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**Discussion Materials  
Dinwiddie County, VA**



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

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**3/12/2010**

# Goals and Objectives

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Dinwiddie County, VA

- Establish Dinwiddie County's financial position compared to its peers;
- Present a detailed analysis of the County's existing **Debt Profile**;
- Develop a series of **Key Financial Ratios** so as to better understand the County's existing Debt Profile and future Debt Capacity;
- Provide the County Staff and Board with an initial perspective on the "Affordability" of the identified Capital Improvement Program (i.e. **Debt Affordability**);
- Measure the impact of funding the identified **Capital Improvement Program** in terms of a number of key financial ratios and cash flow impact over a **5-Year Horizon**;
- Work towards establishing a comprehensive **Plan of Finance** for the identified Capital Improvement Program over the next 5 year period;



# *Dinwiddie Profile*

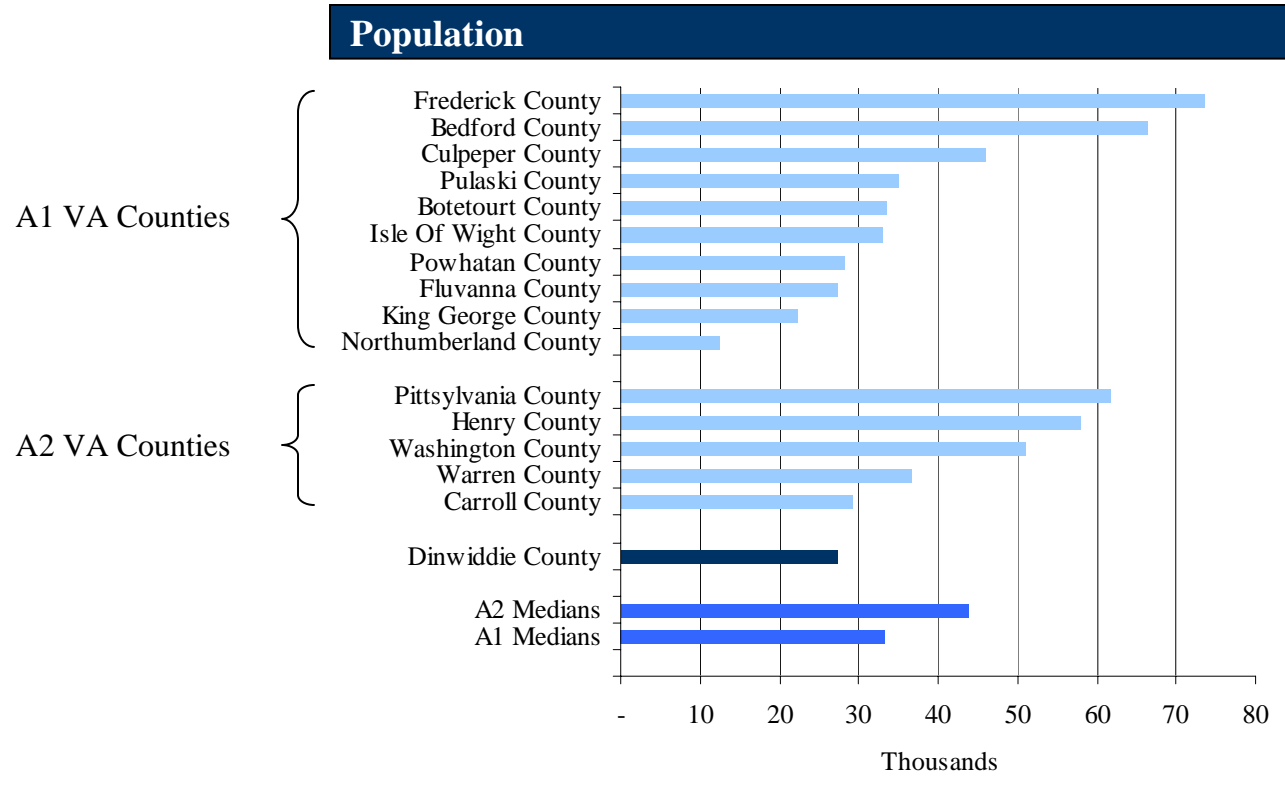
# Peer Group



Dinwiddie County, VA

- The Peer Group used in this analysis is based on Dinwiddie's A2 Credit Rating from Moody's Investors Service.
- Moody's A2 Rated Virginia Counties:
  - Carroll County
  - Dinwiddie County
  - Henry County
  - Pittsylvania County
  - Warren County
  - Washington County
- Moody's A1 Rated Virginia Counties:
  - Bedford County
  - Botetourt County
  - Culpeper County
  - Fluvanna County
  - Frederick County
  - Isle Of Wight County
  - King George County
  - Northumberland County
  - Powhatan County
  - Pulaski County

