

Discussion Materials

Halifax County, Virginia



October 16, 2018

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Goals and Objectives



- Present a detailed analysis of the County's Existing Tax-Supported Debt Profile.
 - Analyze a series of Key Financial Ratios so as to better understand the County's Existing Debt Profile and future Debt Capacity.
 - Provide the County with an initial perspective on "Affordability" of potential capital funding (i.e. Debt Affordability) for County and School capital needs (separately).
- Examine a series of Peer Comparatives to understand how the County's Existing Debt Profile compares against national and Virginia counties.
- Assess the impact, if any, as it relates to the County's completion of the Courthouse Renovation and Commonwealth Attorney Building (together the "Courthouse Project").
- The County is exploring potential options for financing School Projects ranging up to \$100 Million.
 - Analyze the impact of the proposed financings with respect to Debt Affordability based on current revenue sources.
 - Revisit the Key Financial Ratios.

Peer Comparatives



Peer Comparative Introduction

- The County currently does not have ratings from Moody's, Standard and Poor's, or Fitch.
- The following pages contain peer comparatives based on the Moody's rating categories shown below.
 - National Counties
 - Aaa's 107 Credits
 - Aa's 578 Credits
 - A's 172 Credits
 - Virginia Counties
 - Aaa's 9 Credits
 - Aa's 27 Credits
 - A's 2 Credits
- The data shown in the peer comparatives is from Moody's Municipal Financial and Ratio Analysis database from the most recent financial statements available as of September 24, 2018; FY 2017 in most cases.

Moody's Investors Service	Standard & Poor's	Fitch Ratings
Aaa	AAA	AAA
Aa1	AA+	AA+
Aa2	AA	AA
Aa3	AA-	AA-
A1	A+	A+
A2	A	A
A3	A-	A-
Baa1	BBB+	BBB+
Baa2	BBB	BBB
Baa3	BBB-	BBB-
Non Investment Grade		

Moody's: Virginia Rating Peers

Aaa		
Albemarle County, VA	Fairfax County, VA	James City County, VA
Arlington County, VA	Hanover County, VA	Loudoun County, VA
Chesterfield County, VA	Henrico County, VA	Prince William County, VA
Aa		
Appomattox County, VA	Henry County, VA	Pulaski County, VA
Caroline County, VA	Isle Of Wight County, VA	Roanoke County, VA
Carroll County, VA	King George County, VA	Rockingham County, VA
Culpeper County, VA	Montgomery County, VA	Spotsylvania County, VA
Dinwiddie County, VA	Northumberland County, VA	Stafford County, VA
Fauquier County, VA	Orange County, VA	Warren County, VA
Fluvanna County, VA	Pittsylvania County, VA	Washington County, VA
Franklin County, VA	Powhatan County, VA	Wise County, VA
Frederick County, VA	Prince George County, VA	York County, VA
A		
Patrick County, VA	Smyth County, VA	

County's Contiguous Peers

Campbell County, VA	Charlotte County, VA	Mecklenburg County, VA
Pittsylvania County, VA (Aa3)		



General Fund Operations

General Fund Operations | Revenues and Expenses



	2013	2014	2015	2016	2017
1 Revenues					
2 General property taxes	\$ 24,546,393	\$ 24,894,828	\$ 25,975,109	\$ 26,236,246	\$ 26,818,027
3 Other local taxes	6,164,352	6,583,756	7,083,089	6,725,483	6,680,061
4 Permits, privilege fees, and regulatory licenses	154,721	185,344	181,932	144,763	173,170
5 Fines and forfeitures	62,785	73,681	89,105	66,606	111,148
6 Revenue from the use of money and property	284,088	270,226	244,284	261,714	290,120
7 Charges for services	455,278	447,483	469,995	482,990	422,112
8 Miscellaneous	114,194	214,769	256,217	206,510	268,432
9 Recovered costs	903,938	739,564	612,170	202,997	458,276
10 Intergovernmental revenues:					
11 Local government	-	-	147,111	165,461	160,910
12 Commonwealth	5,690,889	5,990,944	5,903,468	5,629,269	5,877,421
13 Federal	63,092	65,843	60,433	70,406	60,902
14 Total Revenues	\$ 38,439,730	\$ 39,466,438	\$ 41,022,913	\$ 40,192,445	\$ 41,320,579
16 Expenditures					
17 Current:					
18 General government administration	\$ 2,241,420	\$ 2,233,023	\$ 2,208,915	\$ 2,143,280	\$ 2,276,628
19 Judicial administration	1,509,589	1,576,377	1,594,174	1,660,616	1,715,575
20 Public safety	7,141,533	7,274,293	7,981,325	8,358,185	7,961,478
21 Public works	3,322,434	3,080,549	3,477,487	3,186,652	2,962,589
22 Health and welfare	376,468	374,274	391,720	388,754	433,955
23 Education	13,138,844	13,588,053	12,763,750	13,760,453	13,899,081
24 Parks, recreation, and cultural	422,362	432,560	402,663	433,764	415,325
25 Community development	1,505,005	1,381,264	1,247,789	1,238,975	1,174,857
26 Nondepartmental	133,077	131,883	753	64,342	112,162
27 Debt service:					
28 Principal retirement	3,030,320	3,145,340	3,449,831	3,498,559	3,572,757
29 Interest and other fiscal charges	2,434,095	1,499,289	2,079,057	2,007,273	2,167,553
30 Total expenditures	\$ 35,255,147	\$ 34,716,905	\$ 35,597,464	\$ 36,740,853	\$ 36,691,960
31 Excess (deficiency) of revenues over (under) expenditures	\$ 3,184,583	\$ 4,749,533	\$ 5,425,449	\$ 3,451,592	\$ 4,628,619
34 Other financing sources (uses)					
35 Transfers in	277,979	30,404	-	16,958	-
36 Issuance of capital lease	-	296,506	-	-	-
37 Transfers out					
38 To Virginia Public Assistance	(1,443,599)	(1,275,379)	(1,452,583)	(1,546,383)	(1,458,099)
39 To County Capital Projects	(206,480)	(1,104,413)	(469,035)	(653,846)	(1,000,478)
40 To Nonmajor Governmental Funds	-	-	-	(2,237)	(20,737)
41 Subtotal transfers out	(1,650,079)	(2,379,792)	(1,921,618)	(2,202,466)	(2,479,314)
42 Total other financing sources (uses)	(1,372,100)	(2,052,882)	(1,921,618)	(2,185,508)	(2,479,314)
43 Net change in fund balance	1,812,483	2,696,651	3,503,831	1,266,084	2,149,305
44 Fund balance - beginning ⁽¹⁾	11,549,907	13,362,390	16,059,041	19,363,461	20,629,545
46 Fund balance - ending	13,362,390	16,059,041	19,562,872	20,629,545	22,778,850

⁽¹⁾ Beginning fund balance in FY 2016 is restated due to a change in the accounting method for delinquent solid waste fees.

General Fund Operations | Fund Balance



County's Historical Fund Balance

	2013	2014	2015	2016	2017
1 General Fund Revenues	\$ 38,439,730	\$ 39,466,438	\$ 41,022,913	\$ 40,192,445	\$ 41,320,579
2 General Fund Expenditures	\$ 35,255,147	\$ 34,716,905	\$ 35,597,464	\$ 36,740,853	\$ 36,691,960
3 General Fund Balance					
4 Nonspendable & Restricted	\$ 146,546	\$ 222,680	\$ 215,858	\$ 251,919	\$ 224,291
5 Committed	393,823	446,028	569,924	569,721	578,429
6 Assigned (Details Below)	5,493,681	5,988,019	10,174,758	10,869,070	11,204,788
7 Unassigned	7,328,340	9,402,314	8,602,332	8,938,835	10,771,342
8 Total	\$ 13,362,390	\$ 16,059,041	\$ 19,562,872	\$ 20,629,545	\$ 22,778,850
9					
10 Rating Agency Available ⁽¹⁾	\$ 13,215,844	\$ 15,836,361	\$ 19,347,014	\$ 20,377,626	\$ 22,554,559
11					
12 General Fund Balance Ratios					
13 Unassigned as a % of Revenues	19.1%	23.8%	21.0%	22.2%	26.1%
14 Unassigned as a % of Expenditures	20.8%	27.1%	24.2%	24.3%	29.4%
15 Rating Agency Available as a % of Revenues	34.4%	40.1%	47.2%	50.7%	54.6%
16 Rating Agency Available as a % of Expenditures	37.5%	45.6%	54.3%	55.5%	61.5%
17 Total General Fund Balance as a % of Revenues	34.8%	40.7%	47.7%	51.3%	55.1%
18 Total General Fund Balance as a % of Expenditures	37.9%	46.3%	55.0%	56.1%	62.1%
19					
20 General Fund Assigned Fund Balance Details					
21 Budget carryovers	-	-	2,243,151	619,043	252,280
22 Long-term debt	5,493,681	5,988,019	6,521,893	6,529,260	6,904,352
23 Fiscal policy - capital and long-term debt	-	-	1,409,714	3,720,767	4,048,156
24 Total General Fund Assigned Fund Balance	5,493,681	5,988,019	10,174,758	10,869,070	11,204,788
25					
26 Other Fund Balances					
27 County Capital Projects					
28 Restricted - Capital Projects	\$ -	\$ 2,624,573	\$ 1,746,169	\$ 1,805,244	\$ 18,063,310
29 Assigned - Future Capital Projects	-	-	-	270,898	517,152
30 Total County Capital Projects	-	2,624,573	1,746,169	2,076,142	18,580,462
31 Total Nonmajor Governmental Funds ⁽²⁾	875,726	910,425	969,386	943,775	897,339
32 Total Other Fund Balances	\$ 875,726	\$ 3,534,998	\$ 2,715,555	\$ 3,019,917	\$ 19,477,801

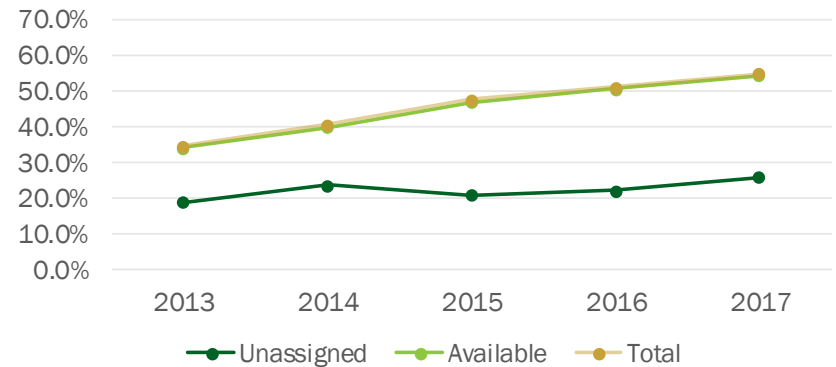
⁽¹⁾ Includes Committed, Assigned, and Unassigned Fund Balances.

⁽²⁾ Nonmajor Governmental Funds includes the Airport Fund and State and Federal Grants Fund.

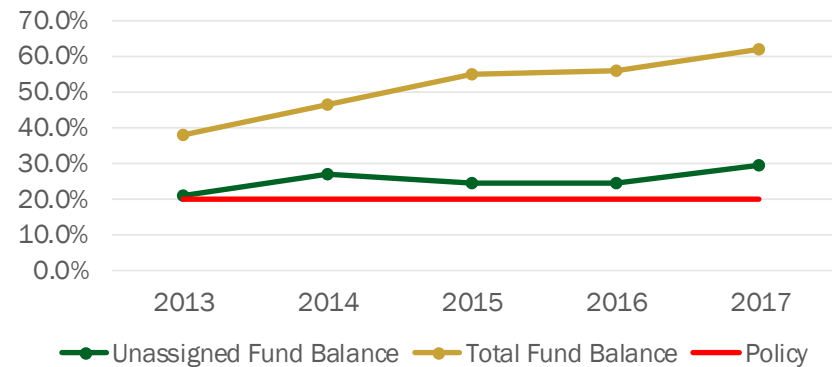
County Fund Balance Policy

- The County will strive to maintain a targeted Unassigned Fund Balance, as defined by the Governmental Accounting Standards Board, at the close of each fiscal year equal to 20% of General Fund Expenditures.
- When Unassigned Fund Balance is adequate, audited General Fund revenues in excess of expenditures shall be appropriated 50% to Debt Service Reserve and 50% to Capital Investment Plan funding.

General Fund
Unassigned Fund Balance as a % of Revenues
(Moody's Methodology)



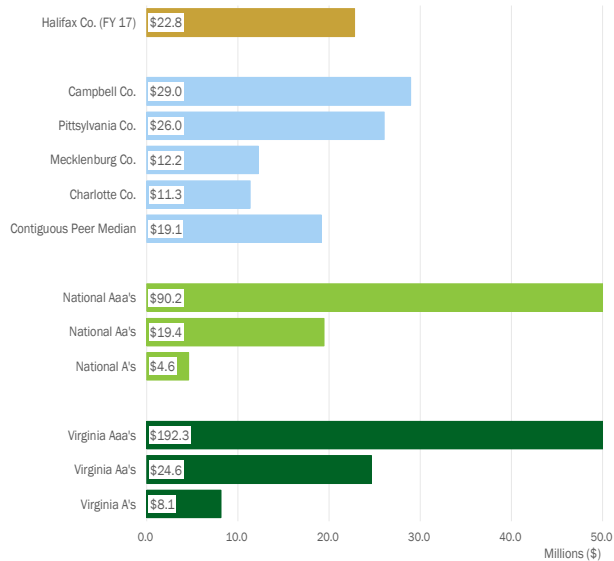
General Fund
Unassigned Fund Balance as a % of Expenditures
(County's Policy)



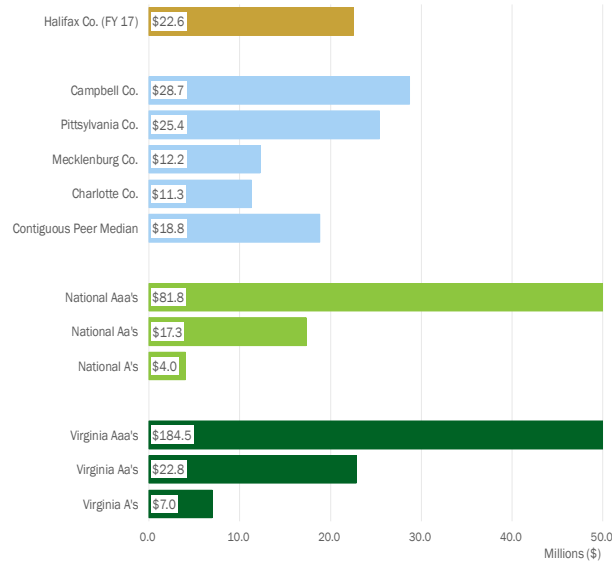
General Fund Operations | Fund Balance Comparison



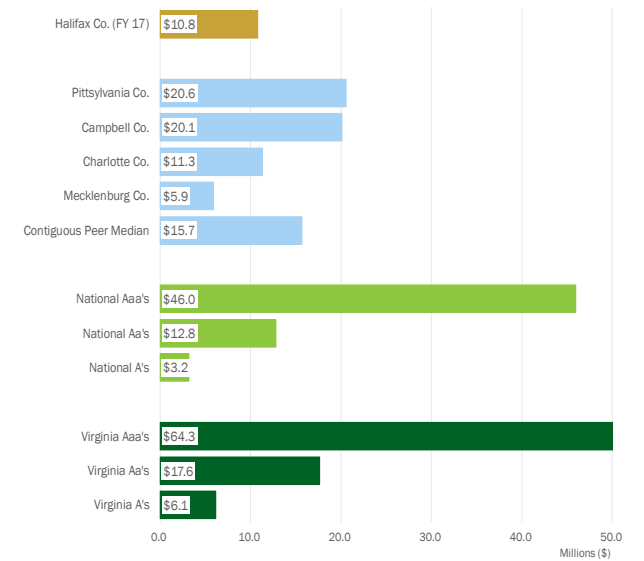
Total Fund Balance (General Fund)



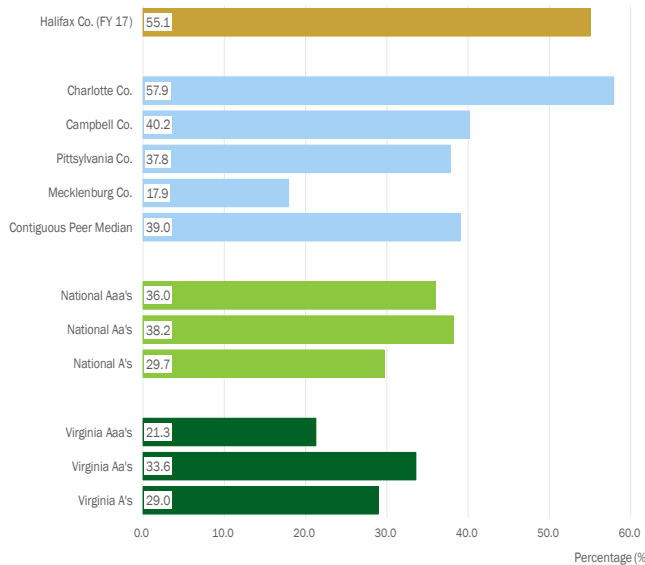
Available Fund Balance (General Fund)⁽¹⁾



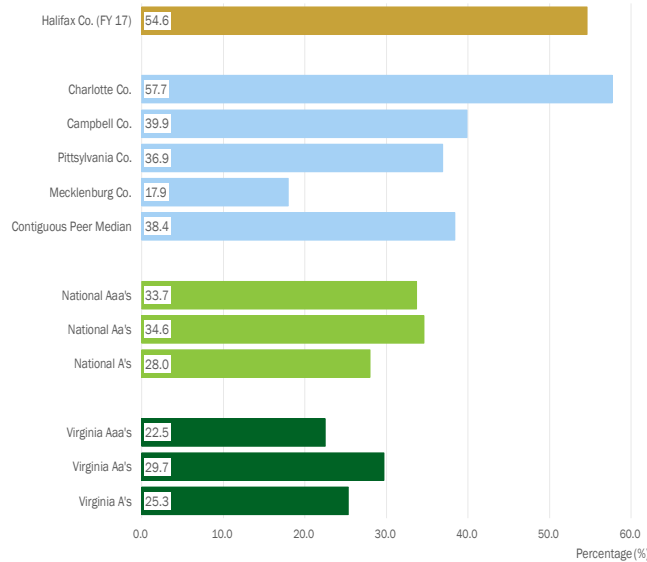
Unassigned Fund Balance (General Fund)



