

A G E N D A
JAMES CITY COUNTY BOARD OF SUPERVISORS
BUSINESS MEETING
County Government Center Board Room
101 Mounts Bay Road, Williamsburg, VA 23185
January 24, 2023
1:00 PM

A. CALL TO ORDER

B. ROLL CALL

C. PRESENTATION

1. Retiree Recognition - Tina Creech
2. Port of Virginia Growth Equals Investment and Jobs Throughout the Commonwealth
3. James City Clean County Commission 2022 Annual Report
4. James City County Audit Presentation
5. Powhatan Creek Watershed Impervious Cover Updates

D. CONSENT CALENDAR

1. Contract Award - \$150,326 - Veterans Park Outdoor Sports Lighting Upgrade
2. Grant Award - \$76,414 - Four-for-Life - Return to Localities Fund
3. Grant Award - \$23,002 - Litter Prevention and Recycling Program
4. Grant Award - \$16,000 - State Homeland Security Program
5. Grant Award - \$10,000 - Virginia DEQ CBPA Support Grant 2023
6. Minutes Adoption
7. Resolution of Chesapeake Bay Preservation Ordinance Violation at 206 Crescent Drive

E. BOARD DISCUSSIONS

1. ORD-22-0001. Amendments for Scenic Roadway Protection

F. BOARD CONSIDERATIONS

G. BOARD REQUESTS AND DIRECTIVES

H. REPORTS OF THE COUNTY ADMINISTRATOR

I. CLOSED SESSION

1. Consultation with legal counsel employed or retained by a public body regarding specific legal matters requiring the provision of legal advice by such counsel; specifically, regarding (1) unsolicited proposals and the Virginia Public Procurement Act and (2) the acceptance of certain types of proffers as part of a request to rezone real property, pursuant to Section 2.2-3711(A)(8) of the Code of Virginia
2. Consideration of a personnel matter, the appointment of individuals to County Boards and/or Commissions, pursuant to Section 2.2-3711(A)(1) of the Code of Virginia
3. Williamsburg/James City County Community Action Agency Board Reappointment

J. ADJOURNMENT

1. Adjourn until 5 pm on February 14, 2023 for the Regular Meeting

ITEM SUMMARY

DATE: 1/24/2023
TO: The Board of Supervisors
FROM: Grace Boone, Director of General Services
SUBJECT: Retiree Recognition - Tina Creech

REVIEWERS:

Department	Reviewer	Action	Date
Board Secretary	Saeed, Teresa	Approved	1/20/2023 - 4:05 PM

ITEM SUMMARY

DATE: 1/24/2023

TO: The Board of Supervisors

FROM: Barbara Nelson, Vice President, Development and Transportation Policy, Virginia Port Authority

SUBJECT: Port of Virginia Growth Equals Investment and Jobs Throughout the Commonwealth

ATTACHMENTS:

	Description	Type
📎	Presentation	Presentation

REVIEWERS:

Department	Reviewer	Action	Date
Board Secretary	Saeed, Teresa	Approved	1/17/2023 - 11:21 AM



Port of Virginia Growth Equals Investment and Jobs Throughout the Commonwealth

Prepared for
The Board of Supervisors of James City
County, Virginia

January 24, 2023



Contains confidential and commercially sensitive information pursuant to VA Code Section 2.2-3705.6.1 and VA Code Section 62.1-132.4.

6 Terminals. Unlimited Possibilities



Norfolk International Terminals



Virginia International Gateway



Richmond Marine Terminal



Virginia Inland Port



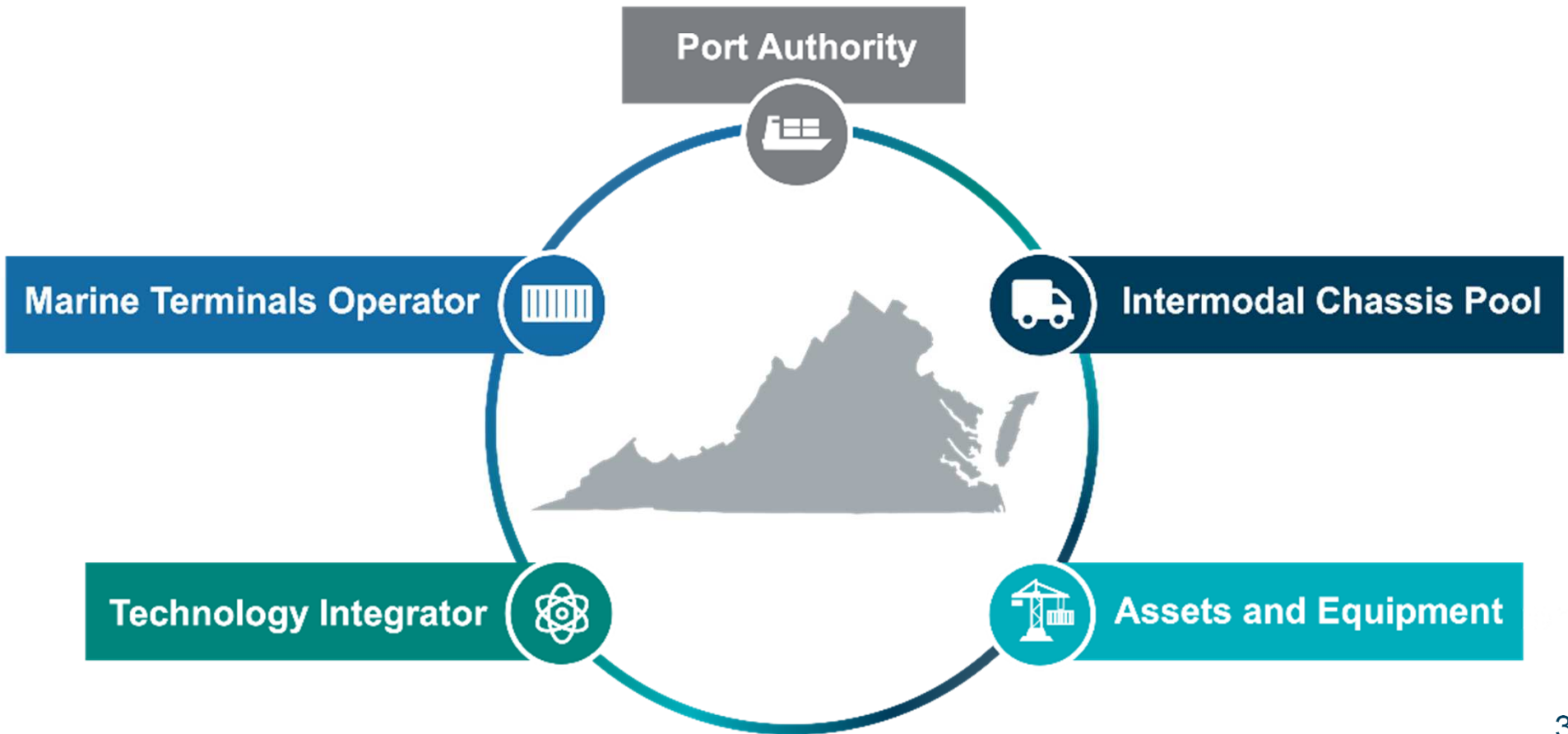
Portsmouth Marine Terminal



Newport News Marine Terminal



The “Virginia Model”



Speed to Market



Market Reach within 48 Hours

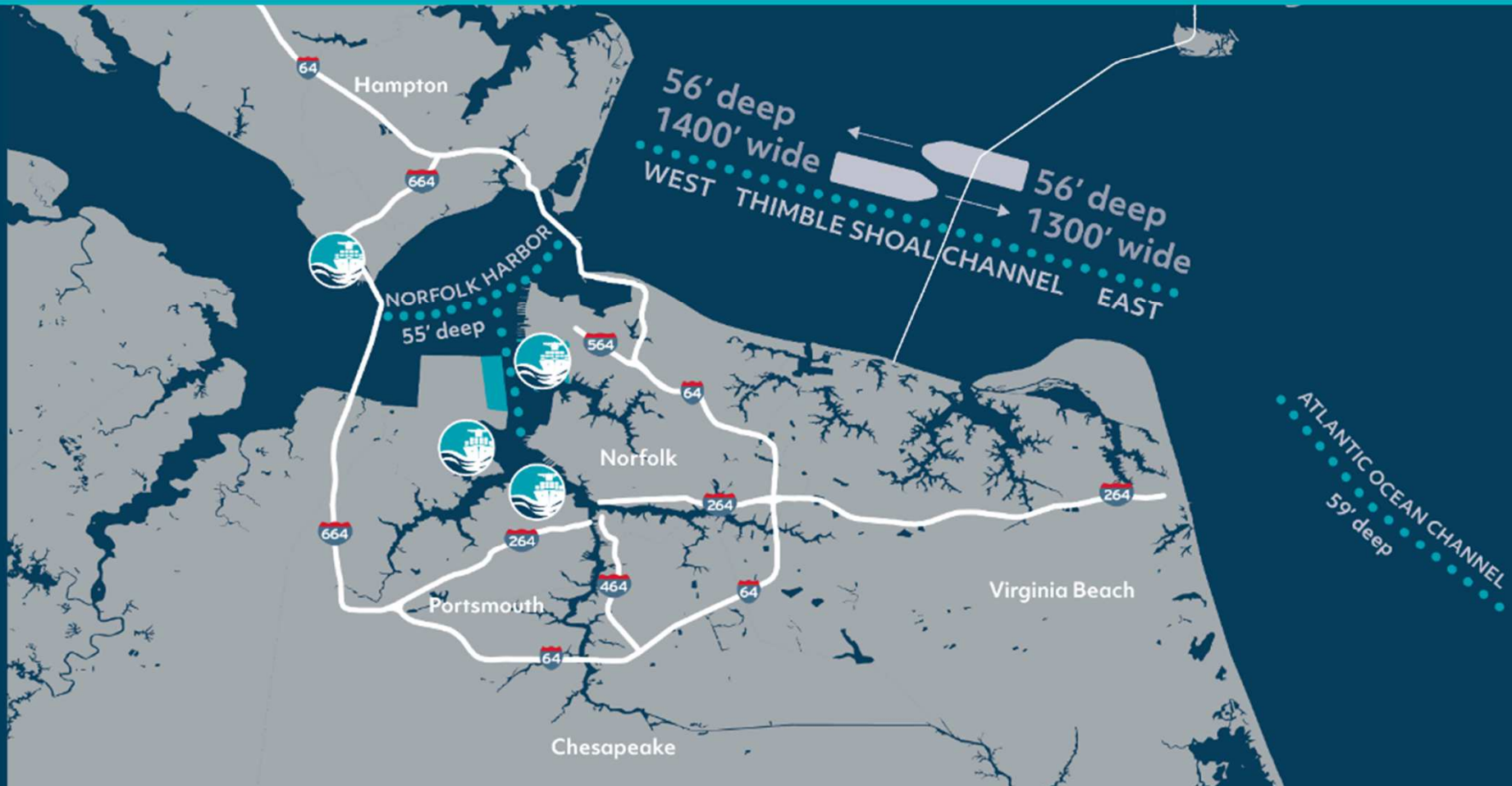
Gateway Investments



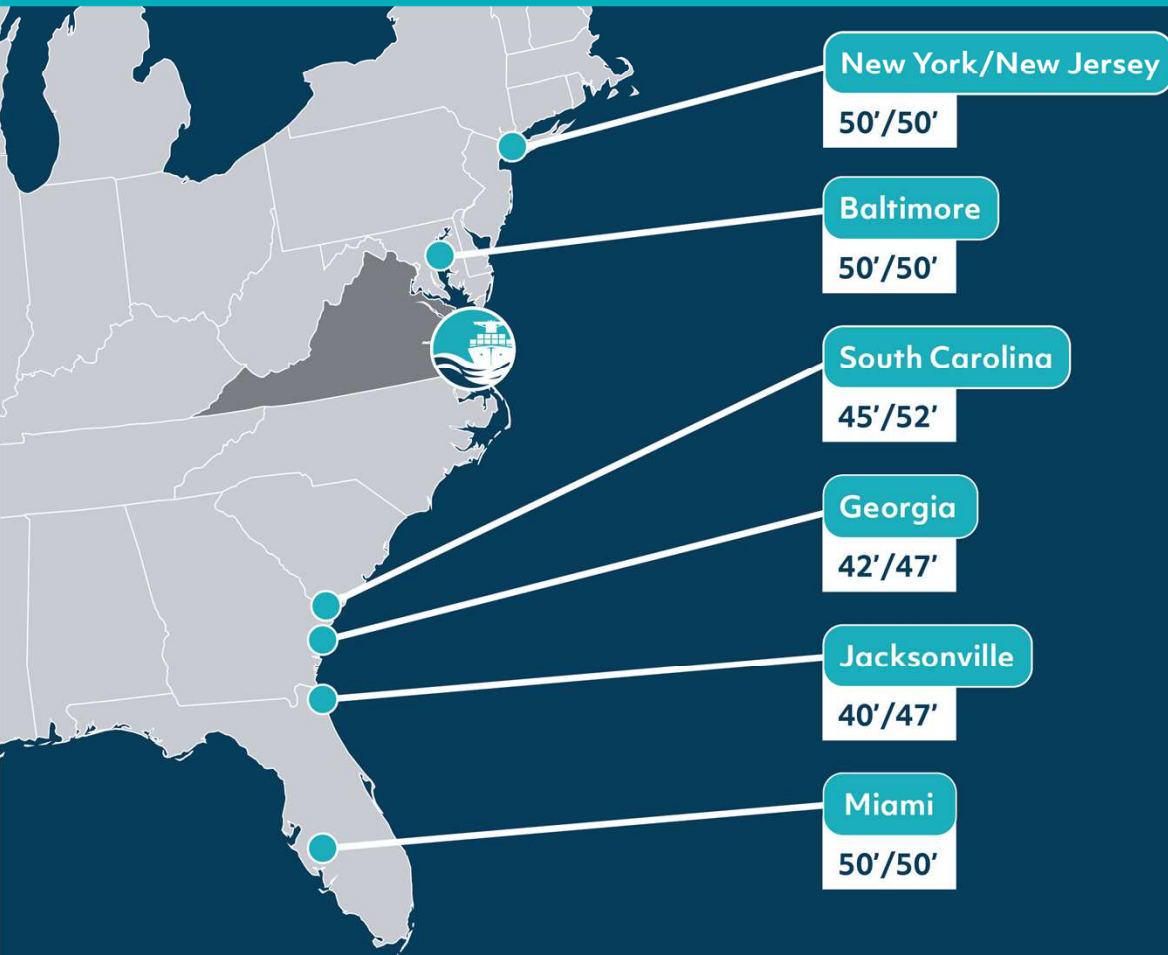
\$1.4 Billion



55' Channel Deepening and Widening



East Coast Port Depths



The Port of Virginia 50'/55'

By 2025, we will be the only port on the US East Coast with a 55'+ channel depth

\$650 Million Investment



18 Semi-Automated Stacks



36 Rail Mounted Gantry Cranes








6 New Low Profile STS Cranes



Strengthened Berth

The Outcome



-  The optimization of NIT North will increase The Port of Virginia's annual capacity to **5.4M TEUs by 2027**.
-  Combined with the expansion and modernization of NIT's Central Rail Yard, capacity at Norfolk International Terminals will be over **1.7 million TEUs annually**.
-  Advanced Efficiency Provides Elevated Throughput.
-  **Improved Turn-Times** Results in More Turns Per Day.
-  Quicker Vessel Turn-Times Drive Improved Vessel Utilization.

Key Customers in James City County



Port Driven Investments



Leading tank-less water heater manufacture based in Seoul, Korea. Virginia competed with IL, PA, and MD for the project

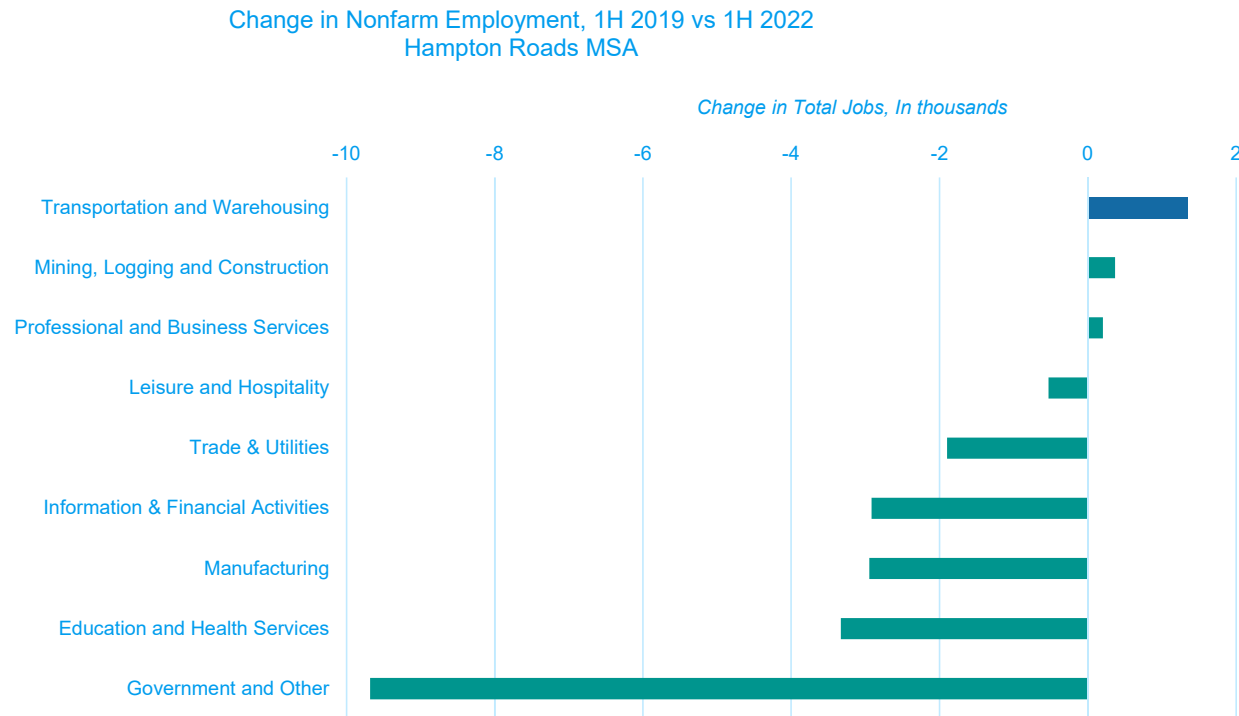
- Located in Stonehouse Commerce Park
- \$77.5M Investment
- 300,000 SF+ Facility w/expansion capacity to 900,000 SF
- 180 New Fulltime Jobs
- Est. Port Volume-1,000+ TEUs



- InLight Development- GreenMount Logistics Center
- 34.5 acre site
- 373,000 SF Facility
- 74 loading dock doors
- Site work underway

Job Growth

Transportation and Warehousing industry shows largest job gains in Hampton Roads compared with pre-pandemic levels

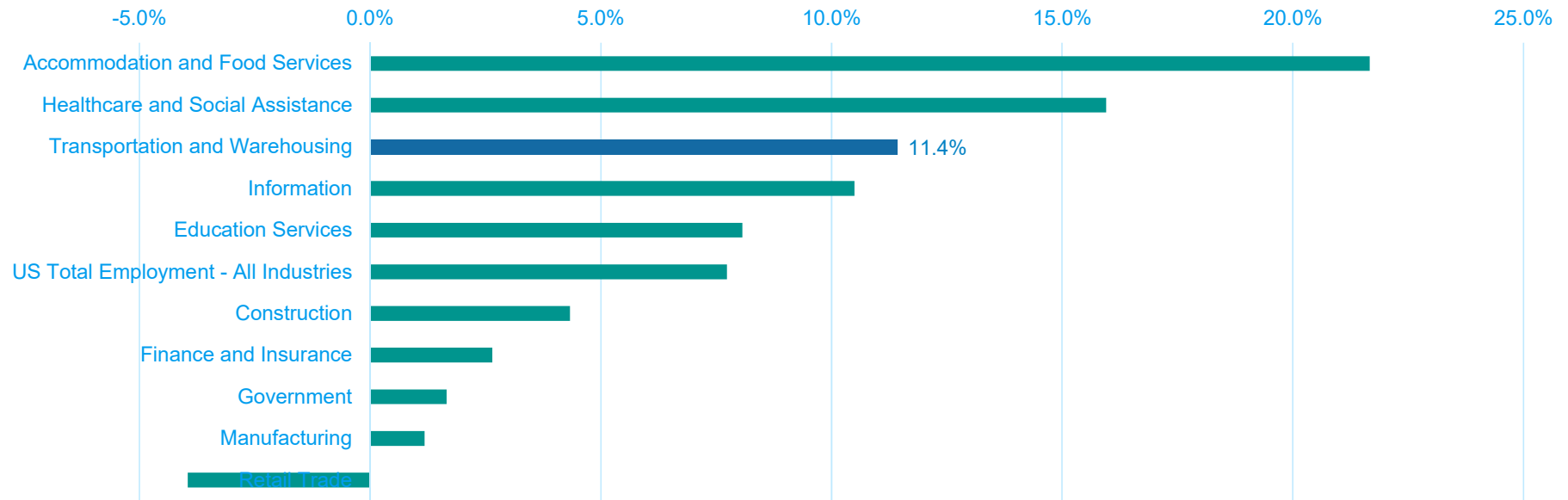


Contains confidential and commercially sensitive information pursuant to VA Code Section 2.2-3705.6.1 and VA Code Section 62.1-132.4.

National Employment Projections, 2020 - 2030

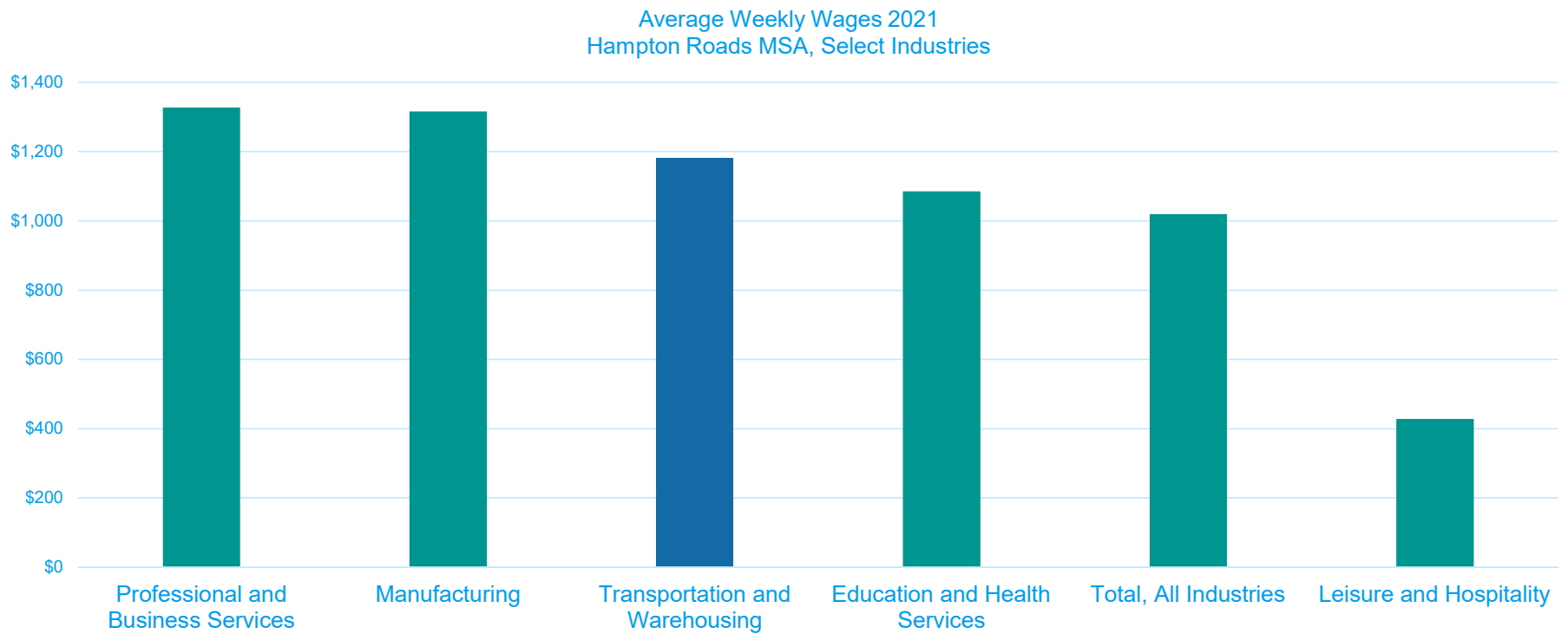


National Employment Projections - Select Industries
Projected Employment Percent Change, 2020-2030
Employment by Industry - Total, All Occupations



Source: Bureau of Labor Statistics, Employment Projections - National Employment Matrix;

Hampton Roads Average Weekly Wages



Contains confidential and commercially sensitive information pursuant to VA Code Section 2.2-3705.6.1 and VA Code Section 62.1-132.4.

Workforce Development Partner



- The Port holds a board seat on the Hampton Roads Workforce Council.
- Last year we established a partnership with Virginia Peninsula Community College for involvement in their grant program focused on transportation to align with undergraduate courses. We hope to continue to grow this partnership to develop a role within the transportation program to where students come on terminal for tours, job shadows and gain course credits.
- Over the last several years the POV has attended Peninsula (middle & high levels) career fairs that provided opportunities to students to learn about career paths and organizations during school hours.
- The port recently established a partnership with the Hampton Roads Workforce Council Veterans Center in Newport News to broaden the Ports veteran outreach and military spouse support. We have also been scheduled to lead TAPs (transition assistance program) on base for resume building and career path conversations.
- Support the marine teams from James City County Fire Department with equipment and training coordinated by the port's Maritime Incident Response Team (MIRT).



Achievable Dream
ACADEMIES





Thank You



ITEM SUMMARY

DATE: 1/24/2023

TO: The Board of Supervisors

FROM: Peg Boarman, Clean County Commission Chair

SUBJECT: James City Clean County Commission 2022 Annual Report

ATTACHMENTS:

	Description	Type
▣	James City Clean County Commission 2022 Annual Report PPT	Presentation

REVIEWERS:

Department	Reviewer	Action	Date
General Services	Boone, Grace	Approved	1/6/2023 - 3:45 PM
Publication Management	Pobiak, Amanda	Approved	1/6/2023 - 3:49 PM
Legal Review	Kinsman, Adam	Approved	1/6/2023 - 4:28 PM
Board Secretary	Saeed, Teresa	Approved	1/17/2023 - 9:04 AM
Board Secretary	Rinehimer, Bradley	Approved	1/17/2023 - 10:54 AM
Board Secretary	Saeed, Teresa	Approved	1/17/2023 - 11:20 AM



James City Clean County Commission 2022 Annual Report

Presented to the Board of Supervisors

January 24, 2023

James City Clean County Commission



Peg Boarman
Commission Chair
Stonehouse
Community Cleanups



Kevin Radcliffe
Commission Vice Chair 2022
Roberts
Recycling



Rachel West
Commissioner Vice Chair 2023
Berkeley
Litter Programs



Charles Loundermon
Commissioner
Berkeley
Beautification



Heath Richardson
Commissioner
Stonehouse
Youth Education



Jennifer Pye
Commissioner
Powhatan
Green Businesses



Bruce Schoch
Commissioner
Jamestown
Gardens & Pollinators



David Patterson
Commissioner
Stonehouse
Youth Education

Litter Programs

Litter League

- 1 New Team
- 80 Library Checkouts
- NACo Achievement Award



Adopt-A-Spot

- 7 Active Spots
- 10 Cleanups
- 169 Hours



Glass-only Recycling



- Competitive DEQ Grant
 - Purple Buckets
 - New Mobile Container
 - Promotional Items
- NACo Achievement Award
- 3D Printed Model from Library
- 7 Outreach Events
- 198,880 Pounds Glass Recycled
- \$4,116 Dollars Donated through Glass4Good

All Hands on Deck Newsletter

- Environmental Sustainability quarterly Newsletter:
 - Clean County Commission Updates & Events
 - KJCCB Volunteer Opportunities
 - Sustainability Tips

All Hands on Deck Analytics				
No.	Date Sent	# Delivered	# Opened	% Opened
1	1/22/2022	283	167	59.01%
2	4/1/2022	288	161	55.90%
3	7/1/2022	423	254	60.05%
4	10/3/2022	511	346	67.71%

Last Quarter's Log



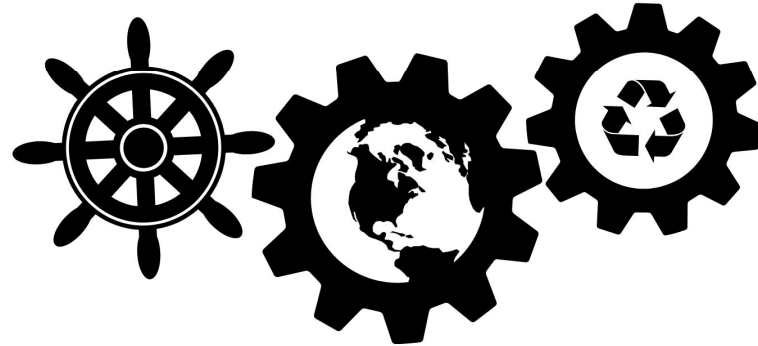
On the Horizon



Making Headway



All Hands on Deck Environmental Sustainability Newsletter



Virginia Peninsula Clean Business Forum Awards



Great American Cleanup



44th Annual County-wide (Spring) Litter Cleanup



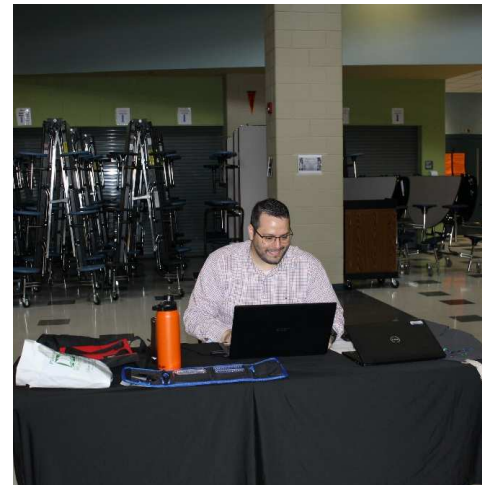
2nd Annual Arbor/Earth Day Plant-A-Tree @ WBG-FPA



Repair Fair



- Inaugural Repair Fair May 2022
- Repaired 20 Items



Will Barnes Day Picnic



Fairway Villas

Jamestown 1607

Good Neighbor Grant

The Mews: Before

The Mews: After



Pollinator Garden: Veteran's Park/Kidsburg

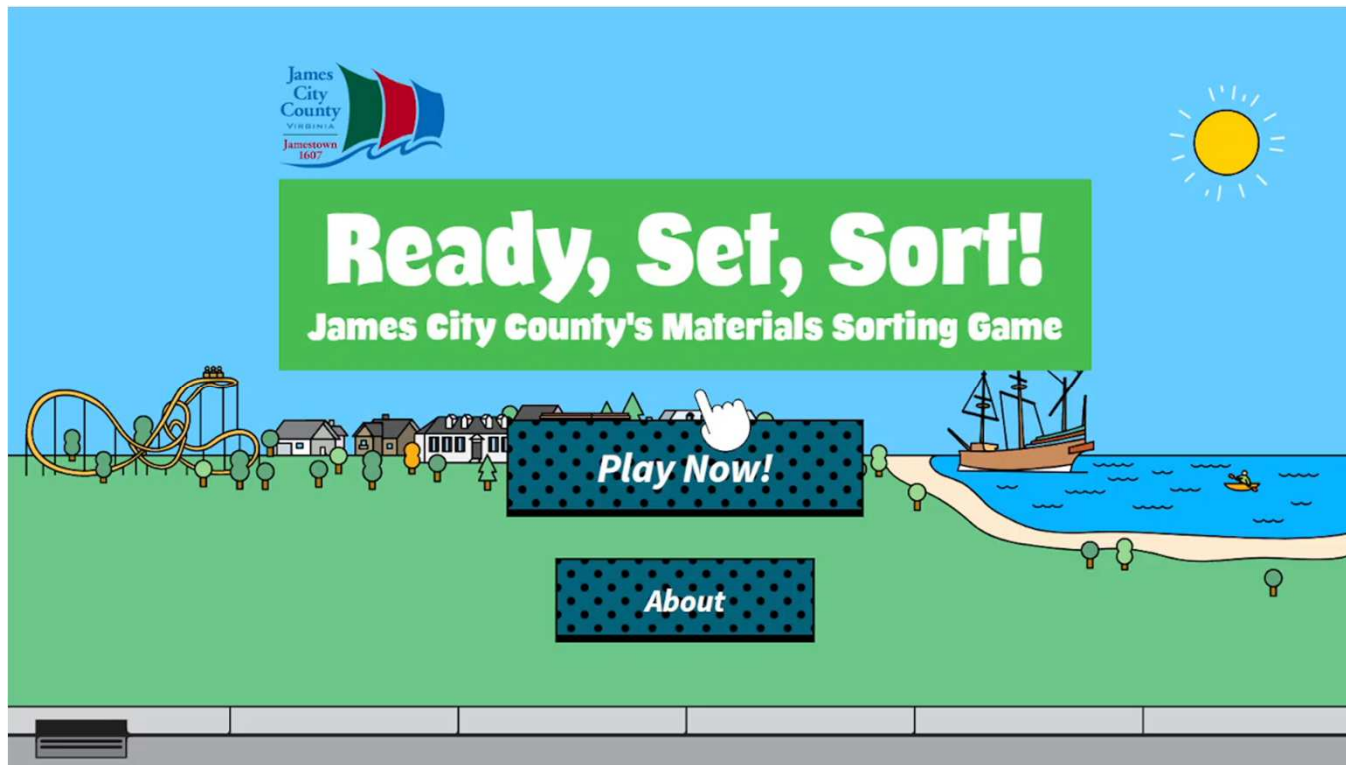


Trex Plastic Collection Community Challenge





Materials Sorting Game





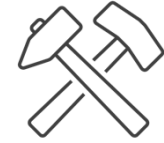
Cigarette Litter Prevention



Repair Fair & Recycling Expo 2022


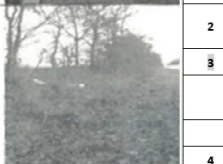
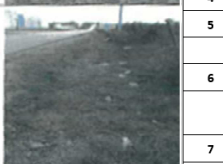
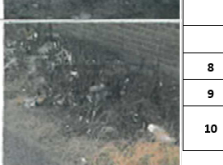


Repair Fair & Recycling Expo 2022

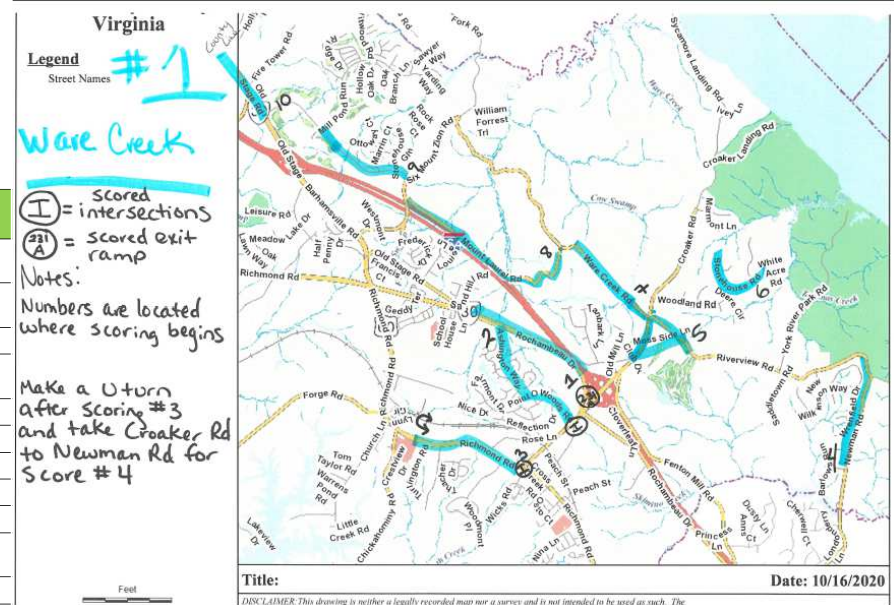


Litter Index

Exhibit 5: Litter Scale: Photographs

Score	Example
1 "Minimal or No Litter"	
2 "Slightly Littered"	
3 "Littered"	
4 "Extremely Littered"	

	4- Powhatan Creek JL31/ Mill Creek JL33/ Queens Creek YO67	Road Score	Intersection & ramp score
1	Jamestown Rd (from Sandy Bay Rd to Rich Neck Rd; then turnaround and take a right on Ironbound)		
2	Rt 5 from Ironbound to Cooley Rd. (then cross over 199 and turn left on Strawberry Plains)		
3	Strawberry Plains Rd (then turn left onto Ironbound)		
	Intersection of Ironbound and Monticello (then turn left onto Monticello)		
	Intersection of 199 & Monticello (turn around at News Road)		
4	Monticello from News to County line at Ironbound (then turn left)		
5	Longhill Rd (Tewning Rd to 199)		
	Intersection of 199 and Longhill		
6	Lafayette Village		
	Intersection of Longhill and Old Towne Rd (then turn right onto Centerville)		
7	Theodore Allen and Forest Ln (turn right into Forest Glen)		
	*Go back to Watershed #2 survey (route No. 10)		
	Intersection of Rt 60 and 199 (turn right off Centerville Rd onto Rt 60)		
8	RT 60 from 199 to Old Towne Rd (turn right onto Old Towne)		
9	Old Towne Road (from Scotts Pond to Longhill Rd); then get onto 199 E		
10	199 from Longhill to Monticello (including on ramp to Food Service Sign before Monticello)		



Title: _____ Date: 10/16/2020
 DISCLAIMER: This drawing is neither a legally recorded map nor a survey and is not intended to be used as such. The

29

Name _____

Date _____

RESULTS OF OUR LABORS

Public Communication/Event Tracking Sheet								
Type of Event	CY20		CY21		CY22		% ↑ from CY21 to CY22	
	Number of	Attendance	Number of	Attendance	Number of	Attendance	Number of	Attendance
Group Presentation/Workshops	0	0	2	72	3	80	50%	11%
Staffed Displays/Events	1	135	3	290	15	5332	400%	1739%
Youth Presentations	0	0	0	0	0	0	0%	0%
Unstaffed Events/Exhibits/Displays	0	n/a	0	n/a	7	n/a	700%	n/a



SPECIAL THANKS TO OUR VOLUNTEERS



TOTAL VOLUNTEER HOURS	
Commissioners	
Peg Boarman	118
Kevin Radcliffe	67
Charles Loudermon	54
Rachel West	41
Heath Richardson	32
Tim Winstanley	17
Jennifer Pye	16
David Patterson	15
Bruce Schoch	8
Emma Zahren-Newman	1
Volunteers	
Diane Race	67
Shannon Jordan	9
Litter Cleanups	
Annual Litter Cleanup	280
Adopt-A-Spots	169
Litter League/Misc. Cleanups	104
Great American Cleanup	47
Events	
Repair Fair & Recycling Expo(s)	164
Earth/Arbor Day	9
Veteran's Park Flower Planting	9
TOTAL HOURS	1227

Thank you!
Any Questions?



ITEM SUMMARY

DATE: 1/24/2023

TO: The Board of Supervisors

FROM: Sharon McCarthy, Director of Financial and Management Services

SUBJECT: James City County Audit Presentation

ATTACHMENTS:

	Description	Type
☐	Audit Report	Exhibit
☐	Comprehensive Financial Report	Exhibit

REVIEWERS:

Department	Reviewer	Action	Date
Board Secretary	Saeed, Teresa	Approved	1/30/2023 - 8:23 AM

**Report to the
Board of
Supervisors**

COUNTY OF JAMES CITY, VIRGINIA

June 30, 2022

CONTENTS

	Page
CONTACTS	1
REQUIRED COMMUNICATIONS WITH THOSE CHARGED WITH GOVERNANCE	2
ACCOUNTING AND OTHER MATTERS.....	8
APPENDIX A - MANAGEMENT REPRESENTATION LETTER	

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REQUIRED COMMUNICATIONS WITH THOSE CHARGED WITH GOVERNANCE

To the Board of Supervisors of
County of James City, Virginia
Williamsburg, Virginia

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of County of James City, Virginia collectively hereafter referred to as the “County” for the year ended June 30, 2022. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, Government Auditing Standards, and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated August 16, 2022. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the County are described in Note 1 to the financial report. As described in Note 17 to the financial statements, the County changed accounting policies related to leases by adopting Statement of Governmental Accounting Standards (GASB Statement) No. 87, Leases, effective July 1, 2021. Otherwise, no new accounting policies were adopted and the application of existing policies was not changed during 2022. We noted no transactions entered into by County of James City, Virginia during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management, and are based on management’s knowledge and experience about past and current events, and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

- The useful lives of capital assets and the allowance for uncollectible accounts are based on management’s knowledge and judgment, which is based on history.
- The other post-employment benefits liabilities are based on an actuary engaged by the Virginia Retirement System and an actuarial study provided by the County’s external actuarial firm.
- The net pension liability is based on an actuarial study performed by an actuary engaged by the Virginia Retirement System.
- Management’s assumptions used in the calculation of lease receivables and liabilities which are based on an estimated discount rate and currently known facts and circumstances used in determining total lease terms.

We evaluated the key factors and assumptions used to develop these estimates in determining that it is reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements include those related to:

- Note 6 - Capital Assets
- Note 9 - Long-Term Liabilities
- Note 16 - Commitments and Contingencies

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. There were adjustments posted as part of our audit. These were related to the accounting and reporting of leases. There were no uncorrected misstatements or omitted disclosures.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter included in Appendix A.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to County of James City, Virginia's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as County of James City, Virginia's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to Management's Discussion and Analysis and the other Required Supplementary Information as identified on the Table of Contents, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the Supplementary Information as identified in the Table of Contents and the Schedule of Expenditures of Federal Awards and related notes, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the Introductory Section or the Statistical Section, which accompany the financial statements but are not RSI. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Restriction on Use

This information is intended solely for the use of the Board of Supervisors and management of the County of James City, Virginia, and is not intended to be, and should not be, used by anyone other than these specified parties.

Sincerely,



CERTIFIED PUBLIC ACCOUNTANTS

Newport News, Virginia
January 23, 2023

ACCOUNTING AND OTHER MATTERS

NEW GASB PRONOUNCEMENTS

June 30, 2022

In this section, we would like to make you aware of certain confirmed and potential changes that are on the horizon that may affect your financial reporting and audit. The effective dates below are updated based on **Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*** due to the COVID-19 pandemic.

The GASB issued **Statement No. 91, *Conduit Debt Obligations*** in May 2019. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures.

A conduit debt obligation is defined as a debt instrument having all of the following characteristics:

- There are at least three parties involved: (1) an issuer, (2) a third-party obligor, and (3) a debt holder or a debt trustee.
- The issuer and the third-party obligor are not within the same financial reporting entity.
- The debt obligation is not a parity bond of the issuer, nor is it cross-collateralized with other debt of the issuer.
- The third-party obligor or its agent, not the issuer, ultimately receives the proceeds from the debt issuance.
- The third-party obligor, not the issuer, is primarily obligated for the payment of all amounts associated with the debt obligation (debt service payments).

All conduit debt obligations involve the issuer making a limited commitment. Some issuers extend additional commitments or voluntary commitments to support debt service in the event the third party is, or will be, unable to do so.

An issuer should not recognize a conduit debt obligation as a liability. However, an issuer should recognize a liability associated with an additional commitment or a voluntary commitment to support debt service if certain recognition criteria are met. As long as a conduit debt obligation is outstanding, an issuer that has made an additional commitment should evaluate at least annually whether those criteria are met. An issuer that has made only a limited commitment should evaluate whether those criteria are met when an event occurs that causes the issuer to reevaluate its willingness or ability to support the obligor's debt service through a voluntary commitment.

This Statement also addresses arrangements—often characterized as leases—that are associated with conduit debt obligations. In those arrangements, capital assets are constructed or acquired with the proceeds of a conduit debt obligation and used by third-party obligors in the course of their activities. Payments from third-party obligors are intended to cover and coincide with debt service payments. During those arrangements, issuers retain the titles to the capital assets. Those titles may or may not pass to the obligors at the end of the arrangements.

ACCOUNTING AND OTHER MATTERS

NEW GASB PRONOUNCEMENTS

June 30, 2022

Issuers should not report those arrangements as leases, nor should they recognize a liability for the related conduit debt obligations or a receivable for the payments related to those arrangements. In addition, the following provisions apply:

- If the title passes to the third-party obligor at the end of the arrangement, an issuer should not recognize a capital asset.
- If the title does not pass to the third-party obligor and the third party has exclusive use of the entire capital asset during the arrangement, the issuer should not recognize a capital asset until the arrangement ends.
- If the title does not pass to the third-party obligor and the third party has exclusive use of only portions of the capital asset during the arrangement, the issuer, at the inception of the arrangement, should recognize the entire capital asset and a deferred inflow of resources. The deferred inflow of resources should be reduced, and an inflow recognized, in a systematic and rational manner over the term of the arrangement.

This Statement requires issuers to disclose general information about their conduit debt obligations, organized by type of commitment, including the aggregate outstanding principal amount of the issuers' conduit debt obligations and a description of each type of commitment. Issuers that recognize liabilities related to supporting the debt service of conduit debt obligations also should disclose information about the amount recognized and how the liabilities changed during the reporting period.

The requirements of this Statement are effective for reporting periods beginning after December 15, 2021.

The GASB issued **Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*** in March 2020. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which the Board defines in this Statement as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement.

This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). As defined in this Statement, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction.

This Statement requires that PPPs that meet the definition of a lease apply the guidance in Statement No. 87, *Leases*, as amended, if existing assets of the transferor that are not required to be improved by the operator as part of the PPP arrangement are the only underlying PPP assets and the PPP does not meet the definition of an SCA. This Statement provides accounting and financial reporting requirements for all other PPPs: those that either (1) meet the definition of an SCA or (2) are not within the scope of Statement 87, as amended (as clarified by this Statement). The PPP term is defined as the period during which an operator has a noncancellable right to use an underlying PPP asset, plus, if applicable, certain periods if it is reasonably certain, based on all relevant factors, that the transferor or the operator either will exercise an option to extend the PPP or will not exercise an option to terminate the PPP.

ACCOUNTING AND OTHER MATTERS

NEW GASB PRONOUNCEMENTS

June 30, 2022

A transferor generally should recognize an underlying PPP asset as an asset in financial statements prepared using the economic resources measurement focus. However, in the case of an underlying PPP asset that is not owned by the transferor or is not the underlying asset of an SCA, a transferor should recognize a receivable measured based on the operator's estimated carrying value of the underlying PPP asset as of the expected date of the transfer in ownership. In addition, a transferor should recognize a receivable for installment payments, if any, to be received from the operator in relation to the PPP. Measurement of a receivable for installment payments should be at the present value of the payments expected to be received during the PPP term. A transferor also should recognize a deferred inflow of resources for the consideration received or to be received by the transferor as part of the PPP. Revenue should be recognized by a transferor in a systematic and rational manner over the PPP term. This Statement requires a transferor to recognize a receivable for installment payments and a deferred inflow of resources to account for a PPP in financial statements prepared using the current financial resources measurement focus. Governmental fund revenue would be recognized in a systematic and rational manner over the PPP term.

This Statement also provides specific guidance in financial statements prepared using the economic resources measurement focus for a government that is an operator in a PPP that either (1) meets the definition of an SCA or (2) is not within the scope of Statement 87, as amended (as clarified in this Statement). An operator should report an intangible right-to-use asset related to an underlying PPP asset that either is owned by the transferor or is the underlying asset of an SCA. Measurement of the right-to-use asset should be the amount of consideration to be provided to the transferor, plus any payments made to the transferor at or before the commencement of the PPP term, and certain direct costs. For an underlying PPP asset that is not owned by the transferor and is not the underlying asset of an SCA, an operator should recognize a liability measured based on the estimated carrying value of the underlying PPP asset as of the expected date of the transfer in ownership. In addition, an operator should recognize a liability for installment payments, if any, to be made to the transferor in relation to the PPP. Measurement of a liability for installment payments should be at the present value of the payments expected to be made during the PPP term. An operator also should recognize a deferred outflow of resources for the consideration provided or to be provided to the transferor as part of the PPP. Expense should be recognized by an operator in a systematic and rational manner over the PPP term.

This Statement also requires a government to account for PPP and non-PPP components of a PPP as separate contracts. If a PPP involves multiple underlying assets, a transferor and an operator in certain cases should account for each underlying PPP asset as a separate PPP. To allocate the contract price to different components, a transferor and an operator should use contract prices for individual components as long as they do not appear to be unreasonable based on professional judgment or use professional judgment to determine their best estimate if there are no stated prices or if stated prices appear to be unreasonable. If determining the best estimate is not practicable, multiple components in a PPP should be accounted for as a single PPP.

This Statement also requires an amendment to a PPP to be considered a PPP modification, unless the operator's right to use the underlying PPP asset decreases, in which case it should be considered a partial or full PPP termination. A PPP termination should be accounted for by a transferor by reducing, as applicable, any receivable for installment payments or any receivable related to the transfer of ownership of the underlying PPP asset and by reducing the related deferred inflow of resources. An operator should account for a termination by reducing the carrying value of the right-to-use asset and, as applicable, any liability for installment payments or liability to transfer ownership of the underlying PPP asset. A PPP modification that does not qualify as a separate PPP should be accounted for by remeasuring PPP assets and liabilities.

ACCOUNTING AND OTHER MATTERS

NEW GASB PRONOUNCEMENTS

June 30, 2022

An APA that is related to designing, constructing, and financing a nonfinancial asset in which ownership of the asset transfers by the end of the contract should be accounted for by a government as a financed purchase of the underlying nonfinancial asset. This Statement requires a government that engaged in an APA that contains multiple components to recognize each component as a separate arrangement. An APA that is related to operating or maintaining a nonfinancial asset should be reported by a government as an outflow of resources in the period to which payments relate.

The requirements of this Statement are effective for reporting periods beginning after June 15, 2022.

The GASB issued **Statement No. 96, *Subscription-Based Information Technology Arrangements*** in May 2020. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended.

A SBITA is defined as a contract that conveys control of the right to use another party's (a SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction.

The subscription term includes the period during which a government has a noncancellable right to use the underlying IT assets. The subscription term also includes periods covered by an option to extend (if it is reasonably certain that the government or SBITA vendor will exercise that option) or to terminate (if it is reasonably certain that the government or SBITA vendor will *not* exercise that option).

Under this Statement, a government generally should recognize a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability. A government should recognize the subscription liability at the commencement of the subscription term—which is when the subscription asset is placed into service. The subscription liability should be initially measured at the present value of subscription payments expected to be made during the subscription term. Future subscription payments should be discounted using the interest rate the SBITA vendor charges the government, which may be implicit, or the government's incremental borrowing rate if the interest rate is not readily determinable. A government should recognize amortization of the discount on the subscription liability as an outflow of resources (for example, interest expense) in subsequent financial reporting periods.

The subscription asset should be initially measured as the sum of (1) the initial subscription liability amount, (2) payments made to the SBITA vendor before commencement of the subscription term, and (3) capitalizable implementation costs, less any incentives received from the SBITA vendor at or before the commencement of the subscription term. A government should recognize amortization of the subscription asset as an outflow of resources over the subscription term.

ACCOUNTING AND OTHER MATTERS

NEW GASB PRONOUNCEMENTS

June 30, 2022

Activities associated with a SBITA, other than making subscription payments, should be grouped into the following three stages, and their costs should be accounted for accordingly:

- Preliminary Project Stage, including activities such as evaluating alternatives, determining needed technology, and selecting a SBITA vendor. Outlays in this stage should be expensed as incurred.
- Initial Implementation Stage, including all ancillary charges necessary to place the subscription asset into service. Outlays in this stage generally should be capitalized as an addition to the subscription asset.
- Operation and Additional Implementation Stage, including activities such as subsequent implementation activities, maintenance, and other activities for a government's ongoing operations related to a SBITA. Outlays in this stage should be expensed as incurred unless they meet specific capitalization criteria.

In classifying certain outlays into the appropriate stage, the nature of the activity should be the determining factor. Training costs should be expensed as incurred, regardless of the stage in which they are incurred.

If a SBITA contract contains multiple components, a government should account for each component as a separate SBITA or nonsubscription component and allocate the contract price to the different components. If it is not practicable to determine a best estimate for price allocation for some or all components in the contract, a government should account for those components as a single SBITA.

This Statement provides an exception for short-term SBITAs. Short-term SBITAs have a maximum possible term under the SBITA contract of 12 months (or less), including any options to extend, regardless of their probability of being exercised. Subscription payments for short-term SBITAs should be recognized as outflows of resources.

This Statement requires a government to disclose descriptive information about its SBITAs other than short-term SBITAs, such as the amount of the subscription asset, accumulated amortization, other payments not included in the measurement of a subscription liability, principal and interest requirements for the subscription liability, and other essential information.

The requirements of this Statement are effective for reporting periods beginning after June 15, 2022.

ACCOUNTING AND OTHER MATTERS

NEW GASB PRONOUNCEMENTS

June 30, 2022

The GASB issued *Statement No. 99, Omnibus 2022* in April 2022. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The practice issues addressed by this Statement are as follows:

- Classification and reporting of derivative instruments within the scope of Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, that do not meet the definition of either an investment derivative instrument or a hedging derivative instrument.
- Clarification of provisions in Statement No. 87, *Leases*, as amended, related to the determination of the lease term, classification of a lease as a short-term lease, recognition and measurement of a lease liability and a lease asset, and identification of lease incentives.
- Clarification of provisions in Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, related to (a) the determination of the public-private and public-public partnership (PPP) term and (b) recognition and measurement of installment payments and the transfer of the underlying PPP asset.
- Clarification of provisions in Statement No. 96, *Subscription-Based Information Technology Arrangements*, related to the subscription-based information technology arrangement (SBITA) term, classification of a SBITA as a short-term SBITA, and recognition and measurement of a subscription liability.
- Extension of the period during which the London Interbank Offered Rate (LIBOR) is considered an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap that hedges the interest rate risk of taxable debt.
- Accounting for the distribution of benefits as part of the Supplemental Nutrition Assistance Program (SNAP).
- Disclosures related to nonmonetary transactions.
- Pledges of future revenues when resources are not received by the pledging government.
- Clarification of provisions in Statement No. 34, *Basic Financial Statements—and Management’s Discussion and Analysis—for State and Local Governments*, as amended, related to the focus of the government-wide financial statements.
- Terminology updates related to certain provisions of Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*.
- Terminology used in Statement 53 to refer to resource flows statements.

The requirements related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance. The requirements related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

ACCOUNTING AND OTHER MATTERS

NEW GASB PRONOUNCEMENTS

June 30, 2022

The GASB issued **Statement No. 100, *Accounting Changes and Error Corrections*** in June 2022. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

This Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. As part of those descriptions, for (1) certain changes in accounting principles and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting—understandability, reliability, relevance, timeliness, consistency, and comparability. This Statement also addresses corrections of errors in previously issued financial statements.

This Statement prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections. This Statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. The requirements of this Statement for changes in accounting principles apply to the implementation of a new pronouncement in absence of specific transition provisions in the new pronouncement. This Statement also requires that the aggregate amount of adjustments to and restatements of beginning net position, fund balance, or fund net position, as applicable, be displayed by reporting unit in the financial statements.

This Statement requires disclosure in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. In addition, information about the quantitative effects on beginning balances of each accounting change and error correction should be disclosed by reporting unit in a tabular format to reconcile beginning balances as previously reported to beginning balances as restated.

Furthermore, this Statement addresses how information that is affected by a change in accounting principle or error correction should be presented in required supplementary information (RSI) and supplementary information (SI). For periods that are earlier than those included in the basic financial statements, information presented in RSI or SI should be restated for error corrections, if practicable, but not for changes in accounting principles.

The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

ACCOUNTING AND OTHER MATTERS

NEW GASB PRONOUNCEMENTS

June 30, 2022

The GASB issued **Statement No. 101, *Compensated Absences*** in June 2022. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. In estimating the leave that is more likely than not to be used or otherwise paid or settled, a government should consider relevant factors such as employment policies related to compensated absences and historical information about the use or payment of compensated absences. However, leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in a liability for compensated absences.

This Statement requires that a liability for certain types of compensated absences—including parental leave, military leave, and jury duty leave—not be recognized until the leave commences. This Statement also requires that a liability for specific types of compensated absences not be recognized until the leave is used.

This Statement also establishes guidance for measuring a liability for leave that has not been used, generally using an employee’s pay rate as of the date of the financial statements. A liability for leave that has been used but not yet paid or settled should be measured at the amount of the cash payment or noncash settlement to be made. Certain salary-related payments that are directly and incrementally associated with payments for leave also should be included in the measurement of the liabilities.

With respect to financial statements prepared using the current financial resources measurement focus, this Statement requires that expenditures be recognized for the amount that normally would be liquidated with expendable available financial resources.

The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

ACCOUNTING AND OTHER MATTERS

CURRENT GASB PROJECTS

June 30, 2022

GASB currently has a variety of projects in process. Some of these projects discussed below.

Conceptual Framework – Recognition. The project’s objective is to develop recognition criteria for *whether* information should be reported in state and local governmental financial statements and *when* that information should be reported. This project ultimately will lead to a Concepts Statement on recognition of elements of financial statements. This project is currently in exposure draft re-deliberations period.

Financial Reporting Model. The objective of this project is to make improvements to the financial reporting model, including Statement No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*, and other reporting model-related pronouncements (Statements No. 35, *Basic Financial Statements – and Management’s Discussion and Analysis – for Public Colleges and Universities*, No. 37, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments: Omnibus*, No. 41, *Budgetary Comparison Schedules – Perspective Differences*, and No. 46, *Net Assets Restricted by Enabling Legislation, and Interpretation No. 6, Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements*). The objective of these improvements would be to enhance the effectiveness of the model in providing information that is essential for decision-making and enhance the ability to assess a government’s accounting and address certain application issues, based upon the results of the pre-agenda research on the financial reporting model. This project is currently in exposure draft re-deliberations period.

Revenue and Expense Recognition. The objective of this project is to develop a comprehensive application model for the classification, recognition, and measurement of revenues and expenses. The purpose for developing a comprehensive model is (1) to improve the information regarding revenues and expenses that users need to make decisions and assess accountability, (2) to provide guidance regarding exchange and exchange-like transactions that have not been specifically addressed, (3) to evaluate revenue and expense recognition in the context of the conceptual framework, and (4) to address application issues identified in practice, based upon the results of the pre-agenda research on revenue for exchange and exchange-like transactions. This project is currently in the preliminary views re-deliberations period.

Going Concern Uncertainties and Severe Financial Stress. The objective of this project is to address issues related to disclosures regarding going concern uncertainties and severe financial stress. The project will consider (1) improvements to existing guidance for going concern considerations to address diversity in practice and clarify the circumstances under which disclosure is appropriate, (2) developing a definition of severe financial stress and criteria for identifying when governments should disclose their exposure to severe financial stress, and (3) what information about a government’s exposure to severe financial stress is necessary to disclose. This project is currently in the initial deliberations period.

Appendix A

Management Representation Letter



Financial and Management Services
101-F Mounts Bay Road
P.O. Box 8784
Williamsburg, VA 23187
P: 757-253-6630
jamescitycountyva.gov

January 23, 2023

Brown, Edwards & Company, L.L.P.
701 Town Center Drive, Suite 700
Newport News, VA 23606-4295

This representation letter is provided in connection with your audit of the financial statements of the County of James City, Virginia (the “County”), which comprise the respective financial positions of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information as of June 30, 2022, and the respective changes in financial position for the year then ended, and the related notes to the financial statements, for the purpose of expressing an opinion on whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of the date of this letter, the following representations made to you during your audit.

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated June 20, 2022, for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with the applicable criteria.
2. The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information required by generally accepted accounting principles to be included in the financial reporting entity.
3. We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
4. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
5. Significant assumptions we used in making accounting estimates, including estimates of fair value, are reasonable.
6. Related-party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with U.S. GAAP.

7. Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements or in the schedule of findings and questioned costs.
8. We take responsibility for the adjusting journal entries we have proposed and they were posted as audit adjustments. We have reviewed and approved of them and they have been posted to the County's accounts. There are no uncorrected misstatements or omitted disclosures.
9. The County is currently involved in certain legal matters of which the outcome is uncertain. We direct you to the County Attorney's November 20, 2022 letter for further information regarding those legal matters and subsequent verbal updates on November 30, 2022 and January 17, 2023 that there had been no changes to the matters discussed in that letter.
10. Guarantees, whether written or oral, under which the County is contingently liable, if any, have been properly recorded or disclosed.
11. Significant estimates that may be subject to a material change in the near term have been properly disclosed in the financial statements. We understand that "near term" means the period within one year of the date of the financial statements. In addition, we have no knowledge of concentrations existing at the date of the financial statements that make the County vulnerable to the risk of severe impact that have not been properly disclosed in the financial statements.
12. We have provided the planning communication letter to all members of those charged with governance as requested.

Information Provided

13. We have provided you with:
 - a. Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters and all audit or relevant monitoring reports, if any, received from funding sources.
 - b. Additional information that you have requested from us for the purpose of the audit.
 - c. Unrestricted access to persons within the County from whom you determined it necessary to obtain audit evidence.
 - d. Minutes of the meetings of the County or summaries of actions of recent meetings for which minutes have not yet been prepared.
14. All material transactions have been recorded in the accounting records and are reflected in the financial statements and the schedule of expenditures of federal awards.
15. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
16. We have no knowledge of any fraud or suspected fraud affecting the County involving:
 - Management,
 - Employees who have significant roles in internal control,
 - Service organizations used by the County, or
 - Others where the fraud could have a material effect on the financial statements.
17. We have no knowledge of any allegations of fraud or suspected fraud affecting the County's financial statements received in communications from employees, former employees, regulators, or others.
18. We have no knowledge of instances of noncompliance or suspected noncompliance with laws, regulations, contracts, or grant agreements, or waste, or abuse, whose effects should be considered when preparing the financial statements.

19. We direct you to the County Attorney's November 20, 2022 letter for further information regarding pending legal matters whose effects should be considered when preparing the financial statements, and to subsequent verbal updates from the County Attorney on November 30, 2022 and January 17, 2023 that there had been no changes to the matters discussed in that letter.
20. We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware. Further, Bolton Partners, Inc. and Cavanaugh Macdonald Consulting, LLC, who performed our OPEB and VRS valuations, are not related to the County.

Government - specific

21. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
22. We have taken timely and appropriate steps to remedy fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements, or abuse that you have reported to us.
23. We have a process to track the status of audit findings and recommendations.
24. We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
25. The County has no plans or intentions that may materially affect the carrying value or classification of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fund balance or net position.
26. We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts, and legal and contractual provisions for reporting specific activities in separate funds.
27. We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that we believe have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance.
28. We have identified and disclosed to you all instances, which have occurred or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that we believe have a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
29. We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of abuse that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.
30. There are no violations of budget ordinances, laws, and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
31. The County has satisfactory title to all owned assets and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral, other than for outstanding bond issuances.
32. The County has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
33. The financial statements include all component units, appropriately present majority equity interests in legally separate organizations and joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
34. The financial statements properly classify all funds and activities in accordance with GASB Statement No. 34, as amended and GASB Statement No. 84, as amended.

35. All funds that meet the quantitative criteria in GASBS Nos. 34 and 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
36. Components of net position (net investment in capital assets; restricted; and unrestricted) and classifications of fund balance (nonspendable, restricted, committed, assigned, and unassigned) amounts are properly classified and, if applicable, approved.
37. Provision for uncollectible receivables have been properly identified and recorded.
38. Expenses have been appropriately classified in or allocated to functions and programs in the statements of activities, and allocations have been made on a reasonable basis.
39. Revenues are appropriately classified in the statement of activities with program revenues or general revenues.
40. Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
41. Deposits and investment securities and derivative instruments are properly classified as to risk and are properly disclosed.
42. Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated.
43. We believe that the actuarial assumptions and methods used to measure pension and OPEB liabilities and costs for financial accounting purposes are appropriate in the circumstances.
44. We have not completed the process of evaluating the impact that will result from adopting new Governmental Accounting Standards Board Statements (GASBS) that are not yet effective, as discussed in the notes to the financial statements. The County therefore is unable to disclose the impact that adopting these Statements will have on its financial position and the results of its operations when the Statements are adopted.
45. We agree with the findings of specialists in evaluating the landfill liability estimate for closure, post-closure costs, the actuaries in determining pension and other post-employment benefits liabilities and disclosures, and the third party administrators in determining the incurred but not reported liabilities, and have adequately considered the qualifications of the specialist in determining the amounts and disclosures used in the financial statements and underlying accounting records. We did not give or cause any instructions to be given to specialists with respect to the values or amounts derived in an attempt to bias their work, and we are not otherwise aware of any matters that have had an impact on the independence or objectivity of the specialists.
46. We have appropriately disclosed the County's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.
47. We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classifications for financial reporting purposes.
48. We acknowledge our responsibility for presenting the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.

49. With respect to the supplementary information on which an in-relation-to opinion is issued:

- a. We acknowledge our responsibility for presenting the supplementary information in accordance with accounting principles generally accepted in the United States of America, and we believe the supplementary information, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the supplementary information have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.

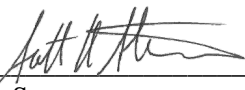
50. With respect to federal award programs:

- a. We are responsible for understanding and complying with and have complied with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), including requirements relating to preparation of the schedule of expenditures of federal awards.
- b. We acknowledge our responsibility for presenting the schedule of expenditures of federal awards (SEFA) and related disclosures in accordance with the requirements of the Uniform Guidance, and we believe the SEFA, including its form and content, is fairly presented in accordance with the Uniform Guidance. The methods of measurement or presentation of the SEFA have not changed from those used in the prior period and we have disclosed to you any significant assumptions and interpretations underlying the measurement or presentation of the SEFA.
- c. We have identified and disclosed to you all of our government programs and related activities subject to the Uniform Guidance compliance audit, and have included in the SEFA, expenditures made during the audit period for all awards provided by federal agencies in the form of federal awards, federal cost-reimbursement contracts, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other direct assistance.
- d. We are responsible for understanding and complying with, and have complied with, the requirements of federal statutes, regulations, and the terms and conditions of federal awards related to each of our federal programs and have identified and disclosed to you the requirements of federal statutes, regulations, and the terms and conditions of federal awards that are considered to have a direct and material effect on each major program.
- e. We are responsible for establishing and maintaining, and have established and maintained, effective internal control over compliance for federal programs that provides reasonable assurance that we are managing our federal awards in compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a material effect on our federal programs. We believe the internal control system is adequate and is functioning as intended.
- f. We have made available to you all federal awards (including amendments, if any) and any other correspondence with federal agencies or pass-through entities relevant to federal programs and related activities.
- g. We have received no requests from a federal agency to audit one or more specific programs as a major program.
- h. We have complied with the direct and material compliance requirements, including when applicable, those set forth in the *OMB Compliance Supplement*, relating to federal awards and have identified and disclosed to you all amounts questioned and all known noncompliance with the requirements of federal awards, if any.
- i. We have disclosed any communications from federal awarding agencies and pass-through entities concerning possible noncompliance with the direct and material compliance requirements, including communications received from the end of the period covered by the compliance audit to the date of the auditor's report.

- j. We have disclosed to you the findings received and related corrective actions taken for previous audits, attestation engagements, and internal or external monitoring that directly relate to the objectives of the compliance audit, including findings received and corrective actions taken from the end of the period covered by the compliance audit to the date of the auditor's report.
- k. Amounts claimed or used for matching were determined in accordance with relevant guidelines in OMB's Uniform Guidance (2 CFR part 200, subpart E) and OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments*, if applicable.
- l. We have disclosed to you our interpretation of compliance requirements that may have varying interpretations.
- m. We have made available to you all documentation related to compliance with the direct material compliance requirements, including information related to federal program financial reports and claims for advances and reimbursements.
- n. We have disclosed to you the nature of any subsequent events that provide additional evidence about conditions that existed at the end of the reporting period affecting noncompliance during the reporting period.
- o. There are no such known instances of noncompliance with direct and material compliance requirements that occurred subsequent to the period covered by the auditors' report.
- p. No changes have been made in internal control over compliance or other factors that might significantly affect internal control, including any corrective action we have taken regarding significant deficiencies or material weaknesses in internal control over compliance, subsequent to the period covered by the auditor's report.
- q. Federal program financial reports and claims for advances and reimbursements are supported by the books and records from which the financial statements have been prepared.
- r. The copies of federal program financial reports provided to you are true copies of the reports submitted, or electronically transmitted, to the respective federal agency or pass-through entity, as applicable.
- s. We have monitored subrecipients, as necessary, to determine that they have expended subawards in compliance with federal statutes, regulations, and the terms and conditions of the subaward and have met the requirements of the Uniform Guidance, if applicable.
- t. We have considered the results of subrecipient audits and have made any necessary adjustments to our books and records, if applicable.
- u. We have charged costs to federal awards in accordance with applicable cost principles.
- v. We are responsible for and have accurately prepared the summary schedule of prior audit findings to include all findings required to be included by the Uniform Guidance and we have provided you with all information on the status of the follow-up on prior audit findings by federal awarding agencies and pass-through entities, including all management decisions.
- w. We are responsible for and have ensured the reporting package does not contain protected personally identifiable information.
- x. We are responsible for and have accurately prepared the auditee section of the Data Collection Form as required by the Uniform Guidance.
- y. We are responsible for taking corrective action on each audit finding of the compliance audit and have developed a corrective action plan that meets the requirements of the Uniform Guidance.

51. In regards to the assistance with submission of the data collection form service performed by you, we have:
- a. Assumed all management responsibilities.
 - b. Overseen the service, by designating an individual, within senior management, who possess suitable skill, knowledge, or experience.
 - c. Evaluated the adequacy and results of the services performed.
 - d. Accepted responsibility for the results of the services.
 - e. Evaluated and maintained internal controls, including ongoing monitoring activities.
52. We reaffirm the representations made to you in our letter dated December 14, 2021, regarding your audit for the fiscal year ended June 30, 2021.


We have evaluated subsequent events through the date of this letter, which is the date the financial statements were available to be issued. No events, including instances of noncompliance, have occurred subsequent to the balance sheet date and through the date of this letter that would require adjustment to or disclosure in the aforementioned financial statements.



Scott A. Stevens
County Administrator



Sharon McCarthy
Director of Financial and Management Services



Cheryl Cochet
Assistant Director of Financial and Management Services



JAMES CITY COUNTY

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

James City County, Virginia • jamescitycountyva.gov

Prepared by the Department of Financial & Management Services

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County of James City, Virginia
Annual Comprehensive Financial Report
(With Independent Auditor's Report Thereon)

For the Fiscal Year Ended
June 30, 2022

Prepared by:
Department of Financial and Management Services
James City County, Virginia

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Introductory Section

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County of James City, Virginia

Table of Contents

	Exhibit	Pages
Introductory Section (Unaudited):		
Table of Contents		i-ii
County Officials		iii
Organization Chart		iv
Letter of Transmittal		v-viii
Certificate of Achievement for Excellence in Financial Reporting		ix
Financial Section:		
Independent Auditor's Report		1-3
Management's Discussion and Analysis (MD&A)		4-9
Basic Financial Statements:		
Government-Wide Financial Statements:		
Statement of Net Position	1	10
Statement of Activities	2	11
Fund Financial Statements:		
Balance Sheet - Governmental Funds	3	12-13
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	4	14-15
Statement of Fiduciary Net Position - Fiduciary Funds	5	16
Statement of Changes in Fiduciary Net Position	6	17
Notes to Basic Financial Statements		18-76
Required Supplementary Information Other than MD&A (Unaudited):		
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund	7	78-81
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Grants and Special Projects Fund	8	83
Schedule of Changes in the Net Pension Liability and Related Ratios	9	84-86
Schedule of Employer's Share of Net Pension Liability	10	87
Schedule of Employer Pension Contributions	11	88
Schedule of Employer's Share of Retiree Healthcare OPEB Liability	12	89-90
Schedule of Changes in Net OPEB-Health Insurance Credit Liability	13	91-93
Schedule of Employer's Share of Net OPEB-Group Life Insurance Liability	14	94-96
Schedule of Employer OPEB-Group Life Insurance Contributions	15	97
Schedule of Employer OPEB-Health Insurance Credit Contributions	16	98
Schedule of Employer's Share of Net OPEB-Health Insurance Credit Liability	17	99
Schedule of Employer's Share of Net OPEB-Virginia Local Disability Program Liability	18	100
Schedule of Employer OPEB-Virginia Local Disability Program Contributions	19	101
Notes to Required Supplementary Information		102-106
Supplementary Information - Combining and Individual Fund Statements and Schedules - by Fund Type:		
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual - Debt Service Fund	A	108
Nonmajor Governmental Funds:		
Combining Balance Sheet	B-1	110
Combining Statement of Revenues, Expenditures and Changes in Fund Balances Virginia Public Assistance Fund - Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	B-2	111
Fund Balance - Budget and Actual	B-3	112
Fiduciary Funds:		
Combining Statement of Fiduciary Net Position	C-1	114
Combining Statement of Changes in Fiduciary Net Position	C-2	115

County of James City, Virginia

Table of Contents

	Exhibit/ Table	Pages
Financial Section (continued):		
Supplementary Information - Discretely Presented Component Units:		
Balance Sheet - Public Schools - Governmental Funds	D-1	117
Statement of Revenues, Expenditures and Changes in Fund Balances - Public Schools - Governmental Funds	D-2	118-119
Combining Balance Sheet - Public Schools – Nonmajor Governmental Funds	D-3	120
Statement of Changes in Fund Balances – Public Schools – Nonmajor Governmental Funds	D-4	121
Statement of Net Position - Economic Development Authority	D-5	122
Statement of Revenues, Expenses and Changes in Fund Net Position - Economic Development Authority	D-6	123
Statement of Cash Flows - Economic Development Authority	D-7	124
Statement of Net Position – Service Authority	D-8	125
Statement of Revenues, Expenses and Changes in Fund Net Position - Service Authority	D-9	126
Statement of Cash Flows – Service Authority	D-10	127
Statistical Section (Unaudited):		
Statistical Section Overview		128
Net Position by Component	1	129
Government-Wide Expenses and Program Revenues by Function	2	130
Fund Balances, Governmental Funds	3	131
Changes in Fund Balances, Governmental Funds	4	132
Assessed Value and Actual Value of Taxable Property	5	133
Tax Rates	6	134
Principal Tax Payers	7	135
Property Tax Levies and Collections	8	136
Taxable Sales by Category	9	137
Ratios of Outstanding Debt by Type	10	138
Debt Ratios	11	139
Pledged Revenue Coverage - James City Service Authority	12	140
Demographic and Economic Statistics	13	141-142
Principal Employers in James City County	14	143
Full-time County Government Employees by Function/Program	15	144
Operating Indicators by Function/Program	16	145
Capital Asset Statistics by Function/Program	17	146
Compliance Section:		
Schedule of Expenditures of Federal Awards - Primary Government	E-1	147-148
Notes to Schedule of Expenditures of Federal Awards		149
Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>		150-151
Summary of Compliance Matters		152
Independent Auditor’s Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance		153-155
Schedule of Findings and Questioned Costs	E-2	156
Summary Schedule of Prior Audit Findings		157

County of James City, Virginia
County Officials
Year ended June 30, 2022

Board of Supervisors

John J. McGlennon, Roberts District, Chairman
Sue Sadler, Stonehouse District, Vice Chairman
Michael J. Hipple, Sr., Powhatan District
Ruth Larson, Berkeley District
Jim Icenhour, Jamestown District
Scott Stevens, Clerk

Officials

Richard H. Rizk, Judge of the Circuit Court
B. Elliott Bondurant, Judge of the Circuit Court
Jeffrey W. Shaw, Judge of the Circuit Court
Holly B. Smith, Judge of the Circuit Court
Mona Foley, Clerk of the Circuit Court
Nathan R. Green, Commonwealth's Attorney
Richard W. Bradshaw, Commissioner of the Revenue
Jennifer D. Tomes, Treasurer
Joshua P. DeFord, Judge of the General District Court
Brian J. Smalls, Judge of the Juvenile and Domestic Relations Court
David Hardin, Sheriff
Eric Peterson, Chief of Police
Dr. Olwen E. Herron, Superintendent of Schools
Scott Stevens, County Administrator
Adam R. Kinsman, County Attorney

Board of Directors, James City Service Authority

Ruth Larson, Chairman
Michael J. Hipple, Sr., Vice Chairman
John J. McGlennon
Sue Sadler
Jim Icenhour
M. Douglas Powell, General Manager
Stephanie A. Luton, Assistant Manager/Treasurer

School Board, Williamsburg-James City County Public Schools

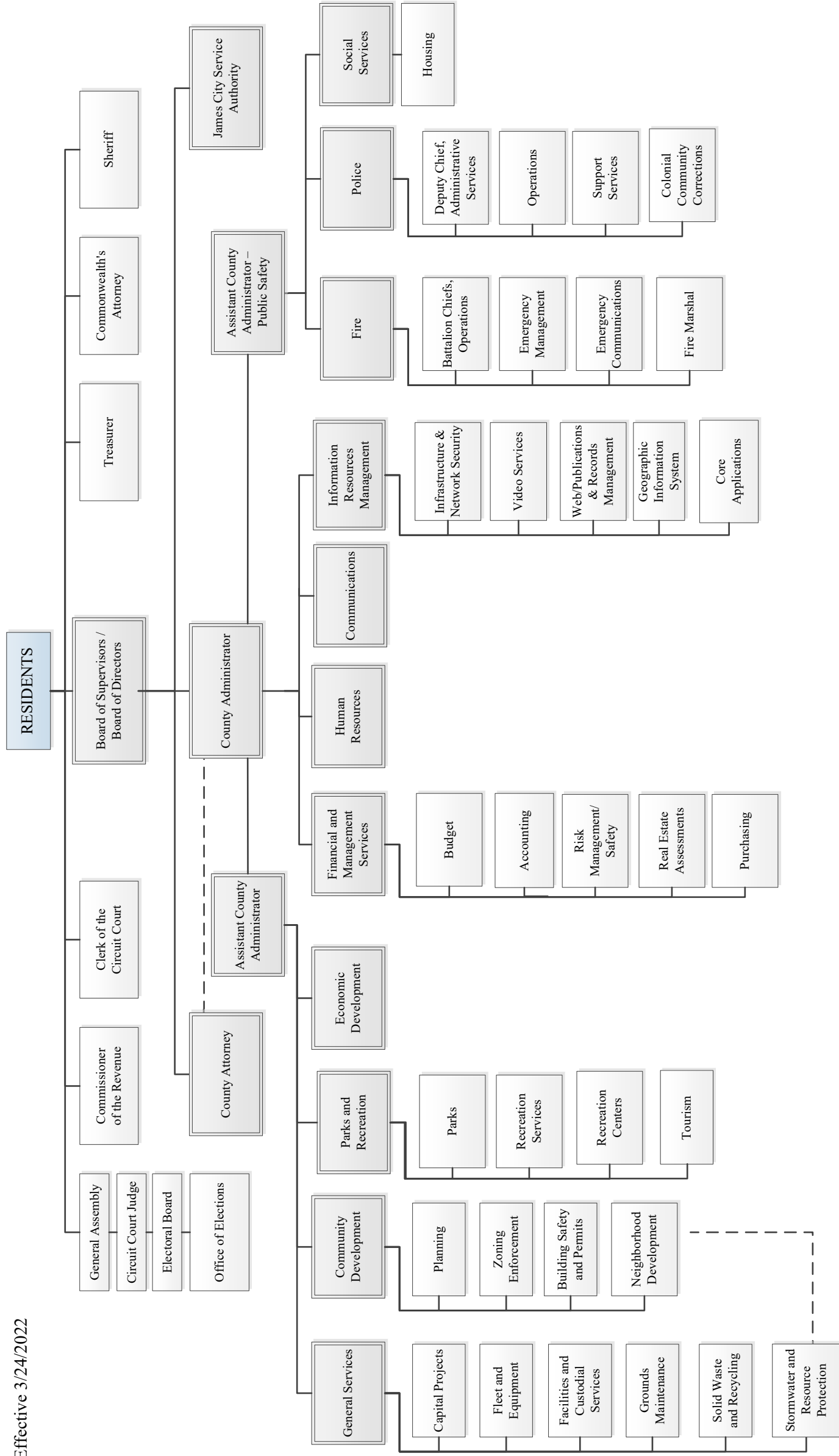
D. Greg Dowell, Jr., Chairman
James Beers, Vice Chairman
Julie Hummel
Kyra Cook
Kimberley Hundley
Sarah Ortego
Sandra Young

Board Members, Economic Development Authority

Vince Campana III, Chair
Lynn Meredith, Vice Chair
Brandon Nice
Carlton Stockton
Joseph Stanko
Ellen Smith Gajda
William Turner

James City County Organization Chart

Effective 3/24/2022





Financial and Management Services
101-F Mounts Bay Road
P.O. Box 8784
Williamsburg, VA 23187
P: 757-253-6630
jamescitycountyva.gov

January 23, 2023

The Members of the Board of Supervisors and the Citizens of James City County:

We are pleased to submit to you the Comprehensive Annual Financial Report of James City County, Virginia (the County), for the fiscal year ended June 30, 2022, as required by the *Code of Virginia*. The Department of Financial and Management Services has prepared this report in accordance with accounting principles generally accepted in the United States of America (GAAP), the standards of financial reporting prescribed by the Governmental Accounting Standards Board (GASB), and specifications of the Auditor of Public Accounts of the Commonwealth of Virginia. Section 15.1-67 of the *Code of Virginia* (1950, as amended) requires the County to have an annual audit of the books of account, financial records, and the transactions of the County. Brown, Edwards & Company L.L.P. was selected to perform the required audit. The unmodified report of Brown, Edwards & Company L.L.P., the highest possible result of the audit process, accompanies the financial statements in this report.

Responsibility for both the accuracy of the presented data and the fairness of the presentation, including all disclosures, rests with the County. To provide a reasonable basis for making these representations, management of the County has established a comprehensive internal control framework that is designed both to protect the County's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the County's financial statements. Because the cost of internal controls should not outweigh their benefits, the County's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute assurance, that the financial statements will be free from material misstatement. We believe the data, as presented, is accurate in all material respects; that it is presented in a manner designed to fairly set forth the financial position and the results of operations of the various funds of the County; and that all disclosures necessary to enable the reader to gain maximum understanding of the County's financial activity have been included.

The County government is required to undergo an annual single audit as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Information related to this single audit, including the schedule of expenditures of federal awards, the schedule of findings and questioned costs, and the auditors' reports on internal control and compliance with applicable laws and regulations, are included in the compliance section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The County's MD&A can be found immediately following the report of the independent auditors on pages 4-9 of this report.

Profile of the Government

The County is located in southeastern Virginia and partially surrounds the City of Williamsburg. Although much of the County's 144 square miles consists of developed suburban areas, it has retained a considerable amount of undeveloped agricultural and forest land. There are no incorporated towns within the County. The County is empowered to levy a property tax on both real and personal properties located within its boundaries.

The County is organized under the County Administrator form of government (as defined under Virginia Law). Under this form of government, the Board of Supervisors appoints a County Administrator to serve as the Chief Executive Officer of the County. The Administrator serves at the pleasure of the Board of Supervisors, implements its policies, appoints division directors, and directs business and administrative procedures.

The Board of Supervisors is a five-member body; one member from each of the five districts, elected for a four-year staggered term by the voters of the district in which the member resides. The Chairman of the Board is elected annually by its members. This body enacts ordinances, appropriates funds, sets tax rates, and establishes policies for the administration of the County's public services.

The County provides a full range of services, including law enforcement, fire protection, and recreational activities. Water and sewer services are provided through the legally separate James City Service Authority (JCSA). The Board of Supervisors of James City County serves as the Board of Directors of the JCSA, and the County's Strategic Plan serves as basis for the budgetary and operational initiatives of both entities. The County is also financially accountable for the legally separate Williamsburg-James City County (WJCC) School Board and the legally separate James City County Economic Development Authority. All three of these entities are reported separately as discretely presented component units within the County's financial statements. Additional information on each of these legally separate entities can be found in Note 1 to the basic financial statements.

The annual budget serves as the foundation for the County's financial planning and control. In the spring of each year, departments and agencies of the County are required to submit requests for appropriation to the County Administrator. The County Administrator then submits to the Board of Supervisors a proposed operating and capital budget for the fiscal year commencing the following July 1. The operating budget and capital budget include proposed expenditures and the means of financing them. Public hearings are conducted to obtain citizen comments.

Prior to June 30, the budget is legally enacted through passage of an Appropriations Resolution. The Appropriations Resolution places legal restrictions on expenditures at the fund and function level. The appropriation for each fund and function can be revised only by the Board of Supervisors; however, the County Administrator may amend the budget within functions. Budget to actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the general fund, this comparison is presented on pages 78-81 as part of the required supplementary information other than management's discussion and analysis. For governmental funds, other than the general fund, with appropriated budgets, these comparisons are presented in the other supplementary information subsection of this report which starts on page 107.

COVID-19

During fiscal year 2022, the novel coronavirus disease (COVID-19) impacted the operational and financial activities of the County, but to a lesser extent than experienced in prior years. The County utilized its remaining Coronavirus Aid, Relief, and Economic Security funds in fiscal year 2022.

In addition, the County received its second allocation of American Rescue Plan Act (ARPA) funding in the amount of \$7.4 million. During fiscal year 2022, the County developed a plan for how this ARPA funding will be used and began implementing those projects and programs. The County intends to utilize the full amount of ARPA funding received, totaling \$14.8 million during the allowable period through December 2026.

During fiscal year 2022, the County also experienced improvements in certain revenues that had been impacted by COVID-19 restrictions. Revenues from local sales tax, occupancy tax, and meals tax increased during the year, as the economy normalized and recovered from the economic effects of the pandemic. Future impacts of COVID-19 remain difficult to forecast, but the County continues to monitor its revenues and expenditures and make use of available relief funding to support unforeseen costs.

Economic Condition and Outlook

James City County has experienced a gradual increase in economic activity after the effects from COVID-19 were felt in prior fiscal years. Overall, General Fund revenues increased 0.8% from last year. The majority of the increase was in other local taxes due to recovery following the effects of the pandemic. Revenues are expected to increase by approximately 3.1% in fiscal year 2023, primarily as a result of a reassessment of real property values. The General Fund's expenditures were adjusted accordingly in order to balance the budget.

The County's bond rating continues to be AAA, which is the highest possible rating. This bond rating is based on analysts' recommendations after a review of economic and fiscal performance, strong liquidity, fiscal policies and practices, evidence of financial planning to meet future capital needs. This rating is excellent for a community the size of James City County and gives the County additional leverage in the bond market for potential bond buyers and investors.

Long-Term Financial Planning and Major Initiatives

According to its fiscal policies, the County shall maintain a General Fund Unassigned Fund Balance at the end of the fiscal year in an amount equal to or greater than 10%, with a target of 12% of the total governmental expenditures including the County's share of WJCC Schools' operating expenditures. At the end of fiscal year 2022, that percentage was 23.3%, which meets the fiscal policy set by the Board of Supervisors. The County experienced an increase in fund balance for the General Fund in the amount of \$9,128,401 during fiscal year 2022, primarily due to increases in certain revenues as well as restrictions on non-essential spending in response to the economic uncertainties surrounding the COVID-19 pandemic.

For its fiscal year 2022 budget, the County was awarded the Government Finance Officers' Association of the United States and Canada's Distinguished Budget Presentation for the fifth consecutive year. Each budget supports the implementation of the County's Strategic Plan, which was adopted by the Board of Supervisors in November 2016. The Strategic Plan serves as guidance between the budget and the long-range plans proposed by the County. It also allows the Board of Supervisors to prioritize initiatives, plan for the future, and allocate resources through the budget process.

The goals of the County's Strategic Plan are as follows:

- Modern infrastructure, facilities, and technology systems
- Expanding and diversifying the local economy
- Protected community character and an enhanced built environment
- Exceptional public services
- High quality education
- Fiscally efficient government
- Sustainable long-term water supply

These goals, and the initiatives developed to support them, assist the County in determining current needs to incorporate in the upcoming fiscal year's budget as well as in developing a capital improvement program for the next five years.

The fiscal year 2023 budget included a one cent decrease in the real estate tax rate, reducing the rate from 84 cents to 83 cents per \$100 valuation. Fiscal year 2023 is a reassessment year, and with a nationwide increase in home values, this reduction is estimated to result in savings to taxpayers of \$1.1 million.

The fiscal year 2023 budget also supports new positions and a salary increase for staff. In addition, this budget reflects a restoration of pay-as-you-go funding transferred from the General Fund to the Capital Project Fund, which had been reduced in prior years due to the COVID-19 pandemic.

Capital Improvement Program

Capital outlay expenditures (including County and school projects) totaled \$15,830,720 in fiscal year 2022. The largest capital expenditures were for capital maintenance projects whose purpose is to improve and extend the useful life of County or School buildings and to replace major pieces of equipment. In fiscal year 2022, major projects included property purchases at Courthouse Green on Ironbound Road, the replacement of fire apparatus, and stormwater projects. Significant school expenditures included classroom instructional upgrades, HVAC replacements, and an auxiliary gym at Warhill High School.

James City County will continue to face challenges over the next several years. A steady growth in population has produced demands for public services and facilities. The five-year Capital Improvement Program totals \$186,909,990 and focuses on a wide variety of needs. In fiscal year 2023, funding is included for the following maintenance and replacements: stormwater projects, building maintenance, school HVAC replacements, design and engineering for a new General Services building, a medic unit replacement, and certain recreational improvements. Future planning includes new pre-school space, the construction costs for the General Services building, a new library, park improvements, drainage projects, fire equipment and vehicle replacements, and other building maintenance projects.

An indication of anticipated impacts is included in the adopted budget and capital improvements program for the fiscal year beginning July 1, 2022.

Economic Development

James City County continues to benefit from a diversified tax base, which includes sales, lodging, and prepared meals revenue from retail, hotels, and restaurants; machinery and tools revenue from manufacturing operations; and business personal property revenue from professional service providers.

Launchpad, the Greater Williamsburg Business Incubator, an entrepreneurial ecosystem partnership between James City County, York County, the City of Williamsburg, and William & Mary, continues to support regional economic development through unique events, speaker programs, mentorships, and other resources to support entrepreneurs looking to start, expand, and grow their business in the Greater Williamsburg region.

The fiscal year 2023 budget also includes economic development initiatives. In the Capital Projects Fund, support is provided to conduct due diligence studies on select industrial and commercial sites to enhance site readiness for targeted development opportunities. Increasing the inventory of construction-ready sites helps make the County more competitive for economic development projects, which bring capital investment and high-wage jobs. In addition, a business investment grant program will begin in fiscal year 2023 to encourage private capital investment in existing commercial and industrial properties located along Community Character Corridors identified in the adopted Comprehensive Plan.

Awards of Achievement

The Government Finance Officers' Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to James City County, Virginia for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2021. This was the 37th consecutive year that the County has achieved this prestigious award. In order to be awarded a Certificate of Achievement, the County must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgments

The County has established and continues to maintain a strong and stable financial position through progressive management of financial operations and through sound accounting and financial reporting practices. Appreciation is expressed to the Members of the James City County Board of Supervisors and all of the Constitutional Officers for their interest and support in planning and conducting the financial operations of the County in a responsible and progressive manner.

The preparation of this report could not have been accomplished without the extensive effort and efficient services of the staff of Financial and Management Services. We would like to express our appreciation to each employee of the department who assisted with the annual audit and preparation of the financial statements.

Respectfully submitted,



Scott A. Stevens
County Administrator



Sharon B. McCarthy
Director of Financial and Management Services



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**County of James City
Virginia**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

Christopher P. Morill

Executive Director/CEO

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Financial Section

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INDEPENDENT AUDITOR'S REPORT

To the Board of Supervisors of
County of James City, Virginia
Williamsburg, Virginia

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of James City, Virginia, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of James City, Virginia, as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and *Specifications for Audits of Counties, Cities, and Towns* issued by the Auditor of Public Accounts of the Commonwealth of Virginia. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County of James City, Virginia, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Change in Accounting Principle

As described in Note 17 to the financial statements, in 2022, the County of James City, Virginia, adopted new accounting guidance, GASB Statement No. 87, *Leases*. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County of James City, Virginia's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Your Success is Our Focus

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County of James City, Virginia's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about County of James City, Virginia's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management, and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County of James City, Virginia’s basic financial statements. The supplementary information as listed in the table of contents and schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information as listed in the table of contents and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor’s report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 23, 2023, on our consideration of the County of James City, Virginia’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County of James City, Virginia’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County of James City, Virginia’s internal control over financial reporting and compliance.

Brown, Edwards & Company, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

Newport News, Virginia
January 23, 2023

County of James City, Virginia
Management's Discussion and Analysis
June 30, 2022

As management of James City County (County), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended June 30, 2022. We encourage readers to consider the information presented here in conjunction with additional information in our letter of transmittal at the front of this report and the County's financial statements, which follow this analysis.

Financial Highlights

- The County's total net position increased by approximately \$37.3 million over the course of this year's operations, which represents an 10.6% increase from fiscal year 2021.
- The County's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources as of June 30, 2022 by approximately \$387.8 million. Of this amount, approximately \$240.8 million, or 62.1% is the net investment in capital assets.
- General Fund revenues were \$17.1 million or 8.4% higher than the final budget. The increase primarily related to actual revenues exceeding the fiscal year 2022 budget, which included anticipated revenue shortfalls related to the economic impacts of the novel coronavirus (COVID-19). Additional information on the impacts of COVID-19 on the County's financial and operational activities can be found in Note 19 to the financial statements.
- The County restated its beginning net position by \$752,562 to reflect adjustments related to a review of grant funding received in prior years. Additional information on this restatement can be found in Note 20 to the financial statements. Comparative prior year information, to the extent presented here, has not been restated because the necessary information is not available.

Overview of the Financial Statements

The Annual Comprehensive Financial Report consists of four sections: introductory, financial, statistical, and compliance. The financial section consists of three primary components - government-wide financial statements, fund financial statements, and notes to the basic financial statements.

Government-Wide Financial Statements

The government-wide financial statements report information about the County as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the government's assets, deferred outflows of resources, liabilities and deferred inflows of resources. The current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide financial statements report the County's net position and how it has changed. Net position - the difference between the County's (1) assets and deferred outflows of resources and (2) liabilities and deferred inflows of resources, is one way to measure the County's financial health, or position.

Over time, increases or decreases in the County's net position serve as an indicator of whether its financial health is improving or deteriorating, respectively. To assess the overall health of the County, additional nonfinancial factors should be considered, such as changes in the County's property tax base.

The government-wide financial statements of the County are divided into two categories:

- *Governmental activities:* Most of the County's basic services are included here, such as the police, fire, parks and recreation, and general administration. Property taxes and state and federal funding finance most of these activities.
- *Component units:* The County includes three other entities in its report, the James City Service Authority, the Public Schools, and the Economic Development Authority. Although legally separate, these "component units" are important because of the County's financial accountability or financial integration with these entities.

County of James City, Virginia
Management's Discussion and Analysis
June 30, 2022

Fund Financial Statements

The fund financial statements provide more detailed information about the County's most significant funds, not the County as a whole. Funds are accounting devices that the County uses to keep track of specific sources of funding and spending for particular purposes. Some funds are required by state law and by bond covenants.

Other funds are established to control and manage money for particular purposes or to show that the County is properly using certain taxes and grants.

The County has two kinds of funds:

- *Governmental funds:* Most of the County's basic services are included in governmental funds, which focus on (1) how cash and other financial assets can be readily converted to cash flow in and out and (2) the balances remaining at year end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps in determining whether there are more or fewer financial resources that can be spent in the near future to finance the County's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, further details are provided at the bottom of the governmental funds statement or on the subsequent page that explain the relationship (or differences) between them.
- *Fiduciary funds:* The County is responsible for assets of various custodial funds. It is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the County's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. These activities are excluded from the County's government-wide financial statements because the County cannot use their assets to finance its operations.

Notes to the Basic Financial Statements

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the County's General Fund budget and the County's obligation to provide pension and other post-employment benefits to its employees. The combining statements for nonmajor governmental funds are presented immediately following the required supplementary information.

Financial Analysis

Statements of Net Position

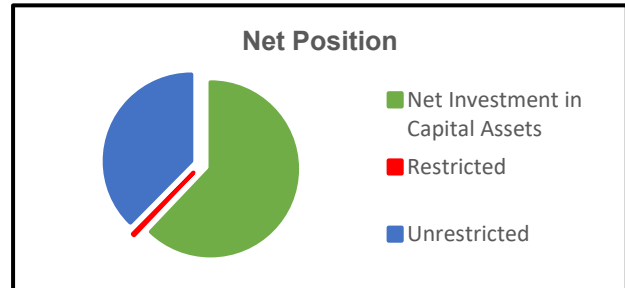
	Primary Government	
	6/30/2022	6/30/2021 (as restated)
Current and other assets	\$ 205,479,347	\$ 174,404,839
Capital assets, net	347,679,452	352,469,117
Total assets	<u>553,158,799</u>	<u>526,873,956</u>
Deferred outflows of resources	15,105,027	17,085,927
Total assets and deferred outflows	<u>\$ 568,263,826</u>	<u>\$ 543,959,883</u>
Long-term liabilities	\$ 124,101,177	\$ 167,149,524
Other liabilities	24,813,716	20,349,935
Total liabilities	<u>148,914,893</u>	<u>187,499,459</u>
Deferred inflows of resources	31,534,653	5,932,100
Net investment in capital assets	240,797,862	231,590,103
Restricted net position	1,276,896	1,350,727
Unrestricted net position	<u>145,739,522</u>	<u>117,587,494</u>
Total net position	<u>387,814,280</u>	<u>350,528,324</u>
Total liabilities, deferred inflows and net position	<u>\$ 568,263,826</u>	<u>\$ 543,959,883</u>

County of James City, Virginia
Management's Discussion and Analysis
June 30, 2022

The County's net position was \$387,814,280 at the close of the most recent fiscal year. The largest portion of the County's net position at June 30, 2022 (62.1%) reflects its investment in capital assets, less any related debt used to acquire those assets that are still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, given that the capital assets themselves cannot be used to liquidate these liabilities.

The restricted net position (0.3%) is restricted for specific purposes. The unrestricted portion of net position (37.6%) may be used to meet the County's ongoing obligations to citizens and creditors. At the end of the current fiscal year, the County was able to report positive balances in all three categories of net position.

The County's overall net position increased 10.6% from last year. The reasons for the overall increase are discussed in the following sections.



Statement of Activities

Condensed Statement of Activities

	Governmental activities	
	6/30/2022	6/30/2021 (as restated)
Program revenues:		
Charges for services	\$ 20,945,425	\$ 17,172,418
Operating grants and contributions	26,916,551	40,226,144
Capital grants and contributions	169,569	1,639,515
General revenues:		
Property taxes	149,086,210	145,884,708
Other taxes	38,372,537	29,370,617
Interest and investment earnings	444,493	349,292
Miscellaneous	5,433,116	3,950,128
Total revenues	<u>241,367,901</u>	<u>238,592,822</u>
Expenses:		
General government administration	17,494,683	21,099,810
Judicial administration	6,806,106	6,487,976
Public safety	38,479,969	36,231,265
Public works	12,068,804	9,467,161
Health and human services	10,013,082	9,861,040
Education	90,097,401	98,469,065
Parks, recreation and cultural	13,648,175	14,935,315
Community development	12,755,621	11,895,580
Interest on long-term debt	2,718,104	3,164,043
Total expenses	<u>204,081,945</u>	<u>211,611,255</u>
Change in net position	37,285,956	26,981,567
Net position, beginning of year (as restated)	<u>350,528,324</u>	<u>323,546,757</u>
Net position, end of year	<u>\$ 387,814,280</u>	<u>\$ 350,528,324</u>

County of James City, Virginia
Management's Discussion and Analysis
June 30, 2022

Governmental Activities

As of June 30, 2022, net position for governmental activities was \$387,814,280 which represents an increase of \$37,285,956 from last year.

The County experienced growth in property tax revenues during fiscal year 2022 primarily as a result of an increase in personal property tax revenues. Personal property taxes are based on the assessed value of the property, and assessed values experienced an increase during fiscal year 2022. Other local taxes increased during fiscal year 2022 primarily due to improvements in revenue from local sales taxes, hotel and motel room taxes, and restaurant food taxes as the local economy recovered from the impacts of the COVID-19 pandemic. Charges for services and certain fee revenue also increased during fiscal year 2022 primarily due to increased use of services as pandemic restrictions have declined.

On the expenditure side, the County experienced a decrease in total expenses primarily as a result of a change in the way State Sales Tax for Education funds were transferred to the Williamsburg-James City County School Division. In prior years, the State paid these funds to the County, and then the County remitted the payment to the School Division. In fiscal year 2022, the State began remitting the funds directly to the School Division.

For the fiscal year ended June 30, 2022, revenues from governmental activities totaled \$241,367,901. Of this amount, \$53,909,154, or 22.3%, is received from sources other than local tax revenue.

Real estate tax revenues, the County's largest single revenue source, totaled \$105,080,024. The County's assessed real property tax base for fiscal year 2022 was \$12,762,586,854, which was an increase of 1.1% from fiscal year 2021.

In fiscal year 2022, the County reported current year collections of \$30,134,887 in personal property taxes, and received reimbursement from the Commonwealth of Virginia of \$9,770,137. Under the provisions of the Personal Property Tax Relief Act (PPTRA), the state's share of local personal property tax was approximately 32.4% of most taxpayer's payments.

For the fiscal year ended June 30, 2022, expenses for governmental activities totaled \$204,081,945, including \$90,097,401 for Education expenses for the public school system and support for remote learning programs. Total expenses had a net decrease of 3.6% over fiscal year 2021, primarily due to the change in how State Sales Tax for Education funds are remitted to the School Division, as described above.

Financial Analysis of the County's Governmental Funds

General Fund: The County's General Fund is the chief operating fund of the County. At the end of fiscal year 2022, the General Fund had an overall increase in fund balance of \$9,128,401. This was primarily due to increases in general property tax and other local tax revenues. The portion of the unassigned fund balance for fiscal liquidity totaled \$65,248,514, which was 23.3% of the total general governmental expenditures (from Table 11 in the Statistical section), including the County's share of the Public Schools' operating expenditures. The County's goal is to maintain a fund balance for fiscal liquidity between 10% and 12% of total general governmental expenditures.

Capital Projects Fund: The Capital Projects Fund is used by the County to account for the financing sources used to acquire and construct major capital projects for the general government. At the end of fiscal year 2022, the Capital Projects Fund's fund balance increased by \$12,220,800, primarily due to an increase in transfers from the General Fund as capital projects resumed when the local economy began recovering from the pandemic. These transfers from the General Fund totaled \$27,323,084 for fiscal year 2022. During the year, capital project expenditures of \$15,830,720 included purchase of property at Courthouse Green, cardiac monitor replacements, a rescue truck, a fire pumper truck, voting equipment, stormwater projects, building maintenance, and improvements at the Jamestown Marina.

Debt Service Fund: The Debt Service Fund is used by the County to account for the accumulation of resources for the repayment of long-term debt of the governmental funds. The primary source of funding is transfers from the General Fund.

County of James City, Virginia
 Management's Discussion and Analysis
 June 30, 2022

Grants and Special Projects Fund: The Grants and Special Projects Fund is used by the County to account for revenues and expenditures related to grant programs and special projects. This fund also includes activity supported by the County's allocation of American Rescue Plan Act funds, discussed further in Note 19. During fiscal year 2022, the Grants and Special Projects Fund's fund balance increased by \$357,402, primarily due to increases in miscellaneous funding for special projects.

Non-major Governmental Funds: The County maintains five non-major governmental funds. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances for all funds, which can be found on pages 100-103. The non-major governmental funds had an increase in fund balance of \$1,679,848 in fiscal year 2022.

General Fund Budgetary Highlights

General Fund revenues were 8.4% or \$17,134,652 higher than the final budget and were 0.8% or \$1,711,620 higher than fiscal year 2021.

The County's largest revenue source, real estate tax revenues, increased by \$474,252 for fiscal year 2022. Personal property taxes, another large source of local tax funding, had combined collections from the state and local taxpayers of \$39,905,024. State revenues, excluding the personal property tax reimbursement, were \$7,215 less than budgeted and decreased by \$14,001,595 from 2021. The significant factor in the decrease related to State Sales Tax for Education funds be remitted directly to the School Division in fiscal year 2022, instead of passing through the County.

General Fund budgeted expenditures were 6.5% below the final budget, or \$11,364,726, which was primarily due to a funding surplus by the School Division for fiscal year 2022, which resulted in a reimbursement to the County of part of its contribution to the School Division in the amount of \$5.5 million. This \$5.5 million has been set aside by the County to be used for the School Division's needs in future fiscal years and is included in Committed Fund Balance. In addition, an amount of \$1,767,841 is for encumbrances and is included in Assigned Fund Balance.

As a result of revenues above budget and underspending, the fund balance increased to \$96,675,305. This was an increase of \$9,128,401 or 10.4% from 2021.

Capital Assets

At the end of fiscal year 2022, the County's investment in capital assets for its governmental activities totaled \$347,679,452 (net of accumulated depreciation). This total includes land and land improvements, construction in progress, intangibles, buildings and improvements, infrastructure, equipment, and vehicles. In addition, the County implemented Governmental Accounting Standards Board Statement No. 87, *Leases*, in fiscal year 2022, so the County's investment in capital assets also includes leased property and equipment, net of accumulated amortization. The County does not own its roads, and therefore they are not included in capital assets. In addition, the Public Schools own all school buildings and the related debt is County debt. The value associated with the purchase and/or construction of the Public Schools' buildings is reported as capital assets in the governmental activities of the County to properly match with the associated debt, as allowed by Virginia state law. In fiscal year 2022, the net value of school buildings and related construction reflected in the governmental activities of the County equals \$202,083,863, and the associated current year's depreciation expense of \$6,702,194 is reflected in Education expense in the County's governmental activities in the statement of net position.

Summary of Capital Assets, Net		
	6/30/2022	6/30/2021 (as restated)
	Governmental activities	
Non-depreciable	\$ 54,485,711	\$ 50,845,673
Depreciable	292,423,204	300,738,983
Leases	770,537	884,461
Total	\$ 347,679,452	\$ 352,469,117

Additional information about the County's capital assets can be found in Note 6 to the financial statements.

County of James City, Virginia
Management's Discussion and Analysis
June 30, 2022

Long-Term Debt

Below is a summary of the County's long-term debt as of June 30, 2022 and 2021, respectively.

Summary of Long-Term Debt		
	6/30/2022	6/30/2021
		(as restated)
	Governmental activities	
General obligation bonds, net unamortized premium	\$ 23,404,288	\$ 26,481,646
Revenue bonds, net unamortized premium	80,105,604	90,434,122
Financed purchases	1,015,683	1,340,157
Leases payable	779,568	884,461
Pension	7,716,325	34,769,717
OPEB	6,501,747	8,651,604
Compensated absences	4,577,962	4,403,593
Landfill	-	184,224
Total	\$ 124,101,177	\$ 167,149,524

Additional information about the County's long-term debt can be found in Note 9 to the financial statements.

Economic Factors and Next Year's Budget and Tax Rates

The County has a two-year budget cycle. The first year of a two-year cycle is adopted and appropriated and the second year is adopted for planning purposes. Fiscal year 2022 was the second year of the prior two-year cycle. The fiscal year 2022 approved budget for the General Fund was \$202,200,000.

Fiscal year 2023 is the first year of the current two-year cycle. The fiscal year 2023 approved budget for the General Fund is \$217,100,000. This budget was adopted on May 10, 2022, and reflects a \$14,900,000, or a 7.4%, increase over the fiscal year 2022 budget. The increase is primarily due to the reassessment of real property and anticipated improvement in other local tax revenues as a result of economic recovery following the impacts of the COVID-19 pandemic.

Expenditures increased as a result of the expected increase in revenue. The County's general fund contribution to the Williamsburg-James City County School Board will be \$102,104,835.

Contacting the County's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the County's finances and to demonstrate the County's accountability for the money it receives. Questions concerning this report or requests for additional information should be directed to the Department of Financial and Management Services, 101-F Mounts Bay Road, P.O. Box 8784, Williamsburg, Virginia 23187-8784.

* * * * *

County of James City, Virginia
Statement of Net Position
June 30, 2022

	Primary government	Discretely presented component units		
	Governmental activities	James City Service Authority	Public schools	Economic Development Authority
Assets				
Cash and cash equivalents (note 2)	\$ 121,662,223	\$ 6,894,387	\$ 24,548,394	\$ 687,342
Investments (note 2)	25,546,006	49,469,680	-	-
Restricted cash and cash equivalents (note 2)	3,475,244	6,524,603	-	-
Receivables, net of allowance for uncollectibles:				
Taxes, including penalties	32,067,828	-	-	-
Accounts	-	3,157,287	23,166	-
Interest	71,590	70,618	-	3,462
Loans (note 3)	400,009	-	-	-
Leases (note 17)	2,947,271	284,928	437,147	743,089
Notes	-	-	-	20,638
Miscellaneous (note 3)	7,154,143	6,634	-	32,045
Due from component units, net (note 7)	4,455,134	-	-	-
Due from other governments, net (note 5)	7,350,806	-	7,529,802	-
Inventory	287,924	1,246,614	68,396	-
Other assets	61,100	-	-	-
Prepaid assets	69	-	-	-
Net pension asset (note 11)	-	1,142,756	3,793,644	-
Net OPEB assets (note 12)	-	-	54,937	-
Capital assets, net (note 6):				
Non-depreciable	54,485,711	11,467,672	10,748,032	744,995
Depreciable	292,423,204	143,009,231	49,237,140	591,815
Leases	770,537	5,006	-	-
Net capital assets	<u>347,679,452</u>	<u>154,481,909</u>	<u>59,985,172</u>	<u>1,336,810</u>
Total assets	<u>553,158,799</u>	<u>223,279,416</u>	<u>96,440,658</u>	<u>2,823,386</u>
Deferred Outflows of Resources				
Deferred charge on refundings, net	-	1,358,393	-	-
Deferred pensions (note 11)	13,646,201	713,208	25,714,068	-
Deferred OPEB retiree healthcare (note 12)	626,945	33,768	198,353	-
Deferred OPEB group life insurance (note 12)	660,437	75,914	1,304,628	-
Deferred OPEB health insurance credit (note 12)	171,444	12,394	1,387,410	-
Deferred OPEB Virginia local disability program (note 12)	-	-	170,271	-
Total deferred outflows of resources	<u>15,105,027</u>	<u>2,193,677</u>	<u>28,774,730</u>	<u>-</u>
Total assets and deferred outflow of resources	<u>\$ 568,263,826</u>	<u>\$ 225,473,093</u>	<u>\$ 125,215,388</u>	<u>\$ 2,823,386</u>
Liabilities				
Accounts payable	\$ 6,481,503	\$ 1,100,190	\$ 2,032,358	\$ 2,096
Accrued liabilities	639,446	384,650	16,770,703	-
Liabilities payable from restricted assets	1,853,480	-	-	-
Due to primary government, net (note 7)	-	636,338	3,818,796	-
Due to other governments	-	275	438,113	-
Advances for construction (note 16)	-	32,902	-	-
Amounts held for others	-	883,130	-	-
Unearned revenue (note 8)	15,839,287	-	134,411	-
Long-term liabilities (notes 9, 10, 11 and 12):				
Due within one year	16,938,666	1,766,014	1,146,181	-
Due in more than one year	107,162,511	27,038,303	86,842,866	-
Total liabilities	<u>148,914,893</u>	<u>31,841,802</u>	<u>111,183,428</u>	<u>2,096</u>
Deferred Inflows of Resources				
Deferred charge on refundings, net	1,587,665	-	-	-
Deferred leases (note 17)	2,863,380	278,809	424,961	723,837
Deferred pensions (note 11)	24,092,854	2,521,900	52,723,595	-
Deferred OPEB retiree healthcare (note 12)	1,839,555	185,730	1,677,162	-
Deferred OPEB group life insurance (note 12)	1,047,609	102,792	1,963,537	-
Deferred OPEB health insurance credit (note 12)	103,590	32,826	871,158	-
Deferred OPEB Virginia local disability program (note 12)	-	-	43,957	-
Total deferred inflows of resources	<u>31,534,653</u>	<u>3,122,057</u>	<u>57,704,370</u>	<u>723,837</u>
Net Position				
Net position:				
Net investment in capital assets	240,797,862	133,825,067	58,549,855	1,336,810
Restricted net position:				
Debt service	-	865,171	-	-
Capital projects	-	5,659,432	-	-
Net pension and OPEB asset	-	1,142,756	3,848,581	-
Other	1,276,896	-	6,319,354	-
Unrestricted	<u>145,739,522</u>	<u>49,016,808</u>	<u>(112,390,200)</u>	<u>760,643</u>
Total net position	<u>387,814,280</u>	<u>190,509,234</u>	<u>(43,672,410)</u>	<u>2,097,453</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 568,263,826</u>	<u>\$ 225,473,093</u>	<u>\$ 125,215,388</u>	<u>\$ 2,823,386</u>

See accompanying notes to basic financial statements

County of James City, Virginia
 Statement of Activities
 Year ended June 30, 2022

Functions/programs	Expenses	Net (expenses) revenues and changes in net position						
		Program revenues			Primary Government	Discretely presented component units		
		Charges for services	Operating grants and contributions	Capital grants and contributions	Governmental activities	James City Service Authority	Public schools	Economic Development Authority
Primary government:								
Governmental activities:								
General government administration	\$ 17,494,683	\$ 8,964,741	\$ 12,118,078	\$ -	\$ 3,588,136	\$ -	\$ -	\$ -
Judicial administration	6,806,106	2,442,666	1,548,042	-	(2,815,398)	-	-	-
Public safety	38,479,969	3,640,278	5,033,546	-	(29,806,145)	-	-	-
Public works	12,068,804	1,904,929	151,859	-	(10,012,016)	-	-	-
Health and human services	10,013,082	-	4,787,969	-	(5,225,113)	-	-	-
Education (including School system)	90,097,401	-	-	-	(90,097,401)	-	-	-
Parks, recreation and cultural	13,648,175	3,347,556	22,832	-	(10,277,787)	-	-	-
Community development	12,755,621	645,255	3,254,225	169,569	(8,686,572)	-	-	-
Interest on long-term debt	2,718,104	-	-	-	(2,718,104)	-	-	-
Total governmental activities	<u>204,081,945</u>	<u>20,945,425</u>	<u>26,916,551</u>	<u>169,569</u>	<u>(156,050,400)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 204,081,945</u>	<u>\$ 20,945,425</u>	<u>\$ 26,916,551</u>	<u>\$ 169,569</u>	<u>\$ (156,050,400)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Component units:								
Economic Development Authority	\$ 121,666	\$ 47,726	\$ 16,009	\$ -	\$ -	\$ -	\$ -	\$ (57,931)
James City Service Authority	22,029,282	21,225,479	-	2,121,505	-	1,317,702	-	-
Public Schools	156,520,837	1,019,692	31,147,908	-	-	-	(124,353,237)	-
Total component units	<u>\$ 178,671,785</u>	<u>\$ 22,292,897</u>	<u>\$ 31,163,917</u>	<u>\$ 2,121,505</u>	<u>\$ -</u>	<u>\$ 1,317,702</u>	<u>\$ (124,353,237)</u>	<u>\$ (57,931)</u>
General revenues:								
Property taxes, levied for general purposes					\$ 149,086,210	\$ -	\$ -	\$ -
Local sales and use taxes					20,846,612	-	-	-
Franchise license tax					896,434	-	-	-
Taxes on recordation and wills					2,431,571	-	-	-
Hotel and motel room taxes					4,376,944	-	-	-
Restaurant food taxes					8,413,901	-	-	-
Deeds of conveyance					716,095	-	-	-
Cigarette tax					632,700	-	-	-
Penalties and interest					58,280	-	-	-
Grants and contributions not restricted to specific programs					-	-	141,144,813	-
Interest and investment earnings					444,493	(2,194,170)	45,049	42,191
Miscellaneous					5,433,116	755,826	1,839,891	124,175
Total general revenues and transfers					<u>193,336,356</u>	<u>(1,438,344)</u>	<u>143,029,753</u>	<u>166,366</u>
Change in net position					<u>37,285,956</u>	<u>(120,642)</u>	<u>18,676,515</u>	<u>108,435</u>
Net position, beginning, as restated (note 20)					<u>350,528,324</u>	<u>190,629,876</u>	<u>(62,348,925)</u>	<u>1,989,018</u>
Net position, ending					<u>\$ 387,814,280</u>	<u>\$ 190,509,234</u>	<u>\$ (43,672,410)</u>	<u>\$ 2,097,453</u>

See accompanying notes to basic financials statements.

County of James City, Virginia
Balance Sheet
Governmental Funds
June 30, 2022

	Major Funds				Nonmajor governmental funds	Total governmental funds
	General	Capital projects	Debt service	Grants and special projects		
Assets						
Cash and cash equivalents (note 2)	\$ 71,173,427	\$ 42,015,084	\$ -	\$ 5,360,222	\$ 3,113,490	\$ 121,662,223
Investments (note 2)	4,667,570	76,305	-	17,072,067	3,730,064	25,546,006
Restricted cash and cash equivalents (note 2)	1,434,719	382,419	-	315,786	1,342,320	3,475,244
Receivables, net of allowance:						
Taxes	31,973,695	-	-	-	94,133	32,067,828
Interest	6,504	65,086	-	-	-	71,590
Leases (note 17)	2,947,271	-	-	-	-	2,947,271
Loans, net (note 3)	-	-	-	-	400,009	400,009
Miscellaneous (note 3)	6,366,700	-	-	725,093	62,350	7,154,143
Due from component units (note 7)	6,089,636	-	-	-	-	6,089,636
Due from other governments, net (note 5)	5,512,181	-	-	1,162,779	675,846	7,350,806
Prepaid items	-	-	-	-	69	69
Inventory	287,924	-	-	-	-	287,924
Total assets	<u>\$ 130,459,627</u>	<u>\$ 42,538,894</u>	<u>\$ -</u>	<u>\$ 24,635,947</u>	<u>\$ 9,418,281</u>	<u>\$ 207,052,749</u>
Liabilities						
Liabilities:						
Accounts payable	\$ 4,702,548	\$ 964,874	\$ -	\$ 307,963	\$ 506,118	\$ 6,481,503
Accrued liabilities	472,100	-	-	4,867	6,853	483,820
Payables from restricted assets	1,430,219	371,200	-	-	52,061	1,853,480
Due to component units (note 7)	5,244	1,346,427	-	282,831	-	1,634,502
Unearned revenue (note 8)	444,311	-	-	14,998,146	396,830	15,839,287
Total liabilities	<u>7,054,422</u>	<u>2,682,501</u>	<u>-</u>	<u>15,593,807</u>	<u>961,862</u>	<u>26,292,592</u>
Deferred Inflows of Resources						
Unavailable revenue (note 8)	23,866,520	-	-	1,238,751	127,826	25,233,097
Leases (note 17)	2,863,380	-	-	-	-	2,863,380
Total deferred inflows of resources	<u>26,729,900</u>	<u>-</u>	<u>-</u>	<u>1,238,751</u>	<u>127,826</u>	<u>28,096,477</u>
Fund Balances						
Fund balances:						
Nonspendable:						
Inventory	287,924	-	-	-	-	287,924
Restricted:						
Debt service - bond proceeds held in escrow	-	11,218	-	-	-	11,218
Grants and special projects	-	-	-	315,786	-	315,786
Other governmental funds	-	-	-	-	961,110	961,110
Committed:						
School operations	6,581,532	-	-	-	-	6,581,532
Grants and special projects	-	-	-	940,855	-	940,855
Other governmental funds	-	-	-	-	1,608,153	1,608,153
Assigned:						
General	8,604,806	-	-	-	-	8,604,806
Capital projects/debt service reserve	15,952,529	39,845,175	-	-	-	55,797,704
Grants and special projects	-	-	-	6,546,748	-	6,546,748
Other governmental funds	-	-	-	-	5,759,330	5,759,330
Unassigned	65,248,514	-	-	-	-	65,248,514
Total fund balances	<u>96,675,305</u>	<u>39,856,393</u>	<u>-</u>	<u>7,803,389</u>	<u>8,328,593</u>	<u>152,663,680</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 130,459,627</u>	<u>\$ 42,538,894</u>	<u>\$ -</u>	<u>\$ 24,635,947</u>	<u>\$ 9,418,281</u>	<u>\$ 207,052,749</u>

See accompanying notes to basic financial statements.

County of James City, Virginia
Balance Sheet
Governmental Funds
June 30, 2022

Reconciliation of the balance sheet for governmental funds to the government-wide statement of net position:

Ending fund balance, governmental funds		\$ 152,663,680
Amounts reported for governmental activities in the balance sheet are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		347,679,452
Land held for resale and future development used in governmental activities are not financial resources and therefore are not reported in the funds.		61,100
Some receivables are not available to pay for current-period expenditures and therefore are unavailable revenue in the funds.		25,233,097
Deferred outflows of resources represent a consumption of net position applying to future periods and therefore, are not reported in the governmental funds.		
Deferred pension	\$ 13,646,201	
Deferred OPEB retiree healthcare	626,945	
Deferred OPEB group life insurance	660,437	
Deferred OPEB health insurance credit	<u>171,444</u>	15,105,027
Unmatured interest payable reported in governmental activities will not be paid with current financial resources and therefore is not reported in the funds.		(155,626)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		
General obligation bonds	(21,720,000)	
Lease revenue bonds	(72,015,000)	
Unamortized bond premiums, net	(9,774,892)	
Financed purchases	(1,015,683)	
Lease payable	(779,568)	
Net pension liability	(7,716,325)	
Net OPEB liabilities	(6,501,747)	
Compensated absences	<u>(4,577,962)</u>	(124,101,177)
Deferred inflows of resources represent an acquisition of net position that is applicable to a future reporting period and therefore, is not reported in the governmental funds.		
Deferred charge on refundings	(1,587,665)	
Deferred pension	(24,092,854)	
Deferred OPEB retiree healthcare	(1,839,555)	
Deferred OPEB GLI	(1,047,609)	
Deferred OPEB HIC	<u>(103,590)</u>	<u>(28,671,273)</u>
Net position, governmental activities		<u>\$ 387,814,280</u>

See accompanying notes to basic financials statements.

County of James City, Virginia
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year ended June 30, 2022

	Major Funds				Nonmajor governmental funds	Total governmental funds
	General	Capital projects	Debt service	Grants and special projects		
Revenues:						
General property taxes	\$ 146,502,246	\$ -	\$ -	\$ -	\$ -	\$ 146,502,246
Other local taxes	37,470,499	-	-	-	902,038	38,372,537
Permits, privilege fees and regulatory licenses	10,507,338	-	-	-	-	10,507,338
Fines and forfeitures	205,478	-	-	-	-	205,478
Use of money and property	866,593	(423,680)	1,580	-	-	444,493
Charges for services	7,678,699	-	-	-	-	7,678,699
Miscellaneous	3,110,714	682,547	40,083	355,606	564,781	4,753,731
Intergovernmental:						
Local	-	-	-	-	208,879	208,879
Commonwealth	15,625,922	169,569	-	1,556,704	2,147,263	19,499,458
Federal	50,536	-	-	4,496,041	5,137,845	9,684,422
Total revenues	<u>\$ 222,018,025</u>	<u>\$ 428,436</u>	<u>\$ 41,663</u>	<u>\$ 6,408,351</u>	<u>\$ 8,960,806</u>	<u>\$ 237,857,281</u>
Expenditures:						
Current:						
General government administration	\$ 14,681,338	\$ -	\$ -	\$ 766,928	\$ -	\$ 15,448,266
Judicial administration	4,747,004	-	-	398,105	1,305,883	6,450,992
Public safety	31,831,176	-	-	3,503,995	9,131	35,344,302
Public works	9,706,556	-	-	151,859	-	9,858,415
Health and human services	2,706,608	-	-	1,538,782	5,581,317	9,826,707
Education	80,637,523	-	-	315,759	-	80,953,282
Parks, recreation and cultural	11,624,588	-	-	18,332	3,569	11,646,489
Community development	6,014,071	-	46,796	1,700,910	4,447,967	12,209,744
Nondepartmental	51,542	-	-	-	-	51,542
Debt service:						
Principal	155,394	-	12,241,474	-	12,070	12,408,938
Interest and other fiscal charges	19,918	-	4,420,950	-	565	4,441,433
Capital outlay - County activities	53,123	13,388,795	-	-	9,448	13,451,366
Capital outlay - School activities	-	2,441,925	-	-	-	2,441,925
Total expenditures	<u>162,228,841</u>	<u>15,830,720</u>	<u>16,709,220</u>	<u>8,394,670</u>	<u>11,369,950</u>	<u>214,533,401</u>
Excess (deficiency) of revenues over (under) expenditures	<u>59,789,184</u>	<u>(15,402,284)</u>	<u>(16,667,557)</u>	<u>(1,986,319)</u>	<u>(2,409,144)</u>	<u>23,323,880</u>
Other financing sources (uses):						
Transfers in (note 4)	77,500	27,623,084	16,667,557	2,343,721	4,457,044	51,168,906
Transfers out (note 4)	(50,791,406)	-	-	-	(377,500)	(51,168,906)
Proceeds from leases	53,123	-	-	-	9,448	62,571
Total other financing sources (uses)	<u>(50,660,783)</u>	<u>27,623,084</u>	<u>16,667,557</u>	<u>2,343,721</u>	<u>4,088,992</u>	<u>62,571</u>
Net change in fund balances	9,128,401	12,220,800	-	357,402	1,679,848	23,386,451
Fund balances, beginning of year, as restated (note 20)	87,546,904	27,635,593	-	7,445,987	6,648,745	129,277,229
Fund balances, end of year	<u>\$ 96,675,305</u>	<u>\$ 39,856,393</u>	<u>\$ -</u>	<u>\$ 7,803,389</u>	<u>\$ 8,328,593</u>	<u>\$ 152,663,680</u>

See accompanying notes to basic financial statements.

County of James City, Virginia
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year ended June 30, 2022

Reconciliation of the statement of revenues, expenditures and changes in fund balances of governmental funds to the statement of activities:

Net change in fund balances, governmental funds \$ 23,386,451

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures; however, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This amount represents the difference between depreciation expense and capital outlay expenditures. The details of this difference are as follows:

Depreciation and amortization expense	\$ (15,888,654)	
Capital outlay expenditures	13,745,948	
Loss on disposal of capital assets	<u>(2,646,959)</u>	(4,789,665)

Loss on land held for resale and future development is not reported in the governmental funds however, is reflected in the statement of activities. Other assets decreased by this amount this year. (28,051)

Because some revenues will not be collected for several months after the County's fiscal year end, they are not considered "available" revenues and are deferred in the governmental funds. Unavailable revenue increased by this amount this year. 3,510,619

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums and refunding gains/losses, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related accounts. The details of this difference are as follows:

Proceeds from leases	(62,571)	
Principal payments on bonds and financed purchases	12,241,474	
Principal payments on leases	167,464	
Amortization on premium	1,488,876	
Amortization on deferred charge on refundings	<u>160,650</u>	13,995,893

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. The details of this difference is as follows:

Compensated absences	(174,369)	
Landfill	184,224	
Interest payable	73,803	
Pension expense, net of employer contributions	1,018,063	
OPEB expense, net of employer contributions	<u>108,988</u>	1,210,709

Change in net position, governmental activities		<u><u>\$ 37,285,956</u></u>
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See accompanying notes to basic financials statements.

Exhibit 5

County of James City, Virginia
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2022

	Custodial funds
Assets	
Cash, cash equivalents and investments	\$ 16,320,203
Restricted cash, cash equivalents and investments	5,436,219
Accounts receivable	304,187
Lease receivable	115,065
Due from other governmental units	1,382,237
Due from other funds	16,595
Capital assets, nondepreciable	4,419,304
Capital assets, depreciable, net of accumulated depreciation	24,112,472
Net lease asset	120,528
Net pension asset	7,323,763
Net OPEB asset	5,260
Total assets	\$ 59,555,833
Deferred Outflows of Resources	
Deferred pension outflows	\$ 964,023
Deferred OPEB outflows	418,794
Total deferred outflows of resources	\$ 1,382,817
Liabilities	
Accounts payable and accrued liabilities	\$ 773,420
Long-term liabilities, due within one year	1,273,493
Long-term liabilities, due in more than one year	2,665,482
Unearned revenue	741,457
Total liabilities	\$ 5,453,852
Deferred Inflows of Resources	
Deferred pension inflows	\$ 3,820,964
Deferred OPEB inflows	564,654
Deferred lease inflows	112,458
Total deferred inflows of resources	\$ 4,498,076
Net Position	
Net investment in capital assets	\$ 26,730,642
Restricted	9,634,473
Assigned	855
Unrestricted	14,620,752
Total net position	\$ 50,986,722

See accompanying independent auditor's report.

County of James City, Virginia
 Statement of Changes in Fiduciary Net Position
 Fiduciary Funds
 Year Ended June 30, 2022

	Custodial funds
Additions	
Fees from members	\$ 7,355,421
Revenue from the Commonwealth	8,142,281
Revenue from the federal government	85,178
Operating grants and contributions	9,453,812
Capital grants and contributions	1,493,274
Charges for services	1,357,769
Use of money and property	154,764
Other	1,463,390
Total additions	\$ 29,505,889
Deductions	
Personnel expenses	\$ 14,951,519
Materials and contractual services	6,139,537
Depreciation	2,437,228
Minor furniture and equipment	131,177
Interest expense	54,646
COVID-19 pandemic costs	9,650
Investment loss	577,884
Other	1,689,594
Total deductions	\$ 25,991,235
Net increase (decrease) in fiduciary net position	3,514,654
Net position, beginning	47,472,068
Net position, ending	\$ 50,986,722

See accompanying independent auditor's report.

County of James City, Virginia
Notes to Basic Financial Statements
June 30, 2022

1) Summary of Significant Accounting Policies

The County of James City (the County or the primary government) operates under the County Administrator form of government (as defined under Virginia Law). The elected five-member Board of Supervisors appoints a County Administrator to serve as the Chief Executive Officer of the County.

The accompanying financial statements of the County of James City, Virginia conform to U.S. generally accepted accounting principles (GAAP) applicable to government units promulgated by the Governmental Accounting Standards Board (GASB). The County's significant accounting and reporting policies are described below.

The Financial Reporting Entity

As defined by U.S. GAAP established by GASB, the financial reporting entity consists of the primary government and its component units, which are legally separate organizations for which the Board of Supervisors of the County is financially accountable or closely related. Financial accountability is defined as appointment of a voting majority of the component unit's board, and either (a) the ability to impose will by the primary government, or (b) the possibility that the component unit will provide a financial benefit or impose a financial burden on the primary government. In addition, an organization that is closely related to or financially integrated with a primary government should be reported as a component unit if the nature and significance of that relationship warrants the inclusion of the organization in the reporting entity.

These financial statements present the County and its component units. The component units discussed below are included in the County's reporting entity because of the significance of the operational or financial relationships with the County.

Discretely Presented Component Units

James City Service Authority (the Authority): The Authority was established on June 30, 1969, by resolution of the Board of Supervisors of James City County, Virginia and was chartered by the Commonwealth of Virginia State Corporation Commission in July 1969 to provide water and sewer service to County residents as permitted under the *Code of Virginia*, 1950, as amended (the Enabling Act).

The Authority serves all the citizens and businesses of the County and is governed by a Board of Directors that is comprised of the County's elected Board of Supervisors. The Authority is considered to be financially integrated with the County based on the nature and significance of its relationship with the County. The County's Strategic Plan includes a sustainable long-term water supply as a primary goal, which is to be achieved through the efforts of the Authority. In addition, the Authority has adopted other Strategic Plan goals in developing its initiatives. As a result, the County's Strategic Plan serves as the basis for budgetary and operational decisions of both the County and the Authority and financially integrates these entities.

The County does not have operational responsibility over the Authority, but the Authority remains financially integrated with the County. As a result, the Authority is included as a discretely presented component unit in the County's financial statements for reporting purposes.

The Authority's financial statements for the fiscal year ended June 30, 2022 may be obtained from the Department of Financial and Management Services, 101-F Mounts Bay Road, P.O. Box 8784, Williamsburg, Virginia 23187-8784.

Williamsburg-James City County Public Schools (the Public Schools): The Public Schools, pursuant to an agreement dated January 14, 1954, as amended, are responsible for educating the school-age population of the City of Williamsburg, Virginia (the City) and the County. Two members of the School Board are appointed by the City Council of the City. Five members of the School Board represent James City County and are elected by the citizens of James City County.

Although the Public Schools are legally separate, the County is financially accountable due to the significance of the fiscal dependency relationship with the Public Schools.

County of James City, Virginia
Notes to Basic Financial Statements
June 30, 2022

1) Summary of Significant Accounting Policies, Continued

Local costs related to operations of the Public Schools are apportioned between the participating localities in accordance with the agreement, as amended. For the fiscal year ended June 30, 2022, the apportionment of the Public Schools' operating costs to the City and County was \$8,746,246 (9.68%) and \$81,696,160 (90.32%), respectively. For the fiscal year ended June 30, 2022, the contributions for the Public Schools' capital project costs from the City and County were \$174,886 (9.5%) and \$1,657,962 (90.5%), respectively.

