

AGENDA
JAMES CITY COUNTY ECONOMIC DEVELOPMENT AUTHORITY
REGULAR MEETING
101 MOUNTS BAY ROAD, BLDG. D, WILLIAMSBURG, VA 23185
October 15, 2024
4:00 PM

A. CALL TO ORDER

B. ROLL CALL

C. APPROVAL OF MINUTES

1. September 17, 2024 Minutes

D. FINANCIAL REPORTS

1. September 2024 Revenue Report
2. September 2024 Expense Report
3. September 2024 Balance Sheet

E. CLOSED SESSION

F. NEW BUSINESS

1. Public Facility Revenue Bonds
2. Audit Report with Financial Statements and Supplemental Information

G. OLD BUSINESS

H. LIAISON REPORTS

I. DIRECTOR'S REPORT

1. October 2024 Director's Report

J. UPCOMING DATES OF INTEREST

1. Celebration of Business Event - Thursday, November 21, 2024, from 4:30-6:30 p.m.
(Presentation at 5:30 p.m.) at The Maine of Williamsburg

K. ADJOURNMENT

MINUTES
JAMES CITY COUNTY ECONOMIC DEVELOPMENT AUTHORITY
REGULAR MEETING

September 17, 2024
4:00 PM

A. CALL TO ORDER

Ms. Gajda called the meeting to order at 4:05 p.m.

B. ROLL CALL

Ellen Smith Gajda, Chair
Lynn Meredith, Vice Chair (arrived at 4:07 p.m.)
Rebecca Mulvain
Vince Campana
William Turner (via phone)

Absent:

Joe Stanko
Brandon Nice

Also Attending:

Christopher Johnson, Economic Development Authority (EDA) Secretary
Beth Cook, Assistant Director, Economic Development
Jeff Wiggins, EDA Fiscal Agent

A motion to Approve was made by Ms. Gajda; motion Passed.

AYES: 4 NAYS: 0 ABSTAIN: 0 ABSENT: 3

Ayes: Gajda, Mulvain, Campana, Turner

Absent: Stanko, Nice, Meredith

In accordance with the EDA Policy for Remote Participation, Ms. Gajda stated that Mr. Johnson notified her of Mr. Turner's request to participate in the meeting via phone from his vehicle as he was on his way to Dulles to catch a flight. The EDA Director's present must approve of Mr. Turner's participation via phone for a personal reason.

C. APPROVAL OF MINUTES

1. Minutes Adoption – August 20, 2024

A motion to Approve was made by Vince Campana; motion Passed.

AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 2

Ayes: Gajda, Meredith, Mulvain, Campana, Turner

Absent: Stanko, Nice

Ms. Meredith arrived prior to consideration of the minutes.

D. FINANCIAL REPORTS

1. August Financial Reports

A motion to Approve was made by Vince Campana; motion Passed.

AYES: 4 NAYS: 0 ABSTAIN: 0 ABSENT: 2

Ayes: Gajda, Meredith, Mulvain, Campana

Absent: Stanko, Nice

Mr. Wiggins presented the revenue and expense reports and informed the EDA the cash balance was \$2,379,047.95. Total revenues for the month of August were \$16,401.09 and included Local Government Investment Pool and Billsburg rent. The expenditure report included a progress billing for the audit and the annual contribution to Launchpad sponsorship.

E. CLOSED SESSION

There was no closed session.

F. NEW BUSINESS

1. Greater Williamsburg Chamber of Commerce Shop Local Boost Program Sponsorship Request

A motion to Approve was made by Lynn Meredith; motion Passed.

AYES: 4 NAYS: 1 ABSTAIN: 0 ABSENT: 2

Ayes: Gajda, Meredith, Mulvain, Campana

Nays: Turner

Absent: Stanko, Nice

Mr. Johnson stated that the EDA had sponsored the Shop Local Boost Program for the past two years at \$10,000. The request for the programs third year from the three local EDAs was still \$10,000. Previously, five distributions of Visa gift cards and Williamsburg Area Restaurant Association (WARA) gift certificates were held and sold out. This year, they are looking at three distributions with the James City County distribution at the same location by the theater in New Town as last year. Greater Williamsburg Chamber of Commerce (GWCC) is increasing the funds it contributes to the program, and WARA is increasing the number of gift certificates. The WARA gift certificates would be half the total program this year, guaranteeing the money would return to the community. *WYDaily/The Tide* is making a contribution and an in-kind marketing donation. Chesapeake Bank pays for the Visa gift cards. An individual purchases a gift card at one of the distribution locations at \$25 and gets a \$50 gift card in return. The *maximum* is two per person at each distribution location.

Mr. Johnson stated that Ms. Terry Banez apologizes for not being able to make the EDA meeting today due to a New Member Orientation. He also noted that the adopted EDA Fiscal Year 2025 budget included Business Assistance funds to allow continued sponsorship of the program at the requested level.

Ms. Meredith stated that the investment in this program has been good, putting the focus back on buying local and maximizing the efforts of what we do in our community.

Mr. Turner stated his opposition. He stated it was good from a feel-good perspective, but he was not sure if GWCC quantifies the impact as well as it could. He would like to see them improve year after year in quantifying the impact and determining if there were better ways to spend the money to help local businesses, not just during the holiday season.

Mr. Johnson stated staff would pass along Mr. Turner's comments and concerns regarding the program and request Ms. Banez be present at the end of the year for a wrap-up to provide an analysis of how the funds were utilized.

Mr. Turner stated that he thought it would be good to take a look at the impact data after this cycle is over.

Ms. Meredith stated she thought it would also be good to see how the Greater Williamsburg Chamber of Commerce (GWCC) can grow the program.

2. Colonial K9 Classic Recap/Sponsorship Request

A motion to Deny was made by Vince Campana; motion Passed.

AYES: 4 NAYS: 0 ABSTAIN: 1 ABSENT: 2

Ayes: Gajda, Meredith, Campana, Turner

Abstain: Mulvain

Absent: Stanko, Nice

Mr. Johnson stated that Ms. Mulvain brought the Colonial K9 Classic event, which was held at the Jamestown Beach event Park this past weekend, September 13-15 to the EDA earlier this year. He also stated that Ms. Mulvain had a previously stated conflict of interest and would recuse herself from any discussion and abstain from any vote.

Ms. Mulvain stated that this time last year, Muddy Marley's started thinking about bringing Dock Dog Diving to Williamsburg. This event, being the first in the area and many people not knowing what Dock Dog Diving was, made it challenging to get sponsors. Ms. Mulvain stated that around 1,000 people attended the event, and Muddy Marley's was able to get four sponsors (Suttle Automotive (\$2,000), Ridgeside K9 (\$500), Freedom Boat Club (\$500) and Fine Signs (In-Kind Gift of Signage)). The focus of the event was the Chesapeake DockDogs Franchise. The draw for Williamsburg was that the members of the Chesapeake DockDogs Franchise come for the weekend and end up lodging in the Greater Williamsburg area hotels and eating in our restaurants. Ms. Mulvain's request from the EDA was a small grant in the amount of \$2,650, for the concession piece of the event venue, totaling \$5,000.

Ms. Mulvain answered questions and then left the room while the EDA discussed the request.

Ms. Gajda stated that this request was a conflict of interest and could result in questions being raised by the Board of Supervisors and the EDA audit.

Mr. Campana stated the request was reimbursement grant because the event had already taken place, and he could not support the request.

Ms. Meredith applauded Ms. Mulvain's efforts in bringing the event to the community, but it was a conflict of interest and a bad precedent for the EDA to fund one of its members at any level.

Mr. Wiggins stated that this request would be more appropriate for consideration by Parks & Recreation Department using tourism funding.

Mr. Johnson stated the mission of the EDA.

Ms. Mulvain returned to the room.

3. Manufacturing Days

Ms. Cook stated that this year is 10 years of in-person Manufacturing Days. Each year, James City County Economic Development and Williamsburg - James City County (WJCC) School Division coordinates field trips to local manufacturing businesses for three high schools (Lafayette, Warhill, and Jamestown). The dates for this year's Manufacturing Days were October 18, November 1, and November 8. At this time, staff was in the process of coordinating with local manufacturing businesses on the dates listed above.

4. Celebration of Business

Ms. Cook stated that the Celebration of Business would be held on Thursday, November 21 at The Maine of Williamsburg, using the same caterer as the 2023 event. Electronic invitations would be sent out via email the week of October 7. Mr. Johnson and Ms. Cook were still discussing what awards would be given out at the COB and would inform the EDA once staff has more information about this.

G. OLD BUSINESS

There was no old business.

H. LIAISON REPORTS

There were no liaison reports.

I. DIRECTOR'S REPORT

Mr. Johnson referred to the report in the Agenda Packet.

J. UPCOMING DATES OF INTEREST

Mr. Johnson stated that the Board of Supervisors, County Administration, and the EDA have requested a tour of the Port of Virginia. The date that had been selected was Friday, October 18. The group would leave the County complex by 12:15 p.m. and the presentation and tour would be from 1:30-3:30 p.m.

K. ADJOURNMENT

A motion to Adjourn was made by Vince Campana; motion Passed.

AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 2

Ayes: Gajda, Meredith, Mulvain, Campana, Turner

Absent: Stanko, Nice

1. Adjourn until October 15, 2024

At approximately 5:14 p.m., Ms. Gajda adjourned the Authority.

Christopher Johnson, Secretary
Economic Development Authority

Ellen Smith Gajda, Chair
Economic Development Authority

YEAR-TO-DATE BUDGET REPORT

FOR 2025 03

ACCOUNTS FOR: 300 EDA		ORIGINAL ESTIM REV	REVISED ESTIM REV	ACTUAL YTD REVENUE	ACTUAL MTD REVENUE	REMAINING REVENUE	% COLL
305 Use Of Money & Property							
300-305-3511-				Interest Revenue			
	-84,000.00	-84,000.00	-21,165.02	-10,597.26	-62,834.98	25.2%	
TOTAL Use Of Money & Property	-84,000.00	-84,000.00	-21,165.02	-10,597.26	-62,834.98	25.2%	
308 Charges For Services							
300-308-3400-				Lease Income			
	-14,725.00	-14,725.00	0.00	0.00	-14,725.00	.0%	
TOTAL Charges For Services	-14,725.00	-14,725.00	0.00	0.00	-14,725.00	.0%	
309 Miscellaneous							
300-309-3970-				Marina Property			
	-70,000.00	-70,000.00	-17,499.99	-5,833.33	-52,500.01	25.0%	
300-309-3972-				Bond Fee Revenue			
	-67,700.00	-67,700.00	0.00	0.00	-67,700.00	.0%	
TOTAL Miscellaneous	-137,700.00	-137,700.00	-17,499.99	-5,833.33	-120,200.01	12.7%	
TOTAL EDA	-236,425.00	-236,425.00	-38,665.01	-16,430.59	-197,759.99	16.4%	
	TOTAL REVENUES						
	-236,425.00	-236,425.00	-38,665.01	-16,430.59	-197,759.99		

YEAR-TO-DATE BUDGET REPORT

FOR 2025 03

ORIGINAL ESTIM REV	REVISED ESTIM REV	ACTUAL YTD REVENUE	ACTUAL MTD REVENUE	REMAINING REVENUE	% COLL
GRAND TOTAL					
-236,425.00	-236,425.00	-38,665.01	-16,430.59	-197,759.99	16.4%
** END OF REPORT - Generated by Jeffrey Wiggins **					

YEAR-TO-DATE BUDGET REPORT

FOR 2025 03

ACCOUNTS FOR: 300	EDA							
ORIGINAL	APPROP	REVISED	BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
259 EDA Operating								
300-259-0200-				Advertising				
	1,000.00	1,000.00		0.00	0.00	0.00	1,000.00	.0%
300-259-0205-				Promotion				
	82,202.00	82,202.00		7,825.40	7,825.40	0.00	74,376.60	9.5%
300-259-0220-				Travel And Training				
	2,000.00	2,000.00		0.00	0.00	0.00	2,000.00	.0%
300-259-0235-				Annual Audit				
	13,900.00	13,900.00		4,554.00	0.00	9,108.00	238.00	98.3%
300-259-0318-				Supplies/Materials				
	250.00	250.00		0.00	0.00	0.00	250.00	.0%
300-259-5900-				Regional Econ Devel Support				
	34,500.00	34,500.00		34,500.00	0.00	0.00	0.00	100.0%
300-259-5902-				VA High Speed Rail				
	1,000.00	1,000.00		0.00	0.00	0.00	1,000.00	.0%
300-259-5903-				James River Commerce Ctr-Ops				
	4,170.00	4,170.00		0.00	0.00	0.00	4,170.00	.0%
300-259-5904-				Mainland Farm Oper Expenses				
	100.00	100.00		0.00	0.00	0.00	100.00	.0%
300-259-5913-				Small Business Assistance				
	97,202.00	97,202.00		0.00	0.00	0.00	97,202.00	.0%
300-259-5915-				Marina Property				
	101.00	101.00		0.00	0.00	0.00	101.00	.0%
TOTAL EDA Operating	236,425.00	236,425.00		46,879.40	7,825.40	9,108.00	180,437.60	23.7%
TOTAL EDA	236,425.00	236,425.00		46,879.40	7,825.40	9,108.00	180,437.60	23.7%
TOTAL EXPENSES	236,425.00	236,425.00		46,879.40	7,825.40	9,108.00	180,437.60	

YEAR-TO-DATE BUDGET REPORT

FOR 2025 03

ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
GRAND TOTAL						
236,425.00	236,425.00	46,879.40	7,825.40	9,108.00	180,437.60	23.7%
** END OF REPORT - Generated by Jeffrey wiggins **						

BALANCE SHEET FOR 2025 3

FUND: 300 EDA			NET CHANGE FOR PERIOD	ACCOUNT BALANCE
ASSETS				
300401	0000	General Cash	5,833.33	75,119.66
300401	0008	LGIP Investment	10,597.26	2,320,358.88
300413	8250	Misc Receivables	.00	2,084.98
300415	8275	Lease Receivable	.00	683,943.77
300415	8276	Lease Interest Receivable	.00	3,186.04
300422	8013	Due From JCC-LT Debt	.00	61,473,604.17
300455	0814	Land Improvements	.00	237,988.25
300455	0819	Buildings	.00	290,094.53
300455	0820	Accum Deprec-Buildings	.00	-48,413.99
300455	0831	Infrastructure	.00	159,396.04
300455	0832	Accum Deprec-Infrastructure	.00	-35,486.33
300455	0837	Accum Deprec-Land Improvements	.00	-79,559.36
300470	6028	Deferred Loss On Refunding	.00	-1,730,840.45
300470	6029	Deferred Loss Refund Acc Amort	.00	568,532.39
TOTAL ASSETS			16,430.59	63,920,008.58
LIABILITIES				
300502	6000	Accounts Payable	-7,825.40	-7,825.40
300504	6036	Bond Premium	.00	-15,370,682.80
300504	6038	Accum Amort Bond Premium	.00	9,683,115.69
300504	6046	LR Bonds Payable	.00	-54,550,000.00
300508	6007	Interest Payable	.00	-73,729.00
300585	0920	Deferred Inflow-Leases	.00	-628,385.93
TOTAL LIABILITIES			-7,825.40	-60,947,507.44
FUND BALANCE				
300601	6140	Net Pos - Net Invmnt Cap Assets	.00	-524,019.14
300601	6142	Net Pos - Unrestricted	.00	-2,456,696.39

BALANCE SHEET FOR 2025 3

FUND: 300 EDA		NET CHANGE FOR PERIOD	ACCOUNT BALANCE
FUND BALANCE			
300-601-6142-			
300601 6150	Revenue-Year To Date	-16,430.59	-38,665.01
300-601-6150-			
300601 6151	Expenditures-Year To Date	7,825.40	46,879.40
300-601-6151-			
300601 6152	Encumbrances-Year To Date	.00	9,108.00
300-601-6152-			
300601 6906	Estimated Revenues	.00	236,425.00
300-601-6906-			
300601 6907	Appropriations	.00	-236,425.00
300-601-6907-			
300601 6909	Budgetary FB Res for Encumbran	.00	-9,108.00
300-601-6909-			
TOTAL FUND BALANCE		-8,605.19	-2,972,501.14
TOTAL LIABILITIES + FUND BALANCE		-16,430.59	-63,920,008.58

** END OF REPORT - Generated by Jeffrey Wiggins **

MEMORANDUM

TO: Directors of the Economic
Development Authority of James City
County, Virginia

DATE: October 10, 2024

FROM: Christopher G. Kulp
Martha A. Warthen

FILE: 022640.45

Economic Development Authority of James City County, Virginia – Public Facility Revenue Bonds (County Government Projects), Series 2024

At its meeting on October 15, 2024, the directors of the Economic Development Authority of James City County, Virginia (the “Authority”), will be asked to consider a resolution authorizing the issuance of revenue bonds to benefit James City County, Virginia (the “County”). In our capacity as bond counsel, we have been asked to provide an overview of the proposed bond financing.

