

Shenandoah County, Virginia

Series 2018C Plan of Finance



September 6, 2018

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Goals and Objectives



- Davenport has been asked to present a Plan of Finance for the funding of the following projects:
 1. Replacement and enhancement of the County's current public safety radio system; and,
 2. Construction of the Shenandoah County Sheriff's Office and Department of Communications Center using some asset forfeiture funds.

- As part of this Plan of Finance, Davenport will:
 - Review key County financial indicators;
 - Review the impact of the financing on the County's debt policies;
 - Analyze the impact of the debt service on the County budget;
 - Review interest rate trends, which are still very attractive despite having risen over the past year; and
 - Look to utilize the County's dropdown in existing debt service to minimize the impact on future budgets.



General Fund Overview

Shenandoah County, Virginia

Historical General Fund Results



	Fiscal Year 2013	Fiscal Year 2014	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017
Revenues					
General property taxes	\$ 35,693,366	\$ 37,482,790	\$ 39,515,727	\$ 40,894,148	\$ 42,563,588
Other local taxes	6,495,383	6,498,009	6,540,794	6,524,188	6,924,306
Permits, privilege fees, and regulatory licenses	347,305	349,335	445,277	432,609	372,308
Fines and forfeitures	78,423	71,259	83,303	66,671	60,697
Revenue from the use of money and property	120,045	355,859	451,702	422,334	569,096
Charges for services	1,847,850	1,858,516	1,511,299	1,800,087	1,817,194
Miscellaneous	2,170,745	1,655,376	580,080	752,481	451,294
Recovered costs	499,341	550,983	512,397	492,482	526,766
Intergovernmental:					
Commonwealth	10,281,425	10,303,365	9,562,497	10,334,634	10,317,912
Federal	2,689,859	3,896,064	2,459,177	2,332,300	5,122,012
Total Revenues	\$ 60,223,742	\$ 63,021,556	\$ 61,662,253	\$ 64,051,934	\$ 68,725,173
Expenditures					
Current					
General government administration	\$ 2,540,618	\$ 2,463,728	\$ 2,735,318	\$ 2,861,575	\$ 2,488,722
Judicial administration	1,764,922	1,822,544	1,890,580	1,949,965	1,971,210
Public safety	13,244,694	14,007,900	13,795,977	14,736,082	15,198,189
Public works	1,062,575	1,172,071	1,008,347	1,149,372	1,140,004
Health and welfare	6,775,287	6,353,432	6,836,916	7,474,288	8,037,115
Education	22,094,286	23,354,643	24,856,868	25,685,320	25,490,023
Parks, recreation, and cultural	1,384,394	1,408,573	1,465,408	1,522,188	1,944,929
Community development	951,035	1,033,232	1,058,542	1,629,086	1,377,922
Nondepartmental	16,891	13,374	14,152	13,533	21,829
Capital projects	2,304,756	1,636,091	620,218	519,620	255,451
Debt service*					
Principal retirement	3,897,642	3,802,563	3,830,034	4,037,566	4,160,835
Interest and other fiscal charges	2,569,834	2,476,051	2,396,218	2,246,551	2,095,262
Total Expenditures	\$ 58,606,934	\$ 59,544,202	\$ 60,508,578	\$ 63,825,146	\$ 64,181,491
Excess (deficiency) of revenues over (under) expenditures	\$ 1,616,808	\$ 3,477,354	\$ 1,153,675	\$ 226,788	\$ 4,543,682
Other Finance Sources (Uses)					
Transfers in	\$ 88,000	\$	\$	\$	\$
Transfers out	(1,155,052)	(1,229,212)	(698,364)	(3,466,039)	(843,117)
Issuance of capital leases	393,307	396,970		410,500	
Total Other Finance Sources (Uses)	\$ (673,745)	\$ (832,242)	\$ (698,364)	\$ (3,055,539)	\$ (843,117)
Net Change in Fund Balances	\$ 943,063	\$ 2,645,112	\$ 455,311	\$ (2,828,751)	\$ 3,700,565

Over the past five years, the County has generally seen a surplus in its General Fund. The only exception is Fiscal Year 2016, which saw a larger transfer to the Landfill Fund for purposes of self-funding the development of a new landfill cell.

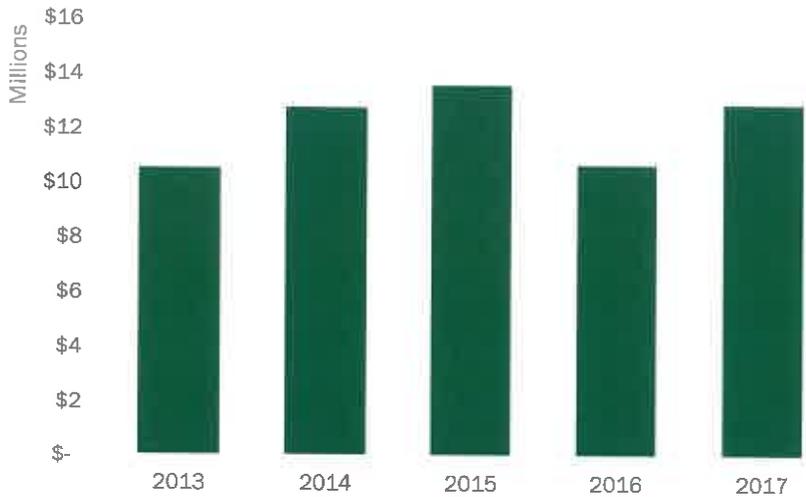
Source: Shenandoah County CAFRs.

*Note: Debt Service is shown in the table above for reference; however, it is mostly paid out of the debt service fund.

