

# MEMO

To: Carroll County Board of Supervisors  
From: R. Cellell Dalton  
Date: 7/18/19  
Subject: Proposal for Financial Forecast / Cash Flow Analysis

I request that the Board of Supervisors review the Proposal for Financial Forecast and Cash Flow Analysis with Robinson Farmer and Cox. The forecast period will be July 1, 2020 through June 30, 2025.

# FINANCIAL FORECAST PROPOSAL

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FOR THE COUNTY OF CARROLL, VIRGINIA



FORECAST PERIOD OF JULY 1, 2020 THROUGH JUNE 30, 2025

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**Please Respond To:**

Corbin C. Stone, CPA, MBA  
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Proposal to Prepare A  
Financial Analysis and Forecast  
For the  
COUNTY OF CARROLL, VIRGINIA

Table of Contents

|  |   |
|--|---|
| Introduction .....                                   | 1 |
| Scope of Services .....                              | 1 |
| Financial Analysis .....                             | 1 |
| Compile and Evaluate Capital Improvement Plans ..... | 2 |
| Financial Impact .....                               | 3 |
| Meetings and Reports .....                           | 3 |
| Staff Assignments .....                              | 4 |
| Cost .....   | 4 |
| Appendix – Staff Profiles                            |   |

# Proposal to Prepare A Financial Analysis and Forecast For The County of Carroll, Virginia

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## I. Introduction

We are pleased to submit the following proposal to provide professional services to the County of Carroll, Virginia for the preparation of a comprehensive Financial Forecast. This engagement will be conducted in accordance with statements established by the American Institute of Certified Public Accountants (AICPA).

## II. Comprehensive Financial Forecast

### Scope of Services

#### *A. Financial Analysis*

Robinson, Farmer, Cox Associates shall compile a financial forecast for the County to use as a basis for fiscal planning and for the preparation of financial policies. To this end Robinson, Farmer, Cox Associates shall:

- Review demographic and other socio-economic base data contained in the County Comprehensive Plan and other relevant reference materials;
- Review County audited financial statements;
- Consult with County administration with respect to existing operations and prospective operating changes; and
- Prepare a five-year financial forecast of County operations, incorporating ongoing operations and the impact of prospective changes (scenarios).

We will present a written report containing the forecast and a presentation of significant underlying assumptions.

***B. Compile and Evaluate Capital Improvement Project Requests***

Concurrent with the execution of those tasks outlined above, Robinson, Farmer, Cox Associates will assist the County in developing information regarding active and proposed future capital projects. Robinson, Farmer, Cox Associates shall:

- Review the County and School Board's proposed capital improvement plans.
- Review information regarding proposed capital projects for completeness and advise the County of any additional information requirements.
- Summarize project cost (by department and on a county-wide basis) and tabulate on a standard form.
- Summarize anticipated changes in operating budgets and capital/debt costs.
- Provide technical assistance to the Board of Supervisors and County administration in their deliberations regarding priorities and scheduling of capital projects.
- Provide recommendations as to the structure (repayment terms) of capital financing.

### *C. Financial Impact*

Robinson, Farmer, Cox Associates will prepare a report containing:

- Appropriate summary tabulations of the County's capital project schedule. Materials relating to projects falling in the first year of the planning period will be presented in a format allowing for their inclusion in the County budget and adoption as that year's capital budget.
- A restatement of the compiled financial forecasts presented in the Financial Analysis (II.A.) incorporating the financial impact (from either new debt service or capital expenditure) of those projects identified by the capital program (II.B).
- An analysis and interpretation of the forecasted financial operations, capital program and fiscal policies expected impact on the County's real estate tax structure (rate).
- A set of fiscal program recommendations based upon the timing, character (growth related, replacement, etc.) and magnitude of the projected capital projects, including any recommendations identified in Parts I and II above.

We would expect to work with the County in developing a schedule and time frame of capital projects consistent with anticipated need and the County's ability to finance the program.

## III. Meetings and Reports

Robinson, Farmer, Cox Associates expects that a working draft report can be delivered within 90-120 days of notice to proceed. Final reports will be issued within 15 days of approval of the draft report. Personnel from Robinson, Farmer, Cox Associates will be available to meet with officials of the County throughout the engagement.

#### IV. Staff Assignments


Mr. Corbin C. Stone, CPA, MBA will be the project manager of this engagement. Mr. Stone is the Managing Director of Robinson, Farmer, Cox Associates' Blacksburg Office. He has managed and participated in numerous financial consulting engagements. He will be materially assisted on this project by Mr. Scott Wickham, CPA.

#### V. Cost

The total cost for completion of the project, including all out of pocket expenses, should be \$15,000. Only time and expenses actually incurred will be billed and this cost estimate should be considered a "not to exceed" figure.