Background

The County is requesting the Authority to issue a series of revenue bonds (the “Series 2024 Bonds”) (1) to finance costs of certain capital improvements for public school facilities and general government buildings, including (but not limited to) the construction, renovation, rehabilitation and equipping of pre-kindergarten space, the Jamestown High School cafeteria expansion, the General Services Administration Building and the Government Center and (2) to pay related financing and issuance costs. The Authority is authorized under the terms of the Industrial Development and Revenue Bond Act (the “IDA Act”) to undertake financings to assist the County and has done so several times in the past (as exemplified by the bonds recently issued in 2018).

The new money projects are part of the County’s approved capital improvement program.

Financing Structure

In 2016, the Authority and the County established a master financing structure that allows the Authority, under the terms of a master Agreement of Trust, to issue from time to time revenue bonds for new money and refunding purposes as requested by the County. The proceeds of the bonds are loaned by the Authority to the County pursuant to the terms of a master Financing Agreement in return for which the County has agreed, subject to annual appropriation by the County Board of Supervisors, to repay such loan in amounts sufficient to pay the debt service due on such bonds.

The Series 2024 Bonds are proposed to be issued pursuant to the terms of a supplement to the master Agreement of Trust (in this case, the Fourth Supplemental Agreement of Trust) and a supplement to the Financing Agreement (in this case, a Third Supplemental Financing Agreement).

Marketing and Disclosure

The County’s financial advisor expects that the Series 2024 Bonds will be offered in a publicly offered bond issue through a competitive sale. The Series 2024 Bonds will be marketed to potential investors

by use of the Preliminary Official Statement, which describes the financing structure and includes economic, demographic and financial information about the County (as the ultimate source of repayment for the bonds).

Limited Revenue Pledge; No Liability of Directors

The resolution states that the Series 2024 Bonds will be secured solely by monies received from, or property pledged by, the County under the Financing Agreement. No other Authority monies or properties are at risk. Further, consistent with the IDA Act, no Authority director or officer executing the Series 2024 Bonds will be held personally liable for repayment of such bonds.

All expenses for the financing will be paid from proceeds of the Series 2024 Bonds or other available funds of the County.

RESOLUTION OF THE ECONOMIC DEVELOPMENT AUTHORITY OF JAMES CITY COUNTY, VIRGINIA, APPROVING A PLAN TO FINANCE CERTAIN PUBLIC FACILITY PROJECTS THROUGH THE ISSUANCE OF REVENUE BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$75,785,000

WHEREAS, the Economic Development Authority of James City County, Virginia (the “Authority”), pursuant to the Industrial Development and Revenue Bond Act (Chapter 49, Title 15.2 of the Code of Virginia of 1950, as amended) (the “Act”), under which it was created, is authorized to exercise all the powers set forth in the Act, which include, among other things, the power to make loans to, among others, a county in furtherance of the purposes of the Act, to finance or refinance facilities for use by, among others, a county, to issue its revenue bonds, notes and other obligations from time to time for such purposes and to pledge all or any part of its revenues and receipts derived from payments received by the Authority in connection with its loans or from any source, as security for the payment of principal of and premium, if any, and interest on any such obligations; and

WHEREAS, the Board of Supervisors of James City County, Virginia (the “County Board”), desires to undertake, in conjunction with the Authority, the financing (including reimbursement) of the costs of certain capital improvements for public school facilities and general government buildings, including (but not limited to) the construction, renovation, rehabilitation and equipping of pre-kindergarten space, the Jamestown High School cafeteria expansion, the General Services Administration Building and the Government Center (collectively, the “Series 2024 Projects”); and

WHEREAS, the County Board desires to finance the Series 2024 Projects by requesting the Authority to issue its Public Facility Revenue Bonds (County Government Projects), Series 2024 (the “Bonds”), and use the proceeds to (a) finance the Series 2024 Projects and (b) pay the related issuance and financing costs; and

WHEREAS, the Bonds will be secured by payments appropriated from time to time by the County Board and payable to the Authority in accordance with the terms of the Financing Agreement (as hereinafter defined); and

WHEREAS, the County administration has recommended that Hunton Andrews Kurth LLP, Richmond, Virginia, be approved as bond counsel; and

WHEREAS, there have been circulated prior to this meeting drafts of the following documents (collectively, the “Documents”), proposed in connection with the issuance and sale of the Bonds:

- (a) Fourth Supplemental Agreement of Trust (including as an exhibit the form of the Bonds), supplementing the Agreement of Trust dated as of June 1, 2016, both between the Authority and Wilmington Trust, National Association, as trustee (the “Trustee”), as previously supplemented (collectively, the “Trust Agreement”), all between the Authority and the Trustee, pursuant to which the Bonds are to be issued and which is to be acknowledged and consented to by the County;

- (b) Third Supplemental Financing Agreement (the “Supplemental Financing Agreement”), supplementing a Financing Agreement dated as of June 1, 2016, as previously supplemented (together, the “Financing Agreement”), all between the Authority and the County, pursuant to which the Authority will loan the proceeds of the Bonds to the County and the County will undertake, subject to appropriation, to make payments to the Authority in amounts sufficient to pay the principal of and premium, if any, and interest on the Bonds and certain other related costs;
- (c) Preliminary Official Statement of the Authority relating to the public offering of the Bonds (the “Preliminary Official Statement”); and
- (d) Notice of Sale (the “Notice of Sale”) (applicable only if the Bonds are sold through a competitive sale);

NOW, THEREFORE, BE IT RESOLVED BY THE ECONOMIC DEVELOPMENT AUTHORITY OF JAMES CITY COUNTY, VIRGINIA:

1. The Authority hereby finds that the undertaking of the Series 2024 Projects will be in the best interests of the County and its citizens and hereby authorizes the Authority, in collaboration with the County, to undertake the following financing plan to accomplish the same. The Authority will issue the Bonds in an aggregate principal amount not to exceed \$75,785,000. The Authority will use the proceeds of the Bonds to finance the Series 2024 Projects and to pay the related issuance and financing costs. Pursuant to the Financing Agreement, the County will undertake to make certain Basic Payments and Additional Payments (each as defined in the Financing Agreement) to the Authority in amounts sufficient to amortize the Bonds, to pay the fees or expenses of the Authority and the Trustee and to pay certain other related costs. The obligation of the Authority to pay principal of and premium, if any, and interest on the Bonds will be limited to Basic Payments and Additional Payments received from the County. The Bonds will be secured by an assignment of the Basic Payments and certain Additional Payments due under the Financing Agreement, all for the benefit of the holders of the Bonds. The undertaking by the County to make Basic Payments and Additional Payments will be subject to the appropriation by the County Board from time to time of sufficient amounts for such purposes. The plan of financing the Series 2024 Projects shall contain such additional requirements and provisions as may be approved by the Chair or Vice Chair of the Authority at the request of the County Administrator (which term for purposes of this Resolution shall include any Deputy County Administrator and any designee of the County Administrator).

2. Subject to Section 3, the Authority hereby authorizes the issuance of the Bonds pursuant to the Trust Agreement; provided that (a) the principal amount shall not exceed \$75,785,000, (b) the true interest cost of the Bonds shall not exceed 5.000% (taking into account any original issue discount or premium), (c) the Bonds shall mature in installments or be subject to mandatory sinking fund redemption installments ending not later than December 31, 2045, (d) the Bonds shall be sold to the purchaser thereof at a purchase price not less than 98.0% of the aggregate principal amount thereof (without taking into account any original issue discount or premium) and (e) the Bonds shall be subject to optional redemption, if at all, at a premium not to exceed 103% of their principal amount. The Chair and Vice Chair of the Authority, either of whom may act, are also authorized to approve, in collaboration with the County Administrator, a

lesser principal amount for the Bonds, a maturity schedule (including serial maturities and term maturities for the Bonds) and redemption provisions of the Bonds, all as such officer shall determine to be in the best interest of the Authority and the County.

3. The Authority approves the following terms of the sale of the Bonds.

(a) The Bonds shall be sold through a competitive sale or a negotiated sale, as requested by the County Administrator.

(b) If the County Administrator determines that the Bonds shall be sold by competitive sale, the County Administrator is authorized, on behalf of the Authority, to receive bids for such Bonds and award such Bonds to the bidder providing the lowest “true” or “Canadian” interest cost, subject to the limitations set forth in Section 2. Following a competitive sale, the County Administrator shall file a certificate with the Authority and the County Board setting forth the final terms of the Bonds. The actions of the County Administrator in selling the Bonds by competitive sale shall be conclusive, and no further action with respect to the sale and issuance of the Bonds shall be necessary on the part of the Authority.

(c) If the Bonds are sold by competitive bid, the County Administrator is authorized and directed, on behalf of the Authority and in collaboration with Davenport & Company LLC, the County’s financial advisor (the “Financial Advisor”), to take all proper steps to advertise the Bonds for sale substantially in accordance with the form of Notice of Sale, which is hereby approved; provided that the County Administrator, in collaboration with the Financial Advisor, may make such changes in the Notice of Sale not inconsistent with this Resolution as he may consider to be in the best interest of the County.

(d) If the County Administrator determines that the Bonds shall be sold by negotiated sale, the County Administrator is authorized, on behalf of the Authority and in collaboration with the Financial Advisor, to choose an investment bank or firm to serve as underwriter for the Bonds and to execute and deliver to the underwriter a bond purchase agreement (the “Bond Purchase Agreement”) substantially in the form approved by the County Administrator and the County Attorney, in consultation with the County’s bond counsel and Financial Advisor. The Chair and Vice Chair of the Authority, either of whom may act, are authorized to execute and deliver the final Bond Purchase Agreement reflecting such final pricing and other completions, omissions, insertions and changes as such officers shall agree to make. No further action with respect to the sale and issuance of the Bonds shall be necessary on the part of the Authority.

4. The Chair and Vice Chair of the Authority, either of whom may act, are hereby authorized and directed to execute the Documents (excluding the Preliminary Official Statement and the Notice of Sale), which shall be in substantially the forms circulated prior to this meeting, which are hereby approved, with such completions, omissions, insertions and changes not inconsistent with this Resolution as may be approved by the officer executing them, his or her execution thereof to constitute conclusive evidence of such officer’s approval of any such completions, omissions, insertions and changes.

5. The Authority authorizes the distribution of the Preliminary Official Statement in form deemed “final” as of its date, within the meaning of Rule 15c2-12 of the Securities and Exchange Commission, to prospective purchasers of the Bonds, with such completions, omissions, insertions and changes as may be approved by the Chair or Vice Chair of the Authority, in collaboration with the County and the Financial Advisor. Such distribution shall constitute conclusive evidence of the approval of the Chair or Vice Chair as to any such completions, omissions, inserts and changes and that the Authority has deemed the Preliminary Official Statement to be final as of its date.

6. The Chair and Vice Chair of the Authority, either of whom may act, are hereby authorized and directed to approve such completions, omissions, insertions and other changes to the Preliminary Official Statement necessary to reflect the terms of the sale of the Bonds and the details thereof appropriate to complete it as an official statement in final form (the “Official Statement”) and to execute and deliver the Official Statement when the same has been approved by the County. The County Administrator is hereby authorized on behalf of the Authority to distribute the Official Statement to the purchaser of the Bonds. Execution of the Official Statement by the Chair or Vice Chair shall constitute conclusive evidence of his or her approval of any such completions, omissions, insertions and changes and that the Official Statement has been deemed final by the Authority as of its date within the meaning of Rule 15c2-12 of the Securities and Exchange Commission.

7. The Chair and Vice Chair of the Authority, either of whom may act, are hereby authorized and directed to execute the Bonds by manual or facsimile signature, the Secretary and Assistant Secretary, either of whom may act, are hereby authorized and directed to affix the seal of the Authority to or print a facsimile thereof on the Bonds and attest the same by manual or facsimile signature, and the officers of the Authority are hereby authorized and directed to deliver the Bonds to the Trustee for authentication and delivery to the purchaser thereof upon payment therefor.

8. All costs and expenses in connection with the issuance of the Bonds and the financing of the Series 2024 Projects, including the Authority’s fees and expenses and the fees and expenses of bond counsel, counsel for the Authority, and the Financial Advisor for the sale of the Bonds shall be paid from the proceeds of the Bonds or other legally available funds of the County. If for any reason the Bonds are not issued, it is understood that all such expenses shall be paid by the County from its legally available funds and that the Authority shall have no responsibility therefor.

9. The officers of the Authority are hereby authorized and directed to execute, deliver and file all certificates and documents and to take all such further action as they may consider necessary or desirable in connection with the issuance and sale of the Bonds, including without limitation (a) execution and delivery of a certificate setting forth the expected use and investment of the proceeds of the Bonds to show that such expected use and investment will not violate the provisions of Section 148 of the Internal Revenue Code of 1986, as amended, and regulations thereunder, applicable to “arbitrage bonds,” (b) making any elections, at the request of the County, that such officers deem desirable regarding any provision requiring rebate to the United States of “arbitrage profits” earned on investment of proceeds of the Bonds, (c) providing for the County to pay any such rebate amount, and (d) filing Internal Revenue Service Form 8038-G, and to take all

such further action as they may consider necessary or desirable in connection with the issuance and sale of the Bonds. The foregoing shall be subject to the advice, approval and direction of bond counsel.

10. The Authority consents to the recommendation by the County that Hunton Andrews Kurth LLP serve as bond counsel for the issuance and sale of the Bonds.

11. Any authorization herein to execute a document shall include authorization to deliver it to the other parties thereto and to record such document where appropriate.

12. All other acts of the officers of the Authority that are in conformity with the purposes and intent of this Resolution and in furtherance of the issuance and sale of the Bonds and the financing of the Series 2024 Projects are hereby approved and ratified.

13. This Resolution shall take effect immediately.

James City County, Virginia

Series 2024 New Money Plan of Finance



October 15, 2024

Background/Overview



- Davenport & Company, LLC (“Davenport”), in our capacity as Financial Advisor to James City County (the “County”), regularly assists the County with Multi-Year Capital Planning, Financial Policy Development /Review, and securing funding for Capital Projects, among other items.

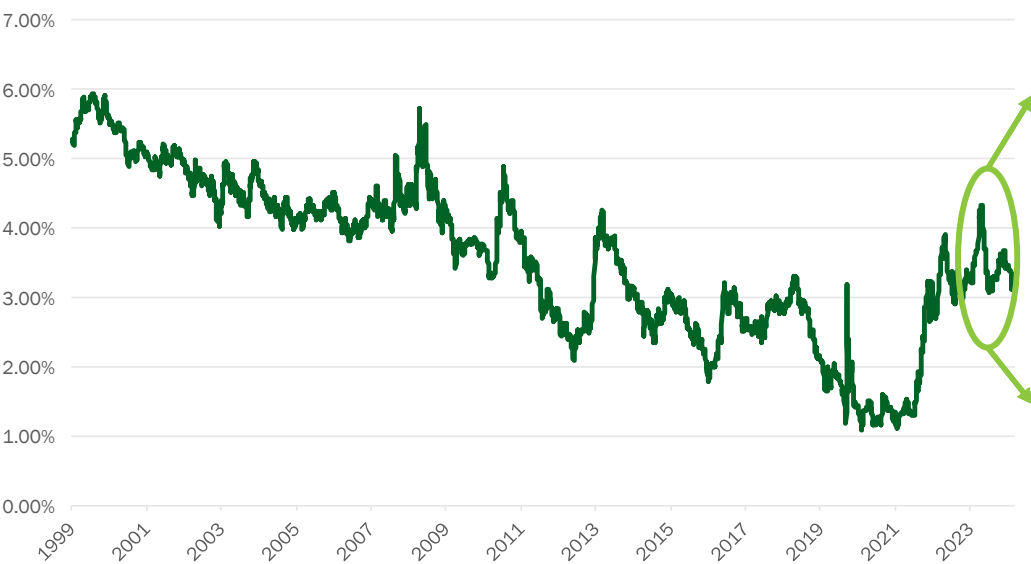
- The County has identified the need to borrow approximately \$75 million in the near future to fund County and School Capital Projects. These projects include:
 - School Projects:
 - 1) Pre-K Space; and
 - 2) Jamestown High School Cafeteria Expansion.
 - County Projects:
 - 1) General Services Administration Building; and,
 - 2) Government Center.

- County Staff have asked Davenport to prepare and present a plan of finance for securing the approximately \$75 million in funding for these projects.

