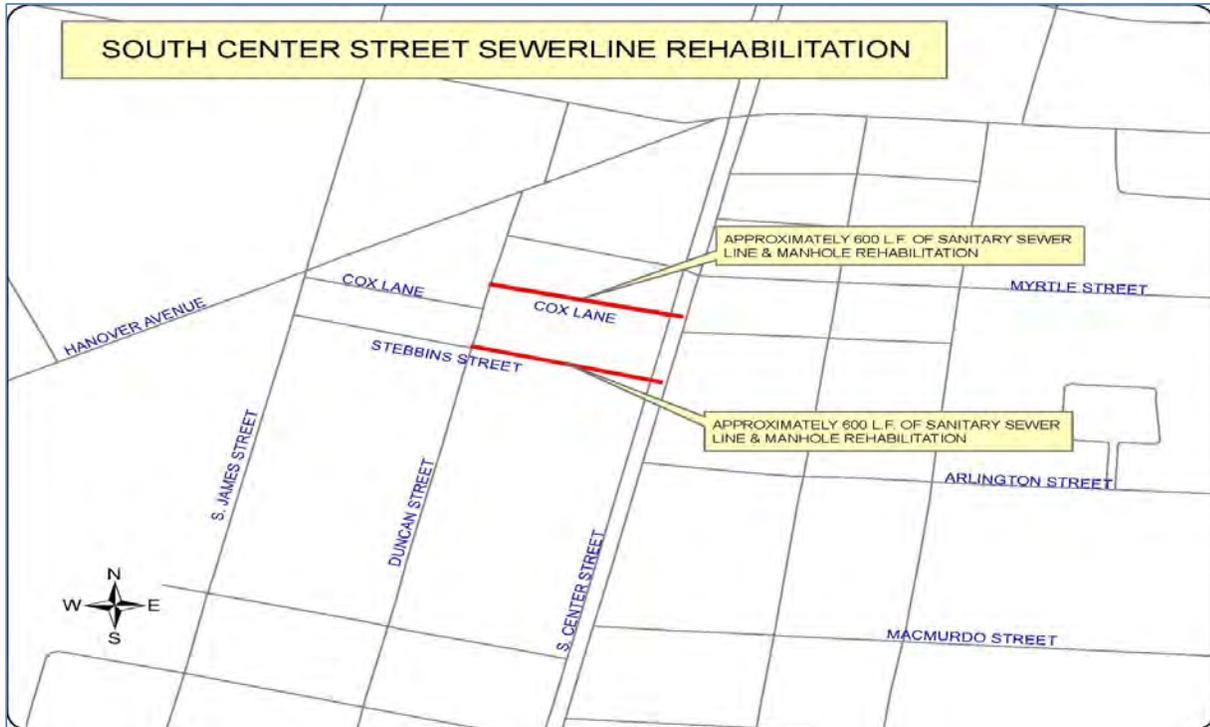
FUNCTIONAL AREA: Public Utilities

DEPARTMENT: Public Utilities

PROJECT: South Center Street Sewerline Rehabilitation

LOCATION: West of South Center Street in the area of Cox Lane and Stebbins Street

**DESCRIPTION/
JUSTIFICATION:** This projects provides for the rehabilitation of approximately 1,200 linear feet of sewerlines and manholes west of South Center Street in the area of Cox Lane and Stebbins Street.



TIMETABLE: Design & Construction (FY11)

PRIOR YEAR ALLOCATION: \$0

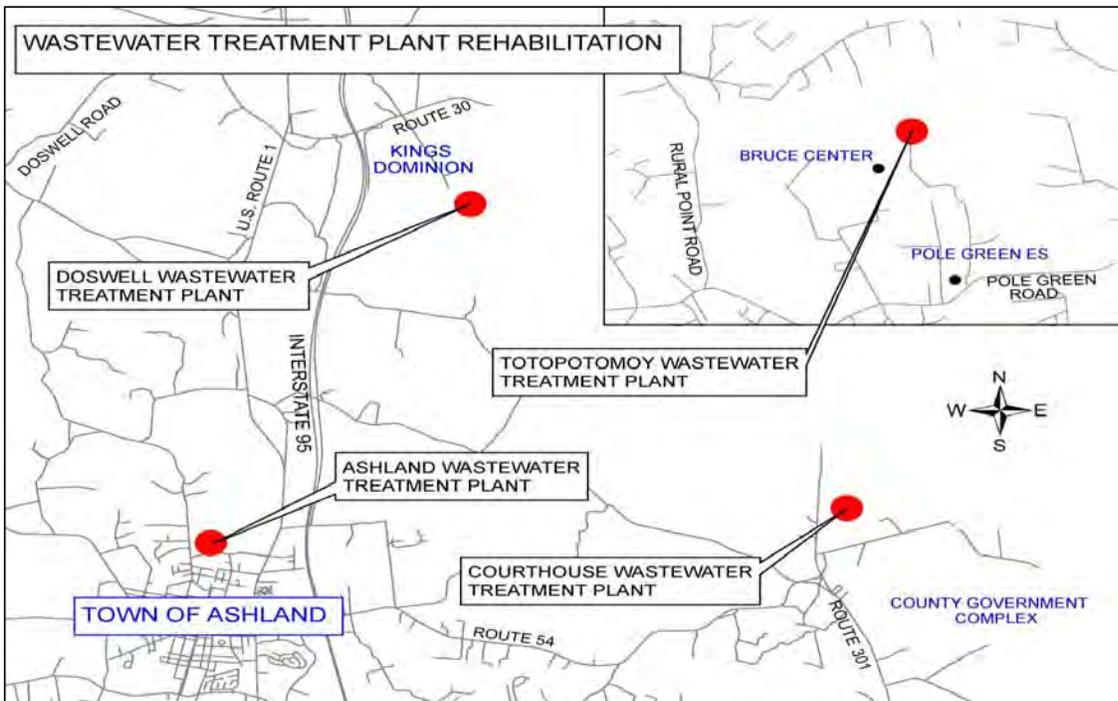
OPERATING IMPACT: \$0

	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
User Fees	\$ 125,000	\$ -	\$ -	\$ -	\$ -	125,000
Total Sources	\$ 125,000	\$ -	\$ -	\$ -	\$ -	125,000
Funding Uses						
Professional	\$ 25,000	\$ -	\$ -	\$ -	\$ -	25,000
Construction	100,000	-	-	-	-	100,000
Total Uses	\$ 125,000	\$ -	\$ -	\$ -	\$ -	125,000

Utilities

FUNCTIONAL AREA: Public Utilities
DEPARTMENT: Public Utilities
PROJECT: Wastewater Treatment Plant Rehabilitation
LOCATION: Ashland, Doswell, Courthouse and Totopotomoy Wastewater

DESCRIPTION/ JUSTIFICATION: This project provides for the continuing funding of rehabilitating existing wastewater treatment plants (Ashland, Doswell, Courthouse and Totopotomoy).



TIMETABLE: Design & Construction (FY11-FY15)

PRIOR YEAR ALLOCATION: \$141,000

OPERATING IMPACT: \$0

	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
User Fees	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 250,000
Total Sources	\$ 50,000	\$ 250,000				
Funding Uses						
Professional	\$ 6,250	\$ 6,250	\$ 6,250	\$ 6,250	\$ 6,250	\$ 31,250
Construction	43,750	43,750	43,750	43,750	43,750	218,750
Total Uses	\$ 50,000	\$ 250,000				

Utilities

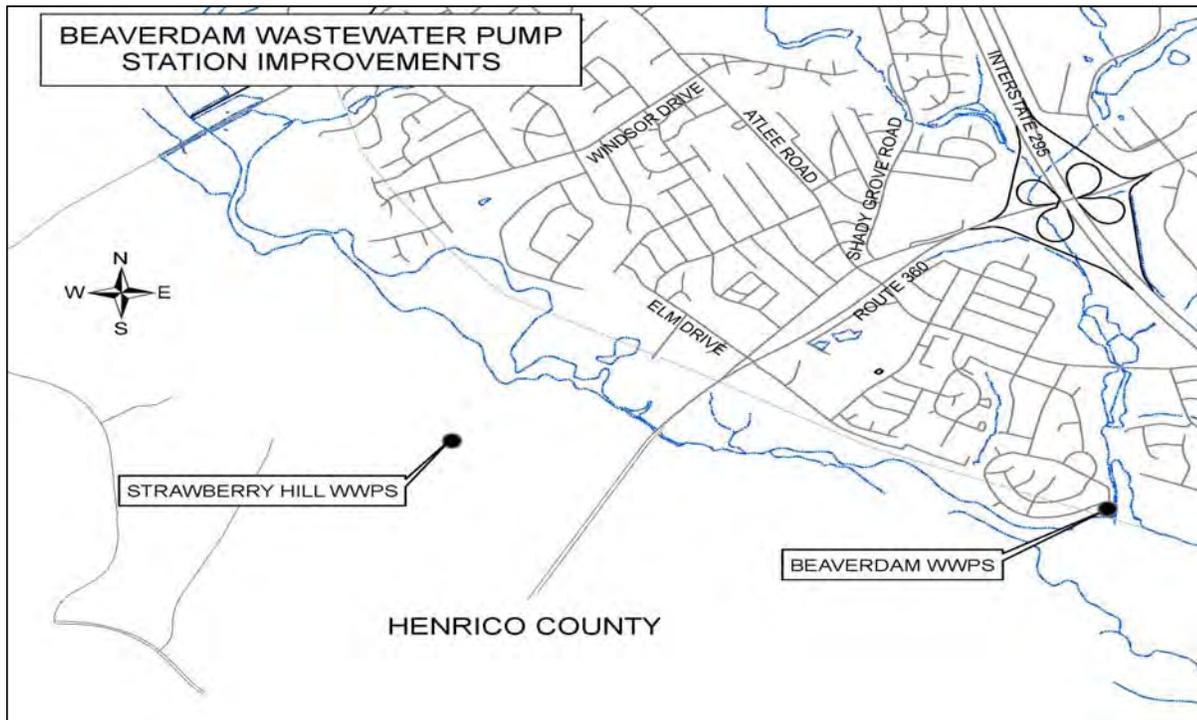
FUNCTIONAL AREA: Public Utilities

DEPARTMENT: Public Utilities

PROJECT: Beaverdam Wastewater Pump Station Improvements

LOCATION: Beaverdam Wastewater Pump Station

**DESCRIPTION/
JUSTIFICATION:** Project includes all construction costs to install corrosion and odor control facilities at the Beaverdam Pump Station. Project based on the July 2007 study conducted by O'Brien and Gere - the most cost effective solution is to install the ECO2 (Superoxygenation) with onsite generation of oxygen.



TIMETABLE: Construction (FY12)

PRIOR YEAR ALLOCATION: \$50,000 - Design

FY13

OPERATING IMPACT: \$23,881

	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
Long Term Debt	\$ -	\$ 412,000	\$ -	\$ -	\$ -	\$ 412,000
Total Sources	\$ -	\$ 412,000	\$ -	\$ -	\$ -	\$ 412,000
Funding Uses						
Construction	\$ -	\$ 412,000	\$ -	\$ -	\$ -	\$ 412,000
Total Uses	\$ -	\$ 412,000	\$ -	\$ -	\$ -	\$ 412,000

Utilities

FUNCTIONAL AREA: Public Utilities

DEPARTMENT Public Utilities

PROJECT: Washington Highway Sewerline Rehabilitation

LOCATION: Along Washington Highway between College Avenue and Pleasant

**DESCRIPTION/
JUSTIFICATION:** This project provides for the rehabilitation of approximately 2,100 linear feet of sewerlines and manholes along Washington Highway between College Avenue and Pleasant Street.