The Public Schools' financial statements for the fiscal year ended June 30, 2022 may be obtained from the Finance Department, 117 Ironbound Road, Williamsburg, Virginia 23185.

James City County Economic Development Authority (the EDA): The EDA is responsible for industrial and commercial development in the County. The EDA makes recommendations to the James City County Board of Supervisors. The EDA consists of seven members appointed by the James City County Board of Supervisors. Although the EDA is a legally separate entity, the County is financially accountable due to the significance of the fiscal dependency relationship with the EDA because the majority of their income is appropriated by the County.

From time to time, the EDA has issued Industrial Revenue Bonds (the Bonds) to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The Bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the Bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the County, the state, nor any political subdivision thereof is obligated in any manner for repayment of the Bonds. Accordingly, the Bonds are not reported as liabilities in the accompanying financial statements. As of June 30, 2022, there were 10 series of Industrial Revenue Bonds outstanding, with an aggregate principal amount payable of approximately \$209.8 million.

The EDA's financial statements for the fiscal year ended June 30, 2022 may be obtained from the Director of Economic Development, 101-D Mounts Bay Road, Williamsburg, Virginia 23185.

Other Related Organizations and Joint Ventures

Separate financial statements for the fiscal year ended June 30, 2022, for all other related organizations and joint ventures discussed below except the Colonial Community Corrections Program, Inc., the Virginia Peninsulas Public Service Authority, and the Williamsburg Regional Library, may be obtained from the Assistant Director of Financial and Management Services of James City County, 101-F Mounts Bay Road, P.O. Box 8784, Williamsburg, Virginia 23187-8784.

Williamsburg Area Medical Assistance Corporation (the Corporation): The Corporation was incorporated on February 19, 1993. The Corporation provides a primary medical care clinic to economically disadvantaged persons in the Counties of James City and York and the City of Williamsburg. The County appoints two board members to the Corporation. The Corporation is a legally separate organization, and the County cannot impose its will on the Corporation. The program is fiscally independent, and there is no financial benefit or burden relationship with the County. However, the County is fiscal agent for the Corporation and has control over the Corporation's assets. These assets are not derived from solely the County's revenues, from the County's mandated or voluntary nonexchange transactions, or from the County's provision of goods or services to the Corporation. Instead, these assets are for the benefit of the Corporation. As a result, the Corporation's financial transactions are included as a custodial fund in the County's fiduciary financial statements.

Virginia Peninsulas Public Service Authority (the Public Service Authority): The Public Service Authority was created pursuant to the *Code of Virginia*, 1950, as amended, between the Cities of Hampton, Newport News, Poquoson and Williamsburg, and the Counties of Essex, Gloucester, James City, King and Queen, King William, Mathews, Middlesex and York. Each jurisdiction appoints one board member. The Public Service Authority is a legally separate organization, and the County cannot impose its will on the Public Service Authority. The Public Service Authority is fiscally independent, and there is no financial benefit or burden relationship with the County; therefore, it is not included in the County's financial statements. The Public Service Authority's financial statements for the fiscal year ended June 30, 2022, may be obtained from the Public Service Authority, 475 McLaws Circle, Suite 3B, Williamsburg, Virginia 23185-5676.

County of James City, Virginia
Notes to Basic Financial Statements
June 30, 2022

1) Summary of Significant Accounting Policies, Continued

Colonial Community Corrections Program (the Program): The Program serves the Counties of James City, New Kent, York and Charles City, and the City of Williamsburg. The Program is fiscally independent, and there is no financial benefit or burden relationship with the County. The County is the fiscal and administrative agent and the Program is included as a special revenue fund in the County's financial statements.

Williamsburg Regional Library (the Library): The Library, pursuant to an agreement dated May 26, 1977, as amended, provides library services to the City of Williamsburg, James City County and York County. The Library is operated by a board of trustees. The County appoints 6 trustees, the City of Williamsburg appoints 4 trustees and York County appoints 1 trustee. The Library is a legally separate organization, and the County cannot impose its will on the trustees. The Library is fiscally independent, and there is no financial benefit or burden relationship with the County; therefore, it is not included in the County's financial statements. The Library's financial statements for the fiscal year ended June 30, 2022, may be obtained from the Library, 7770 Croaker Road, Williamsburg, Virginia 23188.

Virginia Peninsula Regional Jail Authority (the Jail Authority): The Jail Authority was organized and exists pursuant to resolutions adopted in 1993 by and between the Cities of Williamsburg and Poquoson and the Counties of James City and York. The Jail Authority is operated by a board. Each member jurisdiction appoints one member and the sheriff from that jurisdiction. The County, as fiscal agent, appoints one additional member. The Jail Authority is a legally separate organization, and the County cannot impose its will on the Jail Authority. The Jail Authority is fiscally independent, and there is no financial benefit or burden relationship with the County. The County is charged user fees based on inmate population in order to cover direct and indirect costs of the Jail Authority. The County is fiscal agent for the Jail Authority and has control over the Jail Authority's assets. These assets are not derived from solely the County's revenues, from the County's mandated or voluntary nonexchange transactions, or from the County's provision of goods or services to the Jail Authority. Instead, these assets are for the benefit of the Jail Authority. As a result, the Jail Authority's financial transactions are included as a custodial fund in the County's fiduciary financial statements.

Middle Peninsula Juvenile Detention Commission (the Commission): The Commission was created as a political subdivision of the Commonwealth of Virginia by resolutions adopted in 1993. The member jurisdictions are as follows: Caroline County, Charles City County, Essex County, Gloucester County, Hanover County, James City County, King and Queen County, King William County, Lancaster County, Mathews County, Middlesex County, New Kent County, Northumberland County, City of Poquoson, Richmond County, Westmoreland County, City of Williamsburg and York County. The Commission is operated by a board. Each member jurisdiction appoints one member. The Commission is a legally separate organization, and the County cannot impose its will on the Commission. The Commission is fiscally independent, and there is no financial benefit or burden relationship with the County. The County is charged user fees based on juvenile population in order to cover direct and indirect costs of the Commission. The County is fiscal agent for the Commission and has control over the Commission's assets. These assets are not derived from solely the County's revenues, from the County's mandated or voluntary nonexchange transactions, or from the County's provision of goods or services to the Commission. Instead, these assets are for the benefit of the Commission. As a result, the Commission's financial statements are included as a custodial fund in the County's fiduciary financial statements.

Williamsburg Area Transit Authority (the Transit Authority): The Transit Authority was created as a political subdivision of the Commonwealth of Virginia by resolutions adopted in 2008. Members include the County, City of Williamsburg, County of York and the Colonial Williamsburg Foundation. The Transit Authority is governed by a board, consisting of five representatives appointed by the members. The Transit Authority is a legally separate organization, and the County cannot impose its will on the Transit Authority. The Transit Authority is fiscally independent from the County, and there is no financial benefit or burden relationship with the County. The County is fiscal agent for the Transit Authority and has control over the Transit Authority's assets. These assets are not derived from solely the County's revenues, from the County's mandated or voluntary nonexchange transactions, or from the County's provision of goods or services to the Transit Authority. Instead, these assets are for the benefit of the Transit Authority. As a result, the Transit Authority's financial statements are included as a custodial fund in the County's fiduciary financial statements.

County of James City, Virginia
Notes to Basic Financial Statements
June 30, 2022

1) Summary of Significant Accounting Policies, Continued

Basis of Presentation

Government-Wide and Fund Financial Statements

The accompanying basic financial statements include both government-wide (based on the County as a whole) and fund financial statements. Both the government-wide and fund financial statements (within the basic financial statements) categorize primary activities as either governmental or business-type. All of the County's primary activities are governmental. In the government-wide statement of net position, the governmental activities columns (a) are presented on a consolidated basis by column, and (b) are reflected on a full accrual basis of accounting and economic resources measurement focus, which incorporates long-term assets and receivables as well as long-term debt and obligations. The County generally first uses restricted assets for expenses incurred for which both restricted and unrestricted assets are available. The County may defer the use of restricted assets based on a review of the specific transaction.

The government-wide statement of activities reflects both the gross and net cost per functional category that are otherwise being supported by general government revenues. The statement of activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants and contributions. The program revenues must be directly associated with the function or a business-type activity. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operation or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported as general revenues. Administrative overhead charges are allocated to the programs and included in direct expenses. The operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

In the fund financial statements, financial transactions and accounts of the County are organized on the basis of funds. The operation of each fund is considered to be an independent fiscal and separate accounting entity, with a self-balancing set of accounts recording cash and/or other financial resources together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. The governmental fund statements are presented on a current financial resources measurement focus and modified accrual basis of accounting. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental activities column, a reconciliation is presented which explains the adjustments necessary to reconcile the fund financial statements to the governmental activities column of the government-wide financial statements. The County's fiduciary funds are presented in the fund financial statements. Given that, by definition, these assets are being held for the benefit of third parties and cannot be used to address activities or obligations of the County, these funds are not incorporated into the government-wide statements.

The County reports the following major governmental funds:

General Fund: The General Fund is the general operating fund of the County. It is used to account for all financial resources except those required to be accounted for in other funds. A significant part of the General Fund's revenues is contributed to the joint-school operations of the City and County or is transferred to other funds principally to fund debt service, capital projects and social services requirements.

Capital Projects Fund: The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities.

Debt Service Fund: The Debt Service Fund is used to account for the accumulation of resources for, and the payment of principal, interest and related costs on long-term debt of governmental funds.

Grants and Special Projects Fund: The Grants and Special Projects Fund is used to account for the financial resources to be used for grant programs and special projects, including American Rescue Plan Act funds and related projects.

County of James City, Virginia
Notes to Basic Financial Statements
June 30, 2022

1) Summary of Significant Accounting Policies, Continued

Additionally, the County reports the following fund types:

Nonmajor Governmental Funds: Nonmajor Governmental Funds include special revenue funds which account for revenue derived from specific sources that are restricted by legal and regulatory provisions to finance specific activities of the County. These funds consist of Virginia Public Assistance, Colonial Community Corrections, Housing and Neighborhood Development, Donation Trust, and Tourism.

Fiduciary Funds: Fiduciary Funds are used to account for assets held by the County in a trustee capacity or as a custodian for individuals, private organizations, other governmental units and/or other funds. The County's Fiduciary Funds includes the Custodial Funds, which consist of Special Welfare, Williamsburg Area Medical Assistance Corporation, Regional Jail, Juvenile Detention, and Williamsburg Area Transit Authority.

Basis of Accounting and Measurement Focus

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using the current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet in the funds statements. Long-term assets and long-term liabilities are included in the government-wide statements. Operating statements of the governmental funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The accompanying fund financial statements of the governmental funds are maintained and reported on the modified accrual basis of accounting using the current financial resources measurement focus. Under this method of accounting, revenues are recognized in the period in which they become measurable and available to finance operations during the year. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 45 days of the end of the current fiscal period. Expenditures, other than interest on long-term debt, are recorded when the fund liability is incurred. Interest on long-term debt is recorded when due.

In applying the modified accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of those revenues. In one, monies must be expended for the specific purpose or project before any amounts will be paid to the County, which is usually within 45 days; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and are usually revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria are met.

Real estate and personal property taxes are recorded as revenues and receivables when levied and billed, net of allowances for uncollectible amounts. Property taxes levied but not collected within 45 days after year end are reflected as deferred revenue. Sales taxes, which are collected by the state and subsequently remitted to the County, are recognized as revenues and receivables upon execution of the sale, which is generally two months preceding receipt by the County.

License and permits, fines and rents are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded at fair value as earned since they are measurable and available.

The government-wide financial statements are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these activities are included on the statement of net position.

Novel Coronavirus (COVID-19)

Please refer to note 19 for information on the impact of COVID-19 on accounting and financial reporting during fiscal year 2022.

County of James City, Virginia
Notes to Basic Financial Statements
June 30, 2022

1) Summary of Significant Accounting Policies, Continued

Cash and Cash Equivalents

For purpose of the statement of cash flows, cash equivalents are defined as short-term, highly liquid investments that are both (a) readily convertible to known amounts of cash, and (b) so near the maturity that they present insignificant risk of changes in value because of changes in interest rates. Generally, the County considers investments with original maturities of 90 days or less to be cash equivalents.

Investments

Investments are reported at fair value except for the position in Virginia's Local Government Investment Pool (LGIP) which in accordance with state law, is reported at amortized cost. The County determines fair value in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*. This statement requires the use of valuation techniques which are appropriate under the circumstances and are either a market approach, a cost approach, or an income approach. The statement establishes a hierarchy of inputs used to measure fair value consisting of three levels. Level 1 inputs are quoted prices in active markets for identical assets or liabilities. Level 2 inputs are inputs, other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. The County uses a market approach as the valuation technique for Level 2 inputs. Level 3 inputs are unobservable inputs, such as management's assumption of the default rate among underlying mortgages of a mortgage-backed security. Statement No. 72 also contains note disclosure requirements regarding the hierarchy of valuation inputs and valuation techniques that was used for the fair value measurements.

Allowance for Uncollectible Accounts

The County calculates its allowance for uncollectible accounts using historical collection data and specific account analysis. The allowance for uncollectible accounts relating solely to property taxes was \$171,841 in the General Fund at June 30, 2022. Additionally, the County recorded an allowance for uncollectible accounts of \$19,992 related to business, professional and occupational license taxes and \$313,992 for the Advance Life Support/Basic Life Support (ALS/BLS) fees.

Inventory

All inventories, which consist of materials and supplies, are valued at cost using the average-cost method. Reported inventories are accounted for under the consumption method (i.e., recorded as expenditures when used) in the governmental funds. The cost is recorded as an expenditure at the time individual inventory items are consumed. Quantities on hand at year end are recorded at cost on the balance sheet with an offset to nonspendable fund balance, which indicates that they do not constitute available spendable resources.

Capital Assets

Capital outlays are recorded as expenditures of the governmental funds and as assets in the accompanying government-wide financial statements to the extent the County's capitalization threshold of \$5,000 is met. Depreciation is recorded on capital assets on a government-wide basis.

All capital assets are valued at historical cost or estimated historical cost if actual cost was not available. Contributed capital assets are valued at their acquisition value on the date donated.

Maintenance, repairs and minor equipment are charged to operations when incurred. Expenditures that materially change capacities or extend useful lives are capitalized. Upon sale or retirement of capital assets, the cost and related accumulated depreciation, if applicable, are eliminated from the respective accounts and any resulting gain or loss is included in the results of operations.

Depreciation of capital assets is calculated on the straight-line basis over the following estimated useful lives:

Buildings and improvements	10 to 50 years
Improvements other than buildings	6 to 40 years
Equipment and vehicles	3 to 20 years
Infrastructure	20 to 40 years
Leased buildings	3 to 33 years
Leased equipment	2 to 5 years

County of James City, Virginia
Notes to Basic Financial Statements
June 30, 2022

1) Summary of Significant Accounting Policies, Continued

Compensated Absences

County employees are granted sick and vacation leave in varying amounts based on length of service. They may accumulate, subject to certain limitations, unused sick and vacation leave, and upon retirement, termination, or death, may be compensated for certain amounts at their then current rates of pay. The accumulated annual sick and vacation leave estimated to be payable upon separation are recorded in the accompanying government-wide financial statements.

Property Taxes

Real property taxes are recognized as receivables when levied. Real property taxes attach as an enforceable lien on property automatically. Taxes are levied no later than October 1 and are due by December 5 and June 5.

Property taxes levied in the current and prior year have been recorded in governmental activities as receivables as of the date the County has the legal right to receive payments thereon. Personal property taxes create a lien on the assessed property. The receivables collected during the fiscal year and during the first 45 days of the succeeding fiscal year are recognized in the General Fund as revenues in the current fiscal year.

A penalty of 10% of the tax is assessed the business day after the due date on taxes outstanding as of those dates and interest at 10% per annum is added.

Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Property, liability and line of duty coverages are provided through a group self-insurance risk pool.

The County's retention is through deductibles on a per-claim basis. There have been no reductions in insurance coverages from the prior year, and settled claims have not exceeded the amount of insurance coverage in any of the past three fiscal years.

Deductibles and coverage limits at June 30, 2022 are as follows:

	Deductibles	Liability Coverage Limits
Property insurance:		
Building and contents	\$ 10,000	Replacement cost
Inland marine	\$ 1,000	Functional cost/ actual cash value
Flood/earthquake (outside 100 year flood plain)	\$ 25,000	\$ 100,000,000
Business interruption/extra expense	N/A	\$ 3,000,000
Property in transit	N/A	\$ 5,000,000
Increased cost of construction/ordinance/demolition	N/A	\$ 20,000,000
Back-up of sewers and drains	N/A	\$ 10,000,000
Debris removal	N/A	\$ 25,000,000
Pollutant clean-up and removal	N/A	\$ 500,000
Utility services time element	N/A	\$ 5,000,000
Newly acquired locations for up to 120 days	N/A	\$ 25,000,000
Boiler/equipment breakdown	\$ 1,000	\$ 100,000,000
General liability	\$ 100,000	\$ 2,000,000
Public officials liability	\$ 100,000	\$ 1,000,000
Law enforcement liability	\$ 100,000	\$ 2,000,000
Automobile liability	\$ 100,000	\$ 2,000,000
Automobile comprehensive/collision	\$ 1,000	Actual cash value/ repair cost
Crime	\$ 250	\$ 500,000
Cyber risk	\$ 100,000	\$ 5,000,000
Environmental liability	\$ 100,000	\$ 1,000,000
Excess liability - General; Automotive; Law enforcement	N/A	\$ 7,000,000
Excess liability - Public officials	N/A	\$ 8,000,000
Worker's compensation; Line of duty	\$ -	Statutory limits

1) Summary of Significant Accounting Policies, Continued

Bond Premiums, Discounts and Issuance Costs

In the accompanying government-wide financial statements, bond premiums and discounts are deferred and amortized over the terms of the related issues on a straight-line basis, which approximates the effective interest method.

In the accompanying fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Interfund Transactions

Interfund transactions are reflected as either loans, services provided, reimbursements or transfers. Loans are reported as receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers.

Deferred Outflows and Inflows of Resources

In addition to assets and liabilities, the statement of net position reports separate sections for deferred outflows of resources and deferred inflows of resources. Deferred outflows represent a consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources until then. Deferred inflows represent an acquisition of net assets that applies to future periods and, therefore, will not be recognized as an inflow of resources until that time.

The County has the following items that qualify for reporting in these categories:

- ***Deferred gain/loss on refunding:*** A deferred amount on refunding is a deferred outflow/inflow which results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.
- ***Contributions subsequent to the measurement date for pensions and OPEB:*** These contributions are always a deferred outflow, which will be applied to the net pension or OPEB liability in the next fiscal year.
- ***Differences between expected and actual experience for economic/demographic factors in the measurement of the total pension or OPEB liability:*** This difference will be recognized in pension or OPEB expense over the expected average remaining service life of all employees provided with benefits in the plan and may be reported as a deferred inflow or outflow as appropriate.
- ***Differences resulting from a changes in proportion of the collective net pension and OPEB liabilities:*** This difference will be recognized in pension and OPEB expense over the expected average remaining service life of all employees provided with benefits in the plan and may be reported as a deferred inflow or outflow as appropriate.
- ***Net difference between projected and actual earnings on pension and OPEB plan investments:*** This difference will be recognized in pension or OPEB expense over the closed five year period and may be reported as a deferred outflow or inflow as appropriate.
- ***Differences resulting from changes in assumptions on pension plan or OPEB investments:*** These differences will be recognized in pension or OPEB expense over the estimated remaining service life of employees subject to the plan.
- ***Value of lease receivables plus any payments received at or before the commencement of the lease term that relate to future periods:*** These values will be recognized as inflows of resources systematically over the term of the lease.

County of James City, Virginia
Notes to Basic Financial Statements
June 30, 2022

1) Summary of Significant Accounting Policies, Continued

Encumbrances

Encumbrance accounting in which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriations, is employed as an extension of formal budgetary integration. Outstanding encumbrances at year-end are reported in their appropriate fund balance classification in accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*.

Fund Balances

Fund balance is classified as nonspendable, restricted, committed, assigned, and/or unassigned based primarily on the extent to which the County is bound to observe constraints imposed upon the use of the resources in the governmental funds. Fund balances are reported according to the following categories:

Nonspendable: Amounts that cannot be spent because they are not in spendable form, or are legally or contractually required to be maintained intact. This classification includes inventories, assets held for sale, and long-term receivables.

Restricted: Amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers or through enabling legislation.

Committed: Amounts that can be used only for the specific purposes determined by formal action of the Board of Supervisors by adoption of an ordinance and cannot be used for any other purpose unless the County removes or changes the specified use by taking the same type of action it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, committed fund balance may be redeployed for other purposes with appropriate due process.

Assigned: Amounts that are intended to be used for specific purposes, but do not meet the criteria as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by the Board of Supervisors, or as delegated to the Director of Financial and Management Services. The Board of Supervisors has, by resolution, authorized the Director of Financial and Management Services to assign fund balance. Unlike commitments, assignments generally only exist temporarily, and an additional action is not normally required to be taken for the removal of an assignment.

Unassigned: Includes the residual classification for the County's general fund and includes all spendable amounts not contained in other classifications. Only the general fund can report a positive unassigned fund balance. This includes the County's goal of maintaining a fiscal liquidity balance between 10%-12% of the total general governmental expenditures.

The County's policy is to apply expenditures against restricted resources first when either restricted or unrestricted amounts are available. Within unrestricted fund balance, it is the County's policy to apply expenditures against committed amounts first, followed by assigned, and then unassigned amounts. In a governmental fund other than the general fund, a negative unassigned fund balance could result if expenditures incurred for a specific purpose exceeds the amounts in the fund that are restricted, committed, and assigned for that purpose.

The use of the general fund's unassigned fund balance may be necessary from time to time to meet unexpected events including, but not limited to: catastrophic (emergency funds in the event of natural or man-made disasters); financial opportunity (to enhance the well-being of James City County or other such global purpose to protect its long-term fiscal security); operational (provide additional funds for limited unexpected needs); and revenue shortfalls (to provide limited funds to smooth fluctuations caused by changes in economic conditions). It is the County's policy that if the use of the general fund's unassigned fund balance causes the balance to fall below the minimum fiscal liquidity balance of 10%, the Board of Supervisors will adopt a plan and a timeline for replenishing the balance to its minimum 10% level.

County of James City, Virginia
Notes to Basic Financial Statements
June 30, 2022

1) Summary of Significant Accounting Policies, Continued

The constraints placed on fund balance for the major governmental funds and non-major governmental funds in the aggregate at June 30, 2022, were as follows:

	<u>General</u>	<u>Capital Projects</u>	<u>Grants and Special Projects</u>	<u>Nonmajor governmental Funds</u>
Nonspendable:				
Inventory	\$ 287,924	\$ -	\$ -	\$ -
Restricted:				
Debt service - bond proceeds held in escrow	-	11,218	-	-
Housing and neighborhood development	-	-	-	880,666
Fire and emergency management	-	-	300,234	-
Health initiative	-	-	3,239	-
Encumbrances	-	-	12,313	80,444
Total restricted	<u>-</u>	<u>11,218</u>	<u>315,786</u>	<u>961,110</u>
Committed:				
School operations	6,581,532	-	-	-
General government	-	-	39,297	-
Judicial administration	-	-	34,178	-
Public safety	-	-	3,101	-
Parks, recreation and cultural	-	-	4,102	-
Community development	-	-	853,493	1,608,153
Encumbrances	-	-	6,684	-
Total committed	<u>6,581,532</u>	<u>-</u>	<u>940,855</u>	<u>1,608,153</u>
Assigned:				
General government	-	4,971,228	515,283	804
Judicial administration	-	58,700	2,574	642,550
Public safety	-	2,643,409	6,081	74,170
Public works	-	5,405,354	-	-
Health and welfare	-	-	89,782	1,797,669
Education	-	15,764,043	427,081	-
Parks, recreation and cultural	-	2,137,724	-	13,424
Community development	-	4,815,146	5,505,947	3,205,245
Other	-	743,346	-	-
Encumbrances	1,767,841	3,306,225	-	25,468
Health insurance reserve	6,836,965	-	-	-
Capital projects/debt service reserve	15,952,529	-	-	-
Total assigned	<u>24,557,335</u>	<u>39,845,175</u>	<u>6,546,748</u>	<u>5,759,330</u>
Unassigned	65,248,514	-	-	-
Total fund balance	<u>\$ 96,675,305</u>	<u>\$ 39,856,393</u>	<u>\$ 7,803,389</u>	<u>\$ 8,328,593</u>

Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts and disclosures. Accordingly, actual results could differ from those estimates and assumptions.

Reclassification

Certain amounts in the prior year financial presentations in the management's discussion and analysis and statistical sections have been reclassified for comparative purposes to conform to the current year presentation.

1) Summary of Significant Accounting Policies, Continued

Adoption of New Accounting Statement

For fiscal year 2022, the County implemented GASB Statement No. 87, *Leases* (GASB 87). The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets, liabilities and deferred inflows, for leases that previously were classified and treated as operating leases. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The implementation of this pronouncement did not require a restatement of net position by the County, but it resulted in the reevaluation of the County's existing arrangements and the recording of new assets, liabilities, and deferred inflows of resources on the County's statement of net position on the date of implementation, July 1, 2021. Future lease agreements that the County enters into will be evaluated under this pronouncement to determine proper accounting treatment. Additional details on the County's leases and the implementation of GASB 87 can be found in notes 17 and 20.

Leases

Lessee: The County is a lessee for noncancellable leases of equipment and property. The County recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. The County recognizes lease liabilities with an initial, individual value of \$5,000 or more.

At the commencement of a lease, the County initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the County determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The County uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the County generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. In addition, the likelihood of any extension, renewal, or termination option is assessed in determining the lease term.
- Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the Authority is reasonably certain to exercise.

The County monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability. Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

Lessor: The County is a lessor for noncancellable leases of property. The County recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

At the commencement of a lease, the County initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

County of James City, Virginia
Notes to Basic Financial Statements
June 30, 2022

1) Summary of Significant Accounting Policies, Continued

Primary Government, Continued

Key estimates and judgments include how the County determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The County uses the interest rate included in the lease as the discount rate. When the interest rate is not provided, the interest rate implicit in the lease is determined and used as the discount rate.
- The lease term includes the noncancellable period of the lease. In addition, the likelihood of any extension, renewal, or termination option is assessed in determining the lease term.
- Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The County monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

2) Cash, Cash Equivalents and Investments

Primary Government

The primary government's cash, cash equivalents and investments at June 30, 2022, consisted of the following:

	Primary Government	Fiduciary Funds	Totals
Bank deposits	\$ 12,594,968	\$ 10,285,051	\$ 22,880,019
Petty cash	7,600	964	8,564
Amounts held for others	-	17	17
Money market	112,534,899	6,034,170	118,569,069
Investments	25,546,006	5,436,220	30,982,226
Total	<u>\$ 150,683,473</u>	<u>\$ 21,756,422</u>	<u>\$ 172,439,895</u>
Per Exhibit 1:			
Cash and cash equivalents	\$ 121,662,223	\$ -	\$ 121,662,223
Investments	25,546,006	-	25,546,006
Restricted cash and cash equivalents	3,475,244	-	3,475,244
Per Exhibit 5:			
Cash, cash equivalents and investments	-	16,320,203	16,320,203
Restricted cash and investments	-	5,436,219	5,436,219
Total	<u>\$ 150,683,473</u>	<u>\$ 21,756,422</u>	<u>\$ 172,439,895</u>

The totals above include Fiduciary Funds in the amount of \$21,756,422 from Exhibit 5, which are not a part of the government-wide financial statements.

Deposits with banks are fully covered by the Federal Deposit Insurance Corporation (FDIC) or collateralized in accordance with the Virginia Security for Public Deposits Act, Section 2.2-4400 et. seq. of the *Code of Virginia*.

The primary government's restricted cash, cash equivalents and investments at June 30, 2022 are detailed as follows:

<u>Fund</u>	<u>Purpose</u>	<u>Amount</u>	<u>Total</u>
Major governmental funds:			
General	Subdivision escrow		\$ 1,434,719
Capital projects	Unspent bond proceeds	11,219	
	Developer escrow	<u>371,200</u>	382,419
Grants and special projects	Public safety	312,547	
	Health and human services	<u>3,239</u>	315,786
Nonmajor governmental funds:			
Housing and neighborhood development	Community rehabilitation		<u>1,342,320</u>
Total			<u>\$ 3,475,244</u>

County of James City, Virginia
Notes to Basic Financial Statements
June 30, 2022

2) Cash, Cash Equivalents and Investments, Continued

Fair Value Hierarchy

GASB Statement No. 72, *Fair Value Measurement and Application*, establishes a hierarchy of valuation techniques based on inputs used to measure the fair value of an asset. Level 1 inputs are quoted prices in active markets for identical assets or liabilities. Level 2 inputs are inputs, other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs. The County uses a market approach as the valuation technique for Level 2 inputs.

As of June 30, 2022, the primary government's investments valued at fair value were as follows:

Investment Type	Cost	Fair value	Level 1	Level 2	Level 3
U.S. Treasury securities	\$ 13,025,370	\$ 12,618,932	\$ -	\$ 12,618,932	\$ -
Federal agency notes and bonds	2,032,713	1,983,108	-	1,983,108	-
Corporate notes and bonds	2,003,782	1,935,578	-	1,935,578	-
Commercial paper	2,780,378	2,778,109	-	2,778,109	-
Certificates of deposit	4,350,000	4,310,439	-	4,310,439	-
Municipal notes and bonds	317,374	308,680	-	308,680	-
Federal agency commercial mortgage-backed security	1,013,031	1,001,609	-	1,001,609	-
Supra-National agency bond/note	639,380	609,551	-	609,551	-
Total	\$ 26,162,028	\$ 25,546,006	\$ -	\$ 25,546,006	\$ -

	Fair value	Investment maturity (in years)		
		Less than 1	1-2	2-7
U.S. Treasury securities	\$ 12,618,932	\$ 975,156	\$ 7,274,163	\$ 4,369,613
Federal agency notes and bonds	1,983,108	920,150	1,062,958	-
Corporate notes and bonds	1,935,578	199,352	190,133	1,546,093
Commercial paper	2,778,109	2,778,109	-	-
Certificates of deposit	4,310,439	4,310,439	-	-
Municipal notes and bonds	308,680	-	308,680	-
Federal agency collateralized mortgage obligation	1,001,609	208,810	251,084	541,715
Supra-National agency bond/note	609,551	-	424,827	184,724
Total	\$ 25,546,006	\$ 9,392,016	\$ 9,511,845	\$ 6,642,145

Investment Policy

In accordance with the Code of Virginia and other applicable law, including regulations, the County's Investment Policy (the Policy) permits investments in U.S. government obligations, municipal obligations, prime quality commercial paper, and certain corporate notes, bankers' acceptances, repurchase agreements, negotiable certificates of deposit, bank deposit notes, mutual funds, and the State Treasurer's Local Government Investment Pool (the Virginia LGIP, which measures its investments at amortized cost). The Treasury Board of the Commonwealth of Virginia has regulatory oversight of the LGIP.

The Policy establishes limitations on the holdings of non-U.S. government obligations. The maximum percentage of the portfolio (book value at the date of acquisition) permitted in each security is as follows:

U.S. Treasury obligations	100% maximum
Federal Agency obligations	100% maximum
Registered money market mutual funds	100% maximum
Commonwealth of Virginia LGIP	100% maximum
Bank deposits	100% maximum
Repurchase agreements	50% maximum
Bankers' acceptances	40% maximum
Commercial paper	35% maximum
Negotiable certificates of deposit/bank notes	20% maximum
Municipal obligations	20% maximum
Corporate notes	15% maximum

County of James City, Virginia
Notes to Basic Financial Statements
June 30, 2022

2) Cash, Cash Equivalents and Investments, Continued

Credit Risk

As required by state statute, the Policy requires that commercial paper have a short-term debt rating of no less than “A-1” (or its equivalent) from at least two of the following; Moody’s Investors Service, Standard & Poor’s, Fitch Investor’s Service, and Duff and Phelps. Corporate notes must have a minimum of “Aa” long-term debt rating by Moody’s Investors Service and a minimum of “AA” long-term debt rating by Standard & Poor’s. Negotiable Certificates of Deposit and bank deposit notes maturing in less than one year must have a short-term debt rating of at least “A-1” by Standard & Poor’s and “P-1” by Moody’s Investors Service. Notes having a maturity of greater than one year must be rated “AA” by Standard & Poor’s and “Aa” by Moody’s Investors Service. Although state statute does not impose credit standards on repurchase agreement counterparties, bankers’ acceptances or money market mutual funds, the County has established stringent credit standards for these investments to minimize portfolio risk.

The County’s investments and cash equivalents as of June 30, 2022, were rated by Standard & Poor’s, Moody’s and Fitch and/or an equivalent national rating organization, and the ratings are as follows:

	Unrated	AAA	AA+	AA	AA-	A+	A-1+	A-1
Federal agency notes and bonds	\$ -	\$ -	\$ 1,983,108	\$ -	\$ -	\$ -	\$ -	\$ -
Corporate notes and bonds	-	69,437	166,504	513,882	950,501	235,254	-	-
Commercial paper	-	-	-	-	-	-	-	2,778,109
Certificates of deposit	-	-	-	-	-	-	1,288,752	3,021,687
Municipal notes and bonds	-	73,026	-	52,812	80,783	102,059	-	-
Federal agency commercial mortgage-backed security	-	-	1,001,609	-	-	-	-	-
Supra-National agency bond and note	-	609,551	-	-	-	-	-	-
US Treasury securities	-	-	12,618,932	-	-	-	-	-
LGIP	-	36,489,188	-	-	-	-	-	-
Money market	11,219	76,034,492	-	-	-	-	-	-
Total	\$ 11,219	\$ 113,275,694	\$ 15,770,153	\$ 566,694	\$ 1,031,284	\$ 337,313	\$ 1,288,752	\$ 5,799,796

Concentration of Credit Risk

The Policy establishes limitations on portfolio composition by issuer in order to control concentration of credit risk. No more than 5% of the County’s portfolio will be invested in the securities of any single issuer with the following exceptions:

U.S. Treasury	100% maximum
Commonwealth of Virginia LGIP	100% maximum
Each bank deposit institution	100% maximum
Each money market mutual fund	50% maximum
Each federal agency	35% maximum
Each repurchase agreement counterparty	25% maximum

As of June 30, 2022, the portions of the County’s portfolio, excluding U.S. Treasury securities, which exceed 5% of the total portfolio are as follows:

<u>Issuer</u>	<u>% of portfolio</u>
Freddie MAC	9.10%

Interest Rate Risk

As a means of limiting exposure to fair value losses arising from rising interest rates, the County’s Policy limits the investment of short-term operating funds to an average weighted maturity of no more than 180 days, with a portion of the portfolio continuously invested in readily available funds. The operating fund core portfolio will be invested in permitted investments with a stated maturity of no more than five years from the date of purchase.

County of James City, Virginia
Notes to Basic Financial Statements
June 30, 2022

2) Cash, Cash Equivalents and Investments, Continued

Interest Rate Risk, Continued

To control the volatility of the core portfolio, the Treasurer will determine a duration target, not to exceed three years. Proceeds from the sale of bonds must be invested in compliance with the specific requirements of the bond covenants and may be invested in securities with longer maturities, so long as the maturity does not exceed the expected disbursement date of those funds.

Custodial Credit Risk

The Policy requires that all investment securities purchased by the County or held as collateral on deposits or investments shall be held by the County or by a third-party custodial agent who may not otherwise be a counterparty to the investment transaction. As of June 30, 2022, all of the County's investments are held in a bank's trust department in the name of James City County.

Component Units

The Authority's, Public School's, and the EDA's cash, cash equivalents and investments at June 30, 2022, consisted of the following:

	<u>Authority</u>	<u>Component Unit Public Schools</u>	<u>EDA</u>
Bank deposits	\$ 1,587,934	\$ 19,238,973	\$ 687,342
Petty cash	700	-	-
Money market	7,103,407	-	-
Investments, LGIP	4,726,949	5,278,968	-
Investments, other	49,469,680	30,453	-
Total cash, cash equivalents and investments	<u>\$ 62,888,670</u>	<u>\$ 24,548,394</u>	<u>\$ 687,342</u>

Deposits with banks are fully covered by the Federal Deposit Insurance Corporation (FDIC) or collateralized in accordance with the Virginia Security for Public Deposits Act, Section 2.2-4400 et. seq. of the *Code of Virginia*.

3) Receivables

Amounts due from miscellaneous sources at June 30, 2022, are detailed as follows:

	<u>General Fund</u>	<u>Grants and Special Projects Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total governmental activities</u>
Sales tax	\$ 2,661,598	\$ -	\$ -	\$ 2,661,598
Historic 1% sales tax	1,166,512	-	-	1,166,512
Meals tax	923,503	-	-	923,503
National opioid settlement	-	716,448	-	716,448
Emergency medical services	558,209	-	-	558,209
Cigarette tax	34,200	-	-	34,200
Health insurance	393,340	-	-	393,340
Business license	147,183	-	-	147,183
Charges for services	96,801	-	-	96,801
Recordation tax	165,635	-	-	165,635
Deeds of conveyance	53,895	-	-	53,895
Motor vehicle licenses	30,868	-	-	30,868
Utility consumption fee	28,658	-	-	28,658
Other	106,298	8,645	62,350	177,293
Total	<u>\$ 6,366,700</u>	<u>\$ 725,093</u>	<u>\$ 62,350</u>	<u>\$ 7,154,143</u>

County of James City, Virginia
Notes to Basic Financial Statements
June 30, 2022

3) Receivables, Continued

The Housing and Neighborhood Development Fund provides loans related to certain programs. The balance receivable on these loans as of June 30, 2022, is presented on the balance sheet net of an allowance for forgiven and deferred loans, as shown below:

Gross loan balances outstanding	\$	1,213,194
Less: Allowance		<u>(813,185)</u>
Loans receivable, net	\$	<u>400,009</u>

4) Interfund Receivables, Payables and Transfers

Interfund receivable and payable balances are considered short-term in nature. All other balances resulted from the time-lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

At June 30, 2022, there were no amount due to or from the General Fund to the various other funds.

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Interfund transfers for the year ended June 30, 2022, consisted of the following:

	Transfers In	Transfers Out
General fund	\$ 77,500	\$ (50,791,406)
Capital projects	27,623,084	-
Debt service	16,667,557	-
Grants and special projects	2,343,721	-
Nonmajor governmental	4,457,044	(377,500)
Total	\$ 51,168,906	\$ (51,168,906)

The transfer from the nonmajor governmental funds of \$377,500 consisted of \$77,500 to the General Fund to help fund a tourism-related position and to support the reclassification of a Clerk of Circuit Court position from part-time to full-time, and \$300,000 to the Capital Projects Fund for tourism-related capital projects.

Transfers from the General Fund of \$27,323,084 to the Capital Projects Fund represent the County's pay-as-you-go project funding. Transfers from the General Fund of \$16,667,557 to the Debt Service Fund were for the principal and interest on outstanding debt as the payments became due. Transfers from the General Fund of \$2,343,721 to the Grants and Special Projects Fund were to fund special projects.

Transfers from the General Fund of \$4,457,044 to various nonmajor governmental funds represent the movement of funds collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

County of James City, Virginia
Notes to Basic Financial Statements
June 30, 2022

5) Due from Other Governments

Details of net amounts due from other governments as of June 30, 2022, are as follows:

<u>Primary Government</u>	<u>General</u>	<u>Grants & Special Projects</u>	<u>Nonmajor Governmental</u>	<u>Total</u>
Local:				
Wmbg. Regional Library	\$ 29,081	\$ -	\$ -	\$ 29,081
Other, net	16,486	102,569	-	119,055
City of Williamsburg	94,000	-	24,574	118,574
WJCC Schools - Services Provided	56,794	-	-	56,794
Commonwealth of Virginia:				
Car rental tax	7,890	-	-	7,890
Communications sales and use tax	194,859	-	-	194,859
Compensation Board	203,604	663	-	204,267
Personal property tax relief	4,836,856	-	-	4,836,856
Comprehensive Services Act	-	176,502	-	176,502
E911 Wireless Board	24,700	2,009	-	26,709
Mobile Home Tax Commission	12,716	-	-	12,716
Other	4,569	-	-	4,569
Rolling stock tax	12,169	-	-	12,169
Virginia Housing Development Authority	-	-	160	160
Virginia Supreme Court	8,130	-	-	8,130
Virginia Dept. of Environmental Quality	-	5,380	-	5,380
Virginia Dept. of Social Services	-	-	130,491	130,491
Virginia Dept. of Criminal Justice Services	-	10,373	-	10,373
Virginia Dept. of Transportation	10,327	15,921	-	26,248
Federal:				
Dept. of Criminal Justice Services	-	79,427	-	79,427
Dept. of Homeland Security	-	10,273	-	10,273
Dept. of Housing & Community Development	-	381,321	268,473	649,794
Dept. of Justice	-	27,326	-	27,326
Dept. of Social Services	-	-	252,148	252,148
Dept. of Transportation	-	4,800	-	4,800
FEMA	-	336,627	-	336,627
National Highway Traffic Safety Admin.	-	9,588	-	9,588
Total	<u>\$ 5,512,181</u>	<u>\$ 1,162,779</u>	<u>\$ 675,846</u>	<u>\$ 7,350,806</u>

Included in the amount due from local governments – Other in the table above are the following items presented as a net total:

<u>Local - Other, net</u>	
Due From:	
9th Judicial District	\$ 18,507
Williamsburg Area Medical Assistance Corp.	7,730
Due To:	
Virginia Peninsula Regional Jail	\$ (3,513)
Williamsburg Area Transit Authority	(3,710)
Middle Peninsula Juvenile Detention Center	(2,528)
Total	<u>\$ 16,486</u>

County of James City, Virginia
Notes to Basic Financial Statements
June 30, 2022

5) Due from Other Governments, Continued

Component Unit - Public Schools

Federal government	\$ 3,842,969
Commonwealth of Virginia	3,686,833
Total	<u>\$ 7,529,802</u>

All amounts due from other governments are expected to be collected within one year.

6) Capital Assets

The following is a summary of changes in capital assets for the fiscal year ended June 30, 2022:

Governmental activities:	Balances July 1, 2021	Increases	Decreases	Balances June 30, 2022
Capital assets not being depreciated:				
Land and land improvements	\$ 33,450,261	\$ 1,600	\$ -	\$ 33,451,861
Construction in progress	6,569,063	12,669,963	9,031,525	10,207,501
Intangible assets - easements	10,826,349	-	-	10,826,349
Total capital assets not being depreciated	<u>50,845,673</u>	<u>12,671,563</u>	<u>9,031,525</u>	<u>54,485,711</u>
Capital assets being depreciated:				
Depreciable land improvements	6,794,148	338,729	-	7,132,877
Intangible assets, as reclassified	5,560,992	-	67,835	5,493,157
Buildings	375,289,425	8,300,337	2,705,787	380,883,975
Leased asset - buildings*	687,807	-	-	687,807
Improvements other than buildings	47,367,924	33,092	-	47,401,016
Infrastructure	12,209,410	-	-	12,209,410
Equipment and vehicles	57,104,771	1,371,181	484,551	57,991,401
Leased asset - equipment*	196,654	62,571	-	259,225
Total capital assets being depreciated	<u>505,211,131</u>	<u>10,105,910</u>	<u>3,258,173</u>	<u>512,058,868</u>
Less accumulated depreciation for:				
Depreciable land improvements	740,776	399,384	-	1,140,160
Intangible assets, as reclassified	4,346,288	383,361	64,442	4,665,207
Buildings	131,925,083	8,379,708	121,147	140,183,644
Leased asset - buildings*	-	96,508	-	96,508
Improvements other than buildings	19,768,794	2,135,209	-	21,904,003
Infrastructure	5,964,428	440,180	-	6,404,608
Equipment and vehicles	40,842,318	3,974,317	425,625	44,391,010
Leased asset - equipment*	-	79,987	-	79,987
Total accumulated depreciation	<u>203,587,687</u>	<u>15,888,654</u>	<u>611,214</u>	<u>218,865,127</u>
Total capital assets being depreciated, net	<u>301,623,444</u>	<u>(5,782,744)</u>	<u>2,646,959</u>	<u>293,193,741</u>
Total	<u>\$ 352,469,117</u>	<u>\$ 6,888,819</u>	<u>\$ 11,678,484</u>	<u>\$ 347,679,452</u>

*The leased asset and related amortization resulted from the implementation of GASB Statement No. 87. Additional information on this asset can be found in Note 17, and information on the related restatements can be found in Note 20.

Depreciation and amortization were charged to governmental functions as follows:

General government administration	\$ 1,123,638
Judicial administration	367,419
Public safety	4,144,676
Public works	675,615
Parks, recreation and cultural	2,116,894
Community development	496,631
Education	6,702,194
Health and welfare	261,587
Total	<u>\$ 15,888,654</u>

County of James City, Virginia
Notes to Basic Financial Statements
June 30, 2022

6) Capital Assets, Continued

Component Unit - Authority:	Balances July 1, 2021	Increases	Decreases	Balances June 30, 2022
Capital assets not being depreciated:				
Land	\$ 1,741,991	\$ -	\$ 1,600	\$ 1,740,391
Land - utility plant	955,995	-	-	955,995
Land improvements	13,183	-	-	13,183
Construction in progress	5,159,319	6,640,046	3,045,832	8,753,533
Intangible assets - easements	4,570	-	-	4,570
Total capital assets not being depreciated	<u>7,875,058</u>	<u>6,640,046</u>	<u>3,047,432</u>	<u>11,467,672</u>
Capital assets being depreciated:				
Water and sewer systems - utility plant	274,217,268	3,970,940	-	278,188,208
Land improvements (depreciable)	8,930	54,440	-	63,370
Buildings and improvements	5,528,121	755,783	-	6,283,904
Office fixtures and equipment	4,426,322	69,045	-	4,495,367
Leased asset - equipment	11,661	-	-	11,661
Automotive equipment	3,069,467	436,775	-	3,506,242
Water rights	25,000,000	-	-	25,000,000
Software	10,562	-	-	10,562
Infrastructure	91,798	-	-	91,798
Total capital assets being depreciated	<u>312,364,129</u>	<u>5,286,983</u>	<u>-</u>	<u>317,651,112</u>
Less accumulated depreciation for:				
Water and sewer systems - utility plant	152,827,654	6,857,837	-	159,685,491
Land improvements	1,118	820	-	1,938
Buildings and improvements	1,538,493	165,769	-	1,704,262
Office fixtures and equipment	1,997,402	242,837	-	2,240,239
Leased asset - equipment	3,328	3,327	-	6,655
Automotive equipment	2,661,696	155,007	-	2,816,703
Water rights	7,533,172	631,331	-	8,164,503
Software	2,148	2,148	-	4,296
Infrastructure	9,719	3,069	-	12,788
Total accumulated depreciation	<u>166,574,730</u>	<u>8,062,145</u>	<u>-</u>	<u>174,636,875</u>
Total capital assets being depreciated, net	<u>145,789,399</u>	<u>(2,775,162)</u>	<u>-</u>	<u>143,014,237</u>
Total	<u>\$ 153,664,457</u>	<u>\$ 3,864,884</u>	<u>\$ 3,047,432</u>	<u>\$ 154,481,909</u>

Depreciation was charged to the Authority's operations as follows:

Water	\$ 5,095,346
Sewer	2,966,799
Total	<u>\$ 8,062,145</u>

County of James City, Virginia
Notes to Basic Financial Statements
June 30, 2022

6) Capital Assets, Continued

Component Unit - Public Schools	Balances July 1, 2021	Increases	Decreases	Balances June 30, 2022
Capital assets not being depreciated:				
Land improvements	\$ 8,435,126	\$ -	\$ -	\$ 8,435,126
Construction in progress	546,651	2,283,333	517,078	2,312,906
Total capital assets not being depreciated	<u>8,981,777</u>	<u>2,283,333</u>	<u>517,078</u>	<u>10,748,032</u>
Capital assets being depreciated:				
Buildings and improvements	70,554,298	3,327,551	-	73,881,849
Furniture and equipment	29,752,308	1,035,584	43,473	30,744,419
Leased assets	753,695	1,154,316	-	1,908,011
Total capital assets being depreciated	<u>101,060,301</u>	<u>5,517,451</u>	<u>43,473</u>	<u>106,534,279</u>
Less accumulated depreciation for:				
Buildings and improvements	32,109,130	2,771,807	-	34,880,937
Furniture and equipment	20,481,211	1,484,903	42,115	21,923,999
Leased assets	-	492,203	-	492,203
Total accumulated depreciation	<u>52,590,341</u>	<u>4,748,913</u>	<u>42,115</u>	<u>57,297,139</u>
Total capital assets being depreciated, net	<u>48,469,960</u>	<u>768,538</u>	<u>1,358</u>	<u>49,237,140</u>
Total	<u>\$ 57,451,737</u>	<u>\$ 3,051,871</u>	<u>\$ 518,436</u>	<u>\$ 59,985,172</u>

Depreciation of \$4,748,913 was charged to the Public Schools' governmental functions.

The total construction in progress for the Public Schools was \$2,312,906 at June 30, 2022. For fiscal year 2022, there are no capital outlay expenditures presented in the County's construction in progress balance in order to match the corresponding debt, as a result of no new borrowings issued in the fiscal year.

Component Unit - EDA	Balances July 1, 2021	Increases	Decreases	Balances June 30, 2022
Capital assets not being depreciated:				
Land	\$ 710,795	\$ -	\$ -	\$ 710,795
Land improvements	34,200	-	-	34,200
Total capital assets not being depreciated	<u>744,995</u>	<u>-</u>	<u>-</u>	<u>744,995</u>
Capital assets being depreciated:				
Land improvements	237,988	-	-	237,988
Buildings and improvements	290,095	-	-	290,095
Infrastructure	182,379	-	-	182,379
Total capital assets being depreciated	<u>710,462</u>	<u>-</u>	<u>-</u>	<u>710,462</u>
Less accumulated depreciation for:				
Buildings and improvements	26,608	7,269	-	33,877
Land improvements	43,689	11,957	-	55,646
Infrastructure	22,872	6,252	-	29,124
Total accumulated depreciation	<u>93,169</u>	<u>25,478</u>	<u>-</u>	<u>118,647</u>
Total capital assets being depreciated, net	<u>617,293</u>	<u>(25,478)</u>	<u>-</u>	<u>591,815</u>
Total	<u>\$ 1,362,288</u>	<u>\$ (25,478)</u>	<u>\$ -</u>	<u>\$ 1,336,810</u>

7) Due From and To Component Units

The Authority owed the County \$636,338 at June 30, 2022, which primarily represented payroll expenses and purchase card expenses paid by the County on behalf of the Authority.

The County funds its construction costs for schools through the Capital Projects Fund for the component unit - Public Schools. At June 30, 2022, the County owed the Public Schools \$1,634,502, primarily for capital project invoices related to fiscal year 2022 that were not paid until after June 30. For fiscal year 2022, the Public Schools owed the County \$5,453,298, for local schools funds unexpended at year-end that are contractually required to be returned to the County. The net due from component unit - Public Schools was \$3,818,796 at June 30, 2022.

County of James City, Virginia
Notes to Basic Financial Statements
June 30, 2022

8) Unavailable Revenue and Unearned Revenue

Unavailable revenue represents amounts that have been earned but are not available. Unavailable revenue consists of the following as of June 30, 2022:

	General fund	Grants and special projects	Other governmental funds	Total
Medic fees	\$ 333,677	\$ -	\$ -	\$ 333,677
National opioid settlement	-	691,562	-	691,562
Grants not collected within availability period	-	547,189	127,826	675,015
Property taxes not collected within availability period	23,532,843	-	-	23,532,843
	<u>\$ 23,866,520</u>	<u>\$ 1,238,751</u>	<u>\$ 127,826</u>	<u>\$ 25,233,097</u>

Unearned revenue represents amounts for which asset recognition criteria have been met, but for which revenue recognition criteria have not been met. Details of unearned revenue as of June 30, 2022, were as follows:

Primary government	General fund	Grants and special projects	Other governmental funds	Total
Prepaid property taxes and fees	\$ 418,279	\$ -	\$ -	\$ 418,279
ARPA Relief	-	14,644,358	-	14,644,358
Non-judicial sales	26,032	-	-	26,032
Grants received in advance	-	353,788	396,830	750,618
	<u>\$ 444,311</u>	<u>\$ 14,998,146</u>	<u>\$ 396,830</u>	<u>\$ 15,839,287</u>

Component Unit - Public Schools

ESSER III	\$ 101,328
Behavioral intervention grant	27,869
Math grant	2,352
CARES Act - WJCC	1,874
Outdoor science grant	917
Title II	71
	<u>\$ 134,411</u>

9) Long-Term Liabilities

Primary Government

A summary of the County's long-term liability activity for governmental activities for the fiscal year ended June 30, 2022, is presented below:

Governmental activities	Balance July 1, 2021	Additions	Reductions	Balance June 30, 2022	Due within one year
General obligation bonds	\$ 24,510,000	\$ -	\$ 2,790,000	\$ 21,720,000	\$ 2,885,000
Lease revenue/refunding bonds	81,142,000	-	9,127,000	72,015,000	8,650,000
Bond premiums, net	11,263,768	-	1,488,876	9,774,892	1,488,876
Financed purchases	1,340,157	-	324,474	1,015,683	331,418
Landfill post-closure care	184,224	-	184,224	-	-
Compensated absences	4,403,593	5,366,506	5,192,137	4,577,962	3,433,472
Leases payable*	884,461	62,571	167,464	779,568	149,900
Net pension liability	34,769,717	-	27,053,392	7,716,325	-
Net OPEB retiree healthcare liability	4,649,834	-	1,051,618	3,598,216	-
Net OPEB group life insurance liability	3,282,601	-	971,872	2,310,729	-
Net OPEB health insurance credit liability	719,169	-	126,367	592,802	-
Total	<u>\$ 167,149,524</u>	<u>\$ 5,429,077</u>	<u>\$ 48,477,424</u>	<u>\$ 124,101,177</u>	<u>\$ 16,938,666</u>

*The lease payable resulted from the implementation of GASB Statement No. 87. Additional information on this liability can be found in Note 17, and information on the related restatements can be found in Note 20.

The General Fund or the Special Revenue Fund where the employees' salaries are charged generally liquidates compensated absences and the pension and OPEB liabilities.

County of James City, Virginia
Notes to Basic Financial Statements
June 30, 2022

9) Long-Term Liabilities, Continued

Arbitrage

Arbitrage is the difference between the yield on an issuer's tax-exempt bonds and the investment income earned on the proceeds. Arbitrage restrictions imposed by the federal government prohibit an issuer from retaining arbitrage profits when investing bond proceeds at a yield that exceeds the yield on the bonds. Any excess arbitrage must be rebated to the U.S. Treasury. As of June 30, 2022, there was no rebate liability.

Details of long-term bond indebtedness at June 30, 2022, for governmental activities were as follows:

	Sale date	Original borrowing	Interest rates	Final maturity	Balance June 30, 2022
<u>General obligation bonds</u>					
Virginia Public School Authority bonds (Series A)	2011	\$ 1,000,000	4.25%	2031	\$ 495,000
General obligation refunding bonds	2014	21,610,000	2.00-5.00%	2028	12,060,000
General obligation refunding bonds (Series A)	2015	11,280,000	2.50-5.00%	2030	9,165,000
				Total	<u>\$ 21,720,000</u>
<u>Lease revenue/refunding bonds</u>					
Lease revenue refunding bonds	2014	\$ 12,575,000	3.00-4.00%	2026	\$ 5,190,000
Lease revenue refunding bonds	2015	49,815,000	4.00-5.00%	2026	17,715,000
Lease revenue bonds	2016	26,750,000	2.00-5.00%	2036	20,645,000
Lease revenue refunding bonds	2018	21,015,000	4.00-5.00%	2039	18,110,000
Lease revenue refunding bonds	2021	11,030,000	3.00-5.00%	2033	10,355,000
				Total	<u>\$ 72,015,000</u>
<u>Financed purchases</u>					
Financed purchase	2020	\$ 1,693,311	2.140%	2024	\$ 1,015,683

The debt service requirements for the governmental activities' bond obligations are as follows:

Year ending June 30,	General obligation bonds		Lease revenue/refunding bonds	
	Principal	Interest	Principal	Interest
2023	\$ 2,885,000	\$ 789,038	\$ 8,650,000	\$ 3,020,538
2024	2,985,000	645,287	8,815,000	2,623,737
2025	3,055,000	516,813	8,995,000	2,195,737
2026	3,115,000	405,713	9,165,000	1,772,489
2027	2,190,000	292,812	3,585,000	1,341,437
2028-2032	7,490,000	563,737	18,415,000	4,519,975
2033-2037	-	-	12,370,000	1,498,600
2038-2039	-	-	2,020,000	122,000
	<u>\$ 21,720,000</u>	<u>\$ 3,213,400</u>	<u>\$ 72,015,000</u>	<u>\$ 17,094,513</u>

In May 2021, the County issued revenue refunding bonds totaling \$11,030,000, with interest rates ranging from 3.00%-5.00%, to refund \$14,050,000 of outstanding 2014 lease revenue bonds, with interest rates ranging from 3.00%-5.00%. There was a \$2,450,765 premium issued on the new bonds. The net proceeds were deposited in an irrevocable trust with an escrow agent to provide funds for the future debt service payments on the refunded bonds. Consequently, the outstanding balance on the 2014 lease revenue bonds of \$12,305,000 as of June 30, 2022 is considered defeased, and the liability for those bonds has been removed from the statement of net position.

County of James City, Virginia
Notes to Basic Financial Statements
June 30, 2022

9) Long-Term Liabilities, Continued

In July 2016, the County entered into a Memorandum of Understanding with York County to upgrade the joint public safety/public services radio communication system. The County's portion was \$4,736,044 and is included in capital assets. Accumulated depreciation was \$4,736,044 as of June 30, 2022.

In November 2020, the County entered into a financed purchase agreement with Motorola to replace public safety portable radios. The amount included in capital assets related to this lease was \$1,693,311 at June 30, 2022, and depreciation expense of \$338,662 was recognized during fiscal year 2022. Accumulated depreciation was \$564,437 as of June 30, 2022.

The present value of future minimum financed purchase payments of the County as of June 30, 2022, is as follows:

Year ending June 30:		
2023	\$	353,154
2024		353,154
2025		353,154
Total minimum lease payments		1,059,462
Less amount representing interest		(43,779)
Present value of minimum financed purchase payments	\$	1,015,683

Component Unit - Authority

A summary of the Authority's long-term liability activity for the fiscal year ended June 30, 2022, is presented below:

	Balance July 1, 2021	Additions	Reductions	Balance June 30, 2022	Due within one year
Revenue refunding bonds	\$ 19,230,000	\$ -	\$ 720,000	\$ 18,510,000	\$ 745,000
Revenue bonds	8,551,000	-	526,000	8,025,000	538,000
Premium, net	1,203,574	-	63,907	1,139,667	63,907
Lease payable	8,436	-	3,293	5,143	3,393
Pension liability	1,992,512	-	1,992,512	-	-
Net retiree healthcare OPEB liability	432,846	-	148,406	284,440	-
Net group life insurance OPEB liability	379,494	-	115,786	263,708	-
Net health insurance credit OPEB liability	58,695	-	36,621	22,074	-
Compensated absences	495,726	668,407	609,848	554,285	415,714
Total	\$ 32,352,283	\$ 668,407	\$ 4,216,373	\$ 28,804,317	\$ 1,766,014

Details of long-term bond indebtedness at June 30, 2022 for the Authority were as follows:

	Sale date	Orginal borrowing	Interest rates	Final maturity	Balance June 30, 2022
Revenue refunding bonds					
Water and sewer system revenue refunding bonds	2016	\$ 22,595,000	3.00-5.00%	2040	\$ 18,510,000
Water and sewer system revenue bonds	2020	9,135,000	2.26%	2035	8,025,000

County of James City, Virginia
Notes to Basic Financial Statements
June 30, 2022

9) Long-Term Liabilities, Continued

The debt service requirements for the Authority's debt obligations are as follows:

Year ending June 30,	Revenue refunding and revenue bonds	
	Principal	Interest
2023	\$ 1,283,000	\$ 792,886
2024	1,335,000	743,456
2025	1,382,000	691,754
2026	1,430,000	633,212
2027	1,483,000	577,150
2028-2032	8,042,000	2,327,020
2033-2037	7,745,000	1,190,854
2038-2040	3,835,000	232,200
Total	<u>\$ 26,535,000</u>	<u>\$ 7,188,532</u>

Component Unit - Public Schools

A summary of the Public Schools' long-term liability activity for the fiscal year ended June 30, 2022, is presented below:

<u>Component unit - Public Schools</u>	<u>Balance July 1, 2021</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2022</u>	<u>Due within one year</u>
Net pension liability	\$ 124,830,972	\$ -	\$ 60,104,595	\$ 64,726,377	\$ -
Other postemployment benefits	23,875,973	-	3,479,437	20,396,536	-
Intangible right-to-use leases	753,695	1,154,316	472,694	1,435,317	502,314
Compensated absences	1,316,154	1,244,832	1,130,169	1,430,817	643,867
Total	<u>\$ 150,776,794</u>	<u>\$ 2,399,148</u>	<u>\$ 65,186,895</u>	<u>\$ 87,989,047</u>	<u>\$ 1,146,181</u>

10) Landfill Closure and Postclosure Care Cost

The County closed its landfill during fiscal year 1994 and contracted with a third party to provide solid waste disposal services to its residents. This third party operates the site, collects fees based upon the source of the waste, and pays the associated expenditures. The County was responsible for construction of the transfer station and all major maintenance and repairs to it. State and federal laws and regulations require the County to perform certain maintenance and monitoring functions at the site for 10 to 30 years after closure.

There is no remaining balance for the landfill postclosure liability at June 30, 2022. The Department of Environment Quality notified the County during fiscal year 2022 that there was no remaining solid waste financial assurance obligation for the site. As a result, this liability was written off in fiscal year 2022.

11) Pension Plan

The County, Authority, and Public Schools' non-professional employees participate in a multi-employer, agent defined benefit pension plan (Political Subdivision Retirement Plan) administered by the Virginia Retirement System (VRS). The Public Schools' professional employees participate in a multi-employer, cost sharing defined benefit pension plan (Teacher Retirement Plan) administered by VRS. The VRS establishes a separate annual contribution requirement for the Public Schools' professional employees who participate in the VRS statewide teacher cost-sharing pool.

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the retirement plans and the additions to/deductions from the retirement plans' net fiduciary position have been determined on the same basis as they were reported by the VRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

County of James City, Virginia
Notes to Basic Financial Statements
June 30, 2022

11) Pension Plan, Continued

Plan Description

All full-time, salaried regular employees of the County, Authority, and Public Schools (professional and non-professional) are automatically covered by VRS upon employment. These plans are administered by the VRS (the System) along with plans for other employer groups in the Commonwealth of Virginia. Members earn one month of service credit for each month they are employed and for which they and their employer pay contributions to VRS. Members are eligible to purchase prior service, based on specific criteria as defined in the *Code of Virginia*, as amended. Eligible prior service that may be purchased includes prior public service, active military service, certain periods of leave and previously refunded service.

The System administers three different benefit structures for covered employees - Plan 1, Plan 2 and Hybrid. Each of these benefit structures has a different eligibility criteria. The specific information for each plan and the eligibility for covered groups within each plan are available at

- <https://www.varetire.org/members/benefits/defined-benefit/plan1.asp>,
- <https://www.varetire.org/members/benefits/defined-benefit/plan2.asp>,
- <https://www.varetirement.org/hybrid.html>

Agent Multiple-Employer Political Subdivision Retirement Plan
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Employees Covered by Benefit Terms

As of the June 30, 2020, actuarial valuation, the following employees were covered by the benefit terms of the pension plan:

	Governmental Activities Number	Component unit- Authority Number	Component unit- Public Schools (non-professional) Number
Inactive members or their beneficiaries currently receiving benefits	533	58	119
Inactive members:			
Vested	148	14	28
Non-vested	244	30	116
Long-term disability	-	-	1
Active elsewhere in VRS	271	34	58
Total inactive members	663	78	203
Active members	737	91	224
Total	1,933	227	546

Contributions

The contributions requirement for active employees is governed by §51.1-145 of the *Code of Virginia*, as amended, but may be impacted as a result of funding options provided to political subdivisions by the Virginia General Assembly. Employees are required to contribute 5% of their compensation toward their retirement.

The County's, Authority's and Public Schools' contractually required contribution rates for the year ended June 30, 2022, were 11.61%, 6.39% and 3.66%, respectively, of covered employee compensation. These rates were based on actuarially determined rates from an actuarial valuation as of June 30, 2019.

These rates, when combined with employee contributions, were expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Total contributions to the pension plan from the County were \$4,743,535 and \$4,535,863, the Authority were \$295,888 and \$271,540, and the Public Schools were \$163,014 and \$158,334 for years ended June 30, 2022 and 2021, respectively.

County of James City, Virginia
Notes to Basic Financial Statements
June 30, 2022

11) Pension Plan, Continued

Net Pension Liability

The net pension liability (NPL) is calculated separately for each employer and represents that particular employer's total pension liability determined in accordance with GASB Statement No. 68, less that employer's fiduciary net position. The net pension liability was measured as of June 30, 2021. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of June 30, 2020 rolled forward to the measurement date of June 30, 2021.

Actuarial Assumptions

The total pension liability for general employees, public safety employees with hazardous duty benefits, and teachers was based on an actuarial valuation as of June 30, 2020, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2021:

Inflation	2.50%
Salary increases, including inflation, general employees	3.5% – 5.35%
Salary increases, including inflation, public safety employees with hazardous duty benefits	3.5% – 4.75%
Salary increases, including inflation, teacher cost-sharing plan	3.5% – 5.95%
Investment rate of return	6.75%, net of pension plan investment expenses, including inflation

Mortality rates: General employees – 15 to 20% of deaths are assumed to be service related. Public Safety Employees – 45% to 70% of deaths are assumed to be service related. Mortality is projected using the applicable Pub-2010 Mortality Table with various set backs or set forwards for both males and females.

The actuarial assumptions used in the June 30, 2020, valuation were based on the results of an actuarial experience study for the period from July 1, 2016 through June 30, 2020, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study are as follows:

General Employees – Largest 10 – Non-Hazardous Duty and All Others (Non 10 Largest): Update mortality table; adjusted retirement rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age; adjusted withdrawal rates to better fit experience at each year age and service through 9 years of service; no change to disability rates, salary scale, line of duty disability, or discount rate.

Public Safety Employees – Largest 10 – Hazardous Duty and All Others (Non 10 Largest): Update mortality table; adjusted retirement rates to better fit experience and changed final retirement age from 65 to 70; decreased withdrawal rates to better fit experience; no change to disability rates, salary scale, line of duty disability, or discount rate.

County of James City, Virginia
Notes to Basic Financial Statements
June 30, 2022

11) Pension Plan, Continued

Long Term Expected Rate of Return

The long-term expected rate of return on pension System investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension System investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimate of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class (Strategy)	Target Allocation	Arithmetic Long-Term Expected Rate of Return	Weighted Average Long-Term Expected Rate of Return
Public equity	34.00%	5.00%	1.70%
Fixed income	15.00%	0.57%	0.09%
Credit strategies	14.00%	4.49%	0.63%
Real assets	14.00%	4.76%	0.67%
Private equity	14.00%	9.94%	1.39%
MAPS - Multi-Asset Public Strategies	6.00%	3.29%	0.20%
PIP- Private Investment Partnership	3.00%	6.84%	0.21%
Total	100.00%		4.89%
		Inflation	2.50%
		*Expected arithmetic nominal return	7.39%

** The above allocation provides a one-year return of 7.39%. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected return for the system, stochastic projections are employed to model future returns under various economic conditions. These results provide a range of returns over various time periods that ultimately provide a median return of 6.94%, including expected inflation of 2.50%. On October 10, 2019, the VRS Board elected a long-term rate of 6.75% which is roughly at the 40th percentile of expected long-term results of the VRS fund asset allocation at that time, providing a median return of 7.11%, including expected inflation of 2.50%.*

Discount Rate

The discount rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that System member contributions will be made per the VRS Statutes and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Consistent with the phased-in funding provided by the General Assembly for state and teacher employer contributions; political subdivisions were also provided with an opportunity to use an alternate employer contribution rate. For the year ended June 30, 2021, the alternate rate was the employer contribution rate used in fiscal year 2012 or 100% of the actuarially determined employer contribution rate from the June 30, 2017, actuarial valuations, whichever was greater. From July 1, 2021, on, participating employers are assumed to continue to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

County of James City, Virginia
Notes to Basic Financial Statements
June 30, 2022

11) Pension Plan, Continued

Changes in Net Pension Liability (Asset)

	Increase (decrease)		
	Total pension liability (a)	Plan fiduciary net pension (b)	Net pension liability (asset) (a) - (b)
Governmental activities			
Balances at June 30, 2020	\$ 211,939,088	\$ 177,169,371	\$ 34,769,717
Changes for the year:			
Service cost	4,539,185	-	4,539,185
Interest	13,977,620	-	13,977,620
Change in benefit terms	-	-	-
Changes of assumptions	9,135,268	-	9,135,268
Difference between expected and actual experience	8,045	-	8,045
Contributions - employer	-	4,535,863	(4,535,863)
Contributions - employee	-	1,960,133	(1,960,133)
Net investment income	-	48,333,112	(48,333,112)
Benefit payments, including refunds of employee contributions	(9,726,471)	(9,726,471)	-
Administrative expenses	-	(120,157)	120,157
Other changes	-	4,559	(4,559)
Net changes	<u>17,933,647</u>	<u>44,987,039</u>	<u>(27,053,392)</u>
Balances at June 30, 2021	<u>\$ 229,872,735</u>	<u>\$ 222,156,410</u>	<u>\$ 7,716,325</u>
Component Unit - Authority			
Balances at June 30, 2020	\$ 19,883,421	\$ 17,890,909	\$ 1,992,512
Changes for the year:			
Service cost	393,653	-	393,653
Interest	1,317,521	-	1,317,521
Change in benefit terms	-	-	-
Change of assumptions	557,493	-	557,493
Difference between expected and actual experience	(27,793)	-	(27,793)
Contributions - employer	-	271,540	(271,540)
Contributions - employee	-	219,619	(219,619)
Net investment income	-	4,896,608	(4,896,608)
Benefit payments, including refunds of employee contributions	(729,183)	(729,183)	-
Administrative expenses	-	(12,088)	12,088
Other changes	-	463	(463)
Net changes	<u>1,511,691</u>	<u>4,646,959</u>	<u>(3,135,268)</u>
Balances at June 30, 2021	<u>\$ 21,395,112</u>	<u>\$ 22,537,868</u>	<u>\$ (1,142,756)</u>
Component unit - Public Schools (non-professional)			
Balances at June 30, 2020	\$ 20,777,247	\$ 21,416,974	\$ (639,727)
Changes for the year:			
Service cost	545,063	-	545,063
Interest	1,366,821	-	1,366,821
Changes of assumptions	813,135	-	813,135
Difference between expected and actual experience	324,773	-	324,773
Contributions - employer	-	158,331	(158,331)
Contributions - employee	-	255,416	(255,416)
Net investment income	-	5,804,084	(5,804,084)
Benefit payments, including refunds of employee contributions	(1,056,098)	(1,056,098)	-
Administrative expenses	-	(14,667)	14,667
Other changes	-	545	(545)
Net changes	<u>1,993,694</u>	<u>5,147,611</u>	<u>(3,153,917)</u>
Balances at June 30, 2021	<u>\$ 22,770,941</u>	<u>\$ 26,564,585</u>	<u>\$ (3,793,644)</u>

County of James City, Virginia
Notes to Basic Financial Statements
June 30, 2022

11) Pension Plan, Continued

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability using the discount rate of 6.75%, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate:

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Governmental activities			
Net pension liability (asset)	\$ 39,148,211	\$ 7,716,325	\$ (18,137,910)
Component unit - Authority			
Net pension liability (asset)	\$ 1,708,024	\$ (1,142,756)	\$ (3,493,371)
Component unit - Public Schools (non-professional)			
Net pension liability (asset)	\$ (1,091,867)	\$ (3,793,644)	\$ (6,057,807)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2022, the County, Authority, and Public Schools (non-professional) recognized pension expense (revenue) of \$3,725,472, (\$44,318), and (\$147,528), respectively. At June 30, 2022, deferred outflows of resources and deferred inflows of resources related to pensions from the following sources were reported:

	Deferred outflows of resources	Deferred inflows of resources
Governmental activities		
Differences between expected and actual experience	\$ 1,787,816	\$ -
Changes of assumptions	7,114,850	-
Net difference between projected and actual earnings on pension plan investments	-	24,092,854
Employer contributions subsequent to the measurement date	4,743,535	-
Total	<u>\$ 13,646,201</u>	<u>\$ 24,092,854</u>
Component unit - Authority		
Differences between expected and actual experience	\$ 16,591	\$ 82,567
Changes of assumptions	400,729	-
Net difference between projected and actual earnings on pension plan investments	-	2,439,333
Employer contributions subsequent to the measurement date	295,888	-
Total	<u>\$ 713,208</u>	<u>\$ 2,521,900</u>
Component unit - Public Schools (non-professional)		
Differences between expected and actual experience	\$ 227,002	\$ -
Changes of assumptions	514,188	-
Net difference between projected and actual earnings on pension plan investments	-	2,873,929
Employer contributions subsequent to the measurement date	163,014	-
Total	<u>\$ 904,204</u>	<u>\$ 2,873,929</u>

County of James City, Virginia
Notes to Basic Financial Statements
June 30, 2022

11) Pension Plan, Continued

The County, Authority, and Public Schools reported deferred outflows of resources of \$4,743,535, \$295,888, and \$163,014, respectively, related to pensions resulting from contributions subsequent to the measurement date, which will be recognized as a reduction of the net pension liability in the year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended	Governmental Activities	Component unit - Authority	Component unit - Public Schools (non-professional)
2023	\$ (704,742)	\$ (363,631)	\$ (232,987)
2024	(2,314,152)	(432,830)	(354,971)
2025	(4,873,873)	(568,640)	(668,663)
2026	(7,297,421)	(739,479)	(876,118)
	<u>\$ (15,190,188)</u>	<u>\$ (2,104,580)</u>	<u>\$ (2,132,739)</u>

Pension Plan Data

Information about the VRS Political Subdivision Retirement Plans is also available in the separately issued VRS 2021 Annual Report. A copy of the 2021 VRS Annual Report may be downloaded from the VRS website at varetire.org/pdf/publications/2021-annual-report.pdf, or by writing to VRS' Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

Cost-Sharing Multiple-Employer Plan - Teacher Retirement Plan (Professional Plan)

Contributions

The contribution requirement for active employees is governed by §51.1-145 of the *Code of Virginia*, as amended, but may be impacted as a result of funding provided to school divisions by the Virginia General Assembly. Employees are required to contribute 5% of their compensation toward their retirement. The Public Schools' contractually required contribution rate for the year ended June 30, 2022 was 16.62% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2019. The actuarial determined rate, when combined with employee contributions, was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the Public Schools were \$12,731,972 and \$11,795,307 for the years ended June 30, 2022 and June 30, 2021, respectively.

In June 2021, the Commonwealth made a special contribution of approximately \$61.3 million to the VRS Teacher Employee Plan. This special payment was authorized by a budget amendment included in Chapter 552 of the 2021 Appropriation Act, and is classified as a non-employer contribution.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows for Resources Related to Pensions

At June 30, 2022, the Public Schools' reported a liability of \$64,726,377 for its proportionate share of the Net Pension Liability of the Teacher Retirement Plan. The Net Pension Liability was measured as of June 30, 2021 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation performed as of June 30, 2020, and rolled forward to the measurement date of June 30, 2021.

The Public Schools' proportion of the Net Pension Liability was based on the Public Schools' actuarially determined employer contributions to the pension plan for the year ended June 30, 2021 relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2021, the Public Schools' proportion was 0.83377% as compared to 0.85779% at June 30, 2020.

County of James City, Virginia
Notes to Basic Financial Statements
June 30, 2022

11) Pension Plan, Continued

For the year ended June 30, 2022, the Public Schools recognized pension expense of \$18,665. Given that there was a change in proportionate share between measurement dates, a portion of the pension expense was related to deferred amounts from changes in proportion and from differences between employer contributions and the proportionate share of employer contributions.

At June 30, 2022, the Public Schools reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources for the Teacher Retirement Plan:

	<u>Deferred outflows of resources</u>	<u>Deferred inflows of resources</u>
Component unit - Public Schools (professional plan)		
Differences between expected and actual experience	\$ -	\$ 5,513,001
Change in assumptions	11,339,892	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	738,000	3,547,797
Differences between expected and actual investment earnings on pension plan investments	-	40,788,868
Employer contributions subsequent to the measurement date	<u>12,731,972</u>	<u>-</u>
Total	<u>\$ 24,809,864</u>	<u>\$ 49,849,666</u>

Deferred outflows of resources report in the amount of \$12,731,972 related to pensions resulting from the Public Schools' contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense (recovery) in future reporting periods as follows:

<u>Year ended</u>	<u>Component unit - Public Schools (professional plan)</u>
2023	\$ (9,012,566)
2024	(7,861,333)
2025	(8,782,751)
2026	(12,119,842)
2027	4,718
	<u>\$ (37,771,774)</u>

Actuarial Assumptions

The total pension liability for the VRS Teacher Retirement Plan was based on an actuarial valuation as of June 30, 2020, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2021.

- Inflation: 2.5%
- Salary increases, including inflation: 3.5% - 5.95%
- Investment rate of return: 6.75%, net of pension plan investment expenses, including inflation

County of James City, Virginia
Notes to Basic Financial Statements
June 30, 2022

11) Pension Plan, Continued

Mortality rates

Pre Retirement:

Pub-2010 Amount Weighted Teachers Employee Rates projected generationally; 110% of rates for males.

Post-Retirement:

Pub-2010 Amount Weighted Teachers Healthy Retiree Rates projected generationally; males set forward 1 year; 105% of rates for females.

Post-Disablement:

Pub-2010 Amount Weighted Teachers Disabled Rates projected generationally; 110% of rates for males and females.

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the period from July 1, 2016 through June 30, 2020, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019.

Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

Mortality Rates (Pre-retirement, post-retirement healthy, and disabled)	Updated to a more current mortality table – PUB2010 public sector
Retirement Rates	Adjusted retirement rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age from 75 to 80 for all
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service year through 9 years of service
Disability Rates	No change
Salary Scale	No change
Discount Rate	No change

Net Pension Liability

The net pension liability (NPL) is calculated separately for each system and represents that particular system's total pension liability determined in accordance with GASB Statement No. 67, less that system's fiduciary net position. As of June 30, 2021, NPL amounts for the VRS Teacher Employee Retirement Plan is as follows (amounts expressed in thousands):

	Teacher Employee Retirement Plan
Total Pension Liability	\$ 53,381,141
Plan Fiduciary Net Position	45,617,878
Employers' Net Pension Liability (Asset)	<u>\$ 7,763,263</u>
 Plan Fiduciary Net Position as a % of the Total Pension Liability	 85.46%

The total pension liability is calculated by the System's actuary, and each plan's fiduciary net position is reported in the System's financial statements. The net pension liability is disclosed in accordance with the requirements of GASB Statement No. 67 in the System's notes to the financial statements and required supplementary information.

County of James City, Virginia
Notes to Basic Financial Statements
June 30, 2022

11) Pension Plan, Continued

Long-Term Expected Rate of Return

The long-term expected rate of return on pension System investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension System investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimate of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class (Strategy)	Target Allocation	Arithmetic Long-Term Expected Rate of Return	Weighted Average Long-Term Expected Rate of Return
Public equity	34.00%	5.00%	1.70%
Fixed income	15.00%	0.57%	0.09%
Credit strategies	14.00%	4.49%	0.63%
Real assets	14.00%	4.76%	0.67%
Private equity	14.00%	9.94%	1.39%
MAPS - Multi-Asset Public Strategies	6.00%	3.29%	0.20%
PIP- Private Investment Partnership	3.00%	6.84%	0.21%
Total	100.00%		4.89%
		Inflation	2.50%
		*Expected arithmetic nominal return	7.39%

* The above allocation provides a one-year return of 7.39%. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected return for the system, stochastic projections are employed to model future returns under various economic conditions. The results provide a range of returns over various time periods that ultimately provide a median return of 6.94%, including expected inflation of 2.50%. On October 10, 2019, the VRS Board elected a long-term rate of 6.75% which is roughly at the 40th percentile of expected long-term results of the VRS fund asset allocation at that time, providing a median return of 7.11%, including expected inflation of 2.50%.

Discount Rate

The discount rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made per the VRS Statutes and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate.

Through the fiscal year ending June 30, 2021, the rate contributed by the school division for the VRS Teacher Retirement Plan will be subject to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly which was 100% of the actuarially determined contribution rate. From July 1, 2021 on, school divisions are assumed to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Public Schools' Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the school division's proportionate share of the net pension liability using the discount rate of 6.75%, as well as what the Public Schools' proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate:

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Component unit - Public Schools (professional plan)			
Net pension liability	\$ 124,918,403	\$ 64,726,377	\$ 15,210,396

11) Pension Plan, Continued

Pension Plan Fiduciary Net Position

Detailed information about the VRS Teacher Retirement Plan's Fiduciary Net Position is available in the separately issued VRS 2021 Comprehensive Annual Financial Report (Annual Report). A copy of the 2021 VRS Annual Report may be downloaded from the VRS website at varetire.org/pdf/publications/2021-annualreport.pdf, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA 23218-2500.

12) Other Post-Employment Benefits (OPEB)

Multiple Employer Cost-Sharing Plan - Retiree Healthcare

The County, Authority and Public Schools provide post-employment health care benefits for qualifying retired employees who are not yet eligible for Medicare through a cost-sharing, multiple-employer (County and Authority) and a single-employer (for the Public Schools) defined benefit plan. The plans are administered by the County and Schools, respectively, and the benefits, benefit levels, employee contributions and employer contributions are governed by the County and Public Schools and can be amended through their personnel manuals.

Valuation reports were prepared for the County, Authority and Schools by Bolton Partners. The County and Authority reports may be obtained from the James City County Department of Financial and Management Services, 101-F Mounts Bay Road, Williamsburg, Virginia 23187-8784. The Public Schools' report may be obtained from the Finance Department, 117 Ironbound Road, Williamsburg, Virginia 23185.

Plan Description

Participants must be eligible to retire under VRS and must be full-time active employees who retire directly from the County or Authority and are at least 55 years of age with 15 years of service. Each year, retirees participating in the County or Authority's sponsored plans will be given the opportunity to change plans or drop coverage during an open enrollment period. For fiscal year 2022, the pre-Medicare retirees have a choice of two plans offered by Optima. Dental plans are available at the retiree's cost and therefore, have no employer obligation. There is no coverage for post-Medicare retirees.

The Public Schools provides a single-employer medical plan and a retiree health insurance premium contribution plan that covers retirees until they reach 65 years of age. There is no coverage for retirees or their spouses once they reach the age of 65 and are eligible for Medicare. Both plans were established under the authority of the Williamsburg-James City County School Board and any amendments to the plans must be approved by the School Board. The Public Schools' single-employer medical plan allows retirees under the age of 65 to remain in the same medical and dental plan as active employees if they have at least five years of service with the Public Schools and are a covered member under the plan at retirement and for at least 24 months prior to retiring. Retirees pay 100% of the premium, minus any applicable \$62.50 monthly contribution. The Public Schools' plan allows eligible retirees to receive a \$750 annual contribution toward their health insurance premium if they have a minimum of twelve continuous years of service. The Public Schools' current membership is 30.

Funding Policy

Retirees contribute towards their health insurance premiums based on a blended rate and therefore, the County and Authority have an implicit obligation. Retirees pay 100% of the published rates for individual and dependent coverage until age 65. The estimated contributions are based on the implicit rate subsidy payments made during the year by the retirees. The County, Authority and Public Schools do not intend to establish a trust to pre-fund their obligations. The anticipated growth in the net retiree healthcare OPEB liability is based on contributions to the benefit plan on a pay-as-you-go cost basis. The data has been projected into the future based on the assumption the current active population remains constant.

County of James City, Virginia
Notes to Basic Financial Statements
June 30, 2022

12) Other Post-Employment Benefits (OPEB), Continued

Employees Covered by Benefit Terms – Public Schools

As of the March 1, 2022, actuarial valuation, the following employees were covered by the benefit terms of the Public Schools' retiree healthcare OPEB plan:

	Component unit - Public Schools
	Number
Active employees	1,340
Retirees	30
Total	1,370

Actuarial Methods and Assumptions

For the actuarial valuation at March 1, 2022 for the Public Schools and April 1, 2022 for the County and Authority (measurement date of June 30, 2021), the entry age normal funding method was used. The goal of this method is that the annual accrual (or normal cost) be a level percent of pay throughout an employee's career. This method requires a salary increase assumption. The normal cost percentage is equal to the present value of benefits divided by the present value of future salary determined when the employee was hired. The actuarial accrued liability is equal to the present value of benefits minus the normal cost percentage times the present value of future salaries at the valuation date.

The actuarial assumptions included calculations based on a discount rate of 1.92% for the unfunded liability. Benefits are discounted based on an index rate for 20-year tax exempt general obligation (GO) municipal bonds with an average rating of AA/Aa or higher.

The medical trend assumption for the County and Authority were changed from the previous valuation to an assumption developed using the Society of Actuaries (SOA) Long-Run Medical Cost Trend Model baseline assumptions. The SOA Model was released in October 2010 and updated in November 2021. The following assumptions were used as input variables into this model:

Inflation	2.50%
Rate of growth in real income/ GDP per capita	1.50%
Extra trend due to technology and other factors	1.10%
Expected health share of GDP in 2029	20.00%
Health share of GDP resistance point	25.00%
Year for limiting cost growth to GDP growth	2075

The medical trend assumption for the Public Schools was developed using the Society of Actuaries (SOA) Long-Run Medical Cost Trend Model baseline assumptions. The SOA Model was released in October 2010 and updated in November 2021. The following assumptions were used as input variables into this model:

Inflation	2.50%
Rate of growth in real income/ GDP per capita	1.40%
Extra trend due to technology and other factors	1.00%
Expected health share of GDP in 2029	19.00%
Health share of GDP resistance point	20.00%
Year for limiting cost growth to GDP growth	2075

The SOA Long-Run Medical Cost Trend Model and its baseline projection are based on an econometric analysis of historical U.S. medical expenditures and the judgments of experts in the field. The long-run baseline projection, tolerance ranges and input variables have been developed under the guidance of an SOA Project Oversight Group.

12) Other Post-Employment Benefits (OPEB), Continued

Actuarial Methods and Assumptions, Continued

The actuarial assumptions included calculations based on salary increases of 2.85%-1.00% (general) and 2.25%-1.00% (public safety) based on years of service. The valuation assumed that 40% of participants currently with coverage will elect coverage upon retirement, and that 30% of participants electing coverage at retirement will elect coverage for their spouse.

Mortality decrements used in the April 1, 2022, valuation:

- Pre-Retirement
 - General: Pub-2010 General Employees Headcount-Weighted Mortality Projected with Fully Generational MP2021 Mortality Improvement Scale
 - LEOS: Pub-2010 Public Safety Employees Headcount-Weighted Mortality Projected with Fully Generational MP2021 Mortality Improvement Scale
- Post-Retirement
 - General: Pub-2010 General Retirees Headcount-Weighted Mortality Projected with Fully Generational MP2021 Mortality Improvement Scale
 - LEOS: Pub-2010 Public Safety Retirees Headcount-Weighted Mortality Projected with Fully Generational MP2021 Mortality Improvement Scale
- Disabled:
 - General: Pub-2010 General Disabled Retirees Headcount-Weighted Mortality Projected with Fully Generational MP2021 Mortality Improvement Scale
 - LEOS: Pub-2010 Public Safety Disabled Retirees Headcount-Weighted Mortality Projected with Fully Generational MP2021 Mortality Improvement Scale

The actuarial assumptions for the Public Schools included calculations based on a net of 2.5% inflation assumption. The valuation assumed that 25% of participants currently with coverage will elect coverage upon retirement.

Mortality decrements:

- Healthy Pre-Retirement: Pub-2010 Teachers Employees Headcount-Weighted Mortality Projected with Fully Generational MP2021 Mortality Improvement Scale
- Healthy Post-Employment: Pub-2010 Teachers Retirees Headcount-Weighted Mortality Projected with Fully Generational MP2021 Mortality Improvement Scale
- Healthy Surviving Spouses: Pub-2010 Teachers Contingent Survivors Headcount-Weighted Mortality Projected with Fully Generational MP2021 Mortality Improvement Scale
- Disabled: Pub-2010 Teachers Disable Retirees Headcount-Weighted Mortality Projected with Fully Generational MP2021 Mortality Improvement Scale

Changes in Assumptions Since Prior Valuation for the County and the Authority

- The discount rate was updated to 1.92% (the latest 20-year Municipal GO AA Index as of June 30, 2021).
- The mortality improvement scale was updated to the latest MP2021 scale.
- The medical trend was updated. The trend was developed using the Society of Actuaries (SOA) Long-Run Medical Cost Trend Model baseline assumptions.
- The Salary Scale, Retirement, Termination, and Disability assumptions have been updated to the rates disclosed in the Virginia Retirement System Experience Study dated September 10, 2021.

Changes in Assumptions Since Prior Valuation for the Public Schools

- Discount rate was updated as required under the GASB 75 standard.
- Mortality improvement was updated to the latest improvement scale MP2021.
- Decrement and salary assumptions were updated to the latest Virginia Retirement System experience study rates.
- The medical trend was updated using the Society of Actuaries (SOA) Long-Run Medical

County of James City, Virginia
Notes to Basic Financial Statements
June 30, 2022

12) Other Post-Employment Benefits (OPEB), Continued

Retiree Healthcare OPEB Liability for the County and the Authority

At June 30, 2022, the County reported a retiree healthcare OPEB liability of \$3,598,216 for its proportionate share of the County's retiree healthcare OPEB liability, and the Authority reported a retiree healthcare OPEB liability of \$284,440 for its proportionate share of the County's retiree healthcare OPEB liability. The County's and the Authority's June 30, 2022, retiree healthcare OPEB liabilities were measured as of June 30, 2021, and were determined by an actuarial valuation performed April 1, 2022. The County's and the Authority's proportion of the County's retiree healthcare OPEB liability was based on each entity's projected long-term contribution effort to the OPEB plan as compared to the total projected long-term contribution effort of all contributing entities to determine each entity's proportion. At June 30, 2022, and 2021, the County's proportion of the County's retiree healthcare OPEB liability was 81.72% and 78.42%, respectively, and the Authority's proportion of the County's retiree healthcare OPEB liability was 6.46% and 7.30%, respectively.

Changes in Retiree Healthcare OPEB Liability for the Public Schools

	Increase (decrease)		
	Total OPEB liability (a)	Plan fiduciary net position (b)	Net OPEB liability (a) - (b)
Component unit - Public Schools			
Balances at June 30, 2019	\$ 5,949,550	\$ -	\$ 5,949,550
Changes for the year:			
Service cost	657,420	-	657,420
Interest	142,801	-	142,801
Experience losses	(370,916)	-	(370,916)
Employer contribution	-	293,622	(293,622)
Changes in assumptions	(879,609)	-	(879,609)
Benefit payments	(282,806)	(282,806)	-
Administrative expenses	-	(10,816)	10,816
Net changes	(733,110)	-	(733,110)
Balances at June 30, 2020	\$ 5,216,440	\$ -	\$ 5,216,440

Sensitivity of the Retiree Healthcare OPEB Liability to Changes in the Discount Rate

The following presents the retiree healthcare OPEB liability using the discount rate of 1.92%, as well as what the retiree healthcare OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (0.92%) or one percentage point higher (2.92%) than the current rate:

	1% Decrease (0.92%)	Current Discount Rate (1.92%)	1% Increase (2.92%)
Governmental activities			
Retiree Healthcare OPEB liability	\$ 3,945,847	\$ 3,598,216	\$ 3,277,057
Component unit - Authority			
Retiree Healthcare OPEB liability	\$ 311,921	\$ 284,440	\$ 259,053
Component unit - Public Schools			
Total and Net OPEB liability	\$ 5,456,378	\$ 5,216,440	\$ 4,965,247

Sensitivity of the Retiree Healthcare OPEB Liability to Changes in the Health Care Cost Trend Rate – the County and the Authority

The following presents the retiree healthcare OPEB liability using the health care cost trend rate of 3.94%, as well as what the retiree healthcare OPEB liability would be if it were calculated using a health cost trend rate that is one percentage point lower (2.94%) or one percentage point higher (4.94%) than the current rate:

	1% Decrease (2.94%)	Ultimate Trend Rate (3.94%)	1% Increase (4.94%)
Governmental activities			
Retiree Healthcare OPEB liability	\$ 3,177,263	\$ 3,598,216	\$ 4,092,482
Component unit - Authority			
Retiree Healthcare OPEB liability	\$ 251,164	\$ 284,440	\$ 323,512

County of James City, Virginia
Notes to Basic Financial Statements
June 30, 2022

12) Other Post-Employment Benefits (OPEB), Continued

Sensitivity of the Retiree Healthcare OPEB Liability to Changes in the Health Care Cost Trend Rate – Public Schools

The following presents the retiree healthcare OPEB liability using the health care cost trend rate of 3.94%, as well as what the retiree healthcare OPEB liability would be if it were calculated using a health cost trend rate that is one percentage point lower (2.94%) or one percentage point higher (4.94%) than the current rate:

	1% Decrease (2.94%)	Ultimate Trend Rate (3.94%)	1% Increase (4.94%)
Component unit - Public Schools			
Total and Net OPEB liability	\$ 4,686,682	\$ 5,216,440	\$ 5,833,015

Retiree Healthcare OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended June 30, 2022, the County, Authority, and Public Schools recognized retiree healthcare OPEB expense (recovery) of \$86,616, (\$7,398), and \$458,248, respectively. At June 30, 2022, deferred outflows of resources and deferred inflows of resources related to retiree healthcare OPEB from the following sources were reported:

	Deferred outflows of resources	Deferred inflows of resources
Governmental activities		
Differences between expected and actual experience	\$ 233,955	\$ 1,556,657
Change of assumptions	192,766	265,591
Net difference between projected and actual earnings on OPEB plan investments	-	-
Employer contributions subsequent to the measurement date	-	-
Change in proportion	200,224	17,307
Total	\$ 626,945	\$ 1,839,555
Component unit - Authority		
Differences between expected and actual experience	\$ 18,494	\$ 123,055
Change of assumptions	15,238	20,995
Net difference between projected and actual earnings on OPEB plan investments	-	-
Employer contributions subsequent to the measurement date	-	-
Change in proportion	36	41,680
Total	\$ 33,768	\$ 185,730
Component unit - Public Schools		
Differences between expected and actual experience	\$ -	\$ 832,939
Change of assumptions	177,928	844,223
Employer contributions subsequent to the measurement date	20,425	-
Total	\$ 198,353	\$ 1,677,162

County of James City, Virginia
Notes to Basic Financial Statements
June 30, 2022

12) Other Post-Employment Benefits (OPEB), Continued

Amounts reported as deferred outflows of resources and deferred inflows of resources related to retiree healthcare OPEB will be recognized in retiree healthcare OPEB expense (recovery) as follows:

Year ended	Governmental Activities	Component unit - Authority	Component unit - Public Schools
2023	\$ (350,497)	\$ (41,952)	\$ (352,789)
2024	(350,499)	(41,951)	(352,790)
2025	(302,742)	(38,140)	(317,821)
2026	(179,957)	(27,619)	(277,145)
2027	29,110	2,301	(198,689)
Thereafter	(58,025)	(4,601)	-
Total	<u>\$ (1,212,610)</u>	<u>\$ (151,962)</u>	<u>\$ (1,499,234)</u>

Virginia Retirement System Plans

In addition to their participation in the pension plans offered through the Virginia Retirement System (VRS), the County, Authority, and Public Schools also participate in various cost-sharing and agent multi-employer other postemployment benefit plans, described as follows.

Plan Description

General Employee Health Insurance Credit Program

All full-time, salaried permanent employees of participating political subdivisions are automatically covered by the VRS Political Subdivision Health Insurance Credit Program (HIC) upon employment. Members earn one month of service credit toward the benefit for each month they are employed and for which their employer pays contributions to VRS. The health insurance credit is a tax-free reimbursement in an amount set by the General Assembly for each year of service credit against qualified health insurance premiums retirees pay for single coverage, excluding any portion covering the spouse or dependents. The credit cannot exceed the amount of the premiums and ends upon the retiree's death. This plan is a multi-employer agent plan.

As of the June 30, 2020, actuarial valuation, the following employees were covered by the benefit terms of the General Employee Health Insurance Credit Program:

	Governmental Activities Number	Component unit- Authority Number	Component unit- Public Schools (non-professional) Number
Inactive members or their beneficiaries currently receiving benefits	174	14	43
Inactive members:			
Vested	11	1	-
Non-vested	-	-	-
Active elsewhere in VRS	-	-	-
Total inactive members	<u>185</u>	<u>15</u>	<u>43</u>
Active members	<u>636</u>	<u>91</u>	<u>224</u>
Total	<u>821</u>	<u>106</u>	<u>267</u>

The specific information for the General Employee Health Insurance Credit program is available at <https://www.varetire.org/retirees/insurance/healthinscredit/index.asp>

12) Other Post-Employment Benefits (OPEB), Continued

Plan Description, Continued

Group Life Insurance Program

All full-time, salaried permanent employees of the state agencies, teachers and employees of participating political subdivisions are automatically covered by the VRS Group Life Insurance (GLI) Program upon employment.

In addition to the Basic Group Life Insurance benefit, members are also eligible to elect additional coverage for themselves as well as a spouse or dependent children through the Optional Group Life Insurance Program. For members who elect the optional group life insurance coverage, the insurer bills employers directly for the premiums. Employers deduct these premiums from members' paychecks and pay the premiums to the insurer. Since this is a separate and fully insured program, it is not included as part of the Group Life Insurance Program OPEB.

The specific information for the GLI is available at <https://www.varetire.org/members/benefits/life-insurance/basic-group-life-insurance.asp>

Public Schools Professional Plan Health Insurance Credit Program

All full-time, salaried permanent (professional) employees of public school divisions are automatically covered by the VRS Teacher Employee Health Insurance Credit (HIC) Program. Members earn one month of service credit toward the benefit for each month they are employed and for which their employer pays contributions to VRS. The health insurance credit is a tax-free reimbursement in an amount set by the General Assembly for each year of service credit against qualified health insurance premiums retirees pay for single coverage, excluding any portion covering the spouse or dependents. The credit cannot exceed the amount of the premiums and ends upon the retiree's death.

The specific information about the Teacher Health Insurance Credit Program is available at <https://www.varetire.org/retirees/insurance/healthinscredit/index.asp>

Virginia Local Disability Program – Public Schools Non-Professional Plan

All full-time, salaried general employees; including local law enforcement officers, firefighters, or emergency medical technicians of political subdivisions who do not provide enhanced hazardous duty benefits; who are in the VRS Hybrid Retirement Plan benefit structure and whose employer has not elected to opt out of the VRS-sponsored program are automatically covered by the VRS Political Subdivision Employee Virginia Local Disability Program. Political subdivisions are required by Title 51.1 of the *Code of Virginia*, as amended to provide short-term and long-term disability benefits for their Hybrid employees either through a local plan or through the Virginia Local Disability Program (VLDP).

The specific information about the Virginia Local Disability Program is available at <https://www.varetirement.org/hybrid/benefits/disability/virginia-local-disability-program.html>

Virginia Local Disability Program – Public Schools Professional Plan

All full-time, salaried permanent (professional) employees of public school divisions who are in the VRS Hybrid Retirement Plan benefit structure and whose employer has not elected to opt out of the VRS-sponsored program are automatically covered by the VRS Teacher Employee Virginia Local Disability Program. School divisions are required by Title 51.1 of the *Code of Virginia*, as amended to provide short-term and long-term disability benefits for their Hybrid employees either through a local plan or through the Virginia Local Disability Program (VLDP).

The specific information about the Virginia Local Disability Program is available at <https://www.varetirement.org/hybrid/benefits/disability/virginia-local-disability-program.html>

County of James City, Virginia
Notes to Basic Financial Statements
June 30, 2022

12) Other Post-Employment Benefits (OPEB), Continued

Plan Description, Continued

The GLI, Teacher HIC, VLDP non-professional, and Teacher VLDP are administered by the VRS along with pensions and other OPEB plans, for public employer groups in the Commonwealth of Virginia. All of these plans are considered multiple employer, cost sharing plans.

Contributions

Contributions to the VRS OPEB programs were based on actuarially determined rates from actuarial valuations as of June 30, 2020. The actuarially determined rates were expected to finance the cost of benefits earned by employees during the year, with an additional amount to fund any unfunded accrued liability. Specific details related to the contributions for the VRS OPEB programs are as follows:

General Employee Health Insurance Credit Program

	Governmental Activities	Component unit - Authority	Component unit - Public Schools (non- professional)
Governed by	<i>Code of Virginia</i> 51.1-1401(E) and may be impacted as a result of funding provided to governmental agencies by the Virginia General Assembly		
Total rate of employee compensation	0.22%	0.18%	0.17%
June 30, 2022 Contribution	\$ 82,163	\$ 9,358	\$ 16,404
June 30, 2021 Contribution	\$ 78,543	\$ 8,417	\$ 9,444

Group Life Insurance Program

	Governmental Activities	Component unit - Authority	Component unit - Public Schools (non- professional)
Governed by	<i>Code of Virginia</i> 51.1-506 and 51.1-508 and may be impacted as a result of funding provided to governmental agencies by the Virginia General Assembly		
Total rate of employee compensation*	1.34%		
June 30, 2022 Contribution	\$ 230,876	\$ 27,864	\$ 461,132
June 30, 2021 Contribution	\$ 219,323	\$ 25,063	\$ 427,530

*Rate is allocated 60/40; 0.80% employee and 0.54% employer. Employers may elect to pay all or part of the employee contribution.

County of James City, Virginia
Notes to Basic Financial Statements
June 30, 2022

12) Other Post-Employment Benefits (OPEB), Continued

Public Schools Professional Plan Health Insurance Credit Program

**Component unit - Public
Schools (professional)**

Governed by	<i>Code of Virginia 51.1-1401(E)</i> and may be impacted as a result of funding provided to school divisions by the Virginia General Assembly.
Total rate of employee compensation	1.21%
June 30, 2022 Contribution	\$ 965,285
June 30, 2021 Contribution	\$ 890,724

Virginia Local Disability Program – Public Schools Non-Professional Plan

**Component unit - Public
Schools (non-professional)**

Governed by	<i>Code of Virginia 51.1-1178(C)</i> and may be impacted as a result of funding provided to political subdivisions by the Virginia General Assembly.
Total rate of employee compensation	0.83%
June 30, 2022 Contribution	\$ 21,838
June 30, 2021 Contribution	\$ 18,585

Virginia Local Disability Program – Public Schools Professional Plan

**Component unit - Public
Schools (professional)**

Governed by	<i>Code of Virginia 51.1-1178(C)</i> and may be impacted as a result of funding provided to school divisions by the Virginia General Assembly.
Total rate of employee compensation	0.47%
June 30, 2022 Contribution	\$ 123,435
June 30, 2021 Contribution	\$ 92,336

County of James City, Virginia
Notes to Basic Financial Statements
June 30, 2022

12) Other Post-Employment Benefits (OPEB), Continued

VRS OPEB Liabilities, VRS OPEB Expense and Deferred Inflows and Outflows of Resources Related to VRS OPEB

The net VRS OPEB liabilities were measured as of June 30, 2021, and the total VRS OPEB liabilities used to calculate the net VRS OPEB liabilities were determined by actuarial valuations performed as of June 30, 2020, and rolled forward to the measurement date of June 30, 2021.

General Employee Health Insurance Credit Program

Changes in net OPEB liability of the General Employee Health Insurance Credit Program were as follows:

	Total OPEB - HIC liability (a)	Increase (decrease) Plan fiduciary net position (b)	Net OPEB - HIC liability (asset) (a) - (b)
Governmental activities			
Balances at June 30, 2020	\$ 1,455,016	\$ 735,847	\$ 719,169
Changes for the year:			
Service cost	29,856	-	29,856
Interest	94,908	-	94,908
Changes in benefit terms	-	-	-
Changes of assumptions	26,493	-	26,493
Difference between expected and actual experience	(10,093)	-	(10,093)
Contributions - employer	-	78,543	(78,543)
Contributions - employee	-	-	-
Net investment income	-	191,205	(191,205)
Benefit payments, including refunds of employee contributions	(97,936)	(97,936)	-
Administrative expenses	-	(2,217)	2,217
Other changes	-	-	-
Net changes	43,228	169,595	(126,367)
Balances at June 30, 2021	\$ 1,498,244	\$ 905,442	\$ 592,802
Component unit - Authority			
Balances at June 30, 2020	\$ 174,022	\$ 115,327	\$ 58,695
Changes for the year:			
Service cost	3,338	-	3,338
Interest	11,465	-	11,465
Changes in benefit terms	-	-	-
Changes of assumptions	919	-	919
Difference between expected and actual experience	(13,932)	-	(13,932)
Contributions - employer	-	8,417	(8,417)
Contributions - employee	-	-	-
Net investment income	-	30,356	(30,356)
Benefit payments, including refunds of employee contributions	(8,357)	(8,357)	-
Administrative expenses	-	(362)	362
Other changes	-	-	-
Net changes	(6,567)	30,054	(36,621)
Balances at June 30, 2021	\$ 167,455	\$ 145,381	\$ 22,074
Component unit - Public Schools (non-professional)			
Balances at June 30, 2020	\$ 363,936	\$ 344,863	\$ 19,073
Changes for the year:			
Service cost	8,696	-	8,696
Interest	23,703	-	23,703
Changes in benefit terms	-	-	-
Changes of assumptions	9,929	-	9,929
Difference between expected and actual experience	6,777	-	6,777
Contributions - employer	-	9,444	(9,444)
Contributions - employee	-	-	-
Net investment income	-	88,482	(88,482)
Benefit payments, including refunds of employee contributions	(25,544)	(25,544)	-
Administrative expenses	-	(1,007)	1,007
Other changes	-	-	-
Net changes	23,561	71,375	(47,814)
Balances at June 30, 2021	\$ 387,497	\$ 416,238	\$ (28,741)

In addition, for the year ended June 30, 2022, the County, Authority, and Public Schools recognized OPEB expense (recovery) of \$69,151, (\$644), and (\$2,557), respectively, related to the General Employee Health Insurance Credit Program.

County of James City, Virginia
Notes to Basic Financial Statements
June 30, 2022

12) Other Post-Employment Benefits (OPEB), Continued

VRS OPEB Liabilities, VRS OPEB Expense and Deferred Inflows and Outflows of Resources Related to VRS OPEB, Continued

The covered employer's proportion of the net OPEB liabilities were based on the covered employer's actuarially determined employer contributions for the year ended June 30, 2021, relative to the total of the actuarially determined employer contributions for all participating employers.

Group Life Insurance Program

	Governmental Activities	Component unit - Authority	Component unit - Public Schools (professional)	Component unit - Public Schools (non- professional)
June 30, 2022 proportionate share of Liability	\$ 2,310,729	\$ 263,708	\$	4,497,463
June 30, 2021 proportion	0.19847%	0.02265%	0.35894%	0.02735%
June 30, 2020 proportion	0.19670%	0.02274%	0.36879%	0.02965%
June 30, 2022 expense	\$ 65,135	\$ 10,997	\$	143,351

Public Schools Professional Plan Health Insurance Credit Program

	Component unit - Public Schools (professional)
June 30, 2022 proportionate share of Liability	\$ 10,682,633
June 30, 2021 proportion	0.83226%
June 30, 2020 proportion	0.86058%
June 30, 2022 expense	\$ 788,901

Virginia Local Disability Program – Public Schools Non-Professional Plan

	Component unit - Public Schools (non-professional)
June 30, 2022 proportionate share of Liability	\$ (5,643)
June 30, 2021 proportion	0.55743%
June 30, 2020 proportion	0.65040%
June 30, 2022 expense	\$ 15,182

Virginia Local Disability Program – Public Schools Professional Plan

	Component unit - Public Schools (professional)
June 30, 2022 proportionate share of Liability	\$ (20,553)
June 30, 2021 proportion	2.91940%
June 30, 2020 proportion	3.13334%
June 30, 2022 expense	\$ 69,023

Given that there was a change in proportionate share between measurement dates, a portion of the VRS OPEB expense above was related to deferred amount from changes in proportion.

County of James City, Virginia
Notes to Basic Financial Statements
June 30, 2022

12) Other Post-Employment Benefits (OPEB), Continued

VRS OPEB Liabilities, VRS OPEB Expense and Deferred Inflows and Outflows of Resources Related to VRS OPEB, Continued

At June 30, 2022, the County, Authority, and Public Schools reported deferred outflows of resources and deferred inflows of resources related to VRS OPEB from the following sources:

General Employee Health Insurance Credit Program

	Deferred outflows of resources	Deferred inflows of resources
Governmental activities		
Differences between expected and actual experience	\$ 46,323	\$ 8,617
Change of assumptions	42,958	3,076
Net difference between projected and actual earnings on OPEB plan investments	-	91,897
Employer contributions subsequent to the measurement date	82,163	-
Total	<u>\$ 171,444</u>	<u>\$ 103,590</u>
Component unit - Authority		
Differences between expected and actual experience	\$ -	\$ 17,048
Change of assumptions	3,036	1,144
Net difference between projected and actual earnings on OPEB plan investments	-	14,634
Employer contributions subsequent to the measurement date	9,358	-
Total	<u>\$ 12,394</u>	<u>\$ 32,826</u>
Component unit - Public Schools (non-professional)		
Differences between expected and actual experience	\$ 5,501	\$ 6,250
Change of assumptions	11,437	1,445
Net difference between projected and actual earnings on OPEB plan investments	-	42,138
Employer contributions subsequent to the measurement date	16,404	-
Total	<u>\$ 33,342</u>	<u>\$ 49,833</u>

Group Life Insurance Program

	Deferred outflows of resources	Deferred inflows of resources
Governmental activities		
Differences between expected and actual experience	\$ 263,547	\$ 17,606
Change of assumptions	127,390	316,157
Net difference between projected and actual earnings on OPEB plan investments	-	551,522
Changes in proportionate share	38,624	162,324
Employer contributions subsequent to the measurement date	230,876	-
Total	<u>\$ 660,437</u>	<u>\$ 1,047,609</u>
Component unit - Authority		
Differences between expected and actual experience	\$ 30,077	\$ 2,009
Change of assumptions	14,538	36,081
Net difference between projected and actual earnings on OPEB plan investments	-	62,941
Changes in proportionate share	3,435	1,761
Employer contributions subsequent to the measurement date	27,864	-
Total	<u>\$ 75,914</u>	<u>\$ 102,792</u>
Component unit - Public Schools		
Differences between expected and actual experience	\$ 512,952	\$ 34,268
Change of assumptions	247,944	615,349
Net difference between projected and actual earnings on OPEB plan investments	-	1,073,448
Changes in proportionate share	82,600	240,472
Employer contributions subsequent to the measurement date	461,132	-
Total	<u>\$ 1,304,628</u>	<u>\$ 1,963,537</u>

County of James City, Virginia
Notes to Basic Financial Statements
June 30, 2022

12) Other Post-Employment Benefits (OPEB), Continued

VRS OPEB Liabilities, VRS OPEB Expense and Deferred Inflows and Outflows of Resources Related to VRS OPEB, Continued

Public Schools Professional Plan Health Insurance Credit Program

<u>Component Unit - Public Schools (professional)</u>	<u>Deferred outflows of resources</u>	<u>Deferred inflows of resources</u>
Differences between expected and actual experience	\$ -	\$ 186,411
Change of assumptions	288,771	42,933
Net difference between projected and actual earnings on OPEB plan investments	-	140,722
Changes in proportionate share	100,012	451,259
Employer contributions subsequent to the measurement date	965,285	-
Total	<u>\$ 1,354,068</u>	<u>\$ 821,325</u>

Virginia Local Disability Program – Public Schools Non-Professional Plan

<u>Component Unit - Public Schools non-professional</u>	<u>Deferred outflows of resources</u>	<u>Deferred inflows of resources</u>
Differences between expected and actual experience	\$ 3,352	\$ 8,454
Change of assumptions	192	1,530
Net difference between projected and actual earnings on OPEB plan investments	-	3,148
Changes in proportionate share	22	1,240
Employer contributions subsequent to the measurement date	21,838	-
Total	<u>\$ 25,404</u>	<u>\$ 14,372</u>

Virginia Local Disability Program – Public Schools Professional Plan

<u>Component Unit - Public Schools professional</u>	<u>Deferred outflows of resources</u>	<u>Deferred inflows of resources</u>
Differences between expected and actual experience	\$ 10,277	\$ 11,422
Change of assumptions	11,155	-
Net difference between projected and actual earnings on OPEB plan investments	-	16,352
Changes in proportionate share	-	1,811
Employer contributions subsequent to the measurement date	123,435	-
Total	<u>\$ 144,867</u>	<u>\$ 29,585</u>

The deferred outflows of resources related to VRS OPEB resulting from the County's, Authority's and Public School's contributions subsequent to the measurement date will be recognized as a reduction of the net VRS OPEB liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to VRS OPEB will be recognized in VRS OPEB expense (recovery) as follows on the next page:

County of James City, Virginia
Notes to Basic Financial Statements
June 30, 2022

12) Other Post-Employment Benefits (OPEB), Continued

VRS OPEB Liabilities, VRS OPEB Expense and Deferred Inflows and Outflows of Resources Related to VRS OPEB, Continued

General Employee Health Insurance Credit Program

Year ended	Governmental Activities	Component unit - Authority	Component unit - Public Schools (non-professional)
2023	\$ (3,306)	\$ (7,234)	\$ (10,072)
2024	(3,097)	(7,214)	(7,220)
2025	(2,361)	(6,705)	(6,538)
2026	(13,006)	(6,738)	(10,041)
2027	5,443	(1,899)	976
Thereafter	2,018	-	-
Total	<u>\$ (14,309)</u>	<u>\$ (29,790)</u>	<u>\$ (32,895)</u>

Group Life Insurance Program

Year ended	Governmental Activities	Component unit - Authority	Component unit - Public Schools
2023	\$ (143,367)	\$ (12,798)	\$ (262,463)
2024	(119,578)	(9,626)	(211,316)
2025	(123,068)	(9,292)	(193,216)
2026	(197,876)	(19,184)	(359,437)
2027	(34,159)	(3,842)	(93,609)
Thereafter	-	-	-
Total	<u>\$ (618,048)</u>	<u>\$ (54,742)</u>	<u>\$ (1,120,041)</u>

Public Schools Professional Plan Health Insurance Credit Program

Year ended	Component unit - Public Schools (professional)
2023	\$ (94,184)
2024	(95,782)
2025	(85,775)
2026	(65,597)
2027	(32,836)
Thereafter	(58,368)
Total	<u>\$ (432,542)</u>

Virginia Local Disability Program – Public Schools Non-Professional Plan

Year ended	Component unit - Public Schools (non-professional)
2023	\$ (1,580)
2024	(1,569)
2025	(1,616)
2026	(2,866)
2027	(972)
Thereafter	(2,203)
Total	<u>\$ (10,806)</u>

County of James City, Virginia
Notes to Basic Financial Statements
June 30, 2022

12) Other Post-Employment Benefits (OPEB), Continued

VRS OPEB Liabilities, VRS OPEB Expense and Deferred Inflows and Outflows of Resources Related to VRS OPEB, Continued

Virginia Local Disability Program – Public Schools Professional Plan

Year ended	Component unit - Public Schools (professional)
2023	\$ (3,427)
2024	(3,447)
2025	(3,419)
2026	(4,048)
2027	503
Thereafter	5,685
Total	<u>\$ (8,153)</u>

Actuarial Assumptions

The total VRS OPEB liability was determined using the following assumptions based on an actuarial valuation date of June 30, 2020, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2021:

Inflation	2.50%
Salary increases, including inflation:	
Locality – General employees	3.50% – 5.35%
Locality – Hazardous duty employees	3.50% – 4.75%
Teachers	3.50% – 5.95%
Healthcare cost trend rates:	
Under age 65	7.00% – 4.75%
Ages 65 and older	5.375% – 4.75%
Investment rate of return	GLI & HIC: 6.75%; net of investment expenses, including inflation*

* Administrative expenses as a percent of the market value of assets for the last experience study were found to be approximately 0.06% of the market assets for all of the VRS plans. This would provide an assumed investment rate for GASB purposes of slightly more than the assumed percent above. However, since the difference was minimal, and a more conservative 6.75% investment return assumption provided a projected plan net position that exceeded the projected benefit payments, the long-term expected rate of return on investments was assumed to be the percent noted above to simplify preparation of OPEB liabilities.

Mortality rates used for the various VRS OPEB plans are the same as those used for the actuarial valuations of the VRS pension plans. The mortality rates are discussed in detail at Note 11.

Net VRS OPEB Liabilities

The net VRS OPEB liabilities represent each program's total OPEB liability determined in accordance with GASB Statement No. 74, less the associated fiduciary net position. As of the measurement date of June 30, 2021, net OPEB liability amounts for the various VRS OPEB programs are as follows (amounts expressed in thousands):

	Group Life Insurance OPEB Program	Public Schools Professional HIC OPEB Plan	VLDP - Public Schools Non- Professional Plan	VLDP - Public Schools Professional Plan
Total OPEB Liability	\$ 3,577,346	\$ 1,477,874	\$ 5,156	\$ 4,884
Plan Fiduciary Net Position	2,413,074	194,305	6,166	5,590
Employers' Net OPEB Liability (Asset)	<u>\$ 1,164,272</u>	<u>\$ 1,283,569</u>	<u>\$ (1,010)</u>	<u>\$ (706)</u>
Plan Fiduciary Net Position as a % of the Total OPEB Liability	67.45%	13.15%	119.59%	114.46%

County of James City, Virginia
Notes to Basic Financial Statements
June 30, 2022

12) Other Post-Employment Benefits (OPEB), Continued

The total liability is calculated by the VRS actuary and each plan's fiduciary net position is reported in the VRS financial statements. The net OPEB liability is disclosed in accordance with the requirements of GASB Statement No. 74 in the VRS notes to the financial statements and required supplementary information.

Long-Term Expected Rate of Return

The long-term expected rate of return on VRS investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimate of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class (Strategy)	Target Allocation	Arithmetic Long-Term Expected Rate of Return	Weighted Average Long-Term Expected Rate of Return
Public Equity	34.00%	5.00%	1.70%
Fixed Income	15.00%	0.57%	0.09%
Credit Strategies	14.00%	4.49%	0.63%
Real Assets	14.00%	4.76%	0.67%
Private Equity	14.00%	9.94%	1.39%
MAPS - Multi-Asset Public Strategies	6.00%	3.29%	0.20%
PIP - Private Onvestment Partnership	3.00%	6.84%	0.21%
Total	100.00%		4.89%
		Inflation	2.50%
		* Expected arithmetic nominal return	7.39%

* The above allocation provides for a one-year return of 7.39%. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected rate of return for the system, stochastic projections are employed to model future returns under various economic conditions. The results provide a range of returns over various time periods that ultimately provide a median return of 6.94%, including expected inflation of 2.50%. On October 10, 2019, the VRS Board elected a long-term rate of 6.75% which was roughly at the 40th percentile of expected long-term results of the VRS fund asset allocation at that time, providing a median return of 7.11%, including expected inflation of 2.50%.

Discount Rate

The discount rate used to measure the total VRS OPEB liabilities was 6.75%. The projection of cash flows used to determine the discount rate assumed that System member contributions will be made per the VRS Guidance and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Through the fiscal year ending June 30, 2021, the rate contributed by the employer for the OPEB liabilities will be subject to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly. From July 1, 2021 on, participating employers are assumed to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the OPEB plans' fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total OPEB liability.

Sensitivity of the Net VRS OPEB Liability to Changes in the Discount Rate

The following presents the employer's proportionate share of the net VRS OPEB liability using the discount rate of 6.75%, as well as what the employer's proportionate share of the net VRS OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate:

County of James City, Virginia
Notes to Basic Financial Statements
June 30, 2022

12) Other Post-Employment Benefits (OPEB), Continued

Sensitivity of the Net VRS OPEB Liability to Changes in the Discount Rate, Continued

General Employee Health Insurance Credit Program

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Governmental activities			
Net OPEB liability	\$ 763,559	\$ 592,802	\$ 448,661
Component unit - Authority			
Net OPEB liability	\$ 40,888	\$ 22,074	\$ 6,158
Component unit - Public Schools (non-professional)			
Net OPEB liability (Asset)	\$ 11,764	\$ (28,741)	\$ (63,417)

Group Life Insurance Program

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Governmental activities			
Net OPEB liability	\$ 3,376,059	\$ 2,310,729	\$ 1,450,427
Component unit - Authority			
Net OPEB liability	\$ 385,286	\$ 263,708	\$ 165,527
Component unit - Public Schools			
Net OPEB liability	\$ 6,570,957	\$ 4,497,463	\$ 2,823,023

Public Schools Professional Plan Health Insurance Credit Program

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Component unit - Public Schools (professional)			
Net OPEB liability	\$ 12,025,683	\$ 10,682,633	\$ 9,546,091

Virginia Local Disability Program – Public Schools Non-Professional Plan

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Component unit - Public Schools (non-professional)			
Net OPEB liability (asset)	\$ (3,023)	\$ (5,643)	\$ (7,915)

Virginia Local Disability Program – Public Schools Professional Plan

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Component unit - Public Schools (professional)			
Net OPEB liability (asset)	\$ (3,084)	\$ (20,553)	\$ (35,909)

County of James City, Virginia
Notes to Basic Financial Statements
June 30, 2022

12) Other Post-Employment Benefits (OPEB), Continued

OPEB Plan Fiduciary Net Position

Information about the various VRS OPEB plan fiduciary net position is available in the separately issued VRS 2021 Annual Financial Report (Annual Report). A copy of the 2021 VRS Annual Report may be downloaded from the VRS website at <http://www.varetire.org/Pdf/Publications/2021-annual-report.pdf>, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

Payables to the OPEB Plan

At June 30, 2022, the following amounts were payable to the Virginia Retirement System for the legally required contributions related to June 2021 payroll:

- Public Schools Group Life Insurance Program: \$109,229
- Public Schools (Professional) Teacher HIC Program: \$91,920
- Public Schools (Non-Professional) HIC Program: \$1,433
- Public Schools (Professional) Teacher VLDP Plan: \$12,060
- Public Schools (Non-Professional) VLDP Plan: \$2,011

<i>OPEB Expense – Aggregate Information</i>
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The total amount of expense (recovery) recognized by the County, the Authority, and the Public Schools for their OPEB plans is summarized below for fiscal year 2022:

	Governmental activities	Authority	Public Schools
Retiree healthcare	\$ 86,616	\$ (7,398)	\$ 458,248
Group life insurance	65,135	10,997	143,351
General employee health insurance credit program	69,151	(644)	(2,557)
Public Schools professional plan health insurance credit program	-	-	788,901
Public Schools non-professional Virginia local disability program	-	-	15,182
Public Schools professional Virginia local disability program	-	-	69,023
Total	\$ 220,902	\$ 2,955	\$ 1,472,148

13) Deferred Compensation Plan

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code (IRC) Section 457. The plan, available to permanent part-time and full-time County and Authority employees, permits them to defer 25% of their gross income up to the maximum allowable by the IRC (\$20,500 in 2022). The deferred compensation is not available to employees until termination, retirement, death or an unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are held in trust for the participants. The County sponsors the plan with the choice of investment options being made by the participants.

14) Related-Party Transactions

Certain financial management, accounting, and other services are provided to the Authority by the County. The charges for these services amounted to \$1,012,440 for the year ended June 30, 2022. In addition, the County leases space in Authority's buildings under a long-term agreement. This lease is discussed further in Note 17.

In April 2013, the County entered into a memorandum of understanding (MOU) with the Schools to provide risk management services. The MOU had an initial term of one year with the option of renewal for four additional one year terms and is currently on a monthly basis.

County of James City, Virginia
Notes to Basic Financial Statements
June 30, 2022

15) Risk Management

The County reports all of its risk management expenditures in the General Fund. There were no settlements in excess of the insurance coverage in any of the three prior fiscal years.

The County maintains surety coverage for principal officials through the Virginia Association of Counties Self Insurance Risk Pool. Surety coverage is provided under the general liability coverage with a limit of \$9,000,000. All elected officials, appointed officials, members of all appointed governing bodies, employees and volunteers are covered while acting within the scope of their duties with the County.

The County is subject to certain claims that arise in the ordinary course of operations. Many of these claims are in the early stages of the evaluation process. Accordingly, it is not possible at the present time to estimate the ultimate legal and financial liability, if any, with respect to certain lawsuits or other proceedings. In the opinion of management, after consultation with counsel, the eventual outcome of such claims has not yet been determined probable to have a material adverse effect on the County's operations or financial position.

16) Commitments and Contingencies

Construction in Progress

At June 30, 2022, the County and Authority had several major projects under construction which are presented in the accompanying financial statements as construction in progress. Below are the financial details.

<u>Project</u>	<u>Budget</u>	<u>Expenditures to date</u>	<u>Balance of contract</u>	<u>Budget balance</u>
Primary government - Governmental activities				
General government admin.	\$ 4,269,559	\$ 65,887	\$ 81,379	\$ 4,122,293
Public safety	5,655,573	1,699,959	1,006,379	2,949,235
Public works	6,968,493	656,520	906,619	5,405,354
Judicial administration	308,700	-	250,000	58,700
Community development	12,671,318	4,083,890	356,223	8,231,205
Parks, recreation and cultural	6,467,263	3,623,914	705,625	2,137,724
Total	<u>\$ 36,340,906</u>	<u>\$ 10,130,170</u>	<u>\$ 3,306,225</u>	<u>\$ 22,904,511</u>
Component unit - Authority				
Sewer improvements	\$ 5,919,265	\$ 1,456,645	\$ 564,865	\$ 3,897,755
Water supply	7,950,203	1,862,274	505,471	5,582,458
Water distribution	13,787,716	4,424,297	6,571,522	2,791,897
Water transmission	1,027,332	865,183	1,836	160,313
Water storage	185,620	-	-	185,620
Other	5,748,974	145,134	118,230	5,485,610
Total	<u>\$ 34,619,110</u>	<u>\$ 8,753,533</u>	<u>\$ 7,761,924</u>	<u>\$ 18,103,653</u>

Encumbrances

As previously discussed, encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end the amount of encumbrances expected to be honored upon performance by the vendor in the next year were as follows:

General fund	\$ 1,767,841
Capital projects	3,306,225
Grants and special projects	490,877
Nonmajor governmental	105,912
Total	<u>\$ 5,670,855</u>

County of James City, Virginia
Notes to Basic Financial Statements
June 30, 2022

16) Commitments and Contingencies, Continued

Advances for Construction

The Authority records advances for construction representing two separate agreement types. Funds can be advanced by developers for the construction of specific facilities. These agreements call for rebates, up to the amount advanced, and have no expiration date. Developers can also construct a facility, dedicate it to the Authority and receive rebates up to the cost of the facility for up to 10 years. The Authority no longer enters into these types of agreements. At June 30, 2021, the Authority had \$32,902 outstanding in advances for construction.

Other

The County and the Public Schools participate in a number of federal awards. Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the County expects such amounts, if any, to be immaterial.

The County, the Public Schools and the EDA are currently not involved in any litigation in which management deems any potential impact would be material to their respective financial statements.

17) Leases

The County implemented GASB 87 in fiscal year 2022, and the County's lease assets and liabilities in its role as a lessee, and its lease receivable and deferred inflow of resources in its role as a lessor were determined as of the start of the fiscal year. Restated balances as of July 1, 2021, are provided in Note 20.

Lease Receivable

The County leases approximately 155 acres of its property at 2285 Greensprings Road to Renwood Farms, Inc. The term of this lease is estimated to run through December 2022, and the County receives annual payments of \$14,725 each year. The discount rate for this lease is 3.0% annually. The County recognized \$14,511 of lease revenue during fiscal year 2022 related to this lease, which is included in revenues from use of money and property on the statement of revenues, expenditures, and changes in fund balance. As of June 30, 2022, the County's receivable for lease payments was \$14,296. Also, the County has a deferred inflow of resources associated with this lease that will be recognized as revenue on a straight-line basis over the lease term. As of June 30, 2022, the balance of the deferred inflow of resources was \$14,511.

The future payments on this lease as of June 30, 2022, were as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2023	\$ 14,296	\$ 429	\$ 14,725

The County leases approximately 10,000 square feet of its property at 5249 Olde Towne Road to the Williamsburg Area Medical Assistance Corporation. The term of this lease is estimated to run through June 2024, and the County receives quarterly payments which increase by 10.0% each year. The discount rate for this lease is 3.0% annually. The County recognized \$126,541 of lease revenue and \$9,579 of interest revenue during fiscal year 2022 related to this lease, which is included in revenues from use of money and property on the statement of revenues, expenditures, and changes in fund balance. As of June 30, 2022, the County's receivable for lease payments was \$268,531, and the lease interest receivable was \$671. Also, the County has a deferred inflow of resources associated with this lease that will be recognized as revenue on a straight-line basis over the lease term. As of June 30, 2022, the balance of the deferred inflow of resources was \$253,082.

County of James City, Virginia
Notes to Basic Financial Statements
June 30, 2022

17) Leases, Continued

Lease Receivable, Continued

The future payments on this lease as of June 30, 2022, were as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2023	\$ 125,663	\$ 6,337	\$ 132,000
2024	142,868	2,332	145,200
Total	<u>\$ 268,531</u>	<u>\$ 8,669</u>	<u>\$ 277,200</u>

The County leases approximately 2.066 of its property at 5100 Warhill Trail to 757 Swim, Inc. The term of this lease is estimated to run through March 2051, and the County receives monthly payments which increase as specified in the agreement over the term of the lease. The discount rate for this lease is 3.0% annually. The County recognized \$5,490 of lease revenue and \$4,870 of interest revenue during fiscal year 2022 related to this lease, which is included in revenues from use of money and property on the statement of revenues, expenditures, and changes in fund balance. As of June 30, 2022, the County's receivable for lease payments was \$161,797, and the lease interest receivable was \$404. Also, the County has a deferred inflow of resources associated with this lease that will be recognized as revenue on a straight-line basis over the lease term. As of June 30, 2022, the balance of the deferred inflow of resources was \$157,842.

The future payments on this lease as of June 30, 2022, were as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2023	\$ 1,162	\$ 4,838	\$ 6,000
2024	1,197	4,803	6,000
2025	1,324	4,766	6,090
2026	1,550	4,723	6,273
2027	1,788	4,673	6,461
2028-2032	12,981	22,350	35,331
2033-2037	21,131	19,827	40,958
2038-2042	31,561	15,920	47,481
2043-2047	44,795	10,249	55,044
2048-2051	44,308	2,644	46,952
Total	<u>\$ 161,797</u>	<u>\$ 94,793</u>	<u>\$ 256,590</u>

The County leases property at 5720 Warhill Trail to Williamsburg Indoor Sports Complex, LLC. The term of this lease is estimated to run through July 2059, and the County receives monthly payments which increase as specified in the agreement over the term of the lease. The discount rate for this lease is 1.0% annually. The County recognized \$13,179 of lease revenue and \$4,989 of interest revenue during fiscal year 2022 related to this lease, which is included in revenues from use of money and property on the statement of revenues, expenditures, and changes in fund balance. As of June 30, 2022, the County's receivable for lease payments was \$496,799, and the lease interest receivable was \$414. Also, the County has a deferred inflow of resources associated with this lease that will be recognized as revenue on a straight-line basis over the lease term. As of June 30, 2022, the balance of the deferred inflow of resources was \$488,713.

County of James City, Virginia
Notes to Basic Financial Statements
June 30, 2022

17) Leases, Continued

Lease Receivable, Continued

The future payments on this lease as of June 30, 2022, were as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2023	\$ 4,722	\$ 4,946	\$ 9,668
2024	4,769	4,899	9,668
2025	4,962	4,851	9,813
2026	5,308	4,800	10,108
2027	5,666	4,745	10,411
2028-2032	34,157	22,772	56,929
2033-2037	45,196	20,801	65,997
2038-2042	58,280	18,228	76,508
2043-2047	73,749	14,945	88,694
2048-2052	91,999	10,822	102,821
2053-2057	113,488	5,708	119,196
2058-2059	54,503	599	55,102
Total	<u>\$ 496,799</u>	<u>\$ 118,116</u>	<u>\$ 614,915</u>

The County leases six cell towers on various properties to different communication companies. The terms of these leases are expected to run over varying periods of time, expiring as early as October 2023 and as late as April 2041. Payments are made monthly for each lease and increase by 3.0% annually. The discount rate for these leases is 3.0% annually. The County recognized \$172,974 of lease revenue and \$61,745 of interest revenue during fiscal year 2022 related to these leases, which is included in revenues from use of money and property on the statement of revenues, expenditures, and changes in fund balance. As of June 30, 2022, the County's receivable for lease payments related to the cell towers was \$2,005,849, and the lease interest receivable was \$5,015. Also, the County has a deferred inflow of resources associated with this lease that will be recognized as revenue on a straight-line basis over the lease term. As of June 30, 2022, the balance of the deferred inflow of resources was \$1,949,234.