Recent Interest Rate Trends



20-Year AAA Tax-Exempt Rates (Since 2000)



20-Year AAA Tax-Exempt Rates (Since January 2023)



Recent Peer Bond Sales



Loudoun Co Econ Dev Auth \$11,950,000 Public Facility Revenue Refunding Bonds, Series 2024C (Loudoun County Public Facilities Project)

interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following

Maturity Date	Amount \$	Coupon %	Yield %	Dollar Price
12/01/2025	1,215M	5.0000	2.6400	102.816
12/01/2026	1,215M	5.0000	2.5900	105.167
12/01/2027	1,210M	5.0000	2.5900	107.400
12/01/2028	1,205M	5.0000	2.5700	109.660
12/01/2029	1,200M	5.0000	2.5700	111.800
12/01/2030	1,195M	5.0000	2.6200	113.579
12/01/2031	1,185M	5.0000	2.7000	114.996
12/01/2032	1,180M	5.0000	2.7800	116.213
12/01/2033	1,175M	5.0000	2.8000	117.767
12/01/2034	1,170M	5.0000	2.8400	119.043

Total Interest Cost: \$3,396,527.78
 Premium: \$1,369,728.31
 Net Interest Cost: \$2,026,799.47
 TIC: 2.764007
 Time Last Bid Received On: 08/29/2024 10:57:16 EDST

Fauquier Co Eco Dev Auth \$45,690,000 Public Facility Revenue Bonds (Fauquier County Projects) Series 2024

interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following

Maturity Date	Amount \$	Coupon %	Yield %	Dollar Price
08/15/2025	380M	5.0000	2.6500	102.092
08/15/2026	1,390M	5.0000	2.6000	104.437
08/15/2027	1,460M	5.0000	2.5900	106.707
08/15/2028	1,535M	5.0000	2.5900	108.900
08/15/2029	1,615M	5.0000	2.5700	111.136
08/15/2030	1,700M	5.0000	2.6200	112.946
08/15/2031	1,785M	5.0000	2.7000	114.404
08/15/2032	1,875M	5.0000	2.7800	115.660
08/15/2033	1,970M	5.0000	2.8000	117.236
08/15/2034	2,070M	5.0000	2.8400	118.538
08/15/2035	2,185M	5.0000	2.9300	117.687
08/15/2036	2,295M	5.0000	3.0200	116.843
08/15/2037	2,410M	5.0000	3.0800	116.285
08/15/2038	2,530M	5.0000	3.1300	115.822
08/15/2039	2,660M	5.0000	3.2200	114.994
08/15/2040	2,800M	5.0000	3.3100	114.174
08/15/2041	2,940M	5.0000	3.4100	113.270
08/15/2042	3,080M	5.0000	3.4800	112.643
08/15/2043	3,200M	5.0000	3.5500	112.020
08/15/2044	3,335M	4.0000	4.0000	100.000
08/15/2045	2,475M	4.0000	4.0500	99.296

Total Interest Cost: \$27,899,163.33
 Premium: \$5,255,540.39
 Net Interest Cost: \$22,643,622.94
 TIC: 3.634289
 Time Last Bid Received On: 08/29/2024 10:28:57 EDST

Estimated New Money Debt Service

Current Market Rates Plus 25 Basis Points



Estimated Series 2024 Debt Service					
Fiscal Year	Principal		Interest		Total
2025	\$	2,170,000	\$	1,777,318	\$ 3,947,318
2026		2,170,000		3,259,050	5,429,050
2027		2,275,000		3,150,550	5,425,550
2028		2,390,000		3,036,800	5,426,800
2029		2,510,000		2,917,300	5,427,300
2030		2,635,000		2,791,800	5,426,800
2031		2,770,000		2,660,050	5,430,050
2032		2,905,000		2,521,550	5,426,550
2033		3,050,000		2,376,300	5,426,300
2034		3,205,000		2,223,800	5,428,800
2035		3,360,000		2,063,550	5,423,550
2036		3,530,000		1,895,550	5,425,550
2037		3,715,000		1,719,050	5,434,050
2038		3,895,000		1,533,300	5,428,300
2039		4,090,000		1,338,550	5,428,550
2040		4,295,000		1,134,050	5,429,050
2041		4,510,000		919,300	5,429,300
2042		4,730,000		693,800	5,423,800
2043		4,970,000		457,300	5,427,300
2044		5,220,000		208,800	5,428,800
Total	\$	68,395,000	\$	38,677,768	\$ 107,072,768

Series 2024 Bonds Summary

Sale Date: November 13, 2024

Closing Date: December 5, 2024

Interest Rates as of: September 30, 2024
(Plus 25 Basis Points)

Estimated All-In True Interest Cost: 3.74%

Estimated Total Debt Service: \$107,072,768

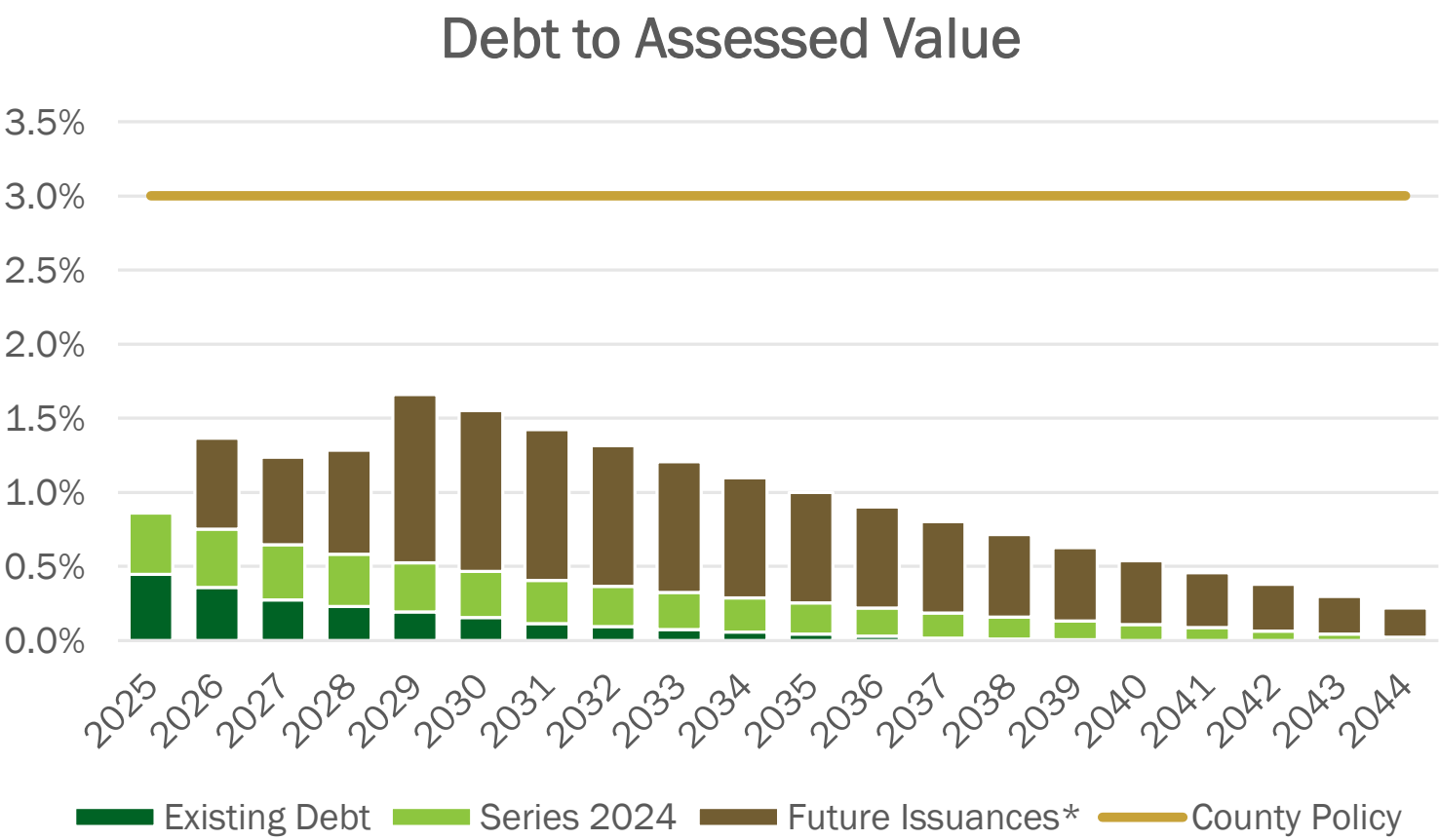
Estimated Maximum Annual Debt Service: \$5,434,050

Numbers assume current market tax-exempt rates as of 9/30/2024 Plus 25 Basis Points. Factors in underwriter's discount of \$5 per bond.

Impact on Debt to Assessed Value



County Policy: Outstanding debt shall not exceed 3% of the assessed valuation of real and personal property.



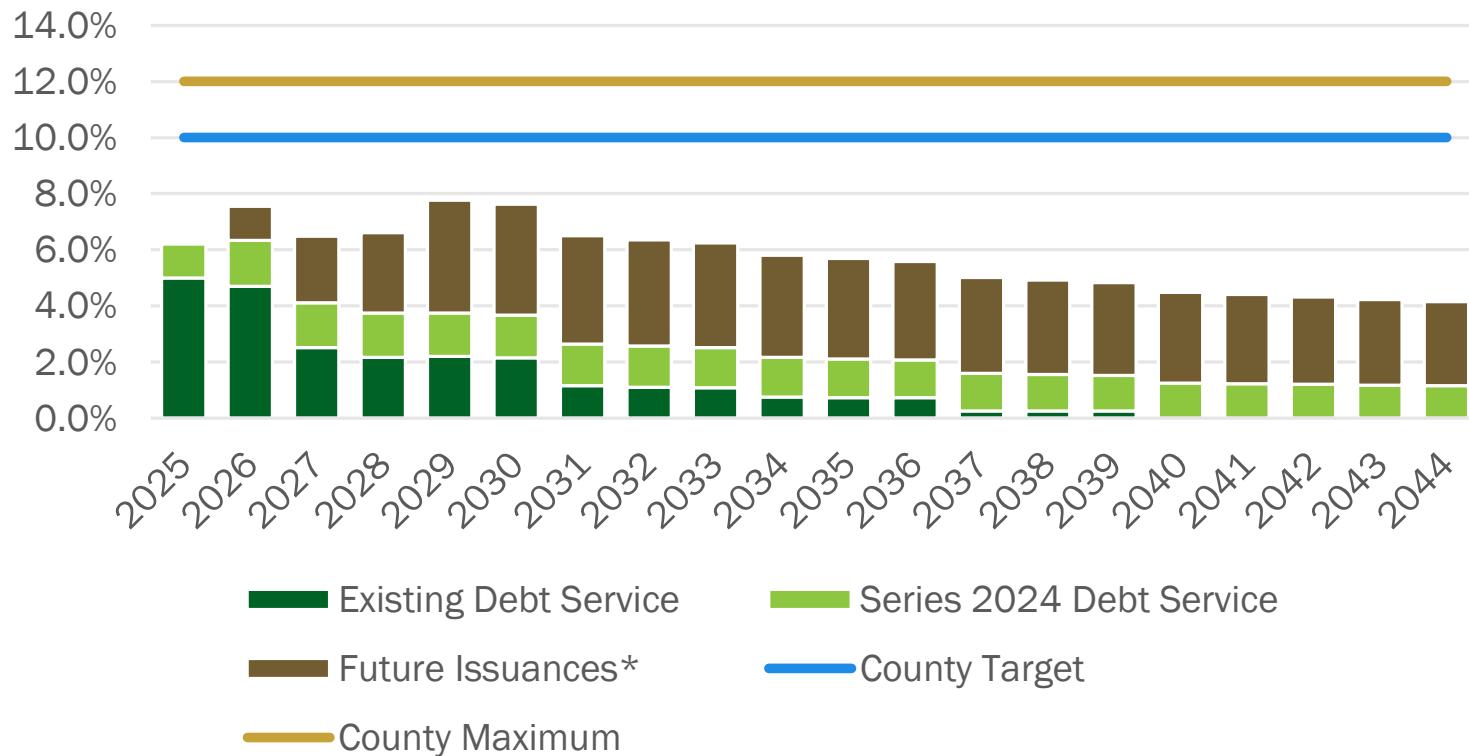
*Includes FY 2026, FY 2028 and FY 2029 Planned Borrowings as outlined in the County CIP.
Note: Incorporates Assessed Value as of 6/30/2023 grown at 2% annually beginning in 2024.

Impact on Debt Service to Revenues



County Policy: Annual debt service requirements should target 10% or less and shall not exceed 12% of total operating revenues, including revenues allocated to the Williamsburg-James City County School Board for public education.

Debt Service to Revenues



*Includes FY 2026, FY 2028 and FY 2029 Planned Borrowings as outlined in the County CIP.

Note: Incorporates General Fund Revenues as of 6/30/2023 grown at 2% annually beginning in 2024

Schedule/Next Steps



Date	Action
October 8	Board of Supervisors meeting to approve financing documents
October 15	Economic Development Authority meeting to approve financing documents
Week of October 28	Rating Agencies Meetings
November 5	Receive Ratings
November 5	Post Preliminary Official Statement
November 13	Bond Sale (final borrowing cost determined)
December 5	Close on Series 2024 Bonds (proceeds received)

Appendix

Not-to-Exceed Par Amount vs. Current Estimate



Series 2024 Not-to-Exceed Par Amount vs. Current Estimate		
Item	Amount	Notes
Project Fund	\$ 74,902,150	Exact project fund
Cost of Issuance	500,000	Cost of Issuance including contingency
Underwriter's Discount	378,925	\$5 per bond (i.e., \$5 per \$1,000 of Par)
Rounding	3,925	Rounding to \$5,000 denomination
Not-to-Exceed Par Amount	\$ 75,785,000	
Less: Estimated Bond Premium*	7,390,000	Subject to market change (i.e., not guaranteed)
Equals: Current Estimated Par Amount	\$ 68,395,000	

Note: The Current Estimated Par Amount included in this presentation is subject to change with market conditions. To provide the County the utmost flexibility, the Not-to-Exceed par amount in the Resolution has been sized assuming the County does not receive any premium on the Series 2024 Bonds.



Richmond — Headquarters

One James Center
901 East Cary Street,
Suite 1100,
Richmond, Virginia 23219

Telephone:
(804) 780-2000

Toll-Free:
(800) 846-6666

E-Mail:
info@investdavenport.com

Ben Tolbert
Analyst

(804) 915-2779
btolbert@investdavenport.com

David P. Rose
Manager of Public Finance
Senior Vice President
(804) 697-2905
drose@investdavenport.com

A.J. Allen
Associate Vice President
(804) 780-2196
ajalleb@investdavenport.com

Courtney E. Rogers
Senior Vice President
(804) 697-2902
crogers@investdavenport.com

Stephen G. Geisz
Associate Vice President
(804) 697-2986
sgeisz@investdavenport.com

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Version 01/01/2024 BT/AA/SG/CR/DR

FOURTH SUPPLEMENTAL AGREEMENT OF TRUST

between

**ECONOMIC DEVELOPMENT AUTHORITY
OF JAMES CITY COUNTY, VIRGINIA**

and

**WILMINGTON TRUST, NATIONAL ASSOCIATION,
as Trustee**

Dated as of December 1, 2024

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THIS FOURTH SUPPLEMENTAL AGREEMENT OF TRUST dated as of the 1st day of December, 2024, by and between the **ECONOMIC DEVELOPMENT AUTHORITY OF JAMES CITY COUNTY, VIRGINIA**, a political subdivision of the Commonwealth of Virginia (the “Authority”), and **WILMINGTON TRUST, NATIONAL ASSOCIATION**, a national banking association, having a corporate trust office in Richmond, Virginia, as trustee (in such capacity, together with any successor in such capacity, herein called the “Trustee”), provides:

WHEREAS, the Authority and the Trustee have entered into an Agreement of Trust dated as of June 1, 2016 (the “Master Agreement of Trust”), pursuant to which the Authority has agreed to issue from time to time public facility revenue bonds or notes and use the proceeds thereof to finance and refinance costs incurred in connection with certain Projects (as hereinafter defined) for the benefit of James City County, Virginia (the “County”); and

WHEREAS, in compliance with the Master Agreement of Trust and pursuant to the terms of a First Supplemental Agreement of Trust dated as of June 1, 2016 (the “First Supplemental Trust Agreement”), the County requested the Authority to issue a series of public facility revenue bonds in the aggregate principal amount of \$26,750,000 (the “Series 2016 Bonds”) to finance the costs of the Series 2016 Project (as defined in the First Supplemental Trust Agreement); and