TIMETABLE: Design & Construction (FY12)

PRIOR YEAR ALLOCATION: \$0

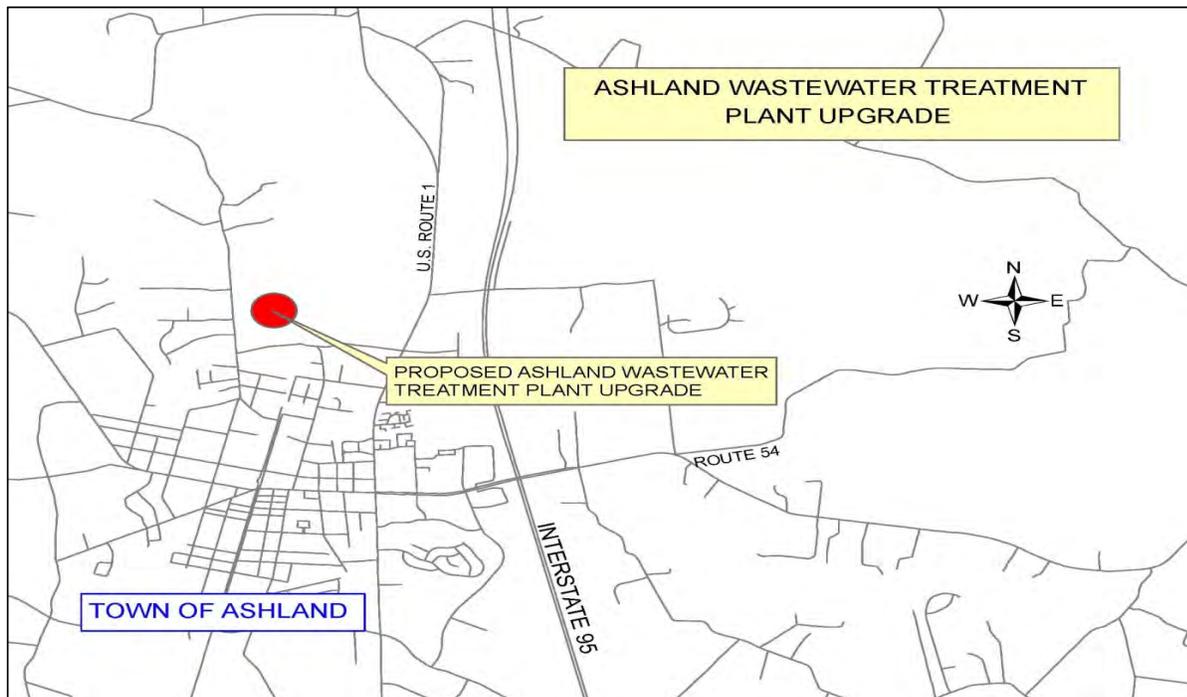
OPERATING IMPACT: \$0

	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
User Fees	\$ -	\$ 300,000	\$ -	\$ -	\$ -	\$ 300,000
Total Sources	\$ -	\$ 300,000	\$ -	\$ -	\$ -	\$ 300,000
Funding Uses						
Professional	\$ -	\$ 30,000	\$ -	\$ -	\$ -	\$ 30,000
Construction	-	270,000	-	-	-	270,000
Total Uses	\$ -	\$ 300,000	\$ -	\$ -	\$ -	\$ 300,000

Utilities

FUNCTIONAL AREA: Public Utilities
DEPARTMENT: Public Utilities
PROJECT: Ashland Wastewater Treatment Plant Alkalinity Feed System
LOCATION: Ashland Wastewater Treatment Plant

DESCRIPTION/JUSTIFICATION: This project provides for adding an alkalinity feed system to the orbital Aerator at the Ashland Wastewater Treatment Plant, including a tank, mixer, 3 feed pumps, tubing, electrical feeds and other related items. The alkalinity feed system allows for better control of the pH and is a safer method of application than adding chemicals by hand.



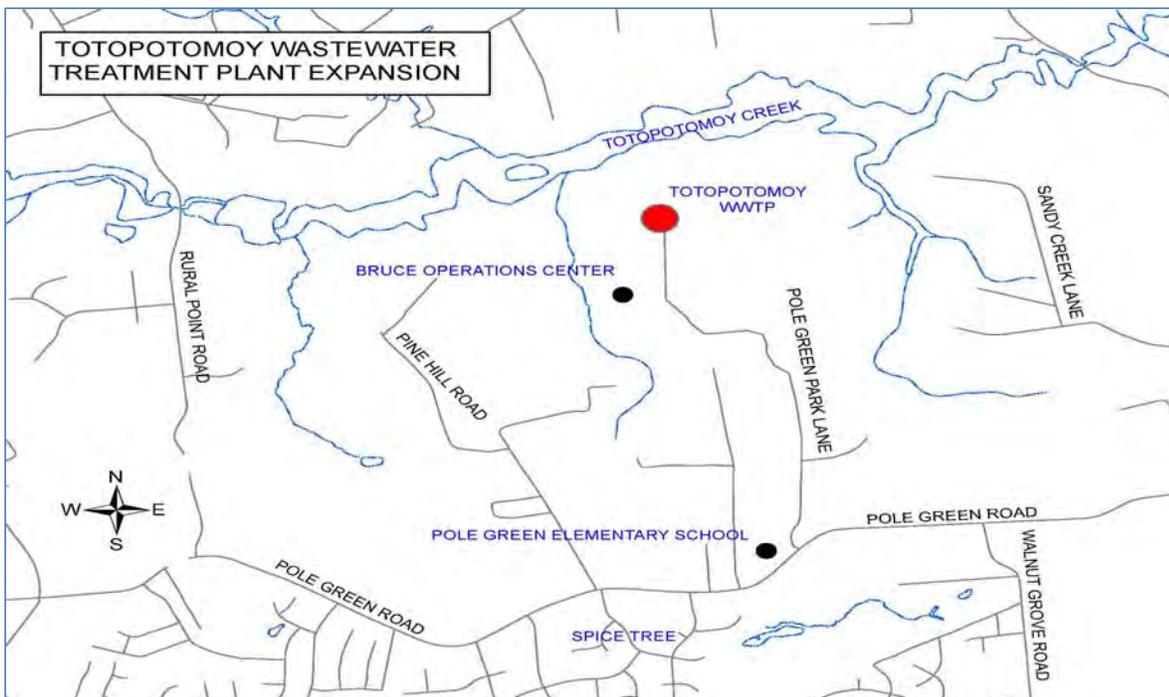
TIMETABLE: Design (FY12) & Construction (FY13)
PRIOR YEAR ALLOCATION: \$0
OPERATING IMPACT: \$0

	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
User Fees	\$ -	\$ 25,000	\$ 100,000	\$ -	\$ -	\$ 125,000
Total Sources	\$ -	\$ 25,000	\$ 100,000	\$ -	\$ -	\$ 125,000
Funding Uses						
Professional	\$ -	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000
Construction	-	-	100,000	-	-	100,000
Total Uses	\$ -	\$ 25,000	\$ 100,000	\$ -	\$ -	\$ 125,000

Utilities

FUNCTIONAL AREA: Public Utilities
DEPARTMENT: Public Utilities
PROJECT: Totopotomoy Wastewater Treatment Plant Expansion
LOCATION: Totopotomoy Wastewater Treatment Plant

**DESCRIPTION/
JUSTIFICATION:** This project provides for the phased in expansion of the Totopotomoy Wastewater Treatment Plant from 7 MGD to 10 MGD. Expansion related upgrades include 2 BTF units, blowers, additional UV disinfection units, effluent pumps, supplemental carbon addition, influent screen and other related items. It is anticipated that the first phase will include the upgrade of the blowers.



TIMETABLE: Construction (FY13)

PRIOR YEAR ALLOCATION: \$0

OPERATING IMPACT: \$0

	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
Long Term Debt	\$ -	\$ -	\$ 2,000,000	\$ -	\$ -	\$ 2,000,000
Total Sources	\$ -	\$ -	\$ 2,000,000	\$ -	\$ -	\$ 2,000,000
Funding Uses						
Construction	\$ -	\$ -	\$ 2,000,000	\$ -	\$ -	\$ 2,000,000
Total Uses	\$ -	\$ -	\$ 2,000,000	\$ -	\$ -	\$ 2,000,000

Utilities

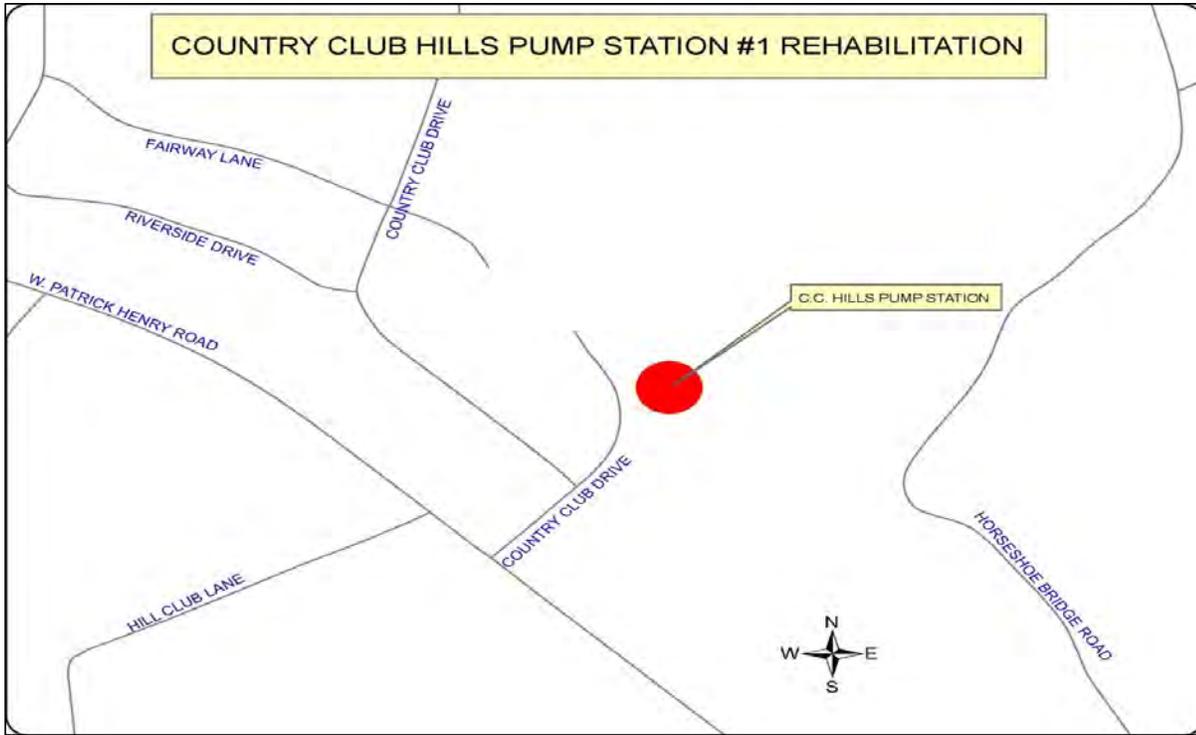
FUNCTIONAL AREA: Public Utilities

DEPARTMENT: Public Utilities

PROJECT: Country Club Hills Pump Station #1 Rehabilitation

LOCATION: Country Club Hills Pump Station #1

**DESCRIPTION/
JUSTIFICATION:** Replacement of station piping, valving, pumps, complete rail system, fencing and landscaping.



TIMETABLE: Design & Construction (FY13)

PRIOR YEAR ALLOCATION: \$0

OPERATING IMPACT: \$0

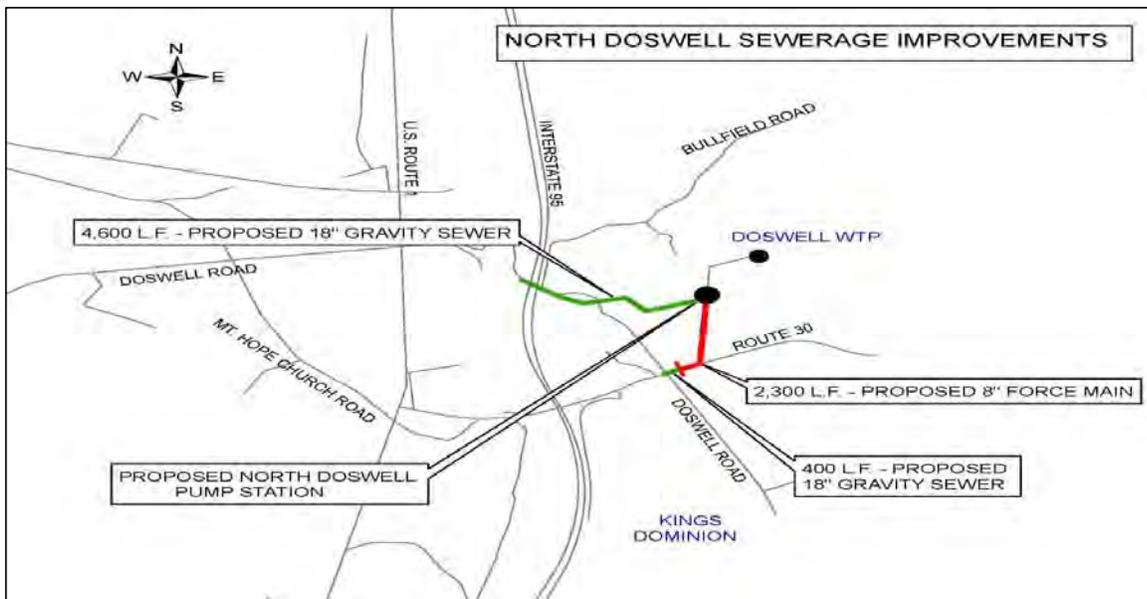
	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
User Fees	\$ -	\$ -	\$ 111,000	\$ -	\$ -	\$ 111,000
Total Sources	\$ -	\$ -	\$ 111,000	\$ -	\$ -	\$ 111,000
Funding Uses						
Professional	\$ -	\$ -	\$ 15,000	\$ -	\$ -	\$ 15,000
Construction	-	-	96,000	-	-	96,000
Total Uses	\$ -	\$ -	\$ 111,000	\$ -	\$ -	\$ 111,000

Utilities

FUNCTIONAL AREA: Public Utilities
DEPARTMENT: Public Utilities
PROJECT: North Doswell Sewerage Improvements

LOCATION: Pump station in the vicinity of the Doswell Water Treatment Plant access road off of Rt. 30. Force main to extend from pump station along the Doswell Water Treatment Plant access road and discharge to a proposed extension of the existing gravity sewer (FMP S92 FM, S91 PS, S90 GS)

DESCRIPTION/ JUSTIFICATION: This project provides for the FY15 construction of a 1 MGD pump station, 2,300' of 8" force main, and 5,000' of 18" gravity trunk sewer. The pump station is to be north of Rt. 30 in the vicinity of where the Doswell Water Treatment Plant access road crosses an unnamed creek with the force main heading south and then west to an extension of the existing gravity sewer. A gravity trunk sewer will extend approximately 4,600' from the pump station up the unnamed creek and then parallel to Doswell Road to just west of I-95. The project provides service to the Doswell area generally north of Rt. 30 to just west of where I-95 crosses Doswell Road.



