THE FRANKLIN COUNTY BOARD OF SUPERVISORS HELD A BOARD RETREAT ON WEDNESDAY, AUGUST 14, 2013, AT 1:00 P.M., IN THE BOARD OF SUPERVISORS CONFERENCE ROOM B-75, LOCATED IN THE GOVERNMENT CENTER, 1255 FRANKLIN STREET, ROCKY MOUNT, VIRGINIA.

THERE WERE PRESENT: David Cundiff, Chairman
Cline Brubaker, Vice-Chairman
Bob Camicia
Ronnie Thompson
Charles Wagner
Leland Mitchell
Bobby Thompson

OTHERS PRESENT: Richard E. Huff, II, County Administrator
Christopher Whitlow, Asst. Co. Administrator
Sharon K. Tudor, MMC, Clerk

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David Cundiff, Chairman, called the meeting to order.

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PRESENTATION FROM DAVENPORT & COMPANY, FINANCIAL ADVISORS

CAPITAL PROJECT FINANCING OPTIONS

Richard E. Huff, II, County Administrator, reviewed with the Board a list of known and possible capital projects plus additional project to keep in mind; analysis of future debt; and known possible operational challenges for the Board to consider.

David Rose, Davenport & Company, shared with the BOard his PowerPoint Presentation:

A Financial Overview
and
Multi-Year Capital Improvements Funding Strategies
for

Franklin County
A Natural Setting for Opportunity

Prepared By
Davenport & Company LLC
Member NYSE - FINRA - SIPC

August 14, 2013

Goals and Objectives

Franklin County, VA

1. Review the County's upcoming proposed multi-year Capital Projects to be funded and provide an initial perspective on **Debt Capacity and Debt Affordability.**
   - **Debt Capacity** is defined as the "relative level(s) of debt a local government can reasonably take on over a period of years and remain comparable to its peers."
   - **Debt Affordability** is defined as the "cashflow impact to a locality when taking on a certain level(s) of debt on your current and future annual budgets."
2. Provide/examine a set of **Peer Comparatives** to understand how the County's Existing and Proposed Debt Profile compares to its Virginia peers.
3. Present an overview of the **County's Existing Tax-Supported Debt Profile**.

Goals and Objectives (Cont'd)

Franklin County, VA

4. Present an overview of potential Capital Funding Options for meeting the County's Capital Planning Needs and their tax impacts.
   - Highlight the Key Financial Ratios so as to better understand the County's compliance with these.
5. Outline "Next Steps" to be considered, including:
   - Taking full advantage of the County's excellent credit ratings;
   - "Economies of Scale" – Recognizing that the County has more than one financing requirement in this fiscal year;
   - Recognize that interest rates are still near historic lows; and
   - Consider both Public and Private Financing Providers to achieve the County's Goals and Objectives, including but not limited to State and Federal Programs.

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Franklin County, VA

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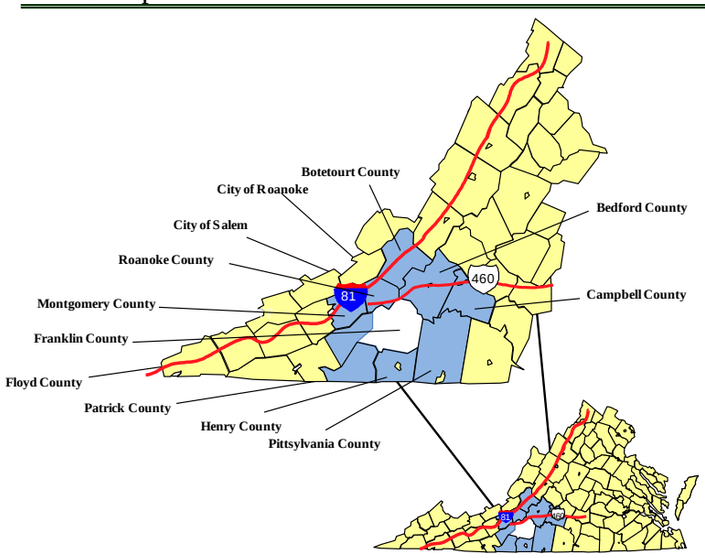
Peer Comparatives

Rationale for Peer Comparatives:

Determine how Franklin County looks vs. reasonably similar counties in Virginia before discussing the proposed multi-year CIP Funding.

Peer Group Overview



Franklin's Credit Rating History

Overview of Credit Rating Scale

	Moody's	S&P	
Top Tier "Highest Possible Rating"	Aaa	AAA	
2nd Tier "Very Strong"	Aa1	AA+	(Highest)
	Aa2	AA	(Middle)
	Aa3	AA-	(Lowest)
3rd Tier "Strong"	A1	A+	(Highest)
	A2	A	(Middle)
	A3	A-	(Lowest)
4th Tier "Adequate Capacity to Repay"	Baa1	BBB+	(Highest)
	Baa2	BBB	(Middle)
	Baa3	BBB-	(Lowest)
5th – 10th Tiers "Below Investment Grade"	BB, B, CCC, CC, C, D		

Current County Ratings

Initial County Ratings

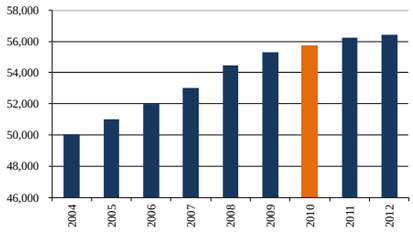
Considered Investment Grade

Below Investment Grade

Population and Credit Ratings

Franklin County, VA

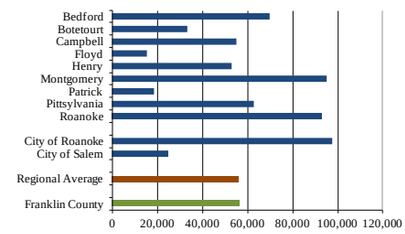
Historic County Population Growth



CY	Population	Growth
2004	50,012	N/A
2005	51,001	2.0%
2006	51,976	1.9%
2007	53,037	2.0%
2008	54,447	2.7%
2009	55,284	1.5%
2010 Census	56,159	1.6%
2011	56,225	0.1%
2012	56,411	0.3%
Avg Ann. Growth '00-'12		1.5%

Source, 2010, 2013 Data: US Census Bureau;
Source, 2004-2009, 2011-2012: Weldon Cooper Center

Population Comparison

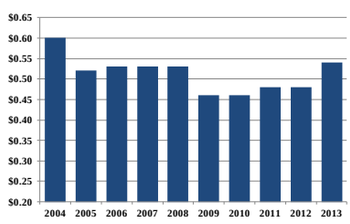


Locality (County)	Credit Rating (Moody's/S&P)	Population (2012 Estimate)
Bedford	Aa2/NA	69,590
Botetourt	Aa2/AA-	33,154
Campbell	NA	55,163
Floyd	NA	15,390
Henry	Aa3/NA	52,969
Montgomery	Aa2/AA	95,194
Patrick	A1/A+	18,451
Pittsylvania	Aa3/A+	62,807
Roanoke	Aa1/AA+	92,901
City of Roanoke	Aa2/AA	97,469
City of Salem	Aa3/NA	24,970
Regional Average		56,206
Franklin County	**Aa2/AA-**	**56,411**

Real Estate Tax Rate

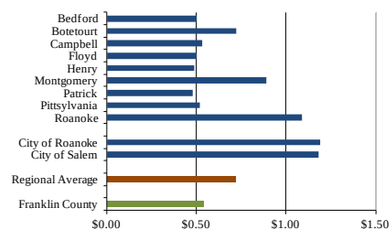
Franklin County, VA

Historical County Tax Rate



Fiscal Year	Real Estate Tax Rate
2004	0.60
2005	0.52
2006	0.53
2007	0.53
2008	0.53
2009	0.46
2010	0.46
2011	0.48
2012	0.48
2013	0.54

Tax Rate Comparison – FY 2013



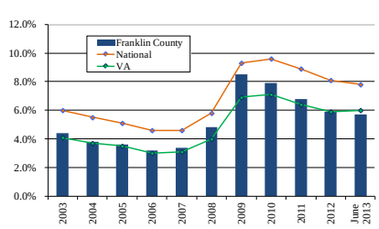
Locality (County)	Real Estate Tax Rate (2013)
Bedford	$0.50
Botetourt	0.72
Campbell	0.53
Floyd	0.50
Henry	0.49
Montgomery	0.89
Patrick	0.48
Pittsylvania	0.52
Roanoke	1.09
City of Roanoke	1.19
City of Salem	1.18
Regional Average	0.72
Franklin County	**0.54**

Source: County Websites/Staff

Unemployment Rate

Franklin County, VA

Historical County Unemployment Rate

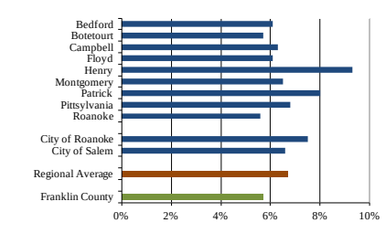


Month	Year	National	VA	Franklin County
Annual	2003	6.0%	4.1%	4.4%
Annual	2004	5.5	3.7	3.8
Annual	2005	5.1	3.5	3.6
Annual	2006	4.6	3.0	3.2
Annual	2007	4.6	3.1	3.4
Annual	2008	5.8	4.0	4.8
Annual	2009	9.3	6.9	8.5
Annual	2010	9.6	7.1	7.9
Annual	2011	8.9	6.4	6.8
Annual	2012	8.1	5.9	5.9
June*	2013	7.8	6.0	5.7

** Figures for June 2013 are Preliminary*

Source: US Bureau of Labor Statistics

Unemployment Rate Comparison – June 2013



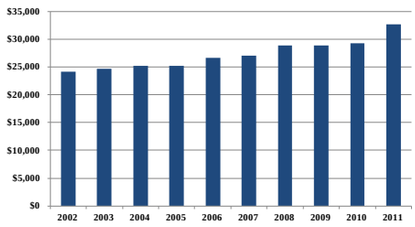
Locality (County)	Unemployment Rate (June 2013)
Bedford	6.1%
Botetourt	5.7
Campbell	6.3
Floyd	6.1
Henry	9.3
Montgomery	6.5
Patrick	8.0
Pittsylvania	6.8
Roanoke	5.6
City of Roanoke	7.5
City of Salem	6.6
Regional Average	6.7
Franklin County	**5.7**

Source: US Bureau of Labor Statistics

Income per Capita

Franklin County, VA

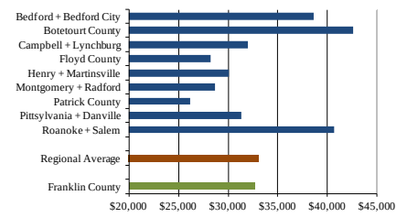
Historical County Personal Income/Capita



Fiscal Year	Per Capita Personal Income	% Change
2002	$24,089	
2003	24,727	2.65%
2004	25,249	2.11%
2005	25,249	0.00%
2006	26,622	5.44%
2007	27,082	1.73%
2008	28,893	6.69%
2009	28,893	0.00%
2010	29,313	1.45%
2011	32,626	11.30%

Source: US Bureau of Economic Analysis

Personal Income/Capita Comparison – CY 2011



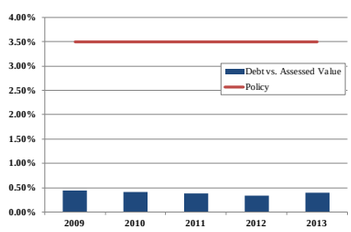
BEA Statistical Area	Per Capita Personal Income (2011)
Bedford + Bedford City	$38,595
Botetourt County	42,560
Campbell + Lynchburg	32,008
Floyd County	28,260
Henry + Martinsville	30,097
Montgomery + Radford	28,668
Patrick County	26,156
Pittsylvania + Danville	31,297
Roanoke + Salem	40,688
Regional Average	36,657
Franklin County	**32,626**

Source: US Bureau of Economic Analysis

Debt vs. Total Assessed Value

Franklin County, VA

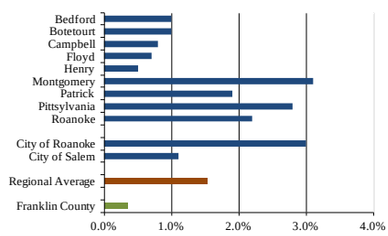
Historical County Debt to Assessed Value



FY	Outstanding Gen. Gov't Debt	Total Assessed Value	Debt vs. Assessed Value
2009	36,418,271	8,292,525,331	0.44%
2010	34,807,635	8,363,776,434	0.42%
2011	31,900,271	8,406,494,817	0.38%
2012	29,042,189	8,493,026,694	0.34%
2013	29,212,112	7,311,819,908	0.40%

Source: County 2012 CAFR/Internal Documents.

Tax-Supported Debt to A.V. Comparison – FY 2012*



Locality (County)	Debt to Assessed Value (6/30/12)
Bedford	1.00%
Botetourt	1.00
Campbell	0.80
Floyd	0.70
Henry	0.50
Montgomery	3.10
Patrick	1.90
Pittsylvania	2.80
Roanoke	2.20
City of Roanoke	3.00
City of Salem	1.10
Regional Average	1.53
Franklin County (6/30/13)	**0.40**

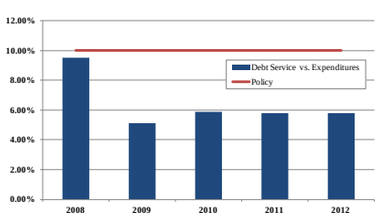
Source: Moody's Investors Service, Inc.