The future payments on this lease as of June 30, 2022, were as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2023	\$ 122,857	\$ 58,512	\$ 181,369
2024	116,647	54,834	171,481
2025	117,563	51,397	168,960
2026	126,278	47,752	174,030
2027	135,411	43,840	179,251
2028-2032	779,838	150,646	930,484
2033-2037	341,834	63,237	405,071
2038-2041	265,421	15,527	280,948
Total	<u>\$ 2,005,849</u>	<u>\$ 485,745</u>	<u>\$ 2,491,594</u>

Leases Payable

The County is a lessee of twenty-three copiers, the terms of which end at varying points from July 2022 through February 2027 depending on when the equipment was placed in service. The discount rate for these leases is 3.0% annually. As of June 30, 2022, the County has a lease liability for this copier equipment of \$111,364, and interest payable of \$279. The County is required to make monthly principal and interest payments of \$6,000 for the twenty-three copiers. The value of the right-to-use assets is \$110,320, which is net of accumulated amortization and amortization expense of \$64,444, as of and for the year ended June 30, 2022.

County of James City, Virginia
Notes to Basic Financial Statements
June 30, 2022

17) Leases, Continued

Lease Payable, Continued

The future principal and interest lease payments for this lease as of June 30, 2022, were as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2023	\$ 53,899	\$ 2,535	\$ 56,434
2024	25,369	1,317	26,686
2025	18,412	703	19,115
2026	11,357	221	11,578
2027	2,327	21	2,348
Total	<u>\$ 111,364</u>	<u>\$ 4,797</u>	<u>\$ 116,161</u>

The County is a lessee of three postage machines, the terms of which end in June 2023, November 2025, and March 2026. The discount rate for these leases is 3.0% annually. As of June 30, 2022, the County has a lease liability for this equipment of \$43,288, and interest payable of \$117. The County is required to make monthly principal and interest payments of \$1,321 for the three postage machines. The value of the right-to-use assets is \$42,589, which is net of accumulated amortization and amortization expense of \$14,937, as of and for the year ended June 30, 2022.

The future principal and interest lease payments for this lease as of June 30, 2022, were as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2023	\$ 14,755	\$ 1,023	\$ 15,778
2024	10,533	712	11,245
2025	10,853	391	11,244
2026	7,147	82	7,229
Total	<u>\$ 43,288</u>	<u>\$ 2,208</u>	<u>\$ 45,496</u>

The County is a lessee of taser and camera equipment for public safety, and the terms of these leases run through May 2027 and April 2027, respectively. The discount rate for these leases is 3.0% annually. As of June 30, 2022, the County has a lease liability for this equipment of \$26,306, and interest payable of \$66. The County is required to make monthly principal and interest payments of \$483 for this equipment. The value of the right-to-use assets is \$26,328, which is net of accumulated amortization and amortization expense of \$606, as of and for the year ended June 30, 2022.

The future principal and interest lease payments for this lease as of June 30, 2022, were as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2023	\$ 5,073	\$ 721	\$ 5,794
2024	5,228	566	5,794
2025	5,387	407	5,794
2026	5,551	243	5,794
2027	5,067	74	5,141
Total	<u>\$ 26,306</u>	<u>\$ 2,011</u>	<u>\$ 28,317</u>

County of James City, Virginia
Notes to Basic Financial Statements
June 30, 2022

17) Leases, Continued

Lease Payable, Continued

The County is a lessee of approximately 3,600 square feet of property at 129 Industrial Boulevard. The term of this lease runs through June 2054. The discount rate for this lease is 3.0% annually. As of June 30, 2022, the County has a lease liability for this property of \$430,768, and interest payable of \$1,077. The County is required to make monthly principal and interest payments of \$1,606 for the property, and payments increase by 3.0% every five years. The value of the right-to-use assets is \$424,836, which is net of accumulated amortization and amortization expense of \$13,276, as of and for the year ended June 30, 2022.

The future principal and interest lease payments for this lease as of June 30, 2022, were as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2023	\$ 6,441	\$ 12,835	\$ 19,276
2024	6,637	12,639	19,276
2025	7,425	12,429	19,854
2026	7,651	12,203	19,854
2027	7,883	11,971	19,854
2028-2032	45,030	56,027	101,057
2033-2037	55,572	48,516	104,088
2038-2042	67,916	39,295	107,211
2043-2047	82,356	28,071	110,427
2048-2052	99,233	14,507	113,740
2053-2054	44,624	1,408	46,032
Total	<u>\$ 430,768</u>	<u>\$ 249,901</u>	<u>\$ 680,669</u>

The County is a lessee of property at 107 Tewning Road. The term of this lease runs through June 2024. The discount rate for this lease is 2.0% annually. As of June 30, 2022, the County has a lease liability for this property of \$167,841, and interest payable of \$280. The County is required to make monthly principal and interest payments of \$7,140 for the property. The value of the right-to-use assets is \$166,463, which is net of accumulated amortization and amortization expense of \$83,232, as of and for the year ended June 30, 2022.

The future principal and interest lease payments for this lease as of June 30, 2022, were as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2023	\$ 83,082	\$ 2,598	\$ 85,680
2024	84,759	921	85,680
Total	<u>\$ 167,841</u>	<u>\$ 3,519</u>	<u>\$ 171,360</u>

18) Tax Abatements

The EDA negotiates tax abatements as part of the Enterprise Zone Grant Program, the purpose of which is to bring new commercial and industrial businesses to the County. To be eligible for this program, the business must be located in one of the two Enterprise Zones in the County and make a capital investment of \$500,000 or more in a commercial or industrial project. Depending on the investment, the taxes abated are Real Estate or Machinery & Tools. The abatement is determined by taking the improvement value of the tax assessment for qualified capital investments and applying the following percentages:

	Real Estate	Machinery & Tools
Year 1	0.45%	0.50%
Year 2	0.36%	0.40%
Year 3	0.27%	0.30%
Year 4	0.18%	0.20%
Year 5	0.09%	0.10%

As of June 30, 2022, the County had 4 tax abatement agreements for Real Estate taxes as follows:

<u>Tax Abatement Program</u>	<u>Tax Amount Abated</u>
Enterprise Zone Grant Program - Real Estate	<u>\$ 1,284</u>

County of James City, Virginia
Notes to Basic Financial Statements
June 30, 2022

19) COVID-19

During fiscal year 2022, the novel coronavirus disease (COVID-19) impacted the operational and financial activities of the County. Costs were incurred to address the pandemic, and relief funding was received to support recovery.

In June and August 2020, the County received two allocations from the State totaling \$13,352,674 for its share of Coronavirus Aid, Relief, and Economic Security (CARES) Act funding from the federal government. Per guidance from the State and federal government, these funds are to be used for expenditures that are: (1) necessary due to COVID-19, (2) not previously included in the fiscal year 2020 budget, and (3) incurred before December 17, 2021. During fiscal year 2022, the County incurred \$3,250,691 of eligible expenditures under the CARES Act and recognized federal revenue in the same amount. In prior fiscal years, the County utilized \$10,101,983 of CARES Act funding. As of June 30, 2022, the County had no CARES funds remaining.

The County also incurred charges during fiscal year 2022 related to COVID-19 that are eligible for reimbursement by the Federal Emergency Management Agency (FEMA). These costs totaled \$139,258 for fiscal year 2022 and primarily supported personal protective equipment purchases.

In 2021 and 2022, the County received allocations of American Rescue Plan Act (ARPA) funding totaling \$14,863,696. Of this amount, \$219,338 was recognized as federal revenue during fiscal year 2022 to match eligible expenditures incurred, and \$14,644,358 is reported as unearned revenue as of June 30, 2022. The County intends to expend these remaining funds by the federal deadline of December 31, 2026.

In addition, the Virginia Department of Social Services allocated \$13,165 of ARPA funding to the County to enhance and improve adult protective services. These funds are received on a reimbursement basis. During fiscal year 2022, the County expended and recognized as federal revenue \$4,560 from this allocation.

The extent to which COVID-19 may impact the County's operations and financial condition in subsequent fiscal years will depend on future developments, which remain uncertain and cannot be predicted due to the evolving nature of this situation. As a result, the County cannot reasonably estimate the future impact of COVID-19 at this time.

20) Restatement

Certain line items on the County's statement of net position as of the beginning of fiscal year 2022 were restated to reflect adjustments to related to the County's implementation of GASB 87. More information regarding the adjustments can be found in Note 17 and the related balances have been adjusted as follows:

	6/30/2021		7/1/2021
	Previously		As
	Reported	Restatement	Restated
Lease receivable	\$ -	\$ 3,195,475	\$ 3,195,475
Deferred inflow of resources for leases	\$ -	\$ (3,195,475)	\$ (3,195,475)
Lease asset	\$ -	\$ 884,461	\$ 884,461
Lease payable	\$ -	\$ (884,461)	\$ (884,461)

County of James City, Virginia
Notes to Basic Financial Statements
June 30, 2022

20) Restatement, Continued

In addition, the County made adjustments to the fund balance of the Housing and Neighborhood Development Fund and the Grants and Special Projects Fund related to a review of grant funding received in prior years. Certain amounts, originally recognized as revenue in the year received, are restated as unearned revenue until the funding is fully earned. Also, certain prior-year expenditures needed to be reclassified from the Capital Projects Fund to the Grants and Special Projects Fund. The related balances have been adjusted as follows:

	6/30/2021 Previously Reported	Restatement	7/1/2021 As Restated
Exhibits 3 and 4:			
Nonmajor governmental funds			
Unearned revenue	\$ 25,578	\$ 403,774	\$ 429,352
Total fund balance	\$ 7,052,519	\$ (403,774)	\$ 6,648,745
Grants and special projects fund			
Unearned revenue	\$ 10,688,033	\$ 348,788	\$ 11,036,821
Total fund balance	\$ 7,931,593	\$ (485,606)	\$ 7,445,987
Capital projects fund			
Total fund balance	\$ 27,498,775	\$ 136,818	\$ 27,635,593
Exhibits 1 and 2:			
Governmental activities			
Unearned revenue	\$ 11,179,470	\$ 752,562	\$ 11,932,032
Unrestricted net position	\$ 118,340,056	\$ (752,562)	\$ 117,587,494
Total net position	\$ 351,280,886	\$ (752,562)	\$ 350,528,324

21) Subsequent Events

In September 2022, the County sold property at 1637 Green Mount Parkway for approximately \$1.29 million to Greenmount Parkway Williamsburg Propco, LLC. The parcel was 21.2 acres of undeveloped property in the Green Mount Industrial area.

In September 2022, the County purchased property at 3175 Ironbound Road for \$177,323 in order to add nearly two acres to the adjacent Clara Byrd Baker Elementary School property.

In October 2022, the County awarded a contract to Henry S. Branscome, LLC for approximately \$2.17 million to assist with the US 60 Bicycle, Pedestrian, and Safety Improvements Project. The related improvements include the addition of a landscaped median with pedestrian refuges, sidewalk and ADA ramp improvements, crosswalks, striped bike lanes on each side of the road, and storm drainage improvements.

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Required Supplementary Information Other Than MD&A

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County of James City, Virginia
General Fund

The General Fund is the general operating fund of the County, which is used to account for all of the financial resources, except those required to be accounted for in another fund. Revenues are derived primarily from general property taxes, other local taxes, licenses, permits and fees and intergovernmental revenues. Primary expenditures are for public safety, public works, health and human services, parks, recreation and culture, education and the general administration of the County.

County of James City, Virginia

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Unaudited)

General Fund

Year ended June 30, 2022

Fund, major and minor revenue source	Original budget	Final budget	Actual	Variance positive (negative)
Revenue from local sources:				
General property taxes:				
Real property taxes	\$ 105,100,000	\$ 105,100,000	\$ 105,080,024	\$ (19,976)
Real and personal public service corporation property taxes	4,200,000	4,200,000	3,880,908	(319,092)
Personal property taxes	26,860,000	26,860,000	30,134,887	3,274,887
Machinery and tools taxes	6,250,000	6,250,000	6,347,395	97,395
Penalties	725,000	725,000	776,816	51,816
Interest	350,000	350,000	282,216	(67,784)
Total general property taxes	<u>143,485,000</u>	<u>143,485,000</u>	<u>146,502,246</u>	<u>3,017,246</u>
Other local taxes:				
Local sales and use taxes	14,850,000	16,986,745	20,846,612	3,859,867
Franchise license taxes	725,000	725,000	896,434	171,434
Taxes on recordation and wills	1,500,000	1,500,000	2,431,571	931,571
Hotel and motel room taxes	2,200,000	2,964,944	3,474,906	509,962
Restaurant food taxes	6,100,000	6,100,000	8,413,901	2,313,901
Cigarette taxes	900,000	632,700	632,700	-
Deeds of conveyance	425,000	425,000	716,095	291,095
Penalties	-	-	45,659	45,659
Interest	-	-	12,621	12,621
Total other local taxes	<u>26,700,000</u>	<u>29,334,389</u>	<u>37,470,499</u>	<u>8,136,110</u>
Permits, privilege fees and regulatory licenses:				
Animal licenses	12,000	12,000	11,003	(997)
Business licenses	6,730,000	6,730,000	8,209,299	1,479,299
Motor vehicle licenses	200,000	200,000	173,551	(26,449)
Building permits	900,000	900,000	1,134,613	234,613
Permits and other licenses	825,000	825,000	978,872	153,872
Total permits, privilege fees and regulatory licenses	<u>8,667,000</u>	<u>8,667,000</u>	<u>10,507,338</u>	<u>1,840,338</u>
Fines and forfeitures	<u>245,000</u>	<u>248,000</u>	<u>205,478</u>	<u>(42,522)</u>
Use of money and property	<u>205,000</u>	<u>205,000</u>	<u>866,593</u>	<u>661,593</u>
Charges for services:				
Excess fees - Clerk of Court	198,000	198,000	230,935	32,935
Charges for Commonwealth's attorney	6,000	6,000	5,513	(487)
Charges for law enforcement and traffic control	138,000	138,000	142,263	4,263
Charges for emergency medical services	2,000,000	2,000,000	2,309,922	309,922
Charges for parks and recreation	3,269,000	3,269,000	3,347,556	78,556
Recycling fees	925,000	925,000	1,014,631	89,631
Landfill user fees	415,000	415,000	556,680	141,680
Other fees	110,600	110,600	71,199	(39,401)
Total charges for services	<u>7,061,600</u>	<u>7,061,600</u>	<u>7,678,699</u>	<u>617,099</u>
Miscellaneous revenue:				
Sale of property	75,000	75,000	1,940,865	1,865,865
Miscellaneous	120,000	124,000	1,169,849	1,045,849
Total miscellaneous revenue	<u>195,000</u>	<u>199,000</u>	<u>3,110,714</u>	<u>2,911,714</u>
Total revenue from local sources	<u>186,558,600</u>	<u>189,199,989</u>	<u>206,341,567</u>	<u>17,141,578</u>

(Continued)

See accompanying notes to the required supplementary information and independent auditor's report.

County of James City, Virginia

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Unaudited)

General Fund

Year ended June 30, 2022

Fund, major and minor revenue source	Original budget	Final budget	Actual	Variance positive (negative)
Revenue from the Commonwealth:				
Noncategorical aid:				
Mobile home titling taxes	\$ 40,000	\$ 40,000	\$ 57,061	\$ 17,061
Tax on deeds	-	-	-	-
Railroad rolling stock taxes	55,000	55,000	55,400	400
Personal property tax relief	9,770,000	9,770,000	9,770,137	137
Communications sales and use tax	1,300,000	1,300,000	1,218,161	(81,839)
Car rental tax	50,000	50,000	79,578	29,578
Other	40,000	40,000	19,481	(20,519)
Total noncategorical aid	<u>11,255,000</u>	<u>11,255,000</u>	<u>11,199,818</u>	<u>(55,182)</u>
Categorical aid:				
Shared expenses:				
Commonwealth's attorney	635,000	635,000	635,355	355
Sheriff	797,000	797,000	800,313	3,313
Commissioner of the revenue	203,000	203,000	203,309	309
Treasurer	230,000	230,000	228,765	(1,235)
Registrar/electoral board	88,000	88,000	86,252	(1,748)
Clerk of the circuit court	562,000	562,000	560,737	(1,263)
Total shared expenses	<u>2,515,000</u>	<u>2,515,000</u>	<u>2,514,731</u>	<u>(269)</u>
Other categorical aid:				
Wireless Board	245,000	245,000	295,393	50,393
Commission of the arts	4,500	4,500	4,500	-
HB 599 payments	1,468,500	1,468,500	1,468,699	199
Share of state sales tax	-	-	-	-
DMV Satellite Office	90,000	90,000	100,273	10,273
DMV Mounts Bay Office	55,000	55,000	42,508	(12,492)
Total other categorical aid	<u>1,863,000</u>	<u>1,863,000</u>	<u>1,911,373</u>	<u>48,373</u>
Total categorical aid	<u>4,378,000</u>	<u>4,378,000</u>	<u>4,426,104</u>	<u>48,104</u>
Total revenue from the Commonwealth	<u>15,633,000</u>	<u>15,633,000</u>	<u>15,625,922</u>	<u>(7,078)</u>
Revenue from the federal government:				
Payments in lieu of taxes	8,400	8,400	8,552	152
ARPA Sheriff Bonus	-	41,984	41,984	-
Total revenue from the federal government	<u>8,400</u>	<u>50,384</u>	<u>50,536</u>	<u>152</u>
Fund balance				
Fund balance	-	-	-	-
Total revenues	<u>\$ 202,200,000</u>	<u>\$ 204,883,373</u>	<u>\$ 222,018,025</u>	<u>\$ 17,134,652</u>

(Continued)

See accompanying notes to the required supplementary information and independent auditor's report.

County of James City, Virginia
 Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Unaudited)
 General Fund
 Year ended June 30, 2022

<u>Fund, major and minor expenditure source</u>	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>
General government administration:				
Legislative:				
Board of supervisors	\$ 170,711	\$ 172,861	\$ 167,042	\$ 5,819
General and financial administration:				
County administrator	1,171,312	1,171,262	1,150,246	21,016
County attorney	508,245	672,695	562,610	110,085
Human resources	671,742	739,152	669,970	69,182
Legal services	52,500	61,060	12,082	48,978
Commissioner of the revenue	968,280	997,180	917,691	79,489
Real estate assessments	754,167	760,267	730,170	30,097
Treasurer	1,175,741	1,756,538	1,761,698	(5,160)
Financial management	1,329,858	1,360,472	1,283,429	77,043
Accounting	276,987	298,387	277,314	21,073
IT Infrastructure	2,198,111	2,339,369	2,064,984	274,385
Purchasing	323,508	340,508	333,314	7,194
IT Core Applications	1,586,533	1,622,923	1,527,863	95,060
Information technology	1,214,902	1,267,533	1,172,800	94,733
Satellite office	221,357	225,629	148,970	76,659
Fleet maintenance	1,074,471	1,099,242	1,205,487	(106,245)
Total general and financial administration	<u>13,527,714</u>	<u>14,712,217</u>	<u>13,818,628</u>	<u>893,589</u>
Board of elections:				
Office of Elections	868,698	879,048	695,668	183,380
Total general government administration	<u>14,567,123</u>	<u>15,764,126</u>	<u>14,681,338</u>	<u>1,082,788</u>
Judicial administration:				
Courts:				
Circuit court and judicial services	408,776	446,914	371,880	75,034
General district court	39,400	35,947	11,847	24,100
Juvenile and domestic relations district court	19,031	14,177	10,570	3,607
Clerk of the circuit court	884,599	923,720	906,900	16,820
Sheriff	1,457,258	1,526,664	1,412,464	114,200
9th judicial district	6,427	6,427	8,576	(2,149)
Court services and juvenile detention	274,470	274,470	278,197	(3,727)
Courthouse	529,544	539,009	450,782	88,227
Total courts	<u>3,619,505</u>	<u>3,767,328</u>	<u>3,451,216</u>	<u>316,112</u>
Commonwealth's attorney	1,212,692	1,296,970	1,295,788	1,182
Total judicial administration	<u>4,832,197</u>	<u>5,064,298</u>	<u>4,747,004</u>	<u>317,294</u>
Public safety:				
Law enforcement and traffic control:				
Police department	12,235,830	11,876,729	11,053,886	822,843
Emergency communications	3,535,299	3,327,160	2,990,795	336,365
Total law enforcement and traffic control	<u>15,771,129</u>	<u>15,203,889</u>	<u>14,044,681</u>	<u>1,159,208</u>
Fire and rescue services:				
Fire department and emergency medical services	13,469,054	12,804,762	13,604,557	(799,795)
Correction and detention:				
Regional jail	2,300,150	2,300,150	2,297,256	2,894
Inspections:				
Building and safety permits	1,455,901	1,527,394	1,372,822	154,572
Other protection:				
Animal control	294,528	291,661	223,137	68,524
Emergency management	286,600	326,455	288,723	37,732
Total other protection	<u>581,128</u>	<u>618,116</u>	<u>511,860</u>	<u>106,256</u>
Total public safety	<u>33,577,362</u>	<u>32,454,311</u>	<u>31,831,176</u>	<u>623,135</u>

(Continued)

County of James City, Virginia

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Unaudited)

General Fund

Year ended June 30, 2022

Fund, major and minor expenditure source	Original budget	Final budget	Actual	Variance positive (negative)
Public works:				
Sanitation and waste removal:				
Grounds maintenance	\$ 2,369,668	\$ 3,445,746	\$ 2,465,267	\$ 980,479
Solid waste and recycling	2,219,243	2,254,735	2,134,784	119,951
Total sanitation and waste removal	4,588,911	5,700,481	4,600,051	1,100,430
Maintenance of general buildings and grounds:				
Facilities management	5,514,139	5,712,664	5,106,505	606,159
Total public works	10,103,050	11,413,145	9,706,556	1,706,589
Health and human services:				
Local health department	796,580	806,608	806,608	-
Behavioral health and development services	1,900,000	1,900,000	1,900,000	-
Total health and human services	2,696,580	2,706,608	2,706,608	-
Education:				
School board administration	86,100,844	86,100,844	80,637,523	5,463,321
Parks, recreation and cultural:				
Parks and recreation:				
Administration	6,165,920	6,272,235	5,384,359	887,876
Community centers	365,284	406,693	288,742	117,951
Park operations	502,708	693,151	482,130	211,021
Recreation services	377,039	385,991	274,703	111,288
Total parks and recreation	7,410,951	7,758,070	6,429,934	1,328,136
Library:				
Regional library	5,194,654	5,194,654	5,194,654	-
Total parks, recreation and cultural	12,605,605	12,952,724	11,624,588	1,328,136
Community development:				
Planning and community development:				
Planning	1,007,137	1,114,120	945,450	168,670
Community Development	482,901	521,835	464,765	57,070
Zoning enforcement	368,579	385,279	339,472	45,807
Economic development	596,127	600,904	365,013	235,891
Contributions – other	1,046,424	1,036,396	1,034,292	2,104
Regional transportation	709,000	709,000	709,000	-
Total planning and community development	4,210,168	4,367,534	3,857,992	509,542
Environmental management:				
Stormwater & Resource protection	2,367,775	2,543,123	2,156,079	387,044
Total community development	6,577,943	6,910,657	6,014,071	896,586
Nondepartmental:				
Miscellaneous	130,196	51,542	51,542	-
Health insurance	-	-	-	-
Total nondepartmental	130,196	51,542	51,542	-
Debt service:				
Principal payments - leases	-	155,394	155,394	-
Interest - leases	-	19,918	19,918	-
Total debt service	-	175,312	175,312	-
Capital outlay	-	-	53,123	(53,123)
Total expenditures	171,190,900	173,593,567	162,228,841	11,364,726
Excess of revenues over expenditures	31,009,100	31,289,806	59,789,184	28,499,378
Other financing sources (uses):				
Transfers in	70,500	77,500	77,500	-
Transfers out	(31,079,600)	(53,373,859)	(50,791,406)	2,582,453
Proceeds from leases	-	-	53,123	53,123
Total other financing sources (uses)	(31,009,100)	(53,296,359)	(50,660,783)	2,635,576
Net change in fund balance	-	(22,006,553)	9,128,401	31,134,954
Fund balance at beginning of year	-	22,006,553	87,546,904	65,540,351
Fund balance at end of year	\$ -	\$ -	\$ 96,675,305	\$ 96,675,305

See accompanying notes to the required supplementary information and independent auditor's report.

County of James City, Virginia
Grants and Special Projects Fund

The Grants and Special Projects Fund is a special revenue fund used to account for the financial resources related to grants and special projects. Revenues are primarily derived from intergovernmental grants awarded to the County as well as funding from local and other sources to support special projects. Primary expenditures are as allowed under the specific grant or project requirements and relate to public safety; public works; health and human services; parks, recreation and culture; judicial administration; community development; education; and the general administration of the County.

County of James City, Virginia
 Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Unaudited)
 Grants and Special Projects Fund
 Year ended June 30, 2022

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>
Revenues:				
Miscellaneous	\$ -	\$ 330,540	\$ 355,606	\$ 25,066
Intergovernmental:				
Local	-	-	-	-
Commonwealth	1,232,832	2,458,447	1,556,704	(901,743)
Federal	39,978	8,169,281	4,496,041	(3,673,240)
Total revenues	<u>1,272,810</u>	<u>10,958,268</u>	<u>6,408,351</u>	<u>(4,549,917)</u>
Expenditures:				
Current:				
General government administration	-	1,871,914	766,928	1,104,986
Judicial administration	204,000	477,302	398,105	79,197
Public safety	39,978	740,128	3,503,995	(2,763,867)
Public works	-	233,991	151,859	82,132
Health and human services	1,393,832	1,671,997	1,538,782	133,215
Education	-	180,800	315,759	(134,959)
Parks, recreation and cultural	-	5,064,500	18,332	5,046,168
Community development	1,750,000	3,061,357	1,700,910	1,360,447
Total expenditures	<u>3,387,810</u>	<u>13,301,989</u>	<u>8,394,670</u>	<u>4,907,319</u>
Excess of revenues over expenditures	(2,115,000)	(2,343,721)	(1,986,319)	357,402
Other financing sources:				
Operating transfers in	2,115,000	2,343,721	2,343,721	-
Total other financing sources:	<u>2,115,000</u>	<u>2,343,721</u>	<u>2,343,721</u>	<u>-</u>
Net change in fund balance	-	-	357,402	(357,402)
Fund balance, beginning of year	-	-	7,445,987	(7,445,987)
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,803,389</u>	<u>\$ (7,803,389)</u>

See accompanying independent auditor's report.

County of James City, Virginia
Schedule of Changes in the Net Pension Liability and Related Ratios (1)
Required Supplementary Information (Unaudited)

Year ended June 30,*	Governmental Activities - County							
	2015	2016	2017	2018	2019	2020	2021	2022
Total pension liability								
Service cost	\$ 4,376,092	\$ 4,416,137	\$ 4,398,469	\$ 4,344,463	\$ 4,233,955	\$ 4,329,341	\$ 4,498,054	\$ 4,539,185
Interest	9,996,496	10,586,624	11,164,260	11,561,915	12,034,506	12,600,514	12,930,800	13,977,620
Changes of benefit terms	-	-	-	-	-	(4,186,347)	3,287,161	-
Differences between expected and actual experience	-	252,227	(2,733,673)	(554,290)	(258,300)	1,286,792	4,023,942	8,045
Changes in assumptions	-	-	-	(1,296,832)	-	5,993,876	-	9,135,268
Benefit payments, including refunds of employee contributions	(5,223,843)	(6,660,511)	(7,345,595)	(6,950,943)	(7,656,974)	(8,191,674)	(8,736,556)	(9,726,471)
Net change in total pension liability	9,148,745	8,594,477	5,483,461	7,104,313	8,353,187	11,832,502	16,003,401	17,933,647
Total pension liability, beginning	145,419,002	154,567,747	163,162,224	168,645,685	175,749,998	184,103,185	195,935,687	211,939,088
Total pension liability, ending (a)	\$ 154,567,747	\$ 163,162,224	\$ 168,645,685	\$ 175,749,998	\$ 184,103,185	\$ 195,935,687	\$ 211,939,088	\$ 229,872,735
Plan fiduciary net position								
Contributions - employer	4,362,691	4,065,806	4,133,647	3,536,962	3,660,271	3,662,166	3,904,631	4,535,863
Contributions - employee	1,909,429	1,844,202	1,870,648	1,934,998	1,952,900	2,023,105	1,927,807	1,960,133
Net investment income	18,931,089	6,365,577	2,508,354	17,721,493	11,930,106	11,422,082	3,361,921	48,333,112
Benefit payments, including refunds of employee contributions	(5,223,843)	(6,660,511)	(7,345,595)	(6,950,943)	(7,656,974)	(8,191,674)	(8,736,556)	(9,726,471)
Administrative expense	(100,186)	(86,580)	(89,515)	(101,649)	(102,499)	(112,707)	(117,595)	(120,157)
Other	998	(1,349)	(1,066)	(15,816)	(10,651)	(3,597,077)	12,497	4,559
Net change in plan fiduciary net position	19,880,178	5,527,145	1,076,473	16,125,045	9,773,153	5,205,895	352,705	44,987,039
Plan fiduciary net position, beginning	119,228,777	139,108,955	144,636,100	145,712,573	161,837,618	171,610,771	176,816,666	177,169,371
Plan fiduciary net position, ending (b)	139,108,955	144,636,100	145,712,573	161,837,618	171,610,771	176,816,666	177,169,371	222,156,410
Net pension liability (asset) (a) - (b)	\$ 15,458,792	\$ 18,526,124	\$ 22,933,112	\$ 13,912,380	\$ 12,492,414	\$ 19,119,021	\$ 34,769,717	\$ 7,716,325
Plan fiduciary net position as a percentage of the total pension liability	90.00%	88.65%	86.40%	92.08%	93.21%	90.24%	83.59%	96.64%
Covered payroll	\$ 37,347,889	\$ 36,788,968	\$ 37,681,907	\$ 38,853,860	\$ 40,475,381	\$ 40,710,451	\$ 40,413,598	\$ 40,918,484
Net pension liability (asset) as a percentage of the total covered payroll	41.39%	50.36%	60.86%	35.81%	30.86%	46.96%	86.03%	18.86%

(1) This schedule is intended to present 10 years of information. GASB 68 and 71 were implemented in fiscal year 2015, and additional years will be presented as the information becomes available.

* The amounts presented have a measurement date of the previous fiscal year end.

See accompanying notes to the required supplementary information and independent auditor's report.

County of James City, Virginia
 Schedule of Changes in the Net Pension Liability and Related Ratios (1)
 Required Supplementary Information (Unaudited)

Year ended June 30,*	Component Unit - Service Authority							
	2015	2016	2017	2018	2019	2020	2021	2022
Total pension liability								
Service cost	\$ 417,066	\$ 430,269	\$ 404,294	\$ 411,137	\$ 379,365	\$ 378,585	\$ 400,579	\$ 393,653
Interest	913,818	978,647	1,032,165	1,104,651	1,132,686	1,198,755	1,265,059	1,317,521
Changes of benefit terms	-	-	-	-	-	-	26,989	-
Differences between expected and actual experience	-	(146,331)	128,139	(213,521)	62,537	182,506	(172,618)	(27,793)
Changes in assumptions	-	-	-	(335,427)	-	546,875	-	557,493
Benefit payments, including refunds of employee contributions	(376,365)	(433,146)	(562,945)	(495,181)	(637,522)	(623,967)	(756,401)	(729,183)
Net change in total pension liability	954,519	829,439	1,001,653	471,659	937,066	1,682,754	763,608	1,511,691
Total pension liability, beginning	13,242,723	14,197,242	15,026,681	16,028,334	16,499,993	17,437,059	19,119,813	19,883,421
Total pension liability, ending (a)	\$ 14,197,242	\$ 15,026,681	\$ 16,028,334	\$ 16,499,993	\$ 17,437,059	\$ 19,119,813	\$ 19,883,421	\$ 21,395,112
Plan fiduciary net position								
Contributions - employer	308,820	329,381	336,720	288,588	297,525	235,463	243,251	271,540
Contributions - employee	197,188	193,349	197,261	210,624	204,311	212,351	220,872	219,619
Net investment income	1,802,418	612,704	245,617	1,734,000	1,174,317	1,128,516	340,716	4,896,608
Benefit payments, including refunds of employee contributions	(376,365)	(433,146)	(562,945)	(495,181)	(637,522)	(623,967)	(756,401)	(729,183)
Administrative expense	(9,511)	(8,173)	(8,604)	(9,804)	(10,045)	(11,054)	(11,611)	(12,088)
Other	95	(130)	(104)	(1,553)	(1,050)	(713)	(403)	463
Net change in plan fiduciary net position	1,922,645	693,985	207,945	1,726,674	1,027,536	940,596	36,424	4,646,959
Plan fiduciary net position, beginning	11,335,104	13,257,749	13,951,734	14,159,679	15,886,353	16,913,889	17,854,485	17,890,909
Plan fiduciary net position, ending (b)	13,257,749	13,951,734	14,159,679	15,886,353	16,913,889	17,854,485	17,890,909	22,537,868
Net pension liability (asset) (a) - (b)	\$ 939,493	\$ 1,074,947	\$ 1,868,655	\$ 613,640	\$ 523,170	\$ 1,265,328	\$ 1,992,512	\$ (1,142,756)
Plan fiduciary net position as a percentage of the total pension liability	93.38%	92.85%	88.34%	96.28%	97.00%	93.38%	89.98%	105.34%
Covered payroll	\$ 3,943,666	\$ 3,897,762	\$ 4,026,779	\$ 4,083,082	\$ 4,230,543	\$ 4,445,820	\$ 4,673,979	\$ 4,675,862
Net pension liability (asset) as a percentage of the total covered payroll	23.82%	27.58%	46.41%	15.03%	12.37%	28.46%	42.63%	-24.44%

(1) This schedule is intended to present 10 years of information. GASB 68 and 71 were implemented in fiscal year 2015, and additional years will be presented as the information becomes available.

* The amounts presented have a measurement date of the previous fiscal year end.

See accompanying notes to the required supplementary information and independent auditor's report.

County of James City, Virginia
 Schedule of Changes in the Net Pension Liability and Related Ratios (1)
 Required Supplementary Information (Unaudited)

Year ended June 30,*	Component Unit - Public Schools' Non-Professional							
	2015	2016	2017	2018	2019	2020	2021	2022
Total pension liability								
Service cost	\$ 507,972	\$ 526,136	\$ 540,481	\$ 523,460	\$ 506,887	\$ 485,858	\$ 552,167	\$ 545,063
Interest	1,021,383	1,087,945	1,157,021	1,222,200	1,254,419	1,297,224	1,309,428	1,366,821
Changes of benefit terms	-	-	-	-	-	-	-	-
Differences between expected and actual experience	-	(13,491)	(122,658)	(318,599)	(287,441)	(426,300)	78,555	324,773
Changes in assumptions	-	-	-	(236,957)	-	528,041	-	813,135
Benefit payments, including refunds of employee contributions	(570,189)	(586,736)	(640,852)	(646,577)	(813,097)	(911,625)	(1,123,687)	(1,056,098)
Net change in total pension liability	959,166	1,013,854	933,992	543,527	660,768	973,198	816,463	1,993,694
Total pension liability, beginning	14,876,279	15,835,445	16,849,299	17,783,291	18,326,818	18,987,586	19,960,784	20,777,247
Total pension liability, ending (a)	\$ 15,835,445	\$ 16,849,299	\$ 17,783,291	\$ 18,326,818	\$ 18,987,586	\$ 19,960,784	\$ 20,777,247	\$ 22,770,941
Plan fiduciary net position								
Contributions - employer	435,519	372,141	369,942	233,501	224,276	173,657	172,426	158,331
Contributions - employee	237,728	256,454	256,786	257,483	249,325	268,278	279,227	255,416
Net investment income	2,265,304	764,646	309,381	2,158,117	1,451,191	1,377,110	404,254	5,804,084
Benefit payments, including refunds of employee contributions	(570,189)	(586,736)	(640,852)	(646,577)	(813,097)	(911,625)	(1,123,687)	(1,056,098)
Administrative expense	(12,002)	(10,296)	(10,703)	(12,355)	(12,546)	(13,730)	(14,290)	(14,667)
Other	120	(162)	(130)	(1,926)	(1,291)	(866)	(483)	545
Net change in plan fiduciary net position	2,356,480	796,047	284,424	1,988,243	1,097,858	892,824	(282,553)	5,147,611
Plan fiduciary net position, beginning	14,283,651	16,640,131	17,436,178	17,720,602	19,708,845	20,806,703	21,699,527	21,416,974
Plan fiduciary net position, ending (b)	16,640,131	17,436,178	17,720,602	19,708,845	20,806,703	21,699,527	21,416,974	26,564,585
Net pension liability (asset) (a) - (b)	\$ (804,686)	\$ (586,879)	\$ 62,689	\$ (1,382,027)	\$ (1,819,117)	\$ (1,738,743)	\$ (639,727)	\$ (3,793,644)
Plan fiduciary net position as a percentage of the total pension liability	105.08%	103.48%	99.65%	107.54%	109.58%	108.71%	103.08%	116.66%
Covered payroll	\$ 4,812,365	\$ 5,154,307	\$ 5,123,850	\$ 5,000,257	\$ 4,802,484	\$ 4,905,565	\$ 4,870,819	\$ 5,556,149
Net pension liability (asset) as a percentage of the total covered payroll	-16.72%	-11.39%	1.22%	-27.64%	-37.88%	-35.44%	-13.13%	-68.28%

(1) This schedule is intended to present 10 years of information. GASB 68 and 71 were implemented in fiscal year 2015, and additional years will be presented as the information becomes available.

* The amounts presented have a measurement date of the previous fiscal year end.

County of James City, Virginia
 Schedule of Employer's Share of Net Pension Liability (1)
 Required Supplementary Information (Unaudited)

Year ended June 30,*	Component Unit - Public Schools' Professional							
	2015	2016	2017	2018	2019	2020	2021	2022
Employer's proportion of the net pension liability	0.85987%	0.87896%	0.87104%	0.86356%	0.84943%	0.86221%	0.85779%	0.83377%
Employer's proportionate share of the net pension liability	\$ 103,913,000	\$ 110,629,000	\$ 122,069,000	\$ 106,201,000	\$ 99,893,000	\$ 113,471,736	\$ 124,830,972	\$ 64,726,377
Employer's covered payroll	\$ 62,882,350	\$ 65,034,559	\$ 65,800,057	\$ 67,052,585	\$ 67,353,977	\$ 70,456,378	\$ 72,905,344	\$ 73,604,525
Employer's proportionate share of the net pension liability as a percentage of its covered payroll	165.25%	170.11%	185.52%	158.38%	148.31%	161.05%	171.22%	87.94%
Plan fiduciary net position as a percentage of the total pension liability	70.88%	70.68%	68.28%	72.92%	74.81%	73.51%	71.47%	85.46%

(1) This schedule is intended to present 10 years of information. GASB 68 and 71 were implemented in fiscal year 2015, and additional years will be presented as the information becomes available.

* The amounts presented have a measurement date of the previous fiscal year end.

County of James City, Virginia
 Schedule of Employer Pension Contributions
 Required Supplementary Information (Unaudited)
 Last Ten Fiscal Years (1)

Primary Government - Governmental Activities - County					
Fiscal Year	Contractually required contribution	Contributions in relation to contractually required contribution		Employer's covered payroll	Contributions as a % of covered payroll
		Contractually required contribution	Contribution deficiency (excess)		
2015	\$ 4,090,933	\$ 4,091,153	\$ 220	\$ 36,788,968	11.12%
2016	4,190,228	4,190,244	16	37,681,907	11.12%
2017	3,640,607	3,640,677	70	38,853,860	9.37%
2018	3,792,543	3,793,308	765	40,475,381	9.37%
2019	3,814,569	3,816,392	1,823	40,710,451	9.37%
2020	4,085,815	4,085,863	48	40,413,598	10.11%
2021	4,535,863	4,535,863	-	40,918,484	11.09%
2022	4,743,535	4,743,535	-	43,073,802	11.01%

*Excess contributions are a result of an amount due for retroactive payment for prior fiscal year.

Component Unit - JCSA					
Fiscal Year	Contractually required contribution	Contributions in relation to contractually required contribution		Employer's covered payroll	Contributions as a % of covered payroll
		Contractually required contribution	Contribution deficiency (excess)		
2015	\$ 330,920	\$ 330,920	\$ -	\$ 3,897,762	8.49%
2016	341,874	341,874	-	4,026,779	8.49%
2017	297,668	297,668	-	4,083,082	7.29%
2018	308,672	308,672	-	4,230,543	7.29%
2019	250,534	250,534	-	4,445,820	5.63%
2020	265,027	265,027	-	4,673,979	5.66%
2021	271,540	271,540	-	4,675,862	5.80%
2022	295,888	295,888	-	5,198,520	5.68%

Component Unit - Public Schools' - Non-professional					
Fiscal Year	Contractually required contribution	Contributions in relation to contractually required contribution		Employer's covered payroll	Contributions as a % of covered payroll
		Contractually required contribution	Contribution deficiency (excess)		
2015	\$ 372,141	\$ 372,141	\$ -	\$ 5,154,307	7.22%
2016	369,942	369,942	-	5,123,850	7.22%
2017	233,512	233,512	-	5,000,257	4.67%
2018	224,276	224,276	-	4,802,484	4.67%
2019	173,657	173,657	-	4,905,565	3.54%
2020	172,427	172,427	-	4,870,819	3.54%
2021	158,334	158,334	-	5,556,149	2.85%
2022	163,014	163,014	-	5,858,963	2.78%

Component Unit - Public Schools' - Professional					
Fiscal Year	Contractually required contribution	Contributions in relation to contractually required contribution		Employer's covered payroll	Contributions as a % of covered payroll
		Contractually required contribution	Contribution deficiency (excess)		
2015	\$ 9,430,011	\$ 9,430,011	\$ -	\$ 65,034,559	14.50%
2016	9,251,488	9,251,488	-	65,800,057	14.06%
2017	9,829,909	9,829,909	-	67,052,585	14.66%
2018	10,992,169	10,992,169	-	67,353,977	16.32%
2019	11,047,560	11,047,560	-	70,456,378	15.68%
2020	11,431,558	11,431,558	-	72,905,344	15.68%
2021	11,795,307	11,795,307	-	73,604,525	16.03%
2022	12,731,972	12,731,972	-	79,775,536	15.96%

(1) This schedule is intended to present 10 years of information. GASB 68 and 71 were implemented in fiscal year 2015, and additional years will be presented as the information becomes available.

See accompanying notes to the required supplementary information and independent auditor's report.

County of James City, Virginia
 Schedule of Employer's Share of Retiree Healthcare OPEB Liability (1) (2)
 Required Supplementary Information (Unaudited)
 Last Ten Fiscal Years* (1) (2)

Measurement date as of June 30,	2018		2019		2020		2021		2022	
	County	JCSA	County	JCSA	County	JCSA	County	JCSA	County	JCSA
Employer's proportion of the County's Retiree Healthcare OPEB Liability	77.59%	7.35%	77.59%	7.35%	78.42%	7.30%	78.42%	7.30%	81.72%	6.46%
Employer's proportionate share of the County's Retiree Healthcare OPEB Liability	\$ 4,296,213	\$ 406,742	\$ 4,571,936	\$ 432,969	\$ 4,097,564	\$ 381,436	\$ 4,649,834	\$ 432,846	\$ 3,598,216	\$ 284,440
Fiduciary net position as a % of total OPEB liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Expected average remaining service years of all participants	7	7	7	7	6	6	6	6	5	5

(1) This schedule is intended to present 10 years of information. GASB 75 was implemented in fiscal year 2018, and additional years will be presented as the information becomes available.

(2) This OPEB plan does not depend on salary information.

* The amounts presented have a measurement date of the previous fiscal year end.

County of James City, Virginia
Schedule of Changes in the Net OPEB - Retiree Healthcare (RH) Liability and Related Ratios (1) (2)
Required Supplementary Information (Unaudited)

Year ended June 30,*	Component Unit - Public Schools' Non-Professional				
	2018	2019	2020	2021	2022
Total OPEB - RH liability					
Service cost	\$ 457,670	\$ 432,740	\$ 448,112	\$ 580,721	\$ 657,420
Interest cost	126,557	165,148	180,316	158,452	142,801
Changes of benefit terms	-	-	-	-	-
Differences between expected and actual experience	-	(270,907)	(487,307)	(180,989)	(370,916)
Changes in assumptions	(244,756)	(13,843)	(61,871)	249,100	(879,609)
Changes in proportions	-	-	-	-	-
Benefit payments	(127,182)	64,113	(9,510)	(21,200)	(282,806)
Net change in total OPEB - RH liability	212,289	377,251	69,740	786,084	(733,110)
Total OPEB - RH liability, beginning	4,504,186	4,716,475	5,093,726	5,163,466	5,949,550
Total OPEB - RH liability, ending (a)	\$ 4,716,475	\$ 5,093,726	\$ 5,163,466	\$ 5,949,550	\$ 5,216,440
Plan fiduciary net position - RH					
Contributions - employer	206,794	(64,113)	9,510	21,200	293,622
Net investment income	-	-	-	-	-
Benefit payments	(206,794)	64,113	(9,510)	(21,200)	(282,806)
Administrative expense	-	-	-	-	(10,816)
Net change in plan fiduciary net position - RH	-	-	-	-	-
Plan fiduciary net position - RH, beginning	-	-	-	-	-
Plan fiduciary net position - RH, ending (b)	-	-	-	-	-
OPEB - RH liability (a) - (b)	\$ 4,716,475	\$ 5,093,726	\$ 5,163,466	\$ 5,949,550	\$ 5,216,440
Plan fiduciary net position - RH as a percentage of the total OPEB - RH liability	0.00%	0.00%	0.00%	0.00%	0.00%
Expected average remaining service years of all participants	7	7	7	7	6

(1) This schedule is intended to present 10 years of information. GASB 75 was implemented in fiscal year 2018, and additional years will be presented as the information becomes available.

(2) This OPEB plan does not depend on salary information.

* The amounts presented have a measurement date of the previous fiscal year end.

County of James City, Virginia
Schedule of Changes in the Net OPEB - Health Insurance Credit (HIC) Liability (1)
Required Supplementary Information (Unaudited)

Year ended June 30,*	Governmental Activities - County				
	2018	2019	2020	2021	2022
Total OPEB - HIC liability					
Service cost	\$ 29,486	\$ 29,285	\$ 31,239	\$ 28,624	\$ 29,856
Interest cost	84,387	86,675	89,705	91,010	94,908
Changes of benefit terms	-	-	(36,541)	-	-
Differences between expected and actual experience	-	12,586	32,810	32,494	(10,093)
Changes in assumptions	(10,761)	-	36,394	-	26,493
Benefit payments, including refunds of employee contributions	(53,124)	(87,727)	(82,782)	(90,830)	(97,936)
Net change in total OPEB - HIC liability	49,988	40,819	70,825	61,298	43,228
Total OPEB - HIC liability, beginning	1,232,086	1,282,074	1,322,893	1,393,718	1,455,016
Total OPEB - HIC liability, ending (a)	<u>\$ 1,282,074</u>	<u>\$ 1,322,893</u>	<u>\$ 1,393,718</u>	<u>\$ 1,455,016</u>	<u>\$ 1,498,244</u>
Plan fiduciary net position - HIC					
Contributions - employer	65,197	67,836	74,871	74,360	78,543
Contributions - employee	-	-	-	-	-
Net investment income	71,316	49,083	46,337	14,671	191,205
Benefit payments, including refunds of employee contributions	(53,124)	(87,727)	(82,782)	(90,830)	(97,936)
Administrative expense	(1,170)	(1,138)	(1,004)	(1,374)	(2,217)
Other	3,562	(3,562)	(19,114)	(2,240)	-
Net change in plan fiduciary net position - HIC	85,781	24,492	18,308	(5,413)	169,595
Plan fiduciary net position - HIC, beginning	612,679	698,460	722,952	741,260	735,847
Plan fiduciary net position - HIC, ending (b)	<u>698,460</u>	<u>722,952</u>	<u>741,260</u>	<u>735,847</u>	<u>905,442</u>
Net OPEB - HIC liability (asset) (a) - (b)	<u>\$ 583,614</u>	<u>\$ 599,941</u>	<u>\$ 652,458</u>	<u>\$ 719,169</u>	<u>\$ 592,802</u>
Plan fiduciary net position - HIC as a percentage of the total OPEB - HIC liability	54.48%	54.65%	53.19%	50.57%	60.43%
Covered payroll	\$ 38,853,860	\$ 40,475,381	\$ 40,710,451	\$ 40,413,598	\$ 40,918,484
Net OPEB - HIC liability as a percentage of the total covered payroll	1.50%	1.48%	1.60%	1.78%	1.45%

(1) This schedule is intended to present 10 years of information. GASB 75 was implemented in fiscal year 2018, and additional years will be presented as the information becomes available.

* The amounts presented have a measurement date of the previous fiscal year end.

County of James City, Virginia
Schedule of Changes in the Net OPEB - Health Insurance Credit (HIC) Liability (1)
Required Supplementary Information (Unaudited)

Year ended June 30,*	Component Unit - Service Authority				
	2018	2019	2020	2021	2022
Total OPEB - HIC liability					
Service cost	\$ 3,682	\$ 3,588	\$ 3,579	\$ 3,812	\$ 3,338
Interest cost	10,769	11,121	11,031	11,040	11,465
Changes of benefit terms	-	-	-	-	-
Differences between expected and actual experience	-	(7,706)	(3,892)	(113)	(13,932)
Changes in assumptions	(3,953)	-	4,095	-	919
Benefit payments, including refunds of employee contributions	(3,508)	(7,440)	(9,131)	(8,554)	(8,357)
Net change in total OPEB - HIC liability	6,990	(437)	5,682	6,185	(6,567)
Total OPEB - HIC liability, beginning	155,602	162,592	162,155	167,837	174,022
Total OPEB - HIC liability, ending (a)	<u>\$ 162,592</u>	<u>\$ 162,155</u>	<u>\$ 167,837</u>	<u>\$ 174,022</u>	<u>\$ 167,455</u>
Plan fiduciary net position - HIC					
Contributions - employer	8,166	8,467	8,002	8,413	8,417
Contributions - employee	-	-	-	-	-
Net investment income	10,122	7,150	6,922	2,272	30,356
Benefit payments, including refunds of employee contributions	(3,508)	(7,440)	(9,131)	(8,554)	(8,357)
Administrative expense	(170)	(170)	(151)	(219)	(361)
Other	494	(494)	(8)	(1)	-
Net change in plan fiduciary net position - HIC	15,104	7,513	5,634	1,911	30,055
Plan fiduciary net position - HIC, beginning	85,165	100,269	107,782	113,416	115,327
Plan fiduciary net position - HIC, ending (b)	<u>100,269</u>	<u>107,782</u>	<u>113,416</u>	<u>115,327</u>	<u>145,382</u>
Net OPEB - HIC liability (asset) (a) - (b)	<u>\$ 62,323</u>	<u>\$ 54,373</u>	<u>\$ 54,421</u>	<u>\$ 58,695</u>	<u>\$ 22,073</u>
Plan fiduciary net position - HIC as a percentage of the total OPEB - HIC liability	61.67%	66.47%	67.58%	66.27%	86.82%
Covered payroll	\$ 4,083,082	\$ 4,230,543	\$ 4,445,820	\$ 4,673,979	\$ 4,675,862
Net OPEB - HIC liability as a percentage of the total covered payroll	1.53%	1.29%	1.22%	1.26%	0.47%

(1) This schedule is intended to present 10 years of information. GASB 75 was implemented in fiscal year 2018, and additional years will be presented as the information becomes available.

* The amounts presented have a measurement date of the previous fiscal year end.

County of James City, Virginia
Schedule of Changes in the Net OPEB - Health Insurance Credit (HIC) Liability (1)
Required Supplementary Information (Unaudited)

Year ended June 30,*	Component Unit - Public Schools				
	2018	2019	2020	2021	2022
Total OPEB - HIC liability					
Service cost	\$ 8,750	\$ 8,619	\$ 7,967	\$ 8,604	\$ 8,696
Interest cost	21,536	21,905	21,557	21,755	23,703
Changes of benefit terms	-	-	-	23,639	-
Differences between expected and actual experience	-	(16,514)	(2,594)	(765)	6,777
Changes in assumptions	(11,335)	-	7,656	-	9,929
Benefit payments, including refunds of employee contributions	(6,674)	(20,665)	(17,320)	(23,176)	(25,544)
Net change in total OPEB - HIC liability	12,277	(6,655)	17,266	30,057	23,561
Total OPEB - HIC liability, beginning	310,991	323,268	316,613	333,879	363,936
Total OPEB - HIC liability, ending (a)	\$ 323,268	\$ 316,613	\$ 333,879	\$ 363,936	\$ 387,497
Plan fiduciary net position - HIC					
Contributions - employer	11,391	11,165	9,260	9,712	9,444
Contributions - employee	-	-	-	-	-
Net investment income	33,666	23,057	21,491	6,935	88,482
Benefit payments, including refunds of employee contributions	(6,674)	(20,665)	(17,320)	(23,176)	(25,544)
Administrative expense	(552)	(535)	(466)	(657)	(1,007)
Other	1,683	(1,683)	(25)	(3)	-
Net change in plan fiduciary net position - HIC	39,514	11,339	12,940	(7,189)	71,375
Plan fiduciary net position - HIC, beginning	288,259	327,773	339,112	352,052	344,863
Plan fiduciary net position - HIC, ending (b)	327,773	339,112	352,052	344,863	416,238
Net OPEB - HIC liability (asset) (a) - (b)	\$ (4,505)	\$ (22,499)	\$ (18,173)	\$ 19,073	\$ (28,741)
Plan fiduciary net position - HIC as a percentage of the total OPEB - HIC liability	101.39%	107.11%	105.44%	94.76%	107.42%
Covered payroll	\$ 5,000,257	\$ 4,854,348	\$ 5,766,438	\$ 6,070,000	\$ 5,556,149
Net OPEB - HIC liability as a percentage of the total covered payroll	-0.09%	-0.46%	-0.32%	0.31%	-0.52%

(1) This schedule is intended to present 10 years of information. GASB 75 was implemented in fiscal year 2018, and additional years will be presented as the information becomes available.

* The amounts presented have a measurement date of the previous fiscal year end.

See accompanying notes to the required supplementary information and independent auditor's report.

County of James City, Virginia
 Schedule of Employer's Share of Net OPEB - Group Life Insurance (GLI) Liability (1)
 Required Supplementary Information (Unaudited)

Year ended June 30,*	Governmental Activities - County				
	2018	2019	2020	2021	2022
Employer's proportion of the net OPEB - GLI liability	0.21149%	0.21342%	0.20827%	0.19670%	0.19847%
Employer's proportionate share of the net OPEB - GLI liability	\$ 3,183,000	\$ 3,241,000	\$ 3,389,000	\$ 3,282,601	\$ 2,310,729
Employer's covered payroll	\$ 38,853,860	\$ 40,475,381	\$ 40,710,451	\$ 40,413,598	\$ 40,918,484
Employer's proportionate share of the net OPEB - GLI liability as a percentage of its covered payroll	8.19%	8.01%	8.32%	8.12%	5.65%
Plan fiduciary net position as a % of total OPEB - GLI liability	48.86%	51.22%	52.00%	52.64%	67.45%

(1) This schedule is intended to present 10 years of information. GASB 75 was implemented in fiscal year 2018, and additional years will be presented as the information becomes available.

* The amounts presented have a measurement date of the previous fiscal year end.

County of James City, Virginia
 Schedule of Employer's Share of Net OPEB - Group Life Insurance (GLI) Liability (1)
 Required Supplementary Information (Unaudited)

Year ended June 30,*	Component Unit - Service Authority				
	2018	2019	2020	2021	2022
Employer's proportion of the net OPEB - GLI liability	0.02217%	0.02234%	0.02269%	0.02274%	0.02265%
Employer's proportionate share of the net OPEB - GLI liability	\$ 333,000	\$ 340,000	\$ 369,227	\$ 379,494	\$ 263,708
Employer's covered payroll	\$ 4,083,082	\$ 4,230,543	\$ 4,445,820	\$ 4,673,979	\$ 4,675,862
Employer's proportionate share of the net OPEB - GLI liability as a percentage of its covered payroll	8.16%	8.04%	8.31%	8.12%	5.64%
Plan fiduciary net position as a % of total OPEB - GLI liability	48.86%	51.22%	52.00%	52.64%	67.45%

(1) This schedule is intended to present 10 years of information. GASB 75 was implemented in fiscal year 2018, and additional years will be presented as the information becomes available.

* The amounts presented have a measurement date of the previous fiscal year end.

County of James City, Virginia
 Schedule of Employer's Share of Net OPEB - Group Life Insurance (GLI) Liability (1)
 Required Supplementary Information (Unaudited)

Year ended June 30,*	Component Unit - Public Schools									
	2018		2019		2020		2021		2022	
	Professional	Non-Professional	Professional	Non-Professional	Professional	Non-Professional	Professional	Non-Professional	Professional	Non-Professional
Employer's proportion of the net OPEB - GLI liability	0.37116%	0.02951%	0.36332%	0.02817%	0.37153%	0.02987%	0.36879%	0.02965%	0.35894%	0.02735%
Employer's proportionate share of the net OPEB - GLI liability	\$ 5,585,000	\$ 444,000	\$ 5,518,000	\$ 428,000	\$ 6,045,782	\$ 486,064	\$ 6,154,501	\$ 494,810	\$ 4,179,035	\$ 318,428
Employer's covered payroll	\$ 67,052,585	\$ 5,000,257	\$ 67,353,977	\$ 4,802,484	\$ 72,572,692	\$ 5,844,231	\$ 76,495,192	\$ 6,149,423	\$ 74,108,820	\$ 5,645,747
Employer's proportionate share of the net OPEB - GLI liability as a percentage of its covered payroll	8.33%	8.88%	8.19%	8.91%	8.33%	8.32%	8.05%	8.05%	5.64%	5.64%
Plan fiduciary net position as a % of total OPEB - GLI liability	48.86%	48.86%	51.22%	51.22%	52.00%	52.00%	52.64%	52.64%	67.45%	67.45%

(1) This schedule is intended to present 10 years of information. GASB 75 was implemented in fiscal year 2018, and additional years will be presented as the information becomes available.

* The amounts presented have a measurement date of the previous fiscal year end.

County of James City, Virginia
Schedule of Employer OPEB - Group Life Insurance Contributions (1)
Required Supplementary Information (Unaudited)

Primary Government - Governmental Activities - County employees					
Fiscal Year	Contractually required contribution	Contributions in relation to contractually required contribution	Contribution deficiency (excess)	Employer's covered payroll	Contributions as a % of covered payroll
2018	\$ 210,472	\$ 212,091	\$ (1,619)	\$ 40,475,381	0.52%
2019	211,694	213,323	(1,629)	40,710,451	0.52%
2020	210,151	211,767	(1,616)	40,413,598	0.52%
2021	219,323	221,278	(1,955)	40,918,484	0.54%
2022	230,876	230,876	-	43,073,802	0.54%

Component Unit - James City Service Authority employees					
Fiscal Year	Contractually required contribution	Contributions in relation to contractually required contribution	Contribution deficiency (excess)	Employer's covered payroll	Contributions as a % of covered payroll
2018	\$ 21,999	\$ 22,168	\$ (169)	\$ 4,230,543	0.52%
2019	23,118	21,000	2,118	4,445,820	0.47%
2020	23,131	24,492	(1,361)	4,673,979	0.52%
2021	24,339	25,063	(724)	4,675,862	0.54%
2022	25,250	27,864	(2,614)	5,198,520	0.54%

Component Unit - Public Schools' - non-professional					
Fiscal Year	Contractually required contribution	Contributions in relation to contractually required contribution	Contribution deficiency (excess)	Employer's covered payroll	Contributions as a % of covered payroll
2018	\$ 25,165	\$ 25,165	\$ -	\$ 4,802,484	0.52%
2019	30,390	30,390	-	5,844,231	0.52%
2020	31,977	31,977	-	6,149,423	0.52%
2021	30,260	30,260	-	5,645,747	0.54%
2022	31,666	31,666	-	5,907,714	0.54%

Component Unit - Public Schools' - professional					
Fiscal Year	Contractually required contribution	Contributions in relation to contractually required contribution	Contribution deficiency (excess)	Employer's covered payroll	Contributions as a % of covered payroll
2018	\$ 352,935	\$ 352,935	\$ -	\$ 67,353,977	0.52%
2019	377,378	377,378	-	72,572,693	0.52%
2020	397,775	397,775	-	76,495,192	0.52%
2021	397,270	397,270	-	74,108,820	0.54%
2022	429,466	429,466	-	80,195,631	0.54%

(1) This schedule is intended to present 10 years of information. GASB 75 was implemented in fiscal year 2018, and additional years will be presented as the information becomes available.

See accompanying notes to the required supplementary information and independent auditor's report.

County of James City, Virginia
 Schedule of Employer OPEB - Health Insurance Credit Program Contributions (1)
 Required Supplementary Information (Unaudited)

Primary Government - Governmental Activities - County employees

Fiscal Year	Contributions in relation to			Employer's covered payroll	Contributions as a % of covered payroll
	Contractually required contribution	contractually required contribution	Contribution deficiency (excess)		
2018	\$ 76,903	\$ 67,836	\$ 9,067	\$ 40,475,381	0.19%
2019	77,350	74,871	2,479	40,710,451	0.21%
2020	76,786	74,360	2,426	40,413,598	0.21%
2021	78,543	78,541	2	40,918,484	0.22%
2022	82,163	82,163	-	43,073,802	0.22%

Component Unit - James City Service Authority employees

Fiscal Year	Contributions in relation to			Employer's covered payroll	Contributions as a % of covered payroll
	Contractually required contribution	contractually required contribution	Contribution deficiency (excess)		
2018	\$ 8,461	\$ 8,467	\$ (6)	\$ 4,230,543	0.20%
2019	8,002	8,467	(465)	4,445,820	0.19%
2020	8,413	8,413	-	4,673,979	0.18%
2021	8,417	8,417	-	4,675,862	0.18%
2022	9,357	9,357	-	5,198,520	0.18%

Component Unit - Public Schools' - non-professional

Fiscal Year	Contributions in relation to			Employer's covered payroll	Contributions as a % of covered payroll
	Contractually required contribution	contractually required contribution	Contribution deficiency (excess)		
2018	\$ 11,165	\$ 11,165	\$ -	\$ 4,854,348	0.23%
2019	9,226	9,226	-	5,766,438	0.16%
2020	9,712	9,712	-	6,070,000	0.16%
2021	9,444	9,444	-	5,556,149	0.17%
2022	16,404	16,404	-	5,858,963	0.28%

Component Unit - Public Schools' - professional

Fiscal Year	Contributions in relation to			Employer's covered payroll	Contributions as a % of covered payroll
	Contractually required contribution	contractually required contribution	Contribution deficiency (excess)		
2018	\$ 851,814	\$ 851,814	\$ -	\$ 69,253,171	1.23%
2019	864,798	864,798	-	72,066,466	1.20%
2020	905,688	905,688	-	75,474,000	1.20%
2021	890,724	890,724	-	73,604,525	1.21%
2022	965,285	965,285	-	79,775,536	1.21%

(1) This schedule is intended to present 10 years of information. GASB 75 was implemented in fiscal year 2018, and additional years will be presented as the information becomes available.

See accompanying notes to the required supplementary information and independent auditor's report.

County of James City, Virginia
 Schedule of Employer's Share of Net OPEB - Health Insurance Credit Program (HIC) Liability (1)
 Required Supplementary Information (Unaudited)

Year ended June 30,*	Component Unit - Public Schools' Professional				
	2018	2019	2020	2021	2022
Employer's proportion of the net OPEB - HIC liability	0.86281%	0.85004%	0.86297%	0.86058%	0.83226%
Employer's proportionate share of the net OPEB - HIC liability	\$ 10,946,000	\$ 10,793,000	\$ 11,297,117	\$ 11,226,409	\$ 10,682,633
Employer's covered payroll	\$ 67,052,585	\$ 69,253,171	\$ 72,066,466	\$ 75,474,000	\$ 73,604,525
Employer's proportionate share of the net OPEB - HIC liability as a percentage of its covered payroll	16.32%	15.58%	15.68%	14.87%	14.51%
Plan fiduciary net position as a % of total OPEB - HIC liability	7.04%	8.08%	8.97%	9.95%	13.15%

(1) This schedule is intended to present 10 years of information. GASB 75 was implemented in fiscal year 2018, and additional years will be presented as the information becomes available.

* The amounts presented have a measurement date of the previous fiscal year end.

County of James City, Virginia
 Schedule of Employer's Share of Net OPEB - Virginia Local Disability Program (VLDP) Liability (1)
 Required Supplementary Information (Unaudited)

Year ended June 30,*	2018		2019		2020		2021		2022	
	Public Schools' Professional	Public Schools' Non-Professional	Public Schools' Professional	Public Schools' Non-Professional	Public Schools' Professional	Public Schools' Non-Professional	Public Schools' Professional	Public Schools' Non-Professional	Public Schools' Professional	Public Schools' Non-Professional
Employer's proportion of the net OPEB - VLDP liability	3.31886%	0.75284%	3.37801%	0.67880%	3.28952%	0.68330%	3.13334%	0.65040%	2.91940%	0.55743%
Employer's proportionate share of the net OPEB - VLDP liability	\$ 20,000	\$ 4,000	\$ 25,000	\$ 5,000	\$ 19,124	\$ 13,843	\$ 25,138	\$ 6,492	\$ (20,553)	\$ (5,643)
Employer's covered payroll	\$ 67,052,585	\$ 5,000,257	\$ 12,595,806	\$ 1,648,333	\$ 15,633,273	\$ 2,093,665	\$ 18,547,073	\$ 2,423,750	\$ 19,644,936	\$ 2,239,265
Employer's proportionate share of the net OPEB - VLDP liability as a percentage of its covered payroll	0.03%	0.08%	0.20%	0.30%	0.12%	0.66%	0.14%	0.27%	-0.10%	-0.25%
Plan fiduciary net position as a % of total OPEB - VLDP liability	31.96%	38.40%	46.18%	51.22%	74.12%	49.19%	78.28%	76.84%	114.46%	119.59%

(1) This schedule is intended to present 10 years of information. GASB 75 was implemented in fiscal year 2018, and additional years will be presented as the information becomes available.

* The amounts presented have a measurement date of the previous fiscal year end.

County of James City, Virginia
 Schedule of Employer OPEB - Virginia Local Disability Program Contributions (1)
 Required Supplementary Information (Unaudited)

Component Unit - Public Schools' - non-professional					
Fiscal Year	Contractually required contribution	Contributions in relation to contractually required contribution	Contribution deficiency (excess)	Employer's covered payroll	Contributions as a % of covered payroll
2018	\$ 9,890	\$ 9,890	\$ -	\$ 1,648,333	0.60%
2019	15,074	15,074	-	2,093,665	0.72%
2020	17,451	17,451	-	2,423,750	0.72%
2021	18,585	18,585	-	2,239,265	0.83%
2022	21,838	21,838	-	2,631,055	0.83%

Component Unit - Public Schools' - professional					
Fiscal Year	Contractually required contribution	Contributions in relation to contractually required contribution	Contribution deficiency (excess)	Employer's covered payroll	Contributions as a % of covered payroll
2018	\$ 39,047	\$ 39,047	\$ -	\$ 12,595,806	0.31%
2019	64,096	64,096	-	15,633,273	0.41%
2020	76,043	76,043	-	18,547,073	0.41%
2021	92,336	92,336	-	19,644,936	0.47%
2022	123,435	123,435	-	26,262,831	0.47%

(1) This schedule is intended to present 10 years of information. GASB 75 was implemented in fiscal year 2018, and additional years will be presented as the information becomes available.

County of James City, Virginia
Notes to Required Supplementary Information (Unaudited)
June 30, 2022

1) Budgeting and Budgetary Accounting

The following procedures are used by the County in establishing the budgetary data reflected in the financial statements:

Prior to April 1, the County Administrator submits to the Board of Supervisors a proposed operating and capital budget for the fiscal year commencing the following July 1. The operating budget and capital budget include proposed expenditures and the means of financing them. Public hearings are then conducted to obtain citizen comments.

Prior to June 30, the budget is legally enacted through passage of an Appropriations Resolution. The Appropriations Resolution places legal restrictions on expenditures at the fund and function level. The appropriation for each fund and function can be revised only by the Board of Supervisors; however, the County Administrator may amend the budget within functions. Supplemental appropriations in addition to the appropriated budget were necessary during the year.

Formal budgetary integration is employed as a management control device during the year for those funds with legally adopted annual budgets which are the General Fund, Special Revenue Fund - Virginia Public Assistance, and Debt Service Fund, and these funds are integrated only at the level of legal adoption. Program and project budgets are utilized in the Capital Projects; Community Development; and Grants and Special Projects Funds where appropriations remain open and carry over to the succeeding years.

All budgets are adopted on the modified accrual basis of accounting. All appropriations lapse on June 30 for all County funds, except the funds referenced above. All budget data presented in the accompanying basic financial statements represents the appropriated budget as of June 30, 2022, as adopted and amended by supplemental appropriations.

2) Pensions - Changes of Benefit Terms

There have been no actuarially material changes to the system benefit provisions since the prior actuarial valuation.

3) Pensions, OPEB Health Insurance Credit and VLDP Political Subdivision Plan - Changes of Assumptions

The actuarial assumptions used in the June 30, 2020, valuation were based on the results of an actuarial experience study for the period from July 1, 2016, through June 30, 2020, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

All Others (Non-Largest 10) – Non-Hazardous Duty:

Mortality Rates (Pre-retirement, post-retirement healthy, and disabled)	Update to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020.
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age
Withdrawal Rates	Adjusted rates to better fit experience at each age and service year through 9 years of service
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

County of James City, Virginia
Notes to Required Supplementary Information (Unaudited)
June 30, 2022

3) Pensions, OPEB Health Insurance Credit and VLDP Political Subdivision Plan - Changes of Assumptions, Continued

All Others (Non-Largest 10) – Hazardous Duty:

Mortality Rates (Pre-retirement, post-retirement healthy, and disabled)	Update to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020.
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age
Withdrawal Rates	Adjusted rates to better fit experience at each age and service year through 9 years of service
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

4) OPEB Group Life Insurance - Changes of Assumptions

The actuarial assumptions used in the June 30, 2020, valuation were based on the results of an actuarial experience study for the period from July 1, 2016, through June 30, 2020, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

General State Employees:

Mortality Rates (Pre-retirement, post-retirement healthy, and disabled)	Update to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age from 75 to 80
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

Teachers:

Mortality Rates (Pre-retirement, post-retirement healthy, and disabled)	Update to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020.
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age from 75 to 80 for all
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates	No change
Salary Scale	No change
Discount Rate	No change

See accompanying independent auditors' report.

County of James City, Virginia
Notes to Required Supplementary Information (Unaudited)
June 30, 2022

4) OPEB Group Life Insurance - Changes of Assumptions, Continued

SPORS Employees:

Mortality Rates (Pre-retirement, post-retirement healthy, and disabled)	Update to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Increased rates for ages 55 to 61, 63, and 64 with 26 or more years of service; changed final retirement age from 65 to 70
Withdrawal Rates	Decreased rate for 0 years of service and increased rates for 1 to 6 years of service
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

VaLORS Employees:

Mortality Rates (Pre-retirement, post-retirement healthy, and disabled)	Update to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Rates increased rates at some younger ages, decreased at age 62, and changed final retirement age from 65 to 70
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

JRS Employees:

Mortality Rates (Pre-retirement, post-retirement healthy, and disabled)	Review separately from State employees because exhibit fewer deaths. Update to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Decreased rates for ages 60-66 and 70-72
Withdrawal Rates	No change
Disability Rates	No change
Salary Scale	Reduce increases across all ages by 0.50%
Discount Rate	No change

Largest 10 Locality Employers – General Employees:

Mortality Rates (Pre-retirement, post-retirement healthy, and disabled)	Update to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age from 75 to 80 for all
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

See accompanying independent auditors' report.

County of James City, Virginia
Notes to Required Supplementary Information (Unaudited)
June 30, 2022

4) OPEB Group Life Insurance - Changes of Assumptions, Continued

Non-Largest 10 Locality Employers – General Employees:

Mortality Rates (Pre-retirement, post-retirement healthy, and disabled)	Update to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age from 75 to 80 for all
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

Largest 10 Locality Employers – Hazardous Duty Employees:

Mortality Rates (Pre-retirement, post-retirement healthy, and disabled)	Update to PUB2010 public sector mortality tables. Increased disability life expectancy. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience and changed final retirement age from 65 to 70
Withdrawal Rates	Decreased rates
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

Non-Largest 10 Locality Employers – Hazardous Duty Employees:

Mortality Rates (Pre-retirement, post-retirement healthy, and disabled)	Update to PUB2010 public sector mortality tables. Increased disability life expectancy. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience and changed final retirement age from 65 to 70
Withdrawal Rates	Decreased rates and changed from rates based on age and service to rates based on service only to better fit experience and to be more consistent with Locals Top 10 Hazardous Duty
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

5) OPEB Retiree Healthcare - Trust Arrangement and Funding Policy

The County, Authority, and Public Schools do not intend to establish a trust to pre-fund the obligation. The anticipated growth in the net OPEB liability is based on contributions to the benefit plan on a pay-as-you-go cost basis.

6) OPEB Retiree Healthcare - Changes of Benefit Terms

There have been no actuarially material changes to the benefit provisions since the prior actuarial valuation.

County of James City, Virginia
Notes to Required Supplementary Information (Unaudited)
June 30, 2022

7) OPEB Retiree Healthcare - Changes of Assumptions

The following change in actuarial assumptions were made based on the most recent actuarial valuation:

<u>Measurement Date</u>	<u>Discount Rate</u>
June 30, 2016	2.85%
June 30, 2017	3.58%
June 30, 2018	3.62%
June 30, 2019	3.13%
June 30, 2020	2.45%
June 30, 2021	1.92%

8) OPEB Group Life Insurance - Changes of Benefit Terms

There have been no actuarially material changes to the VRS benefit provisions since the prior actuarial valuation.

9) OPEB Health Insurance Credit - Changes of Benefit Terms

There have been no actuarially material changes to the VRS benefit provisions since the prior actuarial valuation.

10) OPEB Virginia Local Disability Program – Changes of Benefit Terms

There have been no actuarially material changes to the VRS benefit provisions since the prior actuarial valuation.

11) OPEB Teacher Virginia Local Disability Program – Changes of Assumptions

The actuarial assumptions used in the June 30, 2020, valuation were based on the results of an actuarial experience study for the period from July 1, 2016, through June 30, 2020, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019.

Supplementary Information

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County of James City, Virginia
Debt Service Fund

Debt Service Fund - accounts for the accumulation of resources for and the payment of principal, interest and related costs on long-term debt of governmental funds.

County of James City, Virginia
 Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
 Debt Service Fund
 Year ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>
Revenues:				
Use of money and property	\$ -	\$ -	\$ 1,580	\$ 1,580
Miscellaneous	42,500	42,500	40,083	(2,417)
Total revenues	<u>42,500</u>	<u>42,500</u>	<u>41,663</u>	<u>(837)</u>
Expenditures:				
Community development	75,000	75,000	46,796	28,204
Debt service:				
Principal	13,769,984	13,691,822	12,241,474	1,450,348
Interest and other fiscal charges	4,795,681	4,873,843	4,420,950	452,893
Total expenditures	<u>18,640,665</u>	<u>18,640,665</u>	<u>16,709,220</u>	<u>1,931,445</u>
Deficiency of revenues under expenditures	(18,598,165)	(18,598,165)	(16,667,557)	1,930,608
Other financing sources:				
Transfers in	20,400,000	20,400,000	16,667,557	3,732,443
Total other financing sources	<u>20,400,000</u>	<u>20,400,000</u>	<u>16,667,557</u>	<u>3,732,443</u>
Deficiency of revenues and other sources under expenditures	1,801,835	1,801,835	-	(1,801,835)
Fund balance, beginning of year	(1,801,835)	(1,801,835)	-	1,801,835
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying independent auditor's report.

County of James City, Virginia
Nonmajor Governmental Funds

The County reports the following nonmajor governmental funds:

Virginia Public Assistance Fund - accounts for funds received from the federal and state governments and transfers from the General Fund that are utilized for Social Service programs.

Colonial Community Corrections Fund - accounts for the revenues and expenditures under the Virginia Community Corrections Act for providing the judicial system with sentencing alternatives for certain nonviolent offenders requiring less than institutional custody, but more than probation supervision.

Community Development Fund - accounts for the revenues that are utilized to improve targeted areas within the County.

Donation Trust Fund - accounts for monies and donations held to celebrate historical events and various special purposes.

Tourism Fund - accounts for revenues and expenditures that provide for tourism initiatives.

County of James City, Virginia
 Combining Balance Sheet
 Nonmajor Governmental Funds
 June 30, 2022

	Virginia Public Assistance Fund	Colonial Community Corrections Fund	Housing & Neighborhood Development Fund	Donation Trust Fund	Tourism Fund	Total
Assets						
Cash and cash equivalents and investments	\$ 1,453,425	\$ 426,254	\$ 2,243,405	\$ 304,752	\$ 2,415,718	\$ 6,843,554
Cash and cash equivalents, restricted	-	-	1,342,320	-	-	1,342,320
Taxes receivable	-	-	-	-	94,133	94,133
Loans receivable, net	-	-	400,009	-	-	400,009
Miscellaneous receivables	36,500	-	25,850	-	-	62,350
Due from other governments	382,639	24,574	268,633	-	-	675,846
Prepaid items	-	-	69	-	-	69
Total assets	<u>\$ 1,872,564</u>	<u>\$ 450,828</u>	<u>\$ 4,280,286</u>	<u>\$ 304,752</u>	<u>\$ 2,509,851</u>	<u>\$ 9,418,281</u>
Liabilities						
Liabilities:						
Accounts payable	\$ 13,180	\$ 1,595	\$ 462,937	\$ 1,712	\$ 26,694	\$ 506,118
Accrued liabilities	3,589	3,264	-	-	-	6,853
Payables from restricted assets	-	-	52,061	-	-	52,061
Unearned revenue	56,684	-	55,146	-	285,000	396,830
Total liabilities	<u>73,453</u>	<u>4,859</u>	<u>570,144</u>	<u>1,712</u>	<u>311,694</u>	<u>961,862</u>
Deferred Inflows of Resources						
Unavailable revenue - grants	-	-	127,826	-	-	127,826
Fund Balances						
Fund balances:						
Restricted	-	-	961,110	-	-	961,110
Committed	-	-	1,608,153	-	-	1,608,153
Assigned	1,799,111	445,969	1,013,053	303,040	2,198,157	5,759,330
Total fund balances	<u>1,799,111</u>	<u>445,969</u>	<u>3,582,316</u>	<u>303,040</u>	<u>2,198,157</u>	<u>8,328,593</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 1,872,564</u>	<u>\$ 450,828</u>	<u>\$ 4,280,286</u>	<u>\$ 304,752</u>	<u>\$ 2,509,851</u>	<u>\$ 9,418,281</u>

See accompanying independent auditor's report.

County of James City, Virginia
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Nonmajor Governmental Funds
 Year ended June 30, 2022

	Virginia Public Assistance Fund	Colonial Community Corrections Fund	Housing & Neighborhood Development Fund	Donation Trust Fund	Tourism Fund	Total
Revenues:						
Other local taxes	\$ -	\$ -	\$ -	\$ -	\$ 902,038	\$ 902,038
Miscellaneous	20,116	19,743	372,672	152,250	-	564,781
Intergovernmental:						
Local	-	208,879	-	-	-	208,879
Commonwealth	1,232,705	857,814	56,744	-	-	2,147,263
Federal	2,838,911	2,620	2,296,314	-	-	5,137,845
Total revenues	<u>4,091,732</u>	<u>1,089,056</u>	<u>2,725,730</u>	<u>152,250</u>	<u>902,038</u>	<u>8,960,806</u>
Expenditures:						
Current:						
Judicial administration	-	1,171,035	-	134,848	-	1,305,883
Public safety	-	-	-	9,131	-	9,131
Health and human services	5,581,317	-	-	-	-	5,581,317
Parks, recreation and cultural	-	-	-	3,569	-	3,569
Community development	-	-	2,937,410	-	1,510,557	4,447,967
Debt service:						
Principal payments - leases	11,461	609	-	-	-	12,070
Interest - leases	497	68	-	-	-	565
Capital outlay	-	9,448	-	-	-	9,448
Total expenditures	<u>5,593,275</u>	<u>1,181,160</u>	<u>2,937,410</u>	<u>147,548</u>	<u>1,510,557</u>	<u>11,369,950</u>
Excess (deficiency) of revenues over (under) expenditures	(1,501,543)	(92,104)	(211,680)	4,702	(608,519)	(2,409,144)
Other financing sources (uses):						
Transfers in	1,544,300	150,700	677,100	-	2,084,944	4,457,044
Transfers out	-	-	-	(7,000)	(370,500)	(377,500)
Proceeds from leases	-	9,448	-	-	-	9,448
Total other financing sources (uses)	<u>1,544,300</u>	<u>160,148</u>	<u>677,100</u>	<u>(7,000)</u>	<u>1,714,444</u>	<u>4,088,992</u>
Net change in fund balances	42,757	68,044	465,420	(2,298)	1,105,925	1,679,848
Fund balances, beginning of year	1,756,354	377,925	3,116,896	305,338	1,092,232	6,648,745
Fund balances, end of year	<u>\$ 1,799,111</u>	<u>\$ 445,969</u>	<u>\$ 3,582,316</u>	<u>\$ 303,040</u>	<u>\$ 2,198,157</u>	<u>\$ 8,328,593</u>

See accompanying independent auditor's report.

County of James City, Virginia
 Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
 Virginia Public Assistance Fund
 Year ended June 30, 2022

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>
Revenues:				
Miscellaneous	\$ -	\$ 73,000	\$ 20,116	\$ 52,884
Intergovernmental:				
Commonwealth	-	31,631	1,232,705	1,201,074
Federal	4,120,723	4,302,755	2,838,911	(1,463,844)
Total revenues	<u>4,120,723</u>	<u>4,407,386</u>	<u>4,091,732</u>	<u>(209,886)</u>
Expenditures:				
Current:				
Health and human services	6,176,965	6,612,970	5,581,317	1,031,653
Debt service:				
Principal payments - leases	-	11,461	11,461	-
Interest - leases	-	497	497	-
Total expenditures	<u>6,176,965</u>	<u>6,624,928</u>	<u>5,593,275</u>	<u>1,031,653</u>
Deficiency of revenues under expenditures	<u>(2,056,242)</u>	<u>(2,217,542)</u>	<u>(1,501,543)</u>	<u>(1,241,539)</u>
Other financing sources:				
Operating transfers in	1,382,963	1,544,263	1,544,300	37
Total other financing sources:	<u>1,382,963</u>	<u>1,544,263</u>	<u>1,544,300</u>	<u>402,032</u>
Deficiency of revenues and other sources under expenditures	<u>(673,279)</u>	<u>(673,279)</u>	<u>42,757</u>	<u>(716,036)</u>
Fund balance, beginning of year	<u>673,279</u>	<u>673,279</u>	<u>1,756,354</u>	<u>(1,083,075)</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,799,111</u>	<u>\$ (1,799,111)</u>

See accompanying independent auditor's report.

County of James City, Virginia
Custodial Funds

Custodial funds account for money received and held by the County in the capacity of fiscal agent for individuals, other governmental agencies and private organizations.

The County reports the following Custodial funds:

Special Welfare - accounts for the transfer of funds provided by the Virginia Public Assistance Fund for aid to dependent children.

WAMAC - accounts for the fiscal agency funds held for the Williamsburg Area Medical Assistance Corporation.

Regional Jail - accounts for the fiscal agency funds held for the Virginia Peninsula Regional Jail Authority.

Juvenile Detention - accounts for fiscal agency funds held for the Middle Peninsula Juvenile Detention Commission.

Williamsburg Area Transit - accounts for the fiscal agency funds held for the Williamsburg Area Transit Authority.

County of James City, Virginia
Combining Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2022

	Special Welfare	WAMAC	Regional Jail	Juvenile Detention	Williamsburg Area Transit Authority	Total
Assets						
Cash, cash equivalents and investments	\$ 1,175	\$ 34,179	\$ 8,381,896	\$ 3,041,506	\$ 4,861,447	\$ 16,320,203
Restricted cash, cash equivalents and investments	-	5,436,219	-	-	-	5,436,219
Accounts receivable	-	230,325	33,606	28,368	11,888	304,187
Lease receivable	-	-	62,895	-	52,170	115,065
Due from other governmental units	-	-	526,109	2,528	853,600	1,382,237
Due from other funds	-	-	16,595	-	-	16,595
Capital assets, nondepreciable	-	-	881,571	118,354	3,419,379	4,419,304
Capital assets, depreciable, net of accumulated depreciation	-	83,437	12,672,094	3,520,948	7,835,993	24,112,472
Capital assets, lease assets, net of accumulated amortization	-	-	20,744	-	99,784	120,528
Net pension asset	-	-	7,010,030	99,376	214,357	7,323,763
Net OPEB asset	-	-	-	2,310	2,950	5,260
Total assets	<u>\$ 1,175</u>	<u>\$ 5,784,160</u>	<u>\$ 29,605,540</u>	<u>\$ 6,813,390</u>	<u>\$ 17,351,568</u>	<u>\$ 59,555,833</u>
Deferred Outflows of Resources						
Deferred pension outflows	\$ -	\$ -	\$ 686,673	\$ 175,003	\$ 102,347	\$ 964,023
Deferred OPEB outflows	-	-	90,480	169,351	158,963	418,794
Total deferred outflows of resources	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 777,153</u>	<u>\$ 344,354</u>	<u>\$ 261,310</u>	<u>\$ 1,382,817</u>
Liabilities						
Accounts payable and accrued liabilities	\$ 320	\$ 59,733	\$ 207,912	\$ 87,450	\$ 418,005	\$ 773,420
Long-term liabilities, due within one year	-	-	827,267	254,461	191,765	1,273,493
Long-term liabilities, due in more than one year	-	-	1,345,269	1,063,967	256,246	2,665,482
Deferred revenue	-	61,983	312,537	360,180	6,757	741,457
Total liabilities	<u>\$ 320</u>	<u>\$ 121,716</u>	<u>\$ 2,692,985</u>	<u>\$ 1,766,058</u>	<u>\$ 872,773</u>	<u>\$ 5,453,852</u>
Deferred Inflows of Resources						
Deferred pension inflows	\$ -	\$ -	\$ 3,199,574	\$ 382,884	\$ 238,506	\$ 3,820,964
Deferred OPEB inflows	-	-	384,044	101,344	79,266	564,654
Deferred lease inflows	-	-	61,535	-	50,923	112,458
Total deferred inflows of resources	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,645,153</u>	<u>\$ 484,228</u>	<u>\$ 368,695</u>	<u>\$ 4,498,076</u>
Net Position						
Net investment in capital assets	\$ -	\$ 83,437	\$ 12,568,324	\$ 2,723,725	\$ 11,355,156	\$ 26,730,642
Restricted	-	2,250,000	7,010,030	101,686	272,757	9,634,473
Assigned	855	-	-	-	-	855
Unrestricted	-	3,329,007	4,466,201	2,082,047	4,743,497	14,620,752
Total net position	<u>\$ 855</u>	<u>\$ 5,662,444</u>	<u>\$ 24,044,555</u>	<u>\$ 4,907,458</u>	<u>\$ 16,371,410</u>	<u>\$ 50,986,722</u>

See accompanying independent auditor's report.

County of James City, Virginia
 Combining Statement of Changes in Fiduciary Net Position
 Fiduciary Funds
 Year Ended June 30, 2022

	Special Welfare	WAMAC	Regional Jail	Juvenile Detention	Williamsburg Area Transit Authority	Total
Additions						
Fees from members	\$ -	\$ -	\$ 5,881,617	\$ 1,473,804	\$ -	\$ 7,355,421
Revenue from the Commonwealth	-	-	5,256,285	2,885,996	-	8,142,281
Revenue from the federal government	-	-	873	84,305	-	85,178
Operating grants and contributions	15,083	2,108,036	-	-	7,330,693	9,453,812
Capital grants and contributions	-	-	-	-	1,493,274	1,493,274
Charges for services	-	678,047	-	-	679,722	1,357,769
Use of money and property	-	-	24,098	-	130,666	154,764
Other	-	86,021	1,308,021	12,074	57,274	1,463,390
Total additions	<u>\$ 15,083</u>	<u>\$ 2,872,104</u>	<u>\$ 12,470,894</u>	<u>\$ 4,456,179</u>	<u>\$ 9,691,629</u>	<u>\$ 29,505,889</u>
Deductions						
Personnel expenses	\$ -	\$ 2,315,542	\$ 5,456,609	\$ 3,598,564	\$ 3,580,804	\$ 14,951,519
Materials and contractual services	-	357,034	2,532,285	371,161	2,879,057	6,139,537
Depreciation	-	25,164	956,027	240,492	1,215,545	2,437,228
Minor furniture and equipment	-	20,842	83,321	27,014	-	131,177
Interest expense	-	-	30,934	23,712	-	54,646
COVID-19 pandemic costs	-	9,650	-	-	-	9,650
Investment loss	-	577,884	-	-	-	577,884
Other	14,278	235,198	1,206,258	177,971	55,889	1,689,594
Total deductions	<u>\$ 14,278</u>	<u>\$ 3,541,314</u>	<u>\$ 10,265,434</u>	<u>\$ 4,438,914</u>	<u>\$ 7,731,295</u>	<u>\$ 25,991,235</u>
Net increase (decrease) in fiduciary net position	805	(669,210)	2,205,460	17,265	1,960,334	3,514,654
Net position, beginning	50	6,331,654	21,839,095	4,890,193	14,411,076	47,472,068
Net position, ending	<u>\$ 855</u>	<u>\$ 5,662,444</u>	<u>\$ 24,044,555</u>	<u>\$ 4,907,458</u>	<u>\$ 16,371,410</u>	<u>\$ 50,986,722</u>

See accompanying independent auditor's report.

County of James City, Virginia
Discretely Presented Component Units

The County reports the following discretely presented component units:

Public Schools - responsible for educating the school-age population of the City of Williamsburg, Virginia and the County.

Economic Development Authority - promote industrial and commercial development in the County.

James City Service Authority - provide water and sewer services inside the primary service area of the County.

County of James City, Virginia
Balance Sheet
Discretely Presented Component Unit – Public Schools – Governmental Funds
June 30, 2022

	Major Funds			Nonmajor governmental funds	Total governmental funds
	General	Grants	Schools' Food Services		
Assets					
Cash and temporary investments	\$ 18,874,526	\$ -	\$ 3,954,335	\$ 1,719,533	\$ 24,548,394
Receivables	19,681	-	3,485	-	23,166
Lease receivable, current	24,621	-	-	-	24,621
Lease receivable, non-current	412,526	-	-	-	412,526
Due from other funds	1,825,300	-	-	-	1,825,300
Due from federal government	81,692	2,354,973	1,060,834	345,470	3,842,969
Due from Commonwealth of Virginia	2,918,707	768,126	-	-	3,686,833
Due from the City of Williamsburg and James City County	1,059,247	-	-	721,651	1,780,898
Inventory	-	-	68,396	-	68,396
Total assets	\$ 25,216,300	\$ 3,123,099	\$ 5,087,050	\$ 2,786,654	\$ 36,213,103
Liabilities, Deferred Inflow of Resources and Fund Balances					
Liabilities:					
Accounts payable	\$ 994,868	\$ 141,395	\$ 125,011	\$ 771,084	\$ 2,032,358
Accrued payroll	7,961,449	391,154	124,544	-	8,477,147
Accrued benefits	7,642,855	526,444	120,370	-	8,289,669
Due to other funds	-	1,758,279	-	67,021	1,825,300
Due to the City of Williamsburg and James City County	6,037,807	-	-	-	6,037,807
Unearned revenue	-	134,411	-	-	134,411
Total liabilities	22,636,979	2,951,683	369,925	838,105	26,796,692
Deferred Inflows of Resources					
Deferred lease receivable	424,961	-	-	-	424,961
Total deferred inflows of resources	424,961	-	-	-	424,961
Fund balances:					
Nonspendable - inventory	-	-	68,396	-	68,396
Restricted	-	171,416	4,648,729	1,499,209	6,319,354
Committed	-	-	-	449,340	449,340
Assigned	1,954,360	-	-	-	1,954,360
Unassigned	200,000	-	-	-	200,000
Total fund balances	2,154,360	171,416	4,717,125	1,948,549	8,991,450
Total liabilities and fund balances	\$ 25,216,300	\$ 3,123,099	\$ 5,087,050	\$ 2,786,654	
Adjustments for the statement of net position:					
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the governmental funds.					
					59,985,172
Long-term liabilities and the related deferred outflows and inflows are not reported in the governmental funds.					
Compensated absences				\$ (1,430,816)	
Equipment leases				(1,435,318)	
Interest payable				(3,887)	
Net OPEB asset/liabilities and related deferred inflows and outflows of resources				(21,836,751)	
Net pension asset/liability and related deferred inflows and outflows of resources				(87,942,260)	(112,649,032)
Net position of governmental activities					\$ (43,672,410)

See accompanying independent auditor's report.

County of James City, Virginia
Statement of Revenues, Expenditures and Changes in Fund Balances
Discretely Presented Component Unit – Public Schools – Governmental Funds
Year ended June 30, 2022

	Major Funds			Nonmajor governmental funds	Total governmental funds
	General	Grants	Schools' Food Services		
Revenues:					
Intergovernmental:					
From City of Williamsburg and James City County	\$ 90,442,406	\$ -	\$ -	\$ 1,812,115	\$ 92,254,521
From Commonwealth of Virginia	57,167,902	2,274,340	140,078	-	59,582,320
From federal government	119,599	12,152,132	7,117,771	450,485	19,839,987
Total intergovernmental	<u>147,729,907</u>	<u>14,426,472</u>	<u>7,257,849</u>	<u>2,262,600</u>	<u>171,676,828</u>
Charges for services	242,468	-	512,849	264,378	1,019,695
Interest	40,670	-	4,379	-	45,049
Miscellaneous	331,131	615,891	-	1,508,760	2,455,782
Total revenues	<u>148,344,176</u>	<u>15,042,363</u>	<u>7,775,077</u>	<u>4,035,738</u>	<u>175,197,354</u>
Expenditures:					
General and administrative	3,388,614	43,122	-	-	3,431,736
Instruction	106,386,240	10,729,670	-	1,562,140	118,678,050
Attendance and health services	4,710,761	787,851	-	-	5,498,612
Pupil transportation	8,200,583	329,119	-	-	8,529,702
Operations and maintenance	12,544,879	35,353	-	-	12,580,232
Technology	11,075,843	925,699	-	-	12,001,542
Food services	-	76,234	4,801,677	-	4,877,911
Debt service principal	472,694	-	-	-	472,694
Debt service interest	20,032	-	-	-	20,032
Capital outlay	2,669,523	2,198,511	153,073	2,262,600	7,283,707
Total expenditures	<u>149,469,169</u>	<u>15,125,559</u>	<u>4,954,750</u>	<u>3,824,740</u>	<u>173,374,218</u>
Excess (deficiency) of revenues over expenditures	(1,124,993)	(83,196)	2,820,327	210,998	1,823,136
Other financing sources:					
Issuance of capital lease obligations	1,154,316	-	-	-	1,154,316
Total other financing sources	<u>1,154,316</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,154,316</u>
Net change in fund balances	29,323	(83,196)	2,820,327	210,998	2,977,452
Fund balances, beginning of year	2,125,037	254,612	1,896,798	1,737,551	6,013,998
Fund balances, end of year	<u>\$ 2,154,360</u>	<u>\$ 171,416</u>	<u>\$ 4,717,125</u>	<u>\$ 1,948,549</u>	<u>\$ 8,991,450</u>

See accompanying independent auditor's report.

County of James City, Virginia
 Statement of Revenues, Expenditures and Changes in Fund Balances
 Discretely Presented Component Unit – Public Schools – Governmental Funds
 Year ended June 30, 2022

Net change in fund balances		\$ 2,977,452
Adjustments for the statement of activities:		
<p>Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets. This is the amount by which new capital assets exceeded depreciation expense in the current period:</p>		
Capital outlay	\$ 7,283,707	
Depreciation expense	<u>(4,748,913)</u>	2,534,794
<p>governmental funds, only the proceeds from the sale increase financial resources. Thus, the change in the net position differs from the change in fund balances by the cost of the equipment sold</p>		
		(1,358)
<p>Repayment of debt principal is an expenditure in the governmental funds, but does not affect the statement of activities</p>		
		472,694
<p>Expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.</p>		
Change in accrued interest payable	(3,887)	
Change in compensated absences liability	(114,662)	
OPEB expenses, net of employer contributions	417,103	
Pension expense, net of employer contributions	<u>13,548,695</u>	13,847,249
<p>Proceeds from the issuance of capital lease obligations are reported as other financing sources in the governmental funds, increasing fund balance. In the government-wide statements, new debt increase long-term liabilities in the statement of net position and does not affect the statement of activities. This represents principal amounts of new capital leases.</p>		
		(1,154,316)
Change in net position		<u>\$ 18,676,515</u>

County of James City, Virginia
Combining Balance Sheet - Nonmajor Governmental Funds
Discretely Presented Component Unit – Public Schools
June 30, 2022

	Capital Projects	Student Activity Funds	Total nonmajor governmental funds
Assets:			
Cash and temporary investments	\$ 153,303	1,566,230	1,719,533
Due from federal government	345,470	-	345,470
Due from the City of Williamsburg and James City County	721,651	-	721,651
Total assets	<u>\$ 1,220,424</u>	<u>1,566,230</u>	<u>2,786,654</u>
Liabilities:			
Accounts payable	\$ 771,084	-	771,084
Due to other funds	-	67,021	67,021
Total liabilities	<u>771,084</u>	<u>67,021</u>	<u>838,105</u>
Fund balances:			
Restricted	-	1,499,209	1,499,209
Committed	449,340	-	449,340
Total fund balances	<u>449,340</u>	<u>1,499,209</u>	<u>1,948,549</u>
Total liabilities and fund balances	<u>\$ 1,220,424</u>	<u>1,566,230</u>	<u>2,786,654</u>

See accompanying independent auditor's report.

County of James City, Virginia

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds
 Discretely Presented Component Unit – Public Schools
 Year ended June 30, 2022

	<u>Capital Projects</u>	<u>Student Activity Funds</u>	<u>Total nonmajor governmental funds</u>
Revenues:			
Intergovernmental:			
City of Williamsburg and James City County	\$ 1,812,115	-	1,812,115
Federal government	450,485	-	450,485
Total intergovernmental	<u>2,262,600</u>	<u>-</u>	<u>2,262,600</u>
Charges for services	-	264,378	264,378
Miscellaneous	-	1,508,760	1,508,760
Total revenues	<u>2,262,600</u>	<u>1,773,138</u>	<u>4,035,738</u>
Expenditures:			
Current:			
Instruction	-	1,562,140	1,562,140
Capital outlay	2,262,600	-	2,262,600
Total expenditures	<u>2,262,600</u>	<u>1,562,140</u>	<u>3,824,740</u>
Net change in fund balances	-	210,998	210,998
Fund balances at beginning of year, as restated	449,340	1,288,211	1,737,551
Fund balances at end of year	<u>\$ 449,340</u>	<u>\$ 1,499,209</u>	<u>\$ 1,948,549</u>

See accompanying independent auditor's report.

County of James City, Virginia
Statement of Net Position
Discretely Presented Component Unit - Economic Development Authority
June 30, 2022

Assets

Current assets:

Cash and short-term investments	\$ 687,342
Current portion of lease receivable	28,392
Bond fee receivable	32,045
Lease interest receivable	3,462
Total current assets	<u>751,241</u>

Non-current assets:

Notes receivable	20,638
Lease receivable in more than one year	714,697
Capital assets	
Nondepreciable	744,995
Depreciable, net	591,815
Capital assets, net	<u>1,336,810</u>
Total non-current assets	<u>2,072,145</u>
Total assets	<u>\$ 2,823,386</u>

Liabilities, Deferred Inflow of Resources, and Net Position

Current liabilities:

Accounts payable	<u>\$ 2,096</u>
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Deferred inflow of resources:

Deferred inflow-leases	<u>\$ 723,837</u>
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Net position:

Net investment in capital assets	1,336,810
Unrestricted	760,643
Total net position	<u>2,097,453</u>
Total liabilities and net position	<u>\$ 2,823,386</u>

See accompanying independent auditor's report.

County of James City, Virginia
 Statement of Revenues, Expenses and Changes in Net Position
 Discretely Presented Component Unit - Economic Development Authority
 Year ended June 30, 2022

Operating revenues:	
Lease income	\$ 47,726
Intergovernmental - County contribution	16,009
Bond fees	124,175
Total operating revenues	187,910
Operating expenses:	
Community development & Launchpad	59,173
Depreciation	25,478
Promotion	20,339
Professional fees	16,676
Total operating expenses	121,666
Operating income	66,244
Nonoperating revenue:	
Interest income	42,191
Total nonoperating revenue	42,191
Change in net position	108,435
Net position, beginning of year, as restated	1,989,018
Net position, end of year	\$ 2,097,453

See accompanying independent auditor's report.

County of James City, Virginia
Statement of Cash Flows
Discretely Presented Component Unit - Economic Development Authority
Year ended June 30, 2022

Cash flows from operating activities:	
Receipts from County and customers	\$ 197,298
Payments to suppliers	(94,092)
Net cash provided by operating activities	103,206
Cash flows from investing activities:	
Interest received	38,729
Net increase in cash and short-term investments	141,935
Cash and short-term investments, beginning of year	545,407
Cash and short-term investments, end of year	\$ 687,342
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	\$ 66,244
Adjustments to reconcile operating income to cash provided by operating activities:	
Depreciation	25,478
Changes in assets and liabilities:	
Due from James City County	49,767
Lease receivable	28,473
Deferred inflow - leases	(47,725)
Rent receivable	8,036
Bond fee receivable	(29,163)
Accounts payable	2,096
Net cash provided by operating activities	\$ 103,206

See accompanying independent auditor's report.

County of James City, Virginia
Statement of Net Position
Discretely Presented Component Unit – Service Authority
June 30, 2022

	James City Service Authority
Assets	
Current assets:	
Cash and cash equivalents	\$ 6,894,387
Investments	49,469,680
Restricted investments	6,524,603
Accounts receivable, customers	3,157,287
Lease receivable, current portion	122,079
Accounts receivable, other	6,634
Interest receivable	70,045
Lease interest receivable	573
Inventories	1,246,614
Total current assets	<u>67,491,902</u>
Pension asset, net	1,142,756
Lease receivable, net of current portion	162,849
Capital assets, net:	
Non-depreciable	11,467,672
Depreciable	143,009,231
Lease assets, net	5,006
Net capital assets	<u>154,481,909</u>
Total assets	<u>223,279,416</u>
Deferred Outflows of Resources	
Deferred charge on refunding, net	1,358,393
Deferred pensions	713,208
Deferred OPEB group life insurance	75,914
Deferred OPEB health insurance credit	12,394
Deferred OPEB retiree healthcare	33,768
Total deferred outflows of resources	<u>2,193,677</u>
Total assets and deferred outflows of resources	<u>\$ 225,473,093</u>
Liabilities	
Current liabilities:	
Accounts payable, trade	\$ 770,293
Retainage payable	329,897
Accrued salaries	21,231
Compensated absences, current portion	415,714
Due to James City County	636,338
Due to Commonwealth	275
Deposits	883,130
Interest payable	363,406
Lease payable	3,393
Lease interest payable	13
Bonds payable, current portion	1,346,907
Total current liabilities	<u>4,770,597</u>
Noncurrent liabilities:	
Advances for construction	32,902
Compensated absences, net of current portion	138,571
Lease payable	1,750
Bonds payable, net of current portion	26,327,760
Other post-employment benefits (OPEB)	570,222
Total noncurrent liabilities	<u>27,071,205</u>
Total liabilities	<u>31,841,802</u>
Deferred Inflows of Resources	
Deferred pensions	2,521,900
Deferred lease	278,809
Deferred OPEB retiree healthcare	185,730
Deferred OPEB group life insurance	102,792
Deferred OPEB health insurance credit	32,826
Total deferred inflows of resources	<u>3,122,057</u>
Net Position	
Net position:	
Net investment in capital assets	133,825,067
Restricted for:	
Capital projects	5,659,432
Net pension asset	1,142,756
Debt service	865,171
Unrestricted	49,016,808
Total net position	<u>190,509,234</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 225,473,093</u>

See accompanying notes to basic financials statements.

County of James City, Virginia
Statement of Revenues, Expenses and Changes in Net Position
Discretely Presented Component Unit – Service Authority
Year ended June 30, 2022

	<u>James City Service Authority</u>
Operating revenues:	
Water and sewer services	\$ 18,413,514
Facility charges	2,811,965
COVID-19 relief funding	240,808
Other	497,818
Total operating revenues	<u>21,964,105</u>
Operating expenses:	
Personnel services	7,564,177
Operating supplies	1,558,860
Maintenance	1,662,145
Utilities	961,832
Contractual fees	958,226
COVID-19 expenses	240,808
Other	197,787
Total operating expenses	<u>13,143,835</u>
Operating income before depreciation and amortization	8,820,270
Depreciation and amortization	<u>8,062,145</u>
Operating loss	<u>758,125</u>
Nonoperating revenues (expenses):	
Investment loss	(2,194,170)
Gain on disposal of capital assets	17,200
Interest expense	(823,302)
Total nonoperating expenses, net	<u>(3,000,272)</u>
Income before capital contributions	(2,242,147)
Capital contributions	<u>2,121,505</u>
Change in net position	(120,642)
Net position, beginning of year	190,629,876
Net position, end of year	<u><u>\$ 190,509,234</u></u>

See accompanying notes to basic financials statements.

County of James City, Virginia
Statement of Cash Flows
Discretely Presented Component Unit – Service Authority
Year ended June 30, 2022

	James City Service Authority
Cash flows from operating activities:	
Cash receipts from customers	\$ 18,456,927
Other cash receipts	738,626
Cash payments to suppliers of goods and services	(5,206,665)
Cash payments for personnel services	(7,880,906)
Facility charges	2,813,055
Net cash provided by operating activities	8,921,037
Cash flows from capital and related financing activities:	
Repayments of debt	(1,246,000)
Payment of lease liabilities	(3,293)
Interest paid	(826,404)
Acquisition and construction of capital assets	(6,758,092)
Proceeds from sale of capital assets	56,901
Net cash provided by capital and related financing activities	(8,776,888)
Cash flows from investing activities:	
Purchases of investments	(15,900,830)
Proceeds from sales of investments	13,234,265
Lease payments received	119,283
Interest received	6,230
Net cash used in investing activities	(2,541,052)
Increase in cash and cash equivalents	(2,396,903)
Cash and cash equivalents, beginning of year (including \$9,379,323 in restricted accounts at June 30, 2021)	15,815,893
Cash and cash equivalents, end of year (including \$6,524,603 in restricted accounts at June 30, 2022)	\$ 13,418,990
Reconciliation of operating loss to net cash provided by operating activities:	
Operating gain	\$ 758,125
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation and amortization	8,062,145
Pension expense, net of employer contributions	(340,205)
Retiree healthcare OPEB expense, net of employer contributions	(8,519)
Group life insurance OPEB expense, net of employer contributions	(17,128)
Health insurance credit OPEB expense, net of employer contributions	(10,000)
Lease income	(121,493)
Change in operating assets and liabilities:	
Accounts receivable, customers	19,750
Accounts receivable, others	4,942
Note receivable	1,090
Inventories	(130,306)
Accounts payable, trade	129,527
Retainage payable	329,897
Accrued salaries	289
Compensated absences	58,559
Due to James City County	165,368
Due to Commonwealth	275
Deposits	18,721
Net cash provided by operating activities	\$ 8,921,037
Supplemental schedules:	
Noncash capital activities:	
Capital asset contributions	\$ 2,121,505
Noncash investing activity:	
Unrealized loss from change in fair value of investments	\$ 2,599,598

See accompanying notes to basic financials statements.

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Statistical Section (Unaudited)

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County of James City, Virginia
Statistical Section Overview

This part of the James City County's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the County's overall financial health.

Financial Trends

Tables 1 - 4

These tables contain trend information to help the reader understand how the County's financial performance and well-being has changed over time.

Revenue Capacity

Tables 5 - 9

These tables contain information to help the reader assess the factors affecting the County's ability to generate its property taxes.

Debt Capacity

Tables 10 - 12

These tables present information to help the reader assess the affordability of the County's current levels of outstanding debt and its ability to issue additional debt in the future.

Demographic & Economic Information

Tables 13 - 14

These tables offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place and to help make comparisons over time and with other governments.

Operation Information

Tables 15 - 17

These tables contain information about the County's operations and resources to help the reader understand how the County's financial information relates to the services the County provides and the activities it performs.

Sources: *Unless otherwise noted, the information in these tables is derived from the comprehensive annual financial report for the relevant year.*

Table 1

County of James City, Virginia
Net Position by Component
Last Ten Fiscal Years

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Governmental activities:										
Net investment in capital assets	\$ 128,851,392	\$ 142,867,725	\$ 159,469,360	\$ 176,303,250	\$ 185,274,286	\$ 198,539,384	\$ 210,357,610	\$ 223,523,519	\$ 231,590,103	\$ 240,797,862
Restricted:										
Capital projects	35,010,428	8,320,449	1,551,387	-	-	-	-	-	-	-
Debt service	-	-	-	1,222,336	1,226,566	1,236,338	4,536,503	2,030,253	-	-
Other purposes	-	-	-	1,899,944	3,067,921	4,940,612	1,043,098	1,319,233	1,350,727	1,276,896
Unrestricted	52,396,401	50,095,897	51,222,452	52,962,121	63,841,474	70,378,940	82,578,292	96,534,809	118,340,056	145,739,522
Total governmental activities net position	<u>\$ 216,258,221</u>	<u>\$ 201,284,071</u>	<u>\$ 212,243,199</u>	<u>\$ 232,387,651</u>	<u>\$ 253,410,247</u>	<u>\$ 275,095,274</u>	<u>\$ 298,515,503</u>	<u>\$ 323,407,814</u>	<u>\$ 351,280,886</u>	<u>\$ 387,814,280</u>
Business-type activity (1):										
Net investment in capital assets	\$ 139,966,206	\$ 137,922,955	\$ 137,173,064	\$ 139,312,785	\$ 136,696,744	\$ 132,616,889	\$ 134,359,937			
Restricted:										
Capital projects	2,620,384	2,601,160	2,716,277	-	-	-	-			
Debt service	-	-	-	729,605	677,614	567,011	569,708			
Unrestricted	30,189,025	29,159,119	32,903,518	37,014,202	41,443,900	46,664,323	49,536,564			
Total business-type activity net position	<u>\$ 172,775,615</u>	<u>\$ 169,683,234</u>	<u>\$ 172,792,859</u>	<u>\$ 177,056,592</u>	<u>\$ 178,818,258</u>	<u>\$ 179,848,223</u>	<u>\$ 184,466,209</u>			
Primary government:										
Net investment in capital assets	\$ 268,817,598	\$ 280,790,680	\$ 296,642,424	\$ 315,616,035	\$ 321,971,030	\$ 331,156,273	\$ 344,717,547	\$ 223,523,519	\$ 231,590,103	\$ 240,797,862
Restricted:										
Capital projects	37,630,812	10,921,609	4,267,664	-	-	-	-	-	-	-
Debt Service	-	-	-	1,951,941	1,904,180	1,803,349	5,106,211	2,030,253	-	-
Other purposes	-	-	-	1,899,944	3,067,921	4,940,612	1,043,098	1,319,233	1,350,727	1,276,896
Unrestricted	82,585,426	79,255,016	84,125,970	89,976,323	105,285,374	117,043,263	132,114,856	96,534,809	118,340,056	145,739,522
Total primary government net position	<u>\$ 389,033,836</u>	<u>\$ 370,967,305</u>	<u>\$ 385,036,058</u>	<u>\$ 409,444,243</u>	<u>\$ 432,228,505</u>	<u>\$ 454,943,497</u>	<u>\$ 482,981,712</u>	<u>\$ 323,407,814</u>	<u>\$ 351,280,886</u>	<u>\$ 387,814,280</u>

(1) For fiscal years 2019 and prior, the James City Service Authority was reported as a blended component unit and business type activity of James City County. As of fiscal year 2020, the James City Service Authority is reported as a discretely presented component unit, and is no longer reported as part of the primary government.

Table 2

County of James City, Virginia
 Government-Wide Expenses and Program Revenues by Function
 Last Ten Fiscal Years

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Expenses:										
Governmental activities:										
General government administration	\$ 14,304,134	\$ 9,249,487	\$ 19,278,147	\$ 8,807,519	\$ 11,261,405	\$ 8,768,221	\$ 11,011,081	\$ 15,165,784	\$ 21,099,810	\$ 17,494,683
Judicial administration	5,505,727	5,216,769	5,598,594	5,682,096	5,147,078	6,053,891	6,153,636	6,339,331	6,487,976	6,806,106
Public safety	27,750,476	25,964,996	23,996,973	30,842,789	30,313,710	32,036,916	34,180,592	34,366,944	36,231,265	38,479,969
Public works	7,963,622	7,244,367	6,985,073	7,986,260	9,161,360	7,258,365	9,128,572	9,918,359	9,467,161	12,068,804
Health and human services	6,785,380	6,671,151	7,013,325	7,368,295	7,742,508	7,883,242	8,482,617	9,523,747	9,861,040	10,013,082
Education	84,309,615	85,595,145	87,713,464	87,508,710	93,728,530	94,073,287	100,455,268	101,088,169	98,469,065	90,097,401
Parks, recreation, and cultural	8,536,371	10,897,006	9,386,351	10,650,141	11,779,541	12,346,131	12,909,059	12,629,914	14,935,315	13,648,175
Community development	11,139,632	10,676,484	10,692,736	12,787,069	11,905,882	10,627,626	9,481,249	9,095,405	11,895,580	12,755,621
Interest on long-term debt	9,522,081	8,822,326	7,787,361	5,869,933	5,386,316	4,905,534	5,647,370	3,919,485	3,164,043	2,718,104
Total governmental activities expenses	175,817,038	170,337,731	178,452,024	177,502,812	186,426,330	183,953,213	197,439,444	202,047,138	211,611,255	204,081,945
Business-type activities (2):										
Service Authority	21,272,566	21,002,926	19,888,935	19,971,937	19,876,242	19,522,028	20,319,667	-	-	-
Total business-type expenses	21,272,566	21,002,926	19,888,935	19,971,937	19,876,242	19,522,028	20,319,667	-	-	-
Total primary government expenses	\$ 197,089,604	\$ 191,340,657	\$ 199,454,959	\$ 197,474,749	\$ 206,302,572	\$ 203,475,241	\$ 217,759,111	\$ 202,047,138	\$ 211,611,255	\$ 204,081,945
Program revenues:										
Governmental activities:										
Charges for services:										
General government administration	\$ 7,436,450	\$ 7,758,238	\$ 8,047,642	\$ 7,547,746	\$ 7,797,839	\$ 7,973,771	\$ 8,423,063	\$ 7,864,966	\$ 7,037,200	\$ 8,964,741
Judicial administration	1,828,073	1,839,637	1,832,471	2,464,271	2,366,908	2,407,582	2,404,298	2,409,617	2,356,934	2,442,666
Public safety	3,463,159	3,330,101	3,455,177	3,558,411	3,281,957	2,964,057	2,875,855	2,854,882	3,228,215	3,640,278
Parks, recreation and cultural	2,708,063	2,854,489	3,109,047	3,563,791	3,667,720	3,694,635	3,734,663	2,844,953	2,280,933	3,347,556
Other	225,520	281,256	270,799	1,041,798	1,017,317	1,015,042	1,084,496	1,849,853	2,269,136	2,550,184
Total charges for services	15,661,265	16,063,721	16,715,136	18,176,017	18,131,741	18,055,087	18,522,375	17,824,271	17,172,418	20,945,425
Operating grants and contributions	31,354,415	30,572,383	31,767,861	32,181,074	32,903,768	32,980,663	33,465,872	41,795,253	40,978,706	26,916,551
Capital grants and contributions	1,312,352	1,286,856	346,627	269,439	196,051	828,415	1,125,513	180,635	1,639,515	169,569
Total governmental activities program revenues	48,328,032	47,922,960	48,829,624	50,626,530	51,231,560	51,864,165	53,113,760	59,800,159	59,790,639	48,031,545
Business-type activities (2):										
Charges for services	15,871,187	16,131,430	16,452,120	16,018,375	19,064,677	19,523,972	19,248,136	-	-	-
Operating grants and contributions	-	-	-	-	-	-	-	-	-	-
Capital grants and contributions	4,600,645	3,388,700	5,284,379	6,865,346	1,509,214	796,235	5,137,825	-	-	-
Total business-type activities program revenues	20,471,832	19,520,130	21,736,499	22,883,721	20,573,891	20,320,207	24,385,961	-	-	-
Total primary government program revenues	\$ 68,799,864	\$ 67,443,090	\$ 70,566,123	\$ 73,510,251	\$ 71,805,451	\$ 72,184,372	\$ 77,499,721	\$ 59,800,159	\$ 59,790,639	\$ 48,031,545
Net (expense)/revenue:										
Governmental activities	\$ (127,489,006)	\$ (122,414,771)	\$ (129,622,400)	\$ (126,876,282)	\$ (135,194,770)	\$ (132,089,048)	\$ (144,325,684)	\$ (142,246,979)	\$ (151,820,616)	\$ (156,050,400)
Business-type activities (2)	(800,734)	(1,482,796)	1,847,564	2,911,784	697,649	798,179	4,066,294	-	-	-
Total primary government net expense	\$ (128,289,740)	\$ (123,897,567)	\$ (127,774,836)	\$ (123,964,498)	\$ (134,497,121)	\$ (131,290,869)	\$ (140,259,390)	\$ (142,246,979)	\$ (151,820,616)	\$ (156,050,400)
General revenues and other changes in net position:										
Governmental activities:										
Taxes:										
Property taxes, levied for general purposes	\$ 110,351,991	\$ 111,899,484	\$ 113,359,672	\$ 120,796,742	\$ 128,334,481	\$ 131,493,564	\$ 134,846,403	\$ 138,698,177	\$ 145,884,708	\$ 149,086,210
Other local taxes	21,208,061	21,435,046	22,771,626	24,027,667	24,555,363	24,442,882	29,324,049	25,981,646	29,370,617	38,372,537
Interest on investment earnings	330,514	339,358	232,388	263,745	402,544	382,080	795,865	966,252	349,292	444,493
Miscellaneous	1,473,964	1,875,485	4,217,842	1,932,580	2,924,978	3,065,493	2,779,596	1,493,215	3,950,128	5,433,116
Total governmental activities	133,364,530	135,549,373	140,581,528	147,020,734	156,217,366	159,384,019	167,745,913	167,139,290	179,554,745	193,336,356
Business-type activities (2):										
Interest on investment earnings	(1,249,111)	267,061	248,207	519,767	90,148	43,940	1,904,327	-	-	-
Miscellaneous	375,758	520,504	1,013,854	832,182	973,869	726,432	495,207	-	-	-
Total business-type activities	(873,353)	787,565	1,262,061	1,351,949	1,064,017	770,372	2,399,534	-	-	-
Total primary government	\$ 132,491,177	\$ 136,336,938	\$ 141,843,589	\$ 148,372,683	\$ 157,281,383	\$ 160,154,391	\$ 170,145,447	\$ 167,139,290	\$ 179,554,745	\$ 193,336,356
Change in net position:										
Governmental activities	\$ 5,875,524	\$ 13,134,602	\$ 10,959,128	\$ 20,144,452	\$ 21,022,596	\$ 27,294,971	\$ 23,420,229	\$ 24,892,311	\$ 27,734,129	\$ 37,285,956
Business-type activities	(1,674,087)	(695,231)	3,109,625	4,263,733	1,761,666	1,568,551	6,465,828	-	-	-
Total primary government	\$ 4,201,437	\$ 12,439,371	\$ 14,068,753	\$ 24,408,185	\$ 22,784,262	\$ 28,863,522	\$ 29,886,057	\$ 24,892,311	\$ 27,734,129	\$ 37,285,956

(1) Reflects expenses from Exhibit 2.

(2) For fiscal years 2019 and prior, the James City Service Authority was reported as a blended component unit and business type activity of James City County. As of fiscal year 2020, the James City Service Authority is reported as a discretely presented component unit, and is no longer reported as part of the primary government.

Table 3

County of James City, Virginia
Fund Balances, Governmental Funds
Last Ten Fiscal Years (1)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General fund:										
Nonspendable:										
Inventory	\$ 361,682	\$ 370,536	\$ 340,709	\$ 336,498	\$ 332,335	\$ 311,882	\$ 252,792	\$ 232,235	\$ 222,172	\$ 287,924
Prepaid items	-	-	2,111	-	-	-	-	-	-	-
Committed:										
School operations	-	-	-	-	-	-	-	-	8,128,540	6,581,532
Assigned:										
General	6,595,137	6,544,809	5,991,822	7,860,584	7,249,473	8,384,195	7,825,910	9,436,272	7,333,706	8,604,806
Capital reserve	11,583,529	8,118,950	4,968,111	5,414,938	6,001,542	6,963,412	7,116,956	7,853,810	15,833,459	15,952,529
Unassigned	22,345,746	23,099,410	23,360,679	24,681,548	28,339,753	30,119,197	31,693,639	42,058,054	56,029,027	65,248,514
Total general fund	<u>\$ 40,886,094</u>	<u>\$ 38,133,705</u>	<u>\$ 34,663,432</u>	<u>\$ 38,293,568</u>	<u>\$ 41,923,103</u>	<u>\$ 45,778,686</u>	<u>\$ 46,889,297</u>	<u>\$ 59,580,371</u>	<u>\$ 87,546,904</u>	<u>\$ 96,675,305</u>
All other government funds:										
Restricted - bond proceeds held in escrow	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,236,338	\$ 4,536,503	\$ 2,030,253	\$ 9,687	\$ 11,218
Restricted - grants/special projects										315,786
Restricted - nonmajor governmental funds								1,319,233	882,066	961,110
Committed:										
Grants	128,700	240,900	69	-	-	-	-	-	1,661,733	2,549,008
Capital projects/reserve	35,010,428	8,320,449	1,551,387	28,907,491	13,781,490	-	-	-	-	-
Assigned:										
Capital reserve	-	14,466,602	16,178,748	18,699,213	26,115,707	26,401,040	29,732,523	31,263,804	27,489,088	39,845,175
Special revenue	4,993,071	4,505,717	4,957,409	6,111,183	7,233,419	10,523,259	9,761,066	12,375,121	4,508,720	12,306,078
Total all other governmental funds	<u>\$ 40,132,199</u>	<u>\$ 27,533,668</u>	<u>\$ 22,687,613</u>	<u>\$ 53,717,887</u>	<u>\$ 47,130,616</u>	<u>\$ 38,160,637</u>	<u>\$ 44,030,092</u>	<u>\$ 46,988,411</u>	<u>\$ 34,551,294</u>	<u>\$ 55,988,375</u>

(1) Governmental Accounting Standards Board (GASB) Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, which provides fund balance classifications that can be more consistently applied was adopted by the County as of July 1, 2010. Therefore, the fund balances for years 2009 through 2010 have been restated to reflect this standard.

Table 4

County of James City, Virginia
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Revenues:										
General property taxes	\$ 109,112,196	\$ 112,151,342	\$ 112,542,078	\$ 124,363,595	\$ 128,094,252	\$ 130,402,106	\$ 134,744,837	\$ 138,724,196	\$ 144,766,114	\$ 146,502,246
Other local taxes	21,208,061	21,435,046	22,771,626	24,027,667	24,555,363	24,442,882	29,324,049	25,981,646	29,370,617	38,372,537
Licenses, permits, and fees	7,623,652	8,134,299	8,443,821	8,779,496	9,049,208	8,892,499	9,496,531	8,878,568	8,354,258	10,507,338
Fines and forfeitures	295,355	293,625	271,615	309,278	270,716	265,561	292,518	231,608	154,314	205,478
Use of money and property	330,514	339,358	232,388	263,745	402,544	382,080	795,865	966,252	349,292	444,493
Charges for services	5,736,864	5,549,607	5,944,750	6,623,273	6,471,404	6,656,889	6,586,341	6,291,204	6,341,310	7,678,699
Miscellaneous	1,473,964	1,875,484	4,217,842	1,932,580	2,924,978	3,065,493	2,779,596	1,493,215	3,929,305	4,753,731
Intergovernmental	34,672,161	33,945,431	34,169,438	34,635,171	35,092,799	35,731,814	36,733,787	44,338,305	44,917,875	29,392,759
Total revenues	<u>180,452,767</u>	<u>183,724,192</u>	<u>188,593,558</u>	<u>200,934,805</u>	<u>206,861,264</u>	<u>209,839,324</u>	<u>220,753,524</u>	<u>226,904,994</u>	<u>238,183,085</u>	<u>237,857,281</u>
Expenditures:										
Storm costs	-	-	-	-	-	-	-	-	-	-
General government administration	9,399,885	9,643,858	9,432,889	9,678,060	9,770,250	10,086,403	11,651,426	12,905,240	15,239,378	15,448,266
Judicial administration	5,250,974	5,514,609	5,599,728	5,463,744	5,870,569	5,856,353	5,908,750	5,954,875	6,276,544	6,450,992
Public works	7,606,884	7,353,940	6,976,533	27,878,252	28,443,672	28,728,800	31,127,333	31,102,285	32,582,648	35,344,302
Health and human services	6,785,380	7,061,327	7,193,841	7,082,202	7,833,811	7,635,751	8,235,686	8,652,838	8,542,554	9,858,415
Education	75,931,599	77,496,482	79,610,865	7,234,052	7,350,896	7,584,697	8,259,078	9,383,160	9,613,906	9,826,707
Parks, recreation, and cultural	9,075,083	9,899,159	9,858,887	79,825,974	84,299,207	85,395,004	91,070,061	92,286,710	91,265,989	80,953,282
Public safety	26,555,114	26,764,383	27,475,307	9,872,451	10,293,611	10,394,095	10,896,838	10,751,418	10,947,198	11,646,489
Community development	10,914,977	10,958,279	10,769,064	10,353,844	11,827,600	9,959,810	10,451,529	9,682,050	10,318,221	12,209,744
Nondepartmental	966,806	721,744	525,433	1,183,538	-	-	-	16,128	-	51,542
Debt service (2):										
Principal	23,473,305	16,417,326	16,862,695	17,122,377	16,206,234	16,284,125	14,343,182	14,282,841	12,471,271	12,408,938
Interest	9,522,081	8,822,326	7,787,361	6,188,222	6,841,056	6,195,080	5,848,486	5,447,279	4,655,693	4,441,433
Bond issuance costs	253,624	-	112,863	1,173,546	-	-	380,771	-	273,391	-
Capital outlay (1)	12,586,344	18,421,679	13,424,741	12,647,985	25,818,138	26,833,602	26,793,328	11,824,193	13,411,798	15,893,291
Total expenditures	<u>198,322,056</u>	<u>199,075,112</u>	<u>195,630,207</u>	<u>195,704,247</u>	<u>214,555,044</u>	<u>214,953,720</u>	<u>224,966,468</u>	<u>212,289,017</u>	<u>215,598,591</u>	<u>214,533,401</u>
Excess (deficiency) of revenues over (under) expenditures	(17,869,289)	(15,350,920)	(7,036,649)	5,230,558	(7,693,780)	(5,114,396)	(4,212,944)	14,615,977	22,584,494	23,323,880
Other financing sources:										
Transfers in	33,965,148	34,729,940	35,271,660	40,956,217	40,745,506	40,309,261	46,365,441	36,233,275	26,987,246	51,168,906
Transfers out	(33,965,148)	(34,729,940)	(35,271,660)	(40,956,217)	(40,745,506)	(40,309,261)	(46,365,441)	(36,233,275)	(26,987,246)	(51,168,906)
Issuance of debt	26,380,000	-	34,185,000	91,665,000	-	-	14,195,000	-	11,030,000	-
Premiums on bonds issued	2,309,915	-	3,907,273	10,930,294	-	-	1,150,501	-	2,450,765	-
Proceeds from leases	-	-	-	-	-	-	-	-	-	62,571
Financed purchases	-	-	-	-	4,736,044	-	-	-	1,693,311	-
Payment to refunded bond escrow agent	-	-	(39,371,952)	(73,165,442)	-	-	-	-	(14,297,561)	-
Total other financing sources	<u>28,689,915</u>	<u>-</u>	<u>(1,279,679)</u>	<u>29,429,852</u>	<u>4,736,044</u>	<u>-</u>	<u>15,345,501</u>	<u>-</u>	<u>876,515</u>	<u>62,571</u>
Net change in fund balances	<u>\$ 10,820,626</u>	<u>\$ (15,350,920)</u>	<u>\$ (8,316,328)</u>	<u>\$ 34,660,410</u>	<u>\$ (2,957,736)</u>	<u>\$ (5,114,396)</u>	<u>\$ 11,132,557</u>	<u>\$ 14,615,977</u>	<u>\$ 23,461,009</u>	<u>\$ 23,386,451</u>
Debt service as a percentage of noncapital expenditures										
	17.55%	13.97%	13.35%	12.56%	11.99%	11.74%	10.18%	0.10%	8.43%	8.39%

(1) Including operating transfers to capital projects.

(2) Noncapital expenditures equals total expenditures less amounts for capitalized assets on the government-wide statement of net position.

Table 5

County of James City, Virginia
 Assessed Value and Actual Value of Taxable Property
 Last Ten Fiscal Years

Fiscal year	Total real property	General personal property	Machinery and tools	Mobile homes	Total Personal property	Public service	Total assessed value	Total direct tax rate
2013	\$ 10,921,180,200	\$ 687,058,440	\$ 141,877,157	\$ 9,209,475	\$ 838,145,072	\$ 232,588,225	\$ 11,991,913,497	\$ 4.77
2014	11,067,756,400	710,720,870	144,950,305	8,346,659	864,017,834	233,973,337	12,165,747,571	4.77
2015	11,148,405,300	783,249,672	144,694,099	7,901,856	935,845,627	336,370,602	12,420,621,529	4.84
2016	11,352,153,219	770,378,346	145,094,277	7,533,858	923,006,481	236,177,856	12,511,337,556	4.84
2017	11,608,801,433	809,023,687	147,942,350	7,008,284	963,974,321	245,349,999	12,818,125,753	4.84
2018	11,797,419,633	862,391,419	151,313,988	6,377,045	1,020,082,452	247,568,334	13,065,070,419	4.84
2019	12,089,303,067	898,095,969	150,923,619	6,628,640	1,055,648,228	262,267,902	13,407,219,197	4.84
2020	12,241,257,556	895,259,839	155,315,787	7,099,488	1,057,675,114	388,057,441	13,686,990,111	4.84
2021	12,617,887,537	970,206,188	155,735,247	8,655,439	1,134,596,874	551,095,928	14,303,580,339	4.84
2022	12,762,586,854	1,060,624,768	156,981,638	9,802,261	1,227,408,667	492,067,041	14,482,062,562	4.84

Source: Real Estate Assessments and Commissioner of the Revenue, James City County.

Note: Tax rate is per \$100 of assessed value.

Table 6

County of James City, Virginia
Tax Rates
Last Ten Fiscal Years

Fiscal year	Real estate tax (1)	Personal property tax (1)	Room tax	Meal tax	Retail sales tax (2)	Historic Triangle sales tax (3)	Total direct tax rate
2013	\$ 0.77	\$ 4.00	\$ 5.00	\$ 4.00	\$ 1.00	\$ -	\$ 4.77
2014	0.77	4.00	5.00	4.00	1.00	-	4.77
2015	0.77	4.00	5.00	4.00	1.00	-	4.77
2016	0.84	4.00	5.00	4.00	1.00	-	4.84
2017	0.84	4.00	5.00	4.00	1.00	-	4.84
2018	0.84	4.00	5.00	4.00	1.00	-	4.84
2019	0.84	4.00	5.00	4.00	1.00	1.00	4.84
2020	0.84	4.00	5.00	4.00	1.00	1.00	4.84
2021	0.84	4.00	5.00	4.00	1.00	1.00	4.84
2022	0.84	4.00	5.00	4.00	1.00	1.00	4.84

(1) Per \$100 assessed value

(2) Collected by the State and remitted to the County monthly

(3) Effective July 1, 2018

(4) There are no overlapping taxes in the rates disclosed in this table.

Table 7

County of James City, Virginia
Principal Tax Payers
Current Year and Ten Years Ago

Principal Property Tax Payers						
	2022			2013		
	Property taxes assessed	Rank	Percentage of County total	Property taxes assessed	Rank	Percentage of County total
Anheuser-Busch, Inc.	\$ 5,302,096	1	3.31%	\$ 4,868,393	1	4.09%
Virginia Electric & Power Company	3,207,648	2	2.00%	890,362	5	0.75%
Seaworld Parks & Entertainment, LLC	2,273,898	3	1.42%	1,818,178	2	1.53%
Premium Outlets of Williamsburg (1)	1,227,470	4	0.77%	835,907	6	0.70%
Wal-Mart, Inc.	1,212,795	5	0.76%	1,162,762	3	0.98%
Historic Powhatan Resort Owners Assoc	1,036,620	6	0.65%	981,606	4	0.81%
Williamsburg Landing, Inc.	1,010,180	7	0.63%	751,199	7	0.63%
Ball Metal Container	907,049	8	0.57%	693,142	8	0.58%
Riverside Healthcare Assoc	704,106	9	0.46%	-	-	-
Vacation Village @ Williamsburg (2)	700,579	10	0.44%	658,212	10	0.55%
Owens-Brockway				690,470	9	0.58%
Total	<u>\$ 17,582,441</u>		<u>11.01%</u>	<u>\$ 13,350,231</u>		<u>11.20%</u>

Source: Commissioner of the Revenue

(1) Premium Outlets includes two related parties, Williamsburg Outlets, LLC and Williamsburg Mazel, LLC. They are combined in this table to show the value of the shopping center.

