

# Town of Purcellville, Virginia

## General Fund Multiyear Financial Planning Update



May 1, 2019

# Davenport's Role as Financial Advisor

# Davenport's Role as Financial Advisor to Purcellville



- Davenport & Company LLC (“Davenport”) serves as Financial Advisor to the Town of Purcellville (the “Town”). In its capacity as Financial Advisor, Davenport:
  - Reports to the Town Council and Town Manager;
  - Complements Town Staff with annual Budgetary Planning and general Financial Planning; and
  - Interacts with Lending Institutions and the National Credit Rating Agencies on behalf of the Town.
- With the direction of Town Council, Davenport helps to determine the most cost-effective and flexible method of financing based on market conditions and the impact of the financing on the Town.
- Davenport also reviews the Town’s outstanding debt portfolio for potential opportunities to refund outstanding debt and to alert the Town to potential savings opportunities.
- Davenport does not:
  - Determine which projects will be financed;
  - Underwrite any bond issue; or
  - Hold a financial interest in how a project is funded.

# The Town's Credit Ratings

# Why Credit Ratings Matter

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- The Town's existing Credit Ratings from the National Credit Rating Agencies provide the Town the following benefits:
  - Credit Ratings act as barometers of the financial and economic health of the Town;
  - Potential Town investors look to Credit Ratings / Credit quality as key determinants in decisions as to whether to invest/lend and how to price the investment;
  - Strong Credit Ratings increase the universe of potential investors for the Town; and
  - Strong Credit Ratings maximize the Town's ability to refund / restructure for savings or cash-flow purposes.

# The Town's Credit Ratings



- The Town obtained updated credit ratings in September 2017 from the three National Credit Rating Agencies.
- The results of the rating process were highly favorable as all three National Credit Rating Agencies affirmed the Town's existing Strong Investment Grade Credit Ratings despite the Town's relatively modest population.
- The Town's credit ratings, and descriptions of the ratings by each of the National Credit Rating Agencies, are as follows:

## – Standard & Poor's – 'AAA' – Stable Outlook

- Extremely strong capacity to meet financial commitments. Highest Rating.

## – Moody's – 'Aa2' – No Outlook

*(Note: Moody's does not generally assign outlooks to local government credits with the Town's amount of debt outstanding.)*

- Issuers or issues rated 'Aa' demonstrate very strong creditworthiness relative to other US municipal or tax-exempt issuers or issues.

## – Fitch – 'AA' – Positive Outlook

*(Note: Fitch revised the Town's rating outlook from Stable to Positive in October 2016.)*

- 'AA' ratings denote expectations of very low default risk. They indicate very strong capacity for payment of financial commitments. This capacity is not significantly vulnerable to foreseeable events.

# Credit Rating Scale



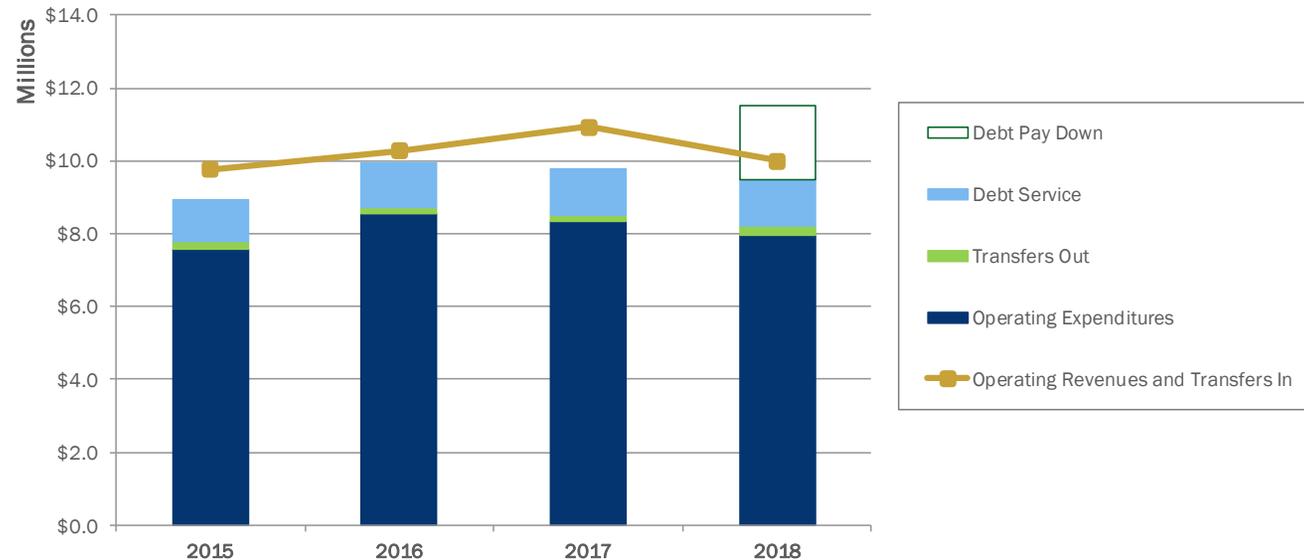
	<u>Moody's</u>	<u>S&amp;P</u>	<u>Fitch</u>		
Top Tier "Highest Possible Rating"	Aaa	AAA	AAA		
2 <sup>nd</sup> Tier "Very Strong"	Aa1	AA+	AA+	(Highest)	↑ Considered Investment Grade
	Aa2	AA	AA	(Middle)	
	Aa3	AA-	AA-	(Lowest)	
3 <sup>rd</sup> Tier "Strong"	A1	A+	A+	(Highest)	↓ Below Investment Grade
	A2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

# General Fund

# Historical Financials – General Fund



- The Town has generated a surplus in the General Fund for the previous four Fiscal Years.
  - The net General Fund Surplus in FY 2015 was \$810,885.
  - The net General Fund Surplus in FY 2016 was \$322,259.
  - The net General Fund Surplus in FY 2017 was \$1,166,084.
  - The net General Fund Surplus in FY 2018 was approximately \$526,961, but the Town also used \$2,033,248 for a one-time debt pay down
- The trend of surpluses demonstrates historical financial health in the General Fund.



Source: FY 2015 – FY 2018 CAFRs.

# General Fund Balance Trends



## ■ Town Unassigned Fund Balance Policy

- “The General Fund Unassigned Fund Balance should be maintained at a minimum of \$3 million or 30% of total General Fund Revenues, whichever is greater, given that the Water and Sewer Enterprise Funds are self supporting and the Enterprise Fund Balances are maintained at a substantial level.”

- The General Fund had an Unassigned Fund Balance of approximately \$5.18 million at the end of FY 2018.

Fiscal Year	Undesignated / Unassigned <sup>(1)</sup>	Operating Revenues	Fund Balance vs. Revenues
2007	\$2,599,404	\$6,666,485	39.0%
2008	3,145,905	6,780,133	46.4%
2009	3,768,574	6,887,060 <sup>(2)</sup>	54.7%
2010	4,415,059	6,938,874 <sup>(3)</sup>	63.6%
2011	4,368,340	6,962,946 <sup>(4)</sup>	62.7%
2012	3,427,576	7,125,670	48.1%
2013	4,573,689	7,997,299 <sup>(5)</sup>	57.2%
2014	4,231,964	8,263,801	51.2%
2015	5,049,286	8,733,399	57.8%
2016	5,617,146	9,242,971	60.8%
2017	6,685,555	9,784,876	68.3%
2018	5,176,351	10,013,798 <sup>(6)</sup>	51.7%

(1) Undesignated shown in FY 2007-2010. Unassigned is shown 2011 and forward per update GASB standards.

(2) Revenues in FY 2009 net of \$1,875,307 of Loudoun County settlement monies.

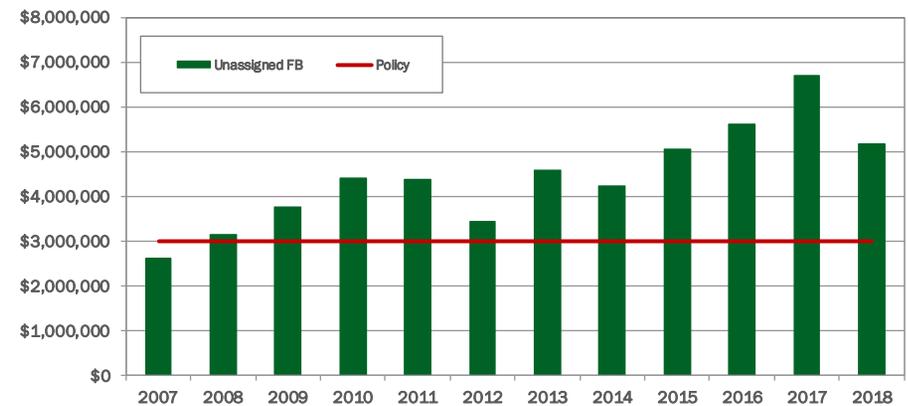
(3) Revenues in FY 2010 net of \$2,082,073 of Loudoun County settlement monies.

(4) Revenues in FY 2011 net of \$2,106,173 of misc. revenues - mainly Loudoun County settlement monies.

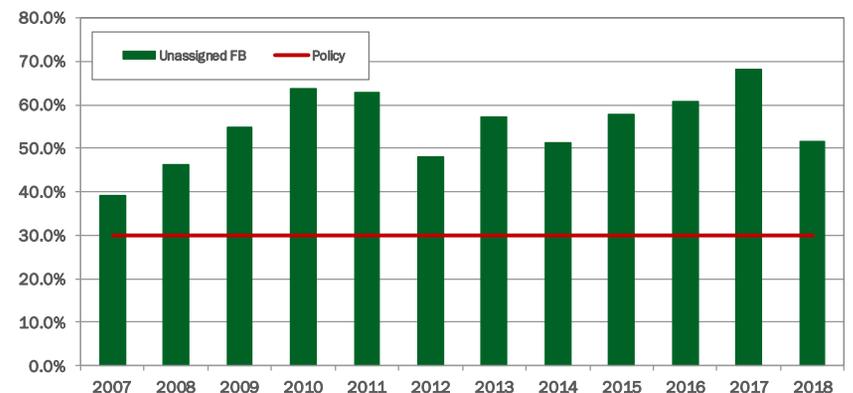
(5) Revenues in FY 2013 are net of \$1.260 million one-time money from sale of Town Hall.

(6) FY 2018 Revenues and Fund Balance are per the Town's FY 2018 CAFR.