** Note: Figure for Franklin County calculated by Davenport as per 2012 CAFR/Internal Documents; Figures do not include debt issued by Public Service Authorities or other Agencies.*

Debt Service to Governmental Expenditures

Franklin County, VA

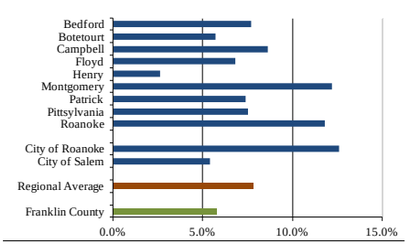
Historical County Debt Service to Expenditures



FY	General Gov't Debt Service	General Gov't Expenditures	Debt Service vs. Expenditures
2008	$7,368,979	$77,272,519	9.54%
2009	4,336,338	84,403,759	5.14%
2010	4,563,540	77,813,157	5.86%
2011	4,484,346	77,279,402	5.80%
2012	4,321,896	74,821,808	5.78%

Source: County 2012 CAFR

Debt Service to Expenditures Comparison – FY 2012



Locality (County)	Debt Service to Expenditures (6/30/12)
Bedford	7.70%
Botetourt	5.70
Campbell	8.60
Floyd	6.80
Henry	2.60
Montgomery	12.20
Patrick	7.40
Pittsylvania	7.50
Roanoke	11.80
City of Roanoke	12.60
City of Salem	5.40
Regional Average	7.82
Franklin County	**5.78**

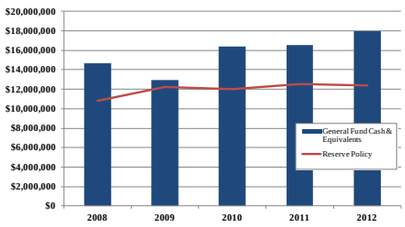
Source: Moody's Investors Service, Inc.

Note: Figure for Franklin County calculated by Davenport as per 2012 CAFR/Internal Documents.

Fund Balance/Reserve Levels

Franklin County, VA

Historical G.F. Cash & Equivalents vs. Policy



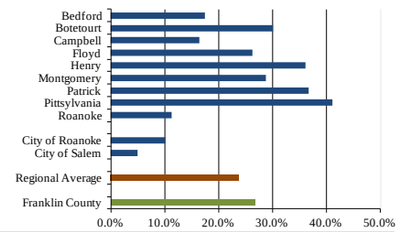
Fiscal Year	General Fund Cash & Cash Equivalents (1)	Reserve Policy Target (2)
2008	$14,676,420	$10,826,653
2009	12,966,685	12,208,699
2010	16,361,637	11,973,622
2011	16,510,315	12,523,500
2012	17,982,108	12,409,412

(1) General Fund Cash and Cash Equivalents per the County's audit.

(2) Two months of General Fund revenues per County policy.

Source: County's Fiscal Year 2008-2012 CAFRs

Comparison - Unassigned Fund Balance vs. Revenues



Locality (County)	Unassigned F.B. as a % of G.F. Revenues
Bedford	17.5%
Botetourt	30.2
Campbell	16.4
Floyd	26.3
Henry	36.2
Montgomery	28.8
Patrick	36.7
Pittsylvania	41.1
Roanoke	11.3
City of Roanoke	10.1%
City of Salem	5.0%
Regional Average	23.9%
Franklin County	**26.8%**

Source: Locality FY 2012 CAFRs.

Franklin County, VA

Existing Tax-Supported Debt Profile

Franklin County, VA

Overview of Potential/Planned Capital Projects to be Funded

Key Assumptions

Franklin County, VA

Fiscal Year Issued By Project	Amount	Interest Rate	Amortization Years	Average Annual Debt Service
2013				
Burnt Chimney Waterline [1]	1,555,000	2.54%	15	$125,962
2014				
Phase 1: Village Center Utility Improvements	$500,000	4.00%	15	$44,971
Parks, Rec, Aging Facility	$2,350,000	4.00%	20	$172,917
2014 Business Park	$3,000,000	4.00%	20	$220,745
Public Safety Stations	$2,562,500	4.00%	20	$188,553
	$8,412,500			
2015				
Phase 2: Village Center Utility Improvements	TBD			
2016				
Social Service Building	$5,200,000	5.00%	20	$465,761
Radio System	$14,000,000	5.00%	15	$1,348,792
2016 Business Park	$9,000,000	5.00%	20	$786,308
	$28,200,000			
2017				
Landfill - 2017 Portion	$5,000,000	5.00%	12	$564,127
2022				
Landfill - 2022 Portion	$5,300,000	5.00%	10	$686,374
2029				
Landfill - 2029 Portion	$9,800,000	5.00%	7	$1,693,634
Grand Total	**$58,267,500**			

[1] *Funding Provided through Western Virginia Water Authority.*

Preliminary Plan of Finance Options

Franklin County, VA

- Davenport recognizes that Franklin County potentially has tax revenues in excess of the estimated budgetary amounts by $2 million. This cash could be available to use strategically for the Multi-year Funding Program.
- Davenport has identified two primary funding options. They are:
  - **Option One – Use $2 million to buy down the amount of debt to be funded for the Program; or**
  - **Option Two – Use $2 million to create a Capital Reserve Fund to minimize any equivalent tax impacts on future debt service.**
- Under Options One and Two, Davenport assumed no Assessed Value growth in future years.
- For both of the Options, Davenport assumed the value of a penny is approximately $628,000.
- Any potential refinancing of existing debt for debt service savings has not been factored into the County's potential future cashflows.
- Include/incorporate into the current fiscal year funding (2014) one or both planned Operating Leases of the County.

Key Observations on Preliminary Plan of Finance Options

Franklin County, VA

Option One

Use $2 million [1] to buy down the amount of debt to be funded for the Program.

Option Two

Option Two – Use $2 million [1] to create a Capital Reserve Fund to minimize any equivalent tax impacts on future debt service.

Equivalent Tax Impact [2]

Fiscal Year [3]	Option One	vs.	Option 2
2015	1.00¢		0.75¢
2016	-		-
2017	-		-
2018	2.00¢		-
2019	-		2.50¢
2020	-		-
2021	0.50¢		0.50¢
2022	-		-
2023	-		-
2024	-		-
2025	-		-
2026	-		-
2027	0.25¢		-
2028	-		-
2029	-		0.25¢
	3.75 ¢		**4.00 ¢**

[1] *Funds are derived from tax revenues in excess of the estimated budgetary amounts.*

[2] *Given the assumptions discussed previously, the Equivalent Tax Impact is the minimum real estate tax increase required to sustain the proposed projects, rounded to the nearest quarter of a penny to allow for more subtle comparison.*

[3] *Assumes 0% Assessed Value growth in future years.*

Option One - $2 Million Used to Reduce FY 2014 Borrowing Requirement

Franklin County, VA

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
Fiscal Year	Existing County Debt Service	Landfill	Parks, Rec, Aging Facility (1)	Social Services Building	Burnt Chimney Waterline	Radio System	Business Park(2)	Public Safety Stations	Village Ctr Utility Impr (Phase 1)	Existing & Proposed Debt Service	Dollars Needed vs. FY 2013	Equivalent Pennies Raised	Cumulative Tax Increase	Addition to/ (Use) of Debt Reserve(3)	Cumulative Debt Reserve Balance
2013	2,069,531	-	-	-	-	-	73,582	-	-	2,143,113	73,582		-	277,000	277,000
2014	2,068,077	-	-	-	125,962	-	73,582	-	-	2,267,620	198,089		-	400,538	677,538
2015	1,449,283	-	76,917	-	125,962	-	73,582	188,553	44,971	1,959,267	(110,264)	1.00	627,249	737,513	1,415,051
2016	1,137,620	-	76,917	-	125,962	-	73,582	188,553	44,971	1,647,604	(421,927)		627,249	1,049,176	2,464,226
2017	1,133,970	-	76,917	267,261	125,962	1,348,792	695,765	188,553	44,971	3,882,191	1,812,660		627,249	(1,185,411)	1,278,815
2018	994,734	564,127	76,917	274,761	125,962	1,348,792	650,765	188,553	44,971	4,269,582	2,200,051	2.00	1,881,747	(318,304)	960,511
2019	986,718	564,127	76,917	282,261	125,962	1,348,792	658,265	188,553	44,971	4,276,566	2,207,035		1,881,747	(325,288)	635,223
2020	821,522	564,127	76,917	339,761	125,962	1,348,792	715,765	188,553	44,971	4,226,370	2,156,839		1,881,747	(275,092)	360,131
2021	819,797	564,127	76,917	344,761	125,962	1,348,792	720,765	188,553	44,971	4,234,645	2,165,114	0.50	2,195,372	30,257	390,388
2022	607,056	564,127	76,917	449,761	125,962	1,348,792	825,765	188,553	44,971	4,231,904	2,162,373		2,195,372	32,998	423,386
2023	607,779	1,250,501	76,917	299,761	125,962	1,348,792	525,765	188,553	44,971	4,469,001	2,399,470		2,195,372	(204,099)	219,288
2024	242,313	1,250,501	76,917	357,261	125,962	1,348,792	740,765	188,553	44,971	4,376,035	2,306,504		2,195,372	(111,133)	108,155
2025	241,671	1,250,501	76,917	362,261	125,962	1,348,792	645,765	188,553	44,971	4,285,393	2,215,862		2,195,372	(20,491)	87,664
2026	240,568	1,250,501	76,917	367,261	125,962	1,348,792	655,765	188,553	44,971	4,299,290	2,229,759		2,195,372	(34,388)	53,276
2027	239,001	1,250,501	76,917	372,261	125,962	1,348,792	665,765	188,553	44,971	4,312,723	2,243,192	0.25	2,352,184	108,991	162,267
2028	239,755	1,250,501	76,917	377,261	125,962	1,348,792	675,765	188,553	44,971	4,328,477	2,258,946		2,352,184	93,237	255,505
2029	239,946	1,250,501	76,917	382,261	-	1,348,792	685,765	188,553	44,971	4,217,707	2,148,176		2,352,184	204,008	459,513
2030	-	2,380,008	76,917	237,261	-	1,348,792	395,765	188,553	-	4,627,297	2,557,766		2,352,184	(205,583)	253,930
2031	-	2,380,008	76,917	249,761	-	1,348,792	420,765	188,553	-	4,664,797	2,595,266		2,352,184	(243,083)	10,847
2032	-	2,380,008	76,917	512,261	-	-	972,183	188,553	-	4,129,924	2,060,393		2,352,184	291,791	302,639
2033	-	1,693,634	76,917	712,261	-	-	1,567,183	188,553	-	4,238,549	2,169,018		2,352,184	183,165	485,804
2034	-	1,693,634	76,917	1,002,261	-	-	1,232,183	188,553	-	4,193,549	2,124,018		2,352,184	228,165	713,970
2035	-	1,693,634	-	1,077,261	-	-	1,712,183	-	-	4,483,079	2,413,548		2,352,184	(61,364)	652,605
2036	-	1,693,634	-	1,047,261	-	-	1,667,183	-	-	4,408,079	2,338,548		2,352,184	13,636	666,241
2037	-	-	-	-	-	-	-	-	-	-	-		2,352,184	2,352,184	3,018,425
Total	14,139,341	25,488,707	1,538,342	9,315,229	1,889,425	20,231,880	17,124,219	3,771,065	674,558	94,172,767		3.75			

Notes: (1) Debt Service figures are assumed to be net of revenue from potential service fees (estimated to be $96,000 annually).
(2) The reduction in the FY 2014 Business Park Borrowing Requirement produces a reduced total debt service figure for the Business Park Project of $17,197,801
(3) These amounts represent Funds on Hand for deposit to the Capital reserve of $277,000 and $400,538 in FY 2013 and 2014, respectively.