(2) Vacation Village @ Williamsburg formerly known as Williamsburg Plantation Owners Assoc.

Principal Personal Property Tax Payers						
	2022			2013		
	Property taxes assessed	Rank	Percentage of County total	Property taxes assessed	Rank	Percentage of County total
Anheuser-Busch, Inc.	\$ 4,120,396	1	8.46%	\$ 3,785,168	1	11.39%
Seaworld Parks, LLC	1,708,403	2	3.51%	1,296,314	2	3.90%
Ball Metal Container	765,819	3	1.57%	588,056	4	1.68%
Printpack, Inc.	469,218	4	0.96%	471,910	5	1.42%
Owens-Brockway Glass Container	463,001	5	0.95%	618,220	3	1.86%
Cox Communications of Hampton Roads	345,132	6	0.71%	264,627	7	0.80%
Wal-Mart, Inc.	318,195	7	0.65%	359,188	6	1.08%
Toyota Lease Trust	185,973	8	0.38%	108,879	10	0.33%
HVT, Inc.	178,995	9	0.37%	138,573	9	0.42%
Citizen Asset Finance, Inc.	169,179	10	0.35%	-	-	-
Branscome, Inc.				140,186	8	0.42%
Total	<u>\$ 8,724,311</u>		<u>17.91%</u>	<u>\$ 7,771,121</u>		<u>23.30%</u>

Source: Commissioner of the Revenue

Principal Real Estate Property Tax Payers						
	2022			2013		
	Property taxes assessed	Rank	Percentage of County total	Property taxes assessed	Rank	Percentage of County total
Virginia Electric & Power Company	\$ 3,207,648	1	2.88%	\$ 887,671	3	1.03%
Premium Outlets of Williamsburg (1)	1,227,470	2	1.10%	829,840	4	0.97%
Anheuser-Busch, Inc.	1,181,700	3	1.06%	1,083,225	1	1.26%
Historic Powhatan Resort Owners Assoc	1,009,654	4	0.91%	966,499	2	1.13%
Williamsburg Landing, Inc.	910,835	5	0.82%	675,738	6	0.79%
Wal-Mart, Inc.	894,600	6	0.80%	803,574	5	0.94%
Riverside Healthcare Assoc.	704,106	7	0.63%	-	-	-
Vacation Village @ Williamsburg (2)	700,579	8	0.63%	650,808	7	0.76%
Manor Club @ Ford's Colony (3)	651,006	9	0.58%	596,756	8	0.69%
Virginia United Methodist Homes, Inc.	645,755	10	0.58%	577,698	9	0.67%
Seaworld Parks, LLC				521,684	10	0.61%
Total	<u>\$ 11,133,353</u>		<u>9.99%</u>	<u>\$ 7,593,493</u>		<u>8.85%</u>

Source: Commissioner of the Revenue

(1) Premium Outlets includes two related parties, Williamsburg Outlets, LLC and Williamsburg Mazel, LLC. They are combined in this table to show the value of the shopping center.

(2) Vacation Village @ Williamsburg formerly known as Williamsburg Plantation Owners Assoc,

(3) In 2012, the company was known as Manor Houses Associates.

Table 8

County of James City, Virginia
Property Tax Levies and Collections
Last Ten Fiscal Years

<u>Fiscal year</u>	<u>Taxes levied for the fiscal year</u>	<u>Collected within the fiscal year of the levy</u>		<u>Collections in subsequent years</u>	<u>Total collections to date</u>	
		<u>Amount (1)</u>	<u>Percentage of levy</u>		<u>Amount</u>	<u>Percentage of levy</u>
2013	\$ 117,413,618	\$ 98,431,581	83.83%	\$ 18,827,149	\$ 117,258,730	99.87%
2014	118,794,190	100,523,591	84.62%	17,985,668	118,509,259	99.76%
2015	116,289,522	101,071,578	86.91%	14,681,894	115,753,471	99.54%
2016	122,616,224	106,867,113	87.16%	14,476,777	121,343,890	98.96%
2017	126,902,513	109,436,232	87.31%	15,895,512	125,331,743	98.76%
2018	129,502,759	111,268,080	85.92%	17,510,094	128,778,173	99.44%
2019	133,720,786	114,672,068	85.75%	16,894,911	131,566,978	98.39%
2020	135,651,256	114,426,238	84.35%	19,252,744	133,678,982	98.55%
2021	142,108,857	120,664,965	84.91%	19,196,062	139,861,026	98.42%
2022	143,792,467	122,219,660	85.00%	-	122,219,660	85.00%

Source: Treasurer, James City County

(1) Collections related to fiscal year levies includes PPTRA claimed by taxpayers.

Table 9

County of James City, Virginia
 Taxable Sales by Category
 Last Ten Fiscal Years

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Apparel stores	\$ 206,585,825	\$ 213,354,143	\$ 194,143,321	\$ 194,900,831	\$ 186,607,800	\$ 161,355,210	\$ 153,888,820	\$ 148,561,525	\$ 116,650,461	\$ 125,868,678
Automotive dealers, supplies and repair	21,792,904	21,122,470	20,893,120	23,582,443	23,292,016	27,301,606	27,495,725	27,923,233	29,737,445	40,036,732
Building materials, machinery and equipment	19,518,301	18,093,198	18,046,110	20,957,143	19,658,032	18,140,731	16,525,955	15,897,685	32,678,513	34,325,048
Eating and drinking establishments	105,121,625	116,111,215	112,320,430	116,764,293	113,221,696	96,580,559	100,513,316	103,898,550	96,894,374	118,945,292
Food stores	160,043,266	169,193,864	172,591,926	178,533,330	173,053,026	166,510,730	159,139,231	171,721,520	215,713,106	226,813,897
Furniture, home furnishings and household equipment	25,032,485	31,239,589	33,524,596	34,915,814	33,199,279	30,254,081	29,813,814	28,837,623	28,645,435	29,436,353
General merchandise	103,860,834	116,426,211	133,412,703	138,011,583	138,691,794	148,614,533	158,022,671	148,055,718	157,187,098	177,380,986
Lodging	16,041,031	15,276,927	20,352,083	22,528,553	21,630,584	23,009,096	20,053,827	18,872,605	7,885,431	19,862,330
Other outlets	38,200,453	38,297,074	32,410,167	31,055,094	31,872,830	38,055,982	23,929,492	13,410,125	78,373,797	149,942,530
Other retail stores, dealers, trades and services	208,856,679	205,764,580	231,051,462	250,886,839	243,076,757	261,444,986	275,721,770	277,858,734	113,465,655	138,168,869
Total	\$ 905,055,416	\$ 944,881,285	\$ 968,747,933	\$ 1,012,137,939	\$ 984,305,831	\$ 971,269,532	\$ 965,106,640	\$ 955,039,338	\$ 877,233,336	\$ 1,060,780,715

Source: Weldon Cooper Center

Note: Some data is not categorized to protect confidentiality of the business.

Table 10

County of James City, Virginia
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal year	Governmental activities				Business-type activity (3)		Total primary government	Percentage of personal income (1)	Per capita personal income (2)
	General obligation bonds	Financed purchases	Leases	Lease revenue bonds	Total	Revenue bonds			
2013	\$ 80,004,294	\$ 1,098,854	\$ -	\$ 123,034,000	\$ 204,137,148	\$ 25,185,000	\$ 229,322,148	20.69	\$ 55,550
2014	72,164,244	984,528	-	114,416,000	187,564,772	24,660,000	212,224,772	23.34	56,960
2015	65,458,589	858,833	-	103,604,000	169,921,422	24,115,000	194,036,422	26.59	58,504
2016	49,844,842	728,456	-	130,451,552	181,024,850	24,118,109	205,142,959	26.05	59,632
2017	44,155,482	4,195,266	-	119,855,768	168,206,516	23,269,202	191,475,718	29.49	62,350
2018	38,348,323	3,183,141	-	109,069,984	150,601,448	22,600,295	173,201,743	33.28	63,189
2019	33,966,163	2,146,958	-	112,183,815	148,296,936	21,906,388	170,203,324	35.17	65,176
2020	29,479,003	1,086,117	-	102,028,321	132,593,441	-	132,593,441	47.82	68,279
2021	26,481,646	1,340,157	-	90,434,122	117,026,783	-	117,026,783	58.72	71,981
2022	23,404,288	1,015,683	779,568	80,105,604	105,305,143	-	105,305,143	**	**

(1) Based on personal income from Table 13

(2) From Table 13, calendar year basis

(3) For fiscal years 2019 and prior, the James City Service Authority was reported as a blended component unit and business type activity of James City County. As of fiscal year 2020, the James City Service Authority is reported as a discretely presented component unit, and is no longer reported as part of the primary government.

** Statistics not yet available

County of James City, Virginia
Debt Statistics
Last Ten Fiscal Years

Ratio of Net General Bonded Debt to Assessed Value and Net Bonded Debt Per Capita							
Fiscal year	Population (1)	Assessed value (2)	Gross bonded debt (3) (4)	Less debt service monies available (5)	Net bonded debt	Ratio of net bonded debt to assessed value	Net bonded debt per capita
2013	70,376	11,991,913,497	80,004,294	2,920,981	77,083,313	0.64	1,095
2014	71,254	12,165,747,571	72,164,244	2,920,538	69,243,706	0.57	972
2015	72,682	12,420,621,529	65,458,589	2,920,369	62,538,220	0.50	860
2016	73,767	12,511,337,556	49,844,842	1,219,616	48,625,226	0.39	659
2017	74,795	12,818,125,753	44,155,482	1,221,521	42,933,961	0.33	574
2018	75,776	13,065,070,419	38,348,323	1,222,024	37,126,299	0.28	490
2019	76,211	13,407,219,197	33,966,163	1,226,463	32,739,700	0.24	430
2020	77,202	13,686,990,111	29,479,003	-	29,479,003	0.22	382
2021	78,254	14,303,580,339	25,252,504	-	25,252,504	0.18	323
2022	79,882	14,482,062,562	23,404,288	-	23,404,288	0.16	293

(1) From Table 13; based on calendar year

(2) From Table 5

(3) Includes all long-term general obligation bonded debt, bond anticipation notes, and literary fund loans

(4) Includes general obligation debt payable from enterprise revenues

(5) Debt Service Reserve Funds held by a trustee

** Statistics not yet available

Ratio of Annual Debt Service Expenditures for General Bonded Debt (1) to Total General Government Expenditures and Revenues							
Fiscal year	Principal (1) (5)	Interest (2)	Total debt service (4)	Total general governmental expenditures (3)	Ratio of debt service to general total governmental expenditures	Total general governmental revenues (3)	Ratio of debt service to general total governmental revenues
2013	23,473,305	9,522,081	32,995,386	215,304,486	15.32	205,082,111	16.09
2014	16,417,326	8,822,326	25,239,652	211,866,777	11.91	209,633,075	12.04
2015	16,862,695	8,781,971	25,644,666	218,984,810	11.71	213,074,589	12.04
2016	17,122,377	6,188,222	23,310,599	226,845,449	10.28	239,451,445	9.74
2017	16,206,234	6,841,056	23,047,290	231,072,402	9.97	245,652,126	9.38
2018	16,284,125	6,195,080	22,479,205	231,635,241	9.70	248,003,274	9.06
2019	14,343,182	5,848,486	20,191,668	251,898,565	8.02	259,858,415	7.77
2020	14,282,841	5,447,279	19,730,120	243,309,721	8.11	269,835,290	7.31
2021	12,471,271	4,655,693	17,126,964	241,887,289	7.08	279,751,973	6.12
2022	12,408,938	4,441,433	16,850,371	280,172,584	6.01	290,202,319	5.81

(1) General obligation bonds reported in the enterprise funds and special assessment debt with government commitment have been excluded.

(2) Excludes bond issuance and other costs.

(3) Reflects recurring expenditures and revenues included in the General Fund, Debt Service Fund, Special Revenue funds, operating transfers to Capital Projects and the County's percentage of discretely presented Component Unit - Public Schools Operating Fund.

(4) The County has no overlapping debt.

(5) In fiscal year 2013, principal payments increased by \$7,380,000 related to the refinancing of a financed purchase. Proceeds from the issuance of new debt were used for these principal payments.

Table 12

County of James City, Virginia
Pledged Revenue Coverage
James City Service Authority
Last Ten Fiscal Years (3)

Fiscal year	Gross revenue	(1) Operating expenses	Net revenue available for debt service	(2) Debt service requirements			Coverage
				Principal	Interest	Total	
2013	\$ 14,997,834	\$ 12,407,414	\$ 2,590,420	\$ 525,000	\$ 1,119,306	\$ 1,644,306	1.58
2014	16,918,995	12,218,405	4,700,590	545,000	1,100,931	1,645,931	2.86
2015	17,714,181	10,982,443	6,731,738	565,000	1,081,856	1,646,856	4.09
2016	17,370,324	10,701,704	6,668,620	785,000	571,161	1,356,161	4.92
2017	20,128,694	10,904,086	9,224,608	605,000	749,450	1,354,450	6.81
2018	20,128,689	10,609,709	9,518,980	630,000	725,250	1,355,250	7.02
2019	21,647,670	11,669,088	9,978,582	655,000	700,050	1,355,050	7.36
2020	22,615,631	12,364,418	10,251,213	1,274,000	802,305	2,076,305	4.94
2021	21,956,279	13,411,008	8,545,271	1,246,000	826,394	2,072,394	4.12
2022	19,787,135	13,147,162	6,639,973	1,283,000	792,886	2,075,886	3.20

(1) Total operating expenses, exclusive of depreciation

(2) The Authority has no debt margin or overlapping debt.

(3) For fiscal years 2019 and prior, the James City Service Authority was reported as a blended component unit and business type activity of James City County. As of fiscal year 2020, the James City Service Authority is reported as a discretely presented component unit, and is no longer reported as part of the primary government.

Table 13

County of James City, Virginia
Demographic and Economic Statistics
Last Ten Years

<u>Calendar year</u>	<u>Population (1)</u>	<u>Personal income (2)</u>	<u>Per capita personal income (2)</u>	<u>Unemployment percentage (1)</u>
2013	70,376	\$ 4,745,679,000	\$ 55,550	5.3%
2014	71,254	4,954,338,000	56,960	4.9%
2015	72,682	5,160,028,000	58,504	4.3%
2016	73,767	5,344,090,000	59,632	4.1%
2017	74,795	5,646,096,000	62,350	3.8%
2018	75,776	5,763,759,000	63,189	2.9%
2019	76,211	5,986,893,000	65,176	2.7%
2020	77,202	6,341,149,000	68,279	10.3%
2021	78,254	6,872,205,000	71,981	4.5%
2022	79,882	**	**	3.1%

(1) Planning Division, supplemented by data from Virginia Employment Commission (<http://www.vec.virginia.gov/>)

(2) Data from the Bureau of Economic Analysis (<http://www.bea.gov/>), and has combined data for James City County and the City of Williamsburg

** Statistics not yet available

Median Household Income

<u>Calendar year</u>	<u>James City County</u>	<u>Commonwealth of Virginia</u>	<u>United States</u>
2013	\$ 75,806	\$ 62,745	\$ 52,250
2014	75,926	64,923	53,657
2015	77,668	66,263	55,775
2016	84,035	68,127	57,617
2017	88,149	71,518	60,336
2018	86,541	72,600	61,937
2019	92,773	76,471	65,712
2020	86,501	79,154	67,340
2021	**	**	**
2022	**	**	**

Source: U.S. Census Bureau, Small Area Income and Poverty Estimates
** Statistics not yet available

Households and Poverty

<u>Fiscal year</u>	<u>Supplemental Nutrition Assistance Program (SNAP) households</u>	<u>Total households*</u>	<u>Percentage of SNAP households</u>
2013	2,236	28,090	8.0%
2014	2,211	28,415	7.8%
2015	2,006	28,986	6.9%
2016	1,870	29,390	6.4%
2017	1,773	29,807	5.9%
2018	1,729	30,240	5.7%
2019	1,690	30,608	5.5%
2020	1,676	31,036	5.4%
2021	1,893	31,458	6.0%
2022	2,271	32,068	7.1%

Source: Social Services Department and Planning Division
* Reflects the number of occupied housing

(Continued)

Table 13 (Continued)

County of James City, Virginia
Demographic and Economic Statistics
Last Ten Years

Population and Age Distribution

<u>Year</u>	<u>Population</u>		<u>Percentage Increase</u>	
1950	6,317		28.7%	
1960	11,539		82.7%	
1970	17,853		54.7%	
1980	22,763		27.5%	
1990	34,859		53.1%	
2000	48,102		38.0%	
2010	67,009		39.3%	
2020	78,254		16.8%	

<u>Age</u>	<u>1980</u>		<u>1990</u>		<u>2000</u>		<u>2010</u>		<u>2020</u>	
0-14	5,008	22.0%	7,211	20.7%	9,254	19.2%	11,608	17.3%	12,220	15.6%
15-19	2,276	10.0%	2,147	6.2%	2,838	5.9%	4,120	6.1%	4,335	5.5%
20-29	3,870	17.0%	5,330	15.3%	-	0.0%	-	0.0%	-	0.0%
20-34	*	*	*	*	7,484	15.6%	9,741	14.5%	11,525	14.7%
30-44	4,780	21.0%	8,901	25.5%	-	0.0%	-	0.0%	-	0.0%
35-44	*	*	*	*	7,866	16.4%	8,133	12.1%	8,647	11.0%
45-64	5,235	23.0%	7,255	20.8%	12,563	26.1%	19,537	29.2%	20,130	25.7%
65+	1,594	7.0%	4,015	11.5%	8,097	16.8%	13,870	20.7%	21,397	27.3%
	22,763	100%	34,859	100%	48,102	100%	67,009	100%	78,254	100%

Source: U.S. Census Bureau

* New categories, as defined by the U.S. Census

Households and Population

<u>Fiscal year</u>	<u>Number of households*</u>	<u>Total households population**</u>	<u>Persons per household</u>
2013	28,090	68,821	2.45
2014	28,415	69,616	2.45
2015	28,986	71,015	2.45
2016	29,390	72,005	2.45
2017	29,807	73,028	2.45
2018	30,240	74,089	2.45
2019	30,608	74,991	2.45
2020	31,036	76,038	2.45
2021	31,458	77,072	2.45
2022	32,068	78,567	2.45

Source: Planning Division

* Reflects the number of occupied housing

** Reflects total population less group quarter population, such as nursing facilities, Eastern State Hospital (a state mental facility), Middle Peninsula Juvenile Detention Center and the Virginia Peninsula Regional Jail.

Unemployment Rate and Labor Force

<u>Calendar year</u>	<u>Civilian labor force</u>	<u>Number employed</u>	<u>Number unemployed</u>	<u>Unemployment rate</u>
2012	32,988	31,101	1,887	5.7%
2013	33,690	31,891	1,799	5.3%
2014	34,650	32,941	1,709	4.9%
2015	34,250	32,765	1,485	4.3%
2016	34,206	32,883	1,323	3.9%
2017	35,352	34,080	1,271	3.6%
2018	37,267	36,122	1,145	3.1%
2019	37,416	36,415	1,001	2.7%
2020	37,139	33,326	3,813	10.3%
2021	36,023	34,385	1,638	4.5%
2022	36,410	35,288	1,122	3.1%

Source: Planning Division, supplemented by data from Virginia labor market information

Table 14

County of James City, Virginia
 Principal Employers in James City County
 Current Year and Ten Years Ago

	2022			2013		
	<u>Employees</u>	<u>Rank</u>	<u>Percent of total County employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percent of total County employment</u>
Williamsburg-James City County Public Schools	1000+	1	7.17%	1000+	2	6.82%
Wal-Mart Import Distribution Center	1000+	2	4.09%	500-999	5	1.80%
James City County	1000+	3	3.74%	500-999	4	2.08%
Busch Entertainment	1000+	4	3.58%	1000+	1	**
Eastern State Hospital	500-999	5	3.23%	500-999	3	2.57%
Riverside Regional Medical Center	500-999	6	2.31%			
Anheuser-Busch Inbev	500-999	7	1.79%	500-999	6	1.69%
Owens & Minor/AVID	250-499	8	1.30%			
Williamsburg Landing	250-499	9	1.27%	250-499	10	0.97%
Ball Metal	100-249	10	0.69%			
Avid Medical				500-999	7	1.47%
Kingsmill Resort & Spa				250-499	8	1.27%
Jamestown-Yorktown Foundation				250-499	9	1.24%
Total			<u>29.17%</u>			<u>19.91%</u>

Source: Economic Development, James City County and Virginia Employment Commission

** Busch Gardens became publicly traded during fiscal year 2013, and information is not available.

Table 15

County of James City, Virginia
 Full-time County Government Employees by Function/Program
 Last Ten Fiscal Years

Function/program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Administrative:										
Board of supervisors	1.0	1.0	1.0	0.5	0.5	0.5	0.5	-	-	-
County administration	3.0	3.0	3.0	3.0	3.0	4.0	6.0	7.0	7.0	8.0
County attorney	5.0	5.0	5.0	5.0	5.0	5.0	4.0	4.0	4.0	4.0
Communications	7.0	7.0	7.0	8.0	8.0	8.0	-	-	-	-
Economic development	4.0	4.0	4.0	3.5	3.5	3.5	3.5	3.0	4.0	4.0
Office of Elections	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	4.0
Human resources	7.0	7.0	7.0	7.0	7.0	7.0	8.0	7.0	7.0	7.0
Financial administration:										
Accounting	8.0	8.0	8.0	8.0	7.0	7.0	7.0	7.0	7.0	8.0
Commissioner of the revenue	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0
Financial and management services	7.0	7.0	7.0	7.0	8.0	8.0	8.0	8.0	8.0	8.0
Purchasing	4.0	4.0	4.0	4.0	5.0	5.0	5.0	5.5	6.0	6.0
Real estate assessments	10.0	10.0	10.0	10.0	10.0	10.0	8.0	8.0	8.0	8.0
Treasurer	12.0	12.0	13.0	13.0	13.0	13.0	13.0	14.0	14.0	14.0
Satellite services	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	4.0
Information resources management:										
Information resources management	21.0	21.0	21.0	21.0	21.0	21.0	15.0	14.0	13.0	13.0
Information technology core applications	-	-	-	-	-	-	5.0	6.0	6.0	7.0
Information technology infrastructure	-	-	-	-	-	-	8.0	9.0	9.0	11.0
General services:										
Facilities maintenance	18.0	18.0	18.0	18.0	19.0	18.0	18.0	18.0	18.5	19.0
Fleet and equipment	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.5	9.0	9.0
General and capital services	8.0	8.0	7.0	7.0	7.0	9.5	10.5	11.5	11.5	12.5
Grounds maintenance	24.0	25.0	25.0	25.0	26.0	26.5	27.5	28.5	28.5	29.5
Solid waste management	5.0	5.0	5.0	5.0	5.0	5.0	5.0	6.0	6.0	7.0
Stormwater	4.0	4.0	6.0	8.0	8.0	7.0	18.0	18.0	18.0	19.0
Community development:										
Building safety and permits	13.0	13.0	14.0	14.0	15.0	16.0	17.0	17.0	17.0	17.0
Community Development	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	3.0	4.0
Engineering and resource protection	12.0	12.0	11.0	11.0	11.0	11.0	-	-	-	-
Planning	10.0	10.0	10.0	10.0	10.0	9.0	11.0	11.0	11.0	11.0
Zoning enforcement	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Judicial:										
Courts/judicial	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Courthouse	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Clerk of the circuit court	12.0	12.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0
Commonwealth's attorney	9.0	9.0	9.0	9.0	10.0	11.0	11.0	13.0	13.0	13.0
Sheriff	16.0	16.0	16.0	16.0	16.0	17.0	17.0	17.0	17.0	17.0
Public safety:										
Animal control	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	3.0
Emergency communications	26.0	26.0	29.0	29.0	29.0	29.0	28.0	28.0	28.0	28.0
Emergency management	3.0	3.0	3.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Fire	110.0	110.0	114.0	115.0	115.0	115.0	122.0	128.0	128.0	128.0
Police	98.0	99.0	100.0	103.0	103.0	105.0	108.0	111.0	111.0	112.0
Parks and recreation	48.0	48.0	47.0	49.0	52.0	52.0	54.0	54.0	54.0	53.0
Total general fund	542.0	544.0	552.0	559.0	567.0	573.0	588.0	604.0	606.5	620.0
Other services:										
Housing and neighborhood development	9.0	9.0	8.0	8.0	7.0	8.0	9.0	9.0	10.0	10.0
JCSA (1)	89.0	89.0	89.0	89.0	89.0	91.0	96.0			
Social services	52.0	51.0	51.0	51.0	52.0	53.0	53.0	56.0	56.0	60.0
Colonial community corrections	12.0	13.0	13.0	13.0	12.0	12.0	14.0	14.0	14.0	14.0
Special projects/grants	3.0	3.0	3.0	3.0	3.0	6.0	5.0	8.0	8.5	9.0
Grand total all funds	707.0	709.0	716.0	723.0	730.0	743.0	765.0	691.0	695.0	713.0

Source: Financial and Management Services

(1) For fiscal years 2019 and prior, the James City Service Authority was reported as a blended component unit and business type activity of James City County. As of fiscal year 2020, the James City Service Authority is reported as a discretely presented component unit, and is no longer reported as part of the primary government.

Table 16

County of James City, Virginia
 Operating Indicators by Function/Program
 Last Ten Fiscal Years

Function/program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Police:										
Calls for service	19,539	20,175	20,875	22,225	21,829	22,247	21,806	20,677	20,623	21,683
Major crimes reported	999	999	1,182	1,260	1,153	1,133	976	724	791	938
Major crimes cleared	317	247	335	390	335	374	343	231	227	244
Fire:										
Fire/other responses	2,822	3,065	3,153	3,302	4,010	3,774	3,978	3,646	3,800	3,884
Inspections	1,910	1,829	1,320	1,255	1,169	1,046	914	500	425	437
EMS responses	6,446	6,450	6,666	7,039	7,141	7,330	7,894	7,486	7,844	8,599
Refuse collection:										
Refuse collected (tons per day)	12	11	10	11	12	12	17	18	36	20
Recyclables collected (tons per day)	1	1	1	1	1	2	1	1	2	1
Recyclables collected curbside (tons per day)	22	22	23	24	23	23	24	15	12	11
Parks and recreation:										
Community center admissions	511,976	444,755	400,367	401,111	434,719	404,919	431,581	296,848	182,210	283,462
Park attendance	2,163,533	2,428,894	2,595,974	2,817,348	3,075,306	3,742,009	3,997,042	3,930,165	5,340,313	6,114,292
Participants in programs offered	371,959	404,023	441,969	463,319	508,776	528,703	505,780	307,607	220,404	223,153
Water (1):										
New connections	448	359	388	423	464	407	292	284	310	365
Water mains breaks	25	21	26	21	34	25	30	28	27	19
Sewer (1):										
New connections	347	261	380	447	470	414	287	290	313	358

Source: County operating departments

(1) For fiscal years 2019 and prior, the James City Service Authority was reported as a blended component unit and business type activity of James City County. As of fiscal year 2020, the James City Service Authority is reported as a discretely presented component unit, and is no longer reported as part of the primary government.

Table 17

County of James City, Virginia
 Capital Asset Statistics by Function/Program
 Last Ten Fiscal Years

Function/program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Police stations	1	1	1	1	1	1	1	1	1	1
Fire stations	5	5	5	5	5	5	5	5	5	5
Parks and recreation:										
Acreage	1,582	1,582	1,582	1,582	1,592	1,592	1,592	1,592	1,711	1,711
Playgrounds	11	11	12	12	10	10	10	10	10	10
Ball fields maintained	65	65	65	65	70	70	68	68	68	68
Tennis courts maintained	5	5	4	4	4	4	4	-	-	-
Pickleball courts maintained	-	-	-	2	2	2	2	8	8	8
Community centers	2	2	2	2	2	2	2	2	2	2
Water (2):										
Water lines (miles)	393	400	402	407	409	410	414	414	418	418
Water customers	20,549	20,858	21,246	21,669	22,133	22,540	22,832	23,116	23,426	23,791
Storage tanks (greater than 250,000 gallons)	7	7	7	7	7	7	7	7	7	7
Average ERCs (1)	18,597	18,937	19,415	18,921	20,025	20,220	19,247	18,977	19,142	18,933
Wastewater (2):										
Sewer lines (miles)	425	430	435	439	440	440	446	446	449	451
Gallons collected (millions)	1,739	1,862	1,922	1,863	1,971	1,987	1,898	1,879	1,901	1,882
Sewer customers	21,962	22,575	22,955	23,402	23,872	24,286	24,573	24,863	25,176	25,534

Source: County operating departments

(1) Equivalent Residential Connections (ERCs) are determined based upon the rated capacity of a water meter (e.g., the average amount of water which can flow through such meter on a continuous basis) as compared to the rated capacity for a typical 5/8" residential water meter.

(2) For fiscal years 2019 and prior, the James City Service Authority was reported as a blended component unit and business type activity of James City County. As of fiscal year 2020, the James City Service Authority is reported as a discretely presented component unit, and is no longer reported as part of the primary government.

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Compliance Section

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County of James City, Virginia
 Schedule of Expenditures of Federal Awards - Primary Government and
 Discretely Presented Component Unit - Public Schools
 Year ended June 30, 2022

Federal Grantor/Pass-Through Grantor/Cluster/Program Title	Assistance listing number	Pass-through entity identifying number	Expenditures
Primary Government - Governmental Activities:			
Department of Agriculture:			
Virginia Department of Social Services:			
SNAP Cluster:			
State Administrative Matching Grants - Supplemental Nutrition Assistance Program	10.561	**	\$ 924,248
Department of Health and Human Services:			
Virginia Department of Social Services:			
Guardianship Assistance	93.090	**	456
Title IV-E Prevention Program	93.472	**	5,836
Promoting Safe and Stable Families	93.556	**	39,958
Temporary Assistance for Needy Families	93.558	**	292,170
Refugee and Entrant Assistance - State Administered Programs	93.566	**	2,835
Low-Income Home Energy Assistance	93.568	**	44,069
Community-Based Child Abuse Prevention	93.590	**	829
CCDF Cluster:			
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	**	62,737
Adoption and Legal Guardianship Incentive	93.603	**	1,348
Child Welfare Services	93.645	**	686
Foster Care - Title IV-E	93.658	**	255,226
Adoption Assistance	93.659	**	395,849
Social Services Block Grant	93.667	**	269,239
Chafee Foster Care Independent Living	93.674	**	21,452
Elder Abuse Prevention Intervention	93.747	**	16,197
State Children's Insurance Program	93.767	**	4,370
Medicaid Cluster:			
Medical Assistance Program	93.778	**	506,073
Total Department of Health and Human Services			<u>1,919,330</u>
Department of Interior:			
Bureau of Cash Management Payment in Lieu of Taxes	15.000	N/A	8,552
Department of Treasury:			
COVID-19 - Coronavirus Relief Fund	21.019	N/A	3,250,691
Coronavirus State and Local Fiscal Recovery Fund - American Rescue Plan	21.027	N/A	223,898
COVID-19 - American Rescue Plan Act - Municipal Utility Relief	21.027	N/A	240,808
Total Department of Treasury:			<u>3,715,397</u>
Department of Homeland Security:			
Virginia Department of Emergency Management:			
Homeland Security Grant Program	97.067	**	21,020
COVID-19 - Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	N/A	139,258
Emergency Management Performance Grants	97.042	**	32,764
Total Department of Homeland Security			<u>193,042</u>
Department of Education:			
Education Stabilization Fund - Governor's Emergency Education Relief Fund	84.425C		-
Department of Housing and Urban Development:			
Housing Counseling Assistance Program	14.169	N/A	18,545
Housing Voucher Cluster:			
Section 8 Housing Choice Vouchers	14.871	N/A	1,478,264
Mainstream Vouchers	14.879	N/A	110,712
Total Housing Voucher Cluster			<u>1,588,976</u>
Virginia Department of Housing and Community Development:			
Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	14.228	**	871,572
Emergency Solutions Grant Program	14.231	**	121,319
Total Department of Housing and Community Development			<u>992,891</u>
Total Department of Housing and Urban Development			<u>2,600,412</u>
Department of Transportation:			
Highway Safety Cluster:			
National Highway Traffic Safety Administration - Highway Safety Grant	20.600	154AL-2021-51349-21349	3,516
National Highway Traffic Safety Administration - Highway Safety Grant	20.600	FSC-2021-51356-21356	4,538
National Highway Traffic Safety Administration - Highway Safety Grant	20.600	FSC-2022-52369-22369	20,718
National Highway Traffic Safety Administration - Highway Safety Grant	20.600	FOP-2022-52371-22371	2,962
National Highway Traffic Safety Administration - Highway Safety Grant	20.600	154AL-2022-52368-22368	9,108
Total Highway Safety Cluster, Department of Transportation			<u>40,842</u>
Department of Justice:			
Bureau of Justice Administration:			
BJA - Bulletproof Vests Partnership	16.607	N/A	11,589
BJA - Bulletproof Vests Partnership	16.607	N/A	16,862
Office of Justice Programs			<u>28,451</u>
Edward Byrne Memorial Justice Assistance Grant Program	16.738	20-A5082CE20	8,663
Edward Byrne Memorial Justice Assistance Grant Program	16.738		10,114
Edward Byrne Memorial Justice Assistance Grant Program	16.738		3,780
Total Office of Justice Programs			<u>22,557</u>
Virginia Department of Criminal Justice Services:			
Crime Victim Assistance	16.575	21-A8579VW19	137,445
Violence Against Women Formula Grants	16.590	2015-WE-AX-0009	74,228
Violence Against Women Formula Grants	16.588	20-X9412VA19	19,959
Violence Against Women Formula Grants	16.588	21-Y9412VA20	26,412
COVID-19 - Coronavirus Emergency Supplemental Funding Program	16.034	2019-DJ-BX-0302	34,507
COVID-19 - Coronavirus Emergency Supplemental Funding Program	16.034	2020-VD-BX-0141	42,587
Total Department of Criminal Justice Services			<u>335,138</u>
Total Department of Justice			<u>386,146</u>
Total federal awards, primary government - governmental activities			<u>9,787,969</u>

See accompanying notes to schedule of expenditures of federal awards.

County of James City, Virginia
 Schedule of Expenditures of Federal Awards - Primary Government and
 Discretely Presented Component Unit - Public Schools
 Year ended June 30, 2022

<u>Federal Grantor/Pass-Through Grantor/Cluster/Program Title</u>	<u>Assistance listing number</u>	<u>Pass-through entity identifying number</u>	<u>Expenditures</u>
Component Unit – Public Schools:			
Department of Agriculture:			
Child Nutrition Cluster:			
Virginia Department of Education:			
School Breakfast Program	10.553	16161VA307N1099	\$ 1,689,698
National School Lunch Program	10.555	16161VA307N1099	2,494,287
Summer Food Service Program	10.559	16161VA307N1099	113,459
Total Child Nutrition Cluster, Department of Agriculture			<u>4,297,444</u>
Department of Education:			
Impact Aid	84.041	N/A	112,655
		S196A210048/ S196A220048	16,479
College of William and Mary - Project HOPE	84.196		16,479
Virginia Department of Education:			
Coronavirus Aid, Relief, and Economic Security - Coronovavirus Relief			
Funds - Williamsburg-James City County Public Schools	21.019	N/A	751,986
Education Stabilization Fund - Governor's Emergency Education Relief Fund	84.425C	S425C200042	35,212
Education Stabilization Fund - Elementary and Secondary			
School Emergency Relief Fund	84.425D	S425D200008	50,895
Coronavirus Response and Relief Supplemental Appropriations Act -			
Elementary and Secondary School Emergency Relief Fund	84.425D	S425D210008	4,939,487
American Rescue Plan Act - Elementary and Secondary School			
Emergency Relief Fund	84.425U	S425U210008	1,389,265
		S010A190046/ S010A200046/ S010A210046/ S010A220046	1,824,280
Title I Grants to Local Educational Agencies	84.010		1,824,280
		S013A210046/ S013A220046	22,075
Title I, Part D, Neglected and Delinquent Children	84.013		22,075
Vocational Education - Basic Grants to States	84.048	V048A220046	79,191
		S367A190044/ S367A200044/ S367A210044/ S367A220044	279,832
Title II, Part A, Supporting Effective Instruction State Grants	84.367		279,832
		S365A190046/ S365A200046/ S365A210046/ S365A220046	29,127
Title III, Part A, English Language Acquisition Grants	84.365		29,127
		S424A190048/ S424A200048/ S424A210048/ S424A220048	183,696
Title IV, Part A, Student Support and Academic Enrichment Grants	84.424		183,696
Special Education Cluster:			
		11027A210107/ 11027A220107	2,152,643
Special Education - Grants to States	84.027		2,152,643
American Rescue Plan Act - Special Education - Grants to States	84.027X	H027X210107	295,061
		H173A210112/ H173A220112	32,194
Special Education - Preschool Grants	84.173		32,194
American Rescue Plan Act - Special Education - Preschool Grants	84.173X	H173X210112	11,604
Total Special Education Cluster			<u>2,491,502</u>
Total Department of Education			<u>12,205,682</u>
Department of Treasury			
American Rescue Plan Act - Coronavirus State and Local Fiscal Recovery Fund	21.027	N/A	450,485
Department of Health and Human Services:			
Centers for Disease Control and Prevention			
Epidemiology and Laboratory Capacity for Infectious Diseases	93.323	NU50CK000555	31,691
Medicaid Cluster:			
Medical Assistance Program	93.778	**	6,944
Total Department of Health and Human Services			<u>38,635</u>
Department of Transportation:			
Highway Planning and Construction Cluster:			
Highway Planning and Construction	20.205	51SR7101M3001	26,414
Total federal awards, component unit - Public Schools			<u>17,018,660</u>
Total federal awards, reporting entity			<u>\$ 26,806,629</u>

N/A Not applicable; direct funding

** Information is not available.

See accompanying notes to schedule of expenditures of federal awards.

County of James City, Virginia
Notes to Schedule of Expenditures of Federal Awards
Year ended June 30, 2022

1) Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal award activity of the County of James City, Virginia (the County) and its component unit, Williamsburg-James City County Public Schools (Public Schools). The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the County and Public Schools, it is not intended to and does not present the financial position, changes in net position or cash flows of the County and Public Schools.

2) Summary of Significant Accounting Policies

Expenditures reported in the schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and OMB Circular A-87, *Cost Principles for State, Local and Indian Tribal Governments*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

3) Indirect Cost Rate

The County and Public Schools have elected not to use the 10% de minimus indirect cost rate allowed under the Uniform Guidance.

4) Sub-recipient Payments

There were no awards passed-through to sub-recipients during the fiscal year ended June 30, 2022.

**INDEPENDENT AUDITOR’S REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER
MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Board of Supervisors of
County of James City, Virginia
Williamsburg, Virginia

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Specifications for Audits of Counties, Cities and Towns*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of James City, Virginia, (the “County”) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the County’s basic financial statements and have issued our report thereon dated January 23, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County’s internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County’s internal control. Accordingly, we do not express an opinion on the effectiveness of the County’s internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County of James City, Virginia's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County of James City, Virginia's internal control and compliance. Accordingly, this communication is not suitable for any other purposes.

Brown, Edwards & Company, S. L. P.

CERTIFIED PUBLIC ACCOUNTANTS

Newport News, Virginia
January 23, 2023

COUNTY OF JAMES CITY, VIRGINIA

SUMMARY OF COMPLIANCE MATTERS

June 30, 2022

As more fully described in the Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards, we performed tests of the County’s compliance with certain provisions of the laws, regulations, contracts, and grants shown below.

STATE COMPLIANCE MATTERS

Code of Virginia

Budget and Appropriation Laws

Cash and Investment Laws

Conflicts of Interest Act

Local Retirement Systems

Debt Provisions

Procurement Laws

Comprehensive Services Act

Uniform Disposition of Unclaimed Property Act

Sheriff Internal Controls

State Agency Requirements

Social Services

FEDERAL COMPLIANCE MATTERS

Compliance Supplement for Single Audits of State and Local Governments

Provisions and conditions of agreements related to federal program selected for testing.

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE**

To the Board of Supervisors of
County of James City, Virginia
Williamsburg, Virginia

Report on Compliance for Each Major Federal Program

Opinion on Compliance for Each Major Federal Program

We have audited the County of James City, Virginia's (the "County") compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on the County's major federal program for the year ended June 30, 2022. The County's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements related to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal documentation of the County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the County's federal programs.

Report on Compliance for Each Major Federal Program (Continued)

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgement made by a reasonable user of the report on compliance about the County's compliance the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risk of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over compliance Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Report on Internal Control over Compliance (Continued)

Our consideration of internal control over compliance was for the limited purpose described in the Auditor’s Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that have not been identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Brown, Edwards & Company, S. L. P.

CERTIFIED PUBLIC ACCOUNTANTS

Newport News, Virginia
January 23, 2023

COUNTY OF JAMES CITY, VIRGINIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
June 30, 2022**A. SUMMARY OF AUDITOR'S RESULTS**

1. The auditor's report expresses an unmodified opinion on the financial statements.
2. No significant deficiencies relating to the audit of the financial statements were reported in the Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements was disclosed.
4. No significant deficiencies relating to the audit of the major federal award programs were reported in the Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance.
5. The auditor's report on compliance for the major federal award programs expresses an unmodified opinion.
6. The audit disclosed no audit findings relating to the major programs.
7. The programs tested as major were:
 - a. Housing Voucher Cluster (AL No.: 14.871 and 14.879)
 - b. Education Stabilization Fund (AL No.: 84.425C, 84.425D and 84.425U)
 - c. Community Development Block Grant/State's Program and Non-Entitlement Grants in Hawaii (AL No.: 14.228)
 - d. Coronavirus State and Local Fiscal Recovery Funds (AL No.: 21.027)
8. The threshold for distinguishing Type A and B programs was \$804,199.
9. The County was determined to be a low-risk auditee.

B. FINDINGS – FINANCIAL STATEMENT AUDIT

None

C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAM AUDIT

None

D. FINDINGS – COMMONWEALTH OF VIRGINIA

None

COUNTY OF JAMES CITY, VIRGINIA

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
June 30, 2022

1. There was one finding in the prior year related to the Uniform Disposition of Unclaimed Property Act.
2. There were no reports issued by federal agencies or contract administrators during the year covered by this audit.

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ITEM SUMMARY

DATE: 1/24/2023

TO: The Board of Supervisors

FROM: Michael Woolson, Section Chief - Resource Protection

SUBJECT: Powhatan Creek Watershed Impervious Cover Updates

ATTACHMENTS:

	Description	Type
☐	Memorandum	Cover Memo
☐	Exhibit	Exhibit
☐	Presentation	Presentation

REVIEWERS:

Department	Reviewer	Action	Date
Engineering & Resource Protection	Small, Toni	Approved	1/6/2023 - 12:06 PM
Development Management	Holt, Paul	Approved	1/6/2023 - 12:27 PM
Publication Management	Daniel, Martha	Approved	1/6/2023 - 12:52 PM
Legal Review	Kinsman, Adam	Approved	1/6/2023 - 4:27 PM
Board Secretary	Saeed, Teresa	Approved	1/17/2023 - 9:04 AM
Board Secretary	Rinehimer, Bradley	Approved	1/17/2023 - 10:56 AM
Board Secretary	Saeed, Teresa	Approved	1/17/2023 - 11:20 AM

MEMORANDUM

DATE: January 24, 2023

TO: The Board of Supervisors

FROM: Toni E. Small, Director of Stormwater and Resource Protection Division
Michael D. Woolson, Section Chief, Resource Protection, Stormwater and Resource Protection Division

SUBJECT: Powhatan Creek Watershed Management Plan Impervious Cover Update

In 1998, in response to concerns over rapid development, James City County began developing watershed management plans. At the time, a particular concern was how development was impacting the Powhatan Creek watershed.

In short, the watershed planning process identifies environmentally sensitive areas and then it develops specific protection, restoration, and infrastructure retrofit recommendations. This information is used to both guide development within the watershed and it is used by staff to identify and prioritize projects for the County's Capital Improvement and Maintenance Programs.

A plan for Powhatan Creek was finalized in 2001. In that plan, there were impervious cover estimates developed for each of the sub-watersheds; these estimates were last updated in 2008.

The Powhatan Creek Watershed Management Plan is currently undergoing an update, including the impervious cover calculations. Staff looks forward to updating the Board on this item.

TES/MDW/md
PowCrkWMPImpCvUpd-mem



**2022 IMPERVIOUS STUDY UPDATES –
POWHATAN CREEK WATERSHED**

January 10, 2023

Prepared for:
James City County

Prepared by:
Stantec

Project Number: 203408987
JCC Impervious Study – Powhatan Creek
Watershed

2022 Impervious Study Updates – Powhatan Creek Watershed

Revision	Description	Author	Date	Quality Check	Date	Independent Review	Date
0	Initial Draft for County Review	Peter Cada	10/31/22	Daniel Proctor	10/31/22	Ashley Hall	10/31/22
1	Revised Draft for County Review	Peter Cada	12/9/22	Daniel Proctor	12/12/22	Ashley Hall	12/19/22
2	Final Draft for Submission	Peter Cada	1/9/23	Daniel Proctor	1/9/23	Ashley Hall	1/10/23



Table of Contents

1	INTRODUCTION	1
1.1	Impervious Cover Model	1
1.1.1	Revised Impervious Cover Model (ICM)	3
1.2	Impervious Cover Estimates	4
1.3	Powhatan Impervious Cover Estimation Results	5
1.3.1	Area of High Interest.....	9
2	REFERENCES	13

LIST OF TABLES

Table 1 – Impervious Cover Estimates by Subwatershed (Past, Current, and Future, Full Build Out).....	7
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LIST OF FIGURES

Figure 1 – Original Impervious Cover Model (Center for Watershed Protection, 1994).....	2
Figure 2 – Revised Impervious Cover Model (source: Schueler, et al., 2009)	3
Figure 3 – Example Area of Existing Impervious Surfaces (black areas) and Theoretical Future Impervious Surfaces (yellow areas used for estimations only).....	4
Figure 4 – Differing Projections of Impervious Surface Areas for Future, Full Build Out	5
Figure 5 – Percent Impervious Cover by Subwatershed (Past, Current, and Future, Full Build Out)	7
Figure 6 – Maps of Percent Impervious Cover for each Subwatershed – Past, Current, and Future Build Out (Estimated).....	8
Figure 7 – Area of High Interest for Impervious Cover Model Prioritization	9
Figure 8 – Area of High Interest with Current and Future Full Build Out Impervious Cover (Assuming Eastern State Hospital Property Gets Redeveloped).....	10
Figure 9 – Impervious Area Trends over time with Current and Future Full Build Out Periods – Area of High Interest, Powhatan Creek Watershed.....	11
Figure 10 – Impervious Area Trends over time with Current and Future Full Build Out Periods – Area of High Interest, Powhatan Creek Watershed With and Without Eastern State Hospital Property Redevelopment	11
Figure 11 – Impervious Area Trends over time with Current and Future Full Build Out Periods –Nontidal Watershed Area of High Interest Context	12



1 Introduction

This report details a second update to impervious cover model analyses of the Powhatan Creek Watershed. Original analyses were done by the Center for Watershed Protection (CWP) in 2001, with an update to the estimates and analysis in a 2008 effort by the James City County (JCC) Stormwater and Resource Protection Division to the County Board of Supervisors. The goal of this study is to feed into subsequent efforts to update the Watershed Management Plan for the County, which will include stormwater retrofit opportunities and a framework for protecting the natural environment of the watershed from stormwater-related threats. This will be done with two objectives of this update—first, to identify development trends from past to present to consider where stormwater retrofits and other management actions might be considered; second, to consider where projected development may occur to gauge where and how impacts to water quality might be expected into the future, and how to best minimize downstream impacts. The results will be folded into the broader Powhatan Creek Watershed Management Plan update, with it informing next steps of the task at hand (e.g., field work, other analyses, and subsequent recommendations).

Existing impervious cover estimates for 2022 and future, full build out projections within the Powhatan Creek Watershed were created using a variety of data sources including aerial imagery, information from JCC Planning and Stormwater Divisions (e.g., submitted concept plans for future development, recent shifts in land use planning such as parts of the Eastern State Hospital property), and best professional judgment. Existing impervious cover was extracted from the most recently updated planimetric spatial data set provided to Stantec by JCC (9/21/2022). Projected impervious cover for a “full build-out” scenario was created by Stantec using the existing impervious data along with information provided by JCC Planning and Stormwater Divisions. This included infill development of empty parcels located within planned neighborhoods and other locations as identified by conversations with JCC Planning Division.

1.1 Impervious Cover Model

Decades of research have led to a categorization schema for stream ecosystem health based on an upstream watershed’s level of development along a continuum of urbanization and the impact of its resultant increase in impervious surfaces (Klein, 1979, Jones and Clark, 1987, Schueler, 1994, Arnold and Gibbons, 1996, Gergel, et al., 2002, CWP, 2003, Schueler, et al., 2009, Arfan and Sutjningsih, 2018). The approach is known as the Impervious Cover Model (ICM) and has been revised in the past several years.

Under the original ICM there are 3 general classifications of streams impacted by upstream impervious surface cover—Sensitive Streams, Impacted Streams, and Non-Supporting Streams, with upper thresholds of 10%, 25%, and 60% impervious cover, respectively. With the original ICM categorization. Impacted Streams were expected to show initial signs of physical, biological, and biogeochemical degradation. Non-Supporting Streams exhibit to have stronger signals of diminished aquatic diversity,



2022 Impervious Study Updates – Powhatan Creek Watershed

water quality, and habitat scores (Schueler, et al. 2009). Each stream category of the original ICM is described in more details below, and in Figure 1.

- **Sensitive Streams**: Waterways that have upstream drainage areas with impervious cover totaling 10 percent or less. These are often higher quality streams with more stable channels, appropriate habitat structure, and good to excellent water quality with diverse communities of fish and aquatic insects. Watersheds of these streams are not considered urbanized.
- **Impacted Streams**: Having a drainage area with a percent impervious cover greater than 10% up to 25% there are usually clear signs of habitat loss and physical and chemical degradation of the stream ecosystem.
- **Non-Supporting Streams**: When watersheds have 25% or more of its area covered in impervious surfaces waterways tend to have minimal stable habitat and aquatic biodiversity and are more apt to be serving as stormwater conveyances for upstream development rather than a natural stream ecosystem. Streams above 60% were considered “Urban Drainage” channels with poor stream ecosystem functions. For purposes of this study, both of these poorer categories have been grouped together.

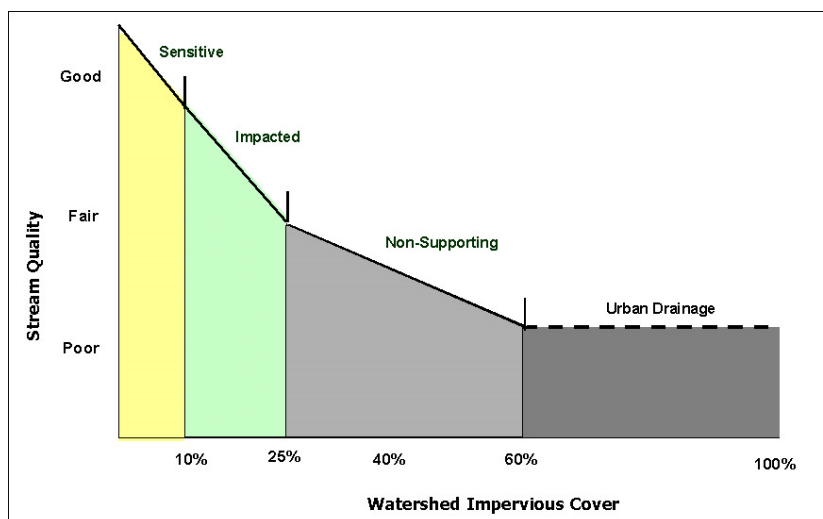


Figure 1 – Original Impervious Cover Model (Center for Watershed Protection, 1994)

It is important to note that there are limitations to the ICM. In 2018, Tom Schueler listed several factors to consider such as stream gradient, stream order, stream type, age of subwatershed development, prior land use, past management practices that can and will make some streams depart from ICM category predictions.

For example, 100 acres of impervious land that was constructed before the Chesapeake Bay Preservation Act or Virginia Stormwater Regulations were implemented would result in more stream degradation than those constructed post-regulations. Conversely, newer regulations incorporated low impact development (LID) principles that would protect downstream resources better than the years in



between earlier regulations and today. This will be important to consider when viewing impervious cover model results of; 1) existing impervious estimates from the 2008 JCC effort (hereafter referred to as “2008 estimates”), 2) impervious cover estimates since the 2008 estimates, and the future projections made in 2022 detailed later in this report. While there are limitations with the model and how it categorizes watershed health it is still a valuable landscape-level indicator, especially when used in conjunction with other metrics, including field assessments.

1.1.1 REVISED IMPERVIOUS COVER MODEL (ICM)

In response to research since the original ICM’s first implementation, the model was reformulated in 2009 to reflect the research community’s findings of the original ICM models limitations. Three changes were made. First, the relationship is no longer shown as a straight line like in Figure 1 but with a curvilinear cone (see Figure 2). Second, the cone is wider as watershed impervious cover is lower to better reflect the high variability in stream ecosystems within these lower percentage impervious cover watersheds. Finally, the transition between the zones or categories is a band rather than a distinct line or threshold. Again, the variability in stream ecosystems and their responses to increased upstream impervious surface is considered. Also, this helps to account for watersheds that may not have a high percentage of impervious surface but are still widely developed for other non-impervious surface intensive land uses (e.g., agriculture, golf course area and open-space recreational areas such as ballfields). For this study, we have retained the original upper impervious percentage for stream categorization, but we have shown the transition zones on the following figures (Figure 2 and Figure 5) for awareness.

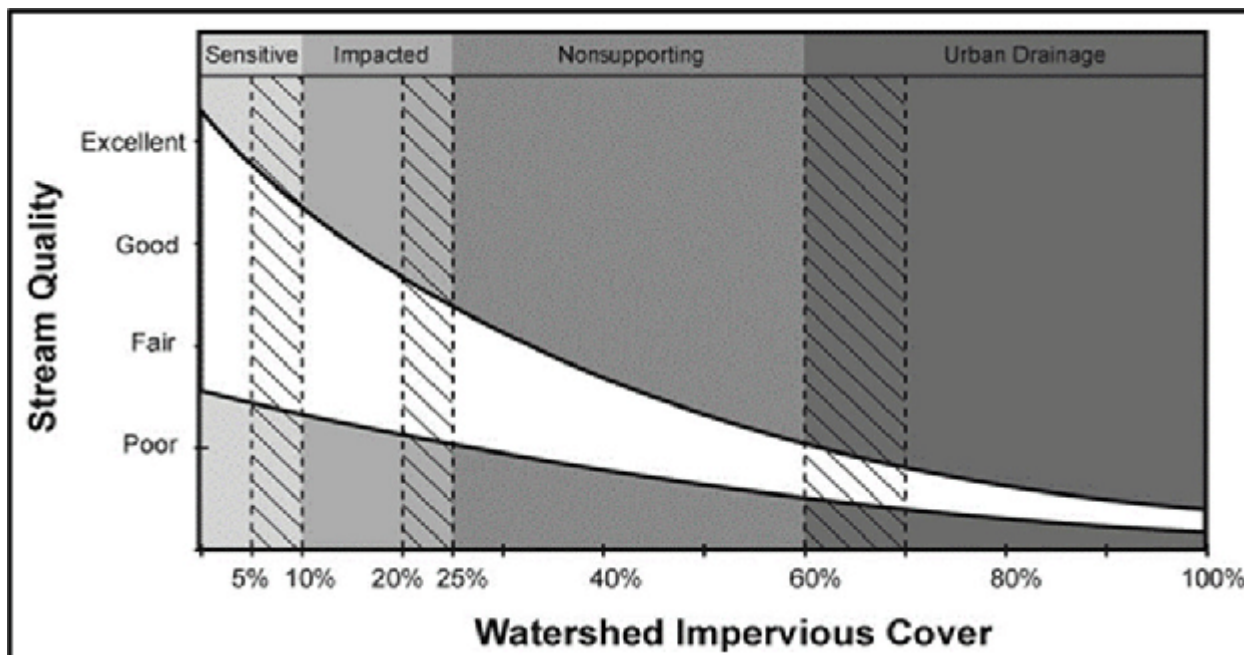


Figure 2 – Revised Impervious Cover Model (source: Schueler, et al., 2009)



1.2 Impervious Cover Estimates

For this report, 2000 and 2008 impervious cover estimates were obtained from JCC's Impervious Cover modeling effort (JCC 2008 report) and compared to current estimates to show trends over time. Existing impervious cover (2022) was provided to Stantec by the JCC GIS staff. This layer was reviewed by Stantec and appeared to be accurate and current relative to most recently available aerial imagery. Therefore, no changes were made to impervious surfaces data provided by JCC.

Locations of impervious surface that are projected for future, full build out conditions (those that do not currently exist in 2022) were estimated by Stantec. These areas (seen in yellow in the map image below) were placed in a way that development patterns are expected but are not what is ultimately expected once development occurs. The yellow areas are only for subwatershed-scale summarization of impervious cover estimates. They were spatially digitized based on email conversations with the JCC Planning Division, review of planning documents provided via email, and Comprehensive Plan information. To represent projected impervious surfaces for future, planned developments, impervious boundaries were either: 1) Drawn to best match images seen in conceptual drawings submitted to the County as proposals, or 2) from existing developments adjacent to the open space expected to be developed in the future that had the same expected dwelling units per acre (du/ac) density (roads, building footprints, etc. were copied from existing developments and used to paste/extrapolate into the identified, newly developed areas). Additionally, a review of all currently undeveloped lots within existing planned developments was performed to better estimate total projected impervious cover in a future, full build out scenario. Infill lots were given impervious surfaces from one of the neighboring lots within the same neighborhood, usually adjacent to infill lots, or on the same street.

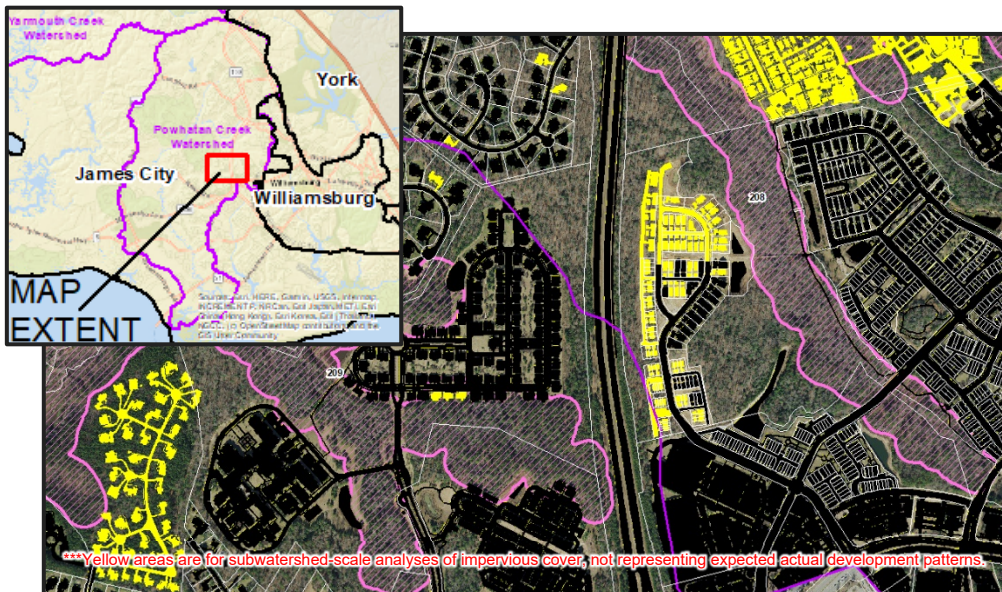


Figure 3 – Example Area of Existing Impervious Surfaces (black areas) and Theoretical Future Impervious Surfaces (yellow areas used for estimations only)



Future projections of impervious surface areas were made by the JCC 2008 effort (labeled as “Projected in 2008” impervious area in figures and text following) as it was done for this current study. The methods to derive future projections (i.e., future, full build out) differ from the current and JCC’s 2008 effort; however, it is still informative to compare the two projections (Figure 4).

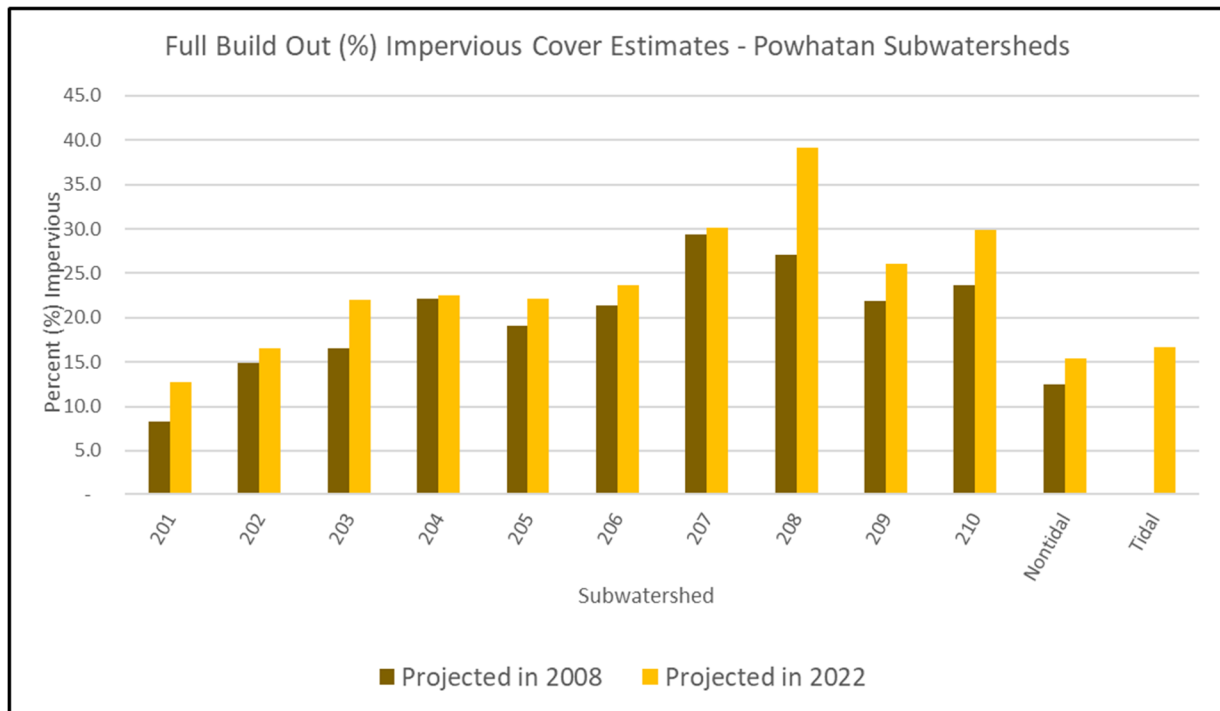


Figure 4 – Differing Projections of Impervious Surface Areas for Future, Full Build Out
(note: The “Projected in 2008” Impervious Cover Estimates of Full Build Out was not done for the Tidal Watershed)

1.3 Powhatan Impervious Cover Estimation Results

Based on the impervious cover estimates from the JCC 2008 report, none of the subwatershed areas contained waterways categorized as “Non-Supporting” in either 2000 or 2008 estimates. There were already 6 subwatersheds considered “Impacted” in 2000, which increased to 8 in 2008 estimates. However, in 2000 estimates, 5 of the 6 “Sensitive” (<10% impervious) subwatersheds were already in the transition zone from “Sensitive” to “Impacted”, having greater than 5% impervious in those areas (201, 202, 205, 208, and 209). From the 2008 estimates, the percent impervious areas in subwatersheds 208 and 209 had tripled and were well within the “Impacted” Zone. This brought the number of “Impacted” subwatershed areas up to 8, with only 4 subwatersheds still remaining in the “Sensitive” zone—all of which had increased impervious areas enough to be considered in transition to the “Impacted” Zone (201, 202, 205, and Nontidal). Finally, two of the four subwatersheds that were already considered “Impacted” in 2000 moved into the ‘transition zone’ moving toward the “Non-Supporting” zone in 2008 (207 and 210).



2022 Impervious Study Updates – Powhatan Creek Watershed

With the current impervious cover model effort (2022 impervious) all subwatersheds are categorized as either “Impacted” (10 each) or “Non-Supporting” (2 each). See Table 1 below for details of which subwatersheds fall in these categories.

Based on projected Future, Full Build Out estimates two additional subwatersheds (207 and 209) would move from “Impacted” to “Non-Supporting” classification. Current estimates of impervious surface areas (2022) are slightly less for Subwatershed 207 than the estimate from the 2008 study (see red outlined area in Figure 5 and Table 1). The 2008 approach did not use a spatially explicit approach to impervious surface estimation for the entire watershed, but instead relied on incomplete impervious surface boundaries where available and supplemented that with representative percent impervious area for different groups of existing land use/land cover classifications. This appears to have led to an overestimation of the existing impervious cover in JCC’s 2008 study. A real “on-the-ground” reduction in existing impervious surfaces from 2008 to 2022 is not expected to be the case, rather the current estimate is considered to be a more accurate method.

Many of the subwatersheds appear to have leveled off in their trends of increasing impervious surface areas from 2008 to present or into the Future, Full Build Out estimates—Subwatersheds 201, 203, 204, 206, 209, 210 and the two main stems (Tidal and Non-Tidal). Subwatersheds 205, 208, 209, and 210 show some of the greatest increases in existing impervious cover between 2008 and 2022. Looking forward, Subwatersheds 202, 205, 207, and 208 have the greatest potential for future increases from 2022 into the Future, Full Build Out estimates. A summary table and figures follow; highlighting these kinds of increases in impervious surfaces over time from 2000 to 2008, to 2022, and what it might look like at Future, Full Build Out. Furthermore, within the subwatersheds exhibiting the greatest projected increase, an area of high interest has been defined by JCC for which a separate section has been provided below for a more in-depth review (Subwatersheds 208, 209, and some of Subwatershed 207 and the non-tidal mainstem).

Final development plans, types of development, and how stormwater runoff is treated will be important to consider. Since most of recent development was required to comply with the Virginia Stormwater Management Program (VSMP) regulations due to the timing of the activities, the effects on downstream resources may not be as significant as the ICM may suggest. In the months ahead, Stantec will perform targeted field work in the waterways of the area to determine current level of ecosystem and physical degradation and how that can inform next steps.

Please also note that whereas the purpose of this study is largely to identify updated impervious cover numbers, further review of the comparative results and interpretation of trends will be performed with the forthcoming Powhatan Creek Watershed Management Plan update.



2022 Impervious Study Updates – Powhatan Creek Watershed

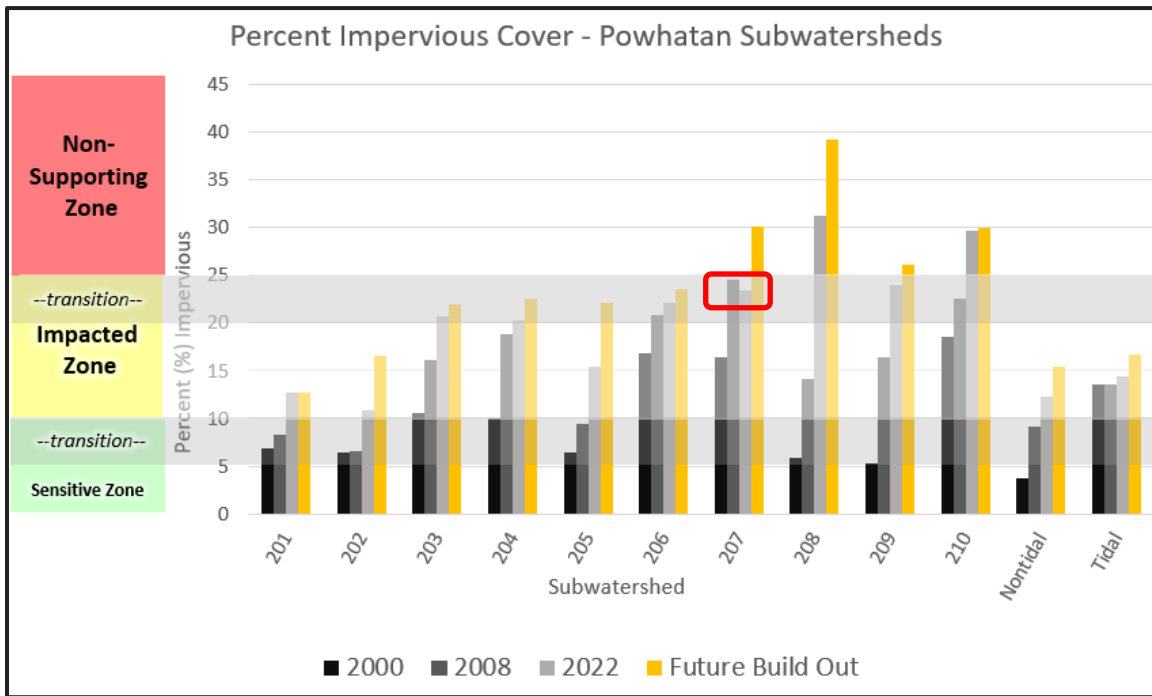


Figure 5 – Percent Impervious Cover by Subwatershed (Past, Current, and Future, Full Build Out)
 (note: See discussion about red outlined areas in Figure 5 & Table 1 above in Section 1.3)

Table 1 – Impervious Cover Estimates by Subwatershed (Past, Current, and Future, Full Build Out)

Subwatershed	Area (acres)	Percent (%) Impervious Surface Area			
		2000	2008	2022	Future Build Out
201	883	6.8	8.3	12.7	12.7
202	592	6.4	6.6	10.8	16.5
203	858	10.5	16.1	20.7	22.0
204	488	10	18.9	20.2	22.6
205	1,657	6.4	9.5	15.4	22.2
206	1,327	16.9	20.8	22.2	23.6
207	1,570	16.4	24.6	23.4	30.2
208	772	5.8	14.2	31.2	39.2
209	1,080	5.3	16.4	24.0	26.1
210	706	18.6	22.6	29.7	29.9
Nontidal	2,208	3.8	9.1	12.3	15.4
Tidal	1,666	13.6	13.6	14.4	16.7
Impervious Model Cover Zone	Sensitive	6	4	-	-
	Impacted	6	8	10	8
	Non-Supporting	-	-	2	4



2022 Impervious Study Updates – Powhatan Creek Watershed

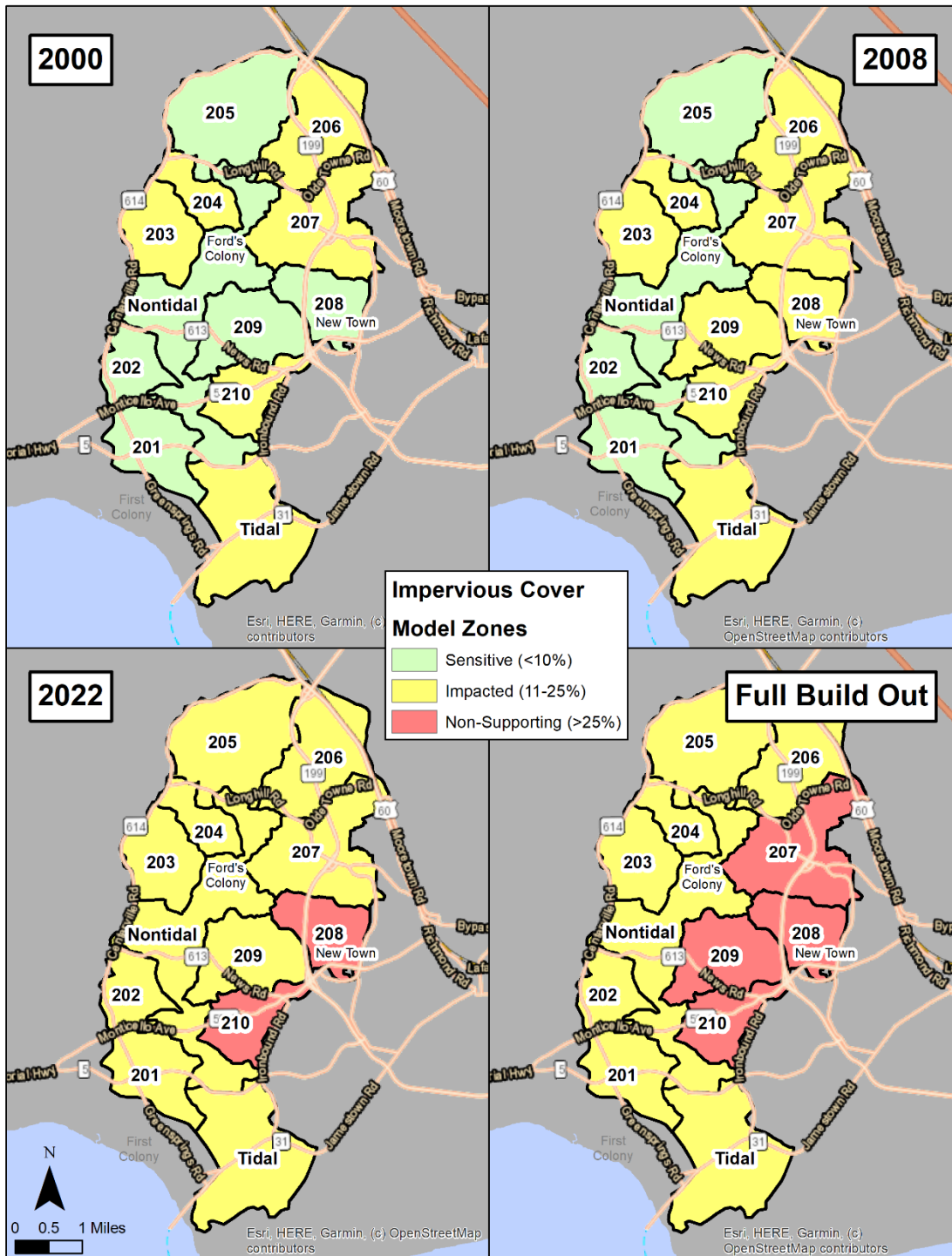


Figure 6 – Maps of Percent Impervious Cover for each Subwatershed – Past, Current, and Future Build Out (Estimated)



1.3.1 AREA OF HIGH INTEREST

At the start of the project, an area of high interest was identified by JCC for prioritization of Impervious Cover Model analyses. This area includes subwatersheds 208 and 209, a small portion of the Non-tidal subwatershed, and the southeastern portion of subwatershed 207 (Figure 7).

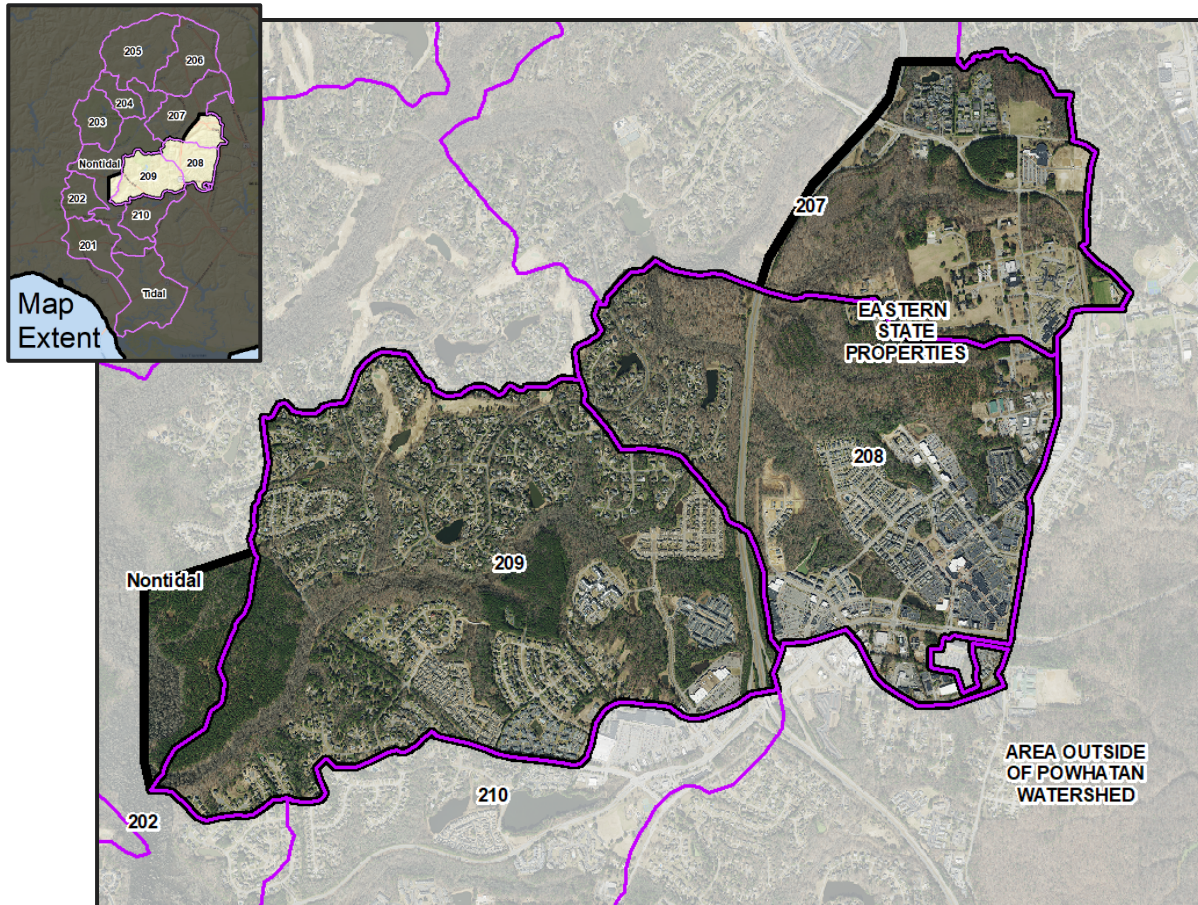


Figure 7 – Area of High Interest for Impervious Cover Model Prioritization

As previously discussed in this report, these areas have experienced significant development activities since 2008 (e.g., New Town and adjacent developments), and continue to be under high development interest. Based on recently submitted plans, the future expansion of impervious surface can be seen in yellow areas below (with existing impervious areas in red), with additional infill development lots distributed in other pre-existing planned developments (Figure 8). Note, yellow areas are for subwatershed-scale analyses of impervious cover and are not representative of expected actual development patterns of impervious surfaces. They are taken from neighboring community-scale developments which align with the expected density and pattern as seen in proposed plans, or the Comprehensive Plan. Finally, in locations where there were overlapping areas of existing impervious and the future, full build out impervious surfaces, areas of the existing impervious were removed (i.e., double counting of impervious areas is avoided).



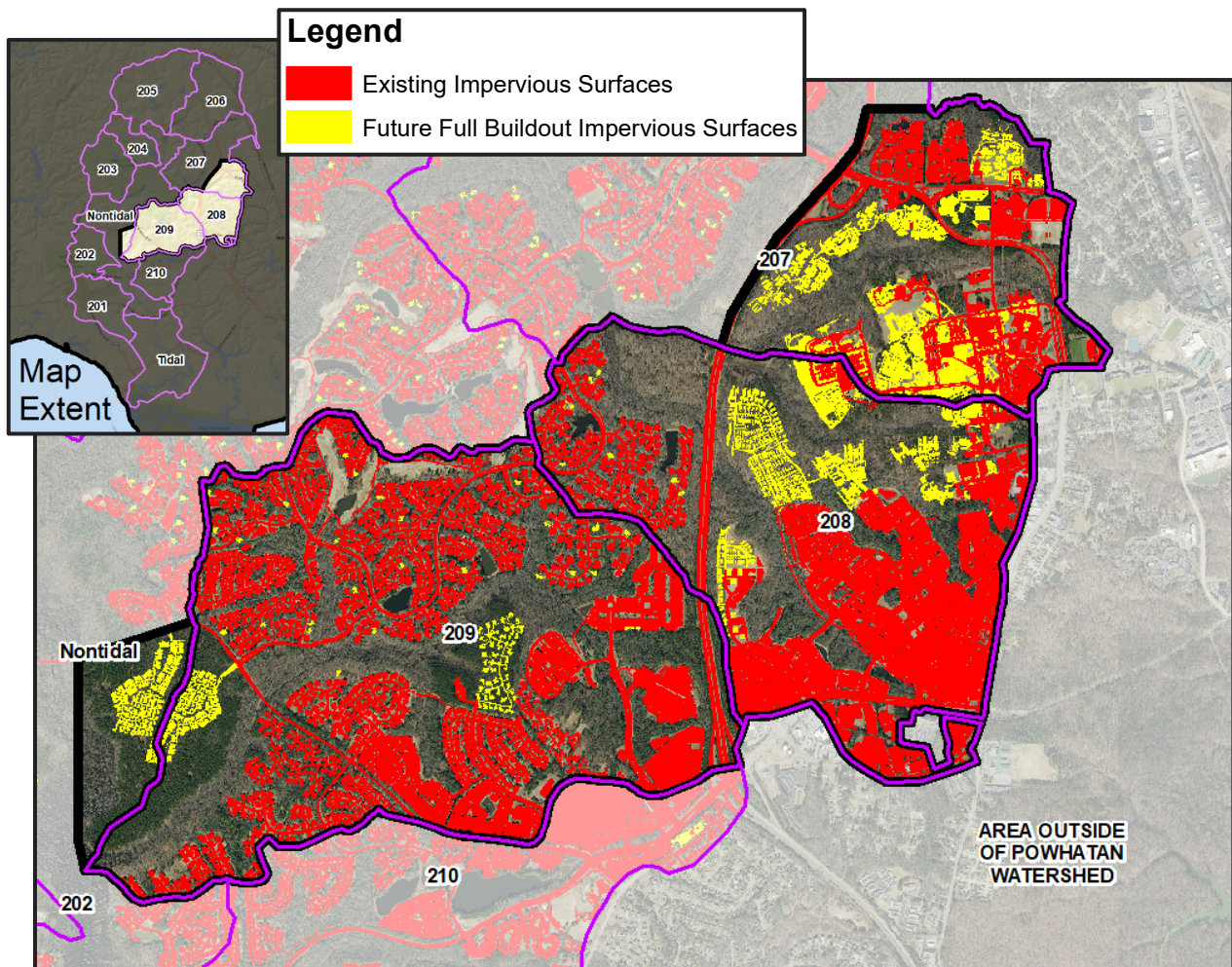


Figure 8 – Area of High Interest with Current and Future Full Build Out Impervious Cover

The hypothetical Full Build Out estimates seen within this prioritized area drives the ICM zone categorization seen in Figure 9. While not all future potential development in Subwatershed 207’s subset area within Figure 8 is driven by the redevelopment of the Eastern State Hospital Property (for example, other areas north and east of DuPue Drive within the Area of High Interest), if the Eastern State Hospital property is developed in a fashion similar to the New Town community (as hypothetically depicted in Figure 8) the ICM category will shift from the Impacted Zone-Transition area to the Non-Supporting Zone fully (for 207 as a whole and the Partial Area of 207). Redevelopment of the Eastern State Hospital Property is uncertain and because it would have a large impact on Full Build Out estimates a comparison of percent impervious estimates both with, and without, this Property being redeveloped was performed (Figure 10). While the small portion of Subwatershed 207 in the “area of interest” will significantly increase with potential redevelopment of this Property, when considered within the context of the entire Subwatershed 207 impervious estimates the subwatershed-wide increase is similar to that seen in Subwatershed 208 (see Figure 10).



2022 Impervious Study Updates – Powhatan Creek Watershed

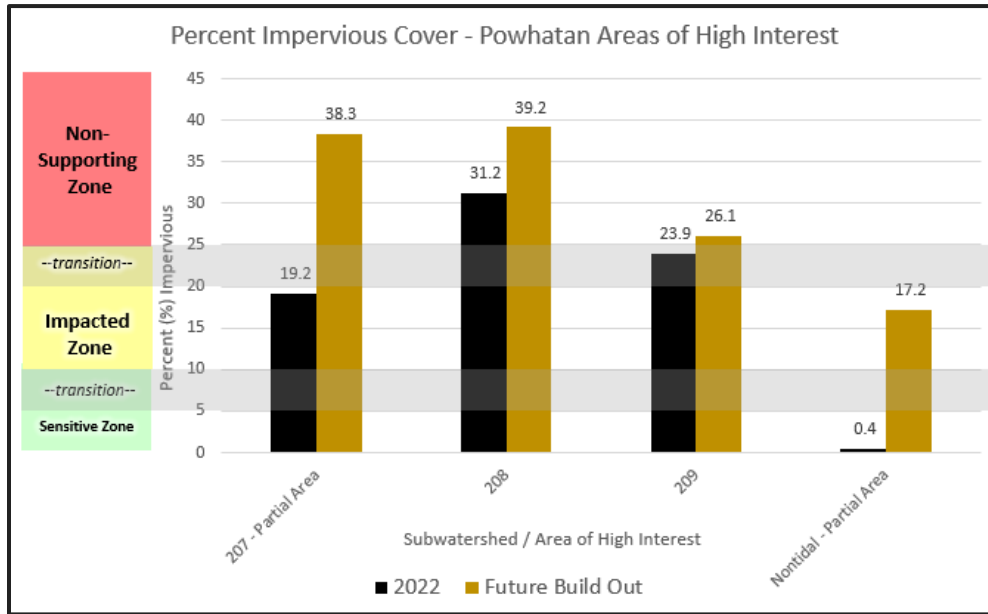


Figure 9 – Impervious Area Trends over time with Current and Future Full Build Out Periods – Area of High Interest, Powhatan Creek Watershed

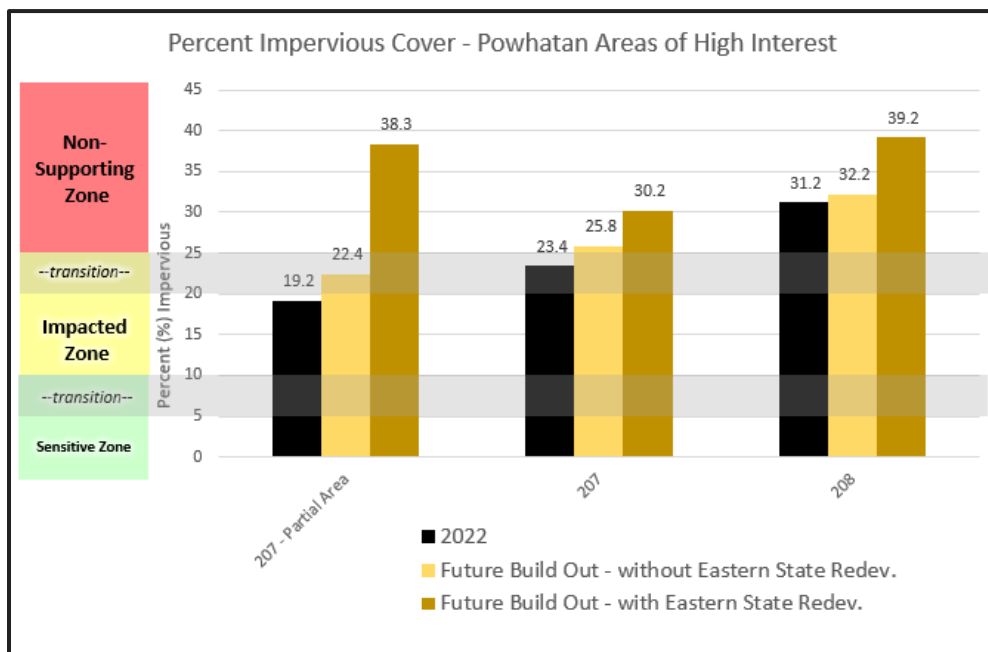


Figure 10 – Impervious Area Trends over time with Current and Future Full Build Out Periods – Area of High Interest, Powhatan Creek Watershed With and Without Eastern State Hospital Property Redevelopment



2022 Impervious Study Updates – Powhatan Creek Watershed

For context to the overall trends of impervious area in Subwatershed 207, a similar pattern is seen in the Nontidal subwatershed (Figure 11). The percent increase in only the Nontidal Partial Area (making up only 4% of the entire Nontidal subwatershed) is significant but within context of the full watershed context, the hypothetical percent impervious estimates in Full Build Out is more moderate and does not shift the subwatershed out of the Impacted Zone in which the ICM currently has it classified.

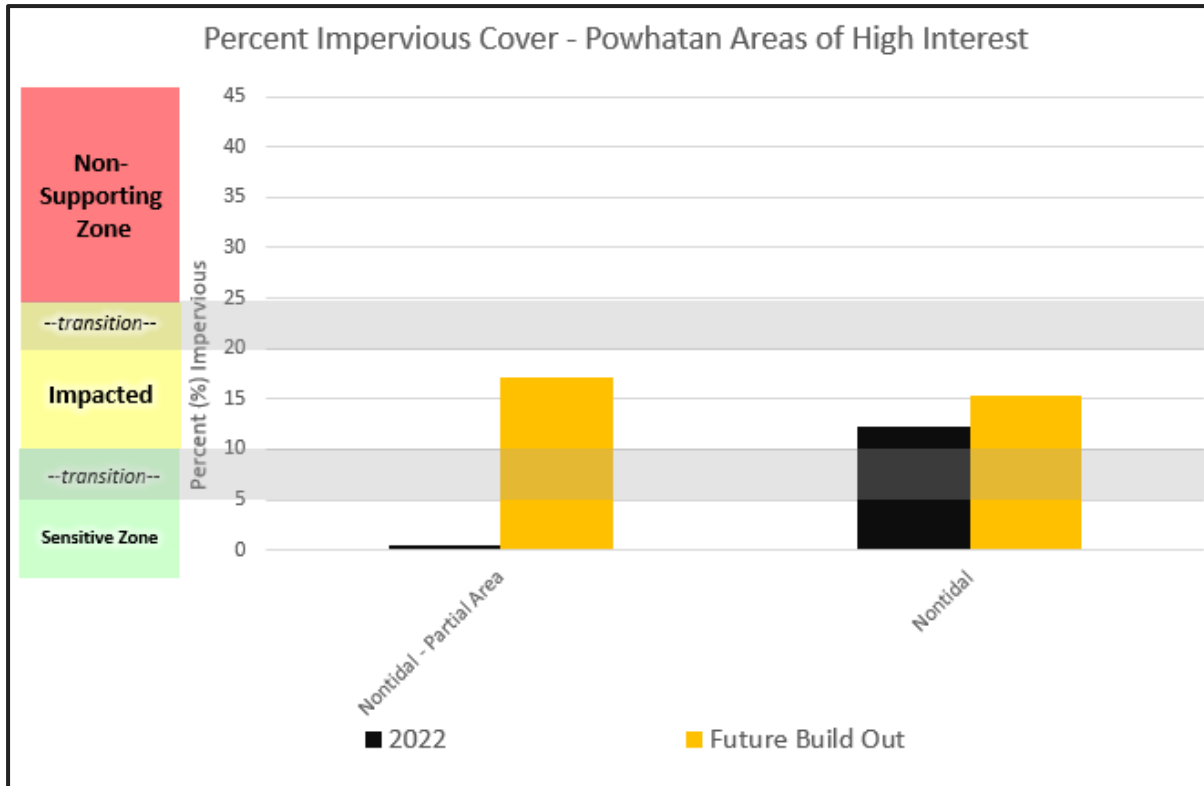


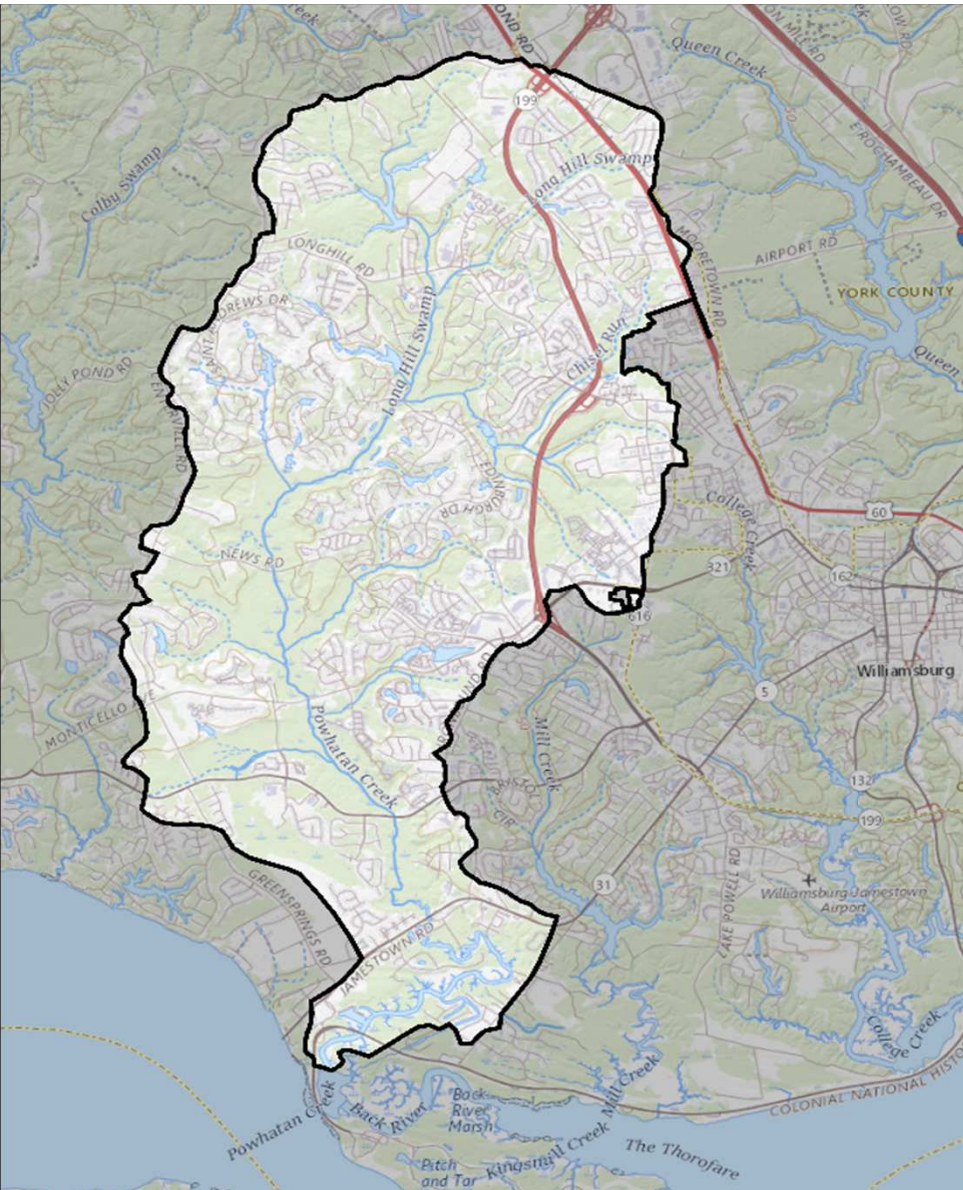
Figure 11 – Impervious Area Trends over time with Current and Future Full Build Out Periods – Nontidal Watershed Area of High Interest Context



2 References

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- Jones, R. and C. Clark. 1987. Impact on Watershed Urbanization on Stream Insect Communities. American Water Resources Association. *Water Resources Bulletin*. Kennen, J.G. 1998. Relation of benthic macroinvertebrate community impairment to basin characteristics in New Jersey streams: U.S. Geological Survey Fact Sheet FS-057- 98, 6p.
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- Schuler, T.R. 1994. The Importance of Imperviousness. *Watershed Protection Techniques* 1(3):100-111.
- Schuler, T.R., et al. 2009. Is Impervious Cover Still Important? Review of Recent Research. *Journal of Hydrologic Engineering - J HYDROL ENG.* 14. 10.1061/(ASCE)1084-0699(2009)14:4(309).





James City County
Powhatan Creek Watershed Management Plan

2022 Impervious Study Update





Agenda

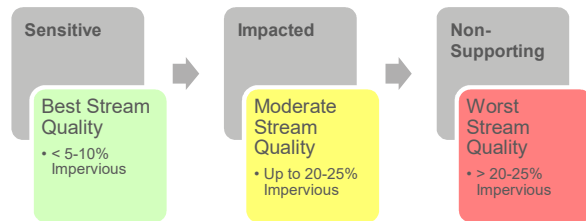
1. Impervious Cover Model Background
2. Prior Watershed Conditions & Projections
3. 2022 Updates
4. Area of High Interest
5. Questions

Impervious Cover Model (ICM) Background

A simplified approach to predicting watershed health

Primary Assumptions

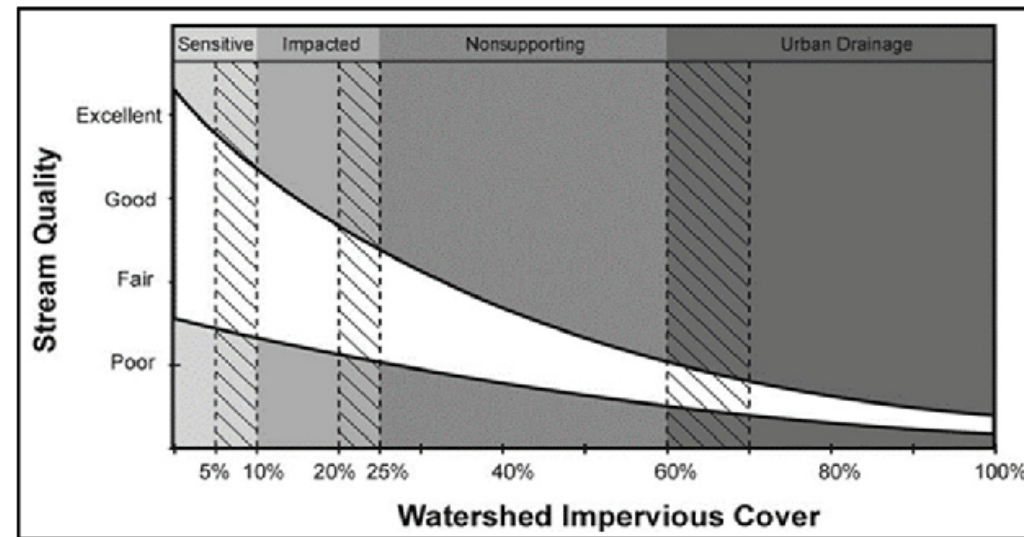
- Categorizes stream health based on percentage of impervious cover in watershed



- Areas with greatest development have greatest risk of poor stream quality
- Improved over time

Limitations

- Ignores stormwater treatment practices
- Ignores increasing intensity of stormwater regulations over time
- Does not account for all sources of pollution



Despite limitations, the ICM is still a good indicator, when coupled with other assessments (forthcoming)

Prior Conditions

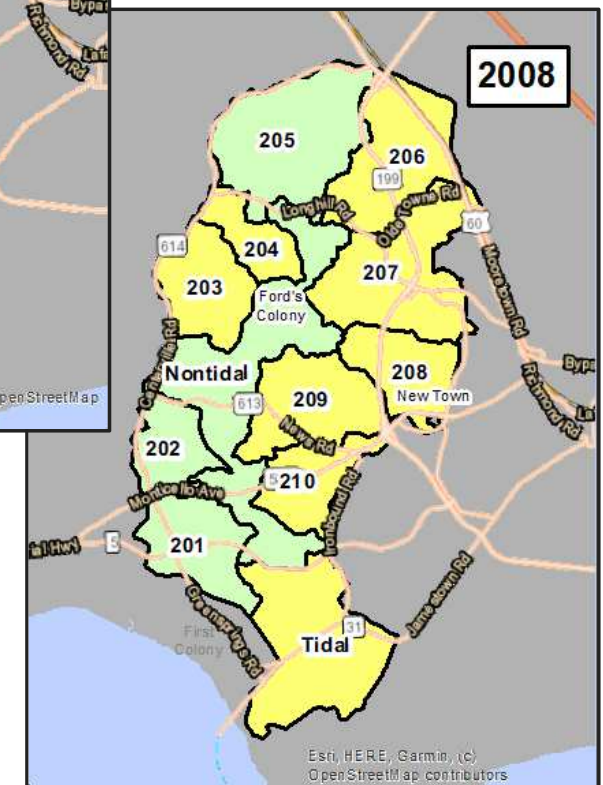
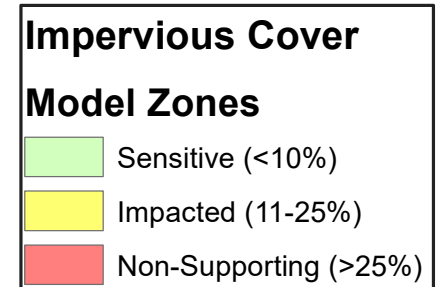
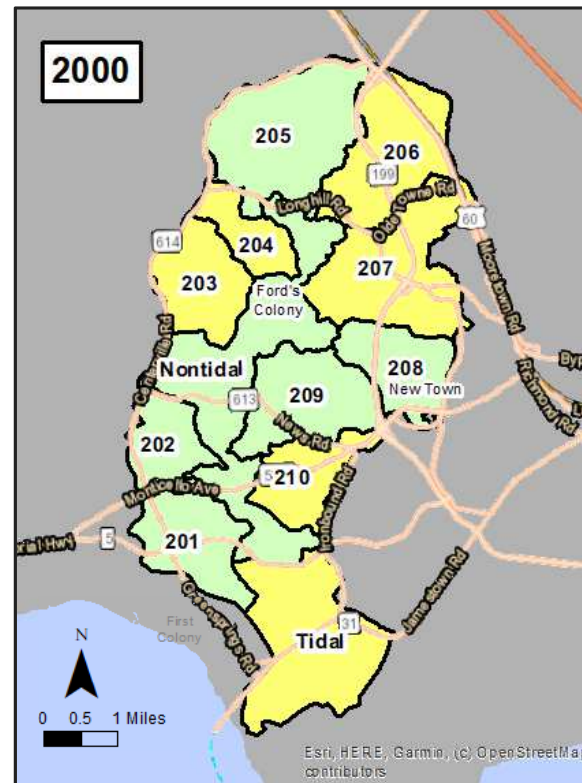
ICM results from 2000 & 2008

2000 ICM Results

- Only 6 subwatersheds categorized as Impacted
- No subwatersheds as Non-Supporting

2008 ICM Results

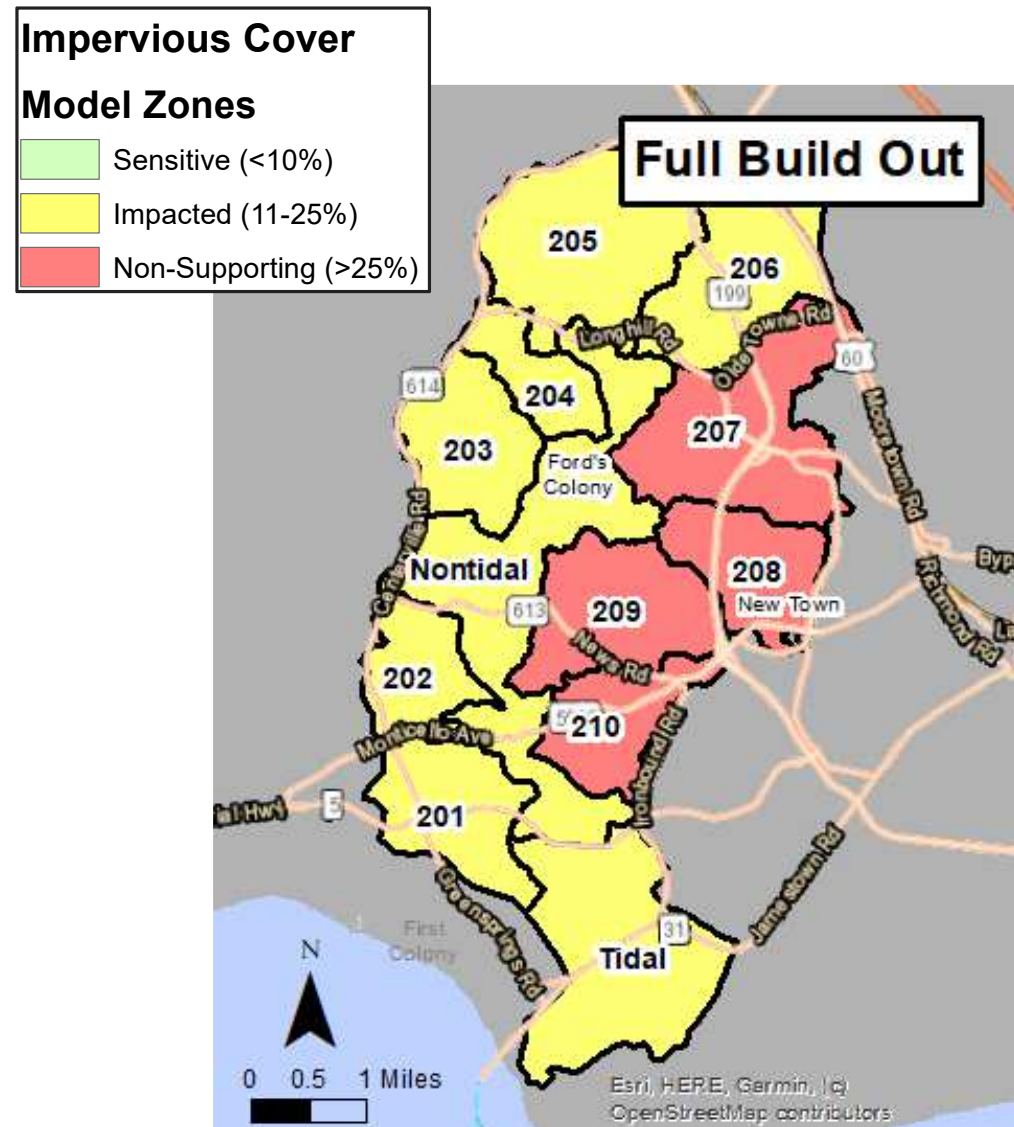
- Increased development
- Impacted subwatersheds increased to 8 (208 and 209 added)
- Still no subwatersheds as Non-Supporting



Projected Conditions

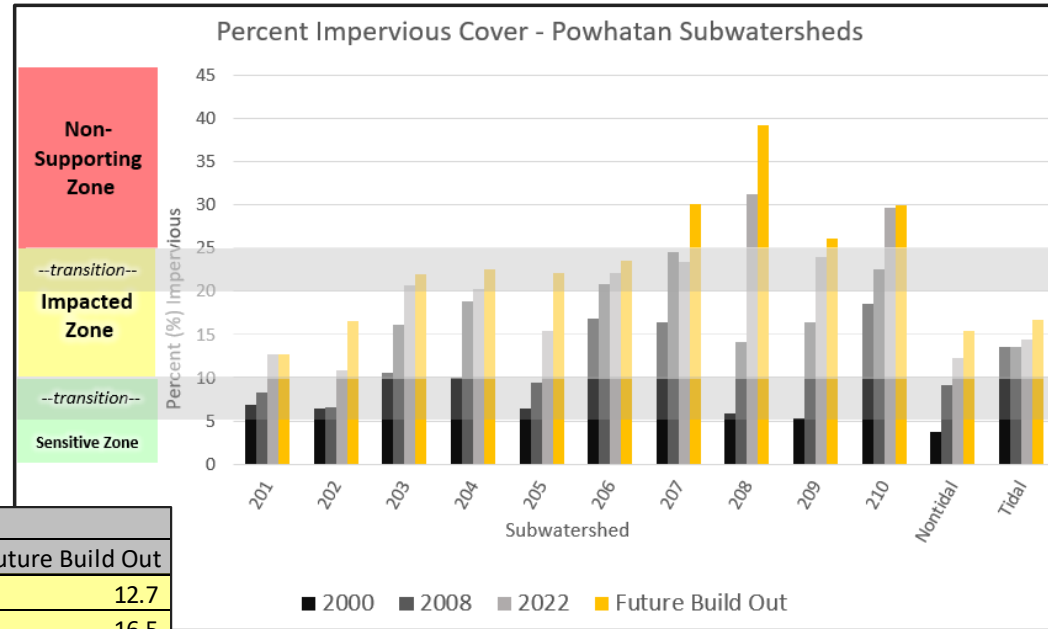
2022 Future Build Out Projections – ICM Results

- No subwatersheds considered Sensitive
- 8 Impacted subwatersheds
- Up to 4 subwatersheds categorized as Non-Supporting
- See Area of High Interest (later slides) for largest concentration of potential new development



2022 ICM Results

Percent Impervious Cover - Powhatan Subwatersheds



Subwatershed	Area (acres)	Percent (%) Impervious Surface Area			
		2000	2008	2022	Future Build Out
201	883	6.8	8.3	12.7	12.7
202	592	6.4	6.6	10.8	16.5
203	858	10.5	16.1	20.7	22.0
204	488	10	18.9	20.2	22.6
205	1,657	6.4	9.5	15.4	22.2
206	1,327	16.9	20.8	22.2	23.6
207	1,570	16.4	24.6	23.4	30.2
208	772	5.8	14.2	31.2	39.2
209	1,080	5.3	16.4	24.0	26.1
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Tidal	1,666	13.6	13.6	14.4	16.7
Impervious Model Cover Zone	Sensitive	6	4	-	-
	Impacted	6	8	10	8
	Non-Supporting	-	-	2	4

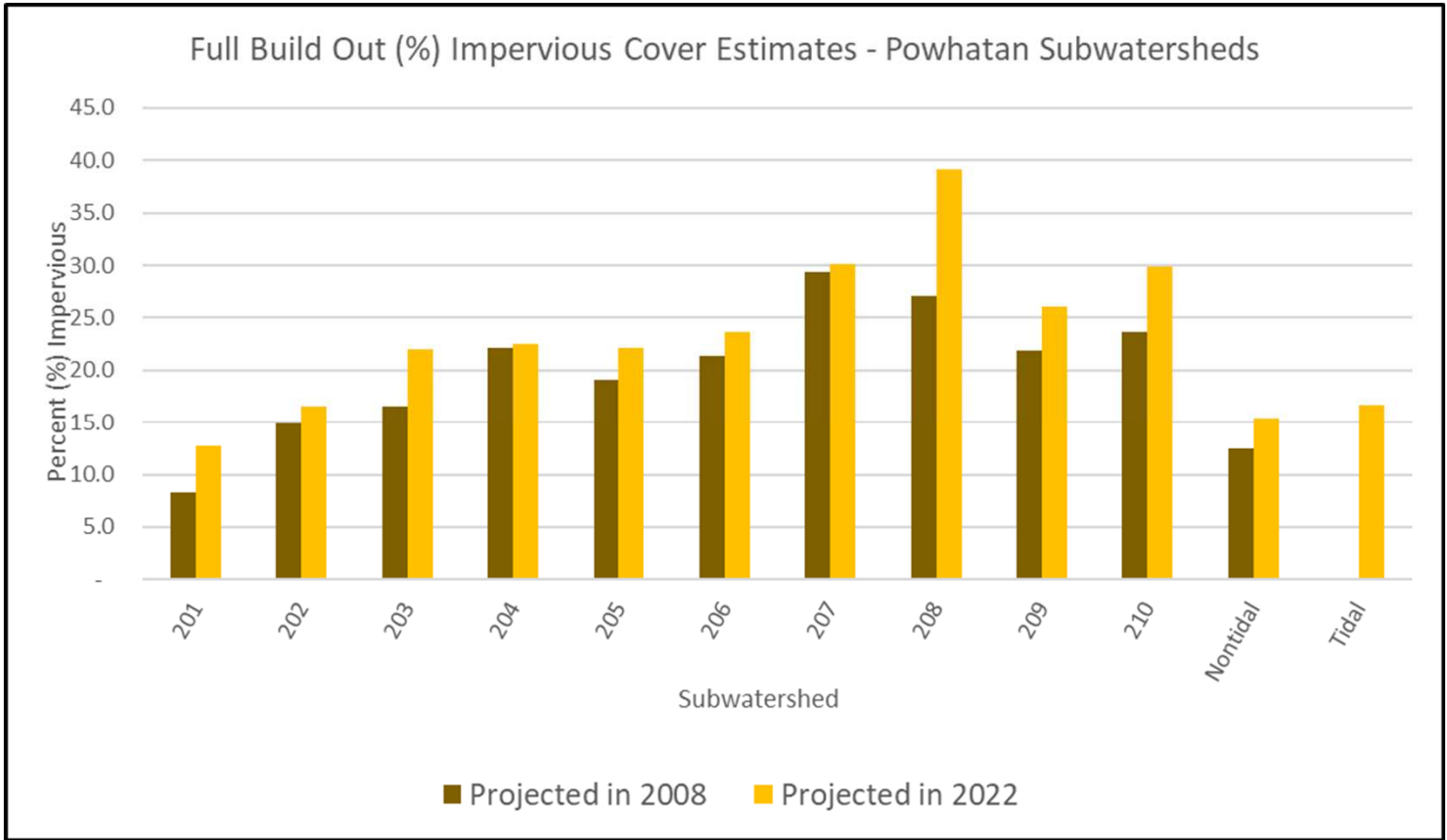
Comparison of Projections done in 2008 and 2022

Projections done in 2008

- Future impervious estimates for all undeveloped parcels based on zoning and density assumptions

Projections done in 2022

- With 14 years having passed, patterns of development since 2008 help to inform Future Full Buildout Estimations



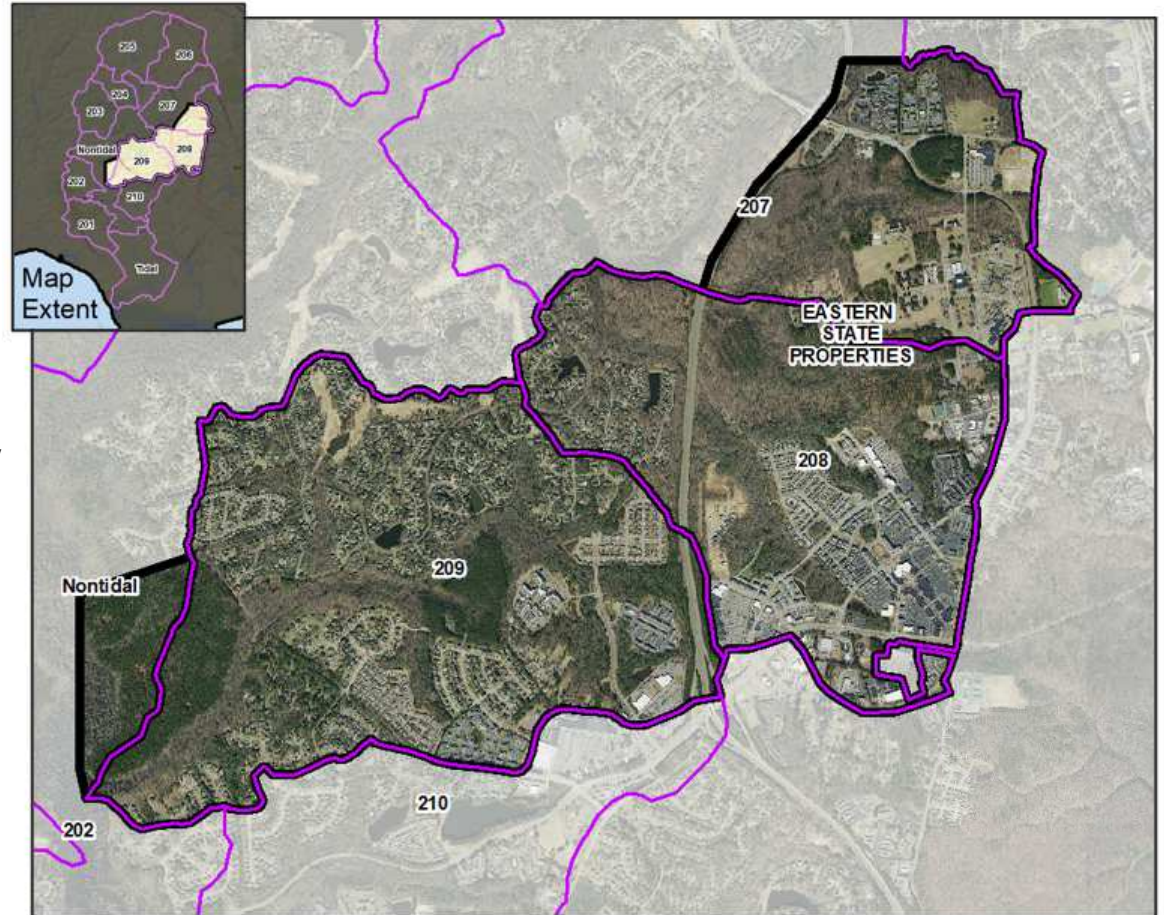
(note: The "Projected in 2008" Impervious Cover Estimates of Full Build Out was not done for the Tidal Watershed)

Area of High Interest

Pre-selected by JCC for Prioritization

Location Information

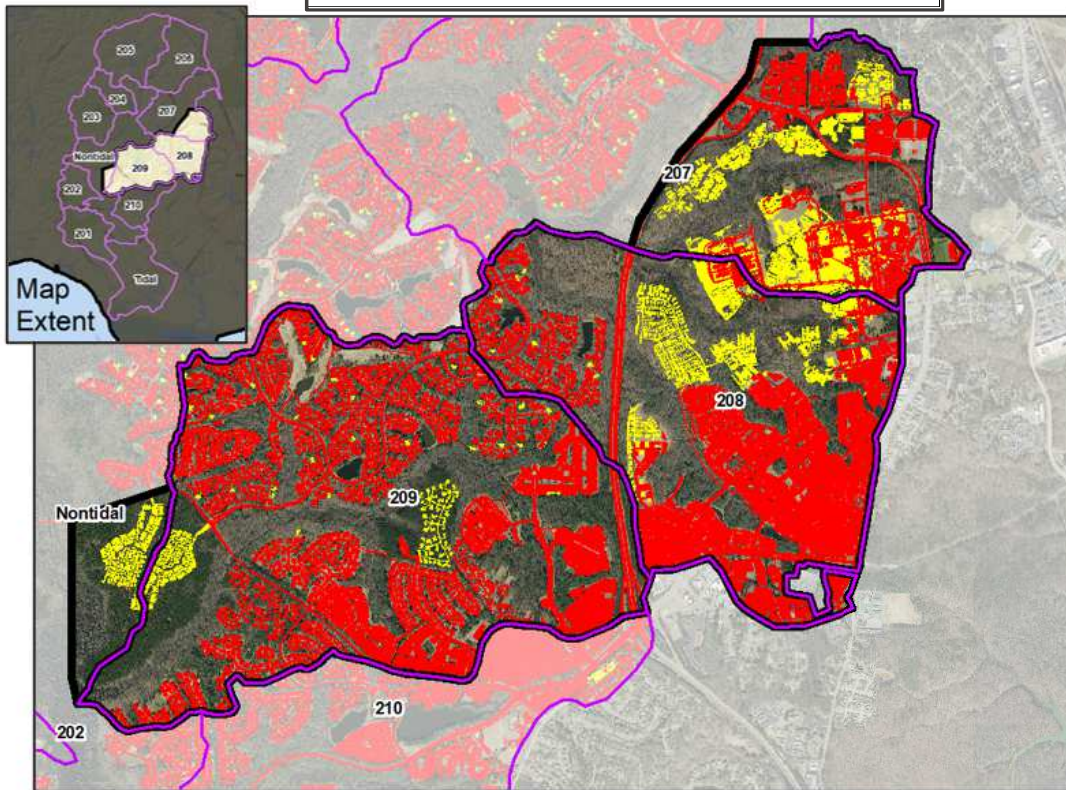
- Subwatersheds 208 and 209
- Southeast portion of Subwatershed 207
- Small portion of Nontidal Subwatershed
- Major Areas of note:
 - Completion of New Town
 - Potential Eastern State Hospital Property redevelopment
 - Potential additional development near Recreation Center



Area of High Interest

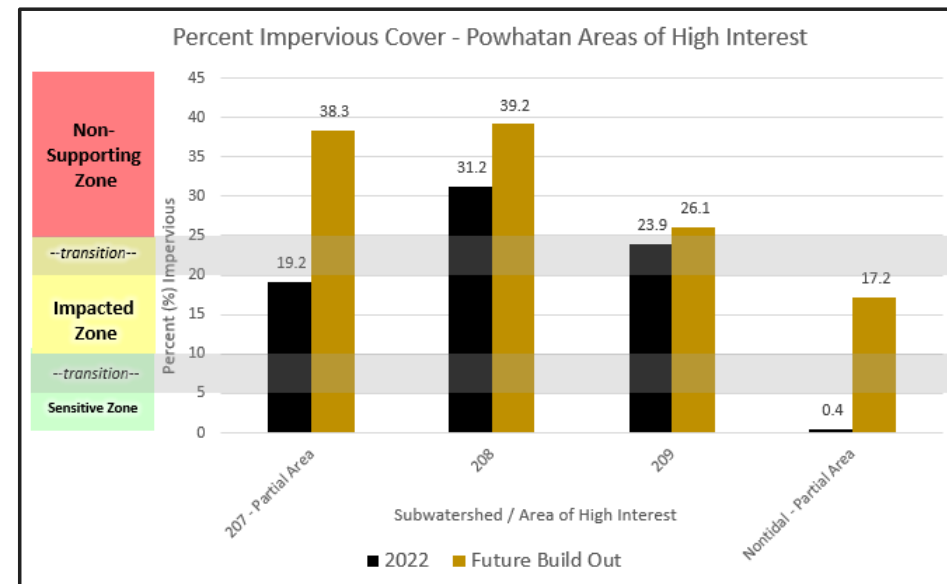
Legend

- Existing Impervious Surfaces
- Hypothetical Future Full Buildout Impervious Surfaces



Area of High Interest Results

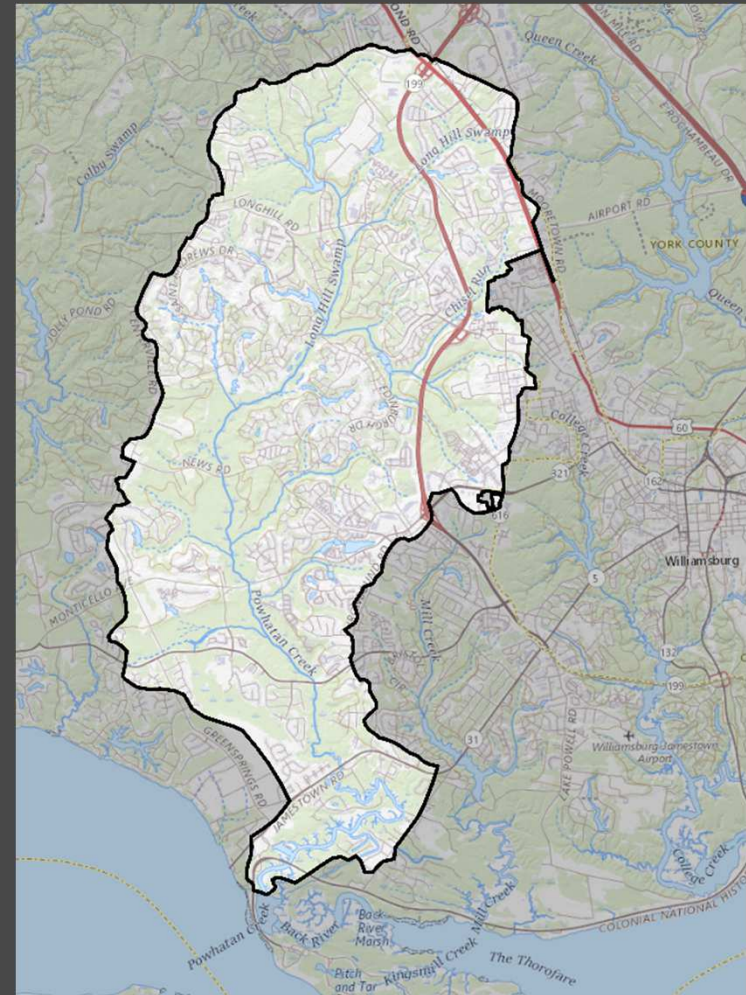
- Subwatershed 209 is already nearly built out
- Development Pressures on 208 and 209
 - Driven mostly by potential redevelopment of Eastern State Hospital Property



Questions?

Powhatan Creek WSMP Next Steps

- Feb 2023:
 - Completion of Desktop Assessment
 - Public Meeting for Input on Goals/Needs
- Mar 2023:
 - Completion of Field Assessment
- April 2023:
 - Public Meeting for Input on Recommendations
- May 2023:
 - Draft WSMP for County Review
- June 2023:
 - Final WSMP



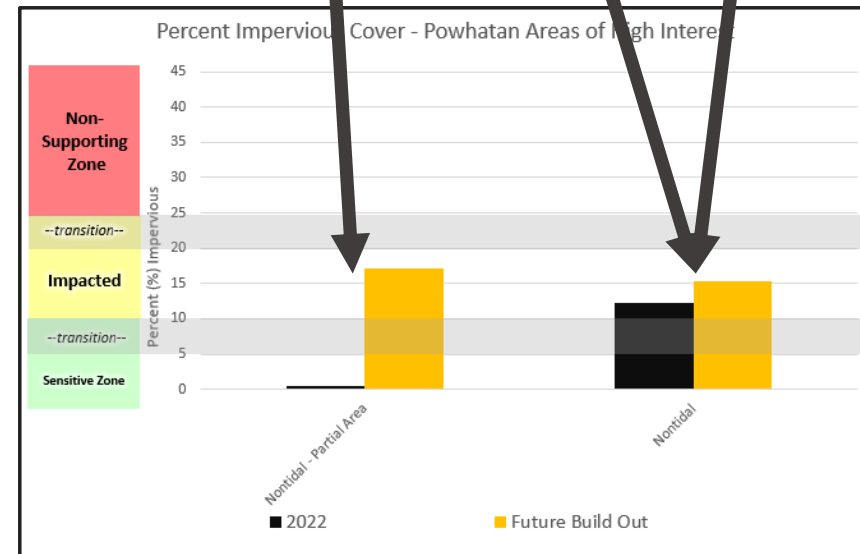
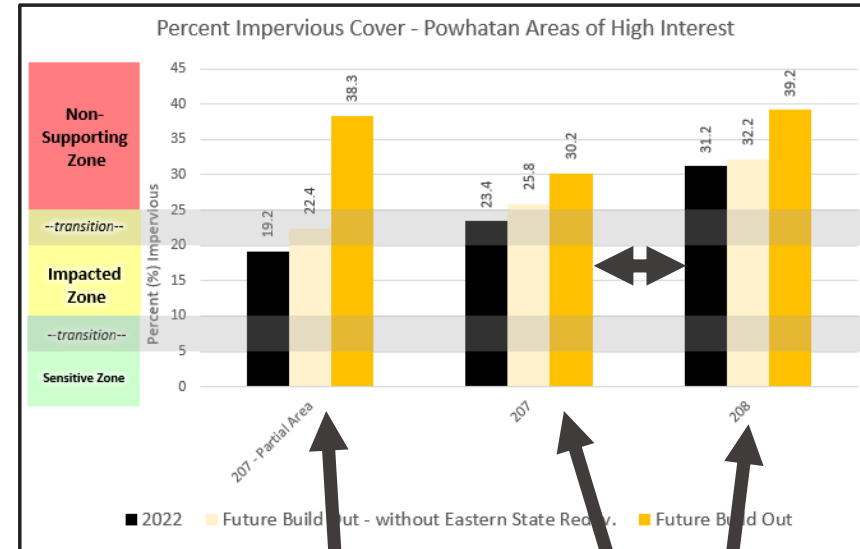
Bonus slides for reference during Q&A, if needed

Area of High Interest

Trend of Impervious Surfaces— Subwatershed-Scale Context

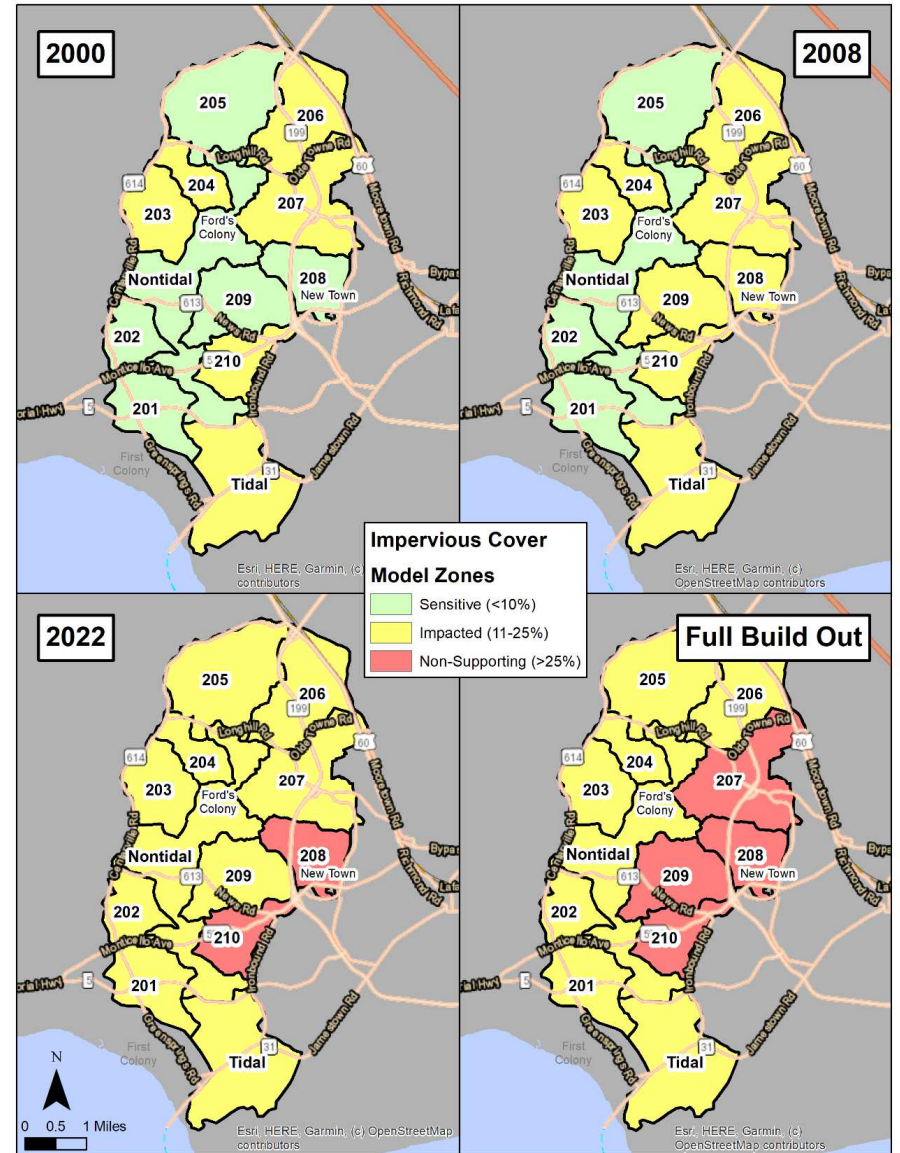
Considering trends across entire Subwatershed:

- Nontidal and 207 Subwatersheds have similar increasing trends over time when considering the entire Subwatershed Areas.
- The partial areas of 207 and Nontidal subwatersheds found in the Area of High Interest appear to be under development pressures.

