

**COUNTY OF JAMES CITY, VIRGINIA**  
Statement of Revenues, Expenditures and Changes in Fund Balances  
Governmental Funds  
Year ended June 30, 2008

	General	Capital projects	Debt service	Other governmental funds	Total governmental funds
<b>Revenues:</b>					
General property taxes	\$ 105,668,625	139	—	—	105,668,764
Other local taxes	20,486,124	—	—	—	20,486,124
Permits, privilege fees and regulatory licenses	8,288,580	—	—	—	8,288,580
Fines and forfeitures	366,606	—	—	—	366,606
Revenue from use of money and property	1,789,264	—	3,222,035	94,422	5,105,721
Charges for services	5,106,213	—	—	413,390	5,519,603
Miscellaneous	575,175	1,773,128	—	613,853	2,962,156
<b>Intergovernmental:</b>					
Local	—	—	—	841,072	841,072
Commonwealth	25,063,369	260,091	—	4,474,695	29,798,155
Federal	110,154	—	—	7,417,111	7,527,265
Total revenues	<u>167,454,110</u>	<u>2,033,358</u>	<u>3,222,035</u>	<u>13,854,543</u>	<u>186,564,046</u>
<b>Expenditures:</b>					
<b>Current:</b>					
General government administration	8,763,085	—	—	801,455	9,564,540
Judicial administration	4,186,024	—	—	1,081,335	5,267,359
Public safety	22,330,893	—	—	1,051,660	23,382,553
Public works	5,829,883	—	—	55,644	5,885,527
Health and welfare	1,508,975	—	—	5,607,218	7,116,193
Education	74,228,490	—	—	—	74,228,490
Parks, recreation and cultural	9,995,929	—	—	49,674	10,045,603
Community development	7,987,749	—	105,942	8,238,381	16,332,072
Nondepartmental	2,492,546	—	—	—	2,492,546
<b>Debt service:</b>					
Principal retirement	—	—	14,120,257	125,000	14,245,257
Interest, other fiscal charges and early retirement	—	—	11,253,935	—	11,253,935
Capital outlay – governmental activities	—	8,985,585	—	—	8,985,585
Capital outlay – school activities	—	17,541,191	—	—	17,541,191
Total expenditures	<u>137,323,574</u>	<u>26,526,776</u>	<u>25,480,134</u>	<u>17,010,367</u>	<u>206,340,851</u>
Excess (deficiency) of revenues over (under) expenditures	<u>30,130,536</u>	<u>(24,493,418)</u>	<u>(22,258,099)</u>	<u>(3,155,824)</u>	<u>(19,776,805)</u>
<b>Other financing sources (uses):</b>					
Transfers in (note 5)	—	6,166,000	22,383,099	4,497,685	33,046,784
Transfers out (note 5)	(32,921,784)	—	(125,000)	—	(33,046,784)
Total other financing sources (uses)	<u>(32,921,784)</u>	<u>6,166,000</u>	<u>22,258,099</u>	<u>4,497,685</u>	<u>—</u>
Net change in fund balances	<u>(2,791,248)</u>	<u>(18,327,418)</u>	<u>—</u>	<u>1,341,861</u>	<u>(19,776,805)</u>
Fund balances at beginning of year	39,316,687	113,413,284	—	3,051,415	155,781,386
Fund balances at end of year	<u>\$ 36,525,439</u>	<u>95,085,866</u>	<u>—</u>	<u>4,393,276</u>	<u>136,004,581</u>

COUNTY OF JAMES CITY, VIRGINIA

Statement of Revenues, Expenditures and Changes in Fund Balances

Governmental Funds

Year ended June 30, 2008

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		\$ (19,776,805)
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	\$ (8,303,937)	
Capital outlay expenditures	30,233,710	
Cost of assets sold	<u>(2,299,686)</u>	
		19,630,087
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 increased by this amount this year.		
		3,890,468
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:		
Amortization of issuance costs	(109,801)	
Principal payments	14,245,257	
Deferred costs	<u>592,460</u>	
		14,727,916
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 increase in vested compensated absences of \$108,963, increase in landfill postclosure care cost of \$46,307 and decrease in accrued interest of \$55,329.		
		<u>(99,941)</u>
Change in net assets of governmental activities		<u>\$ 18,371,725</u>

See accompanying notes to basic financial statements.