Other Funds

	FY19 Actual	FY20 Budget	FY21 Budget	% Change FY20 to FY21
Expenditures - by Fund	**283,530,813**	**307,205,764**	**302,956,765**	**-1.4%**
Debt Service Fund	**19,968,077**	**20,455,680**	**18,811,920**	**-8.0%**
Enterprise Funds	**29,763,356**	**35,442,684**	**32,643,672**	**-7.9%**
Airport Fund	306,510	381,644	572,206	49.9%
Public Utilities Fund	29,456,846	35,061,040	32,071,466	-8.5%
Fiduciary Funds	**1,607,342**	**2,149,643**	**1,919,000**	**-10.7%**
Bell Creek CDA Fund	150,221	160,000	157,000	-1.9%
Lewistown CDA Fund	1,457,121	1,989,643	1,762,000	-11.4%
Internal Service Fund	**42,360,040**	**47,456,700**	**48,012,900**	**1.2%**
Self-Insurance Fund	42,360,040	47,456,700	48,012,900	1.2%
School Funds	**189,767,246**	**201,612,497**	**201,481,978**	**-0.1%**
Food Services Fund	6,801,643	7,419,458	7,604,475	2.5%
Schools Operating Fund	182,965,603	194,193,039	193,877,503	-0.2%
Special Revenue Fund	**64,752**	**88,560**	**87,295**	**-1.4%**
Economic Development Authority Fund	64,752	88,560	87,295	-1.4%
Revenues	**289,166,760**	**307,205,764**	**302,956,765**	**-1.4%**
Local Revenue	85,456,457	84,869,070	87,245,353	2.8%
Long-term Debt	202,478	96,000	150,000	56.3%
Intergovernmental	100,581,867	102,660,580	100,511,604	-2.1%
Use of Planned Surpluses	-	7,092,440	2,720,212	-61.6%
Transfers In	102,925,958	112,487,674	112,329,596	-0.1%
Generated Revenue Percent	**64.4%**	**63.4%**	**62.9%**	
General Fund Revenue Percent	**35.6%**	**36.6%**	**37.1%**	

FTE SUMMARY	FY20 Budget	FY20 Amended	FY21 Budget	FTE Chg from FY20 Amended
Full-time Equivalents (FTE)	**2,620.8**	**2,620.8**	**2,608.3**	**(12.5)**
Full-time Positions	2,472.0	2,472.0	2,459.0	(13.0)
Part-time Positions	148.8	148.8	149.3	0.5

The above summary excludes the Airport CIP, Public Utilities CIP and School Improvements Funds. Budget summaries for CIP funds are available in the CIP section of this document.

Debt Service Fund

DESCRIPTION

Debt service is the cost of paying principal and interest on borrowed money. The County borrows money through financing mechanisms that 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. Debt secured solely by revenues generated by the system for which the bonds were issued (revenue bonds) may be issued in any amount without a public referendum.

The process of debt funding begins with the Five-Year Capital Improvements Program (CIP). The Board of Supervisors approves the source of funding for all projects in the CIP, including debt-funded projects using bond proceeds. The five-year plan for issuance of debt is designed to minimize fluctuations of annual debt service requirements and maintain compliance with debt ratio policies.

The County's commitment to established debt and financial management policies has enabled the County to achieve AAA bond ratings from all three rating agencies: Fitch Ratings, Standard & Poor's and Moody's Investors Service.

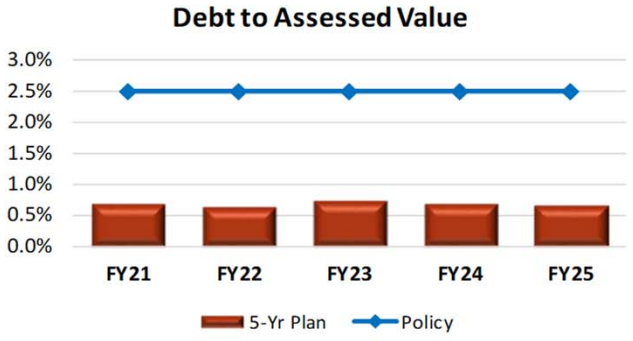
As of June 30, 2019, the County had total bonded debt outstanding of $150.7 million.