TIMETABLE: Construction (FY15)

PRIOR YEAR ALLOCATION: \$260,000 - Easement Acquisition

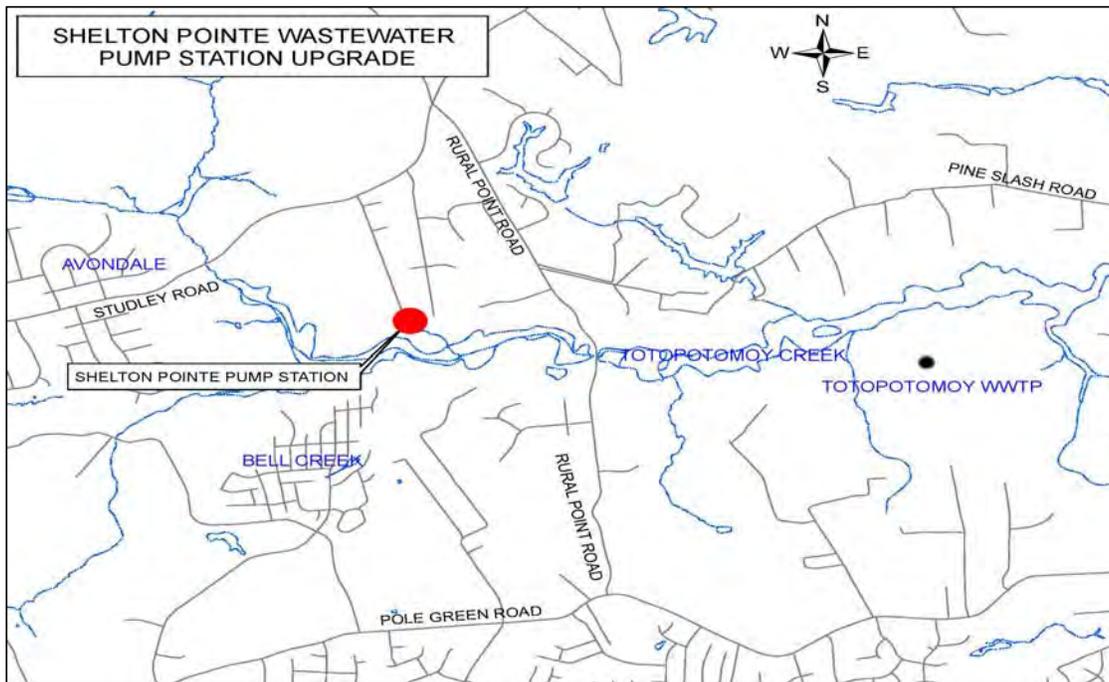
OPERATING IMPACT: FY16 \$4,466

	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
Capacity Fees	\$ -	\$ -	\$ -	\$ -	\$ 3,500,000	\$ 3,500,000
Total Sources	\$ -	\$ -	\$ -	\$ -	\$ 3,500,000	\$ 3,500,000
Funding Uses						
Construction	\$ -	\$ -	\$ -	\$ -	\$ 3,500,000	\$ 3,500,000
Total Uses	\$ -	\$ -	\$ -	\$ -	\$ 3,500,000	\$ 3,500,000

Utilities

FUNCTIONAL AREA: Public Utilities
DEPARTMENT: Public Utilities
PROJECT: Shelton Pointe Pump Station Upgrade
LOCATION: Shelton Pointe Pump Station (FMP S59)

**DESCRIPTION/
JUSTIFICATION:** This project provides for the FY15 design for the expansion of the Shelton Pointe Pump Station to 5.75 MGD through installation of new pumps to address growth in the basin and the rerouting of flows from the Middle Chickahominy Pump Station and Pump Station #5.



TIMETABLE: Design (FY15)

PRIOR YEAR ALLOCATION: \$0

OPERATING IMPACT: \$0

	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
Capacity Fees	\$ -	\$ -	\$ -	\$ -	\$ 78,000	\$ 78,000
Total Sources	\$ -	\$ -	\$ -	\$ -	\$ 78,000	\$ 78,000
Funding Uses						
Professional	\$ -	\$ -	\$ -	\$ -	\$ 78,000	\$ 78,000
Total Uses	\$ -	\$ -	\$ -	\$ -	\$ 78,000	\$ 78,000

Utilities

FUNCTIONAL AREA: Public Utilities

DEPARTMENT: Public Utilities

PROJECT: Vehicle Replacement

LOCATION: N/A

**DESCRIPTION/
JUSTIFICATION:** FY11 - Replace 1 ton utility body work truck which was purchased in 1999. At the time of replacement it will be 12 years old with a projected 252,000 to 261,000 miles. FY12 - Replace sewer inspection CCTV van which was purchased in 1996. At the time of replacement it will be 15 years old with a projected 90,000 to 100,000 miles.

TIMETABLE: Purchase Vehicles (FY11 and FY12)

PRIOR YEAR ALLOCATION: \$0

OPERATING IMPACT: \$0

	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
User Fees	\$ 60,000	\$ 170,000	\$ -	\$ -	\$ -	\$ 230,000
Total Sources	\$ 60,000	\$ 170,000	\$ -	\$ -	\$ -	\$ 230,000
Funding Uses						
Vehicles	\$ 60,000	\$ 170,000	\$ -	\$ -	\$ -	\$ 230,000
Total Uses	\$ 60,000	\$ 170,000	\$ -	\$ -	\$ -	\$ 230,000

Utilities

FUNCTIONAL AREA: Public Utilities

DEPARTMENT: Public Utilities

PROJECT: Communication System Radio Replacement

LOCATION: N/A

**DESCRIPTION/
JUSTIFICATION:** This project provides for the replacement of 6 base stations and 57 hand held radios for the department. The replacement will coincide with the implementation of the County's new Communication System.

TIMETABLE: Radio Replacement (FY12)

PRIOR YEAR ALLOCATION: \$0

OPERATING IMPACT: \$0

	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
User Fees	\$ -	\$ 167,000	\$ -	\$ -	\$ -	\$ 167,000
Total Sources	\$ -	\$ 167,000	\$ -	\$ -	\$ -	\$ 167,000
Funding Uses						
Equipment	\$ -	\$ 167,000	\$ -	\$ -	\$ -	\$ 167,000
Total Uses	\$ -	\$ 167,000	\$ -	\$ -	\$ -	\$ 167,000

Utilities

FUNCTIONAL AREA: Public Utilities
DEPARTMENT: Public Utilities
PROJECT: Supervisory Control and Data Acquisition
LOCATION: Various installation throughout the County

**DESCRIPTION/
JUSTIFICATION:** Project follows recommendations established in the SCADA Master Plan which include replacement of the existing Rugid system, "Backbone" development, headend at the James T. Bruce Operations Center and the Doswell Water Treatment Plant, upgrades at Lockwood Water Pump Station and the Totopotomoy Wastewater Treatment Plant and tie in of the Doswell Wastewater Treatment Plant and the Ashland Wastewater Treatment Plant. FY13 headend at the James T. Bruce Operations Center; FY15 Backbone installation.

TIMETABLE: Design & Construction (FY13 & FY15)

PRIOR YEAR ALLOCATION: \$0

OPERATING IMPACT: \$0

	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
User Fees	\$ -	\$ -	\$ 419,000	\$ -	\$ 256,000	\$ 675,000
Total Sources	\$ -	\$ -	\$ 419,000	\$ -	\$ 256,000	\$ 675,000
Funding Uses						
Professional	\$ -	\$ -	\$ 184,360	\$ -	\$ 25,600	\$ 209,960
Construction	-	-	234,640	-	230,400	465,040
Total Uses	\$ -	\$ -	\$ 419,000	\$ -	\$ 256,000	\$ 675,000

Utilities

FUNCTIONAL AREA: Public Utilities
DEPARTMENT: Public Utilities
PROJECT: Vacuum Excavator
LOCATION: N/A
**DESCRIPTION/
JUSTIFICATION:** FY15 replacement of vacuum excavator originally purchased in 2001.
TIMETABLE: FY15
PRIOR YEAR ALLOCATION: \$0
OPERATING IMPACT: \$0

	FY11	FY12	FY13	FY14	FY15	Totals
Funding Sources						
User Fees	\$ -	\$ -	\$ -	\$ -	\$ 81,000	\$ 81,000
Total Sources	\$ -	\$ -	\$ -	\$ -	\$ 81,000	\$ 81,000
Funding Uses						
Vacuum Excavator	\$ -	\$ -	\$ -	\$ -	\$ 81,000	\$ 81,000
Total Uses	\$ -	\$ -	\$ -	\$ -	\$ 81,000	\$ 81,000

Budget Directives

In September, all County department and agency heads are requested by the Director of Finance to submit operating and capital improvement budget in accordance to the following guidelines:

1. Operating Budget

- a) Provide detailed descriptions of each line item request, highlighting any changes that have caused a fluctuation in amounts from one year to another. Detailed descriptions include, for example, listing of all memberships, dues, continuing education, professional service contracts and maintenance contracts.
- b) Provide documentation for any requests for additional personnel or position changes, including detailed operating and capital costs incurred as a result of the additional personnel or position change, and an organizational chart indicating where this position is classified in relation to the department.
- c) Provide a detailed justification of capital items greater than \$5,000 unit cost submitted in the budget, including capital item name, whether capital item is a replacement or an addition, unit cost of capital item, and quantity of each item.
- d) Verify all departmental positions, both vacant and filled, and proposed compensation as provided by the Finance department.
- e) Departments charged with the oversight of the calculation and/or collection of revenue (tax, service fee, grant, etc.), must provide a detailed analysis of both demand factors and rates are formulated to calculate such revenue.

2. Capital Budget

- a) Submit justification and description of any major capital expenditure (\$50,000 or more) complete with an analysis of impact on the operating budget for the following five years.
- b) Provide documentation of any non-local funding (e.g. debt proceeds, grants, etc.) to be used to fund the capital project.
- c) Construction projects must be supported with common attributes, such as square footage, and cost per square foot, and acreage.

3. Five-Year Financial Plan

- a) Submit justification and description of any service level change, additional personnel, position changes, or capital items for the following five fiscal years.
- b) Provide documentation of any non-local funding for the Service Level Plan.

Budget Policy

I. Background

- A. This policy prescribes procedures and requirements of the budget formulation process, including the adoption of the Five-Year Financial Plan and the Capital Improvements Program (CIP).
- B. This budget policy also prescribes procedures and requirements of the budget management process.

II. Budget Calendar

- A. The following guidelines will be used in establishing the annual budget calendar
 - 1. The proposed operating budget, Capital Improvements Program, and Five-year Financial Plan will be presented by the fourth Wednesday in February.
 - 2. Informational budget sessions and workshops will be presented between presentation of proposed budget and adoption of the budget, with special meetings held by the Board if necessary.
 - 3. The public hearing will generally be held by the first Wednesday in April with consideration of the public hearing not being held the week of spring break for the schools.
 - 4. The budget shall be adopted in accordance with applicable statutes.
- B. Budget Board meeting dates will be established as part of the Board of Supervisors' Meeting Schedule.

III. Budget Guidelines

- A. The overall objective of the budget is to provide a balanced financial plan in total and by fund that adheres to the County's mission statement, long range strategic plans and/or current initiatives.

A balanced budget is a budget with total expenditures equal to total revenues, including use of fund balance.
- B. Initiatives that are presented to the Board of Supervisors should ensure compliance with the mission statement.
- C. Annual recurring budget guidelines shall be focused in certain areas, with additional guidelines and/or objectives formulated, if applicable, by the County Administrator in the formulation of the proposed budget.
 - 1. Priority service levels
 - a. Education: Provide a funding plan for the Hanover County Schools that maintains favorable student -teacher ratios, provides appropriate instructional materials and provides appropriate capital infrastructure to limit overcrowding.
 - b. Public Safety: Provide staffing and equipment, for law enforcement and public safety departments to ensure that desired standards can be achieved and maintained in an effective and efficient manner.

Budget Policy

2. Sound financial management practices
 - a. Mitigate the tax rate burden upon the citizens and dependency upon the real property tax rate through provision of service delivery in the most efficient and effective manner while maximizing opportunities for additional revenues from non-local tax sources (e.g., State revenues) and diversification of local revenue sources.
 - b. Prepare and adopt Five-Year Financial Plans and Five-Year Capital Improvements Program to describe funding sources and anticipated expenditures for operating and capital needs.
 - c. Provide recommendations which include recurring revenue to meet recurring expenses.
 - d. Ensure adequate reserves, limits on the County's debt burden, and maintenance or improvement of the County's bond ratings.
 - e. Include general obligation bond funding only if any required referendum is anticipated to be supported by the community.
3. Employee Compensation
 - a. Provide adequate employee compensation including consideration of pay for performance increases, salary benchmark adjustments, if applicable, and a comprehensive benefits plan.
 - b. Ensure that compensation and benefits provided will be market sensitive and enable the County and School system to attract and retain outstanding employees.
4. Public Utilities
 - a. Operate a water and wastewater system as a self-supporting enterprise fund that provides high quality and reliable service delivery to customers, including the development of a capital improvement program.
 - b. Limit user and/or capacity fee rate increases to that which is needed to ensure long-term viability of the system.