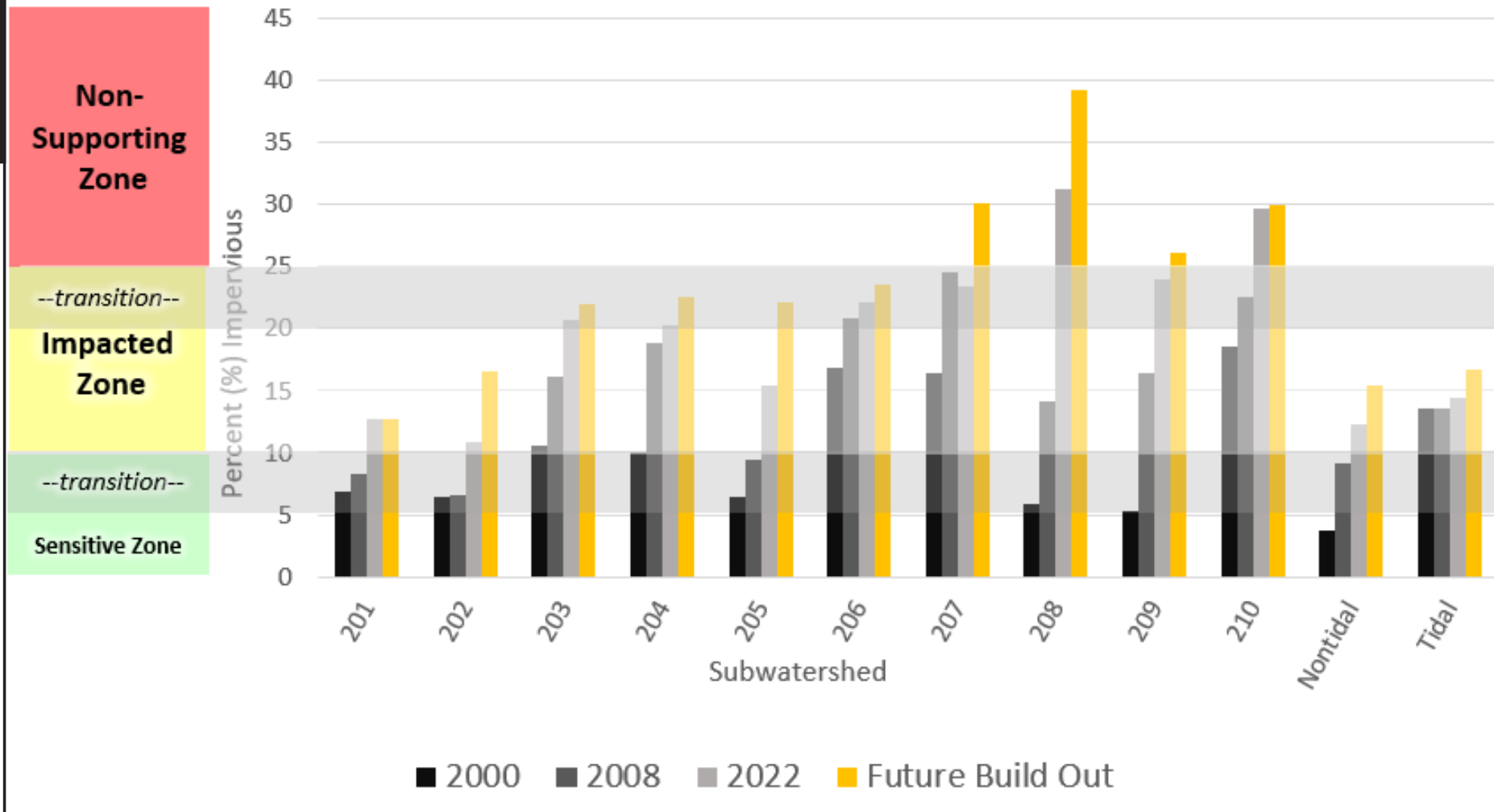


ICM Results Comparisons

Subwatershed	Area (acres)	Percent (%) Impervious Surface Area			
		2000	2008	2022	Future Build Out
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Tidal	1,666	13.6	13.6	14.4	16.7
Impervious Model Cover Zone	Sensitive	6	4	-	-
	Impacted	6	8	10	8
	Non-Supporting	-	-	2	4



Percent Impervious Cover - Powhatan Subwatersheds



ITEM SUMMARY

DATE: 1/24/2023

TO: The Board of Supervisors

FROM: Mark Abbott, Capital Projects Coordinator, General Services

SUBJECT: Contract Award - \$150,326 - Veterans Park Outdoor Sports Lighting Upgrade

ATTACHMENTS:

	Description	Type
☐	Memorandum	Cover Memo
☐	Resolution	Resolution

REVIEWERS:

Department	Reviewer	Action	Date
Capital Projects	Abbott, Mark	Approved	1/5/2023 - 10:50 AM
General Services	Boone, Grace	Approved	1/6/2023 - 3:47 PM
Publication Management	Daniel, Martha	Approved	1/6/2023 - 3:50 PM
Legal Review	Kinsman, Adam	Approved	1/6/2023 - 4:27 PM
Board Secretary	Saeed, Teresa	Approved	1/17/2023 - 9:02 AM
Board Secretary	Rinehimer, Bradley	Approved	1/17/2023 - 10:50 AM
Board Secretary	Saeed, Teresa	Approved	1/17/2023 - 11:19 AM

MEMORANDUM

DATE: January 24, 2023
TO: The Board of Supervisors
FROM: Mark Abbott, Capital Projects Coordinator, General Services
SUBJECT: Contract Award - \$150,326 - Veterans Park Outdoor Sports Lighting Upgrade

This project at Veterans Park will consist of replacing the outdoor sports lighting with new energy efficient LED lighting and web-based controls. The new lighting which covers Kidsburg, the Basketball, and Pickleball courts will be converted to LED and provide remote operational capability with dimming control.

General Services, in consultation with the Purchasing Office, under the SOURCEWELL Contract #071619-MSL determined that Musco Sports Lighting, LLC's proposal to replace the outdoor sports lighting at a proposed cost of \$150,326 using approved Capital Maintenance funds is reasonable in comparison to other current County outdoor sports lighting and current construction cost indices.

Staff recommends approval of the attached resolution authorizing the contract award of installation services from Musco Sports Lighting, LLC, in the amount of \$150,326, for the Veterans Park Outdoor Sports Lighting Upgrade.

MA/ap
CA-VetsPkOLtgUpg-mem

Attachment

RESOLUTION

CONTRACT AWARD - \$150,326 - VETERANS PARK

OUTDOOR SPORTS LIGHTING UPGRADE

WHEREAS, the James City County Department of General Services has standardized Musco equipment in County facilities to promote operational efficiency; and

WHEREAS, the Veterans Park outdoor lighting upgrade will occur; and

WHEREAS, it has been determined by General Services, in consultation with the Purchasing Office, that under the SOURCEWELL Contract #071619-MSL, that Musco Sports Lighting, LLC, will install the outdoor lighting; and

WHEREAS, Musco Sports Lighting, LLC, submitted a proposal to perform the required services, the proposed rates have been determined to be reasonable, and approved Capital Maintenance funds will be used.

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of James City County, Virginia, hereby authorizes the contract award in the amount of \$150,326 to Musco Sports Lighting, LLC, for the Veterans Park Outdoor Sports Lighting Upgrade.

Michael J. Hipple
Chairman, Board of Supervisors

ATTEST:

Teresa J. Saeed
Deputy Clerk to the Board

	VOTES			
	<u>AYE</u>	<u>NAY</u>	<u>ABSTAIN</u>	<u>ABSENT</u>
SADLER	_____	_____	_____	_____
ICENHOUR	_____	_____	_____	_____
MCGLENNON	_____	_____	_____	_____
LARSON	_____	_____	_____	_____
HIPPLE	_____	_____	_____	_____

Adopted by the Board of Supervisors of James City County, Virginia, this 24th day of January, 2023.

CA-VetsPkOLtgUpg-res

ITEM SUMMARY

DATE: 1/24/2023

TO: The Board of Supervisors

FROM: Ryan T. Ashe, Fire Chief

SUBJECT: Grant Award - \$76,414 - Four-for-Life - Return to Localities Fund

ATTACHMENTS:

	Description	Type
☐	GA-4LifeLocalFY23-mem	Cover Memo
☐	Resolution	Resolution

REVIEWERS:

Department	Reviewer	Action	Date
Fire	Ashe, Ryan	Approved	1/12/2023 - 3:55 PM
Publication Management	Pobiak, Amanda	Approved	1/12/2023 - 4:38 PM
Legal Review	Kinsman, Adam	Approved	1/17/2023 - 11:30 AM
Board Secretary	Saeed, Teresa	Approved	1/17/2023 - 11:34 AM
Board Secretary	Rinehimer, Bradley	Approved	1/17/2023 - 12:11 PM
Board Secretary	Saeed, Teresa	Approved	1/17/2023 - 1:42 PM

MEMORANDUM

DATE: January 24, 2023
TO: The Board of Supervisors
FROM: Ryan T. Ashe, Fire Chief
SUBJECT: Grant Award - \$76,414 - Four-for-Life - Return to Localities Fund

The Office of Emergency Medical Services (EMS) receives funding allocated from the Four-for-Life program annually. This funding is legislated by the Code of Virginia § 46.2-694 which stipulates that an additional \$4 per year is charged and collected at the time of vehicle registration and set aside as a special fund to be used only for EMS purposes.

The James City County Fire Department has been awarded \$76,414 in Four-for-Life to provide funding for training EMS personnel of a licensed nonprofit EMS agency and for the purchase of necessary equipment and supplies for use in such localities. Historically, this grant has been included in the original budget based on estimated amounts. We have removed it from the budget to eliminate the need for adjustments.

The attached resolution appropriated the additional funds received of \$76,414 for Fiscal Year 2023. Staff recommends approval of the attached resolution appropriating funds to the Four-for-Life Fund.

RTA/ap
GA-4LifeLocalFY23-mem

Attachment

RESOLUTION

GRANT AWARD - \$76,414 - FOUR-FOR-LIFE - RETURN TO LOCALITIES FUND

WHEREAS, the Office of Emergency Management Services (EMS) receives funding allocated from the Four-for-Life program annually. This funding is legislated by the Code of Virginia § 46.2-694 which stipulates that an additional \$4 per year is charged and collected at the time of vehicle registration and set aside as a special fund to be used only for EMS purposes; and

WHEREAS, the funds are used to purchase emergency medical equipment and provide training.

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of James City County, Virginia, hereby authorizes the acceptance of this grant and the following appropriation to the Special Projects/Grants Fund for the Four-for-Life Fund:

Revenue:

Four-for-Life	<u>\$76,414</u>
---------------	-----------------

Expenditure:

Four-for-Life	<u>\$76,414</u>
---------------	-----------------

Michael J. Hipple
Chairman, Board of Supervisors

ATTEST:

Teresa J. Saeed
Deputy Clerk to the Board

SADLER
ICENHOUR
MCGLENNON
LARSON
HIPPLE

VOTES			
<u>AYE</u>	<u>NAY</u>	<u>ABSTAIN</u>	<u>ABSENT</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Adopted by the Board of Supervisors of James City County, Virginia, this 24th day of January, 2022.

ITEM SUMMARY

DATE: 1/24/2023

TO: The Board of Supervisors

FROM: Cassie Cordova, Environmental Sustainability Coordinator

SUBJECT: Grant Award - \$23,002 - Litter Prevention and Recycling Program

ATTACHMENTS:

	Description	Type
☐	Memorandum	Cover Memo
☐	Resolution	Resolution

REVIEWERS:

Department	Reviewer	Action	Date
General Services	Boone, Grace	Approved	12/29/2022 - 3:59 PM
Publication Management	Daniel, Martha	Approved	12/30/2022 - 8:44 AM
Legal Review	Kinsman, Adam	Approved	1/3/2023 - 2:09 PM
Board Secretary	Saeed, Teresa	Approved	1/17/2023 - 9:03 AM
Board Secretary	Rinehimer, Bradley	Approved	1/17/2023 - 10:53 AM
Board Secretary	Saeed, Teresa	Approved	1/17/2023 - 11:19 AM

MEMORANDUM

DATE: January 24, 2023
TO: The Board of Supervisors
FROM: Cassie Cordova, Environmental Sustainability Coordinator
SUBJECT: Grant Award - \$23,002 - Litter Prevention and Recycling Program

The Fiscal Year 2023 Virginia Department of Environmental Quality Litter Prevention and Recycling Grant was awarded to James City County in the amount of \$23,002.

The attached resolution appropriates the grant amount of \$23,002 to the Special Projects/Grants Fund in support of the litter prevention, beautification, recycling programs, and the Extended Polystyrene (EPS) campaign.

The Litter Grant Fund is appropriated by the James City Clean County Commission to educate and encourage residents, local businesses, and industries to enhance both the physical and visual environment. Examples of annual programs and activities supported by the litter grant include the Annual Litter Cleanup, the Annual Repair Fair and Recycling Expo, and community outreach and environmental education.

Staff recommends adoption of the attached resolution.

CC/md
GA-LitterPrev23-mem

Attachment

ITEM SUMMARY

DATE: 1/24/2023

TO: The Board of Supervisors

FROM: Ryan T. Ashe, Fire Chief

SUBJECT: Grant Award - \$16,000 - State Homeland Security Program

ATTACHMENTS:

	Description	Type
☐	GA-SHSecPrg2023-mem	Cover Memo
☐	GA-SHSecPrg2023-res	Cover Memo

REVIEWERS:

Department	Reviewer	Action	Date
Fire	Ashe, Ryan	Approved	12/8/2022 - 8:16 AM
Publication Management	Daniel, Martha	Approved	12/8/2022 - 8:20 AM
Legal Review	Kinsman, Adam	Approved	12/13/2022 - 2:45 PM
Board Secretary	Saeed, Teresa	Approved	12/30/2022 - 1:12 PM
Board Secretary	Purse, Jason	Approved	1/3/2023 - 1:53 PM
Board Secretary	Saeed, Teresa	Approved	1/17/2023 - 9:03 AM

MEMORANDUM

DATE: January 24, 2023
TO: The Board of Supervisors
FROM: Ryan T. Ashe, Fire Chief
SUBJECT: Grant Award - \$16,000 - State Homeland Security Program

The James City County Fire Department's Emergency Management Division has been awarded a grant in the amount of \$16,000 from the Commonwealth of Virginia Department of Emergency Management (VDEM) State Homeland Security Program.

The grant was awarded by VDEM using funds from the United States Department of Homeland Security Federal Emergency Management Agency.

The \$16,000 award is designated for the support of the regional Citizens Corps programs. These programs include the Citizens Emergency Response Team and the Community Animal Response Team. These teams are made up of citizens trained in various emergency management functions including mass search and rescue, mass care and sheltering, and first aid and logistics. This award will support the training and equipment needs for both the James City County and the City of Williamsburg programs. Many of the training activities will be coordinated cooperatively between both jurisdictions.

This award does not require a local match.

Staff recommends adoption of the attached resolution.

RTA/md
GA-SHSecPrg2023-mem

Attachment

RESOLUTION

GRANT AWARD - \$16,000 - STATE HOMELAND SECURITY PROGRAM

WHEREAS, the James City County Fire Department’s Emergency Management Division has been awarded a grant in the amount of \$16,000 from the Commonwealth of Virginia Department of Emergency Management (VDEM) State Homeland Security Program (SHSP); and

WHEREAS, the grant was awarded by VDEM using funds from the United States Department of Homeland Security Federal Emergency Management Agency; and

WHEREAS, the funds will be used to support cooperative Citizens Corps programs with James City County and the City of Williamsburg; and

WHEREAS, the SHSP grant does not require a local match.

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of James City County, Virginia, hereby authorizes the acceptance of this grant and the following appropriation to the Special Projects/Grants fund:

Revenue:

Federal - 2022 SHSP Regional Citizens Emergency Response Team (CERT) Program Enhancement	<u>\$16,000</u>
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Expenditure:

2022 SHSP Regional CERT Program Enhancement	<u>\$16,000</u>
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Michael J. Hipple
Chairman, Board of Supervisors

ATTEST:

Teresa J. Saeed
Deputy Clerk to the Board

	VOTES			
	<u>AYE</u>	<u>NAY</u>	<u>ABSTAIN</u>	<u>ABSENT</u>
SADLER	___	___	___	___
ICENHOUR	___	___	___	___
MCGLENNON	___	___	___	___
LARSON	___	___	___	___
HIPPLE	___	___	___	___

Adopted by the Board of Supervisors of James City County, Virginia, this 24th day of January, 2023.

ITEM SUMMARY

DATE: 1/24/2023

TO: The Board of Supervisors

FROM: Toni Small, Director of Stormwater and Resource Protection

SUBJECT: Grant Award - \$10,000 - Virginia Department of Environmental Quality Chesapeake Bay Preservation Act Support Grant 2023

ATTACHMENTS:

	Description	Type
☐	Memorandum	Cover Memo
☐	Resolution	Resolution

REVIEWERS:

Department	Reviewer	Action	Date
Stormwater	Small, Toni	Approved	1/5/2023 - 2:31 PM
General Services	Boone, Grace	Approved	1/6/2023 - 3:44 PM
Publication Management	Pobiak, Amanda	Approved	1/6/2023 - 3:47 PM
Legal Review	Kinsman, Adam	Approved	1/6/2023 - 4:28 PM
Board Secretary	Saeed, Teresa	Approved	1/17/2023 - 9:03 AM
Board Secretary	Rinehimer, Bradley	Approved	1/17/2023 - 10:51 AM
Board Secretary	Saeed, Teresa	Approved	1/17/2023 - 11:19 AM

MEMORANDUM

DATE: January 24, 2023

TO: The Board of Supervisors

FROM: Toni E. Small, Director of Stormwater and Resource Protection Division

SUBJECT: Grant Award - \$10,000 - Virginia Department of Environmental Quality Chesapeake Bay Preservation Act Support Grant 2023

On December 15, 2022, James City County (JCC) was offered a grant award from the Virginia Department of Environmental Quality (DEQ) through the Chesapeake Bay Preservation Act (CBPA) Support Program. The funding from this CBPA Implementation Grant will be used to assist low- to moderate-income households with paying for on-site septic tank pump-outs.

The Stormwater and Resource Protection (SRP) Division maintains a database and tracks the number of septic tanks in the County along with the septic tank pump-out dates provided by property owners. The database identifies which properties are delinquent, in that the County has no record of a septic tank pump-out in more than five years. Letters are sent to the property owners reminding them of the County Code requirement for pump-out every five years and requesting pump-out notification.

James City County has no program to provide septic tank pump-out financial assistance for those properties where the five-year pump-out has not been completed due to financial concerns by the property owner. Funding through the CBPA Implementation Grant would provide the means for the County to immediately assist in pumping septic tanks within the County exceeding the five-year pump-out requirement, improving water quality in County tributaries and the Chesapeake Bay. The SRP Division will work with the Neighborhood Development Division to develop and implement an income verification process required as part of the grant to identify eligible households.

If accepted, this would be the second year of this program. DEQ awarded a similar grant to the County last year. During Fiscal Year (FY) 2022, this initiative was able to help 15 low- to moderate-income households. DEQ awarded the funds to JCC again this year since this program provides real value to low- to moderate-income households and helps to improve water quality for our streams and rivers. Because this is a new, innovative initiative, there was a bit of a learning curve for staff. Staff expects this funding will allow us to help even more families in FY23.

Staff recommends that the Board of Supervisors adopt the attached resolution to authorize acceptance of these funds and appropriate these funds to the Special Projects/Grants Fund.

TES/ap
GA-CBPASepctic23-mem-rev

Attachment

RESOLUTION

GRANT AWARD - \$10,000 - VIRGINIA DEPARTMENT OF ENVIRONMENTAL QUALITY

CHESAPEAKE BAY PRESERVATION ACT SUPPORT GRANT 2023

WHEREAS, the Stormwater and Resource Protection Division was offered a grant award of \$10,000 by the Virginia Department of Environmental Quality (DEQ) through the Chesapeake Bay Preservation Act (CBPA) Support Program; and

WHEREAS, the grant will be used to assist low-to-moderate income households in paying for on-site septic tank pump-outs; and

WHEREAS, funding through this CBPA Implementation Grant would provide the means for the County to immediately assist in pumping septic tanks within the County exceeding the five-year pump-out requirement, improving water quality in County tributaries and the Chesapeake Bay; and

WHEREAS, the grant requires no local match other than existing staff time to oversee the septic pump-out program.

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of James City County, Virginia, hereby accepts this award from DEQ, and authorizes the County Administrator to execute those documents necessary to accept the grant and the following appropriation amendment to the Special Projects/Grants Fund.

Revenue:

State - DEQ CBPA Support Grant	<u>\$10,000</u>
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Expenditure:

CBPA Support Grant	<u>\$10,000</u>
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Michael J. Hipple
Chairman, Board of Supervisors

ATTEST:

Teresa J. Saeed
Deputy Clerk to the Board

	VOTES			
	<u>AYE</u>	<u>NAY</u>	<u>ABSTAIN</u>	<u>ABSENT</u>
SADLER	_____	_____	_____	_____
ICENHOUR	_____	_____	_____	_____
MCGLENNON	_____	_____	_____	_____
LARSON	_____	_____	_____	_____
HIPPLE	_____	_____	_____	_____

Adopted by the Board of Supervisors of James City County, Virginia, this 24th day of January, 2023.

ITEM SUMMARY

DATE: 1/24/2023
TO: The Board of Supervisors
FROM: Teresa J. Saeed, Deputy Clerk
SUBJECT: Minutes Adoption

ATTACHMENTS:

	Description	Type
☐	Sept. 8, 2022 Special Joint Meeting Minutes	Minutes
☐	Nov. 8, 2022 Regular Meeting Minutes	Minutes
☐	Nov. 22, 2022 Business Meeting Minutes	Minutes
☐	Dec. 13, 2022 Regular Meeting Minutes	Minutes
☐	Jan. 10, 2023 Organizational Meeting Minutes	Minutes

REVIEWERS:

Department	Reviewer	Action	Date
Board Secretary	Saeed, Teresa	Approved	1/3/2023 - 2:37 PM

MINUTES
JAMES CITY COUNTY BOARD OF SUPERVISORS
SPECIAL MEETING
James City County Recreation Center, 5301 Longhill Road, Williamsburg, VA

September 8, 2022
8:30 AM

A. CALL TO ORDER

Mr. Dowell called the School Board to order at 8:34 a.m.

Mr. McGlennon called the Board of Supervisors to order at 8:34 a.m.

Mayor Pons called the City Council to order at 8:34 a.m.

B. ROLL CALL

School Board: Present were Dr. James Beers, Ms. Kyra Cook, Ms. Julie Hummel (left the meeting at 9:51 a.m.), Mrs. Kimberley Hundley, Mrs. Sarah Ortego, Mrs. Sandra Young, and Mr. Greg Dowell (Chair). Also present were Olwen E. Herron, Ed.D., superintendent; Ms. Beth Allar, clerk of the board, and staff.

Board of Supervisors: Present were Mr. Michael Hipple, Mr. James Icenhour (virtually), Ms. Ruth Larson, Mrs. Sue Sadler, and Mr. John McGlennon (Chairman). Also present was Mr. Scott Stevens, County Administrator.

City Council: Present were Mr. Ted Maslin, Ms. Barbara Ramsey, Mr. Caleb Rogers (left the meeting at 9:50 a.m.), and Mr. W. Pat Dent (Vice Mayor). Also present was Mr. Andrew Trivette, City Manager. Mr. Douglas Pons (Mayor) was absent.

1. Motion to allow Mr. Icenhour to participate remotely as he is out of town and unable to attend the meeting in person.

A motion to Approve was made by Sue Sadler, the motion result was Passed.

AYES: 4 NAYS: 0 ABSTAIN: 0 ABSENT: 1

Ayes: Hipple, Larson, McGlennon, Sadler

Absent: Icenhour Jr

C. BOARD DISCUSSIONS/GUIDANCE

Absent: Icenhour Jr

D. CLOSED SESSION

Absent: Icenhour Jr

1. Discussion of reports or plans related to the security of any governmental facility, building or structure, or the safety of persons using such facility, building or structure, pursuant to Section 2.2-3711(A)(19) of the Code of Virginia

Absent: Icenhour Jr

School Board Certifies Closed Session - Mrs. Ortego certified, that to the best of each member's knowledge, the Williamsburg-James City County School Board, while in closed session, discussed only public business matters lawfully exempted from open meeting requirements as stated in Virginia Law and that only such public matters as were identified in the motion convening the closed meeting were heard, discussed or considered.

Motion by Sarah Ortego, second by Kyra Cook.

Final Resolution: Motion Carries Aye: James Beers, Kyra Cook, Kimberley Hundley, Sarah Ortego, Sandra Young, Greg Dowell

Not Present at Vote: Julie Y Hummel

Board of Supervisors Certifies Closed Session - Ms. Larson certified, that to the best of each member's knowledge, the James City County Board of Supervisors, while in closed session, discussed only public business matters lawfully exempted from open meeting requirements as stated in Virginia Law and that only such public matters as were identified in the motion convening the closed meeting were heard, discussed or considered.

Motion by Ruth Larson, second by Sue Sadler.

Final Resolution: Motion Carries Aye: Michael Hipple, Mr. James Icenhour, Ruth Larson, Sue Sadler, John McGlennon

City Council Certifies Closed Session - Ms. Ramsey certified, that to the best of each member's knowledge, the Williamsburg City Council, while in closed session, discussed only public business matters lawfully exempted from open meeting requirements as stated in Virginia Law and that only such public matters as were identified in the motion convening the closed meeting were heard, discussed or considered.

Motion by Barbara Ramsey, second by Ted Maslin.

Final Resolution: Motion Carries Aye: Ted Maslin, Barbara Ramsey, W. Pat Dent

Not Present at Vote: Caleb Rogers.

E. ADJOURNMENT

1. Adjourn until 5 pm on September 13, 2022 for the Regular Meeting

School Board Adjourns - The Williamsburg-James City County School Board adjourned at 10:21 a.m.

Board of Supervisors Adjourns - At 10:21 a.m., Ms. Larson made a motion to adjourn the James City County Board of Supervisors. A roll call vote was taken, and the motion carried 5:0.

City Council Adjourns - At 10:22 a.m., Ms. Ramsey made a motion to adjourn the Williamsburg City Council, second by Mr. Maslin. A roll call vote was taken, and the motion carried 3:0 (Mr. Rogers left at 9:50 a.m.).

MINUTES
JAMES CITY COUNTY BOARD OF SUPERVISORS
REGULAR MEETING
County Government Center Board Room
101 Mounts Bay Road, Williamsburg, VA 23185
November 8, 2022
5:00 PM

A. CALL TO ORDER

Mr. McGlennon called the meeting to order at approximately 5:03 p.m. following the James City Service Authority Board of Directors Regular Meeting.

B. ROLL CALL

James O. Icenhour, Jr., Jamestown District
Michael J. Hipple, Powhatan District
Ruth M. Larson, Berkeley District
P. Sue Sadler, Vice Chairman, Stonehouse District
John J. McGlennon, Chairman, Roberts District

Scott A. Stevens, County Administrator
Adam R. Kinsman, County Attorney

Mr. McGlennon mentioned it was Election Day, adding he took the opportunity to vote earlier today. Mr. McGlennon expressed his positive experience at the polling precinct. Mr. McGlennon indicated polling precincts were open until 7 p.m., adding accommodations would be made for individuals in line despite the 7 p.m. deadline. Mr. McGlennon explained the Commonwealth of Virginia now authorized Election Day registration and the ability to cast a provisional ballot. Mr. McGlennon expressed his condolences to Ms. Dianna Moorman, the County's Director of Elections and General Registrar, who experienced a significant medical issue recently. Mr. McGlennon extended wishes to Ms. Moorman on a quick recovery.

C. MOMENT OF SILENCE

D. PLEDGE OF ALLEGIANCE

1. Pledge Leader - Fletcher Grizzle, a 4th grade student at J. Blaine Blayton Elementary School and a resident of the Jamestown District

Mr. Icenhour gave highlights of Fletcher's interests and activities.

Fletcher led the Board and citizens in the Pledge of Allegiance.

E. PUBLIC COMMENT

1. Mr. Bob Tubbs, 4040 Colonial Crescent, noted he was present to discuss an opportunity to augment the voting process by creating a pet election. Mr. Tubbs mentioned collaborative

efforts with United Way of the Virginia Peninsula (UWVP) and PetSmart. Mr. Tubbs discussed PetSmart's annual Holiday Stuffed Animal Program. Mr. Tubbs explained the purchase of a plush toy from PetSmart's Chance & Friends Holiday Philanthropic Collection would permit those funds to go to PetSmart Charities to assist with grant opportunities for animal shelters and rescues nationwide. Mr. Tubbs mentioned the plush toys were donated to charities in the community such as House of Mercy, FISH, Inc., the Salvation Army, The Arc of Greater Williamsburg, etc. Mr. Tubbs introduced Ms. Nicole Martello, PetSmart Williamsburg Store Manager, and Ms. Charvalla West, UWVP Chief Organization Officer and Director of Community Impact, who were in attendance.

2. Ms. Nicole Martello, 8406 Addison Terrace, addressed the Board to elaborate further on the PetSmart's annual Holiday Stuffed Animal Program. Ms. Martello mentioned since 2018, the PetSmart Williamsburg location alone had collected approximately 12,000 plush toys to be donated to the local community. Ms. Martello noted UWVP aided in the distribution of the plush toys to local children. Ms. Martello explained for each PetSmart's Chance & Friends Holiday Philanthropic Collection purchase, \$1 was donated to the PetSmart Charities.

3. Ms. Charvalla West, 701 Madison Road, addressed the Board noting UWVP worked to bring the community together. Ms. West remarked the annual Holiday Stuffed Animal Program allowed joy and happiness to those less fortunate. Ms. West took a moment to thank PetSmart shoppers for donations, Mr. Tubbs for his volunteering efforts to ensure the plush toys were going to community organizations which served children, adults with disabilities, and the elderly, and Ms. Martello for her leadership at PetSmart to make this feasible. Ms. West turned the presentation back over to Mr. Tubbs.

Mr. Tubbs provided an information packet to the Board pertaining to the pet election. He stated a plush toy would be assigned to each district in the County with requested assistance from the County Administrator to take part in the process. Mr. Tubbs requested the Board members to manage campaigns for each of the six plush toys. Mr. Tubbs stated donation stations and polling places would be set up throughout the County. He added current locations included the Law Enforcement Center, Fire Administration Building, and the James City County Recreation Center. Mr. Tubbs discussed various documents included in the information packet he provided to the Board members. Mr. Tubbs recognized several community organization beneficiaries. Mr. Tubbs touched on various components such as a QR code for donation purposes, campaign updates on the Facebook page created, and a hashtag (#JCCPetElection) for monitoring progress purposes. Mr. Tubbs remarked the goal was to encourage donations and make it community-based. Mr. Tubbs mentioned Busch Gardens offered a couple hundred Christmas Town tickets to the PetSmart employees for their efforts with the program. Mr. Tubbs began passing out the plush toys to the Board members. Mr. Tubbs encouraged the Board to assist with helping drive the charitable initiative. Mr. Tubbs concluded the presentation and welcomed any questions the Board might have.

Mr. McGlennon thanked Mr. Tubbs, UWVP, and PetSmart for all efforts with this program. Mr. McGlennon mentioned Mr. Tubbs' dedication to animal rescue and adoption efforts.

Mr. Icenhour stated Mr. Tubbs was the reason he owned two Black Labrador Retrievers.

4. Ms. Alynn Parham, 634 Chelsea Place, Newport News, addressed the Board noting she was a Williamsburg-James City County Schools (WJCC) Social Studies teacher and President of the Williamsburg-James City Education Association (WJCEA). Ms. Parham indicated WJCEA represented educators, students, and educator support professionals. Ms. Parham mentioned an upcoming future joint meeting with the WJCC School Board, Williamsburg City Council, and the Board of Supervisors. The meeting would hold discussion on areas of need which would be reflected within the WJCC School Division budget proposal. Ms. Parham stated the WJCEA Executive Board would continue to advocate and highlight the

areas of need which would impact various factors of the WJCC School Division. Ms. Parham thanked the Board for its leadership in WJCC.

Mr. McGlennon thanked Ms. Parham.

F. CONSENT CALENDAR

Mr. McGlennon asked if any Board member wished to pull this item from the Consent Calendar for discussion or to make a motion to approve the Consent Calendar.

1. Grant Award - State Rental Assistance Program

A motion to Approve was made by Ruth Larson, the motion result was Passed.

AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 0

Ayes: Hipple, Icenhour Jr, Larson, McGlennon, Sadler

G. PUBLIC HEARING(S)

1. SUP-22-0007. Branscome Resource Recovery and Aggregate Storage

A motion to Defer the Consideration of this Item until the December 13, 2022, Regular Meeting, was made by John McGlennon, the motion result was Passed.

AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 0

Ayes: Hipple, Icenhour Jr, Larson, McGlennon, Sadler

Mr. McGlennon welcomed Ms. Terry Costello, Senior Planner, to the podium. He recognized Mr. Jack Haldeman, Planning Commission representative, in attendance.

Ms. Costello addressed the Board noting Mr. Julian Lipscomb had applied on behalf of Branscome Inc. for a Special Use Permit (SUP) for a resource recovery and aggregate storage facility. Ms. Costello stated the parcel was located at 750 Blow Flats Road, zoned M-2, General Industrial, and designated General Industry on the 2045 Comprehensive Plan Land Use Map. Ms. Costello indicated there was an active borrow pit on the property, which was subject to conditions of a previously approved SUP. Ms. Costello added concrete and other materials were also being brought to the site, crushed, and then utilized at the Branscome Asphalt Plant or sold on-site to other contractors. Ms. Costello noted the resource recovery and aggregate storage facility was a specially permitted use in this M-2 Zoning District, adding the applicant had requested an SUP to operate this portion of the business in compliance with the Zoning Ordinance. Ms. Costello further noted staff found that the width of Blow Flats Road did not meet the Virginia Department of Transportation (VDOT) standards for a two-lane road and was insufficient for truck traffic. Ms. Costello remarked the intersection of Blow Flats Road and Pocahontas Trail also did not meet current VDOT standards regarding the angle of the turn. Ms. Costello mentioned due to the road conditions, safety hazards, increased truck traffic, and other factors, staff recommended denial of this application. Ms. Costello stated at its October 5, 2022, meeting, the Planning Commission recommended approval of this application, subject to the proposed conditions by a vote of 5-0. Ms. Costello welcomed any questions the Board might have; in addition, the applicant was also available for questions.

Mr. McGlennon asked if this SUP should have been acquired in 2005 when the process initially began.

Ms. Costello confirmed yes.

Mr. McGlennon asked how the discrepancy was detected.

Ms. Costello replied as part of the previously approved SUP for the borrow pit County staff performed annual inspections every January. She mentioned at the time of the inspection staff noticed piles of concrete and other materials; however, staff was unaware that those materials were being used for a separate use, as concrete and other materials were permitted for the borrow pit component. Ms. Costello stated the applicant explained that the concrete and other material was for a separate use and desired to expand that particular use, which was when staff informed the applicant he would need to apply for a separate SUP.

Mr. McGlennon asked what the hours of operation were for the existing SUP.

Ms. Costello replied the existing SUP permitted business operation during daylight hours only as there was currently no lighting on-site.

Mr. McGlennon asked if there was any limitation on the amount of truck traffic which could be generated for either uses.

Ms. Costello replied staff did not put a limitation on it as it would be difficult to monitor and enforce.

Mr. McGlennon requested further insight on the Blow Flats Road and Pocahontas Trail intersection and if there were any similar instances in the past with heavy construction incident concerns.

Ms. Costello replied the intersection was approximately a 45-degree angle and current VDOT standards required it to be greater than 75 degrees. Ms. Costello mentioned staff had verified with the James City County Police Department and to date there were no recorded accidents.

Ms. Larson asked if County staff had conducted an annual inspection in January of 2022.

Ms. Costello confirmed for the borrow pit.

Ms. Larson asked if there was any prior speculation of other business-related endeavors on-site.

Ms. Costello reiterated that for the annual inspection of the borrow pit it allowed concrete and other material for borrow pit operation purposes; however, there was no apparent evidence of crushing of materials or material deliveries to validate an alternative use.

Ms. Larson question if the applicant was aware of the additional SUP requirement for other uses.

Ms. Costello replied the existing SUP was strictly for borrow pit operations only.

Mr. McGlennon asked if the business was adhering to the permitted daylight hours operation

Ms. Costello stated to date there had been no complaints. She added she had a conversation with the applicant and was informed there were deliveries of material made between the hours of 9 p.m.-5 a.m. Ms. Costello explained that Branscome Inc. had contracts with VDOT for interstate work and VDOT would only permit contractors to work within the hours of 9 p.m.-5 a.m.

Mr. McGlennon asked if Blow Flats Road included residents, he expressed as he understood

there was a small mobile home park off the private road.

Ms. Costello confirmed yes, adding there were approximately 11 residents within the mobile home park.

Mr. Hipple expressed he felt the applicant was very forthcoming with the information he provided to County staff.

Ms. Costello stated in January 2022 the applicant requested to expand the use, so when County staff spoke to him it became apparent the use was not for borrow pit purposes and that was when staff made him aware of the County requirements.

Mr. Hipple mentioned the uncertainty aspect between both the applicant and the County until recently.

Mr. McGlennon welcomed Mr. Haldeman to the podium.

Mr. Haldeman addressed the Board noting as Ms. Costello had previously mentioned the Planning Commission recommended approval of this application by a unanimous vote. Mr. Haldeman highlighted key factors to the Planning Commission's decision to approve the application which included adequate proposed conditions for mitigating potential impacts, the application was consistent with the 2045 Comprehensive Plan and Zoning Ordinance, borrow pit operations would diminish within 18-24-month timeframe which would reduce the amount of truck traffic, recycling asphalt and cement was considered eco-friendly. Mr. Haldeman mentioned the dilemma aspect of this application as the road did not meet current VDOT standards; however, it was ranked too low on the County's improvement priority list to make the necessary improvements. Mr. Haldeman welcomed any questions the Board might have.

Mr. McGlennon asked if the Planning Commission was aware of the material deliveries and the truck traffic in the overnight hours.

Mr. Haldeman replied no.

Mr. McGlennon opened the Public Hearing.

1. Mr. Vernon Geddy, 1177 Jamestown Road, addressed the Board noting Branscome Inc. was a very well-known local business as it had served the community for over 60 years to date. Mr. Geddy introduced Mr. Lipscomb, the applicant. Mr. Geddy highlighted the various beneficial factors of this application. Mr. Geddy informed the Board the company was unaware of the separate use requirement, reminding the Board of its compliance record.

2. Mr. Julian Lipscomb, 432 McLaws Circle, addressed the Board to provide a history overview of the site and the existing SUP. Mr. Lipscomb informed the Board the site had been used for mining purposes since the early 1970s and in 2005 concrete demolition began for aggregate base material. Mr. Lipscomb stated in 2010 Branscome Inc. was required to move its asphalt millings from the Lee Hall Asphalt Plant due to being stored under transmission lines and relocated to its current location at 750 Blow Flats Road. Mr. Lipscomb mentioned the various materials on-site which included concrete rubble, asphalt, and millings. Mr. Lipscomb stated he applied for an SUP for both an aggregate storage facility and a resource recovery facility as there were two different operations. Mr. Lipscomb mentioned in 2012 he applied for an SUP to add a tent covering to the property for mineral filler storage purposes as it was required for VDOT interstate operations. Mr. Lipscomb remarked that in 2017 Branscome Inc. added a scale on-site to monitor truck weight. Mr. Lipscomb pointed out the business' ongoing County compliance. Mr. Lipscomb mentioned the current location was ideal for the operation as it was situated on a 281-acre parcel, zoned M-2, General Industrial, with no

residents nearby or noise complaints.

Mr. McGlennon closed the Public Hearing as there were no speakers.

Mr. McGlennon mentioned he had spoken with residents on Blow Flats Road and the concerns they had regarding the amount of truck traffic, delivery times, and the safety aspect at Blow Flats Road and Pocahontas Trail intersection. Mr. McGlennon expressed his concern of supporting this application if it were to negatively impact nearby residents. Mr. McGlennon recommended reviewing alternative measures prior to acting on this item.

Ms. Sadler suggested an alternative entrance access and requested written validation regarding delivery time parameters prior to acting on this item.

Mr. Hipple stated the organization had operated at this location for 17 years with no complaints of disturbances until recently. Mr. Hipple noted the application was consistent with the 2045 Comprehensive Plan. Mr. Hipple expressed he felt the main issue with this application was related to the road conditions and safety concerns. Mr. Hipple pointed out as the borrow pit operations diminish the amount of truck traffic would decrease. Mr. Hipple recommended collaborative efforts between community organizations, Economic Development Authority (EDA), and VDOT to determine a solution for future road improvement purposes. Mr. Hipple expressed positive remarks about the organization and its service to the County.

Mr. McGlennon reiterated his points regarding the application and wanted to clarify for public notification purposes he did not request to deny this application but requested an opportunity to investigate if an alternative access was feasible to appease addressed concerns prior to acting on this item.

Ms. Sadler asked if there would be modifications made to the application.

Mr. McGlennon stated he wanted to find out if there was enough momentum to potentially extend Green Mount Parkway.

Mr. Icenhour mentioned after reviewing the Board's Agenda Packet for this evening he noticed several different applications for Blow Flats Road. Mr. Icenhour stated the issue was with the current road conditions opposed to each individual application. Mr. Icenhour pointed out that Branscome Inc. was willing to eliminate nighttime truck traffic if necessary. Mr. Icenhour expressed his uncertainty with a short-term solution to this issue; however, he was willing to support the deferral. Mr. Icenhour expressed the importance of finding a solution to bring Blow Flats Road to current VDOT standards. Mr. Icenhour touched on the future development component and the need for a permanent solution for this road. Mr. Icenhour stated he was inclined to support this application.

Ms. Larson suggested an education opportunity for County staff to avoid future occurrences similar to this instance. Ms. Larson stated she supported the deferral. Ms. Larson expressed the importance of being cognizant and respectful of nearby residents.

Mr. McGlennon encouraged feedback from the applicant team.

Mr. Geddy stated the applicant team was willing to accommodate a deferral. Mr. Geddy suggested making a limitation to the SUP deadline.

Mr. McGlennon asked Mr. Kinsman if this request could be honored.

Mr. Kinsman stated sunset clauses were used for temporary uses only, which a borrow pit was considered a temporary use. Mr. Kinsman mentioned he supported the sunset clause for

this instance.

Ms. Sadler asked how that would work.

Mr. Hipple explained that the organization would operate for a certain amount of time and then the Board would reevaluate. He added collaborative efforts would continue to determine the necessary solution for Blow Flats Road. Mr. Hipple asked Mr. Lipscomb if the applicant team was willing to support this process.

Mr. Lipscomb confirmed yes, reiterating Branscome Inc. was willing to eliminate the material deliveries at nighttime. Mr. Lipscomb recommended collaborative efforts with the Walmart Distribution Center as there were beneficial factors for its organization as well. Mr. Lipscomb stated Walmart Distribution Center had to assist with an easement access to the site. Mr. Lipscomb mentioned if there was an access point from the property to Green Mount Parkway it would eliminate traffic behind the Walmart Distribution Center.

Mr. McGlennon recommended a month deferral on this item and then come back before the Board to determine if a limited approval for this SUP would be granted.

2. Disposition of County-Owned Property Located at 6145 and 6151 Old Mooretown Road and 130 Clark Lane

A motion to Approve was made by Michael Hipple, the motion result was Passed.

AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 0

Ayes: Hipple, Icenhour Jr, Larson, McGlennon, Sadler

Mr. Vaughn Poller, Neighborhood Development Administrator, addressed the Board noting the County desired to dispose of three residual properties in the Powhatan District including 6145 and 6151 Old Mooretown Road, and 130 Clark Lane. Mr. Poller mentioned the County took possession of 6145 Old Mooretown Road and 130 Clark Lane as part of establishing the 50-foot-wide public right-of-way for Clark Lane and 6151 Old Mooretown was acquired as part of the same redevelopment project. Mr. Poller indicated Habitat for Humanity Peninsula (H4H) was pursuing ownership of the property located at 100 Clark Lane, which was situated between the County-owned parcels. He stated in partnership there was the potential to create up to nine new buildable lots. Mr. Poller added if H4H was successful in the purchase of 100 Clark Lane, the County would partner with H4H, as proposed in the Memorandum of Understanding, to re-subdivide the properties to create the nine new lots. Mr. Poller mentioned the created lots would be developed as single-family homes which were priced for those within the income guidelines as defined in the County's Workforce and Affordable Housing. Mr. Poller indicated the County parcels would not be sold to H4H; however, two of the newly created lots would be retained by the County for development and H4H would develop the remaining seven. Mr. Poller noted the County had been awarded grant funding with no local match required to assist with necessary costs. Mr. Poller welcomed any questions the Board might have.

Mr. McGlennon thanked Mr. Poller.

Mr. McGlennon opened the Public Hearing.

Mr. McGlennon closed the Public Hearing as there were no speakers.

Mr. Icenhour commended staff for their effort on this item.

3. SUP-22-0010. 9201 and 9225 Pocahontas Trail - The Grease Outlet

A motion to Approve was made by Ruth Larson, the motion result was Passed.

AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 0

Ayes: Hipple, Icenhour Jr, Larson, McGlennon, Sadler

Ms. Suzanne Yeats, Planner, addressed the Board noting Mr. Chip Haskell and Mr. Boyd Andrews of GreaseOutlet of Virginia, LLC, had applied for an SUP to permit the use of a grease waste collection, treatment, and transfer station on the properties. Ms. Yeats stated the parcels were located at 9201 and 9225 Pocahontas Trail, zoned M-2, General Industrial, designated General Industry on the 2045 Comprehensive Plan Land Use Map, and located within the Primary Service Area. The facility would include an industrial dome structure, four storage receiving tanks, processing equipment, and an office building. Ms. Yeats advised the GreaseOutlet received mixed waste collected by waste haulers from food service entities. She explained at the facility the waste was screened to separate trash, which was then diverted to a landfill, and the remaining grease waste was then separated into a solid byproduct and liquid. Ms. Yeats indicated the liquids were pre-treated and routed into the sanitary sewer collection system that connected to the Hampton Roads Sanitation District (HRSD) treatment plant. Ms. Yeats added the solid byproduct was transferred to a landfill or third-party composters. Ms. Yeats mentioned if approved, the property would be accessed by a narrow, substandard local road. She added the intersection of Blow Flats Road and Pocahontas Trail was also substandard which may not be suitable for the increase in truck traffic associated with the development. Ms. Yeats stated at its October 5, 2022, meeting, the Planning Commission voted 5-0 to recommend approval of this application to the Board of Supervisors, subject to the proposed conditions. Ms. Yeats stated staff recommended denial of this application to the Board. Ms. Yeats welcomed any questions the Board might have, adding the applicant was in attendance as well.

Ms. Sadler asked how many truck trips would be generated per day.

Ms. Yeats replied at peak hours a total of six trips per day.

Ms. Sadler asked if there were any nighttime truck trips.

Ms. Yeats replied no, hours of operation were from 5 a.m.-5 p.m.

Mr. McGlennon opened the Public Hearing.

Mr. McGlennon closed the Public Hearing as there were no speakers.

Mr. Hipple asked about odor associated with the operation.

Ms. Yeats confirmed yes. She added staff had included SUP Condition No. 14 which required a fully enclosed building and the installation of an industrial odor control system to mitigate any odor concerns.

Mr. McGlennon requested further detail on the proposed modifications to Blows Flats Road.

Ms. Yeats replied SUP Condition No. 9 would improve the shoulder of Blow Flats Road to a width of four feet from the existing edge of roadway in the areas where the property fronted on Blow Flats Road.

Mr. Haldeman addressed the Board noting the road improvements were a beneficial aspect of this application. Mr. Haldeman reiterated that the Planning Commission voted 5-0 to recommend approval of this application. Mr. Haldeman noted the Commission favored the

entrance design for visibility purposes. Mr. Haldeman further noted this development would generate lower costs to local businesses and other beneficial factors. Mr. Haldeman welcomed any questions the Board might have.

Mr. McGlennon opened the Public Hearing.

1. Mr. Boyd Andrews, 2859 Cravey Trail, Atlanta, GA, addressed the Board noting he was one of the co-owners of GreaseOutlet and that he would be providing a PowerPoint presentation to the Board. Mr. Andrews recognized Mr. Joe VanSchaick, General Manager of GreaseOutlet, in attendance. Mr. Boyd thanked Planning staff for its guidance during this SUP process. Mr. Andrews mentioned the pre-existing facility in Raleigh, North Carolina, and the objective was to create a replica of that facility within the County. Mr. Andrews mentioned to date there were zero complaints of odor, the organization received clean inspection reports from all County and state officials, and a solid reputation within the industry. Mr. Andrews discussed grease traps which were plumbing devices that captured and retained fats, oils, grease, and food particles to prevent clogs from entering the sewer system. Mr. Andrews noted any business that had a commercial kitchen had grease traps present and were regulated by the Sewer System Authority and the state. Mr. Andrews further noted the sink, dishwasher, and floor drain flowed through an underground plumbing device. Mr. Andrews stated there were two flows out of the grease trap, one was a continuous flow which connected to the HRSD treatment plant and the other was periodic flows where the trap was serviced. Mr. Andrew explained waste hauler technicians used vacuum trucks to extract and haul grease trap waste to a licensed disposal facility. Mr. Andrews mentioned currently in the local area the materials were taken to an HRSD facility for pretreatment. Mr. Andrew discussed an alternative approach to this process allowing the vacuum trucks to deliver the grease trap waste to the GreaseOutlet for pretreatment, then discharge the pretreated water to the HRSD sewer system, and then the solids would be transported to a composter. Mr. Andrews mentioned collaborations with McGill Environmental Systems who was a composter with facilities located in Raleigh, North Carolina and Waverly, Virginia. Mr. Andrews displayed a timeline of events on the PowerPoint presentation. Mr. Andrews highlighted various details about the site. Mr. Andrews noted material deliveries would reflect HRSD delivery operations. Mr. Andrews further noted approximately five deliveries per day would be made to the site. Mr. Andrews displayed data regarding traffic counts for Blow Flats Road on the PowerPoint presentation. Mr. Andrews highlighted various beneficial aspects of this application for Board consideration. Mr. Andrews concluded the presentation and welcomed any questions the Board might have.

Mr. Icenhour asked if approved would GreaseOutlet take over all deliveries and pretreatment operations for HRSD.

Mr. Andrews replied he was uncertain; however, he believed the deliveries made to the Williamsburg facility would be transported to the site. Mr. Andrews mentioned the anticipated net benefit for HRSD as GreaseOutlet would become a rate payer, in addition to taking over various operations and costs.

Mr. McGlennon asked about the sizes of the trucks.

Mr. Andrews stated there would be two different types of vehicles, one being the vacuum truck which carried approximately 3,500 gallons and was approximately 33 feet long and the other vehicle would be a truck and a trailer which was approximately 43-45 feet long.

Mr. McGlennon inquired about any other traffic generated from the site.

Mr. Andrews noted the data reflected in the PowerPoint presentation only included commercial traffic generated. He further noted there were five employees which would be

added to the traffic counts.

2. Mr. Kade Lamon, 1608 Manufacture Drive, addressed the Board noting he was not in support of this application due to traffic related concerns. Mr. Lamon suggested the Board deny the application. Mr. Lamon requested the Board to not permit the proposed left turn at a blind corner. Mr. Lamon remarked the proposed road improvements were not adequate to mitigate the current road hazard. Mr. Lamon recommended the applicant consider moving the property entrance further to the west as it may be a more viable solution. Mr. Lamon requested the Board to consider having a traffic study conducted for Blow Flats Road. Mr. Lamon expressed his desire for the applicant to find a better access point for the property.

3. Mr. Tom Waltz, 134 Andrews Crossing, Yorktown, addressed the Board noting he was the commercial real estate broker who represented the owners and the sale of the subject property. Mr. Waltz requested the Board's support of this application as it was beneficial to the community and local businesses, in addition to the eco-friendly component. Mr. Waltz noted his support for this application.

Mr. McGlennon closed the Public Hearing.

Mr. McGlennon asked if there was an opportunity to address an alternative entrance for the property for safety purposes.

Ms. Yeats replied she had a conversation with Mr. Lamon yesterday, adding he was referencing an entry from Pocahontas Trail to the subject property not Blow Flats Road to the subject property. She added prior discussion with VDOT determined the potential entrance would be too close to the intersection of Blow Flats Road and Pocahontas Trail.

Mr. McGlennon thanked Ms. Yeats.

Mr. Hipple mentioned his support for GreaseOutlet; however, he expressed his concern with deferring the prior application due to the road concerns, but potentially approving this application. Mr. Hipple stated the road concerns was a County issue and it was vital to address and rectify, adding future development would continue.

Ms. Sadler stated the traffic generated from this application compared to the last was minimal. Ms. Sadler expressed her support for all businesses and all potential businesses in the County. Ms. Sadler touched on the benefits this organization would bring to the community, adding she was in support of this application.

Mr. McGlennon stated he was in support of this application due to the beneficial aspect of this application, in addition to the significant differences between considered applications for Blow Flats Road. Mr. McGlennon expressed the importance of determining a long-term and cost-effective solution for this issue, in addition to consideration of if the solution were to benefit other surrounding properties. Mr. McGlennon noted for public notification purposes Branscome Inc. would continue its operation during the deferral period.

H. BOARD CONSIDERATION(S)

1. SUP-22-0016. 141 Blow Flats Rd. Battery Storage

A motion to Approve was made by James Icenhour Jr, the motion result was Passed.

AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 0

Ayes: Hipple, Icenhour Jr, Larson, McGlennon, Sadler

Ms. Paxton Condon, Senior Planner, addressed the Board noting after the deferral at the Board of Supervisors October 11, 2022, Regular Meeting, staff had additional meetings with the applicant and his design team. Ms. Condon recognized the following personnel involved in the meeting: Planning staff, the Building Official, Fire Chief, Fire Marshal, and Mr. Todd Cannon, Hazardous Materials Officer of Virginia Department of Emergency Management (VDEM), in addition to a separate meeting held with the James City County Police Department. Ms. Condon noted staff had included three additional SUP Conditions to ensure enhanced protections. Ms. Condon discussed the additional conditions: 1) Condition No. 7: Fire Safety Measures which required additional safety measures to be incorporated into the design of the facility and must meet the 2018 Virginia Statewide Fire Prevention Code; 2) Condition No. 8: Hazard Mitigation Analysis required a Failure Modes and Effects Analysis be completed prior to site plan approval, in addition to being reviewed and approved by the Fire Official; and 3) Condition No. 11: Commissioning Report required and approved by the Fire Official prior to the final Certificate of Occupancy for the site. Ms. Condon noted staff proposed amendment to Condition No. 17 increased the number of months from 48 to 60 for the implementation timeline of the SUP. Ms. Condon welcomed any questions the Board might have, adding Lieutenant Hicklin and the applicant were in attendance. Ms. Condon turned the presentation over to Fire Chief Ashe.

Chief Ashe addressed the Board elaborating on Ms. Condon's overview. Chief Ashe stated there was not a standard Function Behavioral Assessment standard adopted; however, there was a draft included in the 2018 Virginia Statewide Fire Prevention Code. Chief Ashe mentioned there were several conditions included for this particular use which were included in the amendments for this SUP. Chief Ashe highlighted key components such as early detection systems, access to the site, emergency preparedness, and the appropriate resources/measures to contain and mitigate hazards. Chief Ashe advised there were smoke and heat detectors, in addition to gas detection on-site. Chief Ashe indicated any detection would trip the system, shut it down, and disconnect it from the grid. Chief Ashe stated there was also a fire suppression system, in addition to prevent thermal runaway from occurring the system had a water pipe system connected to each row of batteries, to which the Fire Department would have access.

Mr. McGlennon thanked Chief Ashe for the informative details and enhanced SUP conditions.

Mr. Icenhour asked if there were similar battery storage facilities in Virginia and what was the safety record on those facilities.

Chief Ashe replied to his knowledge there were a number of Pilot programs in various locations such as Hanover, New Kent, Loudon County, and Powhatan. Chief Ashe informed the Board the vast majority were associated with solar farms for tax credit purposes.

Mr. Icenhour asked how effective the water pipe system was and if there was a usage history or if it was a new technology.

Chief Ashe mentioned Mr. Cannon with VDEM had recently conducted a training for hazardous materials teams across the state in relation to lithium-ion batteries and the hazards associated. Chief Ashe stated the recommendations were cooling and submerging, in this instance flooding the lithium-ion storage and charging cabinet. Chief Ashe explained the chemical system in place breaks the chemical reaction to stop the fire; however, it did not offer a cooling component. Chief Ashe noted the importance of the Fire Department having access to flood the cabinets as the cooling ultimately stopped the thermal runaway. Chief Ashe stated there were a series of cabinets in each row that contained fireproofing agents in containers to prevent further spread from one bank to the next, adding the separation of rows allowed isolation if a thermal runaway were to occur. Chief Ashe indicated the best extinguishing agent for lithium-ion batteries was water.

Mr. McGlennon thanked Chief Ashe and staff for all efforts on this matter.

2. Grant Award – Virginia Association of Planning District Commissions - Virginia Housing Grant Award - \$300,000

A motion to Approve was made by Michael Hipple, the motion result was Passed.

AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 0

Ayes: Hipple, Icenhour Jr, Larson, McGlennon, Sadler

Mr. Holt addressed the Board noting this item corresponded with the Public Hearing Item No. 1: Disposition of County-Owned Property Located at 6145 and 6151 Old Mooretown Road and 130 Clark Lane. Mr. Holt explained there was an 8-inch water line and an 8-inch sewer line which would not allow for development of the proposed lots in its current location. Mr. Holt noted Mr. Poller's efforts in obtaining a grant award from the Hampton Roads Planning District Commission (HRPDC) in the amount of \$300,000 to assist in the relocation of the water and sewer mains and support the development costs associated with nine new lots. Mr. Holt noted staff recommended approval, adding no local match was required.

Mr. Icenhour asked specifically where the water mains would be relocated.

Mr. Holt replied staff would work with James City Service Authority (JCSA) to establish the confirmed location.

Mr. Icenhour asked if these funds were sufficient to relocate the water and sewer mains.

Mr. Holt confirmed yes, adding discussions with JCSA helped establish the estimate.

Mr. Icenhour thanked Mr. Holt.

Mr. McGlennon remarked this was a great opportunity. Mr. McGlennon commended Mr. Poller and his staff for seeking these types of opportunities as there was a significant need for affordable housing within the County.

3. 2023 Legislative Agenda

A motion to Approve was made by Ruth Larson, the motion result was Passed.

AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 0

Ayes: Hipple, Icenhour Jr, Larson, McGlennon, Sadler

Mr. Kinsman addressed the Board regarding the 2023 Legislative Agenda. Mr. Kinsman asked if the Board preferred discussion on new items for public notifications purposes.

Mr. McGlennon replied sure.

Mr. Kinsman noted four new items which included: Item No. 5 Grocery Tax, which the County encouraged the General Assembly to ensure any reduction in the grocery tax would include permanent replacement funding for local governments and school divisions; Item No. 6 Short-Term Rentals, which the County encouraged the General Assembly reject any attempt to usurp local zoning control of short-term housing rentals; Item No. 7: Virginia Retirement System (VRS), which the County recommended the General Assembly amend the VRS regulations to allow retired Police Officers and School Resource Officers to return from

retirement without affecting their VRS status; and Item No. 8: Colonial Behavioral Health Expansion, which the County encouraged the General Assembly to approve the Colonial Behavioral Health's request for funding to expand a building on its Merrimac campus to provide for crisis service operations. Mr. Kinsman mentioned there was one minor modification to the legislative programs in which the County also endorsed the HRPDC and the Hampton Roads Transportation Planning Organization. Mr. Kinsman welcomed any questions the Board might have. Mr. Kinsman recommended the Board adopt the resolution. Mr. Kinsman noted due to scheduling conflicts during the holidays the legislators would not be in attendance for the Board's next meeting; however, he would send written communication to the legislators on the Board's status on these items and request support.

Mr. McGlennon mentioned the County's position regarding short-term rentals, adding another jurisdiction felt the County's stance on short-term rentals was very restrictive. Mr. McGlennon commended Mr. Kinsman's efforts last year on highlighting a large number of residential units in the County to be short-term rentals via by-right, in addition to the County's record for approval rate of SUPs. Mr. McGlennon expressed his concern with misinformation.

Mr. Kinsman agreed.

Ms. Larson thanked Mr. Kinsman for his efforts on the legislative program. Ms. Larson expressed the importance of the County's presence in Richmond during the General Assembly. Ms. Larson reiterated her thanks to Mr. Kinsman for all efforts.

I. BOARD REQUESTS AND DIRECTIVES

Mr. Icenhour stated he attended the Williamsburg Regional Library (WRL) meeting, adding it was well attended with lots of citizen engagement. He added he believed some constituents had a misconception of the current status in the process. Mr. Icenhour stated the City of Williamsburg was committed to renovating the WRL; however, the question was if a third library was the viable solution. Mr. Icenhour expressed the importance of engaging with constituents to ensure reliable information. Mr. Icenhour thanked Mr. McGlennon for written correspondence on behalf of the Board to Ms. Kimberly Laska, Executive Director of Heritage Humane Society, for her leadership over the last 10 years. Mr. Icenhour mentioned its significant role and service to the community.

Ms. Larson mentioned her inability to attend the library meeting; however, she expressed her gratitude to Mr. Icenhour for his attendance. Ms. Larson encouraged citizens to visit the James City County Library as the renovations completed on the library were phenomenal and touched on the kid-friendly component. Ms. Larson highlighted the importance of marketing County attractions. Ms. Larson expressed her frustration with the lack of bus stop shelters and benches regarding the Williamsburg Area Transit Authority (WATA) operations. Ms. Larson mentioned WATA did not permit the bus stop shelters and/or benches at bus stop locations due to potential relocation; however, the bus stop locations had not relocated in the past seven years. Ms. Larson expressed her desire to partner with community businesses to assist with this issue.

Ms. Sadler expressed her gratitude to the veterans within the community and nationwide. She mentioned her grandson's school, Providence Classical School, was hosting a Veteran's Day ceremony at 9 a.m. and welcomed the public to join her.

Mr. McGlennon stated he attended the 5th Anniversary of Billsburg Brewery, noting Ms. Larson's attendance as well. Mr. McGlennon mentioned it was a good turnout and he was thrilled to see a successful business thriving in that location.

J. REPORTS OF THE COUNTY ADMINISTRATOR

Mr. Stevens mentioned he had one item to address which was to thank veterans nationwide. He stated the National Association of Counties and Virginia Association of Counties supported the Operation Green Light for Veterans and encouraged jurisdictions to participate to recognize and honor veterans. Mr. Stevens noted the Williamsburg/James City County General District Court would be lit up green in the evening to show the County's support for veterans from November 7-13, 2022.

Mr. Icenhour stated on Friday, November 11 at 10 a.m. there would be two Veteran's Day ceremonies. Mr. Icenhour mentioned the Combined Veterans Organization Committee of the Greater Williamsburg was hosting a Veteran's Day ceremony, which would take place at the Veterans Tribute Tower located along Discovery Park Boulevard. Mr. Icenhour added Colonial Williamsburg and the Sons of the American Revolutionary War were also hosting a Veteran's Day ceremony at 10 a.m. in front of the Governor's Palace, in addition to the Veterans March at 3 p.m. Mr. Icenhour welcomed the public to participate.

K. CLOSED SESSION

None.

L. ADJOURNMENT

1. Adjourn until 1 pm on November 22, 2022 for the Business Meeting

A motion to Adjourn was made by Michael Hipple, the motion result was Passed.
AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 0
Ayes: Hipple, Icenhour Jr, Larson, McGlennon, Sadler

At approximately 7:09 p.m., Mr. McGlennon adjourned the Board of Supervisors.

MINUTES
JAMES CITY COUNTY BOARD OF SUPERVISORS
BUSINESS MEETING
County Government Center Board Room
101 Mounts Bay Road, Williamsburg, VA 23185
November 22, 2022
1:00 PM

A. CALL TO ORDER

Mr. McGlennon called the meeting to order at approximately 1:02 p.m. following the James City Service Authority Board of Directors Regular Meeting.

B. ROLL CALL

James O. Icenhour, Jr., Jamestown District
Michael J. Hipple, Powhatan District
Ruth M. Larson, Berkeley District
P. Sue Sadler, Vice Chairman, Stonehouse District
John J. McGlennon, Chairman, Roberts District

Scott A. Stevens, County Administrator
Adam R. Kinsman, County Attorney

Mr. McGlennon requested a motion to Amend the Agenda to add discussion about the James City County Marina as an item under Board Discussions.

A motion to Amend the Agenda as noted was made by Ruth Larson, the motion result was Passed.

AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 0

Ayes: Hipple, Icenhour Jr, Larson, McGlennon, Sadler

C. PRESENTATION

1. James City County Parks & Recreation National Reaccreditation: National Parks and Recreation Association, Commission for Accreditation of Park and Recreation Agencies, and State Awards-Virginia Recreation & Park Society

Mr. McGlennon welcomed Mr. John Carnifax, Director of Parks & Recreation, to the meeting for a presentation.

Mr. Carnifax addressed the Board recognizing staff and James City County in a positive light as accreditations and awards reflected the team effort of staff and community in conjunction with the Board's leadership. Mr. Carnifax recognized Ms. Linda Knight, a member of the Parks and Recreation Advisory Commission and an employee of the College of William & Mary, who was in attendance. He thanked Ms. Knight for being present at the meeting. Mr. Carnifax noted the accreditation process in a PowerPoint presentation, adding the County's Parks & Recreation Department was first accredited in 2017. He further noted accreditation was held every five years with the process beginning again in 2022. Mr. Carnifax stated the Commission for Accreditation of Park and Recreation Agencies (CAPRA) was the only national accreditation of parks and recreation agencies and was comprised of professionals throughout the country. He added those professionals were from both the practical and educational sectors. Mr. Carnifax continued the presentation noting 10 core areas with 36 fundamental standards were required to be met for the accreditation process. He highlighted

the criteria required for the 36 standards based on initial accreditation or reaccreditation. Mr. Carnifax noted Parks & Recreation achieved all the standards with the initial accreditation in 2017 and the current reaccreditation in 2022. He expressed his thanks to the Parks & Recreation team for a job well done. Mr. Carnifax continued the presentation noting the evaluation and site visit included team members from across the country would travel to review the Parks & Recreation files and facilities over a three-day period prior to the COVID-19 pandemic. He noted the shift to virtual meetings during the pandemic with the review process extended to five days. Mr. Carnifax further noted CAPRA was considering an in-person for the initial accreditation evaluation with virtual evaluation for reaccreditation via Zoom every five years. He added the cost-saving aspect of virtual evaluations as travel expenses were not incurred would probably occur with future reaccreditations. Mr. Carnifax continued the PowerPoint presentation highlighting the top five benefits of the accreditation which included: highest level of customer service, taxpayer accountability, agency credibility, strategic planning/continuous improvement, and team comradery. He noted staff's accountability regarding resources, years of service for high-level management, and other factors noted during the reaccreditation process. Mr. Carnifax further noted these factors reflected well on the County and how staff was treated and thanked everyone for their ongoing work. He added the importance of maintaining a long-term plan and benchmarks for measuring the success of programs. Mr. Carnifax noted staff began reaccreditation plans 18 months prior. He further noted over 10,000 parks and recreation agencies existed in the United States, but only 197 agencies were nationally accredited. He stated the significance of that point, adding James City County was one of only 14 agencies in Virginia with that distinction. Mr. Carnifax continued the PowerPoint presentation highlighting members of the CAPRA leadership team for the reaccreditation. He noted the challenges of new initiatives and programs but also the opportunities to explore new ventures.

Mr. McGlennon asked if any Board members had comments.

Ms. Larson congratulated Mr. Carnifax and staff. She noted the County had a fantastic Parks & Recreation Department with a variety of programs for multiple age levels. Ms. Larson further noted the beautiful parks and their amenities throughout the County.

Ms. Sadler echoed Ms. Larson's comments.

Mr. McGlennon noted he had participated in the CAPRA process. He further noted the CAPRA team's praise of County staff and its work. Mr. McGlennon addressed the responsiveness of Parks & Recreation to address new initiatives and programs. He acknowledged the commitment and dedication of staff and team leaders.

The Board thanked the leadership team.

Mr. Carnifax thanked the Board for its comments. He added last week the Department had attended the state conference where it had received several awards from the Virginia Recreation and Parks Society (VRPS). Mr. Carnifax noted the awards were another positive reflection on the community. He further noted one award, the Best New Environmental Sustainability, was presented for the Chickahominy Riverfront Park Shoreline Restoration project. Mr. Carnifax stated the collaborative efforts of different department members working with Parks & Recreation staff on this project. He thanked the Board for its efforts in supporting the project and protecting the property into the future. Mr. Carnifax added the Best New Program award was for the Parks Scavenger Hunts, which began with a new staff member, Ms. Sarah O'Reilly, the Program Manager/Program Coordinator at Freedom Park. She was joined by Ms. Terry Martin, Ms. Anneliese Ricker, and Mr. Scott Amman who also work at Freedom Park. Mr. Carnifax noted the next award, Most Creative Marketing Piece, REC TV. He further noted Ms. Angie Sims was involved with this project which presented educational benefits of various programs. Mr. Carnifax stated REC TV was a valuable

information tool for residents and visitors. He continued the presentation highlighting the next award which was Most Creative Marketing Strategy. Mr. Carnifax noted the REC Connect program, the before and after school program, had been in existence for 35 years. He further noted the logo was developed by staff which included Ms. Kelley Herbert, Ms. April Melton, Ms. Katrina York, and Mr. Zollie Hayes. Mr. Carnifax stated the next award, Snapshot Moment, featured Marshmello Visits Boo Bash at the Beach, and was led by Ms. Joy Johnson and Ms. Veda McMullen. He continued with the next award, the Presidents Award, to Ms. Kelley Herbert for her multi-year involvement with the Leadership Training Institute. Mr. Carnifax noted the final award, James C. Stutts Fellows Award, was presented to Ms. Arlana Fauntleroy for her contributions to VRPS and the community. He cited Ms. Fauntleroy's many contributions to both groups, adding it was a well-deserved award.

The Board congratulated the award recipients in attendance.

D. CONSENT CALENDAR

Mr. McGlennon asked if any Board member wished to pull an item.

Ms. Sadler noted she did not wish to pull an item, but asked if Ms. Sharon McCarthy, Director of Financial and Management Services, or Mr. Stevens could notify the public how Item No. 3 would be addressed.

Mr. Stevens noted the County was following a similar payout option as that being used by the James City Service Authority (JCSA) which was noted earlier at the JCSA Board of Directors meeting. Mr. Stevens further noted a bonus of \$1,000 paid to full-time employees and \$500 to part-time employees and the option of leave being sold back on a weekly basis to the County. He stated the leave payout was based on up to 10 years of service (one week), 10-20 years of service (two weeks), and over 20 years of service (three weeks) with a maximum payout of \$3,000. Mr. Stevens noted the funding recommendation was appropriation of the Unassigned Fund Balance. He further noted Fiscal Year 2022 budget ended with approximately \$16 million surplus which was reflected with vacancy savings and higher than expected revenues. Mr. Stevens stated staff had continued to provide services with reduced employee numbers and other challenges. He noted the payout option allowed staff with more leave time on the books than could possibly be used to have the opportunity to sell time back to the County.

1. Abatement of Unsafe Structures - 7259 Merrimac Trail and 1320-1320 A Moses Lane

A motion to Approve was made by Ruth Larson, the motion result was Passed.

AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 0

Ayes: Hipple, Icenhour Jr, Larson, McGlennon, Sadler

2. Authorization to Amend the Terms of the Memorandum of Agreement with the Economic Development Authority for Property Located at 2054 Jamestown Road

A motion to Approve was made by Ruth Larson, the motion result was Passed.

AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 0

Ayes: Hipple, Icenhour Jr, Larson, McGlennon, Sadler

3. Authorization for One-Time Bonus Payment and Leave Payout

A motion to Approve was made by Ruth Larson, the motion result was Passed.

AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 0

Ayes: Hipple, Icenhour Jr, Larson, McGlennon, Sadler

4. Contract Award - \$112,877 - Emergency Communications Center Boiler and Pumps

Replacement

A motion to Approve was made by Ruth Larson, the motion result was Passed.
AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 0
Ayes: Hipple, Icenhour Jr, Larson, McGlennon, Sadler

5. Contract Award - \$219,000 - Sanford B. Wanner Stadium Locker Room HVAC Replacement

A motion to Approve was made by Ruth Larson, the motion result was Passed.
AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 0
Ayes: Hipple, Icenhour Jr, Larson, McGlennon, Sadler

6. Grant Award - \$41,030 - Commonwealth's Attorney - Virginia Domestic Violence Victim Fund

A motion to Approve was made by Ruth Larson, the motion result was Passed.
AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 0
Ayes: Hipple, Icenhour Jr, Larson, McGlennon, Sadler

7. Grant Award - \$337,500 - School Security Officer - Williamsburg-James City County Schools

A motion to Approve was made by Ruth Larson, the motion result was Passed.
AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 0
Ayes: Hipple, Icenhour Jr, Larson, McGlennon, Sadler

8. Grant Award - \$6,108 - Virginia Department of Forestry

A motion to Approve was made by Ruth Larson, the motion result was Passed.
AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 0
Ayes: Hipple, Icenhour Jr, Larson, McGlennon, Sadler

9. Minutes Adoption

A motion to Approve was made by Ruth Larson, the motion result was Passed.
AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 0
Ayes: Hipple, Icenhour Jr, Larson, McGlennon, Sadler

The Minutes Approved for Adoption included the following:

- October 11, 2022, Regular Meeting
- October 25, 2022, Business Meeting

10. Opioid Settlement Funding - \$150,670

A motion to Approve was made by Ruth Larson, the motion result was Passed.
AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 0
Ayes: Hipple, Icenhour Jr, Larson, McGlennon, Sadler

11. Purchase of Property Located at 5300 Olde Towne Road

A motion to Approve was made by Ruth Larson, the motion result was Passed.
AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 0
Ayes: Hipple, Icenhour Jr, Larson, McGlennon, Sadler

12. Replacement of Uninterrupted Power Supply at the Emergency Communications Center at 3131 Forge Road, Toano, Virginia 23168

A motion to Approve was made by Ruth Larson, the motion result was Passed.

AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 0

Ayes: Hipple, Icenhour Jr, Larson, McGlennon, Sadler

E. BOARD DISCUSSIONS

1. American Rescue Plan Act (ARPA) Funding Update

Mr. Stevens addressed the Board noting last year's discussion on the \$14.8 million ARPA funding received by the County. He highlighted several key points of the ARPA overview in a PowerPoint presentation. Mr. Stevens noted the financial breakdown of financial allocation and the four main areas of allowable uses for that funding. He further noted the four areas were: response to the COVID-19 public health emergency or its negative economic impacts; provide premium pay to essential workers of local government; provide government services to the extent of revenue reductions due to the public health emergency; and make necessary investments in water, sewer, or broadband infrastructure. Mr. Stevens stated the information had been compiled into one 11 x 17 handout for the Board members to reference, but it was also available on the County's website for residents. He noted the No. 1 project was a Grant/Special Project Analyst who meticulously examined the funding and its status. Mr. Stevens further noted Ms. Stephanie Williams-Ortery was the analyst, adding she was joined by Ms. McCarthy at today's meeting. He recognized their work in monitoring appropriate spending of the ARPA funds as well as maintaining the deadline schedule for the spending. Mr. Stevens stated Nos. 1-21 were the same projects presented to the Board in November 2021 with a brief description and status of each project. He noted the exception of No. 19, Lower County Park, and site selection, adding there was still time on the use of the funds for that project. Mr. Stevens highlighted some projects had savings such as the Satellite Office Renovation (No. 9) in which the ADA improvements were made, but the structural improvements were delayed pending more discussion on the future government center. He noted additional savings with the nonprofit grant and the Capital Projects Coordinator position with some funds reallocated to a Procurement Specialist position. Mr. Stevens further noted No. 21, Tourism and Hospitality Grant Program, had received separate funding. He highlighted the savings of approximately \$1.1 million on Line 22. He stated new items were the Police Department and Fire Department Compensation Adjustments (Nos. 25 and 26), which were recently added with some of the \$1.1 million savings previously mentioned. He noted these adjustments were allowable under ARPA guidelines in addition to the timeline criteria of December 2024. Mr. Stevens highlighted Nos. 1-21 had been previously seen by the Board with the addition of Nos. 24-27. He noted approximately \$224,000 was currently unallocated funds from the \$14.8 million ARPA funding.

Ms. Larson asked for clarification on the Tourism grant money and housing.

Mr. Stevens noted the Tourism and Hospitality Grant was a grant program designated for the business side with the \$500,000 allocation. He further noted the County received \$900,000 as it had also applied for Community Development Block Grant (CDBG) funding program through the state for businesses. Mr. Stevens added the County had given \$15,000 grants to approximately 75 businesses. He noted in lieu of the \$500,000, the \$900,000 had been used. Mr. Stevens further noted the \$500,000 had been applied toward the Police and Fire Compensation Adjustments.

Ms. Larson asked how much of the grants were tourism and hospitality related.

Mr. Stevens said he would get back with that information, adding it was not strictly related to

those groups.

Ms. Larson thanked Mr. Stevens.

Mr. McGlennon asked if the Board was agreeable to the amendments of the ARPA funding plan. No member expressed objections. Mr. McGlennon noted an evaluation within the next few months of the projects prior to the budget season.

Mr. Stevens confirmed yes. He noted the separate funding allocation for these projects could be updated periodically.

Mr. McGlennon thanked Mr. Stevens for the update.

2. Short Term Rentals

Mr. Paul Holt, Director of Community Development and Planning, addressed the Board regarding recent conversations on short-term rentals. He provided an update that approximately 370 short-term rentals were actively listed in the County. Mr. Holt noted some owners listed on multiple websites or platforms, therefore a search on these various sources indicated 573 rentals for the total of 370 units. He further noted approximately nine were new listings within the last 30 days for a minimum of one- to seven-day stays. Mr. Holt stated that short-term rentals were generally permitted by-right for properties zoned R-4 in the Zoning Ordinance. He noted that included areas such as Kingsmill, Greensprings, and Ford's Colony which had single-family homes and relatively large-size resort components to those areas. Mr. Holt further noted other areas included Mixed Use Districts such as New Town, R-5 zoned properties, the multifamily district, and many timeshare properties zoned R-2. He stated these four categories represented a significant majority of the locations for short-term rentals in the County. Mr. Holt added zoning approvals and legislative applications were not required as such.

Mr. McGlennon noted the majority of the 370 units were allowed by these zoning uses. He asked if the timeshares were considered based on the timeshare community or the individual unit.

Mr. Holt confirmed it was the individual unit. He noted if a timeshare owner chose not to use his/her particular week, it could then be flipped to an Airbnb rental for example. Mr. Holt further noted if all the by-right properties on all the by-right listings were removed, and a review of the remaining units County-wide where Special Use Permits (SUPs) would otherwise be required, there would be approximately 32 short-term rentals listed that would need legislative approvals. He referenced the general locations were represented by green dots in the PowerPoint presentation. Mr. Holt noted while there were a number of short-term rentals, less than 10% were in current violation of the Zoning Ordinance. He further noted staff was contacting these owners and would continue to do so. Mr. Holt stated Ms. Christy Parrish, Zoning Administrator, was in attendance and they were both available for any questions.

Ms. Larson noted while the short-term rentals were allowed, tax implications existed on those properties. She asked who was monitoring that aspect.

Mr. Holt replied he was unsure. He noted the short-term rentals had been reviewed by staff based on the County's Zoning Ordinance. Mr. Holt further noted the Commissioner of the Revenue had not been part of the County staff review at this point, but he could defer to the Commissioner regarding revenue on room nights, business licenses, and other factors.

Ms. Larson noted the importance of that aspect on the County side. She further noted some owners were doing the right thing and paying their taxes and obtaining the proper business licenses.

Mr. Stevens stated he would contact the Commissioner of the Revenue to Ms. Larson's point. He noted he would work with the Commissioner on that process as needed, adding he felt that was the Commissioner's duty, but staff would assist where it could. Mr. Stevens further noted he would follow up with the Commissioner and notify the Board of the Commissioner's plan and process.

Ms. Larson replied that was great. She asked Mr. Holt if this would be something that would be regularly monitored. Ms. Larson inquired if there was a contract with a third party.

Mr. Holt noted it was not an annual appropriation, adding it was done on a trial basis this first year with savings from last year's fiscal budget. He further noted it was done on a one-year annual license. Mr. Holt stated staff evaluation would determine if enough value existed to continue the process in future years. He added this was currently not a Fiscal Year 2024 budget item.

Ms. Larson noted if the revenues were collected on the rentals, then perhaps the funding would be available to pay the annual contract.

Mr. Stevens noted an annual subscription.

Mr. Holt confirmed yes there was one.

Mr. Stevens asked if a report could be run in late May or June to determine the impact. He noted then staff could evaluate if an annual contract or a report every two to three years was run to monitor the number of rentals and maintaining compliance.

Ms. Larson noted some short-term rentals could be taking place in neighborhoods which allowed them, despite some homeowners associations (HOAs) sharing a different viewpoint. She further noted the County was not involved with HOAs and its allowance of activities within those neighborhoods.

Mr. Holt confirmed that was correct as those cases would continue to be a civil matter between the HOA and the landowner within the subdivision. He noted the rentals were only being evaluated in terms of compliance with the County's Zoning Ordinance.

Ms. Larson thanked Mr. Holt.

Ms. Sadler inquired if Mr. Holt had an idea of the length of time the non-compliant rentals had been occurring.

Mr. Holt thought some rentals could be reviewed.

Ms. Parrish noted some of the rentals could be reviewed based on the first listing in the database. She further noted some rentals were dropped and then added back so a historical review of the first advertisement would be necessary. Ms. Parrish noted despite the drop/add cycle, the initial date of the listing was typically noted on the site.

Ms. Sadler asked if the timeline was years.

Ms. Parrish responded it was likely the last several years.

Ms. Sadler thanked Ms. Parrish.

Mr. McGlennon referenced the 32 cases and asked how much of the rental owners should have applied for an SUP.

Mr. Holt and Ms. Parrish both confirmed all 32 cases.

Mr. McGlennon asked if there was follow-up on those cases.

Ms. Parrish noted the process had started, adding three to four letters had been sent to repeat offenders or owners who were denied an SUP. She further noted that was the initial phase with the next round to send a general letter notifying owners of the violation and requesting the owners speak with County staff. Ms. Parrish stated if those notifications were ignored, then an official letter of violation would be sent regarding the noncompliance. She noted the process was to reach out followed by enforcement.

Mr. McGlennon referenced his past participation on a webinar hosted by one such commercial firm that monitored such rentals. He noted the company's regular monitoring for its clients as postings move on and off sites frequently. Mr. McGlennon further noted some listings went up in the evening but were promptly removed by morning which made detection of the listing more difficult. He referenced technology in that respect.

Mr. Holt noted these third-party firms consistently marketed and sold their services from both accuracy and documentation viewpoints. He further noted the necessity of documentation during enforcement action. Mr. Holt stated the system the County was working with used an automatic update system. He added the update was at least once a week and included photographs and other information which assisted in tracking some of the properties.

Ms. Parrish noted when staff identified a violation then it doublechecked the information received from the third-party firm. She further noted that process involved photographs taken by County staff to compare to the firm's information for comparison. Ms. Parrish added approximately 300 listings were cited but without locations. She noted she had clicked on those links and the listings were sometimes hotels or timeshares. Ms. Parrish further noted some of those may be trackable, but many times when rentals were advertised distinguishing features were not always available until after booking was completed. She explained interior features of homes were displayed, but not exterior details which presented difficulties for both staff and the software team for identifying the properties. Ms. Parrish noted the difficulty with identifying all the properties.

Mr. McGlennon noted overly policing the situation was not the answer but having everyone operate on the same playing field was important. He suggested a fact page on the County's website explaining short-term rentals in James City County and by-right zones, while also noting the tax paying obligations. Mr. McGlennon further noted notification that 90% of the County's advertised rentals were by-right and that information could be shared with the public and the members of the General Assembly. He stated this information served as a reminder that the majority of the County's short-term rentals were not subject to SUPs and could possibly clarify any misconceptions of the County's stance on short-term rentals.

Ms. Larson noted hesitancy on compliance.

Mr. McGlennon replied no.

Ms. Larson stressed the need to have everyone follow the law. She questioned the cost of the service, adding she felt it was a good investment so why not have the service.

Mr. Stevens noted the 300 and some number would pay for itself. He further noted if the amount lowered to 10 or 20, was it worth that yearly amount or allocate an annual, biennial, or other frequency amount in the budget. Mr. Stevens stated he felt there was worth in knowing what rentals were in the community. He noted the need for compliance and the cooperation of the Commissioner of the Revenue regarding the business license component. Mr. Stevens further noted he was concerned about spending \$14,000-\$20,000 for a \$100 collection and addressing the financial feasibility of the service.

Ms. Larson noted she would appreciate an update particularly if the Commissioner of the Revenue had any hesitancy regarding this matter.

Mr. Hipple suggested the Commissioner of the Revenue attend the Board's next Business Meeting to address questions. He noted the legality of the short-term rentals but asked if taxes were being paid on those rentals. Mr. Hipple further noted late evening bookings for rentals, adding Airbnb was doing better with taxing, but owners still had their share to do with tax payments to the County.

Ms. Sadler asked if some of the non-compliant owners had applied for SUPs for which they were denied.

Ms. Parrish noted there were a few applications with some withdrawn or denied.

Ms. Sadler asked if those owners were still operating.

Mr. Holt and Ms. Parrish confirmed yes.

Mr. Hipple stated he saw a trend here and with other cases that had come before the Board. He noted owners who were denied yet continued to do business while the responsible taxpayers were paying. Mr. Hipple stressed equality with all owners paying taxes.

Ms. Sadler asked if those owners were being addressed first.

Ms. Parrish noted letters had already been sent to those owners.

Ms. Sadler responded good. She thanked Mr. Holt and Ms. Parrish.

Mr. McGlennon thanked Mr. Holt and Ms. Parrish for the report. He stated he looked forward to an update.

The additional item, the Marina Discussion, followed next.

Mr. McGlennon welcomed Mr. Carnifax back for discussion on the Marina.

Mr. Carnifax addressed the Board highlighting some history of the Marina which James City County had owned and operated since 2005. He noted the purchase of both the Marina and Jamestown Beach Event Park at the same time. Mr. Carnifax further noted repairs had been maintained by the County's General Services staff, but a third-party evaluation by a marine business consultant was made on the two covered boat slips. Mr. Carnifax stated that report was made available on October 7, 2022, reviewed by the General Services staff, followed by a meeting with the County Attorney and the County's Risk Manager. He highlighted areas for repair in the PowerPoint presentation and gave a summary of the assessment. Mr. Carnifax continued the presentation highlighting the completion of Phase One with the exception of the fuel system placement. He noted adjustments in the Marina Master Plan to address the increased cost of Phase One. Mr. Carnifax further noted the adjustments included Areas F (16 new boat slips) and T (15 new transient boat slips) for a cost of \$870,000. He added a

Request for Proposals would be sent out soon for a restaurant-type facility through a public-private partnership and the importance of the transient slips for that facility. Mr. Carnifax noted the current challenges during boating season with only the Billsburg Brewery on-site. He added Area F would also generate additional revenue. He continued the presentation highlighting the existing covered boat slips, which if replaced with open, uncovered slips, would cost approximately \$2.25 million. Mr. Carnifax explained that number encompassed the extra dredging that would need to take place, adding the County already possessed the dredging permit. He noted if the boat slips were replaced and covered then the cost was an additional \$620,000. Mr. Carnifax further noted staff discussion on covered slips or cost savings with uncovered slips. He added this information was for the Board's benefit in light of the upcoming budget and decisions. Mr. Carnifax noted, after consultation with the County Attorney and Risk Management, that a letter be sent for boats to be removed from the covered slips by January 16, 2023. He explained each owner had an annual lease with expiration on December 31, adding this was the time any fee increases or changes were sent with the annual leases. Mr. Carnifax noted the County had the legal authority to end the lease on December 31 but wanted to give boat slip owners time. He further noted he had spoken with Hampton Marine Services regarding several boats that were not able to be trailered. He added Hampton Marine Services indicated those boats could be moved to nearby land parcels for storage where the boat owners would pay the dry storage fee. Mr. Carnifax noted if the Board approved this plan then a letter would promptly go out to covered boat slip owners.

Ms. Larson asked if the County would store all the boats until the owners removed them or just the boats that were not able to be trailered.

Mr. Carnifax noted the trailered boats could remain on land and pay the dry storage fee. He further noted another option was the boats be towed to a different site. He added approximately six boats had no trailer option. Mr. Carnifax noted the timeline if Areas F and T were begun immediately was 12 months where the covered or uncovered slips would take 18-24 months. He further noted the boats could be out of the water for a maximum of two years. He stated 44 boats were currently under the covered slips, while Area F only had 16 slips. Mr. Carnifax noted over 150 people were on the wait list for covered and uncovered slips.

Mr. Hipple asked what the cost savings were if Areas F and T and both covered slips were done.

Mr. Carnifax responded \$2.8 million plus the \$870,000.

Mr. Hipple asked if there would be any cost savings if they were done together.

Mr. Carnifax replied yes. He noted the same had been true during Phase One, but unexpected events like the COVID-19 pandemic had occurred. Mr. Carnifax further noted cost increases were also results of COVID-19.

Mr. Hipple noted the premium covered slips and asked if the County charged double for a covered slip versus an open slip.

Mr. Carnifax replied no.

Mr. Hipple noted a different rate should be reviewed for the covered slips and it could generate additional revenue. He further noted his choice would be to incorporate Areas F and T, the two covered slips, and Area M into the next phase. Mr. Hipple stated more people wanted slips and that number could increase more over the next few years. He noted the revenue opportunity for the County over time.

Mr. Carnifax noted the PowerPoint presentation addressed upcoming fee increases. He further noted every two years a market analysis was done, adding the County was below market value on covered and uncovered slips. He referenced the proposed fee increases the past year and the feedback received on that consideration. Mr. Carnifax noted the uncovered slip fee was set to increase closer to the market rate. He further noted with improvement completion and a wait list, the demand would dictate the cost which could meet or exceed market rate.

Mr. Hipple noted the condition of the covered slips had been an issue for years. He expressed concern for delay in the event of a roof collapse and potential liability. Mr. Hipple further noted the safety issues if the project was delayed.

Mr. Carnifax agreed. He noted he had discussed the construction of a dry stack storage with several people. Mr. Carnifax further noted the storage could be located at either the Marina or Chickahominy Riverfront Park. He addressed the County's need to recover costs with such an endeavor, adding the talks were in the preliminary stage. Mr. Carnifax noted two active individuals were interested in pursuing that option in the future. He further noted many boat owners were interested in the dry stack storage where they could call and have their boats put in the water upon their arrival.

Mr. Icenhour referenced the lease terminations at the end of December and the liability concern if the slips were addressed in another year.

Mr. Carnifax confirmed yes. He noted the recommendations from the third party and the greater risk for the County based on the findings.

Mr. Icenhour asked about the best mix of options and the potential timeline for pay back when the County saw a recoup of its costs. He asked if the project was not going to pay for itself, how close would the cost be for the project. Mr. Icenhour referenced the efficiency of dry storage as an option.

Mr. Carnifax noted he could get those numbers for Mr. Icenhour. He further noted it would take time to recover costs, but he would run numbers as part of the budget process. Mr. Carnifax stated he would include various scenarios, their respective costs, and potential revenue. He noted with the restaurant and other amenities, the potential for increased revenue existed as the Marina became a destination.

Mr. Stevens noted sensitivity toward the boaters regarding the notice for the boat removals. He further noted the quick timing, but the structure had been in poor shape for some time. Mr. Stevens stated the consultant's report confirmed there were no quick, easy fixes and the boats needed to be removed sooner rather than later. He noted the inconvenience to boat owners and the timeline but added the importance of the boat removals if the structure should collapse. Mr. Stevens further noted the County would work with the boat owners and try to accommodate spaces. He added that if someone had a boat lease then that person had that boat lease forever. Mr. Stevens noted discussion on that point for the County moving forward with the possibility of a lottery system used every five years. He further noted that system offered more opportunity for residents' use of the Marina. Mr. Stevens added a decision was not necessary for today, but future discussion would be needed as the timeline for the covered slips was approximately two years. He commented on the bid design process, budget discussion, and other factors. He added funding was available in the future Capital Improvements Plan (CIP) budget for the covered slip replacement with open slips that had been programmed into the budget out past two years. Mr. Stevens noted creating a design plan that would be shared with the Board in the next few months. He further noted he wanted to notify the Board prior to the letters going out to the slip holders.

Mr. Icenhour addressed the Board taking action based on the liability aspect though he noted

the scope of that action was presently unknown. He noted the importance of letting the public know the situation and the actions being taken.

Ms. Larson noted the difficulty of marinas making any money and the bidding history of the Marina. She further noted Mr. Carnifax's reference to the Marina as a destination and acknowledged it was one of the few active waterfront properties with so many amenities in the County. Ms. Larson cautioned against having boats that could not be trailered in the future, adding she was concerned that some of the boats' removal might become the County's responsibility. She noted if a boat had not been fixed, the likelihood of removal was limited and that should be a future consideration. Ms. Larson further noted following the market rate. She added on a different note the butterfly garden at the Marina was a mess and asked if some attention could be given to the garden.

Mr. Carnifax noted he had met with the individual who had spearheaded that volunteer project. He further noted the individual was retiring, adding the butterfly garden was the proposed location for the new restaurant.

Ms. Larson asked if a good mowing could take place.

Mr. Carnifax agreed and said he would follow up.

Ms. Larson thanked Mr. Carnifax.

Mr. Carnifax noted when market studies were done and fees were reviewed, the operational standards were also analyzed. He agreed with Ms. Larson that some things had occurred at the Marina which were not done at other marinas. Mr. Carnifax noted as this discussion moved forward, those standard operational procedures for boat owners should be incorporated. He added boat conditions, ability to be trailered, and other factors would be considerations for leases. Mr. Carnifax noted the last PowerPoint slide highlighted the proposed fee increases for 2023. He further noted the increases were closer to the market average. Mr. Carnifax explained every other marina charged a fee for trailer storage on the property in addition to the boat slip fee. He noted that fee had not been collected since the County owned the Marina and that fee would be collected going forward.

Mr. Stevens asked for clarification. He inquired if a slip was rented from the County and no fee had been paid, would a percentage of the fee be paid.

Mr. Carnifax noted an additional fee would be paid for storing the boat and/or trailer on land.

Mr. Hipple questioned the \$15 charge to the uncovered boat slip and asked if that included the 30-amp service.

Mr. Carnifax noted yes as that charge had not been applied previously. He further noted each marina was different as some charged per foot of a boat's length. Mr. Carnifax said that was not the route Parks & Recreation wanted to pursue, adding most of the Marina's boats were 20-27 feet.

Mr. Hipple asked if these increases covered the County's cost.

Mr. Carnifax noted staff felt it did. He added the covered slips were on individual meters which was required. He further noted the uncovered slips were monitored to check that point as those slips were not on individual meters.

Mr. Hipple noted it would be great if those slips were also on their own meters.

Mr. Carnifax referenced the large breaker panel that had been in that area and was cleaned up. He noted the water view from Billsburg Brewery was no longer blocked with the panel removal. He further noted a fee increase notification was being sent to the uncovered slip holders as well as the email and letter he referenced earlier with plans to send out that information by the end of the week.

Mr. McGlennon noted that was a necessary action.

Ms. Larson added it was important no one get hurt.

Mr. Hipple noted basically leases were not being renewed.

Mr. Carnifax confirmed yes.

Mr. Hipple stated no lease renewals until things were properly operating.

Mr. Carnifax noted information would be provided to the Board before or during the budget process on future actions.

Mr. McGlennon referenced the historical lease for a lifetime and asked if that lease was limited to that individual or could it be passed to family members.

Mr. Carnifax noted the lease was limited to the specific individual.

Mr. McGlennon asked if the boat had to be registered in that individual's name.

Mr. Carnifax confirmed yes.

Mr. Hipple noted in the past the leases were passed around and sold if an individual left.

Mr. Carnifax noted some situations related to that point which had been corrected over the past few years.

The Board thanked Mr. Carnifax.

F. BOARD CONSIDERATION(S)

None.

G. BOARD REQUESTS AND DIRECTIVES

Mr. Icenhour noted the Virginia Association of Counties (VACo) conference had gone well. He referenced the Legislative Agenda and errata sheet and getting that information from VACo for distribution. Mr. Icenhour noted the importance since the Board endorsed the VACo Legislative Agenda acknowledging the work put into that effort.

Mr. Hipple referenced a speaker's comment regarding climate and the Ice Age from one of last year's Board meetings. He noted receiving a copy of a 1977 *Time* magazine which covered a story on preparation for the new Ice Age. Mr. Hipple further noted the changes of climate in the world.

Ms. Larson referenced the VACo conference, noting three Board members attended. She added 687 plus attendees were there in addition to great workshops and discussions. Ms. Larson noted the Greater Williamsburg Chamber of Commerce had its Board of Directors meeting which she had attended the previous week. She further noted it was a great meeting,

but she wanted to highlight Mr. Icenhour who served on the Military Affairs Committee. Ms. Larson said this Committee sponsored soldiers an opportunity to come home. She asked if it was a \$300 stipend.

Mr. Icenhour confirmed yes, it was a \$300 stipend to assist soldiers with transportation to get home for Christmas.

Ms. Larson asked the number of recipients from last year.

Mr. Icenhour noted 23.

Ms. Larson acknowledged it was a tremendous project, particularly in the local area where many military personnel lived. She expressed her appreciation of Mr. Icenhour's work with the Committee. Ms. Larson noted the day before she had met with the President of the Williamsburg/James City Education Association (WJCEA). She added a number of teachers had attended the last Williamsburg-James City County School Board meeting regarding pay. Ms. Larson noted those comments had also been raised at the School Liaison meetings. She felt these concerns could arise during the budget process and she encouraged collaboration with the School Board regarding quality education and teacher salaries.

Ms. Sadler referenced the VACo conference and acknowledged Ms. Larson's election as First Vice President to the VACo Executive Committee. She congratulated Ms. Larson and thanked her for her representation.

Ms. Larson thanked Ms. Sadler.

Ms. Sadler acknowledged Mr. Christopher Johnson, Director of Economic Development, and the Economic Development Authority (EDA) group. She noted the EDA hosted the recent Business Awards at The Maine of Williamsburg. Ms. Sadler further noted it was a beautiful venue. She stated several long-operating local businesses were recognized, adding the list included: Williamsburg-Jamestown Airport, Anheuser-Busch, and Ball Metal. Ms. Sadler noted the event was well attended and she extended her appreciation to all the local businesses and to Mr. Johnson.

Mr. McGlennon echoed congratulations to Ms. Larson for her VACo election. He noted the Virginia Coalition of High Growth Communities also met at the VACo conference and discussed potential legislature that may restrict local government authority over land use decisions. He further noted relaying positive information regarding that use of authority in addressing the issues of preservation of community life and the need for affordable housing. Mr. McGlennon referenced the four "Ss" with the first being November 26, which was Small Business Saturday. He noted he had issued a proclamation which declared November 26, 2022 as Small Business Saturday in James City County. He further noted the importance of small businesses with 32 million in the United States. Mr. McGlennon highlighted the importance of small businesses, particularly in comparison to large corporations and advertising. He extended his congratulations to the Virginia Department of Transportation on the completion of the Skiffes Creek Connector project. Mr. McGlennon noted both past and present Boards had supported the project, adding the importance of this access to Interstate 64 for commercial and manufacturing areas. Mr. McGlennon extended his thanks to the current Board for its support and in particular Mr. Hipple for his work on the various Hampton Roads Transportation committees. He noted his third "S" involved the recent Stuff the Cruiser event sponsored by the James City County Police Department. Mr. McGlennon further noted the event provided food for those in need for the holidays and served as a reminder of Police involvement within the community. Mr. McGlennon stated the final "S" involved the School Liaison meeting that he, Ms. Larson, and Mr. Stevens recently attended. He noted discussion regarding the future school enrollment forecast. Mr. McGlennon stated the report forecasted a

low, mid, and high enrollment number. He further noted the Board, along with the Williamsburg City Council, had been in agreement with the School Board over the past few years to use the low enrollment number as the basis for budgeting and capital consideration. Mr. McGlennon noted this year the School Board suggested a shift to the mid or moderate growth number due to increased enrollment this year. He stated the Board's use of the low projection number as it accounted for long-term school system growth. He added the impact to numbers over the past two years with the COVID-19 pandemic. Mr. McGlennon noted reviewing the enrollment numbers in the next year. He added if the numbers projected were on the low level then it indicated low growth at the elementary level over the next 10 years. He further noted this important point as the School Board sought funding for the construction of a tenth elementary school. Mr. McGlennon added while the Board supported the need, it currently felt the need was not there. He noted construction on two existing school properties would provide pre-Kindergarten (pre-K) space within two years as opposed to potentially five years with the construction of a new elementary school. Mr. McGlennon further noted the County's position was the continued use of the low enrollment projections while moving forward on the pre-K buildings and a reevaluation in several years on the enrollment numbers. He stated the School Administration noted an increased cost from \$26 million to \$40 million for the two pre-K centers with 250 students in each facility. Mr. McGlennon noted the \$40 million needed for construction of the new elementary school, which would house 750 students, was now projected to cost \$60 million for the facility with approximately \$7 million for the land for a total of \$67 million. He further noted if pre-K was included at that facility then an additional \$13 million or more could be incorporated into the cost for over \$80 million for the project. Mr. McGlennon added the enrollment numbers could be reevaluated in the next few years, but also noted an elementary school was built into the long-range CIP budget, but not in the five-year CIP budget. He noted upcoming requests from the School Board for significant assistance in many areas, including teacher compensation. Mr. McGlennon recognized the needs but stressed the importance of a list of priorities.

H. REPORTS OF THE COUNTY ADMINISTRATOR

Mr. Stevens addressed the Board noting a new initiative that launched in 2022. He noted the Repair Fair and Recycling Expo which was spearheaded by the Clean County Commission and General Services staff and coordinated by Ms. Cassie Cordova, the County's Environmental Sustainability Coordinator. He further noted the second Repair Fair and Recycling Expo had taken place on November 18 and it included a recycling and shredding drive-through with persons inside the building repairing broken items. Mr. Stevens stated he attended the event, which was organized and served the community well. He added the Expo would likely be an annual fall event and expressed his appreciation to the Clean County Commission, staff, and volunteers for their efforts in the successful venture.

Mr. McGlennon asked Mr. Stevens for an update on the leaf collection program.

Mr. Stevens noted several changes had taken place regarding leaf drop-off at the Jolly Pond Convenience Center. He further noted through early January, leaves could be brought to the Jolly Pond location. Mr. Stevens added the leaves were not required to be in plastic bags. He noted a schedule, previously published, highlighted days in early December for leaf pickup in neighborhoods. Mr. Stevens further noted the information was on the website, which included leaves were to be in clear plastic bags with a maximum of 30 bags per household. He added if the date for an individual's neighborhood was missed, the options were to call the County and schedule a pay pickup or drop them off at the Jolly Pond Convenience Center.

Mr. McGlennon thanked Mr. Stevens for the update.

I. CLOSED SESSION

A motion to Enter a Closed Session for discussion of a prospective business or industry where no previous announcement has been made of the business' or industry's interest in locating or expanding its facilities, pursuant to Section 2.2-3711(A)(5) of the Code of Virginia was made by Ruth Larson, the motion result was Passed.

AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 0

Ayes: Hipple, Icenhour Jr, Larson, McGlennon, Sadler

At approximately 2:39 p.m., the Board of Supervisors entered a Closed Session.

At approximately 2:47 p.m., the Board re-entered Open Session.

A motion to Certify the Board only spoke about those matters indicated that it would speak about in Closed Session was made by Ruth Larson, the motion result was Passed.

AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 0

Ayes: Hipple, Icenhour Jr, Larson, McGlennon, Sadler

1. Discussion of a prospective business or industry where no previous announcement has been made of the business' or industry's interest in locating or expanding its facilities, pursuant to Section 2.2-3711(A)(5) of the Code of Virginia

Mr. McGlennon noted a motion was before the Board regarding an Economic Development issue and he sought a motion on that resolution's approval.

A motion to Approve the resolution was made by Sue Sadler, the motion result was Passed.

AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 0

Ayes: Hipple, Icenhour Jr, Larson, McGlennon, Sadler

J. ADJOURNMENT

1. Adjourn until 9 am on December 2, 2022 for the Joint Meeting with the Williamsburg City Council and the WJCC School Board at JCC Recreation Center, 5301 Longhill Road, Williamsburg, VA

A motion to Adjourn was made by Ruth Larson, the motion result was Passed.

AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 0

Ayes: Hipple, Icenhour Jr, Larson, McGlennon, Sadler

At approximately 2:48 p.m., Mr. McGlennon adjourned the Board of Supervisors.

MINUTES
JAMES CITY COUNTY BOARD OF SUPERVISORS
REGULAR MEETING
County Government Center Board Room
101 Mounts Bay Road, Williamsburg, VA 23185
December 13, 2022
5:00 PM

A. CALL TO ORDER

Mr. McGlennon called the meeting to order at approximately 5:10 p.m. following the James City Service Authority Board of Directors Regular Meeting.

B. ROLL CALL

James O. Icenhour, Jr., Jamestown District
Michael J. Hipple, Powhatan District
Ruth M. Larson, Berkeley District
P. Sue Sadler, Vice Chairman, Stonehouse District
John J. McGlennon, Chairman, Roberts District

Scott A. Stevens, County Administrator
Adam R. Kinsman, County Attorney

Mr. McGlennon requested a motion to allow Ms. Sadler to participate remotely due to a medical condition that prevented her from attending in person.

A motion to allow Ms. Sadler to participate remotely was made by Ruth Larson, the motion result was Passed.

AYES: 4 NAYS: 0 ABSTAIN: 0 ABSENT: 1
Ayes: Hipple, Icenhour Jr, Larson, McGlennon
Absent: Sadler

Mr. McGlennon welcomed Ms. Sadler to the meeting.

Ms. Sadler acknowledged her presence.

Mr. McGlennon sought a motion to amend the Agenda to add a Consent Calendar item for a Grant Award for the Guardianship Navigator Program.

A motion to Amend the Agenda as noted was made by Ruth Larson, the motion result was Passed.

AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 0
Ayes: Hipple, Icenhour Jr, Larson, McGlennon, Sadler

Mr. McGlennon noted if any member of the audience was present to speak on Special Use Permit (SUP) 22-0007. Branscome Resource Recovery and Aggregate Storage that the applicant had requested a deferral until the March 14, 2023, Regular Meeting. He further noted no action would be taken on that SUP at this meeting.

C. MOMENT OF SILENCE

D. PLEDGE OF ALLEGIANCE

1. Pledge Leader - Kara Connor, 5th grade student a resident of the Berkeley District DJ Montague Elementary and a resident of the

Ms. Larson gave highlights of Kara's interests and activities.

Kara led the Board and citizens in the Pledge of Allegiance.

PRESENTATIONS

1. Chairman's Awards

Mr. McGlennon noted tonight's meeting allowed him as the Board Chairman to make awards to County staff and members of the public. He stated the first award was made to an individual, department, or program of the County. Mr. McGlennon requested the staff from the Housing Division of the Social Services Department and the Neighborhood Development Division of the Community Development Department step forward. He noted the many excellent County employees as well as great programs. Mr. McGlennon further noted the efforts to address affordable housing and the dedicated work from these two divisions. He cited the Neighborhood Development work, under the leadership of Mr. Vaughn Poller, in assisting Habitat for Humanity. Mr. McGlennon noted the group spearheaded the first 3-D printed, owner-occupied home construction in the world, adding that home was built in James City County. He further noted the partnership with the Housing Division, under the leadership of Mr. Keith Denny, on various state grants for home repairs, reconstruction, or replacements. Mr. McGlennon stated the Housing Division offered first-time homeowner education and other programs to assist citizens. He noted the commitment of staff members to address affordable safety and improvement of housing for residents. Mr. McGlennon recognized both divisions for their outstanding work.

Mr. Denny noted staff worked very hard and he was appreciative of Mr. McGlennon and the Board in recognizing their efforts.

Mr. McGlennon noted the difficulty in determining the individual or group within the County for the next award. He further noted Real People Educating Others or RPEO, co-founded by Mr. Reneldo Randall and Mr. P. J. Piggott. Mr. McGlennon stated RPEO's co-founders were products of Williamsburg-James City County Schools. He added the organization provided opportunities for young people through various summer camps, motivational speaking, and other programs. Mr. McGlennon noted both men inspired young people with their commitment to give back to their community and its youth. He highlighted RPEO's successful annual Backpack campaign at Lafayette High School with donations ranging from backpacks to haircuts and other services. Mr. McGlennon highlighted other programs RPEO enlisted to assist youth in peer development and other areas. He noted both men's motivational abilities coupled with their efforts to make things happen made them a strong combination.

Mr. Randall thanked Mr. Piggot, Mr. McGlennon, Mr. Hipple, and other Board members. He noted he and Mr. Piggot were children of the Williamsburg-James City County community and they wanted to serve the community. Mr. Randall thanked the many volunteers at RPEO.

Mr. Piggot thanked Mr. McGlennon and Mr. Hipple for their close work with RPEO over the past few years. He noted RPEO's recent visit to Toano Elementary School and the motivational speaking there, adding he and Mr. Randall hoped to visit other area schools as guest speakers. He reiterated his thanks to the Board.

E. PUBLIC COMMENT

1. Mr. Larry Brennan, 4211 Ambassador Circle, addressed the Board regarding the James City County Marina. He noted his appreciation of the County's investment of the Marina. Mr. Brennan further noted the concern regarding the covered slips, adding the deterioration had been ongoing since the County bought the Marina and the boatowners were aware of the condition. He cited sections from the boatowners lease regarding liability and other factors. Mr. Brennan referenced a comment from the November 22, 2022, Business Meeting regarding boat occupants on board during any storms and potential danger. He noted boat protocol regarding storms and the preparations boatowners made prior to storms for safety. Mr. Brennan suggested the use of funds to remove the dock roofing and maintain the floating docks rather than demolition of the covered units. He noted removal of the roof eliminated the risk of the docks being pushed into the water during heavy snowstorms. Mr. Brennan further noted he was a current covered slip holder at the Marina and his boat was 30 feet with a 10.5-inch beam, adding the beam was the width. He stated his boat was fully operational and well maintained, but noted the reference to reconsideration of nontrailerable boats into the Marina at the November Business Meeting. Mr. Brennan clarified that a nontrailerable boat meant the boat was wider than the normal trailer size allowed on roadways. He added a special permit was required for boats with beams nine feet or wider. Mr. Brennan noted the unrealistic and unfeasible approach to continually moving boats in and out of the water for use.

Mr. McGlennon reminded Mr. Brennan of the time restrictions for public speaking. He noted Mr. Brennan could send his comments via phone or email.

2. Ms. Peg Boarman, 17 Settlers Lane, addressed the Board to talk trash. She noted her disappointment at people's careless littering and trucks' unsecured trash. Ms. Boarman further noted the volume of trash on the backroads also. She urged everyone to place trash in containers and not on the roads. Ms. Boarman reminded everyone litter pickup cost taxpayer dollars. She noted the Clean County Commission remained active and referenced the recent Fix It Fair and Recycling Expo in November to celebrate Americans Recycling. Ms. Boarman further noted if anyone missed this year's event, then put it on the 2023 calendar to attend. She added the Spring Litter Clean-up would take place in April. Ms. Boarman noted Mr. Icenhour attended the recent Clean County Business Award presentation. She added she had supplied the Board members with cards to identify community businesses.

Mr. McGlennon thanked Ms. Boarman for all her efforts to address litter in the County.

3. Mr. Jay Everson, 6923 Chancery Lane, addressed the Board referencing the 10% raise for teachers. He noted the past two years in reference to total compensation in paychecks matched the inflation rate. Mr. Everson addressed the 7.3% wage increase this past year. He noted there was compensation that was not seen in direct pay. Mr. Everson further noted the increase in health insurance costs and the impact to paychecks was not a situation unique to just teachers. He cited statistics from the past decade which indicated that typically for every \$2 in direct pay, the Williamsburg-James City County (WJCC) School Board paid \$1 in benefits. Mr. Everson stated this year the numbers were 70% in direct pay and 30% in benefits with the 30% equaled to \$42.5 million for Fiscal Year (FY) 2023. He noted that number was up by \$2 million from FY22 with the majority coming from the increase to the Virginia Retirement System (VRS). Mr. Everson cited statistics noting the health insurance benefit was the largest driver of benefits. He noted three health insurance plans were currently available and questioned if the School Board should be reviewing more affordable option, particularly regarding high deductible plans. Mr. Everson further noted the County had made that move several years ago. He stated the largest driver was VRS, which he added was significantly underfunded therefore the increase would continue. Mr. Everson referenced funding from the County to the WJCC School System over the past few years and the downward trend. He reiterated the \$42 million of indirect benefits.

Mr. McGlennon thanked Mr. Everson.

4. Mr. John Gulick, 101 Sheffield Road, addressed the Board stating he had planned to talk about local teacher salaries, but his presentation had changed after last week's joint meeting with the School Board, the Board of Supervisors, and the Williamsburg City Council. He noted the joint meeting identified school funding, capital projects, and other points. Mr. Gulick further noted the data presented to support a new elementary school, adding he understood the Board of Supervisors was not in agreement on that point. He referenced a direct quote from a Supervisor that a \$12 million increase in salaries would not be able to be funded. Mr. Gulick noted the joint meeting was not the meeting for budget discussion as that would occur in March 2023 when community members, represented by the leadership team and School Board members, presented the operating budget. He further noted data and supporting rationale were presented at that meeting for the operating budget funding requests. Mr. Gulick referenced a Board of Supervisor comment regarding the funding burden as a state, not local, obligation. He questioned some statements made prior to a presentation. Mr. Gulick noted a third party had presented a funding overview in the state at the joint meeting which indicated WJCC teacher salary increases had underperformed in both regional and state averages since 2009. He further noted he felt the Board, in part, had not met small incremental increases in over a decade to address that point. Mr. Gulick asked why this was a state obligation according to this locality while York County, the Cities of Chesapeake, Norfolk, Newport News, and Suffolk as localities had addressed the problem. Mr. Gulick added the small municipality of West Point beat WJCC in 20 of 30 salary steps. He noted during his five-year tenure with WJCC Schools the statistics for staff and teacher turnover and questioned the ability to create a high-quality education with that turnover rate. Mr. Gulick further noted the need to address pay increases.

Mr. McGlennon thanked Mr. Gulick.

5. Ms. Alynn Parham, 634 Chelsea Place Apartments, Newport News, addressed the Board noting she was the President of the Williamsburg/James City Education Association (WJCEA). She noted she was joined by supporters wearing Red for Ed for advocacy of the WJCC 10% staff salary increase. Ms. Parham further noted the support for public education. She stated the WJCC School System was a premiere factor, yet its staff salaries were lower than neighboring school divisions. Ms. Parham added the salary gap was wider between WJCC and other school divisions due to the teacher shortage. She noted the community support shown at tonight's meeting and requested collaboration with the WJCC School Division on the upcoming operation budget to include the 10% salary increase. Ms. Parham further noted the Red for Ed bracelets which were passed out. She advocated school funding and support and indicated the bracelets symbolized the ideal that strong schools make strong communities which were pushed by strong teachers.

Mr. McGlennon thanked Ms. Parham.

6. Mr. Andrew Cason, 3205 Arran Thistle, addressed the Board noting he was the Treasurer of WJCEA. He noted he was a local product who had gone through the WJCC School System. Mr. Cason further noted advocacy for the 10% salary increase with the majority of funding received from the locality. He noted the timing was early in the operational budget process, but emphasized the need for preliminary conversation for a clear set of priorities. Mr. Cason further noted the School Board was aware of WJCEA's stand and budget expectations. He noted WJCEA wanted the Board's assurance it would do what was needed to be done regardless of the amount of state funding that became available. Mr. Cason stated WJCEA was aware of the push-pull with the state and localities. He added WJCEA would be at the General Assembly in January. Mr. Cason reiterated the need for the Board's assurance regarding the 10% raise. He noted 47% of the General Funds provided school funding. Mr. Cason further noted statistics presented at the December 2, 2022, Joint Meeting showed other counties with similar labor cost index (LCI) out fund the schools compared to WJCC.

He cited two counties with similar LCI were Fauquier (55%) and Albemarle (59%). Mr. Cason stated the need for proper funding to maintain a top school system. He added both previously mentioned LCI school systems had a significantly higher average salary as noted in the Virginia Superintendent's Report, Table 19. Mr. Cason noted these counties, along with the financial analysis from the joint meeting, proved a lack of resources was not the issue, but rather political will. He made the analogy of everyone onboard a boat demanded to plug all the holes. Mr. Cason cited special education and bus drivers were areas lacking necessary staff and questioned the sustainability of performance and quality education as trends continued. He encouraged the Board to commit to the 10% salary increase goal.

Mr. McGlennon thanked Mr. Cason.

7. Ms. Susan Hildum, 3090 Cider House Road, addressed the Board stating she was speaking on behalf of the York-James City-Williamsburg NAACP Education Committee. She noted support for the teachers' raise. Ms. Hildum further noted WJCC had a good reputation as a school district, but there was a cost to maintain the reputation. She stated the cost of attracting and retaining quality teachers required a competitive pay scale with surrounding school districts. Ms. Hildum noted the inconsistency in relation to the career span of WJCC teachers or other staff who served this district. She emphasized the need to invest in the community's future with increased funding for the school district's workforce.

Mr. McGlennon thanked Ms. Hildum.

8. Mr. Jourdan Peratsakis, 120 Balmoral, addressed the Board noting he was a second-year teacher at Warhill High School. He noted several family members were current or former teachers in the district and he and his siblings had attended local schools. Mr. Peratsakis further noted the higher cost of living in the district, while the lower wages presented challenges. He stated many of his colleagues had taken higher paying positions in New Kent County or the City of Newport News. Mr. Peratsakis noted WJCC had previously been one of the best paid area districts. He further noted Warhill High School began its current school year understaffed as it had the previous year with numerous teachers and staff leaving prior to the end of the semester. Mr. Peratsakis stated the district was struggling and recommended approval of the pay raise in an effort to retain talented teachers and staff. He noted the pay increase would better align the pay rate with teaching peers in neighboring districts, adding teachers in those districts were also requesting raises. Mr. Peratsakis further noted 10% was the least the district could provide based on the knowledge and expertise of its teachers and without that then the possibility of more teachers leaving the district increased.

Mr. McGlennon thanked Mr. Peratsakis.

9. Mr. Joel Schiff, 5169 Queen Bishop Lane, addressed the Board stating children were the most important asset with shopping centers, new roads, and other items less important. He noted the importance of ensuring the best school system in James City County. Mr. Schiff further noted teacher compensation was paramount in attracting the best teachers. He added retention of teachers was also important. Mr. Schiff noted the importance of support for public education and encouraged the Board to pay the teachers accordingly.

Mr. McGlennon thanked Mr. Schiff.

10. Ms. Laura Emery, 4635 Town Creek Drive, addressed the Board noting she was a community member who supported the 10% raise for the hardworking teachers in the district. She cited the difficulties for teachers during the COVID-19 pandemic over the past few years. Ms. Emery cited the teacher shortage in the state and nation and the impacts on both fronts. She noted the National Education Association's survey earlier in the year identified insufficient salaries/low wages as a major consideration for teachers in whether to leave the profession or

remain. Ms. Emery further noted the need to retain highly qualified teachers with the necessary resources for inside and outside the classroom. She added the area's cost of living coupled with post-pandemic costs should be reflected in teacher salaries. Ms. Emery cited statistics from personal research on teacher wages that indicated Virginia ranked as the third worst state in the nation in relation to the pay gap for teachers compared to other college-educated professionals. She noted Virginia teachers were making 33% less per that research and she stressed the importance and value of educators. Ms. Emery sought the Board's support in favor of the 10% salary increase.

Mr. McGlennon thanked Ms. Emery.

11. Mr. Marco Sardi, 4008 Governor's Square, addressed the Board noting he was a teacher at James Blair Middle School and the Vice President of WJCEA. He noted his support of the 10% raise increase for WJCC employees in the upcoming school year. Mr. Sardi stressed the dire need to remain competitive with other local districts. He noted the unsustainable pattern as indicated over the past decade with reference to pay stagnation. Mr. Sardi further noted last year's 7% increase was a cost-of-living increase and did not move his salary on the compensation scale, but his health insurance cost increased so essentially he received a slight pay cut to remain in the district. He noted the state had some allocation to address the 10% increase request, but the majority would be determined by the Board of Supervisors for the cost difference. Mr. Sardi further noted statistics on area property taxes, adding current County reserve funds were 2-3% higher. He asked for consideration of a one-time allocation of the funds to assist as a raise payment holdover until property values were reassessed for next year. Mr. Sardi noted future discussion on the property values and possible budget provisions to fund the increase. He encouraged the Board to support the 10% increase to WJCC staff. Mr. Sardi cited the attributes of the community noting he had come to WJCC from Pennsylvania at the request of a friend. He added he did not have a family to support, but if so, he would not be able to afford to live in the area in light of his current job title.

Mr. McGlennon thanked Mr. Sardi. Mr. McGlennon thanked the speakers who shared their comments during Public Comment. He noted in January 2023, a public hearing would take place for budget discussion for the next year. Mr. McGlennon further noted that marked the start of the Board's review of expenditures and revenues.

Ms. Larson spoke noting she typically refrained from commenting on Public Comment items, but she wanted to clarify a point. She noted she was the Board member referenced in earlier comments. Ms. Larson further noted her comments at the Joint Meeting were to have the Board of Supervisors work together with the School Board to review a 10% raise. She added she was not speaking for the Board, but she noted the School Division's budget was not currently available so the Board did not know its details.

Mr. McGlennon thanked Ms. Larson.

F. CONSENT CALENDAR

Mr. McGlennon noted there was one item which had been added to the meeting's agenda at the start of the evening which was the \$55,000 Grant Award from the Williamsburg Health Foundation for the Guardianship Navigator Program. He sought a motion for approval.

A motion to Approve was made by Michael Hipple, the motion result was Passed.

AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 0

Ayes: Hipple, Icenhour Jr, Larson, McGlennon, Sadler

G. PUBLIC HEARING(S)

Mr. McGlennon noted Mr. Richard Krapf, Planning Commissioner, was in attendance as the Planning Commission's representative.

1. Mainland Farm Management Agreement

A motion to Approve was made by Michael Hipple, the motion result was Passed.

AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 0

Ayes: Hipple, Icenhour Jr, Larson, McGlennon, Sadler

Ms. Liz Parman, Deputy County Attorney, addressed the Board with the specifics of the agreement with Renwood Farms for continued operation of Mainland Farm at 2881 Greensprings Road as a working farm. She noted the parcel was part of a perpetual conservation easement held by the Williamsburg Land Conservancy with the property's use limited to agricultural or forestal uses. Ms. Parman further noted the County's association with Renwood Farms since 2013 with the current agreement set to expire at the end of 2022. She stated staff recommended entering into a new agreement that was largely under the same terms of the current agreement with Renwood Farms paying the County \$14,725 annually. Ms. Parman noted the new agreement was a five-year term with the option of two, five-year renewal terms.

Mr. McGlennon noted Renwood Farms had done a good job at Mainland Farm. He asked Ms. Parman if there were any issues.

Ms. Parman noted none of which she was aware.

Mr. McGlennon opened the Public Hearing.

Mr. McGlennon closed the Public Hearing as there were no speakers.

2. SUP-22-0019. 4090 Ironbound Road Detached Accessory Dwelling

A motion to Approve was made by James Icenhour Jr, the motion result was Passed.

AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 0

Ayes: Hipple, Icenhour Jr, Larson, McGlennon, Sadler

Ms. Paxton Condon, Senior Planner, addressed the Board citing the specifics of the SUP application. She noted the applicant lived on-site. Ms. Condon further noted staff found this proposal was both compatible with surrounding development and consistent with the 2045 Comprehensive Plan.

Mr. McGlennon welcomed Mr. Krapf, Planning Commissioner, to speak about the case.

Mr. Krapf addressed the Board noting the Planning Commission voted 7-0 in favor of the SUP at its November 2, 2022, Regular Meeting. He noted the application met the SUP criteria as well as the opportunity to provide an elderly parent with housing.

Mr. Hipple noted he normally did not support sunset clauses. He asked if that point had been discussed during the Planning Commission meeting, particularly if a time limit was considered since SUPs went with the land.

Mr. Krapf replied no, not in this specific case. He noted sunset clauses had been a concern with short-term rentals, but this application with the accessory dwelling use had raised no concerns.

Mr. Hipple noted he was not against this application, but referenced a similar application on Centreville Road where the intended family member did not inhabit the accessory dwelling which later became a tourist home. He further noted if this case became a similar situation, he wanted to be notified by staff. Mr. Hipple added homeowners may not be aware they have changed the use.

Ms. Condon noted the case would then be submitted separately as a short-term rental application.

Mr. Hipple questioned if the applicant knew that fact.

Ms. Condon noted the applicant was present and she would explain that process to him.

Mr. Hipple thanked Ms. Condon.

Mr. McGlennon opened the Public Hearing.

Mr. McGlennon closed the Public Hearing as there were no additional speakers.

3. SUP-22-0015. 7294 & 7296 Richmond Rd. Pivot Energy Solar Project

Mr. John Risinger, Senior Planner, addressed the Board noting Mr. Buzz Becker of Pivot Energy, Inc. had applied for an SUP for the construction of a solar farm. He provided the specifics of the application.

Mr. McGlennon noted staff's recommendation that the Board consider Item No. 3 in conjunction with Item No. 4, Agricultural and Forestal District (AFD)-22-0017. He further noted Mr. Risinger would make the presentation on both Items, but separate voting would occur on the two cases.

Mr. Risinger confirmed yes.

Mr. Hipple asked for clarification if the Board was voting on the AFD withdrawal first.

Mr. McGlennon acknowledged that point with consideration for Item No. 4 first.

Mr. Hipple thanked Mr. McGlennon.

Mr. Risinger noted the property at 7296 Richmond Road was not located within an AFD, but the 7294 Richmond Road property currently was included in the Hill Pleasant Farm AFD. He further noted the owner's 42-acre withdrawal during the 2022 AFD renewal process, with an additional 10 acres requested for withdrawal after the process was closed. Mr. Risinger added the additional 10 acres was for stormwater facilities, thus Board approval was required as the request was made after the renewal process. He cited criteria for consideration regarding requests made outside of the renewal period. Mr. Risinger stated staff found this application would not cause disruption to the AFD and the use would be transitional in the Economic Opportunity (EO) District. He noted staff found this application was not caused by an unforeseen change in circumstances nor did the request serve a public purpose. Mr. Risinger further stated staff's denial was based on the request failing to meet all the Board's policy criteria for withdrawal. He stated the AFD Advisory Committee recommended approval with a 7-0 vote at its October 20, 2022, meeting. Mr. Risinger stated the Planning Commission recommended approval with a 5-2 vote at its November 2, 2022, meeting. He noted the specifics of the solar panel arrays, underground utilities, and the lease option. Mr. Risinger further noted staff had proposed conditions to mitigate impacts which included access to the

facility during construction from the existing easement along the railroad connecting to Peach Street. He stated the routes for oversized and normal sized vehicles and other factors regarding construction of the project. Mr. Risinger noted the 2045 Comprehensive Plan Land Use Map designated the property EO, but the Plan does not specifically identify solar farms as a compatible use. He further noted due to that point, staff reviewed the application as a transitional use based on the limited property lease. Mr. Risinger cited the specifics for approval, adding the Planning Commission voted in favor of the application for compliance with the 2045 Comprehensive Plan. He noted additional clarifying edits had been added to Condition No. 28 since the Board's Agenda Packet had been published. Mr. Risinger further noted these edits were for consistency with State Code. He stated if the Board approved AFD-22-0017 then staff recommended the Board approve SUP-22-0015 subject to the proposed conditions. He noted the applicant team was available for any questions.

Mr. McGlennon thanked Mr. Risinger and welcomed Mr. Krapf back for comments from the Planning Commission.

Mr. Krapf asked the Board if it was amenable to the format of the Planning Commission's report on the AFD withdrawal case followed by any questions and answers with a summary of the project.

The Board agreed.

Mr. Krapf noted the Planning Commission voted 5-2 in favor of the approval recommendation for the AFD withdrawal. He further noted disagreement with staff interpretation regarding the application meeting the four criteria as stated in the Board of Supervisors policy for noncyclical AFD withdrawals. Mr. Krapf stated two elements of concern regarding the request based on unforeseen circumstances. He noted during the application process, the applicant acknowledged a pending stormwater criteria change which could affect impervious cover with relation to solar panels. Mr. Krapf further noted this change was under discussion at the state level, but that formula had not been determined at the time of the application submittal. He referenced the original 42-acre withdrawal request followed by the additional 10-acre withdrawal request, adding the entire 52 acres would have been requested for withdrawal if the formula had been known at the initial time. Mr. Krapf noted historically that unforeseen circumstances had referenced the death of the landowner and the Planning Commission felt that definition was too narrow. He further noted one condition of the Board policy was the land be used for a public purpose. Mr. Krapf stated historically that point had referenced a fire station or school or such facility. He noted the majority of Commissioners felt the solar grid connectivity served a public purpose. Mr. Krapf further noted the dissenting voters felt this particular use would tie up this EO parcel in excess of 20 years in addition to no specific reference to the use of solar panels in the Comprehensive Plan. He referenced staff's comment on the transitional use. Mr. McGlennon asked the Board if it had any questions for Mr. Krapf.

Mr. Hipple questioned his understanding of the Planning Commission's expansion of the policy.

Mr. Krapf confirmed yes regarding the two factors of unforeseen circumstances as it was historically defined as death of the property owner and the public use aspect. He noted this allowed for more far-reaching criteria.

Mr. Hipple questioned why decisions were made with policies in place and then changes occurred. He noted reviewing criteria and discussing possible areas to broaden. Mr. Hipple further noted the review could potentially address other areas for future cases.

Ms. Sadler asked for clarification on the applicant's position regarding the state changes. She noted she had difficulty hearing that part of Mr. Krapf's presentation.

Mr. Krapf noted it was the Planning Commission's belief that the applicant's original 42-acre withdrawal as noted in September 2022 was in accordance with calculations regarding impervious cover on-site. He further noted subsequent to the September 2022 AFD withdrawal, the state refined the calculation requirements which increased the request of the additional 10 acres in relation to the solar panels and impervious cover. Mr. Krapf stated the additional acreage was necessary for drainage in compliance with the new state requirements. He noted he was not speaking for the applicant, but that was the interpretation of the majority of the Planning Commissioners at their November meeting.

Ms. Sadler questioned if anyone was aware of the state changes and how it could potentially affect the request.

Mr. Krapf noted there was discussion at the state level but at the time of the application there had been no changes to the stormwater criteria. He further noted the Planning Commission felt the state level change when made qualified as a change of circumstances.

Ms. Sadler asked if there had been any discussion initially that the applicant would increase the withdrawal request.

Mr. Krapf replied no.

Ms. Sadler thanked Mr. Krapf.

Mr. Icenhour asked Mr. Krapf if the Planning Commission discussed the AFD withdrawal first before discussing the application.

Mr. Krapf confirmed yes.

Mr. Icenhour asked if there had been any discussion around the possibility of a denial for the AFD withdrawal. He asked if there had been discussion if a denial would affect the application with the possibility of approval on a smaller acreage withdrawal size.

Mr. Krapf noted a vague recollection of some discussion on that point but was unsure if a reduction of the solar panels would have an adverse impact on the project.

Mr. McGlennon noted as there were no further questions on this point, he asked Mr. Krapf to move on to the project itself.

Mr. Krapf noted the Planning Commission's 5-2 vote to recommend the project approval. He added the Commissioners in favor supported the project as consistent with the 2045 Comprehensive Plan. Mr. Krapf noted the Commissioners also felt the application supported state and federal initiatives for reduction of greenhouse gas emissions along with decarbonization of energy production. He further noted those areas were the main points for the Commissioners' support. Mr. Krapf stated the Commissioners recommending denial stated the earlier point of potential economic opportunity acreage being delayed. He added this use had not been specifically designated as EO, but rather a transitional use.

Mr. McGlennon thanked Mr. Krapf. He asked if any Board member had questions for staff.

Ms. Sadler noted not at this time, but possibly later in the discussion.

Mr. McGlennon opened the Public Hearing.

Mr. Kinsman clarified the Public Hearing was open for both AFD-22-0017 and SUP-22-0015. He noted comments on either item could be heard during the Public Hearing.

1. Mr. Buzz Becker, 1007 Forest Hills Avenue, Unit A, Charlottesville, VA, addressed the Board noting he was from Pivot Energy, Inc. and the representative for the applicant. He noted he was present to speak on both the AFD withdrawal request and the solar project. Mr. Becker further noted his PowerPoint presentation was set up to address the AFD withdrawal and then the solar project in keeping with earlier presentations. He began the presentation with a brief overview of Pivot Energy, Inc. and highlighted the company was a certified B-Corporation in which the company was held to higher standards for environmental, social, and governance standards. Mr. Becker noted the triple bottom line philosophy of people, planet, and profit. He further noted a positive point to this project was that Pivot Energy, Inc. would be the long-term owner and operator. Mr. Becker explained Pivot Energy, Inc. would be responsible for the project through its lifetime until decommission. He continued the PowerPoint presentation with a visual representation of the withdrawal and expanded areas. Mr. Becker referenced the AFD withdrawal criteria and stated he would focus on the areas of agreement from the majority of involved stakeholders and prior to the presentation to the Board. He noted if the additional 10 acres were withdrawn then there was no threat to the AFD of being dissolved while still meeting the criteria. Mr. Becker further noted only the larger parcel was in the AFD, but as a good faith sign, the landowner was inclined to include the 10 acres in a noncyclical request for the project. He stated the Planning staff, Planning Commission, and AFD Advisory Committee agreed this proposal was a great transitional use for the EO zone. Mr. Becker noted a neighboring parcel to the south was designated EO and had been previously approved for the same use. He further noted disagreement with Criteria B which addressed the definition of public purpose. Mr. Becker cited a federal regulation's definition of public purpose in the presentation. He noted staff indicated a fire station or school was a public facility to which public purpose applied. Mr. Becker further noted Pivot Energy, Inc.'s understanding of that response meant only government-owned property could obtain an AFD withdrawal and questioned multiple uses for public purpose. He stated the infrastructure investment aspect of this project coupled with utility savings to local residents constituted a public purpose. Mr. Becker moved to Criteria A - unanticipated change in circumstance. He noted the interpretation of death of a property owner was not in the Board's AFD criteria policy, but rather added as a staff interpretation. Mr. Becker further noted the policy, implemented in 2010, has no mention of death of a property owner while citing possible other considerations. He continued the presentation highlighting the site plan from late spring 2022 was based on the Board's most recent SUP approval of a solar project as guidelines. Mr. Becker noted during this process the Department of Environmental Quality (DEQ) released a guidance memorandum on a new approach to stormwater management for solar facilities. He further noted this information was only a guidance document, adding a note within the document at that time stated projects which had already submitted interconnection requests, as in this case, would be exempt from those regulations if the regulations were finalized and implemented. Mr. Becker noted the volume of pushback on that point which included commercial real estate and not exclusively solar development. He further noted the entire square footage of the solar panel was considered impervious surface. Mr. Becker stated this information was guidance from DEQ so Pivot Energy, Inc.'s project was not designed around parameters the company felt were not applicable to the project. He highlighted the timeline of the withdrawal submission and proposed conditions from staff. Mr. Becker noted Pivot Energy, Inc. received guidance from County staff regarding the increased withdrawal acreage a month after the withdrawal deadline had passed. He further noted that was a change in circumstance that was not anticipated.