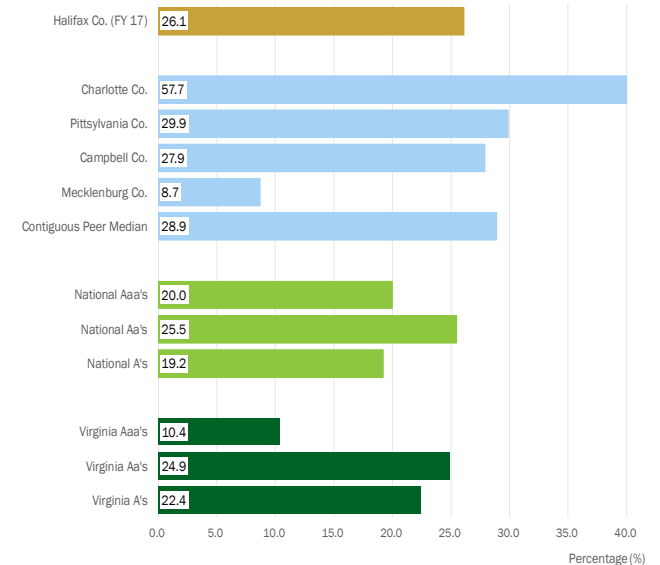
Total Fund Balance as % of Revenue (General Fund)



Available Fund Balance as % of Revenue (General Fund)⁽¹⁾



Unassigned Fund Balance as % of Revenue (General Fund)



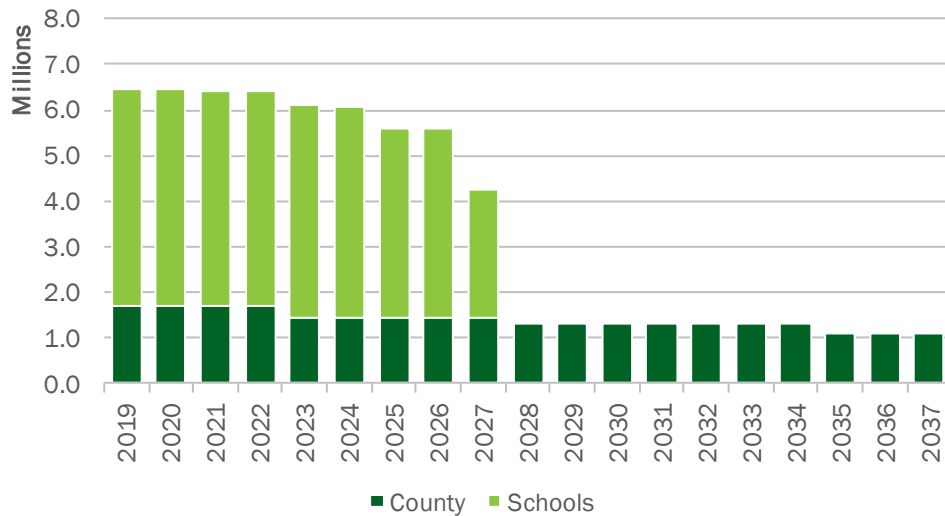


Existing Tax-Supported Debt Profile

Existing Tax-Supported Debt



Tax-Supported Debt Service⁽¹⁾



Par Outstanding – Estimated as of 6/30/2018

Type	Par Amount
County	\$18,358,393
Schools	33,748,287
Total Par Outstanding	\$52,106,680

Note: Includes 2011 Halifax County Service Authority VRA Bonds; excludes Capital Lease issued by School Board (i.e., Equipment Lease Purchase 2013).

Tax-Supported Debt Service⁽¹⁾

FY	County Debt Service	Schools Debt Service	Total Debt Service	10-yr Payout
Total	26,384,673	39,322,954	65,707,627	
2019	1,705,457	4,749,313	6,454,770	82.2%
2020	1,707,155	4,732,012	6,439,167	82.5%
2021	1,701,918	4,707,825	6,409,743	82.8%
2022	1,708,554	4,682,985	6,391,539	83.3%
2023	1,431,227	4,664,564	6,095,790	84.0%
2024	1,429,255	4,647,342	6,076,597	85.2%
2025	1,431,245	4,156,971	5,588,216	86.9%
2026	1,430,180	4,149,862	5,580,042	88.8%
2027	1,426,959	2,832,082	4,259,040	92.3%
2028	1,298,171	-	1,298,171	100.0%
2029	1,300,529	-	1,300,529	100.0%
2030	1,295,804	-	1,295,804	100.0%
2031	1,298,866	-	1,298,866	100.0%
2032	1,299,459	-	1,299,459	100.0%
2033	1,298,311	-	1,298,311	100.0%
2034	1,299,719	-	1,299,719	100.0%
2035	1,108,281	-	1,108,281	100.0%
2036	1,106,206	-	1,106,206	100.0%
2037	1,107,378	-	1,107,378	100.0%

⁽¹⁾ The Existing Tax Supported Debt Service reflected in this analysis has been adjusted for the interest savings achieved through the 2014 VPSA refunding.

Key Debt Ratio: Tax-Supported Payout Ratio



10 Year Payout Ratio

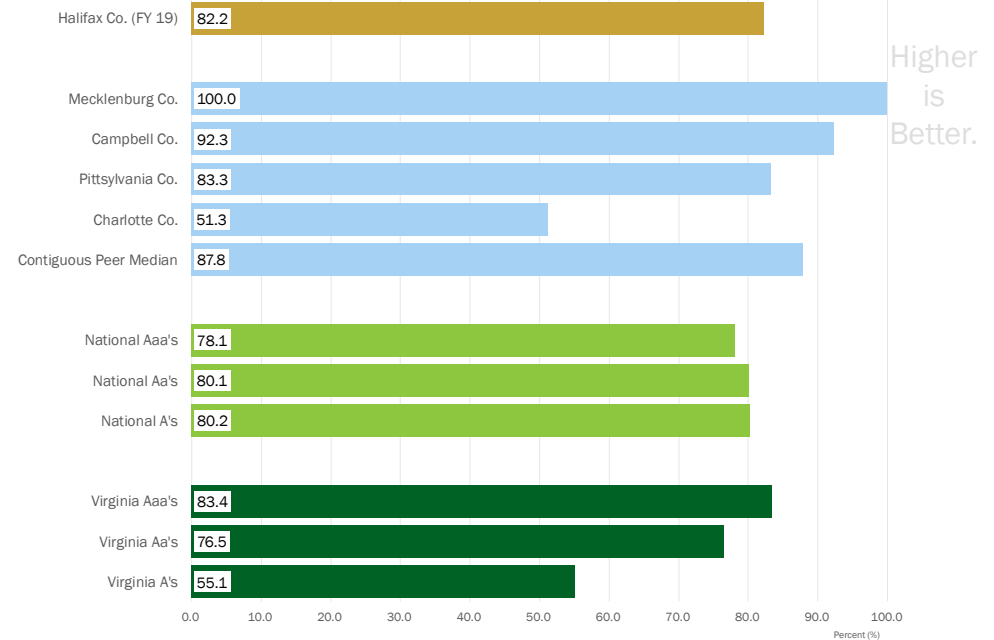


Existing 10 Year Payout Ratio

— FY 2019 82.2%

- The 10 Year Payout Ratio measures the amount of principal to be retired in the next 10 years.
- This ratio is an important metric that indicates whether or not a locality is back-loading its debt.
- As approved on October 6, 2014, the County's adopted 10 Year Payout Ratio policy establishes a minimum target of 55.0%.

10 year Payout Ratio Peer Comparative



Note: The calculation for Mecklenburg County does not include debt issued in FY 2018 and proposed debt to be issued in FY 2019. The estimated payout ratio for Mecklenburg is 29.1% when the new debt is included.

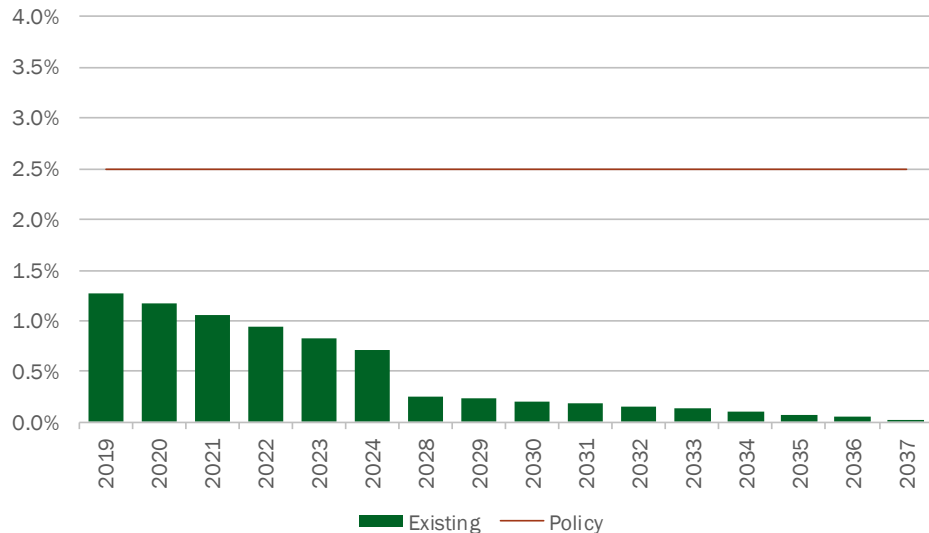
Rating Considerations

- Moody's: Moody's rating criteria for General Obligation credits allows for a scorecard adjustment if an issuer has unusually slow or rapid amortization of debt principal.
- S&P: A payout ratio greater than 65% results in a one point positive qualitative adjustment to the Debt & Contingent Liabilities section of S&P's General Obligation rating methodology.

Key Debt Ratio: Debt to Assessed Value



Debt to Assessed Value



Existing Debt to Assessed Value

— FY 2019 1.3%

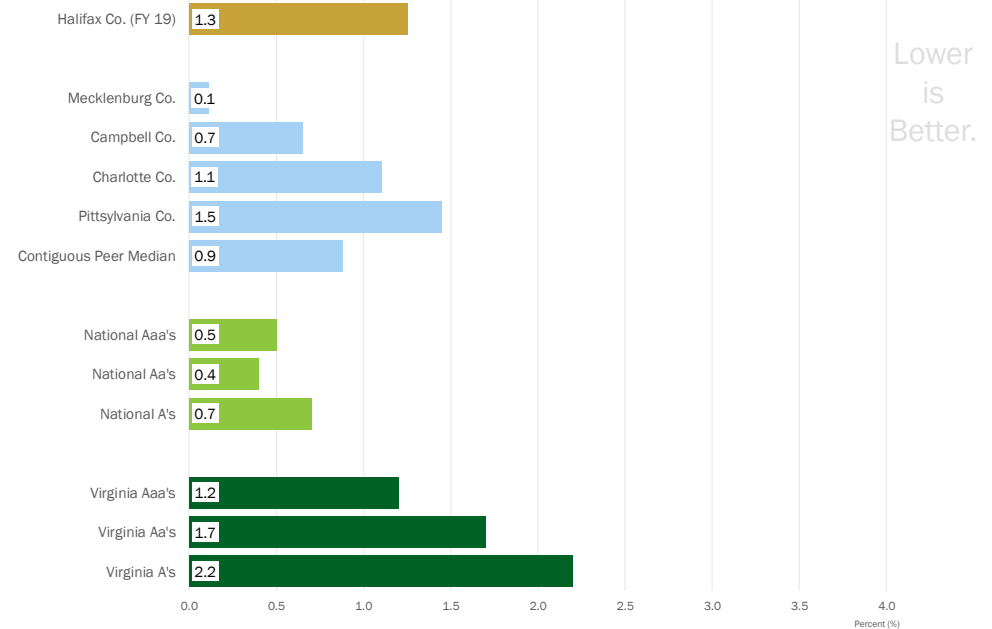
Assumed Future Growth Rates

— 2017 Assessed Value \$4,078,936,357

— 2018 & Beyond 0.0%

- As approved on October 6, 2014, the County's adopted Debt to Assessed Value ratio establishes a maximum target of 2.5%.

Debt to Assessed Value Peer Comparative



Note: The calculation for Mecklenburg County does not include debt issued in FY 2018 and proposed debt to be issued in FY 2019. The estimated debt to assessed value ratio for Mecklenburg is 2.1% when the new debt is included.

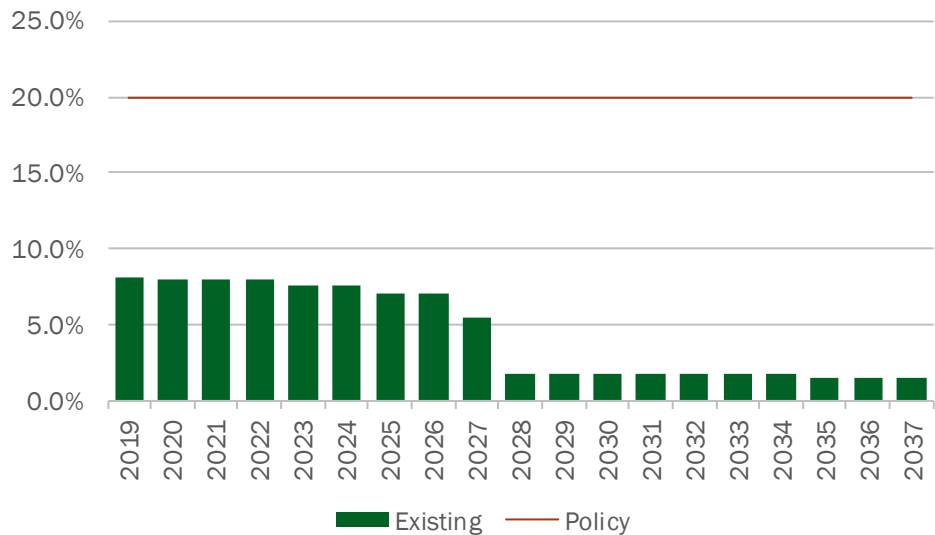
Rating Considerations

- Moody's:** Under the Debt/Pensions section of Moody's methodology, debt to full value categories are defined as follows:
 - Aaa: <0.75%
 - Aa: 0.75% - 1.75%**
 - A: 1.75% - 4.00%
 - Baa and below: >4.00%
- S&P:** A positive qualitative adjustment is made to the Debt and Contingent Liabilities score for a debt to market value ratio below 3.00%, while a negative adjustment is made for a ratio above 10.00%.



Key Debt Ratio: Debt Service vs. Expenditures

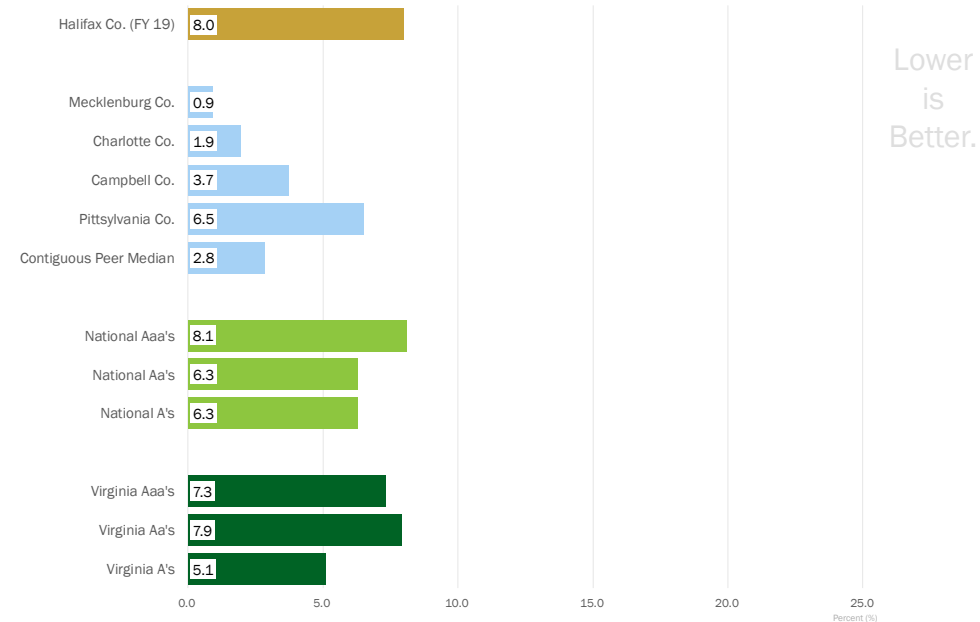
Debt Service⁽¹⁾ vs. Governmental Expenditures



- Existing Debt Service vs. Expenditures
 - FY 2019 8.0%
- Assumed Future Growth Rates
 - 2017 Adjusted Expenditures \$73,909,665
 - 2018 & Beyond 0.0%
- As approved on October 6, 2014, the County’s adopted Debt Service to Expenditures ratio establishes a minimum target of 20.0%.

⁽¹⁾ The Existing Tax-Supported Debt Service reflected in this analysis has been adjusted for the interest savings achieved through the 2014 VPSA refunding.
 Note: Governmental Expenditures represent the ongoing operating expenditures of the County and School Board (net of transfers). In this analysis, debt service and capital outlay expenditures are excluded.

Debt Service⁽¹⁾ vs. Expenditures Peer Comparative



Note: The calculation for Mecklenburg County does not include debt issued in FY 2018 and proposed debt to be issued in FY 2019. The estimated debt service to expenditures ratio for Mecklenburg is 3.7% when the new debt is included.

Rating Considerations

- Moody's:** Moody’s criteria allows for a scorecard adjustment if an issuer has very high or low debt service relative to its budget:
- S&P:** The Debt and Contingent Liabilities section defines categories of Net Direct Debt as a % of Total Governmental Funds Expenditures as follows:
 - Very Strong: <8%
 - Strong: 8% - 15%**
 - Adequate: 15% - 25%
 - Weak: 25% - 35%
 - Very Weak: > 35%

Funding Sources Available



- In the aggregate (i.e., County and School obligations combined), the County has budgeted debt service of \$5,799,358 available for debt service in future years.

- County Details of Funding Sources
 - Budgeted debt service for County obligations is held constant at \$1,050,045 for FY 2019 and beyond.
 - The County implemented a 2¢ tax increase in Tax Year 2015 which is dedicated toward the repayment of the Courthouse Debt Service. The Value of 1¢ is assumed to be \$365,000 per year, for a total of \$730,000 annually. No growth has been assumed in the County's tax base.
 - As of FYE 2018, the County has a balance of \$1,150,291 available in the Future Debt Service Reserve Fund.
 - As of FYE 2018, the County has a balance of \$2,236,485 available in the Courthouse Reserve Fund.

- School Details of Funding Sources
 - Budgeted debt service for School obligations is held constant at \$4,747,313 for FY 2019 and beyond.

Affordability Analysis | County CIP

Existing Debt & 2019 Financing for the Courthouse Completion & Commonwealth Attorney Building



- Column B consists of existing County obligations inclusive of the first phase of the Courthouse Financing in Fall 2016.
- Column C reflects the estimated debt service required to fund \$5 Million of project costs for the Courthouse Completion and Commonwealth Attorney Building in the Spring of 2019, assuming the following:
 - Term 20 Years
 - Amortization Level Debt Service
 - Interest Rate 5% Planning Rate
 - Debt Service Begins FY 2020
- Based upon prior planning and the update below, the Courthouse and Commonwealth Attorney Building are funded through the budget without requiring additional revenue resources (i.e. no tax impact).