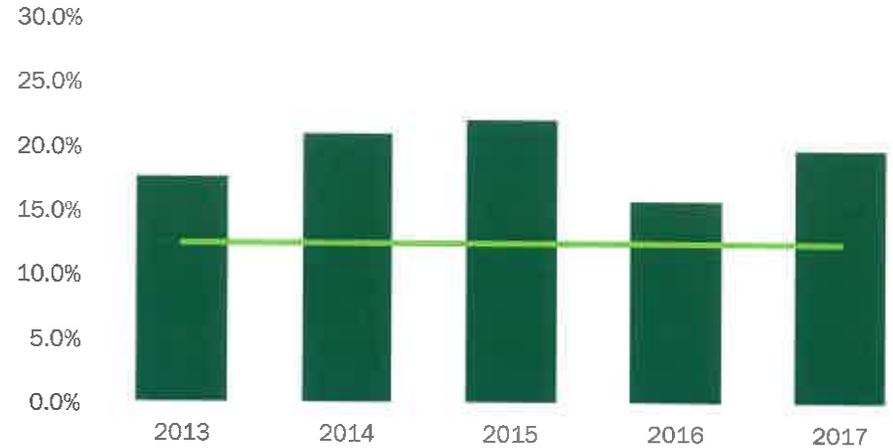
Unassigned Fund Balance



General Fund Unassigned Fund Balance



Unassigned Fund Balance as a % of General Fund Expenditures and Net Transfers



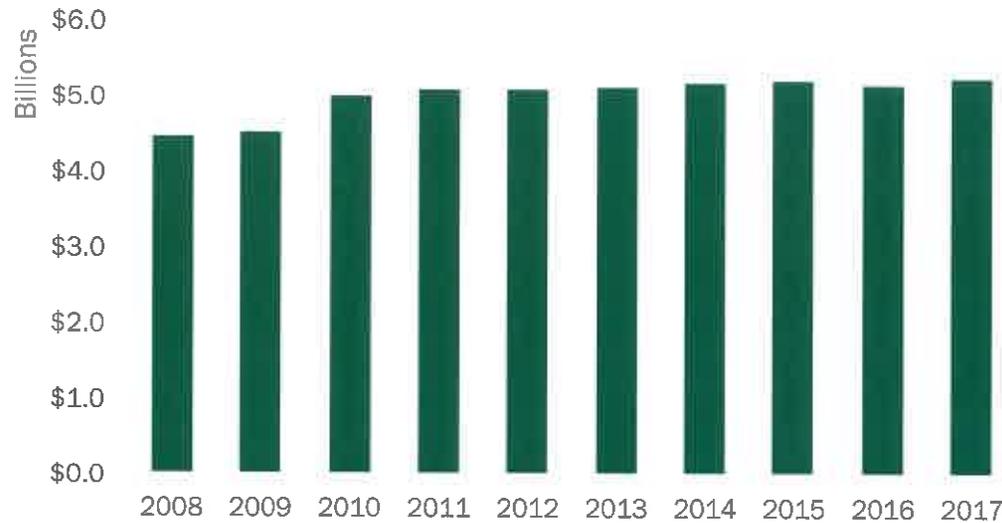
Fiscal Year	General Fund Unassigned Fund Balance	General Fund Expenditures	General Fund Net Transfers	Unassigned Fund Balance as a % of Expenditures and Net Transfers	Target
2013	\$ 10,497,972	\$ 52,574,448	\$ 7,099,538	17.6%	12.5%
2014	12,772,653	53,625,495	7,147,919	21.0%	12.5%
2015	13,577,568	54,718,245	6,568,697	22.2%	12.5%
2016	10,656,213	57,891,863	9,399,322	15.8%	12.5%
2017	12,871,656	58,258,914	6,765,694	19.8%	12.5%

Existing Policy: "In the General Fund, the County strives to maintain an unassigned fund balance to be used for unanticipated emergencies of approximately 12.5% of the actual GAAP basis expenditures and other financing sources and uses."

Assessed Value



Total Taxable Assessed Value



Assessed Value of Taxable Property

Year	Real Estate		Personal Property		Mobile Homes		Machinery and Tools		Merchants' Capital		Public Service		Total Taxable Assessed Value	
	Value	%	Value	%	Value	%	Value	%	Value	%	Value	%	Value	%
2008	\$3,841,542,450	N/A	\$378,309,055	N/A	\$5,539,784	N/A	\$66,351,535	N/A	\$43,652,302	N/A	\$125,063,172	N/A	\$4,460,458,298	N/A
2009	3,921,886,100	2%	372,121,056	-2%	5,469,665	-1%	60,505,707	-9%	48,726,763	12%	122,679,339	-2%	4,531,388,630	2%
2010	4,371,701,000	11%	346,758,402	-7%	4,443,414	-19%	64,372,075	6%	46,001,179	-6%	149,466,288	22%	4,982,742,358	10%
2011	4,403,310,900	1%	357,328,471	3%	4,360,059	-2%	78,202,016	21%	44,439,756	-3%	200,723,875	34%	5,088,365,077	2%
2012	4,413,197,300	0%	363,099,193	2%	4,271,041	-2%	74,030,957	-5%	45,520,162	2%	194,503,654	-3%	5,094,622,307	0%
2013	4,441,341,600	1%	367,548,462	1%	4,141,738	-3%	75,260,772	2%	46,502,386	2%	194,991,068	0%	5,129,786,026	1%
2014	4,465,692,800	1%	381,440,803	4%	4,202,476	1%	74,590,349	-1%	48,541,466	4%	209,304,337	7%	5,183,772,231	1%
2015	4,479,926,100	0%	393,610,302	3%	4,298,296	2%	70,749,206	-5%	47,243,710	-3%	222,281,742	6%	5,218,109,356	1%
2016	4,364,147,300	-3%	420,770,509	7%	4,870,181	13%	80,349,258	14%	46,311,933	-2%	241,371,336	9%	5,157,820,517	-1%
2017	4,383,540,000	0%	431,716,486	3%	4,964,567	2%	96,057,176	20%	53,095,887	15%	254,718,911	6%	5,224,093,027	1%