WHEREAS, in compliance with the Master Agreement of Trust and pursuant to the terms of a Second Supplemental Agreement of Trust dated as of November 1, 2018 (the “Second Supplemental Trust Agreement”), the County requested the Authority to issue a series of public facility revenue bonds in the aggregate principal amount of \$21,015,000 (the “Series 2018 Bonds”) (a) to refund the outstanding principal balance of the Series 2009 Bonds (as defined in the Second Supplemental Trust Agreement), (b) to finance the Series 2018 Project (as defined in the Second Supplemental Trust Agreement) and (c) to pay the financing and issuance costs related thereto; and

WHEREAS, in compliance with the Master Agreement of Trust and pursuant to the terms of a Third Supplemental Agreement of Trust dated as of May 1, 2021 (the “Third Supplemental Trust Agreement”), the County requested the Authority to issue a series of public facility revenue refunding bonds in the aggregate principal amount of \$11,030,000 (the “Series 2021 Bonds”) (a) to refund certain maturities of the outstanding principal balance of the Series 2012 Bonds (as defined in the Third Supplemental Trust Agreement) and (b) to pay the issuance and refunding costs related thereto; and

WHEREAS, at the request of the County, the Authority has determined to issue an additional Series of Bonds under the Master Agreement of Trust in the original aggregate principal amount of \$_____ (as further described herein, the “Series 2024 Bonds”), the proceeds of which will be loaned to the County (a) to finance the Series 2024 Project and (b) to pay the issuance costs related thereto; and

WHEREAS, the Authority has agreed to issue the Series 2024 Bonds, secured by a pledge of the revenues and receipts derived from a Financing Agreement dated as of June 1, 2016, as previously supplemented and as further supplemented by a Third Supplemental Financing Agreement dated as of December 1, 2024 (collectively, the “Financing Agreement”), between the Authority and the County, and the County has undertaken, subject to the appropriation by the

County Board of Supervisors from time to time of sufficient amounts for such purposes, to make basic payments that will be sufficient to pay the principal of and premium, if any, and interest on the Series 2024 Bonds, the Series 2018 Bonds, the Series 2021 Bonds and the Series 2024 Bonds, as the same shall become due; and

WHEREAS, the Authority has taken all necessary action to make the Series 2024 Bonds, when authenticated by the Trustee and issued by the Authority, valid and binding limited obligations of the Authority and to constitute this Fourth Supplemental Trust Agreement a valid and binding agreement authorizing and providing for the details of the Series 2024 Bonds;

NOW THEREFORE, in consideration of the premises and the mutual covenants and agreements hereinafter contained, the parties hereto agree as follows:

ARTICLE I

FOURTH SUPPLEMENTAL TRUST AGREEMENT

Section 4.101 Authorization of Fourth Supplemental Trust Agreement.

This Fourth Supplemental Trust Agreement is authorized and executed by the Authority and delivered to the Trustee pursuant to and in accordance with Articles III and X of the Master Agreement of Trust. All terms, covenants, conditions and agreements of the Master Agreement of Trust shall apply with full force and effect to the Series 2024 Bonds and to the holders thereof, except as otherwise provided in this Fourth Supplemental Trust Agreement.

Section 4.102 Definitions.

Except as otherwise defined in this Fourth Supplemental Trust Agreement, words defined in the Master Agreement of Trust are used in this Fourth Supplemental Trust Agreement with the meanings assigned to them in the Master Agreement of Trust. In addition, the following words shall have the following meanings unless a different meaning clearly appears from the context:

“Closing Date” shall mean _____, 2024.

“First Supplemental Trust Agreement” shall mean the First Supplemental Agreement of Trust dated as of June 1, 2016, between the Authority and the Trustee, which supplements and amends the Master Agreement of Trust, including any supplements, amendments or modifications to the First Supplemental Trust Agreement as the parties may undertake.

“Fourth Supplemental Trust Agreement” shall mean the Fourth Supplemental Agreement of Trust between the Authority and the Trustee, which supplements and amends the Master Agreement of Trust, including any supplements, amendments or modifications to the Fourth Supplemental Trust Agreement as the parties may undertake.

“Letter of Representations” shall mean the Blanket Letter of Representations dated May 29, 2013, from the Authority to the Securities Depository and any amendments thereto or successor agreements between the Authority and any successor Securities Depository with respect to the Series 2024 Bonds. Notwithstanding any provision of the Master Agreement of Trust,

including Article X regarding amendments, the Trustee may enter into any such amendment or successor agreement without the consent of Bondholders.

“Second Supplemental Trust Agreement” shall mean the Second Supplemental Agreement of Trust between the Authority and the Trustee, which supplements and amends the Master Agreement of Trust, including any supplements, amendments or modifications to the Second Supplemental Trust Agreement as the parties may undertake.

“Securities Depository” shall mean The Depository Trust Company, a corporation organized and existing under the laws of the State of New York, and any other securities depository for the Series 2024 Bonds appointed pursuant to Section 4.204, and their successors.

“Series 2016 Bonds” shall mean the Authority’s \$26,750,000 Public Facility Revenue Bonds (James City County School Project), Series 2016, authorized to be issued pursuant to the First Supplemental Trust Agreement.

“Series 2018 Bonds” shall mean the Authority’s \$21,015,000 Public Facility Revenue and Refunding Bonds (County Government Projects), Series 2018, authorized to be issued pursuant to the Second Supplemental Trust Agreement.

“Series 2021 Bonds” shall mean the Authority’s \$11,030,000 Public Facility Revenue Refunding Bonds (County Government Projects), Series 2021, authorized to be issued pursuant to the Third Supplemental Trust Agreement.

“Series 2024 Bonds” shall mean the Authority’s \$_____ Public Facility Revenue Bonds (County Government Projects), Series 2024, authorized to be issued pursuant to this Fourth Supplemental Trust Agreement.

“Series 2024 Project” shall have the meaning set forth in the Financing Agreement.

“Series 2024 Project Account” shall mean the Series 2024 Project Account established in Section 4.501 of this Fourth Supplemental Trust Agreement.

“Third Supplemental Trust Agreement” shall mean the Third Supplemental Agreement of Trust between the Authority and the Trustee, which supplements and amends the Master Agreement of Trust, including any supplements, amendments or modifications to the Third Supplemental Trust Agreement as the parties may undertake.

Section 4.103 Rules of Construction.

The following rules shall apply to the construction of this Fourth Supplemental Trust Agreement unless the context otherwise requires:

(a) Words importing the singular number shall include the plural number and vice versa.

(b) Words importing the redemption or calling for redemption of Series 2024 Bonds shall not be deemed to refer to or connote the payment of Series 2024 Bonds at their stated maturity.

(c) Unless otherwise indicated, all references herein to particular Articles or Sections are references to Articles or Sections of this Fourth Supplemental Trust Agreement.

(d) The headings herein and Table of Contents to this Fourth Supplemental Trust Agreement herein are solely for convenience of reference and shall not constitute a part of this Fourth Supplemental Trust Agreement nor shall they affect its meaning, construction or effect.

(e) All references herein to payment of Series 2024 Bonds are references to payment of principal of and premium, if any, and interest on the Series 2024 Bonds.

ARTICLE II

AUTHORIZATION, DETAILS AND FORM OF SERIES 2024 BONDS

Section 4.201 Authorization of Series 2024 Bonds and Series 2024 Project.

There are hereby authorized to be issued the Series 2024 Bonds in an aggregate principal amount of \$_____ to (a) finance the Cost of the Series 2024 Project and (b) finance costs incident to issuing the Series 2024 Bonds, in accordance with Article IV hereof.

Section 4.202 Details of Series 2024 Bonds.

(a) The Series 2024 Bonds shall be designated “Public Facility Revenue Bonds (County Government Projects), Series 2024,” shall be dated the Closing Date, shall be issuable only as fully registered bonds in denominations of \$5,000 and integral multiples thereof and shall be numbered R-1 upward. The Series 2024 Bonds shall bear interest at rates, payable semiannually on each June 15 and December 15, beginning June 15, 2025, and shall mature in installments on June 15 in years and amounts, as follows:

Year	Amount	Rate	Year	Amount	Rate
------	--------	------	------	--------	------

* Term Bond

(b) Each Series 2024 Bond shall bear interest (a) from its date, if such Series 2024 Bond is authenticated prior to the first interest payment date, or (b) otherwise from the interest payment date that is, or immediately precedes, the date on which such Series 2024 Bond is authenticated; provided, however, that if at the time of authentication of any Series 2024 Bond payment of interest is in default, such Series 2024 Bond shall bear interest from the date to which interest has been paid. Interest shall be calculated on the basis of a 360-day year of twelve 30-day months.

(c) Principal of the Series 2024 Bonds shall be payable to the registered holder(s) upon the surrender of Series 2024 Bonds at the designated corporate trust office of the Trustee in Richmond, Virginia, or such other office as the Trustee may designate in writing, from time to time. Interest on the Series 2024 Bonds shall be payable by check or draft mailed to the registered owners at their addresses as they appear on the registration books kept by the Trustee on the first day of the month in which each interest payment date occurs; provided, however, if the Series 2024 Bonds are registered in the name of a Securities Depository or its nominee as registered holder or at the option of a registered holder(s) of at least \$1,000,000 of Series 2024 Bonds, payment shall be made by wire transfer pursuant to the wire instructions received by the Trustee from such registered holder(s). Principal and interest shall be payable in lawful money of the United States of America.

Section 4.203 Form of Series 2024 Bonds.

The Series 2024 Bonds shall be in substantially the form set forth in **Exhibit A**, with such appropriate variations, omissions and insertions as are permitted or required by the Master Agreement of Trust and this Fourth Supplemental Trust Agreement.

Section 4.204 Securities Depository Provisions.

Initially, one certificate for each maturity of the Series 2024 Bonds will be issued and registered to the Securities Depository, or its nominee. The Authority shall enter into a Letter of Representations relating to a book-entry system to be maintained by the Securities Depository with respect to the Series 2024 Bonds.

In the event that (a) the Securities Depository determines not to continue to act as a securities depository for the Series 2024 Bonds by giving notice to the Trustee and the Authority discharging its responsibilities hereunder or (b) the Authority, at the direction of the County, determines (1) that beneficial owners of Series 2024 Bonds shall be able to obtain certificated Series 2024 Bonds or (2) to select a new Securities Depository, then the Trustee shall, at the direction of the Authority, attempt to locate another qualified securities depository to serve as Securities Depository or authenticate and deliver certificated Series 2024 Bonds to the beneficial owners or to the Securities Depository participants on behalf of beneficial owners substantially in the form provided for in **Exhibit A**; provided, however, that such form shall provide for interest on the Series 2024 Bonds to be payable (i) from the Closing Date, if it is authenticated prior to June 15, 2025, or (ii) otherwise from the June 15 or December 15 that is, or immediately precedes, the date on which it is authenticated (unless payment of interest thereon is in default, in which case interest on such Series 2024 Bonds shall be payable from the date to which interest has been paid). In delivering certificated Series 2024 Bonds, the Trustee shall be entitled to rely conclusively on the records of the Securities Depository as to the beneficial owners or the records of the Securities Depository participants acting on behalf of beneficial owners. Such certificated Series 2024 Bonds will be registrable, transferable and exchangeable as set forth in Sections 204 and 205 of the Master Agreement of Trust.

So long as there is a Securities Depository for the Series 2024 Bonds (A) it or its nominee shall be the registered holder(s) of the Series 2024 Bonds, (B) notwithstanding anything to the contrary in this Agreement, determinations of persons entitled to payment of principal and interest, transfers of ownership and exchanges and receipt of notices shall be the responsibility of the Securities Depository and shall be effected pursuant to rules and procedures established by such Securities Depository, (C) the Authority and the Trustee shall not be responsible or liable for maintaining, supervising or reviewing the records maintained by the Securities Depository, its participants or persons acting through such participants, (D) references in this Agreement to registered holder(s) of the Series 2024 Bonds shall mean such Securities Depository or its nominee and shall not mean the beneficial owners of the Series 2024 Bonds and (E) in the event of any inconsistency between the provisions of this Agreement, other than those set forth in this paragraph and the preceding paragraph, and the provisions of the Letter of Representations such provisions of the Letter of Representations shall control.

Section 4.205 Delivery of Series 2024 Bonds.

The Trustee shall authenticate and deliver the Series 2024 Bonds when there have been filed with or delivered to it all items required by Section 303 of the Master Agreement of Trust.

ARTICLE III

REDEMPTION OF SERIES 2024 BONDS

Section 4.301 Redemption Date and Price.

The Series 2024 Bonds may not be called for redemption by the Authority except as follows:

(a) Optional Redemption. The Series 2024 Bonds maturing on and before June 15, _____, will not be subject to redemption prior to maturity. The Series 2024 Bonds maturing on and after June 15, _____, will be subject to redemption prior to maturity, at the option of the Authority upon the direction of the County, at any time on or after June 15, _____, in whole or in part (in \$5,000 integrals), upon payment of 100% of the principal amount to be redeemed, plus interest accrued to the date fixed for redemption.

(b) Mandatory Redemption. The Series 2024 Bonds maturing on June 15, _____, are required to be redeemed prior to maturity in part upon payment of 100% of the principal amount thereof plus interest accrued to the redemption date on June 15 in years and amounts, as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
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* Final maturity.

Section 4.302 Selection of Series 2024 Bonds for Redemption.

If less than all of the Series 2024 Bonds are called for redemption, the Series 2024 Bonds (or principal portions thereof) to be redeemed shall be selected by the Authority (at the direction of the County). If less than all of the Series 2024 Bonds of a particular maturity are called for redemption, DTC or any successor securities depository will select the particular Series 2024 Bonds within each maturity to be redeemed pursuant to its rules and procedures or, if the book-entry system is discontinued, the Series 2024 Bonds to be redeemed will be selected by the Trustee. The portion of any Series 2024 Bond to be redeemed shall be in the principal amount of \$5,000 or some multiple thereof. In selecting Series 2024 Bonds for redemption, each Series 2024 Bond shall be considered as representing that number of Series 2024 Bonds which is obtained by dividing the principal amount of such Series 2024 Bond by \$5,000. If a portion of a Series 2024 Bond shall be called for redemption, a new Series 2024 Bond in principal amount equal to the unredeemed portion thereof shall be issued to the registered owner upon the surrender thereof.

Section 4.303 Notice of Redemption.

Notice of redemption of Series 2024 Bonds shall be given in the manner set forth in Section 402 of the Master Agreement of Trust.

ARTICLE IV

APPLICATION OF PROCEEDS OF SERIES 2024 BONDS

Section 4.401 Application of Proceeds of Series 2024 Bonds.

The net proceeds of the Series 2024 Bonds (\$_____) shall be paid to the Trustee and deposited in the Series 2024 Project Account in the Project Fund.

ARTICLE V

ESTABLISHMENT OF ACCOUNTS

Section 4.501 Series 2024 Project Account.

There shall be established within the Project Fund a special account entitled “Series 2024 Project Account.” The portion of the proceeds of the Series 2024 Bonds specified in Section 4.401 shall be deposited in the Series 2024 Project Account. Money in the Series 2024 Project Account shall be used in accordance with the provisions of Section 503 of the Master Agreement of Trust to pay Costs of the Series 2024 Project.

Section 4.502 Debt Service Reserve Fund; No Series Account.

No Series account shall be established in the Debt Service Reserve Fund in connection with the Series 2024 Bonds and no monies in the Debt Service Reserve Fund (if later funded in connection with the issuance of Additional Bonds) shall secure the Series 2024 Bonds.

ARTICLE VI

SECURITY FOR SERIES 2024 BONDS

Section 4.601 Security for Series 2024 Bonds.

The Series 2024 Bonds shall be equally and ratably secured under the Master Agreement of Trust with any other series issued pursuant to Article III of the Master Agreement of Trust, without preference, priority or distinction of any Bonds over any other Bonds, except as provided in the Master Agreement of Trust.

ARTICLE VII

MISCELLANEOUS

Section 4.701 Limitations on Use of Proceeds.

The Authority intends that interest on the Series 2024 Bonds shall be excluded from gross income for Federal income tax purposes. The Authority covenants with the holders of the Series 2024 Bonds not to take any action that would adversely affect, and to take all action within its power necessary to maintain, the exclusion of interest on all Series 2024 Bonds from gross income for Federal income taxation purposes.

Section 4.702 Limitation of Rights.

With the exception of rights herein expressly conferred, nothing expressed or mentioned in or to be implied from this Fourth Supplemental Trust Agreement or the Series 2024 Bonds is intended or shall be construed to give to any person other than the parties hereto and the holders of Series 2024 Bonds any legal or equitable right, remedy or claim under or in respect to this Fourth Supplemental Trust Agreement or any covenants, conditions and agreements herein

contained since this Fourth Supplemental Trust Agreement and all of the covenants, conditions and agreements hereof are intended to be and are for the sole and exclusive benefit of the parties hereto and the holders of Bonds as herein provided.