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S
Debt Service Requirements						Revenue Available for DS					Debt Service Cash Flow Surplus (Deficit)							
FY	County Existing Debt Service	Courthouse Completion & Commonwealth Attorney Building (Spring 2019)	County CIP Debt Service	County CIP Pay-Go	Total	Tax-Supported Budgeted Debt Service	Tax Year 2015 Increase of 2¢ Dedicated to Courthouse	Transfer from Courthouse Reserve Fund ⁽¹⁾	Other Available Revenues	Total Revenues Available	Surplus/ (Deficit)	Transfer to Courthouse Reserve Fund ⁽¹⁾	Revenue From Prior Tax Impact	Transfer from Future Debt Service Reserve Fund	Adjusted Surplus / (Deficit)	Estimated Incremental Tax Equivalent	Future Debt Service Reserve Fund	Courthouse Reserve Fund ⁽¹⁾
2018																		
2019	1,705,457	-	-	-	1,705,457	1,050,045	730,000	375,159	-	2,155,204	449,748	-	-	-	449,748	-	1,600,038	1,861,326
2020	1,707,155	413,249	-	-	2,120,404	1,050,045	730,000	791,724	-	2,571,769	451,365	-	-	-	451,365	-	2,051,403	1,069,602
2021	1,701,918	413,249	-	-	2,115,167	1,050,045	730,000	789,062	-	2,569,107	453,939	-	-	-	453,939	-	2,505,343	280,540
2022	1,708,554	413,249	-	-	2,121,804	1,050,045	730,000	280,540	-	2,060,585	(61,219)	-	-	61,219	-	-	2,444,124	-
2023	1,431,227	413,249	-	-	1,844,476	1,050,045	730,000	-	-	1,780,045	(64,431)	-	-	64,431	-	-	2,379,693	-
2024	1,429,255	413,249	-	-	1,842,505	1,050,045	730,000	-	-	1,780,045	(62,460)	-	-	62,460	-	-	2,317,233	-
2025	1,431,245	413,249	-	-	1,844,494	1,050,045	730,000	-	-	1,780,045	(64,449)	-	-	64,449	-	-	2,252,784	-
2026	1,430,180	413,249	-	-	1,843,429	1,050,045	730,000	-	-	1,780,045	(63,384)	-	-	63,384	-	-	2,189,400	-
2027	1,426,959	413,249	-	-	1,840,208	1,050,045	730,000	-	-	1,780,045	(60,163)	-	-	60,163	-	-	2,129,237	-
2028	1,298,171	413,249	-	-	1,711,420	1,050,045	730,000	-	-	1,780,045	68,625	-	-	-	68,625	-	2,197,862	-
2029	1,300,529	413,249	-	-	1,713,779	1,050,045	730,000	-	-	1,780,045	66,266	-	-	-	66,266	-	2,264,128	-
2030	1,295,804	413,249	-	-	1,709,053	1,050,045	730,000	-	-	1,780,045	70,992	-	-	-	70,992	-	2,335,120	-
2031	1,298,866	413,249	-	-	1,712,115	1,050,045	730,000	-	-	1,780,045	67,930	-	-	-	67,930	-	2,403,050	-
2032	1,299,459	413,249	-	-	1,712,708	1,050,045	730,000	-	-	1,780,045	67,337	-	-	-	67,337	-	2,470,387	-
2033	1,298,311	413,249	-	-	1,711,561	1,050,045	730,000	-	-	1,780,045	68,484	-	-	-	68,484	-	2,538,871	-
2034	1,299,719	413,249	-	-	1,712,968	1,050,045	730,000	-	-	1,780,045	67,077	-	-	-	67,077	-	2,605,948	-
2035	1,108,281	413,249	-	-	1,521,531	1,050,045	730,000	-	-	1,780,045	258,514	-	-	-	258,514	-	2,864,463	-
2036	1,106,206	413,249	-	-	1,519,456	1,050,045	730,000	-	-	1,780,045	260,589	-	-	-	260,589	-	3,125,052	-
2037	1,107,378	413,249	-	-	1,520,627	1,050,045	730,000	-	-	1,780,045	259,418	-	-	-	259,418	-	3,384,470	-
2038	-	413,249	-	-	413,249	1,050,045	730,000	-	-	1,780,045	1,366,796	-	-	-	1,366,796	-	4,751,265	-
2039	-	413,249	-	-	413,249	1,050,045	730,000	-	-	1,780,045	1,366,796	-	-	-	1,366,796	-	6,118,061	-
Total	26,384,673	8,264,986	-	-	34,649,660	34,651,485	24,090,000	2,236,485	-	60,977,970	Total			376,106		0.00%		

■ Value of a Penny⁽²⁾: \$365,000

■ Assumed Growth: 0.0%

(1) The Courthouse Reserve Fund is utilized specifically for debt service and related expenses for the Courthouse Project, including the Fall 2016 Financing, the Completion Funding in Spring 2019, and related A&E/Legal Fees.

(2) Provided by Staff.

DAVENPORT & COMPANY

October 16, 2018

Halifax County, VA

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Affordability Analysis | Schools Capital Needs

Existing Debt

- Column B consists of existing School obligations only.
- School obligations decline materially over the next decade. By maintaining debt service at current levels, future capital needs could be layered in utilizing these currently identified revenue sources.
 - Alternatively, some portion of the decline could be utilized toward operational needs.
 - For purposes of this analysis, the decline from current levels is applied in full to the School Capital Needs.
 - Further guidance will be needed to refine this analysis.

A	B	C	D	E	F	G	H	I	J	K	L	M	N
	Debt Service Requirements				Revenue Available for DS			Debt Service Cash Flow Surplus (Deficit)					
FY	Schools Existing Debt Service	Schools CIP Debt Service	Schools CIP Pay-Go	Total	Tax-Supported Budgeted Debt Service	Other Available Revenues	Total Revenues Available	Surplus/ (Deficit)	Revenue From Prior Tax Impact	Transfer from Capital Reserve Fund	Adjusted Surplus / (Deficit)	Estimated Incremental Tax Equivalent	Capital Reserve Fund
2019	4,749,313	-	-	4,749,313	4,749,313	-	4,749,313	-	-	-	-	-	-
2020	4,732,012	-	-	4,732,012	4,749,313	-	4,749,313	17,301	-	-	17,301	-	17,301
2021	4,707,825	-	-	4,707,825	4,749,313	-	4,749,313	41,488	-	-	41,488	-	58,790
2022	4,682,985	-	-	4,682,985	4,749,313	-	4,749,313	66,328	-	-	66,328	-	125,118
2023	4,664,564	-	-	4,664,564	4,749,313	-	4,749,313	84,749	-	-	84,749	-	209,867
2024	4,647,342	-	-	4,647,342	4,749,313	-	4,749,313	101,971	-	-	101,971	-	311,839
2025	4,156,971	-	-	4,156,971	4,749,313	-	4,749,313	592,342	-	-	592,342	-	904,181
2026	4,149,862	-	-	4,149,862	4,749,313	-	4,749,313	599,451	-	-	599,451	-	1,503,632
2027	2,832,082	-	-	2,832,082	4,749,313	-	4,749,313	1,917,231	-	-	1,917,231	-	3,420,863
2028	-	-	-	-	4,749,313	-	4,749,313	4,749,313	-	-	4,749,313	-	8,170,176
Total	39,322,954	-	-	39,322,954	156,727,329	-	156,727,329	Total	-	-	-	0.00¢	-

- Value of a Penny⁽¹⁾: \$365,000
- Assumed Growth: 0.0%

Scenarios Analyzed



- For the purposes of this analysis, each of the funding scenarios presented herein for the School Projects assumes the following:
 - Term 30 years [except Scenario 5, which is shorter]
 - Amortization Level Debt Service [except Scenario 5, which is structured]
 - Interest Rate 5% Planning Rate used herein, subject to Market Conditions at the time of Issuance
 - Debt Service Begins FY following Issuance

Funding Scenarios Analyzed

1. Fall 2019 for \$50 Million
2. Fall 2019 for \$75 Million
3. Fall 2019 for \$100 Million
4. Combination:
 - Fall 2019 for \$50 Million (initial funding)
 - Fall 2020 for \$50 Million (completion funding)
5. Fall 2019 for \$100 Million– Structured Around Existing Debt Service⁽¹⁾:
 - 3 Years Capitalized Interest (FY 2021 through FY 2023)
 - 1 Year Interest Only (FY 2024)
 - 24 Year Term

Funding Options Comparison



	A	B	C	D	E	F	G
	Scenario 1	Scenario 2	Scenario 3	Scenario 4			Scenario 5
	\$50 Million in Fall 2019	\$75 Million in Fall 2019	\$100 Million in Fall 2019	\$50 Million in Fall 2019	\$50 Million in Fall 2020	Aggregate	\$100 Million Structured ⁽¹⁾
1 Borrowing Details							
2 Summary of Key Assumptions							
3 Closing / Funding Date	11/5/2019	11/5/2019	11/5/2019	11/5/2019	11/5/2020		11/5/2019
4 1st Interest (Local) Payment Date	8/1/2020	8/1/2020	8/1/2020	8/1/2020	8/1/2021		8/1/2023
5 1st Principal (Local) Payment Date	8/1/2020	8/1/2020	8/1/2020	8/1/2020	8/1/2021		8/1/2024
6 Final Maturity	8/1/2049	8/1/2049	8/1/2049	8/1/2049	8/1/2050	8/1/2050	8/1/2043
7 Total Term (in Years)	30	30	30	30	30	31	24
8 Planning Interest Rate	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
9 Amount	\$ 50,000,000	\$ 75,000,000	\$ 100,000,000	\$ 50,000,000	\$ 50,000,000	\$ 50,000,000	\$ 100,000,000
10							
11 Estimated Debt Service							
12 Fiscal Year	Net Debt Service	Net Debt Service	Net Debt Service	Fall 2019 Borrowing Net Debt Service	Fall 2020 Borrowing Net Debt Service	Aggregate Net Debt Service	Net Debt Service
13 2021	\$ 3,265,439	\$ 4,893,025	\$ 6,520,611	\$ 3,265,439	\$ -	\$ 3,265,439	\$ -
14 2022	3,264,725	4,892,875	6,520,050	3,264,725	3,265,439	6,530,164	-
15 2023	3,265,450	4,892,525	6,520,625	3,265,450	3,264,725	6,530,175	-
16 2024	3,265,100	4,893,075	6,520,075	3,265,100	3,265,450	6,530,550	6,011,050
17 2025	3,264,600	4,892,375	6,520,200	3,264,600	3,265,100	6,529,700	6,290,875
18 2026	3,264,825	4,892,275	6,519,775	3,264,825	3,264,600	6,529,425	6,298,950
19 2027	3,264,650	4,892,575	6,520,550	3,264,650	3,264,825	6,529,475	7,616,275
20 2028	3,264,950	4,893,075	6,520,275	3,264,950	3,264,650	6,529,600	10,448,650
21 2029	3,264,600	4,892,600	6,519,725	3,264,600	3,264,950	6,529,550	10,448,275
22 2030	3,265,450	4,892,950	6,520,600	3,265,450	3,264,600	6,530,050	10,448,625
23 2031	3,265,350	4,892,900	6,520,600	3,265,350	3,265,450	6,530,800	10,449,050
24 2032	3,265,175	4,892,250	6,520,450	3,265,175	3,265,350	6,530,525	10,447,925
25 2033	3,264,775	4,892,750	6,519,850	3,264,775	3,265,175	6,529,950	10,448,550
26 2034	3,264,975	4,893,125	6,520,450	3,264,975	3,264,775	6,529,750	10,449,150
27 2035	3,264,600	4,892,150	6,519,900	3,264,600	3,264,975	6,529,575	10,448,000
28 2036	3,265,450	4,892,550	6,519,850	3,265,450	3,264,600	6,530,050	10,448,300
29 2037	3,265,325	4,893,000	6,519,900	3,265,325	3,265,450	6,530,775	10,449,150
30 2038	3,265,050	4,892,225	6,520,625	3,265,050	3,265,325	6,530,375	10,447,700
31 2039	3,264,425	4,892,900	6,520,600	3,264,425	3,265,050	6,529,475	10,448,025
32 2040	3,265,200	4,892,675	6,520,400	3,265,200	3,264,425	6,529,625	10,449,075
33 2041	3,265,125	4,892,225	6,520,550	3,265,125	3,265,200	6,530,325	10,448,825
34 2042	3,264,975	4,892,175	6,520,550	3,264,975	3,265,125	6,530,100	10,448,225
35 2043	3,264,500	4,892,125	6,519,900	3,264,500	3,264,975	6,529,475	10,449,100
36 2044	3,265,400	4,892,650	6,520,050	3,265,400	3,264,500	6,529,900	6,519,000
37 2045	3,265,375	4,892,325	6,520,400	3,265,375	3,265,400	6,530,775	-
38 2046	3,265,150	4,892,700	6,520,350	3,265,150	3,265,375	6,530,525	-
39 2047	3,265,400	4,892,300	6,520,275	3,265,400	3,265,150	6,530,550	-
40 2048	3,264,800	4,892,625	6,520,500	3,264,800	3,265,400	6,530,200	-
41 2049	3,265,000	4,892,150	6,520,325	3,265,000	3,264,800	6,529,800	-
42 2050	3,264,625	4,892,325	6,520,025	3,264,625	3,265,000	6,529,625	-
43 2051	-	-	-	-	3,264,625	3,264,625	-
44 Total Debt Service	\$ 97,950,464	\$ 146,777,475	\$ 195,608,036	\$ 97,950,464	\$ 97,950,464	\$ 195,900,928	\$ 199,912,775

Summary of Scenarios



	A	B	C	D	E
Key Considerations	Scenario 1	Scenario 2	Scenario 3	Scenario 4	Scenario 5 ⁽¹⁾
1 New School Debt Service					
2 Project Amount	\$50M	\$75M	\$100M	\$100M	\$100M
3 Structure	Level Debt Service	Level Debt Service	Level Debt Service	Level Debt Service FY Straddle	Structured Principal / Capitalized Interest
4 Term (in Years)	30	30	30	31	24
5 Planning Interest Rate	5.0%	5.0%	5.0%	5.0%	5.0%
6 Annual Debt Service	\$3.3M	\$4.9M	\$6.5M	\$6.5M	\$6.0M to \$10.4M
7 Total Debt Service	\$98.0M	\$146.8M	\$195.6M	\$195.9M	\$199.9M
8 Difference vs. Scenario 3	-	-	n/a	\$0.3M	\$4.3M
9					
10 School Results					
11 Peak (School) Debt Service	\$7.9M	\$9.6M	\$11.2M	\$11.2M	\$10.7M
12 Fiscal Year of Peak School Debt Service	2021	2021	2021	2022	2024
13 Upfront Tax Impact (FY 2020)	7.08¢	10.91¢	14.73¢	13.47¢	13.02¢
14 <u>Natural Tax Impact</u>					
15 FY 2021	8.79¢	13.24¢	17.70¢	8.79¢	-
16 FY 2022	-	-	-	8.92¢	-
17 FY 2023	-	-	-	-	-
18 FY 2024	-	-	-	-	15.61¢
19 Total	8.79¢	13.24¢	17.70¢	17.71¢	15.61¢
20					
21 Debt Policy Impacts					
22 Peak Aggregate (County & School) Combined Debt Service	\$12.5M	\$12.9M	\$13.3M	\$13.7M	\$14.2M
23 Debt Ratios (Worst Shown) Policy					
24 10 Year Payout 55.0%	46.3%	41.2%	37.1%	36.8%	30.9%
25 Number of Years out of Compliance	13	14	15	16	8
26 Debt to Assessed Value ≤ 2.5%	2.65%	3.27%	3.88%	3.76%	4.37%
27 Number of Years out of Compliance	2	6	10	10	14
28 Debt Service to Expenditures ≤ 20.0%	12.0%	13.7%	15.3%	15.3%	15.1%
29 Number of Years out of Compliance	0	0	0	0	0



Capital Funding Plan

Scenario 1 – Fund \$50 Million School Project in Fall 2019

Scenario 2 – Fund \$75 Million School Project in Fall 2019

Scenario 3 – Fund \$100 Million School Project in Fall 2019

Scenario 4 – Combination: Fund \$100 Million Total School Project in Fall 2019 and Fall 2020

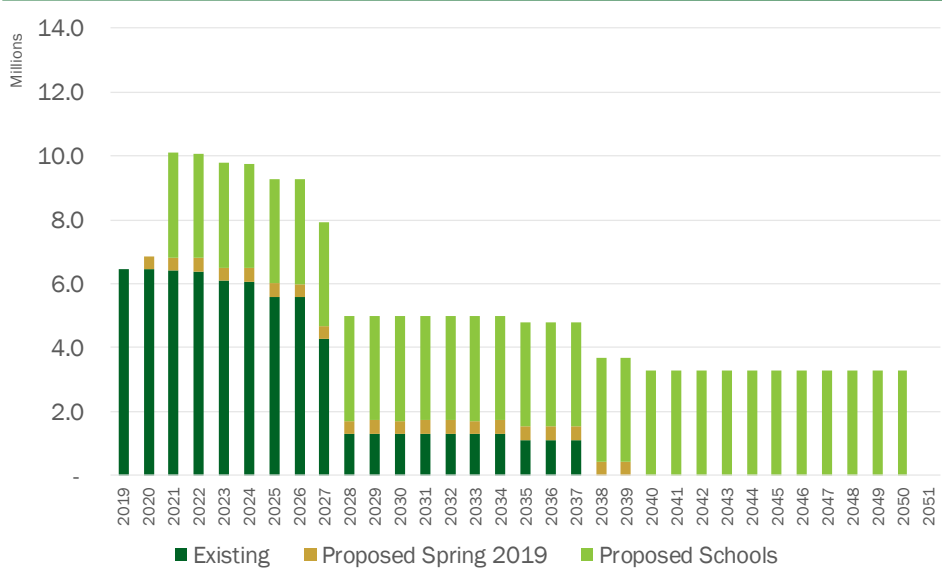
Scenario 5 – Structured: Fund \$100 Million School Project in Fall 2019



CIP Borrowing Summary

Scenario 1 – \$50 Million in Fall 2019

Existing & Proposed Debt Service



CIP Funding Assumptions

■ Borrowing Assumptions:	
— 2019 Fall Financing	
— Project Amount	\$50,000,000
— Amortization/Term	30 Years
— Interest Rate/TIC	5.0%
— Structure	Level Debt Service
— 1 st Interest	8/1/2020
— 1 st Principal	8/1/2020
— Final Maturity	8/1/2049
■ Total Principal Borrowed ⁽¹⁾	\$50,150,000
■ Total New Debt Service	\$97,950,464

