

COUNTY OF JAMES CITY, VIRGINIA
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year ended June 30, 2004

	<u>General</u>	<u>Capital projects</u>	<u>Debt service</u>	<u>Other governmental funds</u>	<u>Total governmental funds</u>
Revenues:					
General property taxes	\$ 68,743,915	11,373	—	1,131	68,756,419
Other local taxes	15,297,039	—	—	—	15,297,039
Permits, privilege fees and regulatory licenses	7,233,545	—	—	—	7,233,545
Fines and forfeitures	288,221	—	—	—	288,221
Revenue from use of money and property	288,567	—	81,121	193,528	563,216
Charges for services	3,486,006	—	—	360,630	3,846,636
Miscellaneous	116,844	269,814	—	328,513	715,171
Intergovernmental:					
Local	—	—	—	270,399	270,399
Commonwealth	18,471,484	1,045,132	—	4,113,251	23,629,867
Federal	32,061	361,796	—	10,245,216	10,639,073
Total revenues	<u>113,957,682</u>	<u>1,688,115</u>	<u>81,121</u>	<u>15,512,668</u>	<u>131,239,586</u>
Expenditures:					
Current:					
Storm costs	—	—	—	8,239,127	8,239,127
General government administration	7,202,889	—	—	—	7,202,889
Judicial administration	3,050,448	—	—	697,473	3,747,921
Public safety	14,773,572	—	—	402,492	15,176,064
Public works	3,337,376	—	—	3,905	3,341,281
Health and welfare	1,163,535	—	—	4,998,116	6,161,651
Education	52,556,412	—	—	—	52,556,412
Parks, recreation and cultural	7,818,279	—	—	68,593	7,886,872
Community development	5,727,498	—	120,078	3,485,756	9,333,332
Nondepartmental	626,983	—	93,830	—	720,813
Debt service:					
Principal retirement	—	—	5,289,782	125,000	5,414,782
Interest, other fiscal charges and early retirement	—	—	3,886,121	—	3,886,121
Capital outlay	—	13,469,974	—	—	13,469,974
Total expenditures	<u>96,256,992</u>	<u>13,469,974</u>	<u>9,389,811</u>	<u>18,020,462</u>	<u>137,137,239</u>
Excess (deficiency) of revenues over (under) expenditures	<u>17,700,690</u>	<u>(11,781,859)</u>	<u>(9,308,690)</u>	<u>(2,507,794)</u>	<u>(5,897,653)</u>
Other financing sources (uses):					
Transfers in (note 5)	—	2,686,221	9,422,577	2,914,730	15,023,528
Proceeds from capital lease	—	14,500,000	—	—	14,500,000
Transfers out (note 5)	(14,719,093)	(156,635)	(125,000)	(22,800)	(15,023,528)
Total other financing sources and uses	<u>(14,719,093)</u>	<u>17,029,586</u>	<u>9,297,577</u>	<u>2,891,930</u>	<u>14,500,000</u>
Net change in fund balances	<u>2,981,597</u>	<u>5,247,727</u>	<u>(11,113)</u>	<u>384,136</u>	<u>8,602,347</u>
Fund balances – beginning of year	21,713,919	15,578,329	107,703	5,079,542	42,479,493
Fund balances – end of year	<u>\$ 24,695,516</u>	<u>20,826,056</u>	<u>96,590</u>	<u>5,463,678</u>	<u>51,081,840</u>

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Reconciliation of the statement of revenues, expenditures and changes in fund balances of governmental funds to the statement of activities:

Net change in fund balances – total governmental funds \$ 8,602,347

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures; however, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This amount represents the difference between depreciation expense and capital outlay expenditures. The details of this difference are as follows:

Depreciation expense	\$ (5,107,443)	
Capital outlay expenditures	14,072,929	
Cost of assets sold	<u>(93,129)</u>	
		8,872,357

Because some revenues will not be collected for several months after the County's fiscal year end, they are not considered "available" revenues and are deferred in the governmental funds. Deferred revenue decreased by this amount this year.

(381,676)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, refunding costs, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related accounts. The details of this difference are as follows:

Principal payments	5,414,782	
Capital lease proceeds	(14,500,000)	
Premium on debt issuance	135,416	
Amortization of issuance costs	(37,246)	
Deferred costs	<u>(285,413)</u>	
		(9,272,461)

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. This difference includes the increases in vested compensated absences of \$138,245 and in landfill postclosure care cost of \$30,300 and the increase of accrued interest of \$185,708.

(354,253)

Change in net assets of governmental activities

\$ 7,466,314

See accompanying notes to basic financial statements.