Option Two - $2 Million Cash Used to Create a Capital Reserve Fund in FY 14

Franklin County, VA

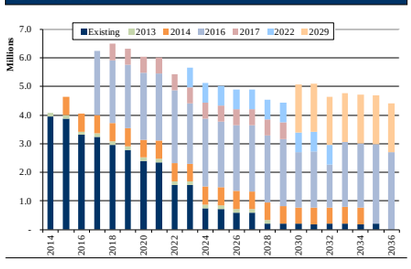
A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
Fiscal Year	Existing County Debt Service	Landfill	Parks, Rec, Aging Facility (1)	Social Services Building	Burnt Chimney Waterline	Radio System	Business Park	Public Safety Stations	Village Ctr Utility Impr (Phase 1)	Existing & Proposed Debt Service	Dollars Needed vs. FY 2013	Equivalent Pennies Raised	Cumulative Tax Increase	Addition to/ (Use) of Debt Reserve(2)	Cumulative Debt Reserve Balance
2013	2,069,531	-	-	-	-	-	-	-	-	2,069,531	-		-	277,000	277,000
2014	2,068,077	-	-	-	125,962	-	-	-	-	2,194,039	124,508		-	2,400,538	2,677,538
2015	1,449,283	-	76,917	-	125,962	-	220,745	188,553	44,971	2,061,460	(8,071)	0.75	470,437	478,507	3,156,045
2016	1,137,620	-	76,917	-	125,962	-	220,745	188,553	44,971	1,749,797	(319,734)		470,437	790,170	3,946,216
2017	1,133,970	-	76,917	267,261	125,962	1,348,792	842,929	188,553	44,971	3,984,384	1,914,853		470,437	(1,444,416)	2,501,800
2018	994,734	564,127	76,917	274,761	125,962	1,348,792	797,929	188,553	44,971	4,371,775	2,302,244		470,437	(1,831,807)	669,992
2019	986,718	564,127	76,917	282,261	125,962	1,348,792	805,429	188,553	44,971	4,378,759	2,309,228	2.50	2,038,559	(270,669)	399,323
2020	821,522	564,127	76,917	339,761	125,962	1,348,792	862,929	188,553	44,971	4,328,563	2,259,032		2,038,559	(220,473)	178,851
2021	819,797	564,127	76,917	344,761	125,962	1,348,792	867,929	188,553	44,971	4,336,838	2,267,307	0.50	2,352,184	84,877	263,727
2022	607,056	564,127	76,917	449,761	125,962	1,348,792	972,929	188,553	44,971	4,334,097	2,264,566		2,352,184	87,618	351,345
2023	607,779	1,250,501	76,917	299,761	125,962	1,348,792	672,929	188,553	44,971	4,571,194	2,501,663		2,352,184	(149,480)	201,865
2024	242,313	1,250,501	76,917	357,261	125,962	1,348,792	887,929	188,553	44,971	4,478,228	2,408,697		2,352,184	(56,514)	145,352
2025	241,671	1,250,501	76,917	362,261	125,962	1,348,792	792,929	188,553	44,971	4,387,586	2,318,055		2,352,184	34,128	179,480
2026	240,568	1,250,501	76,917	367,261	125,962	1,348,792	802,929	188,553	44,971	4,401,483	2,331,952		2,352,184	20,231	199,711
2027	239,001	1,250,501	76,917	372,261	125,962	1,348,792	812,929	188,553	44,971	4,414,916	2,345,385		2,352,184	6,798	206,510
2028	239,755	1,250,501	76,917	377,261	125,962	1,348,792	822,929	188,553	44,971	4,430,670	2,361,139		2,352,184	(8,956)	197,554
2029	239,946	1,250,501	76,917	382,261	-	1,348,792	832,929	188,553	44,971	4,319,900	2,250,369	0.25	2,508,996	258,627	456,182
2030	-	2,380,008	76,917	237,261	-	1,348,792	542,929	188,553	-	4,774,461	2,704,930		2,508,996	(195,934)	260,248
2031	-	2,380,008	76,917	249,761	-	1,348,792	567,929	188,553	-	4,811,961	2,742,430		2,508,996	(233,434)	26,814
2032	-	2,380,008	76,917	512,261	-	-	1,192,929	188,553	-	4,350,669	2,281,138		2,508,996	227,858	254,672
2033	-	1,693,634	76,917	712,261	-	-	1,787,929	188,553	-	4,459,295	2,389,764		2,508,996	119,232	373,905
2034	-	1,693,634	76,917	1,002,261	-	-	1,452,929	188,553	-	4,414,295	2,344,764		2,508,996	164,232	538,137
2035	-	1,693,634	-	1,077,261	-	-	1,712,183	-	-	4,483,079	2,413,548		2,508,996	95,448	633,585
2036	-	1,693,634	-	1,047,261	-	-	1,667,183	-	-	4,408,079	2,338,548		2,508,996	170,448	804,033
2037	-	-	-	-	-	-	-	-	-	-	-		2,508,996	2,508,996	3,313,029
Total	14,139,341	25,488,707	1,538,342	9,315,229	1,889,425	20,231,880	20,141,071	3,771,065	674,558	96,515,060		4.00			

Notes: (1) Debt Service figures are assumed to be net of revenue from potential service fees (estimated to be $96,000 annually).
(2) These amounts represent Funds on Hand for deposit to the Capital reserve of $277,000 and $400,538 in FY 2013 and 2014, respectively, as well as the $2,000,000 Cash Contribution to the Capital Reserve in FY 2014 discussed previously.

Option Two – Proposed Tax Supported Debt Service

Franklin County, VA

Debt Service



- Proposed General Fund Debt:
  - To be issued in FY 2013* $1,555,000
  - To be issued in FY 2014 8,412,500
  - To be issued in FY 2016 28,200,00
  - To be issued in FY 2017 5,000,000
  - To be issued in FY 2022 5,300,000
  - To be issued in FY 2029 9,800,000
  - Total $58,267,500

Notes:

* *This is the Bunt Chimney Waterline Project, which is currently underway.*

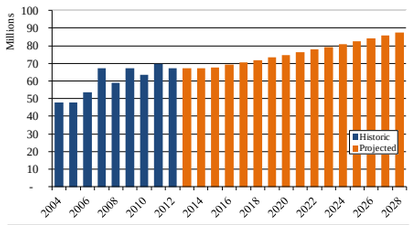
Debt Service

FY	Existing	2013	2014	2016	2017	2022	2029	Total
Total	32,239,406	1,889,425	12,318,870	45,273,275	6,769,525	6,863,742	11,855,440	117,209,683
2014	3,942,737	125,962	-	-	-	-	-	4,068,698
2015	3,873,464	125,962	627,186	-	-	-	-	4,626,612
2016	3,302,792	125,962	627,186	-	-	-	-	4,055,940
2017	3,247,084	125,962	627,186	2,238,237	-	-	-	6,238,469
2018	2,964,689	125,962	627,186	2,200,737	564,127	-	-	6,482,700
2019	2,783,187	125,962	627,186	2,215,737	564,127	-	-	6,316,199
2020	2,391,296	125,962	627,186	2,330,737	564,127	-	-	6,039,307
2021	2,353,686	125,962	627,186	2,340,737	564,127	-	-	6,011,698
2022	1,568,808	125,962	627,186	2,550,737	564,127	-	-	5,436,820
2023	1,551,790	125,962	627,186	2,100,737	564,127	686,374	-	5,656,176
2024	748,603	125,962	627,186	2,373,237	564,127	686,374	-	5,125,489
2025	730,905	125,962	627,186	2,283,237	564,127	686,374	-	5,017,791
2026	590,840	125,962	627,186	2,298,237	564,127	686,374	-	4,892,726
2027	583,220	125,962	627,186	2,313,237	564,127	686,374	-	4,900,106
2028	200,824	125,962	627,186	2,328,237	564,127	686,374	-	4,532,710
2029	203,631	-	627,186	2,343,237	564,127	686,374	-	4,424,555
2030	201,255	-	582,216	1,908,237	-	686,374	1,693,634	5,071,716
2031	198,780	-	582,216	1,945,737	-	686,374	1,693,634	5,106,741
2032	200,880	-	582,216	1,484,445	-	686,374	1,693,634	4,647,549
2033	202,502	-	582,216	2,279,445	-	-	1,693,634	4,757,796
2034	198,765	-	582,216	2,234,445	-	-	1,693,634	4,709,059
2035	199,668	-	-	2,789,445	-	-	1,693,634	4,682,747
2036	-	-	-	2,714,445	-	-	1,693,634	4,408,079

Option Two – Existing/Proposed Debt Ratios

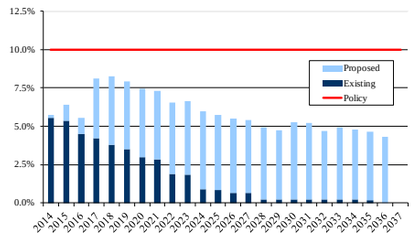
Franklin County, VA

Governmental Expenditure Assumptions



- 10-year Average Growth: 1.03%
- Assumed growth
  - FY 2013-14: 0.00%
  - FY 2015: 1.00%
  - FY 2016 and Beyond: 2.00%

Debt Service vs. Expenditures



- FY 2018 (Maximum): 8.3%

Franklin County, VA

Summary Observations and Next Steps

Summary Observations

Franklin County, VA

- The County enjoys excellent Credit Ratings;
- The County currently meets its Financial Policy Guidelines;
- After the proposed Multi-year CIP Funding is executed, Franklin County will continue to meet all of its Financial Policy Guidelines, and;
- The County continues to compare favorably with its Peer Localities in terms of Key Debt and Fund Balance Ratios.

Next Steps

Franklin County, VA

Date	Key Event(s)/Activity
August 14th	– **Franklin County Retreat (Today):** Davenport presents series of funding options and recommends the following for Fall 2013 (FY 14) Borrowing:

▪ Phase 1: Village Center Utility Improvements	$ 500,000
▪ Parks, Rec, Aging Facility	2,350,000
▪ 2014 Business Park	3,000,000
▪ Public Safety Stations	2,562,500
▪ Short-term Capital Leases	1,000,000
▪ *Plus*: Estimated Issuance Costs	87,500
▪ Estimated Total FY 14 New Money Issuance	**$9,500,000**
▪ *Less:* Potential Refunding Opportunities	*TBD*

August 20th	– **Franklin County Board of Supervisors (BOS) Meeting:** Davenport receives County approval to explore all possible New Money and Refunding opportunities and ultimately report back to the BOS at a subsequent meeting(s).

Next Steps (Cont'd)

Franklin County, VA

Date	Key Event(s)/Activity
Balance of August/Early September	– Davenport, in cooperation with County Staff and Bond Counsel, develops the necessary documentation to competitively solicit firm bids for the proposed FY 2014 Capital Funding Projects. – Davenport prepares an application to the Virginia Resources Authority for their Fall, 2013 Pool Program (Deadline was Friday, 8/9).
September 17th	– **County BOS Meeting:** Davenport and County Staff provide the BOS with the results of the competitive Bank RFP solicitation process. – Davenport/Staff make a recommendation of whether to move forward; – County BOS schedules a Public Hearing for the October 15th Board Meeting (a New Money requirement under Virginia statute).
Balance of September	– Bond Counsel and all other parties prepare necessary documentation depending upon the above decisions.
Balance of Fall, 2013	– Close on the needed FY 2014 Capital Funding Projects.

Franklin County, VA

Appendices: School Funding Options

Key Observations on Schools

Franklin County, VA

Two Approaches Evaluated:

Option One

Borrow $33 million and use $17 million [1] windfall to buy down the amount of debt to be issued.

Option Two

Borrow $50 million and Create a $17 million [1] Capital Reserve account (to shave the debt service jump in early years).

Equivalent Tax Impact [2]

Fiscal Year [3]	Option One	vs.	Option 2
2015	1.00¢		1.00¢
2016	-		-
2017	-		-
2018	5.25¢		-
2019	-		-
2020	-		-
2021	-		2.25¢
2022	-		-
2023	-		3.00¢
	6.25 ¢		**6.25 ¢**

*[1] Funds are derived from **one-time** surplus related to tax collection cycle being changed from annual to semi-annual.*

[2] Also includes the county's proposed $57 million of Non-School Capital Projects

[3] Assumes 0% Assessed Value growth in future years.

Other Key Observations Involving a Potential School Funding

Franklin County, VA

Under School Option One:

- Debt to Assessed Value remains well within the County's existing Policy, and
- Debt Service as a percent of Expenditures only slightly exceeds the County's 10% Policy for one year (FY 2018);
- The 10-year Payout Ratio dips below 50% for two years (until FY 2018).

Under School Option Two:

- Debt to Assessed Value remains well within the County's existing Policy, but
- Debt Service as a percent of Expenditures exceeds the County's 10% Policy for four years; however, the ratio always remains below 12%; and
- The 10-year Payout Ratio falls below 50% until FY 2020.