This Proposal is presented for your consideration this 10<sup>th</sup> day of July 2019

Submitted by ROBINSON, FARMER, COX ASSOCIATES



By: \_\_\_\_\_

Corbin C. Stone, Managing Director

Accepted by: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Date: \_\_\_\_\_

## **Appendix- Staff Profiles**



# Staff Profiles

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Corbin C. Stone, *Certified Public Accountant*

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Managing Director of the Blacksburg office, Corbin has been with the firm since 1991. During his time with the firm he has managed in excess of three hundred governmental audits, including audits of counties, cities, towns, school divisions, numerous water and sewer authorities, industrial development authorities, and special audits of various federal grant projects. Corbin has also provided clients with consulting services including financial forecasting and budgeting, impact studies related to annexations and boundary adjustments, cost allocation plans, personnel pay rate studies, conversion to new accounting software, and investment related decisions.

## *Professional Registration*

- State of Virginia, Certified Public Accountant

## *Education*

- Virginia Tech, Bachelor of Science in Business – Accounting
- Virginia Tech, Bachelor of Science in Business – Management
- Virginia Tech, Master of Business Administration

## *Professional Affiliations*

- Member, American Institute of Certified Public Accountants
- Member, Virginia Society of Certified Public Accountants
- Member, Association of Government Accountants-Roanoke Chapter
- Associate Member, Virginia Government Finance Officers Association

## *Professional Positions*

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| Term            | Position   |
|-----------------|--|
| 1997 to Present | Managing Director, Blacksburg Office, Robinson, Farmer, Cox Associates |
| 1991 to 1997    | Staff/Manager, Robinson, Farmer, Cox Associates                        |

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# Staff Profiles

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Scott Wickham, *Certified Public Accountant, Certified Fraud Examiner*

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Scott began his career at Robinson, Farmer, Cox Associates in 2007. Scott has participated in over one hundred (100) governmental and non-profit audits including audits of counties, cities, towns, school divisions, water and sewer authorities, industrial development authorities, regional libraries, volunteer fire and rescue squads, and school activity funds, as well as special audits of various federal grant projects. Scott has also provided a wide range of consulting services to governmental clients including cost allocation plans, budget preparation, outsourcing studies, fixed asset data accumulation, and management advisory services.

## *Professional Registration*

- State of Virginia, Certified Public Accountant
- Association of Certified Fraud Examiners, Certified Fraud Examiner

## *Education*

- Virginia Tech, Bachelor of Science in Business – Accounting

## *Professional Affiliations*

- Member, Association of Government Accountants
- Member, Virginia Society of Certified Public Accountants
- Member, American Institute of Certified Public Accountants
- Member, Association of Certified Fraud Examiners
- Associate Member, Virginia Government Financed Officers' Association

## *Professional Positions*

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| Term          | Position   |
|---------------|--|
| 2017- Present | Member (Partner), Robinson, Farmer, Cox Associates |
| 2012 to 2017  | Audit Manager, Robinson, Farmer, Cox Associates    |
| 2008 to 2012  | Associate, Robinson, Farmer, Cox Associates        |
| 2007          | Intern, Robinson, Farmer, Cox Associates           |

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# ROBINSON, FARMER, COX ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

A PROFESSIONAL LIMITED LIABILITY COMPANY

## **County of Carroll, Virginia**

### **Documentation of Understanding with Client Involving Independence with Respect to Non-Audit Services Performed**

It has been determined that Robinson, Farmer, Cox Associates is performing a non-audit service to the County of Carroll, Virginia, for its engagement to prepare a Financial Forecast. This service is not a financial audit, an attestation engagement, nor a performance audit.

We contend that Robinson, Farmer, Cox Associates maintains its independence with respect to the County of Carroll, Virginia, in the performance of this non-audit service because Robinson, Farmer, Cox Associates will not perform any management functions or make management decisions.

Because of the nature of the non-audit service, Robinson, Farmer, Cox Associates will not be auditing its own work. Services provided as part of this engagement require neither audit nor attestation functions. Typically these services involve calculation of future financial performance, and preparation of alternative scenarios, within the scope of management defined parameters, which management can then analyze and use as a basis for making informed decisions.

The objectives, scope of work, and deliverables for the non-audit service are to conduct a Financial Forecast.

Management understands that management is responsible for the substantive outcome of the work and, therefore, has a responsibility to be in a position in fact and appearance to make an informed judgment on the results of the non-audit service.

Management has designated Cellell Dalton, Interim County Administrator, to be responsible and accountable for overseeing the non-audit service. This individual is qualified to conduct the required oversight because of his position and his knowledge and understanding of the service performed.

The County Administrator will monitor performance of the non-audit service to determine that the service meets the objectives of our proposal.

Management of the County of Carroll, Virginia will make all decisions involving management functions related to the non-audit service, accepts full responsibility for those decisions, and management has evaluated the adequacy of the service performed. This responsibility and agreement to the adequacy of the service are indicated by the signature of management on this document.

I understand and agree with the statements contained in this document.



\_\_\_\_\_  
Robinson, Farmer, Cox Associates

\_\_\_\_\_  
County Administrator

7/10/2019

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

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