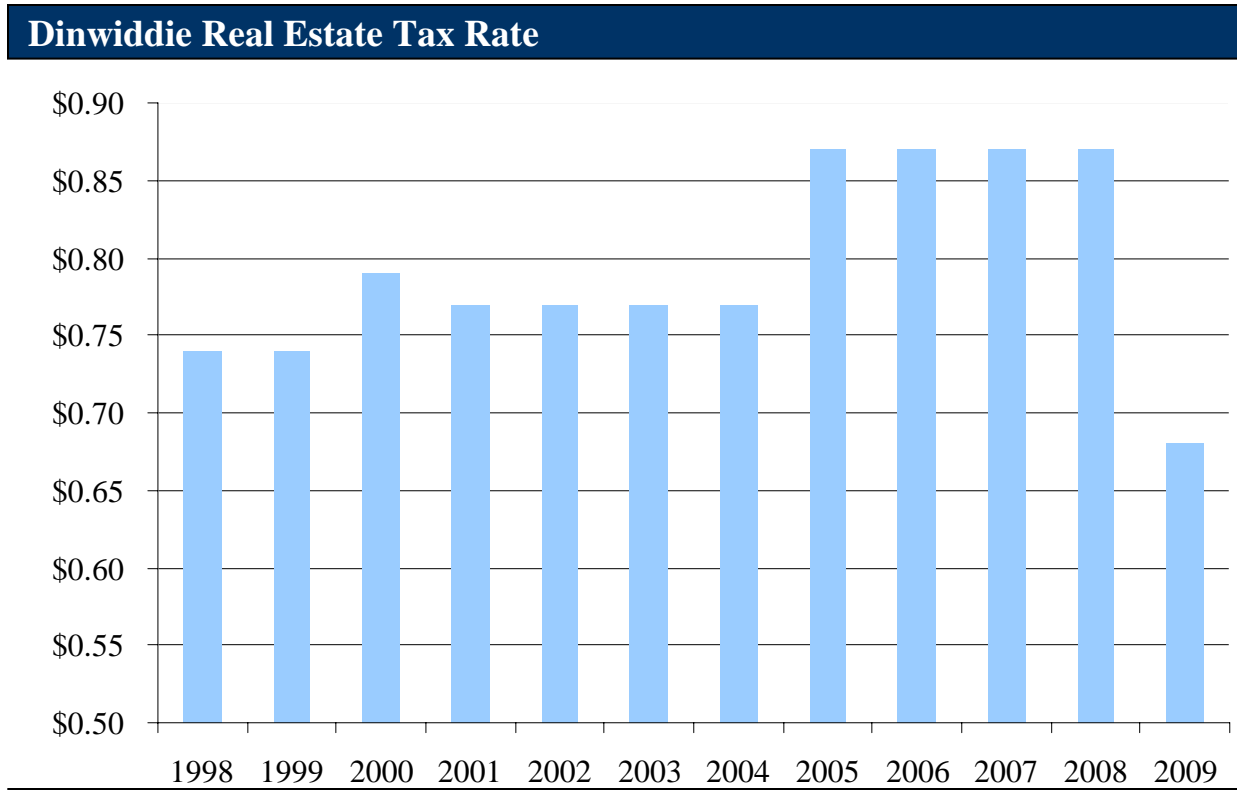
# Peer Comparison: Population



# Dinwiddie Real Estate Tax Rate



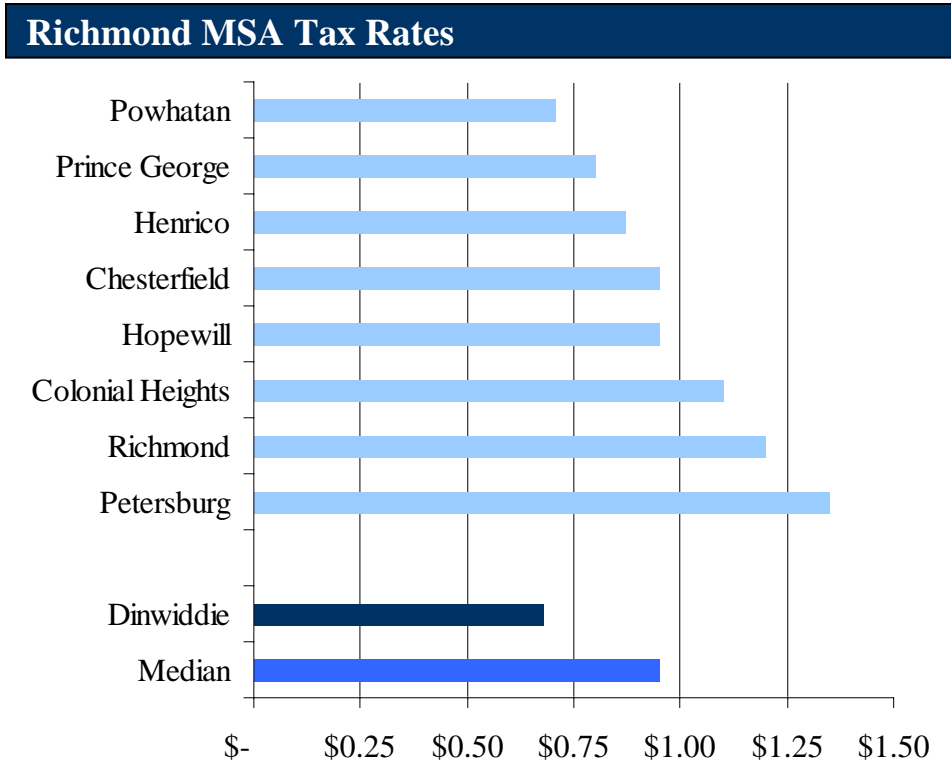
Dinwiddie County, VA



# Richmond MSA Tax Rates



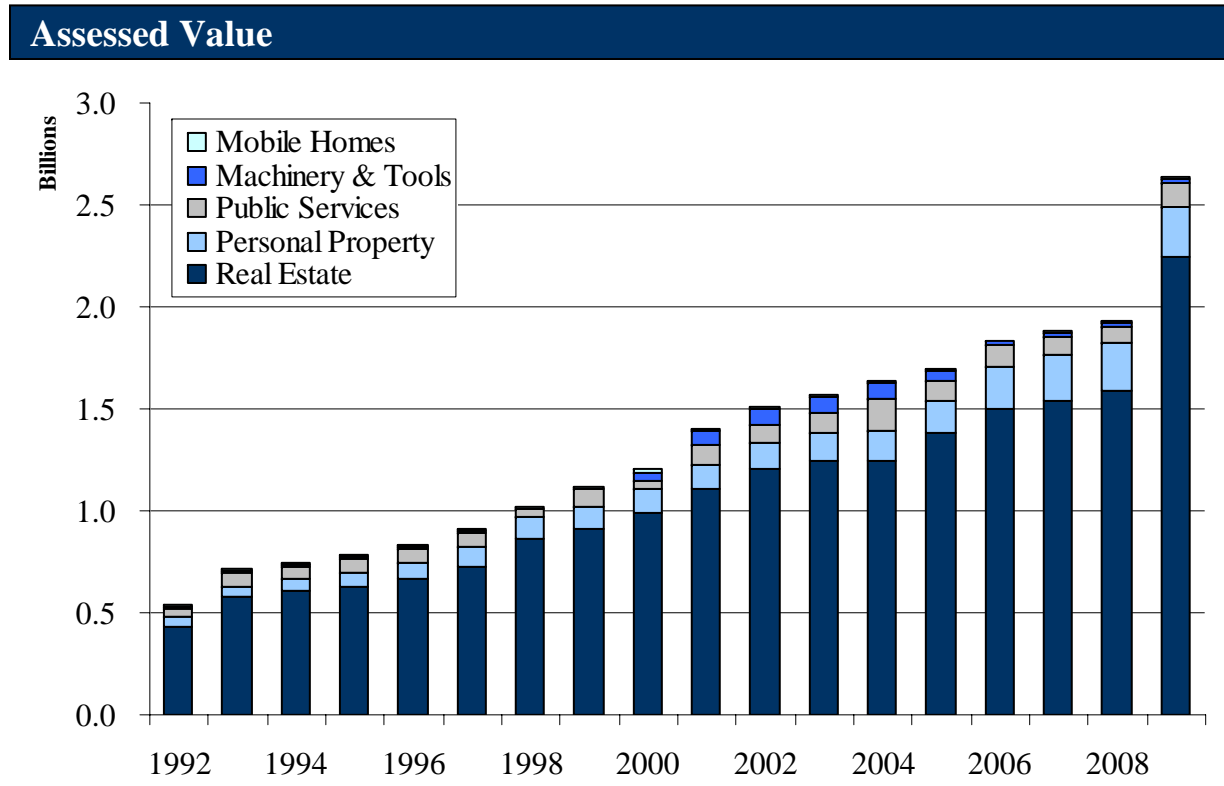
Dinwiddie County, VA



# Assessed Value



Dinwiddie County, VA

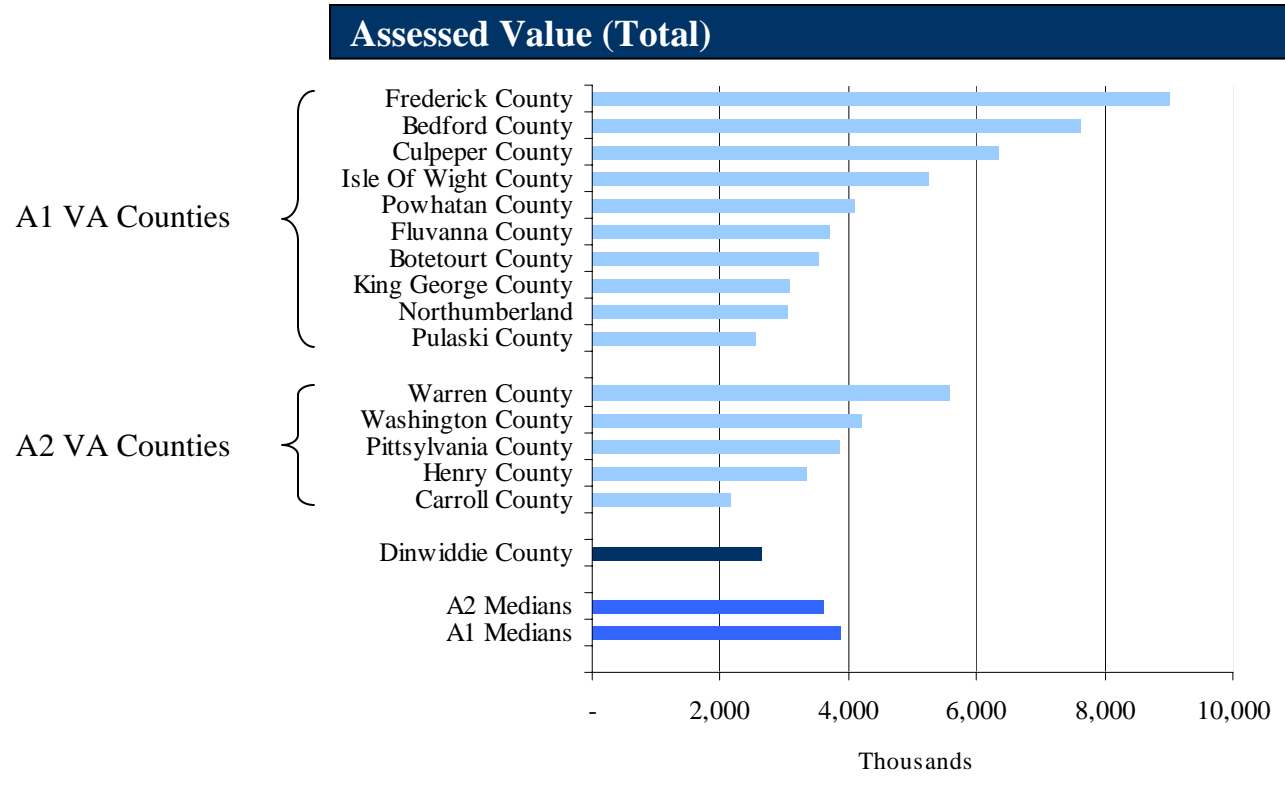


	FY 1992	FY 2000	Avg Growth 1992-2000	FY 2004	FY 2009	Avg Growth 2000-2009	Avg Growth 2004-2009
Real Estate	426,864,447	991,684,357	11.11%	1,247,968,292	2,246,727,030	9.51%	12.48%
Personal Property	50,463,322	113,302,979	10.64%	145,276,192	239,032,639	8.65%	10.47%
Mobile Homes	8,801,520	14,622,363	6.55%	9,637,545	7,392,197	-7.30%	-5.17%
Machinery & Tools	3,669,689	40,885,454	35.17%	74,536,706	23,206,263	-6.10%	-20.81%
Public Services	46,871,670	42,660,226	-1.17%	156,145,636	121,569,471	12.34%	-4.88%
<b>Total</b>	<b>536,670,648</b>	<b>1,203,155,379</b>	<b>10.62%</b>	<b>1,633,564,371</b>	<b>2,637,927,600</b>	<b>9.11%</b>	<b>10.06%</b>