IV. Five-Year Capital Improvements Program

- A. The Capital Improvements Program is a plan for capital expenditures and a means of planning for funding facilities, equipment, and vehicles with a unit cost greater than \$50,000 during the next five fiscal years.
- B. General governmental projects will be funded by General Fund revenues (i.e. "pay as you go funding"). In general at least 10% of the total five-year general government portion of the Capital Improvements Program should be funded by non-debt sources (e.g., General Fund, proffers and grants) over the five-year period.

Budget Policy

- C. In designing a school capital improvement program, formulation of the Capital Improvements Program will illustrate that no individual school is over capacity by 10% for more than three consecutive years without consideration of attendance boundary adjustments or other appropriate measures.

V. Five-Year Financial Plan

- A. The plan will identify all major budget assumptions, including the anticipated collection of revenues, use of fund balance, expenditures, future operating costs of capital improvements, and proposed changes in service levels and fees.
- B. The plan will clearly describe proposed service levels and the means to finance such service levels over the five-year period.
- C. Compliance with debt and fund balance policies shall be maintained for each year of the plan.
- D. Reserve for contingencies will be appropriated in the General Fund at an amount equal to at least 0.5% of the General Fund budget, net of capital improvement transfer.
- E. Financial plans enable the funds subject to such plans to be managed to maintain financial stability over the long-term by identifying current trends and future challenges; identifying the most appropriate mix of funding sources; analyzing debt options and timing to minimize borrowing costs; encouraging strong fiscal and operational management; and encouraging consistency and financial integrity.

VI. Public Utilities

- A. The costs associated with providing water and wastewater service shall be allocated between service types, uniform for similar types and classes of customers, and separate rates shall be established for each service type to avoid subsidies between services and match costs to the benefits derived by the ratepayer.
- B. Rates will be established using a generally accepted rate setting methodology that would include analysis of revenue requirements, cost of services, rate design and rate implementation impact.
- C. Utility projects, including debt service as applicable, will be funded by capacity fees as it pertains to increased capacity and improvements for new customers and by user fees in the maintenance and rehabilitation of the overall system for the existing customer.

VII. Budget Adoption

- A. The budget adoption resolutions include approval for the reappropriation of all encumbered balances and capital project unencumbered balances at fiscal year-end.
- B. All related ordinance changes and other budgetary issues requiring Board of Supervisors approval will be presented to the Board for consideration with the proposed budget adoption.
- C. The Adopted Budget Document will be forwarded to the GFOA and other interested parties within 90 days of budget adoption for the Distinguished Budget Award program.

Budget Policy

VIII. Budget Amendments

- A. Budget authorization levels are classified in three tiers for all non-education funds as follows:
 1. Department Heads are authorized to transfer up to \$2,000 per month within their departmental budget categories of personnel, operating or capital.
 2. The County Administrator is authorized to:
 - a. Transfer within departmental budget categories of personnel, operating and capital.
 - b. Transfer up to \$25,000 per month between departmental budget categories and/or departments and related capital project.
 - c. Transfer up to \$25,000 per topic or issue for any revenue change (e.g., insurance recoveries, grants and gifts).
 - d. Transfer reserve for contingencies to departmental and/or capital budgets up to \$5,000 per topic or issue involving need for such reserve funding.
 3. Approval of the Board is needed for all other transfers, including those transfers that increase the County's total appropriated budget.
- B. Any transfer that increases the total revenues for any of the education funds shall require the approval of the Board of Supervisors following approval by the School Board.
- C. All transfers requiring Board approval that have been initiated from the Community Services Board or Social Services Board must have prior approval by the appropriate Board, unless otherwise prescribed by the County Administrator.
- D. Public hearings and associated notice for budget amendments will be conducted in accordance with applicable statutes.

IX. Reappropriation of Balances

- A. Unencumbered funds for capital projects and encumbered funds, both operating and capital, are reappropriated annually by the Board of Supervisors during the budget approval process.
- B. Except for those funds reappropriated by the Board, appropriations lapse on June 30.
- C. A review of capital projects will be conducted at year end to determine the necessity for reappropriated funds. Those which are determined to be unnecessary will be transferred to other uses, as determined by the County Administrator.

Budget Regulations

1. Budget Objectives and Calendar

- a) The County Administrator will identify proposed budget objectives and establish a budget schedule in conformance with County policy.
- b) The budget objectives will provide policy direction for the formulation of the County Administrator's proposed budget and the budget calendar will identify important dates throughout the budget preparation and adoption period.
- c) The following issues shall be considered in the development of budget objectives:
 - i) Adoption of budget, five-year financial plan and five-year capital improvements program.
 - ii) Funding of school target methodology whereby the allocation of General Fund monies for the education function corresponds to the growth of on-going revenues (excluding revenues tied directly to a general government service) and supported by defined objectives (e.g., merit increases, inflation, enrollment growth, student-teacher ratios).
 - iii) Anticipated property tax rate levels.
 - iv) Provision of adequate employee compensation including pay for performance increases for County and School employees and salary benchmark adjustments that will be market sensitive in ensuring the County and School system retain and attract outstanding employees.
 - v) Compliance with financial policies and maintenance or enhancement of bond ratings.
 - vi) Anticipated Public Utility rate levels and self-supporting nature of Enterprise Funds.
- d) The following items will be considered in conjunction with the budget preparation and adoption process unless it has been determined that the issues must be considered in a more expedited manner.
 - i) Ordinance changes involving fee/rate changes
 - a) Consideration should be given for the establishment of new fees directly associated with a service provided and the review of existing fees to ensure fees recover an acceptable portion of the expenses associated with the service.
 - b) Fees and programs should be reviewed to determine the availability of alternative revenue sources to diversify the County's revenues and reduce the dependence on any one revenue to fund the County's budget.
 - ii) New positions or changes to existing positions.
 - iii) Requests for a bond referendum.

Budget Regulations

- iv) Reimbursement and debt authorization resolutions for any proposed debt issuance to finance capital projects.
- e) Recovered costs of the General Fund will include an appropriation equal to 100% from the most recent cost allocation plan for services provided by the General Fund to the Enterprise Funds inflated to the appropriate budget year and with a matching expenditure appropriation made in the Enterprise Funds.

2. Five Year Capital Improvements Program (CIP)

- a) The operating impact of proposed capital projects, including personnel, operating expenditures, capital outlay and debt service, as applicable, will be identified in the CIP document and considered in preparing the Five Year Financial Plan for the General Fund.
- b) In order to best position the County for future capital improvement needs, land acquisition of suitable sites will be considered, when feasible, at least two years prior to the construction period.

3. Five Year Financial Plan

- a) All on-going programs will be funded with on-going revenues, when possible. When such a funding source is not available, future on-going revenues and/or a corresponding decrease in another on-going expenditure will be identified in the Five-Year Financial Plan to properly fund the program for the long-term.
- b) It is the County's desire to pursue 100% non-local funding for any program or service mandated upon the County from the State and/or Federal government, with any unfunded mandate managed within the current revenue structure and/or re-allocation of existing resources.

4. Budget Preparation

- a) The Finance Department and County Administrator will establish a budget schedule by October 1, which will include important dates throughout the budget preparation period.
- b) All departments, excluding the School Board, will submit their requested budget to the Finance Department by a date and format established by the County Administrator, with the requested budget providing detail as to personnel, operating and capital requests, including five year capital improvement program requests, five year financial plan requests and performance objectives.
- c) County and School officials will work together in updating the school target methodology and various components of the methodology (e.g., enrollment projections, capital improvements program, debt issuance schedule, availability of funding, etc.) and agree to a school target by January 15.
- d) County Boards and Other Organizations

Budget Regulations

- i) The Community Services Board and Social Services Board shall approve the departmental budget request of their respective organizations prior to submission to the County Administrator.
- ii) The School Superintendent shall submit a recommended budget by January 15 and the School Board shall approve the budget request, with any enumerated changes, by February 1.
- iii) The Parks and Recreation Advisory Committee shall submit a total budget request for funds for County parks and recreation related organizations, with any changes enumerated by the County Administrator and/or Board that upon final adoption shall be administered by the Parks and Recreation Advisory Committee in accordance with the Board's Administrative Policy.
- e) The County Administrator shall submit to the Board of Supervisors a proposed budget by the fourth Wednesday in February to include proposed expenditures, segregated at the departmental level between personal services, operating expenditures and capital outlay, and a means of financing the expenditures, for the fiscal year commencing July 1.
- f) Budget workshops will be scheduled with the Board of Supervisors as deemed necessary to provide detailed information on budgetary issues.
- g) The Planning Commission shall review the County Administrator's Proposed Five Year Capital Improvements Program (CIP) and provide a recommendation on the CIP to the Board of Supervisors.
- h) A consolidated public hearing on the budget, CIP, Five Year Financial Plan, ordinance changes and personal property tax rates (with a separate public hearing on the real property tax rate, if applicable) shall be held no later than the second Wednesday in April.
- i) The consolidated public hearing notices shall be advertised in accordance with applicable statutes.
- j) If significant issues arise in which greater time is needed for the formulation of the Superintendent's Proposed, County Administrator's Proposed and/or Board of Supervisors Adopted Budget, the budget preparation calendar can be extended upon approval of the Board and subject to State imposed deadlines.

5. Budget Adoption

- a) Generally, one week following the public hearing, the Board of Supervisors shall adopt a balanced budget, five-year capital improvements program and five-year financial plan.
- b) The budget is legally enacted through adoption of an appropriations resolution for all governmental and proprietary fund types with the resolutions appropriating budget balances by fund.
- c) Although legal restrictions on expenditures are established at the fund level, effective administrative control over expenditures is maintained through the establishment of more detailed line-item budgets.

Budget Regulations

- d) At all times the County will maintain compliance with the applicable statutes in appropriating, advertising public notices, ordinance changes, requests for bond referenda and any other legal restrictions imposed upon localities.

6. Budget Amendments

- a) The following budget authorization levels have been established by the School Board (as School Board has authorization to set its own budget thresholds, County Budget regulations are automatically modified to always be in compliance with School Board budget transfer policy):
 - i) All School Board transfers between \$20,000 - \$75,000 shall require the approval of the Superintendent and all transfers below \$20,000 shall require the approval of the Superintendent's designee.
 - ii) Transfers that exceed \$75,000 shall require the approval of the School Board.
- b) If fund deficits are anticipated within a fiscal year, recommended spending reductions will be proposed by the County Administrator to the Board of Supervisors when there is not sufficient undesignated fund balance above the policy to offset the deficit. All anticipated fund deficits will be reported to the Board of Supervisors.
- c) Budget amendments can be processed with Finance authorization for line-item transfers correcting a previously mis-posted entry and/or enhancement of classification of a line-item from to more appropriate description of intended object of expenditure or receipt of revenue.

7. Reappropriation of Balances

- a) The County Administrator will submit to the Board of Supervisors at their meeting on the fourth Wednesday in August a proposed budget amendment for the reappropriation of unencumbered operating funds.
- b) All audit adjustments to the prior fiscal year subsequent to the reappropriation shall accordingly amend the current fiscal year's budget balance, if applicable, to properly reflect available funding.

8. Budgetary Accounting

- a) Budgets are adopted on a basis consistent with GAAP for all governmental funds.
- b) Budgets for the proprietary funds (Public Utilities and Airport) are adopted in accordance with GAAP with the exception that the budget recognizes the flow of funds (i.e., payment of debt principal is budgeted and depreciation is not budgeted).
- c) All budget data in the Comprehensive Annual Financial Report represents the original budget and the revised budget (sum of adopted budget, reappropriation and budget transfers).

Debt Policy

I. Background

- A. This policy establishes the maximum level of indebtedness which would allow the County to maintain a positive financial position.
- B. A debt policy also addresses the purposes for the types of debt that will be issued.

II. Issuance Guidelines

- A. The County will not use short-term borrowing to finance operating needs.
- B. The maturity of any debt will not exceed the expected useful life of the project for which the debt is issued.
- C. Debt shall not constitute an unreasonable burden to residents and taxpayers.
- D. Debt ratios for general governmental debt:
 - 1. Debt as a percentage of assessed value will not exceed 2.5%.
 - 2. The debt per capita will not exceed a ratio of \$1,900 as of June 30, 2007, growing annually at 2%.
 - 3. Debt service as a percentage of general governmental expenditures will not exceed 10%.
 - 4. Debt per capita income will not exceed a ratio of \$5,000.
- E. At least 25% of total debt will be repaid within 5 years and at least 50% of total debt within 10 years.
- F. Variable rate debt will be limited to 10% of total outstanding debt.
- G. Debt coverage ratios for public utility and airport debt will be in compliance with all debt covenants and all debt coverage ratios will meet or exceed minimal legal thresholds.
- H. The following issuances of debt require approval and appropriation of the proceeds by the Board of Supervisors.
 - 1. Bond and revenue anticipation notes
 - 2. General obligation bonds
 - 3. VPSA Bonds and State Literary Fund loans
 - 4. Revenue bonds
 - 5. Capital acquisition leases and notes
 - 6. Refundings and refinancings, excluding proprietary fund debt that does not require appropriation of debt proceeds
 - 7. Moral obligation debt
- I. In order to seek timely access to market conditions, proposals for refundings and refinancings can be solicited with County Administrator's authorization noting that Board approval is still needed for any issuance of debt.