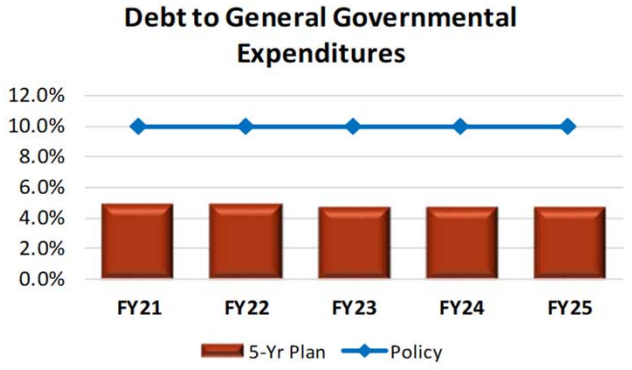
BUDGET SUMMARY	FY19 Actual	FY20 Budget	FY21 Budget	% Change FY20 to FY21
Expenditures	**19,968,077**	**20,455,680**	**18,811,920**	**-8.0%**
Operating	**40,612**	**29,600**	**25,700**	**-13.2%**
Debt Service	**19,927,465**	**20,426,080**	**18,786,220**	**-8.0%**
Principal	13,407,335	13,820,820	12,586,330	-8.9%
Interest	6,324,789	6,509,260	6,049,890	-7.1%
Issuance Costs	195,341	96,000	150,000	56.3%
Revenues	**19,991,053**	**20,455,680**	**18,811,920**	**-8.0%**
Local Revenue	**148,913**	**-**	**-**	**----**
Misc Rev VPSA Credits	10,344	-	-	----
Investment Income	138,569	-	-	----
Long-term Debt	**202,478**	**96,000**	**150,000**	**56.3%**
Intergovernmental	**257,046**	**252,850**	**-**	**-100.0%**
Fed BABs Debt Service	257,046	252,850	-	-100.0%
Transfers In	**19,382,616**	**20,106,830**	**18,661,920**	**-7.2%**
Transfer from General Fund	19,382,616	20,106,830	18,661,920	-7.2%
Generated Revenue Percent	**3.0%**	**1.7%**	**0.8%**	
General Fund Revenue Percent	**97.0%**	**98.3%**	**99.2%**	

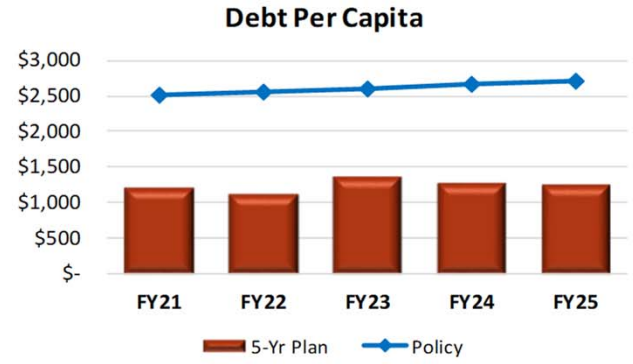
Debt Service Fund

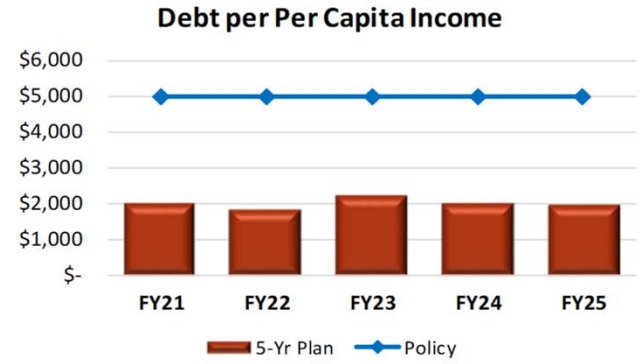
DEBT RATIO POLICIES

The Commonwealth of Virginia does not impose a legal limit on the amount of long-term indebtedness the County can incur or have outstanding. The Board of Supervisors, however, has imposed the following limits in the County's debt policy: debt per capita ($2,507 for FY21 and growing by 2% annually); debt to assessed value (2.5%); debt service to general (non-capital) governmental expenditures (10%); and debt per capita income ($5,000). The following graphs illustrate the County's actual and projected compliance with the debt policy:









Airport Fund

DESCRIPTION

The Hanover County Airport is a 260 acre facility strategically located between Ashland and Richmond, easily accessible to Interstates 95 and 295 for multimodal transportation. The airport is a reliever airport within the Richmond metropolitan service area and serves small-engine and multi-engine aircraft, as well as light business jets. 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 businesses that they represent. Services at the facility include flight instruction, aircraft fueling, aircraft charters, aircraft sales, repairs, rentals and aircraft storage.

BUDGET SUMMARY	FY19 Actual	FY20 Budget	FY21 Budget	% Change FY20 to FY21
Expenditures	**306,510**	**381,644**	**572,206**	**49.9%**
Salaries & Fringe Benefits	**111,501**	**116,077**	**116,707**	**0.5%**
Operating	**53,331**	**124,007**	**131,859**	**6.3%**
Capital Outlay	**-**	**-**	**18,000**	**----**
Debt Service	**141,678**	**141,560**	**305,640**	**115.9%**
Principal	90,532	95,190	141,733	48.9%
Interest	51,146	46,370	163,907	253.5%
Revenues	**286,128**	**381,644**	**572,206**	**49.9%**
Local Revenue	**227,988**	**283,200**	**462,530**	**63.3%**
Rental Income	199,288	205,300	375,630	83.0%
Rental Rev Tower Lease	27,900	27,900	27,900	0.0%
Reserve for Revenue Transfers	-	50,000	50,000	0.0%
Miscellaneous Refunds	800	-	9,000	----
Intergovernmental	**6,111**	**-**	**-**	**----**
Categorical State Aid	6,111	-	-	----
Use of Planned Surpluses	**-**	**50,000**	**-**	**-100.0%**
Transfers In	**52,029**	**48,444**	**109,676**	**126.4%**
Transfer from General Fund	52,029	48,444	109,676	126.4%
Generated Revenue Percent	**81.8%**	**87.3%**	**80.8%**	
General Fund Revenue Percent	**18.2%**	**12.7%**	**19.2%**	

Budget Summary excludes the Airport CIP Fund. Airport CIP Fund information, including project details, is available in the CIP section of this document.

BUDGET HIGHLIGHTS

- The Operating increase includes additional equipment rental for grinding small trees.
- Capital Outlay for FY21 includes replacement of a commercial mower under the Service Level Plan.
- Rental Income increases due to the opening of a newly constructed hanger.

Airport Fund

GOALS & OBJECTIVES

- Maximize grant recovery on eligible projects
- Maintain 60 day turnaround time between invoice and revenue recovery for all grants and capital projects
- Successful and timely completion of capital improvements projects

SERVICE LEVELS	FY19 Actual	FY20 Budget	FY20 Forecast	FY21 Budget
Number of based aircraft	102	125	110	110
Aircraft hangar spaces	54	54	54	54
Aircraft tie down spaces	92	92	92	92
Corporate hangars (square feet)*	20,100	32,100	32,100	32,100
Gallons of fuel sold	272,760	280,000	260,000	260,000

** Increase in FY20 due to the opening of a newly constructed hanger.*

FTE SUMMARY	FY20 Budget	FY20 Amended	FY21 Budget	FTE Change from FY20 Amended
Full-time Equivalents (FTE)	**1.0**	**1.0**	**1.0**	**-**
Full-time Positions	1.0	1.0	1.0	-

Public Utilities Fund

DESCRIPTION

The County's Department of Public Utilities (DPU) owns, operates and maintains public water and wastewater systems in the Suburban Service Area, Town of Ashland, Hanover Courthouse Area and five rural residential subdivisions (collectively, the "System"). Extensions of the System are made in support of and in compliance with the County's and Town of Ashland's Comprehensive Plans.