Affordability Analysis

Scenario 1 – \$50 Million in Fall 2019



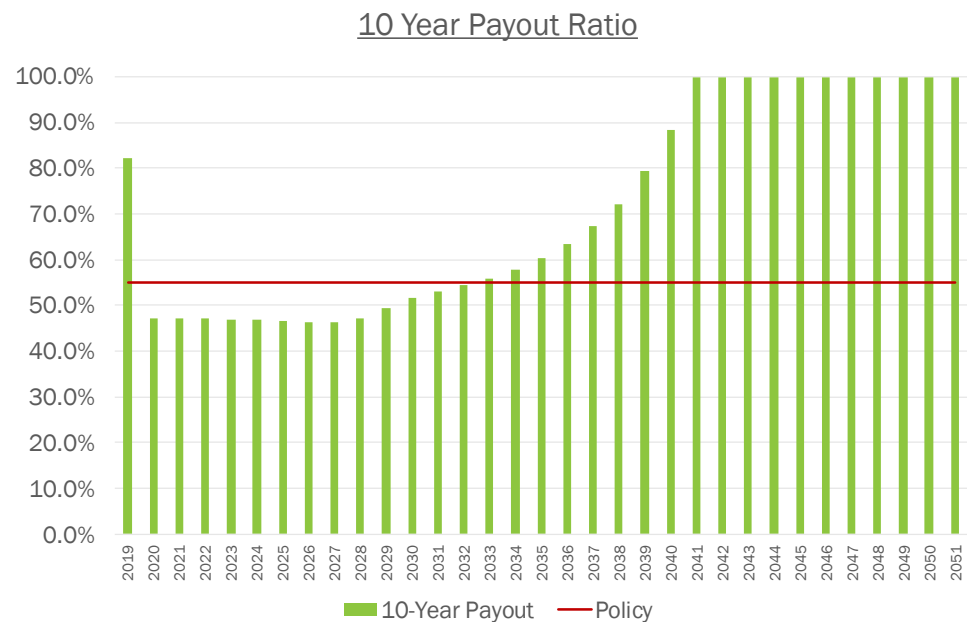
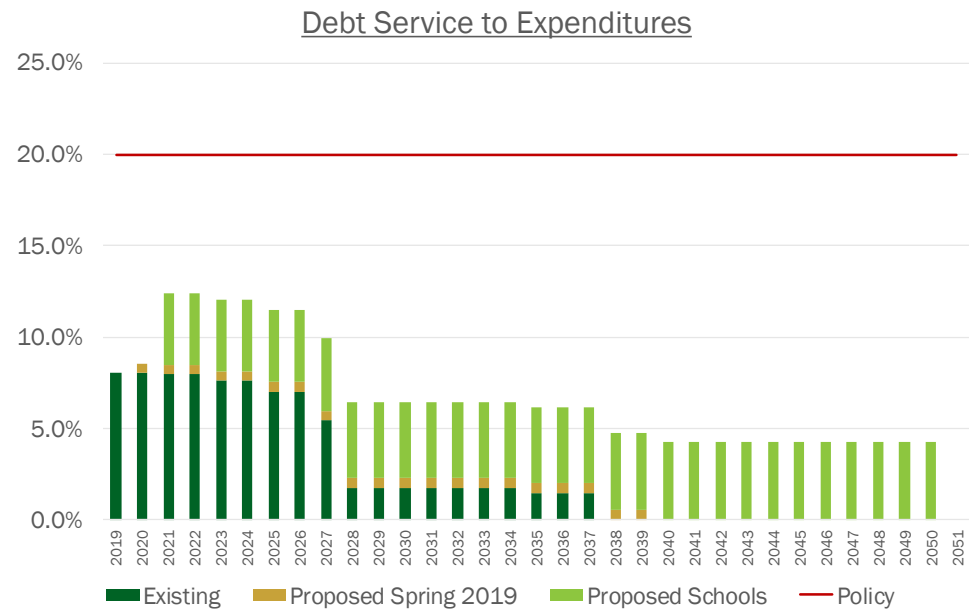
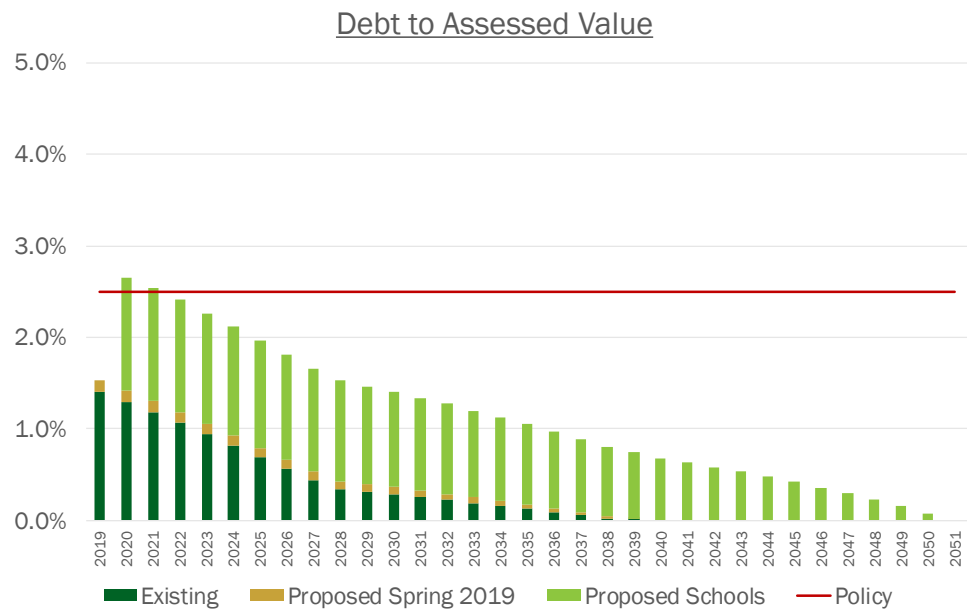
A	B	C	D	E	F	G	H	I	J	K	L	M	N
	Debt Service Requirements				Revenue Available for DS			Debt Service Cash Flow Surplus (Deficit)					
FY	Schools Existing Debt Service	Schools CIP Debt Service	Schools CIP Pay- Go	Total	Tax-Supported Budgeted Debt Service	Other Available Revenues	Total Revenues Available	Surplus/ (Deficit)	Revenue From Prior Tax Impact	Transfer from Capital Reserve Fund	Adjusted Surplus / (Deficit)	Estimated Incremental Tax Equivalent	Capital Reserve Fund
2019	4,749,313	-	-	4,749,313	4,749,313	-	4,749,313	-	-	-	-	-	-
2020	4,732,012	-	-	4,732,012	4,749,313	-	4,749,313	17,301	-	-	17,301	-	17,301
2021	4,707,825	3,265,439	-	7,973,263	4,749,313	-	4,749,313	(3,223,950)	-	17,301	(3,206,649)	8.79¢	-
2022	4,682,985	3,264,725	-	7,947,710	4,749,313	-	4,749,313	(3,198,397)	3,206,649	-	8,252	-	8,252
2023	4,664,564	3,265,450	-	7,930,014	4,749,313	-	4,749,313	(3,180,701)	3,206,649	-	25,948	-	34,201
2024	4,647,342	3,265,100	-	7,912,442	4,749,313	-	4,749,313	(3,163,129)	3,206,649	-	43,520	-	77,721
2025	4,156,971	3,264,600	-	7,421,571	4,749,313	-	4,749,313	(2,672,258)	3,206,649	-	534,391	-	612,112
2026	4,149,862	3,264,825	-	7,414,687	4,749,313	-	4,749,313	(2,665,374)	3,206,649	-	541,275	-	1,153,387
2027	2,832,082	3,264,650	-	6,096,732	4,749,313	-	4,749,313	(1,347,419)	3,206,649	-	1,859,230	-	3,012,617
2028	-	3,264,950	-	3,264,950	4,749,313	-	4,749,313	1,484,363	3,206,649	-	4,691,012	-	7,703,629
2029	-	3,264,600	-	3,264,600	4,749,313	-	4,749,313	1,484,713	3,206,649	-	4,691,362	-	12,394,991
2030	-	3,265,450	-	3,265,450	4,749,313	-	4,749,313	1,483,863	3,206,649	-	4,690,512	-	17,085,503
2031	-	3,265,350	-	3,265,350	4,749,313	-	4,749,313	1,483,963	3,206,649	-	4,690,612	-	21,776,115
2032	-	3,265,175	-	3,265,175	4,749,313	-	4,749,313	1,484,138	3,206,649	-	4,690,787	-	26,466,902
2033	-	3,264,775	-	3,264,775	4,749,313	-	4,749,313	1,484,538	3,206,649	-	4,691,187	-	31,158,089
2034	-	3,264,975	-	3,264,975	4,749,313	-	4,749,313	1,484,338	3,206,649	-	4,690,987	-	35,849,076
2035	-	3,264,600	-	3,264,600	4,749,313	-	4,749,313	1,484,713	3,206,649	-	4,691,362	-	40,540,438
2036	-	3,265,450	-	3,265,450	4,749,313	-	4,749,313	1,483,863	3,206,649	-	4,690,512	-	45,230,950
2037	-	3,265,325	-	3,265,325	4,749,313	-	4,749,313	1,483,988	3,206,649	-	4,690,637	-	49,921,587
2038	-	3,265,050	-	3,265,050	4,749,313	-	4,749,313	1,484,263	3,206,649	-	4,690,912	-	54,612,499
2039	-	3,264,425	-	3,264,425	4,749,313	-	4,749,313	1,484,888	3,206,649	-	4,691,537	-	59,304,036
2040	-	3,265,200	-	3,265,200	4,749,313	-	4,749,313	1,484,113	3,206,649	-	4,690,762	-	63,994,798
2041	-	3,265,125	-	3,265,125	4,749,313	-	4,749,313	1,484,188	3,206,649	-	4,690,837	-	68,685,635
2042	-	3,264,975	-	3,264,975	4,749,313	-	4,749,313	1,484,338	3,206,649	-	4,690,987	-	73,376,622
2043	-	3,264,500	-	3,264,500	4,749,313	-	4,749,313	1,484,813	3,206,649	-	4,691,462	-	78,068,084
2044	-	3,265,400	-	3,265,400	4,749,313	-	4,749,313	1,483,913	3,206,649	-	4,690,562	-	82,758,646
2045	-	3,265,375	-	3,265,375	4,749,313	-	4,749,313	1,483,938	3,206,649	-	4,690,587	-	87,449,233
2046	-	3,265,150	-	3,265,150	4,749,313	-	4,749,313	1,484,163	3,206,649	-	4,690,812	-	92,140,045
2047	-	3,265,400	-	3,265,400	4,749,313	-	4,749,313	1,483,913	3,206,649	-	4,690,562	-	96,830,607
2048	-	3,264,800	-	3,264,800	4,749,313	-	4,749,313	1,484,513	3,206,649	-	4,691,162	-	101,521,769
2049	-	3,265,000	-	3,265,000	4,749,313	-	4,749,313	1,484,313	3,206,649	-	4,690,962	-	106,212,731
2050	-	3,264,625	-	3,264,625	4,749,313	-	4,749,313	1,484,688	3,206,649	-	4,691,337	-	110,904,068
2051	-	-	-	-	4,749,313	-	4,749,313	4,749,313	3,206,649	-	7,955,962	-	118,860,030
Total	39,322,954	97,950,464	-	137,273,418	156,727,329	-	156,727,329	Total		17,301		8.79¢	

- Value of a Penny⁽¹⁾: \$365,000
- Assumed Growth: 0.0%
- Alternatively, the County could consider one or a combination of the following:
 - Implementing an up-front tax increase in FY 2020 of 7.08¢.
 - Utilizing \$19,433,926 of reserves or other sources of revenue to offset the need for a future tax impact.



CIP – Key Debt Ratios

Scenario 1 – \$50 Million in Fall 2019

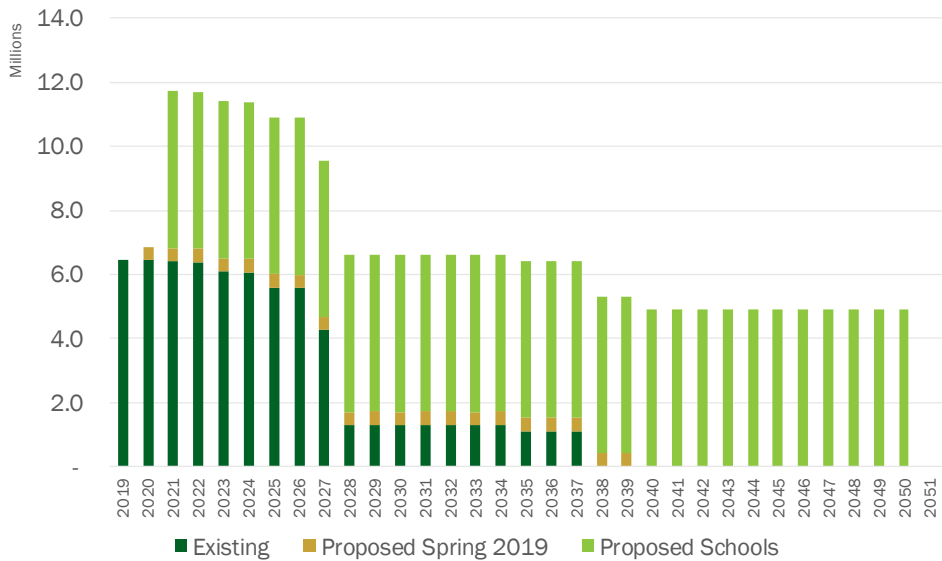




CIP Borrowing Summary

Scenario 2 – \$75 Million in Fall 2019

Existing & Proposed Debt Service



CIP Funding Assumptions

■ Borrowing Assumptions:	
– 2019 Fall Financing	
– Project Amount	\$75,000,000
– Amortization/Term	30 Years
– Interest Rate/TIC	5.0%
– Structure	Level Debt Service
– 1 st Interest	8/1/2020
– 1 st Principal	8/1/2020
– Final Maturity	8/1/2049
■ Total Principal Borrowed ⁽¹⁾	\$75,150,000
■ Total New Debt Service	\$146,777,475