Mr. McGlennon asked if formal guidance from the state regarding this matter was currently available.

Mr. Becker confirmed no that it was not finalized.

Mr. McGlennon thanked Mr. Becker.

Mr. Hipple asked about the impervious area of the panel and the changes as the solar panels tilt and reposition.

Mr. Becker noted the tilt of the panel adjusted throughout the day so no fixed flat space was present for rain runoff. He further noted DEQ's guidance at the time of staff's conditions assumed a zero angle to the panel.

Discussion on square footage ensued.

Mr. Becker noted Ms. Meghan Hekl of Kimley-Horn, Pivot Energy, Inc.'s stormwater expert, was in attendance. He further noted the ground under the panel was essentially ground cover which was pervious surface. Mr. Becker added the question of the stormwater discharge was the issue there.

Mr. Hipple noted the analogy of a house and a yard and the impact of rain. Mr. Hipple thanked Mr. Becker.

Mr. Becker continued the presentation highlighting the site plan and the megawatt breakout for the three land parcels which equaled a total 4.75-megawatt project. He noted a 75-foot buffer on the western side with 50-foot buffers on the other sides. Mr. Becker further noted residential property on the western side. He highlighted the viewshed and the berm in the presentation, adding the berm was significant. Mr. Becker noted one proposed condition was the requirement that evergreen trees have a minimum 8-foot height at the time of planting. He added the evergreen trees comprised 50% of the buffer. Mr. Becker continued the presentation noting the benefits of this first shared solar project for James City County. He noted the economic impacts to the community and revenue for the County. Mr. Becker further noted Pivot Energy, Inc. was offering an approximately 20% discount to local Dominion Energy residential customers, predominantly low- to moderate-income customers. He continued the PowerPoint presentation highlighting economic key points such as a nine-time extended revenue source from the project and hosting of job fairs in the County for employment. Mr. Becker noted the subscriber breakdown with the average Dominion Energy customer usage in Virginia compared to the average subscribing customer resulted in approximately \$25 savings monthly. He further noted the customer had no subscription cost. Mr. Becker continued highlighting the shared solar on bill credits with utility bills. He noted subscribers would still remain Dominion Energy customers, but they would subscribe based on their average monthly use and that allocation would result in a corresponding credit on their utility bill. Mr. Becker illustrated the discount with solar credits in the presentation. He stated the average subscriber could save approximately \$306 annually.

Mr. Hipple noted power sold to Dominion Energy was at the raw rate which differed from the premium customer rate. He asked if the calculation was the raw rate or the premium rate.

Mr. Becker noted the Virginia Code had an established Virginia Utilities Corporation bill credit rate for shared solar subscribers and what would appear on customers' bills. He further noted the credit rate did not make the Dominion Energy bill zero, but significantly reduced the amount. Mr. Becker stated the offset for that significant reduction was the fee Pivot Energy, Inc. charged which was less than the credit on the bill.

Mr. Hipple asked if the savings shown in the presentation reflected the Pivot Energy, Inc. fee taken out or was the fee removed later.

Mr. Becker replied it was the net of the savings.

Mr. Hipple asked if the fee was not included.

Mr. Becker noted it was not one bill, adding Virginia had not done that yet. He further noted that point was being encouraged at the state legislative level. Mr. Becker stated the single bill was not available in Virginia.

Ms. Larson questioned how Pivot Energy, Inc. was locating customers. She asked if Dominion Energy determined the low- and moderate-income customers.

Mr. Becker noted the use of local credible groups such as local housing authorities and nonprofit groups that serve that population. He further noted the use of a community manager within his company who engaged with these entities to find people.

Ms. Larson asked the number of households that would benefit monthly.

Mr. Becker responded 535.

Ms. Larson asked if these were households within James City County.

Mr. Becker confirmed yes.

Ms. Larson referenced the job fair and asked the number of positions.

Mr. Becker noted those were mainly construction positions with approximately 30 needed.

Ms. Larson asked if the positions were needed over a limited time.

Mr. Becker confirmed yes over the three months' construction time.

Mr. McGlennon asked if the target customer group was aimed toward average users or even renters.

Mr. Becker noted the example was for baseline purposes.

Mr. McGlennon asked if the 535 was based on a percentage of the customer base.

Mr. Becker noted the solar project had two components with the larger 3.75-megawatt section capable of powering 535 homes. Mr. Becker continued the presentation noting this information was new and had been worked on with the County Attorney. He noted as of July 1, 2022, solar projects of 5 megawatts or less were newly subject to the Machinery & Tool (M&T) tax. Mr. Becker further noted the M&T tax rate was pegged to the local real estate tax rate. He highlighted the M&T revenue as well as the revenue share in the presentation. Mr. Becker stated with the M&T tax coming online as of July 1, 2022, both the M&T revenue and the revenue share could not be received in a given year. He noted this was explicitly stated in the Virginia Code so this presentation gave a breakdown of either piece over a 30-year analysis. Mr. Becker further noted in conjunction with the County Attorney regarding project conditions, the M&T revenue was the higher option for the County for the first 15 years while revenue share was better in the last 15 years. He stated the blended approach would net James City County \$305,000 over 30 years that would not be available otherwise. Mr. Becker discussed traffic access and discussion with neighboring property owners. He continued the presentation with a breakdown of the types and numbers of vehicles comprising the construction traffic in an average week. Mr. Becker noted the traffic could vary, but it was a manageable load. He further noted a condition existed which required County staff and the Virginia Department of Transportation's (VDOT) approval of the construction traffic mitigation plan before a permit can be pulled. Mr. Becker highlighted the roadway view and visibility near the CSX railroad tracks. He noted the due diligence already completed for the project

included completion of the initial phase interconnection study, secured confirmation of the wetlands delineation from the U.S. Army Corps of Engineers, Federal Aviation Administration's determination of no known critical wildlife habitats or hazard, completion of the American Land Title Association (ALTA) survey, with work on the geotechnical survey and the cultural/historical survey underway. Mr. Becker further noted Pivot Energy, Inc. wanted to come to James City County with the confidence this project could be accomplished responsibly with many benefits to the County. He continued the presentation with a timeline breakdown with a beginning of 2024 as the projected start of the first phase.

Mr. Hipple noted the property connected to Rochambeau Drive.

Mr. Becker confirmed yes.

Mr. Hipple asked why there was no entrance from Rochambeau Drive to the property.

Mr. Becker indicated there was an entrance, but it was not a viable option.

Mr. Hipple expressed concern about the railroad tracks and accessibility. He noted visibility issues at the access road to Richmond Road when he crossed over the tracks. Mr. Hipple questioned if some equipment such as a Lowboy could clear that section. He noted the 20-year time period with regard to protection of rural lands, the EO zone component impact, and safety of the road access with no cross-arms. Mr. Hipple asked if the gravel access road would be paved.

Mr. Becker noted the road would not be paved, but it would be similar to other access roads used in solar projects.

Mr. Hipple asked if it would be a gravel road.

Mr. Becker confirmed yes.

Mr. Hipple asked about the trees on-site noting an abundance of older cedars on the left side of the property that would need to be limbed. He noted another area at the end. Mr. Hipple reiterated his concern for safety and the railroad tracks. He noted his frustration regarding the 10-acre withdrawal request after the AFD process had ended. Mr. Hipple expressed concern of a project running 21 years instead of 30-40 years. He referenced the land map and a house on the property asking if the house would remain and be occupied.

Mr. Becker confirmed the property owner would occupy it.

Mr. Hipple asked if the Best Management Practices (BMPs) were the reason for changing the project area and withdrawing from the AFD.

Mr. Becker confirmed yes.

Mr. Hipple asked about the road to the north side and if it would be maintained and remain for 20-30 years.

Mr. Becker confirmed yes.

Mr. Hipple noted some technology changes regarding solar panels and switching the panels out at 15 years versus 20 years.

Mr. Becker noted when projects were financed, it was based on the life of the project and the power and revenue from the project. He added the switch would be a bad business

investment. He noted bringing on additional power required an interconnectivity study. Mr. Becker further noted that would constitute a change of the project to produce more power which would be a permit violation.

Mr. Hipple asked if the panels would stay in place.

Mr. Becker noted panels would only be changed if one became damaged.

Mr. Hipple asked about hail damage to the panels.

Mr. Becker responded the size of the hail was a factor. He noted some sizes were more impactful to the panel. Mr. Becker further noted the panels had a coating similar to windshields. He added digital monitoring allowed Pivot Energy, Inc. to monitor the panels for damage, bad wiring, and other factors and then replacement could occur.

Mr. Hipple asked if special equipment such as a crane for necessary for the replacement or could several people switch out the panel.

Mr. Becker indicated several people could do the replacement. He referenced Richmond Road and said Pivot Energy, Inc. was working with County staff on a condition that only small vehicles which can safely and easily use the road are allowed to do so. He added no big vehicles were unable to use the road. Mr. Becker noted the railroad crossing safety concern, but added VDOT and CSX were aware of the construction crew and the traffic access. He further noted conversation with the neighbors regarding the least impactful traffic access with vegetative buffer to screen the project.

Discussion ensued.

Ms. Larson had no questions for Mr. Becker, but she expressed much concern for the access. She noted she had toured the property, but felt the area was narrow particularly in relation to the number of vehicles.

Mr. McGlennon referenced the consideration of new regulations and instances where those regulations were not applicable if approval had already been granted for interconnectivity.

Mr. Becker confirmed yes for submission.

Mr. McGlennon asked if that factor was still a viable point of discussion.

Mr. Becker noted that piece was part of the implementation guidance which had been added to the original guidance. He further noted the guidance was withdrawn and revised guidance was anticipated to be forthcoming in the next few months. Mr. Becker added that point, in part, had addressed implementation with so many projects in process.

Ms. Sadler asked if Mr. Paul Holt, Director of Community Development and Planning, was available.

Mr. McGlennon confirmed Mr. Holt was available.

Ms. Sadler asked Mr. Holt if some Planning Commissioners had expressed concerns regarding the railroad crossing at the Planning Commission meeting. She asked if Mr. Holt could share any of those concerns.

Mr. Holt noted he did not remember the exact quotes, but added there were concerns about access to Rochambeau Drive and other options similar to those expressed this evening. He

further noted this property lacked fee simple access to Rochambeau Drive with a gap there and an easement. Mr. Holt stated the road was not up to current VDOT standards.

Ms. Sadler noted safety concerns at the crossing at Peach Street and the traffic issues. She echoed Mr. Hipple's comments on the access, the trains, and limited visibility crossing the railroad tracks. Ms. Sadler noted Ms. Barbara Null, Planning Commissioner, had contacted her regarding concerns in that area. Ms. Sadler asked about photographs of the crossing and questioned Mr. Holt if the photograph shown in the presentation was the Peach Street location.

Mr. Holt confirmed yes adding staff had some photos similar to those of the applicant.

Mr. McGlennon asked if the photos were the ones received in an email to the Board.

Mr. Holt confirmed yes.

Mr. Risinger referenced numbered locations in the PowerPoint presentation as orientation points.

Mr. Holt identified the street locations and images beginning with the view at 7293 Richmond Road.

Mr. Risinger noted the unpaved access over the railroad tracks had a berm with an embankment. He continued the presentation highlighting the 7381 Richmond Road entrance into Peninsula Road at Norge Hall.

Mr. Holt added this was the southernmost entrance coming from Route 199 direction. He noted the next slide showed 7414 Richmond Road which was the northern intersection of Richmond Road and Peninsula Street.

Mr. Hipple referenced the curve in the road and the difficulties tractor trailers had in that area. He noted continual repairs to the road by the property owner.

Mr. Risinger continued highlighting the back part of Peninsula Street past the curve previously mentioned. He noted several more images along Peach Street to the railroad crossing and the CSX Railroad easement. Mr. Risinger showed a final slide of the area's vegetation and the access road to 7296 Richmond Road.

Ms. Sadler thanked Mr. Risinger for the images. She noted several solar projects had been approved in the past by the Board and asked if this project was the first to involve railroad crossings.

Mr. Risinger confirmed yes.

Mr. Holt referenced the Hunt property immediately adjacent to this project had railroad tracks, but access was not taken from that direction. He noted that access was from Rochambeau Drive.

Ms. Sadler thanked Mr. Risinger and Mr. Holt.

Mr. Becker referenced the construction traffic mitigation plan and additional revisions. He noted the assumption had been traffic would be coming up Norge and down Peach Street where a stoplight was located. Mr. Becker further noted construction traffic would not deal with the turn on Peninsula Street, adding that would be a more improved traffic pattern for access to the Peach Street crossing.

Ms. Sadler asked if the railroad tracks would still need to be crossed.

Mr. Becker confirmed yes.

Mr. McGlennon asked Mr. Becker if the construction process involved approximately 13 weeks with truck traffic in and out of the site.

Mr. Becker confirmed it was approximately three months.

Mr. McGlennon asked the Board if its main concern was the railroad track crossing or other concerns for this particular access.

Mr. Hipple noted for himself the railroad crossing was a concern. He further noted access to the property and opening up the area.

Mr. McGlennon asked if there was a safety concern there.

Mr. Hipple noted crossing the railroad tracks was his main safety concern.

Ms. Sadler echoed Mr. Hipple's concern.

Mr. McGlennon noted it was not likely an armed gate would be installed at the railroad tracks. He asked if human traffic monitoring/control that may have been used previously would occur there.

Mr. Becker noted the use of scouts or human monitors out in either direction of the railroad tracks to monitor vehicles crossing the tracks. He further noted if that answer was not satisfactory to the Board, he would defer until a later date where he could provide additional information on that point. Mr. Becker stated Pivot Energy, Inc. knew this was a consideration through the traffic mitigation plan. He added that information from the traffic experts and operations would be available then with today's focus on the land use portion.

Mr. Hipple questioned Mr. Holt about the road used on the Hunt property project. He noted the road now resembled an interstate.

Mr. Holt noted a commercial access off Rochambeau Drive was also required on that project.

Mr. Hipple asked where the commercial entrance was for this project. He expressed his confusion on the access road. Mr. Hipple noted numerous unknowns with this project.

Mr. Holt noted he had no additional information at this time. He further noted the applicant had offered to postpone the request until more detailed information could be brought before the Board at a later date.

Mr. McGlennon noted there was significant interest in obtaining more information about the access concerns from the applicant. He further noted the AFD withdrawal request and how impervious cover was viewed, adding if improved stormwater treatment was a factor then he felt a governmental benefit or use was being proposed. Mr. McGlennon indicated he felt from the AFD aspect, the withdrawal request was not in violation of County policy.

Mr. Icenhour noted Mr. Becker's reference to 13 trucks weekly as the traffic number with sizes comparable to current farm equipment. He noted the use of farm equipment year-round and asked if any problems surrounding farm equipment use had arisen. Mr. Icenhour asked staff if any trains had hit combines or other farm equipment.

Mr. Holt noted he had none of the accident data with him this evening as part of the staff analysis, but if the application postponement occurred, he would get that information from the Police Department.

Mr. Icenhour noted that information would be helpful.

Mr. Hipple noted the difference in sizes between farm and construction equipment. He further noted the majority of farm equipment from the Hunt property would use an opening rather than accessing Peach Street.

Mr. McGlennon asked the Board if it wished to keep the Public Hearing open.

The Board concurred with keeping the Public Hearing open.

Mr. Kinsman asked Mr. McGlennon if the Public Hearing was remaining open for both AFD-22-0017 and SUP-22-0015.

Mr. McGlennon confirmed yes for Public Hearing Item Nos. 3 and 4. He asked if a date would be set.

Mr. Holt noted the 2023 Board calendar had not been adopted to date. He suggested the first meeting of a particular month per the County Attorney's recommendation. He noted the first meeting in February 2023 as a possibility.

Mr. Becker agreed to that date.

Mr. McGlennon noted this case would be held open until the first Regular Meeting of February.

4. AFD-22-0017. 7294 Richmond Road Hill Pleasant Farm AFD Withdrawal

Item No. 4 was deferred until the first Regular Meeting in February.

5. SUP-20-0010. Hertzler Clearing and Grading

A motion to Defer action until the first meeting in April was made by Michael Hipple, the motion result was Passed.

AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 0

Ayes: Hipple, Icenhour Jr, Larson, McGlennon, Sadler

Mr. Risinger addressed the Board citing the specifics of this SUP. He noted the application was to bring the business operation use into conformance with the Zoning Ordinance. Mr. Risinger cited some historical notes regarding a complaint against the business' operations, adding to which the Zoning Director met with the owner. He noted staff discussed the findings with the owner and notified the owner an SUP would be required for conformance. Mr. Risinger further noted the owner indicated the business had been operating in the County for approximately 20 years. He stated historical notes from 2020 regarding the SUP application which the Planning Commission recommended approval, but the Board denied the application with a 5-0 vote. Mr. Risinger noted the area utilized for the business operation had increased without proper approvals or County permits. He cited the impacts to the Resource Protection Area (RPA) which included land disturbance, tree clearing, pond construction, and driveway construction on neighboring property. Mr. Risinger noted the latter two factors had impacted existing wetlands. He further noted both staff and the Stormwater and Resource Protection

(SRP) Division had reviewed this SUP and provided proposed conditions to be met. Mr. Risinger stated if the SUP were approved, a site plan would be required for the business which showed all existing improvements were in full conformance with the master plan conditions, Zoning Ordinances, and other applicable criteria. He listed the proposed conditions which included a staff inspection within six months to verify existing site conditions and within 36 months of the SUP approval date that all site plan improvements were completed and in full compliance with both its SUP and site plan. Mr. Risinger noted the Planning Commission voted 3-4 on a motion to recommend the application at its November 2, 2022, meeting. He further noted staff's recommendation to approve the application subject to the proposed conditions. He noted the applicant's representative was present.

Mr. Krapf addressed the Board noting the 4-3 vote against recommendation of the SUP's approval. Mr. Krapf noted the major concern of the Commissioners voting against the SUP was the fact the business had been continually operating for 20 years despite an SUP denial and non-compliance with Zoning Ordinances. He further noted the concern was this operation would convey a message to others to do business outside of the necessary approvals with only punitive minor measures incurred with mitigation after violation. Mr. Krapf added other irritants were complaints from neighbors regarding traffic and noise which would continue if the SUP was approved. He noted the Commissioners voting in favor felt the Planning Commission's role was not punitive, but instead to evaluate land use cases based on Zoning Ordinances, appropriate use, and compliance with the Comprehensive Plan. Mr. Krapf stated if the business met all the proposed conditions associated with this SUP then the business would be a conforming operation. He noted the majority of properties adjacent to the work site was owned by the applicant, who felt the land buffers helped mitigate the noise and traffic complaints from neighbors. Mr. Krapf further noted as a local business, the tax revenue was a benefit to the County and if it were brought into compliance then it would remain as a locally operating business. Mr. Krapf stated all the Commissioners' dismay that this business had operated for 20 years after an SUP denial in addition to a refusal for staff to investigate the site regarding the complaints.

Mr. McGlennon opened the Public Hearing.

1. Mr. Vernon Geddy, Geddy, Harris, Franck, & Hickman, LLP, 1177 Jamestown Road, addressed the Board on behalf of Mr. Steve and Ms. Mary Hertzler. Mr. Geddy noted aspects of the property, adding the Hertzlers lived on-site. He further noted the Hertzlers applied for an SUP in 2000 which the Board of Supervisors denied. Mr. Geddy stated that use permit was for more intensive use than was currently occurring on the property such as retail sales from products on the property. He noted in 2005 the Hertzlers built a home on the property which they understood with the home there then they were permitted to operate the business. Mr. Geddy further noted the Hertzlers believed that point in good faith and have operated their business since that time. He added with the exception of an instance in 2002, no one had not been denied access to the property as County inspectors were on-site for the home construction as well as staff from the County's SRP Division. Mr. Geddy highlighted equipment, employees, taxes, and other aspects of the Hertzlers' business in the PowerPoint presentation. He noted the applicant had both boundary and topographic surveys of the parcel completed by LandTech Resources, Inc. and the U.S. Army Corps of Engineers confirmed the wetlands delineation on the property as shown on the master plan. Mr. Geddy continued the presentation highlighting traffic data for the property which he noted was not sufficient to warrant a traffic impact study. He noted reasons in support of the SUP including the applicant's agreement to the proposed SUP conditions for compliance. Mr. Geddy urged the County against shutting down the small, family-owned business, allowing it to become compliant, and continue operation as an employment and revenue source.

Mr. Hertzler addressed the Board noting a different SUP had been applied for in 2000. He noted the business had not been in operation at the location for 20 years. Mr. Hertzler further

noted he began clearing land in 2002 and making road improvements. He added he had denied access to the property without a search warrant, but was legally advised against that by his then lawyer. Mr. Hertzler stated in 2003 they applied for the permit for their house with construction in 2005. He noted nothing had been done with the business on that property before that time.

Ms. Hertzler addressed the Board noting after the SUP denial, there was report of an incinerator which she noted was never on the plan. She noted a Planning person told her the SUP was unnecessary if the house was there then the business could also be there. Ms. Hertzler further noted that was the directive they followed so after the house was built, they put the business there. She stated the business was not put on the property until after the Occupancy permit was granted in 2005. Ms. Hertzler noted they had not received any letters until the one they received in 2019. She further noted they wanted to come into compliance because they were not aware.

Mr. Geddy spoke noting the Hertzlers believe in good faith what they were doing was permitted by the Ordinances. He noted if they had received a letter prior to 2019 they would have applied for a permit then. Mr. Geddy further noted the goal was to get the property into compliance with County requirements and continue operating the business. He added this would benefit the Hertzlers and the County.

Mr. Hipple asked if the Planning person was a County employee and the name of that employee.

Ms. Hertzler's response was inaudible due to her distance from the microphone.

Mr. Hipple noted he would like to get the information that person shared with Ms. Hertzler. Mr. Hipple referenced the Hertzlers noting they had not received any warnings or notifications of violation from the County. He asked Mr. Holt if there was any record.

Ms. Hertzler noted at the last meeting someone said they had a letter and conducted a drive-by. She further noted they were never aware of that point.

Mr. Hipple asked the County's response after the request to stay off the property was made.

Mr. Geddy noted that incident occurred in 2002.

Mr. Hipple noted the Hertzlers stated they were not running the business at that time so it would not have mattered as only woods would have been there.

Mr. Hertzler noted he was making driveway improvements for a future home.

Mr. McGlennon noted he had requested some information based on Mr. Hipple's questions. He further noted on March 12, 2001, staff records showed execution of a search warrant that showed the property in violation of a construction debris landfill and/or waste disposal site. Mr. McGlennon stated on March 23, 2001, a notice of violation was issued for use of the property as a construction debris landfill and/or waste disposal site. He noted those were indications for the clearing of a driveway and those violations would have been issued to the Hertzlers. Mr. McGlennon asked if the Hertzlers were suggesting those violation notices were never received.

Mr. Hertzler confirmed that was what he was suggesting.

Mr. Geddy noted the aerial view of the property in 2002.

Mr. Hertzler noted as part of the 2000 SUP, one condition was to bring in some material and run a grinder to conduct a noise test. He further noted the County allowed a stockpile to be brought in to the site.

Mr. McGlennon asked if there was any communication from the U.S. Army Corps of Engineers.

Mr. Chase Grogg, LandTech Resources, Inc., 205 Bulifants Boulevard, Suite E, stated there was a current delineation letter from the Corps of Engineers with no current violations on-site. He noted the Corps of Engineers was responsible for the wetlands and if violations had been present, notification of illegal construction would have been sent. Mr. Hipple asked if that information was current. Mr. Grogg noted the review was done in preparation for tonight's meeting. He stated a boundary survey was completed as well as a topographic survey and the delineation were done within the last year.

Mr. Hipple questioned the area without a pond and then cleared land with a pond and no violation from the past view to the current view.

Mr. Grogg noted a violation letter would be forthcoming from the Army Corps of Engineers on this site. He further noted the Army Corps of Engineers had access to old aerial views and data of the property. Mr. Grogg stated if there was a problem then it would be known.

Mr. Hipple questioned the wetland aspect.

Mr. Hertzler noted the pond was completely on his property and had never been part of the wetlands.

Mr. Hipple asked what fed the pond.

Mr. Hertzler replied just runoff and not a live stream.

Mr. Hipple asked if the pond went dry during a drought.

Mr. Hertzler replied yes, adding it has not in a while as there has been no drought.

Mr. Grogg noted the master plan's RPA features were based off anything perennial such as a stream, a spring, or such feeding the pond, but there was no RPA buffer off that pond. He further noted the RPA was taken from the wetlands on the other side, adding an RPA study was done by Mr. Matt Roth of Roth Environmental, LLC.

Discussion ensued.

Mr. Hipple noted if a tree was cut in any area then usually it affected the RPA.

Mr. Grogg concurred adding James City County was the strictest locality regarding the RPA.

Mr. Hipple referenced a note in the report regarding mitigation impacts.

Mr. Grogg noted as part of the SUP conditions there were mitigations for RPA impacts. He further noted the mulch area and the front gravel parking lot had portions which fell into the RPA buffer. Mr. Grogg stated if the SUP was approved and as part of the site plan process then any gravel or impervious material in those areas would require remitigation. He noted double mitigation would be required.

Mr. Hipple cited a personal example of compliance for a business.

Mr. Grogg noted for the SUP site plan to be compliant would require significant detail regarding stormwater requirements, landscaping buffers, and other points. He further noted bringing this SUP into compliance and making this family-run business a positive one for the County.

Mr. Hipple questioned the Hertzlers on the timeline regarding the noncompliance.

Ms. Hertzler noted no County representative had addressed them on any points. She added there was no secret they had a business, adding they pay their business license and list their respective equipment.

Mr. Hipple noted the County had records of information sent to the Hertzlers. He further noted he was struggling with the conflicting points. Mr. Hipple questioned where the middle ground was in this case.

Ms. Larson asked Mr. Grogg about the date on the letter from the Army Corps of Engineers. She asked if he had a copy with him.

Mr. Grogg responded he had it in an email. He noted he believed a copy went to the County's Environmental staff also.

Ms. Larson asked Mr. Holt if that copy had been received.

Mr. Holt's comment was inaudible.

Mr. Grogg noted the date was January 27, 2022. He read the letter's contents to the Board. He noted he would ensure staff had a copy of the letter.

Mr. McGlennon clarified the letter did not resolve other RPA issues on the property.

Mr. Grogg confirmed that was true. He noted the Army Corps of Engineers' jurisdiction only applied to the wetlands themselves. Mr. Grogg further noted the County enforced the 0-100-foot buffer.

Mr. McGlennon referenced compliance. He noted a complaint was registered on February 28, 2019 about activities on the property. Mr. McGlennon further noted violations were noted when County staff investigated the complaints. He added staff asked the Hertzlers to try to come into voluntary compliance. Mr. McGlennon noted three and a half years have passed since that request and numerous staff requests for voluntary compliance. He asked why the lengthy timeline to present a case when there have been numerous requests and the resistance to take any action after receiving notification of violations on the property.

Mr. Hertzler noted it took some time after receipt of the letter and they contacted LandTech Resources, Inc. to begin the process for a site plan. He further noted the impact of the COVID-19 pandemic slowed the process also.

Ms. Hertzler noted upon receipt of the first letter they asked the County to meet with them. She further noted discussion on the areas of noncompliance that went back and forth between the Hertzlers and County staff. Ms. Hertzler cited a personal injury and COVID also curtailed her ability to work on some of the items.

Mr. McGlennon noted COVID was not until the following year.

Ms. Hertzler noted things got backed up.

Mr. McGlennon noted staff reported difficulties getting the Hertzlers to sit down for discussion to address these issues.

Ms. Hertzler noted they were initially shocked, but they were beginning the process for compliance.

Mr. Grogg noted the process began with LandTech Resources, Inc. in mid to late 2020 with a proposal to work through the issues. He further noted this job had been on the books for a while with detailed work involved on the project.

Ms. Larson questioned if the Public Hearing was open.

Mr. McGlennon noted there was a speaker on this item.

2. Ms. Pam Woodson, 133 Racefield Drive, addressed the Board noting she was a long-time acquaintance of the Hertzlers. She noted she was on the property frequently over the years and had no issues with the property nor the trucks as traffic concerns. Ms. Woodson further noted the mulch, dirt, and logs that was being graded there were a benefit as opposed to dumping them in the local landfill. She spoke in favor of allowing the Hertzlers to continue their business operation by becoming compliant with regulations. Ms. Woodson added she had never noticed smells, noises, or other deterrents from the property.

Mr. McGlennon thanked Ms. Woodson.

Mr. McGlennon closed the Public Hearing as there were no speakers.

Ms. Sadler noted she had several questions for Mr. Holt. She further noted she received two phone calls earlier in the day, but due to illness the parties were unable to attend the meeting. Ms. Sadler stated both parties were in opposition to this application based on noise and truck traffic over the years. She asked Mr. Holt how contractor businesses get in these situations and she referenced a similar case with a contractor's office on Centerville Road.

Mr. Holt noted it was a tough question, adding he was unsure there was a generic answer for application to all the cases. He further noted a general misunderstanding of some of the County's codes. Mr. Holt added several small items through misunderstanding or not questioning could gradually and incrementally allow improvements to be incorporated. He noted staff did not proactively track these situations, but historically staff had responded based on complaints. Mr. Holt further noted there were times County staff could not visit every property, commercial business, or other business types on an annual inspection basis.

Ms. Sadler asked Mr. Holt if he had slides depicting the improvements to the property over time.

Mr. Holt noted there were a few technical issues, but he was available for other questions.

Ms. Sadler questioned the business' compliancy, particularly as the property was rural land and its relation to the Comprehensive Plan. She noted her understanding that timbering was allowed on one's own land, but this case encompassed more concerns as it appeared products were brought to the property.

Mr. Holt noted that point addressed some of the history and the misunderstanding. He cited some historical points regarding the Chesapeake Bay Preservation Act and RPAs. Mr. Holt responded that timbering on one's own land was allowed, but under the Chesapeake Bay Ordinance a formal timbering plan had to be in partnership with the Department of Forestry.

He noted a BMP for stormwater was incorporated into that timbering plan. Mr. Holt further noted there was no opportunity regardless of rural lands or A-1 zoned land to clear large tracts of trees or make improvements. He added that point had been in place since the early 1990s. He noted clearing of trees on private property differed from the commercial activity of bringing cleared trees from other properties to private property. Mr. Holt added that was an entirely different use.

Ms. Sadler noticed if incremental improvements/changes had been made and the scope had increased would this affect the property as incompatible with the Comprehensive Plan as the property was rural lands.

Mr. Holt noted that point was to be evaluated and decided by the Board for its consistency with the Comprehensive Plan. He further noted a PowerPoint presentation with the timeline of the property was available starting with the 2002 aerial image. Mr. Holt stated 2002 was several years after the previous SUP was not approved by the Board of Supervisors. He progressed the presentation to a 2007 aerial view which showed additional clearing and construction of the home around 2005 per Mr. Hertzler's comments. Mr. Holt noted between 2007 and 2011 the pond appeared on the aerial map as well as more site clearing. He continued with a 2013 aerial image which showed additional refinement of the property and then moved to the 2021 aerial image which indicated more scope of activity on the property. Mr. Holt highlighted the 2021 aerial image with the County's RPA shown in blue. He noted as developments come in and actual delineation occurred, the County's Geographic Information System's layers, maps, and wetlands inventory get updated. Mr. Holt continued the presentation highlighting different areas adding he did not have any historic exhibits with him that showed the land contours prior to the land disturbance and grading. He highlighted the resulting RPA on the master plan as a result of the grading and impoundment.

Ms. Sadler asked about the stormwater pond that was created, and particularly on a business property, if the County typically required stormwater approval.

Mr. Holt confirmed yes. He noted a full site plan, stormwater management plans, erosion and sedimentation control plans, and other requirements in accordance with County plans.

Ms. Sadler asked if those requirements had been done with this property.

Mr. Holt noted no. He added the earlier reference to LandTech Resources, Inc. was after County staff reached out regarding the early 2019 complaint. Mr. Holt referenced staff's contact with the property owners to discuss alleged violations based on the aerial photos in addition to discussion on the SUP process and requirements. He noted Mr. Grogg's reference to the master plan that was developed after staff's contact in 2019, which he added had been developed over time as LandTech Resources, Inc. completed the work.

Ms. Sadler asked about the timeline for the pond.

Mr. Holt noted between 2007 and 2011.

Mr. Hipple referenced his early comment on the pond adding a pond just does not happen to appear without something going into it. He noted at some point that area had been wetlands and when the dam was built, the wetlands were cut off and no longer existed.

Discussion ensued.

Mr. Holt noted many of the SUP conditions for this case were proposed to get the best results with an after-the-fact application.

Mr. Hipple noted if this property had before the Board initially with plans for development, details on mulch pile heights, and other aspects then it would be clearer and easier to determine the course of actions. He further noted currently there were too many unknowns, but if it came back with a master plan detailing aspects of the business and property he could evaluate it. Mr. Hipple noted at this time he could not support this SUP currently with the owners saying they would fix non-complaint issues. He further noted he wanted written evidence and master plan before making a decision on this SUP.

Mr. McGlennon asked if Mr. Hipple was making a motion to defer action on this item.

Mr. Hipple noted postponement until a master plan was available that worked with the County.

Mr. Holt referenced the document in the Board's Agenda Packet which was served as an as-built survey, previously referenced by Mr. Grogg and the applicant team, and was designed as the master plan. He noted County staff had established its conditions based on that document.

Ms. Sadler reiterated the noise complaints on the property. She noted she received calls regarding noise issues and she did not see how a master plan would address that point.

Mr. McGlennon asked Mr. Hipple if his motion for deferral had a specific date.

Mr. Hipple confirmed yes.

Mr. McGlennon asked the date.

Mr. Hipple noted probably February.

Mr. Geddy noted Mr. Grogg had suggested March.

Mr. Hipple noted March or April.

Mr. Grogg asked what information was needed.

Mr. Hipple responded he wanted everything answered or his answer would be no.

Mr. Icenhour noted the number of things built on the property to which he added most required a permit, but some were built without permits. He further noted if the applicants worked with staff over the next few months to have everything documented and accessible that needed to be done then that gesture would be a major consideration for him. Mr. Icenhour stated he wanted the issues fixed in short order with definitive timelines such as six months, 12 months, and such for completion. He noted he wanted that level of confidence to fix the issues as history had proven otherwise. Mr. Icenhour further noted those points needed to be addressed in moving forward with the deferment.

Mr. McGlennon noted his agreement for specifics and timelines for addressing the issues, he was not sure that was enough and if he was in favor of supporting this application.

Ms. Sadler expressed concern that the deferment postponed this situation even longer. She asked if the Hertzlers would continue operation on-site during the deferment period.

Mr. Holt noted he would ultimately defer to the applicants regarding seasonal or operational changes they chose to make. He further noted from a County staff viewpoint, if an applicant was working toward compliance and moving through the process, staff held off taking enforcement action. Mr. Holt added staff had not specified a time to refrain from operation

until approvals were granted.

Mr. McGlennon reiterated the motion would defer action until the first meeting of April.

At approximately 8:55 p.m., Mr. McGlennon recessed the Board for a short break.

At approximately 9:04 p.m., Mr. McGlennon reconvened the Board.

H. BOARD CONSIDERATION(S)

1. SUP-22-0007. Branscome Resource Recovery and Aggregate Storage

A motion to Defer was made by Ruth Larson, the motion result was Passed.

AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 0

Ayes: Hipple, Icenhour Jr, Larson, McGlennon, Sadler

Mr. McGlennon noted the applicant had requested a deferral until March 14, 2023.

2. Employee Engagement Survey Results

Ms. Stephanie Burton, Human Resources Training and Development Coordinator, addressed the Board. She highlighted the importance of employee engagement in a PowerPoint presentation. Ms. Burton noted engaged employees who enjoyed their work had more productive and meaningful results. She continued the presentation highlighting areas of highest and lowest levels of agreement. Ms. Burton noted County leadership would review the information for areas of consideration regarding workplace improvements. She further noted the areas of advancement, recruitment, and communication throughout the presentation. Ms. Burton stated the same survey had been deployed in 2018 and 2020 so some trend analysis was present. She added the deployment of the survey in 2022 ran parallel to the announcement of a targeted pay increase for some County public service positions. Ms. Burton noted some of that was reflected in the survey results. She continued the PowerPoint presentation with the participant overview. Ms. Burton noted the survey was based on six key areas: performance alignment index, leaders lead index, environmental index, diversity, equity, and inclusion index, accountability index, and my job satisfaction index. She further noted impacts from the pandemic, escalated gas prices, and increased overall costs had impacted the environmental index. Ms. Burton continued the presentation highlighting the next steps for improvement which included compensation review, promotion and advancement, recruitment, performance, and communication.

Mr. McGlennon thanked Ms. Burton for an excellent presentation.

Mr. Hipple noted the impact of COVID-19 and national thoughts was reflected in the survey. He further noted he felt the County levels shown were good considering those trends.

Ms. Larson thanked Ms. Burton. She noted the review was worthwhile and she thanked Ms. Burton and the Human Resources team for the initiatives and programs offered to employees. Ms. Larson encouraged employees to use the programs. She noted concern regarding some of the numbers shown from the survey, adding the need to focus on certain areas with the hope for a shift in those numbers. Ms. Larson expressed her appreciation to everyone who was involved in working on a positive impact.

Mr. McGlennon noted Mr. Stevens was reviewing compensation and its comparison to other local jurisdictions. He further noted the importance of letting employees know their value with

acknowledgement and tangible benefits also. He thanked Ms. Burton and noted the high response rate from the survey.

3. FY 2022 Annual Report

Ms. Latora Rouse, Communications Manager, addressed the Board with an overview of the County's Fiscal Year 2022 Annual Report. She noted the Annual Report highlighted County departments. Ms. Rouse further noted her PowerPoint presentation would highlight several accomplishments from different departments, adding the complete document was available on the County's website, jamescitycountyva.gov.

Ms. Larson asked Ms. Rouse what location was on the front cover of the Report.

Mr. McGlennon noted the picture was beautiful.

Ms. Larson noted the picture was Brickyard Landing.

Ms. Rouse confirmed yes.

Ms. Larson noted the property was newly acquired by the County.

Ms. Rouse continued the presentation with highlights from the Community Development Department which included adoption of the 2045 Comprehensive Plan, transportation improvement projects such as Longhill Road and the Skiffes Creek Connector, and the Natural and Cultural Assets Plan. She noted highlights from Economic Development included securing a \$700,000 grant from the Virginia Department of Housing and Community Development which established the Small Business Relief Program, establishing a glass-only recycling program in collaboration with the General Services Department and the O-I Glass Plant in Toano. Ms. Rouse further noted the Financial and Management Services Department developed plans for the use of the \$14.8 million American Rescue Plan Act (ARPA) funds and reestablished the Accident Review Committee through its Risk Management Division. She continued highlighting the Fire Department's work to develop new training procedures to improve cardiac arrest survivability and a successful demonstration of a FEMA-evaluated evacuation assembly center at Warhill High School. Ms. Rouse noted General Services completed the Facilities Master Plan and created the Litter League. She further noted Human Resources held its first in-person meetings for open enrollment, increased the minimum starting wage, and brought on 295 new hires. Ms. Rouse continued noting the Information and Resource Management Department's Web, Publications, and Records Division, relaunched websites for the County, Economic Development, and the James City Service Authority. She added the Video Division, along with General Services, replaced the production lighting in the Board Room. Ms. Rouse highlighted the Parks & Recreation Department's reopening of the James City County Marina and top honors from the Virginia Recreation and Parks Society. She noted the Police Department initiated a drone team as part of its Field Force Unit and hosted the National Night Out event for the first time at the Law Enforcement Center. Ms. Rouse further noted the Social Services Department's Housing Unit received \$2,559,000 in federal and state funding for the current Housing Assistance programs benefiting 324 households, training through the Bridges out of Poverty framework, and work of the Kinship Navigator Program. She continued with highlights from the Williamsburg Regional Library (WRL) which included receipt of the Virginia Library Association's 2021 Public Library Innovator Award for roaming Wi-Fi hot spots during the pandemic. Ms. Rouse added WRL also partnered with the Parks & Recreation Department to launch a free high-speed Wi-Fi zone in the Grove community in addition to Library Journal's honor of listing WRL as one of top public libraries in the country.

The Board thanked Ms. Rouse for the presentation.

Mr. McGlennon noted under Community Development that the Board had taken significant action to protect rural lands.

I. BOARD REQUESTS AND DIRECTIVES

Mr. Icenhour noted his attendance at the Clean County Commission's award presentation to the Dermatology Center of Williamsburg on November 29. He further noted the beautiful garden at the office.

Mr. Hipple wished everyone a Merry Christmas.

Ms. Larson noted her attendance at the Williamsburg Hotel & Motel Association's annual meeting last week. She further noted the meeting was well attended and Mr. Andrew Trivette, Williamsburg City Manager, spoke on the Historic Triangle Recreation Facilities Authority and the process. Ms. Larson noted she and Mr. McGlennon attended the Williamsburg Tourism Alliance meeting. She further noted she recently spoke to a local Cub Scouts Pack, adding they had great questions about water and schools. Ms. Larson expressed her appreciation of people speaking at Board meetings. She noted she was unsure what the School Board was asking regarding budget, but she emphasized the need to work with the School Board regarding compensation. Ms. Larson further noted there were compensation issues at the County which also needed to be addressed. She addressed the sports complex which attracted tourism and generated revenue which could alleviate some pressure off the real estate tax.

Mr. Hipple noted looking at expenses across various departments and areas within the County. He further noted compensation concerns and the best approach to addressing them. Mr. Hipple noted working and talking together and the County's percentage of support to education.

Ms. Larson referenced Mr. Hipple's comment on discussion. She noted West Point Schools had a large percentage of tuition students which tremendously impacted its budget. Ms. Larson further noted York County's School Division received substantial federal funding that James City County did not receive. She stressed the importance of conversation where all parties could learn from each other. Ms. Larson congratulated Mr. McGlennon for his excellent choices for the Chairman's Awards.

Mr. McGlennon noted both groups were representative of the Board's work this past year as well as community examples of good work. He further noted he had the honor of riding on the Williamsburg Chamber of Commerce Christmas Parade float. Mr. McGlennon noted his attendance at the County's middle management team meeting at The Maine where concerns were heard and team building events took place. He further noted the recent Joint Meeting with the City of Williamsburg and the School Board. Mr. McGlennon reminded everyone that people were being called to do more. He noted in addition to teachers, County staff had understaffed offices and the awareness of the labor shortage. Mr. McGlennon further noted the need to be competitive. He stated he asked Mr. Stevens to develop a number to reflect the County's growth as staff has not grown and to show the number of employees per capita several years into the future. Mr. McGlennon referenced the Joint Meeting and reiterated working together for the accomplishment of good things. He noted joint lobbying to the General Assembly for assistance. Mr. McGlennon further noted the Skiffes Creek Connector's dedication would take place on Friday, December 16, 2022. He stated the Board's commitment to that project and Mr. Hipple's work with the Hampton Roads Transportation Accountability Committee on that project. He extended holiday wishes to

citizens.

Ms. Sadler echoed her fellow Board members' comments. She extended her appreciation of Mr. Stevens as County Administrator and staff for all the hard work.

Mr. Stevens thanked Ms. Sadler.

J. REPORTS OF THE COUNTY ADMINISTRATOR

Mr. Stevens thanked the Board noting it was a pleasure and he appreciated the support and guidance. He extended his thanks to staff for continuing to provide services to the community despite staffing challenges. Mr. Stevens also thanked the community for its patience and support. He noted discussion with the School Board would take place in January as the School Board was preparing its budget for that timeframe. Mr. Stevens further noted those budget numbers would be part of conversation with the City Manager and himself in early January. He added the large staff meeting Mr. McGlennon referenced earlier had started several years prior and feedback had been well received. Mr. Stevens expressed his appreciation to Mr. McGlennon and other Board members for their attendance at those meetings over the years. He extended wishes for a safe and happy holiday to everyone.

K. CLOSED SESSION

Mr. McGlennon noted the Agenda was slated for a Closed Session, but the appointments would be made in Open Session. He further noted there were two staff appointments for the Williamsburg/James City County Community Action Agency Board.

1. Consideration of a personnel matter, the appointment of individuals to County Boards and/or Commissions, pursuant to Section 2.2-3711(A)(1) of the Code of Virginia
2. Williamsburg/James City County Community Action Agency Board Appointments

A motion to Nominate Ms. April Melton and Ms. Dominique Morisset to serve on the Williamsburg/James City County Community Action Agency Board, the motion result was Passed.

AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 0

Ayes: Hipple, Icenhour Jr, Larson, McGlennon, Sadler

Mr. Stevens noted the nominations were for five-year terms that expired on September 25, 2027.

Mr. McGlennon confirmed yes.

L. ADJOURNMENT

1. Adjourn until 4 pm on January 10, 2023 for the Organizational Meeting

A motion to Adjourn was made by Ruth Larson, the motion result was Passed.

AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 0

Ayes: Hipple, Icenhour Jr, Larson, McGlennon, Sadler

At approximately 9:38 p.m., Mr. McGlennon adjourned the Board of Supervisors.

MINUTES
JAMES CITY COUNTY BOARD OF SUPERVISORS
ORGANIZATIONAL MEETING
County Government Center Board Room
101 Mounts Bay Road, Williamsburg, VA 23185
January 10, 2023
4:00 PM

A. CALL TO ORDER

Mr. McGlennon called the meeting to order at approximately 4:02 p.m. following the James City Service Authority Board of Directors Organizational Meeting.

B. ROLL CALL

James O. Icenhour, Jr., Jamestown District
Michael J. Hipple, Powhatan District
Ruth M. Larson, Berkeley District
P. Sue Sadler, Vice Chairman, Stonehouse District
John J. McGlennon, Chairman, Roberts District

Scott A. Stevens, County Administrator
Adam R. Kinsman, County Attorney

C. ORGANIZATIONAL MEETING

1. Board of Supervisors Organizational Meeting

Mr. McGlennon sought a nomination and motion for the appointment of the Chairman for the upcoming year.

Ms. Sadler nominated Mr. Hipple as Chairman.

A motion to Appoint Michael Hipple as Chairman was made by Sue Sadler, the motion result was Passed.

AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 0

Ayes: Hipple, Icenhour Jr, Larson, McGlennon, Sadler

Mr. Hipple sought a nomination for Vice Chairman.

Ms. Sadler nominated Ms. Larson as Vice Chairman.

A motion to Appoint Ruth Larson as Vice Chairman was made by Sue Sadler, the motion result was Passed.

AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 0

Ayes: Hipple, Icenhour Jr, Larson, McGlennon, Sadler

Mr. Hipple sought a motion to adopt the Organizational Meeting Resolution.

Mr. Stevens noted discussion on a potential meeting change for January 19, 2023, for attendance purposes.

Mr. Hipple mentioned his possible attendance for that date.

Mr. Stevens noted to keep the calendar as it was and if future adjustments needed to be made that could be accommodated.

Mr. Hipple replied ok.

Ms. Sadler asked if the Board was adopting the Board of Supervisors' calendar at this time.

Mr. Hipple replied yes.

Ms. Sadler asked if the Board desired to make changes to the calendar specifically for the month of November.

Mr. Stevens mentioned some discussion amongst a few of the Board members pertaining to consideration on one meeting being held in November as opposed to two meetings. Mr. Stevens noted scheduling conflicts with Election Day; however, there was not a conflict in this calendar year in relation to Thanksgiving. Mr. Stevens stated it was up to the Board to decide whether one or two meetings would be held in November and staff could make the necessary adjustments.

Mr. McGlennon expressed his desire to retain the current schedule; however, based on the future business workload the schedule could be revisited.

Ms. Larson noted a potential scheduling conflict with the VACo Meeting.

Mr. McGlennon inquired if that meeting was for the first meeting of the year.

Ms. Larson replied yes for January 14. She suggested the Board keep an open mind for future adjustments if necessary. Ms. Larson expressed her desire to have one meeting held in November based on the Board of Supervisors' Agenda.

Mr. Hipple commented as time moved forward the Board could revisit the discussion.

The Board members agreed.

Mr. Hipple inquired about the 1 p.m. and 5 p.m. meeting times. He asked if the Board wanted to switch the meetings to two 1 p.m. start times.

Mr. McGlennon recommended retaining the current meeting schedule times as various impacts may arise.

Ms. Larson expressed her concern at having two meetings held at 1 p.m. as she had other commitments. Ms. Larson highlighted the Regular Meeting at 5 p.m. allowed for more citizen attendance. She added she was not opposed to future consideration on the matter; however, she recommended keeping the current meeting times.

The Board agreed to keep the current time schedule of 1 p.m. for the Business Meetings and 5 p.m. for the Regular Meetings.

A motion to Adopt the Organizational Rules including the Calendar was made by John McGlennon, the motion result was Passed.

AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 0

Ayes: Hipple, Icenhour Jr, Larson, McGlennon, Sadler

2. Supervisor Seats for Regional Boards and Commissions

Mr. Hipple inquired whether the Board desired to go into Closed Session for discussion on the various Boards and Commissions.

Ms. Larson requested to go into Closed Session.

Ms. Sadler agreed.

A motion to Enter a Closed Session was made by Sue Sadler, the motion result was Passed.

AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 0

Ayes: Hipple, Icenhour Jr, Larson, McGlennon, Sadler

At approximately 4:05 p.m., the Board of Supervisors entered a Closed Session.

At approximately 4:14 p.m., the Board re-entered Open Session.

A motion to Certify the Board only spoke about those matters indicated that it would speak about in Closed Session was made by John McGlennon, the motion result was Passed.

AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 0

Ayes: Hipple, Icenhour Jr, Larson, McGlennon, Sadler

A motion to Approve the list of Supervisor Seats for Boards and Commissions was made by Ruth Larson, the motion result was Passed.

AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 0

Ayes: Hipple, Icenhour Jr, Larson, McGlennon, Sadler

Ms. Larson read the list of Supervisors and their respective Boards or Commissions:

Hampton Roads Military and Federal Facilities Alliance (HRMFFA): Michael Hipple (John McGlennon - alternate)

Hampton Roads Transportation Accountability Commission (HRTAC): Michael Hipple (John McGlennon - alternate)

Hampton Roads Transportation Planning Organization (HRTPO): Michael Hipple (John McGlennon - alternate)

Hampton Roads Planning District Commission (HRPDC): Michael Hipple (John McGlennon - alternate)

Hampton Roads Workforce Council: James Icenhour

Greater Williamsburg Chamber of Commerce Board of Directors: James Icenhour

Historic Virginia Land Conservancy: John McGlennon

High Growth Coalition: John McGlennon

School Liaison Committee: John McGlennon and Ruth Larson

Virginia Peninsula Regional Jail Authority: Sue Sadler

Economic Development Authority (EDA) Liaison: Sue Sadler

Agricultural and Forestal (AFD) Advisory Committee: Sue Sadler

3. Seating Assignments

Mr. Hipple noted moving the Chairman and Vice Chairman together in the seating arrangement.

The seating assignments were:

1. Hipple
2. Larson
3. McGlennon
4. Icenhour
5. Sadler

D. BOARD CONSIDERATION(S)

None.

E. CLOSED SESSION

The discussion was noted above under Item No. 2.

F. BOARD REQUESTS AND DIRECTIVES

Mr. Icenhour referenced the schedule for radio interviews.

Discussion ensued.

G. ADJOURNMENT

1. Adjourn until 5 pm on January 10, 2023 for the Regular Meeting

A motion to Adjourn was made by Sue Sadler, the motion result was Passed.

AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 0

Ayes: Hipple, Icenhour Jr, Larson, McGlennon, Sadler

At approximately 4:17 p.m., Mr. Hipple adjourned the Board of Supervisors.

ITEM SUMMARY

DATE: 1/24/2023

TO: The Board of Supervisors

FROM: Michael Woolson, Section Chief - Resource Protection

SUBJECT: Resolution of Chesapeake Bay Preservation Ordinance Violation at 206 Crescent Drive

ATTACHMENTS:

	Description	Type
☐	Memorandum	Cover Memo
☐	Resolution	Resolution
☐	Notice of Violation	Backup Material
☐	Location Map	Backup Material
☐	Consent Agreement	Backup Material
☐	1999 BOS Civil Charge Policy	Backup Material

REVIEWERS:

Department	Reviewer	Action	Date
Engineering & Resource Protection	Small, Toni	Approved	1/6/2023 - 3:54 PM
Development Management	Holt, Paul	Approved	1/9/2023 - 7:48 AM
Publication Management	Pobiak, Amanda	Approved	1/9/2023 - 8:18 AM
Legal Review	Kinsman, Adam	Approved	1/17/2023 - 11:31 AM
Board Secretary	Saeed, Teresa	Approved	1/17/2023 - 11:34 AM
Board Secretary	Rinehimer, Bradley	Approved	1/17/2023 - 12:16 PM
Board Secretary	Saeed, Teresa	Approved	1/17/2023 - 1:43 PM

MEMORANDUM

DATE: January 24, 2023

TO: The Board of Supervisors

FROM: Michael D. Woolson, Section Chief - Resource Protection
Joshua Everard, Assistant County Attorney

SUBJECT: Chesapeake Bay Preservation Ordinance Violation - Civil Charge - Thomas Hayes, 206 Crescent Drive

Attached is a resolution for consideration by the Board of Supervisors (the "Board") involving a violation of the County's Chesapeake Bay Preservation Ordinance (the "Ordinance") on property located at 206 Crescent Drive and further identified as James City County Real Estate Tax Map Parcel No. 2310200006 (the "Property"). The case involved the clearing of vegetation within the Resource Protection Area (RPA) on the Property. This work was done without first obtaining an exception to the Ordinance.

On or about September 27, 2021, County staff received a report of unauthorized activity on the Property. County staff visited near the site on September 27, 2021 and observed the removal of vegetation within portions of the Property within the RPA. Following the site visit, staff performed research on the Property using County records and Geographic Information System mapping. On October 7, 2021, County staff sent a Notice of Violation to the owner of the Property.

In accordance with provisions of the Ordinance, the owner and County mutually came to terms to resolve and settle the violation through the County's civil charge process. The owner voluntarily signed a Consent Agreement and entered into a Chesapeake Bay Restoration Agreement with the County on September 13, 2022.

The resolution and attachments present additional specific details of the violation. Under the provisions of the Ordinance, the Board may accept civil charges for each violation of up to \$10,000. The owner has agreed to the recommended civil charge of \$1,000 for violation of Section 23-10 of the County's Chesapeake Bay Preservation Ordinance.

The Chesapeake Bay Preservation Ordinance Civil Penalty Procedures Policy, endorsed by the Board in August 1999, was used by staff as guidance in determining the civil charge amount. The Policy considers the degree of water quality impact and the degree of noncompliance involved in the case. The civil charge amount of \$1,000 is based on a minor water quality impact and a moderate degree of noncompliance.

Staff recommends adoption of the attached resolution, establishing the civil charge for the Chesapeake Bay Preservation Ordinance violation presented.

MDW/JE/md
CBPAViol-206CrscDr-mem

Attachments:

1. Resolution
2. Notice of Violation
3. Location Map
4. Consent Agreement
5. 1999 Civil Charge Policy

RESOLUTION

CHESAPEAKE BAY PRESERVATION ORDINANCE VIOLATION - CIVIL CHARGE -

THOMAS HAYES, 206 CRESCENT DRIVE

WHEREAS, Mr. Thomas Hayes is the owner of a certain parcel of land commonly known as 206 Crescent Drive, Williamsburg, Virginia, and further identified as James City County Real Estate Tax Map Parcel No. 2310200006 (the “Property”); and

WHEREAS, on or about September 27, 2021, Mr. Thomas Hayes caused or allowed clearing within a defined Resource Protection Area (the “RPA”) on the Property without a prior exception to the Chesapeake Bay Preservation Ordinance and caused impact to the RPA; and

WHEREAS, Mr. Thomas Hayes has executed a Consent Agreement to remedy the violation of the County’s Chesapeake Bay Preservation Ordinance; and

WHEREAS, Mr. Thomas Hayes has agreed to pay a total of \$1,000 to the County as a civil charge under the County’s Chesapeake Bay Preservation Ordinance; and

WHEREAS, the Board of Supervisors of James City County accepts the civil charge of \$1,000 in full settlement of the Chesapeake Bay Preservation Ordinance violation, in accordance with Section 23-18 of the Code of the County of James City.

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of James City County, Virginia, hereby authorizes and directs the County Administrator to accept the \$1,000 civil charge from Mr. Thomas Hayes as full settlement of the Chesapeake Bay Preservation Ordinance violation at the Property occurring on or about September 27, 2021.

Michael J. Hipple
Chairman, Board of Supervisors

ATTEST:

Teresa J. Saeed
Deputy Clerk to the Board

	VOTES			
	<u>AYE</u>	<u>NAY</u>	<u>ABSTAIN</u>	<u>ABSENT</u>
SADLER	_____	_____	_____	_____
ICENHOUR	_____	_____	_____	_____
MCGLENNON	_____	_____	_____	_____
LARSON	_____	_____	_____	_____
HIPPLE	_____	_____	_____	_____

Adopted by the Board of Supervisors of James City County, Virginia, this 24th day of January, 2023.



General Services
107 Tewning Road
Williamsburg, VA 23188
P: 757-259-4080
General.Services@jamescitycountyva.gov
jamescitycountyva.gov

Capital Projects
107 Tewning Road
Williamsburg, VA 23188
757-259-4080

Fleet
103 Tewning Road
Williamsburg, VA 23188
757-259-4122

**Stormwater and
Resource Protection**
101-E Mounts Bay Road
Williamsburg, VA 23185
757-253-6670

Facilities & Grounds
113 Tewning Road
Williamsburg, VA 23188
757-259-4080

Solid Waste
1204 Jolly Pond Road
Williamsburg, VA 23188
757-565-0971

NOTICE OF VIOLATION
of James City County's Environmental Regulations

October 7, 2021

Thomas Hayes
206 Crescent Drive
Williamsburg, VA 23188

Re: Land Disturbing/ Wetlands Violation/ Chesapeake Bay Preservation Ordinance
206 Crescent Drive, James City County PIN 2310200006
SRP-21-0010

Dear Mr. Hayes:

On September 27, 2021, representatives of the James City County Stormwater and Resource Protection Division investigated a complaint of tree removal and grading activities that occurred in the wetlands, floodplain, steep slopes and Resource Protection Area at 206 Crescent Drive. The County does not have any active Land Disturbing Permits, Wetlands Permits, steep slope waiver requests or Chesapeake Bay Preservation Exception requests on file for the activity that has taken place on this property within the resource.

Section 23-7 of the James City County Chesapeake Bay Preservation Ordinance (CBPO), which regulates activities within the RPA, prohibits removal of vegetation without approval from the Stormwater and Resource Protection Division. Section 23-9(b)(4) requires that all land disturbance over 2,500 square feet of disturbance shall be subject to a plan of development review process. Section 23-9(b)(5) requires a land disturbing permit based upon requirements found in Chapter 8 of the County Code. Section 23-9(b)(10) requires that all wetland permits required by federal, state or county laws and regulations be obtained and evidence of such submitted to the Stormwater and Resource Protection Division. Section 23-5 prohibits all land-disturbing activities on slopes of 25 percent or greater. The activity is a violation of the CBPO, subject to a civil penalty of up to \$5,000 for each day of each of the five violations listed above.

Please be advised that this is an official notification that the work being done in the wetlands, floodplain, steep slopes and resource protection area on the property are Chesapeake Bay Preservation Ordinance violations. In order to resolve these violations, please contact our office at your earliest convenience to arrange for a meeting with representatives of the Stormwater and Resource Protection Division to discuss civil penalties and restoring the RPA by entering into a Chesapeake Bay Restoration Agreement.

Please contact our office at 757-253-6670 to discuss this matter within the next 30 days. If you wish to appeal this determination you must initiate an appeal within 30 days. After 30 days from the date of this letter, the matter is no longer appealable.

Best,

Trevor Long

Trevor Long
Watershed Planner
Stormwater and Resource Protection Division
757-253-6789
trevor.long@jamescitycountyva.gov

cc: Toni Small, Stormwater and Resource Protection Division Director, via email
Liz Parman, Assistant County Attorney, via email
Paul Holt, Community Development Director, via email
Christy Parrish, Zoning Administrator, via email
Michael Woolson, Section Chief, Resource Protection, via email

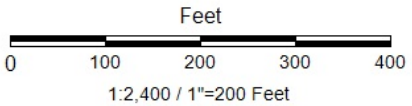


Legend

- Parcels
- Street Names
- Contours



Area of Violation



Title: Location Mao of CBPA Violation at 206 Crescent Drive

Date: 1/8/2023

DISCLAIMER: This drawing is neither a legally recorded map nor a survey and is not intended to be used as such. The information displayed is a compilation of records, information, and data obtained from various sources, and James City County is not responsible for its accuracy or how current it may be.



Chesapeake Bay Preservation Civil Charge Consent Agreement

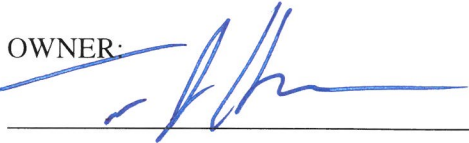
THIS AGREEMENT, made on this 13th day of September, 2022, by and between Thomas Hayes, residing at 206 Crescent Drive, ("OWNER") and the COUNTY OF JAMES CITY, VIRGINIA, ("COUNTY").


WHEREAS, the Owner of that certain parcel of land known and identified as 206 Crescent Drive, Parcel Identification Number 2310200006, has violated or has caused a violation of the James City County Chesapeake Bay Preservation Ordinance, Chapter 23 of the County Code, by removing trees and understory vegetation on that aforementioned parcel.

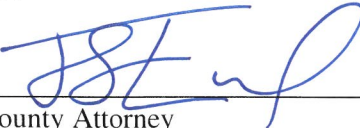
NOW, THEREFORE, to resolve this violation the parties hereto agree as follows:

1. The Owner hereby agrees to provide for the payment of a civil charge in the amount of \$1,000.00 (One thousand dollars), for the violation of the ordinance described above.
2. In consideration of the Owner's payment of the civil charge, the County agrees to accept the civil charge as the final resolution of this violation and in consideration of this executed agreement the County will not prosecute the Owner under the civil penalty provision provided for within the ordinance.

Once the consent agreement is executed, the County will proceed with processing the civil charge in accordance with the provisions of Section 23-18(b) of the Chesapeake Bay Preservation ordinance. This includes scheduling the case on the consent calendar at an upcoming Board of Supervisor regular meeting.

OWNER: 

COUNTY OF JAMES CITY, VIRGINIA
By: 

Approved as to form:


County Attorney



Chesapeake Bay Restoration Agreement

THIS AGREEMENT by and between Thomas Hayes, residing at 206 Crescent Drive (the “Owner”), and the County of James City, Virginia, a political subdivision of the Commonwealth of Virginia (the “County”).

WHEREAS, the Owner is the owner of a certain tract of land located at 206 Crescent Drive in the County (the “Property”); and

WHEREAS, restoration of vegetation within portions of the Property is the responsibility of the Owner and required by the County as shown on a plan designated as 206 Crescent Drive Restoration Plan attached as **Exhibit A**, dated September 6, 2022, and prepared by Owner or Designer; and

WHEREAS, the Owner has posted sufficient bond, letter of credit, certified or cashier’s check, or escrow fund (collectively the “Security Instrument”), pursuant to existing ordinances, approved as to form by the County Attorney, and with surety satisfactory to the County in the amount of \$1,000.00 guaranteeing the installation of the aforementioned improvements before September 30, 2023.

NOW, THEREFORE, THIS AGREEMENT WITNESSETH that for and in consideration of the premises and the covenants and agreements herein contained, the parties agree as follows:

1. The Owner does covenant and agree that it will, without cost to the County on or before September 30, 2023, construct to the approval of the County all physical improvements as required by the Chesapeake Bay Preservation Ordinance of the County, or shown on the development plans approved by the County. If, in the sole judgment of the County, circumstances beyond the control of the Owner prevent the Owner from completing the improvements in the time set forth herein, then the County may, at its sole discretion, grant an extension of time for completion of said improvements and in such instance the County shall require an amended Security Instrument approved as to form by the County Attorney, and with surety satisfactory to the County in an amount to guarantee the installation of the aforementioned improvements.

2. It is mutually understood and agreed that in the event the Owner fails to properly complete the physical improvements provided hereinabove, the County may complete, or cause to have completed, the same and render a bill therefore to the Owner who shall be liable to the County for all proper costs so incurred by the County, or the County may draw the amount necessary from the surety to complete or cause to have completed the same. The Owner hereby grants the County, its agents and contractor, access to the property to install any improvements required under this Agreement. Any amounts incurred by the County in performing the work contemplated herein will constitute an automatic lien on the above-described Property.

3. In the event the County calls, collects, or otherwise draws on the Security Instrument pledged under this Agreement, the Owner agrees to either pay, or have the County use the proceeds of the draw to pay a reasonable administrative fee of \$35.00, plus any costs actually incurred by the County in drawing on the Security Instrument. The charge for an administrative fee plus costs shall apply regardless of whether the County later accepts a renewal or amendment of the Security Instrument.

4. It is mutually understood and agreed that this Agreement does not relieve the Owner of any responsibilities or requirements placed upon them by the various ordinances of the County applicable to such development of the property, and the development of the Property will be done in strict accordance with such ordinances.

5. It is mutually understood and agreed that if the Owner shall faithfully execute each and all requirements of the Chesapeake Bay Preservation Ordinance and the provisions of this Agreement, and shall indemnify, protect, and save harmless the County from all loss, damage, expense, or cost by reason of any claim, suit, or action instituted against the County or its agents or employees thereof, on account of, or in consequence of any breach on the part of the Owner, then the Security Instrument shall be released by the County to the Owner.

IN WITNESS WHEREOF, the parties hereto, being first duly authorized, have affixed their signatures on the date first above written.

ATTEST:

[Signature]
(Signature)

Owner: Thomas Hayes
(Print Name & Title)

By: [Signature]
(Signature)



Approved as to form:

[Signature]
County Attorney

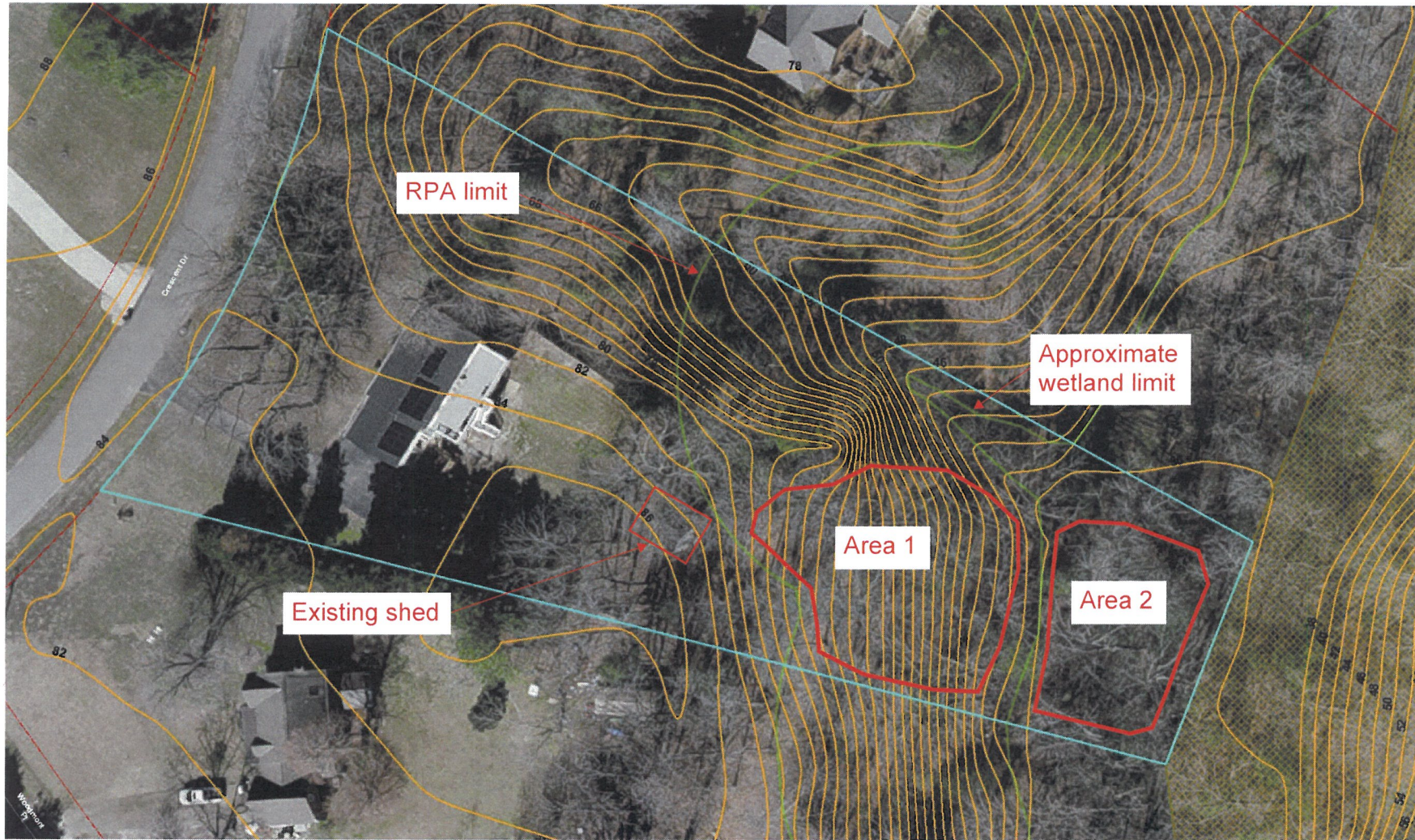
COUNTY OF JAMES CITY, VIRGINIA

By: [Signature]
County Agent

DATE: 9/14/2022

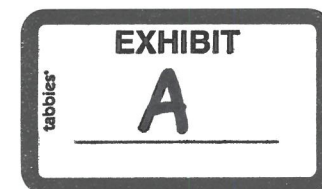
206 Crescent Drive Restoration Plan

September 6, 2022



Area 1 - RPA Restoration
25 shrubs, 3 gallon pots
American beautyberry - *Callicarpa americana*
Red chokeberry - *Aronia arbutifolia*
Virginia witch hazel - *Hamamelis virginiana*
Blackhaw - *Viburnum prunifolium*
Virginia sweetspire - *Itea virginica*

Area 2 - RPA Restoration
40 shrubs, 3 gallon pots
Buttonbush - *Cephalanthus occidentalis*
Summersweet - *Clethra alnifolia*
Winterberry - *Ilex verticillata*
Virginia sweetspire - *Itea virginica*
Spicebush - *Lindera benzoin*
5 trees, 5 gallon pots
Bald cypress - *Taxodium distichum*



Chesapeake Bay Preservation Ordinance Civil Penalty Procedures
 (As adopted by the Board of Supervisors - August 19, 1999)

Principle

All violations of the Ordinance will be prosecuted to obtain an acceptable remedy. All RPAs and associated buffers that are disturbed without an exception or waiver granted in accordance with the provisions of the Ordinance will be restored on a 2:1 replacement basis.

Process

The process will be to document the violation with a Notice Of Violation that states the conditions necessary to bring their site into compliance with the Ordinance. If there is a failure to follow the terms stipulated in the Notice, the County will file suit to take the violator to court where civil penalties of up to \$5000 per day can be assessed. However, if the violator cooperates with all provisions of the Notice and remedies the violation, we will not file suit. An exception would be if we can determine that the violation was intentional as would be the case if we had prior contact with the violator regarding the matter of the RPA restrictions.

Penalty

In order to serve as a deterrent, even in the event of a cooperative restoration settlement, civil charges will be sought. Under current state law, the Board of Supervisors must approve all civil charges. The amount of the civil charge recommended will be dependent on the violation's impact on water quality and the degree of non-compliance. Violations that are more severe and will take longer to be restored to an acceptable condition will have larger charges recommended by staff. Violations comprising less than 100 square feet of disturbance or the removal of no more than three trees will not have a civil charge recommended unless there have been prior violations by the violator. The maximum civil charge is \$10,000 per violation.

The following table presents a matrix that will guide staff recommendations on the establishment of a civil charge for a specific violation. The amounts presented are not absolute and are intended to be a guide. Each violation will have several unique characteristics that will require the exercise of judgment in arriving at a civil charge. Charges in each case could vary by up to 100% depending on the specific circumstances involved.

		<u>Civil Charge Determination</u>		
Water Quality Impact	Significant	\$5000	\$7500	\$10,000
	Moderate	\$1500	\$3000	\$4500
	Minor	\$500	\$1000	\$1500
		Minor	Moderate	Major
Degree of Non-Compliance				

Water Quality Impact

The impact of a given violation will be determined based on several factors. It involves more than just the square footage of impact; it also addresses the relative environmental value of the resource lost. Factors that will be considered as they relate to the violation's impact on water quality include the size of the violation, the number of trees and other vegetation removed, the size and maturity of the vegetation removed, the amount of tree canopy removed, the amount of ground disturbance involved, etc. Mitigating factors that will be considered are whether the vegetation removed would have qualified for removal if a request was made in accordance with the Ordinance. The Ordinance allows for the removal of vegetation weakened by age, storm, fire or other natural causes or vegetation that is dead, diseased or dying. These factors will be used to determine how much of the functional value of the buffer was lost and how long it will take for the function to be recovered.

Degree of Non-compliance

This factor will be used to assess the motivation behind the violation. Factors that will be considered in assessing the degree of non-compliance are degree of willfulness, history of non-compliance, and cooperation. Unintentional violations that are cooperatively restored will not be charged the same as intentional violations that are difficult to resolve.

ITEM SUMMARY

DATE: 1/24/2023

TO: The Board of Supervisors

FROM: Tim O'Connor, Planning Commission Chair; Jack Haldeman, Policy Committee Chair

SUBJECT: ORD-22-0001. Amendments for Scenic Roadway Protection

ATTACHMENTS:

	Description	Type
☐	0. Memorandum	Cover Memo
☐	1. Initiating Resolution	Resolution
☐	2. CCC Map	Resolution
☐	3. Community Character	Backup Material
☐	4. Land Use	Backup Material
☐	5. Rural Roadway Preservation	Backup Material
☐	6. Scenic Roadway Map	Backup Material
☐	7. Development Scenario Analysis	Backup Material

REVIEWERS:

Department	Reviewer	Action	Date
Planning	Holt, Paul	Approved	1/13/2023 - 12:12 PM
Development Management	Holt, Paul	Approved	1/13/2023 - 12:12 PM
Publication Management	Pobiak, Amanda	Approved	1/13/2023 - 3:48 PM
Legal Review	Kinsman, Adam	Approved	1/17/2023 - 11:31 AM
Board Secretary	Saeed, Teresa	Approved	1/17/2023 - 11:34 AM
Board Secretary	Rinehimer, Bradley	Approved	1/17/2023 - 12:38 PM
Board Secretary	Saeed, Teresa	Approved	1/17/2023 - 1:42 PM

MEMORANDUM

DATE: January 24, 2023

TO: The Board of Supervisors

FROM: Tim O'Connor, Planning Commission Chair
Jack Haldeman, Policy Committee Chair
Paul D. Holt, III, Director of Community Development and Planning

SUBJECT: ORD-22-0001. Amendments for Scenic Roadway Protection

At its meeting on October 26, 2021, the Board of Supervisors unanimously adopted the 2045 James City County Comprehensive Plan: *Our County, Our Shared Future*. The adopted plan includes the following strategy within the Land Use Chapter that focuses on preserving scenic roadways:

LU 6.3 - To help retain the character of Rural Lands, develop additional zoning and subdivision tools (e.g., scenic easement dedication requirements, increased minimum lot sizes, increased setbacks, and/or overlay districts) to protect and preserve scenic roadways such as Forge Road. Consider 400-foot setbacks along Community Character Corridors outside the PSA.

Aligning with this adopted strategy, the Board of Supervisors adopted an Initiating Resolution pertaining to the Zoning Ordinance and Subdivision Ordinance (see Attachment No. 1) at its meeting on November 23, 2021. The Initiating Resolution directs staff to consider additional requirements in both the Zoning Ordinance and Subdivision Ordinance to preserve scenic roadways such as Forge Road.

After meeting at its regular meetings in August, November, and January, the Policy Committee has made progress on this item. Specifically, the Policy Committee has identified and recommended which roads in the County should be considered “scenic roadways” and they have provided recommendations for the best tool for protecting each roadway. Prior to next steps, Planning staff and the Policy Committee are requesting the Board provide input and direction on the following considerations.

Consideration No. 1: Defining Scenic Roadways

The term “scenic roadways” is not defined within the Initiating Resolution, County Ordinance, or Comprehensive Plan. However, the County has a well-established practice of designating certain roadways as being important to the character of the County. This practice began with the “Greenbelt” designation for certain roadways on the initial 1975 Comprehensive Plan. This concept later developed into the Community Character Corridors (CCC) designation on the current Comprehensive Plan to recognize the diverse characteristics of these roads (wooded, suburban/urban, and open/agricultural). The CCC designation and related policies and Ordinance requirements have been critical in preserving the character of these roads and adjacent areas. As such, the Policy Committee recommended that the following CCC roadway segments located outside the Primary Service Area (PSA) be considered scenic roadways for the purpose of this Ordinance amendment. Centerville Road and the Colonial Parkway were not selected given how brief a span portions of these roadways are located outside of the PSA and the existing protections in place for those areas.

1. Forge Road (classified as “**Open/Agricultural**”)
2. Old Stage Road (classified as “**Open/Agricultural**”)
3. Richmond Road (classified outside the PSA as “**Wooded**”)
4. Monticello Avenue (classified outside the PSA as “**Wooded**”)

5. John Tyler Memorial Highway (classified outside the PSA as “Wooded”)
6. Riverview Road (classified as “Wooded”)

Options for Moving Forward

Option 1: No additional proposed changes to how “scenic roadway” segments are defined. Staff and the Policy Committee will continue to move forward drafting a proposed Ordinance for consideration for these roadways.

Option 2: Consider other ways to define “scenic roadways.” With additional feedback and input, staff and the Policy Committee will revisit this definition and provide the Board with another update.

Consideration No. 2: Protection Tools

The Policy Committee considered many potential options for protecting these roadways, with the options listed within Goals, Strategies, and Actions (GSA) LU 6.3 providing the starting point. These options, with their respective strengths and weaknesses, are found in the table below. The Policy Committee reviewed these options and ultimately are recommending the setback or buffer tool for this amendment (Option No. 2 within the table).

GSA Option	Strength	Weakness
1. Scenic Easement Dedication Requirement	Could give the County the ability to regulate improvements within a certain distance of the right of way of scenic roadways, including those improvements not affected by setbacks (e.g., fencing).	After discussing this option with the County Attorney’s Office, staff has concluded that requiring scenic easement dedication as an administrative requirement within the Subdivision Ordinance is not legally viable.
2. Increased Minimum Lot Size	Decreases development potential for future subdivisions along scenic roadways.	The minimum lot sizes in R-8 and A-1 were increased via amendment of the Zoning Ordinance in October 2022. This change will significantly decrease the possibility of suburban-style development for large tracts of property located in the County’s Rural Lands. However, changing the minimum lot sizes without changing setbacks could still allow structures to be constructed relatively close to the roadway.
3. Increased Setbacks/Buffering	Could immediately preserve the viewshed (open, wooded, etc.) for a set area through an established mechanism commonly implemented within the existing Zoning Ordinance.	Could create lawful non-conformities and restrict the development potential of shallower lots (though exemptions and grandfathering can be included to prevent undue hardship).
4. Overlay Districts	An approach that would allow regulations to be specifically crafted to the context of each scenic roadway. These regulations could include development standards, architectural review, etc.	Would be an intensive zoning text amendment that would require the County to initiate the rezoning of parcels, with additional development standards that could potentially exceed the scope of LU 6.3.

<p>5. Mandatory Clustering for Major Subdivisions</p>	<p>Preserving open space could provide significant protection of scenic vistas and viewsheds.</p>	<p>Unless coupled with setback requirements specific to scenic roadways, this would not necessarily prevent residential development from occurring immediately adjacent to scenic roadways; in addition, this tool may not protect against development occurring under minor subdivisions or with existing lots. The change in the minimum lot size approved in October 2022, coupled with enhanced setbacks/buffers, would likely result in new proposed residences being in significantly less visually impactful locations, lessening the need for a tool that makes clusters mandatory. (Clusters are currently voluntary, and would remain so, if this tool is not selected.)</p>
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Furthermore, the Committee recommends the setback or buffer be tailored to each CCC type. As adopted in the Community Character Chapter of the Comprehensive Plan, the Open/Agricultural CCCs are intended to preserve the viewshed and integrity of farm fields and natural open spaces, which is best accomplished by a larger setback rather than increased buffering. Wooded CCCs are intended to preserve natural wooded areas and encourage supplemental planting to ensure that buffers visually screen development from the road, which is best accomplished by buffering rather than an enhanced setback. The Policy Committee has discussed the following approaches for these roadways.

For Open/Agricultural CCCs, a proposed setback of 400 feet for all structures along Open/Agricultural CCCs has been discussed. This proposed setback aligns with the width recommended for consideration in GSA LU 6.3 and is recommended as an option within EPR’s Rural Roadway Preservation Analysis. EPR’s analysis states that the 400-foot setback is “more similar to a typically rural context and view from the road” and “provides an opportunity to create buffering and screening around the houses with vegetation that would be more reminiscent of a rural farm scape rather than a suburban landscape pattern.”

Staff reviewed the impact of the proposed 400-foot setback on the status of structures adjacent to the County’s two Open/Agricultural CCCs, Forge Road and Old Stage Road. Staff recommended the following two exemptions for the setback:

- Parcels that are 500 feet deep or less;
- Allowing existing structures within the 400 feet to be expanded, provided they do not expand further within the setback toward the roadway.

Graphic simulations of these two roadways were also developed to illustrate the visual effect of the current setback distance as compared to the proposed 400-foot setback. Both analyses are included within Attachment No. 7.

Policy Committee Summary. The majority of the Policy Committee supports the proposed enhanced setback, provided there are offsetting benefits to the property owners (e.g., clustering options, financial considerations, etc.). A point of concern raised is the impact on property owners wishing to build closer to the road. The Policy Committee unanimously recommends the two exemptions detailed above.

For Wooded CCCs, the following buffering requirements are recommended:

- Buffers along Wooded CCCs. For commercial projects, increasing the width of the required buffer (in Section 24-98) from 50 feet to 100 feet wide. For residential major subdivisions, establishing a buffer

requirement in the A-1 District with a specified width of 200 feet. The vegetated buffer should remain undisturbed and supplemented with additional landscaping to meet the minimum quantity required of trees and shrubs in accordance with existing Zoning Ordinance buffer language currently found in other districts.

- **Timbering Activities Buffer/Setback.** Section 24-43 of the Zoning Ordinance requires buffer and setbacks for timbering activities. Subsection (3) addresses properties that are zoned A-1, and currently specifies that for properties within the PSA, all timbering activities shall be located a minimum of 50 feet from any public right-of-way, while for properties that are outside the PSA, there is no required setback for timbering. In order to provide enhanced preservation of the character of Wooded CCCs, amend this language to include a timbering setback of at least 50 feet on properties along Wooded CCCs outside the PSA.

Policy Committee Summary. The Policy Committee unanimously recommends these proposed measures for Wooded CCCs.

Options for Moving Forward

Option 1: No additional proposed changes to the proposed preservation tools. Staff and the Policy Committee will continue to move forward drafting a proposed Ordinance for a proposed setback of 400 feet for Open/Agricultural CCC Scenic Roadway segments (with the two exemptions referenced previously) and an enhanced buffering and a timbering activities buffer requirement for Wooded CCC Scenic Roadway segments, as described above.

Regarding the component of the Policy Committee's recommendation for the potential offsetting benefits to the property owners, staff and the Policy Committee are seeking direction on one of the following options:

- a. Staff and the Policy Committee would explore benefits that could offset the impact of the enhanced setback prior to bringing this item forward for the Board's consideration.
- b. Once the draft is complete, the proposed Ordinance would be brought forward for the Board's consideration. Additional benefits that could offset the impact of the setback would be considered following adoption of the Ordinance, as part of staff's continued work plan to update the Ordinance over the next two years.
- c. The Policy Committee and staff would draft language incorporating the enhanced setback and buffering with the two exemptions detailed above, with no additional consideration for offsetting benefits.

Option 2: Consider a different combination of preservation tools. With additional feedback and input, staff and the Policy Committee will revisit this item and provide the Board with another update in the near future.

Conclusion

The purpose of this work session item is to receive additional discussion and guidance from the Board on these two decision points. After receiving initial input and consensus on a direction from the Board, staff and the Policy Committee will proceed with developing the draft Ordinances and policies.

TOC/JH/PH

ORD22-1AmendSRP-mem

Attachments:

1. Initiating Resolution
2. Community Character Corridor (CCC) Buffer Treatment Guidelines and Map
3. 2045 Comprehensive Plan Community Character Chapter
4. 2045 Comprehensive Plan Land Use Designation Description for Rural Lands
5. Rural Roadway Preservation Analysis
6. “Scenic Roadway” Segment Map
7. Development Scenario Analysis

RESOLUTION

INITIATION OF CONSIDERATION OF AMENDMENTS TO THE ZONING ORDINANCE AND

SUBDIVISION ORDINANCE TO PROVIDE ADDITIONAL REQUIREMENTS TO PROTECT

AND PRESERVE SCENIC ROADWAYS SUCH AS FORGE ROAD


WHEREAS, section 15.2-2286(A)(7) of the Code of Virginia, 1950, as amended (the "Virginia Code"), and County Code Section 24-13 authorize the Board of Supervisors of James City County, Virginia (the "Board"), to, by resolution, initiate amendments to the regulations of the Zoning Ordinance that the Board finds to be prudent and required by public necessity, convenience, general welfare, or good zoning practice; and

WHEREAS, section 15.2-2253 of the Virginia Code and County Code Section 19-10 authorize the Board to request the Planning Commission to prepare and recommend amendments to the Subdivision Ordinance; and

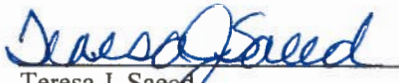
WHEREAS, the Board is of the opinion that the public necessity, general welfare, and good zoning practice warrant the consideration of amendments to the Zoning Ordinance and Subdivision Ordinance.

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of James City County, Virginia, does hereby initiate amendment of the James City County Code, Chapter 24, Zoning in order to consider additional requirements to protect and preserve scenic roadways such as Forge Road. The Planning Commission shall hold at least one public hearing on the consideration of amendments to said Zoning Ordinances and shall forward its recommendation to the Board of Supervisors in accordance with the law.

BE IT FURTHER RESOLVED that the Board of Supervisors of James City County, Virginia, does hereby request the Planning Commission to prepare and recommend amendments to Chapter 19, Subdivisions, in order to consider additional requirements to protect and preserve scenic roadways such as Forge Road. The Planning Commission shall hold at least one public hearing on the consideration of amendments to said Subdivision Ordinances and shall forward its recommendation to the Board of Supervisors in accordance with the law.


Michael J. Hipple
Chairman, Board of Supervisors

ATTEST:


Teresa J. Saeed
Deputy Clerk to the Board

	VOTES			
	<u>AYE</u>	<u>NAY</u>	<u>ABSTAIN</u>	<u>ABSENT</u>
SADLER	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ICENHOUR	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
LARSON	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
MCGLENNON	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
HIPPLE	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Adopted by the Board of Supervisors of James City County, Virginia, this 23rd day of November, 2021.

InitConsdForgeRd-res

Community Character Areas (CCA) and Community Character Corridors (CCC) with Type Designation and Buffer Treatment.



Community Character

Introduction

James City County's community character is often described as "historic," "rural," and "small town." Key components include the natural topography; large wooded areas of tall deciduous forests; open vistas across ravines, wetlands, and water bodies; relatively low traffic volumes; scenic roads; and small scale, low-intensity development. Places such as Norge, Toano, Grove, Five Forks, and Jamestown bring to mind separate, identifiable areas of the County. However, this small town feel and sense of place has been challenged by the growth of the past 20 years, including an evolution to more urban and suburban landscapes. The guidance that this chapter offers is intended to maintain the small town feel and sense of place even as the County changes over the years.

As this growth occurs, it can change the County's character in a positive or negative way. Factors such as architectural style and massing, streetscape, buffers, scale, and accessibility can influence whether designs are distinctive and build the community's character, or lack authenticity and are indistinguishable from those found anywhere else in the United States. Through its policies and Ordinances, the County continues to encourage new growth to locate inside the Primary Service Area (PSA), rather than outside the PSA in more rural areas. This important tool, along with other Ordinances, policies, and the new Character Design Guidelines, work to ensure that development is in keeping with the existing community and preserves the elements of the County's unique community character.

The character of James City County is important to its citizens and business community members alike, and has contributed to the County's attractiveness and growth through the years. As noted in the *2019 James City County Comprehensive Plan Survey* (2019 Citizen Survey), preserving the nature of the area and its quality of life remains a high priority. Additionally, placemaking and economic development go hand in hand. According to research by the Virginia Office of Intermodal Planning and Investment, investing in placemaking not only creates livable, multimodal communities that are attractive to a broad range of residents - these elements also attract businesses and economic growth. Recent trends show that business site selection is data-driven, with companies looking for communities that can attract and retain a viable workforce.

The Community Character Chapter Goal, and the Strategies and Actions, are listed at the end of the chapter. After careful review and public input, the Goal language as written in the 2035 Comprehensive Plan has been updated, with several changes to acknowledge the current character of the County by adding "architectural" to the qualities to be preserved and enhanced, "the overall health...of its residents" and by noting the County's "distinctive character" as a replacement for "rural and small town." The Goal now states: **"The County will be a good steward of the land by preserving and enhancing the scenic, cultural, rural, farm, forestal, natural, architectural, and historic qualities that are essential to the County's distinctive character, economic vitality, and overall health and quality of life of its residents."** In recognition of the importance and value of community character, the County has taken many positive steps over the years toward shaping future development, which are detailed in part in the Spotlight on Implementation section, and continues to be sensitive to the many characteristics that already exist. The methods that the County has at its disposal influence not only the appearance of the community, but also the way the community functions and the experiences of visitors, citizens, and those who do business in

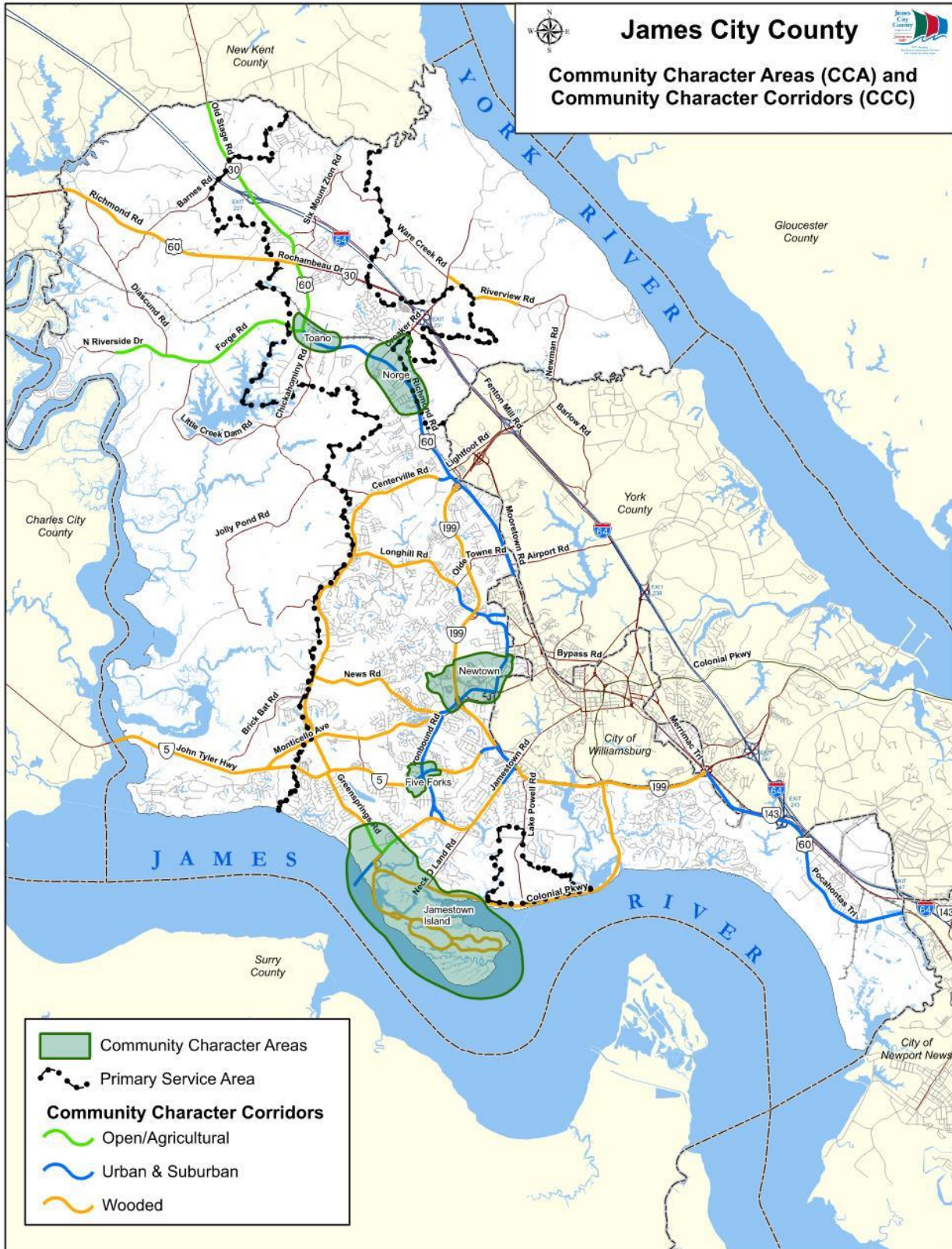
the County. Further action through the revised and updated Strategies and Actions will continue these efforts into the future.

Key Planning Influences

Important Places of Character

Recognizing the value and importance of the natural and historical resources of the County, the Comprehensive Plan has since 1997 designated certain roads and areas in the County as Community Character Corridors (CCCs) and Community Character Areas (CCAs). Other areas in the County such as the Grove and Croaker communities and Forge Road, although not designated as Community Characters, are still important places of character in the County. Map CC-1 shows the designated Community Character Corridors and Areas in the County.

Map CC-1. Community Character Areas and Community Character Corridors



Community Character Corridors

Community Character Corridors (CCCs) are roads in the County that were previously designated as greenbelt roads, described in the 1991 Comprehensive Plan as entrance corridors and roads which promoted the rural, natural, or historic character of the County. In 1997 they were adopted as CCCs and have played an instrumental role in helping to preserve the original character of these roads. More attention has been given to the roads which are considered to be entrance corridors, or gateways, because they set the important first impression that many visitors have of the area.

Since the 1997 Comprehensive Plan, each plan has identified the following three types of CCCs and their corresponding goals: Open/Agricultural, Wooded, and Urban/Suburban. Some roads have more than one designation depending on the location within the County.

Table CC-1. County CCC Designations

Road	Open/ Agricultural	Wooded	Urban/ Suburban
Centerville Road		X	X
Colonial Parkway		X	
DePue Road			X
Forge Road	X		
Greensprings Road	X	X	
Humelsine Parkway (Route 199)		X	X
Ironbound Road from Jamestown Road to News Road			X
Ironbound Road from Strawberry Plains Road to City of Williamsburg border			X
Jamestown Road		X	X
John Tyler Highway		X	X
Longhill Road		X	X
Monticello Avenue		X	X
News Road		X	
Old Stage Road and Barhamsville Road from Anderson's Corner (intersection of Routes 30 and 60) to New Kent County border	X		
Pocahontas Trail south of Humelsine Parkway to Newport News border			X
Richmond Road from Anderson's Corner to New Kent County border		X	
Richmond Road from Anderson's Corner to City of Williamsburg border	X		X
Riverview Road from Croaker Road to the entrance of York River State Park		X	
Sandy Bay Road from Ironbound Road to Jamestown Road			X

The County has created standards and guidelines for how CCC buffers are to be treated during development and how to preserve the unique community character along these key corridors throughout the County. To give better guidance regarding landscape treatments along the different Community Character Corridors, in January 2011, the Board of Supervisors adopted buffer treatment guidelines and a map showing the location of the corridors and their buffer type designations.

For the most effective corridor buffers, existing plant material should be maintained and supplemented with a mix of small trees and shrubs that are both evergreen and deciduous and preferably native. Planting should occur in a staggered pattern, with the smaller understory plant material defining the edges of the existing groupings of material. New buffers can also be successfully planted in a more natural design, especially when the buffer might be very wide and the developer wants to reduce maintenance costs associated with a manicured area.

In addition to the treatment guidelines adopted by the Board, the Landscape Ordinance specifies when CCC buffer treatments are required for development plans. Generally, roads designated as CCCs require a 50-foot average buffer along the right-of-way, but in some instances the Ordinance allows for a buffer width reduction if it best complements the surrounding area. For example, parcels located in a Community Character Area with design guidelines recommending a more urban design with shallower setbacks may be eligible for a reduced CCC landscape buffer width in order to better align with the neighboring streetscape. A buffer reduction may be conditioned upon superior site design, such as enhanced landscaping and architectural features, and should not be viewed as a method for reducing landscaping requirements. Additionally, consideration should be paid to the context of the right-of-way itself. For example, the design of any complementary facilities should be in keeping with state and regional guidelines, such as the Virginia Department of Rail and Public Transportation (DRPT) Multimodal System Design Guidelines.

Highlights from the adopted policy describing the three types of buffer treatments and their corresponding goals are provided below.

Urban/Suburban Community Character Corridors


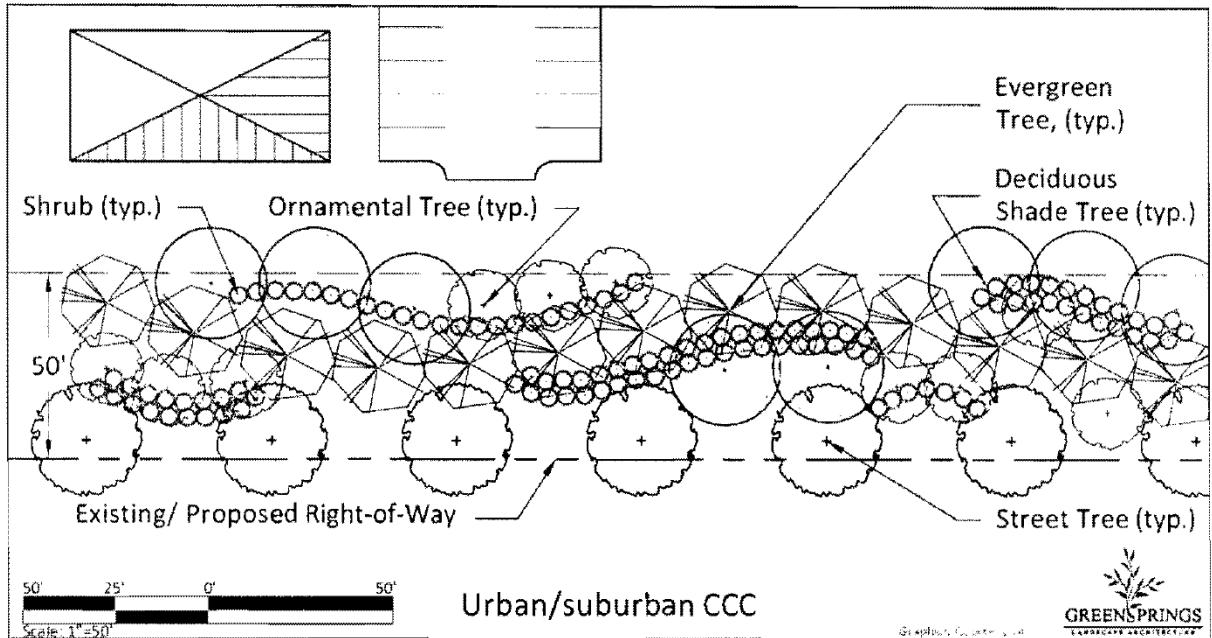
<ul style="list-style-type: none"> • Characterized as having high to moderate traffic, commercial uses, and some residential uses. • Predominant visual character should be the built environment and natural landscape. • Buffer treatments should incorporate existing and new vegetation, berms, and other desirable design features to complement and enhance the visual quality of the corridor. • Vehicle-related activities such as parking lots, deliveries, and outdoor operations should be screened. 	 <p style="text-align: center;">Image CC-1. Richmond Road along Williamsburg Premium Outlets</p>
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Figure CC-1. Urban/Suburban CCC Treatment Exhibit



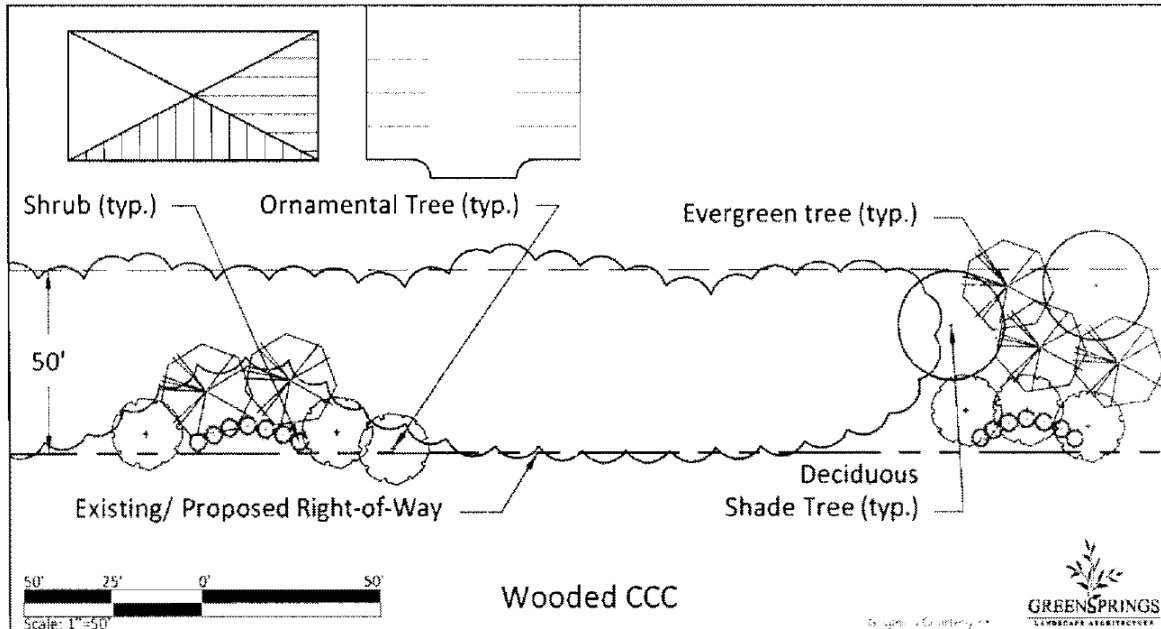
Wooded Community Character Corridors

- Characterized as having natural wooded areas along the road, with light to moderate traffic, and minimal commercial development.
- Existing vegetation should be preserved or supplemented to create a wooded buffer that preserves open space and wildlife habitat.
- The buffer should visually screen the development from the road to maintain the natural character of the County.



Image CC-2. Western Monticello Avenue

Figure CC-2. Wooded CCC Treatment Exhibit



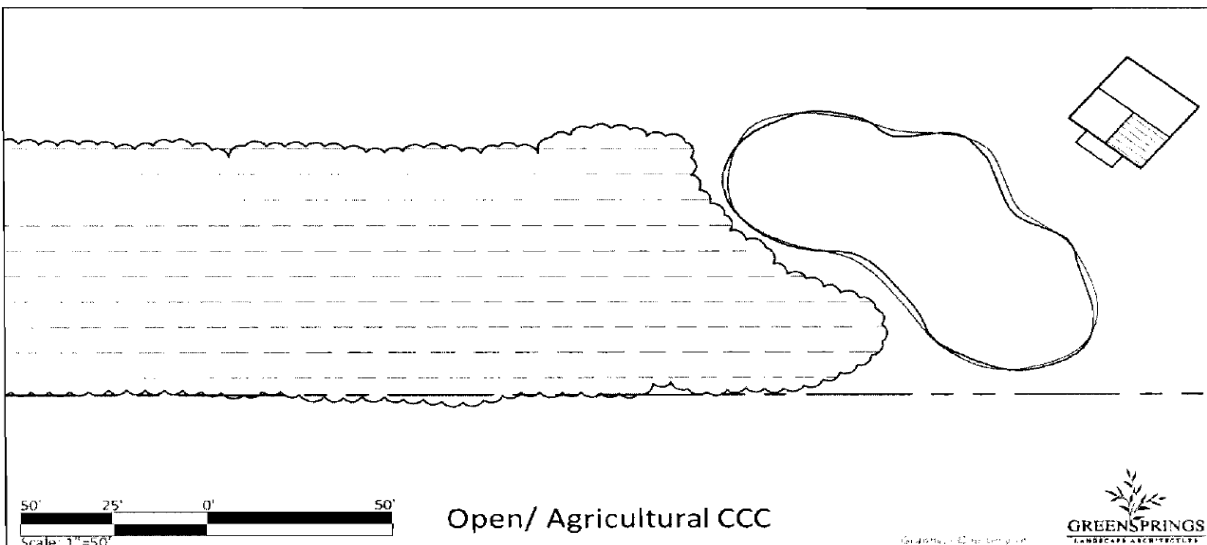
Open/Agricultural Community Character Corridors

- Characterized as a corridor located primarily in rural lands where farming and forestry activities are predominant.
- The viewshed and integrity of farm fields and natural open spaces should be preserved so they remain the dominant visual features.



Image CC-3. Forge Road

Figure CC-3. Open/Agricultural CCC Treatment Exhibit



Rural Roads

A number of secondary roads both inside and outside the PSA have a distinct rural character. These roads are characterized by pavement widths typically less than 20 feet, limited sight distances, narrow shoulders, and in many instances, tree canopies that extend over the pavement. Such roads play a major role in preserving the rural character of the County. Some need safety improvements while others are impacted by traffic volumes greater than their intended capabilities. The County works with the Virginia Department of Transportation (VDOT) to make needed improvements through the Secondary Six-Year Improvement Program (SSYIP) in a manner that retains the rural character of these roads.

Community Character Areas

Existing Community Character Areas

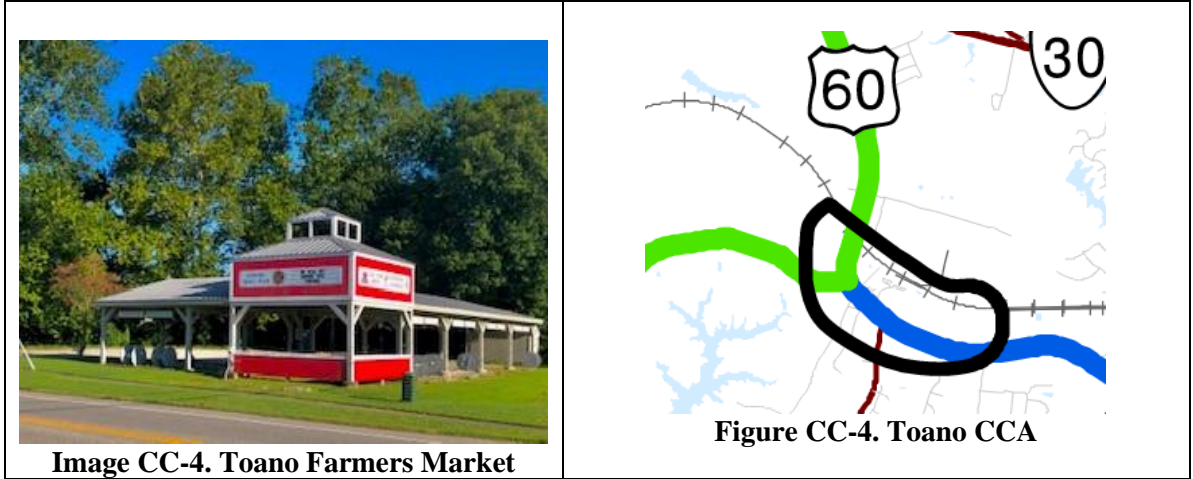
During the 1997 Comprehensive Plan process, certain areas of James City County were confirmed as important places during the public participation process. The following areas are identified as Community Character Areas (CCAs):

- Toano
- Norge
- Jamestown Island - Jamestown Settlement - Greensprings Road
- New Town
- Five Forks

Design guidelines for future development have been developed for these areas. Both Toano and the Five Forks CCAs have standalone design guidelines with specific design standards adopted by the Board of Supervisors. The New Town CCA has guidelines developed as part of the rezoning and master planning of the New Town Mixed Use development. Unlike these three CCAs, Norge and Jamestown Island do not have standalone design guidelines, and therefore, design standards for these areas are listed within the text below.

The boundaries of CCAs, as represented on the Land Use Map, are not intended to be parcel-specific. Instead, they are meant to be used as a guide to areas that citizens have identified as possessing unique characteristics and maintaining a relatively defined sense of place. The specific design characteristics outlined for each area are used at the discretion of the Board of Supervisors when considering new large-scale developments at the rezoning and Special Use Permit (SUP) stage and are not necessarily intended to be applied to individual homeowners in existing neighborhoods. Most CCAs have a central core area, where stricter adherence to the area's description is seen as very important in order for the area to maintain the desired character. Application of the design characteristics may be more relaxed for parcels towards the perimeter of the CCA, but may still involve an evaluation of the parcel's impact on other adjacent parcels within the CCA, specifically as they pertain to the viewshed, parcel connections, and walkability.

Toano



Toano, derived from a western U.S. Native American word meaning “high ground,” has been a center of modern commerce and trade since the colonial era. Prior to English colonization, this area was part of the Powhatan Confederacy. Beginning in the 1700s, the area was home to “ordinaries,” or inns providing lodging and meals to travelers on the road from Williamsburg to Richmond. The area became known as “Burnt Ordinary” following a Revolutionary War-era fire, and retained this name until the 1880s, when it was renamed to Toano by out-of-town developers of the C&O Railway for a new station on a new rail line.

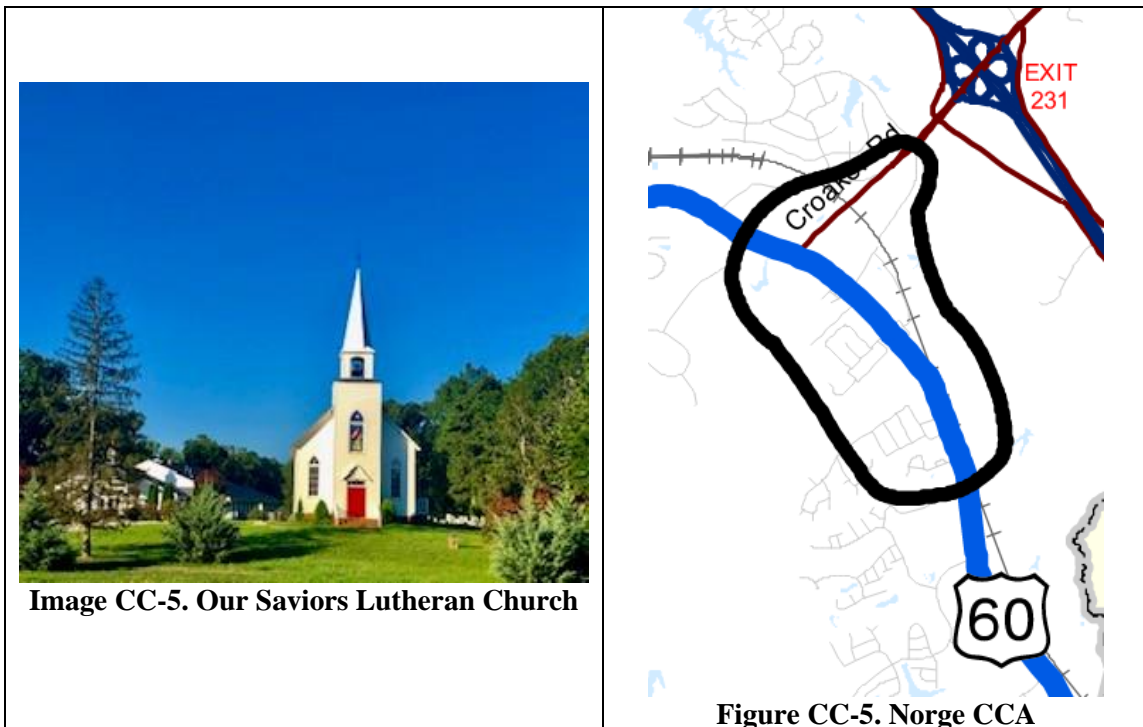
The addition of the railroad allowed commerce to grow, and by the early 20th century downtown Toano included the C&O depot, a variety of retail shops and trades services, banks, inns, and a school. The area became known as a “Village of Stores” and solidified itself as an important commercial hub for upper James City County.

Toano still retains much of the “village” character that led to its designation as a Community Character Area. Although some new development has occurred, the character is still dominated by buildings constructed at the beginning of the 20th century. These buildings have shallow setbacks and many are two-story, creating a more pedestrian-oriented storefront environment than any other area in the County. Toano has also retained a fairly clear visual separation from more recent development along Richmond Road, with visitors enjoying a distinct sense of arrival from both the east and the west.

In September 2005, the Board of Supervisors created the Toano Community Character Area Study Committee in order to listen to the views of County citizens, particularly those who live and work in Toano. The Committee’s purpose was to recommend principles and guidelines that highlight and honor Toano’s history, encourage growth that enhances the area’s character, and improve streetscapes and a pedestrian-friendly town center. The guidelines created by the study were adopted by the Board of Supervisors in February 2006. The design guidelines highlight improvements and plans for the Toano area and give guidance for all future developments inside the CCA. For parcels fronting on Richmond Road on the northwest side of its intersection with Forge Road, the design guidelines encourage a mix of commercial and residential uses, but predominantly neighborhood commercial on the Richmond Road frontage. Speed limits should be lowered in transitional zones entering Historic Toano, and pedestrian/bicycle access should be promoted throughout the corridor with safe, improved sidewalks, crosswalks, bike lanes, and sidewalk buffers.

Since the design guidelines were adopted, improvements have been made to median landscaping, sidewalks, and signage, and additional drainage and roadway infrastructure improvements are currently being planned. An example of beautification improvements include the installation of “Welcome to Toano” signs in 2006, featuring a design inspired by demi-lune windows, a type of window frequently featured in early 20th century architecture around the village. In addition to these efforts, in 2019 the Toano Commercial Historic District was added to the National Register of Historic Places, and in 2020 Toano was accepted as a Commercial District Affiliate of the Virginia Main Street Program. An affiliate is an introductory tier of the Main Street Program that allows communities to access the national network of strategies and resources for preserving and revitalizing community character.

Norge



Prior to the 1890s, the area now encompassing Norge was sparsely populated. Settlers of Scandinavian origin located in the Midwestern United States, who were unhappy with the farming conditions of the Midwest, were persuaded to move to the upper Peninsula through the efforts of Carl M. Bergh, a Norwegian immigrant who worked as a C&O Railway land agent. Having bought property in James City County himself, he soon encouraged other Norwegians to join him. The first Norwegian resettlers arrived in the late 1890s and situated themselves in the area now known as Norge.

In contrast to Toano, Norge has been more impacted by recent commercial development along Richmond Road and has not been the subject of a subarea study. While Norge continues to have a unique and identifiable residential component located off Richmond Road, along with some pedestrian-oriented storefronts, the early 20th century “village” character of its business and residential areas along Richmond Road has been visually impacted by automobile-oriented development. Many original buildings from the early 1900s were demolished for the widening of Richmond Road in the 1960s. Further, newer development from the east has substantially blurred the distinction between Norge and neighboring Lightfoot. A subarea study with guidelines similar

to Toano may be beneficial in providing a more comprehensive evaluation of how to minimize impacts to the historic village character of Norge. Outlined below are specific design standards intended to guide future development and redevelopment in Norge:

- The architecture, scale, materials, spacing, and color of buildings should complement the historic character of the area.
- Building setbacks should be consistent with nearby historic buildings and structures.
- Where possible, parking should be located to the rear of buildings. Parking should be screened from roadway and adjacent properties.
- Shared access and parking should be pursued before constructing new access breaks and parking facilities.
- Existing specimen trees and shrubs should be preserved to the extent possible.
- New landscaping should be of a type, size, and scale to complement and enhance the building and site design. Native plant and tree species are encouraged.
- Signage should be of a scale, size, color, and materials to complement the historic character of the area.
- Pedestrian and bicycle access and circulation should be promoted through the provision of sidewalks, bike racks, benches, crosswalks, street trees, and other design features which help accomplish this goal.
- Mixed use development which provides residential, commercial, and office uses in close proximity is encouraged.
- Efforts to maintain and reinforce the boundaries of Norge and Toano through open space and site design measures are strongly encouraged.

Community character considerations are important for development within areas of the CCA that are designated Economic Opportunity (EO) areas but present some unique considerations. Acknowledging that most EO land is at the perimeter of the Norge CCA, protecting the viewshed around the central core of the CCA and along the railroad should be a primary consideration. Outlined below are specific design standards intended to guide future development and redevelopment in the Norge EO:

- Building setbacks similar to those in central Norge should be more flexible based on the types of uses that are master planned within the CCA. For compatible uses with low impacts, smaller setbacks should be encouraged to integrate the areas. For larger, less compatible uses, attention should be paid to larger setbacks and buffering to minimize impacts.
- Building scale may be larger, but height and massing should gradually increase as development moves away from the core of Norge and closer to the perimeter of the CCA.
- Architectural features consistent with the Norge area should be included in designs for those buildings that are contained within or are clearly visible from the CCA.
- Signage facing into the CCA should also be minimized or designed in a manner consistent with the Norge character.
- Pedestrian and bicycle connections over the railroad tracks should also be promoted through the use of elevated or signalized crossings, sidewalks along roads on either side of the tracks, and bike racks to further integrate EO land with the Norge CCA.

Jamestown Island - Jamestown Settlement - Greensprings Road



Image CC-6. Virginia Capital Trail near Jamestown Settlement

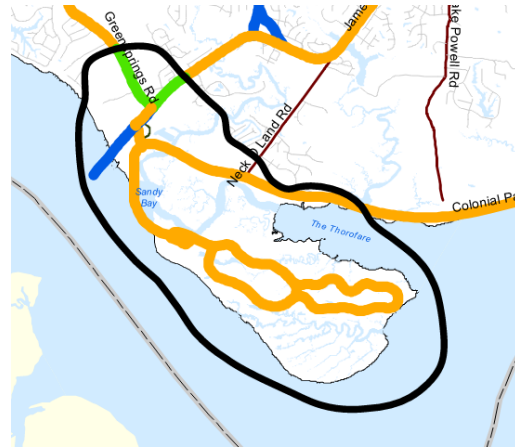


Figure CC-6. Jamestown-Greensprings Road CCA outline

Since acquiring Jamestown Beach Event Park and the James City County Marina in 2006 as greenspace purchases, the County has invested in shaping the long-term preservation and revitalization of this important corridor. With its waterfront access and close proximity to both Jamestown Settlement and Colonial National Historical Park, this area has unique opportunities for historic and environmental preservation, as well as economic development.

Jamestown Beach and the Marina, along with Chickahominy Riverfront Park on John Tyler Highway, were evaluated in a master planning project called Shaping Our Shores (SOS). Originally adopted by the Board of Supervisors on June 9, 2009, the SOS Master Plan addressed the long-range physical development, use, and stewardship of these sites over the next 20 years. It presented a vision for the physical environment that promoted and supported the values and goals of James City County citizens. The master plan proposed specific land uses and development which are compatible with specific design standards outlined below:

- The architecture, scale, materials, and color of buildings should be complementary and reflect the historic character of James City County, the City of Williamsburg, and Colonial Williamsburg.
- All development should be well screened from Jamestown Road.
- Parking should be located to the rear of buildings and should be well landscaped with shrubs and street trees.
- All utilities should be placed underground.
- Existing specimen trees and shrubs should be preserved to the extent possible.
- New landscaping should be of a type, size, and scale to complement and enhance the building and site design. Native plant and tree species are encouraged.
- Signage should be of a scale, size, color, and materials to complement the architecture and scale of buildings. Low signs with subdued colors are encouraged.
- Pedestrian and bicycle access and circulation should be promoted through the provision of sidewalks, bike racks, benches, and other design features which help accomplish this goal.
- Natural woodland, open space, and waterfront vistas should be the predominant features.

- Public access to the waterfront should be an integral feature of new development but carefully designed to limit the visual impact on views from the river.

In 2018, a review and update of the 2009 SOS Master Plan was launched by the Parks and Recreation Department to incorporate recently added amenities and adapt to changes in the community's facility needs. The purpose of the review was not to recreate or fix the old plan, but rather to update the plan with these goals:

- Evaluate and confirm where existing park amenities are successfully meeting community needs;
- Identify unmet needs or opportunities and challenges to improve upon existing amenities;
- Evaluate maintenance/conditions and longevity of park features;
- Learn from the community if facilities in the plan are no longer needed, feasible, or should be built in other parks; and
- Create an updated master plan to guide development for the next decade and beyond.

Staff from Parks and Recreation, Economic Development, Planning, General Services, and the James City Service Authority were all involved in the review to ensure the revised master plan complied with local infrastructure and easement requirements and provided enhanced revenue opportunities. Feedback from the community was also sought through public meetings, online surveys, and paper surveys. Some changes included relocation of buildings, equipment and amenities out of the flood plain, removing high-intensity uses such as condos and retail, and adding facilities such as bathrooms and offices. The SOS Master Plan update was adopted by the James City County Board of Supervisors on July 28, 2020.

New Town



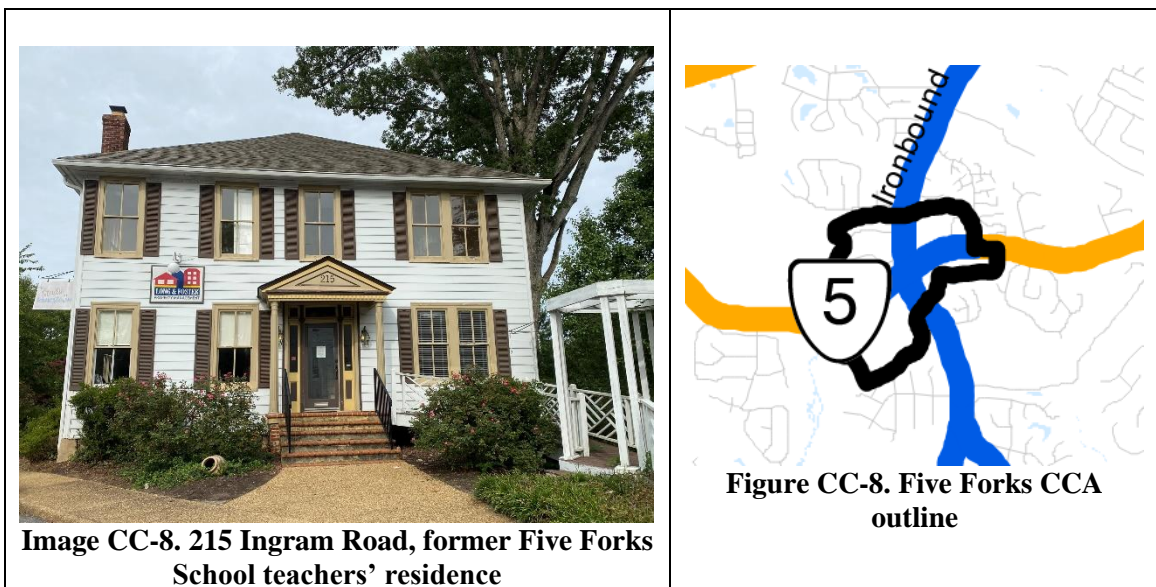
In August 1995, James City County and the C.C. Casey Limited Company sponsored parallel design competitions for a Courthouse and Town Plan, respectively, to be located on approximately 600 acres known as the “Casey” Property. The winning town plan, chosen from among 99 entries worldwide, was submitted by Michel Dionne, Paul Milana, and Christopher Stienon of New York City. The plan included several civic facilities, 600,000 square feet of regional and community retail, 400,000 square feet of office space, and 2,000 residential units of varying types. The plan locates a civic green at the southeast corner of the site where it becomes central to the larger

Williamsburg region and a gateway to the town. A retail square is the focus of the mixed use town center with research and development corporations along Discovery Boulevard. The neighborhoods are composed of a simple street and block pattern that accommodates alleys and permits a variety of lot sizes and housing types. The public spaces of the plan connect to the regional system of public open space so that the new town becomes an urban extension and center for the region. Using the winning town plan as a launching pad, on December 22, 1997, the Board of Supervisors approved rezoning applications that set forth the New Town binding Master Plan and Design Review Guidelines.

Since then, the Board has amended the guidelines several times as new sections have been developed. The design guidelines were prepared by Cooper, Robertson & Partners, and the New Town Design Review Board was created to review all development plans within the New Town master plan area for compliance with the guidelines. Both the guidelines and master plan established standards for different areas of New Town. As development continues many of the original design features are now taking shape, and the New Town Design Review Board has been instrumental in adhering to the design guidelines, thus ensuring that the original concept is realized.

The area designated as the New Town CCA is mostly the same area shown on the adopted master plan for New Town; however, some parcels located within the CCA are not part of the master plan or subject to the same proffers. For the parcels that are located within the New Town Master Plan area and which were rezoned, development must follow the standards provided by the adopted design guidelines. For the parcels that are in the New Town Master Plan area and referenced in the design guidelines but were not rezoned or bound by proffers, development is strongly encouraged to follow the design guidelines. For parcels located outside the New Town Master Plan area, development is encouraged to follow New Town’s architectural and design features in order to maintain a unifying look and feel to the area.

Five Forks



Five Forks is an area that retains elements of a village character, including two original buildings dating to the early 1900s: the original Five Forks School and the neighboring teachers' residence, located near the corner of Ironbound and Ingram Roads. Both are good surviving examples of

American four square construction and have influenced the design of newer buildings directly adjacent, which were designed to share a vernacular appearance.

This area has grown and changed, and as a result, the Board of Supervisors created the Five Forks Area Study Committee in June 2004 to listen to the views of County citizens, particularly those who live and work in Five Forks. The Committee's purpose was to recommend principles that preserve and build upon the many positive qualities of Five Forks, including protecting both creek watersheds and safeguarding the village character of the area. These principles addressed residential growth, commercial development, traffic concerns, and alternative transportation, and called for the creation of the Five Forks Community Character Area to incorporate design standards for future development. The Board of Supervisors adopted the Primary Principles for the Five Forks Area in August 2004.

Other Special Places

While not all areas that contribute to the County's character have historic or distinct architecture and definable boundaries that would qualify them as Community Character Areas, they are still special to the community because of historic, aesthetic, natural, and/or cultural elements that exist in these locations. Because of this, additional consideration should be given to enhancing and building the character of these areas. Based upon citizen comments as well as a review of documents from the Historical Commission and the book, *James City County: Keystone of the Commonwealth*, three special places have been identified for their contributions to the greater community: the Grove, Croaker, and Forge Road communities.

Grove

Grove is a community in the southeastern portion of the County, valued for its historic, cultural, and agricultural roots. Bordered by the James River to the west and separated from the Newport News city limits by Skiffes Creek, the area was originally part of the Powhatan Confederacy before being colonized by the English. Historic sites in Grove related to Virginia's colonial past include the archaeological site of Wolstenholme Towne, the administrative center of Martin's Hundred dating to 1618, and Carter's Grove Plantation, built in 1755. The Grove community was probably named for nearby Grove Creek, which drains into the James River about six miles east of Jamestown. It may also have been named after Carter's Grove Plantation.

The southeast portion of Grove was largely agricultural through the 1990s before being developed into industrial parks. While the physical presence of Grove's agricultural roots has decreased, a small amount of agricultural land remains on the Carter's Grove property, which is currently included in the Agricultural and Forestal District program.

Grove's present day development began with African-American settlement by freedmen from Carter's Grove and other plantations following the American Civil War. Its population was fewer than 100 people until after the turn of the 20th century. The African-American population increased during the two World Wars, due in part to attracting hundreds of people displaced by federal land acquisition for military installations, including the Naval Weapons Station, Cheatham Annex, and Camp Peary. Grove eventually became the largest African-American community in the County and was commemorated with a Historical Highway Marker in 2013.

Today, Grove is an active community with increasing amenities and programs, including the Abram Frink, Jr. Community Center, the Community Garden, and Grove Community Playground, which

was recently refurbished. Proposed additions by the County include a Lower County Park and a new Convenience Center, both cited in the top five priorities by the Planning Commission in the adopted 2021-25 Capital Improvements Program. Additionally, a segment of Pocahontas Trail will be widened and has undergone a VDOT corridor study with public feedback. To help protect and complement the visual character of the community, Pocahontas Trail, the main thoroughfare through Grove, is a designated Community Character Corridor. Any new development along this route must adhere to CCC buffer requirements. As the area grows and industrial development brings jobs and new residents, it will continue to be important to identify and enhance the special character of Grove.

Croaker

Croaker is a community on the south bank of the York River. The name "Croaker" is believed to have derived from the abundant quantity of Atlantic Croaker, an inshore, bottom-dwelling fish. The community of Croaker was known in its early history as Taskinas Plantation, then Hollywood due to the many holly trees. "Taskinask" was designated by the Tobacco Inspection Act of 1730 as the site of the public tobacco warehouse where local planters stored their crops to be shipped to England. While much of Croaker is now within York River State Park, the remaining area is divided among residential, farming, and woodland areas, which was highlighted as a special place by citizens. The Croaker community includes many historic resources. Croaker Landing, an archaeological site listed on the National Register of Historic Places (NRHP) since 1987, contains evidence of Native American habitation throughout the Woodland Period (c. 1000 B.C. - A.D. 1600). Riverview Plantation, a historic Federal and Greek Revival home dating to the 1850s with early 20th century additions, is also listed on the NRHP. The grounds of Riverview also include contributing structures dating to the 1940s.

Riverview Road from Croaker Road to York River State Park has been designated as an open/agricultural CCC, which enhances the County's ability to preserve the special character of this area. Valued for its history as an agricultural community, the farming and natural character of the area is notable as one of the few agricultural communities left in the County. Since the opening of York River State Park much of the scenic beauty of the areas has been preserved for generations to come, but special attention should be given to acknowledging and protecting the remaining agricultural character of the area.

Forge Road

As colonists moved inland from Jamestown along the waterways, the land bound by the Chickahominy River and Diascund Creek was rapidly settled. By the mid-18th century a number of large farms were established in the area that would become the Forge Road corridor. In this area, troop movement occurred during both the Revolutionary and Civil Wars. The Revolutionary War-era Chickahominy Shipyard, destroyed by the British in 1781 and now included on the National Register of Historic Places, was accessed from Forge Road. Despite the activity that took place in this area during the Revolutionary and Civil Wars, a significant number of 18th and 19th century homes survive today along Forge Road. Architectural remnants which reflect the agrarian heritage of the Forge Road community include the homes of Windsor Castle, Lombardy, and Warrenton.

Today the vistas seen from Forge Road are of larger, pastoral parcels, used primarily for agricultural purposes. The relatively flat terrain along the road has mostly been cleared for residences, crops, or livestock, with denser clusters of trees located at the rear of parcels or around bodies of water. Houses and other structures tend to be set back farther from the road. Much of the land in this area has been recognized for having prime farmland soils and has been an attractive area for horse-related uses. The County has invested in various open space purchases along this corridor.

Forge Road is a two-lane road with a shoulder and is designated as an Open/Agricultural CCC. Additionally, Forge Road at the intersection of Richmond Road is within the Toano CCA. Given the area's historic significance, the agricultural value of the land and the unique and attractive viewshed, the County has been careful regarding road improvements to Forge Road for vehicular traffic. Future development proposals for Forge Road will be encouraged to preserve the agricultural economy that has defined the rural character rooted here for generations.

Factors that Influence Community Character

There are many different factors that can influence community appearance and character. In James City County, factors such as architectural and design elements, the preservation of natural resources, and the area's historic and cultural heritage are important elements that contribute to the overall character of the County.

Neighborhood and Community Appearance

While market conditions greatly determine the type of housing and commercial product offered to citizens, the County can influence the design and appearance of the community to meet the ideals expressed by citizens. Public input shows that many residents value the history and culture of the area, as well as the small-town and friendly atmosphere the County offers. Elements of development can reflect these characteristics that help make James City County a special place for its residents. They are addressed in many ways, from suggestions and requirements for new development to expectations for public plans and improvements.

County Policy and Beautification

The County employs development review and other techniques for beautification. The County has designated funds toward the beautification of high profile corridors, intersections, and public areas in the County, including landscape planting and maintenance. Landscaping has been installed along Humelsine Parkway, Monticello Avenue, Richmond Road, Jamestown Road, Anderson's Corner, and many other areas. County staff also created a sound wall policy and provided feedback regarding landscaping and sound walls to the Virginia Department of Transportation (VDOT) for the I-64 widening project. In addition to landscaping, James City County funded the replacement of standard VDOT signs along Humelsine Parkway and adjacent roads with signs more complementary to the character of the area. Previous efforts include the installation a new wayfinding system in anticipation of the Jamestown 400th Anniversary Commemoration, completed in 2006. This was a regional effort to make the entire Historic Triangle more navigable, with signage that was easier to read and more aesthetically pleasing than the standard VDOT signs.