Section 4.703 Severability.

If any provision of this Fourth Supplemental Trust Agreement shall be held invalid by any court of competent jurisdiction, such holding shall not invalidate any other provision hereof and this Fourth Supplemental Trust Agreement shall be construed and enforced as if such illegal provision had not been contained herein.

Section 4.704 Successors and Assigns.

This Fourth Supplemental Trust Agreement shall be binding upon, inure to the benefit of and be enforceable by the parties and their respective successors and assigns.

Section 4.705 Applicable Law.

This Fourth Supplemental Trust Agreement shall be governed by the applicable laws of the Commonwealth of Virginia.

Section 4.706 Counterparts.

This Fourth Supplemental Trust Agreement may be executed in several counterparts, each of which shall be an original and all of which together shall constitute but one and the same instrument.

Section 4.707 Freedom Act Requirements.

To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. For a non-individual person such as a business entity, a charity, a trust, or other legal entity, the Trustee may ask for documentation to verify such non-individual person's formation and existence as a legal entity. The Trustee may also ask to see financial statements, licenses, identification and authorization documents from individuals claiming authority to represent the entity or other relevant documentation.

IN WITNESS WHEREOF, the Authority and the Trustee have caused this Fourth Supplemental Trust Agreement to be executed in their respective corporate names as of the date first above written.

**ECONOMIC DEVELOPMENT AUTHORITY
OF JAMES CITY COUNTY, VIRGINIA**

By _____
Chair

**WILMINGTON TRUST, NATIONAL ASSOCIATION,
as Trustee**

By _____
Title _____

Acknowledged and Consented To:

**BOARD OF SUPERVISORS OF
JAMES CITY COUNTY, VIRGINIA,
on behalf of JAMES CITY COUNTY,
VIRGINIA**

By: _____
County Administrator

EXHIBIT A

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the issuer or its agent for registration of transfer, exchange, or payment, and any certificate is registered in the name of Cede & Co., or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

REGISTERED

REGISTERED

R-1

\$_____

UNITED STATES OF AMERICA

COMMONWEALTH OF VIRGINIA

**ECONOMIC DEVELOPMENT AUTHORITY
OF JAMES CITY COUNTY, VIRGINIA**

**Public Facility Revenue Bond
(County Government Projects),
Series 2024**

INTEREST RATE	MATURITY DATE	DATED DATE	CUSIP
____%	June 15, ____	_____, 2024	47030T ____

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: DOLLARS

The Economic Development Authority of James City County, Virginia, a political subdivision of the Commonwealth of Virginia (the "Authority"), for value received, hereby promises to pay upon surrender hereof at the designated corporate trust office of Wilmington Trust, National Association, Richmond, Virginia, as trustee, or its successor in trust (the "Trustee"), under the Agreement of Trust (as hereinafter defined) solely from the source and as hereinafter provided, to the registered owner hereof, or registered assigns or legal representative, the principal sum stated above on the maturity date stated above, subject to prior redemption as hereinafter provided, and to pay, solely from such source, interest hereon on each June 15 and December 15, beginning June 15, 2025, at the annual rate stated above, calculated on the basis of a 360-day year of twelve 30-day months. Interest is payable (a) from the Dated Date, if this bond is authenticated prior to June 15, 2025, or (b) otherwise from the June 15 or December 15 that is, or immediately precedes, the date on which this bond is authenticated (unless payment of interest hereon is in default, in which case this bond shall bear interest from the date to which interest has been paid). Interest is payable by check or draft mailed to the registered owner hereof at its address as it appears on the 1st day of the month in which an interest payment date occurs on registration books

kept by the Trustee; provided, however, that at the option of a registered owner of at least \$1,000,000 of 2024 Bonds (as hereinafter defined), payment will be made by wire transfer pursuant to the most recent wire instructions received by the Trustee from such registered owner. If such interest payment date is not a Business Day (as defined in the Agreement of Trust), such payment shall be made on the next succeeding Business Day with the same effect as if made on the day such payment was due and no interest shall accrue hereon. Principal and interest are payable in lawful money of the United States of America.

Notwithstanding any other provision hereof, this bond is subject to book-entry form maintained by The Depository Trust Company (“DTC”), and the payment of principal and interest, the providing of notices and other matters shall be made as described in the Authority’s Letter of Representations to DTC.

This bond is one of an issue of \$_____ Public Facility Revenue Bonds (County Government Projects), Series 2024 (the “2024 Bonds”), authorized and issued pursuant to the Virginia Industrial Development and Revenue Bond Act, Chapter 49, Title 15.2, Code of Virginia of 1950, as amended. The 2024 Bonds are issued under and secured by an Agreement of Trust dated as of June 1, 2016, between the Authority and the Trustee, as previously supplemented and as further supplemented by a Fourth Supplemental Agreement of Trust dated as of December 1, 2024 (collectively, the “Agreement of Trust”). The Series 2024 Bonds will be secured on a parity with the outstanding principal amount of the Authority’s \$26,750,000 Public Facility Revenue Bonds (James City County School Project), Series 2016, its \$21,015,000 Public Facility Revenue and Refunding Bonds (County Government Projects), Series 2018, and its \$11,030,000 Public Facility Revenue Refunding Bonds (County Government Projects), Series 2021 (collectively, the “Existing Parity Bonds”). The Agreement of Trust assigns to the Trustee, as security for the Existing Parity Bonds, the 2024 Bonds, and any additional bonds to be issued under the Agreement of Trust, (a) the revenues and receipts derived from a Financing Agreement dated as of June 1, 2016, as previously supplemented and as further supplemented by a Third Supplemental Financing Agreement dated as of December 1, 2024 (together, the “Financing Agreement”), between the Authority and James City County, Virginia (the “County”), and (b) the Authority’s rights under the Financing Agreement (except for the Authority’s rights under the Financing Agreement to the payment of certain fees and expenses and the rights to notices).

Reference is hereby made to the Agreement of Trust for a description of the provisions, among others, with respect to the nature and extent of the security, the rights, duties and obligations of the Authority and the Trustee, the rights of the holders of the 2024 Bonds and the terms upon which the 2024 Bonds are issued and secured. Additional bonds secured by a pledge of revenues and receipts derived from the County under the Financing Agreement on a parity with the 2024 Bonds may be issued under the terms and conditions set forth in the Agreement of Trust. Terms not otherwise defined herein shall have the meaning assigned such terms in the Agreement of Trust.

The 2024 Bonds are issued to finance _____. Under the Financing Agreement, the County has agreed to make payments that will be sufficient to pay the principal of and interest on the 2024 Bonds as the same shall become due in accordance with their terms and the provisions and the terms of the Agreement of Trust; provided, however, that the obligation of the County to make such payments constitutes a current expense of the County that is subject to appropriation

by the County Board of Supervisors from time to time of sufficient monies for such purposes. The obligation of the County to make payments under the Financing Agreement does not constitute a debt of the County within the meaning of any constitutional or statutory limitation nor a liability of or a lien or charge upon funds or property of the County beyond any fiscal year for which the County has appropriated moneys to make such payments.

THE 2024 BONDS AND THE PREMIUM, IF ANY, AND THE INTEREST THEREON ARE LIMITED OBLIGATIONS OF THE AUTHORITY PAYABLE SOLELY FROM REVENUES AND RECEIPTS DERIVED FROM THE COUNTY RECEIVED BY THE AUTHORITY UNDER THE FINANCING AGREEMENT, AND FROM CERTAIN FUNDS, AND THE INVESTMENT INCOME THEREON, HELD UNDER THE AGREEMENT OF TRUST, WHICH REVENUES, RECEIPTS AND FUNDS HAVE BEEN PLEDGED AND ASSIGNED TO SECURE PAYMENT THEREOF. THE 2024 BONDS AND INTEREST THEREON SHALL NOT BE DEEMED TO CONSTITUTE A GENERAL OBLIGATION DEBT OR A PLEDGE OF THE FAITH AND CREDIT OF THE COMMONWEALTH OF VIRGINIA OR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE AUTHORITY AND THE COUNTY. NEITHER THE COMMONWEALTH OF VIRGINIA NOR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE AUTHORITY AND THE COUNTY, SHALL BE OBLIGATED TO PAY THE PRINCIPAL OF OR PREMIUM, IF ANY, OR INTEREST ON THE 2024 BONDS OR OTHER COSTS INCIDENT THERETO EXCEPT FROM THE REVENUES AND RECEIPTS PLEDGED AND ASSIGNED THEREFOR, AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE COMMONWEALTH OF VIRGINIA, OR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE AUTHORITY AND THE COUNTY, IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR PREMIUM, IF ANY, OR INTEREST ON THE 2024 BONDS OR OTHER COSTS INCIDENT THERETO. THE AUTHORITY HAS NO TAXING POWER.

No covenant, condition or agreement contained herein shall be deemed to be a covenant, agreement or obligation of any present or future director, officer, employee or agent of the Authority in his individual capacity, and neither the Chair of the Authority nor any officer thereof executing this bond shall be liable personally on the 2024 Bonds or be subject to any personal liability or accountability by reason of the issuance thereof.

The 2024 Bonds may not be called for redemption by the Authority except as provided herein and in the Agreement of Trust.

Optional Redemption. The 2024 Bonds maturing on and before June 15, ____, will not be subject to redemption prior to maturity. The 2024 Bonds maturing on and after June 15, ____, will be subject to redemption prior to maturity, at the option of the Authority upon the direction of the County, at any time on or after June 15, ____, in whole or in part (in \$5,000 integrals), upon payment of 100% of the principal amount to be redeemed, plus interest accrued to the date fixed for redemption.

The Series 2024 Bonds maturing on June 15, ____, are required to be redeemed prior to maturity in part upon payment of 100% of the principal amount thereof plus interest accrued to the redemption date on June 15 in years and amounts, as follows:

Year	Amount	Year	Amount
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* Final maturity.

If less than all of the 2024 Bonds are called for redemption, the 2024 Bonds (or principal portions thereof) to be redeemed shall be selected by the Authority (at the direction of the County). If less than all of the 2024 Bonds of a particular maturity are called for redemption, DTC or any successor securities depository will select the particular 2024 Bonds within each maturity to be redeemed pursuant to its rules and procedures or, if the book-entry system is discontinued, the 2024 Bonds to be redeemed will be selected by the Trustee. The portion of any 2024 Bond to be redeemed shall be in the principal amount of \$5,000 or some integral multiple thereof. In selecting 2024 Bonds for redemption, each 2024 Bond shall be considered as representing that number of 2024 Bonds which is obtained by dividing the principal amount of such Bond by \$5,000.

If any of the 2024 Bonds or portions thereof are called for redemption, the Trustee shall send notice of the call for redemption, identifying the 2024 Bonds or portions thereof to be redeemed, not less than 30 nor more than 60 days prior to the redemption date, by facsimile, registered or certified mail or overnight express delivery, to the registered owner of the 2024 Bonds. Such notice may state that (1) it is conditioned upon the deposit of moneys, in an amount equal to the amount necessary to effect the redemption, with the Trustee no later than the redemption date or (2) the Authority retains the right to rescind such notice on or prior to the scheduled redemption date, and such notice and optional redemption shall be of no effect if such moneys are not so deposited or if the notice is rescinded. Provided funds for their redemption are on deposit at the place of payment on the redemption date, all Bonds or portions thereof so called for redemption shall cease to bear interest on such date, shall no longer be secured by the Agreement of Trust and shall not be deemed to be Outstanding under the provisions of the Agreement of Trust. If a portion of this bond shall be called for redemption, a new bond in principal amount equal to the unredeemed portion hereof will be issued to DTC or its nominee upon surrender hereof, or if the book-entry system is discontinued, to the registered owners of the 2024 Bonds.

The registered owner of this bond shall have no right to enforce the provisions of the Agreement of Trust or to institute action to enforce the covenants therein or to take any action with respect to any Event of Default under the Agreement of Trust or to institute, appear in or defend any suit or other proceedings with respect thereto, except as provided in the Agreement of Trust. Modifications or alterations of the Agreement of Trust or the Financing Agreement, or of any supplement thereto, may be made only to the extent and in the circumstances permitted by the Agreement of Trust.

The 2024 Bonds are issuable as registered bonds in the denomination of \$5,000 and integral multiples thereof. Upon surrender for transfer or exchange of this bond at the designated corporate trust office of the Trustee in Richmond, Virginia, together with an assignment duly executed by the registered owner or its duly authorized attorney or legal representative in such form as shall be satisfactory to the Trustee, the Authority shall execute, and the Trustee shall authenticate and deliver in exchange, a new bond or bonds in the manner and subject to the limitations and conditions provided in the Agreement of Trust, having an equal aggregate principal amount, in

authorized denominations, of the same series, form and maturity, bearing interest at the same rate and registered in the name or names as requested by the then registered owner hereof or its duly authorized attorney or legal representative. Any such exchange shall be at the expense of the Authority, except that the Trustee may charge the person requesting such exchange the amount of any tax or other governmental charge required to be paid with respect thereto.

The Trustee shall treat the registered owner as the person exclusively entitled to payment of principal and interest and the exercise of all other rights and powers of the owner, except that interest payments shall be made to the person shown as holder on the first day of the month in which each interest payment date occurs.

All acts, conditions and things required to happen, exist or be performed precedent to and in the issuance of this bond have happened, exist and have been performed.

This bond shall not become obligatory for any purpose or be entitled to any security or benefit under the Agreement of Trust or be valid until the Trustee shall have executed the Certificate of Authentication appearing hereon and inserted the date of authentication hereon.

IN WITNESS WHEREOF, the Economic Development Authority of James City County, Virginia, has caused this bond to be signed by its Chair, its seal to be imprinted hereon and attested by its Secretary, and this bond to be dated the Dated Date.

**ECONOMIC DEVELOPMENT AUTHORITY
OF JAMES CITY COUNTY, VIRGINIA**

(SEAL)

By _____
Chair

Attest:

Secretary

CERTIFICATE OF AUTHENTICATION

Date Authenticated: _____

This bond is one of the 2024 Bonds described in the within mentioned Agreement of Trust.

WILMINGTON TRUST, NATIONAL ASSOCIATION,
as Trustee

By _____
Authorized Representative

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sell(s), assign(s) and transfer(s) unto

(please print or typewrite name and address, including zip code, of Transferee)

PLEASE INSERT SOCIAL SECURITY OR OTHER
IDENTIFYING NUMBER OF TRANSFeree

: _____ :
: _____ :
: _____ :

the within Bond and all rights thereunder, hereby irrevocably constituting and appointing

_____, Attorney, to transfer said Bond on the books kept for the registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed

NOTICE: Signature(s) must be guaranteed by an Eligible Guarantor Institution such as a Commercial Bank, Trust Company, Securities Broker/Dealer, Credit Union, or Savings Association who is a member of a medallion program approved by The Securities Transfer Association, Inc.

(Signature of Registered Owner

NOTICE: The signature above must correspond with the name of the registered owner as it appears on the front of this bond in every particular, without alteration or enlargement or any change whatsoever.

THIRD SUPPLEMENTAL FINANCING AGREEMENT

between

**ECONOMIC DEVELOPMENT AUTHORITY
OF JAMES CITY COUNTY, VIRGINIA**

and

**BOARD OF SUPERVISORS OF
JAMES CITY COUNTY, VIRGINIA,
on behalf of
JAMES CITY COUNTY, VIRGINIA**

Dated as of December 1, 2024

NOTE: THIS THIRD SUPPLEMENTAL FINANCING AGREEMENT HAS BEEN ASSIGNED TO, AND IS SUBJECT TO A SECURITY INTEREST IN FAVOR OF, WILMINGTON TRUST, NATIONAL ASSOCIATION, AS TRUSTEE UNDER AN AGREEMENT OF TRUST DATED AS OF JUNE 1, 2016, AS PREVIOUSLY SUPPLEMENTED AND AS FURTHER SUPPLEMENTED BY A FOURTH SUPPLEMENTAL AGREEMENT OF TRUST DATED AS OF DECEMBER 1, 2024, WITH THE ECONOMIC DEVELOPMENT AUTHORITY OF JAMES CITY COUNTY, VIRGINIA, AS FURTHER AMENDED OR SUPPLEMENTED FROM TIME TO TIME. INFORMATION CONCERNING SUCH SECURITY INTEREST MAY BE OBTAINED FROM THE TRUSTEE AT ITS DESIGNATED CORPORATE TRUST OFFICE.