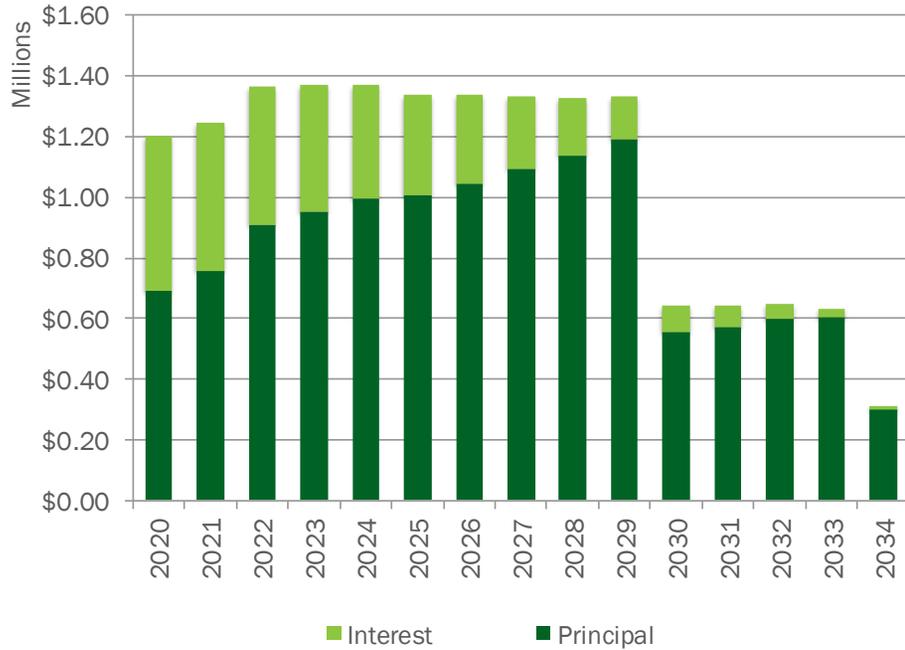
**Unassigned Fund Balance Policy (\$)**



**Unassigned Fund Balance Policy (%)**



# Debt Profile – General Fund



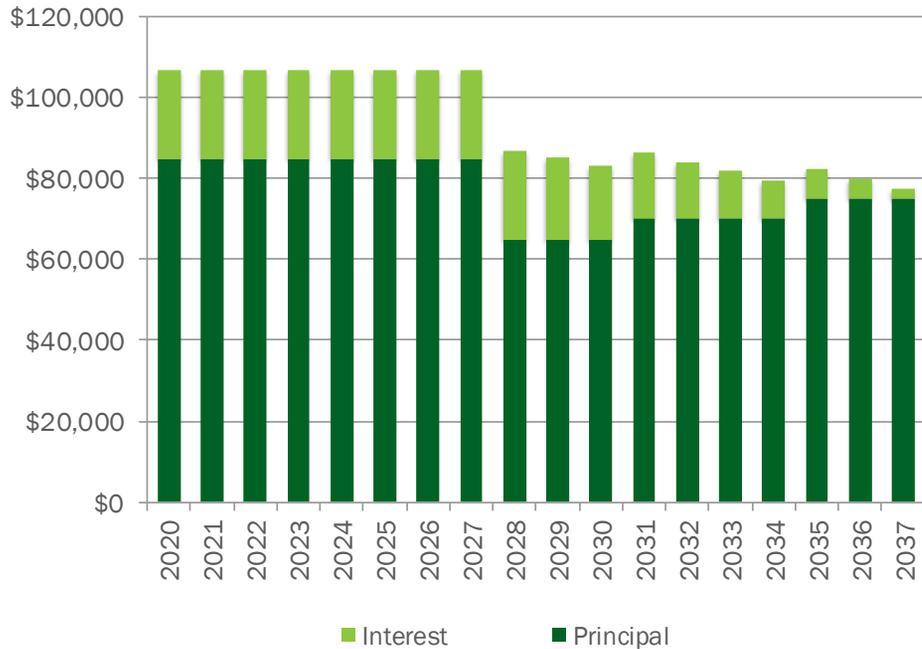
## General Fund Debt Service

Fiscal Year	Principal	Interest	Total
<b>Total</b>	<b>\$12,402,483</b>	<b>\$3,703,167</b>	<b>\$16,105,650</b>
2020	\$689,998	\$512,843	\$1,202,842
2021	754,998	489,306	1,244,304
2022	909,538	457,006	1,366,544
2023	953,616	417,019	1,370,635
2024	993,155	375,095	1,368,250
2025	1,007,233	331,233	1,338,466
2026	1,046,773	288,934	1,335,707
2027	1,091,312	242,760	1,334,072
2028	1,135,390	194,400	1,329,790
2029	1,189,929	144,101	1,334,031
2030	554,008	91,116	645,124
2031	573,086	70,131	643,217
2032	600,704	48,348	649,051
2033	602,743	28,500	631,243
2034	300,000	12,375	312,375

## Principal Outstanding (As of 6/30/19)

Series	Principal Outstanding
2012 G.O. Public Improvement and Refunding Bond	\$3,937,483
2013A G.O. Refunding Bonds	8,465,000
<b>Total Outstanding</b>	<b>\$12,402,483</b>

# Debt Profile – Parks & Recreation Fund



## Parks & Recreation Fund Debt Service

Fiscal Year	Principal	Interest	Total
<b>Total</b>	<b>\$1,380,000</b>	<b>\$301,941</b>	<b>\$1,681,941</b>
2020	\$85,000	\$21,866	\$106,866
2021	85,000	21,866	106,866
2022	85,000	21,866	106,866
2023	85,000	21,866	106,866
2024	85,000	21,866	106,866
2025	85,000	21,866	106,866
2026	85,000	21,866	106,866
2027	85,000	21,866	106,866
2028	65,000	21,866	86,866
2029	65,000	20,065	85,065
2030	65,000	18,200	83,200
2031	70,000	16,269	86,269
2032	70,000	14,120	84,120
2033	70,000	11,933	81,933
2034	70,000	9,693	79,693
2035	75,000	7,418	82,418
2036	75,000	4,965	79,965
2037	75,000	2,490	77,490

Series	Principal Outstanding (As of 6/30/19)
2007 PVFD Note	\$680,000
2017B G.O. Refunding Bonds (Taxable)	700,000
<b>Total Outstanding</b>	<b>\$1,380,000</b>

# General Fund Projection Model



- Davenport has updated its Multi-Year General Fund projection, in concert with the development of the FY 2020 Budget.
- The goal of the updated model is to provide Town Staff and Town Council with a dynamic planning tool that will allow Town Staff and Town Council to evaluate the impact of multiple financial and operating variables in an efficient and straightforward manner.
- Selected Key Assumptions:
  1. FY 2020 Town Manager Proposed Budget serves as a basis for the Revenues and Expenditures;
  2. General Fund CIP projects are limited to the Police Station project (2 Police Station scenarios are included);
  3. Future operating revenues are projected to grow 3% per year;
  4. Future operating expenditures are projected to grow 3% per year with the exception of the charge back reimbursement from Water/Sewer which is projected to remain constant at the FY2020 budgeted level;
  5. The Value of 1 penny on the Real Estate Tax Rate is \$141k and is projected to grow at 2.5% per year;
  6. The Value of 1% on the Meals Tax is equivalent to \$433K; and,
  7. The model provides the ability to dynamically evaluate the impact of financial/operational challenges on the Town's General Fund financial health.

# Summary of Case 1A/1B (Police Facility Enhancements Only)



## ■ Case 1A:

- FY 2020 Town Manager Recommended Budget is the basis for projection with the following amendments related to the “Sterling” option for the Police Station:
  - A. An additional \$120k per year is added for rent related to the Police Station in FY2020 to FY2025
  - B. The General Fund transfer to the CIP in FY2020 is assumed to be \$1mm (consisting of \$250K for the study and \$750K for interim buildout)
  - C. The Police Station project is permanently financed in FY2025 assuming an estimated cost of \$8 million

## ■ Case 1B:

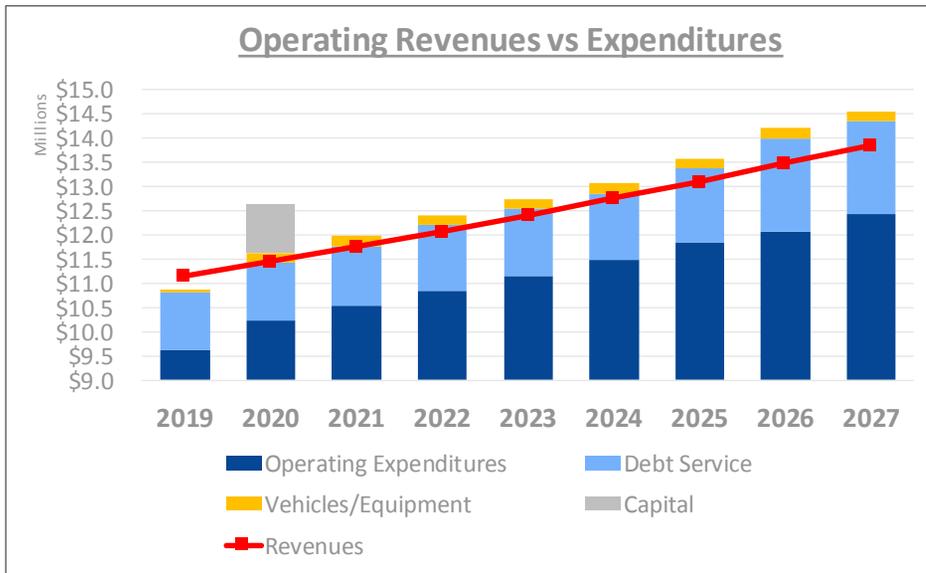
- FY 2020 Town Manager Recommended Budget is the basis for projection with the following amendments related to the “Daycare” option for the Police Station:
  - A. Rent related to the Police Station is reduced by \$10K per year in FY2020 to FY2025
  - B. The General Fund transfer to the CIP in FY2020 is assumed to be \$750K (consisting of \$250K for the study and \$500K for interim buildout)
  - C. The Police Station project is permanently financed in FY2025 assuming an estimated cost of \$5 million

# Case 1A - Summary of Results



## Summary Takeaways:

- Operating deficits are projected beginning in FY2021 equivalent to approximately 1.5 pennies on the real estate tax rate
- The projected operating deficits increase in FY2025 with the addition of the Police Station to approximately 4.5 pennies on the real estate tax rate approximately



### Equivalent Real Estate Tax Impact

2020	2021	2022	2023	2024	2025	2026	2027
N/A	1.5¢	2.2¢	2.1¢	2.0¢	3.0¢	4.4¢	4.2¢

### Projected Value of 1 Penny on the Real Estate Tax Rate (\$1,000)

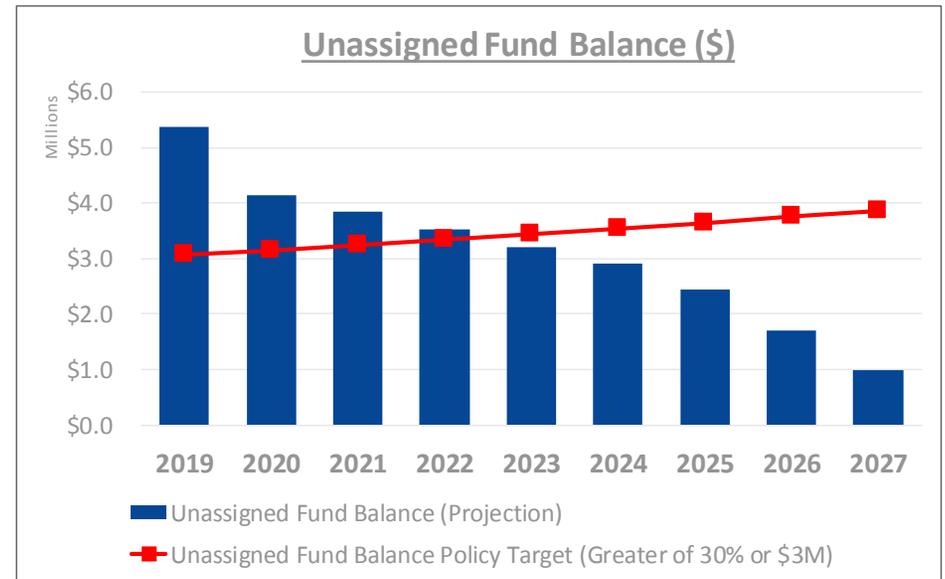
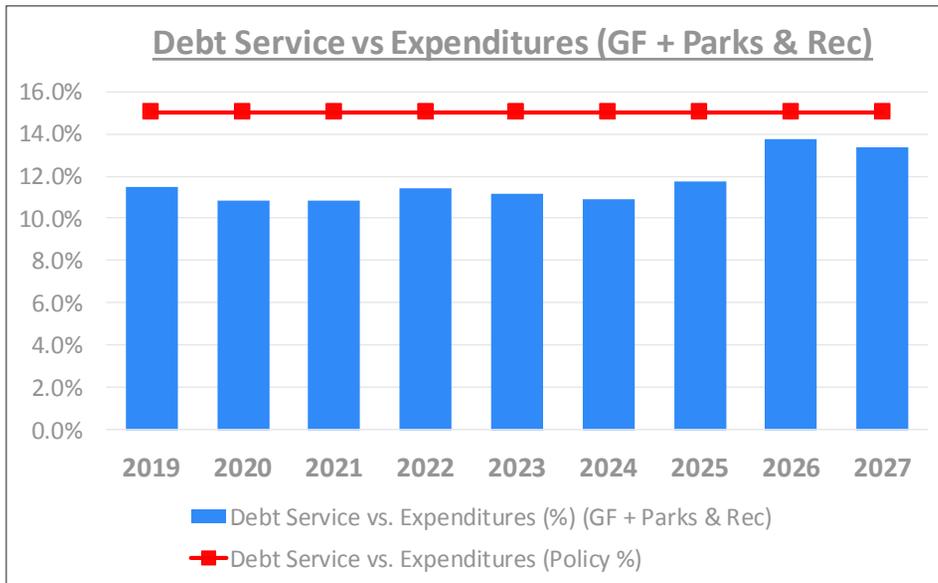
\$141	\$145	\$148	\$152	\$156	\$160	\$164	\$168
	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%