Fund Balance and Net Assets Policy

I. Background

This policy establishes guidelines for the appropriate fund balance and net asset levels to maintain the County's positive financial position.

II. All Funds

- A. Reservations of fund balance and/or restrictions of net assets shall comply with Governmental Accounting Standards Board criteria.
- B. Unreserved – designated for specific purposes are for those non-business-type activity funds that are:
 - 1. Specifically designated by the Board of Supervisors for a future need
 - 2. Revenues recognized in advance of matching expenditure
 - 3. Reappropriation of balances
 - 4. Funding of subsequent budget
 - 5. Specific contractual/bond agreements
 - 6. Target reservations under Economic Development Strategic Plan

III. Unreserved - Undesignated

- A. General Fund
 - 1. Balance is established to protect against unanticipated expenditures, to provide for cash flow reserves during the fiscal year due to the timing difference between the receipt of revenues and disbursement of expenditures, and to meet desired reserve balance.
 - 2. Balance shall be at least equal to 10% of the General Fund's total revenues as measured during the budget process as total revenues net any uses of fund balance and as measured at year-end actual revenues recognized over the preceding fiscal year.
- B. Special Revenue Funds - Any unreserved – undesignated balances will be established by the County Administrator based upon targeted future needs and/or reserve for contingences for a particular fund.
- C. Capital Projects Funds - For capital project funds, unreserved – undesignated balances will arise as part of formulation of long-range capital savings programs with projected accumulation and utilization of such savings plans illustrated annually in the Board of Supervisors adopted Five-Year Capital Improvements Program.

IV. Unrestricted Net Assets

- A. Unrestricted net assets are reflected in entity-wide financial statements for governmental and business-type activities under the primary government and for the component units.
- B. It is the County's goal to have positive unrestricted net assets in its Statement of Net Assets that reflect economic well-being.

Fund Balance and Net Assets Policy

- C. Business-type Activities
 - 1. Business-type activities do not reflect fund balance accounting.
 - 2. Enterprise Funds
 - a. Public Utilities - Unrestricted net assets shall be greater than 10% of total operating revenues at fiscal year-end, net of any donated assets recognized, to provide reserves for operations and future capital improvements.
 - b. Airport – Unrestricted net assets shall consist of any remaining balance of net assets, after restricted net assets are established based on externally imposed restrictions (including those established by debt covenants). Whenever possible, Airport unrestricted net assets shall be greater than 10% of total operating revenues at fiscal year-end.
 - 3. Internal Services Funds
 - a. The Fleet Management Fund total net assets shall maintain a positive balance to illustrate the internal nature of recovery fees for services performed in maintaining the fleet of vehicles and related equipment.
 - b. The Self Insurance Fund unrestricted net assets shall maintain a positive balance to demonstrate adequate funding for incurred but not reported claims (IBNR).

Fund Balance and Net Assets Regulations

1. Planning and Performance

- a) Compliance with fund balance policy will be reviewed in conjunction with the budget process, audit process, Five-Year Financial Plan preparation, and upon changes made to the budget throughout the fiscal year.
- b) All fund balances shall be invested in compliance with the Deposits and Investment Policy, with all investment income recognized in the fund in which the fund balance is maintained, unless otherwise specifically provided for in writing.
- c) No appropriation of fund balances for recurring operational expenditures shall be made unless a plan for permanent funding of such expenditures is also approved at the time of appropriation.

2. All Funds

- a) Reservations per GASB
 - i) Outstanding encumbrances (i.e. purchase orders, contracts and other commitments) at fiscal year-end, subject to available resources as defined by GASB.
 - ii) Inventory balances at fiscal year-end, which represent amounts invested in inventory and not available for appropriation.
 - iii) Advances to other funds at fiscal year-end, which are currently not available for appropriation.
 - iv) For business-type activities (E.g., Enterprise Funds), there will be a restriction of net assets for investment of capital assets, net of related debt.
 - v) Amounts reserved for grant projects, or by law, regulations, or agreements (for example, Asset Forfeiture).
 - a) These amounts are reserved under GASB criteria, due to external legal enforceable criteria (laws and regulations, agreements, etc.).
- b) Unreserved - designated for specific purposes.
 - i) Reappropriation of unencumbered balances to continue existing projects, which shall equal the continuing project balance for which the revenue source was recognized in a prior fiscal year.
 - ii) Funding of subsequent fiscal year's budget shall equal the use of fund balance appropriated in the adopted budget.
 - iii) Designations for funding of planned projects in a future period to reduce the financial demands placed upon a subsequent budget. These specific designations are to indicate tentative plans for financial resource utilization in a future period.
 - iv) Designations for economic development shall have a target minimum balance of \$500,000 in the General Fund and be utilized

Fund Balance and Net Assets Regulations

for those purposes as illustrated in the Economic Development Strategic Plan.

- v) Accounting designations for those funds that are required to be recognized as revenues in advance of matching or targeted expenditure:
 - a) Law library
 - b) Proffers
 - c) Stormwater management

3. General Fund Unreserved - Undesignated

- a) For purposes of year-end disclosure in the Comprehensive Annual Financial Report, actual General Fund operating revenues shall be used and shall meet the minimum 10% reserve balance.
- b) Balances should be at such a level that the County will not incur short-term borrowing as a means to fund operations (see Debt Policy); unless circumstances illustrate that such fiscal planning strategies are advantageous to the County.

4. Special Revenue Funds

- a) The School Fund and Community Services fund balances are generally encumbrances and/or reappropriation of prior fiscal year balances for which the revenue was recognized in a prior fiscal year with any surplus or deficits at year-end reverting back to the General Fund. Undesignated balances may be accumulated as approved by the County Administrator.
- b) The School Textbook Fund balance, in addition to encumbrances and reappropriation, includes undesignated balances accumulated for the acquisition of textbooks in subsequent fiscal years and other reserves.
- c) The School Food Service Fund balance, in addition to encumbrances and reappropriation, includes a reservation for inventory and undesignated balances for acquisition of cafeteria equipment in subsequent fiscal years, contingencies and other reserves.
- d) The Comprehensive Services Fund, in addition to encumbrances and reappropriation, includes undesignated balances accumulated for local matching of unanticipated expenditure increases in subsequent fiscal years.
- e) The Economic Development Authority Fund balance, in addition to encumbrances and reappropriations, includes undesignated balances accumulated for economic development functions in subsequent years.

5. Capital Projects Funds

- a) County Improvements Fund
 - i) Fund balances are encumbrances and/or reappropriation of prior fiscal year balances for which the revenue was recognized in a prior fiscal year.

Fund Balance and Net Assets Regulations

- ii) Designations shall be made for debt service reserve funds for bond proceed projects that established a debt service reserve fund upon issuance of the bond proceeds.
 - iii) Designations shall be made for accounting designations for proffers, stormwater management fees, and unexpended grant revenue for which a timing difference arises between recognition of revenue and subsequent use of funds.
 - iv) Any unreserved fund balance is considered to be part of the County Capital Savings Plan and reviewed as part of the Capital Improvement Program budget formulation for future accumulation and use of such balances in meeting the long-term capital needs of the County.
 - v) Because of the timing difference between issuance of purchase order and subsequent fiscal year receipt of non-local funding source (e.g., grants, bond proceeds, etc.), reservations for encumbrances may result in undesignated fund deficits which would be eradicated upon receipt of non-local funding source.
 - vi) Disclosure of undesignated fund deficits will be presented in the footnotes to the Comprehensive Annual Financial Report (CAFR).
- b) School Improvements Fund
- i) Any unreserved fund balance is considered to be part of the School Capital Savings Plan and reviewed as part of the Capital Improvement Program budget formulation for future accumulation and use of such balances in meeting the long-term capital needs of the schools.
 - ii) Designations shall be made for accounting designations for proffers and unexpended grant revenue for which a timing difference arises between recognition of revenue and subsequent use of funds.
 - iii) Because of the timing difference between issuance of purchase order and subsequent fiscal year receipt of bond proceeds for school projects, reservations for encumbrances may result in undesignated fund deficits which would be eradicated upon receipt of bond proceeds.
 - iv) Disclosure of undesignated fund deficits will be presented in the footnotes to the Comprehensive Annual Financial Report (CAFR).

6. Enterprise Funds

- a) Restrictions, reservations, and designations of Net Assets
 - i) For external reporting purposes, net assets will be reported as restricted or unrestricted in accordance with GAAP. For internal purposes, net assets will be reserved or designated as follows:

Fund Balance and Net Assets Regulations

- ii) Reappropriation of unencumbered and encumbered balances to continue existing projects are designated.
- iii) Designations for funding of planned projects in a future period to reduce the financial demands placed upon a subsequent budget. These specific designations are to indicate tentative plans for financial resource utilization in a future period.
- iv) A reservation shall be maintained equal to the sinking fund balance per an agreement with a major customer.
- v) Public Utilities - In order to maintain compliance with debt covenants from outstanding water and sewer system revenue bonds, the following additional restrictions are noted:
 - a) Reserve for operations shall be maintained equal to 1/6 of the operating expenses budgeted.
 - b) Renewal, replacement and expansion reserve shall be maintained equal to \$500,000.

7. Internal Services Funds

- a) The Fleet Management Fund total net assets shall maintain a positive balance to illustrate the internal nature of recovery fees for services performed in maintaining the fleet of vehicles and related equipment. The net asset balance, in addition to encumbrances and reappropriation, includes a reservation for inventory and undesignated balances for acquisition of equipment in subsequent fiscal years, contingencies and other reserves.
- b) The Self Insurance Fund balance in addition to encumbrances and reappropriation, includes undesignated balances for contingencies and other reserves.

8. Net Assets

- a) Investment in capital assets, net of related debt reflects total capital assets, net of accumulated depreciation, and net of related outstanding debt issued to fund such capital assets.
- b) Restricted for other purposes reflect net amounts legally restricted by law, contract, or grant awards in accordance with GAAP.
- c) Unrestricted net assets represents total net assets less those amounts invested in capital assets, net of related debt, and those amounts restricted for other purposes.

VIRGINIA : At a regular meeting of the Board of Supervisors for Hanover County held in the Board Room of the Hanover County Administration Building on the 14th day of April, 2010, at 2 :00 p.m.

Present : Mr. G.E. "Ed" Via, III, Chairman
Ms. Deborah B. Coats, Vice Chairman
Mr. John E. Gordon, Jr.
Mr. Charles D. McGhee
Mr. Robert R. Setliff
Mr. Aubrey M. Stanley
Mr. Elton J. Wade, Sr.
Mr. Cecil R. Harris, Jr., County Administrator
Mr. Sterling E. Rives, III, County Attorney

**HANOVER COUNTY BOARD OF SUPERVISORS
RESOLUTION
FY11 BUDGET ADOPTION**

BE IT RESOLVED that the Board of Supervisors of Hanover County does hereby adopt the County of Hanover's FY11 Budget as presented by the County Administrator to the Board of Supervisors on February 10, 2010, with the amendments presented April 14, 2010, including the following funds and amounts, and the detail included in the FY11 Budget document filed with the Board papers:

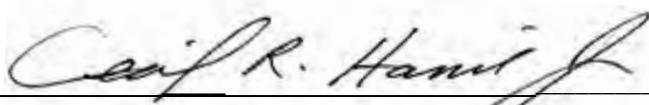
General Fund	\$198,627,954
School Fund	179,007,351
Utilities Fund	41,892,527
Self-Insurance Fund	28,663,874
Community Services Fund	11,169,878
Food Service Fund	7,071,141
School Improvements Fund	6,646,000
Comprehensive Services Fund	6,150,467
County Improvements Fund	3,671,000
Fleet Services Fund	2,159,744
Lewistown CDA Fund	844,750
Airport Fund	689,324
Bell Creek CDA Fund	605,000
Economic Development Authority Fund	264,080
School Textbook Fund	256,211

On motion of Mr. Gordon, seconded by Mr. Stanley, the members of the Board of Supervisors voted to approve this Resolution as follows:

	Vote:
G.E. "Ed" Via, III	Aye
Deborah B. Coats	Aye
John E. Gordon, Jr.	Aye
Charles D. McGhee	No
Robert R. Setliff	Aye
Aubrey M. Stanley	Aye
Elton J. Wade, Sr.	Aye

The undersigned certifies that this is a correct copy of the Resolution of the Board of Supervisors.