Franklin County, VA

Appendix A: School Option One Detailed Analysis

School Option One - $17 Million Used to Reduce Borrowing Requirement

Franklin County, VA

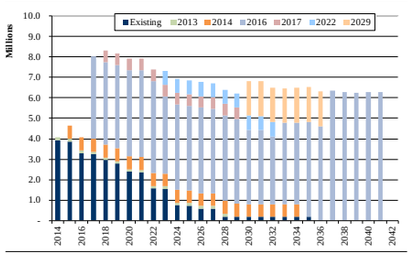
A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
Fiscal Year	Existing County/School Debt Service	Landfill	Parks, Rec, Aging Facility [1]	Social Services Building	Burnt Chimney Waterline	Radio System	Business Park	Public Safety Stations	Village Ctr Utility Impr (Phase 1)	New School Project [2]	Existing & Proposed Debt Service	Dollars Needed vs. FY 2013	Equivalent Pennies Raised	Cumulative Tax Increase	Addition to/ (Use) of Debt Reserve [3]	Cumulative Debt Reserve Balance
2013	4,116,420	-	-	-	-	-	-	-	-	-	4,116,420	-		-	277,000	277,000
2014	3,942,737	-	-	-	125,962	-	-	-	-	-	4,068,698	(47,722)		-	2,400,538	2,677,538
2015	3,873,464	-	76,917	-	125,962	-	220,745	188,553	44,971	-	4,530,612	414,192	1.00	627,249	213,057	2,890,595
2016	3,302,792	-	76,917	-	125,962	-	220,745	188,553	44,971	-	3,959,940	(156,481)		627,249	783,730	3,674,325
2017	3,247,084	-	76,917	267,261	125,962	1,348,792	842,929	188,553	44,971	1,801,431	7,943,900	3,827,479		627,249	(3,200,230)	474,095
2018	2,964,689	564,127	76,917	274,761	125,962	1,348,792	797,929	188,553	44,971	1,828,431	8,215,131	4,098,711	5.25	3,920,306	(178,405)	295,690
2019	2,783,187	564,127	76,917	282,261	125,962	1,348,792	805,429	188,553	44,971	1,855,431	8,075,630	3,959,209		3,920,306	(38,903)	256,787
2020	2,391,296	564,127	76,917	339,761	125,962	1,348,792	862,929	188,553	44,971	1,882,431	7,825,738	3,709,318		3,920,306	210,988	467,776
2021	2,353,686	564,127	76,917	344,761	125,962	1,348,792	867,929	188,553	44,971	1,909,431	7,825,129	3,708,709		3,920,306	211,598	679,373
2022	1,568,808	564,127	76,917	449,761	125,962	1,348,792	972,929	188,553	44,971	1,936,431	7,277,251	3,160,831		3,920,306	759,476	1,438,849
2023	1,551,790	1,250,501	76,917	299,761	125,962	1,348,792	672,929	188,553	44,971	1,663,431	7,223,607	3,107,187		3,920,306	813,119	2,251,968
2024	748,603	1,250,501	76,917	357,261	125,962	1,348,792	887,929	188,553	44,971	1,805,431	6,834,920	2,718,499		3,920,306	1,201,807	3,453,775
2025	730,905	1,250,501	76,917	362,261	125,962	1,348,792	792,929	188,553	44,971	1,842,431	6,764,222	2,647,802		3,920,306	1,272,505	4,726,280
2026	590,840	1,250,501	76,917	367,261	125,962	1,348,792	802,929	188,553	44,971	1,879,431	6,676,157	2,559,737		3,920,306	1,360,569	6,086,849
2027	583,220	1,250,501	76,917	372,261	125,962	1,348,792	812,929	188,553	44,971	1,816,431	6,620,537	2,504,117		3,920,306	1,416,189	7,503,039
2028	200,824	1,250,501	76,917	377,261	125,962	1,348,792	822,929	188,553	44,971	1,858,431	6,295,141	2,178,721		3,920,306	1,741,586	9,244,624
2029	203,631	1,250,501	76,917	382,261	-	1,348,792	832,929	188,553	44,971	1,800,431	6,128,986	2,012,565		3,920,306	1,907,741	11,152,365
2030	201,255	2,380,008	76,917	237,261	-	1,348,792	542,929	188,553	-	1,747,431	6,723,147	2,606,727		3,920,306	1,313,579	12,465,944
2031	198,780	2,380,008	76,917	249,761	-	1,348,792	567,929	188,553	-	1,699,431	6,710,172	2,593,752		3,920,306	1,326,555	13,792,499
2032	200,880	2,380,008	76,917	512,261	-	-	1,192,929	188,553	-	1,856,431	6,407,980	2,291,559		3,920,306	1,628,747	15,421,246
2033	202,502	1,693,634	76,917	712,261	-	-	1,787,929	188,553	-	1,708,431	6,370,227	2,253,807		3,920,306	1,666,499	17,087,745
2034	198,765	1,693,634	76,917	1,002,261	-	-	1,452,929	188,553	-	1,770,431	6,383,490	2,267,070		3,920,306	1,653,236	18,740,982
2035	199,668	1,693,634	-	1,077,261	-	-	1,712,183	-	-	1,832,431	6,515,178	2,398,758		3,920,306	1,521,548	20,262,530
2036	-	1,693,634	-	1,047,261	-	-	1,667,183	-	-	1,894,431	6,302,510	2,186,090		3,920,306	1,734,217	21,996,747
2037	-	-	-	-	-	-	-	-	-	6,356,431	6,356,431	2,240,011		3,920,306	1,680,296	23,677,042
2038	-	-	-	-	-	-	-	-	-	6,298,431	6,298,431	2,182,011		3,920,306	1,738,296	25,415,338
2039	-	-	-	-	-	-	-	-	-	6,235,431	6,235,431	2,119,011		3,920,306	1,801,296	27,216,634
2040	-	-	-	-	-	-	-	-	-	6,267,431	6,267,431	2,151,011		3,920,306	1,769,296	28,985,929
2041	-	-	-	-	-	-	-	-	-	6,289,431	6,289,431	2,173,011		3,920,306	1,747,296	30,733,225
2042	-	-	-	-	-	-	-	-	-	-	-	(4,116,420)		3,920,306	8,036,727	38,769,951
Total	36,355,826	25,488,707	1,538,342	9,315,229	1,889,425	20,231,880	20,141,071	3,771,065	674,558	67,835,777	187,241,881		6.25			

Notes: *(1) Debt Service figures are assumed to be net of revenue from potential service fees (estimated to be $96,000 annually).*
(2) The reduction in the Schools Project Borrowing Requirement by $17 million produces a reduced total debt service figure for the Schools Project of $67,835,777
(3) These amounts represent Funds on Hand for deposit to the Capital reserve of $277,000 and $400,538 in FY 2013 and 2014, respectively, and the $2,000,000 Cash Contribution to the Capital Reserve in FY 2014 discussed previously.

School Option One – Proposed Tax Supported Debt Service

Franklin County, VA

Debt Service



- Proposed County Debt:
  - To be issued in FY 2013* $1,555,000
  - To be issued in FY 2014 8,412,500
  - To be issued in FY 2016 61,200,00
  - To be issued in FY 2017 5,000,000
  - To be issued in FY 2022 5,300,000
  - To be issued in FY 2029 9,800,000
  - Total $91,267,500

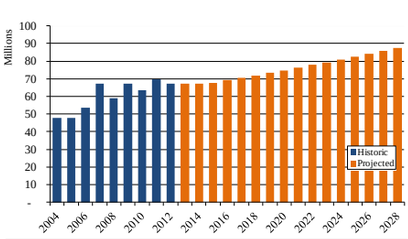
Debt Service

FY	Existing	2013	2014	2016	2017	2022	2029	Total
Total	32,239,406	1,889,425	12,318,870	113,109,052	6,769,525	6,863,742	11,855,440	185,045,460
2014	3,942,737	125,962	-	-	-	-	-	4,068,698
2015	3,873,464	125,962	627,186	-	-	-	-	4,626,612
2016	3,302,792	125,962	627,186	-	-	-	-	4,055,940
2017	3,247,084	125,962	627,186	4,039,668	-	-	-	8,039,900
2018	2,964,689	125,962	627,186	4,029,168	564,127	-	-	8,311,131
2019	2,783,187	125,962	627,186	4,071,168	564,127	-	-	8,171,630
2020	2,391,296	125,962	627,186	4,213,168	564,127	-	-	7,921,738
2021	2,353,686	125,962	627,186	4,250,168	564,127	-	-	7,921,129
2022	1,568,808	125,962	627,186	4,487,168	564,127	-	-	7,373,251
2023	1,551,790	125,962	627,186	3,764,168	564,127	686,374	-	7,319,607
2024	748,603	125,962	627,186	4,178,668	564,127	686,374	-	6,930,920
2025	730,905	125,962	627,186	4,125,668	564,127	686,374	-	6,860,222
2026	590,840	125,962	627,186	4,177,668	564,127	686,374	-	6,772,157
2027	583,220	125,962	627,186	4,129,668	564,127	686,374	-	6,716,537
2028	200,824	125,962	627,186	4,186,668	564,127	686,374	-	6,391,141
2029	203,631	-	627,186	4,143,668	564,127	686,374	-	6,224,986
2030	201,255	-	582,216	3,655,668	-	686,374	1,693,634	6,819,147
2031	198,780	-	582,216	3,645,168	-	686,374	1,693,634	6,806,172
2032	200,880	-	582,216	3,340,876	-	686,374	1,693,634	6,503,980
2033	202,502	-	582,216	3,987,876	-	-	1,693,634	6,466,227
2034	198,765	-	582,216	4,004,876	-	-	1,693,634	6,479,490
2035	199,668	-	-	4,621,876	-	-	1,693,634	6,515,178
2036	-	-	-	4,608,876	-	-	1,693,634	6,302,510
2037	-	-	-	6,356,431	-	-	-	6,356,431
2038	-	-	-	6,298,431	-	-	-	6,298,431
2039	-	-	-	6,235,431	-	-	-	6,235,431
2040	-	-	-	6,267,431	-	-	-	6,267,431
2041	-	-	-	6,289,431	-	-	-	6,289,431
2042	-	-	-	-	-	-	-	-

School Option One– Including all Existing/Proposed County Debt

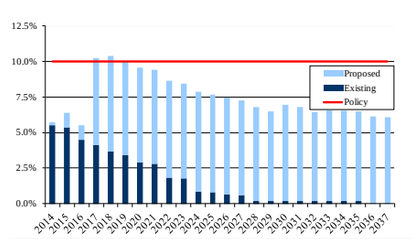
Franklin County, VA

Governmental Expenditure Assumptions



- 10-year Average Growth: 1.03%
- Assumed growth
  - FY 2013-14: 0.00%
  - FY 2015: 1.00%
  - FY 2016 and Beyond: 2.00%

Debt Service vs. Expenditures



- FY 2018 (Maximum): 10.4%

Appendix B: School Option Two Detailed Analysis

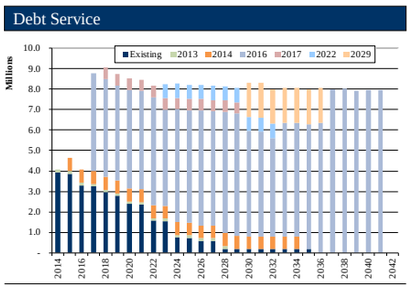
School Option Two - $17 Million Cash Used to Create a Capital Reserve Fund

A	B	C	D	E	F	G	H	I		J	K	L	M	N	O	P
Fiscal Year	Existing County/School Debt Service	Landfill	Parks, Rec, Aging Facility (1)	Social Services Building	Burnt Chimney Waterline	Radio System	Business Park	Public Safety Stations	Village Ctr Utility Impr (Phase 1)	New School Project	Existing & Proposed Debt Service	Dollars Needed vs. FY 2013	Equivalent Pennies Raised	Cumulative Tax Increase	Addition to/ (Use) of Debt Reserve (2)	Cumulative Debt Reserve Balance
2013	4,116,420	-	-	-	-	-	-	-	-	-	4,116,420	-		-	277,000	277,000
2014	3,942,737	-	-	-	125,962	-	-	-	-	-	4,068,698	(47,722)	-	-	19,400,538	19,677,538
2015	3,873,464	-	76,917	-	125,962	-	220,745	188,553	44,971	-	4,530,612	414,192	1.00	627,249	213,057	19,890,595
2016	3,302,792	-	76,917	-	125,962	-	220,745	188,553	44,971	-	3,959,940	(156,481)		627,249	783,730	20,674,325
2017	3,247,084	-	76,917	267,261	125,962	1,348,792	842,929	188,553	44,971	2,535,623	8,678,092	4,561,671	-	627,249	(3,934,422)	16,739,903
2018	2,964,689	564,127	76,917	274,761	125,962	1,348,792	797,929	188,553	44,971	2,586,223	8,972,923	4,856,503		627,249	(4,229,254)	12,510,649
2019	2,783,187	564,127	76,917	282,261	125,962	1,348,792	805,429	188,553	44,971	2,436,823	8,657,021	4,540,601		627,249	(3,913,352)	8,597,297
2020	2,391,296	564,127	76,917	339,761	125,962	1,348,792	862,929	188,553	44,971	2,497,423	8,440,730	4,324,310		627,249	(3,697,061)	4,900,237
2021	2,353,686	564,127	76,917	344,761	125,962	1,348,792	867,929	188,553	44,971	2,458,023	8,373,721	4,257,300	2.25	2,038,559	(2,218,741)	2,681,496
2022	1,568,808	564,127	76,917	449,761	125,962	1,348,792	972,929	188,553	44,971	2,723,623	8,064,443	3,948,022		2,038,559	(1,909,463)	772,032
2023	1,551,790	1,250,501	76,917	299,761	125,962	1,348,792	672,929	188,553	44,971	2,579,223	8,139,399	4,022,979	3.00	3,920,306	(102,671)	669,360
2024	748,603	1,250,501	76,917	357,261	125,962	1,348,792	887,929	188,553	44,971	3,144,823	8,174,311	4,057,891		3,920,306	(137,585)	531,775
2025	730,905	1,250,501	76,917	362,261	125,962	1,348,792	792,929	188,553	44,971	3,185,423	8,107,214	3,990,793		3,920,306	(70,487)	461,288
2026	590,840	1,250,501	76,917	367,261	125,962	1,348,792	802,929	188,553	44,971	3,326,023	8,122,749	4,006,329		3,920,306	(86,022)	375,266
2027	583,220	1,250,501	76,917	372,261	125,962	1,348,792	812,929	188,553	44,971	3,261,623	8,065,729	3,949,309		3,920,306	(29,002)	346,263
2028	200,824	1,250,501	76,917	377,261	125,962	1,348,792	822,929	188,553	44,971	3,602,223	8,038,933	3,922,512		3,920,306	(2,206)	344,057
2029	203,631	1,250,501	76,917	382,261	-	1,348,792	832,929	188,553	44,971	3,627,823	7,956,378	3,839,957		3,920,306	80,349	424,406
2030	201,255	2,380,008	76,917	237,261	-	1,348,792	542,929	188,553	-	3,253,423	8,229,139	4,112,719		3,920,306	(192,412)	231,994
2031	198,780	2,380,008	76,917	249,761	-	1,348,792	567,929	188,553	-	3,199,023	8,209,764	4,093,343		3,920,306	(173,037)	58,957
2032	200,880	2,380,008	76,917	512,261	-	-	1,192,929	188,553	-	3,349,623	7,901,172	3,784,751		3,920,306	135,555	194,512
2033	202,502	1,693,634	76,917	712,261	-	-	1,787,929	188,553	-	3,295,223	7,957,019	3,840,599		3,920,306	79,708	274,219
2034	198,765	1,693,634	76,917	1,002,261	-	-	1,452,929	188,553	-	3,345,823	7,958,882	3,842,462		3,920,306	77,845	352,064
2035	199,668	1,693,634	-	1,077,261	-	-	1,712,183	-	-	3,296,423	7,979,170	3,862,750		3,920,306	57,557	409,621
2036	-	1,693,634	-	1,047,261	-	-	1,667,183	-	-	3,652,023	8,060,102	3,943,681		3,920,306	(23,375)	386,246
2037	-	-	-	-	-	-	-	-	-	7,992,623	7,992,623	3,876,202		3,920,306	44,104	430,349
2038	-	-	-	-	-	-	-	-	-	8,018,223	8,018,223	3,901,802		3,920,306	18,504	448,853
2039	-	-	-	-	-	-	-	-	-	7,933,823	7,933,823	3,817,402		3,920,306	102,904	551,757
2040	-	-	-	-	-	-	-	-	-	7,944,423	7,944,423	3,828,002		3,920,306	92,304	644,061
2041	-	-	-	-	-	-	-	-	-	7,945,023	7,945,023	3,828,602		3,920,306	91,704	735,765
2042	-	-	-	-	-	-	-	-	-	-	-	(4,116,420)		3,920,306	8,036,727	8,772,491
Total	36,355,826	25,488,707	1,538,342	9,315,229	1,889,425	20,231,880	20,141,071	3,771,065	674,558	101,190,572	220,596,675		6.25			

Notes: (1) Debt Service figures are assumed to be net of revenue from potential service fees (estimated to be $96,000 annually).
(2) These amounts represent Funds on Hand for deposit to the Capital reserve of $277,000 and $400,538 in FY 2013 and 2014, respectively, the $2,000,000 Cash Contribution to the Capital Reserve in FY 2014 discussed previously, and a 17,000,000 million contribution resulting from the tax windfall.