Affordability Analysis

Scenario 2 – \$75 Million in Fall 2019



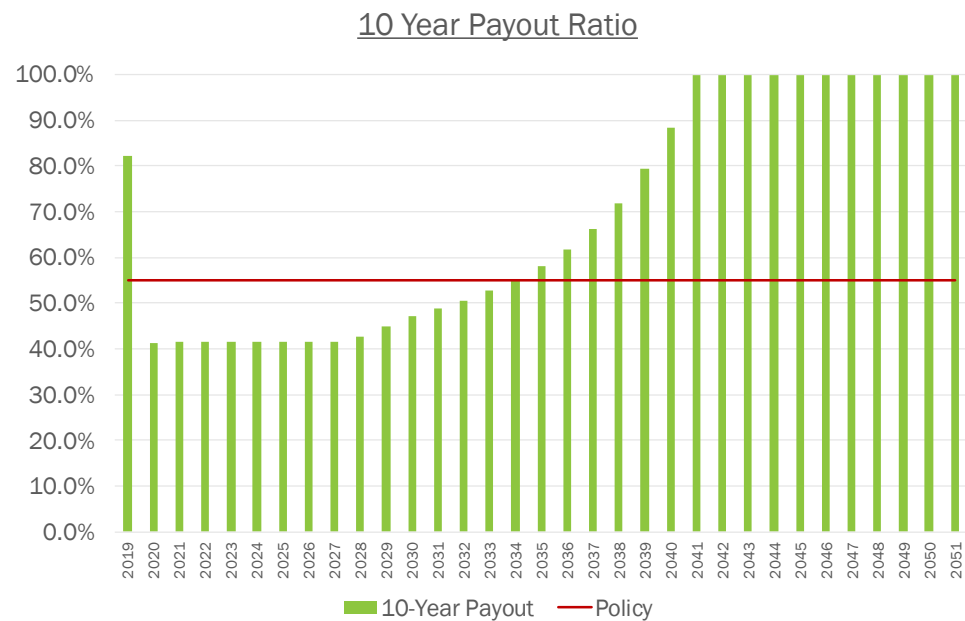
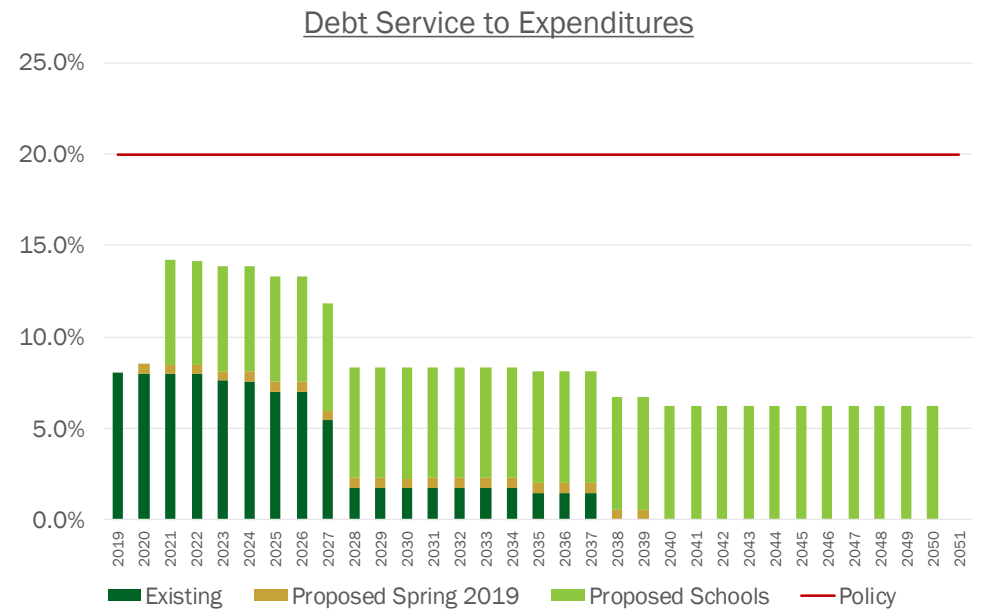
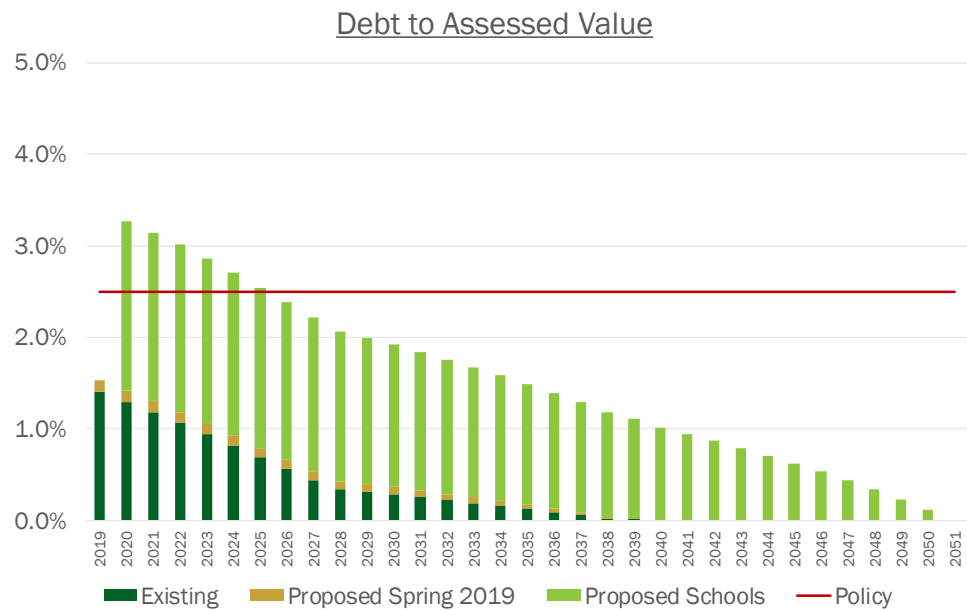
A	B	C	D	E	F	G	H	I	J	K	L	M	N
	Debt Service Requirements				Revenue Available for DS			Debt Service Cash Flow Surplus (Deficit)					
FY	Schools Existing Debt Service	Schools CIP Debt Service	Schools CIP Pay- Go	Total	Tax-Supported Budgeted Debt Service	Other Available Revenues	Total Revenues Available	Surplus/ (Deficit)	Revenue From Prior Tax Impact	Transfer from Capital Reserve Fund	Adjusted Surplus / (Deficit)	Estimated Incremental Tax Equivalent	Capital Reserve Fund
2019	4,749,313	-	-	4,749,313	4,749,313	-	4,749,313	-	-	-	-	-	-
2020	4,732,012	-	-	4,732,012	4,749,313	-	4,749,313	17,301	-	-	17,301	-	17,301
2021	4,707,825	4,893,025	-	9,600,850	4,749,313	-	4,749,313	(4,851,537)	-	17,301	(4,834,235)	13.24¢	-
2022	4,682,985	4,892,875	-	9,575,860	4,749,313	-	4,749,313	(4,826,547)	4,834,235	-	7,688	-	7,688
2023	4,664,564	4,892,525	-	9,557,089	4,749,313	-	4,749,313	(4,807,776)	4,834,235	-	26,460	-	34,148
2024	4,647,342	4,893,075	-	9,540,417	4,749,313	-	4,749,313	(4,791,104)	4,834,235	-	43,132	-	77,279
2025	4,156,971	4,892,375	-	9,049,346	4,749,313	-	4,749,313	(4,300,033)	4,834,235	-	534,202	-	611,482
2026	4,149,862	4,892,275	-	9,042,137	4,749,313	-	4,749,313	(4,292,824)	4,834,235	-	541,411	-	1,152,893
2027	2,832,082	4,892,575	-	7,724,657	4,749,313	-	4,749,313	(2,975,344)	4,834,235	-	1,858,891	-	3,011,784
2028	-	4,893,075	-	4,893,075	4,749,313	-	4,749,313	(143,762)	4,834,235	-	4,690,473	-	7,702,257
2029	-	4,892,600	-	4,892,600	4,749,313	-	4,749,313	(143,287)	4,834,235	-	4,690,948	-	12,393,205
2030	-	4,892,950	-	4,892,950	4,749,313	-	4,749,313	(143,637)	4,834,235	-	4,690,598	-	17,083,803
2031	-	4,892,900	-	4,892,900	4,749,313	-	4,749,313	(143,587)	4,834,235	-	4,690,648	-	21,774,451
2032	-	4,892,250	-	4,892,250	4,749,313	-	4,749,313	(142,937)	4,834,235	-	4,691,298	-	26,465,749
2033	-	4,892,750	-	4,892,750	4,749,313	-	4,749,313	(143,437)	4,834,235	-	4,690,798	-	31,156,548
2034	-	4,893,125	-	4,893,125	4,749,313	-	4,749,313	(143,812)	4,834,235	-	4,690,423	-	35,846,971
2035	-	4,892,150	-	4,892,150	4,749,313	-	4,749,313	(142,837)	4,834,235	-	4,691,398	-	40,538,369
2036	-	4,892,550	-	4,892,550	4,749,313	-	4,749,313	(143,237)	4,834,235	-	4,690,998	-	45,229,367
2037	-	4,893,000	-	4,893,000	4,749,313	-	4,749,313	(143,687)	4,834,235	-	4,690,548	-	49,919,915
2038	-	4,892,225	-	4,892,225	4,749,313	-	4,749,313	(142,912)	4,834,235	-	4,691,323	-	54,611,238
2039	-	4,892,900	-	4,892,900	4,749,313	-	4,749,313	(143,587)	4,834,235	-	4,690,648	-	59,301,886
2040	-	4,892,675	-	4,892,675	4,749,313	-	4,749,313	(143,362)	4,834,235	-	4,690,873	-	63,992,759
2041	-	4,892,225	-	4,892,225	4,749,313	-	4,749,313	(142,912)	4,834,235	-	4,691,323	-	68,684,082
2042	-	4,892,175	-	4,892,175	4,749,313	-	4,749,313	(142,862)	4,834,235	-	4,691,373	-	73,375,456
2043	-	4,892,125	-	4,892,125	4,749,313	-	4,749,313	(142,812)	4,834,235	-	4,691,423	-	78,066,879
2044	-	4,892,650	-	4,892,650	4,749,313	-	4,749,313	(143,337)	4,834,235	-	4,690,898	-	82,757,777
2045	-	4,892,325	-	4,892,325	4,749,313	-	4,749,313	(143,012)	4,834,235	-	4,691,223	-	87,449,000
2046	-	4,892,700	-	4,892,700	4,749,313	-	4,749,313	(143,387)	4,834,235	-	4,690,848	-	92,139,848
2047	-	4,892,300	-	4,892,300	4,749,313	-	4,749,313	(142,987)	4,834,235	-	4,691,248	-	96,831,096
2048	-	4,892,625	-	4,892,625	4,749,313	-	4,749,313	(143,312)	4,834,235	-	4,690,923	-	101,522,019
2049	-	4,892,150	-	4,892,150	4,749,313	-	4,749,313	(142,837)	4,834,235	-	4,691,398	-	106,213,417
2050	-	4,892,325	-	4,892,325	4,749,313	-	4,749,313	(143,012)	4,834,235	-	4,691,223	-	110,904,640
2051	-	-	-	-	4,749,313	-	4,749,313	4,749,313	4,834,235	-	9,583,548	-	120,488,189
Total	39,322,954	146,777,475	-	186,100,429	156,727,329	-	156,727,329	Total		17,301		13.24¢	

- Value of a Penny⁽¹⁾: \$365,000
- Assumed Growth: 0.0%
- Alternatively, the County could consider one or a combination of the following:
 - Implementing an up-front tax increase in FY 2020 of 10.91¢.
 - Utilizing \$32,144,413 of reserves or other sources of revenue to offset the need for a future tax impact.



CIP – Key Debt Ratios

Scenario 2 – \$75 Million in Fall 2019

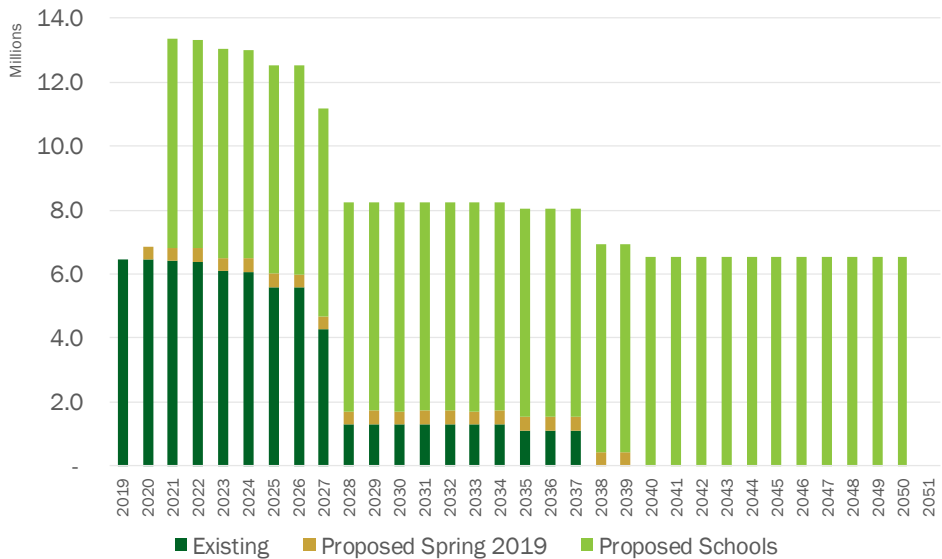




CIP Borrowing Summary

Scenario 3 – \$100 Million in Fall 2019

Existing & Proposed Debt Service



CIP Funding Assumptions

■ Borrowing Assumptions:	
– 2019 Fall Financing	
– Project Amount	\$100,000,000
– Amortization/Term	30 Years
– Interest Rate/TIC	5.0%
– Structure	Level Debt Service
– 1 st Interest	8/1/2020
– 1 st Principal	8/1/2020
– Final Maturity	8/1/2049
■ Total Principal Borrowed ⁽¹⁾	\$100,150,000
■ Total New Debt Service	\$195,608,036

Affordability Analysis

Scenario 3 – \$100 Million in Fall 2019



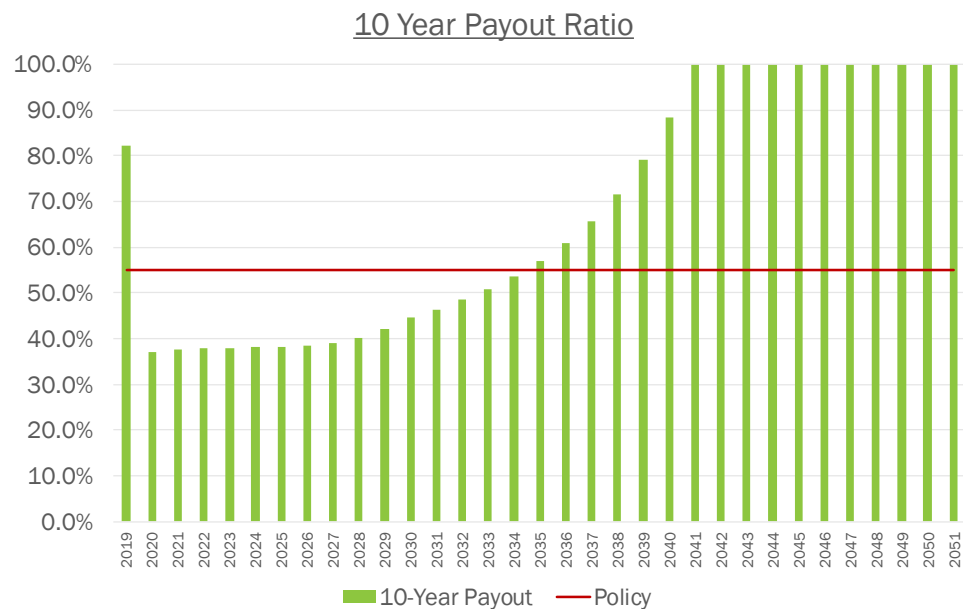
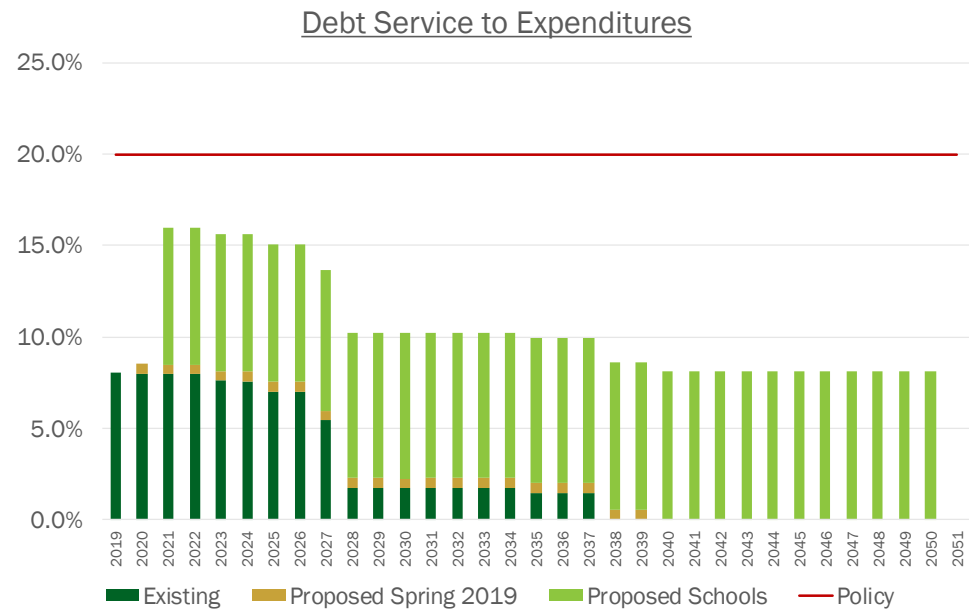
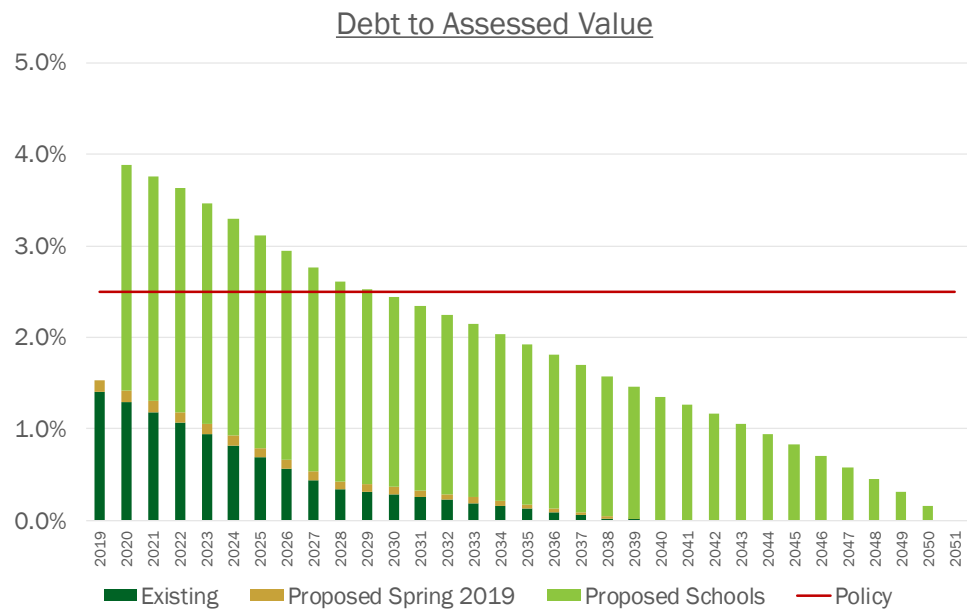
A	B	C	D	E	F	G	H	I	J	K	L	M	N
	Debt Service Requirements				Revenue Available for DS			Debt Service Cash Flow Surplus (Deficit)					
FY	Schools Existing Debt Service	Schools CIP Debt Service	Schools CIP Pay- Go	Total	Tax-Supported Budgeted Debt Service	Other Available Revenues	Total Revenues Available	Surplus/ (Deficit)	Revenue From Prior Tax Impact	Transfer from Capital Reserve Fund	Adjusted Surplus / (Deficit)	Estimated Incremental Tax Equivalent	Capital Reserve Fund
2019	4,749,313	-	-	4,749,313	4,749,313	-	4,749,313	-	-	-	-	-	-
2020	4,732,012	-	-	4,732,012	4,749,313	-	4,749,313	17,301	-	-	17,301	-	17,301
2021	4,707,825	6,520,611	-	11,228,436	4,749,313	-	4,749,313	(6,479,123)	-	17,301	(6,461,821)	17.70¢	-
2022	4,682,985	6,520,050	-	11,203,035	4,749,313	-	4,749,313	(6,453,722)	6,461,821	-	8,099	-	8,099
2023	4,664,564	6,520,625	-	11,185,189	4,749,313	-	4,749,313	(6,435,876)	6,461,821	-	25,946	-	34,045
2024	4,647,342	6,520,075	-	11,167,417	4,749,313	-	4,749,313	(6,418,104)	6,461,821	-	43,718	-	77,763
2025	4,156,971	6,520,200	-	10,677,171	4,749,313	-	4,749,313	(5,927,858)	6,461,821	-	533,964	-	611,726
2026	4,149,862	6,519,775	-	10,669,637	4,749,313	-	4,749,313	(5,920,324)	6,461,821	-	541,497	-	1,153,223
2027	2,832,082	6,520,550	-	9,352,632	4,749,313	-	4,749,313	(4,603,319)	6,461,821	-	1,858,502	-	3,011,726
2028	-	6,520,275	-	6,520,275	4,749,313	-	4,749,313	(1,770,962)	6,461,821	-	4,690,859	-	7,702,585
2029	-	6,519,725	-	6,519,725	4,749,313	-	4,749,313	(1,770,412)	6,461,821	-	4,691,409	-	12,393,994
2030	-	6,520,600	-	6,520,600	4,749,313	-	4,749,313	(1,771,287)	6,461,821	-	4,690,534	-	17,084,528
2031	-	6,520,600	-	6,520,600	4,749,313	-	4,749,313	(1,771,287)	6,461,821	-	4,690,534	-	21,775,062
2032	-	6,520,450	-	6,520,450	4,749,313	-	4,749,313	(1,771,137)	6,461,821	-	4,690,684	-	26,465,747
2033	-	6,519,850	-	6,519,850	4,749,313	-	4,749,313	(1,770,537)	6,461,821	-	4,691,284	-	31,157,031
2034	-	6,520,450	-	6,520,450	4,749,313	-	4,749,313	(1,771,137)	6,461,821	-	4,690,684	-	35,847,715
2035	-	6,519,900	-	6,519,900	4,749,313	-	4,749,313	(1,770,587)	6,461,821	-	4,691,234	-	40,538,949
2036	-	6,519,850	-	6,519,850	4,749,313	-	4,749,313	(1,770,537)	6,461,821	-	4,691,284	-	45,230,234
2037	-	6,519,900	-	6,519,900	4,749,313	-	4,749,313	(1,770,587)	6,461,821	-	4,691,234	-	49,921,468
2038	-	6,520,625	-	6,520,625	4,749,313	-	4,749,313	(1,771,312)	6,461,821	-	4,690,509	-	54,611,977
2039	-	6,520,600	-	6,520,600	4,749,313	-	4,749,313	(1,771,287)	6,461,821	-	4,690,534	-	59,302,511
2040	-	6,520,400	-	6,520,400	4,749,313	-	4,749,313	(1,771,087)	6,461,821	-	4,690,734	-	63,993,245
2041	-	6,520,550	-	6,520,550	4,749,313	-	4,749,313	(1,771,237)	6,461,821	-	4,690,584	-	68,683,830
2042	-	6,520,550	-	6,520,550	4,749,313	-	4,749,313	(1,771,237)	6,461,821	-	4,690,584	-	73,374,414
2043	-	6,519,900	-	6,519,900	4,749,313	-	4,749,313	(1,770,587)	6,461,821	-	4,691,234	-	78,065,648
2044	-	6,520,050	-	6,520,050	4,749,313	-	4,749,313	(1,770,737)	6,461,821	-	4,691,084	-	82,756,732
2045	-	6,520,400	-	6,520,400	4,749,313	-	4,749,313	(1,771,087)	6,461,821	-	4,690,734	-	87,447,467
2046	-	6,520,350	-	6,520,350	4,749,313	-	4,749,313	(1,771,037)	6,461,821	-	4,690,784	-	92,138,251
2047	-	6,520,275	-	6,520,275	4,749,313	-	4,749,313	(1,770,962)	6,461,821	-	4,690,859	-	96,829,110
2048	-	6,520,500	-	6,520,500	4,749,313	-	4,749,313	(1,771,187)	6,461,821	-	4,690,634	-	101,519,744
2049	-	6,520,325	-	6,520,325	4,749,313	-	4,749,313	(1,771,012)	6,461,821	-	4,690,809	-	106,210,553
2050	-	6,520,025	-	6,520,025	4,749,313	-	4,749,313	(1,770,712)	6,461,821	-	4,691,109	-	110,901,663
2051	-	-	-	-	4,749,313	-	4,749,313	4,749,313	6,461,821	-	11,211,134	17.70¢	122,112,797
Total	39,322,954	195,608,036	-	234,930,990	156,727,329	-	156,727,329	Total		17,301			

- Value of a Penny⁽¹⁾: \$365,000
- Assumed Growth: 0.0%
- Alternatively, the County could consider one or a combination of the following:
 - Implementing an up-front tax increase in FY 2020 of 14.73¢.
 - Utilizing \$82,952,974 of reserves or other sources of revenue to offset the need for a future tax impact.