Existing County and School Debt

Shenandoah County, Virginia

Overview of Outstanding County and School Debt



Existing County and School Debt

Issue/Project	Original Par	Outstanding 6/30/2018	Interest Rate(s)	Final Maturity
2001 Elementary School Improvements Financing	\$6,290,000	\$943,500	3.00%	4/1/2021
2002 High School Renovations Financing	25,140,000	8,905,000	3.80 - 5.10%	7/15/2022
2004 High School Renovations Completion Financing	4,130,808	1,598,607	4.60 - 5.60%	7/15/2024
2008 Mt. Jackson Sewer Plant	4,000,000	2,536,501	3.00%	1/1/2029
2009 District Courts & Health & Human Services Facility Financing	15,760,000	10,580,000	3.01 - 5.92%	10/1/2026
2010 Energy Efficiency Improvements Financing	7,435,000	4,185,000	2.70%	6/1/2027
2011 Refinancing - Government Center & Library	3,255,000	2,220,000	2.13 - 5.13%	10/1/2028
2012 Edinburg School Financing	4,495,000	4,215,000	2.16 - 4.85%	10/1/2042
2012 Leachate Line Financing	1,308,415	1,011,041	2.93%	6/1/2032
Total	\$71,814,223	\$36,194,649		

Existing County and Schools Debt Service

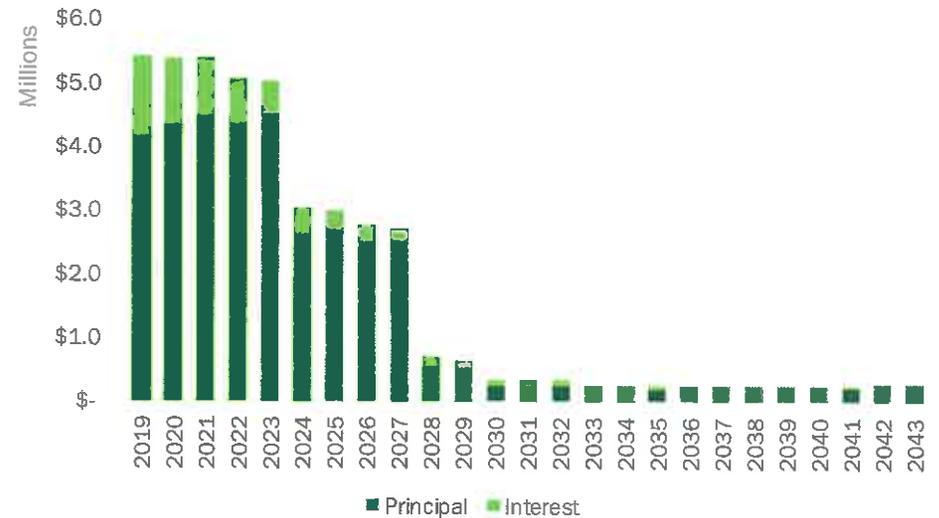


Existing County and Schools Debt Service

Fiscal Year	Principal	Interest	Total
2019	\$ 4,165,298	\$ 1,240,267	\$ 5,405,565
2020	4,322,082	1,068,582	5,390,664
2021	4,478,154	893,820	5,371,974
2022	4,324,101	719,634	5,043,735
2023	4,485,478	546,187	5,031,665
2024	2,597,686	417,683	3,015,369
2025	2,670,320	337,288	3,007,608
2026	2,496,433	258,003	2,754,436
2027	2,510,946	179,434	2,690,380
2028	555,744	129,968	685,712
2029	520,837	111,943	632,781
2030	241,753	96,531	338,284
2031	249,166	87,890	337,056
2032	256,651	79,571	336,222
2033	180,000	70,969	250,969
2034	185,000	64,641	249,641
2035	190,000	58,781	248,781
2036	195,000	52,728	247,728
2037	205,000	46,403	251,403
2038	210,000	39,844	249,844
2039	215,000	33,125	248,125
2040	225,000	26,169	251,169
2041	230,000	18,975	248,975
2042	240,000	11,544	251,544
2043	245,000	3,875	248,875

Total \$ 36,194,649 \$ 6,593,854 \$ 42,788,503

Existing County and School Debt Service



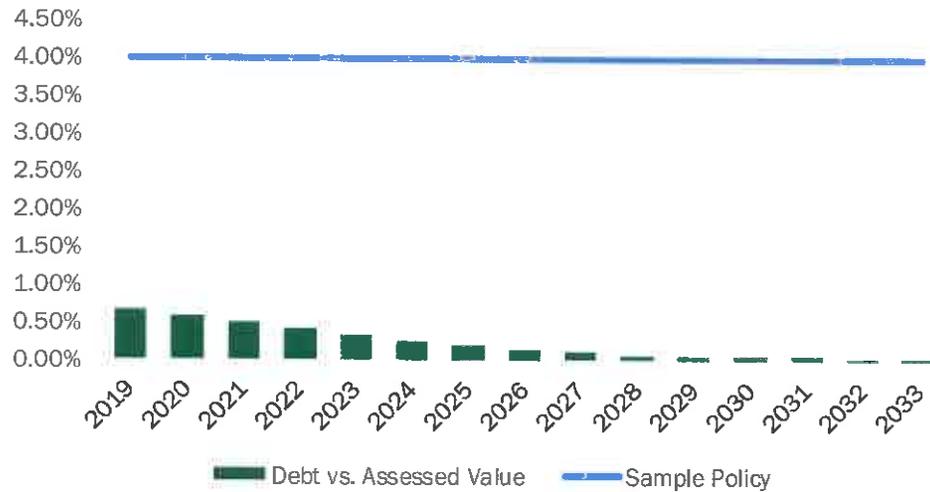
Note: Debt Service is net of subsidies for BAB and QSCB. Subsidies are based upon levels anticipated at time of issuance.

Debt to Assessed Value

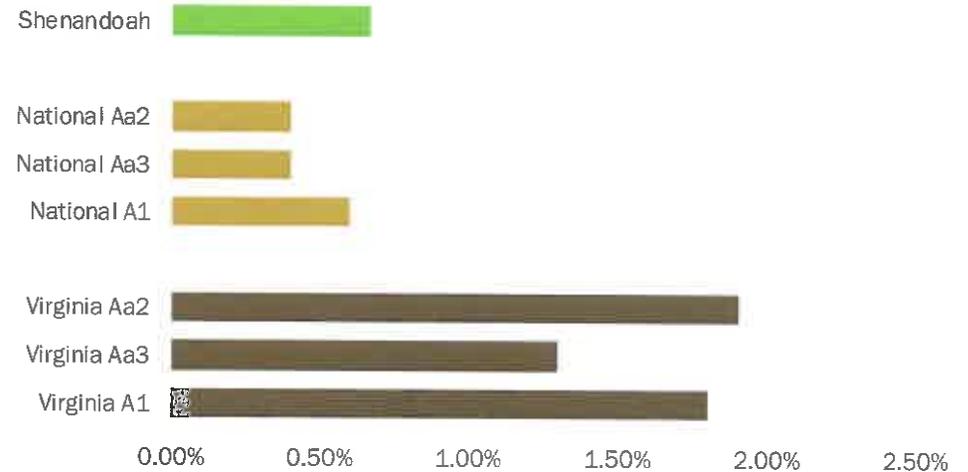


Debt to Assessed Value measures a locality's capacity to take on additional debt given the size of its tax base. It is calculated by dividing the total amount of tax-supported debt outstanding in a given year by the assessed value of the County.