School Option Two – Proposed Tax Supported Debt Service

Debt Service



- Proposed County Debt:
  - To be issued in FY 2013* $1,555,000
  - To be issued in FY 2014 8,412,500
  - To be issued in FY 2016 78,200,00
  - To be issued in FY 2017 5,000,000
  - To be issued in FY 2022 5,300,000
  - To be issued in FY 2029 9,800,000
  - Total $108,267,500

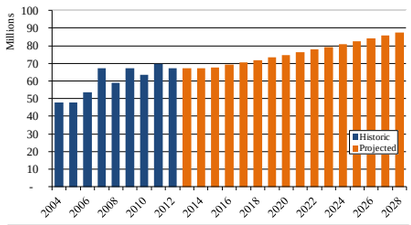
Debt Service

FY	Existing	2013	2014	2016	2017	2022	2029	Total
Total	32,239,406	1,889,425	12,318,870	146,463,847	6,769,525	6,863,742	11,855,440	218,400,255
2014	3,942,737	125,962	-	-	-	-	-	4,068,698
2015	3,873,464	125,962	627,186	-	-	-	-	4,626,612
2016	3,302,792	125,962	627,186	-	-	-	-	4,055,940
2017	3,247,084	125,962	627,186	4,773,860	-	-	-	8,774,092
2018	2,964,689	125,962	627,186	4,786,960	564,127	-	-	9,068,923
2019	2,783,187	125,962	627,186	4,652,560	564,127	-	-	8,753,021
2020	2,391,296	125,962	627,186	4,828,160	564,127	-	-	8,536,730
2021	2,353,686	125,962	627,186	4,798,760	564,127	-	-	8,469,721
2022	1,568,808	125,962	627,186	5,274,360	564,127	-	-	8,160,443
2023	1,551,790	125,962	627,186	4,679,960	564,127	686,374	-	8,235,399
2024	748,603	125,962	627,186	5,518,060	564,127	686,374	-	8,270,311
2025	730,905	125,962	627,186	5,468,660	564,127	686,374	-	8,203,214
2026	590,840	125,962	627,186	5,624,260	564,127	686,374	-	8,218,749
2027	583,220	125,962	627,186	5,574,860	564,127	686,374	-	8,161,729
2028	200,824	125,962	627,186	5,930,460	564,127	686,374	-	8,134,933
2029	203,631	-	627,186	5,971,060	564,127	686,374	-	8,052,378
2030	201,255	-	582,216	5,161,660	-	686,374	1,693,634	8,325,139
2031	198,780	-	582,216	5,144,760	-	686,374	1,693,634	8,305,764
2032	200,880	-	582,216	4,834,068	-	686,374	1,693,634	7,997,172
2033	202,502	-	582,216	5,574,668	-	-	1,693,634	8,053,019
2034	198,765	-	582,216	5,580,268	-	-	1,693,634	8,054,882
2035	199,668	-	-	6,085,868	-	-	1,693,634	7,979,170
2036	-	-	-	6,366,468	-	-	1,693,634	8,060,102
2037	-	-	-	7,992,623	-	-	-	7,992,623
2038	-	-	-	8,018,223	-	-	-	8,018,223
2039	-	-	-	7,933,823	-	-	-	7,933,823
2040	-	-	-	7,944,423	-	-	-	7,944,423
2041	-	-	-	7,945,023	-	-	-	7,945,023
2042	-	-	-	-	-	-	-	

School Option Two – Including all Existing/Proposed County Debt

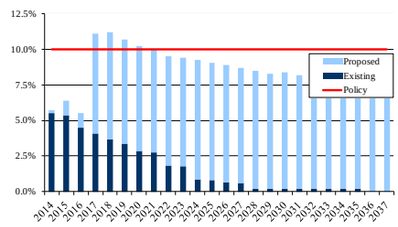
Franklin County, VA

Governmental Expenditure Assumptions



- 10-year Average Growth: 1.03%
- Assumed growth
  - FY 2013-14: 0.00%
  - FY 2015: 1.00%
  - FY 2016 and Beyond: 2.00%

Debt Service vs. Expenditures



- FY 2018 (Maximum): 11.2%

Franklin County, VA

Appendix C: Principal Payout Ratios for the Proposed Funding Options

Proposed Principal Payout Ratios – Non-Schools Option 2

Franklin County, VA

FY	Existing	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Total																		
2013	11%																	
2014	21%	16%																
2015	31%	24%	24%															
2016	40%	32%	32%	19%														
2017	49%	40%	40%	24%	23%													
2018	57%	47%	47%	30%	28%	28%												
2019	65%	54%	54%	35%	34%	34%	34%											
2020	72%	60%	60%	40%	39%	39%	39%	39%										
2021	79%	67%	67%	46%	44%	44%	44%	44%	44%									
2022	83%	71%	71%	50%	49%	49%	49%	49%	49%	46%								
2023	88%	76%	76%	55%	54%	54%	54%	54%	54%	51%	51%							
2024	90%	79%	79%	58%	58%	58%	58%	58%	58%	55%	55%	55%						
2025	92%	82%	82%	62%	62%	62%	62%	62%	62%	59%	59%	59%	59%					
2026	94%	84%	84%	65%	66%	66%	66%	66%	66%	64%	64%	64%	64%	64%				
2027	95%	87%	87%	69%	70%	70%	70%	70%	70%	68%	68%	68%	68%	68%	68%			
2028	96%	89%	89%	73%	74%	74%	74%	74%	74%	72%	72%	72%	72%	72%	72%	72%		
2029	96%	91%	91%	76%	78%	78%	78%	78%	78%	77%	77%	77%	77%	77%	77%	77%	68%	
2030	97%	92%	92%	79%	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%	72%	72%
2031	98%	94%	94%	82%	83%	83%	83%	83%	83%	83%	83%	83%	83%	83%	83%	83%	77%	77%
2032	98%	96%	96%	84%	85%	85%	85%	85%	85%	86%	86%	86%	86%	86%	86%	86%	81%	81%
2033	99%	98%	98%	88%	89%	89%	89%	89%	89%	90%	90%	90%	90%	90%	90%	90%	86%	86%
2034	99%	100%	100%	92%	93%	93%	93%	93%	93%	93%	93%	93%	93%	93%	93%	93%	90%	90%
2035	100%	100%	100%	96%	96%	96%	96%	96%	96%	97%	97%	97%	97%	97%	97%	97%	95%	95%
2036	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

School Option One – Proposed Principal Payout Ratios

Franklin County, VA

FY	Existing	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Total																		
2013	11%																	
2014	21%	16%																
2015	31%	24%	24%															
2016	40%	32%	32%	12%														
2017	49%	40%	40%	16%	16%													
2018	57%	47%	47%	20%	20%	20%												
2019	65%	54%	54%	24%	24%	24%	24%											
2020	72%	60%	60%	28%	27%	27%	27%	27%										
2021	79%	67%	67%	32%	32%	32%	32%	32%	32%									
2022	83%	71%	71%	35%	35%	35%	35%	35%	35%	34%								
2023	88%	76%	76%	38%	38%	38%	38%	38%	38%	37%	37%							
2024	90%	79%	79%	41%	41%	41%	41%	41%	41%	40%	40%	40%						
2025	92%	82%	82%	44%	44%	44%	44%	44%	44%	43%	43%	43%	43%					
2026	94%	84%	84%	46%	47%	47%	47%	47%	47%	47%	47%	47%	47%	47%				
2027	95%	87%	87%	49%	51%	51%	51%	51%	51%	50%	50%	50%	50%	50%	50%			
2028	96%	89%	89%	52%	54%	54%	54%	54%	54%	54%	54%	54%	54%	54%	54%	54%		
2029	96%	91%	91%	54%	57%	57%	57%	57%	57%	57%	57%	57%	57%	57%	57%	57%	52%	
2030	97%	92%	92%	57%	59%	59%	59%	59%	59%	59%	59%	59%	59%	59%	59%	59%	56%	56%
2031	98%	94%	94%	59%	61%	61%	61%	61%	61%	62%	62%	62%	62%	62%	62%	62%	59%	59%
2032	98%	96%	96%	61%	63%	63%	63%	63%	63%	65%	65%	65%	65%	65%	65%	65%	62%	62%
2033	99%	98%	98%	64%	65%	65%	65%	65%	65%	67%	67%	67%	67%	67%	67%	67%	66%	66%
2034	99%	100%	100%	67%	68%	68%	68%	68%	68%	70%	70%	70%	70%	70%	70%	70%	70%	70%
2035	100%	100%	100%	70%	71%	71%	71%	71%	71%	73%	73%	73%	73%	73%	73%	73%	73%	73%
2036	100%	100%	100%	73%	74%	74%	74%	74%	74%	75%	75%	75%	75%	75%	75%	75%	77%	77%
2037	100%	100%	100%	78%	79%	79%	79%	79%	79%	80%	80%	80%	80%	80%	80%	80%	82%	82%
2038	100%	100%	100%	83%	84%	84%	84%	84%	84%	85%	85%	85%	85%	85%	85%	85%	86%	86%
2039	100%	100%	100%	88%	89%	89%	89%	89%	89%	89%	89%	89%	89%	89%	89%	89%	90%	90%
2040	100%	100%	100%	94%	94%	94%	94%	94%	94%	95%	95%	95%	95%	95%	95%	95%	95%	95%
2041	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
2042	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

School Option Two – Proposed Principal Payout Ratios

Franklin County, VA

FY	Existing	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Total																		
2013	11%																	
2014	21%	16%																
2015	31%	24%	24%															
2016	40%	32%	32%	11%														
2017	49%	40%	40%	14%	13%													
2018	57%	47%	47%	17%	17%	17%												
2019	65%	54%	54%	20%	20%	20%	20%											
2020	72%	60%	60%	23%	23%	23%	23%	23%										
2021	79%	67%	67%	26%	26%	26%	26%	26%	26%									
2022	83%	71%	71%	29%	29%	29%	29%	29%	29%	28%								
2023	88%	76%	76%	32%	32%	32%	32%	32%	32%	31%	31%							
2024	90%	79%	79%	34%	35%	35%	35%	35%	35%	34%	34%	34%						
2025	92%	82%	82%	37%	38%	38%	38%	38%	38%	37%	37%	37%	37%					
2026	94%	84%	84%	40%	41%	41%	41%	41%	41%	41%	41%	41%	41%	41%				
2027	95%	87%	87%	43%	44%	44%	44%	44%	44%	44%	44%	44%	44%	44%	44%			
2028	96%	89%	89%	46%	48%	48%	48%	48%	48%	48%	48%	48%	48%	48%	48%	48%		
2029	96%	91%	91%	49%	51%	51%	51%	51%	51%	52%	52%	52%	52%	52%	52%	52%	48%	
2030	97%	92%	92%	51%	53%	53%	53%	53%	53%	54%	54%	54%	54%	54%	54%	54%	51%	51%
2031	98%	94%	94%	54%	56%	56%	56%	56%	56%	57%	57%	57%	57%	57%	57%	57%	55%	55%
2032	98%	96%	96%	57%	58%	58%	58%	58%	58%	60%	60%	60%	60%	60%	60%	60%	59%	59%
2033	99%	98%	98%	60%	62%	62%	62%	62%	62%	63%	63%	63%	63%	63%	63%	63%	62%	62%
2034	99%	100%	100%	63%	65%	65%	65%	65%	65%	66%	66%	66%	66%	66%	66%	66%	66%	66%
2035	100%	100%	100%	67%	68%	68%	68%	68%	68%	70%	70%	70%	70%	70%	70%	70%	71%	71%
2036	100%	100%	100%	71%	72%	72%	72%	72%	72%	73%	73%	73%	73%	73%	73%	73%	75%	75%
2037	100%	100%	100%	76%	77%	77%	77%	77%	77%	78%	78%	78%	78%	78%	78%	78%	79%	79%
2038	100%	100%	100%	82%	82%	82%	82%	82%	82%	83%	83%	83%	83%	83%	83%	83%	84%	84%
2039	100%	100%	100%	87%	88%	88%	88%	88%	88%	88%	88%	88%	88%	88%	88%	88%	89%	89%
2040	100%	100%	100%	94%	94%	94%	94%	94%	94%	94%	94%	94%	94%	94%	94%	94%	94%	94%
2041	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
2042	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Disclaimer

Franklin County, VA

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Version 06/01/12 MM/DR

The Board will discuss their next financial options from Davenport Financial Advisors during their Tuesday, August 20, 2013 meeting.
****

EDAC REPORT RECOMMENDATIONS/TACTICS

Russ Johnson and Larry Iceman shared with the Board the EDAC Report Recommendations/Tactics.