CIP – Key Debt Ratios

Scenario 3 – \$100 Million in Fall 2019

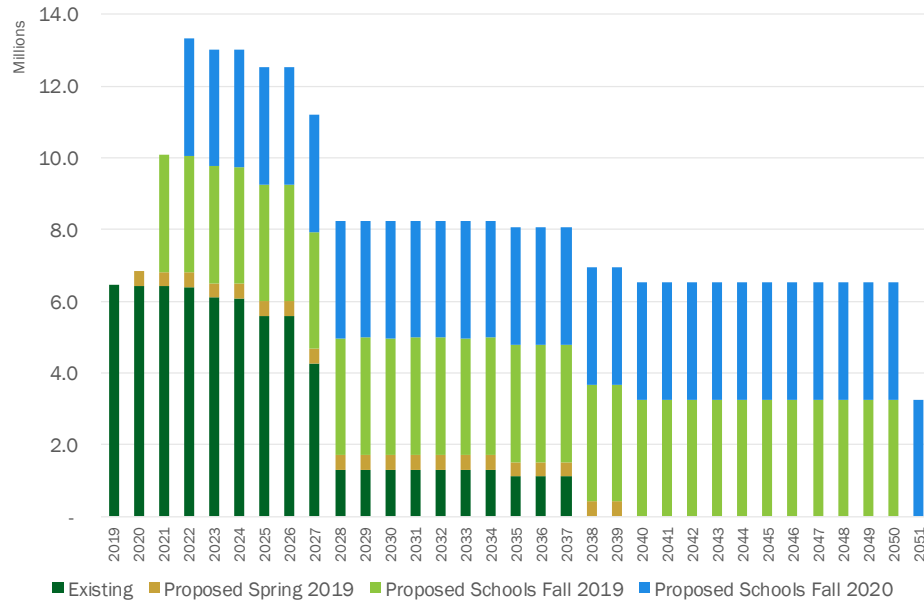




CIP Borrowing Summary

Scenario 4 – Combined \$100 Million Total in Fall 2019 and Fall 2020

Existing & Proposed Debt Service



CIP Funding Assumptions

■ Borrowing Assumptions:

– 2019 Fall Financing	
– Project Amount	\$50,000,000
– Amortization/Term	30 Years
– Interest Rate/TIC	5.0%
– Structure	Level Debt Service
– 1 st Interest	8/1/2020
– 1 st Principal	8/1/2020
– Final Maturity	8/1/2049

■ Borrowing Assumptions:

– 2020 Fall Financing	
– Project Amount	\$50,000,000
– Amortization/Term	30 Years
– Interest Rate/TIC	5.0%
– Structure	Level Debt Service
– 1 st Interest	8/1/2021
– 1 st Principal	8/1/2021
– Final Maturity	8/1/2050

■ Total Principal Borrowed ⁽¹⁾	\$100,300,000
■ Total New Debt Service	\$195,900,928

Affordability Analysis

Scenario 4 – Combined \$100 Million Total in Fall 2019 and Fall 2020



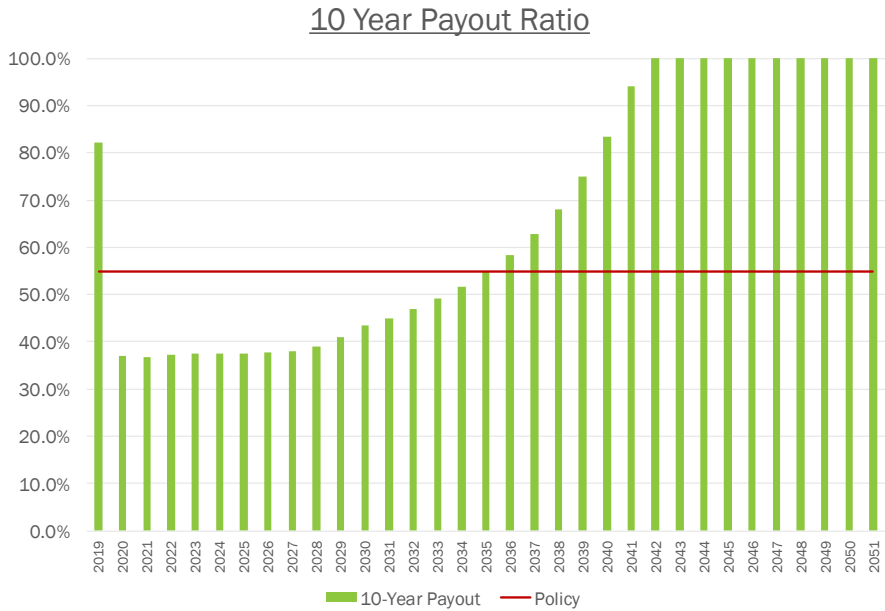
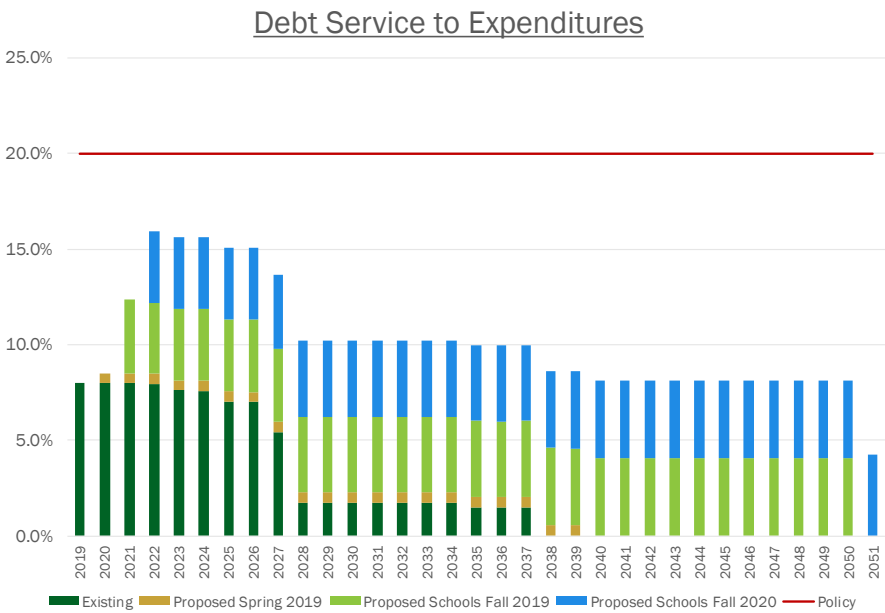
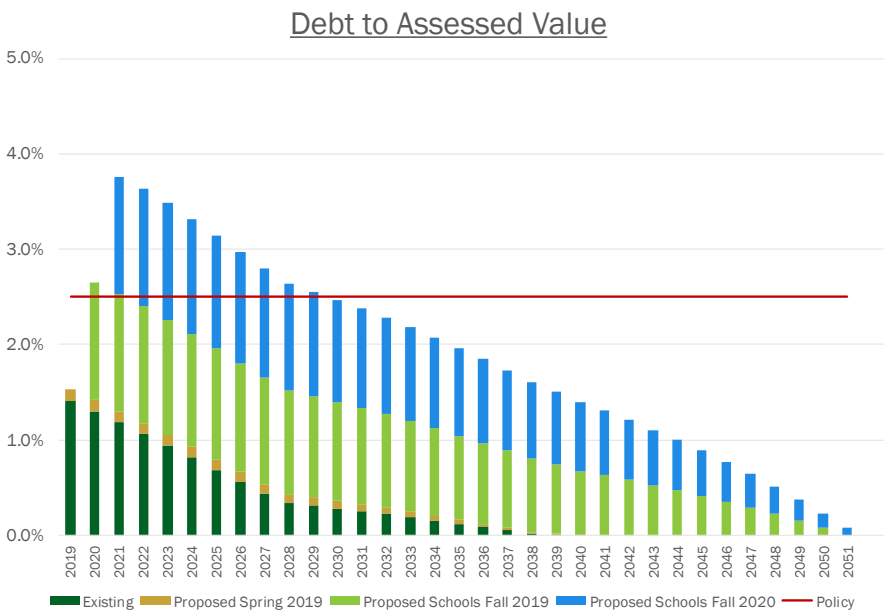
A	B	C	D	E	F	G	H	I	J	K	L	M	N
	Debt Service Requirements				Revenue Available for DS			Debt Service Cash Flow Surplus (Deficit)					
FY	Schools Existing Debt Service	Schools CIP Debt Service	Schools CIP Pay-Go	Total	Tax-Supported Budgeted Debt Service	Other Available Revenues	Total Revenues Available	Surplus/ (Deficit)	Revenue From Prior Tax Impact	Transfer from Capital Reserve Fund	Adjusted Surplus / (Deficit)	Estimated Incremental Tax Equivalent	Capital Reserve Fund
2019	4,749,313	-	-	4,749,313	4,749,313	-	4,749,313	-	-	-	-	-	-
2020	4,732,012	-	-	4,732,012	4,749,313	-	4,749,313	17,301	-	-	17,301	-	17,301
2021	4,707,825	3,265,439	-	7,973,263	4,749,313	-	4,749,313	(3,223,950)	-	17,301	(3,206,649)	8.79¢	-
2022	4,682,985	6,530,164	-	11,213,149	4,749,313	-	4,749,313	(6,463,836)	3,206,649	-	(3,257,187)	8.92¢	-
2023	4,664,564	6,530,175	-	11,194,739	4,749,313	-	4,749,313	(6,445,426)	6,463,836	-	18,410	-	18,410
2024	4,647,342	6,530,550	-	11,177,892	4,749,313	-	4,749,313	(6,428,579)	6,463,836	-	35,257	-	53,668
2025	4,156,971	6,529,700	-	10,686,671	4,749,313	-	4,749,313	(5,937,358)	6,463,836	-	526,478	-	580,146
2026	4,149,862	6,529,425	-	10,679,287	4,749,313	-	4,749,313	(5,929,974)	6,463,836	-	533,862	-	1,114,007
2027	2,832,082	6,529,475	-	9,361,557	4,749,313	-	4,749,313	(4,612,244)	6,463,836	-	1,851,592	-	2,965,599
2028	-	6,529,600	-	6,529,600	4,749,313	-	4,749,313	(1,780,287)	6,463,836	-	4,683,549	-	7,649,148
2029	-	6,529,550	-	6,529,550	4,749,313	-	4,749,313	(1,780,237)	6,463,836	-	4,683,599	-	12,332,747
2030	-	6,530,050	-	6,530,050	4,749,313	-	4,749,313	(1,780,737)	6,463,836	-	4,683,099	-	17,015,846
2031	-	6,530,800	-	6,530,800	4,749,313	-	4,749,313	(1,781,487)	6,463,836	-	4,682,349	-	21,698,194
2032	-	6,530,525	-	6,530,525	4,749,313	-	4,749,313	(1,781,212)	6,463,836	-	4,682,624	-	26,380,818
2033	-	6,529,950	-	6,529,950	4,749,313	-	4,749,313	(1,780,637)	6,463,836	-	4,683,199	-	31,064,017
2034	-	6,529,750	-	6,529,750	4,749,313	-	4,749,313	(1,780,437)	6,463,836	-	4,683,399	-	35,747,416
2035	-	6,529,575	-	6,529,575	4,749,313	-	4,749,313	(1,780,262)	6,463,836	-	4,683,574	-	40,430,990
2036	-	6,530,050	-	6,530,050	4,749,313	-	4,749,313	(1,780,737)	6,463,836	-	4,683,099	-	45,114,088
2037	-	6,530,775	-	6,530,775	4,749,313	-	4,749,313	(1,781,462)	6,463,836	-	4,682,374	-	49,796,462
2038	-	6,530,375	-	6,530,375	4,749,313	-	4,749,313	(1,781,062)	6,463,836	-	4,682,774	-	54,479,236
2039	-	6,529,475	-	6,529,475	4,749,313	-	4,749,313	(1,780,162)	6,463,836	-	4,683,674	-	59,162,910
2040	-	6,529,625	-	6,529,625	4,749,313	-	4,749,313	(1,780,312)	6,463,836	-	4,683,524	-	63,846,434
2041	-	6,530,325	-	6,530,325	4,749,313	-	4,749,313	(1,781,012)	6,463,836	-	4,682,824	-	68,529,258
2042	-	6,530,100	-	6,530,100	4,749,313	-	4,749,313	(1,780,787)	6,463,836	-	4,683,049	-	73,212,306
2043	-	6,529,475	-	6,529,475	4,749,313	-	4,749,313	(1,780,162)	6,463,836	-	4,683,674	-	77,895,980
2044	-	6,529,900	-	6,529,900	4,749,313	-	4,749,313	(1,780,587)	6,463,836	-	4,683,249	-	82,579,229
2045	-	6,530,775	-	6,530,775	4,749,313	-	4,749,313	(1,781,462)	6,463,836	-	4,682,374	-	87,261,603
2046	-	6,530,525	-	6,530,525	4,749,313	-	4,749,313	(1,781,212)	6,463,836	-	4,682,624	-	91,944,227
2047	-	6,530,550	-	6,530,550	4,749,313	-	4,749,313	(1,781,237)	6,463,836	-	4,682,599	-	96,626,825
2048	-	6,530,200	-	6,530,200	4,749,313	-	4,749,313	(1,780,887)	6,463,836	-	4,682,949	-	101,309,774
2049	-	6,529,800	-	6,529,800	4,749,313	-	4,749,313	(1,780,487)	6,463,836	-	4,683,349	-	105,993,123
2050	-	6,529,625	-	6,529,625	4,749,313	-	4,749,313	(1,780,312)	6,463,836	-	4,683,524	-	110,676,647
2051	-	3,264,625	-	3,264,625	4,749,313	-	4,749,313	1,484,688	6,463,836	-	7,948,524	-	118,625,171
Total	39,322,954	195,900,928	-	235,223,882	156,727,329	-	156,727,329	Total		17,301		17.71¢	

- Value of a Penny⁽¹⁾: \$365,000
- Assumed Growth: 0.0%
- Alternatively, the County could consider one or a combination of the following:
 - Implementing an up-front tax increase in FY 2020 of 13.47¢.
 - Utilizing \$79,981,240 of reserves or other sources of revenue to offset the need for a future tax impact.



CIP – Key Debt Ratios

Scenario 4 – Combined \$100 Million Total in Fall 2019 and Fall 2020

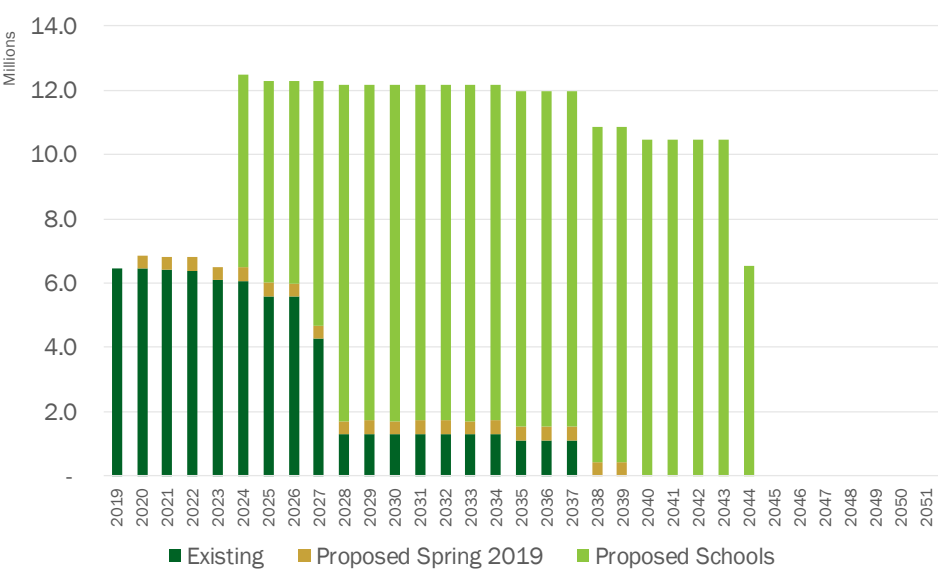




CIP Borrowing Summary

Scenario 5 – Structured \$100 Million in Fall 2019

Existing & Proposed Debt Service



CIP Funding Assumptions

■ Borrowing Assumptions ⁽¹⁾ :	
– 2019 Fall Financing	
– Project Amount	\$100,000,000
– Amortization/Term	24 Years
– Interest Rate/TIC	5.0%
– Structure	“Structured”
	School Debt Service Level in Aggregate
– 1 st Interest “Out-of-Pocket”	8/1/2023
– 1 st Principal	8/1/2024
– Final Maturity	8/1/2043
■ Total Principal Borrowed ⁽²⁾	\$120,221,000
■ Total New Debt Service	\$199,912,775

DAVENPORT & COMPANY

⁽¹⁾ Subject to sign-off by Bond Counsel and any required conduit borrowing entity.
⁽²⁾ Includes preliminary estimate for costs of issuance of \$150,000; subject to change.