# Case 1A - Summary of Results (cont.)



## Summary Takeaways:

- Debt Service vs. Expenditures Policy remains in compliance with policy (note: includes General Fund and Parks & Rec)
- Absent other budget adjustments (i.e. revenues or expenditures), the Unassigned Fund Balance Policy breaches the policy threshold in FY2023 due to operating deficits shown on prior page

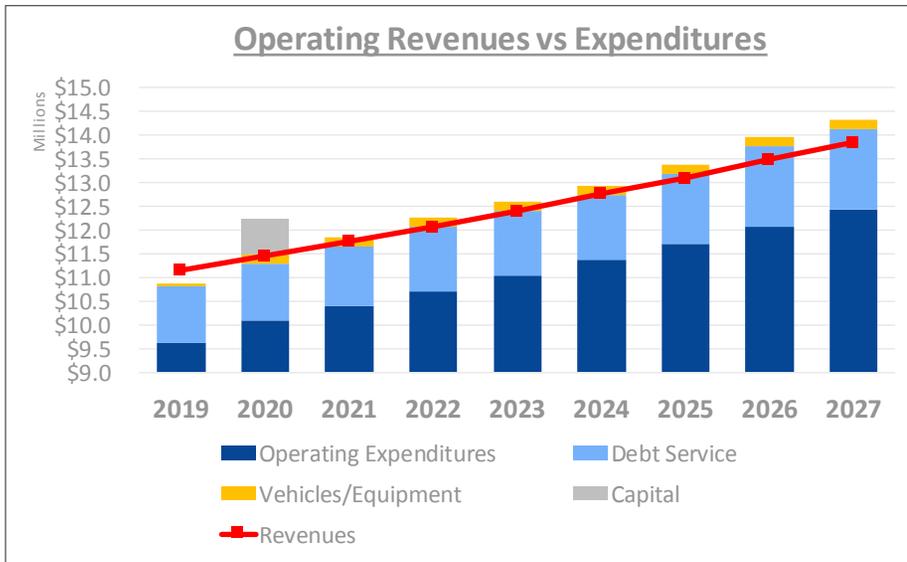


# Case 1B - Summary of Results



## Summary Takeaways:

- Operating deficits are projected beginning in FY2021 equivalent to approximately 1 penny on the real estate tax rate
- The projected operating deficits increase in FY2025 with the addition of the Police Station to approximately 3.0 pennies on the real estate tax rate approximately



### Equivalent Real Estate Tax Impact

2020	2021	2022	2023	2024	2025	2026	2027
N/A	0.6¢	1.3¢	1.2¢	1.1¢	1.7¢	3.1¢	2.9¢

### Projected Value of 1 Penny on the Real Estate Tax Rate (\$1,000)

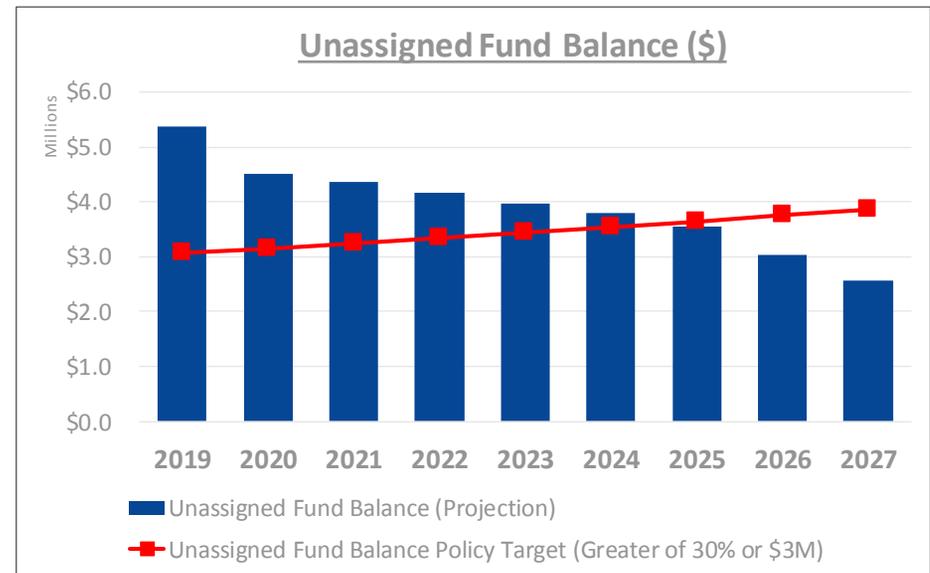
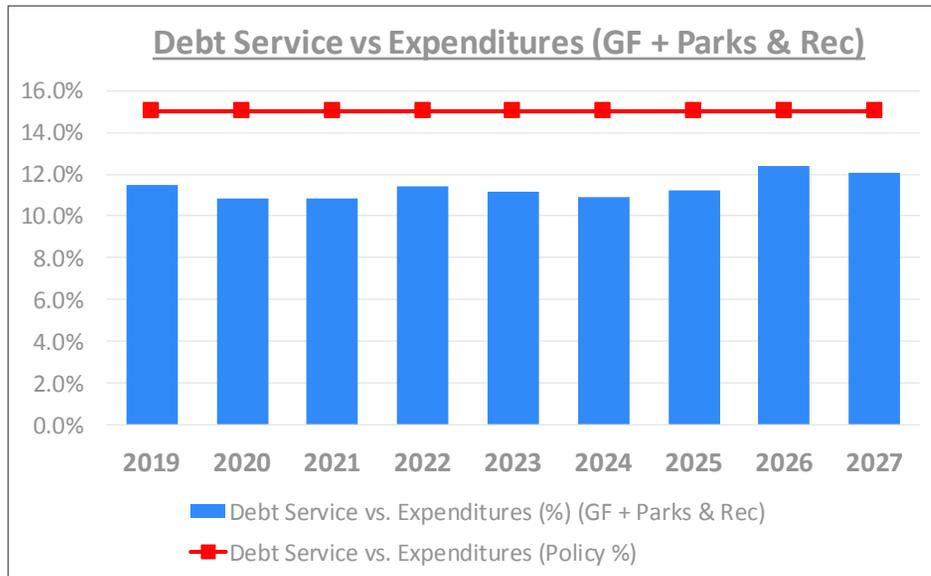
\$141	\$145	\$148	\$152	\$156	\$160	\$164	\$168
	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%

# Case 1B - Summary of Results (cont.)



## Summary Takeaways:

- Debt Service vs. Expenditures Policy remains in compliance with policy (note: includes General Fund and Parks & Rec)
- Absent other budget adjustments (i.e. to revenues or expenditures), Unassigned Fund Balance Policy breaches the policy threshold in FY2025 due to operating deficits shown on prior page



# Summary of Case **2A/2B**

## (Police Facility Enhancements, Novak & Police Staffing)

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### ■ Case 2A:

– All Case 1A (i.e. the “Sterling” option) assumptions are utilized with the following additional assumptions:

A. Additional \$390K per year in operating costs beginning in FY2021 related to Novak recommendations

B. A total of \$874k in new Police Staffing costs are added as follows:

1. 2020 = \$335K
2. 2021 = \$675K
3. 2022 and after = \$874K

### ■ Case 2B:

– All Case 1B (i.e. the “Daycare” option) assumptions are utilized with the following additional assumptions:

A. Additional \$390K per year in operating costs beginning in FY2021 related to Novak recommendations

B. A total of \$874k in new Police Staffing costs are added as follows:

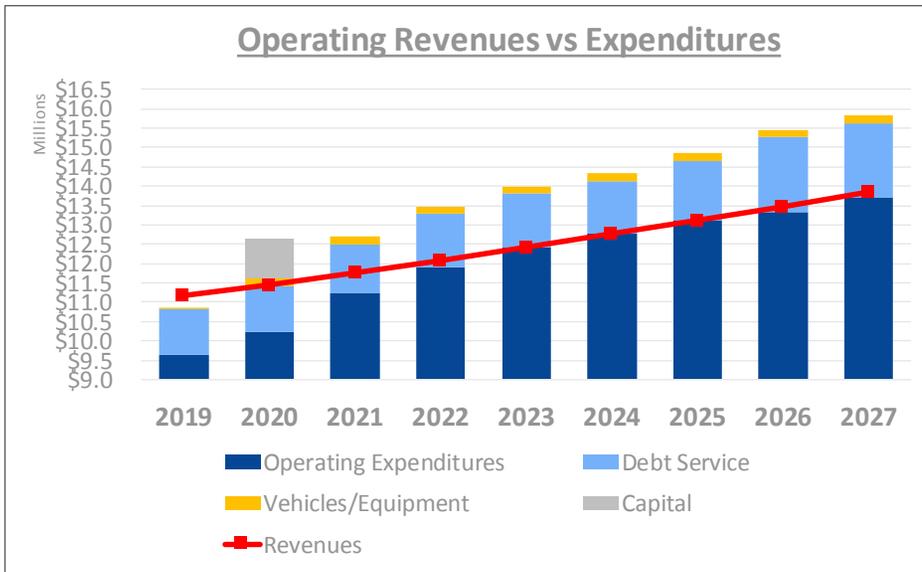
1. 2020 = \$335K
2. 2021 = \$675K
3. 2022 and after = \$874K

# Case 2A - Summary of Results



## Summary Takeaways:

- Operating deficits are projected beginning in FY2021 equivalent to roughly 6.5 pennies on the real estate tax rate
- The projected operating deficits increase in FY2025 with the addition of the Police Station to approximately 12 pennies on the real estate tax rate approximately (an average of approximately \$900k per year)