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THIS **THIRD SUPPLEMENTAL FINANCING AGREEMENT** dated as of December 1, 2024, by and between the **ECONOMIC DEVELOPMENT AUTHORITY OF JAMES CITY COUNTY, VIRGINIA**, a political subdivision of the Commonwealth of Virginia (the “Authority”), and the **BOARD OF SUPERVISORS OF JAMES CITY COUNTY, VIRGINIA**, on behalf of **JAMES CITY COUNTY, VIRGINIA**, a political subdivision of the Commonwealth of Virginia (the “County”), provides:

W I T N E S S E T H:

WHEREAS, the Authority is a political subdivision of the Commonwealth of Virginia duly created under the Industrial Development and Revenue Bond Act, Chapter 49, Title 15.2, Code of Virginia of 1950, as amended (the “Act”);

WHEREAS, the Authority is authorized to exercise all the powers set forth in the Act, which include, among other things, the powers to make loans to, among others, a county in furtherance of the Act, to finance or refinance and lease facilities for use by, among others, a county, to issue its revenue bonds, notes and other obligations from time to time for such purposes and to pledge all or any part of its revenues and receipts derived from payments received by the Authority in connection with its loans or from the leasing by the Authority of such facilities or from any source, as security for the payment of principal of and interest on any such obligations;

WHEREAS, the County desires to undertake a program of financing and refinancing the acquisition, construction and equipping of various public facilities that the County determines to undertake from time to time;

WHEREAS, in furtherance of the purposes of the Act, the County has requested the Authority to undertake one or more series of Projects (as defined in the Financing Agreement, as hereinafter defined), and the Authority has determined to issue from time to time pursuant to the terms of an Agreement of Trust dated as of June 1, 2016, between the Authority and Wilmington Trust, National Association, Richmond, Virginia, as trustee (the “Trustee”), as previously supplemented and as further supplemented by a Fourth Supplemental Agreement of Trust dated as of December 1, 2024, between the Authority and the Trustee (collectively, the “Agreement of Trust”), its public facility revenue bonds and to loan the proceeds thereof to the County to finance and refinance costs incurred in connection with such Projects and costs of issuing such bonds;

WHEREAS, in furtherance of the purposes of the Act, the Authority and the County have entered into a Financing Agreement dated as of June 1, 2016 (the “Master Financing Agreement”), pursuant to which the Authority has agreed to loan from time to time such proceeds to the County and the County has agreed to repay such loans, subject to appropriation by the County Board of Supervisors from time to time of sufficient moneys for such purpose;

WHEREAS, within the limitations and in compliance with the Agreement of Trust, the County has requested the Authority to issue a series of Bonds in the aggregate principal amount of \$_____ (the “Series 2024 Bonds”) and to loan such proceeds to the County (a) to finance the cost of the Series 2024 Project (as hereinafter defined), and (b) to pay the issuance costs related thereto, all pursuant to the terms of this Third Supplemental Financing Agreement; and

WHEREAS, all acts, conditions and things required by law to happen, exist and be performed precedent to and in connection with the execution of and entering into this Third Supplemental Financing Agreement have happened, exist and have been performed in regular and

due time and in form and manner as required by law, and the parties hereto are now duly empowered to execute and enter into this Third Supplemental Financing Agreement;

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter contained and other valuable consideration, the parties hereto covenant and agree as follows:

ARTICLE I

DEFINITIONS AND RULES OF CONSTRUCTION

Section 1.1 Definitions.

Unless otherwise defined in this Third Supplemental Financing Agreement, all words used herein shall have the meanings assigned to such terms in the Agreement of Trust or the Master Financing Agreement. The following words as used in this Third Supplemental Financing Agreement shall have the following meanings unless a different meaning clearly appears from the context:

“Agreement of Trust” shall mean the Master Trust Agreement together with all supplemental agreements entered into by the Authority and the Trustee from time to time.

“Basic Agreements” shall mean the Agreement of Trust and the Financing Agreement.

“Financing Agreement” shall mean the Master Financing Agreement, as previously supplemented and as further supplemented by this Third Supplemental Financing Agreement.

“Fourth Supplemental Trust Agreement” shall mean the Fourth Supplemental Agreement of Trust dated as of December 1, 2024, between the Authority and the Trustee, which supplements the Agreement of Trust.

“Master Financing Agreement” shall mean the Financing Agreement dated as of June 1, 2016, between the Authority and the County.

“Master Trust Agreement” shall mean the Agreement of Trust dated as of June 1, 2016, between the Authority and the Trustee.

“Rebate Amount” shall mean the amount due under the rebate obligations of the Code.

“Rebate Amount Certificate” shall mean a certificate prepared or approved, at the expense of the County, by an independent certified public accountant or a firm of independent certified public accounts or rebate specialist of recognized standing setting forth the Rebate Amount determined to be due to the United States of America as of the applicable fifth anniversary date (under the Treasury Regulations) of the issuance of the Series 2024 Bonds, or as of the final payment date of the Series 2024 Bonds, and the computation thereof.

“Series 2024 Arbitrage Rebate Fund” shall mean the fund established in Section 6.1.

“Series 2024 Bonds” shall mean the Authority’s \$_____ Public Facility Revenue Bonds (County Government Projects), Series 2024, authorized to be issued pursuant to the Fourth Supplemental Trust Agreement.

“Series 2024 Project” shall mean _____.

“Third Supplemental Financing Agreement” shall mean this Third Supplemental Financing Agreement dated as of December 1, 2024, between the Authority and the County, which supplements the Master Financing Agreement, as previously supplemented, including any supplements, amendments or modifications to this Third Supplemental Financing Agreement.

Section 1.2 Rules of Construction.

The following rules shall apply to the construction of this Third Supplemental Financing Agreement unless the context otherwise requires:

(a) Words importing the singular number shall include the plural number and vice versa.

(b) Words importing the redemption or calling for redemption of Series 2024 Bonds shall not be deemed to refer to or connote the payment of Series 2024 Bonds at their stated maturity.

(c) Unless otherwise indicated, all references herein to particular Articles or Sections are references to Articles or Sections of this Third Supplemental Financing Agreement.

(d) The headings herein and the Table of Contents herein are solely for convenience of reference and shall not constitute a part of this Third Supplemental Financing Agreement and shall not affect its meaning, construction or effect.

(e) All references herein to payment of Series 2024 Bonds are references to payment of principal of and premium, if any, and interest on the Series 2024 Bonds.

ARTICLE II

REPRESENTATIONS

Section 2.1 Representations by Authority.

The Authority makes the following representations:

(a) The Authority is a political subdivision of the Commonwealth of Virginia duly created under the Act;

(b) Pursuant to the Act, the Authority has full power and authority to enter into the Basic Agreements and to perform the transactions contemplated thereby and to carry out its obligations thereunder and, by proper action, has duly authorized, executed and delivered the Basic Agreements;

(c) The execution, delivery and compliance by the Authority with the terms and conditions of the Basic Agreements will not conflict with or constitute or result in a default under

or violation of (1) any existing law, rule or regulation applicable to the Authority or (2) any trust agreement, mortgage, deed of trust, lien, lease, contract, note, order, judgment, decree or other agreement, instrument or other restriction of any kind to which the Authority or any of its assets is subject;

(d) No further approval, consent or withholding of objection on the part of any regulatory body or any official, federal, state or local, is required in connection with the execution or delivery of or compliance by the Authority with the terms and conditions of the Basic Agreements, except that no representation is made as to the applicability of any federal or state securities laws; and

(e) There is no litigation at law or in equity or any proceeding before any governmental agency involving the Authority pending or, to the knowledge of the Authority, threatened with respect to (1) the creation and existence of the Authority, (2) its authority to execute and deliver the Basic Agreements, (3) the validity or enforceability of the Basic Agreements or the Authority's performance of its obligations thereunder, (4) the title of any officer of the Authority executing the Basic Agreements or (5) the ability of the Authority to issue and sell its bonds.

Section 2.2 Representations by County.

The County makes the following representations:

(a) The County is a political subdivision of the Commonwealth of Virginia;

(b) The County has full power and authority to enter into the Basic Agreements to which it is a party and to perform the transactions contemplated thereby and to carry out its obligations thereunder and, by proper action, has duly authorized, executed and delivered the Basic Agreements;

(c) The County is not in default in the payment of the principal of or interest on any of its indebtedness for borrowed money and is not in default under any instrument under or subject to which any indebtedness for borrowed money has been incurred, and no event has occurred and is continuing that, with the lapse of time or the giving of notice, or both, would constitute or result in an event of default thereunder;

(d) The County is not in default under or in violation of, and the execution, delivery and compliance by the County with the terms and conditions of the Basic Agreements to which it is a party will not conflict with or constitute or result in a default under or violation of, (1) any existing law, rule or regulation applicable to the County or (2) any trust agreement, mortgage, deed of trust, lien, lease, contract, note, order, judgment, decree or other agreement, instrument or restriction of any kind to which the County or any of its assets is subject, and no event has occurred and is continuing that, with the lapse of time or the giving of notice, or both, would constitute or result in such a default or violation;

(e) No further approval, consent or withholding of objection on the part of any regulatory body or any official, federal, state or local, is required in connection with the execution or delivery of or compliance by the County with the terms and conditions of the Basic Agreements to which it is a party; and

(f) There is no litigation at law or in equity or any proceeding before any governmental agency involving the County pending or, to the knowledge of the County, threatened with respect to (1) the authority of the County to execute and deliver the Basic Agreements to which it is a party, (2) the validity or enforceability of the Basic Agreements or the County's performance of its obligations thereunder, (3) the title of any officer of the County executing the Basic Agreements or (4) the ability of the County to undertake with the Authority to finance the Series 2024 Project.

ARTICLE III

AGREEMENT TO MAKE LOANS AND ISSUE BONDS

Section 3.1 Agreement to Make Loan to Finance the Series 2024 Project.

The Authority hereby agrees to make, but solely from the proceeds of the Series 2024 Bonds, and the County hereby agrees to accept, a loan to finance the Costs of the Series 2024 Project. Subject to the limitation of Section 4.4 of the Master Financing Agreement, the County agrees to make all Basic Payments and Additional Payments when and as the same shall become due and payable to repay such loan.

Section 3.2 Agreement to Issue Series 2024 Bonds.

In order to provide funds for making the loan described in Section 3.1, the Authority shall contemporaneously with the execution and delivery hereof proceed with the issuance and sale of the Series 2024 Bonds bearing interest, maturing and having the other terms and provisions set forth in the Agreement of Trust.

ARTICLE IV

PAYMENT OBLIGATIONS

Section 4.1 Amounts Payable.

The Master Financing Agreement is hereby amended to replace in its entirety the Exhibit A attached thereto with the new schedule of payments attached hereto as Exhibit A. Pursuant to Article IV of the Master Financing Agreement and subject specifically to the limitation of Section 4.4 thereof, the County shall pay to the Authority or its assignee, the Basic Payments specified in Exhibit A attached. The Basic Payments shall be payable without notice or demand at the designated corporate trust office of the Trustee.

ARTICLE V

PREPAYMENT AND REDEMPTION

Section 5.1 Prepayment and Redemption.

The County shall have the option to prepay any Basic Payment at the times and in the amounts as necessary to exercise its option to cause the Series 2024 Bonds to be redeemed as set forth in such Series 2024 Bonds. Such prepayments of Basic Payments shall be made at the times and in the amounts as necessary to accomplish the optional redemption of the Series 2024 Bonds as set forth in Section 4.301 of the Fourth Supplemental Trust Agreement. The Series 2024 Bonds

shall be prepaid or redeemed in the manner and at the times set forth in Article III of the Fourth Supplemental Trust Agreement. Upon the exercise of such option, the County shall also pay as Additional Payments, the amounts necessary to pay the premium, if any, due on such Series 2024 Bonds on the date or dates of their redemption.

The County shall give the Trustee notice of any redemption of such Series 2024 Bonds at least five days prior to the latest date that notice of redemption may be given pursuant to Section 402 of the Master Trust Agreement, such notice to the Trustee to specify the redemption date, the principal amount of Series 2024 Bonds to be redeemed, the premium, if any, and the section of the Agreement of Trust pursuant to which such redemption is to be made.

ARTICLE VI

ARBITRAGE REBATE FUND

Section 6.1 Series 2024 Arbitrage Rebate Fund.

There is hereby established the James City County, Virginia, Series 2024, Public Facility Revenue Bond Arbitrage Rebate Fund (the “Series 2024 Arbitrage Rebate Fund”) to be held by or on behalf of the County. Subject to the limitation in Section 4.4 of the Master Financing Agreement, the County shall deposit moneys in the Series 2024 Arbitrage Rebate Fund from time to time for payment of the Rebate Amount. The County may establish separate accounts in the Series 2024 Arbitrage Rebate Fund for such payments.

Section 6.2 Rebate Requirement.

Except with respect to earnings on funds and accounts qualifying for exceptions to the rebate requirement of Section 148 of the Code, the County shall pay, but solely from amounts in the Series 2024 Arbitrage Rebate Fund, the Rebate Amount to the United States of America, as and when due, in accordance with Section 148(f) of the Code, as provided in this Article, and shall retain records of all such determinations until six years after payment of the Series 2024 Bonds.

Section 6.3 Calculation and Payment of Series 2024 Rebate Obligation.

(a) The County selects June 15 as the end of the bond year with respect to the Series 2024 Bonds pursuant to Treasury Regulation Section 1.148-1. The County acknowledges that the first bond year will be short.

(b) Not later than 30 days after each fifth anniversary date of the issuance of the Series 2024 Bonds, the County shall deliver to the Authority and the Trustee a Rebate Amount Certificate, and the County shall pay from legally available funds to the United States of America an amount equal to not less than 90% of the Rebate Amount set forth in such Rebate Amount Certificate.

(c) Not later than 45 days after final payment of the Series 2024 Bonds, the County shall deliver to the Authority and the Trustee a final Rebate Amount Certificate, and the County shall pay from legally available funds to the United States of America the amount, if any, by which 100% of the Rebate Amount set forth in such Rebate Amount Certificate exceeds the aggregate of all payments theretofore made pursuant to subsection (b).

(d) Notwithstanding any provision of this Article to the contrary, no such calculation or payment shall be made if the County receives and delivers to the Authority and the Trustee an opinion of Bond Counsel to the effect that (1) such payment is not required under the Code in order to prevent the Series 2024 Bonds from becoming “arbitrage bonds” within the meaning of Section 148 of the Code or (2) such payment should be calculated and paid on some alternative basis under the Code, and the County complies with such alternative basis.

(e) The Authority covenants that, if so requested by the County, it shall execute any form required to be signed by an issuer of tax-exempt bonds in connection with the payment of any Rebate Amount (including Internal Revenue Service Form 8038-T) based on information supplied to the Authority by the County. The County shall supply all information required to be stated on such form and shall prepare such form. Except for the execution and delivery of such form upon timely presentation by the County, the Authority shall have no responsibility for such form or the information stated thereon.

Section 6.4 Reports by Trustee.

The Trustee shall provide the County within 30 days after each June 15 and within 30 days after the final payment of the Series 2024 Bonds with such reports and information with respect to earnings of amounts held under the Agreement of Trust as may be reasonably requested by the County in order to comply with the provisions of this Article.

Section 6.5 Disposition of Balance in Series 2024 Arbitrage Rebate Fund.

After each payment required in Section 6.3 is made and any additional amount necessary to pay the full rebate obligation is retained, the remaining amount in the Series 2024 Arbitrage Rebate Fund shall be retained by the County and used for any lawful purpose.

ARTICLE VII

MISCELLANEOUS

Section 7.1 Severability.

If any provision of this Third Supplemental Financing Agreement shall be held invalid by any court of competent jurisdiction, such holding shall not invalidate any other provision hereof.

Section 7.2 Successors and Assigns.

This Third Supplemental Financing Agreement shall be binding upon, inure to the benefit of and be enforceable by the parties and their respective successors and assigns.

Section 7.3 Counterparts.

This Third Supplemental Financing Agreement may be executed in any number of counterparts, each of which shall be an original and all of which together shall constitute but one and the same instrument.

Section 7.4 Governing Law.

This Third Supplemental Financing Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia.

Section 7.5 Freedom Act Requirements.

To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. For a non-individual person such as a business entity, a charity, a trust, or other legal entity, the Trustee may ask for documentation to verify such non-individual person's formation and existence as a legal entity. The Trustee may also ask to see financial statements, licenses, identification and authorization documents from individuals claiming authority to represent the entity or other relevant documentation.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties have caused this Third Supplemental Financing Agreement to be duly executed as of the date first above written, by their duly authorized representatives.