Dated: April 28, 2010



Cecil R. Harris, Jr., County Administrator
Clerk, Hanover County Board of Supervisors

VIRGINIA : At a regular meeting of the Board of Supervisors for Hanover County held in the Board Room of the Hanover County Administration Building on the 14th day of April, 2010, at 2 :00 p.m.

Present : Mr. G.E. "Ed" Via, III, Chairman
Ms. Deborah B. Coats, Vice Chairman
Mr. John E. Gordon, Jr.
Mr. Charles D. McGhee
Mr. Robert R. Setliff
Mr. Aubrey M. Stanley
Mr. Elton J. Wade, Sr.
Mr. Cecil R. Harris, Jr., County Administrator
Mr. Sterling E. Rives, III, County Attorney

**HANOVER COUNTY BOARD OF SUPERVISORS
RESOLUTION
FY11 BUDGET APPROPRIATION**

BE IT RESOLVED that the Board of Supervisors of Hanover County does hereby appropriate the funds detailed in the County of Hanover's adopted FY11 budget in the same funds and amounts included in the budget adoption resolution approved April 14, 2010. *(A complete copy of the FY11 Budget is filed with the Board's papers.)*

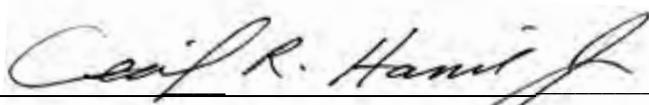
BE IT FURTHER RESOLVED that all encumbered funds outstanding on June 30, 2010, both operating and capital, and all funds designated for capital improvements, shall be reappropriated for the 2011 fiscal year, to the same department and account for which they were appropriated for 2010. At the close of the fiscal year, all unencumbered appropriations lapse for budget items other than capital improvements. This reappropriation action applies to all appropriations for the Capital Improvements Program outstanding on June 30, 2010, and to all encumbered appropriations in the FY10 budget.

On motion of Mr. Gordon, seconded by Mr. Stanley, the members of the Board of Supervisors voted to approve this Resolution as follows:

	Vote:
G.E. "Ed" Via, III	Aye
Deborah B. Coats	Aye
John E. Gordon, Jr.	Aye
Charles D. McGhee	Aye
Robert R. Setliff	Aye
Aubrey M. Stanley	Aye
Elton J. Wade, Sr.	Aye

The undersigned certifies that this is a correct copy of the Resolution of the Board of Supervisors.

Dated: April 28, 2010



Cecil R. Harris, Jr., County Administrator
Clerk, Hanover County Board of Supervisors

VIRGINIA : At a regular meeting of the Board of Supervisors for Hanover County held in the Board Room of the Hanover County Administration Building on the 14th day of April, 2010, at 2 :00 p.m.

Present : Mr. G.E. "Ed" Via, III, Chairman
 Ms. Deborah B. Coats, Vice Chairman
 Mr. John E. Gordon, Jr.
 Mr. Charles D. McGhee
 Mr. Robert R. Setliff
 Mr. Aubrey M. Stanley
 Mr. Elton J. Wade, Sr.
 Mr. Cecil R. Harris, Jr., County Administrator
 Mr. Sterling E. Rives, III, County Attorney

**HANOVER COUNTY BOARD OF SUPERVISORS
 RESOLUTION
 2010 PROPERTY TAX RATES AND FEES**

BE IT RESOLVED that the Board of Supervisors of Hanover County does hereby adopt the following property tax rates and fees for calendar year 2010:

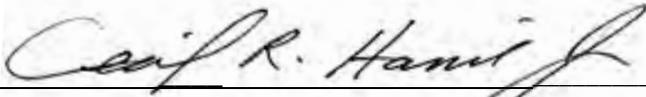
Real Property Tax Rate.....	\$0.81	per \$100 of assessed valuation
Personal Property Tax Rate	\$3.57	per \$100 of assessed valuation
Qualifying Fire and Rescue Vehicle Personal Property Tax Rate.....	\$1.78	per \$100 of assessed valuation
Qualifying Disabled Veterans Vehicle Personal Property Tax Rate.....	\$1.78	per \$100 of assessed valuation
Machinery and Tools Tax Rate.....	\$3.57	per \$100 of assessed valuation
Aircraft Personal Property Tax Rate.....	\$0.50	per \$100 of assessed valuation
Merchants' Capital Tax Rate	\$1.90	per \$100 of assessed valuation
Mobile Home Tax Rate.....	\$0.81	per \$100 of assessed valuation
Generating Equipment Tax Rate.....	\$0.55	per \$100 of assessed valuation
Hanover County Recycling Service District Fee.....	\$22.80	per residential lot in Service District
Atlee Manor Sewer Service District Fee	\$780.00	per residential lot in Service District

On motion of Mr. Gordon, seconded by Mr. Stanley, the members of the Board of Supervisors voted to approve this Resolution as follows:

	Vote:
G.E. "Ed" Via, III	Aye
Deborah B. Coats	Aye
John E. Gordon, Jr.	Aye
Charles D. McGhee	Aye
Robert R. Setliff	Aye
Aubrey M. Stanley	Aye
Elton J. Wade, Sr.	Aye

The undersigned certifies that this is a correct copy of the Resolution of the Board of Supervisors.

Dated: April 28, 2010


Cecil R. Harris, Jr., County Administrator
Clerk, Hanover County Board of Supervisors

VIRGINIA : At a regular meeting of the Board of Supervisors for Hanover County held in the Board Room of the Hanover County Administration Building on the 14th day of April, 2010, at 2 :00 p.m.

Present : Mr. G.E. "Ed" Via, III, Chairman
Ms. Deborah B. Coats, Vice Chairman
Mr. John E. Gordon, Jr.
Mr. Charles D. McGhee
Mr. Robert R. Setliff
Mr. Aubrey M. Stanley
Mr. Elton J. Wade, Sr.
Mr. Cecil R. Harris, Jr., County Administrator
Mr. Sterling E. Rives, III, County Attorney

**HANOVER COUNTY BOARD OF SUPERVISORS
RELATED ORDINANCES AND RESOLUTIONS
2011 BUDGET**

By motion duly presented and seconded, the Board of Supervisors of Hanover County does hereby adopt the following ordinances and resolutions:

- a. Ordinance 10-06 – Increasing the vehicle decal fee to \$10.00 and related changes.
- b. Ordinance 10-07 – Increasing the Stormwater Management Fee representing the pro rata share of the cost of regional drainage facilities from \$1,250 to \$1,700 per equivalent residential unit (ERU).
- c. Ordinance 10-08 – Increasing fees for water consumption by 3% and sewer consumption by 1% and various other changes.
- d. Resolution Increasing EMS Recovery Program Fees
- e. Resolution Increasing Cannery Fees
- f. Resolution Suspending Board of Supervisors' January 1, 2011, Compensation Increase

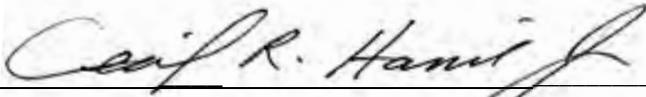
(copies of the ordinances and resolutions are included in this package with vote section)

On motion of Mr. Gordon, seconded by Mr. Stanley, the members of the Board of Supervisors voted to approve this Resolution as follows:

	Vote:
G.E. "Ed" Via, III	Aye
Deborah B. Coats	Aye
John E. Gordon, Jr.	Aye
Charles D. McGhee	Aye
Robert R. Setliff	Aye
Aubrey M. Stanley	Aye
Elton J. Wade, Sr.	Aye

The undersigned certifies that this is a correct copy of the Resolution of the Board of Supervisors.

Dated: April 28, 2010



Cecil R. Harris, Jr., County Administrator
Clerk, Hanover County Board of Supervisors

VIRGINIA : At a regular meeting of the Board of Supervisors for Hanover County held in the Board Room of the Hanover County Administration Building on the 14th day of April, 2010, at 2 :00 p.m.

Present : Mr. G.E. "Ed" Via, III, Chairman
 Ms. Deborah B. Coats, Vice Chairman
 Mr. John E. Gordon, Jr.
 Mr. Charles D. McGhee
 Mr. Robert R. Setliff
 Mr. Aubrey M. Stanley
 Mr. Elton J. Wade, Sr.
 Mr. Cecil R. Harris, Jr., County Administrator
 Mr. Sterling E. Rives, III, County Attorney

**HANOVER COUNTY BOARD OF SUPERVISORS
 RESOLUTION
 FIVE-YEAR CAPITAL IMPROVEMENTS PROGRAM FY11 – FY15**

WHEREAS, the County Administrator has prepared and recommended a Five-Year Capital Improvements Program to the Board of Supervisors and that Program is included in the Board papers; and

WHEREAS, the Five-Year Capital Improvements Program was reviewed by the Hanover County Planning Commission at work sessions held on March 18, 2010, and the recommendations of the Commission have been transmitted to and considered by the Board of Supervisors;

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of Hanover County does hereby adopt the Five-Year Capital Improvements Program for FY11 – FY15 as presented by the County Administrator on February 10, 2010, with amendments presented on April 14, 2010, including the following categories and amounts:

General Government Administration	\$ 4,416,000
Judicial Administration	60,000,000
Public Safety	6,810,000
Public Works	5,326,500
Parks, Recreation, and Cultural	17,570,000
Non-Departmental	1,000,000
Education	68,059,100
Airport	4,347,720

Public Utilities	63,350,630
Total	\$230,879,950

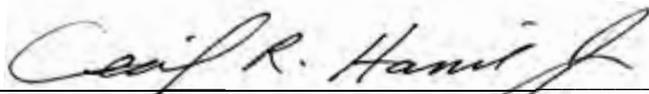
A complete copy of the adopted FY11 – FY15 Capital Improvement Program is in the Board papers.

On motion of Mr. Gordon, seconded by Mr. Stanley, the members of the Board of Supervisors voted to approve this Resolution as follows:

	Vote:
G.E. “Ed” Via, III	Aye
Deborah B. Coats	Aye
John E. Gordon, Jr.	Aye
Charles D. McGhee	Aye
Robert R. Setliff	Aye
Aubrey M. Stanley	Aye
Elton J. Wade, Sr.	Aye

The undersigned certifies that this is a correct copy of the Resolution of the Board of Supervisors.

Dated: April 28, 2010



Cecil R. Harris, Jr., County Administrator
Clerk, Hanover County Board of Supervisors

VIRGINIA : At a regular meeting of the Board of Supervisors for Hanover County held in the Board Room of the Hanover County Administration Building on the 14th day of April, 2010, at 2 :00 p.m.

Present : Mr. G.E. "Ed" Via, III, Chairman
 Ms. Deborah B. Coats, Vice Chairman
 Mr. John E. Gordon, Jr.
 Mr. Charles D. McGhee
 Mr. Robert R. Setliff
 Mr. Aubrey M. Stanley
 Mr. Elton J. Wade, Sr.
 Mr. Cecil R. Harris, Jr., County Administrator
 Mr. Sterling E. Rives, III, County Attorney

**HANOVER COUNTY BOARD OF SUPERVISORS
RESOLUTION
FIVE-YEAR GENERAL FUND FINANCIAL PLAN**

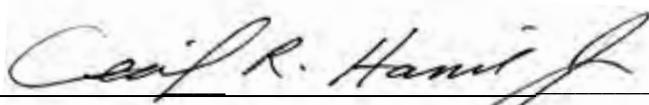
BE IT RESOLVED that the Board of Supervisors of Hanover County does hereby adopt the Five-Year General Fund Financial Plan for FY11 - FY15 as presented by the County Administrator on February 10 2010, with amendments presented on April 14, 2010. *(A complete copy of the Five-Year General Fund Financial Plan is included in the Board papers).*

On motion of Mr. Gordon, seconded by Mr. Stanley, the members of the Board of Supervisors voted to approve this Resolution as follows:

	Vote:
G.E. "Ed" Via, III	Aye
Deborah B. Coats	Aye
John E. Gordon, Jr.	Aye
Charles D. McGhee	Aye
Robert R. Setliff	Aye
Aubrey M. Stanley	Aye
Elton J. Wade, Sr.	Aye

The undersigned certifies that this is a correct copy of the Resolution of the Board of Supervisors.

Dated: April 28, 2010



Cecil R. Harris, Jr., County Administrator
Clerk, Hanover County Board of Supervisors

VIRGINIA : At a regular meeting of the Board of Supervisors for Hanover County held in the Board Room of the Hanover County Administration Building on the 14th day of April, 2010, at 2 :00 p.m.