### Equivalent Real Estate Tax Impact

2020	2021	2022	2023	2024	2025	2026	2027
N/A	6.5¢	9.4¢	10.4¢	10.1¢	10.9¢	12.2¢	11.8¢

### Projected Value of 1 Penny on the Real Estate Tax Rate (\$1,000)

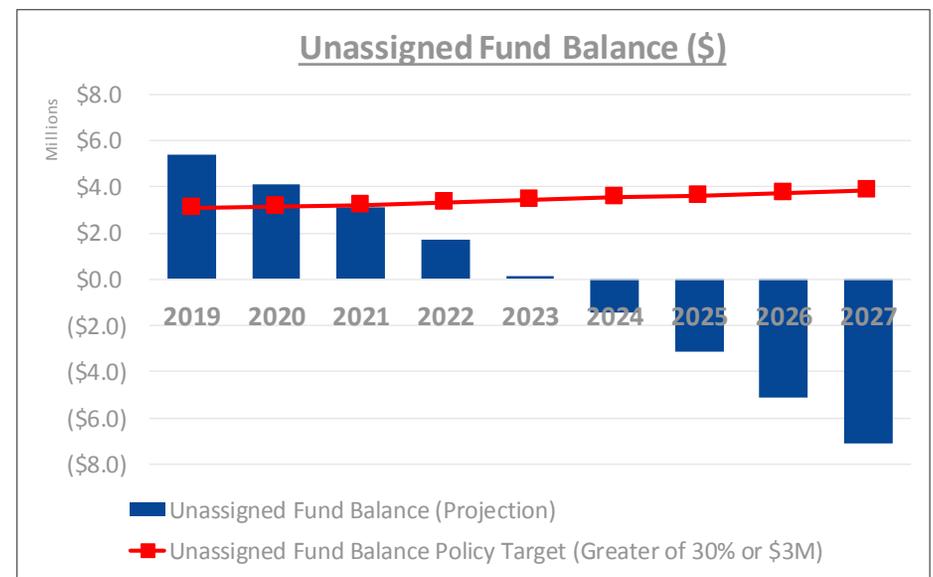
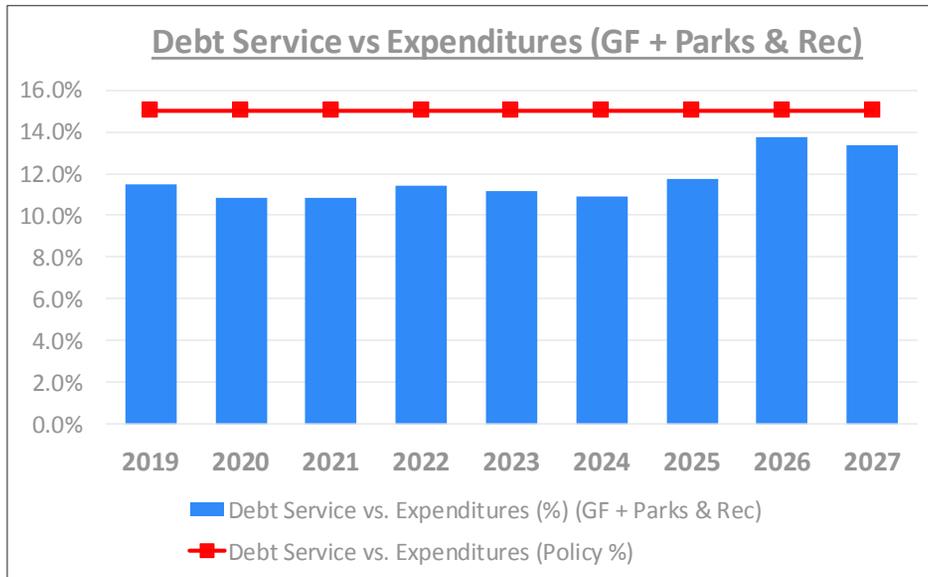
\$141	\$145	\$148	\$152	\$156	\$160	\$164	\$168
	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%

# Case 2A - Summary of Results (cont.)



## Summary Takeaways:

- Debt Service vs. Expenditures Policy remains in compliance with policy (note: includes General Fund and Parks & Rec)
- Absent other budget adjustments (i.e. to revenues or expenditures), Unassigned Fund Balance Policy breaches the policy threshold in FY2022 due to operating deficits shown on prior page

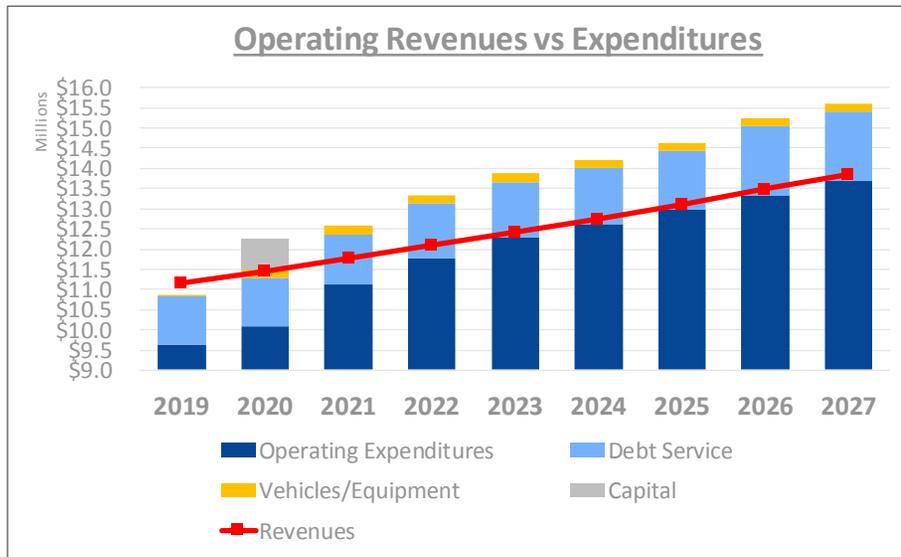


# Case 2B - Summary of Results



## Summary Takeaways:

- Operating deficits are projected beginning in FY2021 equivalent to roughly 5.5 pennies on the real estate tax rate (an average of roughly \$625k per year)
- The projected operating deficits increase in FY2026 with the addition of the Police Station to approximately 11 pennies on the real estate tax rate approximately



### Equivalent Real Estate Tax Impact

2020	2021	2022	2023	2024	2025	2026	2027
N/A	5.6¢	8.5¢	9.6¢	9.2¢	9.6¢	10.8¢	10.4¢

### Projected Value of 1 Penny on the Real Estate Tax Rate (\$1,000)

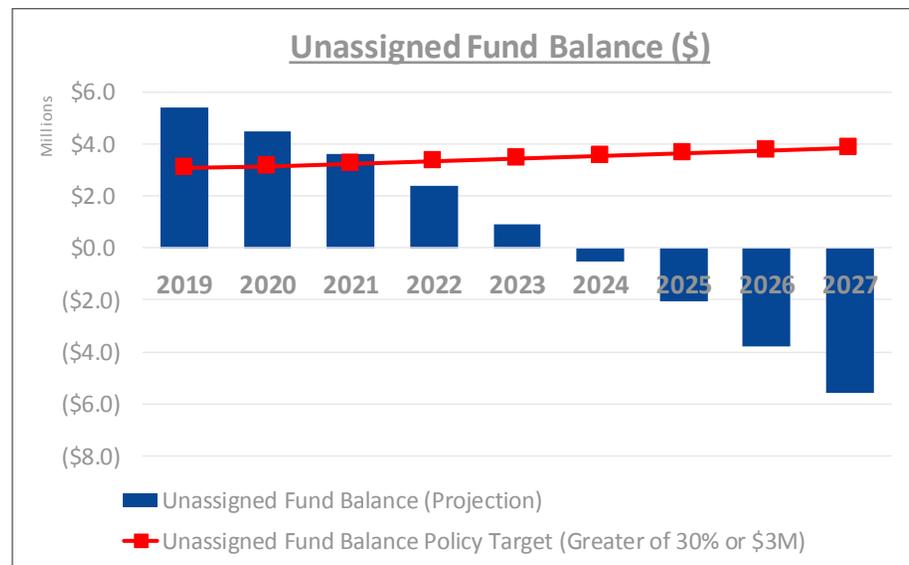
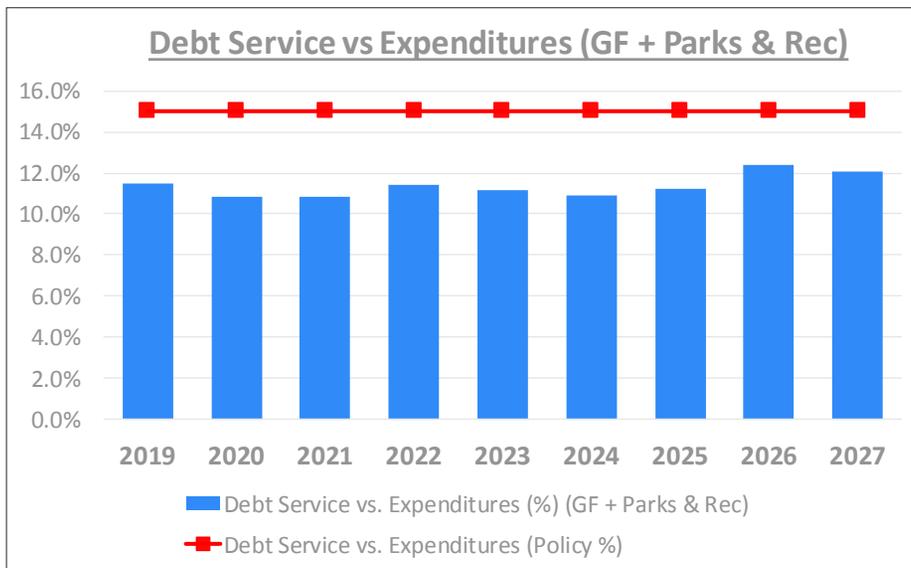
\$141	\$145	\$148	\$152	\$156	\$160	\$164	\$168
	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%

# Case 2B - Summary of Results (cont.)



## Summary Takeaways:

- Debt Service vs. Expenditures Policy remains in compliance with policy (note: includes General Fund and Parks & Rec)
- Absent other budget adjustments (i.e. to revenues or expenditures), Unassigned Fund Balance Policy breaches the policy threshold in FY2023 due to operating deficits shown on prior page



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# Appendix

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# Case 1A Detailed Cash-Flows