Affordability Analysis

Scenario 5 – Structured \$100 Million in Fall 2019



A	B	C	D	E	F	G	H	I	J	K	L	M	N
	Debt Service Requirements				Revenue Available for DS			Debt Service Cash Flow Surplus (Deficit)					
FY	Schools Existing Debt Service	Schools CIP Debt Service	Schools CIP Pay- Go	Total	Tax-Supported Budgeted Debt Service	Other Available Revenues	Total Revenues Available	Surplus/ (Deficit)	Revenue From Prior Tax Impact	Transfer from Capital Reserve Fund	Adjusted Surplus / (Deficit)	Estimated Incremental Tax Equivalent	Capital Reserve Fund
2019	4,749,313	-	-	4,749,313	4,749,313	-	4,749,313	-	-	-	-	-	-
2020	4,732,012	-	-	4,732,012	4,749,313	-	4,749,313	17,301	-	-	17,301	-	17,301
2021	4,707,825	-	-	4,707,825	4,749,313	-	4,749,313	41,488	-	-	41,488	-	58,790
2022	4,682,985	-	-	4,682,985	4,749,313	-	4,749,313	66,328	-	-	66,328	-	125,118
2023	4,664,564	-	-	4,664,564	4,749,313	-	4,749,313	84,749	-	-	84,749	-	209,867
2024	4,647,342	6,011,050	-	10,658,392	4,749,313	-	4,749,313	(5,909,079)	-	209,867	(5,699,211)	15.61¢	-
2025	4,156,971	6,290,875	-	10,447,846	4,749,313	-	4,749,313	(5,698,533)	5,699,211	-	678	-	678
2026	4,149,862	6,298,950	-	10,448,812	4,749,313	-	4,749,313	(5,699,499)	5,699,211	288	-	-	390
2027	2,832,082	7,616,275	-	10,448,357	4,749,313	-	4,749,313	(5,699,044)	5,699,211	-	167	-	557
2028	-	10,448,650	-	10,448,650	4,749,313	-	4,749,313	(5,699,337)	5,699,211	126	-	-	431
2029	-	10,448,275	-	10,448,275	4,749,313	-	4,749,313	(5,698,962)	5,699,211	-	249	-	680
2030	-	10,448,625	-	10,448,625	4,749,313	-	4,749,313	(5,699,312)	5,699,211	101	-	-	579
2031	-	10,449,050	-	10,449,050	4,749,313	-	4,749,313	(5,699,737)	5,699,211	526	-	-	53
2032	-	10,447,925	-	10,447,925	4,749,313	-	4,749,313	(5,698,612)	5,699,211	-	599	-	653
2033	-	10,448,550	-	10,448,550	4,749,313	-	4,749,313	(5,699,237)	5,699,211	26	-	-	627
2034	-	10,449,150	-	10,449,150	4,749,313	-	4,749,313	(5,699,837)	5,699,211	626	-	-	1
2035	-	10,448,000	-	10,448,000	4,749,313	-	4,749,313	(5,698,687)	5,699,211	-	524	-	525
2036	-	10,448,300	-	10,448,300	4,749,313	-	4,749,313	(5,698,987)	5,699,211	-	224	-	749
2037	-	10,449,150	-	10,449,150	4,749,313	-	4,749,313	(5,699,837)	5,699,211	626	-	-	123
2038	-	10,447,700	-	10,447,700	4,749,313	-	4,749,313	(5,698,387)	5,699,211	-	824	-	947
2039	-	10,448,025	-	10,448,025	4,749,313	-	4,749,313	(5,698,712)	5,699,211	-	499	-	1,446
2040	-	10,449,075	-	10,449,075	4,749,313	-	4,749,313	(5,699,762)	5,699,211	551	-	-	895
2041	-	10,448,825	-	10,448,825	4,749,313	-	4,749,313	(5,699,512)	5,699,211	301	-	-	594
2042	-	10,448,225	-	10,448,225	4,749,313	-	4,749,313	(5,698,912)	5,699,211	-	299	-	893
2043	-	10,449,100	-	10,449,100	4,749,313	-	4,749,313	(5,699,787)	5,699,211	576	-	-	317
2044	-	6,519,000	-	6,519,000	4,749,313	-	4,749,313	(1,769,687)	5,699,211	-	3,929,524	-	3,929,841
2045	-	-	-	-	4,749,313	-	4,749,313	4,749,313	5,699,211	-	10,448,524	-	14,378,365
2046	-	-	-	-	4,749,313	-	4,749,313	4,749,313	5,699,211	-	10,448,524	-	24,826,889
2047	-	-	-	-	4,749,313	-	4,749,313	4,749,313	5,699,211	-	10,448,524	-	35,275,413
2048	-	-	-	-	4,749,313	-	4,749,313	4,749,313	5,699,211	-	10,448,524	-	45,723,937
2049	-	-	-	-	4,749,313	-	4,749,313	4,749,313	5,699,211	-	10,448,524	-	56,172,461
2050	-	-	-	-	4,749,313	-	4,749,313	4,749,313	5,699,211	-	10,448,524	-	66,620,985
2051	-	-	-	-	4,749,313	-	4,749,313	4,749,313	5,699,211	-	10,448,524	-	77,069,509
Total	39,322,954	199,912,775	-	239,235,729	156,727,329	-	156,727,329	Total		213,614		15.61¢	

- Value of a Penny⁽¹⁾: \$365,000
- Assumed Growth: 0.0%
- Alternatively, the County could consider one or a combination of the following:
 - Implementing an up-front tax increase in FY 2020 of 13.02¢.
 - Utilizing \$115,753,591 of reserves or other sources of revenue to offset the need for a future tax impact.



CIP – Key Debt Ratios

Scenario 5 – Structured \$100 Million in Fall 2019





Current Market Interest Rates

Overview of Market Conditions – 10-Year Treasury

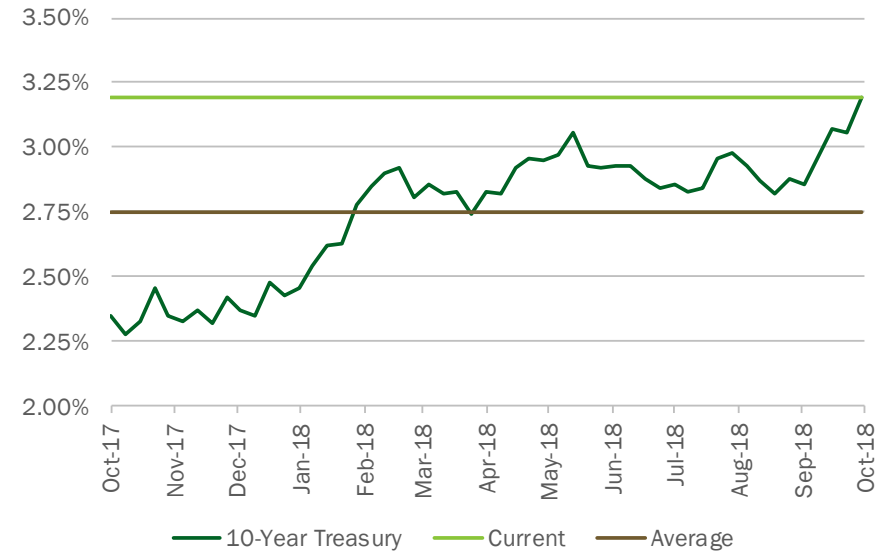


10-Year Treasury (1991 – Present)



■ High:	8.35%
■ Low:	1.40%
■ Average:	4.44%
■ Current:	3.19%

10-Year Treasury (Last 12 Months)



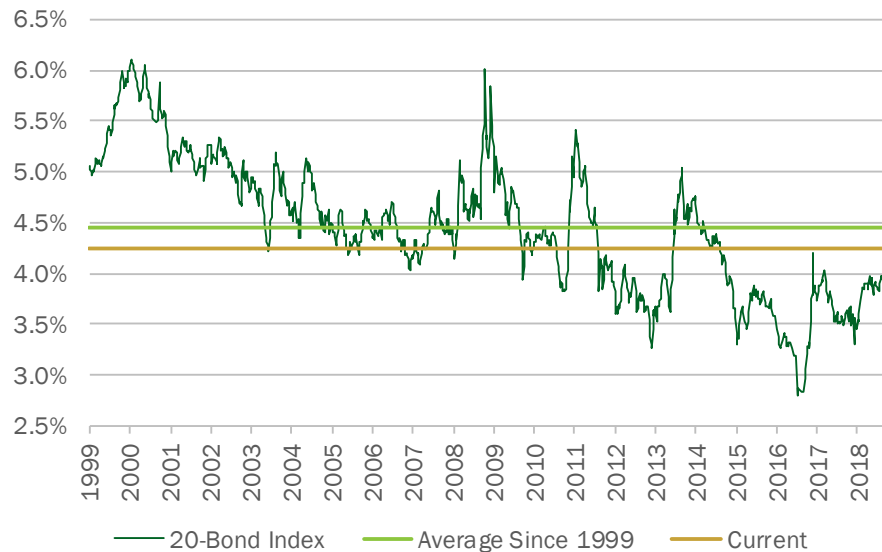
■ High:	3.19%
■ Low:	2.28%
■ Average:	2.75%
■ Current:	3.19%

Note: The 10-Year Treasury Bond Yield is a commonly used indicator for a number of interest rates in both the taxable and tax-exempt marketplace.

Interest Rate Overview



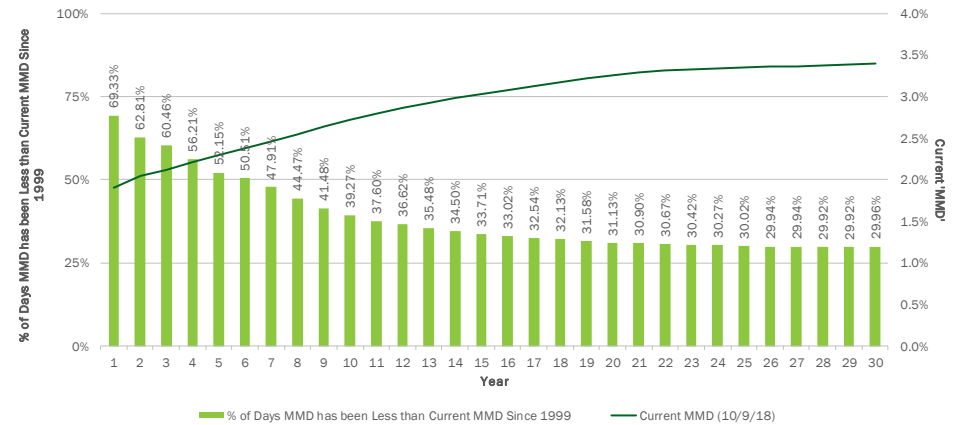
20 Bond Index



- High: 6.11%
- Low: 2.80%
- Average: 4.45%
- Current: 4.24%

Note: The 20-Bond Index consists of 20 general obligation bonds that mature in 20 years. The average rating of the 20 bonds is roughly equivalent to Moody's Investors Service's Aa2 rating and Standard & Poor's Corp.'s AA.

Historical MMD Trends Since 1999



- The Municipal Market Data Daily Rate Publication (MMD) is the benchmark for 'AAA' municipal yields with rates published for years 1-30.
- The current MMD, shown in the green line on the chart above, is above the historical average since 1999 for maturities of 5 years or less and below average for all maturities greater than 5 years.
- The green bars in the chart above demonstrate the percentage of days since 1999 that the MMD has been below current levels.



Observations

Observations



County Observations

- Debt Service related to County obligations is essentially level for the next two (2) decades.
 - No materially decline from current levels.
- The County's strategic planning demonstrates that the Courthouse Renovations and Commonwealth Attorney's Building projects will be funded by virtue of the following:
 - Maintained budgeting revenue sources at current debt service levels over the past several years;
 - Implemented the 2¢ real property rate increase in Tax Year 2015; and
 - Set aside funds in the Courthouse Reserve Fund.
- Additionally, the County continues to set aside debt service budget surpluses (annually) into the Future Debt Service Reserve Fund for purposes of affording future County capital needs, as needed.
- The County's key debt ratios are generally in line with Virginia and National credit rating medians.

School Observations

- Debt Service related to School obligations decline materially within the next eight (8) to ten (10) years.
 - By maintaining revenue sources for capital needs at current debt service levels, the decline in debt service could be applied to future School capital needs, as shown in the analyses herein.
 - Alternatively, some portion of the decline in debt service could be repurposed to offset School operations. Further discussion and guidance is needed to refine these assumptions.
- The Schools have identified capital needs ranging up to \$100 Million.
 - The identified capital needs will impact the County's debt ratios.
 - Prior to considering additional School Capital Needs, the County's key debt ratios are in-line with Virginia and National credit rating medians as well as adopted financial policies.
 - Given the range of potential School Projects, the estimated tax impact could range from 7¢ to 18¢, depending upon the project amount, timing of debt issuance, and debt service structure.

Overall Observations

- The County adopted a series of Financial Policy Guidelines.
 - Financial Policies provide comfort to the Rating Agencies and investors that the County's Debt is managed in a responsible and transparent manner.
 - Some of the scenarios shown herein may demonstrate non-compliance with one or two of these policies.
 - For example, with respect to Scenarios 3, 4, and 5, which reflect \$100 Million of School capital needs:
 - Scenario 3 is out of compliance for 15 years.
 - Scenario 4 is out of compliance for 16 years.
 - Scenario 5 is out of compliance for 14 years.
 - However, a strategic plan to come back into compliance would temper potential concerns from credit markets and lenders.



Appendix A

Existing Tax-Supported Debt

Existing Tax-Supported Debt



Total Tax-Supported Debt Service

FY	County Debt Service	Schools Debt Service	Total Debt Service
Total	26,384,673	39,322,954	65,707,627
2019	1,705,457	4,749,313	6,454,770
2020	1,707,155	4,732,012	6,439,167
2021	1,701,918	4,707,825	6,409,743
2022	1,708,554	4,682,985	6,391,539
2023	1,431,227	4,664,564	6,095,790
2024	1,429,255	4,647,342	6,076,597
2025	1,431,245	4,156,971	5,588,216
2026	1,430,180	4,149,862	5,580,042
2027	1,426,959	2,832,082	4,259,040
2028	1,298,171	-	1,298,171
2029	1,300,529	-	1,300,529
2030	1,295,804	-	1,295,804
2031	1,298,866	-	1,298,866
2032	1,299,459	-	1,299,459
2033	1,298,311	-	1,298,311
2034	1,299,719	-	1,299,719
2035	1,108,281	-	1,108,281
2036	1,106,206	-	1,106,206
2037	1,107,378	-	1,107,378

County

FY	Principal	Interest	Total
Total	18,358,393	8,026,280	26,384,673
2019	903,829	801,628	1,705,457
2020	942,473	764,682	1,707,155
2021	976,236	725,682	1,701,918
2022	1,024,880	683,674	1,708,554
2023	790,523	640,703	1,431,227
2024	827,167	602,088	1,429,255
2025	869,811	561,434	1,431,245
2026	911,455	518,725	1,430,180
2027	953,019	473,940	1,426,959
2028	868,000	430,171	1,298,171
2029	913,000	387,529	1,300,529
2030	953,000	342,804	1,295,804
2031	1,003,000	295,866	1,298,866
2032	1,053,000	246,459	1,299,459
2033	1,099,000	199,311	1,298,311
2034	1,145,000	154,719	1,299,719
2035	1,000,000	108,281	1,108,281
2036	1,040,000	66,206	1,106,206
2037	1,085,000	22,378	1,107,378

Schools

FY	Principal	Interest	Total
Total	33,748,287	5,574,667	39,322,954
2019	3,446,155	1,303,158	4,749,313
2020	3,585,207	1,146,805	4,732,012
2021	3,734,660	973,165	4,707,825
2022	3,880,159	802,826	4,682,985
2023	4,031,251	633,313	4,664,564
2024	4,197,651	449,691	4,647,342
2025	3,892,866	264,105	4,156,971
2026	4,065,754	84,108	4,149,862
2027	2,914,584	(82,502)	2,832,082
2028	-	-	-
2029	-	-	-
2030	-	-	-
2031	-	-	-
2032	-	-	-
2033	-	-	-
2034	-	-	-
2035	-	-	-
2036	-	-	-
2037	-	-	-

County Obligations



\$900,000

Note Payable to Town of South Boston

FY	Coupon	Principal	Interest	Total
Total		500,393	117,147	617,540
2019	1.940%	45,829	22,896	68,725
2020	1.940%	48,473	20,774	69,247
2021	1.940%	50,236	18,428	68,664
2022	1.940%	52,880	15,982	68,862
2023	1.940%	55,523	13,515	69,038
2024	1.940%	58,167	10,900	69,067
2025	1.940%	60,811	8,042	68,853
2026	1.940%	63,455	4,935	68,390
2027	1.940%	65,019	1,675	66,694
2028	-	-	-	-
2029	-	-	-	-
2030	-	-	-	-
2031	-	-	-	-
2032	-	-	-	-
2033	-	-	-	-
2034	-	-	-	-
2035	-	-	-	-
2036	-	-	-	-
2037	-	-	-	-

Dated Date: Unknown Next Call: Unknown

Purpose: Prizery Renovations Insurance: Unknown

Coupon Dates: Unknown Maturity Date: FY 2027

County

\$670,000

2011 VRA Lease Revenue Bonds

FY	Coupon	Principal	Interest	Total
Total		460,000	110,949	570,949
2019	4.875%	40,000	22,050	62,050
2020	5.125%	45,000	19,922	64,921
2021	5.125%	45,000	17,616	62,615
2022	4.825%	50,000	15,257	65,257
2023	5.125%	50,000	12,769	62,769
2024	5.125%	55,000	10,078	65,078
2025	5.125%	55,000	7,259	62,259
2026	4.625%	60,000	4,462	64,462
2027	5.125%	60,000	1,537	61,537
2028	-	-	-	-
2029	-	-	-	-
2030	-	-	-	-
2031	-	-	-	-
2032	-	-	-	-
2033	-	-	-	-
2034	-	-	-	-
2035	-	-	-	-
2036	-	-	-	-
2037	-	-	-	-

Dated Date: 3/15/2011 Next Call: Unknown

Purpose: Energy Efficient Improvements Insurance: n/a

Coupon Dates: Apr 1, Oct 1 Maturity Date: 10/1/2013

County

\$985,000

2011 HCSA Refunding VRA Bond

FY	Coupon	Principal	Interest	Total
Total		440,000	42,706	482,706
2019	3.696%	105,000	17,659	122,659
2020	4.458%	105,000	13,378	118,378
2021	4.443%	110,000	8,594	118,594
2022	5.125%	120,000	3,075	123,075
2023	-	-	-	-
2024	-	-	-	-
2025	-	-	-	-
2026	-	-	-	-
2027	-	-	-	-
2028	-	-	-	-
2029	-	-	-	-
2030	-	-	-	-
2031	-	-	-	-
2032	-	-	-	-
2033	-	-	-	-
2034	-	-	-	-
2035	-	-	-	-
2036	-	-	-	-
2037	-	-	-	-