Debt vs. Assessed Value



Debt vs. Assessed Value



Sample Policy: "The County will maintain total tax-supported debt as a percent of total taxable Assessed Value of the County at a level not to exceed 4%."

Source: Moody's Investor Service Municipal Finance Ratio Analysis.

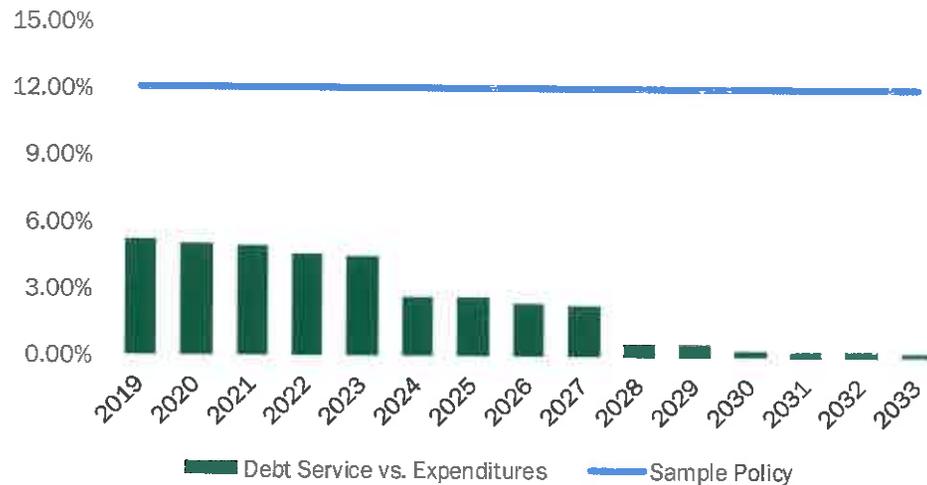
Note: Assessed Value is assumed to grow 2.0% annually from the Fiscal Year 2017 value beginning in Fiscal Year 2018.

Debt as a Percentage of Expenditures

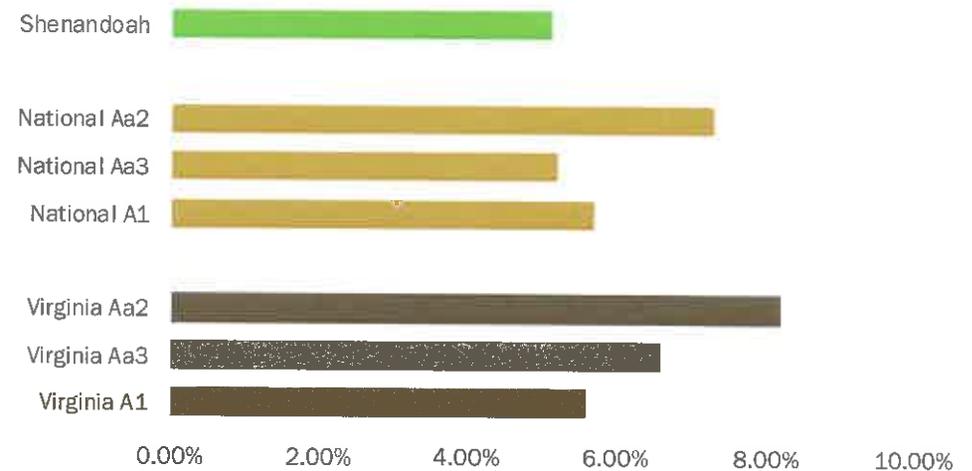


Debt Service to Expenditures measures the degree to which a locality's budget is dedicated to supporting its debt service payments. It would typically be calculated by dividing the County's debt service payment in a given fiscal year by General Fund plus School Operating expenditures, including debt service.

Debt Service vs. Expenditures



Debt Service vs. Expenditures



Sample Policy: The County will maintain annual tax-supported debt service as a percent of the County's General Fund, School Operating, and Debt Service expenditures at a level of not to exceed 12%."

Source: Moody's Investor Service Municipal Finance Ratio Analysis.

Note: Expenditures are equal to General Fund expenditures plus School Operating expenditures plus projected debt service expenditures. Non-debt service expenditures are assumed to grow at 2.0% annually beginning in Fiscal Year 2019 based upon 2018 budgeted levels.



Plan of Finance

Shenandoah County, Virginia

Overview



- Shenandoah County (the “County”) is looking to finance certain County projects as outlined below:
 1. Replacement and enhancement the County’s current public safety radio system; and,
 2. Construction of the Shenandoah County Sheriff’s Office and Department of Communications Center using some asset forfeiture funds.

- Davenport, in our capacity as Financial Advisor to the County, has been engaged by the County in order develop a plan of finance and assist with the procurement of the financing at the lowest cost of funds possible.

Estimated Project Costs



Shenandoah County Projects	
Public Safety Radio	Sheriff's Office & Department of Communications Center
Estimated Cost: \$10,700,000	Estimated Cost: \$10,300,000
Total Estimated Cost of Projects:	\$21,000,000
Less Asset Forfeiture Funds Required to Meet Desired Financing Amount:	<u>(6,000,000)</u>
Amount To Be Financed:	\$15,000,000

The total cost of the projects contemplated by the County is approximately \$21 million. The County is anticipating that it will be partially funding the Sheriff's Office project through asset forfeiture funds in order to bring the total amount that needs to be financed down to approximately \$15,000,000.