## Town of Purcellville, Virginia

### Multi-Year General Fund Forecast FY2020 Town Manager Proposed Budget

	Estimated 2019	Proposed 2020	Projected 2021	Projected 2022	Projected 2023	Projected 2024	Projected 2025	Projected 2026	Projected 2027
1 Total Operating Revenues	10,207,822	10,461,142	10,774,976	11,098,226	11,431,172	11,774,107	12,127,331	12,491,151	12,865,885
2 Revenue Adjustment	0	0	0	0	0	0	0	0	0
3 <b>TOTAL REVENUES</b>	<b>10,207,822</b>	<b>10,461,142</b>	<b>10,774,976</b>	<b>11,098,226</b>	<b>11,431,172</b>	<b>11,774,107</b>	<b>12,127,331</b>	<b>12,491,151</b>	<b>12,865,885</b>
4									
5 Total Operating Expenditures (less Debt Service & Cash Funded Capital)	(9,634,462)	(10,108,361)	(10,411,612)	(10,723,960)	(11,045,679)	(11,377,049)	(11,718,361)	(12,069,912)	(12,432,009)
6 Expenditure Adjustment	0	(120,000)	(120,000)	(120,000)	(120,000)	(120,000)	(120,000)	0	0
7 <b>TOTAL EXPENDITURES</b>	<b>(9,634,462)</b>	<b>(10,228,361)</b>	<b>(10,531,612)</b>	<b>(10,843,960)</b>	<b>(11,165,679)</b>	<b>(11,497,049)</b>	<b>(11,838,361)</b>	<b>(12,069,912)</b>	<b>(12,432,009)</b>
8									
9 Chargeback Allocation from Utility Funds	947,252	986,452	986,452	986,452	986,452	986,452	986,452	986,452	986,452
10 <b>SURPLUS Before Debt Service &amp; Cash Funded Capital</b>	<b>1,520,612</b>	<b>1,219,233</b>	<b>1,229,817</b>	<b>1,240,718</b>	<b>1,251,946</b>	<b>1,263,510</b>	<b>1,275,422</b>	<b>1,407,691</b>	<b>1,420,328</b>
11 <b>General Fund Debt Service:</b>									
12 Existing Debt Service (P+I)	(1,187,556)	(1,202,841)	(1,244,304)	(1,366,544)	(1,370,635)	(1,368,250)	(1,338,466)	(1,335,707)	(1,334,072)
13 New Debt Service (P+I)	0	0	0	0	0	0	(210,000)	(596,001)	(596,001)
14 Capital Outlay for Vehicles and Equipment	(50,927)	(200,815)	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)
15 <b>Surplus / (Deficit) After Debt Service</b>	<b>282,129</b>	<b>(184,423)</b>	<b>(214,487)</b>	<b>(325,826)</b>	<b>(318,689)</b>	<b>(304,739)</b>	<b>(473,044)</b>	<b>(724,016)</b>	<b>(709,744)</b>
16									
17 <b>Equivalent Real Estate Tax Impact</b>	<b>N/A</b>	<b>N/A</b>	<b>1.5¢</b>	<b>2.2¢</b>	<b>2.1¢</b>	<b>2.0¢</b>	<b>3.0¢</b>	<b>4.4¢</b>	<b>4.2¢</b>
18 <b>Value of One Penny</b>	<b>\$133,000</b>	<b>\$141,000</b>	<b>\$144,525</b>	<b>\$148,138</b>	<b>\$151,842</b>	<b>\$155,638</b>	<b>\$159,529</b>	<b>\$163,517</b>	<b>\$167,605</b>
19 <b>Growth in the Value of a Penny</b>			<b>2.5%</b>						
20 <b>Other Financing Sources / (Uses)</b>									
21 Contingency-Operating Reserve	0	(113,515)	0	0	0	0	0	0	0
22 Road Paving Analysis	(60,000)	0	0	0	0	0	0	0	0
23 Organizational Assessment	(70,000)	0	0	0	0	0	0	0	0
24 Compensation Study	(40,000)	0	0	0	0	0	0	0	0
25 Zoning Ordinance Update	0	(60,000)	(60,000)	0	0	0	0	0	0
26 Transfer to Capital Fund	0	(1,000,000)	0	0	0	0	0	0	0
27 Capital Asset Replacement Fund	(18,086)	0	0	0	0	0	0	0	0
28 Use of Capital Reserve Fund	111,038	104,937	0	0	0	0	0	0	0
29 <b>Net Surplus / (Deficit) After Debt Service and Other Sources / (Uses)</b>	<b>205,080</b>	<b>(1,253,000)</b>	<b>(274,487)</b>	<b>(325,826)</b>	<b>(318,689)</b>	<b>(304,739)</b>	<b>(473,044)</b>	<b>(724,016)</b>	<b>(709,744)</b>
30 <b>Projected Financial Policy Compliance</b>									
31 <b>Unassigned Fund Balance (Projection)</b>	<b>5,381,431</b>	<b>4,128,432</b>	<b>3,853,944</b>	<b>3,528,118</b>	<b>3,209,429</b>	<b>2,904,690</b>	<b>2,431,646</b>	<b>1,707,629</b>	<b>997,885</b>
32 <b>Unassigned Fund Balance vs. Revenues (%)</b>	<b>52.7%</b>	<b>39.5%</b>	<b>35.8%</b>	<b>31.8%</b>	<b>28.1%</b>	<b>24.7%</b>	<b>20.1%</b>	<b>13.7%</b>	<b>7.8%</b>
33 Unassigned Fund Balance Policy Target (Greater of 30% or \$3M)	3,062,347	3,138,343	3,232,493	3,329,468	3,429,352	3,532,232	3,638,199	3,747,345	3,859,766
34 Capital Reserve Fund Balance	104,937	0	0	0	0	0	0	0	0
35 Capital Asset Replacement Fund Balance	73,586	73,586	73,586	73,586	73,586	73,586	73,586	73,586	73,586
36 Debt Service vs. Expenditures (%) (GF + Parks & Rec)	11.5%	10.8%	10.9%	11.4%	11.2%	10.9%	11.7%	13.7%	13.4%

# Case 1B Detailed Cash-Flows



**Town of Purcellville, Virginia**  
**Multi-Year General Fund Forecast**  
**FY2020 Town Manager Proposed Budget**

	Estimated 2019	Proposed 2020	Projected 2021	Projected 2022	Projected 2023	Projected 2024	Projected 2025	Projected 2026	Projected 2027
1 Total Operating Revenues	10,207,822	10,461,142	10,774,976	11,098,226	11,431,172	11,774,107	12,127,331	12,491,151	12,865,885
2 Revenue Adjustment	0	0	0	0	0	0	0	0	0
3 <b>TOTAL REVENUES</b>	<b>10,207,822</b>	<b>10,461,142</b>	<b>10,774,976</b>	<b>11,098,226</b>	<b>11,431,172</b>	<b>11,774,107</b>	<b>12,127,331</b>	<b>12,491,151</b>	<b>12,865,885</b>
4									
5 Total Operating Expenditures (less Debt Service & Cash Funded Capital)	(9,634,462)	(10,108,361)	(10,411,612)	(10,723,960)	(11,045,679)	(11,377,049)	(11,718,361)	(12,069,912)	(12,432,009)
6 Expenditure Adjustment	0	10,000	10,000	10,000	10,000	10,000	10,000	0	0
7 <b>TOTAL EXPENDITURES</b>	<b>(9,634,462)</b>	<b>(10,098,361)</b>	<b>(10,401,612)</b>	<b>(10,713,960)</b>	<b>(11,035,679)</b>	<b>(11,367,049)</b>	<b>(11,708,361)</b>	<b>(12,069,912)</b>	<b>(12,432,009)</b>
8									
9 Chargeback Allocation from Utility Funds	947,252	986,452	986,452	986,452	986,452	986,452	986,452	986,452	986,452
10 <b>SURPLUS Before Debt Service &amp; Cash Funded Capital</b>	<b>1,520,612</b>	<b>1,349,233</b>	<b>1,359,817</b>	<b>1,370,718</b>	<b>1,381,946</b>	<b>1,393,510</b>	<b>1,405,422</b>	<b>1,407,691</b>	<b>1,420,328</b>
11 <b>General Fund Debt Service:</b>									
12 Existing Debt Service (P+I)	(1,187,556)	(1,202,841)	(1,244,304)	(1,366,544)	(1,370,635)	(1,368,250)	(1,338,466)	(1,335,707)	(1,334,072)
13 New Debt Service (P+I)	0	0	0	0	0	0	(131,250)	(372,500)	(372,500)
14 Capital Outlay for Vehicles and Equipment	(50,927)	(200,815)	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)
15 <b>Surplus / (Deficit) After Debt Service</b>	<b>282,129</b>	<b>(54,423)</b>	<b>(84,487)</b>	<b>(195,826)</b>	<b>(188,689)</b>	<b>(174,739)</b>	<b>(264,294)</b>	<b>(500,516)</b>	<b>(486,244)</b>
16									
17 <b>Equivalent Real Estate Tax Impact</b>	<b>N/A</b>	<b>N/A</b>	<b>0.6¢</b>	<b>1.3¢</b>	<b>1.2¢</b>	<b>1.1¢</b>	<b>1.7¢</b>	<b>3.1¢</b>	<b>2.9¢</b>
18 <b>Value of One Penny</b>	<b>\$133,000</b>	<b>\$141,000</b>	<b>\$144,525</b>	<b>\$148,138</b>	<b>\$151,842</b>	<b>\$155,638</b>	<b>\$159,529</b>	<b>\$163,517</b>	<b>\$167,605</b>
19 <b>Growth in the Value of a Penny</b>			<b>2.5%</b>						
20 <b>Other Financing Sources / (Uses)</b>									
21 Contingency-Operating Reserve	0	(113,515)	0	0	0	0	0	0	0
22 Road Paving Analysis	(60,000)	0	0	0	0	0	0	0	0
23 Organizational Assessment	(70,000)	0	0	0	0	0	0	0	0
24 Compensation Study	(40,000)	0	0	0	0	0	0	0	0
25 Zoning Ordinance Update	0	(60,000)	(60,000)	0	0	0	0	0	0
26 Transfer to Capital Fund	0	(750,000)	0	0	0	0	0	0	0
27 Capital Asset Replacement Fund	(18,086)	0	0	0	0	0	0	0	0
28 Use of Capital Reserve Fund	111,038	104,937	0	0	0	0	0	0	0
29 <b>Net Surplus / (Deficit) After Debt Service and Other Sources / (Uses)</b>	<b>205,080</b>	<b>(873,000)</b>	<b>(144,487)</b>	<b>(195,826)</b>	<b>(188,689)</b>	<b>(174,739)</b>	<b>(264,294)</b>	<b>(500,516)</b>	<b>(486,244)</b>
30 <b>Projected Financial Policy Compliance</b>									
31 <b>Unassigned Fund Balance (Projection)</b>	<b>5,381,431</b>	<b>4,508,432</b>	<b>4,363,944</b>	<b>4,168,118</b>	<b>3,979,429</b>	<b>3,804,690</b>	<b>3,540,396</b>	<b>3,039,880</b>	<b>2,553,635</b>
32 <b>Unassigned Fund Balance vs. Revenues (%)</b>	<b>52.7%</b>	<b>43.1%</b>	<b>40.5%</b>	<b>37.6%</b>	<b>34.8%</b>	<b>32.3%</b>	<b>29.2%</b>	<b>24.3%</b>	<b>19.8%</b>
33 Unassigned Fund Balance Policy Target (Greater of 30% or \$3M)	3,062,347	3,138,343	3,232,493	3,329,468	3,429,352	3,532,232	3,638,199	3,747,345	3,859,766
34 Capital Reserve Fund Balance	104,937	0	0	0	0	0	0	0	0
35 Capital Asset Replacement Fund Balance	73,586	73,586	73,586	73,586	73,586	73,586	73,586	73,586	73,586
36 Debt Service vs. Expenditures (%) (GF + Parks & Rec)	11.5%	10.8%	10.9%	11.4%	11.2%	10.9%	11.2%	12.4%	12.1%