Present : Mr. G.E. "Ed" Via, III, Chairman
Ms. Deborah B. Coats, Vice Chairman
Mr. John E. Gordon, Jr.
Mr. Charles D. McGhee
Mr. Robert R. Setliff
Mr. Aubrey M. Stanley
Mr. Elton J. Wade, Sr.
Mr. Cecil R. Harris, Jr., County Administrator
Mr. Sterling E. Rives, III, County Attorney

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF HANOVER, VIRGINIA, AUTHORIZING THE ISSUANCE OF WATER AND SEWER SYSTEM REVENUE BONDS OF HANOVER COUNTY, VIRGINIA, IN THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF \$10,000,000 AND DECLARING ITS INTENTION TO REIMBURSE THE COST OF CERTAIN EXPENDITURES

WHEREAS, the Board of Supervisors of the County of Hanover, Virginia (the "County"), desires to undertake a program of capital improvements to the County's water and sewer system, including without limitation, the design, permitting and construction of water and sewer infrastructure and facilities (the "Project"), and to authorize the issuance of the County's revenue bonds therefore; and

WHEREAS, the County intends to pay expenditures of the Project (the "Expenditures") prior to the issuance of the Bonds (as hereinafter defined) and to receive reimbursement for such expenditures from proceeds of one or more obligations to be issued by the County; and

WHEREAS, as of the date hereof, there are no funds of the County that are, or are reasonably expected to be, allocated on a long-term basis or reserved to finance that portion of the Project that is to be financed with the Bonds;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE COUNTY OF HANOVER, VIRGINIA:

1. It is determined to be necessary and expedient for the County to finance the Project and to borrow money for such purpose and issue the County's water and sewer revenue bonds.

2. Pursuant to the Public Finance Act of 1991, there are authorized to be issued water and sewer revenue bonds of the County in the maximum aggregate principal amount of \$10,000,000 (the "Bonds") to provide funds, together with other available funds, to finance the Project and to pay costs of issuing the Bonds.

3. The Bonds shall bear such date or dates, mature at such time or times not exceeding 40 years from their dates, bear interest at such rate or rates, be in such denominations and form, be executed in such manner and be sold in one or more series at such time or times and in such manner as the Board of Supervisors of the County (the "Board") may hereafter provide by appropriate resolution or resolutions.

4. Payment of principal of and premium, if any, and interest on the Bonds shall be made from the revenues of the County's water and sewer system. The Bonds shall be limited obligations of the County and nothing in the Bonds or any document relating to the Bonds shall be deemed to create or constitute an indebtedness or pledge of the faith and credit or taxing power of the Commonwealth of Virginia or any political subdivision thereof, including the County.

5. The Board hereby adopts this declaration of official intent under Treasury Regulations Section 1.150-2 and declares that the County intends to reimburse itself with the proceeds of the Bonds for Expenditures made on, after or within sixty (60) days prior to the date hereof with respect to the Project. Further, Expenditures made more than sixty (60) days prior to the date hereof may be reimbursed as to certain de minimis or preliminary expenditures described in Treasury Regulations Section 1.150-2(f) and as to other expenditures permitted under applicable Treasury Regulations.

6. Each Expenditure was or will be, unless otherwise approved by Bond Counsel, either (a) of a type properly chargeable to a capital account under general federal income tax principals (determined in each case of the date of the Expenditure), (b) a cost of issuance with respect to the Bonds, (c) a non-recurring item that is not customarily payable from current revenues or (d) a grant to a party that is not related to or an agent of the County so long as such grant does not impose any obligation or condition (directly or indirectly) to repay any amount to or for the benefit of the County.

7. The County intends to make a reimbursement allocation, which is a written allocation by the County that evidences the County's use of proceeds of the Bonds to reimburse an Expenditure, no later than eighteen (18) months after the later of that date on which the Expenditure is paid or the Project is placed in service or abandoned, but in no event more than three years after the date on which the Expenditure is paid.

8. The County intends that the adoption of this resolution be considered as "official intent" within the meaning of Treasury Regulations, Section 1.150-2, promulgated under the Internal Revenue Code of 1986, as amended.

9. The Clerk of the Board of Supervisors is authorized and directed to immediately file a certified copy of this resolution in the Circuit Court of Hanover County.

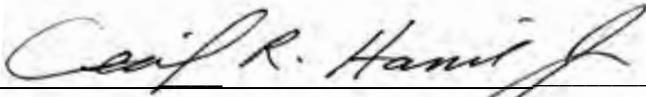
10. This resolution shall take effect immediately upon adoption.

On motion of Mr. Gordon, seconded by Mr. Stanley, the members of the Board of Supervisors voted to approve this Resolution as follows:

	Vote:
G.E. "Ed" Via, III	Aye
Deborah B. Coats	Aye
John E. Gordon, Jr.	Aye
Charles D. McGhee	Aye
Robert R. Setliff	Aye
Aubrey M. Stanley	Aye
Elton J. Wade, Sr.	Aye

The undersigned certifies that this is a correct copy of the Resolution of the Board of Supervisors.

Dated: April 28, 2010


Cecil R. Harris, Jr., County Administrator
Clerk, Hanover County Board of Supervisors

Supplemental Statistics

Property Tax Rates ⁽¹⁾ Last Ten Calendar Years

<u>County of Hanover, Virginia (Direct and Overlapping)</u>								<u>Town of Ashland (Overlapping) ⁽⁵⁾</u>		
Calendar Year	Real Property	Personal Property	Fire and Rescue Volunteers ⁽²⁾	Disabled Veterans ⁽³⁾	Aircraft ⁽⁴⁾	Machinery and Tools	Merchants' Capital	Real Property	Personal Property	Machinery and Tools
2001	0.82	3.64	1.82		1.00	3.64	1.90	0.09	0.77	0.77
2002	0.82	3.64	1.82		1.00	3.64	1.90	0.09	0.77	0.77
2003	0.82	3.64	1.82		1.00	3.64	1.90	0.09	0.77	0.77
2004	0.86	3.64	1.82		1.00	3.64	1.90	0.09	0.77	0.77
2005	0.86	3.64	1.82		1.00	3.64	1.90	0.09	0.77	0.77
2006	0.86	3.57	1.78		1.00	3.57	1.90	0.07	0.77	0.77
2007	0.81	3.57	1.78	1.78	0.50	3.57	1.90	0.07	0.77	0.77
2008	0.81	3.57	1.78	1.78	0.50	3.57	1.90	0.09	0.77	0.77
2009	0.81	3.57	1.78	1.78	0.50	3.57	1.90	0.09	0.77	0.77
2010	0.81	3.57	1.78	1.78	0.50	3.57	1.90	0.09	0.77	0.77

Notes: ⁽¹⁾ Per \$100 of assessed value.

⁽²⁾ Fire and rescue volunteers who satisfy eligibility criteria have a separate personal property tax rate for their vehicle used in volunteer fire and rescue activities. Levies and assessments are classified under personal property for disclosure purposes.

⁽³⁾ Qualifying disabled veterans have a separate personal property tax rate for their vehicle. Levies and assessments are classified under personal property for disclosure purposes.

⁽⁴⁾ Levies and assessments are classified under personal property for disclosure purposes.

⁽⁵⁾ The Town of Ashland rates are in addition to the County rates charged to the taxpayers within the Town's borders.

Principal Taxpayers ⁽¹⁾

<u>Taxpayer</u>	<u>Type of Business</u>	<u>2009 General Property Taxable Assessed Value</u>	<u>Percentage of Total Taxable Assessed Value</u>
Doswell Limited Partnership	Power generation facility	\$ 303,114,793	2.0%
Memorial Regional Medical Center	Hospital	120,929,150	0.8%
Virginia Electric and Power Company	Electric company	119,846,509	0.8%
Paramount Parks, Inc.	Amusement park	81,790,680	0.5%
Verizon Virginia	Telecommunications	52,838,446	0.3%
Supervalve	Grocery wholesaler	51,408,705	0.3%
Richmond Newspapers, Inc/Media General, Inc.	Newspaper publisher	46,461,925	0.3%
Bear Island Paper Company	Paper mill	45,475,095	0.3%
Covenant Woods	Nursing home	38,668,340	0.3%
Rappahannock Electric Corp	Electric company	31,284,207	0.2%
		\$ 891,817,850	5.8%

Notes: ⁽¹⁾ Hanover County Commissioner of the Revenue's Office

Supplemental Statistics

Demographic Statistics Last Ten Fiscal Years

Fiscal Year	Population ⁽¹⁾	Per Capita Personal Income ⁽¹⁾	Median Age ⁽²⁾	Unemployment Rate ⁽²⁾	School Enrollment ⁽³⁾	School	
						Instructional Positions ⁽⁴⁾	Enrollment to Instructional Positions Ratio
2000	86,797	31,533	37.4	1.6%	16,306	1,157	14.1
2001	89,284	33,456	37.4	2.5%	16,633	1,210	13.7
2002	91,807	33,887	37.4	3.3%	17,198	1,245	13.8
2003	93,880	34,468	37.4	3.2%	17,580	1,315	13.4
2004	95,774	35,817	37.4	3.0%	17,979	1,381	13.0
2005	97,606	37,487	39.5	2.9%	18,150	1,434	12.7
2006	99,174	39,169	39.2	2.5%	18,518	1,485	12.5
2007	100,721	40,360	38.9	2.4%	18,844	1,563	12.1
2008	102,071	41,587	40.4	3.4%	18,686	1,577	11.8
2009	103,025	42,851	40.4	6.5%	18,566	1,614	11.5

(1) Population estimates provided by Hanover County Planning Department. Per Capita Personal Income is calculated by dividing personal income by the population. Personal Income data for 2000 thru 2007 is obtained from the Bureau of Economic Analysis, U.S. Department of Commerce. Per Capita Personal Income and Personal Income amounts for 2008 and 2009 are estimated based on the rate of increase in Per Capita Personal Income for 2007 (3% increase), the latest year for which Personal Income data is available from the U.S. Department of Commerce.

(2) Virginia Employment Commission, U.S. Department of Commerce, Bureau of Census.

(3) Hanover County School Board (Thirtieth day enrollment from school fiscal year).

(4) Hanover County School Board (instructional positions include teachers, guidance counselors, librarians and other instructional-related positions).

Age Distribution

Age	Calendar Year 1990		Calendar Year 2000	
	Population	Percent of Total	Population	Percent of Total
Less than 5	4,416	7.0%	5,611	6.5%
5-19	13,337	21.1%	19,909	23.1%
20-24	4,168	6.6%	3,764	4.4%
25-44	21,025	33.2%	26,486	30.7%
45-64	13,690	21.6%	21,391	24.8%
65 and older	6,670	10.5%	9,159	10.6%

Additional References

In addition to the budget document, the County prepares several other documents which relate to County operations and finances which include, but are not limited to, the following reports:

Comprehensive Annual Financial Report (CAFR) – This document is the examination of the County’s financial statements as of June 30 of each fiscal year. This report is prepared by the Finance Department and audited by the County’s independent auditors in accordance with generally accepted auditing standards and as required under State law. The report is available to the public in November of each fiscal year. The County has been awarded a Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers Association of the United States and Canada each year since 1985. www.co.hanover.va.us/finance/cafr-07/cafr07-toc.htm

School Activities Fund Report – This report provides a detail by school of the activity funds associated with each school at June 30 of each fiscal year. These funds represent monies collected by the individual schools for specific purposes at that school (Art Club, Band, Student Council, etc.). The report is prepared by each school and audited by the County’s independent auditors in accordance with generally accepted auditing standards. The report is available to the public in October of each fiscal year.

Hanover County Schools Annual Financial Plan – This document is the Superintendent of Schools’ recommended budget to the School Board. Included in this report are the following sections: the Superintendent’s message, missions and goals, proposed budget, budget summary, detailed budget, salary scales and rates, personnel and salary surveys, per pupil comparisons, all fees for services, and appendices. This report is available to the public in January of each fiscal year. hcps2.hanover.k12.va.us/finance/FinanceDept.htm

Quarterly Financial Statements – These financial statements are prepared three times during the fiscal year for the six months ended December 31, the nine months ended March 31, and the preliminary year end report for June 30. Included in these quarterly financial statements is an analysis and commentary from the Director of Finance, statements of the County’s major funds and footnotes to the statements. These statements are prepared by the Finance Department, and are available to the public in February and May, for the second and third quarters respectively, of each fiscal year.

Comparative Cost Report – This document is prepared by the Finance Department and reviewed by the County’s independent auditors. The County’s report enables the State to prepare an overall report which compares each locality’s revenues and expenditures by department and category. The County’s report is made available to the public in December and the state’s report is usually available in March for the prior fiscal year.

Official Statements – These documents are issued in conjunction with the issuance of lease revenue or general obligation bonds, and give a detailed description of the bonds as well as economic and financial information of the County. These documents are prepared by the Finance Department and County Attorney’s Office with assistance from bond counsel, financial advisors, and underwriters. These statements are available to the public at the time of each bond sale.

Auditor of Public Accounts (APA) Reports – These are reports prepared by the State’s APA and are reviews of various State related agencies (Clerk of the Circuit Court, Treasurer, etc.). These reports are made available to the public when published by the APA.

Comprehensive Plan – This document is prepared by the Planning Department and is Hanover’s statement of goals, objectives, and plans for the future. The plan consists of an inventory and analysis of past trends and development, as well as an analysis of existing conditions and a statement of goals and objectives for the future. This plan was adopted in 1972 and has been updated at least every five years since 1982. www.co.hanover.va.us/planning/compplan.htm

Resumes of Certain County Officials

Cecil R. Harris, Jr. was appointed **County Administrator** in November 2004. Prior to that appointment, he had served as Deputy County Administrator since July 1998 and as Assistant County Administrator for Finance and Administration since July 1994. Mr. Harris was also the Director of Finance and Administration from 1991 to 1994, Acting Assistant County Administrator from 1990 to 1991, Director of Finance from 1987 to 1990, and Assistant Director of Finance from 1984 to 1987. Prior to his employment with the County, Mr. Harris was employed in industry from 1983 to 1984, and as a staff accountant with KPMG Peat Marwick from 1982 to 1983. Mr. Harris received his Bachelor of Science in Accounting from the University of Richmond in 1980 and became a Certified Public Accountant (CPA) in 1982. He is a member of the Government Finance Officers Association (GFOA), the American Institute of Certified Public Accountants (AICPA), and the Virginia Government Finance Officers Association (VAGFOA) since 1984, serving as its president in 1995-96.