The Public Utilities Fund is a self-supporting enterprise fund whereby the operations and capital expenditures are funded with revenues generated from customer user fees and one-time capacity fees paid 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 Public Utilities Fund reimburses the County's General Fund for direct services provided to support the department, such as procurement, finance, information technology, human resources and legal. Although DPU is a part of the County government and thus tax exempt, it also pays a service assessment charge to the General Fund in lieu of taxes for indirect public safety services. The Board of Supervisors establishes and revises both water and wastewater rates and fees and adopts the annual operating and Capital Improvements Program (CIP) budgets.

DPU develops its overall operations, maintenance and capital construction plans for the System to ensure operational reliability, adequate capacity and regulatory compliance. Capital needs are impacted by projects constructed in support of the County's Comprehensive Plan, rehabilitation and maintenance requirements of the System and maintaining compliance with state and federal regulations. DPU operates the System with County personnel and maintains the System with both County and private contractor personnel. DPU 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.

EXISTING FACILITIES & SERVICE AREAS

DPU's water system consists of 8 potable water wells, 1 active surface water treatment plant, 7 water pumping stations and 8 storage facilities. Additional water supplies are provided by long-term contracts with the City of Richmond and Henrico County. Rural systems owned and operated by the Department include Georgetown, Dianne Ridge, Oak Hill Estates, Strawhorn, Sinclair Manor and Hanover Courthouse.

The County's wastewater system consists of 4 wastewater treatment plants and 39 wastewater pumping stations. A portion of the wastewater generated in the Suburban Service Area is pumped to Henrico County for treatment under a long-term contract.

WATER SUPPLY CONTRACTS

The County has purchased water from Henrico County since 1974. In 1995 the County negotiated a new agreement with Henrico County to purchase up to 0.775 million gallons per day (MGD). The contract continues until it is terminated by either Henrico County or Hanover County, upon giving the other party 10 years written notice.

In 1994, the County entered into a contract with the City of Richmond. The term of the Richmond contract is through June 30, 2035, and continues thereafter until terminated by either the City of Richmond giving 15 years notice (such notice may not be given earlier than July 1, 2020), or Hanover County giving 10 years notice

Public Utilities Fund

(such notice may not be given earlier than July 1, 2025), unless a shorter time for notice is mutually agreed upon. The County's available capacity from Richmond is 20 MGD.

WASTEWATER TREATMENT CONTRACT

The County treats most of the wastewater it collects. Since 1979, it has also purchased wastewater treatment services from Henrico County. In 1995, Hanover and Henrico entered a new wastewater agreement, which provides for long-term wastewater treatment services by Henrico. The contract continues until it is terminated by mutual agreement. The contract provides for the treatment of 5.4 MGD, 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.

RATES, FEES AND CHARGES

The principal sources of revenue for the Public Utilities Fund are user fees and capacity fees. Utility customers are generally billed on a bi-monthly basis. Some commercial customers are billed monthly. The user fee is comprised of a base charge based on meter size, levied regardless of usage, and a commodity charge that is typically based on metered water consumption. The capacity fee is a one-time charge for each new connection to the water and/or 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, rehabilitation and capital costs in a fair and equitable manner. This rate structure applies to both water and wastewater services.

Public Utilities Fund

BUDGET SUMMARY	FY19 Actual	FY20 Budget	FY21 Budget	% Change FY20 to FY21
Expenditures	**29,456,846**	**35,061,040**	**32,071,466**	**-8.5%**
Salaries & Fringe Benefits	**6,457,077**	**6,972,999**	**7,056,739**	**1.2%**
Operating	**11,490,570**	**12,129,045**	**12,869,874**	**6.1%**
Capital Outlay	**887,196**	**999,014**	**1,066,244**	**6.7%**
Debt Service	**2,339,636**	**1,745,195**	**1,743,296**	**-0.1%**
Transfers Out	**8,282,367**	**13,214,787**	**9,335,313**	**-29.4%**
Revenues	**36,573,175**	**35,061,040**	**32,071,466**	**-8.5%**
Local Revenue	**36,573,175**	**29,618,600**	**31,351,254**	**5.8%**
Charges for Services	25,679,186	24,436,100	25,550,905	4.6%
Miscellaneous	8,939,072	4,475,000	5,035,000	12.5%
Permits Fees & Licenses	566,804	475,000	475,000	0.0%
Recovered Costs	381,863	82,500	140,349	70.1%
Use of Money & Property	1,006,250	150,000	150,000	0.0%
Use of Planned Surpluses	**-**	**5,442,440**	**720,212**	**-86.8%**
Generated Revenue Percent	**100.0%**	**100.0%**	**100.0%**	
General Fund Revenue Percent	**0.0%**	**0.0%**	**0.0%**	