The County's Sign Ordinance also includes regulations intended to safeguard against inappropriate or excessive signage that may be incompatible with the surrounding character of the area. The Sign Ordinance was amended in 2017 in response to a Supreme Court ruling which stripped localities of the ability to regulate signage based on content, but protections against nuisance signage remained as strong as possible through clarifications to the County's definitions and regulations. Examples include restrictions against off-site signs, illuminated signs, temporary signs, and new billboards, along with specifications for sign dimensions relative to a building façade's surface area. Colors and design of signs are further reviewed for aesthetic compatibility when located on a CCC, within a CCA, or as required by proffers and conditions. Reducing distractions, obstructions,

and visual clutter helps protect the historic and natural character of the County, as well as promote traffic and pedestrian safety.

Character Design Guidelines

Historically, the County has been able to review architectural elevations and/or design guidelines when required for legislative cases. The resulting documents typically then become a binding commitment through conditions or proffers. However, design guidelines are specific to the vision of the developer and may have limited consistency in the elements addressed as compared to other development.

The James City County Engage2045 Comprehensive Plan update is grounded in the idea that County residents should steer the future of their community through clear and open engagement in the planning process. Community engagement opportunities have included a variety of surveys, forums, meetings, and other venues for input on growth, goals, appearance and other topics. Through these engagement opportunities, residents have expressed interests in preserving aspects of James City County's appearance and character that can be shaped by design guidelines.

The James City County Design Guidelines, found in Appendix H, are an important new tool to achieve community character goals. The Guidelines present standards and best practices for lot siting, building placement, building form, access, and landscaping across the County. The Guidelines were developed to support the goals of the James City County Comprehensive Plan and reflect the community's preferences and priorities for the County's continued growth in coming years. The Guidelines ensure that new development is contextual and reflective of James City County's unique natural, historic, and cultural resources, promotes the walkable scale and character the residents appreciate in their neighborhoods, directs new growth to embody sustainable land use practices and landscaping that preserve and protect the County's community character, and contribute to continued distinct character and economic vitality throughout the County. The Guidelines are divided into chapters covering Site and Street Design; Rural; Small Lot (one unit per lot: single-family and multi-family units); Apartments; Commercial & Industrial; and Mixed Use. The Guidelines focus on guidance for development form and placement, and are intended to complement the guidance on use and development scale/intensity found in the land use designation descriptions in the Land Use Chapter. In addition, the Guidelines are intended to complement, but not supersede, the guidance provided in this chapter for the geographically-specific Community Character Corridors and Community Character Areas. Development proposals will also still need to meet Zoning Ordinance requirements.

The new Comprehensive Plan, with the addition of strong Character Guidelines based on public input, will considerably enhance the County's ability to shape new development so that it is more sensitive to community character and design quality standards.

Preserving Vegetation during Development

Landscape requirements per the Zoning Ordinance, open space requirements per the Chesapeake Bay Preservation Ordinance, and buffer preservation all play a role in retaining existing trees and vegetation during development. Listed below are some of the Zoning Ordinance requirements that help the County preserve vegetation during development.

- *CCCs and Right-of-Way Landscape Requirements.* When development occurs along a right-of-way, landscape buffers directly adjacent to the right-of-way are required to be preserved or installed. CCCs require a 50-foot buffer for commercial projects and a 150-foot buffer for

major subdivision projects. All other roads require a 30-foot buffer for commercial projects and a 75-foot buffer for major subdivision projects.

- *Transitional Screening.* When development occurs adjacent to a conflicting land use, such as a commercial development next to a residential district, an enlarged buffer is required between the two uses. The buffer is required to be preserved in its natural and undisturbed state. If the buffer is not vegetated, then screening landscaping is to be installed.
- *Perimeter Buffers.* The side and rear perimeters of parcels located in commercial or industrial districts that are not adjacent to a roadway or require transitional screening must have a 15-foot landscape buffer. These buffers are to be left in their natural undisturbed state, unless supplemental planting is needed.
- *Phased Clearing Plan.* A Phased Clearing Plan is required for any development that disturbs more than 25 acres. This requirement is intended to minimize the size of areas of land to be cleared at once, enabling developers to lessen the visual and environmental impacts that the clearing causes.
- *Outstanding Specimen Tree Designation.* The Zoning Ordinance includes an Outstanding Specimen Tree Designation. This designation allows developers to gain five credits toward fulfilling tree planting requirements. This incentive is intended to make it more economically feasible and practical for developers to preserve large healthy specimen trees.
- *Tree Protection and Criteria for Removal.* The Zoning Ordinance establishes criteria and standards for the protection of existing trees in accordance with specifications contained within the Virginia Erosion and Sediment Control Handbook.

These constitute a comprehensive and extensive set of County regulations to preserve vegetation. By implementing the following procedures to enforce these regulations, the County endeavors to improve the quality of tree preservation efforts and ensure the integrity of buffers:

- Concurrently conduct plan reviews by both Stormwater & Resource Protection Division and Planning Division staff.
- Enforce the language of the tree protection Landscape Ordinance.
- Emphasize tree protection measures during pre-construction meetings.
- Train the County Stormwater & Resource Protection Division inspectors on proper tree protection measures and identification of native plants.
- Strictly enforce tree protection measures during development and follow up on violations found in the field for encroachment into protected areas, as well as for damage associated with improper tree protection techniques.

Historic Preservation

Historic Sites

The character of James City County is closely linked with the numerous known and unknown historic sites within its boundaries. As home to Native American settlements dating to prehistoric times, Jamestown Island, the Battle of Green Spring, and the first free black settlement, just to name a few, the County is known for its diverse wealth of nationally significant historic and archaeological resources. Currently, the County has 18 properties on the National Register of Historic Places and/or the Virginia Landmarks Register, detailed in Table CC-2. The newest addition to these registers is the Toano Commercial Historic District, approved in 2018 at the state level, and 2019 federally.

Table CC-2. Properties Listed on the Virginia Landmarks Register and/or the National Register of Historic Places

Property Name	Property Type	Virginia Landmarks Register	National Register of Historic Places
Amblers House	19th-century dwelling	X	X
Carter's Grove*	18th-century plantation	X	X
Chickahominy Shipyard Archaeological Sites	18th-century shipyard	X	X
Colonial National Historical Park/Colonial Parkway	Collection of noncontiguous 17th-/18th-century sites and 20th-century scenic parkway		X
Croaker Landing Archaeological Site	Prehistoric archaeological site, middle-late Woodland Period	X	X
Governor's Land Archaeological District	17th-century English settlement sites	X	X
Green Spring Archaeological Site	17th-century plantation	X	X
Hickory Neck Church	18th-century church	X	X
Jamestown National Historic Site	17th-century village	X	X
Kingsmill Plantation Archaeological District	18th-century plantation	X	X
Norge Train Depot	20th-century train depot	X	X
Paspahegh Archaeological Site	Prehistoric Native American settlement	X	X
Pinewoods (Warbuton House)	17th-century dwelling	X	X
Powhatan	18th-century dwelling	X	X
Riverview	19th-20th-century dwelling	X	X

Property Name	Property Type	Virginia Landmarks Register	National Register of Historic Places
Stone House	c. 17th-century structure, unknown origin	X	X
Toano Commercial Historic District	Early 20th-century commercial center	X	X
Tutter's Neck Site	18th-century dwelling	X	
White Hall	19th-century dwelling	X	X
Windsor Castle	18th-century dwelling	X	X

Source: Virginia Department of Historic Resources

*Also Designated a National Historic Landmark

Archaeological Studies and Policies

The County's Archaeological Policy was adopted by the Board of Supervisors in 1998 and applies to legislative rezoning and SUP cases, ensuring the identification and protection of sites as new development occurs in the County. The policy recommends adding a condition to all appropriate legislative cases requiring archaeological studies within the proposed limits of disturbance. Submitted studies are reviewed by the Virginia Department of Historic Resources (DHR) for conformance with DHR's *Guidelines for Conducting Historic Resources Surveys in Virginia* and the Secretary of the Interior's *Standards for Archaeological Documentation*. Sites that are identified as potentially eligible for the National Register must conduct further studies to either preserve the site in situ or excavate and document the materials found within the site per an approved treatment plan.

In 2018, the policy was converted to an Ordinance requirement for non-legislative development projects that require a site plan. This ensured that by-right projects would be subject to the same archaeological requirements as legislative cases, and provided further assurances that unknown archaeological resources would be preserved or documented within the County.

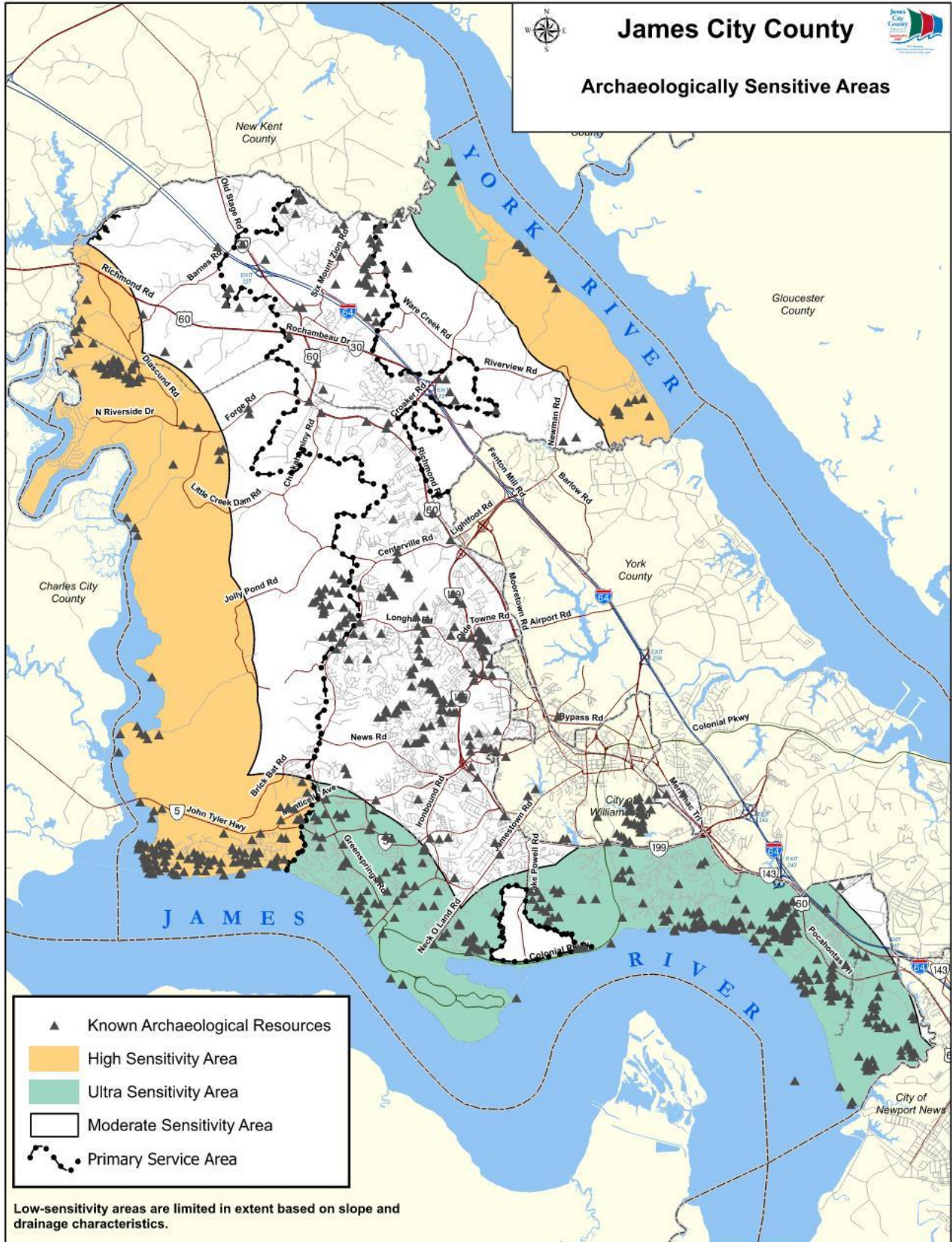
In addition to development-related requirements, the following studies have been commissioned to identify and evaluate the archaeological and historic resources in the County, and future opportunities for updates to these studies could be explored:

- *Toward a Resource Protection Process* is a cultural resource preservation plan for James City County, York County, Williamsburg, and Poquoson written by the Colonial Williamsburg Foundation in 1986.
- *Toward a Resource Protection Process Update (RP3)* is a 1992 update to the 1986 plan.
- *Preserving Our Hidden Heritage* is an archaeological assessment of historic resources in James City County written by the College of William and Mary Center for Archaeological Research

in 1997. Map CC-2 illustrates moderate, high, and ultra-sensitive resource areas in the County as identified by this study. An update to this plan should be considered.

- An architectural survey was begun by the County in 1999 and was expanded in 2006 to include 223 historic properties. The survey establishes historic contexts, which are guides that categorize these properties by period of time, ethnic and cultural background, and how they were influenced by historical events of the times. Each historical context has its own set of historical and architectural themes. The survey has been an important planning tool in negotiations with developers to demonstrate the importance of the structure and why it should be preserved. Some notable successes are the redevelopment in the Five Forks area of the former school building and the renovation of the Power's house on Richmond Road in Toano.

Map CC-2. Archaeologically Sensitive Areas



Historical Commission

In 1985 the Board of Supervisors established the Historical Commission, whose mission is to further the efforts of the County to document, commemorate, preserve, and promote public interest in the history and historic legacy of the County. The Commission meets bimonthly September through May each year, and in cooperation as appropriate with County agencies and other public or private bodies, carries out the following objectives:

- Ensure that historic buildings and archaeological sites are surveyed, identified, and documented within the County;
- Assemble, preserve, and disseminate information respecting such buildings and sites;
- Advise the County government and appropriate private parties on historical considerations relating to the use and development of land, waterways, and other resources within the County; and
- Conduct and encourage educational activities that will stimulate interest in the history and archaeology of the County.

Typical projects for the Historical Commission include funding new historic highway markers through DHR's historic highway marker program, presenting annual Historic Preservation Awards to community members or groups who have made significant local contributions, and commissioning architectural/archaeological studies of important sites.

Utility Lines

Utility lines include electrical, natural gas, petroleum, water and sewer transmission, and communication lines and related facilities. Many utilities are placed underground or are substantially screened for safety reasons. Although all new utilities are required to be placed underground unless granted an exception by the Planning Commission, the visual impact of existing or proposed above-ground utilities can be substantial and can increase as lines are upgraded and expanded. Not only is undergrounding of utilities an important aspect of Community Character, it also helps to improve reliability since underground utilities are less susceptible to damage during storm events and vehicle accidents.

Placing existing utilities underground can be costly and difficult. Often the most efficient way to accomplish the burial of utility lines is in conjunction with transportation projects where the County does not have to bear all the costs. Recent and upcoming examples of burying utility lines concurrently with road projects include the widening of Longhill Road and Croaker Road, and turn lane construction along Olde Towne Road. Past examples include projects along Jamestown Road, John Tyler Highway, and Ironbound Road. Given this efficiency and broader benefits, it will continue to be the policy of the County to evaluate and pursue burial of existing utilities in conjunction with transportation projects.

Communications Facilities

In 1998, the increasing need for new wireless communication facilities (WCF) prompted the County to establish a new division in the Zoning Ordinance to address them, along with the *Performance Standards for Wireless Communication Facilities* policy. Through the use of the new Ordinance and policy, the County sought to accomplish the following:

- Keep the number of WCF sites to a minimum;
- Minimize the impacts of newly approved WCF facilities; and
- Expedite the approval process for new WCF applications.

The Ordinance and performance standards strived to mitigate the impact of WCF on the viewsheds of surrounding areas. This could be achieved by constructing towers below the surrounding tree line or built as a camouflaged structure to blend in with the surrounding natural and man-made environment. The Ordinance also included protections against new towers in certain residential districts.

Amendments to the WCF Ordinance and policy were approved in 2012 and in 2016 to ensure compatibility with new technologies, promote by-right options for hidden antennas, add protections against by-right towers within residential districts, and clarify mechanisms to review certain systems that were not defined at that time. To capture the scope of these amendments, the language of the Ordinance and policy was broadened to include communication facilities, antennas, towers, and/or support structures (CATS). In addition to meeting the requirements of the Spectrum Act, the 2016 CATS updates included revisions and clarifications regarding height triggers for new towers such as:

- By-right heights for new towers were lowered in certain districts, and in other districts new towers became a specially permitted use or not allowed.
- Camouflaging of towers continued to be encouraged or required wherever possible.
- Protections for residential districts remained.

In 2020, the CATS Ordinance was again revised for compatibility with new State Code changes to support the deployment of 5G technology. These changes affect how localities can process applications for CATS and establish by-right administrative review procedures for certain new structures up to 50 feet in height. While new state and federal mandates erode local zoning authority to regulate new and modified facilities, the County has stayed firm wherever possible to continue requiring camouflaged towers and other impact-reducing measures to protect local viewsheds.

Open Space Preservation - Community Character Aspects

The Land Use Chapter describes the County's Open Space preservation goals and approaches, including the concept that proceeding in a way that integrates different categories of resources, as well as integrates different possible programs and stakeholders, will likely lead to the best results for the County. As described throughout the preceding sections, categories central to this chapter that are, and will continue to be, facets of the County's Open Space preservation approach include:

- **Historic Preservation and Cultural Heritage Landscapes**
- **Scenic Properties and Scenic Viewsheds**
- **Agricultural and Forestal Lands**
- **Entrance Corridors and Road Buffers, including Community Character Corridors**

- **Open Spaces that complete or enhance the County’s Community Character Areas, neighborhoods and other built environments**

An integrated approach that considers the resources above will be one important tool in achieving community character goals.

Community Guidance

Public Engagement

Public input for the Community Character Chapter was received at key points of the Engage 2045 process. The 2019 Citizen Survey was conducted in the spring of 2019 and the results were reported in the summer. Responses related to the Community Character Chapter were generally consistent with the results from the 2014 Citizen Survey. When asked for their opinions regarding the preservation of the County’s rural character 69% were satisfied with existing efforts to protect and preserve the County’s rural character. Regarding the visual appearance of buildings in the County and preservation of farm land, 84% of respondents ranked the visual appearance of buildings within new developments in the County as very important or somewhat important and 78.5% of respondents strongly agreed or somewhat agreed that it is more important to preserve farmland in the County than it is to have more development.

Open-ended responses from the 2019 Citizen Survey showed that respondents found that it was better to have neighborhoods in which there is a mix of housing options and small scale retail and office development.

The first round of community engagement was held in the fall of 2019 during the Summit on the Future event. Ninety percent of respondents indicated that it was somewhat or very important for the County to do more to improve our efforts to protect and preserve our rural character in the County. Forty-six percent supported locating any new development inside the Primary Service Area (PSA) on empty lots in already developed areas as a top choice and 71.3% supported protecting as much rural and environmentally sensitive land as possible. Participants were also provided an opportunity to share their “Big Ideas.” Responses to this activity indicated support for preserving the “small town” character and encouraging development/redevelopment to locate inside the PSA.

The second round of community engagement was held in the fall of 2020 to evaluate the existing Comprehensive Plan goals and the future land use alternatives. The Establishing our Goals questionnaire asked respondents to compare the goal from the Community Character Chapter in the 2035 Comprehensive Plan to the Engage 2045 Public Input Priority for Community Character and to evaluate if any changes should be made. Of the 131 responses received, 75.6% said that the goal should remain the same and 21.5% said that the goal should be changed.

The third round of community engagement was held in the winter of 2021. This round solicited input on policy directions the County should pursue and actions it should take to enable citizens’ vision for the future of our community to be realized. Overall, there was consistent support for enhancing quality of life amenities in James City County with a strong emphasis on walking and biking facilities. Respondents supported prioritizing County resources for enhancing quality of life amenities. They also supported prioritizing walking and biking amenities in locations that increase connectivity between neighborhoods and shopping, schools, employment areas, and greenways.

Throughout the planning process, there has been consistent public support to prioritize protection of the County’s unique community character, particularly the character of rural lands and communities in the County. In Round 3, there was strong support for styles of development that

reduce development intensity supported through the expression of values for natural beauty, agricultural conservation, privacy, walkability, historical architecture, and community. Round 3 participants' primary community character concern was preserving the existing rural and low-density development patterns in James City County. Participants believed that rural residential development must be planned with farmland preservation in mind, but participant comments revealed disagreements in how to achieve this. Participants generally associated high-density development with increased traffic and a lower quality of life. However, there was evidence that middle density land uses could be supported with County-compatible designs and the incorporation of nature and green spaces. Respondents expressed support for higher densities within mixed use and employment contexts that provided walkability and opportunities for interaction.

The Character Design Guidelines questionnaire inputs will be leveraged to update the County's Character Design Guidelines. The findings from this engagement reinforce and reaffirm the direction of design standards and the preexisting standards that the County was following. Resident feedback regarding density, scale, and character in many ways echoed the feedback collected in Rounds 1 and 2, and reflected the County's ongoing efforts to encourage that any new growth be contextually appropriate and contribute to local heritage and character. This feedback can also guide priorities and preferences in the Design Guidelines.

Spotlight on Implementation

Retaining and enhancing Community Character in James City County is furthered through the establishment of CCCs and CCAs and the preservation of scenic, cultural, rural, agricultural, forestal, natural, and historic qualities. The County has endeavored to be good stewards of the land by taking actions that support this goal.

Creating clear guidance for development along CCCs and working with developers to create sensitive designs in CCAs, such as the Food Lion/CVS in Norge, the redevelopment of Lightfoot Market Place, and the new fire station in Toano have helped ensure compatibility with neighborhood character and reinforced a sense of place. Adopting new lighting Ordinances with dark sky principles as well as guidelines for sound wall design and landscape treatment have helped to preserve and enhance community appearance. Additionally, several policies including those related to street tree plantings and pedestrian/bicycle accommodations were converted to Zoning Ordinance requirements so that they now apply to all new development, including by-right development, meeting certain criteria. The Pocahontas Trail Corridor Study engaged the community to identify key transportation needs and define a vision for the future of the corridor. These regulations and guidance help ensure that future projects and private development will be mindful of the local context and the opportunities to strengthen the area's aesthetic tapestry.

The County capitalized on the opportunity to bury utilities along Longhill Road concurrently with the Phase 1 widening project, allowing efficient use of resources and promoting community character while also stabilizing utility services for residents. Other improvements planned for the Longhill Road Phase 1 corridor include improved access management strategies at several intersections, a roundabout at one intersection (Longhill Road and Williamsburg Plantation Drive), signal system wireless interconnects, construction of bus pull-off areas, and pedestrian improvements in the form of a multiuse path and crosswalks with pedestrian push buttons.

Funding was also approved for similar improvements along Croaker Road which are in the process of coming to fruition. These include a road widening from two to four lanes with a new two-lane bridge parallel to the existing bridge over the CSX line to accommodate additional travel lanes. There will also be a new multipurpose trail to connect the library, residential areas, and commercial areas, and utilities will be relocated underground.

Through a Revenue Sharing Program with VDOT approved in 2018, the Toano area will also see a variety of improvements along a 0.5-mile section of Richmond Road from Forge Road to the entrance of Toano Middle School. These include improvements to the storm drain system, pedestrian and bicycle accommodations including crosswalks, ADA upgrades, and bike lanes, and other safety improvements such as grass medians to restrict turning movements and improve traffic safety.

As stated previously, many businesses desire to locate in this area because of its unique community character. Upholding this character through careful and deliberate design is essential to attracting and retaining a viable and diverse economic base, which ensures that future generations will want to live, work, and visit the area. Looking to 2045, James City County will continue to promote policies and regulations that further the efforts of preserving community character.

Goals, Strategies, and Actions

Goal

CC - The County will be a good steward of the land by preserving and enhancing the scenic, cultural, rural, farm, forestal, natural, architectural, and historic qualities that are essential to the County's distinctive character, economic vitality, and the overall health and quality of life of its residents.

Strategies and Actions

CC 1 - Preserve and enhance entrance corridors and roads that promote the rural, natural, or historic character of the County.

- CC 1.1 - Ensure that development along Community Character Corridors (CCCs) protects the natural views of the area; promotes the historic, rural, or unique character of the area; and establishes entrance corridors that enhance the experience of residents and visitors.
- CC 1.2 - Continue to explore opportunities and cost-sharing arrangements to bury overhead utilities in Community Character Corridors and Community Character Areas through transportation initiatives.
- CC 1.3 - Monitor the status of billboards throughout the County and pursue action, where possible, to remove billboards using all currently available methods, and explore and pursue any new methods as they become available.
- CC 1.4. - Pursue the expenditure of public funds from sources such as the Capital Improvement Program (CIP) to enhance the appearance of highly visible focal points of the County, including, but not limited to, County entrance corridors, median areas, interstate interchanges, and undeveloped parcels fronting on thoroughfares. Entrance corridors and roads in the proximity of historic landmarks should be prioritized for improvements. Improvements include, but are not limited to, placement of existing utilities underground, beautification through sustainable landscaping or buildings changes, and the acquisitions of easements and properties. The County shall continue to coordinate corridor enhancement efforts within the County and surrounding localities to achieve compatible, attractive corridors.
- CC 1.5 - Preserve the character of rural roads by identifying roads that should be preserved and work with the Virginia Department of Transportation (VDOT) to maintain their rural character while providing an acceptable level of safety.
- CC 1.6 - Carefully monitor development along roads that are important to maintain community character so that the build-out of surrounding areas will not require improvements such as road widening that disrupt the community character of the areas.

CC 2 - Maintain the unique heritage and identity of designated Community Character Areas (CCAs) within the County.

- CC 2.1 - Ensure that development in CCAs protects the natural views of the area; promotes the historic, rural, or unique character of the area; and establishes entrance corridors that enhance the experience of residents and visitors.
- CC 2.2 - Within the CCA boundaries, continue to establish development management and preservation techniques to meet specific historic preservation and community character needs. Encourage development patterns and building designs that maintain and reinforce the visual separation of CCAs.
- CC 2.3 - In New Town, continue to support the design review process by working closely with the New Town Design Review Board and supporting the implementation of New Town's design guidelines.
 - CC 2.3.1 - For areas within the New Town CCA but not subject to the New Town Master Plan and/or proffers, ensure that new development is consistent with existing adjacent development and the New Town design guidelines.
- CC 2.4 - In Toano, ensure that developers apply the adopted design guidelines to projects within the Toano CCA.
 - CC 2.4.1 - Consider updates to the Toano CCA Design guidelines to complement the Toano Commercial Historic District.
- CC 2.5 - In Five Forks, ensure that developers apply the adopted Primary Principles to projects within the Five Forks CCA.
- CC 2.6 - In Norge, consider development and adoption of formal design guidelines.
- CC 2.7 - In the Jamestown/Greensprings area, consider development and adoption of formal design guidelines, and/or guidance on maintaining the historic and rural/wooded character of that area.

CC 3 - Preserve and enhance neighborhood and community appearance.

- CC 3.1 - Protect vistas and other scenic resources and encourage building, site, and road designs that enhance the natural landscape and preserve valued vistas. These designs should also minimize any potential negative impacts with regard to noise and light pollution and other quality of life concerns.
- CC 3.2 - Require illustrative drawings, including streetscapes, architecture, and perspectives as a binding component for appropriate rezoning and special use permit applications.
- CC 3.3 - Continue to improve and protect the character of the County through use of the Character Design Guidelines.

CC 3.3.1 - Further the use of the Character Design Guidelines in legislative review processes and encourage private developers to familiarize themselves with these guidelines as part of educational materials and pre-application meetings.

CC 3.3.2 - Incorporate the Character Design Guidelines in appropriate portions of the Zoning and Subdivision Ordinances, policies, and other regulations.

CC 3.3.3 - Incorporate elements of the Character Design Guidelines in other County policy documents and explore if any of the elements could be converted into regulations within the zoning and subdivision ordinance.

CC 3.3.4 - Continue to evaluate the Character Design Guidelines and update, revise, and enhance the Guidelines regularly.

CC 3.3.5 - Consider developing Character Design Guidelines for rural areas in the County.

CC 3.3.6 - Consider incorporating elements of the Character Design Guidelines into the future land use guidelines in the Land Use chapter to ensure consistency between the Community Character and Land Use guidelines.

CC 4 - Integrate community character considerations in open space planning and programs.

- CC 4.1 - Continue to gather and gain technical knowledge on data that is available to help the County identify and map its archaeological, historic, and cultural assets, and, where appropriate, use such data as an information tool to help guide decisions during the creation of regulations and policies, to provide guidance to property owners and development proposal applicants on lands best suited for development, and to inform open space preservation efforts.
- CC 4.2 - Devote resources to and operate programs to preserve or enhance components of the County that significantly contribute to community character, including historic properties and cultural heritage landscapes, scenic properties and viewsheds, agricultural and forestal lands, and entrance corridors, community character corridors, community character areas, and other special places. Integrate these considerations with others found in the Parks and Recreation, Environment and Land Use chapters. In addition, collaborate with other entities, the private sector, and landowners in these efforts.

CC 5 - Preserve existing vegetation as possible and appropriate during development.

- CC 5.1 - Use County Ordinances and/or policies as enabled by the Code of Virginia to require a more detailed phased clearing plan that minimizes the removal of existing trees and ensures tree preservation requirements are implemented during the site plan review and pre-construction phase of development. Consider developing requirements for County staff to inspect projects pre-and-post construction specifically to ensure compliance with the tree protection requirement of the Zoning Ordinance.
- CC 5.2 - Promote the Optional Specimen Tree Designation to enable more developers to preserve specimen trees that are not within required tree save areas.

- CC 5.3 - Continue to enforce existing methods/requirements the County uses during planning, pre-construction, construction, and post-construction phases to make sure tree preservation measures are properly performed, resulting in healthier trees, buffers, and proper maintenance.
- CC 5.4 - Evaluate the appropriateness of street trees along narrow streets or located in neighborhoods with reduced setbacks and update the Streetscape Policy Guidelines accordingly.

CC 6 - Identify and protect archaeological and historic sites.

- CC 6.1 - Require that archaeological studies for development proposals are conducted and require their recommendations to be implemented.
- CC 6.2 - Update the document *Preserving Our Hidden Heritage*, an assessment of the archaeological resources in James City County. Review the document prior to each Comprehensive Plan revision and perform a complete revision every 10 years to include new site surveys.
- CC 6.3 - Pursue the preservation of historic and archaeological sites of the County by:
 - CC 6.3.1 - Enlisting the assistance of the County's Historical Commission in updating the County's inventory of historic places.
 - CC 6.3.2 - Promoting voluntary techniques for preservation of these properties.
 - CC 6.3.3 - Considering designating areas of the County as historic districts or historic corridors with architectural review.
 - CC 6.3.4 - Discouraging the demolition or inappropriate use of cultural and historic resources through regulatory and voluntary techniques.
 - CC 6.3.5 - Integrating the results of the architectural survey into the planning process.
 - CC 6.3.6 - Exploring opportunities to preserve and enhance Community Character Areas such as those found in Five Forks, Norge and Toano through use of partnerships, pattern books, and design guidelines.

CC 7 - Keep pace with the changes in wireless communication technology to better enable providers to preserve existing community character while providing quality service.

- CC 7.1 - Update the Communications Facilities section of the Zoning Ordinance as necessary to accommodate the use of new and emerging wireless communication services while preserving community character.

Land Use

Introduction

Land use planning attempts to align the related, yet sometimes competing, needs for population, economic development, public facilities, parks and recreation, environment, housing, transportation, and community character into a single coherent vision for future land development in the community. This vision is expressed in the community's land use policies, translated into its land use map, and supported through its Goals, Strategies, and Actions (GSAs). Together these elements make up the land use plan for the community.

The Land Use Chapter Goal, and the Strategies and Actions, are listed at the end of the chapter. After careful review and public input, the Goal language maintains the emphasis on reinforcing and improving the quality of life for citizens, but has been revised to add language about land use approaches within the Primary Service Area (PSA) and outside the PSA. The linkage from Land Use to the goals in the other eight chapters is maintained. The Goal now states: “**Achieve a pattern of land use and development that reinforces and improves the quality of life for citizens by encouraging infill, redevelopment, and adaptive re-use within the PSA; limiting development on rural and natural lands outside the PSA; and achieving the other eight goals of this Comprehensive Plan.**” Many important Land Use Chapter implementation activities have been achieved in the last five years, as detailed in the Spotlight on Implementation section. However, as the information in this chapter explains, further action through the revised and updated Strategies and Actions will be needed.

Key Planning Influences

Growth Management

The linchpin of James City County's land use planning is growth management. In simple terms, growth management is a set of tools to address the timing, character, and location of development so that growth occurs in an orderly and efficient manner. It answers the questions of where growth should occur, how it should occur, and when it should occur.

Growth management, however, does not seek to stop growth. Localities inevitably evolve over time, and planning for growth is a proactive way of preparing for these anticipated changes. Equally important, the *Code of Virginia*, as well as court decisions throughout the nation and Virginia, provide guidance requiring municipalities to reasonably plan for and accommodate growth. Caps on building or population are not permitted under Virginia law.

In general, growth management tools fall under the following categories:

- Zoning and other regulatory tools;

- Urban containment (growth boundaries, such as the Primary Service Area);
- Facility planning, adequacy, and timing;
- Promotion of infill and redevelopment;
- Open Space Preservation;
- Rural Lands Protection; and
- Regional planning.

Their implementation is often accomplished through a locality's policies, ordinances, and regulations, which are discussed in the sections that follow.

Primary Service Area (PSA)

The Primary Service Area policy is James City County's foundational, longstanding growth management tool having been incorporated in the first James City County Comprehensive Plan adopted by the Board of Supervisors in 1975 and all subsequent updates. As a growth management tool, the PSA uses a combined growth area/service area boundary to direct growth to areas where the land is most suitable to support growth and more intensive development and where public facilities and services exist or are planned. The area outside the PSA has a Rural Lands designation on the County's Future Land Use Map and has its own distinct character and primary uses. As a growth area/service area boundary, the PSA accomplishes the following goals:

- Increase public benefit per dollar spent;
- Encourage efficient utilization of public facilities and services (water and sewer, roadways, schools, fire and police stations, libraries, etc.);
- Help ensure such facilities and services are available where and when needed;
- Promote public health and safety through improved emergency response time;
- Minimize well and septic failures within the PSA; and
- Encourage utilization of Rural Lands for economically beneficial agriculture, forestry, and related uses.

The inclusion of the PSA in the Comprehensive Plan text and Future Land Use Map is consistent with state code guidance that a jurisdiction's comprehensive plan should show the long-range recommendations for development of the locality, thereby directing implementation actions through the zoning and subdivision ordinances and other mechanisms, such as the utility policy and the Capital Improvements Program. As the foundational growth management tool, the PSA also relates to and has implications for all chapters of the Comprehensive Plan, as it affects the appropriate levels of growth as well as the provision of services and facilities in different areas of the County.

On the Land Use Map, the PSA defines areas presently provided with public water and sewer and high levels of other public services, as well as areas expected to receive such services over the next 20 years. It is intended that most residential, commercial, and industrial development will occur within the PSA. Boundary changes to the PSA should only be conditioned upon significant changes in development trends and patterns, significant changes in County policy, and projected community needs. The PSA should provide for adequate economic growth and County housing needs at all levels of affordability.

Primary Service Area - Residential Capacity

The Comprehensive Plan has traditionally assessed the estimated residential development capacity of the area inside the PSA to absorb projected growth during the 20-year cycle of the Future Land Use Map. These estimates can help inform considerations of whether it might be appropriate to evaluate the extent of the PSA, or to consider other approaches to accommodate the community's vision of desired growth (e.g., increase recommended densities, etc.), or to manage the amount, type or pace of future residential growth (particularly in Categories 3 and 4 listed in Table LU-1 below) in a different manner than historical trends.

To estimate the capacity for future development located within the current PSA, County planning staff have used historic development data and current land use guidance to calculate the total residential capacity estimates set out in Table LU-1: Residential Units Based on Planning Division Staff Analysis. Staff has utilized the County's Geographic Information System (GIS), CaseTrak system, and JCC PermitLink system to calculate the current totals for the first two categories in **Table LU-1**. Staff also used these systems to estimate the amounts for Categories 3 and 4 within this table, as well as broad policy assumptions for the Mixed Use and Economic Opportunity designations, such as the percentage of the site dedicated for residential use and dwelling unit yield per acre. As such, the totals in Categories 3 and 4 are estimates, rather than a precise accounting.

To estimate the projected anticipated growth and related absorption rate, staff has typically used the historic average number of residential Certificates of Occupancy (COs) issued per year. The 15-year average for COs yields a rate of 563 per year, while the average over the last three years is approximately 434.

Finally, to estimate how long it may take for the estimated capacity within the PSA to be absorbed, the estimated capacity can be divided by the projected absorption rates, using a range from the three- and 15-year CO rates. Using these assumptions and estimates, the years to estimated absorption in the PSA are shown in **Table LU-1**.

Table LU-1. Residential Units Based on Planning Division Staff Analysis¹

Parcel Status	Estimated Development Potential (Dwelling Units)	Estimated Years to Absorption
1. Master Planned Communities and By-Right Subdivisions with Approved Construction Plans	6,787	13-17
2. Other Vacant Platted Lots	598	
Subtotal	7,385	
3. Undeveloped Parcels Designated Low Density or Moderate Density Residential	2,286	18-24
4. Totals Above, Plus Undeveloped Parcels Designated Mixed Use or Economic Opportunity (portion of designated areas)*	937	
Grand Total	10,608	

**Not all land designated Economic Opportunity is currently within the PSA, but the 2009 Comprehensive Plan made clear that it would all be brought in once master planned.*

There are several characteristics of Category 1 that provide context regarding the location and type of the potential dwelling units remaining within the PSA. Of the 6,787 units within this category, approximately 80% are located within large master planned communities. Of this 80%, developments that have more than 100 units left in the approved cap are: Colonial Heritage, Ford’s Colony, Patriots Colony, New Town, the Settlement at Powhatan Creek, Williamsburg Landing and Stonehouse. These developments are governed by binding master plans, as well as proffers and conditions to mitigate impacts resulting from continued build out. Furthermore, approximately 17% of the units in Category 1 are located within Continuing Care Retirements Communities (CCRCs), such as Williamsburg Landing, Patriot’s Colony, and WindsorMeade. These units are intended for a specific, older demographic with unique desires and needs and are not expected to be available to a younger population. As such, development trends within this sector may not correlate with broader market trends for residential development.

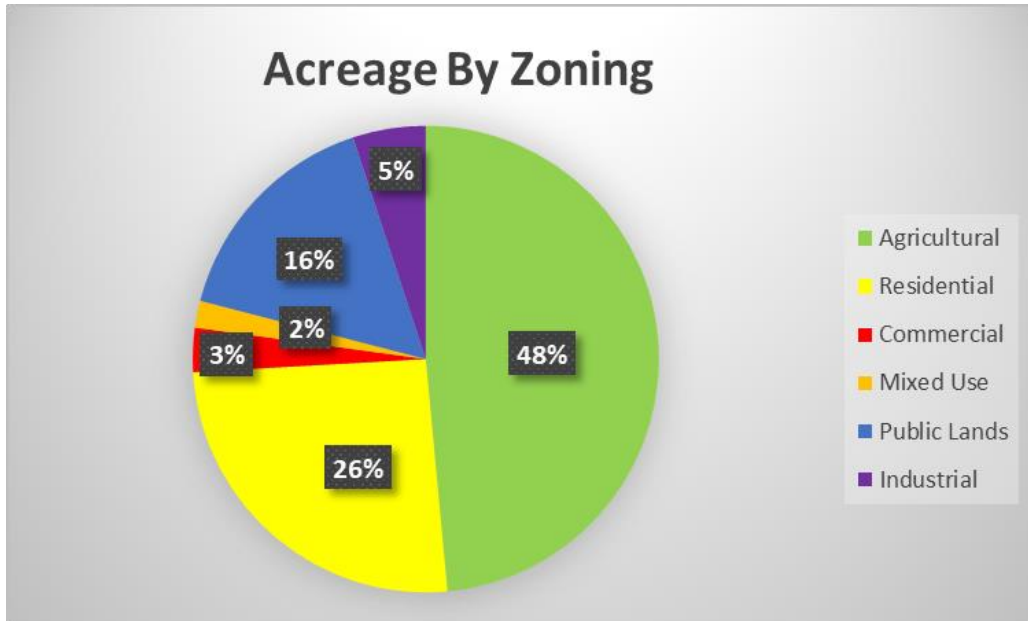
It is important to note that the information above pertains to the estimated development potential inside the PSA. Widespread residential uses in the rural areas outside the PSA are discouraged, but can still occur under current regulations, making the development potential of the entire County higher than what is reflected in Table LU-1.

Primary Service Area - Non-Residential Capacity

As can be seen in **Chart LU-1** below, the largest zoning category in the County by acreage is Agricultural, which accounts for approximately 48% of land (43,326 acres). The Residential zoning districts account for 26% (22,808 acres) of land in the County, making it the second largest zoning category. The Public Lands zoning district accounts for 16% (14,180 acres). Commercial, Mixed Use, and Industrial zoning districts combined account for 10% (8,904 ac).

¹ This analysis uses data from the residential subdivision build-out data/cumulative impact database, which is the source for the development status report updates included in the Planning Commission annual reports. However, it contains additional classification work for Categories 1 and 2, and as discussed in the text, application of assumptions to “acreage parcels” with certain designations (Categories 3 and 4).

Chart LU-1. Acreage by Zoning District



Zoning Districts are classified as follows: Agricultural (A-1, R-8), Residential (R-1, R-2, R-3, R-4, R-5, R-6, PUD-R), Commercial (LB, B-1, PUD-C), Mixed Use (MU), Public Lands (PL), Industrial (M-1, M-2).

In James City County, most commercial and industrial activity occurs in one of six zoning districts: Limited Business (LB), General Business (B-1), Mixed Use (MU), Limited Business/Industrial (M-1), General Industrial (M-2), and Planned Unit Development-Commercial (PUD-C). All of these zoning districts are intended for non-residential development of varying degrees of intensity, and occur inside the PSA. Based on County GIS information as of 2020, approximately 8,904 acres in the County are currently zoned as one of these six districts. Commercial and/or industrial activity can also occur in the Research and Technology (RT) and Economic Opportunity (EO) zoning districts, but there are no parcels currently zoned RT or EO.

In addition, as shown in **Table LU-2** below, staff analysis accounted for already-developed land, plus residential portions of Mixed Use areas and other refinements, which resulted in a total estimated undeveloped area of approximately 2,430 acres of land zoned for commercial or industrial. The total land designated for commercial or industrial use on the Future Land Use Map, but not yet zoned is approximately 1,032 acres, for a combined estimated figure of 3,462 acres. Of the land that is designated, but not yet zoned, the largest contiguous area is the Mooretown Road/Hill Pleasant Farm Economic Opportunity area, which was designated in 2009.

Table LU-2. Non-Residential Land Based on Planning Division Staff Analysis

Category	Acres
Zoned, undeveloped	2,317
Zoned, available portion of partially-developed parcels	113
Designated, not yet zoned	1,032
Total	3,462

This zoned and/or designated land contains a mixture of areas where utilities are already in place as well as areas without utilities. For the areas where utilities are not currently in place, utility extensions may increase the absorption rate for the parcels. As a result of the Engage 2045 process, the County will have new modeling tools that will enable the County to more easily track the current amount of non-residential capacity within the PSA.

Another important consideration in analyzing commercial capacity is the efficient use of commercial land through redevelopment, existing structure re-use and increased percent occupancy and infill techniques. Commercial redevelopment is an important goal. Per the input received as part of the Engage 2045 process, residents of the County prefer commercial redevelopment when compared to new commercial development as a way to ensure more compact development and reduce sprawl. Examples of progress on this front in the past decade include new commercial buildings at Candle Factory (CVS and Food Lion), approval of a Special Use Permit (SUP) for the former Williamsburg Outlet Mall property (Lightfoot Marketplace), the construction of the new buildings on the Williamsburg Pottery property, and the development of guidelines for redevelopment in Toano. Opportunities for redevelopment exist throughout the County, from the BASF property and the nearby soil and gravel mining operation in Grove (which operate under SUP conditions designed to ensure future re-use), to the possibility of an eventual change in the development pattern at one or more shopping centers, to additional possible new buildings and infrastructure at the Williamsburg Pottery and in Toano. Together, these and other properties represent hundreds of acres of land that may currently, or in the future, be suitable for redevelopment.

As the County considers future commercial redevelopment, it is paramount that such development maintain or enhance community character. The Engage 2045 community engagement process revealed that citizens are keenly interested in protecting the natural environment, maintaining the integrity of the rural areas outside of the PSA and upholding the established community character within the PSA. The engagement also confirmed the public's support of economic development that results in more businesses with higher paying jobs within the County. These desires create the opportunity for conflict if not managed well, as unplanned commercial growth could detract from community character. As such, commercial redevelopment within the PSA is encouraged, but only when it efficiently redevelops or utilizes land and maintains or enhances the existing community character of the immediate surrounding area through adherence to the Character Design Guidelines and other policies and regulations.

Primary Service Area - Utility Policy

James City County's Utility Policy plays a major role in limiting growth to areas within the PSA. The following outlines the County's pertinent water and sewer requirements, which are explained in more detail in the County's Zoning Ordinance and Subdivision Ordinance, and in the regulations governing utility service provided by the James City Service Authority (JCSA).

Generally speaking, most existing development inside the PSA is connected to public water and sewer, and new development must connect if it is a major residential subdivision or within 55-feet of JCSA infrastructure that is accessible through an applicable and existing right-of-way and/or JCSA water or sanitary sewer easement. Most developments desire to be served by public water and sewer to achieve a higher density and reduce the infrastructure costs. Outside the PSA, subdividers of major subdivisions are required by the Subdivision Ordinance to construct an independent water system, but can use individual onsite sewage disposal systems. Subdividers of minor subdivisions are permitted to use individual well and sewage disposal systems.

An SUP is required for extensions of major water and sewer mains. SUPs for utility extensions within the PSA occur infrequently due to the extensive network of utility lines already in place. The PSA concept strongly discourages extension of utilities outside the PSA. Over past years, there have been certain limited locations that have received SUPs for extension of utilities. Other than two exceptions for neighborhoods (Governors Land on John Tyler Highway and Deer Lake Rural Cluster adjacent to Colonial Heritage), the extensions have been to serve a significant public purpose (school sites), address health and safety situations (Chickahominy Road Community Development Block Grant area, Riverview Plantation, and Greensprings Mobile Home Park), or improve utility service inside the PSA (Cranston's Mill Pond Road and Jolly Pond Road mains, and the JCSA College Creek Pipeline). In keeping with the Utility Policy included as part of the 1997 Comprehensive Plan, all of the SUPs associated with these mains include conditions that place clear limits on connections to directly adjacent properties, a policy that should continue into the future.

Finally, the developer is responsible for paying the cost of providing water and sewer service to and within new subdivisions. JCSA may contribute to the costs to upsize water or sewer lines to serve additional areas. Any decisions about changes to the Utility Policy and the PSA must be carefully examined in conjunction with decisions about Rural Lands policy, which is discussed above.

Facility Planning, Adequacy and Timing

James City County uses other growth management tools to complement the PSA policy, and has implemented a number of strategies to address facility planning, timing, and adequacy. Through utilization of these tools, the County has strived to strike a balance between accommodating additional development and providing services for already-approved development. Examples of policies that may be required of new development include: the provision of pedestrian/bicycle accommodations, adequate public schools facilities analysis, adequate transportation facilities analysis, traffic impact analysis, environmental constraints analysis, fiscal impact analysis, enhanced landscaping, green building incentives, and water conservation guidelines.

New residential development that requires a rezoning or special use permit will be approved only after careful consideration of adequate schools, transportation, water, sewer, recreation, and public safety facilities and services. In the past, the County has strongly encouraged applicants to mitigate the impacts of a proposed development through the combination of physical improvements and

timing requirements offered in the form of proffers, as allowed by state code. In terms of adequate facilities, many of the physical improvements are related to keeping traffic at an acceptable level of service (for example, through the construction of new turn lanes or traffic signals), and building recreational facilities as recommended by the Parks and Recreation Master Plan.

Assessing development impacts and creating policies to best address them continues to be an important and very complicated endeavor. Since 2009, the County has made progress in developing the means to track the cumulative impact of development proposals on existing and planned public facilities and services, and in developing guidelines for the content and methodology to be used for various submittal documents, such as traffic studies. Work will continue into the future on refining these systems and documents to best track and mitigate impacts generated by proposals.

Promotion of Infill and Redevelopment

Another key aspect of growth management is promoting infill development and redevelopment. Fostering infill and redevelopment is a viable alternative to the conversion of open space to new development that not only conserves rural and open land but also can save public infrastructure costs that would otherwise be needed to serve more sprawling growth patterns. Infill and redevelopment initiatives are important for residential, commercial, and mixed use developments to help with the creation of complete communities close to existing amenities and activities and to help direct development to appropriate locations within the PSA.

Development of previously undeveloped areas, sometimes called “greenfield” development, often has implicit financial or feasibility advantages for developers over infill development or redevelopment. In order to offset these implicit advantages, the County will need to offer incentives that rebalance the attractiveness of infill and redevelopment for the private sector. Over the years, the County has updated Ordinances and policies to try to encourage infill and redevelopment, including the creation of the R-3, Residential Redevelopment District and a re-examination of the setback requirements in the Mixed Use and other zoning districts. It will be important to continue to re-examine the County’s Ordinances going forward to see if they are working to facilitate or incentivize infill and redevelopment. In addition, the County can play a role by participating in public-private partnerships, and making or encouraging targeted investments in infrastructure, amenities or other improvements that work to reduce costs or increase the viability of infill and redevelopment. As this infill and redevelopment is being considered, it is essential that it be sensitive to community character and fit in with surrounding development. These efforts can also be supported by creating plans for particular portions of the County through sub-area or corridor master plans that show specific visions for preferred redevelopment or infill development. These efforts relate to LU 4.

Open Space Preservation

Open space can take many different forms, but in its simplest sense, can be viewed as any undeveloped or minimally developed land. To the casual observer, it may be unknown whether the vacant lot, marsh, or wooded area they consider open space has public access or is private, was a remnant of development or was created as a purposeful space, is temporarily or permanently preserved or is entitled to be developed. Nevertheless, it may be valued all the same for its scenic quality, enjoyment, or natural resource value. To those involved in land use planning, the concept of open space includes a broad range of possible specialized meanings, values and purposes, such as: environmental purposes including watershed protection, stormwater management, and carbon sequestration; economic development purposes including ecotourism and working lands; land

banking purposes for future public facilities; park and recreation purposes in the form of active and passive parks and trails; transportation purposes including greenways and roadway buffers; for the purpose of maintaining community character values such as historic preservation, cultural heritage landscapes, and scenic viewsheds; or for myriad land use and community design purposes including providing common spaces in neighborhoods, organizing elements in developments, and buffers between varying development patterns. These can exist in either the public or private realms, but still provide value to the entire community in terms of ecosystem service delivery, sense of community, and improved human and fiscal health.

James City County citizens' support for open space protection is prevalent in the expressed opinions in numerous outreach efforts for protecting nature, preserving community character, enhancing quality of life, and expanding economic development. As noted in various chapters of this plan, protecting open space includes various types of resource protection efforts such as wetlands and waterways; agricultural and forestal lands; green infrastructure; greenways; historic and archaeological resources; cultural heritage landscapes; scenic properties and scenic viewsheds; entrance corridors and road buffers including Community Character Corridors; open spaces within the County's Community Character Areas, neighborhoods and other built environments; and parks and recreation. Also noted is the role open space can play in shaping the character, direction and timing of community development, especially where the impacts of development will stress County facilities and resources. This is more likely to be a particular need within the PSA where higher development pressures may impact facilities and resources to a greater degree.

Opportunities exist for James City County to facilitate private actions to support the value of open space protection through the development review process; partnerships with land trusts; the development of policies, ordinances and programs that support environmental credit markets; and economic development efforts that promote agri-tourism, heritage and eco-tourism businesses, which relate to actions in LU Strategies 1, 4, and 6. In addition to facilitating private efforts for open space preservation, public actions will be necessary to close the gaps that cannot be effected solely by private actions and conserve resources important to the community. These public actions may range from expanding or initiating special planning efforts, strengthening policies and Ordinances; and reactivating, aligning and funding County open space programs, which relate to actions in LU Strategies 6 and 7. The latter programs should include efforts to acquire open space in an integrated and prioritized manner that maximizes the potential to leverage existing state datasets and state or federal funding sources. As explained in the Environment section, the concept of mapping and planning for a countywide system of "green infrastructure" can offer an organizing structure to these efforts so that James City County can realize its vision more fully, more efficiently and more strategically.

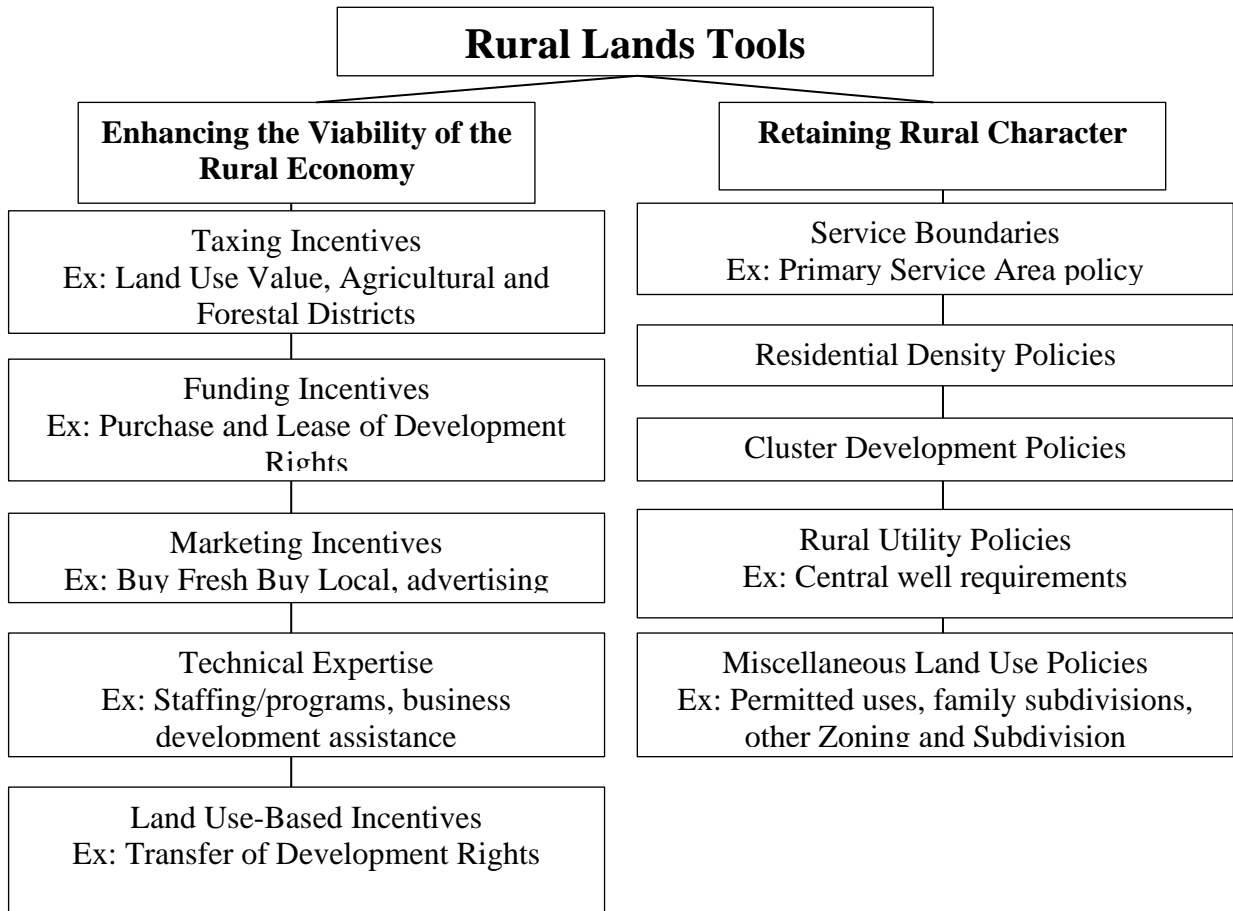
To help property owners and staff members sort through the major open space preservation options to find a tool that matches the property owner's intentions and the property's attributes, staff has created an open space tool decision tree located in Appendix L.

Rural Lands Protection

The areas outside of the PSA are in large part designated as Rural Lands on the Future Land Use Map. While areas with this designation are predominantly known for agricultural and forestal activities, they also contain lands that are vital to the broader environmental health of the County, such as natural areas, extensive Resource Protection Areas (RPAs), aquifer recharge areas, and the headwaters for important watersheds. Land preservation, especially of prime farmland soils, is of utmost importance in this area.

There are a number of tools available to local governments that apply to the protection of the Rural Lands, generally falling into two categories: enhancing the viability of the rural economy and retaining rural character. **Figure LU-1** outlines a spectrum of tools and includes information about existing County efforts as well as possible tools that can be used. To be successful, the tools must be tailored to reflect local land use regulations, market forces, community preferences, landowner expectations, property values, and fiscal constraints. It is also important to use tools from both of the categories below to create a balanced approach to the Rural Lands, provide the widest spectrum of opportunities for property owners, and continue to enhance and promote rural character.

Figure LU-1. Tools for Enhancing the Viability of the Rural Economy and Retaining Rural Character



Existing Rural Lands Tools

As a result of previous comprehensive plans and studies examining the Rural Lands, the County already employs several of the tools referenced in **Figure LU-1**, including:

- 1) Land use value taxation;
- 2) Agricultural and Forestal Districts (AFDs);
- 3) Greenspace and Purchase of Development Rights (PDR) programs (pending funding);
- 4) Restrictive utility, zoning, and subdivision requirements and service and
- 5) Limited business development assistance.

These programs can offer financial assistance to land owners to offset high land prices in rural areas or provide additional protections for agricultural uses. These existing tools used by the County are important building blocks. However, over the last five years, approximately 284 residential units have been added in the Rural Lands, facilitated in part by the creation of new “by-right” subdivisions and build out of established ones. The market for suburban-rural housing is expected to continue in the future, which could result in the continued “by-right” subdividing and build-out of rural areas within the County. The public road and community water requirements, which had once been major deterrents due to prohibitive costs, have appeared to be less effective in discouraging large-scale rural residential development outside the PSA. While the PSA and the land use designations remain cornerstones of the County’s growth management policies, it remains evident that the tools used to effect these policies need to be updated if they are to achieve the stated goals of the Rural Lands designation as discussed in more detail below.

Evaluation of Rural Lands Tools

As discussed previously, there are a number of tools that can be used to help preserve the economy and character in the Rural Lands. The County has conducted preliminary evaluations of some of these tools, both in terms of enhancements to existing tools as well as possible new tools. Using the categories from Figure LU-1 above to organize the discussion, the following provides a brief summary of efforts and investigations that have occurred in the past:

Residential Density Policies, as well as other Categories under the Retaining Rural Character heading

There have been multiple efforts over the years to address development policies in the Rural Lands, particularly residential density policies. In the mid-2000s, citizen committees worked with staff and consultants to research options and best practices. This work led to the development of a draft narrative ordinance with recommendations for amendments to the Zoning Ordinance that would provide incentives for developing large lot and rural cluster subdivisions instead of more conventional small-lot subdivisions. This draft narrative ordinance was not pursued further per new Board direction.

During and following the 2009 Comprehensive Plan update, the County undertook additional research and community engagement efforts. In 2010, as part of the update process, staff worked with a consulting team to research tools used by peer localities in Virginia. In 2013, the County

partnered with the Virginia Cooperative Extension to host an educational *Understanding Rural* panel discussion covering state and national trends in rural development best practices and information about farming, forestry, and marketing trends and resources. This partnership also included hosting the *Thinking Rural* discussions with rural landowners and other interested citizens that focused on defining “rural lands” and gathering community thoughts and preferences regarding policies, regulations and programs. Participant comments varied, and on multiple occasions presented opposite perspectives. On the whole, most participants valued the following features and characteristics of rural areas: open/undeveloped areas with low density development, agricultural and forestry productivity and minimal governmental regulations. However, there was wide variation in ideas of what the County could do to help achieve its long-term vision for Rural Lands. No additional work has proceeded on revising the ordinances to influence the residential development potential or pattern of the Rural Lands.

Land Use-Based Incentives, Example: Transfer of Development Rights

A feasibility study for a Transfer of Development Rights (TDR) program was completed by the consulting firm Design, Community and Environment (DC&E) for the County in October 2011. A TDR program essentially allows a developer to purchase development rights (in the form of dwelling units or commercial square footage) from a property in a designated “sending area” and move them to a designated “receiving area” to increase the permitted residential or commercial density. As the assumptions for the feasibility study were being developed, the Board of Supervisors identified the following goals for a potential TDR program in James City County: 1) to preserve rural character; 2) to keep rural landowners “whole” in the event of a downzoning; and 3) to not increase the overall net number of residential units permitted in the County. The study found that a TDR program under the Virginia enabling legislation would be feasible, but was not recommended because of several limitations, including high transfer ratios, an inadequate number and size of receiving areas, inability to hold overall County buildout at a constant level, difficulty with targeting preservation areas with a voluntary program, and difficulties with mitigating the impacts of more intense development in receiving areas.

Marketing Incentives and Technical Expertise

A Strategy for Rural Economic Development was completed in 2014 in conjunction with the Rural Economic Development Committee (REDC) of the Economic Development Authority (EDA) in recognition of the tremendous opportunity to support and grow agriculture- and forestry-based businesses and increase the agricultural sector of the local economy. Enhancing the viability of rural economic uses can also provide alternatives to residential development within the Rural Lands. As shared by Ed McMahon during his presentation titled *Nature, Agriculture, Economy and Community Character*, economic development is strongly linked to the retention of a unique community character, which is a competitive advantage in attracting asset-based businesses and potential employees.

Goals for the Strategy included: assisting existing agriculture- and forestry-based businesses to grow and succeed, identifying and creating opportunities for new business ventures, growing and diversifying the local tax base, and identifying and celebrating the uniqueness of James City County’s character. The Strategy includes a list of potential projects in the following three categories: marketing/public relations, business development and facilities/capital projects. The County could play an instrumental role in facilitating projects, establishing groundwork, helping to make connections, and identifying resources for implementation.

Considerations for Implementing Rural Lands Tools

As discussed above, there are many potential land use tools in the “toolkit” for rural protection that could be used, many of which are already being very effectively implemented by the County. However, given the significant public input received in this and prior rounds of Comprehensive Plan updates that the County needs to do more to preserve rural lands, it is important to take a strategic approach and assess which tools and practices are the most effective in meeting this goal of better rural lands protection. As part of the research done for this Comprehensive Plan update, a research paper on “Open Space & Rural Character Preservation Analysis” was developed that summarized some key principles for rural lands protection based on the historically most effective rural land protection programs in other Virginia localities. The four principles listed below stand out as opportunities to add new tools or expand existing ones in James City County.

1. Supportive Zoning

Experience in growing localities like James City County has shown that it is very hard to achieve long-term successful rural protection without supportive agricultural zoning. Rural zoning with minimum lot sizes of 1-10 acres is generally not conducive to the protection of rural character over the long term as it gradually converts the landscape both visually and functionally into a large lot residential character as land is subdivided into lots. In general, the most successful zoning for rural protection has been achieved in the 20-50 acres per dwelling unit range of density, often with sliding scale density program that depend on tract sizes. Minimum lot sizes of at least 20 acres, or cluster development of equivalent gross density, should be considered for implementation as important to both protecting the visual character and maintaining a rurally-focused economic character in the County over the long term.

2. Supportive Utility Policies

Consistent utility policies that do not allow the extension of utilities into rural areas are another feature of localities that have successfully protected their rural lands from extensive development. As part of this, it is important to have a rational basis for utility policies that is consistent with overall growth management policies in the Comprehensive Plan. Currently, the County’s independent water systems requirements for major subdivisions in rural lands acts as somewhat of an economic deterrent to large scale conversion of rural lands to residential subdivisions. For major subdivisions with independent water systems, the developer is responsible for constructing the well facility and infrastructure, but this infrastructure is then turned over to JCSA for ownership and maintenance. Operation of these systems currently results in a JCSA fiscal deficit. However, if the independent water system requirements are eliminated, it may be expected that the pace of rural development could increase significantly as the costs of developing large scale three-acre subdivisions in rural areas would be substantially less. If James City County waives the independent water system requirement for Rural Lands, mitigating measures should be proactively put in place in order to avoid the rapid development of the Rural Lands, which would go against the County’s long term vision for rural character protection. These measures could include revising lot sizes as discussed in the Supportive Zoning item above or implementing subdivision phasing requirements.

3. Supportive Rural Protection Programs

Rural protection programs also require consistent effort and funding. There are increasing opportunities for leveraging state and federal funding programs and these should be considered to minimize the impacts on local funding sources. In addition, there should be clear and objective

standards for selecting properties for these programs, and coordinating with eligibility criteria for state or federal funding programs will allow effective leveraging of other funding sources. See also the Open Space discussion earlier in this chapter.

4. Supportive Rural Economic Development Programs

A consistently funded and robust campaign to foster rural economic development has also been a key feature of successful rural protection in Virginia. A rural economic development staff position could be involved in supporting many different types of compatible rural economic development programs. A position like this could also be a conduit for grant funding, connect property owners and entrepreneurs with supportive programs or available land, and generally be a voice for the protection of a vibrant and economically successful rural culture in a community. This principle complements the discussion of the Strategy for Rural Economic Development in the section above.

The four key principles above relate to the Strategies and Actions found in LU 6 and LU 7 in the Land Use Chapter GSAs. In addition to these items, it will be important to continue to monitor enabling legislation in the state code for other potential tools going forward.

Regional Planning

James City County's growth trends are not the result of activities solely within its borders. The plans of surrounding localities and major institutions influence development within James City County and vice-versa. Therefore, James City County coordinates its planning efforts on a regional level, taking into account the comprehensive plans of other jurisdictions and participating in regional planning opportunities. Many opportunities to plan collaboratively and cooperatively exist in formal groups, such as the Hampton Roads Planning District Commission, while other opportunities are created and taken advantage of daily in normal work activities.

One such example was the coordination effort between James City County, York County, and the City of Williamsburg in the early 2010s. The purpose of this effort was to promote closer collaboration and communication concerning land use, transportation, and other comprehensive plan issues that cross jurisdictional boundaries, and to provide an opportunity for citizens of all three localities to talk about issues of mutual interest. The initial steps for this effort included the preparation of a combined map depicting existing land use across the Historic Triangle and development of a project website and reports on demographics, transportation, and housing. Next, the three localities hosted a series of joint community forums that gave citizens the opportunity to learn about the three comprehensive plans and to share their visions and goals for the future of the Historic Triangle. There was a particular focus on three key geographic areas where jurisdictional boundaries meet (the Riverside/Marquis/Busch focus area, the Lightfoot/Pottery focus area, and the Northeast Triangle and surrounding focus area). Next in the process, the three Planning Commissions held a joint work session to review and discuss the citizen comments of common concern, such as housing affordability, transportation, economic development, and land use compatibility along jurisdictional borders.

Upon the completion of these activities, York County and the City of Williamsburg continued with their comprehensive plan review and update processes with their respective Planning Commissions and governing bodies. The staffs of James City County, York County, and the City of Williamsburg continued to meet on a regular basis to share information about the discussions taking place in their respective jurisdictions. Following adoption of the updated Williamsburg and York County comprehensive plans in January and September 2013, respectively, a summary document was

compiled providing regional background information and describing the areas and topics where the localities had similar approaches as well as those areas where the localities' approaches were different. This document is not intended to be included within each of the three localities Comprehensive Plans, but is simply a resource for citizens.

The summary document also included a generalized future land use map that reflects the adopted Future Land Use Map in each locality's comprehensive plans; the map uses a common language and colors so that planners, developers, and citizens can better understand what is planned across borders by each individual locality. The County references this generalized future land use map when performing courtesy reviews for proposed legislative cases within York County and the City of Williamsburg. Overall, the purpose of the summary document is to serve as a foundation for ongoing dialogue and cooperation, which is reflected in this section's GSAs.

Fort Eustis Joint Land Use Study and BASF Site

The most significant example of regional cooperation since the County's previous comprehensive plan update is the Joint Base Langley-Eustis Joint Land Use Study (JLUS). The Joint Base Langley-Eustis (JBLE) is a 7,933-acre facility that is located in both Newport News and James City County and supports a population of 22,000 people, including active duty members, the Army National Guard, Army Reserve, and civilians and family members. JBLE is important to national defense and to the economies of the Commonwealth of Virginia, the Hampton Roads region, and James City County. JBLE is a significantly impactful land use with a unique mission of national defense. As such, the County places a high importance on taking into account how potential development and land use policies in the land adjacent to JBLE might impact or impair its mission.

One such potential development is the BASF site which consists of several contiguous parcels accounting for approximately 678.4 acres, a portion of which directly abuts the JBLE. This site was historically used for chemical manufacturing, though all manufacturing activity on the property ceased in 1994. Since then, the property has been undergoing remediation for contamination, primarily due to zinc. During the previous Comprehensive Plan update in 2015, the County received a request to change the land use designation for the BASF property from General Industry to a Mixed Use designation, which would have been more impactful to the surrounding area. As part of this requested review, the County received correspondence from the Virginia Secretary of Veterans and Defense Affairs, who recommended that no land use designation decision be made until a thorough Joint Land Use Study (JLUS) was conducted. This was due to the potential negative impact that a land use redesignation could have on the Fort Eustis military mission. In light of this recommendation, the proposed land use request was not granted and the site remains designated for General Industry use.

The Joint Base Langley-Eustis JLUS commenced in January 2017. The objective of this study was to identify land uses that are compatible with the mission and use of JBLE, as well as develop growth management guidelines that reduce encroachment on the military site without impairing growth within the surrounding communities.

The County was an active participant in the 15-month collaborative planning process that produced the JLUS. Stakeholders included the U.S. Department of Defense Office of Economic Adjustment, Joint Base Langley-Eustis (Fort Eustis), the City of Newport News, James City County, York County, and community residents and business representatives, including a representative from BASF. The County participated in multiple aspects of this process. Two members of County leadership were members of the Policy Committee for JLUS and steered its overall direction as well as its policy recommendations. Two members of Planning Division staff were members of the

Technical Working Group and provided technical expertise on local land use and planning matters relevant to the County. Planning staff also helped facilitate the public involvement process by hosting members of the neighboring communities at community workshops and neighborhood forums within facilities within the County.

The JLUS was published in March of 2018 and adopted by the County's Board of Supervisors in June of that same year. As such, the study is a valuable planning tool that provides a blueprint for the County and the JBLE for further partnership in land use matters. The JLUS recommends that the County and the JBLE establish formal communication procedures to ensure that development proposals and policy changes from either party are communicated clearly and in a timely manner. The JLUS also recommends that the County establish a Military Influence Overlay District (MIOD). The MIOD is a policy tool that would ensure a representative of JBLE would have the opportunity to provide comment and guidance on land use policy decisions and development proposals within the County portion of the JLUS study area. The County intends to continue its partnership with representatives from the JBLE in the future to ensure land use decisions serve County citizens without impeding the mission of the JBLE.

Other Localities

In addition to York County and the City of Williamsburg, the County is directly adjacent to the City of Newport News and New Kent County. The County also neighbors and has important transportation connections with Charles City County and Surry County via the Judith Stewart Dresser Memorial Bridge and the Jamestown-Scotland Ferry, respectively. James City County continues to monitor the comprehensive plans adopted in these localities to keep abreast of regional issues and implications.

Current Development Trends

Residential Trends

James City County has undergone continuous rapid growth since 1970. In the past 50 years, the County's population has more than quadrupled, growing from 17,853 in 1970 to 74,153 as reported in the 2018 American Community Survey. During that time significant changes in land use, particularly within the PSA, have transformed the predominantly rural character of James City County into a more urban and suburban environment. The majority of this development has occurred within the PSA and has largely been concentrated around the City of Williamsburg, though development has also spread to the northern and western areas of the County.

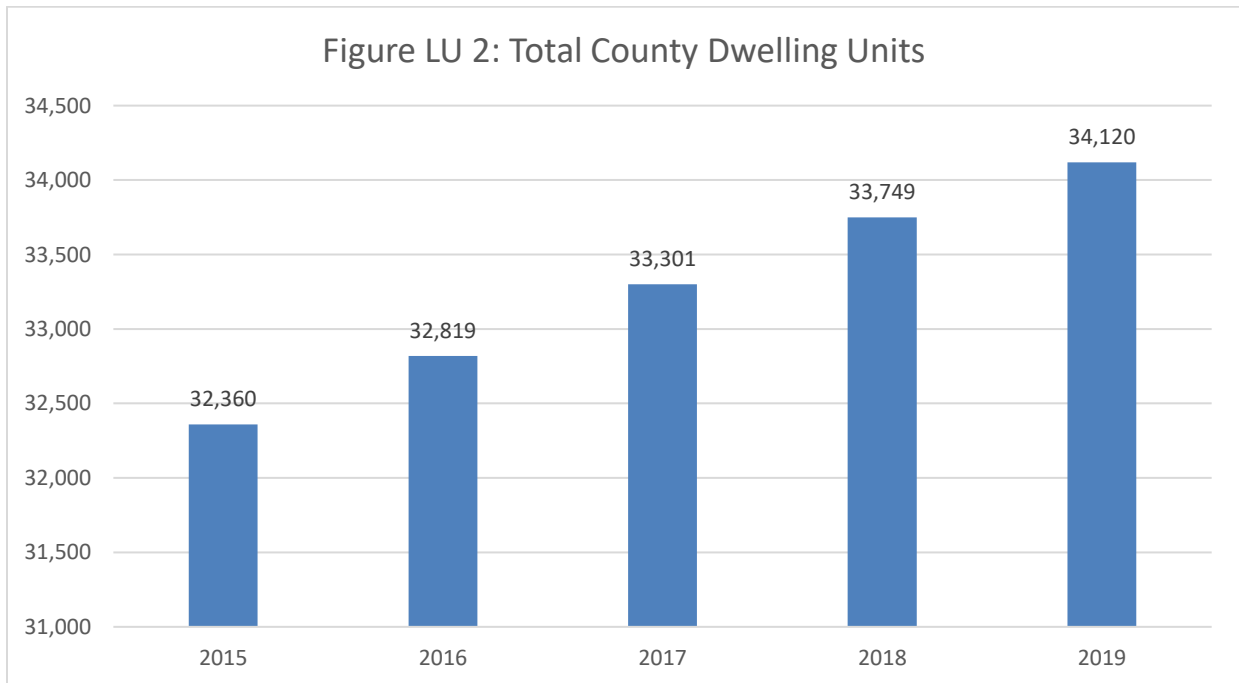
Many of the housing units in the County are located in subdivisions along Richmond Road, John Tyler Highway, Ironbound Road, Greensprings Road, Jamestown Road, Centerville Road, Monticello Avenue, and Longhill Road. Some established neighborhoods, such as Kingsmill, Kingspoint, and First Colony, have reached or are approaching build-out, or their permitted capacities. Other large planned communities such as Colonial Heritage and Stonehouse are expected to contribute new housing from their current inventory of approved units throughout the next several years.

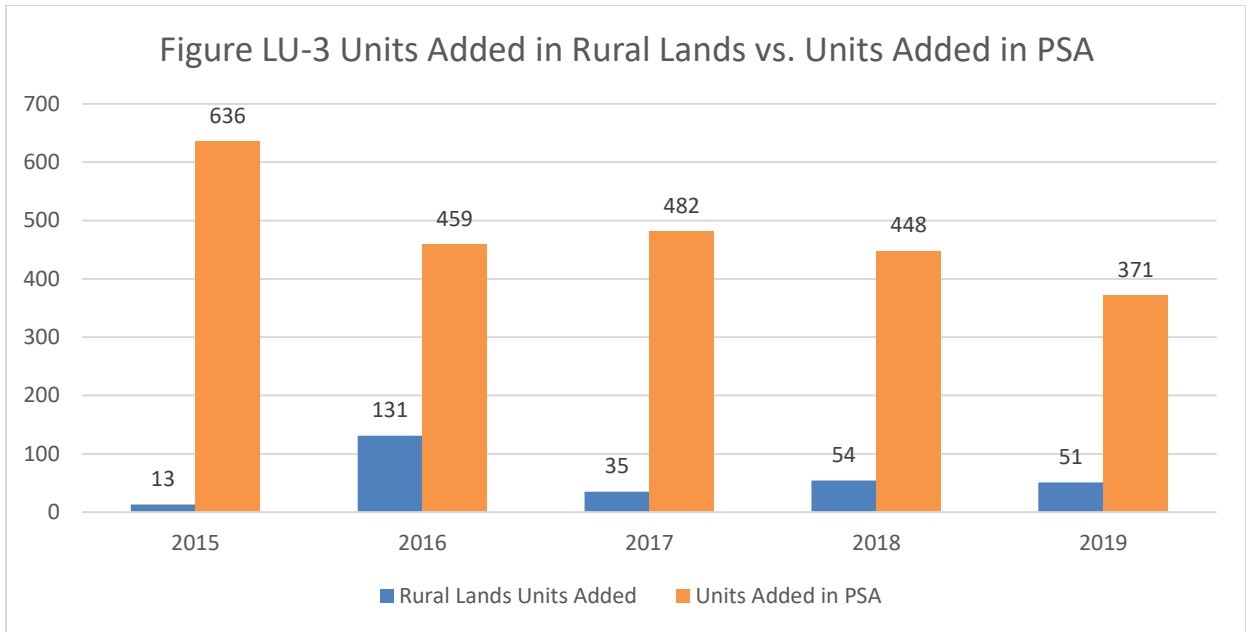
Approximately one-third of the County's existing dwelling units are in large master-planned communities (with 500 or more homes each) and, as of January 2020, approximately 4,821 dwelling units in these communities remain approved but are not yet constructed. More than one-

half of this potential output is located in Stonehouse, a master-planned community in the northern end of James City County.

Since the last Comprehensive Plan update in 2015, no new large master-planned communities with more than 500 units have been approved. One existing large master planned community, Stonehouse, was amended in 2019 to remove approximately 1,100 dwelling units from its maximum build-out. In addition, several smaller developments continued their build-out or reached build-out, including the Village at Candle Station, Governors Grove, Walnut Grove, and Powhatan Terrace. The total number of new units approved legislatively since 2015 was approximately 434. There are also several smaller developments that were legislatively approved since 2015 which have yet to commence or make substantial progress toward build-out, such as Forest Heights and Oakland Pointe.

As to geographic distribution, approximately 87% of the County’s existing dwelling units are located inside the PSA. Outside of the PSA, the vast majority of remaining dwelling units are located within lands designated as Rural Lands. The heaviest concentrations of these units are located along John Tyler Highway near the Chickahominy River, within the Croaker area, and along Barnes and Richmond Roads. Excluding master-planned communities, the majority of the lots in large rural neighborhoods were subdivided prior to 1990. The 1989 density revision to the A-1, General Agricultural Zoning District and subsequent independent water system requirements initially slowed the trend of rural development considerably. However, in the past two decades, activity in rural areas has increasingly followed broader residential market trends, with demand for new housing units contributing to development pressure on rural areas. As can be seen in **Figures LU-2** and **LU-3**, the total number of units in the County has increased by approximately 5.4% from 2015 to 2019, while the number of units located in land designated for Rural Lands has increased by approximately 7% during that same time, at an average of 57 units annually. The percentage of the County’s total dwelling units located in Rural Lands has remained constant during this time at approximately 12%.





Commercial and Industrial Trends

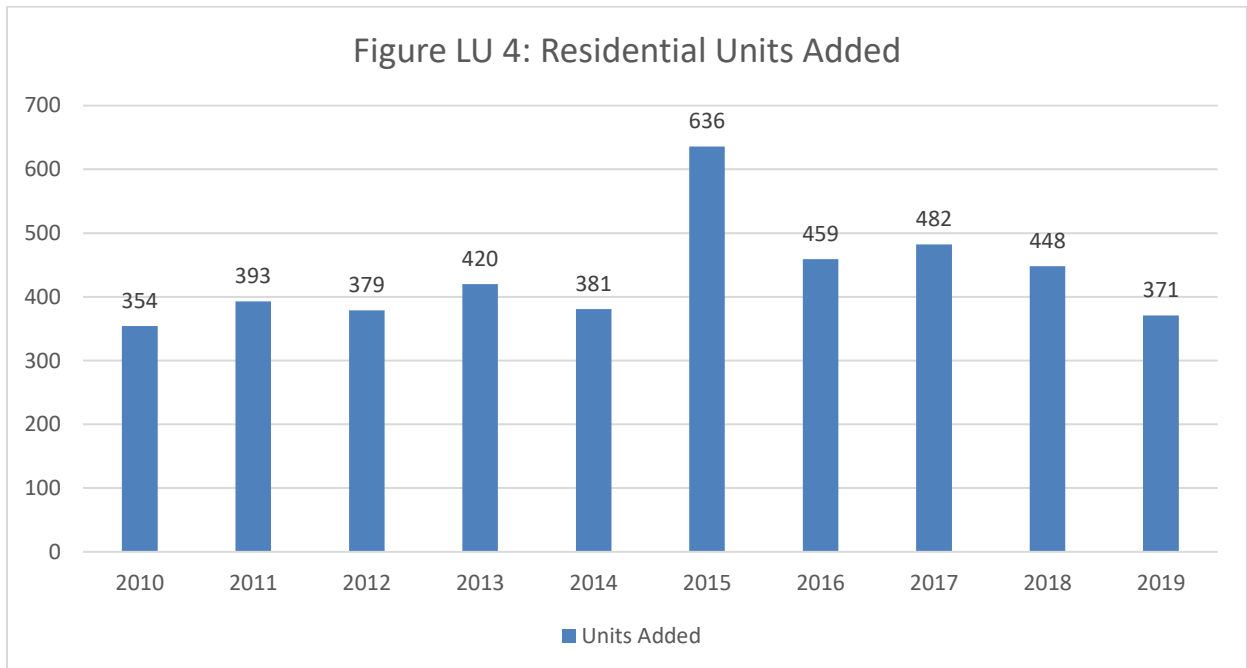
Beginning in the 1990s, the County experienced significant diversification in business and industry, a trend that has continued over the past two decades. One of the most prominent developments in James City County since 2000 has been New Town, a mixed use area approved for more than 1,000,000 square feet of commercial space. The primary retail corridor, Main Street, was completed in 2007 and is anchored by New Town Cinemas. New Town also includes the Discovery Office Park, where a substantial amount of the office square footage has been constructed. Since 2010, commercial development in the Settlers Market section of New Town has completed build-out of approximately 400,000 square feet of commercial space, with additional residential units currently under construction in this area as well. Nearby to New Town, complementary commercial development exists within the Courthouse Commons, Courthouse Green, WindsorMeade, Monticello Marketplace, and Monticello Shoppes developments.

The industrial sector also made gains over the last 40 years. Much of the industrial growth occurred in the formerly designated James River Enterprise Zone in the Grove area of the County, both in James River Commerce Park and Green Mount Industrial Park. In the last 10 years, Jacob’s Industrial Park (adjacent to Hankins Industrial Park) has been a focus area of activity, adding significant infrastructure and several businesses. The County’s industrial base includes three Fortune 500 (or Fortune Global 500) companies: Anheuser-Busch InBev, Ball Metal, and Walmart.

Opportunities for future industrial growth still exist within the County. In 2019, Navien, Inc. announced its plans to establish a manufacturing and assembly center in an available facility located within the Stonehouse Commerce Park. In addition to Stonehouse Commerce Park, Hankins Industrial Park, James River Commerce Center, and Green Mount Industrial Park have industrial property available for development. In addition to these major industrial parks, land zoned and/or designated for commercial and industrial development or redevelopment is available throughout the County.

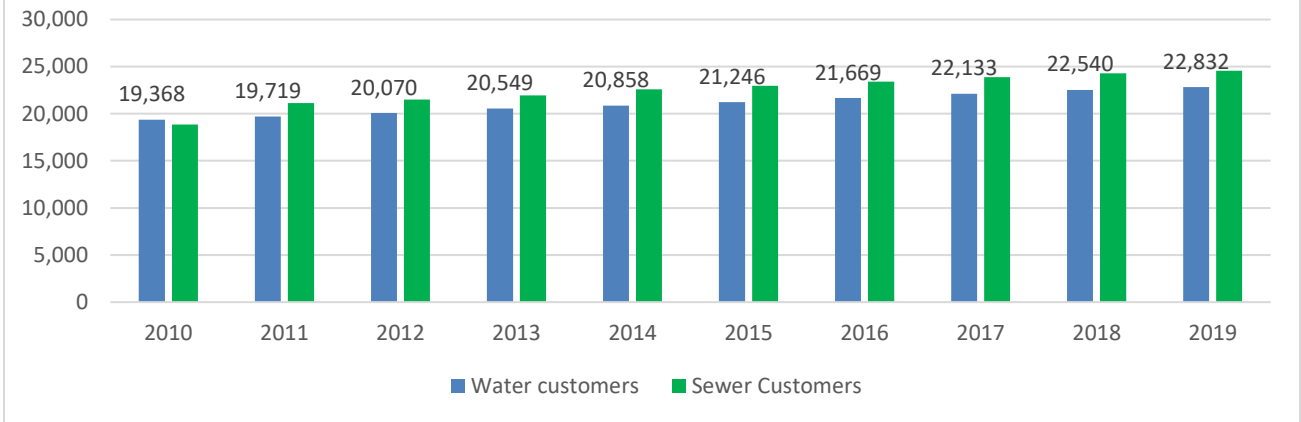
General Construction and Service Trends

Certificates of Occupancy (COs), building permits, trends in population, and water and sewer service connections all indicate the rate of growth and assist in the analysis of its total impact on the County. CO issuance confirms that a building is complete and ready for occupancy. Among other uses, CO data is useful in analyzing the number of new homes added to the County's housing stock and determining the amount of population growth. From year to year, both residential building permits and CO numbers tend to be cyclical, echoing fluctuations in the housing market. As can be seen in **Figure LU-4**, the number of units added in the County over the past decade has risen and fallen with market trends. Between 2010 and 2019, the County added an average of 432 residential units per year, with the average number of units added for 2010-2014 being 385 units per year and the number of units added for 2015-2019 being 480 units per year.



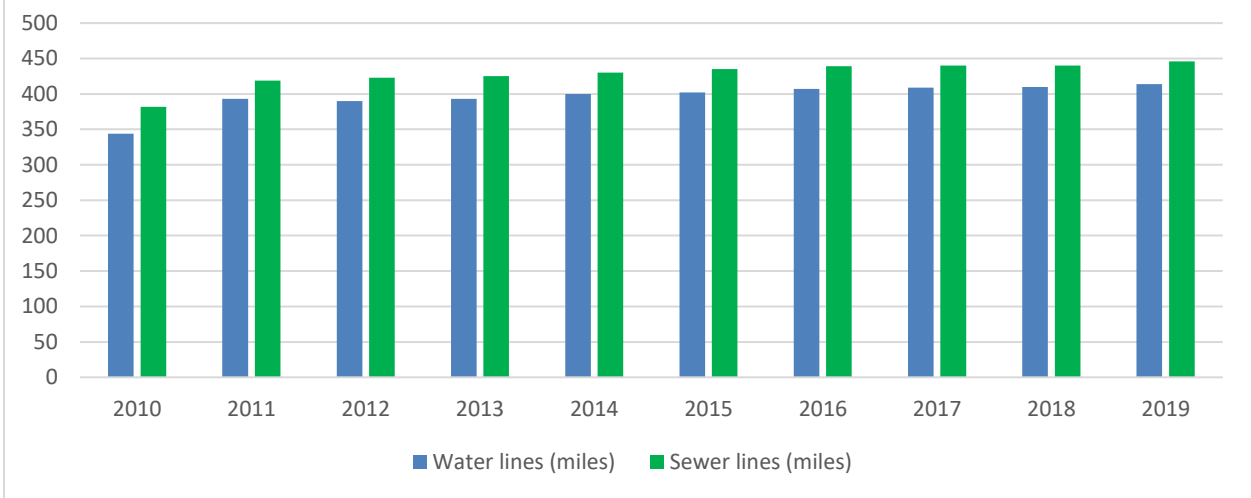
Another indication of growth and its impact on County services is the growth in public water and sewer. Sewer and water service connections have risen to meet population demands and to respond to health concerns. As can be seen in **Figure LU-5** below, the number of water and sewer customers for JCSA has increased steadily on an annual basis over the previous decade, with the water customer base increasing 1.8% annually on average and the sewer customer base increasing 3.0% annually on average. The public water and sewer infrastructure expanded in tandem with this growth in customer base. Per **Figure LU-6** below, the total mileage of water facilities increased by 20% and the total mileage of sewer facilities increased by 17%. In comparing the residential annual CO data with the water and sewer customer growth for each year, it is markedly clear that increased residential development positively correlates with increased demand for public water and sewer services.

Figure LU-5. Total Water & Sewer Customers 2010-2019



Source: JCSA Comprehensive Annual Financial Report 2019

Figure LU-6. Total Water and Sewer Mileage 2010-2019



Agriculture Trends

Agriculture continues to be an important part of a diverse economy and community in James City County. With lands available for both farming and timbering, agriculture not only remains an important area for targeted economic growth in the County, but also serves as a way to uphold the community character. Trends captured by the 2017 Census of Agriculture show that farming in the County did not necessarily mirror statewide trends. The state saw declining numbers of farms with less overall land in farms since 2012, but steady average farm sizes. Since 2002, the number of farms statewide showed a net decrease of approximately 9.2%. Comparatively, County trends showed a decrease in the number of farms since 2012, but with more land in farms overall and a larger average size. Since 2002, the number of farms County-wide showed a net increase of 12.5%. The County consistently uses a higher percentage of farmland as cropland compared to the rest of

the state; other uses for farmland can include woodlands or livestock-related uses such as pasturing. (See **Table LU-3**)

Table LU-3. Summary comparison data from Census of Agriculture 2002-2017

	2017		2012		2007		2002	
	State	County	State	County	State	County	State	County
Total Farms	43,225	72	46,030	83	47,383	74	47,606	64
Land in Farms (acres)	7,797,979	6,630	8,302,444	5,544	8,103,925	5,831	8,624,829	8,962
Avg. Size of Farm (acres)	180	92	180	67	171	79	181	140
Total Cropland (farms)	32,091	46	34,525	57	35,954	47	41,047	60
Total Cropland (acres)	3,084,067	3,591	2,990,561	2,987	3,274,137	2,990	4,194,158	6,342

The greatest number of farms in the County - 26 farms in total - are between 10 and 49 acres. This size range is consistently the most prevalent in the County since 2002, while statewide the most common range is 50 to 179 acres. Census of Agriculture numbers from 2002 to 2017 indicate that there are proportionally more small farms (farms of less than 50 acres) in the County than overall in the state.

Table LU-4 below shows the total size of farms by year since 2002:

Table LU-4. County and state farm size comparison

Farms by Size	2017				2012				2007				2002			
	State		County		State		County		State		County		State		County	
	Total	%	Total	%	Total	%	Total	%	Total	%	Total	%	Total	%	Total	%
1 to 9 acres	4,595	11%	17	24%	3,343	7%	17	20%	3,530	7%	10	14%	3,027	6%	13	20%
10 to 49 acres	13,631	32%	26	36%	14,425	31%	34	41%	15,177	32%	40	54%	14,082	30%	22	34%
50 to 179 acres	14,800	34%	18	25%	16,850	37%	28	34%	17,589	37%	16	22%	18,315	38%	19	30%
180 to 999 acres	6,732	16%	9	13%	7,864	17%	3	4%	7,777	16%	7	9%	8,613	18%	7	11%
1,000 acres or more	2,127	5%	0	0%	2,173	5%	0	0%	1,985	4%	0	0%	2,183	5%	1	2%
	1,340	3%	2	3%	1,375	3%	1	1%	1,325	3%	1	1%	1,386	3%	2	3%

Community Design Policies

Large Retail Establishments

Due to their size and prominence within an area, large retail establishments are expected to impact their surrounding environment. Because these uses present both challenges and opportunities, the following policy statement was developed during the 2003 Comprehensive Plan update to guide their location and design: “a large retail establishment is defined as any combination of retail establishments occupying a single building comprising 40,000 square feet or more of floor space. This building may or may not be situated within a larger shopping center.”

The bulk, size, and scale of large retail establishments present many land use concerns for James City County, including but not limited to aesthetic and transportation impacts. Large retail establishments can be detrimental to the vision for James City County and can contribute to a loss of the unique sense of place when they result in massive individual structures that do not integrate into the character and fabric of the area. There are also significant problems involved in the recycling or adaptive re-use of a large retail establishment if it is abandoned, particularly if it was constructed as a stand-alone entity. However, there are advantages to these establishments in terms of convenience and impacts on public finance in the form of sales tax benefits and employment opportunities.

Currently, large retail establishments are regulated through the rezoning process and by a separate commercial SUP requirement for any commercial building or group of buildings which exceeds 10,000 square feet of floor area. The rezoning and SUP processes allow the County to control aesthetics, traffic and other physical impacts through proffers and conditions.

In order to ensure the success of a large retail establishment and to minimize the possible negative impacts on the County, particularly the problems of adaptive re-use, these establishments should be developed consistent with the following policies:

- Be designed as an integral and indivisible component of a larger retail and business enterprise (for example, such as Monticello Marketplace).
- Be sited in locations close to major arterial roads with adequate buffering from existing residential areas and careful integration with new residential areas.
- Be combined when possible with smaller retail merchants and smaller commercial structures in a well-designed and coordinated shopping and business center in a manner that visually reduces their bulk, size, and scale.
- Be designed with a unified theme of design, materials, and shared parking, as well as the utilization of facades that are compatible with local community character and avoid uniform, bland, box-like architecture.
- Be consistent with the design standards for commercial uses in the Character Design Guidelines.

Strip Commercial Development

Commercial developments gain exposure by being located next to each other and along major roadways. Incremental “strip” commercial development is a common suburban development pattern. While this may provide the desired exposure to the roadway, narrow bands of development yield an unbalanced image of a community and do not assist in reducing automobile dependency. Even if the developments are attractively designed, strip development does not allow the public to take advantage of the convenience of centralized commercial activity and may in fact deter shoppers from smaller establishments in smaller developments. Over time, this type of development pattern begins to negatively impact the attractiveness of the commercial area by virtue of its inherent traffic congestion and inconsistent character. County policy will continue to focus on the potentially adverse impacts of strip commercial development, but will also attempt to encourage a more complementary pattern of development into localized centers or nodes, especially at concentrated locations such as intersections of major thoroughfares. This policy is reflected in the different scales of development suggested by the Commercial and Mixed Use designations of the Future Land Use Map the general performance zoning principles in the Zoning Ordinance and the design standards for commercial uses in the Character Design Guidelines.

Continuing Care Retirement Communities (CCRCs)

James City County already has a number of developments and facilities to serve the senior segment of the population, from age-restricted communities like Colonial Heritage, to facilities with a range of care levels (known as Continuing Care Retirement Communities, or CCRCs) such as Williamsburg Landing and Patriots Colony. With the percentages of the senior segment of the population expected to increase, the need for housing and care options will likely increase as well. CCRCs are sometimes called life care communities and many have large campuses that include separate housing for those who live independently, assisted living facilities that offer more support, and nursing homes for those needing skilled nursing care. When all levels of care are included within the same grounds, people who are relatively active, as well as those who have serious physical and intellectual disabilities (like Alzheimer’s disease, dementia, etc.) will potentially live in close proximity. Residents then move from one housing choice to a progressively more supportive one as their needs change. CCRCs are a permitted or specially permitted use in the R-3, R-4, R-5, PUD (Planned Unit Development), and MU (Mixed Use) Zoning Districts.

While there has been some variation over the decades in evaluating the impact of CCRCs, the consistent recent practice for these purposes has been to calculate a CCRC’s density based on the number of independent living units, with the assisted living rooms and/or skilled nursing beds excluded from this calculation. While assisted living rooms and skilled nursing beds do have an impact on the County, they do not represent the same level of impact as a traditional dwelling unit. Assisted living rooms and skilled nursing beds have been considered to be more along the lines of an institutional land use (like a hospital) than a residential land use, and their impacts should be accounted for differently than with a density measurement. It should also be noted that density is just one of many potential measures of impact for a given project. For most CCRCs, the largest public impacts from the assisted living rooms and skilled nursing beds will likely come from traffic (staff members who support these units traveling to and from the site, delivery of goods and services, etc.), emergency services (Fire and EMS response support for these units), and the environmental impacts associated with locating the building(s) to house these units on the CCRC site. In the past, adequately addressing these types of impacts via the proposal’s master plan or proffers has been judged to have met the intent of the Comprehensive Plan and it is the intent of the County to continue to address CCRC impacts using this practice.

Short-Term Rentals

The short-term rental of private residential property facilitated through companies such as Airbnb has emerged as an alternative to traditional short-term rentals such as hotels or timeshares. As of 2020, James City County does not have a specific definition for short-term rentals in the Zoning Ordinance, but historically has permitted “tourist homes” and “rental of rooms” within certain districts, either by-right or with a special use permit. In districts where an SUP is required for short-term rentals, conditions are stipulated that are intended to protect the residential nature of the surrounding area and ensure that updated Certificates of Occupancy are issued within a certain time period.

The Zoning Ordinance currently defines “tourist home” as a dwelling where lodging or lodging and meals are provided for compensation for up to five rooms which are open to transients. Historically, the “tourist home” use has applied to traditional bed and breakfast-style businesses, where a proprietor rents out rooms for short-term stays, and provides services such as meals and basic housekeeping. The current ordinance allows up to five rooms to be rented within a tourist home, and the definition has been interpreted to allow the proprietor to live on- or off-site. “Rental of rooms” is not specifically defined in the Zoning Ordinance, but has typically applied to situations where a homeowner rents a specific number of rooms (usually to a maximum of three) on a short-term basis. Unlike tourist homes, “rental of rooms” does not allow the owner/proprietor to live off-site. The long term rental of a dwelling or room under a traditional lease does not fall under the short-term rental category.

Many, but not all, residential districts require a special use permit for either tourist homes or rental of rooms, which allows for a legislative review process and conditions to be stipulated which protect the character of the surrounding area. Certain commercial districts allow tourist homes by-right, but rental of rooms is not permitted at all. It is important to note that even if a tourist home or rental of rooms is permitted by-right in a particular location through the Zoning Ordinance, business licensure and an updated Certificate of Occupancy to ensure compliance with commercial fire and building codes would still be required.

Due to the unique impacts that can arise from transient residents in short-term rentals, the County should continue to carefully consider the impacts these uses can have on a community’s quality of life. The thriving rural character of James City County continues to offer a variety of agri-tourism opportunities, for which short-term rentals may provide a truly unique opportunity and experience; one that provides economic benefits to rural property owners but does not directly compete with more conventional tourism-based opportunities inside the PSA. If located within a residential context, short-term rentals should serve to complement the residential character of the area rather than altering its nature. Therefore, while every location can be considered uniquely, short-term rentals are most appropriately located subject to the following development standards:

- Be located on lands designated Rural Lands, Neighborhood Commercial, Community Commercial, Mixed Use or Economic Opportunity;
- Be located on the edge or corner of an existing platted subdivision, rather than internal to it;
- Be located on a major road; and
- Be operated in a manner such that the property owner will continue to live and reside on the property during the rental.

Timeshares

In James City County, timeshares have traditionally been considered as appropriate uses in residential zoning districts and Comprehensive Plan future land use designations. When assessing impacts, it is important for projects to provide information on the maximum possible occupancy of units (given features such as lockout units). In the past, lockout features (typically, a unit which has the capability of being divided to create two separate but complete sections) have not been counted toward density, but should be taken into account, if appropriate, in assessing impacts. Timeshare development should be developed consistent with the following policies:

- It should not directly or adversely impact either existing or planned development.
- It should not be developed as a primary use within any non-residentially designated area.
- In Mixed Use areas, timeshares should be a secondary use and should not be located in areas generally reserved for commercial or industrial use.
- It should follow the design standards for residential uses in the Character Design Guidelines.

Community Guidance

Public Engagement

Public input for the Land Use Chapter was received at key points of the Engage 2045 process. All of the public engagement themes identified during this Comprehensive Plan update are related to this chapter. These public engagement themes are the protection of community character, protection of the natural environment, fostering affordable and workforce housing, growing the local economy, and enhancing quality of life. The 2019 Citizen Survey was conducted in the spring of 2019 and the results were reported in the summer. Overall, respondents to the 2019 Citizen Survey revealed a strong desire for the County to continue managing growth in a manner that upholds community character, protects rural lands and allows for enhancement of the community's overall quality of life.

The County hosted the Engage 2045 Summit on the Future in the fall of 2019 to engage with citizens to determine their priorities and preferences for the future. The responses from the Summit continued the themes from the Citizen Survey, revealing the community's strong desire for the County to protect and preserve rural character and the natural environment and specifying that growth should be located within the PSA and not in the Rural Lands.

This vision was more fully explored through the second round of community engagement, which occurred in the fall of 2020. The second round of public engagement included questionnaires on the Goal statements for each chapter, and feedback on alternative options for future growth and preservation. The results of the Goals Questionnaire for the Land Use chapter's goal showed that slightly more than 70% of respondents did not want to change the goal. Of those preferring change, there was an emphasis on the need to maintain the character of the community by discouraging new development and promoting infill and redevelopment of properties. The results from the questionnaire on alternative futures are expressed in the Scenario Planning key principles listed below.

The third round of community engagement was held in the winter of 2021. This round solicited input on policy directions the County should pursue, actions it should take, and design guidelines it should apply to enable citizens' vision for the future of the community to be realized. The recommended policy directions and actions included new development restrictions and public land acquisition to limit development impacts on natural lands, with a strong emphasis on protecting water resources. Regarding development style, there was more support for styles of development that reduce development intensity supported through the expression of values for natural beauty, agricultural conservation, privacy, walkability, historical architecture, and community. Participants generally desired lower-density development, natural surroundings, and colonial inspired architecture. They indicated a preference for commercial areas separate from parking lots where shoppers can walk, with integrated greenspaces and tree cover, as well as a preference for craft cluster and craft core types of commercial/industrial spaces. Participants were generally concerned about preserving farmland and open space, and strongly preferred large lots (20+ acres), passive recreation, and wooded screening. There was also consistent support for enhancing quality of life amenities in James City County with a strong emphasis on walking and biking facilities. Respondents supported prioritizing County resources for enhancing quality of life amenities. They also supported prioritizing walking and biking amenities in locations that increase connectivity between neighborhoods and shopping, schools, employment areas, and greenways.

Scenario Planning - Key Policy Guidance

The results of the Scenario testing phase of community engagement yielded several key community preferences that relate to Land Use:

- Create more mixed-use “complete communities” that include connected open spaces and natural areas, increase walkability and connectedness, and provide new housing and work opportunities, while maintaining the natural green character of the County;
- Provide a more compact development pattern within the Primary Services Area (PSA) and reduce new development in rural lands outside the PSA, as well as potential reductions in the PSA;
- Support efforts to reuse or redevelop existing, older developments and undertake development on infill sites to maximize use of existing services, improve quality of older developed areas, and reduce pressure for development on rural and natural lands;
- Protect natural features and rural areas as critical community character assets that help to attract new businesses and workers, serve as active working lands, and are the foundation for agri-tourism and eco-tourism industries;
- Provide more housing options that increase the ability for workers to live locally and for households entering new lifestyle periods, such as first-time homebuyers and empty nesters, to have options that allow them to continue to live in the County; and
- Ensure high-quality design of new developments and redeveloped areas that focuses on maintaining community character, supporting green building best practices, incorporating of natural areas within the built environment, supporting walkability and multimodal access, and leveraging existing public infrastructure.

Spotlight on Implementation

Building a strong community for the future requires land use planning practices that will preserve natural resources, plan for adequate transportation and housing infrastructure, create a sense of place and community, and maintain an economic base that remains vital during a variety of market climates. In order to achieve a pattern of land use and development that reinforces and improves the quality of life for the community, James City County has identified the following strategic issues:

- Having a range of housing opportunities and choices;
- Having a diverse tax base;
- Achieving cooperation among all neighboring localities to ensure compatibility of land uses;
- Having attractive places with a discernible identity;
- Promoting the use of land in a manner harmonious with other land uses and the environment;
- Mixing land uses to promote the efficient use of land;
- Preserving natural resources such as open space, farmland and environmentally sensitive areas;
- Providing varied and adequate transportation opportunities;
- Directing development into designated growth areas and providing services and facilities that meet the needs of all citizens; and
- Encouraging the development of complete communities, multi-modal transportation options, and compact mixed use centers that are walkable and bikeable.

There have been a number of items accomplished since 2009 that originated in whole or in part from the Land Use section and Goals, Strategies, and Actions (GSAs). In terms of GSAs related to the area that is designated Rural Lands, the County conducted a study of the feasibility of starting a Transfer of Development Rights (TDR) program, continued to examine zoning regulations for this area, including holding several discussion sessions, and was awarded an Agricultural and Forestal Industries Development grant to enhance rural economic development activities.

With regard to engaging in planning efforts related to our regional context, the County partnered with federal officials, adjacent localities, residents, and business owners to complete the planning process portion of the Joint Base Langley-Eustis Joint Land Use Study (JLUS). This 15-month process resulted in the adoption of the study by the County's Board of Supervisors.

The Zoning and Subdivision Ordinances were also updated to address actions across multiple strategies. For example, the Zoning Ordinance was updated to permit places of public assembly used primarily as an event facility subject to certain performance standards, which helped fulfill one of the recommendations of the County's rural economic development strategy. Other examples include the Zoning Ordinance being updated to create a new section that lists standards and specifications for street trees in certain residential developments, to add bicycle improvements to

many of the required pedestrian accommodation improvements based on the Historic Triangle Bikeways Master Plan, to allow for electric vehicle charging stations as an accessory use to off-street parking, and to revise submittal requirements for legislative cases.

Finally, in terms of GSAs related to the tracking of impacts of development proposals in a comprehensive and cumulative manner, staff has updated its tracking methods and now creates annual updates so future development can be better projected. A land use modeling effort in collaboration with consultants as part of this Comprehensive Plan update will also provide additional resources for staff's tracking and analysis of development.

As the County looks to 2045, the Land Use section, along with the entire Comprehensive Plan, seeks to address the strategies listed above and provide the framework for the policy decisions and Ordinances that will guide the community both today and into the future.

Future Land Use Map Descriptions and Development Standards

The following Future Land Use Map descriptions define the Land Use Map designations and assist in interpreting the intent of the Comprehensive Plan. These descriptions are to be used in conjunction with the Comprehensive Plan's Land Use Development Standards and Future Land Use Map when considering any development proposal affecting areas within the County. On any given parcel, there may be factors or property features highlighted in other Comprehensive Plan sections (e.g., historic or environmental resources) which may also influence the preferred uses, intensities and general development of the property, or determine its suitability for open space preservation.

In some instances, existing developed areas are not shown on the Future Land Use Map because it would be imprudent to encourage further expansions of those uses at this time. There are also areas where a property's zoning is not consistent with its Comprehensive Plan Land Use Designation. The significant instances of this circumstance are described below.

The Future Land Use Map and Comprehensive Plan will be reviewed on a periodic basis to consider changes in development patterns or County policy which may affect the rationale behind particular Future Land Use Map designations. Because the plan is reviewed on a regular basis, the Future Land Use Map and Comprehensive Plan are intended to be relatively rigid guidelines for development over the next five years.

Land Use designations and zoning districts are both important, but each serve a different function. The Land Use designation, in conjunction with County development guidelines, is a guide for a property's desired use in the future. Zoning is a separate regulatory process and layer, and legally determines current development, such as building and structure dimensions, design, placement, and use on the property.

Primary Service Area (PSA)

The PSA defines areas presently provided with public water, sewer and high levels of other public services, as well as areas expected to receive such services over the next 20 years. Promoting efficiency in the delivery of public facilities and services through land use planning and timing

development is an important concept. The PSA concept encourages efficient use of public facilities and services, avoids overburdening such facilities and services, helps ensure facilities and services are available where and when needed, increases public benefit per dollar spent, promotes public health and safety through improved emergency response time, and minimizes well and septic failures within the PSA. Most residential, commercial, and industrial development will occur within the PSA. Development outside of the PSA is strongly discouraged.

Public utility sites, easements, and facilities are not shown on the Future Land Use Map; however, it is the intent of the Comprehensive Plan that any development of these sites, easements, and facilities, inside or outside the PSA, be subject to individualized review under § 15.2-2232 of the Code of Virginia.

Relationship between the Comprehensive Plan Future Land Use Map and Zoning Ordinance District Map for Areas with Residential Designations

The first James City County Zoning Ordinance was approved in 1969, following the first adopted Land Use Plan, which was adopted in 1965, but pre-dating the first Comprehensive Plan, which was adopted in 1975. The Comprehensive Plan Future Land Use map was created with recognition and deliberation of adjacent land uses, traffic conditions, zoning, and a variety of other considerations. The following information provides additional guidance on the zoning-Comprehensive Plan Future Land Use Map relationship.

	Future Land Use Map Residential Designations (Low Density Residential and Moderate Density Residential)
R-8 or A-1 Zoning Districts inside the PSA	<ol style="list-style-type: none"> 1. For residential uses, it may be appropriate to rezone to a residential zoning district. 2. For commercial uses, certain uses are permitted by-right in these zoning districts, while others may require a Special Use Permit (SUP). In a limited number of instances, to be evaluated on a case-by-case basis, a rezoning to a limited commercial zoning district may be considered. For either SUP or rezoning legislative actions, careful adherence to the Low Density Residential /Moderate Density Residential development standards, which have more specific guidelines for these limited commercial uses/districts, will be extremely important.
Residential Zoning Districts (R-1, R-2, R-3)	<ol style="list-style-type: none"> 1. Residential uses and residential zoning districts are in concert with these Future Land Use Designations. 2. For residentially-zoned properties where a property owner wishes to pursue a commercial use, a limited number of uses are permitted by-right in these zoning districts, while others may require an SUP. In a limited number of instances, to be carefully evaluated on a case-by-case basis, a rezoning to a limited commercial zoning district may be considered. In these instances, for either SUP or rezoning legislative actions, careful adherence to the Low Density Residential/Moderate Density Residential development standards, which have more specific guidelines for these limited commercial uses/districts, will be extremely important.
Commercial/Industrial Zoning	A number of properties in this scenario reflect the historical discrepancy between the property’s original zoning and the Comprehensive Plan Future Land Use Map. In these instances, the future land use designation was deliberately put in

<p>Districts (LB, B-1, M-1, M-2)</p>	<p>place to address a variety of considerations. Examples of this are described below, together with the rationale for the existing designation, and information to help guide future development in these areas. Where this discrepancy occurs, a property owner could choose to pursue a rezoning to a residential district to allow for a residential use, which is typically less intense than what would otherwise be allowed. Similar to the circumstances discussed in the previous categories, if a property owner wishes to pursue a commercial use, certain uses are permitted by-right in these zoning districts, while others may require an SUP. For legislative actions, careful adherence to the language pertaining to a particular area below (where applicable) and to the Low Density Residential /Moderate Density Residential development standards, which have more specific guidelines for these limited commercial uses/zoning districts, will be very important.</p>
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Anderson’s Corner Area

There are approximately 87 acres outside the area designated Mixed Use in Anderson’s Corner that are zoned General Business (B-1) and designated Low Density Residential. The surrounding property is zoned General Agricultural (A-1) and Limited Residential (R-1).

The County recognizes this property’s zoning and Comprehensive Plan land use designations are inconsistent; however, for the reasons outlined below, the County believes that no changes in Land Use Map designation are warranted.

- Changing the Future Land Use Map designation to Mixed Use is not recommended. There is a substantial amount of land designated Mixed Use in and around the Barhamsville Road and the Croaker Road interchanges. There is also a substantial amount of land designated for General Industry just to the south of Anderson’s Corner.
- Changing the Future Land Use Map designation to make it consistent with the underlying zoning could lead to other adjacent property owners wishing to re-designate their parcels from Low Density Residential to a more intense land use classification. Further development beyond what could occur based on existing zoning could result in significant increases in traffic volumes on both Route 30 and Richmond Road (Route 60).
- Because these B-1 parcels are adjacent to existing single family homes and property designated Low Density Residential on the Comprehensive Plan, they are not an appropriate location for intense business/ commercial uses. By keeping the Low Density Residential designation in this area, the County is better able to mitigate the impacts of businesses that locate in this area through the SUP process. It is the policy of the County to mitigate these impacts during the development review process.

The County would evaluate development proposals in this area based on how well they measure against the following criteria:

- Protecting adjacent residential areas.
- Limiting curb cuts and minimize negative traffic impacts on the area.

- Discouraging “strip” development and promote a coordinated and comprehensive development plan for the entire area.
- Giving preference to office and limited industrial uses.
- Encouraging pedestrian travel.

Strawberry Plains Road and Route 199 Area

This property is located on the west side of Strawberry Plains Road north of John Tyler Highway (Route 5). The northern portion of this area is zoned Limited Business (LB) and the southern portion is zoned B-1. The northern half of this area has a Moderate Density Residential designation while the balance of the area is designated Low Density Residential. Most of the property designated Moderate Density is already developed with small commercial uses associated with the Midlands townhouse complex. A portion of the property zoned B-1 is owned by the County and has been utilized for Route 199 right-of-way and buffers, and the rest has been developed as the Strawberry Plains Center commercial area.

The County believes that no change in Comprehensive Plan designation is warranted. Given this area’s proximity to nearby residential development, including the Strawberry Plains subdivision in the City of Williamsburg, it is ill-suited for further intense business and commercial development. For the B-1 property, the County discourages development or redevelopment of this property in a strip commercial fashion.

Greensprings Road and John Tyler Highway (Route 5)

Several properties located at the southwestern corner of John Tyler Highway (Route 5) and Greensprings Road are zoned LB and designated Low Density Residential. These parcels front on both Greensprings Road and John Tyler Highway (Route 5). They are adjacent to Low Density Residential properties (built subdivisions). Historic Green Spring is located directly across the street. The western parcel has been developed as an office complex. Because of their location, the development of these parcels could have a significant impact on the entry point to Green Spring Road and Historic Green Spring and consequently their historic and natural character.

The County believes that no change in the Future Land Use Map designation is warranted. Development of these parcels should continue to be very low traffic generators that protect the adjacent residential communities and the historic and aesthetic character of Greensprings Road and John Tyler Highway (Route 5). By keeping the Low Density Residential designation in this area, the County is better able to mitigate the impacts of businesses that locate in this area through the SUP process.

Jamestown Road - Sandy Bay/Ironbound Road Area

There are a number of properties in this area that are zoned LB and designated Low Density Residential. Jamestown Road is projected to be approaching or over capacity in the future Widening would have a significant negative impact on the character of the road. Given the traffic concerns and the fact that this area is predominantly residential in character, the Low Density Residential designation is appropriate for this area and should remain unchanged. The most appropriate uses are either residential or the very limited accessory commercial uses referenced in the Low Density

Residential designation. The Low Density Residential designation affords more opportunity to guide future uses.

Land Use Designation Descriptions and Development Standards

The information and charts below summarize the preferred development standards for the following future land use designations:

- Economic Opportunity
- Community Character Conservation, Open Space or Recreation
- Williamsburg-Jamestown Airport
- Federal, State or County Land
- Rural Lands
- Low Density Residential
- Moderate Density Residential
- Neighborhood Commercial
- Community Commercial
- Limited Industry
- General Industry
- Mixed Use

The designation descriptions and development standards for these future land use designations describe preferred uses, intensities and general development characteristics for each designation. In addition, the Character Design Guidelines should also be consulted as they describe the preferred design guidelines for different land uses.

Economic Opportunity

Lands designated as Economic Opportunity are intended primarily for economic development, increased non-residential tax base, and the creation of jobs. The lands should be at strategic locations in the County relative to transportation, utilities infrastructure, and adjacent uses, and the lands should only be developed consistent with comprehensive area/corridor master plans.

The principal uses and development form should maximize the economic development potential of the area and encourage development types that have certain attributes, principally that they have a positive fiscal contribution, provide quality jobs, enhance community values, are environmentally friendly and support local economic stability. Master planning is at the core of this designation, and no development should occur unless incorporated into area/corridor master planning efforts which should address environmentally sensitive areas, available infrastructure (roads, water, sewer, transit, etc.), community character and context, public facilities and adjacent land uses to include lands in adjacent jurisdictions. The intent of this designation is to include parcels with this designation in the PSA (where not already included) pending the outcome of the master planning efforts.

These area/corridor master planning efforts should phase development to be in step with, and provide for, adequate amounts or capacities of roads, water, sewer, transit, bicycle and pedestrian facilities, fire stations, police and general government services, parks and recreation facilities, schools, and other facilities and service needs generated by the development. The master plan for

the area should also demonstrate appropriate variation in uses, densities/intensities, pattern, and design such that new development is compatible with the existing character of surrounding areas. If an individual landowner in lands designated Economic Opportunity does not wish to participate in the master planning effort, such land shall be recognized and adequate buffers provided in the master plan to protect the current use of that land.

Development should be designed to encourage trips by alternative transportation modes and should be concentrated on portions of the site to avoid sensitive environmental features and respect viewsheds from historic and Community Character areas and corridors.

Economic Opportunity - Mooretown Road/Hill Pleasant Farm Area

For the Mooretown Road/Hill Pleasant Farm Area, the primary suggested uses include industrial, light industrial, and office uses. Primary uses shall follow the recommendations for the general Economic Opportunity designation as described above. Development should refer to the commercial/industrial and residential development standards. Retail commercial uses should be limited in amount and type to support the primary uses. Mixed-cost housing, with a strong emphasis on affordable/workforce needs, may be permitted on up to 15% of developable land area. Housing shall only occur with (a) an area/ corridor master plan to balance regional residential distribution, and (b) assurance that the residential units must be built concurrently or after the office/ industrial component. High density residential may be permitted as a secondary use only with commitments to improved transit system infrastructure and programs (light rail, commuter rail, expanded bus transit, etc.); should transit not occur, high density residential uses are strongly discouraged. In addition, any residential density should be highest closest to transit access points, and should decrease as distance increases from those points. A portion of this area is included within the Norge Community Character Area. Additional information can be found in the Norge description in the Community Character section. New development in the northern portion should be of a design, scale and intensity that is complementary to the development standards for the Croaker mixed use area.

Economic Opportunity - Barhamsville Interchange Area

For the I-64 Exit 227 Interchange Area, the primary suggested uses include industrial, light industrial, office, medical/research, and/or tourist attraction uses. Primary uses shall follow the recommendations for the general Economic Opportunity designation described above. Development should refer to the commercial/industrial development standards. Retail commercial uses should be limited in amount and type to support the primary uses. As expressed in the general Economic Opportunity language, the master plan for this area should demonstrate appropriate variation in uses, densities/intensities, pattern and design such that new development is compatible with the existing character of surrounding areas. In particular for this site, buffers, open space, or other similar mechanisms should be used along the southern and western property lines in order to provide a transition to areas designated Rural Lands and Park, Public and Semi-Public Open Space. These parcels constitute a gateway into the County along I-64 and Route 30 which should be reflected in the development's architectural design, landscaping and buffering.

Transportation is a key component of this EO area, with proximity to the interstate interchange as an important driver. The phasing and intensity of future development should safeguard this important element by maintaining adequate levels of service at the interchange and surrounding roadways. The primary access for these EO parcels should be an internal access road that connects to Old Stage Road/Route 30. A secondary access onto Barnes Road could be considered depending

on the type of development that is ultimately proposed, as well as a more thorough analysis of the adequacy and safety of Barnes Road to handle traffic both from the north and the south. Any residential uses should be subordinate to and in support of the primary economic development uses and only located on the periphery of the property in areas that are not suitable for economic development uses. In addition, the location and amount of any residential uses should be depicted as an integrated element of the larger master plan for the area, should be limited to the amount or percentage allowed in the Economic Opportunity Zoning District, and should not be developed prior to a significant portion of the primary economic development uses. New development should be of a design, scale and intensity that is complementary to the development standards for the Stonehouse mixed-use area.

Economic Opportunity - Toano/Anderson's Corner Area

For the Toano/Anderson's Corner Area, the recommended uses are industrial, light industrial and office uses. Businesses that take advantage of the unique assets of the property or use agricultural or timber industry inputs are highly encouraged. In order to support Toano as the commercial center of this part of the County, retail commercial is not a recommended use unless accessory to the recommended uses. Any residential uses should be subordinate to and in support of the primary economic development uses. In addition, the location and amount of any residential uses should be depicted as an integrated element of the larger master plan for the area, should be limited to the amount or percentage allowed in the Economic Opportunity Zoning District, and should not be developed prior to a significant portion of the primary economic development uses. As expressed in the general Economic Opportunity language, the master plan for this area should demonstrate appropriate variation in uses, densities/intensities, pattern and design such that new development is compatible with the character of surrounding areas. In particular for this site, buffers, open space, or other similar mechanisms should be used along the southwest and western property lines in order to provide a transition to areas designated Rural Lands, and the site design and architecture should respect the local rural character and nearby historic structures. Maintaining mobility on Route 60 is also a significant consideration, so development should utilize best practices for access management. New development should be of a design, scale and intensity that is complementary to the development standards for the Anderson's Corner mixed-use area.

Community Character Conservation, Open Space or Recreation

The properties that are most appropriate for this designation are those that currently contribute to the rural, historic and scenic character of James City County, whether inside or outside the Primary Service Area, and are used for that purpose. Categories for these properties includes those larger, undeveloped areas within the Primary Service Area (PSA) that are protected by historic or scenic easements, properties of national or local historic significance such as Jamestown Island, Colonial Parkway, Green Springs National Park, Carter's Grove and Mainland Farm, and properties currently used for public recreation such as York River State Park, the Warhill Sports Complex, Chickahominy Riverfront Park and Freedom Park. Other properties that are appropriate for this designation are those that provide buffers to historic sites and environmentally sensitive areas such as reservoirs, natural heritage resources, educational resources, and areas for recreation and enjoyment.

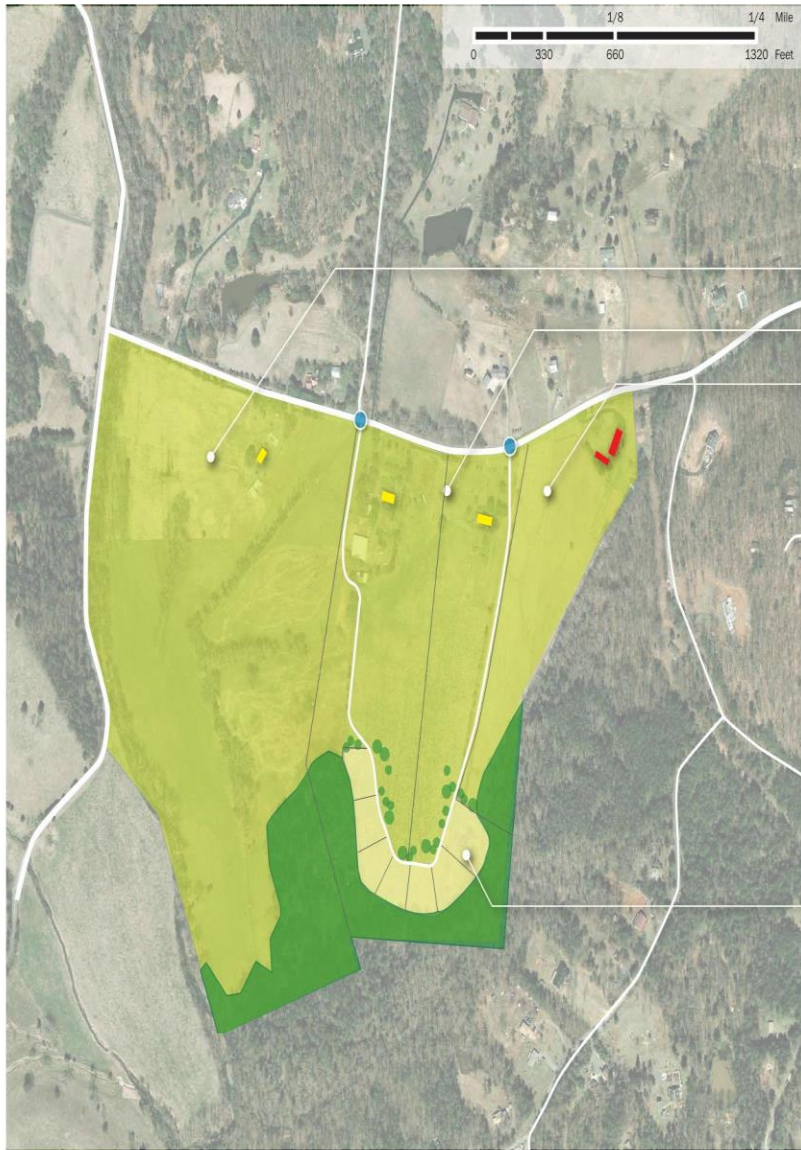
Williamsburg-Jamestown Airport

The principal suggested uses for the developable land associated with the airport include aviation, with airport-related commercial and office development as clearly secondary uses. Land which is currently in use as a mulching operation may continue in its current or a similar use, in a limited manner consistent with State and local permits. Changes in the use of this portion of the site to an activity which is similar or less intense than the previous activity may be permitted provided that all local, state, and federal permits are obtained and that the development of these uses is clearly secondary to the existing and future airport operations. Manufacturing, commercial, or industrial activities beyond the scope of what is described above are discouraged and any proposed development is to be considered in light of its impact on neighboring communities and subdivisions. The timing and intensity of development will be conditioned on the sufficient buffering and screening of adjacent property and the maintenance of an acceptable level of service for roads and other public services.

Federal, State, or County Land

Publicly owned lands included in this category are Eastern State Hospital, military installations, County offices and facilities, and larger utility sites such as the Hampton Roads Sanitation District treatment plant. Development in these areas should follow applicable development standards listed in the charts.

Chart 1. Rural Lands Designation Description	
1. Basic Description	Rural Lands are areas containing farms, forests and scattered houses, exclusively outside of the PSA, where a lower level of public service delivery exists or where utilities and urban services do not exist and are not planned for in the future. Rural Lands uses are intended to help protect and enhance the viability of agricultural and forestal resources and compatible rural economic development uses as important components of the local economy.
2. Recommended Uses	<p>Appropriate primary uses include traditional agricultural and forestal activities, but also innovative agriculture, horticulture, silviculture, specialty or niche farming, commercial and non-commercial equine opportunities, agri-tourism, rural-based public or commercial recreation, rural-support businesses and certain public or semi- public and institutional uses that require a spacious site and are compatible with the natural and rural surroundings.</p> <p>Retail and other commercial uses serving Rural Lands are encouraged to be located at planned commercial locations on major thoroughfares inside the PSA. However, appropriately-scaled and located direct agricultural or forestal-support uses (including agri-business and eco-tourism), home-based occupations, or certain uses which require very low intensity settings relative to the site in which it will be located may be considered on the basis of a case-by-case review, provided such uses are compatible with the natural and rural character of the area and are in accordance with the Rural Lands Development Standards. These uses should be located in a manner that minimizes effects on agricultural and forestal activities, and where public services and facilities, especially roads, can adequately accommodate them.</p>
3. Recommended Density	Residential development is not a recommended use and is discouraged outside the Primary Service Area in the Rural Lands. Residences associated with agricultural and forestal activities may be appropriate, but subdivision of lots should occur at a density of no greater than one residence per 20 acres. A very limited amount of residential development could be permitted in the form of rural clusters, provided significant preservation of the natural resources is achieved, such development does not interrupt rural qualities or character, and the development standards for rural clusters listed below are followed.
Rural Lands Development Standards	
4. Use and Character Compatibility	<p>a) Uses in Rural Lands should reflect and enhance the rural character of the County. Particular attention should be given to the following:</p> <ol style="list-style-type: none"> i. Locating structures and uses outside of sensitive areas; ii. Maintaining existing topography, vegetation, trees, and tree lines to the maximum extent possible, especially along roads and between uses; iii. Discouraging development on farmland, open fields, scenic roadside vistas, and other important agricultural/forestal soils and resources; iv. Encouraging enhanced landscaping to screen structures located in open fields using a natural appearance or one that resembles traditional hedgerows and windbreaks; v. Locating new driveways or service roads so that they follow existing contours and old roadway corridors whenever feasible; vi. Generally limiting the height of structures to an elevation below the height of surrounding mature trees and scaling buildings to be compatible with the character of the existing community; vii. Minimizing the number of street and driveway intersections along the main road by providing common driveways; and viii. Utilizing lighting only where necessary and in a manner that eliminates glare and brightness. <p>b) Encourage the preservation and reuse of existing agricultural structures such as barns, silos, and houses.</p> <p>c) Site more intensive uses in areas where the existing road network can accommodate the additional vehicle trips without the need for significant upgrades or modifications that would impact the character of the rural road network.</p>
5. Rural Clusters	<p>If built, rural clusters should develop with the following guidelines:</p> <ol style="list-style-type: none"> a) Densities should be no higher than the maximum permitted density in the underlying zoning district. Lot sizes may be reduced as appropriate to maximize the preservation of rural view-sheds and resources as described in the standards below. b) Minimize the impact of residential development by retaining a substantial amount (at least two-thirds) of the site in large, undivided blocks of land for permanent open space, farming, timbering and/or rural economic uses. c) Appropriate goals for open space and lot layout include preservation of farmland, open fields, scenic vistas, woodland, meadows, wildlife habitats, and vegetation; protection of environmentally sensitive land including wetlands, stream corridors, and steep slopes; important historic and archaeological resources, and roadway buffers. d) The goals of the open space and lot layout should be shown on a conceptual plan, and the design should support these goals. For instance, if preservation of agriculture is one of the main goals of the open space, the open space should encompass that land which is most suitable for farming (topography, soils). Blocks of land large enough to support a farm should be set aside in the open space. In addition, potential conflicts between the uses should be minimized by designing buffers between the farmland and the residential development. Similar design considerations would be expected to support other open space goals as well. e) The open space should be placed in a conservation easement or the equivalent to ensure that the land will remain undeveloped. f) The visibility of the development from the main road should be minimized. It is recommended that lots be placed along an access road rather than along the main route so that the view from the main route still appears rural in nature.