# Peer Comparison: Assessed Value



Dinwiddie County, VA

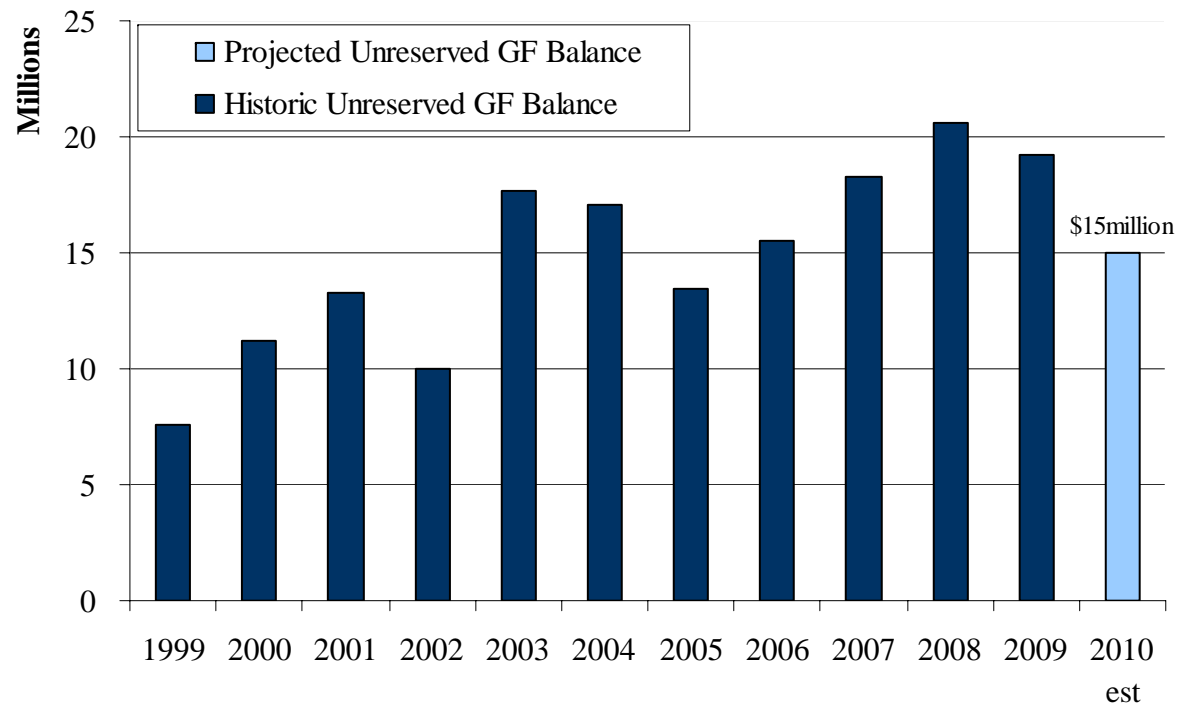


# Unreserved General Fund Balance



Dinwiddie County, VA

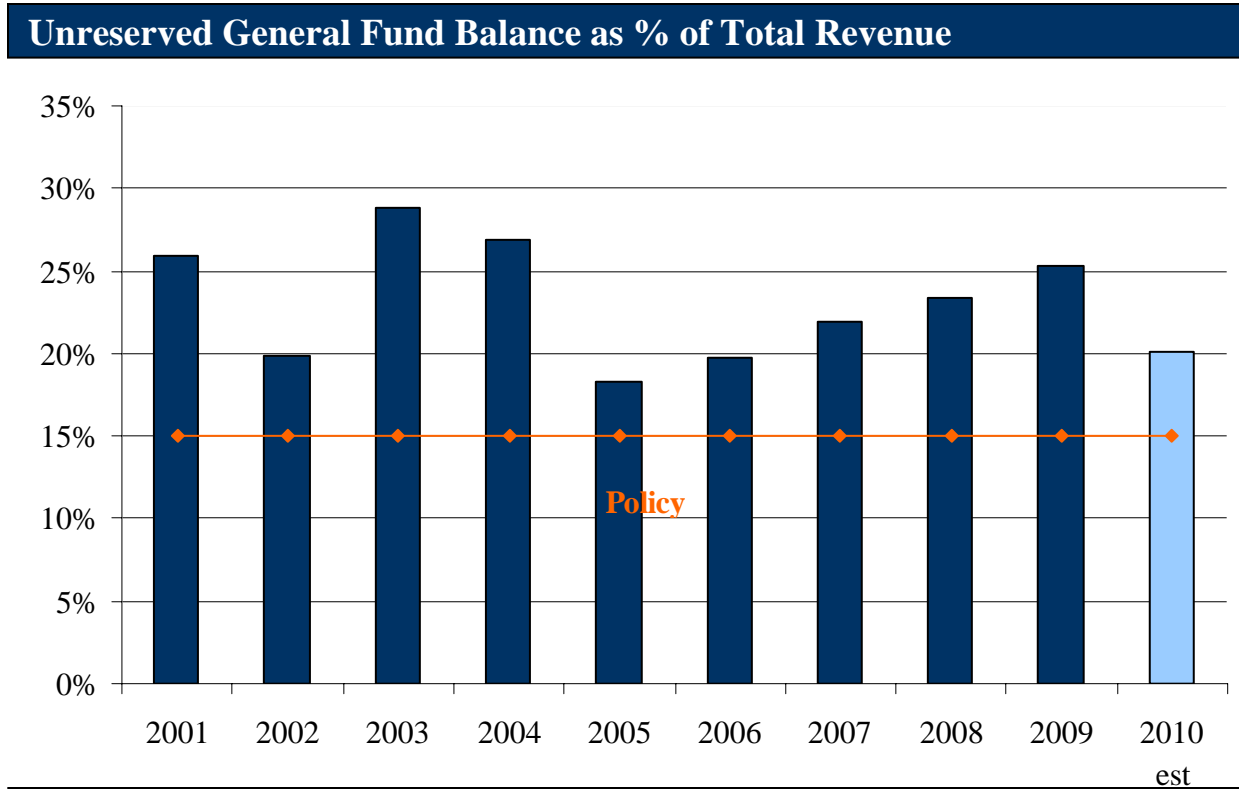
## Unreserved General Fund Balance



# Unreserved General Fund Balance as % of Total Revenue



Dinwiddie County, VA



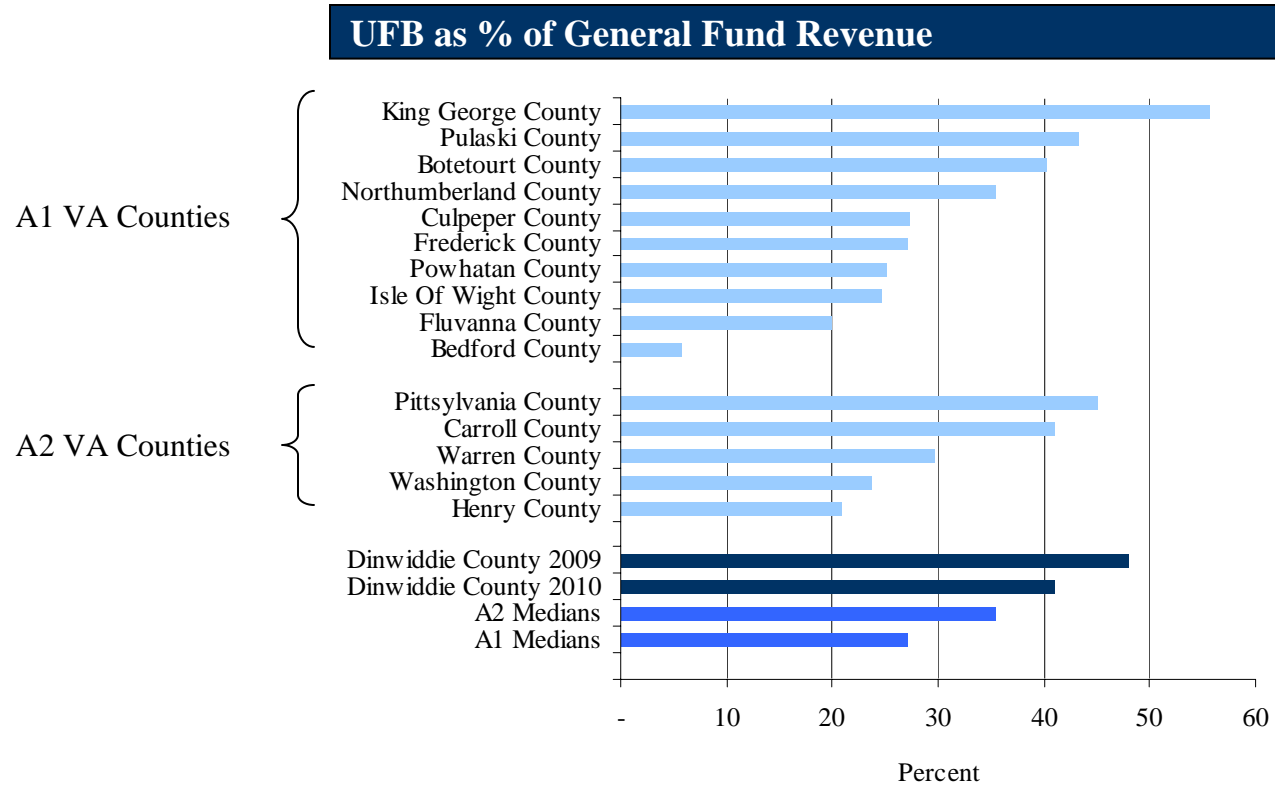
*Note: Total Revenue is assumed to be Governmental Revenues plus School Revenues.*

*Note: Beginning in 2003 County Financials disclosed Unreserved General Fund Balance, but made no Undesignated distinction.*

# Peer Comparison: UFB as % of General Fund Revenue



Dinwiddie County, VA





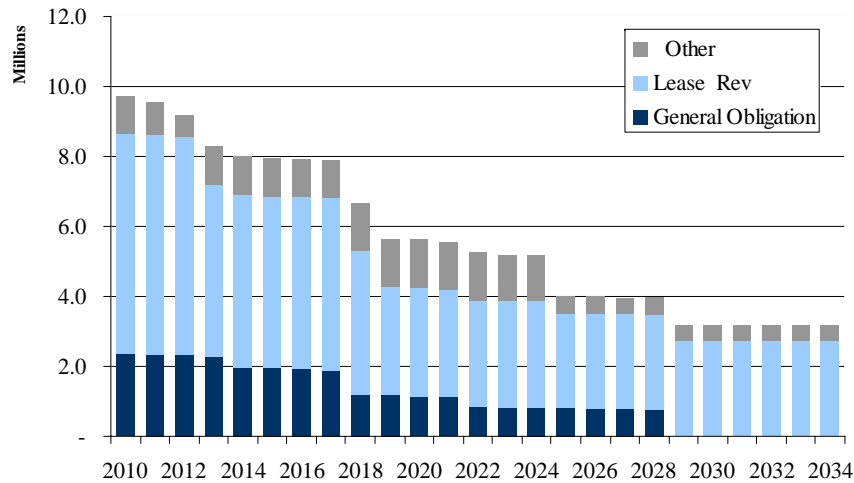
# *Tax-Supported Debt Profile*

# Existing Tax-Supported Debt Service



Dinwiddie County, VA

## Tax Supported Debt Service



- Total Outstanding 78,940,351
  - General Obligation: 19,484,151
  - Lease Rev: 59,456,200

➤ Other includes annual obligations to the Airport, Dinwiddie Water Authority, South Central Waste Water Authority, and Meherrin River Regional Jail.