Budget Summary excludes the Public Utilities CIP Fund. Public Utilities CIP Fund information, including project details, is available in the CIP section of this document.

GOALS & OBJECTIVES

- Provide reliable water and wastewater service in accordance with 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 U.S. Environmental Protection Agency (EPA) regulatory compliance
- Continue implementing the Capital Improvements Program, meeting customer capacity needs in support of the County's Comprehensive Plan and economic development

SERVICE LEVELS	FY19 Actual	FY20 Budget	FY20 Forecast	FY21 Budget
Water customers	21,585	22,120	21,970	22,350
Wastewater customers	21,019	21,550	21,410	21,790
Customer calls	60,477	64,711	64,711	69,241
Plans reviewed	349	350	375	300
Water distributed (MGD)	8.76	9.00	8.62	8.71
Wastewater collected (MGD)	7.69	7.73	6.34	6.40
Miles of water line maintained	441	445	445	449
Miles of sewer line maintained	403	406	407	411

Public Utilities Fund

LARGEST CUSTOMERS: WATER

The following table provides annual data on the County's ten largest water customers for the fiscal year ended

	Water Usage*	Water Revenue	% of Total Revenue
Tyson Food	271,864	703,318	4.5%
Bear Island Paper Company, L.P.	269,702	790,442	5.1%
Kings Dominion	238,465	660,925	4.2%
Doswell Limited Partnership	67,441	175,907	1.1%
Hanover Medical Park	47,617	191,658	1.2%
Total	**895,089**	**2,522,249**	**16.2%**

Due to the constraints of a system conversion, data for only the five largest water customers is available for FY19.
The five largest water customers together represent 16.2% of total water operating and non-operating revenues, with the largest customer representing 4.5% of that total.

**in 1,000 gallons*

LARGEST CUSTOMERS: WASTEWATER

The following table provides annual data on the County's ten largest wastewater customers for the fiscal year

	Wastewater Usage*	Wastewater Revenue	% of Total Revenue
Kings Dominion	92,242	449,730	2.7%
Hanover Medical Park	43,808	251,286	1.5%
Randolph - Macon College	36,842	225,985	1.3%
Covenant Woods	17,203	99,076	0.6%
Hanover Crossing, LLC	8,149	51,701	0.3%
Total	**198,244**	**1,077,779**	**6.4%**

Due to the constraints of a system conversion, data for only the five largest wastewater customers is available for FY19.
The five largest wastewater customers together represent 6.4% of total wastewater operating and non-operating revenues, with the largest customer representing 2.7% of that total. Water and wastewater usage by a specific customer may not be equal based upon the specific needs for each service.

**In 1,000 gallons*

FTE SUMMARY

	FY20 Budget	FY20 Amended	FY21 Budget	FTE Change from FY20 Amended
Full-time Equivalents (FTE)	**95.0**	**95.0**	**95.0**	**-**
Full-time Positions	95.0	95.0	95.0	-

Bell Creek CDA Fund

DESCRIPTION

The Bell Creek Community Development Authority (CDA) was created in 2002 and consists of 325 acres of land within the County. The property encompasses a mixed-use development and provides 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, stormwater management improvements and certain other infrastructure improvements. The Board of Supervisors, at the request of the Bell Creek CDA, adopted a special assessment levy on residential, retail, commercial and light industrial properties within the authority to repay the bonds.