Note: Estimated project costs based upon preliminary budget developed prior to receipt of construction bids. Costs subject to change based upon final bid amounts.

Source: Shenandoah County VRA Application.

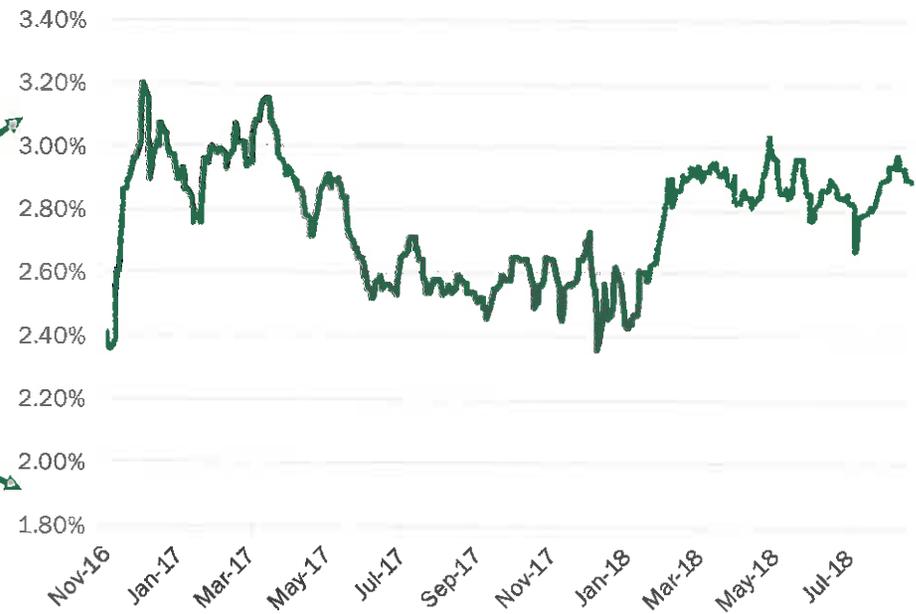
Interest Rate Trends



20 Year AAA MMD (Since 2000)



20 Year AAA MMD (Since November 2016)



The 20-Year MMD increased substantially after the presidential election in November 2016.



- The projects are able to be financed via tax-exempt bonds.
- The County could finance the projects through a Direct Bank Loan, Public Sale or utilize the Virginia Resources Authority's pooled financing program.
 - At this time it is very unlikely that the County would receive a bid for a 20 year interest rate that is fixed for the entire 20 year timeframe.
 - In addition, due to the change in the corporate tax rate, direct bank interest rates have been higher on average than in the past to compensate for the lower taxes they now pay.
 - A stand-alone public sale will be more costly than utilizing the VRA pool program.
- The County has submitted an application to VRA in order to assure itself an option to utilize this financing program.
- Davenport recommends the County continue moving down the path with the VRA pooled financing program.

Plan of Finance (continued)



- In any of the scenarios:

- This would be issued as a Lease Revenue Bond which is subject to annual appropriation by the Board of Supervisors.
- Security: The equipment and potentially, the Sheriff's building would be required as collateral. In addition it is possible the County's Moral Obligation may be needed. Having collateral will be very important to the lender.
- The financing would be issued through the County's Industrial Development Authority.

Overview of VRA Financing Process



- The Virginia Resources Authority is a state-funded program to help local governments across the Commonwealth access the public credit markets;
- VRA typically sells bonds three times per year in the public markets – in the Spring, Summer, and Fall. The County is looking to participate in the Fall 2019 Pool with a bond sale this October;
- The County’s issuance would be financed as part of a larger pooled financing including other borrowers;
- The County’s participation in the pool allows the County to benefit from VRA’s strong ‘AAA’/‘AA’ credit ratings;
- The pooled financing is sold as a series of bonds to the investing public at prevailing interest rates;
- VRA debt can be repaid over up to 30 years and can provide flexibility in structuring cash flow;
- Interest rates are subject to change until VRA’s bonds are sold;
- Once interest rates are established during the bond sale, the cost of funds is fixed and will not change over the life of the transaction; and
- The County would likely be unable to prepay or “redeem” the bonds that mature during the first 10 years of the loan. The bonds that mature after the first 10 years would be eligible for prepayment/redemption beginning in year 10, a typical feature of publicly-issued debt.

Estimated Series 2018C Debt Service (Base Case)



Estimated Series 2018 Debt Service				
Fiscal Year	Principal	Interest	Capitalized Interest	Total
2019	\$ -	\$ 309,089	\$ 309,089	\$ -
2020	420,000	656,838	-	1,076,838
2021	435,000	637,528	-	1,072,528
2022	460,000	615,894	-	1,075,894
2023	485,000	591,678	-	1,076,678
2024	510,000	566,181	-	1,076,181
2025	535,000	539,403	-	1,074,403
2026	565,000	511,216	-	1,076,216
2027	590,000	481,619	-	1,071,619
2028	625,000	450,484	-	1,075,484
2029	655,000	417,684	-	1,072,684
2030	690,000	385,013	-	1,075,013
2031	720,000	352,556	-	1,072,556
2032	755,000	318,469	-	1,073,469
2033	790,000	282,616	-	1,072,616
2034	830,000	244,888	-	1,074,888
2035	870,000	205,188	-	1,075,188
2036	910,000	163,419	-	1,073,419
2037	955,000	119,478	-	1,074,478
2038	1,000,000	73,438	-	1,073,438
2039	1,050,000	24,938	-	1,074,938
Total	\$ 13,850,000	\$ 7,947,614	\$ 309,089	\$ 21,488,525

Sources

Par Amount	\$13,850,000
Net Premium/OID	1,632,298
Total Sources	\$15,482,298

Uses

Project Fund	\$15,000,000
Capitalized Interest Fund	309,089
Costs of Issuance	100,000
Underwriter's Discount	69,250
Additional Proceeds	3,958
Total Uses	\$15,482,298

All-In True Interest Cost: 3.63%

The County will borrow a little extra in order to fund interest and VRA's fee in FY 2019 as this was not included in the County's FY 2019 Budget.