Franklin County
A Natural Setting for Opportunity

Originally we were going to produce a product that directly mirrored the Botetourt County Economic Development Plan

Re-Directed, we produced a "strategic report" following the Botetourt County outline

EDAC Report to the Board of Supervisors

Decision Making

With 28 citizens participating it was impossible to get a 100% agreement 100% of the time – However, we did gain majority agreement for all recommendations

EDAC Report to the Board of Supervisors

Franklin County
A Natural Setting for Opportunity

Order

We tried to "imply" an order, but not a fixed direction.

However, there is a overall consensus that attention to existing businesses in FC is the first priority

EDAC Report to the Board of Supervisors

Franklin County
A Natural Setting for Opportunity

"All County Staff" was never called for or recommended

With a re-activation of a FC Chamber including financial support from the County, and with additional financial support to the SML Chamber, we believe that many economic development activities can be accomplished using volunteers

Franklin County
A Natural Setting for Opportunity

Destination Places and Events

We did not expect you to pay 100% for a destination location, an event, or an activity, we expected you to engage in public – private partnerships and support local business/tourist organizations

Franklin County
A Natural Setting for Opportunity

As a reminder

The citizens who prepared this report were cleared by you, have strong business backgrounds, live here, many are in active businesses, others were successful business people and are now retired, etc.

Franklin County
A Natural Setting for Opportunity

Risk Taking

Risk taking is a part of economic development which we recognize and encourage

EDAC Report to the Board of Supervisors

Statements

(1) As a goal, Franklin County should be known as the most business-friendly County in Virginia!

(2) NOT recruiting a competitor to an existing company is a line that should not be crossed without due consideration.

(3) Businesses do not want a regulator, they want a partner.

Context

In December, 2012, Franklin County's Economic Development Advisory Committee (EDAC) presented the Board of Supervisors with a strategic plan that outlines two goals to improve the local economy, with each goal having two action areas.

The two goals are: (I) ***Expanding the County's business base,*** and (II) ***Increasing bottom-line revenues.***

- The two action areas for Expanding the County's business base are: (1) ***Developing Existing Businesses*** and (2) **Attracting New Businesses.**
- The two action areas for Increasing bottom-line revenues are: (1) **Increasing Tourism** and (2) **Attracting More Retirees**.

Expanding revenues from these four action areas coupled with making the necessary changes as noted in the Organizational Effectiveness Recommendations will lower the need to predominately use property taxes as the major source of financing County Schools and local Government functions. In addition, these four actions will result in an increase in average hourly wages, and will increase the skill sets of the local workforce.

Priority Statement

The Franklin County Economic Development Advisory Committee (EDAC) recommends that the action area of ***Developing Existing Businesses*** should be the ***first priority*** amongst all of the recommendations that are contained in EDAC's Economic Development Plan. While EDAC believes that this is the first priority, it would like to be very clear in the fact that this is not a "one or the other" recommendation, it is simply a first step in a plan with many objectives.

This recommendation is supported by: (1) Information provided to EDAC by the six Counties that were benchmarked during the research phase of the economic development plan, and (2) Data gathered from a structured questionnaire sent to existing Franklin County businesses that identified seventy-six (76) local businesses that have plans to expand their businesses in the next three years (2012-2015).

This recommendation is also supported by the collective judgment of the EDAC Committee Members who believe that staring with local businesses is the first priority for the following reasons:

- Most cost efficient option
- Quickest ROI
- Least amount of staff needs/realignment
- Existing budget would allow for this to begin immediately
- Will assist Franklin County in its pursuit of having a reputation for being a great place to conduct BUSINESS, LIVE, WORK, and PLAY.

It is important to note that this recommendation is also supported by the reality that the Board has already done a lot of work in attracting new businesses[1] and will need to continue that effort.

Activities for Developing Existing Businesses

EDAC's vision as to how the ***Existing Business*** action area of its overall Economic Development Plan would unfold in three (3) basic phases:

Local Business Visitation and Involvement

Phase 1 ... County Supervisors[2] and selected County Staff members meet with the CEOs and Human Resource Managers of major local businesses and explore how the State and/or local government can help them to expand their business. This Phase would also include holding Town Meetings, at least once a year with smaller local businesses in order to gain their ideas as to how they can be helped to grow.

After talking to as many local businesses as possible and identifying all the issues, the Supervisors, the County Administrator, and the County's Economic Development Director would be in the position to:

- Communicate that we value your business and want to help
- Identify and define incentives
- Determine what type of training that the County or other resources may be able to provide to assist existing businesses
- Remove obstacles that interfere with business development
- Identify their expectations for one or more Business Groups
- Define and communicate the specific communications and processes that will be implemented in order for local businesses to obtain and utilize the support from the State, the County Government, and available Grants.

Note: This activity should be on-going with no end date, and will determine if there is a need for Staff and/or Supervisors to act as ombudsmen to remove any obstacles that interfere with local business growth. On an on-going basis, this is the responsibility of staff.

Phase 2 … Local business expectations for: The Chamber(s) of Commerce, the financing, location and staffing of one or more Visitor Center(s), and for the community involvement of citizen volunteers.

Phase Two essentially addresses the issues and expectations of the business community as they relate to the topics of one or more Chamber(s) of Commerce and one or more Visitor Centers. The objective is to explore the mission and the structure of the current or proposed Chamber(s) of Commerce to determine what they might look like, how they would be funded, what support, and/or involvement, if any, would come from local government, etc. This Phase also addresses the issue of citizen committees, and how they could effectively participate throughout the entire Economic Development Plan. Franklin County has always had strong citizen involvement and spirit, and it is important to determine specifically how citizens would be selected and organized, and what credentials may be required of the citizen volunteers in terms of business acumen, experience, etc.

[1] Franklin County ranks 16 in the State of Virginia in new business development for 2012

[2] As each are comfortable in doing

The County's has historically taken an "enabler" role in which they help local businesses to build THEIR Chamber. Today's challenges also include helping to bring in organizations such as the Crooked Road, and the Blue Ridge Dinner Theater, etc. The County's Planning Department is one of several departments who have successfully worked with citizen groups. There is no need to change what is working or change for the sake of change, but all aspects should be examined as we go forward with the Economic Development Plan.

Basic Questions to ask/answer in this Phase include:

- What are the business expectations for one or more Chambers of Commerce and for one or more Visitor Centers, and what role, if any, should the local government have in each?
- Is it appropriate for the Board of Supervisors to get directly involved in the mission and operation of one or more Chambers of Commerce and one or more Visitor Centers?
- How can the economic development plan best involve the talents of its citizens?

<u>Cooperation and Relationships</u>

Phase 3 … Relationships between the Board and Town Councils, Public/Private Partnerships, Ferrum College, and the Franklin County School System.

In Phase Three, the Board will need to explore its willingness to engage in public/private partnerships as well as to consider its support for a County business incubator program. In addition, the question of whether or not to get involved with venture capital, i.e., in terms of the local government providing such funds must also be addressed, as should the question as to if and how the School Board could be brought into direct support for economic development activities. Finally, Phase Three also involves examining the local government's relationship between the County and the two Town Councils as it relates to economic development activities.

Basic Questions to Ask/Answer in this Phase Include:

- Is the Board willing to involve itself with public/private partnerships?
- Is there a need to change some relationships between the County and Town Councils to foster a more successful economic development program?
- What will be the role of the schools in supporting economic development and how will they help with the identification of needs and desired outcomes?
- Is the Board of Supervisors willing to support a business incubator program?
- What involvement would Ferrum College want to play?

Business Incubators has twice been tried with limited success. EDAC's recommendation is that we should try again, after learning from the past what worked and what did not work.

Rocky Mount's Town Manager, Mr. James Irwin, proposed an incubator program that he called "The Ferrum Advantage." In it, he outlined a relationship between Ferrum College and local government in which Ferrum Staff would manage and administer the incubator program for the County in exchange for the needed support that is involved. EDAC recommends that the County Economic Development Director initiates contact with Ferrum College and explore the merits of this idea, and return a recommendation to the Board of Supervisors. Note: Having Ferrum College assist in the program does not necessarily imply placing the incubator in Ferrum.

Analogous to the traditional concept of a business incubator, is the idea of a "business within a business." This concept is currently occurring in Franklin County, in which a small start-up business is actually housed within the same building as the host company. EDAC recommends that the County's Economic Development Director examine this relationship to determine if it could also work as a business incubator model.

A business incubator can be a source of local pride. Easy access to low cost capital will be a need, and the Director of Economic Development will need to explore a variety of alternatives.

To All Members of the Franklin County Economic Development Advisory Committee

To keep you informed.

Attached is our revised version of the materials we put together in our last total group Meeting. The difference is that there is more specificity, i.e., we went one tier down from our strategic plan, and we did this per a request from the Board.

Our original target was to present this to the Board this month (February), but they have asked for a delay.

The Three Team Captains worked with me in putting these documents together and although there is nothing new, as I said, it is a level more specific. There are three slight differences between the documents you left and this version: (1) Retirees as a section have been merged with Tourism, until a study can be done to ascertain the worth of vigorously recruiting more retirees, and (2) The recommendation for an incubator program has been preceded with a request for a study in order to first determine what went wrong with the first two incubators that were tried previously within the County, and (3) the Roanoke Partnership clarified the target Business Sectors descriptions and by doing so added two additional business sectors that we might search for.

I am pleased to inform you, in case that you have not already heard, that the Board has moved ahead with one of our recommendations, i.e., a full time Economic Development Director, and Mike was given this position and the County is searching for a Parks and Recreation Director.

I regret the delay and I remain grateful for your participation as well as your patience. Perhaps, instead of making presentations, we will return to our original plan of a sit down discussion/workshop. This is not my call.

More to come and I will keep you informed.

Russ Johnson

Cc: Mike Burnett, Rick Huff, Bob Camicia,

Develop Existing Business

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Activities for Developing Existing Businesses
(Continued)

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Activities for Developing Existing Businesses
(Continued)

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Activities for Developing Existing Businesses
(Continued)

Cooperation and Relationships
(Continued)

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Attracting New Businesses

Context

An overall goal of the Franklin County Economic Development Plan is to expand the County's business base. ***"Attracting New Businesses[1]"*** is one of two strategies to achieve the overall goal. The other strategy is to ***Develop Existing Businesses***. It is the recommendation of the Economic Development Advisory Committee (EDAC) that both strategies need to be pursued and achieved. Developing Existing Businesses is the first priority, if they both cannot be pursued at the same time. (See "Developing Existing Businesses").

In the data gathered by EDAC, it was noted that several of the County's top twenty-five (25) business executives suggested that several of their suppliers could possibly be new business targets, and further, several of these executives offered to help the County in the recruiting process. EDAC recommends that the County accept the offer of help and move as quickly as possible to identify and determine if any ***suppliers to Franklin County's existing businesses, or any suppliers to large companies in the Region,*** are realistic opportunities[2]. To the extent possible, EDAC recommends that only Board members, who are comfortable in doing this, support the Economic Director in this effort.

Public-Private Partnerships are yet another tool for a County Government to use to either create from within, or help to attract a new business. To date, the most frequent use of this tool has been in the infrastructure area, which is a part of the Economic Development Plan.

Balancing the objectives of recruiting a business to the County is easier said than done. For example, Return on Investment (ROI) is certainly a very important consideration, as is increasing the hourly wage, etc. It is also important that consideration be given to the questions of will this new business help to increase our tourism, will it appeal to young people and help to retain or attract them, and will it augment our plans to attract retirees???

EDAC itself is an example of the benefits of ***citizen involvement,*** as is the offer made by the local business executives to help recruit their suppliers, etc. Throughout this entire Economic Develop Plan, the Board of Supervisors and the Economic Development Director are encouraged to include in their design, citizen involvement.

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[1] See Page 9 for definitions and examples
[2] Care should be taken not to recruit direct competitors with local companies

Opportunities:

1. EDAC recommends participating with other counties in the Roanoke Region in targeting and recruiting businesses that fall into one of eight specific industry segments: (1) Life Sciences, (2) Advanced Manufacturing, (3) FIRE (Finance, Insurance, and Real Estate), (4) Transportation – Related Manufacturing, (5) Printing and Packaging, (6) Food Processing, (7) Distribution and (8) Outdoor Industry. The objective for Franklin County is to get more than their fair share out of regional recruiting activities by being prepared and knowledgeable as to the needs of these business segments, as well as by having the regional marketing dollars carry the initial burden of cost-to-attract the attention of these businesses.[3]

   - EDAC agrees, in general, with the Partnership's recommendations. We note that:

     - The industry segments "Life Sciences," "Advanced Manufacturing," and "FIRE" have skill requirements - some of which are not in the skill set of today's workforce. – Yet, these three segments in particular, provide the best opportunities to upgrade for the future overall workforce skill sets, and to raise the hourly wage level. One short-term solution is to pre-train, long term these skills should begin to be developed in the high school curriculum.