**ECONOMIC DEVELOPMENT AUTHORITY
OF JAMES CITY COUNTY, VIRGINIA**

By: _____
Chair

**BOARD OF SUPERVISORS OF JAMES CITY
COUNTY, VIRGINIA, ON BEHALF OF
JAMES CITY COUNTY, VIRGINIA**

By: _____
County Administrator

Seen and agreed to:

WILMINGTON TRUST, NATIONAL ASSOCIATION,
as Trustee

By: _____
Vice President

RECEIPT OF TRUSTEE

Receipt of the foregoing original counterpart of the Third Supplemental Financing Agreement dated as of December 1, 2024, between the Economic Development Authority of James City County, Virginia, and the Board of Supervisors of James City County, Virginia, on behalf of James City County, Virginia, is hereby acknowledged.

**WILMINGTON TRUST,
NATIONAL ASSOCIATION, as Trustee**

By: _____
Vice President

EXHIBIT A**Series 2016 Bonds**

Payment Date	Principal Component	Interest Component	Total
12/01/2024		\$280,468.75	\$280,468.75
06/01/2025	\$1,270,000.00	280,468.75	1,550,468.75
12/01/2025		248,718.75	248,718.75
06/01/2026	1,330,000.00	248,718.75	1,578,718.75
12/01/2026		215,468.75	215,468.75
06/01/2027	1,400,000.00	215,468.75	1,615,468.75
12/01/2027		201,468.75	201,468.75
06/01/2028	1,425,000.00	201,468.75	1,626,468.75
12/01/2028		187,218.75	187,218.75
06/01/2029	1,455,000.00	187,218.75	1,642,218.75
12/01/2029		170,850.00	170,850.00
06/01/2030	1,485,000.00	170,850.00	1,655,850.00
12/01/2030		148,575.00	148,575.00
06/01/2031	1,530,000.00	148,575.00	1,678,575.00
12/01/2031		125,625.00	125,625.00
06/01/2032	1,575,000.00	125,625.00	1,700,625.00
12/01/2032		102,000.00	102,000.00
06/01/2033	1,625,000.00	102,000.00	1,727,000.00
12/01/2033		77,625.00	77,625.00
06/01/2034	1,675,000.00	77,625.00	1,752,625.00
12/01/2034		52,500.00	52,500.00
06/01/2035	1,725,000.00	52,500.00	1,777,500.00
12/01/2035		26,625.00	26,625.00
06/01/2036	1,775,000.00	26,625.00	1,801,625.00
	\$18,270,000.00	\$3,674,287.50	\$21,944,287.50

Series 2018 Bonds

Payment Date	Principal Component	Interest Component	Total
12/01/2024		\$358,250.00	\$358,250.00
06/01/2025	\$1,175,000.00	358,250.00	1,533,250.00
12/01/2025		328,875.00	328,875.00
06/01/2026	1,230,000.00	328,875.00	1,558,875.00
12/01/2026		298,125.00	298,125.00
06/01/2027	1,295,000.00	298,125.00	1,593,125.00
12/01/2027		265,750.00	265,750.00
06/01/2028	1,355,000.00	265,750.00	1,620,750.00
12/01/2028		231,875.00	231,875.00
06/01/2029	1,420,000.00	231,875.00	1,651,875.00
12/01/2029		196,375.00	196,375.00
06/01/2030	1,495,000.00	196,375.00	1,691,375.00
12/01/2030		159,000.00	159,000.00
06/01/2031	750,000.00	159,000.00	909,000.00
12/01/2031		144,000.00	144,000.00
06/01/2032	780,000.00	144,000.00	924,000.00
12/01/2032		128,400.00	128,400.00
06/01/2033	810,000.00	128,400.00	938,400.00
12/01/2033		112,200.00	112,200.00
06/01/2034	845,000.00	112,200.00	957,200.00
12/01/2034		95,300.00	95,300.00
06/01/2035	880,000.00	95,300.00	975,300.00
12/01/2035		77,700.00	77,700.00
06/01/2036	915,000.00	77,700.00	992,700.00
12/01/2036		59,400.00	59,400.00
06/01/2037	950,000.00	59,400.00	1,009,400.00
12/01/2037		40,400.00	40,400.00
06/01/2038	990,000.00	40,400.00	1,030,400.00
12/01/2038		20,600.00	20,600.00
06/01/2039	1,030,000.00	20,600.00	1,050,600.00
	\$15,920,000.00	\$5,032,500.00	\$20,952,500.00

Series 2021 Bonds

Payment Date	Principal Component	Interest Component	Total
12/01/2024		\$198,375	\$198,375
06/01/2025	\$805,000	198,375	1,003,375
12/01/2025		178,250	178,250
06/01/2026	845,000	178,250	1,023,250
12/01/2026		157,125	157,125
06/01/2027	890,000	157,125	1,047,125
12/01/2027		134,875	134,875
06/01/2028	935,000	134,875	1,069,875
12/01/2028		111,500	111,500
06/01/2029	980,000	111,500	1,091,500
12/01/2029		87,000	87,000
06/01/2030	1,025,000	87,000	1,112,000
12/01/2030		61,375	61,375
06/01/2031	1,075,000	61,375	1,136,375
12/01/2031		34,500	34,500
06/01/2032	1,130,000	34,500	1,164,500
12/01/2032		17,550	17,550
06/01/2033	1,170,000	17,550	1,187,550
	\$8,855,000	\$1,961,100	\$10,816,100

Series 2024 Bonds

Payment Date	Principal Component	Interest Component	Total
12/01/2024			
06/01/2025			
12/01/2025			
06/01/2026			
12/01/2026			
06/01/2027			
12/01/2027			
06/01/2028			
12/01/2028			
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12/01/2035			
06/01/2036			
12/01/2036			
06/01/2037			
12/01/2037			
06/01/2038			
12/01/2038			
06/01/2039			

Total Debt Service – Series 2016, 2018, 2021 and 2024 Bonds

Payment Date	Principal Component	Interest Component	Total
12/01/2024			
06/01/2025			
12/01/2025			
06/01/2026			
12/01/2026			
06/01/2027			
12/01/2027			
06/01/2028			
12/01/2028			
06/01/2029			
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06/01/2035			
12/01/2035			
06/01/2036			
12/01/2036			
06/01/2037			
12/01/2037			
06/01/2038			
12/01/2038			
06/01/2039			

This Preliminary Official Statement and the information contained herein are subject to change, completion and amendment without notice. The Series 2024 Bonds may not be sold nor may an offer to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Series 2024 Bonds in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.

NEW ISSUE
BOOK-ENTRY ONLY

Ratings: Moody's: ____
S&P: ____
Fitch: ____
(See "Ratings")

In the opinion of Bond Counsel, under current law and subject to conditions described in the section "TAX EXEMPTION," interest on the Series 2024 Bonds (as defined herein) (a) is not included in gross income for federal income tax purposes, (b) is not an item of tax preference for purposes of the federal alternative minimum tax, (c) is taken into account in determining adjusted financial statement income for applicable corporations (as defined in Section 59(k) of the Code) for the alternative minimum tax imposed on such corporations; and (d) is exempt from income taxation by the Commonwealth of Virginia. A holder may be subject to other federal tax consequences as described in the section "TAX EXEMPTION."

\$ _____ *

**ECONOMIC DEVELOPMENT AUTHORITY
OF JAMES CITY COUNTY, VIRGINIA
PUBLIC FACILITY REVENUE BONDS
(COUNTY GOVERNMENT PROJECTS), SERIES 2024**

Dated: Date of Issuance

Due: June 15, as shown on the inside cover

This Official Statement has been prepared by James City County, Virginia (the "County"), on behalf of the Economic Development Authority of James City County, Virginia (the "Authority"), to provide information on its Public Facility Revenue Bonds (County Government Projects), Series 2024 (the "Series 2024 Bonds"), the security therefor, the County, the use of the proceeds of the Series 2024 Bonds and other relevant information. Selected information is presented on this cover page for the convenience of the user. To make an informed decision regarding the Series 2024 Bonds, a prospective investor should read this Official Statement in its entirety.

Security

THE SERIES 2024 BONDS WILL BE LIMITED OBLIGATIONS OF THE AUTHORITY, PAYABLE SOLELY FROM CERTAIN PAYMENTS TO BE MADE BY THE COUNTY PURSUANT TO A FINANCING AGREEMENT DATED AS OF JUNE 1, 2016, AS PREVIOUSLY SUPPLEMENTED AND AS FURTHER SUPPLEMENTED BY A THIRD SUPPLEMENTAL FINANCING AGREEMENT DATED AS OF DECEMBER 1, 2024, (TOGETHER, THE "FINANCING AGREEMENT"), BETWEEN THE COUNTY AND THE AUTHORITY; AND FROM CERTAIN FUNDS AND THE INVESTMENT INCOME THEREFROM HELD BY THE TRUSTEE. THE UNDERTAKING BY THE COUNTY TO MAKE PAYMENTS UNDER THE FINANCING AGREEMENT WILL BE SUBJECT TO APPROPRIATIONS BY THE COUNTY BOARD OF SUPERVISORS FROM TIME TO TIME OF SUFFICIENT FUNDS FOR SUCH PURPOSE. NEITHER THE SERIES 2024 BONDS NOR THE FINANCING AGREEMENT CONSTITUTES A DEBT OF THE COUNTY OR A PLEDGE OF THE FAITH AND CREDIT OR TAXING POWER OF THE COUNTY. THE SERIES 2024 BONDS AND THE PREMIUM, IF ANY, AND THE INTEREST THEREON SHALL NOT BE DEEMED TO CONSTITUTE A DEBT OR A PLEDGE OF THE FAITH AND CREDIT OF THE COMMONWEALTH OF VIRGINIA OR ANY OF ITS POLITICAL SUBDIVISIONS, INCLUDING THE AUTHORITY AND THE COUNTY. NEITHER THE COMMONWEALTH OF VIRGINIA NOR ANY OF ITS POLITICAL SUBDIVISIONS, INCLUDING THE AUTHORITY AND THE COUNTY, SHALL BE OBLIGATED TO PAY THE PRINCIPAL OF AND PREMIUM, IF ANY, AND INTEREST ON THE SERIES 2024 BONDS OR OTHER COSTS INCIDENT TO THEM EXCEPT FROM THE REVENUES AND RECEIPTS PLEDGED FOR SUCH PURPOSE. THE AUTHORITY HAS NO TAXING POWER.

Issued Pursuant To

The Series 2024 Bonds will be issued pursuant to an Agreement of Trust dated as of June 1, 2016, as previously supplemented and as further supplemented by a Fourth Supplemental Agreement of Trust dated as of December 1, 2024, between the Authority and Wilmington Trust, National Association, as Trustee.

Trustee

Wilmington Trust, National Association.

Purpose

The proceeds of the Series 2024 Bonds will be used, together with other available funds, to (a) finance a portion of the Series 2024 Project (as defined herein) and (b) pay the related costs of issuance.

Interest Payment Dates

June 15 and December 15, commencing June 15, 2025.

Regular Record Dates

June 1 and December 1.

Redemption

The Series 2024 Bonds are subject to redemption as set forth herein.

Denominations

\$5,000 and integral multiples thereof.

Closing/Delivery Date

On or about _____, 2024.

Registration

Full book-entry only; The Depository Trust Company, New York, New York

Bond Counsel

Hunton Andrews Kurth LLP, Richmond, Virginia.

County Attorney

Adam Kinsman, Esquire.

Authority Counsel

Adam Kinsman, Esquire.

* Preliminary subject to change.

Dated: _____, 2024

\$ _____ *

**ECONOMIC DEVELOPMENT AUTHORITY
OF JAMES CITY COUNTY, VIRGINIA
PUBLIC FACILITY REVENUE BONDS
(COUNTY GOVERNMENT PROJECTS), SERIES 2024**

Maturity* (June 15)	Principal Amount*	Interest Rate	Yield	CUSIP**
2026				
2027				
2028				
2029				
2030				
2031				
2032				
2033				
2034				
2035				
2036				
2037				
2038				
2039				
2040				
2041				
2042				
2043				
2044				
2045				

* Preliminary, subject to change.

** Copyright 2013, American Bankers Association. CUSIP® is a registered trademark of the American Bankers Association. CUSIP data herein are provided by Standard & Poor's CUSIP Service Bureau, a division of the McGraw-Hill Companies, Inc. The CUSIP numbers listed above are being provided solely for the convenience of Bondholders only at the time of issuance of the Series 2024 Bonds, and the County makes no representation with respect to such numbers nor undertakes any responsibility for their accuracy now or at any time in the future. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Series 2024 Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Series 2024 Bonds.

The Series 2024 Bonds will be exempt from registration under the Securities Act of 1933, as amended. As obligations of a political subdivision of the Commonwealth of Virginia, the Series 2024 Bonds will also be exempt from registration under the securities laws of Virginia.

No dealer, broker, salesman or other person has been authorized to give any information or to make any representations other than those contained in this Official Statement, and, if given or made, such other information or representation should not be relied upon as having been authorized by the Authority or the County. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor will there be any sale of the Series 2024 Bonds by any person in any state in which it is unlawful for such person to make such offer, solicitation or sale.

All quotations from and summaries and explanations of provisions of law and documents herein do not purport to be complete, and reference is made to such laws and documents for full and complete statements of their provisions. Any statements made in this Official Statement involving estimates or matters of opinion, whether or not expressly so stated, are intended merely as estimates or opinion and not as representations of fact. This Official Statement speaks as of its date except where specifically noted otherwise and is subject to change without notice. Neither the delivery of this Official Statement, any sale made hereunder, nor any filing of this Official Statement shall under any circumstances create an implication that there has been no change in the affairs of the County or the Authority since the date of this Official Statement or imply that any information herein is accurate or complete as of any later date.

The Trustee has neither reviewed nor participated in the preparation of this Official Statement.

This Official Statement contains statements that, to the extent they are not recitations of historical fact, constitute “forward-looking statements.” In this respect, the words, “estimate”, “project”, “anticipate”, “expect”, “intend”, “believe” and similar expressions are intended to identify forward-looking statements. A number of important factors affecting the County’s operations and financial results could cause actual results to differ materially from those stated in the forward-looking statements.

References to website addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader’s convenience. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this Official Statement for purposes of, and as that term is defined in, SEC Rule 15c2-12.

In making an investment decision, investors must rely on their own examination of the terms of the offering, including the merits and risks involved. These securities have not been recommended by any federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this document. Any representation to the contrary is a criminal offense.

Certain persons participating in this offering may engage in transactions that stabilize, maintain or otherwise affect the price of the Series 2024 Bonds, including transactions to (a) overallot in arranging the sales of the Series 2024 Bonds and (b) make purchases and sales of the Series 2024 Bonds, for long or short account, on a when-issued basis or otherwise, at such prices, in such amounts and in such manner as the underwriter may determine.

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OFFICIAL STATEMENT

\$ _____ *

**ECONOMIC DEVELOPMENT AUTHORITY
OF JAMES CITY COUNTY, VIRGINIA
PUBLIC FACILITY REVENUE BONDS
(COUNTY GOVERNMENT PROJECTS) SERIES 2024**

SECTION ONE: INTRODUCTION

The purpose of this Official Statement, which includes the cover page and appendices hereto, is to provide information in connection with the issuance by the Economic Development Authority of James City County, Virginia (the “Authority”), a political subdivision of the Commonwealth of Virginia (the “Commonwealth”), of its \$ _____ * Public Facility Revenue Bonds (County Government Projects), Series 2024 (the “Series 2024 Bonds”). The following introductory material is qualified in its entirety by the detailed information and financial statements appearing elsewhere in this Official Statement, reference to which is hereby made for all purposes. Certain capitalized terms used in this Official Statement are defined in Appendix A - “Definitions of Certain Terms.”

The Series 2024 Bonds will be offered for sale through competitive bidding on _____, 2024. The Notice of Sale relating to the Series 2024 Bonds and describing the competitive bidding process is attached hereto as Appendix H.

The Issuer

The issuer of the Series 2024 Bonds is the Economic Development Authority of James City County, Virginia, a political subdivision of the Commonwealth of Virginia.

The Series 2024 Bonds

The County plans to use the proceeds of the Series 2024 Bonds, together with other available funds, to (a) finance a portion of the Series 2024 Project (as defined herein) and (b) pay the related costs of issuance.