Note: Numbers incorporate current market rates as of 8/21/18 plus 25 bps. Interest expense is inclusive of VRA administration fee amounts.

Impact on Existing Debt Service (Base Case)



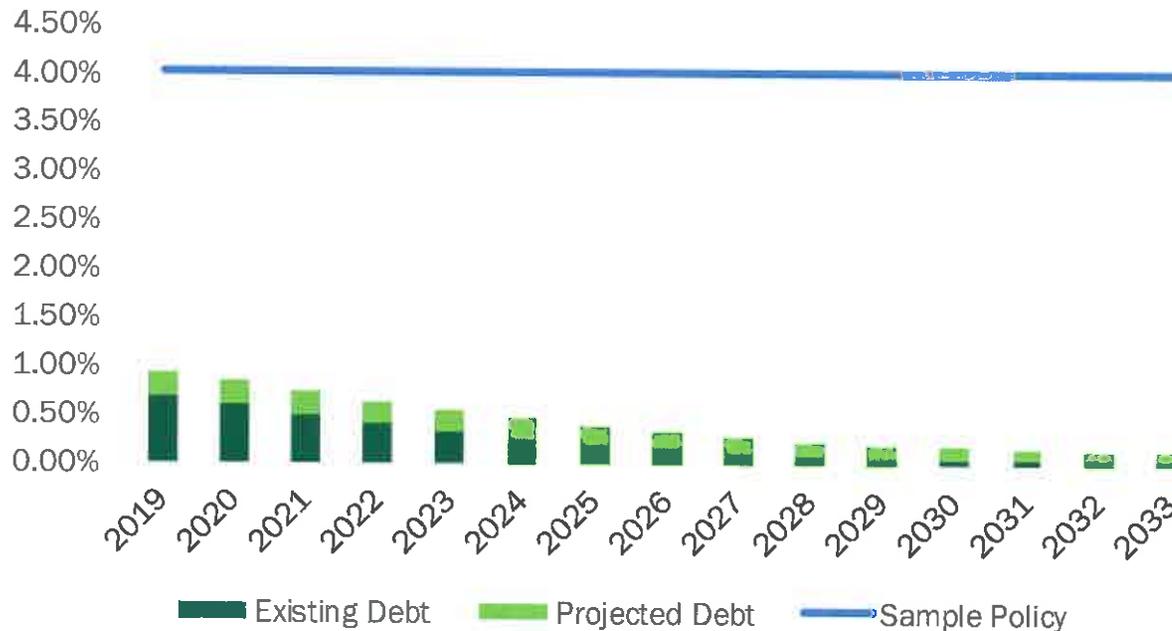
Existing County and Schools Debt Service				Estimated Series 2018 Debt Service (Base Case)				Projected Total Debt Service		
Fiscal Year	Principal	Interest	Total	Principal	Interest	Capitalized Interest	Total	Principal	Interest	Total
2019	\$ 4,165,298	\$ 1,240,267	\$ 5,405,565	\$ -	\$ 309,089	\$ 309,089	\$ -	\$ 4,165,298	\$ 1,240,267	\$ 5,405,565
2020	4,322,082	1,068,582	5,390,664	420,000	656,838	-	1,076,838	4,742,082	1,725,419	6,467,501
2021	4,478,154	893,820	5,371,974	435,000	637,528	-	1,072,528	4,913,154	1,531,348	6,444,502
2022	4,324,101	719,634	5,043,735	460,000	615,894	-	1,075,894	4,784,101	1,335,528	6,119,629
2023	4,485,478	546,187	5,031,665	485,000	591,678	-	1,076,678	4,970,478	1,137,865	6,108,343
2024	2,597,686	417,683	3,015,369	510,000	566,181	-	1,076,181	3,107,686	983,864	4,091,550
2025	2,670,320	337,288	3,007,608	535,000	539,403	-	1,074,403	3,205,320	876,691	4,082,011
2026	2,496,433	258,003	2,754,436	565,000	511,216	-	1,076,216	3,061,433	769,218	3,830,652
2027	2,510,946	179,434	2,690,380	590,000	481,619	-	1,071,619	3,100,946	661,053	3,761,999
2028	555,744	129,968	685,712	625,000	450,484	-	1,075,484	1,180,744	580,452	1,761,196
2029	520,837	111,943	632,781	655,000	417,684	-	1,072,684	1,175,837	529,628	1,705,465
2030	241,753	96,531	338,284	690,000	385,013	-	1,075,013	931,753	481,543	1,413,297
2031	249,166	87,890	337,056	720,000	352,556	-	1,072,556	969,166	440,446	1,409,612
2032	256,651	79,571	336,222	755,000	318,469	-	1,073,469	1,011,651	398,040	1,409,691
2033	180,000	70,969	250,969	790,000	282,616	-	1,072,616	970,000	353,584	1,323,584
2034	185,000	64,641	249,641	830,000	244,888	-	1,074,888	1,015,000	309,528	1,324,528
2035	190,000	58,781	248,781	870,000	205,188	-	1,075,188	1,060,000	263,969	1,323,969
2036	195,000	52,728	247,728	910,000	163,419	-	1,073,419	1,105,000	216,147	1,321,147
2037	205,000	46,403	251,403	955,000	119,478	-	1,074,478	1,160,000	165,881	1,325,881
2038	210,000	39,844	249,844	1,000,000	73,438	-	1,073,438	1,210,000	113,281	1,323,281
2039	215,000	33,125	248,125	1,050,000	24,938	-	1,074,938	1,265,000	58,063	1,323,063
2040	225,000	26,169	251,169	-	-	-	-	225,000	26,169	251,169
2041	230,000	18,975	248,975	-	-	-	-	230,000	18,975	248,975
2042	240,000	11,544	251,544	-	-	-	-	240,000	11,544	251,544
2043	245,000	3,875	248,875	-	-	-	-	245,000	3,875	248,875
Total	\$ 36,194,649	\$ 6,593,854	\$ 42,788,503	\$ 13,850,000	\$ 7,947,614	\$ 309,089	\$ 21,488,525	\$ 50,044,649	\$ 14,232,379	\$ 64,277,028

Impact on Debt to Assessed Value



Debt to Assessed Value measures a locality's capacity to take on additional debt given the size of its tax base. It is calculated by dividing the total amount of tax-supported debt outstanding in a given year by the assessed value of the County.