     - As the County looks at and goes after the six target industry segments that are recommended by the Roanoke Regional Partnership, ***suppliers to the companies within those industries*** **and/or a regional division of a company within the industry classification** may prove to be a better target for the County to pursue versus going after the entire company[4].

     - The approach of "specifically targeting" is somewhat new, and requires more active work and higher costs than simply taking what comes along through referrals from the Partnership. EDAC does believe that we should continue to evaluate every opportunity that comes along and to pursue those which fit into our overall plans.

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[3] Once identified, a Target Market Study needs to be done before proceeding.
[4] For example, no local bank in Franklin County is headquartered in the County

Opportunities:
(Continued)

2. Provide support to Franklin County's **agricultural businesses**, helping them to both grow and expand into new markets[5] and spin – off businesses, and thereby increasing the use of available agricultural land within the County and increasing the profitability of bottom-line revenues.

   - EDAC recommends more support from the County's office of Economic Development for local agricultural businesses, and predicts that over time, a full-time designated staff position will be needed within the Economic Director's staff. How quickly this occurs, depends on the judgment of the Supervisors and the availability of funding. Tapping into State and regional resources can certainly be done, as can harnessing together the agricultural business in the form of an "Agricultural Business Development Committee."

3. Leverage the availability of ***high speed internet*** that is already in the County.

   - EDAC recommends that Franklin County targets and recruits businesses that need this capability. The need for high speed internet almost typically implies high technology and higher hourly wages. For the County to be on the backbone of the Mid-Atlantic route for high speed internet deployment is an in-place asset for the Board to consider. Typically, high speed internet companies prefer to be together – such as in a Technology Park (analogous to manufacturing companies in an industrial park).
     - Ready sites help to attract companies or their suppliers who are in need of this service or are suppliers of the service. In particular, advanced manufacturing businesses (one of our primary targets) just about require a ready-site if they are going to consider a location to move into.
     - High speed internet is also a quality of life issue for everyone, but especially young people and for retirees.

[5] The possibility of new markets and spin-off businesses is why this opportunity is listed in Attracting New Businesses.

Opportunities:
(Continued)

4. Develop a closer working relationship with: ***Ferrum College, Virginia Tech, Carilion, Lewis Gale, and Patrick Henry Community College, Virginia Western Community College*** and other major "influencers" and resources for economic development support in the Region.

   - Virginia Tech's capability in this area provides a significant opportunity to potentially partner with them for their expertise in this area, and to explore the possibility of gaining their support for recruiting such companies to the County. Building this relationship will require a significant investment in time and up-front analysis. EDAC recommends that the Board consider directing the current staff, or a consultant to the current staff, to explore partnerships, participation, costs, and benefits to the County.

   - A working economic development relationship with Carilion, or a supplier to Carilion, will help to increase the county's presence in Life Sciences. Given the positive relationship between the County and Carilion, EDAC recommends that we leverage this relationship, and map out a five to ten year plan to support both Franklin County's plans and Carilion plans.

5. Existence of a high level of "***quality of life***" characteristic in Franklin County, presents a platform to retain/attract young professionals, retirees, and businesses whose corporate values include quality of life attributes for the families of their employees.

   - EDAC believes that an advertising campaign featuring the quality of life characteristics that are present in the County would significantly help to find and recruit new businesses - in particular, attract and retain young professionals, new Food businesses, such as "sport drinks," and new outdoor businesses. Such advertising could potentially serve the dual purpose of increasing tourism and attracting retirees. EDAC's position on this matter is supported by the Regional Partnership and is further substantiated in the survey responses from local businesses.

Opportunities #5:
(Continued)

- Opportunities are already in place to leverage the Crooked Road, feature the presence of two lakes, and highlight open land, low taxes, available health care facilities, excellent schools, etc.

Existence of a high level of "*Quality of Life*"

- To help to attract New Businesses, (as well as for existing businesses, and tourism) the County must:
    1. Demonstrate support for the businesses it already has
    2. Save the YMCA Program
    3. Have a Conference/Business Center
    4. Encourage a hotel in Westlake area
    5. Work with regional counterparts for higher-end shopping and restaurants
    6. Add Cultural Arts
    7. Add restaurants with entertainment, sports bar, special foods
    8. Increase medical services
    9. Have an active Chamber

- To help to attract Young professionals, the County must:
    - Have affordable housing in the lake areas/RPD design
    - Add greenways, and more outdoor activities
    - Connect them to programs at Ferrum, VT, Patrick Henry and Western Virginia
    - Add more shopping selections

- To help to attract Retirees
    - (#2, #3, #4, #5, #6, #7, and #8, above)
    - Assisted living
    - More year-around activities
    - Parking in down town Rocky Mount
    - Improving the availability of medical specialists as well as emergency medical response 24/7

Existence of a high level of "*Quality of Life*"
(Continued)

Additional "must have" include:

- Save the YMCA Program
- Have a Conference/Business Center
- Encourage a hotel in Westlake area or at the Bridge
- Work with regional counterparts for higher-end shopping and restaurants
- Add Cultural Arts
- Add restaurants with entertainment, sports bar, special foods
- Increase medical services
- More year-around activities
- More shopping selections
- Parking in downtown Rocky Mount
- More outdoor activities

Organizational Effectiveness

Context

The purposed of the Organizational Effectiveness Section is to "pull together" the items in the other eight sections of the Economic Development Plan that need more immediate attention by the Board of Supervisors as they relate to their authority over the County Government as a whole, e.g., organizational design, budgeting, prioritizing, etc.

On December 18, 2012 the Economic Development Committee (EDAC) submitted its Economic Development Plan to the Franklin County Board of Supervisors. The presentation was made by three EDAC Team Leaders.

The Three Team Leaders explained why they and their team members developed a ***strategic*** Economic Development Plan and they explained each of the nine (9) segments of the Plan, i.e., Business Growth and Development, Organizational Effectiveness, Real Estate, Labor & Education, Quality of Life, Transportation, Tourism, Agriculture, and Individual Communities. Eight of the segments address specific economic development topics or issues while the ninth segment, "Organizational Effectiveness," brings together the important tactical issues that cut across two more segments in the Plan.

Goals and Strategies

EDAC's Overall *Goal Statement* is to ***Increase the Revenue Base*** of the County and therefore to lower the need to predominately use personal property tax and real estate tax as the major source of financing school and local government functions. To accomplish this, EDAC identified *two goals*:

1. ***Business Growth and Development to*** *Expand the County's Business Base* (e.g., more businesses, existing and new, to generate more jobs, more money),
2. ***Attracting More Tourists and Retirees to*** *Increase Bottom-Line Revenues* (i.e., more people generating more money and because these two groups require a lower cost to service, each dollar adds more to the bottom line.

Each goal has two *strategies*: For Expanding the County's Business Base, they are: *Developing Existing Businesses* and *Attracting New Businesses*

For Increasing Bottom - Line revenues, the two strategies are: *Increasing Tourism* and *Attracting More Retirees*.

Organizational Effectiveness

EDAC's Recommendation - Top 10 Priorities

1. Hire a full time Economic Development Director
2. Meet with local business executives to determine their needs and wants
3. Determine within the region the top suppliers to existing businesses and recruit them as new business opportunities
4. Enhance the County's website to support Economic Development Recommendations
5. Have multiple pad-ready sites
6. Target recruit companies identified for new business opportunities[1]
7. Meet with local businesses already using advanced manufacturing techniques , VT, and all local colleges to begin exploring their help in target-recruiting Advanced Manufacturing operations
8. Engage in conversations with Ferrum College re: possible business incubator program[2]
9. Support/finance a new Visitor/Chamber of Commerce site
10. Add additional events and sites that would promote the County and draw more tourism, and attract more retirees and young professionals. Spread throughout the County.

The Supervisor's Role:

1 **Organizational Issue:**

- Hire a full time Economic Development Director
  - Provide full time Staff members for:
    - Existing Businesses
    - Agriculture
    - Tourism

[1] Advanced Manufacturing, Food Processing, Life Sciences Printing and Packaging, Transportation Related Manufacturing, Distribution, FIRE, And Outdoor Industry. Each requires a Target Market Study.
[2] Requires pre-study as to what happened in the two incubators previously tried, and does not assume that the Incubator would be necessarily located at Ferrum College

Organizational Effectiveness

The Supervisor's Role:
(Continued)

2. Financial Planning:

Investigate new opportunities to create a consistent funding stream for Economic Development:

- 1 or 2 cent property tax increase
- Using debt service
- Prioritizing economic development using currently available revenues
- Applying for grants from the State or private sources
- Applying to the Tobacco Commission

3. Targeted Budgeting:

- Develop a budget for:
  - Infrastructure needs
  - Local business growth
  - Business incubator
  - Website development[3] and print advertising materials
  - Increasing tourism
  - Professional study and activities for attracting Retirees
  - Funding (perhaps include public/private partnerships) tourist destination sites and additional tourism events
  - Constructing visitor Center (s) (Two are asked recommended)
  - Supporting Chamber(s) of Commerce and Citizen Committees

[3] Refer to #5, Website Additions, Page 4

Organizational Effectiveness

The Supervisor's Role:
(Continued)

4. **Create A County-wide Business Development**

   - Citizen involvement
   - Support – not operational
   - Possibly in the structured of a 501c6 council
   - County's Economic Development Director possibly a member
   - Citizen volunteers should have business expertise
   - Local business leaders "must" participate and drive

5. **Website Additions**

   - Post success of the program
   - Post local job availability & and local resumes
   - Post organizational activities and programs
   - Offer free training in business - related needs
   - Promote benefits of Franklin County
   - Provide for and encourage feedback

6. **Fund A Professional Study (include Citizen Involvement)**

   - Determine the Economic benefits to the County to actively seek retirees, i.e., to obtain a third party view on the matter
   - Update Franklin County's Inventory of Tourism

7. **Become an Ombudsman for Local Businesses**

   - Remove any "concerns" or "obstacles" that negatively affect business growth and development as they relate to County Government rules and regulations. Our goal is to be the most business friendly County in Virginia.

Organizational Effectiveness

The Supervisor's Role:
(Continued)

8. Engage with Local Business Executives

   - At least once a year, visit the businesses in your District[4]
   - Meet with and support local Executives who will assist the County in recruiting their suppliers
   - Demonstrate interest in Chamber of Commerce activities
   - Consider establishing a "Technical Advisory Committee" for on-going input to the Board and County Staff

[4] EDAC will supply a brief set of questions to gather data or pass information to the County's Economic Director, if so requested.

Increasing Tourism
&
Attracting More Retirees

Overview

In previous draft versions of Economic Development Advisory Committee's Plan, Increasing Tourism and Attracting More Retirees were in separate sections of the Summary Report. Now they are merged for the following reasons:

1. In many cases, the same activity attracts both target groups
2. In the Economic Development Plan, there is not a separate section for Attracting Retirees – so why now position it as a separate activity?
3. Both sections have a very common theme – Franklin County needs more attractions, restaurants, outdoor activities, conference centers, etc. As one person put it, we need more "stuff," and it is critical that EDAC stresses this point to the Board of Supervisors.
4. One is a direct effect (Tourism) and two are indirect effects - Attracting More Retirees and Attracting More Young Professionals.
5. Because the same activity has the potential to benefit three important outcomes, every dollar invested in this area would be fully maximized.

Increasing Tourism
&
Attracting More Retirees

Context – Increasing Tourism

In the Economic Development Plan which was presented to the Board of Supervisors in December, 2012, the Economic Development Advisory Committee (EDAC) recommended two strategies that the Board Members can implement to achieve the goal of increasing bottom-line revenues to the County. They are: (1) Increasing Tourism, and (2) Attracting More Retirees.

EDAC's definition of ***"increasing tourism"*** has three dimensions:

1. Increase overall number of tourists
2. Increase duration of tourist days
3. Create a year around tourist economy

Example, the Smith Mountain Lake Chamber of Commerce holds a yearly Wine Festival and sells tickets to approximately 9,000 visitors in a two day period. Approximately 80 % of these visitors are local; meaning that they live within the region, and do not stay overnight. Approximately 25% eat in local restaurants at least once in the two day period, as does a percentage of the out of town people who are staying overnight. If another tourist destination event were designed to run either before or after the Wine Festival, there would be a good chance of keeping a percentage of the 9,000 visitors here for another day (thereby increasing the amount of time the 25% group stays), as well as attracting an additional set of visitors for an additional day (which would increase the total number of tourists). Furthermore, if the two events were held indoors and therefore staged in late fall or winter, the County would begin to create a year-around tourist economy (reducing the seasonality of tourism).

Example, if the County assisted with funding a destination event, such as a Museum/Restaurant designed around the themes of the Crooked Road and "distilled beverages," it would increase existing business and generate additional tax revenues.

NOTE: Tourism is an area of economic development in which citizens can contribute to the success of the program in many different ways.

Increasing Tourism
&
Attracting More Retirees

Why More Tourism?

The attraction of tourism, and therefore the "why" behind EDAC's recommendation to increase tourism throughout the County, is primarily based on the ripple effect of money as it goes through the local economy.

- Example, the County supports the ESPN Bass Master Fishing Tournaments. The State's tourism group has calculated that each fisherman spends approximately $86.00 per day. If the same fisherman stays overnight in a hotel/motel that is within the County's jurisdiction, the daily rate nearly doubles in terms of contribution to the local economy.