## Total Existing Tax-Supported Debt Service

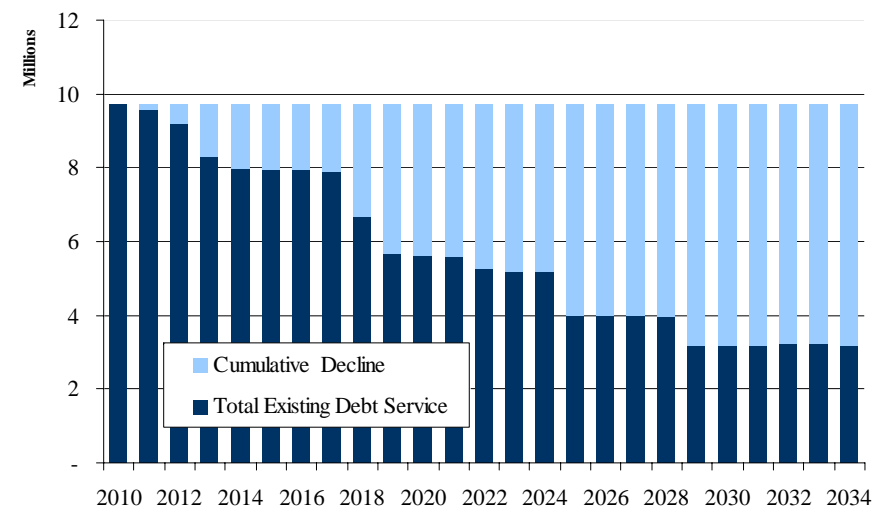
FY	Principal	Interest	Total	Payout Ratio
<b>Total</b>	<b>78,940,351</b>	<b>63,729,194</b>	<b>142,669,545</b>	
2010	4,996,992	4,727,446	9,724,438	6.33%
2011	5,164,231	4,398,174	9,562,405	12.87%
2012	5,368,531	3,817,377	9,185,908	19.67%
2013	4,205,557	4,077,679	8,283,236	25.00%
2014	4,100,758	3,883,052	7,983,810	30.20%
2015	4,237,008	3,703,960	7,940,968	35.56%
2016	4,419,239	3,500,256	7,919,495	41.16%
2017	4,597,047	3,287,692	7,884,739	46.98%
2018	3,280,178	3,385,325	6,665,503	51.14%
2019	2,418,962	3,228,299	5,647,261	54.20%
<b>2020</b>	<b>2,506,571</b>	<b>3,122,158</b>	<b>5,628,729</b>	<b>57.38%</b>
2021	2,545,361	3,012,254	5,557,615	60.60%
2022	2,371,024	2,893,849	5,264,873	63.61%
2023	2,465,928	2,721,037	5,186,965	66.73%
2024	2,576,612	2,602,511	5,179,123	69.99%
2025	2,355,584	1,641,937	3,997,521	72.98%
2026	2,450,548	1,532,373	3,982,921	76.08%
2027	2,551,556	1,416,389	3,967,945	79.32%
2028	2,653,664	1,296,706	3,950,370	82.68%
2029	2,010,000	1,182,120	3,192,120	85.22%
2030	2,110,000	1,081,620	3,191,620	87.90%
2031	2,215,000	976,120	3,191,120	90.70%
2032	2,330,000	865,370	3,195,370	93.65%
2033	2,445,000	748,870	3,193,870	96.75%
2034	2,565,000	626,620	3,191,620	100.00%

# Decline in Debt Service



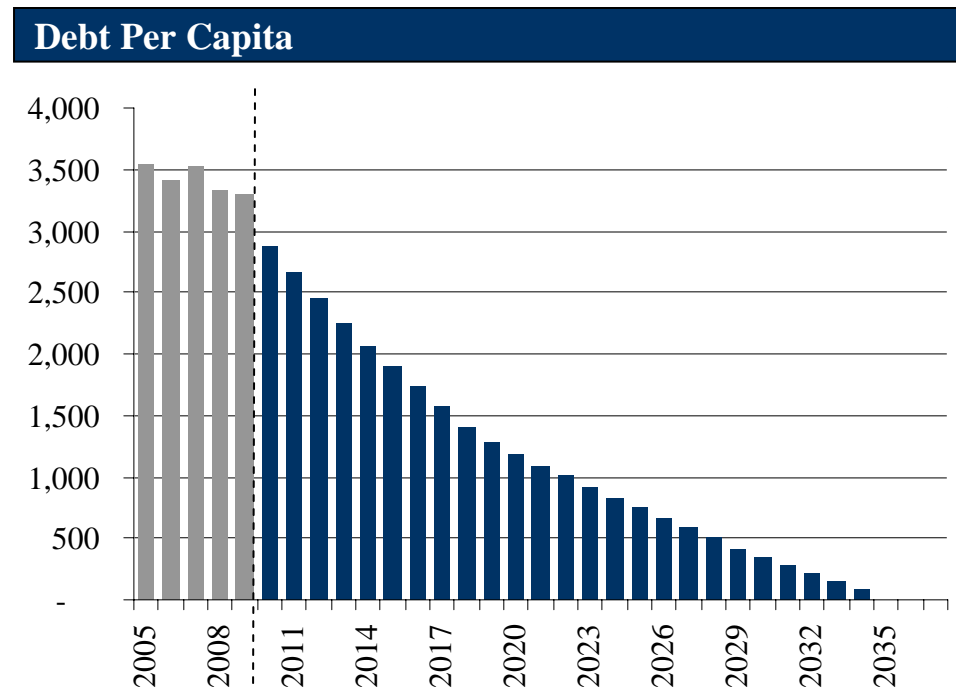
Dinwiddie County, VA

## Existing Tax Supported Debt Service



FY	Total Existing Debt Service	Cumulative Decline
2010	9,724,438	n/a
2011	9,562,405	162,033
2012	9,185,908	538,530
2013	8,283,236	1,441,202
2014	7,983,810	1,740,628
2015	7,940,968	1,783,470
2016	7,919,495	1,804,943
2017	7,884,739	1,839,699
2018	6,665,503	3,058,935
2019	5,647,261	4,077,177
2020	5,628,729	4,095,709
2021	5,557,615	4,166,823
2022	5,264,873	4,459,565
2023	5,186,965	4,537,473
2024	5,179,123	4,545,315
2025	3,997,521	5,726,917
2026	3,982,921	5,741,517
2027	3,967,945	5,756,493
2028	3,950,370	5,774,068
2029	3,192,120	6,532,318
2030	3,191,620	6,532,818
2031	3,191,120	6,533,318
2032	3,195,370	6,529,068
2033	3,193,870	6,530,568
2034	3,191,620	6,532,818