Debt vs. Assessed Value



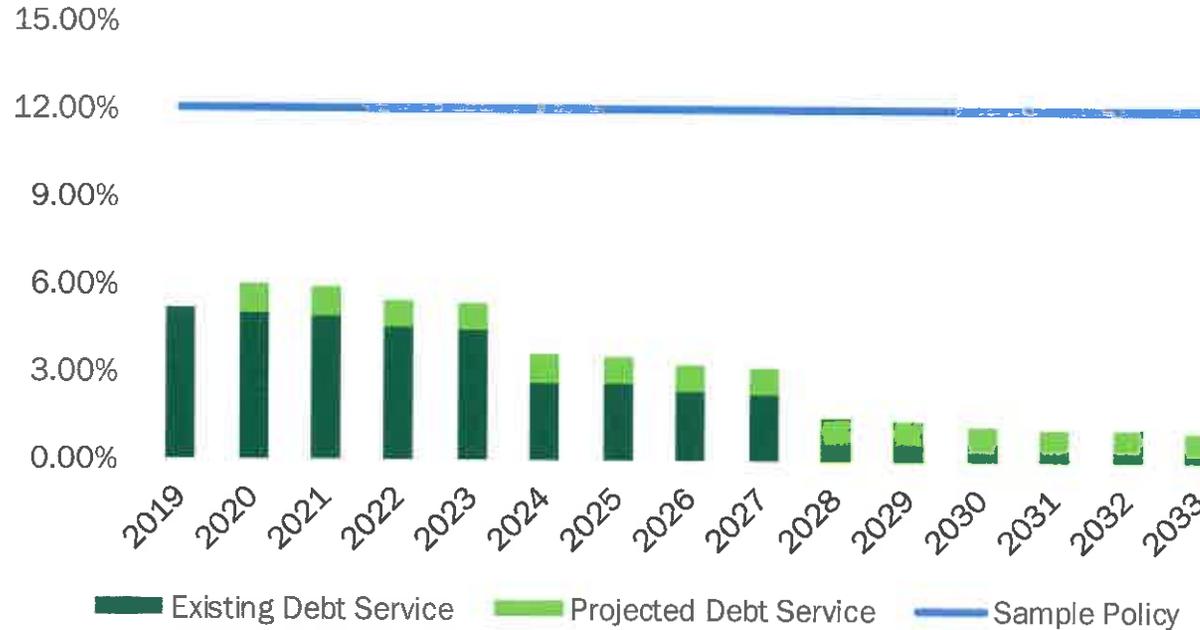
Note: Assessed Value is assumed to grow 2.0% annually from the Fiscal Year 2017 value beginning in Fiscal Year 2018.

Impact on Debt Service to Expenditures



Debt Service to Expenditures measures the degree to which a locality's budget is dedicated to supporting its debt service payments. It would typically be calculated by dividing the County's debt service payment in a given fiscal year by General Fund plus School Operating expenditures, including debt service.

Debt Service vs. Expenditures



Note: Expenditures are equal to General Fund expenditures plus School Operating expenditures plus projected debt service expenditures. Non-debt service expenditures are assumed to grow at 2.0% annually beginning in Fiscal Year 2019 based upon 2018 budgeted levels.

Tax-Impact Scenarios Considered



Scenario	Structure	Total Debt Service	Estimated All-In TIC	Estimated Penny Impact
Scenario 1 (Base Case)	Capitalized Interest for FY 2019	\$21.4 million	3.63%	2.4¢
Scenario 2	Capitalized Interest for FY 2019; Interest Only Through FY 2021; Structured Principal FY 2022 - 2023	\$21.9 million	3.65%	1.5¢
Scenario 3	Capitalized Interest for FY 2019 – May 2021; Interest Only Until FY 2024	\$22.9 million	3.66%	0.8¢

Tax Equivalent Impact – Scenario 1 (Base Case)



A	B	C	D	E	F	G	H	I
Debt Service Requirements				Existing DS Budget	Debt Service Cash Flow Surplus (Deficit)			
FY	Existing Tax-Supported Debt Service	Projected Debt Service	Total	Total Revenues Available for Debt Service	Surplus/ (Deficit)	Revenue from Prior Tax Increase	Adjusted Surplus/ (Deficit)	Estimated Incremental Tax Equivalent
2019	\$5,405,565	\$0	\$5,405,565	\$5,405,565	\$0	\$0	\$0	--
2020	5,390,664	1,076,838	6,467,501	5,405,565	(1,061,936)	=	(1,061,936)	2.4¢
2021	5,371,974	1,072,528	6,444,502	5,405,565	(1,038,937)	1,061,936	22,999	--
2022	5,043,735	1,075,894	6,119,629	5,405,565	(714,064)	1,061,936	347,873	--
2023	5,031,665	1,076,678	6,108,343	5,405,565	(702,779)	1,061,936	359,158	--
2024	3,015,369	1,076,181	4,091,550	5,405,565	1,314,015	1,061,936	2,375,952	--
2025	3,007,608	1,074,403	4,082,011	5,405,565	1,323,554	1,061,936	2,385,490	--
2026	2,754,436	1,076,216	3,830,652	5,405,565	1,574,913	1,061,936	2,636,850	--
2027	2,690,380	1,071,619	3,761,999	5,405,565	1,643,566	1,061,936	2,705,503	--
2028	685,712	1,075,484	1,761,196	5,405,565	3,644,369	1,061,936	4,706,305	--
2029	632,781	1,072,684	1,705,465	5,405,565	3,700,100	1,061,936	4,762,036	--
2030	338,284	1,075,013	1,413,297	5,405,565	3,992,268	1,061,936	5,054,205	--
2031	337,056	1,072,556	1,409,612	5,405,565	3,995,953	1,061,936	5,057,889	--
2032	336,222	1,073,469	1,409,691	5,405,565	3,995,874	1,061,936	5,057,811	--
2033	250,969	1,072,616	1,323,584	5,405,565	4,081,980	1,061,936	5,143,917	--
2034	249,641	1,074,888	1,324,528	5,405,565	4,081,037	1,061,936	5,142,973	--
2035	248,781	1,075,188	1,323,969	5,405,565	4,081,596	1,061,936	5,143,533	--
2036	247,728	1,073,419	1,321,147	5,405,565	4,084,418	1,061,936	5,146,354	--
2037	251,403	1,074,478	1,325,881	5,405,565	4,079,684	1,061,936	5,141,620	--
2038	249,844	1,073,438	1,323,281	5,405,565	4,082,284	1,061,936	5,144,220	--
2039	248,125	1,074,938	1,323,063	5,405,565	4,082,502	1,061,936	5,144,439	--
2040	251,169	0	251,169	5,405,565	5,154,396	1,061,936	6,216,333	--
2041	248,975	0	248,975	5,405,565	5,156,590	1,061,936	6,218,526	--
2042	251,544	0	251,544	5,405,565	5,154,021	1,061,936	6,215,958	--
2043	248,875	0	248,875	5,405,565	5,156,690	1,061,936	6,218,626	--
	Total:	\$21,488,525					Total Equivalent Tax Impact:	2.4¢