# Case 2A Detailed Cash-Flows



## Town of Purcellville, Virginia

### Multi-Year General Fund Forecast FY2020 Town Manager Proposed Budget

	Estimated 2019	Proposed 2020	Projected 2021	Projected 2022	Projected 2023	Projected 2024	Projected 2025	Projected 2026	Projected 2027
1 Total Operating Revenues	10,207,822	10,461,142	10,774,976	11,098,226	11,431,172	11,774,107	12,127,331	12,491,151	12,865,885
2 Revenue Adjustment	0	0	0	0	0	0	0	0	0
3 <b>TOTAL REVENUES</b>	<b>10,207,822</b>	<b>10,461,142</b>	<b>10,774,976</b>	<b>11,098,226</b>	<b>11,431,172</b>	<b>11,774,107</b>	<b>12,127,331</b>	<b>12,491,151</b>	<b>12,865,885</b>
4									
5 Total Operating Expenditures (less Debt Service & Cash Funded Capital)	(9,634,462)	(10,108,361)	(10,411,612)	(10,723,960)	(11,045,679)	(11,377,049)	(11,718,361)	(12,069,912)	(12,432,009)
6 Expenditure Adjustment	0	(120,000)	(845,000)	(1,185,000)	(1,384,000)	(1,384,000)	(1,384,000)	(1,264,000)	(1,264,000)
7 <b>TOTAL EXPENDITURES</b>	<b>(9,634,462)</b>	<b>(10,228,361)</b>	<b>(11,256,612)</b>	<b>(11,908,960)</b>	<b>(12,429,679)</b>	<b>(12,761,049)</b>	<b>(13,102,361)</b>	<b>(13,333,912)</b>	<b>(13,696,009)</b>
8									
9 Chargeback Allocation from Utility Funds	947,252	986,452	986,452	986,452	986,452	986,452	986,452	986,452	986,452
10 <b>SURPLUS Before Debt Service &amp; Cash Funded Capital</b>	<b>1,520,612</b>	<b>1,219,233</b>	<b>504,817</b>	<b>175,718</b>	<b>(12,054)</b>	<b>(490)</b>	<b>11,422</b>	<b>143,691</b>	<b>156,328</b>
11 <b>General Fund Debt Service:</b>									
12 Existing Debt Service (P+I)	(1,187,556)	(1,202,841)	(1,244,304)	(1,366,544)	(1,370,635)	(1,368,250)	(1,338,466)	(1,335,707)	(1,334,072)
13 New Debt Service (P+I)	0	0	0	0	0	0	(210,000)	(596,001)	(596,001)
14 Capital Outlay for Vehicles and Equipment	(50,927)	(200,815)	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)
15 <b>Surplus / (Deficit) After Debt Service</b>	<b>282,129</b>	<b>(184,423)</b>	<b>(939,487)</b>	<b>(1,390,826)</b>	<b>(1,582,689)</b>	<b>(1,568,739)</b>	<b>(1,737,044)</b>	<b>(1,988,016)</b>	<b>(1,973,744)</b>
16									
17 <b>Equivalent Real Estate Tax Impact</b>	<b>N/A</b>	<b>N/A</b>	<b>6.5¢</b>	<b>9.4¢</b>	<b>10.4¢</b>	<b>10.1¢</b>	<b>10.9¢</b>	<b>12.2¢</b>	<b>11.8¢</b>
18 <b>Value of One Penny</b>	<b>\$133,000</b>	<b>\$141,000</b>	<b>\$144,525</b>	<b>\$148,138</b>	<b>\$151,842</b>	<b>\$155,638</b>	<b>\$159,529</b>	<b>\$163,517</b>	<b>\$167,605</b>
19 <b>Growth in the Value of a Penny</b>			<b>2.5%</b>						
20 <b>Other Financing Sources / (Uses)</b>									
21 Contingency-Operating Reserve	0	(113,515)	0	0	0	0	0	0	0
22 Road Paving Analysis	(60,000)	0	0	0	0	0	0	0	0
23 Organizational Assessment	(70,000)	0	0	0	0	0	0	0	0
24 Compensation Study	(40,000)	0	0	0	0	0	0	0	0
25 Zoning Ordinance Update	0	(60,000)	(60,000)	0	0	0	0	0	0
26 Transfer to Capital Fund	0	(1,000,000)	0	0	0	0	0	0	0
27 Capital Asset Replacement Fund	(18,086)	0	0	0	0	0	0	0	0
28 Use of Capital Reserve Fund	111,038	104,937	0	0	0	0	0	0	0
29 <b>Net Surplus / (Deficit) After Debt Service and Other Sources / (Uses)</b>	<b>205,080</b>	<b>(1,253,000)</b>	<b>(999,487)</b>	<b>(1,390,826)</b>	<b>(1,582,689)</b>	<b>(1,568,739)</b>	<b>(1,737,044)</b>	<b>(1,988,016)</b>	<b>(1,973,744)</b>
30 <b>Projected Financial Policy Compliance</b>									
31 <b>Unassigned Fund Balance (Projection)</b>	<b>5,381,431</b>	<b>4,128,432</b>	<b>3,128,944</b>	<b>1,738,118</b>	<b>155,429</b>	<b>(1,413,310)</b>	<b>(3,150,354)</b>	<b>(5,138,371)</b>	<b>(7,112,115)</b>
32 <b>Unassigned Fund Balance vs. Revenues (%)</b>	<b>52.7%</b>	<b>39.5%</b>	<b>29.0%</b>	<b>15.7%</b>	<b>1.4%</b>	<b>-12.0%</b>	<b>-26.0%</b>	<b>-41.1%</b>	<b>-55.3%</b>
33 Unassigned Fund Balance Policy Target (Greater of 30% or \$3M)	3,062,347	3,138,343	3,232,493	3,329,468	3,429,352	3,532,232	3,638,199	3,747,345	3,859,766
34 Capital Reserve Fund Balance	104,937	0	0	0	0	0	0	0	0
35 Capital Asset Replacement Fund Balance	73,586	73,586	73,586	73,586	73,586	73,586	73,586	73,586	73,586
36 Debt Service vs. Expenditures (%) (GF + Parks & Rec)	11.5%	10.8%	10.9%	11.4%	11.2%	10.9%	11.7%	13.7%	13.4%

# Case 2B Detailed Cash-Flows



## Town of Purcellville, Virginia

### Multi-Year General Fund Forecast FY2020 Town Manager Proposed Budget

	Estimated 2019	Proposed 2020	Projected 2021	Projected 2022	Projected 2023	Projected 2024	Projected 2025	Projected 2026	Projected 2027
1 Total Operating Revenues	10,207,822	10,461,142	10,774,976	11,098,226	11,431,172	11,774,107	12,127,331	12,491,151	12,865,885
2 Revenue Adjustment	0	0	0	0	0	0	0	0	0
3 <b>TOTAL REVENUES</b>	<b>10,207,822</b>	<b>10,461,142</b>	<b>10,774,976</b>	<b>11,098,226</b>	<b>11,431,172</b>	<b>11,774,107</b>	<b>12,127,331</b>	<b>12,491,151</b>	<b>12,865,885</b>
4									
5 Total Operating Expenditures (less Debt Service & Cash Funded Capital)	(9,634,462)	(10,108,361)	(10,411,612)	(10,723,960)	(11,045,679)	(11,377,049)	(11,718,361)	(12,069,912)	(12,432,009)
6 Expenditure Adjustment	0	10,000	(715,000)	(1,055,000)	(1,254,000)	(1,254,000)	(1,254,000)	(1,264,000)	(1,264,000)
7 <b>TOTAL EXPENDITURES</b>	<b>(9,634,462)</b>	<b>(10,098,361)</b>	<b>(11,126,612)</b>	<b>(11,778,960)</b>	<b>(12,299,679)</b>	<b>(12,631,049)</b>	<b>(12,972,361)</b>	<b>(13,333,912)</b>	<b>(13,696,009)</b>
8									
9 Chargeback Allocation from Utility Funds	947,252	986,452	986,452	986,452	986,452	986,452	986,452	986,452	986,452
10 <b>SURPLUS Before Debt Service &amp; Cash Funded Capital</b>	<b>1,520,612</b>	<b>1,349,233</b>	<b>634,817</b>	<b>305,718</b>	<b>117,946</b>	<b>129,510</b>	<b>141,422</b>	<b>143,691</b>	<b>156,328</b>
11 <b>General Fund Debt Service:</b>									
12 Existing Debt Service (P+I)	(1,187,556)	(1,202,841)	(1,244,304)	(1,366,544)	(1,370,635)	(1,368,250)	(1,338,466)	(1,335,707)	(1,334,072)
13 New Debt Service (P+I)	0	0	0	0	0	0	(131,250)	(372,500)	(372,500)
14 Capital Outlay for Vehicles and Equipment	(50,927)	(200,815)	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)
15 <b>Surplus / (Deficit) After Debt Service</b>	<b>282,129</b>	<b>(54,423)</b>	<b>(809,487)</b>	<b>(1,260,826)</b>	<b>(1,452,689)</b>	<b>(1,438,739)</b>	<b>(1,528,294)</b>	<b>(1,764,516)</b>	<b>(1,750,244)</b>
16									
17 <b>Equivalent Real Estate Tax Impact</b>	N/A	N/A	5.6¢	8.5¢	9.6¢	9.2¢	9.6¢	10.8¢	10.4¢
18 <b>Value of One Penny</b>	<b>\$133,000</b>	<b>\$141,000</b>	<b>\$144,525</b>	<b>\$148,138</b>	<b>\$151,842</b>	<b>\$155,638</b>	<b>\$159,529</b>	<b>\$163,517</b>	<b>\$167,605</b>
19 <b>Growth in the Value of a Penny</b>			2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
20 <b>Other Financing Sources / (Uses)</b>									
21 Contingency-Operating Reserve	0	(113,515)	0	0	0	0	0	0	0
22 Road Paving Analysis	(60,000)	0	0	0	0	0	0	0	0
23 Organizational Assessment	(70,000)	0	0	0	0	0	0	0	0
24 Compensation Study	(40,000)	0	0	0	0	0	0	0	0
25 Zoning Ordinance Update	0	(60,000)	(60,000)	0	0	0	0	0	0
26 Transfer to Capital Fund	0	(750,000)	0	0	0	0	0	0	0
27 Capital Asset Replacement Fund	(18,086)	0	0	0	0	0	0	0	0
28 Use of Capital Reserve Fund	111,038	104,937	0	0	0	0	0	0	0
29 <b>Net Surplus / (Deficit) After Debt Service and Other Sources / (Uses)</b>	<b>205,080</b>	<b>(873,000)</b>	<b>(869,487)</b>	<b>(1,260,826)</b>	<b>(1,452,689)</b>	<b>(1,438,739)</b>	<b>(1,528,294)</b>	<b>(1,764,516)</b>	<b>(1,750,244)</b>
30 <b>Projected Financial Policy Compliance</b>									
31 <b>Unassigned Fund Balance (Projection)</b>	<b>5,381,431</b>	<b>4,508,432</b>	<b>3,638,944</b>	<b>2,378,118</b>	<b>925,429</b>	<b>(513,310)</b>	<b>(2,041,604)</b>	<b>(3,806,120)</b>	<b>(5,556,365)</b>
32 <b>Unassigned Fund Balance vs. Revenues (%)</b>	<b>52.7%</b>	<b>43.1%</b>	<b>33.8%</b>	<b>21.4%</b>	<b>8.1%</b>	<b>-4.4%</b>	<b>-16.8%</b>	<b>-30.5%</b>	<b>-43.2%</b>
33 Unassigned Fund Balance Policy Target (Greater of 30% or \$3M)	3,062,347	3,138,343	3,232,493	3,329,468	3,429,352	3,532,232	3,638,199	3,747,345	3,859,766
34 Capital Reserve Fund Balance	104,937	0	0	0	0	0	0	0	0
35 Capital Asset Replacement Fund Balance	73,586	73,586	73,586	73,586	73,586	73,586	73,586	73,586	73,586
36 Debt Service vs. Expenditures (%) (GF + Parks & Rec)	11.5%	10.8%	10.9%	11.4%	11.2%	10.9%	11.2%	12.4%	12.1%

# What are the Key Drivers to a Credit Rating?



## ■ 1<sup>st</sup> Economic Base – Foundation of an Entity’s Fiscal Health

- Incorporation of Local, Regional, and National Economic Factors
- Demographic Characteristics including Population Trends, Employment, and Wealth Levels
- Tax Base – Size, Structure, and Diversity
- Industry Mix and Composition of Employment Base
- Local and Regional Patterns of Growth

## ■ 3<sup>rd</sup> Debt Factors

- Nature of Pledged Security, Debt Structure
- Balance between Accelerated Debt Issuance and Under-Investment in Capital Facilities.
- Debt Burden Measured Against:
  - Tax Base
  - Wealth and Income of the Community
  - Total Budget

## ■ 2<sup>nd</sup> Financial Performance and Flexibility

- Revenue and Expenditure Structure and Patterns
- Annual Operating and Budgetary Performance
- Financial Leverage and Fund Balance Position
- Budgeting and Long-term Financial Planning
- Pension Funding and Insurance Risk

## ■ 4<sup>th</sup> Management Factors

- Range and Growth of Services Provided in Relation to Capacity to Provide Services
- Adherence to Long-Range Financial Planning and Policies
- Financial Forecasting and Management
- Consistent and Prudent Budgeting Practices

# Standard & Poor's Commentary (September 2017)



- “S&P Global Ratings affirmed its ‘AAA’ rating on the town’s G.O. debt outstanding. The outlook is stable.”
  