# Existing Debt Ratios: Debt Per Capita

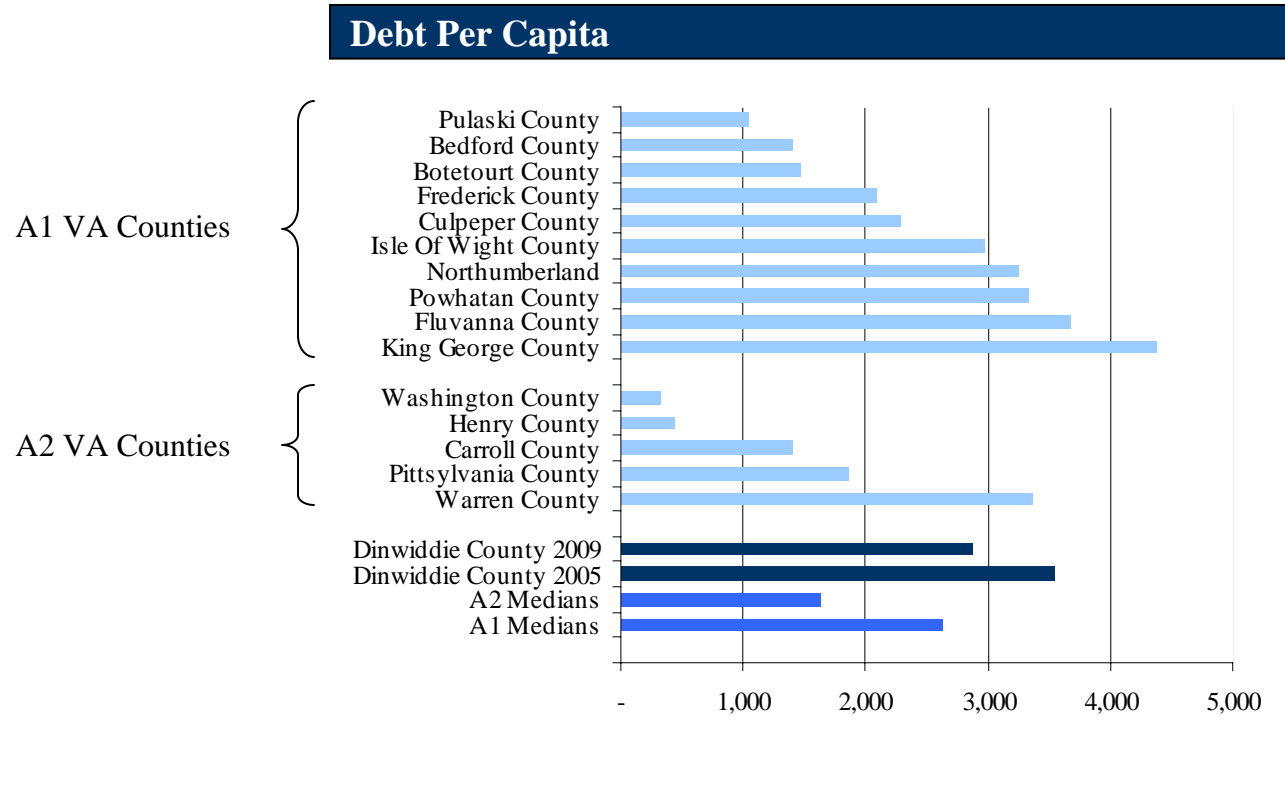


➤ Assumed Population Growth: 1.00%

# Peer Comparison: Debt Per Capita



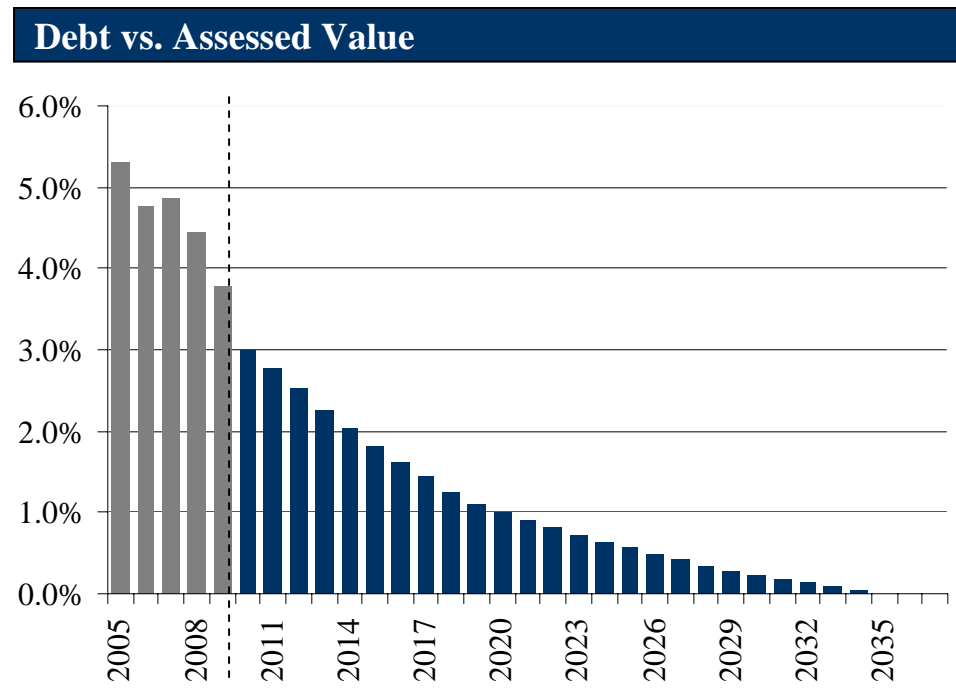
Dinwiddie County, VA



# Existing Debt Ratios: Debt vs. Assessed Value



Dinwiddie County, VA



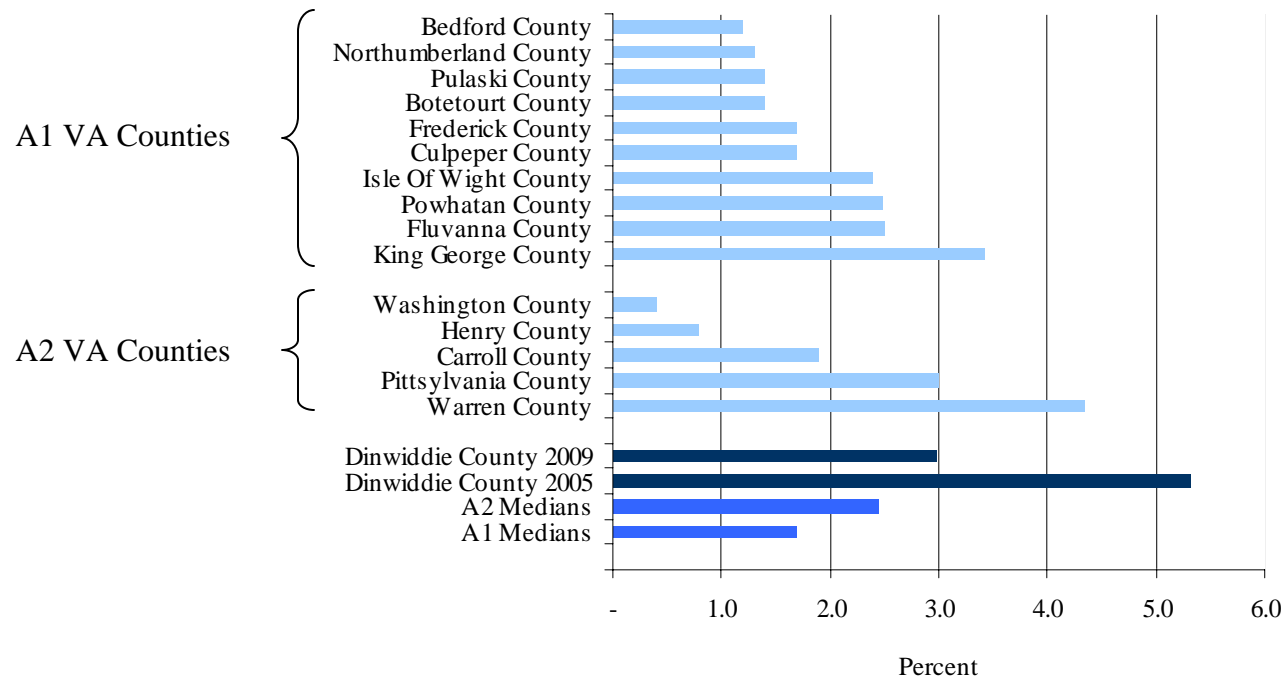
- Assumed Total AV Growth:
  - 2011: 1.0%
  - 2012: 2.0%
  - 2013 and beyond: 3.5%

# Peer Comparison: Debt vs. Assessed Value



Dinwiddie County, VA

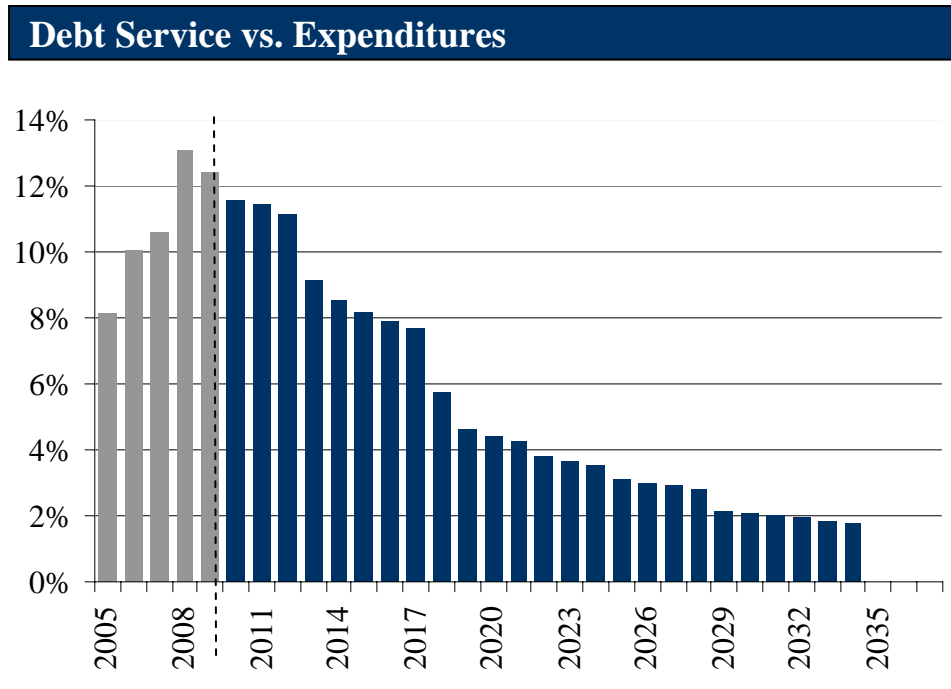
## Debt vs. Assessed Value



# Existing Debt Ratios: Debt Service vs. Expenditures



Dinwiddie County, VA

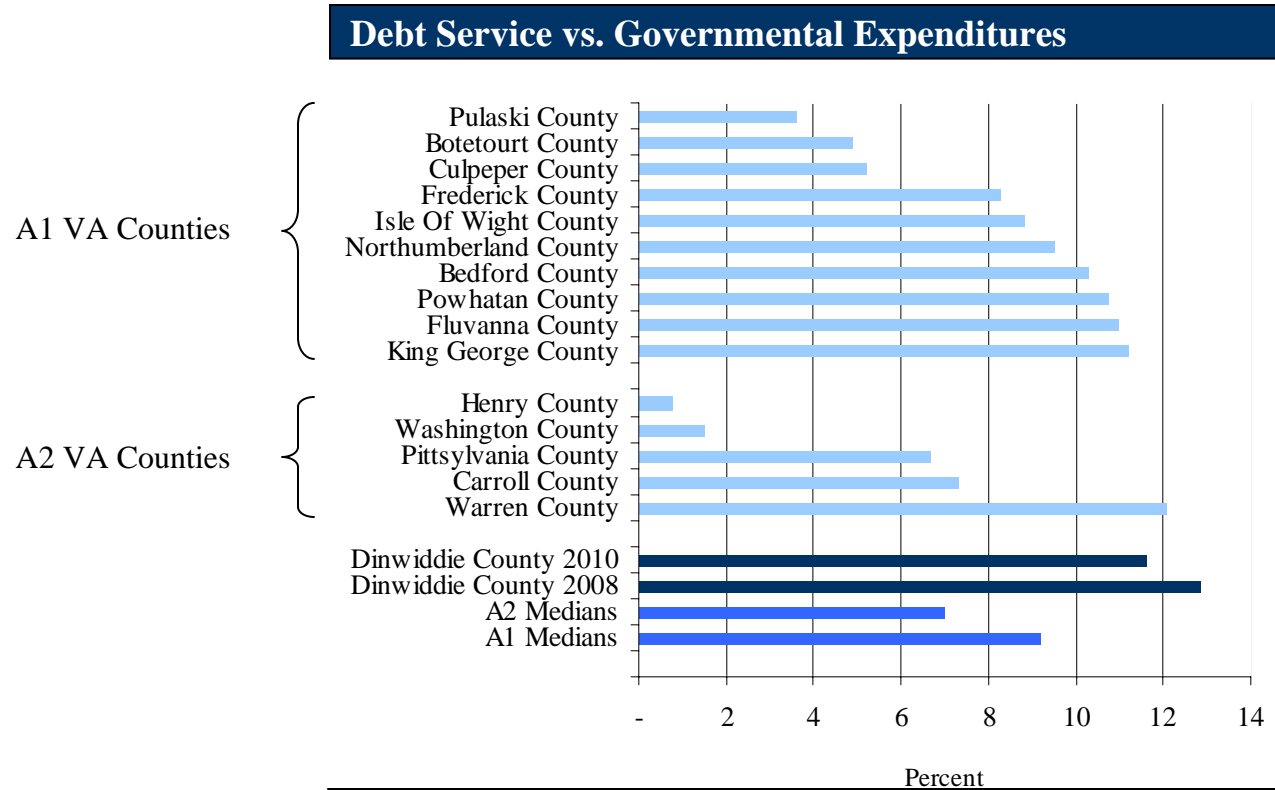


- Assumed Total Expenditure Growth:
  - 2010: 0.0%
  - 2011: 1.0%
  - 2012: 2.0%
  - 2013 and beyond: 3.5%