BUDGET SUMMARY	FY19 Actual	FY20 Budget	FY21 Budget	% Change FY20 to FY21
Expenditures	**150,221**	**160,000**	**157,000**	**-1.9%**
Operating	**150,221**	**160,000**	**157,000**	**-1.9%**
Revenues	**151,297**	**160,000**	**157,000**	**-1.9%**
Local Revenue	**151,297**	**160,000**	**157,000**	**-1.9%**
Recovered Costs	151,297	160,000	157,000	-1.9%
Generated Revenue Percent	**100.0%**	**100.0%**	**100.0%**	
General Fund Revenue Percent	**0.0%**	**0.0%**	**0.0%**	

BUDGET HIGHLIGHTS

- The Revenue budget for assessments is set based on expected growth from prior year actuals.

Lewistown CDA Fund

DESCRIPTION

The Lewistown Commerce Center Community Development Authority (CDA) was created in 2006 and consists of 186.5 acres of land within the County. The property is part of a business complex (The Shops at Winding Brook) 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. A portion of the CDA was rezoned in 2018 to allow residential development.

The Lewistown Commerce Center 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 bonds will be payable from (1) a Special Real Property Tax on taxable real and leasehold property within the District, (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 and, if necessary, (3) Special Assessments imposed and collected by the County at the request of the Authority on taxable real property within the District.

BUDGET SUMMARY	FY19 Actual	FY20 Budget	FY21 Budget	% Change FY20 to FY21
Expenditures	**1,457,121**	**1,989,643**	**1,762,000**	**-11.4%**
Operating	**1,457,121**	**1,989,643**	**1,762,000**	**-11.4%**
Revenues	**1,454,349**	**1,989,643**	**1,762,000**	**-11.4%**
Local Revenue	**834,275**	**1,353,243**	**1,200,000**	**-11.3%**
Recovered Costs	834,275	1,353,243	1,200,000	-11.3%
Transfers In	**620,074**	**636,400**	**562,000**	**-11.7%**
Generated Revenue Percent	**57.4%**	**68.0%**	**68.1%**	
General Fund Revenue Percent	**42.6%**	**32.0%**	**31.9%**	

BUDGET HIGHLIGHTS

- Transfers In equals generated revenue collected in the General Fund on behalf of the Lewistown Commerce Center CDA.

Self-Insurance Fund

DESCRIPTION

The Self-Insurance Fund provides for fiscal management of health insurance costs, as well as clinic operations and wellness initiatives. The Self-Insurance Fund includes the County, Schools, Pamunkey Regional Library and Pamunkey Regional Jail. The employer's share of health insurance costs and retiree healthcare liability costs are budgeted in departmental budgets, while this internal service fund accounts for the payment of claims, receives employee health insurance premiums and provides adequate reserves to mitigate increases in claims beyond those anticipated. The revenue for the fund comes primarily from employer contributions and employee premiums that are set with the intent to recover all costs. Each employee pays a premium based on the level of coverage selected in the program.

BUDGET SUMMARY	FY19 Actual	FY20 Budget	FY21 Budget	% Change FY20 to FY21
Expenditures	**42,360,040**	**47,456,700**	**48,012,900**	**1.2%**
Salaries & Fringe Benefits	**1,493,963**	**1,671,318**	**1,896,719**	**13.5%**
Operating	**40,866,077**	**45,785,382**	**46,116,181**	**0.7%**
Revenues	**40,562,582**	**47,456,700**	**48,012,900**	**1.2%**
Local Revenue	**40,562,582**	**45,856,700**	**46,012,900**	**0.3%**
COBRA	195,012	-	-	----
Health Ins Fees - Employee	10,190,006	13,868,000	10,999,500	-20.7%
Health Ins Fees - Employer	28,396,274	31,758,700	34,938,400	10.0%
Investment Income	327,487	50,000	75,000	50.0%
OPEB Fees Employer	45,823	-	-	----
Recovered Costs	424,242	180,000	-	-100.0%
Retirees	983,738	-	-	----
Use of Planned Surpluses	**-**	**1,600,000**	**2,000,000**	**25.0%**
Generated Revenue Percent	**100.0%**	**100.0%**	**100.0%**	
General Fund Revenue Percent	**0.0%**	**0.0%**	**0.0%**	

BUDGET HIGHLIGHTS

- Operating has a minimal net increase with claims, including pharmacy and medical costs, budgeted flat from FY20.
- Salaries & Fringe Benefits includes increased employer contributions to Health Savings Accounts (HSA) as more employees opt for consumer-driven insurance plans.