  - “The G.O. rating reflects our opinion of the following factors for the town:
    - Very strong economy, with access to the broad and diverse Washington-Arlington-Alexandria metropolitan statistical area (MSA);
    - Very strong management, with strong financial policies and practices under our Financial Management Assessment (FMA) methodology;
    - Strong budgetary performance, with operating surpluses in the general fund and at the total governmental fund level in fiscal 2016;
    - Very strong budgetary flexibility, with an available fund balance in fiscal 2016 of 61% of operating expenditures, including a relatively small portion of committed reserves that we understand could be reclassified with council approval;
    - Very strong liquidity, with total government available cash at 118.7% of total governmental fund expenditures and 9.0x governmental debt service;
    - Very weak debt and contingent liability position, with debt service carrying charges at 13.2% of expenditures and net direct debt that is 191.2% of total governmental fund revenue; and
    - Very strong institutional framework score.”
- 
- **“The stable outlook reflects S&P Global Ratings’ opinion of Purcellville’s diverse and primarily residential property tax base with very strong economic indicators and direct access to the greater Washington-Arlington-Alexandria MSA’s employment base. The outlook also reflects our opinion of Purcellville’s strong financial flexibility and strong operating performance.”**

# Moody's Commentary (September 2017)



- “The Aa2 rating reflects the town’s modestly sized but growing tax base with very strong wealth indicators, a healthy financial position evidenced by strong reserve levels, and an above average but manageable debt profile with a high degree of self-supporting debt obligations.”
  
- “CREDIT STRENGTHS
  - Affluent local economy benefits from location in northern Virginia
  - Sound financial operations with strong reserves and liquidity
  - Sound management with comprehensive financial policies and multi-year planning”
  
- “CREDIT CHALLENGES
  - Moderately sized tax base
  - Planned use of reserves for one-time purposes reduces financial flexibility”
  
- “FACTORS THAT COULD LEAD TO AN UPGRADE
  - Continued growth and diversification in tax base
  - A trend of structurally balanced operations leading to increases in reserve and liquidity levels”
  
- “FACTORS THAT COULD LEAD TO A DOWNGRADE
  - Material increases to the debt burden that adversely affect the town’s financial position
  - Significant declines in reserves and liquidity beyond current expectations”

# Fitch Commentary (September 2017)

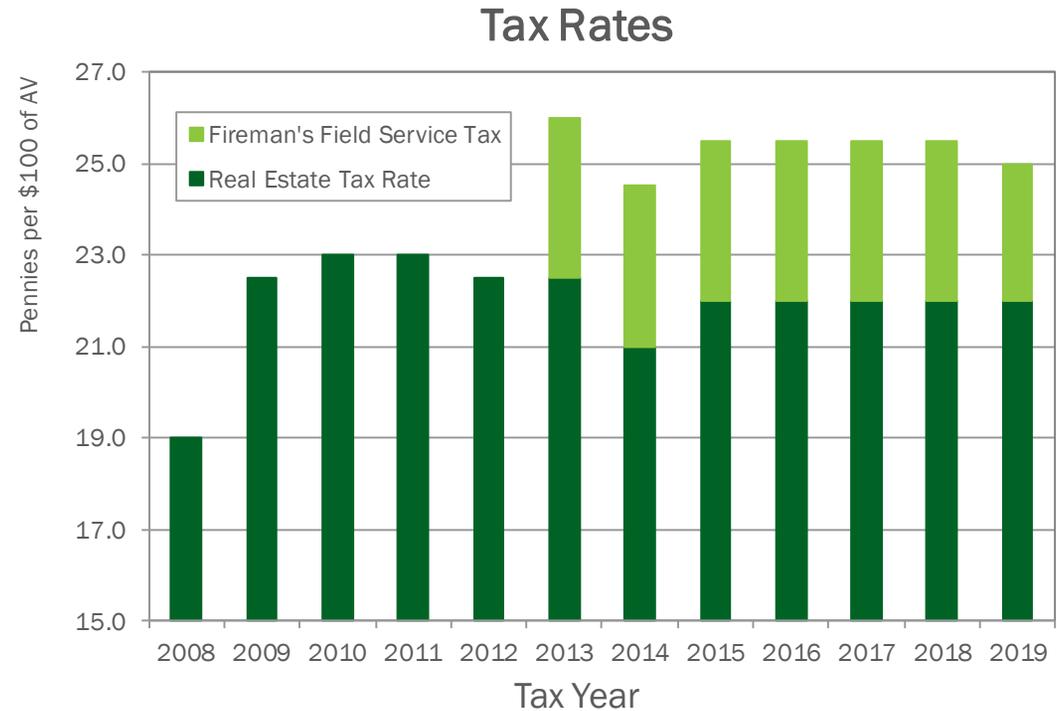


- “The rating reflects the town's solid revenue growth prospects, superior budget flexibility supporting historically strong operating performance, and healthy wealth levels due to the strong and growing economic base.”
- “The Positive Outlook is based on Fitch's expectation for continued improvement in the utility system's financial profile and ability to become fully self-supporting while increasing cash reserves, which reduces the potential for the general government to need to subsidize utility system debt service payments.”
- “KEY RATING DRIVERS
  - Revenue Framework: 'aaa' – General Fund revenues increased faster than national economic expansion over the past decade, although that in part incorporates policy action by the town in annexation and increasing tax rates. Fitch expects the historical trend of growth to continue given the growing regional economy.
  - Expenditure Framework: 'aa' – Fixed carrying costs are moderate at 17% of governmental spending and will trend only slightly higher as the town works through a period of elevated debt service costs in the next five years.
  - Long-Term Liability Burden: 'aaa' – Long-term liabilities are low at 9% of personal income, though higher at 15% when taking into account the general obligation bonds issued for the water and sewer funds that have not been self-supporting for three consecutive fiscal years...The town has no upcoming debt plans and has limited exposure to unfunded pension liabilities.
  - Operating Performance: 'aaa' – The town's superior budget flexibility and ample general fund balance position it to comfortably manage through economic downturns without diminishing overall financial flexibility.”
- **RATING SENSITIVITIES – UTILITY MANAGEMENT:** The rating is sensitive to the town's ability to effectively manage the utility system to consistently fully support debt service issued for utility purposes. Maintenance of positive utility debt service coverage, without reliance on large payments from the developer of a major multi-use project (the Mayfair project) would lessen the potential exposure to the town's overall financial profile, which would improve credit quality. Spending down cash reserves ahead of that expected in the multi-year plans could pressure the rating.”

# Real Estate Tax Rate and Fireman's' Field Service Tax History



Fiscal Year	Real Estate Tax Rate	Fireman's Field Service Tax
2008	19.0	-
2009	22.5	-
2010	23.0	-
2011	23.0	-
2012	22.5	-
2013	22.5	3.5
2014	21.0	3.5
2015	22.0	3.5
2016	22.0	3.5
2017	22.0	3.5
2018	22.0	3.5
2019	22.0	3.0

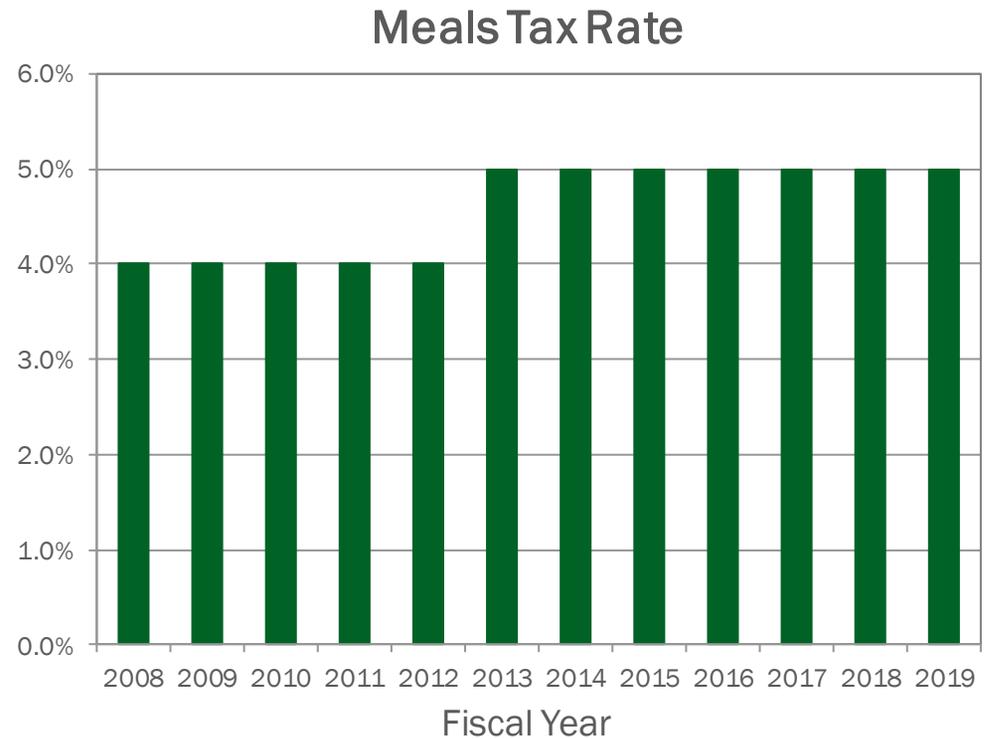


▪ A 1¢ increase in the Real Estate Tax Rate will generate approximately \$141,000 in Revenues.

# Meals Tax Rate and Revenues History

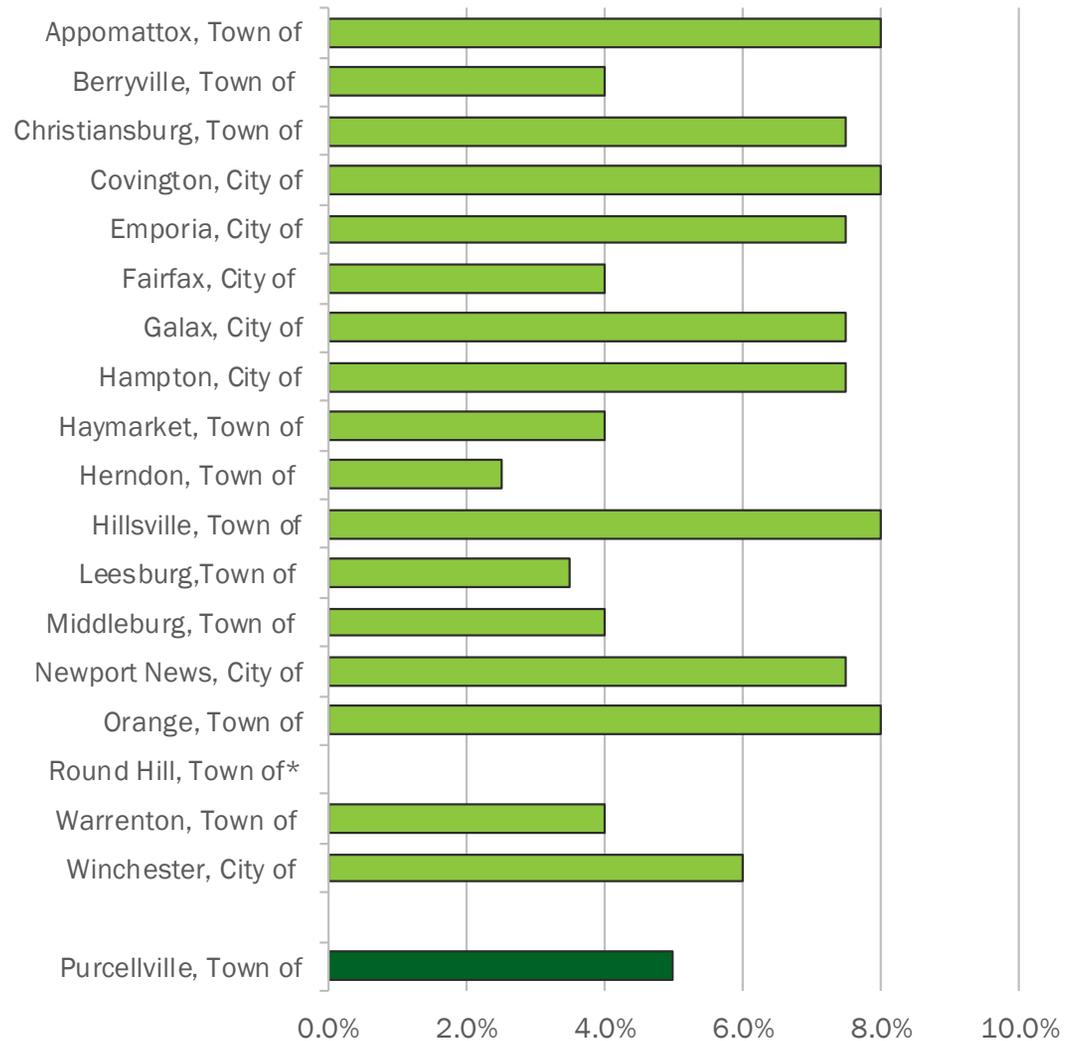


Fiscal Year	Meals Tax	
	Rate	Revenues
2008	4.0%	\$625,138
2009	4.0%	689,856
2010	4.0%	679,083
2011	4.0%	775,398
2012	4.0%	788,948
2013	5.0%	1,229,495
2014	5.0%	1,384,194
2015	5.0%	1,607,222
2016	5.0%	1,786,932
2017	5.0%	1,910,552
2018	5.0%	2,047,316
2019	5.0%	2,013,932



▪ A 1% increase in the Meals Tax Rate will generate approximately \$433,000 in Revenues.