# Peer Comparison: Debt Service vs. Governmental Expenditures



Dinwiddie County, VA





# *Capital Improvement Plan*

# Capital Improvement Plan



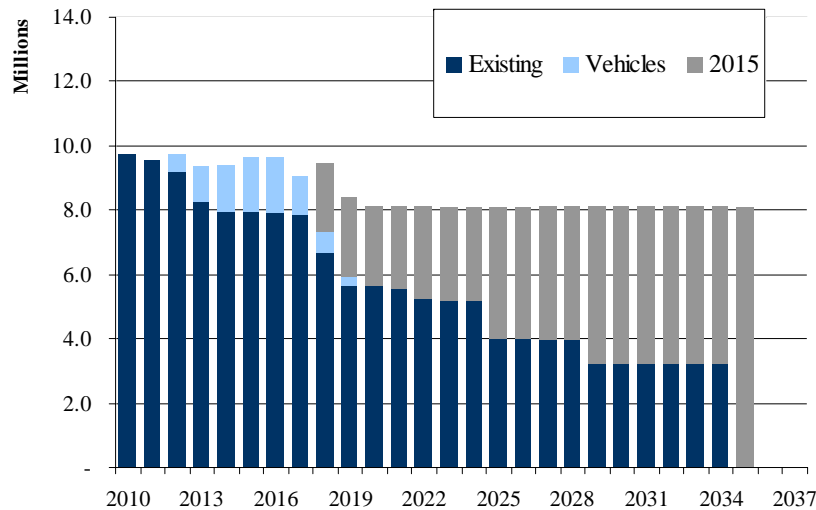
Dinwiddie County, VA

	- By Fiscal Year -					
	2011	2012	2013	2014	2015	Total
<u>Uses of Funds</u>						
Regional Jail	15,396,158	-	-	-	-	15,396,158
SCWWA	-	-	8,211,000	-	-	8,211,000
Public Safety Apparatus/School Buses	90,000	1,420,000	2,450,000	800,000	1,290,000	6,050,000
Miscellaneous	-	-	-	500,000	1,650,000	2,150,000
Waste Management	345,000	-	-	170,000	9,000,000	9,515,000
Rohoic/Eastside/Social Srvs Renovation:	200,000	250,000	100,000	-	28,655,450	29,205,450
McKenney Recreation	-	500,000	500,000	500,000	500,000	2,000,000
E911 / Communications	-	1,000,000	-	-	-	1,000,000
<b>Total</b>	<b>16,031,158</b>	<b>3,170,000</b>	<b>11,261,000</b>	<b>1,970,000</b>	<b>41,095,450</b>	<b>73,527,608</b>
<u>Sources of Funds</u>						
SCWWA Proceeds	-	-	8,211,000	-	-	8,211,000
MRRJA Proceeds	15,396,158	-	-	-	-	15,396,158
Pay-Go	635,000	750,000	600,000	500,000	500,000	2,985,000
Vehicle / Equipment Financing	-	2,420,000	2,450,000	1,470,000	1,390,000	7,730,000
County Issuance (Bonds, Notes, etc)	-	-	-	-	39,205,450	39,205,450
<b>Total</b>	<b>16,031,158</b>	<b>3,170,000</b>	<b>11,261,000</b>	<b>1,970,000</b>	<b>41,095,450</b>	<b>73,527,608</b>

# CIP: Projected Debt Service



## Projected Debt Service



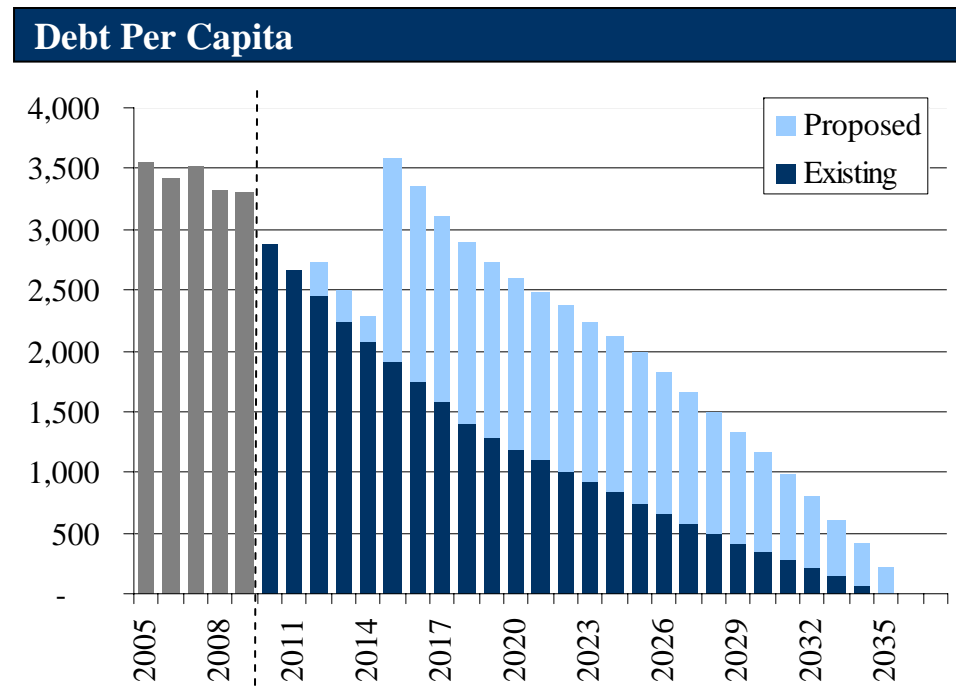
## Assumptions

- County Issuance (Bonds, Notes, etc.):
  - Vehicles (2012-2015): 7,730,000
  - Series 2015: 43,275,490
  
- Vehicles
  - Interest Rate: 4.0%
  - Term: 5 years
  - Level Debt Service
  
- Series 2015
  - Interest rate: 5.00%
  - Term: 20 years
  - Structured Debt Service with 2 years of capitalized interest.
  
- Meherrin River Regional Jail Authority and South Central Waste Water Authority debt service will be included in operating expenses.