Dated Date: 11/2/2011 Next Call: Unknown

Purpose: Refunding Insurance: n/a

Coupon Dates: Apr 1, Oct 1 Maturity Date: 10/1/2014

County

County Obligations



\$677,000

Public Facilities Lease Revenue Refunding Note, Series 2014 (Carter)

FY	Coupon	Principal	Interest	Total
Total		353,000	18,711	371,711
2019	2.100%	86,000	7,413	93,413
2020	2.100%	87,000	5,607	92,607
2021	2.100%	89,000	3,780	92,780
2022	2.100%	91,000	1,911	92,911
2023	-	-	-	-
2024	-	-	-	-
2025	-	-	-	-
2026	-	-	-	-
2027	-	-	-	-
2028	-	-	-	-
2029	-	-	-	-
2030	-	-	-	-
2031	-	-	-	-
2032	-	-	-	-
2033	-	-	-	-
2034	-	-	-	-
2035	-	-	-	-
2036	-	-	-	-
2037	-	-	-	-

Dated Date: 4/11/2014 Next Call: Any time at 100%

Purpose: Refund 2009 L.R. Bond Insurance: n/a

Coupon Dates: May 1, Nov 1 Maturity Date: 5/1/2014

County

\$2,771,000

Public Facilities Lease Revenue Note, Series 2014 (Carter)

FY	Coupon	Principal	Interest	Total
Total		2,353,000	701,935	3,054,935
2019	3.250%	114,000	76,473	190,473
2020	3.250%	118,000	72,768	190,768
2021	3.250%	122,000	68,933	190,933
2022	3.250%	126,000	64,968	190,968
2023	3.250%	130,000	60,872	190,872
2024	3.250%	134,000	56,648	190,648
2025	3.250%	139,000	52,293	191,293
2026	3.250%	143,000	47,775	190,775
2027	3.250%	148,000	43,128	191,128
2028	3.250%	153,000	38,318	191,318
2029	3.250%	158,000	33,345	191,345
2030	3.250%	163,000	28,210	191,210
2031	3.250%	168,000	22,913	190,913
2032	3.250%	173,000	17,453	190,453
2033	3.250%	179,000	11,830	190,830
2034	3.250%	185,000	6,013	191,013
2035	-	-	-	-
2036	-	-	-	-
2037	-	-	-	-

Dated Date: 4/11/2014 Next Call: Any time at 100%

Purpose: Sheriff, Admin, and temporary Court facilities Insurance: n/a

Coupon Dates: May 1, Nov 1 Maturity Date: 5/1/2014

County

\$455,000

Public Facilities General Obligation Refunding Bond, Series 2014 (Carter)

FY	Coupon	Principal	Interest	Total
Total		237,000	12,516	249,516
2019	2.100%	58,000	4,977	62,977
2020	2.100%	59,000	3,759	62,759
2021	2.100%	60,000	2,520	62,520
2022	2.100%	60,000	1,260	61,260
2023	-	-	-	-
2024	-	-	-	-
2025	-	-	-	-
2026	-	-	-	-
2027	-	-	-	-
2028	-	-	-	-
2029	-	-	-	-
2030	-	-	-	-
2031	-	-	-	-
2032	-	-	-	-
2033	-	-	-	-
2034	-	-	-	-
2035	-	-	-	-
2036	-	-	-	-
2037	-	-	-	-

Dated Date: 4/11/2014 Next Call: Any time at 100%

Purpose: Refund 2009 G.O. Bond Insurance: n/a

Coupon Dates: May 1, Nov 1 Maturity Date: 5/1/2014

County

County Obligations



\$14,455,000

2016 VRA Lease Revenue Bonds

FY	Coupon	Principal	Interest	Total
Total		14,015,000	7,022,316	21,037,316
2019	2.770%	455,000	650,159	1,105,159
2020	2.770%	480,000	628,475	1,108,475
2021	2.770%	500,000	605,813	1,105,813
2022	2.770%	525,000	581,222	1,106,222
2023	2.770%	555,000	553,547	1,108,547
2024	2.770%	580,000	524,463	1,104,463
2025	2.770%	615,000	493,841	1,108,841
2026	2.770%	645,000	461,553	1,106,553
2027	2.770%	680,000	427,600	1,107,600
2028	2.770%	715,000	391,853	1,106,853
2029	2.770%	755,000	354,184	1,109,184
2030	2.770%	790,000	314,594	1,104,594
2031	2.770%	835,000	272,953	1,107,953
2032	2.770%	880,000	229,006	1,109,006
2033	2.770%	920,000	187,481	1,107,481
2034	2.770%	960,000	148,706	1,108,706
2035	2.770%	1,000,000	108,281	1,108,281
2036	2.770%	1,040,000	66,206	1,106,206
2037	2.770%	1,085,000	22,378	1,107,378

Dated Date: 11/16/2016 Next Call: 11/1/2027

Purpose: Courthouse Insurance: None

Coupon Dates: 4/1, 10/1 Maturity Date: 10/1/2036

School Obligations



\$16,615,000

VPSA General Obligation Bonds, Series 2005D

FY	Coupon	Principal	Interest	Total
Total		8,675,000	1,785,225	10,460,225
2019	5.100%	905,000	404,073	1,309,073
2020	5.100%	950,000	356,770	1,306,770
2021	5.100%	1,000,000	307,045	1,307,045
2022	5.100%	1,050,000	254,770	1,304,770
2023	5.100%	1,105,000	199,818	1,304,818
2024	4.600%	1,165,000	144,845	1,309,845
2025	4.850%	1,220,000	88,465	1,308,465
2026	4.600%	1,280,000	29,440	1,309,440
2027		-	-	-
2028		-	-	-
2029		-	-	-
2030		-	-	-
2031		-	-	-
2032		-	-	-
2033		-	-	-
2034				-
2035				-
2036				-
2037				-

Dated Date: 11/10/2005 Next Call: n/a

Purpose: Schools Insurance: n/a

Coupon Dates: Jan 15, Jul 15 Maturity Date: 7/15/2013
Schools

Note: Coupon, interest include annual VPSA 10 basis point fee.

\$31,030,000

VPSA General Obligation Bonds, Series 2006A

FY	Coupon	Principal	Interest	Total
Total		17,760,000	2,645,767	20,405,767
2019	5.100%	1,615,000	651,278	2,266,278
2020	5.100%	1,700,000	571,745	2,271,745
2021	5.100%	1,790,000	477,750	2,267,750
2022	4.475%	1,875,000	390,652	2,265,652
2023	4.600%	1,960,000	307,650	2,267,650
2024	4.600%	2,055,000	210,755	2,265,755
2025	4.600%	2,150,000	114,015	2,264,015
2026	4.600%	2,250,000	17,065	2,267,065
2027	5.100%	2,365,000	(95,143)	2,269,858
2028		-	-	-
2029		-	-	-
2030		-	-	-
2031		-	-	-
2032		-	-	-
2033		-	-	-
2034				-
2035				-
2036				-
2037				-

Adjusted for 2014 VPSA Refunding

Dated Date: 5/11/2006 Next Call: n/a

Purpose: Schools Insurance: n/a

Coupon Dates: Jan 15, Jul 15 Maturity Date: 7/15/2013
Schools

Note: Coupon, interest include annual VPSA 10 basis point fee.

\$8,920,992

VPSA General Obligation Bonds, Series 2006B (Subsidized)

	Coupon	Principal	Interest	Total
Total		4,513,156	947,660	5,460,816
2019	4.350%	459,485	191,805	651,290
2020	4.350%	468,537	171,621	640,158
2021	4.350%	477,990	151,034	629,024
2022	4.600%	488,489	129,402	617,891
2023	4.400%	499,581	107,176	606,757
2024	4.475%	510,870	84,755	595,625
2025	4.475%	522,866	61,625	584,491
2026	4.600%	535,754	37,603	573,357
2027	4.600%	549,584	12,640	562,224
2028		-	-	-
2029		-	-	-
2030		-	-	-
2031		-	-	-
2032		-	-	-
2033		-	-	-
2034				-
2035				-
2036				-
2037				-

Dated Date: 11/9/2006 Next Call: n/a

Purpose: Schools Insurance: n/a

Coupon Dates: Jan 15, Jul 15 Maturity Date: 7/15/2013
Schools

FY	Coupon	Principal	Interest	Total
Total		2,800,131	196,015	2,996,146
2019	2.000%	466,670	56,003	522,673
2020	2.000%	466,670	46,669	513,339
2021	2.000%	466,670	37,336	504,006
2022	2.000%	466,670	28,002	494,672
2023	2.000%	466,670	18,669	485,339
2024	2.000%	466,781	9,336	476,117
2025		-	-	-
2026		-	-	-
2027		-	-	-
2028		-	-	-
2029		-	-	-
2030		-	-	-
2031		-	-	-
2032		-	-	-
2033		-	-	-
2034				-
2035				-
2036				-
2037				-

DAVENPORT & COMPANY



Appendix B

Fiscal Policies

Fiscal Policies

HALIFAX COUNTY VIRGINIA



Approved:
October 6, 2014

FISCAL POLICY

County of Halifax, Virginia

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FISCAL POLICY

County of Halifax, Virginia

Section Contents

Objectives

Capital Investment Policy

Debt Policy

Reserve Policy

Treasury Management Policy

FISCAL POLICY - OBJECTIVES

This fiscal policy is a statement of the guidelines and goals that will influence and guide the financial management practices of Halifax County. A fiscal policy that is adopted, adhered to and regularly reviewed is recognized as the cornerstone of sound financial management. Effective fiscal policy:

- Contributes significantly to the County's ability to insulate itself from fiscal crisis;
- Enhances short-term and long-term financial credit ability by helping to achieve the highest credit and bond ratings possible;
- Promotes long-term financial stability by establishing clear and consistent guidelines;
- Directs attention to the total financial picture of the County rather than single issue areas;
- Promotes the view of linking long-run financial planning with day-to-day operations;
- Provides the Board of Supervisors and the citizens a framework for measuring the fiscal impact of government services against established fiscal parameters and guidelines.

FISCAL POLICY

County of Halifax, Virginia

CAPITAL INVESTMENT POLICY

1. The County will consider all capital investments in accordance with an adopted capital investment plan (CIP).
2. The County will develop a five-year plan for capital investments and review and update the plan annually.
3. The County will enact an annual capital budget based on the five-year capital investment plan. Future capital investments necessitated by changes in population, changes in real estate development or changes in the County economic base will be calculated and included in capital budget projections.
4. The County will coordinate development of the capital investment budget with development of the operating budget. Future operating costs associated with new capital investments will be projected and included in operating budget forecasts.
5. When using intergovernmental assistance for projects the County will finance only those capital investments that are consistent with the capital investment plan and County priorities, and whose operating and maintenance costs have been included in operating budget forecasts.
6. The County will maintain all its assets at a level adequate to protect the County's capital investment and to minimize future maintenance and replacement costs.
7. The County will project its equipment replacement and maintenance needs for the next several years and will update this projection each year. From this projection, a maintenance and replacement schedule will be developed and followed.
8. The County will identify the estimated costs and potential funding sources for each capital project proposal before it is submitted for approval by the Board of Supervisors during the annual budget process.
9. The County will attempt to determine the least costly and most flexible financing method for all new investments.

10. To qualify for inclusion in the Capital Investment Plan (CIP) the project shall:
 - A. Be a facility with an expected life of 20 years or more and a cost of \$200,000 or more.
 - B. Be equipment (including vehicles) with an expected life of 10 years or more and a cost of \$50,000 or more.
 - C. Be an economic development project of \$50,000 or more (or County contribution of \$50,000 or more to such a project) and can be proven to provide a demonstrated return on investment to the County.

FISCAL POLICY

County of Halifax, Virginia

DEBT POLICY

1. The County will confine long-term borrowing to capital investment or projects that cannot be financed from current revenues except where approved justification is provided.
2. When the County finances capital investments or other projects by issuing bonds or entering into capital leases, it will repay the debt within a period not to exceed the expected useful life of the project. Target debt ratios, noted herein, will be annually calculated and included in the review of financial trends.
3. Direct net debt as a percentage of estimated market value of taxable property should not exceed 2.50%. Direct net debt is defined as any and all debt that is tax-supported. This ratio will be measured annually.
4. The ratio of direct net debt service expenditures as a percent of total governmental fund expenditures should not exceed 20%. This ratio will be measured annually.
5. Payout of aggregate outstanding tax-supported net direct debt principal shall be no less than 55% repaid in 10 years.
6. The County recognizes the importance of underlying and overlapping debt in analyzing financial condition. The County will regularly analyze total indebtedness including underlying and overlapping debt.
7. Where feasible, the County will explore the usage of special assessment, revenue or other self-supporting bonds instead of general obligation bonds.
8. The County will retire tax anticipation debt, if any, annually and will retire bond anticipation debt within six months after completion of the project.

FISCAL POLICY

County of Halifax, Virginia

RESERVE POLICY

1. The County will strive to maintain a targeted Unassigned Fund Balance, as defined by the Governmental Accounting Standards Board, at the close of each fiscal year equal to 20% of General Fund Expenditures. When Unassigned Fund Balance is adequate, audited General Fund revenues in excess of expenditures shall be appropriated 50% to Debt Service Reserve and 50% to Capital Investment Plan funding.
2. The County Board may, from time-to-time, utilize fund balance that will reduce Unassigned Fund Balance below the 20% target for the purposes of a declared fiscal emergency or other such purpose as to protect or enhance the long-term fiscal security of Halifax County. In such circumstances, the Board will adopt a plan to restore the Unassigned Fund Balance to the target level within 36 months. If restoration cannot be accomplished within such time period without severe hardship to the County, then the Board will establish a different but appropriate time period.
3. Any remaining funds at year end in the Transfer to School line item, may be transferred to the School Capital fund subsequent to year end.

FISCAL POLICY

County of Halifax, Virginia

TREASURY MANAGEMENT POLICY

OVERVIEW

The Halifax County Board of Supervisors recognizes that it is the explicit constitutional responsibility of the County Treasurer to invest County Funds in accordance with Virginia Law. It is the desire of the County Board of Supervisors to provide the Treasurer with the timeliest information in order to best execute the powers of the Treasurer's Office. To that end, the following Treasury Management Practices are intended as a guide for the County Board of Supervisors to facilitate this relationship.

1. The County will attempt to provide a cash-flow analysis of all funds on a continuous basis. Disbursement, collection and deposit of funds will be scheduled to insure maximum cash availability.
2. An annual cash-flow budget will be developed for County operations and be provided to the Treasurer.



Appendix C

Information Provided by County Staff

From: Stephanie Jackson <scj@co.halifax.va.us>

Sent: Tuesday, September 18, 2018 12:57 PM

To: Cole, Ted <tcole@investdavenport.com>; Taylor, RT <rttaylor@investdavenport.com>

Subject: Reserve Balances

The below reserve balances include FY2019 amounts. They do not include the FY2018 yearend true-up amounts. I hope this is helpful.

RESERVE FOR COURTHOUSE DEBT

\$.02 REAL ESTATE INCREASE TAX YEAR 2015	729,902
CARRYOVER FY2015	381,138
\$.02 REAL ESTATE INCREASE TAX YEAR 2016	743,378
BOS APPROVED EXPENSES 6/6/2016	(181,484)
ADJ FOR ACTUAL	(7,969)
\$.02 REAL ESTATE INCREASE TAX YEAR 2017	756,464
\$.02 REAL ESTATE INCREASE TAX YEAR 2018 ESTIMATE	756,000
TOTAL	<u><u>3,177,429</u></u>

RESERVE FOR FUTURE DEBT SERVICE

FY2016 BUDGET	226,553
CARRYOVER FY2015	178,635
FY2017 BUDGET	317,467
FY2018 BUDGET	427,635
FY2019 BUDGET	449,748
TOTAL	<u><u>1,600,038</u></u>

HALIFAX COUNTY DEBT SERVICE

THIS DOES NOT INCLUDE THE COMMONWEALTH ATTORNEY BUILDING

Fiscal	<u>SCHOOLS</u>		<u>COUNTY TOTAL</u>		<u>GRAND TOTAL</u>		<u>ANNUAL</u>	<u>Reserve</u>	<u>GRAND</u>
Year	Principal	Interest	Principal	Interest	PRINCIPAL	INTEREST	TOTAL	for Debt Service	TOTAL
2019	3,446,155	1,303,158	903,829	801,627	4,349,984	2,104,785	6,454,769	449,748	6,904,517
2020	3,585,207	1,146,805	942,473	764,683	4,527,680	1,911,487	6,439,167	465,350	6,904,517
2021	3,734,660	973,164	976,236	725,682	4,710,896	1,698,846	6,409,742	494,775	6,904,517
2022	3,880,159	802,826	1,024,880	683,674	4,905,039	1,486,500	6,391,538	512,979	6,904,517
2023	4,031,251	633,313	790,523	640,703	4,821,774	1,274,016	6,095,790	808,727	6,904,517
2024	4,197,651	449,690	827,167	602,088	5,024,818	1,051,778	6,076,597	827,920	6,904,517
2025	3,892,866	264,105	869,811	561,435	4,762,677	825,539	5,588,217	1,316,300	6,904,517
2026	4,065,754	84,108	911,455	518,726	4,977,209	602,834	5,580,044	1,324,473	6,904,517
2027	2,819,442	12,640	955,148	473,940	3,774,589	486,580	4,261,169	2,643,348	6,904,517
2028			868,000	430,171	868,000	430,171	1,298,171	5,606,346	6,904,517
2029			913,000	387,529	913,000	387,529	1,300,529	5,603,988	6,904,517
2030			953,000	342,804	953,000	342,804	1,295,804	5,608,713	6,904,517
2031			1,003,000	295,866	1,003,000	295,866	1,298,866	5,605,651	6,904,517
2032			1,053,000	246,459	1,053,000	246,459	1,299,459	5,605,058	6,904,517
2033			1,099,000	199,311	1,099,000	199,311	1,298,311	5,606,206	6,904,517
2034			1,145,000	154,719	1,145,000	154,719	1,299,719	5,604,798	6,904,517
2035			1,000,000	108,281	1,000,000	108,281	1,108,281	5,796,236	6,904,517
2036			1,040,000	66,206	1,040,000	66,206	1,106,206	5,798,311	6,904,517
2037			1,085,000	22,378	1,085,000	22,378	1,107,378	5,797,139	6,904,517
Total	33,653,144	5,669,809	18,360,522	8,026,281	52,013,667	13,696,090	65,709,757	65,476,066	131,185,823

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