

## 2008 State of the County Address



**Richard C. Flora, Chairman  
Roanoke County Board of Supervisors  
Tuesday, October 28, 2008  
Holiday Inn Tanglewood**

**“A Groundbreaking Year”**

### **INTRODUCTION**

Thank you for taking the time to be here this morning. About a year ago, my fellow Board member and Board Chairman at the time, Joe McNamara, concluded his address to this group by encouraging all of us to lead – to lead by taking bold steps to prepare our region for the opportunities and challenges that we will face in the years to come.

I am happy to report that this Board, the leaders of our business community, and the citizens of Roanoke County took this message to heart. I have been involved in local government and school administration across Virginia but mostly Roanoke County for about 45 years, and NEVER have I seen a year as exciting as this one. It has been, quite literally, a

groundbreaking year – a time of transformation and transition for Roanoke County and the valley – a time for making big decisions.

## **CAPITAL PROJECTS**

Over the past year, we seized the opportunity to move forward on a number of important and ambitious capital projects, regional initiatives, and public-private partnerships that will shape the future of Roanoke County and our valley. We approved the construction of four new County facilities that I will talk about in more detail in just a few minutes. We went to work on a \$9-million public safety initiative to upgrade our aging emergency radio system from analog to digital – equipment that is critical for our emergency service responders in the field. We broke ground on a significant regional initiative: the Route 220 water line extension – a partnership of the County, the Western Virginia Water Authority, and Franklin County – that will bring public water and fire protection to the people and businesses along its path. We formed a partnership to locate a new 200-acre business park along the intersection of I-581 and I-81, investing now to ensure jobs and economic expansion in Roanoke County in the years to come. And we offered a helping hand to our school system by helping fund the much-needed renovation of four elementary schools.

## **LEADERSHIP**

None of these achievements have been by accident. What we've witnessed over the past year has been the result of determination and unwavering resolve on the part of the Board, the staff, and especially the citizens of Roanoke County who supported our efforts to improve the services we deliver and the quality of life available in this beautiful valley. But leadership, planning, and determination were just part of the equation – financing was the linchpin to our success.

Earlier this year, the nation's top national bond rating agencies – Moody's, Standard and Poor's, and Fitch – reviewed Roanoke County's financial management practices. I am happy to report that the County received one of the highest bond ratings of any county in the state, allowing us to proceed with our planned capital expansion.

In the midst of the current financial climate it's important to note that the bold decisions we made earlier this year that would propel Roanoke County forward were the right choices. Interest rates were relatively low at the time and through sound management practices we had set aside adequate capital reserves as “down payments” on many of our projects – projects that have helped support jobs for local tradesmen, contractors, and

small businesses and contributed to the overall strength of our regional economy.

This past spring we witnessed the fruits of our efforts at multiple groundbreaking for many of our capital projects including:

- the new North County Fire and Rescue Station – a much-needed facility that will enable our personnel to respond more quickly and efficiently to citizens in need.
- a new Fleet Service Center at which our emergency vehicles, trash trucks, and other vehicles will be maintained and kept road worthy.
- And for the first time in 30 years, two quality-of-life projects: the new Multi-Generational Recreation Center and a new public library.
  - The much-anticipated Multi-Generational Recreation Center – located in the new business park – will provide recreational opportunities for citizens of all ages, abilities, and incomes.
  - Next year, we will break ground on our final capital project – a new South County library that will replace our burgeoning headquarters library on 419.

These two projects – paired with the other quality-of-life components we are fortunate to have in place, such as the greenway system; numerous County parks, including the newly dedicated Read Mountain Preserve in Bonsack; the Blue Ridge Parkway, which celebrates its 75<sup>th</sup> anniversary in 2010; and the region’s beautiful natural environment, low cost of living, low crime rate, and easy access to larger metropolitan centers along the eastern seaboard – provide businesses the right formula to attract and retain qualified employees.

I thank my fellow Board members and the County staff for your hard work in making these projects a reality. And to the citizens and business community, I also thank you for your continued support. I am sure everyone agrees that 2008 has indeed been a groundbreaking year for Roanoke County.

## **FUTURE CHALLENGES**

We all know there are challenges ahead, however. Our next leadership test will not involve capital accounts or capital projects but ensuring adequate funding in our operating budget. We’ve all seen the news – the economy is not what it was a year ago. Roanoke County first felt the pinch from the Commonwealth back in the spring when we learned that the state was going to reduce aid to localities in its budget. In our

case, this resulted in a loss of approximately \$500,000 in state funding. Rather than see programs that were dependent upon this money suffer, we chose to absorb the loss. As some of you may recall, we generated some interesting headlines about cutting a check and labeling it “State Aid to the Commonwealth.”

The news out of Richmond over the past couple of months remains dismal. We have since learned that we will lose an additional \$300,000 this year, bringing our total loss in state funding thus far to approximately \$800,000. To make matters worse, we expect even deeper cuts to localities and schools in the next year. In addition to reductions from the state, we also anticipate very limited growth in personal property, sales, and meals taxes we will take in this year.