FTE SUMMARY	FY20 Budget	FY20 Amended	FY21 Budget	FTE Change from FY20 Amended
Full-time Equivalents (FTE)	**1.0**	**1.0**	**1.0**	**-**
Full-time Positions	1.0	1.0	1.0	-

Food Services Fund

DESCRIPTION

The Food Services Fund accounts for all of the operations of the school food services program. All schools participate in the National School Breakfast and Lunch Programs, which provides subsidized meals to eligible students at reduced or no cost. An a la carte food service program is also available at the high schools. Revenues that support the program are from school-based lunch and breakfast sales coupled with Federal and State funding based upon the anticipated participation levels for free, reduced and paid meals.

BUDGET SUMMARY	FY19 Actual	FY20 Budget	FY21 Budget	% Change FY20 to FY21
Expenditures	**6,801,643**	**7,419,458**	**7,604,475**	**2.5%**
Salaries & Fringe Benefits	**3,619,869**	**3,705,943**	**3,880,895**	**4.7%**
Operating	**3,157,638**	**3,663,515**	**3,698,580**	**1.0%**
Capital Outlay	**24,136**	**50,000**	**25,000**	**-50.0%**
Revenues	**6,808,785**	**7,419,458**	**7,604,475**	**2.5%**
Local Revenue	**4,266,782**	**4,810,232**	**4,920,025**	**2.3%**
Charges for Services	4,182,959	4,580,232	4,680,025	2.2%
Miscellaneous	80,517	230,000	240,000	4.3%
Use of Money & Property	3,306	-	-	----
Intergovernmental	**2,542,003**	**2,609,226**	**2,684,450**	**2.9%**
Categorical Federal Aid	2,461,551	2,534,000	2,604,000	2.8%
Categorical State Aid	80,452	75,226	80,450	6.9%
Generated Revenue Percent	**100.0%**	**100.0%**	**100.0%**	
General Fund Revenue Percent	**0.0%**	**0.0%**	**0.0%**	

FTE SUMMARY	FY20 Budget	FY20 Amended	FY21 Budget	FTE Change from FY20 Amended
Full-time Equivalents (FTE)	**129.7**	**129.7**	**129.7**	**-**
Full-time Positions	121.0	121.0	121.0	-
Part-time Positions	8.7	8.7	8.7	-

Schools Operating Fund

DESCRIPTION

Hanover County Public Schools currently operates 3 separate funds: Schools Operating Fund, Food Services Fund and School Improvements Fund. Complete details of all funds can be found in the School Board's Budget, which can be accessed on the School's website at http://hcps.us/.

Hanover County Public Schools' mission is to be a student-centered, community-driven organization committed to providing all students with exceptional learning experiences in order to prepare them to be confident, ethical, productive citizens. The Hanover County School Board is charged with the responsibility of preserving and enhancing public education in Hanover. The seven-member body is 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 the Superintendent of Schools.

The quality of the school system has produced many accolades for Hanover's students and teachers. All Hanover schools are accredited by the Virginia Department of Education. Hanover is fully accredited by the Southern Association of Colleges and Schools Council on Accreditation and School Improvement (SACS CASI) and AdvancED. In addition, Hanover was the first Virginia school district to receive the U.S. Senate Productivity and Quality Award for Continuing Excellence.

