

Economic Development

DESCRIPTION

Economic Development's services are designed to attract, retain, generate, and facilitate expansion of high quality business and industry resulting in a stable, diverse local economy and an improved standard of living for the citizens of the County. The County is becoming an increasingly important part of the diverse and growing Richmond metropolitan economy. Based upon economic forecasts, the County should continue to maintain above average employment rates, per capita income, and growth. The main purpose of this service is to provide an expanding tax base and employment opportunities for Hanover citizens, while improving the overall standard of living. Economic Development assists existing businesses in the County in expansion, relocation (within the County) and retention issues, and recruits new businesses to the County from foreign and domestic markets that may be interested in relocation, expansion, or consolidation. The Department also works to designate additional areas of the Comprehensive Plan for development.

GOALS AND OBJECTIVES

- Manage new investment (new companies and expansions) projects by providing site location assistance information and permit review assistance;
- Market Hanover as business location;
- Network in professional Real Estate community;
- Continue to host an annual "Industry Appreciation Week" event;
- Continue to send a newsletter to County businesses;
- Continue to maintain a business resource center;
- Maintain a database of available sites and buildings and an economic development internet site, and;
- Maintain a database of existing and prospective businesses.

SERVICE LEVELS	<u>FY03</u> <u>Budget</u>	<u>FY03</u> <u>Forecast</u>	<u>FY04</u> <u>Budget</u>	<u>FY04</u> <u>Forecast</u>	<u>FY05</u> <u>Budget</u>
Per capita cost of operating department	\$ 10.32	\$ 10.36	\$ 10.17		\$ 10.11
Business prospects serviced	100	115	100	110	125
Information inquiries	250	200	250	250	250
Existing business visits	85	95	95	95	100

Lodging Available (Hotel Rooms)

	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004**</u>
Town of Ashland	1,082	1,082	1,082	1,014	1,198
County (excluding Town)	519	519	519	519	519

Source: Town of Ashland

** Projected

BUDGET HIGHLIGHTS

FY04

Maintenance level funding is provided in FY04.

FY05

Salaries and fringe benefits increased due to higher VRS contributions and health insurance costs. The remainder of the budget represents a maintenance level of funding.

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BUDGET SUMMARY

Expenditures

	FY03 Budget	FY03 Actual	FY04 Budget	FY05 Budget	Percent Change
Economic Development					
Salaries and Fringe Benefits	\$ 342,699	\$ 346,500	\$ 361,046	\$ 371,386	2.9%
Operating Expenditures	625,868	625,972	617,589	625,553	1.3%
Capital Outlay	-	-	-	-	0.0%
Total Expenditures	\$ 968,567	\$ 972,472	\$ 978,635	\$ 996,939	1.9%

Revenue

Recovered Costs - Economic Development	\$ 169,000	\$ 156,760	\$ 164,000	\$ 246,000	50.0%
Governor's Opportunity Fund	-	-	-	40,000	100.0%
Total Department Generated Revenue	\$ 169,000	\$ 156,760	\$ 164,000	\$ 286,000	74.4%
Generated Revenue Percent of Budget	17.4%	16.1%	16.8%	28.7%	

Other General Fund Revenue

Other General Fund Revenue	\$ 799,567	\$ 815,712	\$ 814,635	\$ 710,939	-12.7%
Other General Fund Percent of Budget					
Full-time Positions	5	5	5	5	0.0%
Full-time Equivalents	5.0	5.0	5.0	5.0	0.0%

FUTURE FUNDING ISSUES

<u>Expenditures</u>	FY06 Plan	FY07 Plan	FY08 Plan	FY09 Plan
Salaries and Fringe Benefits	\$ 386,984	\$ 437,362	\$ 455,731	\$ 474,872
Operating Expenditures	626,179	644,085	661,476	679,336
Capital Outlay	-	2,225	-	-
TOTAL	\$ 1,013,163	\$ 1,083,672	\$ 1,117,207	\$ 1,154,207

Revenue

Recovered Costs - Economic Development	\$ 262,000	\$ 277,000	\$ 267,000	\$ 281,000
Governor's Opportunity Fund	41,000	42,000	43,000	44,000
Total Department Generated Revenue	\$ 303,000	\$ 319,000	\$ 310,000	\$ 325,000
Generated Revenue Percent of Budget	29.9%	29.4%	27.7%	28.2%

Other General Fund Revenue

Other General Fund Revenue	\$ 710,163	\$ 764,672	\$ 807,207	\$ 829,207
Other General Fund Percent of Budget				
Full-time Positions	5	6	6	6
Full-time Equivalents	5.0	6.0	6.0	6.0

The plan includes an Administrative Assistant in FY07. All other funding is at the maintenance level.