### **ROANOKE COUNTY OPERATIONS**

Like many of you, we know what we are up against and we are taking a long, hard, and proactive look at how we do business. In August, we asked each County department to develop budget reduction scenarios in the amounts of 5, 10 and 15 percent. The County Administrator and Senior Staff are now meeting with our larger departments to evaluate the impact these potential cuts could have on their operations and to look for any and all cost-saving measures.

We realize budget cuts aren't the only answer and are working to increase the efficiency and cost effectiveness of our operations in other ways. We have addressed the situation with the help of our employees and by using common sense and "green" technologies, when possible. For example, we have added additional hybrid vehicles to our fleet and implemented a biodiesel program with many of our large vehicles now running on 5% biodiesel fuel. Any cost savings related to fuel are extremely important due to the erratic and unpredictable oil market. Last fiscal year, Roanoke County spent a half-million dollars more in fuel than had been budgeted. We want to avoid similar surprises this year.

We have cut the cost of transportation for our building maintenance crew by re-arranging \* work schedules to reduce travel between County facilities. Earlier this month, we installed videoconferencing equipment in our Public Safety Building and Administration Center so that employees no longer must travel from one building to the other for routine meetings.

We are evaluating energy efficiency inside our buildings, too, and have installed programmable thermostats in fire stations and other County buildings that will help us to better control heating and cooling costs.

In addition, three projects currently under construction in Roanoke County— our Fleet Service Center, Multi-Generational Recreation Center

and Western Virginia Regional Jail will be LEED certified – the “green” standard for environmentally sustainable and energy efficient construction. Studies show that LEED buildings have a greatly reduced cost of operations over their lifetime. While these facilities aren’t operational just yet, once they are we expect them to save the County money well into the future.

These are some of the examples of the cost-saving steps we have taken and, with the help of our staff, we hope to develop and implement even more cost-saving measures in the future.

## **REAL ESTATE**

While we remain concerned and are taking a realistic and common sense approach to budgeting and cost savings, we recognize that things could be far worse. Unlike some communities in California, Florida, and northern Virginia, we have not experienced the sting and fallout of a rapidly deflating real estate market and resulting foreclosures. The citizens of Roanoke County tend to be conservative and growth in our real estate market is often referred to as slow and steady. We’ve decided we like slow and steady! While sales may not be as rapid as they were a year or two ago, for the most part real estate values remain solid. In Roanoke County, real estate continues to be a sound investment.

Roanoke County's diverse business community is another reason the County remains strong. Unlike some communities that are dependent upon only one or two major employers, we are known for a wide variety of businesses. In Roanoke County you'll find a mix of retail, commercial, and industrial companies that contribute to our tax base and are continuing to enjoy growth. Last fiscal year, building permits valued at more than \$106 million were recorded in Roanoke County. Of that amount, more than \$60 million was in commercial construction. In other words, commercial growth is outpacing residential growth – something that is essential to a healthy, growing, and vibrant community.

This has been a great year for business in Roanoke County. Over the past year:

- we saw growth in the retail sector with the opening of a new Kroger-anchored shopping center in Bonsack and Gander Mountain, Camping World, and Tractor Supply in Hollins.
- we celebrated the expansion of Synchrony, Inc. and New Millennium Building Systems as well as the re-location of the “Toshiba Mitsubishi Electric GE” headquarters to the former Atlantic Mutual building on 419. This company, known as (T-MIKE

GE), is particularly notable because it represents an international investment and has created 250 new jobs for our region.

In addition, several of Tanglewood Mall's anchor stores also underwent renovation, while the County's commercial corridor along Route 419 saw the opening of two new office buildings.

Roanoke County supports and stands behind the business community, which is bolstered, in part, by the County's award-winning school system. Good schools and a good business environment go hand-in-hand, providing the community with a strong educational ethic and assuring the existing workforce that the educational needs of the community are being met. As I mentioned earlier, we are helping the school system fund the renovation of four elementary schools that will now receive much-needed upgrades to classrooms and equipment, optimizing the learning environment for young minds. These improvements are also an investment in the future – an investment in our children and grandchildren – and a reflection of Roanoke County's commitment to public education.

To update you more on the health of the Roanoke County school system, it is my pleasure now to introduce my friend and Chairman of the Roanoke County School Board, Mr. Jerry Canada.

[Introduce Jerry Canada here....]

## **CONCLUSION**

It isn't simply the commitment to our schools as well as to public safety, quality of life, and excellence in the delivery of services that sets Roanoke County apart. It's a willingness to act on these commitments, to make big decisions, to take bold steps forward.

This year has been a time of transition for Roanoke County. When our longtime County Administrator, Elmer Hodge, retired this past July, he left us a parting message – to BUILD the future. Not merely to think about it, or hold committee meetings, but to DO the things that we must do to protect our citizens, expand and improve our services, preserve our scenic views and open spaces, and remain competitive in a global economy.

We remain committed to all these things at Roanoke County – but more importantly, we are taking the actions necessary to translate commitments into real achievements, and make our County a better place in which to live, work, and raise a family.

Again, thank you for being here. You represent the movers and shakers of this valley and without you many of our achievements may not have been possible.