John H. Hodges was appointed the **Deputy County Administrator** in October 1998, which includes oversight of the Departments of Planning, Public Utilities, Public Works, Building Inspections, and Parks and Recreation. Mr. Hodges began working in the County in 1980 as the County's first Project Manager for Growth Management and was the County's Director of Planning from 1982 to 1998. Prior to his employment with the County, Mr. Hodges was a project manager for a planning consulting firm from 1976 to 1980. He has a Bachelor's Degree in History and a Master's Degree in Planning from the University of Virginia. He is a member of the American Institute of Certified Planners, the American Planning Association (including the Virginia Chapter) and the Virginia Citizens' Planning Association and is a Certified Planning Commission Program graduate.

Joseph P. Casey was appointed the **Deputy County Administrator** in February 2005. Prior to this appointment, Mr. Casey served as the Director of Finance and Management Services since 1990 and previously served as Assistant Director of Finance from February 1990 to July 1990. Mr. Casey had previously been employed by KPMG Peat Marwick as a staff accountant from 1986 to 1990. He received a Bachelor of Science in Accounting from the University of Richmond in 1986 and received his Master of Public Administration degree from Virginia Commonwealth University in 1996. He became a CPA in 1986 and has been a member of the GFOA since 1990, serving on the Executive Board since 2005, the AICPA since 1986, VGFOA since 1990, serving as President in 2002-03. He also served as an adjunct professor for Virginia Commonwealth University's graduate Public Administration program from 1998-2007.

Sterling E. Rives, III was appointed in September 1987 to serve as the **County Attorney**. Prior to his appointment, Mr. Rives served from 1983 to 1987 as an associate attorney with private law firms providing legal services to the City of Fairfax and other governmental entities. Mr. Rives received his Bachelor of Arts from the University of Richmond in 1973, a Master of Arts from Duke University Graduate School in 1975, and his law degree from the T. C. Williams School of Law of the University of Richmond in 1983. Mr. Rives is an officer on the Board of Directors for Local Government Attorneys of Virginia. Mr. Rives was admitted to the Virginia State Bar in 1983, and is admitted to practice in the Supreme Court of Virginia, the Federal District Court for the Eastern District of Virginia, the Fourth Circuit Court of Appeals, and the United States Supreme Court.

Glossary

Accrual Basis	A basis of accounting in which transactions are recognized at the time they are incurred, as opposed to when cash is received or spent.
Appropriation	A legal authorization of the Board of Supervisors to incur obligations and to make expenditures for specific purposes.
Assessed Valuation	The valuation set upon real estate and certain personal property as a basis for levying property taxes.
Assessment Ratio	The ratio at which the tax rate is applied to the tax base.
Asset	Resources owned or held by a government which have monetary value.
Balance Sheet	The financial statement disclosing the assets, liabilities, and equity of an entity at a specified date.
Balanced Budget	The County Administrator annually proposes, and the Board of Supervisors adopts, a budget and five-year financial plan for the upcoming year in which the revenues available (including any available fund balance from prior years) match or exceed the projected expenditures. The County also appropriates and executes the annual budget each year so that expenditures will not exceed revenues.
Base Budget	Cost of continuing the existing levels of service in the current budget year.
Bond	A long-term promise to pay. It is a promise to repay a specified amount of money (the face value of the bond) on a particular date (the maturity date). Bonds are primarily used to finance capital projects.
Bond - General Obligation (GO)	This type of bond is backed by the full faith, credit, and taxing power of the government.
Bond - Revenue	This type of bond is backed only by the revenues from a specific enterprise or project, such as a hospital or toll road.
Bond Rating	An evaluation performed by an independent rating service of the credit quality of bonds issued. Ratings are intended to measure the probability of timely repayment of principal and interest on municipal securities.
Bond Refinancing	The payoff and re-issuance of bonds, to obtain better interest rates and/or bond conditions.
Budget	A plan of financial activity for a specific period of time indicating all planned revenues and expenses for the budget period.
Budget Amendment	Transferring funding from one department to another, or from an existing capital project to a new capital project; decreasing funding of a fund or department; or providing supplemental funding to a fund or department or for the establishment of a new capital project.

Glossary

Budget Calendar	The schedule of key dates which a government follows in the preparation and adoption of the budget.
Budgetary Basis	Refers to the basis of accounting used to estimate financing sources and uses in the budget. This generally takes one of three forms: GAAP, cash, or modified accrual. The County utilizes the GAAP basis.
Budgetary Control	The control or management of a government in accordance with the approved budget for the purpose of keeping expenditures within the limitations of available appropriations and resources.
Capital Improvements	Major construction, acquisition, or renovation activities which add value to a government's physical assets or significantly increase their useful life. Assets greater than \$50,000 and having a useful life of several years.
Capital Improvements Program (CIP)	A five-year plan for capital outlay to be incurred each year over five years to meet capital needs arising from the government's long-term needs.
Capital Outlay	Fixed assets which have a value of \$5,000 or more and have a useful economic lifetime of more than one year; or, assets of any value if the nature of the item is such that it must be controlled for custody purposes as a fixed asset.
Cash Basis	A basis of accounting in which transactions are recognized only when cash is increased or decreased.
Constitutional Officers	Refers to the officers or agencies directed by elected officials (Clerk of the Circuit Court, Commissioner of the Revenue, Commonwealth's Attorney, Sheriff, and Treasurer) whose positions are established by the Constitution of the Commonwealth of Virginia or its statutes.
Contingency	A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted.
Contractual Services	Services rendered to a government by private firms, individuals, or other governmental agencies. Examples include utilities, rent, maintenance agreements, and professional consulting services.
Debt Service	The cost of paying principal and interest on borrowed money according to a predetermined payment schedule.
Deficit	The excess of an entity's liabilities over its assets or the excess of expenditures or expenses over revenues during a single accounting period.
Department	The basic organizational unit of government which is functionally unique in its delivery of service.
Depreciation	Expiration in the service life of capital assets, attributable to wear and tear, deterioration, action of the physical elements, inadequacy or obsolescence.

Glossary

Disbursement	The expenditure of monies from an account.
Distinguished Budget	A voluntary awards program administered by the Government Finance Officers Association to encourage governments to prepare effective budgets.
Encumbrance	The commitment of appropriated funds to purchase an item or service. To encumber funds means to set aside or commit funds for a specified future expenditure.
Enterprise Fund	A fund to account for operations financed and operated similar to a private business where the cost of providing a good or service is recovered primarily through user charges.
Expenditure	The payment of cash on the transfer of property or services for the purpose of acquiring an asset, service, or settling a loss.
Expenditure - Object	An expenditure classification, referring to the lowest and most detailed level of classification, such as electricity, office supplies, and furniture.
Expense	Charges incurred (whether paid immediately or unpaid) on operations, maintenance, interest, or other charges.
Fiscal Year	A twelve month period (July 1 – June 30) designated as the operating fund for accounting and budgeting purposes in an organization.
Fringe Benefits	Contributions made for the government's share of costs for Social Security and the various pension, medical, and life insurance plans.
FTE	Full-time equivalent staff, considering all staff members, including full-time and part-time employees.
Function	A group of related activities aimed at accomplishing a major service or regulatory program for which a government is responsible (public safety for example).
Fund	A fiscal entity with revenues and expenses which are segregated for the purpose of carrying out a specific purpose or activity.
Fund Balance	The excess of the assets of a fund over its liabilities, reserves, and carryover.
GAAP	Generally accepted accounting principles. Uniform minimum standards for financial accounting and recording.
GASB	The Governmental Accounting Standards Board which is the ultimate authoritative accounting and financial reporting standards setting body for state and local governments.
General Fund	The general operating fund of the County.

Glossary

GFOA	Government Finance Officers Association of the United States and Canada. The purpose of the GFOA is to enhance and promote the professional management of governments for the public benefit.
Grants	A contribution by a government or other organization to support a particular function. Grants may be classified as either operational or capital, depending upon the grantee.
Infrastructure	The physical assets of a government (streets, water, sewer, parks, buildings).
Interfund Transfers	The movement of monies between funds of the same governmental entity.
Intergovernmental Revenue	Funds received from Federal, State, or other local governments in the form of grants, shared revenues, and payments in lieu of taxes.
Internal Service Fund	A fund used to account for the financing of goods or services provided by one department to other departments on a cost-reimbursement basis.
Levy	To impose taxes for the support of government activities.
Line-item Budget	A budget prepared along departmental lines that focuses on what is to be bought.
Mission Attributes	Represents the three terms used to categorize Mission Focus Areas, which are the action areas in pursuit of the Mission Theme with each of these attributes a descriptor of three focus areas.
Mission Focus Areas	Represents the nine terms used to categorize strategic focus areas for which Hanover uses as a connection point in virtually all manners of governance and operation. From these focus areas, strategic plans are developed and interconnected to other focus areas in order for Mission Themes to be realized.
Mission Themes	Represents the qualities of the organization constantly pursued in attaining Mission with the three Mission Attributes being the action areas for which the coordinated nine Mission Focus Areas provide the connection to strategic plans and more detailed action and monitoring plans.
Net Budget	The legally adopted budget less all interfund transfers and interdepartmental charges.
Objective	Something to be accomplished in specific, well-defined, and measurable terms and that is achievable within a specific time frame.
Obligation	Amounts to which a government may be legally required to meet out of its resources. They include not only actual liabilities, but also encumbrances not yet paid.
Operating Expenses	The cost for personnel, materials, and equipment required for a department to function.

Glossary

Operating Revenue	Funds that the government receives as income to pay for ongoing operations. It includes such items as taxes, fees from specific services, interest earnings, and grant revenues. Operating revenues are used to pay for day-to-day services.
Performance Indicators	Specific quantitative and qualitative measures of work performed as an objective of specific departments and programs.
Performance Measures	Data collected to determine how effective or efficient a program is in achieving its objectives.
Personal Property	A category of property, other than real estate, identified for purposes of taxation. It includes resident owned items, corporate property, and business equipment. Examples of personal property include automobiles, motorcycles, trailers, boats, airplanes, business furnishings and manufacturing equipment.
Proffers	Cash or property offered by contractors/developers to the City/County in land development projects. An example is a proffer of land from a developer to the County.
Program	A group of related activities performed by one or more organizational units for the purpose of accomplishing a function for which the government is responsible.
Property Tax Rate	The dollar amount applied to the assessed value of various categories of property used to calculate the amount of taxes to be collected. The tax rate is usually expressed as an amount per \$100 of assessed valuation.
Real Property	Real estate, including land and improvements (buildings, fencing, paving) classified for purposes of tax assessment.
Reserve	An account used either to set aside budgeted revenues that are not required for expenditure in the current budget year or to earmark revenues for a specific future purpose.
Resolution	A special or temporary order of a legislative body; an order of a legislative body requiring less legal formality than an ordinance or statute.
Resources	Total amounts available for appropriation including estimated revenues, fund transfers, and beginning balances.
Revenue	Sources of income financing the operations of government.
Revenue Sources	Revenues are classified according to their source or point of origin.
Reversion Account	The Virginia Legislature passed a measure in 2008 to capture savings in state aid to local government programs. The reversion account is a method used to return a portion of the localities state aid back to the state for the purpose of offsetting state budget shortfalls.

Glossary

Salaries and Fringe Benefits	Expenditures for salaries, wages, and the localities contributions made for the costs for Social Security and the various pension, medical, and life insurance plans.
Service Level	Services or products which comprise actual or expected output of a given program. Focus is on results, not measures of workload.
Special Revenue Fund	This fund accounts for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. This includes resources obtained and used relating to State and Federal grants, Utilities, and Mental Health/Mental Retardation.
Target Budget	Desirable expenditure levels provided to departments in developing the coming year's recommended budget. Based on the prior year's adopted budget, excluding one-time expenditures, projected revenues, and reserve requirements.
Tax Levy	The resultant product when the tax rate per one hundred dollars is multiplied by the tax base.
Taxes	Compulsory charges levied by a government for the purpose of financing services performed for the common benefit of all people.
Transfers In/Out	Amounts transferred from one fund to another to assist in financing the services for the recipient government.
Undesignated Fund Balance	This refers to the funds remaining from the prior year, which are available for appropriation and expenditure in the current year.
Undesignated or Unreserved Balance Fund	The portion of a fund's remaining balance that is not restricted for a specific purpose and is available for general appropriation and expenditure in the current year.
Unencumbered Balance	The amount of an appropriation that is neither expended or encumbered. It is essentially the amount of money still available for future purposes.
User Charges	The payment of a fee for direct receipt of a public service by the party who benefits from the service.
VPSA	Virginia Public School Authority, which was created by the General Assembly in 1962 for the purpose of supplementing the existing method of capital programs for public schools.