Tax Equivalent Impact – Scenario 3 (CAPI and Interest Only)



A	B	C	D	E	F	G	H	I
Debt Service Requirements			Existing DS Budget		Debt Service Cash Flow Surplus (Deficit)			
FY	Existing Tax-Supported Debt Service	Projected Debt Service	Total	Total Revenues Available for Debt Service	Surplus/ (Deficit)	Revenue from Prior Tax Increase	Adjusted Surplus/ (Deficit)	Estimated Incremental Tax Equivalent
2019	\$5,405,565	\$0	\$5,405,565	\$5,405,565	\$0	\$0	\$0	--
2020	5,390,664	0	5,390,664	5,405,565	14,901	--	14,901	--
2021	5,371,974	0	5,371,974	5,405,565	33,591	--	33,591	--
2022	5,043,735	724,356	5,768,091	5,405,565	(362,526)	--	(362,526)	0.8¢
2023	5,031,665	724,356	5,756,022	5,405,565	(350,457)	362,526	12,070	--
2024	3,015,369	1,343,084	4,358,453	5,405,565	1,047,112	362,526	1,409,638	--
2025	3,007,608	1,344,644	4,352,252	5,405,565	1,053,313	362,526	1,415,840	--
2026	2,754,436	1,344,409	4,098,845	5,405,565	1,306,720	362,526	1,669,246	--
2027	2,690,380	1,342,381	4,032,761	5,405,565	1,372,804	362,526	1,735,330	--
2028	685,712	1,343,431	2,029,143	5,405,565	3,376,422	362,526	3,738,948	--
2029	632,781	1,342,431	1,975,212	5,405,565	3,430,353	362,526	3,792,879	--
2030	338,284	1,341,656	1,679,940	5,405,565	3,725,624	362,526	4,088,151	--
2031	337,056	1,346,109	1,683,165	5,405,565	3,722,399	362,526	4,084,926	--
2032	336,222	1,343,425	1,679,647	5,405,565	3,725,918	362,526	4,088,445	--
2033	250,969	1,343,553	1,594,522	5,405,565	3,811,043	362,526	4,173,569	--
2034	249,641	1,346,294	1,595,934	5,405,565	3,809,630	362,526	4,172,157	--
2035	248,781	1,341,641	1,590,422	5,405,565	3,815,143	362,526	4,177,669	--
2036	247,728	1,344,434	1,592,163	5,405,565	3,813,402	362,526	4,175,929	--
2037	251,403	1,344,447	1,595,850	5,405,565	3,809,715	362,526	4,172,241	--
2038	249,844	1,341,847	1,591,691	5,405,565	3,813,874	362,526	4,176,401	--
2039	248,125	1,346,197	1,594,322	5,405,565	3,811,243	362,526	4,173,769	--
2040	251,169	0	251,169	5,405,565	5,154,396	362,526	5,516,923	--
2041	248,975	0	248,975	5,405,565	5,156,590	362,526	5,519,116	--
2042	251,544	0	251,544	5,405,565	5,154,021	362,526	5,516,548	--
2043	248,875	0	248,875	5,405,565	5,156,690	362,526	5,519,216	--
	Total:	\$22,948,697					Total Equivalent Tax Impact:	0.8¢

Scenarios Compared



	Scenario 1	Scenario 2	Scenario 3
Fiscal Year	Total Debt Service	Total Debt Service	Total Debt Service
2019	\$ -	\$ -	\$ -
2020	1,076,838	664,306	-
2021	1,072,528	664,306	-
2022	1,075,894	1,005,338	724,356
2023	1,076,678	987,400	724,356
2024	1,076,181	1,164,338	1,343,084
2025	1,074,403	1,165,381	1,344,644
2026	1,076,216	1,164,888	1,344,409
2027	1,071,619	1,167,728	1,342,381
2028	1,075,484	1,163,903	1,343,431
2029	1,072,684	1,163,413	1,342,431
2030	1,075,013	1,163,053	1,341,656
2031	1,072,556	1,167,828	1,346,109
2032	1,073,469	1,165,747	1,343,425
2033	1,072,616	1,166,800	1,343,553
2034	1,074,888	1,165,838	1,346,294
2035	1,075,188	1,167,722	1,341,641
2036	1,073,419	1,167,338	1,344,434
2037	1,074,478	1,164,641	1,344,447
2038	1,073,438	1,164,681	1,341,847
2039	1,074,938	1,167,056	1,346,197
Total	\$ 21,488,525	\$ 21,971,703	\$ 22,948,697

Estimated Penny Impact		
2.40¢	1.50¢	0.80¢

Timeline and Next Steps



Date	Task
Week of September 17	VRA distributes first preliminary local debt service schedules
September 17	Finalized requested proceeds amount, project budget, and estimated draw schedule due to VRA
September 21	Local approvals due to VRA
Week of October 15	VRA distributes second preliminary local debt service schedule
October 22	Draft legal documents due to VRA
October 30	Tentative Bond Sale Date
November 7	Signatures due for Local Borrower Documents
November 14	VRA Bond Closing - Funds Available



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