Rural Lands

SAMPLE DEVELOPMENT CONCEPT

This illustration represents one potential way that the policies in the Land Use chapter for this land use could be interpreted. Alternate concepts that follow these policies may also be acceptable. This development concept is only for illustrative purposes and design guidelines, policies and ordinance requirements are a factor, particularly with respect to detailed requirements such as landscaping

Large farm remains in agricultural / forestal use

Medium sized parcel divided into two large lots managed as small farms

Small farm managed as rural economic enterprise with agritourism and winery use



Small rural cluster sited away from roads and screened by trees to preserve rural viewsheds


Legend

- | | | |
|------------|--|-----------------------------------|
| Mixed use | Low Density Residential | Common Open Space |
| Commercial | Moderate Density Residential - Level 1 | Wooded or Landscaped Buffer Areas |
| Civic | Moderate Density Residential - Level 2 | Roadway Interconnectivity |
| Industrial | Parking | Pedestrian/Bike Paths |

Chart 2. Residential Designation Descriptions			
	Low Density Residential	Moderate Density Residential	
		Level 1	Level 2
1. Basic Description	<ul style="list-style-type: none"> • Located in the PSA where public services and utilities exist or are expected to be expanded to serve the sites over the next 20 years. • Have natural characteristics such as terrain and soils suitable for residential development. 	<ul style="list-style-type: none"> • Located in the PSA where public services and utilities are available. • Optimally located near the intersections of collector or arterial streets. • Have natural characteristics such as terrain and soils suitable for compact residential redevelopment. • May serve as transitional uses, primarily to general commercial, Neighborhood Commercial, or Mixed Use areas. 	<ul style="list-style-type: none"> • Have the attributes of Level 1, plus: • Optimally located on high capacity roadways, and near the intersections of collector or arterial streets. • May be part of a larger mixed use community as part of higher density uses at the core. • Should be located close to shopping and service uses with good multimodal connections to employment and recreation opportunities.
2. Recommended Density	<ul style="list-style-type: none"> • Gross density up to one dwelling unit per acre, depending on the character and density of surrounding development, physical attributes of the property, buffers, the number of dwelling units proposed, and the degree to which the development is consistent with the Comprehensive Plan. • Gross density from one unit per acre up to four units per acre, if particular public benefits are provided. Examples of such public benefits include mixed-cost housing, affordable and workforce housing, enhanced environmental protection, or development that adheres to the principles of open space design. 	<p>Minimum gross density of four units per acre up to 8 units per acre, depending on the character and density of surrounding development, physical attributes of the property, buffers, and the degree to which the development is consistent with the Comprehensive Plan. Development at the highest density is not recommended unless it offers particular public benefits. Examples of such public benefits include mixed- cost housing, affordable and workforce housing, and enhanced environmental protection.</p>	<p>Minimum gross density of 8 units per acre up to 16 units per acre, depending on the character and density of surrounding development, physical attributes of the property, buffers, the number of dwelling units proposed, and the degree to which the development is consistent with the Comprehensive Plan. Development at the highest density is not recommended unless it offers particular public benefits. Examples of such public benefits include mixed- cost housing, affordable and workforce housing, and enhanced environmental protection.</p>
3. Recommended Uses	<p>Group 1 Single family and multifamily units, accessory units, cluster or cottage homes on small lots, recreation areas.</p> <p>Group 2 Schools, places of public assembly, very limited commercial, and community-oriented facilities.</p> <p>Group 3 (See also the CCRC and timeshare policies) Timeshares, retirement and care facilities and communities.</p>	<p>Group 1 Multifamily units (single family attached homes, duplexes, townhomes), lower density apartments, recreation areas, manufactured home parks and subdivisions in accordance with location standards.</p> <p>Group 2 Very limited commercial and community-oriented facilities.</p> <p>Group 3 (See also the CCRC and timeshare policies) Timeshares, retirement and care facilities and communities.</p>	<p>Group 1 Multifamily units (single family attached homes, duplexes, townhomes), apartments, recreation areas, in accordance with location standards.</p> <p>Group 2 Limited commercial and community-oriented facilities.</p> <p>Group 3 (See also the CCRC and timeshare policies) Timeshares, retirement and care facilities and communities.</p>

Residential Development Standards	
4. Use and Character Compatibility	<p>a) Permit new development only where such developments are compatible with the character of adjoining uses and where the impacts of such new developments can be adequately addressed. Particular attention should be given to addressing such impacts as incompatible development intensity and design, building height and scale, land uses, smoke, noise, dust, odor, vibration, light, and traffic.</p> <p>b) Locate residential uses immediately adjacent to non-residential uses, major roads, railroads, airports, agricultural and forestal uses, and other conflicting uses only where the conflicts between such uses can be adequately addressed (noise, vibrations, and others). In some cases these conflicts may be addressed by sufficient screening or buffering, or other adequately protective site and building design features.</p> <p>c) For Moderate Density Residential uses generally, sufficient buffering should be provided so that the higher density development is compatible with nearby development and the natural and wooded character of the County.</p> <p>d) Uses in Groups 2 and 3 above should only be approved in these designations when the following standards are met:</p> <ul style="list-style-type: none"> i. Maintain the residential character of the area; ii. Have traffic, noise, lighting and other impacts similar to surrounding residential uses; iii. Generally be located on collector or arterial roads at intersections; iv. Act as a transitional use between residential and commercial areas or, if located within a residential community, be integrated with the residential character of the area rather than altering its nature; v. Provide adequate screening and buffering to protect the character of nearby residential areas; and vi. Generally intended to support the residential area in which they are located (for Group 2 uses only). <p>e) For uses that are covered in the Community Design Policies section of this chapter, follow the guidance for that use.</p>
5. Public Services, Utilities, and Adequacy of Infrastructure	<p>a) Timing and density of the development of particular sites will depend upon the availability and adequacy of public services, utilities, and facilities, and the maintenance of an acceptable level of service of roads and other public services.</p> <p>b) The need for public services (police, fire, education, recreation, etc.) and facilities (schools, fire stations, libraries, etc.) generated by a development should be met or mitigated by that development.</p>
6. Open Space, Open Space Design	<p>Use open space design and resource protection measures for new developments by:</p> <ul style="list-style-type: none"> a) Basing design on a use of land reflecting topographic and other physical features and natural boundaries of the site rather than imposing a layout intended solely to satisfy minimum Ordinance requirements; b) Maintaining open fields, farm lands or contiguous forests suitable for timbering; c) Preserving scenic vistas; d) Protecting wildlife habitats, high-ranking Virginia Department of Conservation and Recreation designated Natural Areas and significant natural heritage resources, and other sensitive areas as open space; e) Retaining natural vegetative buffers around water bodies or wetlands; f) Preserving historic and archaeological resources; g) Ensuring that the common land adjoins protected open space on adjacent parcels; h) Maintaining existing trees and vegetation and preserving the character of the development's natural setting; i) Emphasizing the use of natural screening/buffering (using vegetation, topography, etc.) over artificial or planted screening/buffering; j) Creating usable and functional public gathering places and recreational amenities that become focal points of the development and community; k) Designing effective pedestrian circulation to include trail systems (see also Nos. 8 and 9 below); l) Protecting land designated as conservation areas on development plans by perpetual conservation easement; and m) Protecting designated Community Character Corridors.
7. Enhanced Environmental Protection	<p>Provide enhanced environmental protection by designing the site in accordance with the open space design standards in No. 6, plus items such as:</p> <ul style="list-style-type: none"> a) Adhering to the County's adopted watershed master plans; b) Preserving soils with the highest potential for infiltration; c) Adhering to green building guidelines, such as LEED (Leadership in Energy and Environmental Design) or equivalent; d) Providing for water conservation measures and/or the use of grey or reclaimed water for irrigation; e) Providing for nutrient management plans; and f) Considering siting for solar orientation.

8. Transportation and Mobility	<p>Minimize the impact of development proposals on overall mobility and traffic safety, especially on major roads by:</p> <ol style="list-style-type: none"> Limiting access points and providing internal, on-site collector and local roads, side street access, and joint entrances, and prohibiting direct access to arterial and collector streets from individual single-family detached units and duplex units except in the case of a master planned community; Providing new public collector and arterial roads in master planned communities; Enhancing the efficiency of the entire street network by providing for vehicular connections to adjacent properties and developments; Providing for safe, convenient, and inviting bicycle, pedestrian, and greenway connections to adjacent properties and developments in accordance with the adopted Pedestrian Accommodations Master Plan and Regional Bikeway Map, with a special focus on providing adequate access between residential and nonresidential activity centers and among residential neighborhoods; Encouraging use of “complete streets” which integrate sidewalks and bikeways into the design of streets, and provide adequate associated facilities such as bike racks, such that these activities are given equal priority to motor vehicle activity; Providing for ultimate future road, bicycle, and pedestrian improvement needs and new road locations through the reservation of adequate right-of-way, and by designing and constructing roads, drainage improvements, and utilities in a manner that accommodates future road, bicycle, and pedestrian improvements; Explore bus and transit service need and provide facilities if appropriate; and Encouraging adequate off-street parking areas for multi-family residential developments that minimize conflicting turning movements with on-site and off-site traffic circulation.
9. Sense of Place and Streetscapes	Reference the Character Design Guidelines.
10. Affordable and Workforce Housing	<ol style="list-style-type: none"> Affordable and workforce housing should be provided in accordance with guidance or requirements in the Housing Chapter, Zoning Ordinance, and any other adopted policies or regulations. Where provided, affordable and workforce housing should be blended with other units of various types and prices throughout a given development. Public benefit in this area is most effectively achieved through provision of units or dedication of land.
11. Underground Utilities	Reference the Character Design Guidelines.




Low Density Residential

SAMPLE DEVELOPMENT CONCEPT

This illustration represents one potential way that the policies in the Land Use chapter for this land use could be interpreted. Alternate concepts that follow these policies may also be acceptable. This development concept is only for illustrative purposes and design guidelines, policies and ordinance requirements are a factor, particularly with respect to detailed requirements such as landscaping

- Single family lots arranged around common open space when possible.
- Centrally located open space designed as pocket parks owned and managed by a homeowner's association. Lots should front on these pocket parks whenever possible.
- Neighborhoods should be served by a system of walking and biking paths in addition to sidewalks.
- Lots served by alleys where feasible so that garages front on alleys rather than on the street.
- Small areas of convenience shopping, services or civic uses may be appropriate in planned developments
- Lots should not front onto through roads but be served by local neighborhood roads



Legend

<ul style="list-style-type: none"> Mixed use Commercial Civic Industrial 	<ul style="list-style-type: none"> Low Density Residential Moderate Density Residential - Level 1 Moderate Density Residential - Level 2 Parking 	<ul style="list-style-type: none"> Common Open Space Wooded or Landscaped Buffer Areas Pedestrian/Bike Paths Roadway Interconnectivity
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Moderate Density Residential - Level 1

SAMPLE DEVELOPMENT CONCEPT

This illustration represents one potential way that the policies in the Land Use chapter for this land use could be interpreted. Alternate concepts that follow these policies may also be acceptable. This development concept is only for illustrative purposes and design guidelines, policies and ordinance requirements are a factor, particularly with respect to detailed requirements such as landscaping

Walking trails to link together residential clusters and create a sense of a unified community

Level 2 Moderate Density Residential located along major intersections to provide mixture of densities



Residential clusters anchored by communal green spaces

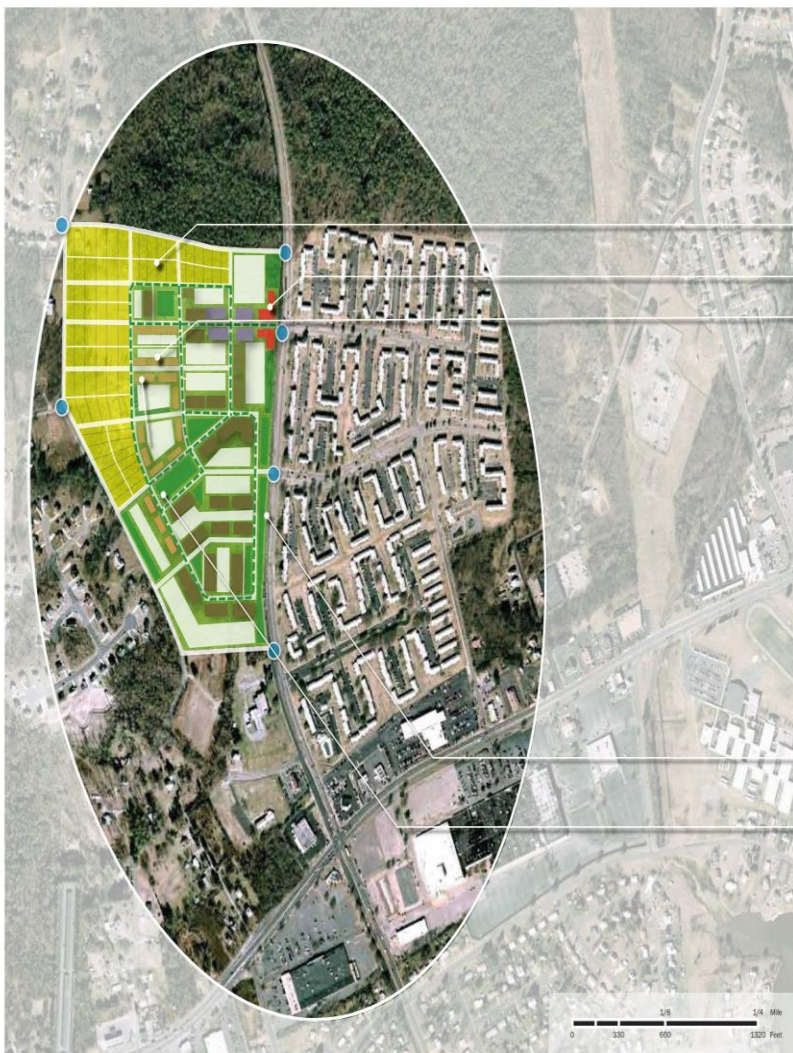
Level 1 Moderate Density Residential in the form of townhomes located in small courts or clusters anchored by open space

Small areas of low density residential to provide mixture of densities and housing types

Mixed use with convenience shopping and services within walking distance of homes

Legend

Mixed use	Low Density Residential	Common Open Space
Commercial	Moderate Density Residential - Level 1	Wooded or Landscaped Buffer Areas
Civic	Moderate Density Residential - Level 2	Pedestrian/Bike Paths
Industrial	Parking	Roadway Interconnectivity



Moderate Density Residential - Level 2

SAMPLE DEVELOPMENT CONCEPT

This illustration represents one potential way that the policies in the Land Use chapter for this land use could be interpreted. Alternate concepts that follow these policies may also be acceptable. This development concept is only for illustrative purposes and design guidelines, policies and ordinance requirements are a factor, particularly with respect to detailed requirements such as landscaping

Lower density housing integrated into the community to provide a diversity of housing options and a mixed density community

Commercial uses along main highway act as "gateway" to the community

Mixed use buildings to create "main street" character with housing above walkable retail uses



Project designed as a "complete community" with a mixture of uses and housing types organized around a series of communal open spaces and walkable/bikable access to amenities

Ample open space in the community organized as small pocket parks or village greens with buildings fronting on them

Legend

Mixed use	Low Density Residential	Common Open Space
Commercial	Moderate Density Residential - Level 1	Wooded or Landscaped Buffer Areas
Civic	Moderate Density Residential - Level 2	Pedestrian/Bike Paths
Industrial	Parking	Roadway Interconnectivity

Chart 3. Commercial/Industrial Designation Descriptions				
	Neighborhood Commercial	Community Commercial	Limited Industry	General Industry
1. Basic Description	<ul style="list-style-type: none"> • Located in the PSA, serving residents of the surrounding neighborhoods in the immediate area and having only a limited impact on nearby development. • Location criteria for commercial uses are small sites; access to collector or arterial streets, preferably at intersections with local or other collector arterial roads; public water and sewer service; environmental features such as soils and topography suitable for compact development; and adequate buffering by physical features or adjacent uses to protect nearby residential development and preserve the natural and wooded character of the County. 	<ul style="list-style-type: none"> • General business activities located within the PSA and usually having a moderate impact on nearby development are designated Community Commercial. • Location criteria for Community Commercial uses are access to arterial streets, preferably at intersections with collector and arterial streets; moderate to large sized sites; public water and sewer service; environmental features such as soils and topography suitable for compact development; and adequate buffering by physical features or adjacent uses to protect nearby residential development. 	<ul style="list-style-type: none"> • Designated sites within the PSA for warehousing, office, service industries, light manufacturing plants, and public facilities that have moderate impacts on the surrounding area. • Limited Industry ordinarily requires access to arterial roads or major collector streets, public water and sewer, nearby police and fire protection, small to moderate sized sites, environmental features such as soils and topography suitable for intense development, and adequate buffers for nearby residential development. 	<ul style="list-style-type: none"> • Areas located within the PSA that are suitable for industrial uses which, because of their potential for creating dust, noise, odor, and other adverse environmental effects, require buffering from adjoining uses, particularly residential uses. • General Industry uses usually require access to interstate and arterial highways, public water and sewer, adequate supply of electric power and other energy sources, access to a sufficient labor supply, and moderate to large sized sites with natural features such as soils, topography, and buffering suitable for intense development.
2. Recommended Intensity	<p>Recommended FAR range: No minimum-0.2</p> <p>See Character Design Guidelines for massing information and other guidance.</p>	<p>Recommended FAR range: 0.2-0.4</p> <p>Lower FARs are acceptable if the site includes open space for future expansion or buffering purposes.</p> <p>See Character Design Guidelines for massing information and other guidance.</p>	<p>Recommended FAR range: 0.2-No limit</p> <p>Lower FARs are acceptable if the site includes open space for future expansion or buffering purposes.</p>	<p>Recommended FAR range: 0.2-No limit</p> <p>Lower FARs are acceptable if the site includes open space for future expansion or buffering purposes.</p>

3. Recommended Uses	Neighborhood scale commercial, professional and office uses such as individual medical offices, branch banks, small service establishments, day care centers, places of public assembly, convenience stores with limited hours of operation, small restaurants, and smaller public facilities. Examples of uses which are considered unacceptable include fast-food restaurants, 24-hour convenience stores, and gas stations.	Community-scale commercial, professional and office uses such as branch banks, places of public assembly, convenience stores, day care centers, general retail stores, grocery stores, indoor recreation facilities, medical offices, office parks, public facilities, service establishments, shopping centers, restaurants, and theaters.	See basic description for primary uses. Secondary uses in Limited Industry areas may include office uses and a limited amount of commercial development generally intended to support the needs of employees and other persons associated with an industrial development.	Primary uses include uses that maximize the industrial opportunities of an area. Typical uses can be found in the M-2, General Industrial, section of the Zoning Ordinance. Secondary uses in General Industry areas may include office uses and a limited amount of commercial development generally intended to support the needs of employees and other persons associated with an industrial development.
Commercial/Industrial Development Standards				
4. Compatibility	<p>a) Locate proposed commercial and industrial developments adjacent to compatible uses (public or other similar uses, etc.). Where a commercial or industrial development is proposed at a location near a sensitive area, the site should be designed so that transitional uses such as offices and/or buffers are located between conflicting uses. Emphasis should be placed on ensuring the provision of open space; protection of the environment, historical and archaeological resources; and adjoining land uses; sufficient capacities of public facilities and services; quality and effectiveness of pedestrian circulation systems and facilities; and ability to meet the public needs of the development.</p> <p>b) Commercial uses, and particularly Neighborhood Commercial areas, will have a limited impact on adjacent residential areas especially in terms of visible parking areas, lighting, signage, traffic, odor, noise, and hours of operation.</p> <p>c) Acceptable Neighborhood Commercial uses should be compatible with surrounding or planned residential development in terms of scale, bulk, size, building design, materials, and color, and should provide safe and convenient multimodal access to nearby residential neighborhoods and adjacent sites.</p> <p>d) For uses that are covered in the Community Design Policies section of this chapter, follow the guidance for that use.</p> <p>e) For Limited Industry areas, dust, noise, odor, and other adverse environmental effects are primary considerations for determining whether land uses are acceptable in these areas.</p> <p>f) Each Community Commercial area should be clearly separated from other Community Commercial areas to retain the small town and rural character of the County, provide a sense of place, and promote transportation mobility.</p> <p>g) Be consistent with the Character Design Guidelines.</p>			
5. Public Services, Utilities, and Adequacy of Infrastructure	<p>a) Permit the location of new uses only where public services, utilities, and facilities are adequate to support such uses. The need for public services (police, fire, education, recreation, etc.) and facilities generated by a development should be met or mitigated by that development.</p> <p>b) While a variety of market forces influence commercial and industrial development proposals, the maintenance of an acceptable level of service of roads and other public services and the availability and capacity of public utilities should be primary considerations.</p>			
6. Environmental Protection	<p>a) Protect environmentally sensitive resources including high-ranking Natural Areas and significant natural heritage resources, watersheds, historic and archaeological resources, designated CCCs and CCAs, and other sensitive resources by locating conflicting uses away from such resources and utilizing design features, including building and site design, buffers, and screening to adequately protect the resource.</p> <p>b) Protect land designated as conservation areas on development plans by perpetual conservation easement.</p>			

7. Transportation	<p>a) Minimize the impact of development proposals on overall mobility, especially on major roads, by limiting access points and providing internal, on-site collector and local roads, side street access, and joint entrances. When developing large master planned communities, provide new public collector and arterial roads that will mitigate traffic impacts on existing public collector and arterial roads. Provide for safe, convenient, and inviting bicycle, pedestrian, and greenway connections to adjacent properties and developments and activity centers. Vehicular connections to adjacent properties and developments should also be provided wherever possible in order to maximize the efficiency of the entire street network. Integrate multimodal facilities into the design of streets so that multimodal movement is safe, comfortable, and convenient. Multimodal activity should be given an equal priority to motor vehicle activity.</p> <p>b) Industrial and commercial areas should be planned and located to avoid traffic through residential and agricultural areas except in special circumstances where residential and nonresidential areas are both part of an overall master plan and special measures are taken to ensure that the residential or agricultural uses are adequately protected.</p> <p>c) Provide for ultimate future road, bicycle, and pedestrian improvement needs and new road locations through the reservation of adequate right-of-way and by designing and constructing roads, drainage improvements, and utilities in a manner that accommodates future road, bicycle, and pedestrian improvements. Explore bus and transit service need and provide facilities if appropriate.</p>
8. Streetscapes	Reference the Character Design Guidelines.
<p>Specific Commercial Areas</p> <p>The following Commercial areas and their recommended priorities of land uses can be found in James City County:</p>	
Jamestown /Sandy Bay Road Area	<p>Several parcels located at or near the intersection of Jamestown Road and Sandy Bay Road were re-designated from Low Density Residential to Neighborhood Commercial during the 1997 Comprehensive Plan update. This land use designation sought to recognize existing uses, zoning, and the future development of adjacent parcels while limiting negative impacts on the traffic capacity of Jamestown Road. Additional commercial development beyond the boundaries of the proposed Neighborhood Commercial designation would further impede traffic flow along this road.</p> <p>The principal suggested uses for the Jamestown Road Neighborhood Commercial area are very limited commercial uses. Future development is to be of a type and nature that is consistent with the Neighborhood Commercial designation. In addition, future development will consist only of low traffic generating uses due to the limited road capacity on Jamestown Road; the extent of parking will be minimal; uses will provide service to local, nearby neighborhoods, as opposed to the wider community; the site will develop as a pedestrian-oriented environment with a design compatible with nearby residential areas; a master development plan for the full area is encouraged; and driveways will be limited. There is to be full adherence to the County's Community Character Corridor policy along the entire frontage of all properties along Jamestown Road.</p>
Premium Outlets Area	<p>The area in and around Premium Outlets was re-designated from Low Density Residential to Community Commercial during the 1997 Comprehensive Plan update.</p> <p>Re-designation of this area is in recognition of deliberate decisions of the Board of Supervisors to zone the area as commercial and of subsequent commercial development of the property. The Community Commercial designation of this area is not intended in any way to promote or accommodate an extension of a strip commercial development beyond its boundaries.</p>



Neighborhood Commercial

SAMPLE DEVELOPMENT CONCEPT

This illustration represents one potential way that the policies in the Land Use chapter for this land use could be interpreted. Alternate concepts that follow these policies may also be acceptable. This development concept is only for illustrative purposes and design guidelines, policies and ordinance requirements are a factor, particularly with respect to detailed requirements such as landscaping

- Small local shops or services located along collector streets serving a local neighborhood
- Cluster of professional office uses integrated with a new residential neighborhood with communal open space
- Neighborhood center with retail or office uses along arterial or collector roads designed to be compatible with surrounding context
- Community trails and sidewalks allow pedestrian and bicycle connections to nearby homes



Legend

Mixed use	Low Density Residential	Common Open Space
Commercial	Moderate Density Residential - Level 1	Wooded or Landscaped Buffer Areas
Civic	Moderate Density Residential - Level 2	Parking
Industrial	Pedestrian/Bike Paths	Roadway Interconnectivity

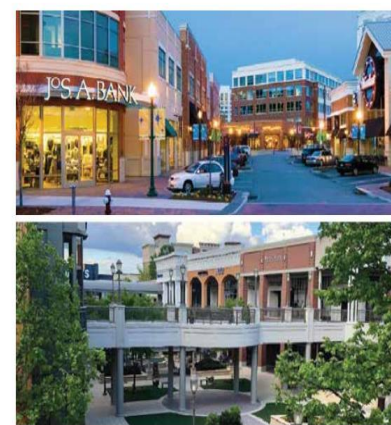


Community Commercial

SAMPLE DEVELOPMENT CONCEPT

This illustration represents one potential way that the policies in the Land Use chapter for this land use could be interpreted. Alternate concepts that follow these policies may also be acceptable. This development concept is only for illustrative purposes and design guidelines, policies and ordinance requirements are a factor, particularly with respect to detailed requirements such as landscaping

- Larger scale commercial and retail uses facing major roadways and intersections with screened parking
- Smaller scale office or retail uses facing roadways to create a "main street" character on walkable boulevards
- Civic uses integrated to create a community focal point
- Central community open spaces connected to each block through a system of sidewalks and trails
- A mixture of housing types and densities integrated with commercial buildings to make a mixed use "complete community"



Legend

Mixed use	Low Density Residential	Common Open Space
Commercial	Moderate Density Residential - Level 1	Wooded or Landscaped Buffer Areas
Civic	Moderate Density Residential - Level 2	Parking
Industrial	Pedestrian/Bike Paths	Roadway Interconnectivity



Limited Industry

SAMPLE DEVELOPMENT CONCEPT

This illustration represents one potential way that the policies in the Land Use chapter for this land use could be interpreted. Alternate concepts that follow these policies may also be acceptable. This development concept is only for illustrative purposes and design guidelines, policies and ordinance requirements are a factor, particularly with respect to detailed requirements such as landscaping

- Located near existing warehousing and light manufacturing as well as office uses and near high capacity transportation facilities
- Campus-style clusters of warehousing, office, service industries, light manufacturing plants, and public facilities compatible with surrounding areas
- Low scale flex and office uses compatible with light industrial uses
- Community trails and sidewalks allow pedestrian and bicycle connections to surrounding areas



Legend

Mixed use	Low Density Residential	Common Open Space
Commercial	Moderate Density Residential - Level 1	Wooded or Landscaped Buffer Areas
Civic	Moderate Density Residential - Level 2	Pedestrian/Bike Paths
Industrial	Parking	Roadway Interconnectivity



General Industry

SAMPLE DEVELOPMENT CONCEPT

This illustration represents one potential way that the policies in the Land Use chapter for this land use could be interpreted. Alternate concepts that follow these policies may also be acceptable. This development concept is only for illustrative purposes and design guidelines, policies and ordinance requirements are a factor, particularly with respect to detailed requirements such as landscaping

- Located with access to interstate and arterial highways and/or railroads
- Low density and low rise industrial buildings well screened and separated from adjacent communities because of their potential for creating adverse environmental impacts
- Wide separations and buffers, particularly to adjacent residential neighborhoods
- Limited office uses to support industrial complex



Legend

Mixed use	Low Density Residential	Common Open Space
Commercial	Moderate Density Residential - Level 1	Wooded or Landscaped Buffer Areas
Civic	Moderate Density Residential - Level 2	Pedestrian/Bike Paths
Industrial	Parking	Roadway Interconnectivity

Chart 4. Mixed Use Designation Descriptions		
	Level 1: Areas Noted Below as “Rural or Village Center” or “Small Town or Suburban Center”	Level 2: Areas Noted Below as “Medium Town or Suburban Center”
1. Basic Description	<ul style="list-style-type: none"> • Located in the PSA where public services and utilities are available. • Located at the intersections of collector or arterial streets and intended to serve as local community focal points with a friendly blend of useful services, shopping, or employment and close-in housing just as in traditional town and village centers. • Have natural characteristics such as terrain and soils suitable for compact mixed use development or redevelopment. • Contain a mixture of uses, rather than uses segregated into individual areas for residences, retail, office, and services. • Designed with a pedestrian focus with good multimodal connections to surrounding areas and recreation opportunities. • Designed as lower intensity areas to be compatible with surrounding context and with transition areas and step downs in densities to respect nearby historic and/or residential areas. • Designed with a mix of uses that is compatible with the surrounding area, and is consistent with the specific area descriptions below. 	<ul style="list-style-type: none"> o Located in the PSA where public services and utilities are available. o Designed as existing or future activity centers where higher density development, redevelopment, and/or a broader spectrum of land uses are encouraged. o Located at or near interstate interchanges or the intersections of major thoroughfares, or adjacent to mixed use areas of similar intensity, and intended to maximize the economic development potential of these areas by providing for more intensive commercial, office, and industrial development, with ancillary residential uses to make a complete community. o Have characteristics such as terrain, high-capacity access and visibility that support higher density development with high design quality to serve as a countywide focal point. o Include mixed uses within buildings such as office or residential above ground floor retail for most buildings. Single use buildings should be integrated into a neighborhood of mixed uses and densities to create a more urban neighborhood character. o Designed as a walkable mixed-use community that supports multi-modal transportation choices and fosters substantial pedestrian activity.
2. Recommended Uses and Land Allocations	<ul style="list-style-type: none"> o While no specific mix of uses is prescribed for Level 1 mixed use areas except as noted in the Specific Mixed Use Area descriptions below, each development should be designed as a complete community to foster pedestrian access to a wide range of employment, residential, recreational, civic and service opportunities. In addition, compatibility with surrounding context is paramount and land use mix and density should be aligned with the surrounding context. o Within the general mix of uses noted in the Specific Mixed Use Area descriptions below, specific land area allocations should be within the following ranges. Land area allocations are guidelines and considerations of community compatibility may modify these to fit in better with the surrounding context: <ul style="list-style-type: none"> o Residential area: 30-60% o Non-residential area: 40-70% o Civic, open space and recreation areas: 20% o Note that the above are land allocations, not floor area allocations. Due to the typically higher Floor Area Ratios for commercial versus residential development, it would be expected that these land allocations would yield a much higher proportion of nonresidential floor area over residential floor area in a typical development. 	<ul style="list-style-type: none"> o While no specific mix of uses is prescribed for Level 2 mixed use areas except as noted in the Specific Mixed Use Area descriptions below, each development should have a mix of uses that complements the area and should be designed as a complete community to foster pedestrian access to a wide range of employment, residential, recreational, civic and service opportunities. o Within the general mix of uses noted in the Specific Mixed Use Area descriptions below, specific land area allocations should be within the following ranges. Land area allocations are guidelines and variability may be allowed if alternate allocations can be shown to better meet the land use objectives of this district as described herein: <ul style="list-style-type: none"> o Residential area: 20-50% o Non-residential area: 50-80% o Public/Civic area: 5% o Open space and recreation areas: 10% o Note that the above are land allocations, not floor area allocations. Due to the typically higher Floor Area Ratios for commercial versus residential development, it would be expected that these land allocations would yield a much higher proportion of nonresidential floor area over residential floor area in a typical development.

<p>3. Recommended Density and Intensity</p>	<ul style="list-style-type: none"> o Densities and intensities should be generally as follows but variability may be allowed only to better achieve compatibility with surrounding communities. Note that these include a minimum as well as maximum range. This is intended to ensure that these community-serving areas be used for their community development function and not be locked into low intensity single uses that preclude their function as a local activity area. Densities and intensities should be net, exclusive of open spaces and unbuildable areas. o Non-residential FAR: 0.2 to 0.4 o Residential density: 4-8 units/acre o Number of Stories: <ul style="list-style-type: none"> o Multi-family Residential: 2-3 o Office: 2-3 o Retail and Service Commercial: 1-2. Single-story buildings should only be located when integrated into a plaza or other public gathering space. o Developments at the higher ranges of density are not recommended unless they can be shown to be more compatible with surrounding community context and offer significant public benefits such as affordable/workforce housing, enhanced environmental protection, a high degree of access to multi-modal/transit transportation, or significant civic or recreational amenities. 	<ul style="list-style-type: none"> o Densities and intensities should be generally as follows but variability may be allowed if alternate densities and intensities can be shown to better meet the land use objectives of this designation as described herein. Note that these include a minimum as well as maximum range. This is intended to ensure that these prominently located areas be used for their economic development function and not be locked into low intensity uses that preclude future higher economic returns. Note also there is some flexibility language in the densities to allow for unique context considerations or innovative master plan approaches. Densities and intensities should be net, exclusive of open spaces and unbuildable areas. o Non-residential FAR: 0.3 to 1.0 o Residential density: 6-12 units/acre o Number of Stories: <ul style="list-style-type: none"> o Multifamily Residential: 2-5 o Office: 2-6 o Retail and Service Commercial: 1-2. Single story buildings should only be located when integrated into a plaza or other public gathering space. o Developments at the higher ranges of density are not recommended unless they offer significant public benefits such as affordable/workforce housing, enhanced environmental protection, a high degree of access to multi-modal/transit transportation, or significant civic or recreational amenities.
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Mixed Use Development Standards

<p>4. General Language</p>	<ul style="list-style-type: none"> a) All developments should refer to the Residential and Commercial/Industrial Development Standards, including Affordable and Workforce Housing, Enhanced Environmental Protection, and Transportation and Mobility, along with the Mixed Use Development Standards. All developments should also refer to the Character Design Guidelines for more specific guidance on development character. b) Mixed Use developments should create vibrant urban/small town environments that bring compatible land uses, public amenities, and utilities together at various scales. These developments should create pedestrian-friendly, complete communities, with a variety of uses that enable people to live, work, play, and shop in one place. c) Mixed Use developments require nearby police and fire protection, high capacity road access, access to public utilities, large sites, environmental features such as soils and topography suitable for intense development, and proximity or easy access to large population centers. The timing and intensity of commercial development at a particular site are controlled by the maintenance of an acceptable level of service for roads and other public services, the availability and capacity of public utilities, and the resulting mix of uses in a particular area. Master plans are encouraged to be submitted to assist in the consideration of Mixed Use development proposals. The consideration of development proposals in Mixed Use areas should focus on the development potential of a given area compared to the area's infrastructure and the relation of the proposal to the existing and proposed mix of land uses and their development impacts. d) Mixed Use developments should focus on place-making. Developments should be designed to create a sense of place and should be seen as community destinations. Focal open spaces, community oriented gathering places, unified architectural design, and a mix of uses and design that encourages pedestrian activity are all examples of creating a sense of place. e) Mixed Use developments should allow for compact development that create more efficient buildings and spaces, which can be less of a burden on the environment, creating a more sustainable community. f) Mixed Use developments should encourage the proximity of diverse uses to make it possible to reduce vehicle trips and vehicle miles traveled, providing for a greater potential for internal capture than with typical suburban development and should provide good multimodal networks for bicycle and pedestrian uses.
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Specific Mixed Use Areas	
The following Mixed Use Areas and their recommended priorities of land uses can be found in James City County:	
<p>1. Stonehouse</p> <p>UDA: Medium Town or Suburban Center</p>	<p>The principal suggested uses for the Stonehouse Mixed Use area are light industrial and office/business park. Except for the area between I-64 and Old Stage Road, commercial uses should be clearly secondary in nature, should be limited in scale, comprise a small percentage of the land area of the overall mixed use area, and be oriented towards support services that employees and residents in the Stonehouse area can utilize. The commercial uses should not be developed in a “strip” commercial fashion, but rather should be internally oriented with limited and shared access to Route 30. For the area between I-64 and Old Stage Road, community-scale commercial uses (such as shopping center, hotel, restaurant, and office uses) consistent with prominent interstate interchange access and in support of surrounding residential development are envisioned. For the area between I-64 and Old Stage Road, residential is not a recommended use.</p> <p>The Stonehouse Planned Use Development should be developed in accordance with a binding master plan which maintains the appropriate mixture of principal and secondary uses.</p> <p>Development in the Mixed Use area should also emphasize shared access and parking, consistent treatment for landscaping and architecture, and the preservation of environmental and cultural resources. New residential developments in the Mixed Use area as well as the surrounding existing residential developments should be buffered from the light industrial and office uses through landscaping and architecture treatment, but connected with pedestrian access where possible. Future development in the Stonehouse area will be conditioned on the provision of adequate transportation access.</p>
<p>2. Andersons Corner</p> <p>UDA: “Rural or Village Center”</p>	<p>Andersons Corner is one of the few remaining areas in the PSA with significant rural agricultural vistas and contains one of the few remaining rural historic structures in the County, the Whitehall Tavern. Future development should occur in a manner that maintains an appropriate historic setting for the Whitehall Tavern and preserves the rural and historic character of the area.</p> <p>Views from Richmond Road (Route 60) and Route 30 should receive high priority. To accomplish this, significant amounts of open land and fields should be preserved along with agricultural and rural structures in a manner that creates a village commercial node that is integrated with surrounding residential development and suitably transitions to the Rural Lands areas to the west.</p> <p>The suggested principal uses are a balance of office and commercial. Residential is recommended as a supporting but not dominant use, and where it is proposed, the preferred format is integration in mixed use buildings that should be blended into the development of the principal uses for an overall village effect. Master planning of each of the Mixed Use intersection quadrants with adjacent existing and future residential development is strongly encouraged, with the use of shared access points as a primary consideration. Due to the width and traffic volumes on Routes 60 and 30, it is recognized that creation of a unified village effect that encompasses all four quadrants may be difficult, and for this reason, careful quadrant planning as described in the previous sentence will be important, and unique pedestrian connections, if feasible and appropriate, are encouraged.</p> <p>While greater intensities are anticipated, designs and land use patterns should reflect aspects of both appropriate PSA and Rural Lands Development Standards. Buildings and other structures should be small to moderate sized in scale, and of architectural styles that respect local rural and historic traditions. Standardized architectural and site designs should be strongly discouraged.</p> <p>Sections of Richmond Road (Route 60) east of Croaker Road are projected to be at or above capacity in the future. The extent to which development of this area contributes to traffic congestion in those sections of Richmond Road (Route 60) should be an important consideration in the review of development proposals.</p>

<p>3. Toano</p> <p>UDA: Rural or Village Center</p>	<p>The 2006 Toano Community Character Area Design Guidelines and Streetscape Plan recognized the special character of Historic Toano and the Transition Areas that included Forge Road, Chickahominy Road and Toano Drive. Architectural and streetscape guidelines were established for these areas and should be incorporated in any future development or redevelopment of this area. The ultimate goal is to preserve the village character of this historic community.</p> <p>Principal suggested uses include moderate density residential development, neighborhood scale commercial establishments, and small office developments. Limited industrial uses may be appropriate as secondary uses provided that they are set back and screened from Richmond Road (Route 60). Preservation and adaptive re-use of historic buildings are encouraged. Redevelopment of existing residential areas and commercial development are also encouraged. The following principles should guide streetscape and building designs in this area:</p> <ul style="list-style-type: none"> • Highlight and honor history; • Encourage appropriate growth that enhances unique small town character; • Preserve open space, establish communal greenspace; • Enhance pedestrian and bicycle environment while slowing vehicular traffic; and • Improve streetscape and landscape to create a sense of place. <p>For the area west of Richmond Road and north of Forge Road, development should follow the streetscape plan and associated recommendations of the Toano CCA Design Guidelines for creating and maintaining a sense of place in Toano. This area of Toano is located in the “Entrance Corridor from Anderson’s Corner” as described in the guidelines and should follow the design elements recommended in the study. Primary uses directly along Richmond Road should be commercial in nature with larger buildings closer to the road. Development of multi-use buildings, with retail on the first floor and residences above are also encouraged. Desired elements include two- and three-story buildings, windows on all floors, and first or second floor balcony. It is important to keep the scale of the building relatively small with density being reduced farther away from Richmond Road. Larger buildings should be broken down into smaller masses to give the appearance of shops or residential units. Buildings removed from Richmond Road should be limited to one and one-half and two stories. Other development in this area should focus more on residential development, with commercial as a clearly secondary use. Densities for this area should be to the lower end of the Moderate Density Residential scale, with building scale and massing decreasing. Vehicle parking and sidewalks should be internal rather than along the perimeter of this residential area, providing a more pleasing transitional view when traveling from Rural Lands into Toano. Buildings should have architectural treatments on the outward facing sides as well as on the front. Enhanced buffers should be provided to preserve existing farm or agricultural uses on adjoining properties. The creation of a street network adjacent and parallel to Richmond Road allows a finer grain of density to develop and contributes to the village-like feel. Additionally, this network should begin to draw development and interest into side streets and neighborhoods. If appropriate, public open space or a village green should also be incorporated into this area.</p> <p>Development in the eastern most portion of this area, which abuts Richmond Road to the north and is located south of the industrial properties, is to be appropriately buffered, scaled and sited to retain the historic, rural character of Toano and provide a visual gateway into Toano.</p>
<p>4. Norge</p> <p>UDA: Small Town or Suburban Center</p>	<p>For the Mixed Use area in the northeast corner of the Richmond Road (Route 60) and Croaker Road intersection, a balance of office uses and moderate density residential is recommended.</p> <p>For the Mixed Use area on the north side of Cokes Lane east of the materials distribution yard property and adjacent to the CSX railroad and Mirror Lakes subdivision, a balance of small offices and warehouses and moderate density residential is recommended.</p> <p>For lands southwest of the Croaker Road/Richmond Road intersection, suggested uses include commercial and office as primary uses with limited industry as a secondary use.</p> <p>The office, warehouse or commercial uses should be compatible with the adjacent residential development in terms of size, scale, and architecture. The architecture should also complement historic structures in Norge. These areas should be designed and developed under a unified development plan or multiple coordinated development plans which emphasize shared access and parking, consistent treatment for landscaping and architecture, and the preservation of environmental and cultural resources. The intensity of development should be conditioned on the provision of sufficient buffering and screening to protect adjacent residential development, and traffic, noise, light, odor and other impacts should be assessed and mitigated. Internal streets and sidewalks should be connected to adjacent properties to the extent possible.</p>

<p>5. Croaker Interchange</p> <p>UDA: Medium Town or Suburban Center</p>	<p>Future development for the Mixed Use interchange quadrants should be developed in accordance with a binding master plan which maintains the appropriate mixture of principal and secondary uses. The binding master plan shall address how the future development and/or redevelopment of adjacent parcels, including the Mooretown Road/Hill Pleasant Farm Economic Opportunity area, would be integrated into the overall plan of development for the Mixed Use area.</p> <p>As development occurs for each of these quadrants, an appropriate mixture of preferred and secondary uses shall be maintained at all times. Future development for these interchange quadrants will be conditioned upon County acceptance of a specific plan and implementation schedule to maintain adequate levels of service on the surrounding road system, including the interstate and the interchange. Suggested uses for the two quadrants are outlined below.</p> <p>5A. Northwest Quadrant (adjacent to and east of the Mirror Lakes subdivision)</p> <p>The principal suggested uses include commercial and office. Secondary uses may include light industry and moderate density residential development. Moderate density residential development would be accommodated where it does not preclude the development of the principal uses.</p> <p>For the three properties to the west of Point O Woods Road and to the north of Croaker Road, suggested uses are those that meet the description and intensity of the Neighborhood Commercial designation (as found in Chart 3, Commercial/Industrial Designation Descriptions in the Land Use section), including medical offices, professional offices, branch banks, day care centers, and small restaurants. These three properties should be designed so they can share a single entrance onto Croaker Road, in a way that implements or incorporates best practices for access management. Particular attention should also be paid to adequately buffering potential development from the existing adjacent residential areas, and complementing the architecture of surrounding uses.</p> <p>5B. Southeast Quadrant</p> <p>The principal suggested uses for new development or redevelopment include light manufacturing and office. New development or redevelopment within this quadrant is to include adequate buffering for the portion of any parcels designated for Community Character Conservation, Open Space or Recreation.</p>
<p>6. Lightfoot</p> <p>UDA: Small Town or Suburban Center</p>	<p>For the land east of Richmond Road (Route 60), the principal suggested uses are commercial and office development. The property is adjacent to the railroad and, if passenger or light rail were to become available, would be suitable for a transit- oriented mixed use development with a mixture of limited industry, commercial, and moderate density housing. This broader set of uses could also be recommended if found suitable through a corridor redevelopment plan.</p> <p>For lands west of Richmond Road (Route 60), the principal suggested uses are moderate density housing, commercial developments, and office developments. The Lightfoot Corridor is particularly well-suited for the development of workforce housing.</p> <p>There are significant capacity issues in this segment of Richmond Road and at the Lightfoot/Richmond Road intersection and Route 199/Richmond Road interchange, with development occurring in both the County and adjacent localities. Measures to mitigate traffic congestion and enhance multimodal facilities will be critical to maintaining the economic vitality of the area and to maintaining an acceptable degree of mobility. Commercial uses should not be developed in a “strip” commercial fashion, and should emphasize shared access and parking as well as consistent treatment for landscaping and architecture. Uses in this area should be compatible and integrate with the adjacent Economic Opportunity designated area to the extent possible.</p>
<p>7. New Town</p> <p>UDA: Medium Town or Suburban Center</p>	<p>The principal suggested uses are a mixture of commercial, office, residential, and limited industrial.</p> <p>Most of this area is governed by a detailed master plan and design guidelines for each distinct area within the New Town development, which provides guidelines for street, building, open space design, and construction similar to the scale, architecture, and urban pattern found in the City of Williamsburg. New development or redevelopment in this area should follow consistent design guidelines and strive to integrate uses.</p> <p>A portion of this area is not governed by New Town development master plan and design guidelines, including areas along the west side of Ironbound Road and areas south of Monticello Avenue. These areas should have design, scale and development pattern that is consistent with the New Town development. For the area along the west side of the Ironbound Road corridor, the expansion of existing businesses, or similar uses, is encouraged, with the added opportunity for mixed use structures that incorporate housing as a clearly secondary use in upper stories.</p>
<p>8. Five Forks</p> <p>Not a UDA, Use Level 1 Guidance</p>	<p>Development at the intersection of John Tyler Highway (Route 5) and Ironbound Road primarily serves nearby residential neighborhoods. The principal suggested uses are community-scale and neighborhood commercial and office uses. Moderate density residential development is encouraged as a secondary use. Development should tie into the larger Five Forks area with complementary building types and connections to surrounding commercial and residential development.</p> <p>The property on the west side of Ironbound Road and south side of John Tyler Highway (Route 5) is envisioned to be limited to community-scale and neighborhood commercial and office uses. Specifically, future development on the parcel directly to the south and west of the existing 7-Eleven should not exceed the intensity and density of development identified on the approved master plan and approved proffers for James City County Case Z-9-05/MP-6-05 (Governor’s Grove at Five Forks, approved by the Board of Supervisors August 9, 2005).</p> <p>For the parcel located at 133 Powhatan Springs Road, historical uses have included a contractor’s office/warehouse. Similar small-scale, low-intensity Limited Industrial uses that are consistent in terms of scale and impact to the contractor’s office/warehouse and those that can adequately mitigate</p>

	<p>impacts to adjacent low density residential areas may be appropriate. Expansion of the facilities to more intense industrial or commercial/retail uses is not recommended.</p> <p>Preservation and adaptive re-use of historic buildings are encouraged, as is the redevelopment of existing residential and commercial uses in the immediate area. Future development and redevelopment should also reflect the historic and scenic qualities of the Five Forks area and should adhere to the Board adopted Primary Principles for the Five Forks Area. Overall development intensities should be closely monitored to ensure they can be accommodated within the capacities of the existing two-lane roads.</p>
<p>9. Williamsburg Crossing</p> <p>UDA: Small Town or Suburban Center</p>	<p>The principal suggested uses are commercial, office, and moderate density residential. Continued access management is needed to maintain acceptable levels of service on John Tyler Highway (Route 5). Additional access points beyond those that currently exist for the Route 199 corridor will be strongly discouraged by the County.</p>
<p>10. Jamestown Ferry Approach</p> <p>Not a UDA, Level 1 & Level 2 Do Not Apply; See #4 General Language for Guidance</p>	<p>This land is located southeast of Jamestown Road and is bounded by Powhatan Creek, Jamestown Road, Jamestown Settlement, and undeveloped residential property. This area is designated as a CCA, and therefore all development should conform to the CCA design principles. Due to the unique character and location of this area, it should be developed in accordance with the approved Shaping Our Shores master plan and emphasis should be given to preserving the tree cover, protecting historic, archaeological, and environmental resources, and providing public access to the James River. Principal suggested uses include recreational and water-related establishments such as marinas and boat launches, but no water-dependent industries. Commercial uses may also be considered appropriate when their scale, intensity, and impacts can be appropriately accommodated. Designs should be encouraged to provide views of and public access to the James River and other points of interest.</p> <p>With capacity limitations on Jamestown Road, access management should be strongly encouraged. The traffic generation of any proposal should be in line with the goal of retaining Jamestown Road as a two-lane facility, as widening would significantly impact the visual character of the road.</p>
<p>11. Routes 60/143/199 Interchanges</p> <p>UDA: Medium Town or Suburban Center</p>	<p>The portion of this area to the south of the interchange is developed with minimal potential for additional development or redevelopment. For any new development or redevelopment that is proposed, the principal suggested uses are commercial, office and limited industrial development.</p> <p>For the portion of the Mixed Use area located north of the interchange, there is more potential for development and redevelopment. The principal suggested uses for this corridor are commercial and office development, with moderate density residential development as a secondary use. Future development should be consistent with the design guidelines and integrated with the layout of development planned in the City, including uses, architecture, landscaping, historic resources, and pedestrian amenities. A light rail station would be encouraged in this area should this be a viable option in the future. Given substantial planned development in both the City of Williamsburg and York County, future development should take steps to mitigate roadway and interchange capacity constraints, to the degree possible.</p>
<p>12. James River Commerce Center</p> <p>Not a UDA, Level 1 & Level 2 Do Not Apply; See #4 General Language for Guidance</p>	<p>Principal suggested land uses are limited industrial and office development. Public facilities are suggested as clearly secondary uses. The intensity of development in this area is conditioned on sufficient buffering and screening of Carter's Grove and other adjacent residential development.</p>
<p>13. Green Mount</p> <p>UDA: Small Town or Suburban Center</p>	<p>For the Green Mount tracts north of Pocahontas Trail (Route 60), a balanced and integrated mixture of industrial, commercial, and residential uses is suggested. General Industry is the dominant use envisioned for this portion of the County. Uses in this Mixed Use area should therefore be comprised of support uses and should leave sufficient road and water capacity.</p> <p>Commercial uses should have a limited market area, primarily focused on direct services to nearby neighborhoods and employment centers, and should not include high traffic generators. In order to protect and enhance the character of the area and to maintain an access level that keeps the area attractive to large-scale economic development, the area should be designed and developed under a unified master plan that provides shared access and parking, compatible landscaping and architectural treatment, adequate buffering and screening, true mixed use concepts, and other measures that ensure it does not develop in a typical strip commercial fashion. Careful coordination between development and transportation issues will be important to avoid worsening the level of service along Pocahontas Road (Route 60), to retain a high degree of mobility through the area, and to preserve the options for improvements and/or alternatives to Pocahontas Road (Route 60). Shared access with the parcel to the north should be preserved as an option.</p>

14. Treyburn Drive
UDA: Small Town or Suburban Center

This land is located west of Treyburn Drive and is bounded by the City of Williamsburg/James City County line to the west and Monticello Avenue to the south. Primary suggested uses for this area include neighborhood-scale commercial establishments and small offices that serve the needs of residents in surrounding neighborhoods. Residential is suggested as a secondary use and, where proposed, should be limited to integrated mixed use buildings. Safe and convenient pedestrian and bicycle connections to the surrounding area including High Street, and the William and Mary School of Education should be provided where feasible. Overall, development should have a limited impact on adjacent residential areas especially in terms of visible parking area, lighting, signage, odor, noise, and hours of operation.

While RPA and steep slopes limit the developable area, designs should avoid linear strip patterns and instead aim to develop smaller groupings of inter-connected buildings with shared parking and access to Treyburn Drive. As a result, the area should preferably be developed in accordance with a unified development plan.



Mixed Use Level 1

SAMPLE DEVELOPMENT CONCEPT

This illustration represents one potential way that the policies in the Land Use chapter for this land use could be interpreted. Alternate concepts that follow these policies may also be acceptable. This development concept is only for illustrative purposes and design guidelines, policies and ordinance requirements are a factor, particularly with respect to detailed requirements such as landscaping

Mixed use buildings with ground floor shopping uses to create a traditional small town Main Street design character

A mixed density community with some attached or multifamily housing types mixed in with single family neighborhoods. Workforce housing mixed in with the various housing types

Community focused parks or open space in easy walking distance to residential neighborhoods

A mixture of housing types and densities designed with traditional blocks and neighborhood patterns, integrated with mixed use buildings and tied together with a community trail system



Legend

- Mixed use
- Low Density Residential
- Common Open Space
- Commercial
- Moderate Density Residential - Level 1
- Wooded or Landscaped Buffer Areas
- Civic
- Moderate Density Residential - Level 2
- Parking
- Pedestrian/Bike Paths
- Roadway Interconnectivity
- Industrial



Mixed Use Level 2

SAMPLE DEVELOPMENT CONCEPT

This illustration represents one potential way that the policies in the Land Use chapter for this land use could be interpreted. Alternate concepts that follow these policies may also be acceptable. This development concept is only for illustrative purposes and design guidelines, policies and ordinance requirements are a factor, particularly with respect to detailed requirements such as landscaping

Mixed use clusters designed as "complete communities" around a major interchange

A combination of multifamily and mixed use buildings to create "main street" character with housing and walkable retail uses



Office and employment uses integrated into the community and oriented towards walkable amenities and community open spaces

Ample open space in the community organized as small pocket parks or village greens with buildings fronting on them

A mixture of housing types and densities integrated with commercial and mixed use buildings and tied together with a community trail system

Legend

- Mixed use
- Low Density Residential
- Common Open Space
- Commercial
- Moderate Density Residential - Level 1
- Wooded or Landscaped Buffer Areas
- Civic
- Moderate Density Residential - Level 2
- Parking
- Pedestrian/Bike Paths
- Roadway Interconnectivity
- Industrial

Goals, Strategies, and Actions

Goal

LU - Achieve a pattern of land use and development that reinforces and improves the quality of life for citizens by encouraging infill, redevelopment, and adaptive re-use within the PSA; limiting development on rural and natural lands outside the PSA; and achieving the other eight goals of this Comprehensive Plan.

Strategies and Actions

LU 1 - Promote the use of land in a manner harmonious with other land uses and the environment.

- LU 1.1 - Craft regulations and policies such that development is compatible in scale, size, and location to surrounding existing and planned development. Protect uses of different intensities through buffers, access control, and other methods.
- LU 1.2 - Review and update the Zoning Ordinance to ensure consistency between densities and intensities of development recommended by the Comprehensive Plan and the residential and commercial zoning districts.
- LU 1.3 - Use policy and ordinance tools to ensure the provision of open space as part of development proposals, as applicable. In particular, maintain or increase incentives for cluster development in exchange for additional open space that provides significant benefits to the community.
- LU 1.4 - Require that any development of new public streets, public parks or other public areas, public buildings or public structures, public utility facilities, or public service corporation facilities, inside or outside the Primary Service Area (PSA), be subject to individualized review as provided under Section 15.2-2232, Legal Status of Plan, of the Code of Virginia, as amended.
- LU 1.5 - In coordination with the Board of Supervisors and the County Attorney's Office, update the Planning Commission as-needed on major new planning legislation topics during non-Comprehensive Plan update years.
- LU 1.6 - Explore emerging technologies in the renewable energy industry, with the intention of protecting the County's unique rural character, preserving natural resources, and mitigating impacts to neighboring properties.
- LU 1.7 - Amend the Zoning Ordinance to address short-term rentals, including re-examining the districts where such uses are permitted.
- LU 1.8 - Use the conceptual plan process to provide early input and to allow applicants to better assess critical issues with the goal of having a predictable and timely development plan approval process.

LU 2 - Promote pedestrian, bicycle, and automotive linkages between adjacent land uses where practical.

- LU 2.1 - Plan for and encourage the provision of strategically located greenways, sidewalks, and bikeways to connect neighborhoods with retail and employment centers, parks, schools, and other public facilities and to effectively connect buildings and activities within individual sites, using the Pedestrian Accommodations Master Plan, the Historic Triangle Regional Bikeways Map, the Greenway Master Plan and other adopted plans for guidance.
- LU 2.2 - Facilitate the provision of road interconnections within new developments and between arterial and collector roads by promoting land use and road patterns within the developments which are conducive to such interconnections.

LU 3 - Promote regional cooperation among Hampton Roads localities, particularly the Peninsula, to ensure compatibility of land use planning activities.

- LU 3.1 - Promote regional solutions to managing growth through the following actions:
 - LU 3.1.1 - Engaging in joint planning efforts and allocating resources toward implementation.
 - LU 3.1.2 - Encouraging redevelopment, compact communities, and mass transit.
- LU 3.2 - Communicate with adjacent jurisdictions regarding development plans that have potential impacts on adjacent localities and public facilities. Work with them to coordinate plans and to identify and mitigate areas where there are conflicts.
- LU 3.3 - Continue to participate in regional planning processes with York County and the City of Williamsburg. Use the *Historic Triangle Coordinated Comprehensive Plan Review Summary Report* as a regional planning resource, particularly with regard to transportation and to land use issues in the three geographic focus areas (Riverside/Marquis/Busch, Lightfoot/Pottery, Northeast Triangle and Surrounding Area).
- LU 3.4 - In accordance with the recommendations of the adopted Joint Base Langley Eustis (Fort Eustis) Joint Land Use Study, establish a Military Influence Overlay District (MIOD) on the Future Land Use Map.
 - LU 3.4.1 - For areas within the MIOD, ensure a Fort Eustis representative provides input into development proposals.
 - LU 3.4.2 - For areas within the MIOD, update the Zoning and Subdivision Ordinances to incorporate the Code of Virginia sections that promote coordination between military installations and local municipalities.
 - LU 3.4.3 - For areas within the MIOD, update the Zoning and Subdivision Ordinances to establish a Military Influence Area (MIA) overlay district. The exact boundary of the MIA should be determined through additional discussion with Fort Eustis. The Zoning and Subdivision Ordinances should include:
 - (a) Siting guidelines for commercial solar wind farms and wind turbine farms, only if those uses become added to the Use List.

- (b) Standards and requirements for increased setbacks, buffers, and other design requirements to increase safety and security around the Fort Eustis installation.
- (c) Vertical obstruction standards and limitations.
- (d) Additional dark sky lighting requirements, as needed, within the defined air space of the Fort Eustis installation.
- (e) References to a newly created vertical constraints map identifying locations where tall structures should be prohibited.

LU 3.4.4 - For areas within the MIOD, ensure planned CIP projects would not conflict with the mission of Fort Eustis or otherwise promote incompatible growth with the installation.

LU 3.4.5 - For areas within the MIOD, create a user-friendly plan that provides guidance for a process by which water management issues can be addressed. Include an analysis of the use of the waterway and a strategy for emergency waterway closure, should the need arise.

- LU 3.5 - In accordance with the recommendations of the adopted Joint Base Langley Eustis (Fort Eustis) Joint Land Use Study, create a communication and coordination plan with the installation that provides opportunities to share information and a forum to receive feedback.
- LU 3.6 - In accordance with the recommendations of the adopted Joint Base Langley Eustis (Fort Eustis) Joint Land Use Study, create an education plan for the community in consultation with the installation.

LU 4 - Direct growth into designated growth areas in an efficient and low-impact manner.

- LU 4.1 - Enforce policies of the Comprehensive Plan to steer growth to appropriate sites in the PSA.
- LU 4.2 - Provide for low density and moderate density residential development in appropriate locations inside the PSA and prohibit such development on rural lands outside the PSA.
- LU 4.3 - Promote infill, redevelopment, revitalization, and rehabilitation within the PSA. Consider the following strategies when appropriate:

LU 4.3.1 - Use of financial tools such as public-private partnerships.

LU 4.3.2 - Revisions to the Zoning Ordinance and/or Subdivision Ordinance or the development of guidelines to provide additional flexibility, clear standards, or incentives, such as expedited plan review.

LU 4.3.3 - Partnerships with government agencies, non-profits, and private entities to facilitate improvements in areas identified for redevelopment.

- LU 4.4 - Accommodate mixed-use developments within the PSA, as further defined in the Mixed Use land use designation and development standards. Support design flexibility to promote the mixing of various types of residential and non-residential uses and structures. Encourage mixed use developments and complete communities to develop in compact nodes in well-defined locations within the PSA.

- LU 4.5 - Through the development process, reinforce clear and logical boundaries for commercial and industrial property within the PSA.
 - LU 4.5.1 - Provide sufficient buffering and open space from nearby residential uses.
 - LU 4.5.2 - Develop in a node pattern with a grid of internal parcels, internal streets, and judicious external connections, rather than in a strip pattern with individual connections along a single street.
- LU 4.6 - Emphasize the economic potential of interstate interchanges and encourage a mix of uses. Develop and maintain land use policies and other measures to achieve this strategy.
- LU 4.7 - Facilitate the development of sub-area/corridor master plans for strategic areas such as the County's interstate interchanges, Economic Opportunity Designations, and Mixed Use Designations/Urban Development Areas.
- LU 4.8 - Encourage development in the Economic Opportunity designations that is consistent with the Economic Opportunity land use designation and development standards. Explore tax incentives or other incentives used by other localities for such designations.

LU 5 - Continue land use planning and perform development review consistent with the capacity of existing and planned public facilities and services and the County's ability to provide such facilities and services.

- LU 5.1 - Encourage development of public facilities and the provision of public services within the PSA. As one component of this, maintain a utility policy that, along with other tools such as zoning regulations, supports the PSA as the growth boundary. Within the PSA, extend water and sewer service in the PSA according to a phased plan in accordance with the County's Comprehensive Plan and JCSA's master water/sewer planning. Outside the PSA, restrict the extension of water and sewer utilities.
- LU 5.2 - Through the following measures, coordinate allowable densities and intensities of proposed developments with the capacities and availability of water, public roads, schools, and other facilities and services:
 - LU 5.2.1 - Continue to develop and refine a model or models to assess and track the cumulative impact of development proposals and development of existing and planned public facilities and services.
 - LU 5.2.2 - Support development of State enabling legislation for adequate public facilities ordinances to extend the policies to already zoned lands, if in a form acceptable to the Board of Supervisors.
 - LU 5.2.3 - Permit higher densities and more intensive development in accordance with the Future Land Use Map where existing public facilities and services are adequately provided.
- LU 5.3 - Ensure that developments are subject to zoning or special use permit review to mitigate their impacts through the following means:
 - LU 5.3.1 - Require sufficient documentation to determine the impacts of a proposed development, including but not limited to studies of traffic impact, capacity of public schools,

historic and archaeological resources, water quality and quantity, other environmental considerations, and fiscal impact.

LU 5.3.2 - Ensure that the recommendations of such studies are adequately addressed prior to preparation of development plans, or in instances where a rezoning or Special Use Permit is required, as part of those applications.

LU 5.3.3 - Continue to calculate and make available up-to-date information on the costs of new development in terms of public transportation, public safety, public schools, public parks and recreation, public libraries and cultural centers, groundwater and drinking water resources, watersheds, streams and reservoirs.

LU 5.3.4 - Consider and evaluate the use of impact fees to help defray the capital costs of public facilities related to residential development.

LU 6 - Enhance and preserve the agricultural and forestal economy and retain the character of Rural Lands and the predominantly wooded, natural, and small-town character of the County.

- LU 6.1 - Promote the economic viability of traditional and innovative farming and forestry as industries.

LU 6.1.1 - Support both the use value assessment and Agricultural and Forestal District (AFD) programs to the maximum degree allowed by the Code of Virginia. Explore extending the terms of the County's Districts.

LU 6.1.2 - Seek public and private funding for existing programs, investigate new programs, and support private or non-profit (such as land trust) actions that promote continued agricultural or forestal use of property.

- a. Encourage dedication of conservation easements to allow property owners to take advantage of State and Federal tax provisions. Develop a program that would provide information to property owners on the benefits of easement donation, including helping owners consider future possible plans for their property to verify they can be pursued under deed language.
- b. Seek a dedicated funding stream for open space preservation programs. Develop information for property owners on the benefits of participating in open space preservation programs.
- c. Stay informed of State legislation related to Transfer of Development Rights (TDR) and on the status of TDR programs in Virginia peer localities.

LU 6.1.3 - Continue to update the Zoning Ordinance list of permitted and specially permitted uses in the A-1 zoning district. Investigate adding a development standards policy for those uses that might benefit from a rural location. Continue to look at non-residential uses and development standards that may be appropriate, such as agri-business, eco-tourism, or green energy uses, and uses related to projects that are identified by the Strategy for Rural Economic Development.

LU 6.1.4 - As resources allow, support implementation of the recommendations in the Strategy for Rural Economic Development to maintain and create viable economic options for rural landowners.

LU 6.1.5 - Consider funding a staff position for a rural or agricultural development officer to support and help acquire funding for rural protection programs and to undertake other similar activities.

LU 6.1.6 - Protect farming and forestry uses from conflicting activities by encouraging buffers and open space design and by raising awareness among new rural land purchasers about existing farming and forestry uses in the County.

LU 6.1.7 - Craft regulations and policies in a manner that recognizes the value of, and promotes the conservation of, prime farmland soils and environmentally sensitive areas, and consider impacts to the County's farm and forestal assets in land use decisions.

LU 6.1.8 - Examine the actionable framework from the Lower Chickahominy study and consider incorporating the items recommended by that study that are a best fit with the overall economic development strategies and conservation goals for the County's rural lands.

- LU 6.2 - Residential development is not a recommended use in the Rural Lands. Creation of any residential lots should be in a pattern that protects the economic viability of farm and forestal assets, natural and cultural resources and rural character. Amend the Subdivision Ordinance, Zoning Ordinance, utility regulations, and related policies to promote such an overall pattern. Consider providing more than one option, such as the following, so long as an overall very low density pattern can be achieved, and the design and intensity of the development is consistent with the stated Rural Lands designation description and development standards and available infrastructure.

LU 6.2.1 - Revise the R-8 and A-1 Zoning Districts to set lot sizes to be consistent with the stated Rural Lands designation description and development standards. As part of this amendment, consider easing the subdivision requirements, such as eliminating the central well requirement or permitting the waiver of the central well requirement and/or allowing private streets in limited circumstances, as part of an overall balanced strategy.

LU 6.2.2 - Revise the rural cluster provisions in the A-1 zoning district to be more consistent with the Rural Lands designation description and development standards. As part of this amendment, consider easing the subdivision requirements such as eliminating the central well requirement or permitting the waiver of the central well requirement, allowing private streets in limited circumstances, making it a streamlined by-right use at certain scales, allowing off-site septic or community drainfields, etc.

LU 6.2.3 - Consider implementing a subdivision phasing program, where the number of blocks that could be created from a parent parcel within a given time period is limited.

LU 6.2.4 - Consider adding strong buffer and expanded setback regulations to the A-1 and R-8 Districts, particularly if the permitted densities are not lowered in these districts.

LU 6.3 - To help retain the character of Rural Lands, develop additional zoning and subdivision tools (e.g., scenic easement dedication requirements, increased minimum lot sizes, increased setbacks, and/or overlay districts) to protect and preserve scenic roadways such as Forge Road. Consider 400 foot setbacks along Community Character Corridors outside the PSA.

LU 7 - Develop tools for targeted open space preservation inside the PSA that work in concert with the tools used in the Rural Lands, while acknowledging that the PSA is the County's designated growth area.

- LU 7.1 - Align eligibility criteria for applications for open space preservation with state and federal eligibility criteria for funding and other County efforts such as green infrastructure and greenway master planning, watershed preservation, and recreational planning, and prioritize properties at greatest threat of development. Monitor development trends and zoning regulations to periodically assess the threat of development and prioritization for properties inside the PSA versus those in Rural Lands.
- LU 7.2 - Incorporate rural and open space preservation best practices within the new character design guidelines. Develop additional guidelines as necessary for specific resource protections including historic, environmental, or scenic resources.
- LU 7.3 - Refine the buffer and setback standards specifically for visual character protection, addressing viewshed protection and maintenance of community character.



Rural Roadway Preservation



James City County Zoning Update
DRAFT August 2, 2022

Prepared by EPR,PC

Contents

Part 1. Visual Analysis of Viewsheds.....	2
Introduction	2
Ground Level Visualizations	2
Methodology.....	2
Results	3
House A:	4
House B.	6
Conclusions	8
Aerial Visualizations	9
Methodology.....	9
Results:	9
Conclusions.....	13

Rural Roadway Preservation

Part 1. Visual Analysis of Viewsheds

Introduction

In 2021, the James City County Board of Supervisors approved a Resolution to initiate the amendment of the James City Zoning and Subdivision ordinances in order to consider additional requirements to protect and preserve scenic roadways such as Forge Road. As part of an analysis to consider new standards for protection of these scenic roadways, EPR, PC was asked to develop analytic visualizations of the visual impacts of the viewshed on Forge Road.

The results of this analysis are presented here in two parts:

1. **Ground Level Visualizations** - The first part is a series of photomontages that were developed based on alternative measured distances from the road.
2. **Aerial Visualizations** - The second part is a series of aerial photographs of the Forge Road corridor showing different distances from the road as colored buffers along the roadway, with existing structures highlighted to show where they fall within the distance buffers.

It is important to note that, even though these are illustrative visualizations, they are based on actual measured dimensions using computer mapping for the distances so they represent a reasonably accurate representation of what potential distance standards could look like in reality.

Ground Level Visualizations

Methodology

For the purposes of the visualizations, a photograph of a segment of Forge Road was used that represents a typical “view from the road” on a relatively level portion of the road without any existing screening or buffering along the roadway. Using computer mapping, house sites were located at the following distances from the edge of the roadway (which is also the edge of the Right of Way):

- 100 feet
- 200 feet
- 300 feet
- 400 feet



Figure 1. Existing photo of Forge Road with computer mapping of different setback distances

Secondly, photographs of two typical houses were selected at the same view angle as the “view from the road” photograph to be used in composing the photomontages. House A was a simple one story brick home with attached garage and minimal landscaping and House B was a more elaborate house with detached garage and extensive landscaping in the front yard.

These houses were then photo montaged into the existing Forge Road photograph precisely at each of the distance points to show a reasonably realistic view of the visual impact of the houses at each distance parameter.

Results

The images below show the final photomontages with each house at each of the distances from the road.

House A:



Figure 2. House A. 100 ft. distance



Figure 4. House A. 200 ft. distance



Figure 3. House A. 300 ft. distance



Figure 5. House A. 400 ft. distance

House B.



Figure 6. House B. 100 ft. distance



Figure 7. House B. 200 ft. distance



Figure 8. House B. 300 ft. distance



Figure 9. House B. 400 ft. distance

Conclusions

The use of computer aided photomontage visualizations is a practical way to assess the potential visual impacts of alternative provisions for distances from the road. However, it is important to recognize that many other factors can influence the perception of different distances to houses when viewed from the road. These include topography, the presence of existing vegetation, and the general architectural character of structures. The above visualizations are of course open to different interpretations regarding what distance standards should be developed. From the consultant’s perspective, a few observations are offered for consideration from a professional planning perspective:

- The visual impact of both houses at the 100 foot distance is considerable. This scale of this distance is more reminiscent of a suburban development pattern than what is typically seen in a rural, farming based landscape.
- 300 to 400 foot distances are more similar to a typically rural context and view from the road, although houses on large lots are frequently set back even more than that. Often, homeowners who purchased large lots prefer a wide set back from the road to maintain their sense of private space and rural character.
- Particularly at the 400 foot distance line, there is an opportunity to create buffering and screening around the houses with vegetation that would be more reminiscent of a rural farm scape rather than a suburban landscape pattern.
- The architecture and landscaping around the house also influence the character of the view from the road. Large suburban houses with tall roofs and suburban style landscaping create more of a discontinuity with the rural landscape than a low ranch house with an attached garage.

Aerial Visualizations

Methodology

Based on County staff request, EPR developed an aerial mapping analysis of different distance widths applied to a section of Forge Road located outside of the PSA. The maps were presented as aerial photos with the distances shown as colored buffers on the photos and as oblique aerial views of segments of Forge Road showing existing structures.

The following maps were developed:

- **Baseline Setback Map.** This map shows the setback that currently applies under the existing zoning requirements for A-1.
- **Potential Alternate Distance Analysis Map:** This maps shows potential distances of 100', 200', 300' and 400'.
- **Oblique Aerials of Segments of Forge Road.** These maps show detailed oblique views of five segments of Forge Road with the potential distance ranges from 100' to 400' and highlight existing structures.

Results:

JAMES CITY COUNTY ZONING ANALYSIS | Forge Rd. Basemap (Existing Setback)

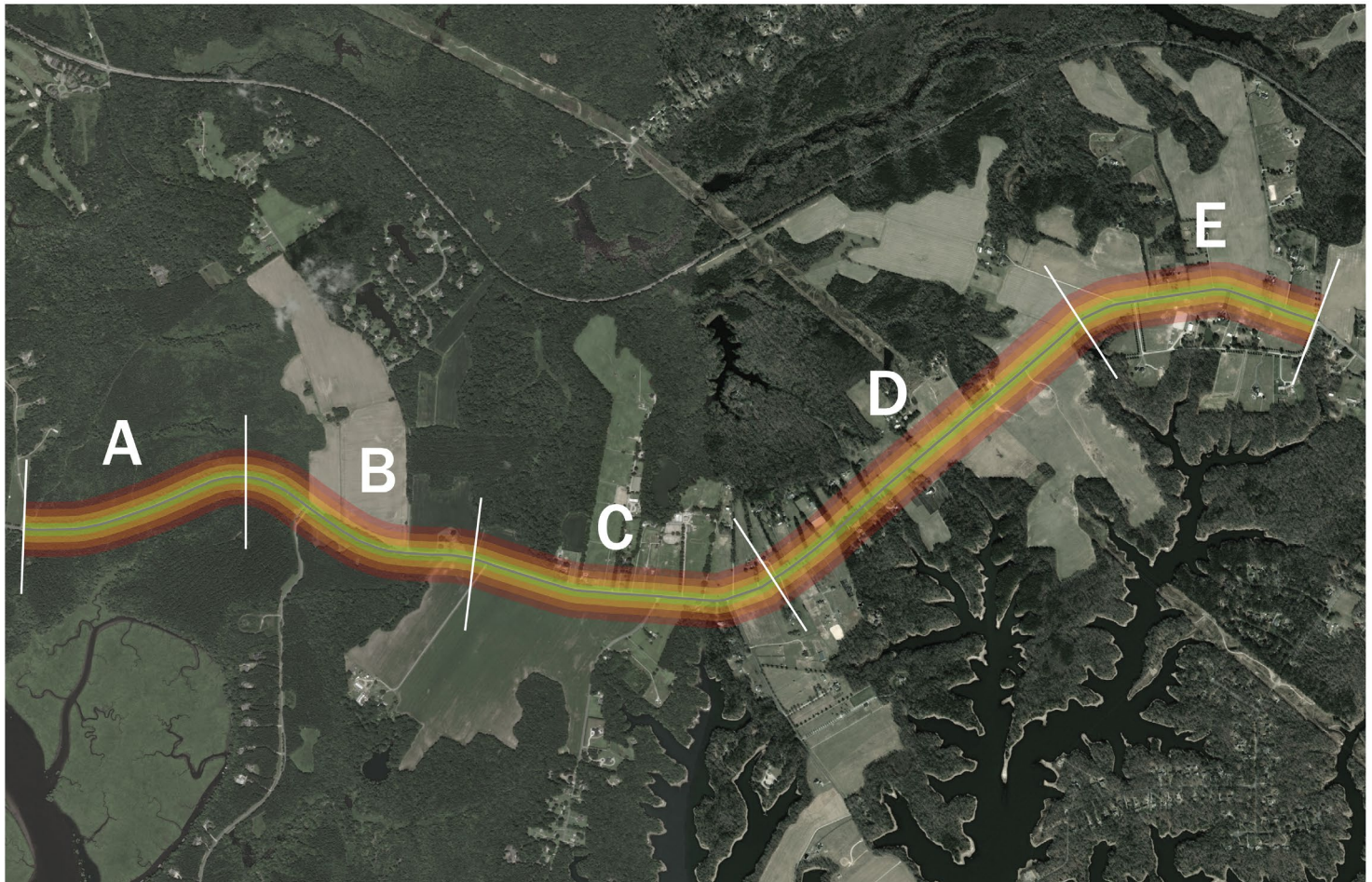


Gray: Forge Rd.
Purple: Existing 75' Setback



Figure 10. Base Map showing Existing Setback for A1 Zone

JAMES CITY COUNTY ZONING ANALYSIS | Forge Rd. Basemap (Proposed Setbacks)



Gray: Forge Rd. Green: 100'
 Orange: 200' Red: 300'
 Dark Red: 400'



Figure 11. Base map showing alternate distances from the roadway

JAMES CITY COUNTY ZONING ANALYSIS | Forge Rd. Basemap (Proposed Setbacks) - Segment A

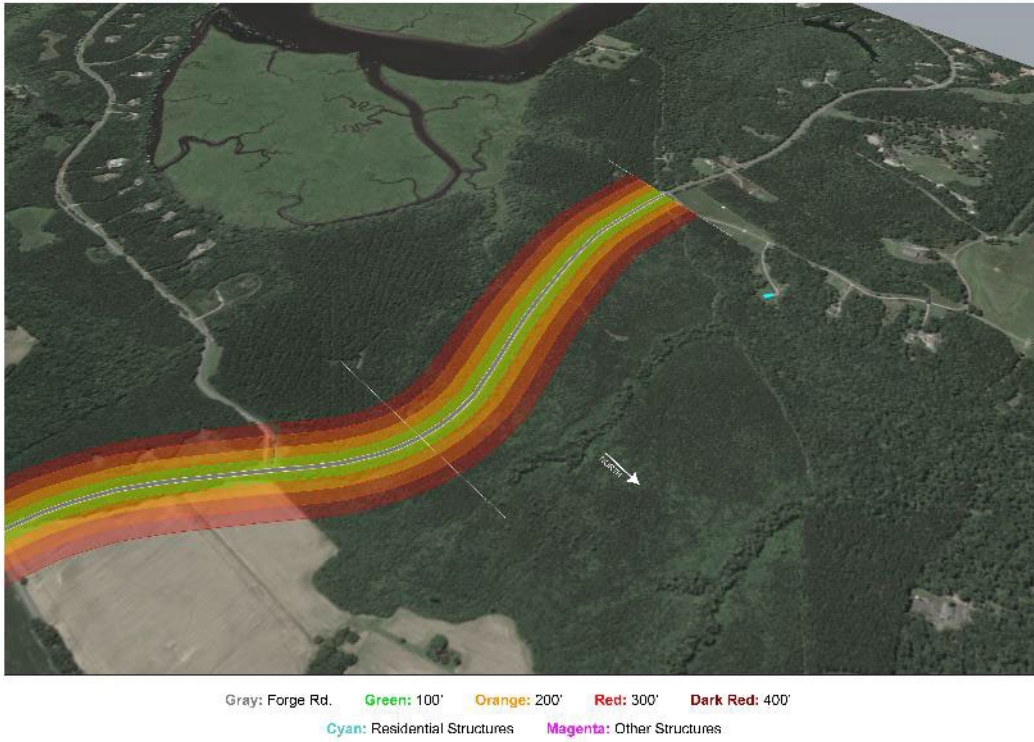


Figure 13. Potential distances - Segment A.

JAMES CITY COUNTY ZONING ANALYSIS | Forge Rd. Basemap (Proposed Setbacks) - Segment B



Figure 12. Potential distances - Segment B.

JAMES CITY COUNTY ZONING ANALYSIS | Forge Rd. Basemap (Proposed Setbacks) - Segment C

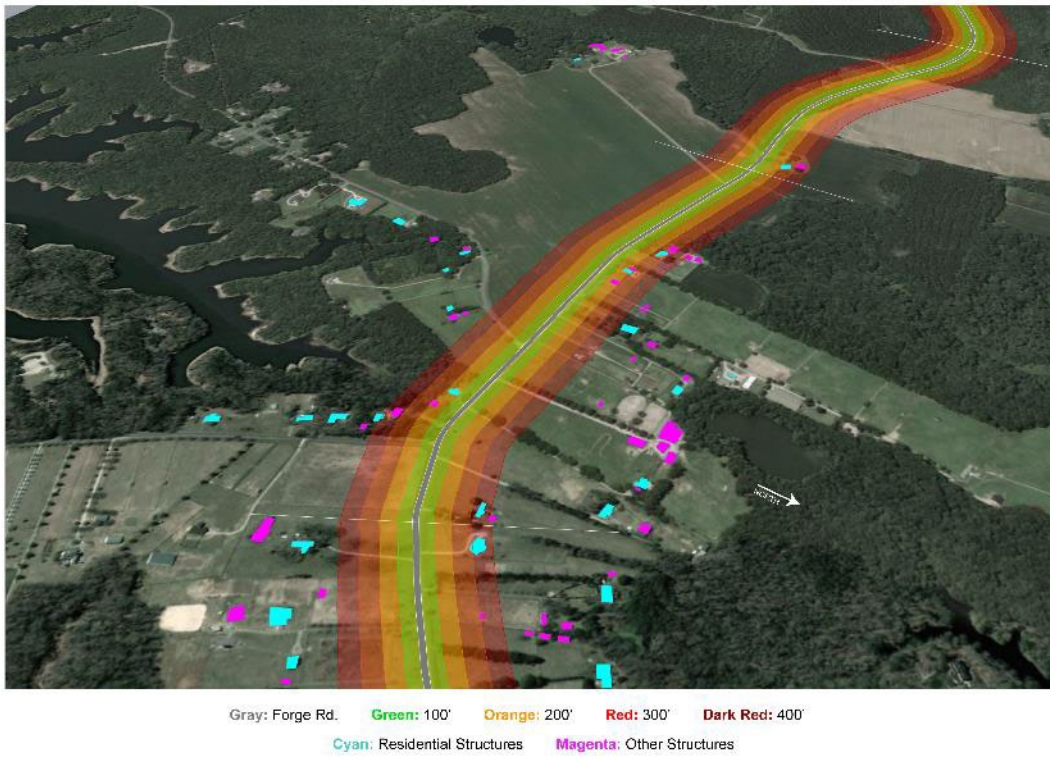


Figure 15. Potential distances - Segment C.

JAMES CITY COUNTY ZONING ANALYSIS | Forge Rd. Basemap (Proposed Setbacks) - Segment D

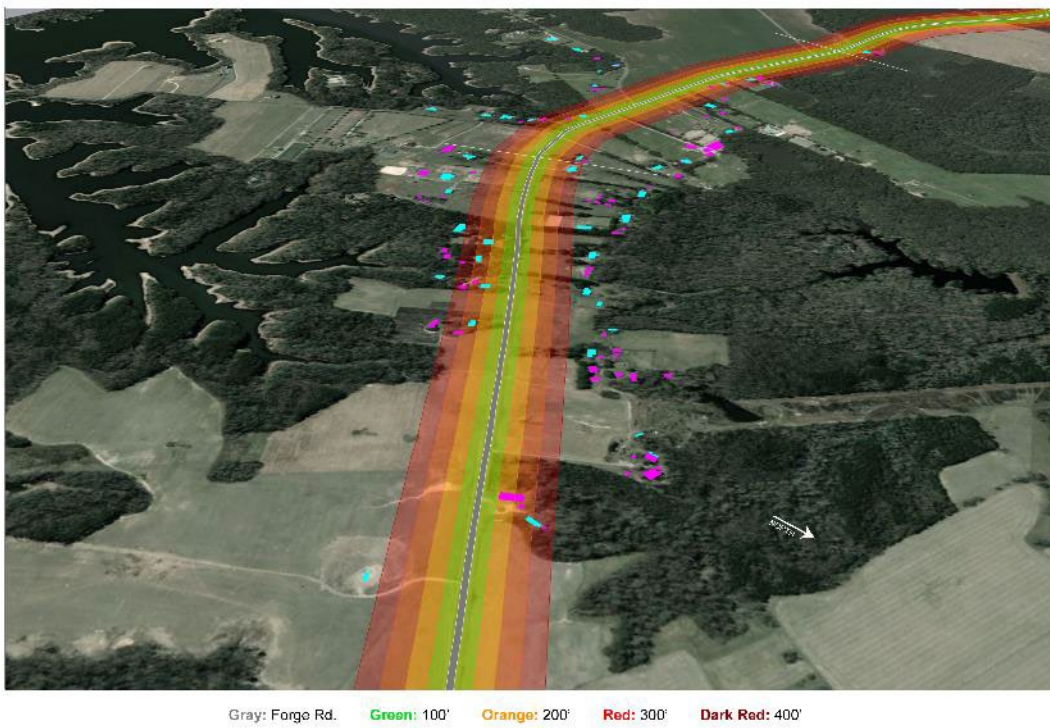


Figure 14. Potential distances - Segment D.

JAMES CITY COUNTY ZONING ANALYSIS | Forge Rd. Basemap (Proposed Setbacks) - Section E

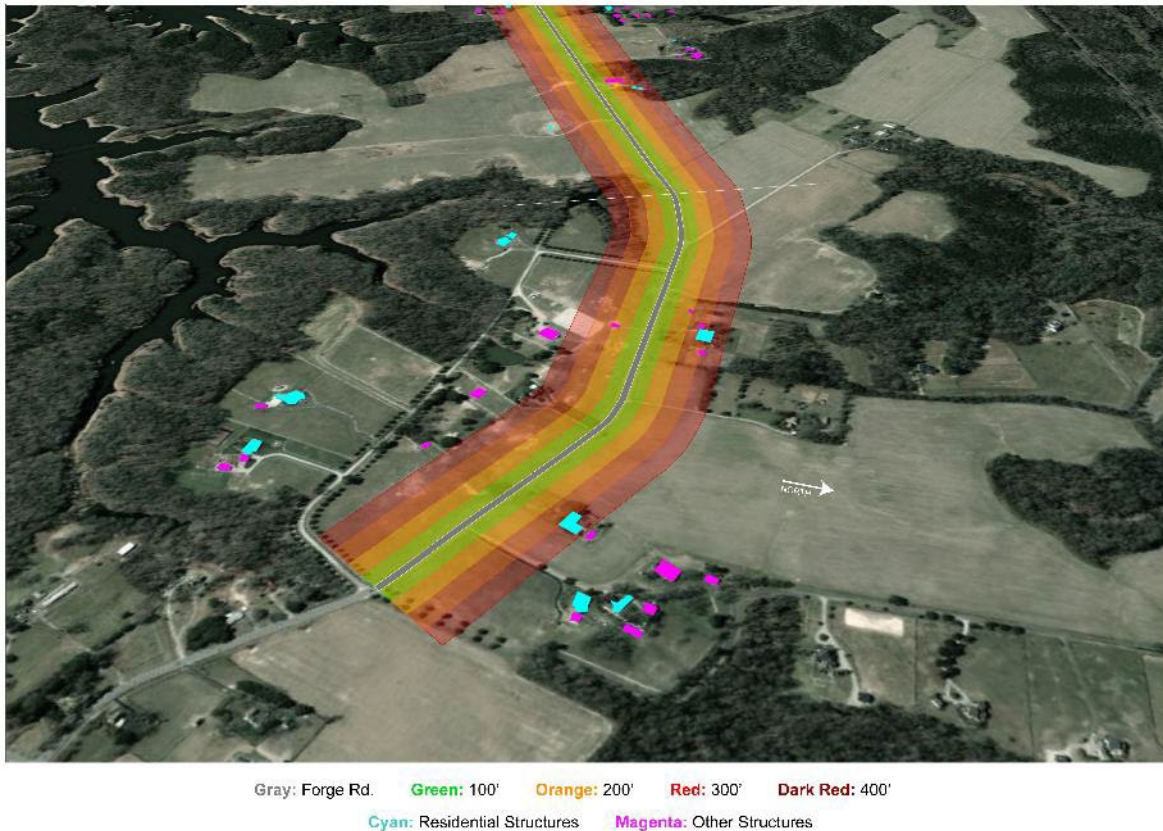


Figure 16. Potential distances - Segment E.

Conclusions

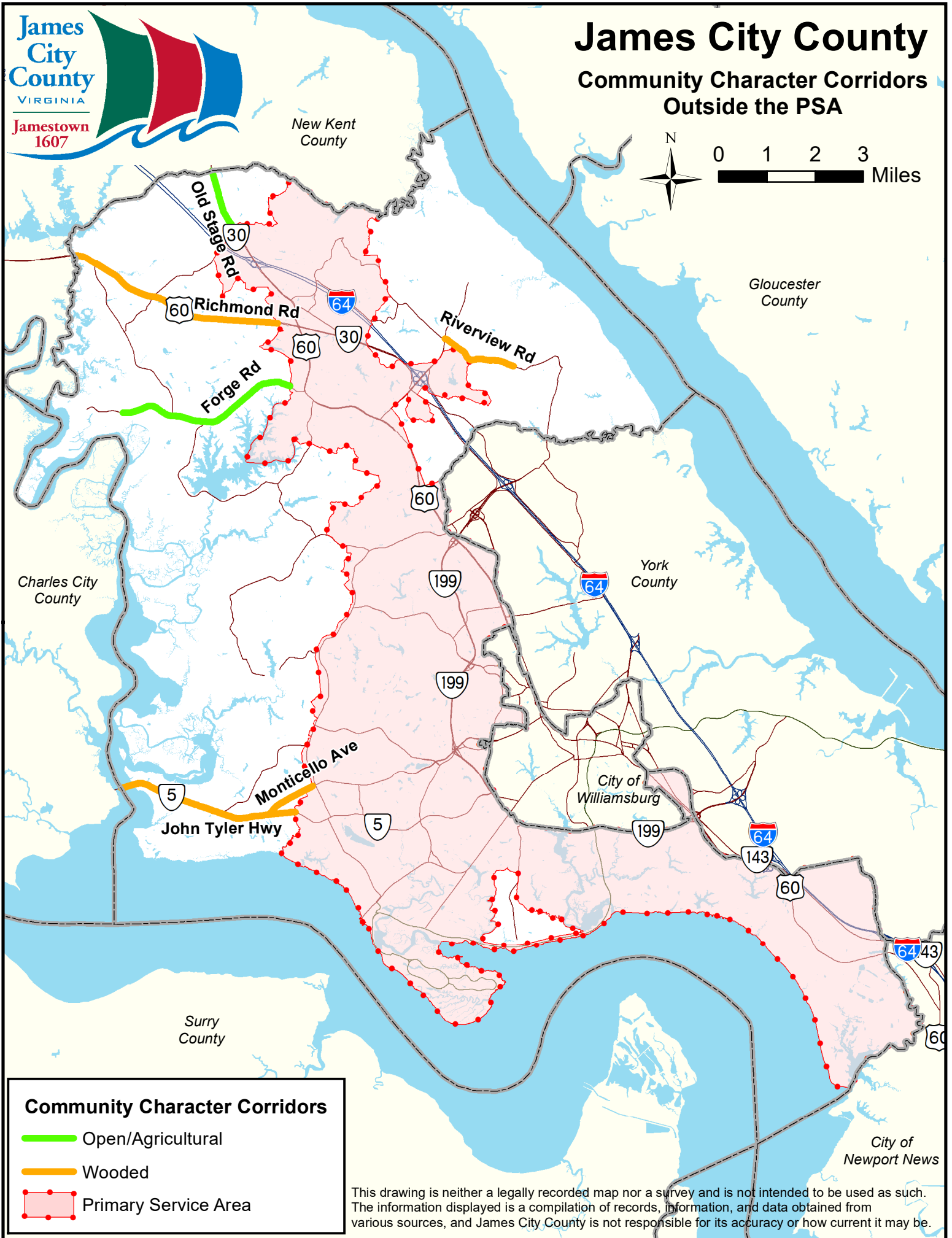
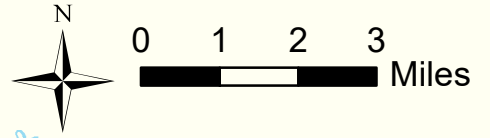
The analysis of existing and potential distances through aerial photography provides a useful assessment of the existing conditions along Forge Rd and the existing setbacks of existing structures. A few summary findings from this analysis include:

- Very few existing structures are built right up to the existing setback line of 75 feet for the A1 zoning district.
- Only one residential structure in segment C and one residential structure in segment D approach the 100 foot distance line. Also, one nonresidential structure in segment D is also built at the 100 foot distance line.
- The majority of structures that fall within the potential distance buffers range from 200 to 400 foot distances.
- a great number of structures are set back well beyond the 400 foot distance line. Segments C and D show a wide variety of structures set well back from the road up to 1000 feet or more.
- In general, both the diversity of setbacks of existing structures and the extensive average distance from the road contribute to the scenic character of Forge Rd and ensure that view sheds are not dominated by views of houses or other structures.
- In addition, the rolling terrain and pattern of existing trees and vegetation break up the views of the structures and contribute to the overall pastoral viewsheds from the road.



James City County

Community Character Corridors Outside the PSA



Community Character Corridors

- Open/Agricultural
- Wooded
- Primary Service Area

This drawing is neither a legally recorded map nor a survey and is not intended to be used as such. The information displayed is a compilation of records, information, and data obtained from various sources, and James City County is not responsible for its accuracy or how current it may be.

Open/Agricultural CCC Analysis

Forge Road Analysis

The developments adjacent to Forge Road consists primarily of scattered single-family residences and agricultural uses on either side, with tree buffering adjacent to the roadway in certain limited areas. There are several + 100-acre farms abutting the roadway that provide significant frontage and contribute greatly to its rural character with housing set far from the roadway. There are multiple existing conservation easements located on either side of the road that establish a large setback within the conserved parcels. Some parcels are not conserved and present an opportunity for residential subdivision and development in the future. There are also shallower lots interspersed between the farms that are utilized primarily for residential use and have structures typically located closer to the road.

Under the current A-1 Zoning District, the setback requirement for Forge Road is 75 feet from the right-of-way. Using the County’s Geographic Information System (GIS), staff has measured the setback distance for the closest structures on each parcel adjacent to Forge Road and determined that the average setback distance is approximately 495 feet (this measurement does not include structures on flag lots, which are typically designed to be hundreds of feet away from the right-of-way and are unlikely to impact the viewshed from the road). Staff has also determined that there are approximately 40 structures located within the proposed 400-foot setback, 16 of which are residences on the property. Staff has determined that there are approximately 10 parcels with a lot depth of 500 feet or less (please see Attachment No. 8 for the proposed exempt parcels). Should these parcels be exempted from the enhanced setback, only 10 houses would be within the setback and 21 accessory structures. Staff finds that exempting these parcels would still allow for the 400-foot setback to be effective for the Forge Road Corridor.

Forge Road Structure Analysis

	Structures Within 400 Feet	Exempt Parcel Structures	Final
Residences	16	-6	10
Accessory Structures	24	-3	21
Total	40	-9	31

As can be seen in Attachment No. 7, EPR has provided the County with a build-out scenario for a stretch of Forge Road. This scenario is based on the County’s existing Subdivision and Zoning Ordinance(s) and shows what is permitted “by-right” under the existing setback requirement of 75 feet and the minor subdivision process resulting in nine lots total. As can be seen in the build-out scenario, the 400-foot setback results in greater protection of the scenic viewsheds located along Forge Road when compared to the current requirement of 75 feet.

Old Stage Road Analysis

The development adjacent to Old Stage Road consists primarily of single-family residences, with some larger agricultural and forestal parcels. Excluding the parcels in farm use, most of these parcels are developed as single-family residences, with some buffering on each parcel and cleared area for property access. Most parcels are utilized for single-family residential use and are located on lots that are less than five acres, though there are larger farm parcels adjacent to New Kent County and interspersed along the road. Adjacent to the Primary Service Area line, residences are located closer to the right-of-way and represent a more suburban development style.

Under the current A-1 Zoning District, the setback requirement for Old Stage Road is 75 feet from the right-of-way. Using the County’s GIS, staff has measured the setback distance for the structures closest to the

road on parcels adjacent to Old Stage Road and determined that the average setback distance is approximately 170 feet (this measurement does not include structures on flag lots, which are typically designed to be hundreds of feet away from the right-of-way and are unlikely to impact the viewshed from the road). Staff has also determined that there are approximately 72 structures located within the proposed 400-foot setback, 33 of which are residences on the property. Staff has determined that there are approximately 21 parcels with a lot depth of 500 feet or less (please see Attachment No. 9 for the proposed exempt parcels). Should these parcels be exempted from the enhanced setback, 18 houses would be within the setback along with 25 accessory structures. Staff finds that exempting these parcels would still allow for the 400-foot setback to be effective for the Old Stage Road Corridor.

Old Stage Road Structure Analysis

	Structures Within 400 Feet	Exempt Parcel Structures	Final
Residences	33	-15	18
Accessory Structures	39	-14	25
Total	72	-29	43

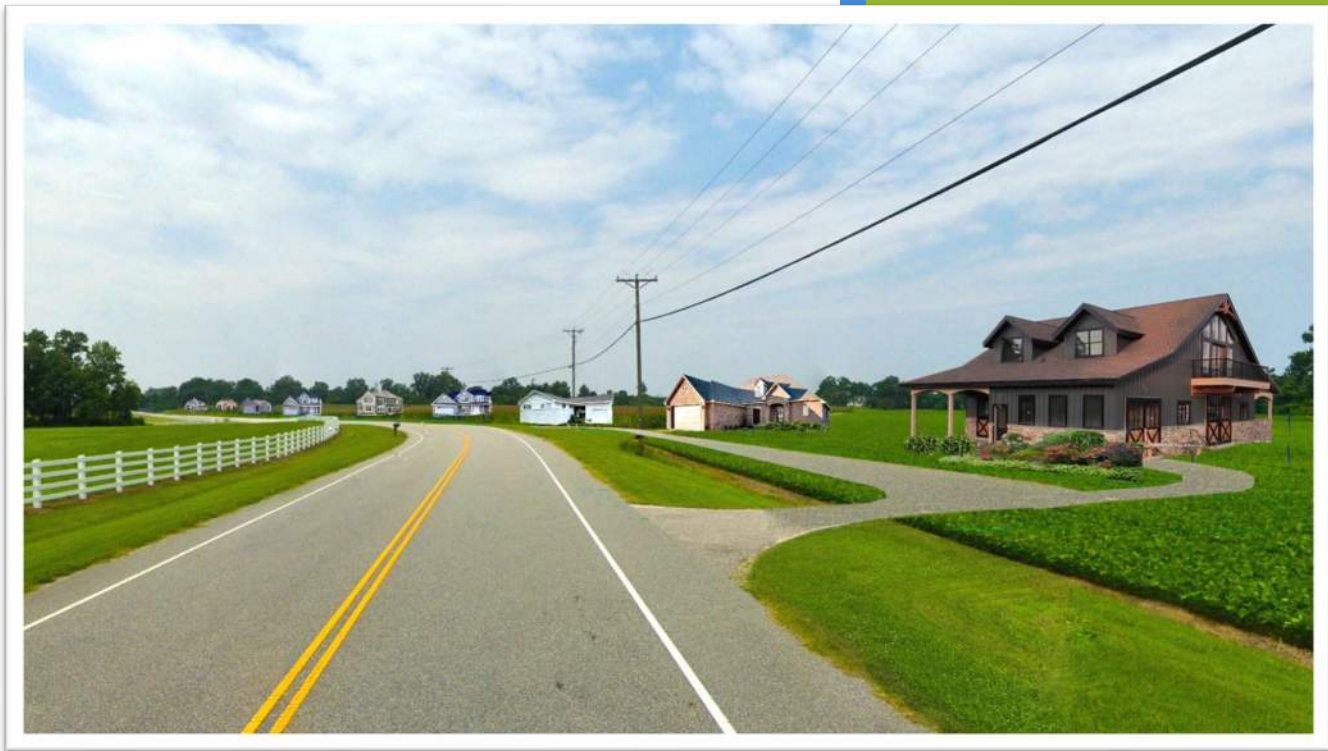
As can be seen in Attachment No. 7, EPR has provided the County with a build-out scenario for a stretch of Old Stage Road. Old Stage Road has fewer large tracts of land and is less likely to have a large residential development be submitted for review. This scenario is based on the County’s existing Subdivision and Zoning Ordinance(s) and shows what is permitted “by-right” under the existing setback requirement of 75 feet and the minor subdivision process resulting in nine lots total. As can be seen in the build-out scenario, the 400-foot setback results in greater protection of the scenic viewsheds located along the northern portion of Old Stage Road when compared to the current requirement of 75 feet.

Non-Conformity Analysis

If approved, the proposed 400-foot setback would result in existing structures along Forge Road and Old Stage Road becoming lawfully non-conforming, as they would be located within the setback. A lawfully non-conforming structure is not required to be removed by the property owner, nor is the use of structure prevented by being non-conforming. However, the structure would not be permitted to expand further into the setback. As a result, there would be houses that are located entirely within the setback and could not be expanded, even for minor home improvement projects such as a deck expansion. Staff recommends allowing existing structures within the 400 feet be expanded, provided it does not expand further within the setback towards the roadway.



Rural Roadway Setback Analysis: Forge Road and Old Stage Road



James City County Zoning Update
DRAFT January 4, 2023

Prepared by EPR,PC

Contents

Summary.....	2
Ground Level Visualizations	2
Aerial Visualizations	6

Rural Roadway Setback Analysis: Forge Road and Old Stage Road

Summary

In 2021, the James City County Board of Supervisors approved a Resolution to initiate the amendment of the James City Zoning and Subdivision ordinances in order to consider additional requirements to protect and preserve scenic roadways such as Forge Road and Old Stage Road. As part of an analysis to consider new standards for protection of these scenic roadways, EPR, PC was asked to develop analytic visualizations of the visual impacts of the viewshed on Forge Road and Old Stage Road.

The results of this analysis are presented here in two parts:

1. **Ground Level Visualizations** - The first part is a series of photomontages depicting renderings of homes within 75 feet and 400 feet of each roadway's edge.
2. **Aerial Visualizations** - The second part is a series of aerial photographs of the Forge Road and Old Stage Road corridors depicting existing property lines, proposed easements, and setbacks of 75 and 400 feet.

It is important to note that, even though these are illustrative visualizations, they are based on actual measured dimensions using computer mapping for the distances, so they represent a reasonably accurate representation of what potential distance standards could look like in reality.

Ground Level Visualizations

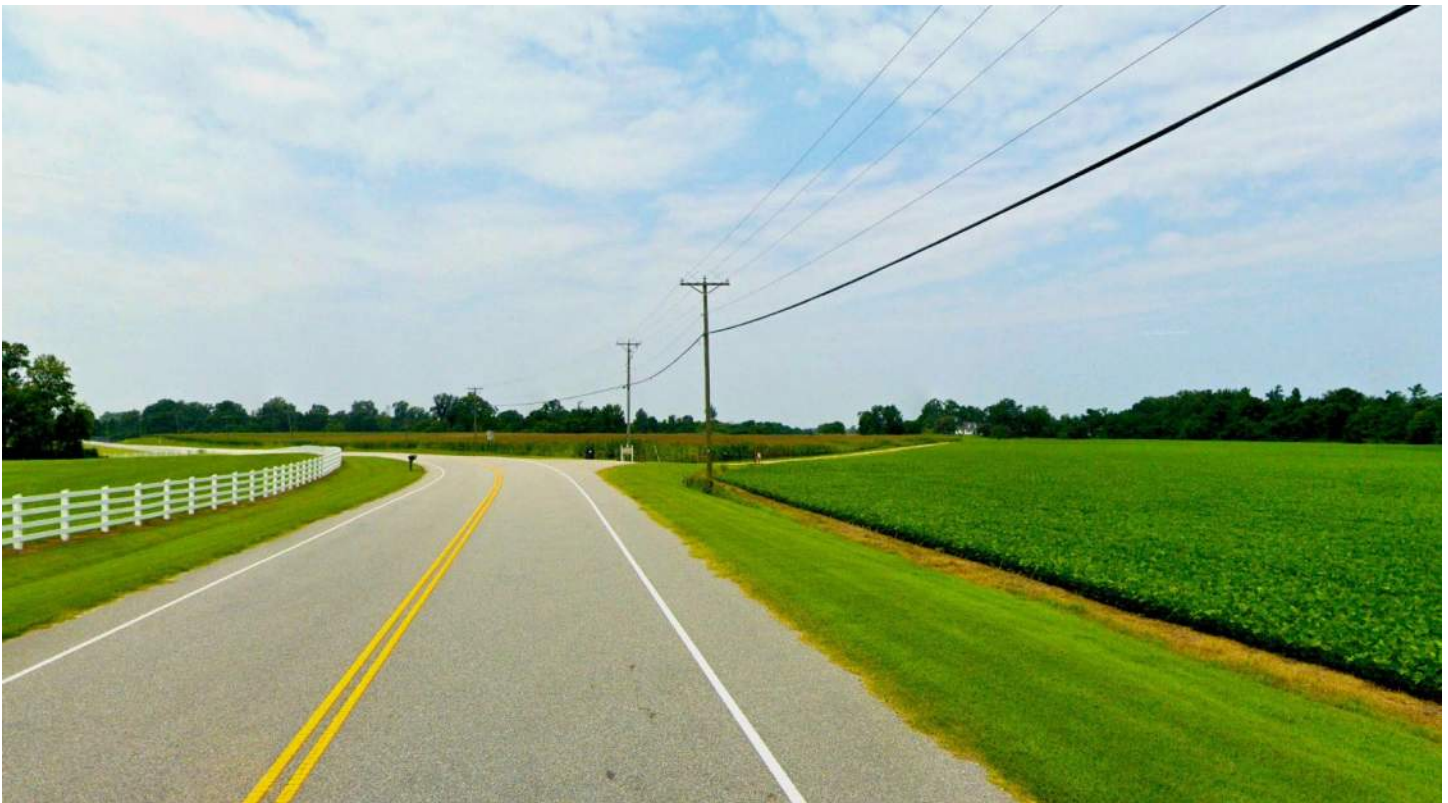


Figure 1. Existing photo of Forge Road



Figure 2. Existing photo of Forge Road with photo visualization of homes set 75' back from edge of right of way



Figure 3. Existing photo of Forge Road with photo visualization of homes set 400' back from edge of right of way

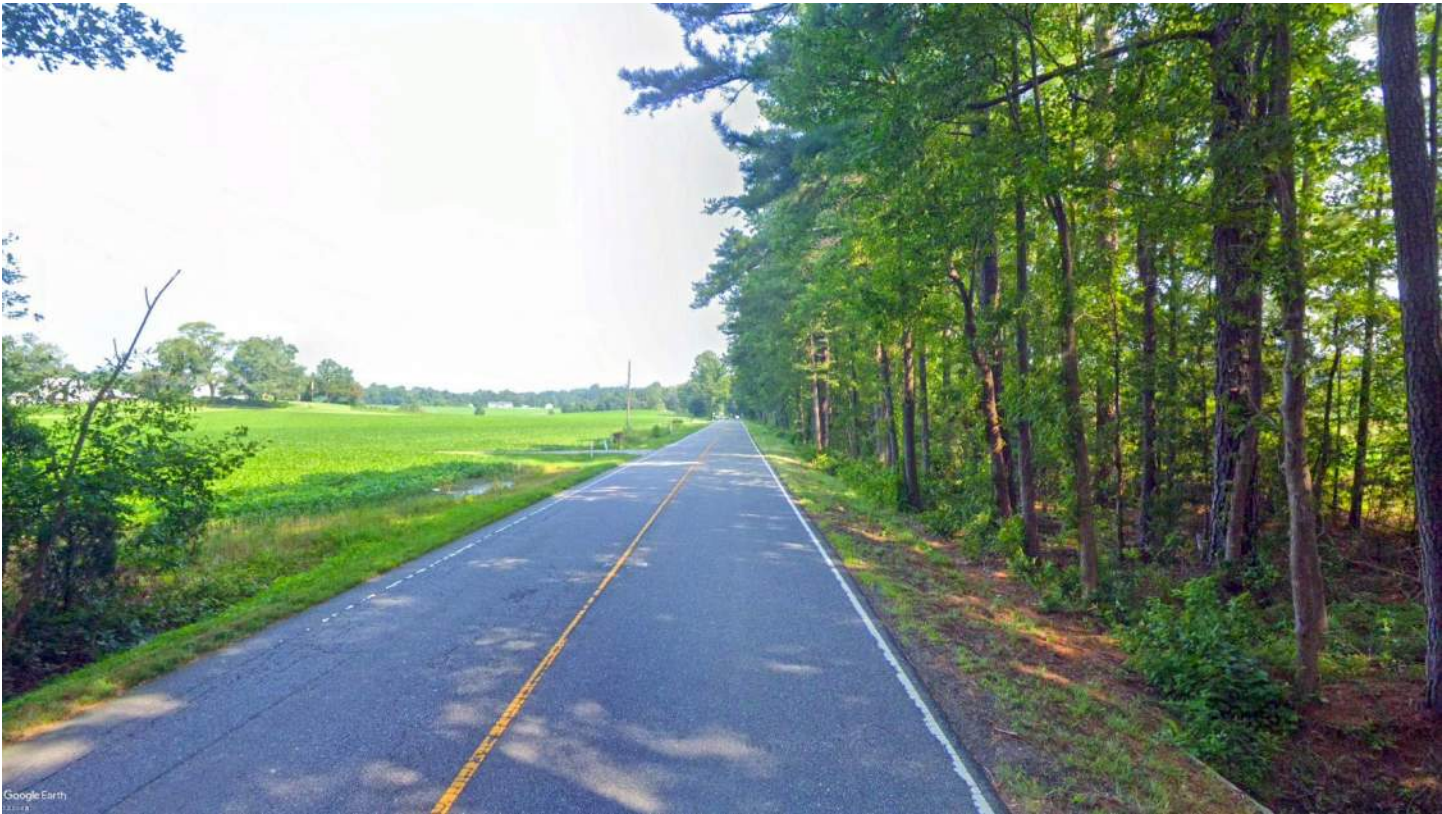


Figure 4. Existing photo of Old Stage Road

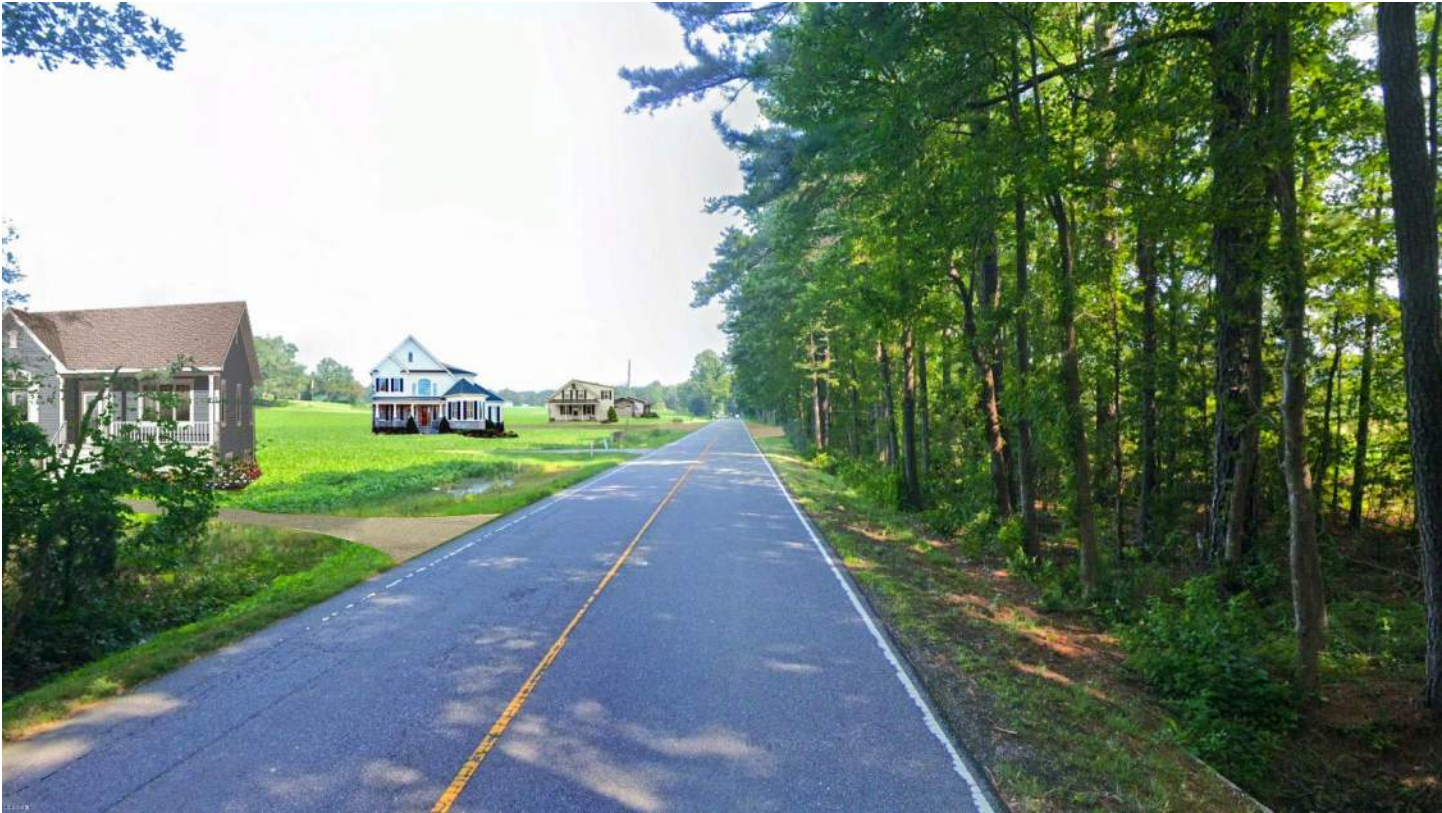


Figure 5. Existing photo of Old Stage Road with photo visualization of homes set 75' back from edge of right of way

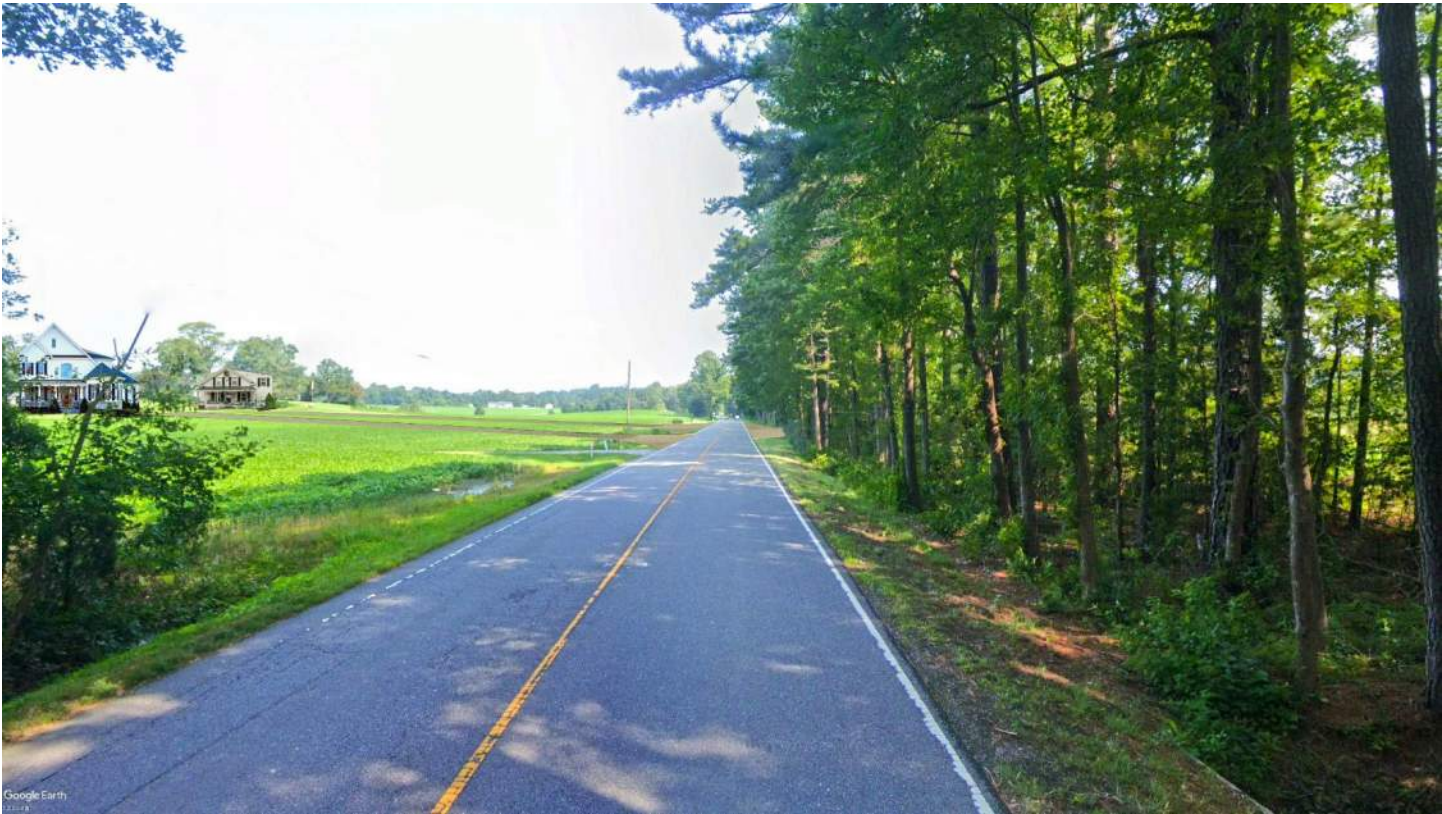
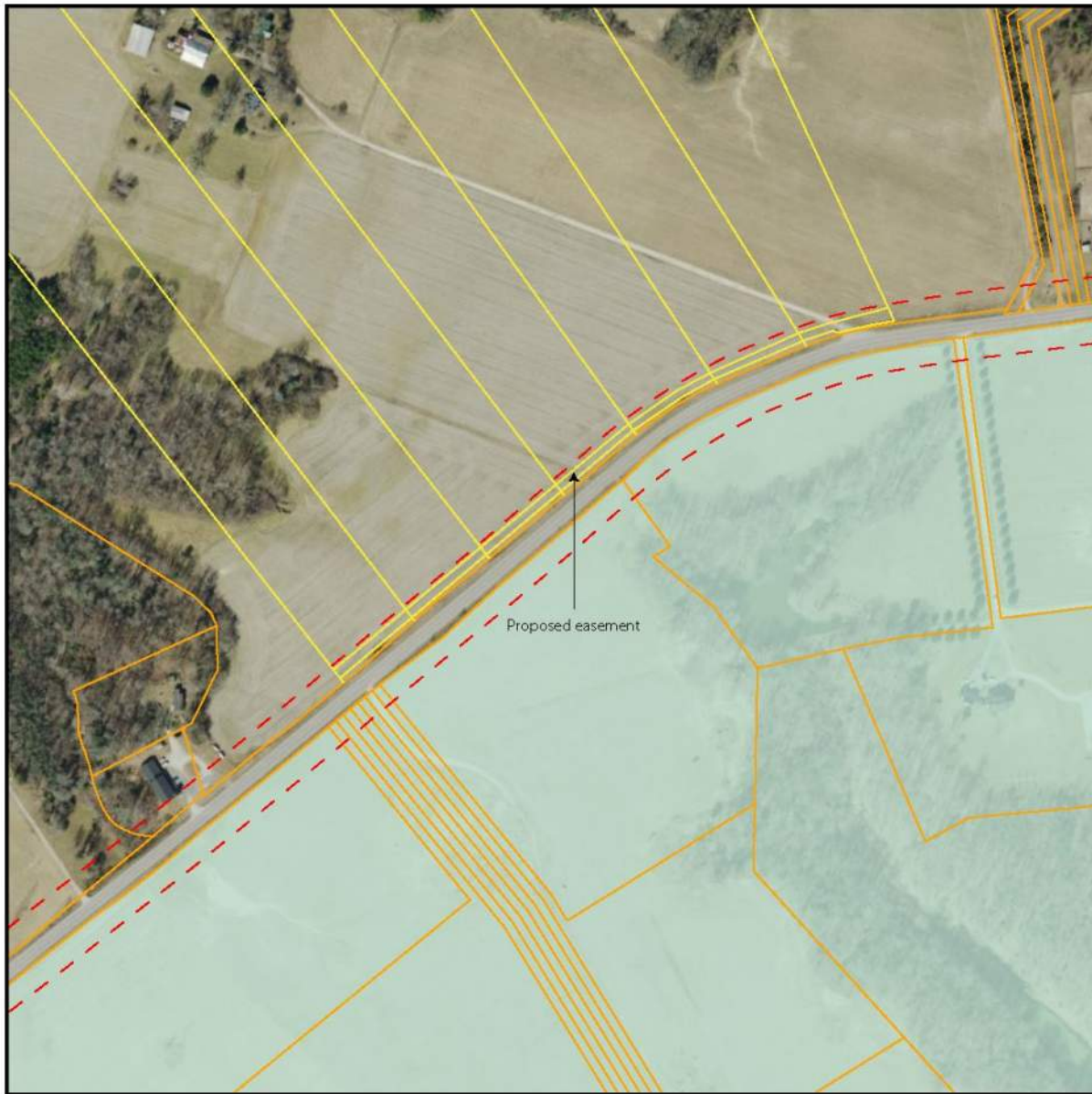


Figure 6. Existing photo of Old Stage Road with photo visualization of homes set 400' back from edge of right of way

Aerial Visualizations



- Conservation Easement
- Existing Property Lines
- New Property Lines
- Setback

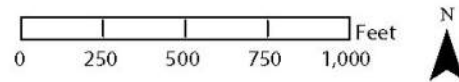
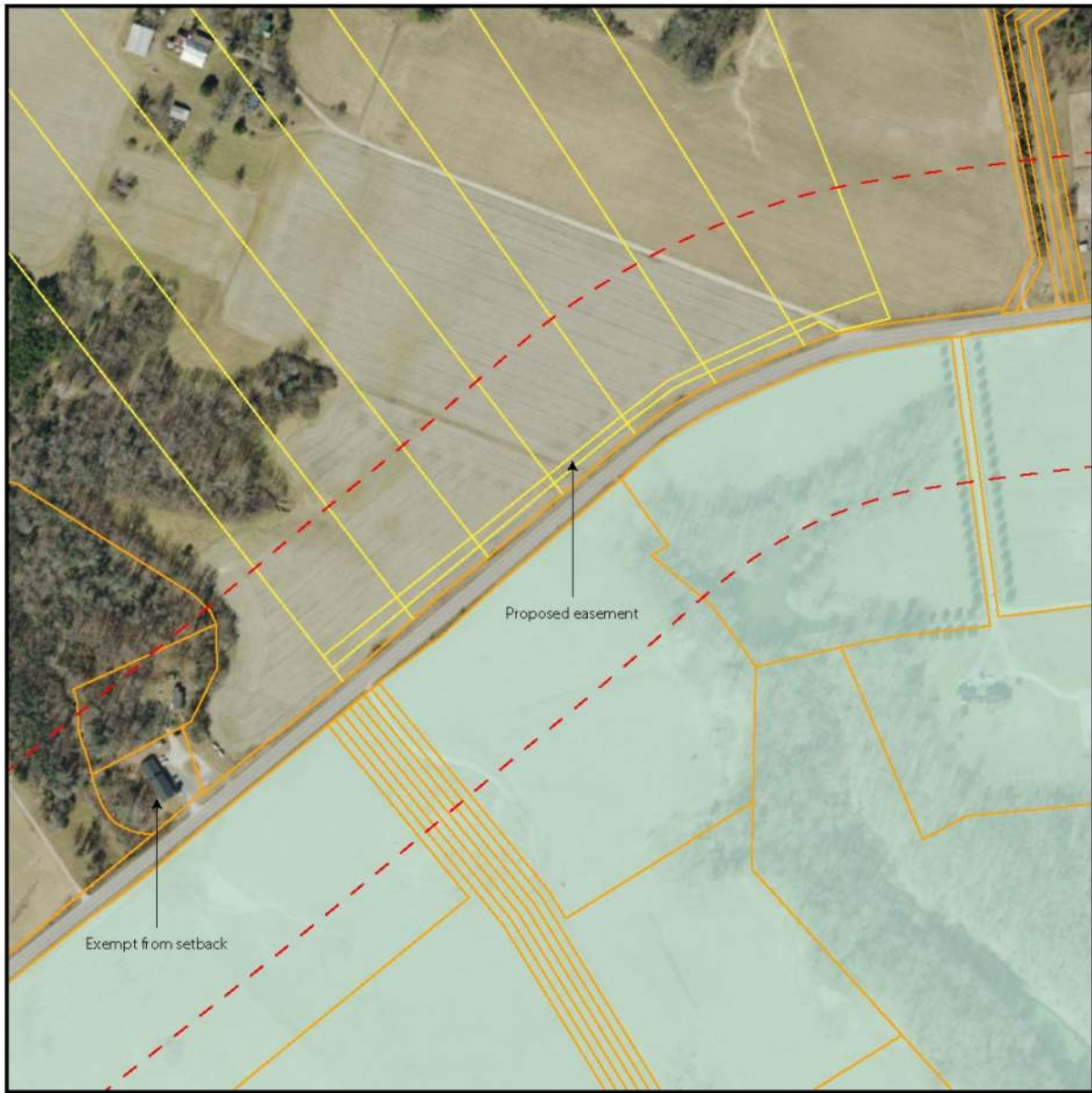


Figure 7. Map of Forge Road showing existing property lines, conservation easements, new property lines, and potential development with common access easement and 75 ft. setback from right of way



-  Conservation Easement
-  Existing Property Lines
-  New Property Lines
-  Setback

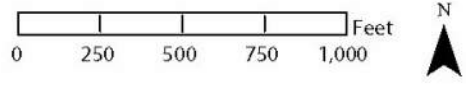
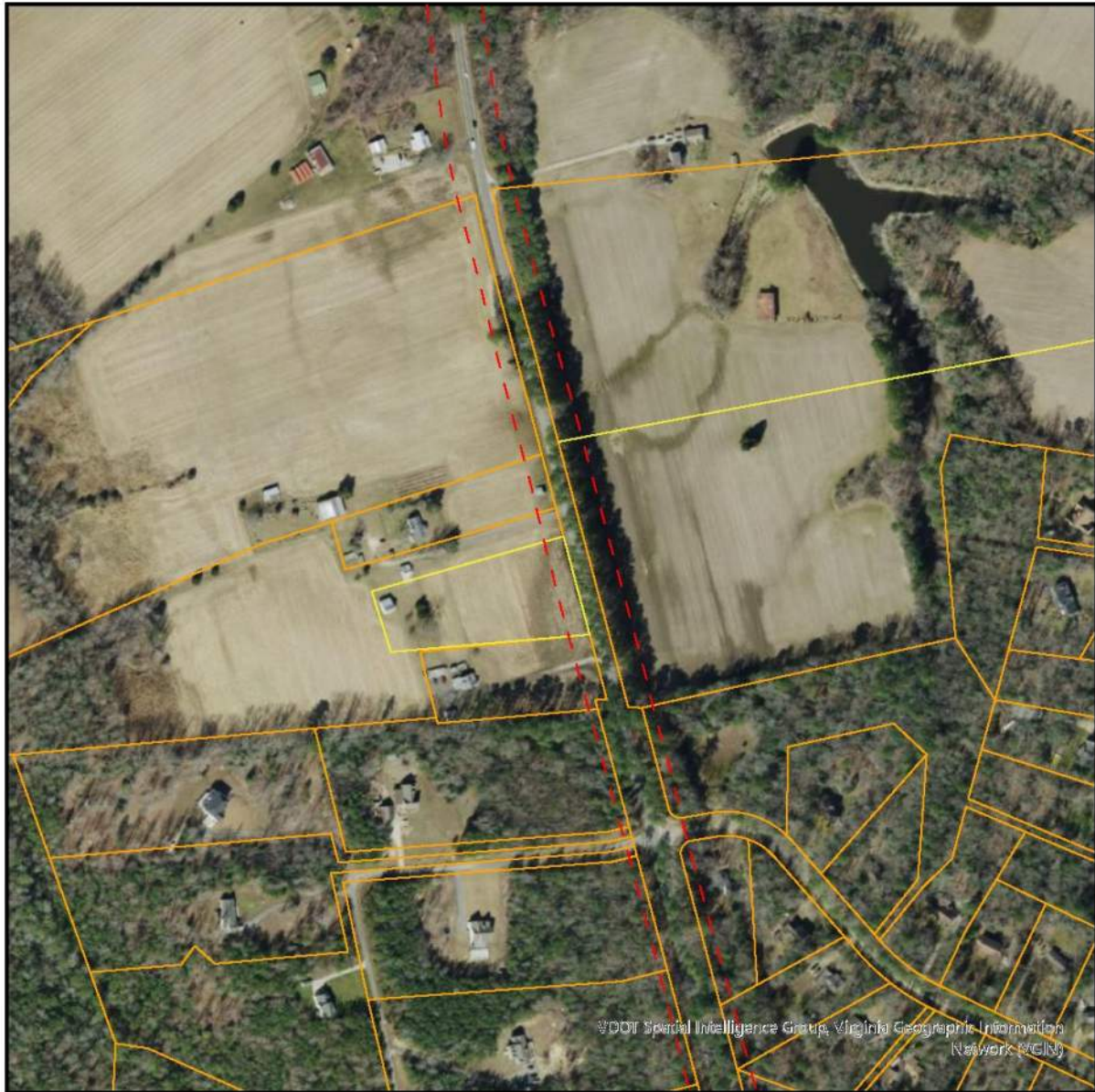


Figure 8. Map of Forge Road showing existing property lines, conservation easements, new property lines, and potential development with common access easement and 400 ft. setback from right of way



- Existing Property Lines
- New Property Lines
- - - Setback

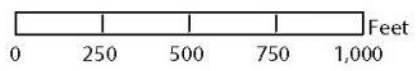


Figure 9. Map of Old Stage Road showing existing property lines and potential new subdivision and homes with 75' setback from right of way



- Existing Property Lines
- New Property Lines
- - - Setback

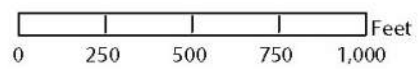
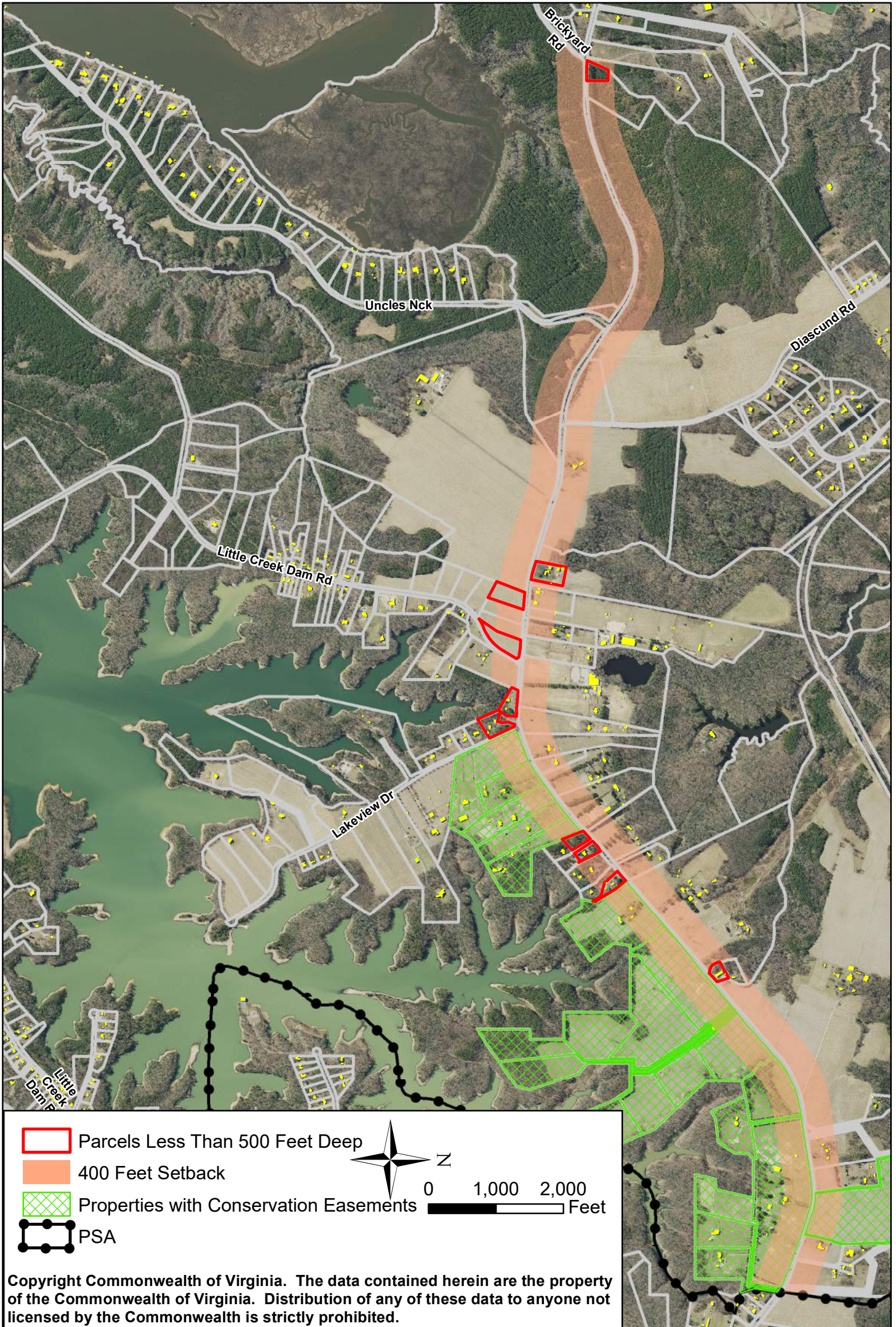


Figure 10. Map of Old Stage Road showing existing property lines and potential new subdivision and homes with 400' setback from right of way



JCC ORD-22-0001, Amendments for Scenic Roadway Protection. Forge Road Corridor





JCC ORD-22-0001, Amendments for Scenic Roadway Protection. Old Stage Road Corridor



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ITEM SUMMARY

DATE: 1/24/2023

TO: The Board of Supervisors

FROM: Adam R. Kinsman, County Attorney

SUBJECT: Consultation with legal counsel employed or retained by a public body regarding specific legal matters requiring the provision of legal advice by such counsel; specifically, regarding (1) unsolicited proposals and the Virginia Public Procurement Act and (2) the acceptance of certain types of proffers as part of a request to rezone real property, pursuant to Section 2.2-3711(A)(8) of the Code of Virginia

REVIEWERS:

Department	Reviewer	Action	Date
Board Secretary	Saeed, Teresa	Approved	1/17/2023 - 11:46 AM

ITEM SUMMARY

DATE: 1/24/2023

TO: The Board of Supervisors

FROM: Teresa J. Saeed, Deputy Clerk

SUBJECT: Consideration of a personnel matter, the appointment of individuals to County Boards and/or Commissions, pursuant to Section 2.2-3711(A)(1) of the Code of Virginia

REVIEWERS:

Department	Reviewer	Action	Date
Board Secretary	Saeed, Teresa	Approved	1/13/2023 - 2:42 PM

ITEM SUMMARY

DATE: 1/24/2023
TO: The Board of Supervisors
FROM: Rebecca Vinroot, Director of Social Services
SUBJECT: Williamsburg/James City County Community Action Agency Board Reappointment

ATTACHMENTS:

Description	Type
-------------	------

REVIEWERS:

Department	Reviewer	Action	Date
Social Services	Saeed, Teresa	Approved	1/17/2023 - 10:43 AM

ITEM SUMMARY

DATE: 2/14/2023

TO: The Board of Supervisors

FROM: Teresa J. Saeed, Deputy Clerk

SUBJECT: Adjourn until 5 pm on February 14, 2023 for the Regular Meeting

REVIEWERS:

Department	Reviewer	Action	Date
Board Secretary	Saeed, Teresa	Approved	1/13/2023 - 2:40 PM