BUDGET SUMMARY	FY19 Actual	FY20 Budget	FY21 Budget	% Change FY20 to FY21
Expenditures	**182,965,603**	**194,193,039**	**193,877,503**	**-0.2%**
Salaries & Fringe Benefits	**162,706,701**	**172,658,756**	**173,207,636**	**0.3%**
Operating	**18,356,665**	**19,756,883**	**19,001,902**	**-3.8%**
Capital Outlay	**1,877,175**	**1,777,400**	**1,667,965**	**-6.2%**
Transfers Out	**25,062**	**-**	**-**	**----**
Revenues	**183,232,936**	**194,193,039**	**193,877,503**	**-0.2%**
Local Revenue	**2,584,990**	**2,698,535**	**3,054,349**	**13.2%**
Charges for Services	855,525	879,735	842,000	-4.3%
Miscellaneous	1,005,287	1,273,800	1,417,749	11.3%
Recovered Costs	520,651	430,000	635,000	47.7%
Use of Money & Property	203,527	115,000	159,600	38.8%
Intergovernmental	**97,776,707**	**99,798,504**	**97,827,154**	**-2.0%**
Categorical Federal Aid	7,376,968	7,002,960	8,114,327	15.9%
Categorical State Aid	21,296,438	21,402,681	21,293,379	-0.5%
Non-Categorical State Aid	69,103,301	71,392,863	68,419,448	-4.2%
Transfers In	**82,871,239**	**91,696,000**	**92,996,000**	**1.4%**
Generated Revenue Percent	**54.8%**	**52.8%**	**52.0%**	
General Fund Revenue Percent	**45.2%**	**47.2%**	**48.0%**	

Schools Operating Fund

BUDGET HIGHLIGHTS

- The budget reflects the input of School Board members, School staff and parent and professional organizational representatives working together. The focus remains on maintaining educational opportunities for students.
- The CIP includes continuing support for the Schools' technology funding plan. That project is separately budgeted in the CIP section of the document.

GOALS & OBJECTIVES

- Develop budget proposals to support the stated goal of the Superintendent and School Board of providing an education system that will foster the success of all students
- Provide resources to ensure schools are safe for students, school visitors and employees
- Provide salary and benefit plans that support Hanover's competitive position and reflect market adjustments where necessary
- Promote instructional programming that supports professional development for staff, curriculum development, career and technical education, state and federal accountability standards, special education services, technology integration and dual enrollment
- Develop and maintain a responsive, systematic approach to long-term building maintenance, construction, custodial services, furniture/equipment replacement, technology (information) system upgrades, other operating efficiencies and long-range financial stability
- Integrate recommendations, as approved by the School Board, from the Facility and Instructional Program Evaluation Committee
- Identify the impact of emerging issues and mandates on the school budget

FTE SUMMARY

	FY20 Budget	FY20 Amended	FY21 Budget	FTE Change from FY20 Amended
Full-time Equivalents (FTE)	**2,394.1**	**2,394.1**	**2,381.6**	**(12.5)**
Full-time Positions	2,254.0	2,254.0	2,241.0	(13.0)
Part-time Positions	140.1	140.1	140.6	0.5

Economic Development Authority Fund

DESCRIPTION

The Economic Development Authority (EDA) was created by ordinance on August 30, 1967, and is a political subdivision of the Commonwealth of Virginia, but has no taxing authority. The EDA consists of 7 members appointed from each magisterial district in the County.

The EDA is empowered to acquire, own, lease and dispose of properties, including properties for use by the County, and to finance the same by issuance of revenue bonds. Hanover's EDA is primarily used for 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 from inducement resolutions approved by the EDA. 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.

BUDGET SUMMARY	FY19 Actual	FY20 Budget	FY21 Budget	% Change FY20 to FY21
Expenditures	**64,752**	**88,560**	**87,295**	**-1.4%**
Operating	**64,752**	**88,560**	**87,295**	**-1.4%**
Revenues	**106,455**	**88,560**	**87,295**	**-1.4%**
Local Revenue	**106,455**	**88,560**	**87,295**	**-1.4%**
Permits Fees & Licenses	106,455	88,560	87,295	-1.4%
Generated Revenue Percent	**100.0%**	**100.0%**	**100.0%**	
General Fund Revenue Percent	**0.0%**	**0.0%**	**0.0%**	

BUDGET HIGHLIGHTS

- The budget is based on the estimated volume of outstanding debt. Revenue decreases slightly as principal is repaid for the two outstanding debt issuances.
- The accompanying change in expenditures decreases reimbursement to the Economic Development department in the General Fund, which offsets costs associated with managing the EDA.

GOALS & OBJECTIVES

- Promptly service industrial revenue bond requests, other economic development opportunities and, after a thorough study, make timely recommendations to the Board of Supervisors for their consideration