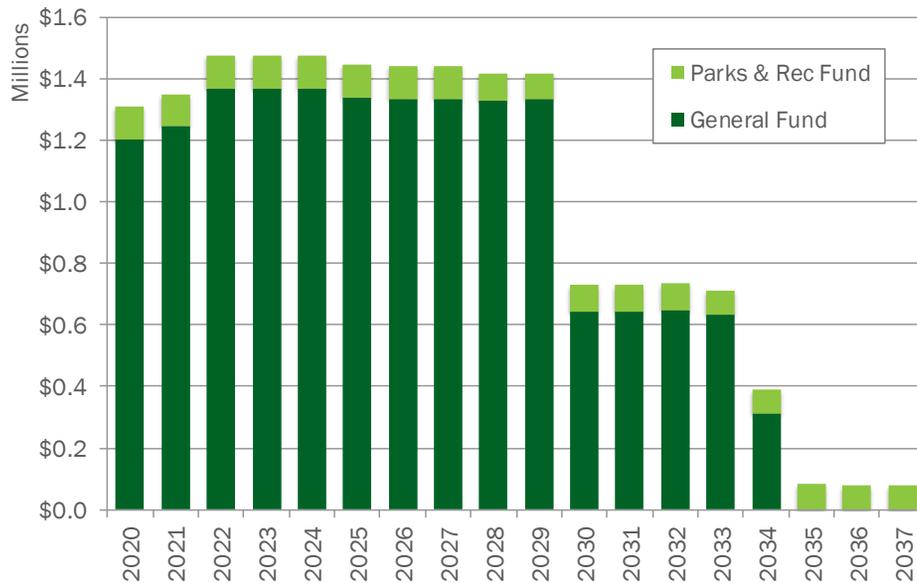
# Meals Tax Group Comparison



\*Note: Fairfax County, Loudoun County, Prince William County, and Town of Round Hill currently do not have a Meals Tax in place.

Source: Town per Weldon Cooper.

# Total Tax-Supported Debt (General Fund and Parks and Recreation Fund)



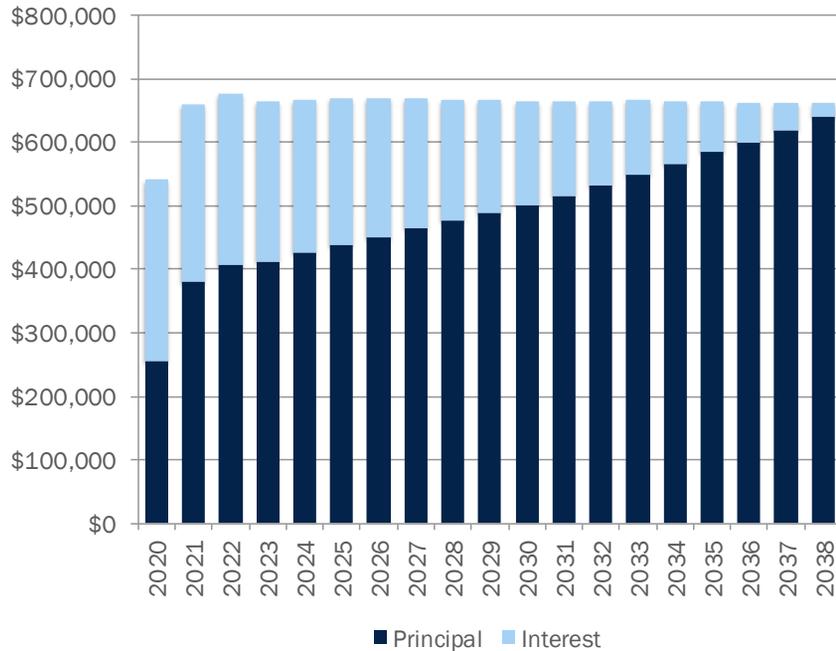
- All of the Tax-Supported Debt (i.e. non-utility related) is fixed rate and is repaid in fixed annual installments.

## Total Tax-Supported Debt Service

Fiscal Year	Principal	Interest	Total	10 Year Payout Ratio
<b>Total</b>	<b>\$13,782,483</b>	<b>\$4,005,107</b>	<b>\$17,787,590</b>	
2020	\$774,998	\$534,709	\$1,309,707	77%
2021	839,998	511,171	1,351,170	80%
2022	994,538	478,871	1,473,409	84%
2023	1,038,616	438,884	1,477,500	89%
2024	1,078,155	396,960	1,475,115	94%
2025	1,092,233	353,098	1,445,332	98%
2026	1,131,773	310,800	1,442,572	98%
2027	1,176,312	264,626	1,440,938	99%
2028	1,200,390	216,265	1,416,655	100%
2029	1,254,929	164,166	1,419,096	100%
2030	619,008	109,316	728,323	100%
2031	643,086	86,400	729,486	100%
2032	670,704	62,468	733,171	100%
2033	672,743	40,433	713,176	100%
2034	370,000	22,068	392,068	100%
2035	75,000	7,418	82,418	100%
2036	75,000	4,965	79,965	100%
2037	75,000	2,490	77,490	100%

Series	Principal Outstanding (As of 6/30/19)
2007 PVFD Note	\$680,000
2012 G.O. Public Improvement and Refunding Bond	3,937,483
2013A G.O. Refunding Bonds	8,465,000
2017B G.O. Refunding Bonds (Taxable)	700,000
<b>Total Outstanding</b>	<b>\$13,782,483</b>

# Debt Profile – Water Fund

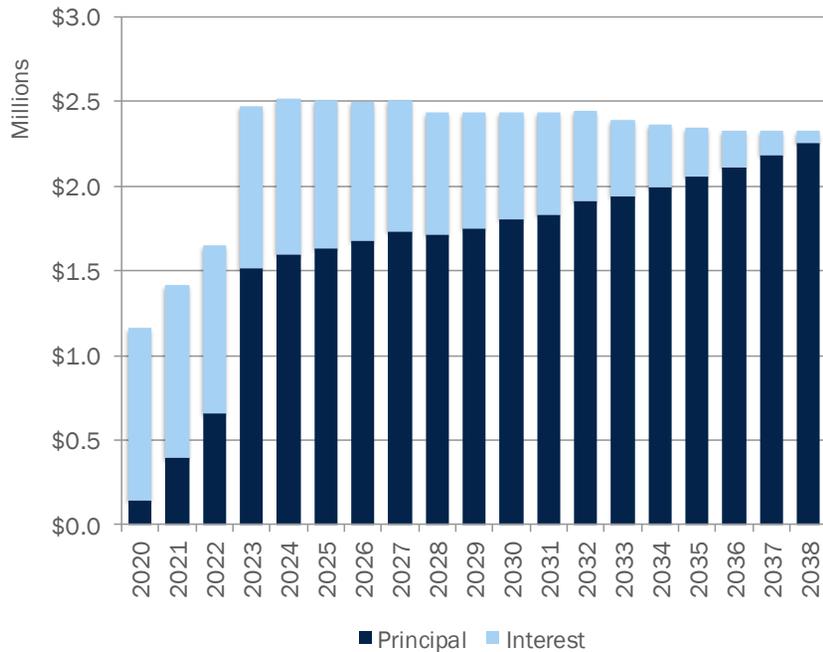


## Water Fund Debt Service

Fiscal Year	Principal	Interest	Total
<b>Total</b>	<b>\$9,314,500</b>	<b>\$3,219,330</b>	<b>\$12,533,830</b>
2020	\$255,500	\$285,703	\$541,203
2021	381,500	279,028	660,528
2022	406,500	271,063	677,563
2023	412,500	253,256	665,756
2024	425,500	241,821	667,321
2025	439,500	230,230	669,730
2026	451,500	218,093	669,593
2027	465,500	205,302	670,802
2028	476,500	191,918	668,418
2029	489,500	177,898	667,398
2030	501,500	163,330	664,830
2031	516,500	148,074	664,574
2032	532,500	132,179	664,679
2033	550,000	116,719	666,719
2034	565,000	99,089	664,089
2035	585,000	80,743	665,743
2036	600,000	61,638	661,638
2037	620,000	41,886	661,886
2038	640,000	21,362	661,362

Series	Principal Outstanding (As of 6/30/19)
2010C VRA Bond	\$220,000
2012 G.O. Public Improvement and Refunding Bond	755,500
2013A G.O. Refunding Bonds	300,000
2017A G.O. Refunding Bonds	2,184,000
2017B G.O. Refunding Bonds (Taxable)	5,855,000
<b>Total Outstanding</b>	<b>\$9,314,500</b>

# Debt Profile – Sewer Fund



## Sewer Fund Debt Service

Fiscal Year	Principal	Interest	Total
<b>Total</b>	<b>\$30,916,322</b>	<b>\$12,099,683</b>	<b>\$43,016,004</b>
2020	\$143,000	\$1,017,969	\$1,160,969
2021	400,000	1,013,938	1,413,938
2022	655,000	995,985	1,650,985
2023	1,517,627	957,739	2,475,366
2024	1,597,066	916,379	2,513,445
2025	1,636,352	871,890	2,508,242
2026	1,676,508	826,280	2,502,789
2027	1,727,556	779,441	2,506,997
2028	1,709,518	730,759	2,440,277
2029	1,752,417	685,488	2,437,905
2030	1,801,277	638,929	2,440,206
2031	1,835,000	600,998	2,435,998
2032	1,915,000	526,183	2,441,183
2033	1,940,000	447,752	2,387,752
2034	1,995,000	367,245	2,362,245
2035	2,060,000	283,845	2,343,845
2036	2,115,000	216,666	2,331,666
2037	2,185,000	147,175	2,332,175
2038	2,255,000	75,023	2,330,023

Series	Principal Outstanding (As of 6/30/19)
2008 VRA DEQ	\$11,534,322
2013A G.O. Refunding Bonds	1,485,000
2013B G.O. Refunding Bonds (Taxable)	5,370,000
2017A G.O. Refunding Bonds	2,727,000
2017B G.O. Refunding Bonds (Taxable)	9,800,000
<b>Total Outstanding</b>	<b>\$30,916,322</b>

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