# CIP: Projected Debt Ratios: Debt Per Capita



Dinwiddie County, VA

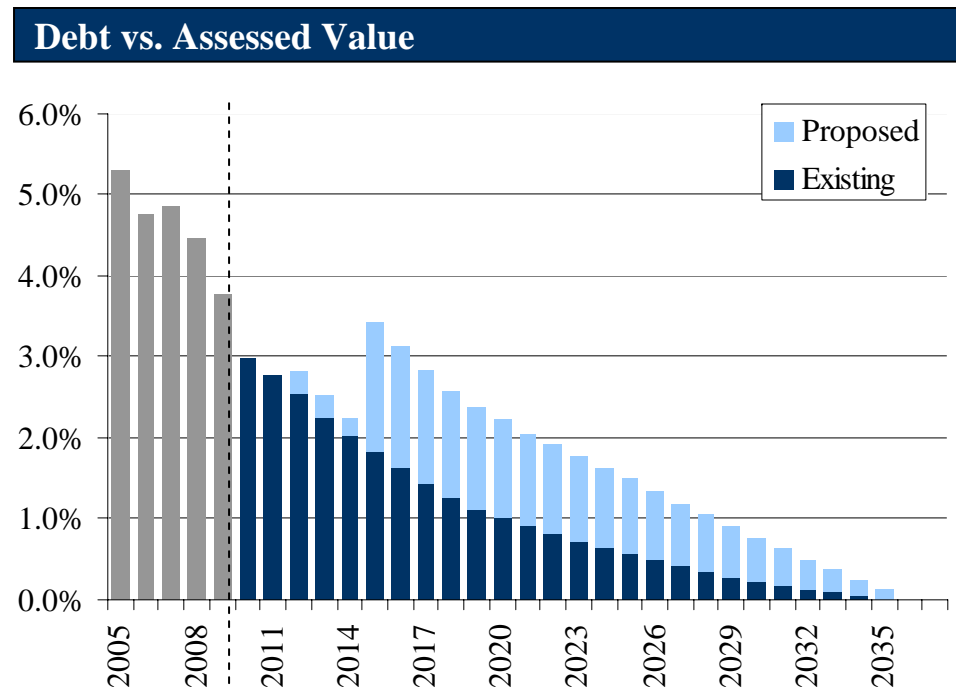


➤ Assumed Population Growth: 1.00%

# CIP: Projected Debt Ratios: Debt vs. Assessed Value



Dinwiddie County, VA

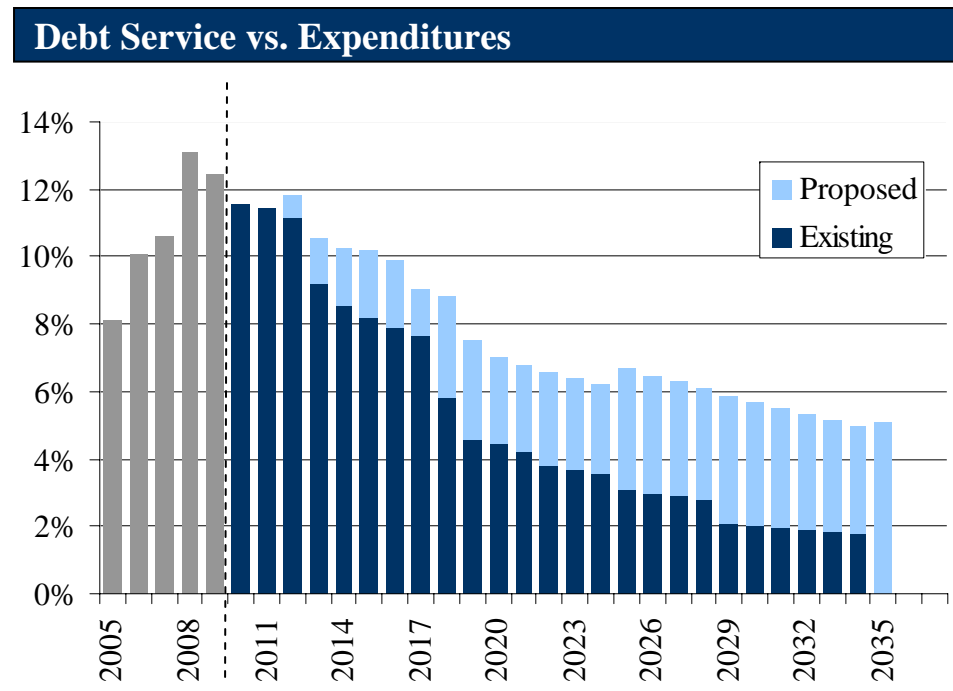


- Assumed Total AV Growth:
  - 2011: 1.0%
  - 2012: 2.0%
  - 2013 and beyond: 3.5%

# CIP: Projected Debt Ratios: Debt Service vs. Expenditures



Dinwiddie County, VA



- Assumed Total Expenditure Growth:
  - 2010: 0.0%
  - 2011: 1.0%
  - 2012: 2.0%
  - 2013 and beyond: 3.5%



# Multi-Year Plan of Finance Equivalent Tax Impact

Dinwiddie County, VA

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q
FY	Debt Service Requirements						Revenue Available for Debt Service					Debt Service Cash Flow Surplus (Deficit)				
	SCWWA						General Fund Appropriation	Meals Tax	Debt Service Funds	School Operating Fund	Total Revenues Available	Surplus/ (Deficit)	Capital Reserve Utilized	Adjusted Surplus/ (Deficit)	Estimated	
	Existing DS	MRRJA Operations	Incremental Operations	Vehicles Financings	Proposed DS	Total									Incremental Tax Equivalent	Capital Reserve Fund Balance
2009																
2010	9,724,438	-	-	-	-	9,724,438	6,719,190	550,000	2,180,240	275,008	9,724,438	-	-	-	--	-
2011	9,562,405	-	-	-	-	9,562,405	5,719,190	550,000	1,726,860	-	7,996,050	(1,566,355)	-	(1,566,355)	6.9¢	-
2012	9,185,908	-	-	535,985	-	9,721,893	4,719,190	550,000	1,726,860	-	6,996,050	(2,725,843)	-	(1,159,488)	5.0¢	-
2013	8,283,236	-	582,591	1,078,614	-	9,944,441	4,719,190	550,000	-	-	5,269,190	(4,675,251)	-	(1,894,586)	7.8¢	-
2014	7,983,810	321,208	582,591	1,404,192	-	10,291,801	4,719,190	550,000	-	-	5,269,190	(5,022,611)	-	(250,037)	1.0¢	-
2015	7,940,968	709,646	582,591	1,712,051	-	10,945,256	4,719,190	550,000	-	-	5,269,190	(5,676,066)	-	(486,415)	1.9¢	-
2016	7,919,495	821,935	582,591	1,712,051	-	11,036,072	4,719,190	550,000	-	-	5,269,190	(5,766,882)	-	90,822	--	90,822
2017	7,884,739	829,681	582,591	1,176,066	-	10,473,076	4,719,190	550,000	-	-	5,269,190	(5,203,886)	-	858,837	--	949,659
2018	6,665,503	840,375	582,591	633,437	2,163,775	10,885,680	4,719,190	550,000	-	-	5,269,190	(5,616,490)	-	658,428	--	1,608,087
2019	5,647,261	848,605	582,591	307,859	2,449,935	9,836,250	4,719,190	550,000	-	-	5,269,190	(4,567,060)	-	1,927,481	--	3,535,568
2020	5,628,729	866,304	582,591	-	2,468,467	9,546,090	4,719,190	550,000	-	-	5,269,190	(4,276,900)	-	2,444,949	--	5,980,517
2021	5,557,615	867,903	582,591	-	2,539,587	9,547,695	4,719,190	550,000	-	-	5,269,190	(4,278,505)	-	2,678,609	--	8,659,126
2022	5,264,873	867,903	582,591	-	2,832,323	9,547,690	4,719,190	550,000	-	-	5,269,190	(4,278,500)	-	2,922,114	--	11,581,240
2023	5,186,965	867,903	582,591	-	2,910,228	9,547,686	4,719,190	550,000	-	-	5,269,190	(4,278,496)	-	3,174,139	--	14,755,379
2024	5,179,123	867,903	582,591	-	2,918,079	9,547,696	4,719,190	550,000	-	-	5,269,190	(4,278,506)	-	3,434,972	--	18,190,351
2025	3,997,521	867,903	582,591	-	4,099,676	9,547,690	4,719,190	550,000	-	-	5,269,190	(4,278,500)	-	3,704,949	--	21,895,299
2026	3,982,921	867,903	582,591	-	4,114,276	9,547,691	4,719,190	550,000	-	-	5,269,190	(4,278,501)	-	3,984,369	--	25,879,668
2027	3,967,945	867,903	582,591	-	4,129,256	9,547,695	4,719,190	550,000	-	-	5,269,190	(4,278,505)	-	4,273,565	--	30,153,233
2028	3,950,370	867,903	582,591	-	4,146,827	9,547,690	4,719,190	550,000	-	-	5,269,190	(4,278,500)	-	4,572,892	--	34,726,126
2029	3,192,120	867,903	582,591	-	4,905,072	9,547,686	4,719,190	550,000	-	-	5,269,190	(4,278,496)	-	4,882,696	--	39,608,821
2030	3,191,620	867,903	582,591	-	4,905,581	9,547,694	4,719,190	550,000	-	-	5,269,190	(4,278,504)	-	5,203,329	--	44,812,150
2031	3,191,120	867,903	582,591	-	4,906,082	9,547,696	4,719,190	550,000	-	-	5,269,190	(4,278,506)	-	5,535,191	--	50,347,341
2032	3,195,370	867,903	582,591	-	4,901,824	9,547,688	4,719,190	550,000	-	-	5,269,190	(4,278,498)	-	5,878,679	--	56,226,020
2033	3,193,870	867,903	582,591	-	4,903,331	9,547,694	4,719,190	550,000	-	-	5,269,190	(4,278,504)	-	6,234,173	--	62,460,193
2034	3,191,620	867,903	582,591	-	4,905,579	9,547,693	4,719,190	550,000	-	-	5,269,190	(4,278,503)	-	6,602,119	--	69,062,312
2035	-	867,903	582,591	-	8,097,201	9,547,695	4,719,190	550,000	-	-	5,269,190	(4,278,505)	-	6,982,938	--	76,045,250
2036	-	867,903	582,591	-	-	1,450,494	4,719,190	550,000	-	-	5,269,190	3,818,696	-	15,474,290	--	91,519,540
2037	-	867,903	582,591	-	-	1,450,494	4,719,190	550,000	-	-	5,269,190	3,818,696	-	15,882,236	--	107,401,776
														Total Tax Effect	22.6¢	
												Total	-			

# Next Steps

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Dinwiddie County, VA

1. Revise Key Assumptions and amend analysis as needed (i.e., timing, amounts, etc.).
2. Provide the County Board with periodic updates related to the proposed Regional Jail and South Central Wastewater Authority projects.
3. Continue Developing and Updating timetable for action and execute approved Plan of Finance as approved by the County Board.
4. Continue to Evaluate and Prioritize Capital Needs based upon an updated County CIP Process.