In short, tourism dollars provide:

- Tax revenues to the County
- A positive economic impact[1] because of the multiplier effect as money in this category ripples through the local economy
- Part-time and temporary jobs for local citizens
- Support for small, local businesses

Tourism also helps:

- Increase the quality of life aspect for many who live here
- Attract retirees who may subsequently retire here
- Attract businesses which are considering moving here
- Support existing businesses in the County
- Increase the overall regional economy
- Attract young professionals to live and work in the County
- Retain young professionals that are raised in the County

[1] $100,000 generates $1,000 in sales tax

Increasing Tourism
&
Attracting More Retirees

Tourism Recommendations

1. EDAC recommends that the County helps fund the development of "**destination events**." This could involve the use of capital funds, debt service, and/or entering into public/private partnerships.

    - Year around destination locations need to be created, if tourism is to increase.

    - The Board of Supervisors should consider increase funding to support a variety of new and different tourism events. The Board should also consider having the Director of Economic Development influence and monitor the expectations and results that go along with the funding.

    - Whenever possible, funding for destination events should be shared (i.e., surrounding counties, State Tourism Board, or the Tobacco Commission.}

2. EDAC recommends that the Board considers funding the construction of one or two "***Visitor Centers***" (Recommended locations are: Westlake area, and Rocky Mount, or Boones Mill).

    - On a proactive basis, the Board should communicate with the public and gain support for tax payer dollars to be invested in economic development and what the goals are for doing so.

    - A Visitor Center(s) should be administered by the Chamber(s) of Commerce.
        - A visitor center can also serve as a destination location and support local community activities.

Increasing Tourism
&
Attracting More Retirees

Tourism Recommendations
(Continued)

3. EDAC recommends that the Board of Supervisors consider hiring a professional marketing company with the objective of having them design website(s) with coordinated print and advertising materials to inform/attract visitors to destinations and events.

   EDAC objectives for a tourism website include:

   - Design a section of the website that has a "universal" County Calendar to coordinate all County - wide activities as part of the need to develop and maintain a coordinated approach for all tourist activities

   - Design a section of the website to promote each major tourist event, and all destination locations

   - Design materials to market and advertise the Crooked Road once an overall plan is developed and destinations and events are identified

4. EDAC recommends that an on-line "Tourism Inventory" be developed and maintained which would list all tourist attractions, recreation sites, hospitality sites, etc. This recommendation is also noted in the Botetourt County Economic Development Plan.

5. Boones Mill, Rocky Mount, Ferrum and Westlake have ***"possible plans"*** to create a destination facility or event in their immediate areas. EDAC recommends consideration for County involvement and possible financial support for these project:
   - Boones Mill – Railroad Station
   - Rocky Mount – Music Venue
   - Westlake – New location for the Chamber
   - Ferrum College –Conference Center and Lodging
   - Snow Creek – County Fair

Tourism Recommendations
(Continued)

Franklin County is blessed with a magnificent outdoor setting and natural environmental characteristics that foster a high level of quality of life attributes and an outdoor life style that appeals to both the young professionals and senior retirees. Cross-reference that this is in "Attracting New Businesses;" companies that produce products that are in the Outdoor Life Style marketplace are prime targets for Regional recruiting activities, and may also become prime targets for our own economic development activities, based on results of a target market analysis.

Our Outdoor Life Style "edge" may help us to get the company, get the people, increase tourism, and increase retirees – all in one swoop!

Increasing Tourism
&
Attracting More Retirees

Context – Attracting More Retirees

The 2nd action area for increasing bottom line revenues, (the first is to increase bottom line revenues by increasing tourism) is to attract more retirees; taking advantage of baby – boomer retirees (10,000 per day)[2].

In the last decade, Westlake, and Union Hall districts, which boarder on Smith Mountain Lake, have received a large influx of retirees. While the Economic Development Advisory Committee (EDAC) does not have any hard statistics as to how these retirees found Franklin County, EDAC members believe it was from one of three ways: word of mouth from those already living here, or being introduced to the County when attending a tourism event, or by their own personal research as to where they want to retire to.

Several EDAC members also believe that the tax revenues derived from retirees is more profitable for the County (As compared to younger family's non-retirees) because retirees do not have school age children to educate, etc. Others want to point out that while retirees do not provide a burden on the school system, they do require additional services like health care, EMS and eventually transportation services, etc.

[2] AARP statistic

Increasing Tourism
&
Attracting More Retirees

Context – Attracting More Retirees
(Continued)

1. EDAC recommends that a professional quality study on this matter is done to verify the profitability of efforts to attract more retirees.

2. If attracting more retirees is profitable, EDAC then recommends:

   - A website designed to attract and answer retiree questions as to "Why Retire in Franklin County? and to develop a mailing campaign of printed advertisements."

NOTE:

There is little doubt that action taken to increase tourism will also help to attract retirees.

8

File = Tourism & Retirees 2.5.13.Final

General discussion ensued.

Russ Johnson, requested the Board to forward a letter of acknowledgment and thanking the team players the report offered. Mr. Johnson stated the committee stands ready to assist the County in any way to utilize this report with the schools and public.
****

UTILITY PLANNING-UNION HALL VILLAGE

Christopher Whitlow, Deputy County Administrator, and Gary Robertson, Executive Director, Western Va. Water Authority presented the following Water and Utilities Planning update:

General discussion ensued.

Water Storage Tank Options

****

MARKET STUDY FOLLOW-UP

Richard E. Huff, II, County Administrator, discussed and reviewed with the Board the proposed Market Study

Market Based Pay & Classification Study

Franklin County
A Natural Setting for Opportunity

BOS Planning Session
August 14, 2013 Follow Up

Market Based Pay & Classification Study

- **Who does the County want to compare itself to for comparable jobs?** Here, it is important to consider such factors as geographic proximity, cost of living differences, which jurisdictions Franklin County might be competing with for particular skill sets especially with hard to find positions and those that can afford to be most mobile. Additionally, what effect does the private sector market play in recruiting for those positions the County chooses to benchmark against? Who are we losing employees to? What role do benefits play in the comparison?-Ask Consultant to Make a Proposal Considering Driving Distances & Different Markets for Different Positions

Market Based Pay & Classification Study

- **Once the comparative communities are decided, where does the County want to rank in its peer group?** What are we shooting for? Is the middle ok? Upper 25%? Top 3?
- Manage the expectations…..do the study and then start deciding what can be done, if anything.
- Consider contract for specialized training like the Regional Jail does.
- How to handle local employees in Constitutional Offices

Market Based Pay & Classification Study

- **Who should be included in the study? Are all School employees to be included? Should Social Service employees be included knowing that local supplements will be required to make any adjustments? Does the fact that Schools and Social Services employees are governed by policies made by Boards other than the Board of Supervisors make a difference? How should Constitutional Officers be treated?** Again, this group has indicated they do not wish to be bound by the County. In spite of this difference in treatment for their employees, what local supplement should be provided with no agreement to perform evaluations, adhere to work day requirements, etc.? -Local Government & Social Services
- Constitutional Officers – Include and then decide whether to finance.

Market Based Pay & Classification Study

- **Compression**. In addition to just deciding the correct pay range for each position, the issue of salary compression is often raised by employees. Compression results from employees with several years of service making very close to what a brand new, untrained employee makes, or a long time employee being nowhere near the top of the scale. The best example is a 5 year Deputy Sheriff or Paramedic who received the 5.7% VRS adjustment and the 3% raise in July, 2013 now makes 7.7% more than a brand new employee after the range was increased 1% in July, 2013. For a 5 year Deputy or Paramedic, that is likely to be only $184.00 after taxes per month more than the new employee hired today. Do we want to try to create some separation based on years of service? We have a number of employees with considerable service in the lower 25% of their range due to wage freezes, and insufficient funding in the last Pay Study to move everyone far enough into the range to recognize longevity. Previous merits have also played a role. –To be Addressed in the Study

Market Based Pay & Classification Study

- **Is the Board committed to an implementation once the report is produced?**

  The cost to have an independent review done of the salary ranges based on comparable job descriptions will depend on what groups are included, how many benchmark positions we want reviewed, and the number of jurisdictions compared. Private sector comparable salary information has traditionally been very difficult to get, but an attempt should be made. We know that certain positions are already showing signs of a more competitive situation than we have seen lately. These positions include Information Technology Technicians, Network Engineers, GIS Techs, Programmers, System Administrators, etc. We also are seeing pressure on Paramedic/Firefighters, Deputies, Dispatchers, Drivers with CDL licenses, and Building Inspectors with multiple certifications in commercial and residential construction (plumbing, electric, framing, foundations, etc.). The cost of the study in 2006-2007 was approximately $15,000 as new job descriptions were written as well. –Will Address How to Implement as Part of Recommendations

Market Based Pay & Classification Study

- **Costs:**

  Each 1% of adjustment needed for the ranges, and keep everyone in their same relative position in the range will cost:

  General Government - $145,163

  DSS - $25,779

  The average cost in the last study was 15% for range adjustments and some compression adjustments spread over two years. Multiple recommendations were offered for the Board's consideration.

Salary/Benchmarking Survey
August 2013 – Surrounding Localities

Questions Asked:

- When did you conduct your last salary survey/benchmarking study and do you have future plans.
- Who did the study for you?
- Was it for all employees or just targeted groups/departments of employees ?
- Did you include the schools?
- How did you implement the wage adjustments, if any?
- Did the study result in moving any grades/ranges?
- In what departments do you see your greatest turnover?

Locality	Survey Answers	Turnover Answers
Henry County	Has conducted small surveys, but no funds for conducting a large survey	Dispatch and PT EMT Staff
Bedford County	Last survey was 2005. Included DSS & Constitutional- No Schools. 2 phases of increase. Ranges changed. Nothing on the horizon.	Nursing Home
Danville City	2012-2013- complete review of compensation system. Implemented a whole new pay structure and ranges- No Schools	IT and Police
Campbell County	2011-2013 – Study done by internal data collection and external merge of numbers by auditors. Combined inc with COLA. Several positions changed grades. No Schools	No specific department
Botetourt County	Anticipate Fall of 2013 – Last Survey done 2011 – Salary Range Study - No adjustments made from study due to budget.	Emergency Services, Parks and Rec Maint Wrkr.
Henrico	Last Study 2010-Done internally-Cross section of benchmark jobs. No schools- Re-graded job classifications on a case by case basis and made adjustments. No grade/range movement.	Recreation; IT; Public Relations and Social Services
Martinsville City	Last Study 2009- Independent Firm. Nothing on the horizon.	No Response
Pittsylvania County	Currently, Assistant County Administrator is currently doing and in-house salary study. Targeted groups of employees. No outcome yet. No Schools	Sheriff's Office
Roanoke County	2011- Participated in a Roanoke Regional Survey with the Chamber of Commerce and Roanoke SHRM.	No answer

Market Based Pay & Classification Study

- Clear direction and a common understanding of the expectations will make for a much more successful study if the decision is made to move forward. Once these decisions are made, staff is prepared to move forward!
- Include Policy Review

General discussion ensued with the study and a commitment on follow-through with the implementation.

Mr. Huff requested the Board's consideration to review County Policies/changes. The Board concurred.

The Board authorized staff to go forth with the Market Based Pay & Classification Study RFP, as submitted and reviewed.
****

STRATEGIC PLAN FOLLOW-UP

Christopher Whitlow, Deputy County Administrator, briefly reviewed the draft Strategic Plan for the Board's consideration:

The Board instructed staff to place on the August 20, 2013 agenda for adoption.
****

NOTES FROM ROLES OF BOS & SCHOOL BOARD

Richard E. Huff, II, County Administrator, highlighted for the Board the following points made during the Board Retreat held on Friday, August 9, 2013.

Franklin County Board of Supervisors Work Session
August 9, 2013

Subject of discussion: Resolving issues between Board of Supervisors and School Board

- Communication
  - Not knowing the number of new teachers
  - Not knowing the number of replacements
  - Explain needs better
    - (i.e.) Special Ed Teacher Ratios/Costs
  - Annual Year End Report
    - Financials, Employees
    - Final Cuts/Funded Expenditures

- Transparency & Accountability

- Building Trust
  - Honest Public Communication/Reporting
    - Communication/Information to public regarding funding (i.e. Sports)
  - Honest, Open Dialogue
  - Public Hearings (openness)
    - County Employee Participation
    - Citizen Participation

- Media Discipline

- Financial Confidence
  - YTD Actuals/Projections
  - Carry Over Estimates
  - Prioritized needs
    - Needs within affordability threshold
    - Needs above affordability threshold
    - Wants
  - Setup Reserve(s)
    - Monitor progress throughout year
    - Request early carry over estimates

- Budget Committee
- Advisable Budget Format

- Carry Over Reserve
  - Articulate policy (X percent to be funded)
  - Can $300k additional budget funds be made back up through carry-over ongoing?

- Understand where we are *and* how we get there
  - Balance Needs Prior to Setting Number
  - Long Range Planning
    - (i.e.) Strategic Plan
    - Financial Plan (operations/capital)
    - Prioritize Expenditures

- Major and Minor Capital Projects
  - School Board Authorized up to dollar limit
  - Majors come back to BOS

- Ask the Schools to bring a proposal for Reserve Fund/Carryover Use (Multi-Year)

Is it a budget or a Request for Funding?

Bring some dates Tuesday for another half day.

General discussion ensued.

The Board will consider an additional planning session time during their August 20, 2013 meeting.
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Chairman Cundiff recessed the meeting until Tuesday, August 20, 2013 at 1:30 P.M.

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DAVID CUNDIFF	SHARON K. TUDOR, MMC
CHAIRMAN	COUNTY CLERK