# *Appendix*

# Penny Analysis



Dinwiddie County, VA

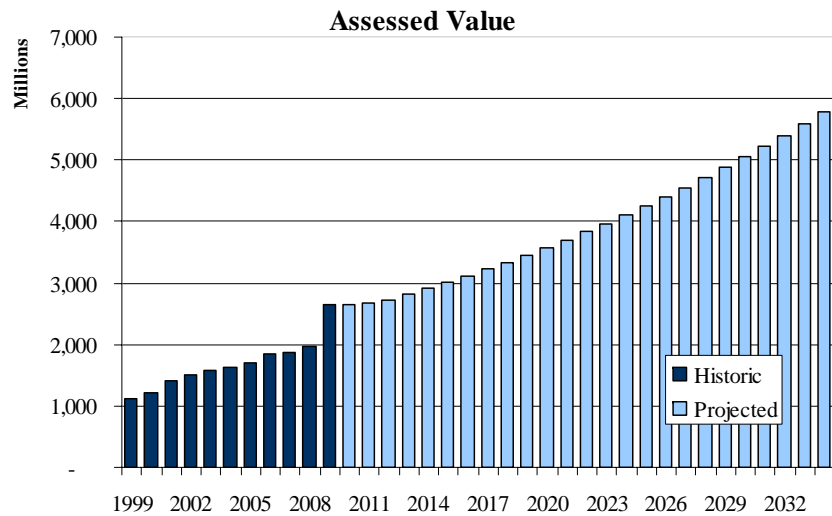
## Value of a Penny

FY	Real Estate Assessed Value	Growth Rate	Value of 1¢	Cumulative Increase
1999	910,281,517			
2000	991,684,357	8.94%		
2001	1,103,351,570	11.26%		
2002	1,202,491,877	8.99%		
2003	1,245,888,983	3.61%		
2004	1,247,968,292	0.17%		
2005	1,380,698,562	10.64%		
2006	1,502,861,149	8.85%		
2007	1,541,253,515	2.55%		
2008	1,588,563,485	3.07%		
2009	2,246,727,030	41.43%		
2010		0.00%	219,000	
2011		1.00%	221,190	2,190
2012		2.00%	225,614	6,614
2013		3.50%	233,510	14,510
2014		3.50%	241,683	22,683
2015		3.50%	250,142	31,142
2016		3.50%	258,897	39,897
2017		3.50%	267,958	48,958
2018		3.50%	277,337	58,337
2019		3.50%	287,044	68,044
2020		3.50%	297,090	78,090
2021		3.50%	307,488	88,488
2022		3.50%	318,251	99,251
2023		3.50%	329,389	110,389
2024		3.50%	340,918	121,918
2025		3.50%	352,850	133,850
2026		3.50%	365,200	146,200
2027		3.50%	377,982	158,982
2028		3.50%	391,211	172,211
2029		3.50%	404,904	185,904
2030		3.50%	419,075	200,075
2031		3.50%	433,743	214,743
2032		3.50%	448,924	229,924
2033		3.50%	464,636	245,636
2034		3.50%	480,898	261,898
2035		3.50%	497,730	278,730
2036		3.50%	515,150	296,150
2037		3.50%	533,181	314,181
2038		3.50%	551,842	332,842

# Historical Growth Trends- Assessed Value



Dinwiddie County, VA



FY	Historic	Growth	Projected
1999	1,119,090,329		
2000	1,203,155,379	7.51%	
2001	1,403,367,790	16.64%	
2002	1,510,556,668	7.64%	
2003	1,573,180,830	4.15%	
2004	1,633,564,371	3.84%	
2005	1,697,633,896	3.92%	
2006	1,837,851,979	8.26%	
2007	1,882,346,881	2.42%	
2008	1,957,139,762	3.97%	
2009	2,637,927,600	0.00%	
2010		0.00%	2,637,927,600
2011		1.00%	2,664,306,876
2012		2.00%	2,717,593,014
2013		3.50%	2,812,708,769
2014		3.50%	2,911,153,576
2015		3.50%	3,013,043,951
2016		3.50%	3,118,500,489
2017		3.50%	3,227,648,006
2018		3.50%	3,340,615,687
2019		3.50%	3,457,537,236
2020		3.50%	3,578,551,039
2021		3.50%	3,703,800,325
2022		3.50%	3,833,433,337
2023		3.50%	3,967,603,504
2024		3.50%	4,106,469,626
2025		3.50%	4,250,196,063
2026		3.50%	4,398,952,925
2027		3.50%	4,552,916,278
2028		3.50%	4,712,268,347
2029		3.50%	4,877,197,740
2030		3.50%	5,047,899,660
2031		3.50%	5,224,576,149
2032		3.50%	5,407,436,314
2033		3.50%	5,596,696,585
2034		3.50%	5,792,580,965

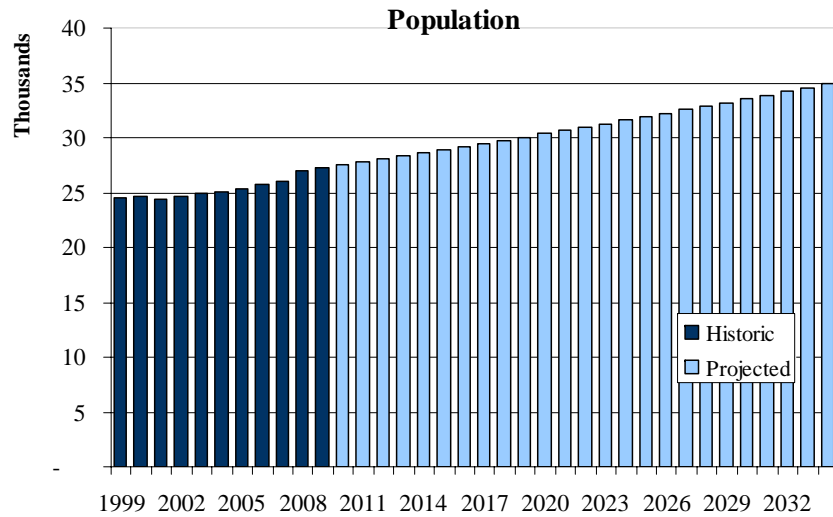
Note: Total Assessed Value includes Real and Personal Property

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# Historical Growth Trends- Population



Dinwiddie County, VA

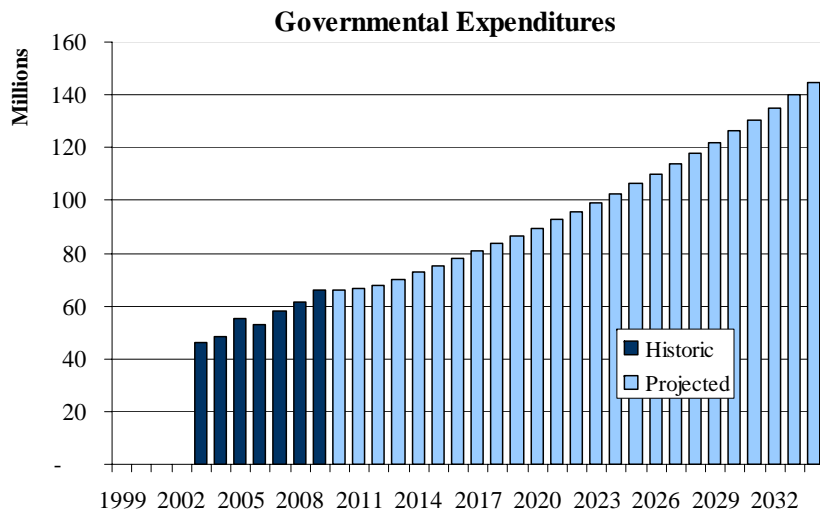


FY	Historic	Growth	Projected
1999	24,500		
2000	24,615	0.47%	
2001	24,438	-0.72%	
2002	24,641	0.83%	
2003	24,873	0.94%	
2004	25,111	0.96%	
2005	25,391	1.12%	
2006	25,695	1.20%	
2007	25,985	1.13%	
2008	27,047	4.09%	
2009	27,209	0.60%	
2010		1.00%	27,481
2011		1.00%	27,756
2012		1.00%	28,034
2013		1.00%	28,314
2014		1.00%	28,597
2015		1.00%	28,883
2016		1.00%	29,172
2017		1.00%	29,464
2018		1.00%	29,759
2019		1.00%	30,056
2020		1.00%	30,357
2021		1.00%	30,660
2022		1.00%	30,967
2023		1.00%	31,276
2024		1.00%	31,589
2025		1.00%	31,905
2026		1.00%	32,224
2027		1.00%	32,546
2028		1.00%	32,872
2029		1.00%	33,201
2030		1.00%	33,533
2031		1.00%	33,868
2032		1.00%	34,207
2033		1.00%	34,549
2034		1.00%	34,894

# Historical Growth Trends- Expenditures



Dinwiddie County, VA



FY	Governmental	Less DS	Less Capital	Less Education	Plus School Exp	Adj Expenditures	Growth	Projected
1999	-	-	-	-	-	-	-	-
2000	-	-	-	-	-	-	-	-
2001	-	-	-	-	-	-	-	-
2002	-	-	-	-	-	-	-	-
2003	29,460,343	4,043,734	1,246,911	10,298,508	32,251,575	46,122,765	-	-
2004	36,381,887	4,785,462	5,557,838	11,317,606	33,599,001	48,319,982	4.76%	-
2005	37,789,478	4,847,959	1,762,641	12,713,898	36,485,163	54,950,143	13.72%	-
2006	39,807,274	6,225,791	3,536,690	13,047,329	36,083,085	53,080,549	-3.40%	-
2007	66,202,813	6,210,828	29,769,497	10,827,763	38,811,283	58,206,008	9.66%	-
2008	68,584,766	8,126,361	27,848,522	11,691,834	40,694,597	61,612,646	5.85%	-
2009	50,969,084	9,765,346	8,017,859	11,125,804	43,864,355	65,924,430	7.00%	-
2010	-	-	-	-	-	-	0.00%	65,924,430
2011	-	-	-	-	-	-	1.00%	66,583,674
2012	-	-	-	-	-	-	2.00%	67,915,348
2013	-	-	-	-	-	-	3.50%	70,292,385
2014	-	-	-	-	-	-	3.50%	72,752,618
2015	-	-	-	-	-	-	3.50%	75,298,960
2016	-	-	-	-	-	-	3.50%	77,934,424
2017	-	-	-	-	-	-	3.50%	80,662,129
2018	-	-	-	-	-	-	3.50%	83,485,303
2019	-	-	-	-	-	-	3.50%	86,407,289
2020	-	-	-	-	-	-	3.50%	89,431,544
2021	-	-	-	-	-	-	3.50%	92,561,648
2022	-	-	-	-	-	-	3.50%	95,801,305
2023	-	-	-	-	-	-	3.50%	99,154,351
2024	-	-	-	-	-	-	3.50%	102,624,753
2025	-	-	-	-	-	-	3.50%	106,216,620
2026	-	-	-	-	-	-	3.50%	109,934,201
2027	-	-	-	-	-	-	3.50%	113,781,899
2028	-	-	-	-	-	-	3.50%	117,764,265
2029	-	-	-	-	-	-	3.50%	121,886,014
2030	-	-	-	-	-	-	3.50%	126,152,025
2031	-	-	-	-	-	-	3.50%	130,567,346
2032	-	-	-	-	-	-	3.50%	135,137,203
2033	-	-	-	-	-	-	3.50%	139,867,005
2034	-	-	-	-	-	-	3.50%	144,762,350