The Series 2024 Bonds will be issued in accordance with the Industrial Development and Revenue Bond Act, Chapter 49, Title 15.2, Code of Virginia of 1950, as amended (the “Act”), and pursuant to a bond resolution adopted by the Authority on _____, 2024 (the “Bond Resolution”), and an Agreement of Trust dated as of June 1, 2016, as previously supplemented (the “Master Trust Agreement”), and as further supplemented by a Fourth Supplemental Agreement of Trust dated as of December 1, 2024 (the “Fourth Supplemental Trust Agreement” and, together with the Master Trust Agreement, the “Trust Agreement”), all between the Authority and Wilmington Trust, National Association, as trustee (the “Trustee”). Pursuant to the terms of the Trust Agreement, the Authority has determined to issue from time to time revenue bonds or notes and use the proceeds thereof to finance and refinance certain “authority facilities” (as defined in the Act), as requested by James City County, Virginia (the “County”). The Authority and the County have entered into a Financing Agreement dated as of June 1, 2016, as previously supplemented and as further supplemented by a Third Supplemental Financing Agreement dated as of December 1, 2024 (together, the “Financing Agreement”), pursuant to which the County has requested the Authority finance the Series 2024 Project with the proceeds of the Series 2024 Bonds, and the County has agreed, subject to appropriation by the Board of Supervisors of the County (the “County Board”), to support such requests by paying to or on behalf of the Authority amounts sufficient to pay the principal of and premium, if any, and interest due on the Series 2024 Bonds (the “Basic Payments”) and other amounts due under the Financing Agreement (the “Additional Payments”).

The Series 2024 Bonds are equally and ratably secured under the Trust Agreement as to the pledge of Basic Payments with the Authority’s Public Facility Revenue Bonds (James City County School Project), Series 2016, originally issued in the principal amount of \$26,750,000 (the “Series 2016 Bonds”), the Authority’s Public Facility Revenue and Refunding Bonds (County Government Projects), Series 2018, originally issued in the principal amount of \$21,015,000 (the “Series 2018 Bonds”), and the Authority’s Public Facility Revenue Refunding Bonds (County Government Projects), Series 2021, originally issued in the principal amount of \$11,030,000 (the “Series 2021 Bonds”).

* Preliminary, subject to change.

and, together with the Series 2016 Bonds and the Series 2018 Bonds, the “Existing Parity Bonds”), and any Additional Bonds that may hereafter be issued under the Trust Agreement.

The Series 2024 Bonds, the premium, if any, and the interest thereon will be limited obligations of the Authority payable solely from the revenues and receipts derived by the Authority under the Financing Agreement, which revenues and receipts have been pledged and assigned to secure payment thereof, and from certain funds established under the Trust Agreement, and the investment income therefrom. The Series 2024 Bonds, the premium, if any, and the interest thereon shall not be deemed to constitute a debt or a pledge of the faith and credit of the Commonwealth or any political subdivision thereof, including the Authority and the County. Neither the Commonwealth nor any political subdivision thereof, including the Authority and the County, shall be obligated to pay the principal of or premium, if any, or interest on the Series 2024 Bonds or other costs incident thereto except from the revenues and receipts pledged and assigned therefor, and neither the faith and credit nor the taxing power of the Commonwealth or any political subdivision thereof, including the Authority and the County, is pledged to the payment of the principal of or premium, if any, or interest on the Series 2024 Bonds or other costs incident thereto.

A more complete description of the Trust Agreement and the Financing Agreement is provided in Appendix B - “Summary of the Financing Documents.”

Redemption*

The Series 2024 Bonds are subject to redemption as set forth in “THE SERIES 2024 BONDS - Redemption” in Section Two.

Delivery

The Series 2024 Bonds are offered for delivery when, as and if issued, subject to the approval of validity by Hunton Andrews Kurth LLP, Richmond, Virginia, Bond Counsel, and to certain other exceptions referred to herein. Certain legal matters will be passed upon for the County and the Authority by the County Attorney.

Ratings

The Series 2024 Bonds have been rated as shown on the cover page thereto by Fitch Ratings, One State Street Plaza, New York, New York 10004, Moody’s Investors Service, 7 World Trade Center, 250 Greenwich St., New York, New York 10007, and S&P Global Ratings, 55 Water Street, New York, New York 10041. A more complete description of each rating is provided in the section “RATINGS” in Section Three.

Financial Advisor

Davenport & Company LLC, Richmond, Virginia, is employed as Financial Advisor to the County in connection with the issuance of the Series 2024 Bonds. The Financial Advisor’s fee for services rendered with respect to the sale of the Series 2024 Bonds is contingent upon the issuance and delivery of the Series 2024 Bonds.

Continuing Disclosure

For purposes of Rule 15c2-12 (the “Rule”) promulgated by the Securities and Exchange Commission (“SEC”), the County is the only obligated person with respect to the Series 2024 Bonds. The County has agreed to execute a Continuing Disclosure Agreement at closing to assist the underwriter in complying with the provisions of the Rule as in effect on the date hereof, by providing annual financial information and certain event notices required by the Rule. See “CONTINUING DISCLOSURE” in Section Three.

* Preliminary, subject to change.

Additional Information

Any questions concerning the content of this Official Statement should be directed to 101-D Mounts Bay Road, P.O. Box 8784, Williamsburg, Virginia 23187-8784 (Telephone No. 757-253-6805), or the County's Financial Advisor, Davenport & Company LLC (804-697-2900).

SECTION TWO: THE SERIES 2024 BONDS

THE AUTHORITY

The Authority is a political subdivision of the Commonwealth of Virginia created pursuant to the Act. The Act empowers the Authority to make loans to, among others, a county in furtherance of the purposes of the Act, to finance and refinance facilities for use by a county and to issue its revenue bonds from time to time for such purposes.

The Authority is not obligated to pay the principal of or premium, if any, or interest on the Series 2024 Bonds or other costs incident thereto except from amounts received therefor under the Financing Agreement. **The Authority has no taxing power.**

THE SERIES 2024 BONDS

General

The Series 2024 Bonds will be dated the date of issuance, will bear interest from their date, payable semiannually on each June 15 and December 15, beginning June 15, 2025, at the rates, and will mature on June 15 in the years and amounts as set forth on the inside cover of this Official Statement. If such interest payment date is not a Business Day, such payment will be made on the next succeeding Business Day with the same effect as if made on the interest payment date and no additional interest will accrue. Interest on the Series 2024 Bonds will be payable by check or draft mailed to the registered owner at his address as it appears on the registration books kept by the Trustee as of the June 1 and December 1 preceding each respective payment date; provided, however, that at the option of a registered owner of at least \$1,000,000 of Series 2024 Bonds, payment will be made by wire transfer pursuant to the most recent wire instructions received by the Trustee from such registered owner.

The Series 2024 Bonds will be issued as fully registered bonds, in denominations of \$5,000 or integral multiples thereof, initially in book-entry form only in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). Individual purchases of beneficial ownership in the Series 2024 Bonds will be made in principal amounts of \$5,000 and multiples of \$5,000. Individual purchasers of beneficial ownership in the Series 2024 Bonds (the "Beneficial Owners") will not receive physical delivery of bond certificates. So long as the Series 2024 Bonds are in book-entry form, transfer of the Series 2024 Bonds and payment of principal of and premium, if any, and interest on the Series 2024 Bonds will be effected as described in Appendix G - Book-Entry Only System. If the book-entry system is discontinued, bond certificates will be delivered as described in the Trust Agreement, and Beneficial Owners will become registered owners of the Series 2024 Bonds. Registered owners of the Series 2024 Bonds, whether Cede & Co. or, if the book-entry system is discontinued, the Beneficial Owners, will be defined in this Official Statement as the "Bondholders." **So long as Cede & Co. is the sole Bondholder, as nominee for DTC, reference in this Official Statement to Bondholders means Cede & Co. and does not mean the Beneficial Owners.** See Appendix G - "Book-Entry Only System."

The Series 2024 Bonds will be limited obligations of the Authority as described more fully in the section "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2024 BONDS."

Redemption*

Optional Redemption. The Series 2024 Bonds maturing on and before June 15, 2034, will not be subject to redemption prior to maturity. The Series 2024 Bonds maturing on and after June 15, 2035, will be subject to redemption prior to maturity, at the option of the Authority upon the direction of the County, at any time on or after

* Preliminary, subject to change.

June 15, 2034, in whole or in part (in \$5,000 integrals), upon payment of 100% of the principal amount to be redeemed, plus interest accrued to the date fixed for redemption.

Selection of Bonds. If less than all of the Series 2024 Bonds are called for redemption, the Series 2024 Bonds (or principal portions thereof) to be redeemed shall be selected by the Authority (at the direction of the County). If less than all of the Series 2024 Bonds of a particular maturity are called for redemption, DTC or any successor securities depository will select the particular Series 2024 Bonds within each maturity to be redeemed pursuant to its rules and procedures or, if the book-entry system is discontinued, the Series 2024 Bonds to be redeemed will be selected by the Trustee. In either case, each portion of the \$5,000 principal amount is counted as one Series 2024 Bond for such purpose.

Mandatory Sinking Fund Redemption. The Final Official Statement will contain the provisions for any Series 2024 Bonds subject to mandatory sinking fund redemption.

Notice of Redemption. Notice of redemption will be given by the Trustee by facsimile transmission, registered or certified mail or overnight express delivery not less than 30 nor more than 60 days before the redemption date to DTC, or, if DTC is no longer serving as securities depository for the Series 2024 Bonds, to the substitute securities depository, or, if none, to the respective registered owner of each Series 2024 Bond to be redeemed at the address shown on the registration books maintained by the Trustee. This notice of redemption will also be given to certain securities depositories and certain national information services which disseminate redemption notices. During the period that DTC or its nominee is the registered owner of the Series 2024 Bonds, the Trustee will not be responsible for mailing notices of redemption to the Beneficial Owners.

At the direction of the County, the Trustee may give a notice of redemption prior to a deposit of redemption moneys if such notice states that the redemption is to be funded with the proceeds of a refunding bond issue and is conditioned on the deposit of such proceeds. Provided that moneys are deposited on or before the redemption date, such notice will be effective when given. If such proceeds are not available on the redemption date, such Series 2024 Bonds will continue to bear interest until paid at the same rate they would have borne had they not been called for redemption and principal will continue to be payable as scheduled. On presentation and surrender of the Series 2024 Bonds called for redemption at the place or places of payment, such Series 2024 Bonds will be paid and redeemed.

Effect of Redemption. On the date on which any Series 2024 Bonds have been called for redemption and sufficient funds for their payment on the redemption date are held by the Trustee, interest on such Series 2024 Bonds will cease to accrue and their registered owners will be entitled to receive payment only from the Trustee from funds available for that purpose.

Plan of Finance

The County expects to use a portion of the Series 2024 Bond proceeds to (1) finance portions of its capital improvement program, including, without limitation, the construction, renovation, rehabilitation and equipping of pre-kindergarten space, the Jamestown High School cafeteria expansion, the General Services Administration Building and the Government Complex (collectively, the "Series 2024 Project"), and (2) pay the related costs of issuance.

Estimated Sources and Uses of Funds

The proceeds received from the sale of the Series 2024 Bonds are expected to be applied as follows:

Sources of Funds

Principal Amount of Bonds	\$ _____
[Plus/Less [Net] Original Issue Premium/Discount]	(_____)
Total Sources	\$ _____

Uses of Funds

Deposit to Series 2024 Project Account	\$ _____
Costs of Issuance (including underwriter's discount)	_____
Total Uses	\$ _____

Estimated Debt Service Requirements

The following table shows for each fiscal year amounts required for payment of principal (either at maturity or upon mandatory sinking fund redemption) of and interest on the Existing Parity Bonds plus the Series 2024 Bonds.*

Fiscal Year	Debt Service on Existing Parity Bonds	Series 2024 Bonds			Agg. Trust Indent. Debt Service
		Principal	Interest	Total	
2025	\$ 4,924,188				
2026	4,916,688				
2027	4,926,438				
2028	4,919,188				
2029	4,916,188				
2030	4,913,450				
2031	4,092,900				
2032	4,093,250				
2033	4,100,900				
2034	2,899,650				
2035	2,900,600				
2036	2,898,650				
2037	1,068,800				
2038	1,070,800				
2039	1,071,200				
2040					
2041					
2042					
2043					
2044					
2045					
Total	\$53,712,888				

* Totals may not foot due to rounding.

SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2024 BONDS

The following is a summary of the sources of security and sources of payment for the Series 2024 Bonds. The references to the Series 2024 Bonds and the Financing Agreement are qualified in their entirety by reference to such documents.

Security for the Series 2024 Bonds

The Series 2024 Bonds will be equally and ratably secured by (1) Basic Payments, which will be assigned by the Authority to the Trustee and will be applied to the payment of principal of, premium, if any, and interest on the Series 2024 Bonds as set forth in the Trust Agreement, without preference, priority or distinction of any Bond over any other Bond, and (2) certain funds established under the Trust Agreement and the investment income therefrom. The Series 2024 Bonds are equally and ratably secured under the Trust Agreement as to the pledge of Basic Payments with the Existing Parity Bonds and any Additional Bonds that may hereafter be issued under the Trust Agreement; provided that any lease agreement or financing lease relating to a particular Series of Bonds will secure only such Bonds (unless otherwise provided in a Supplemental Trust Agreement), moneys in any account or subaccount of the Bond Fund relating to a particular Series of Bonds will secure only such Bonds, moneys in any account or subaccount of the Project Fund relating to a particular Series of Bonds will secure only such Bonds, and moneys in any account or subaccount of the Debt Service Reserve Fund relating to a particular Series of Bonds will secure only such Bonds (and may also secure any Additional Bonds issued to refund prior Bonds).

The Series 2024 Bonds, the premium, if any, and the interest thereon will be limited obligations of the Authority payable solely from the revenues and receipts derived by the Authority under the Financing Agreement, which revenues and receipts have been pledged and assigned to secure payment thereof, and from

certain funds established under the Trust Agreement and the investment income therefrom. The undertaking by the County to make payments under the Financing Agreement is subject to appropriation by the County Board. The County Board has no legal obligation to make any such appropriations. See the section "BONDHOLDERS' RISKS" in Section Three.

The Series 2024 Bonds, the premium, if any, and the interest thereon will not be deemed to constitute a debt or a pledge of the faith and credit of the Commonwealth or any political subdivision thereof, including the Authority and the County. Neither the Commonwealth nor any political subdivision thereof, including the Authority and the County, will be obligated to pay the principal of or premium, if any, or interest on the Series 2024 Bonds or other costs incident thereto except from the revenues and receipts pledged and assigned therefor, and neither the faith and credit nor the taxing power of the Commonwealth or any political subdivision thereof, including the Authority and the County, is pledged to the payment of the principal of or premium, if any, or interest on the Series 2024 Bonds or other costs incident thereto. The Authority has no taxing power.

Financing Agreement

The Authority is issuing the Series 2024 Bonds for the purpose of providing funds to (a) finance the Series 2024 Project, and (b) finance the costs of issuing the Series 2024 Bonds. The Financing Agreement provides for the County to make payments on behalf of the Authority that will be sufficient to pay the principal of and premium, if any, and interest on the Bonds (currently consisting of the Existing Parity Bonds and the Series 2024 Bonds) as the same shall become due in accordance with their terms and provisions and the terms of the Trust Agreement. The undertaking by the County to make payments under the Financing Agreement will constitute a current expense of the County, subject to appropriation by the County Board from time to time of sufficient funds for such purpose. The County will not be liable for any such payments due under the Financing Agreement unless and until funds have been appropriated by the County Board for payment and then only to the extent of such appropriation.

The Financing Agreement provides for the County to pay to the Trustee, as assignee of the Authority, Basic Payments in amounts calculated to be sufficient to pay principal of and interest when due on the Existing Parity Bonds, the Series 2024 Bonds and any Additional Bonds issued under the Trust Agreement. Basic Payments will be due at least 14 calendar days prior to the respective principal or interest payment dates on the Existing Parity Bonds, the Series 2024 Bonds and any Additional Bonds. The Financing Agreement also provides for the County to pay certain Additional Payments, including any redemption premium that may be payable on the Series 2024 Bonds and any Additional Bonds.

Other provisions of the Financing Agreement are summarized in Appendix B - "Summary of the Financing Documents."

The undertaking by the County to make payments under the Financing Agreement constitutes neither a debt of the County within the meaning of any constitutional or statutory limitation nor a liability of or a lien or charge upon funds or property of the County beyond any Fiscal Year for which the County has appropriated moneys to make such payments. Neither the Trustee nor the Authority shall have any obligation or liability to the Bondholders with respect to the County's obligations to make payments under the Financing Agreement or with respect to the performance by the County of any other covenant contained therein.

No Series Debt Service Reserve Account Established for the Series 2024 Bonds

The Trust Agreement provides for the establishment of a Debt Service Reserve Fund to be held by the Trustee and, if funded, a separate Series Debt Service Reserve Account for a particular Series of Bonds. No Series Debt Service Reserve Account will be established for the Series 2024 Bonds.

Bond Fund

Under the Trust Agreement, the Authority pledges to the Trustee all right, title and interest to the Financing Agreement, including the Basic Payments and Additional Payments made by the County, but excluding certain rights to receive payment of the Authority's fees and expenses and to receive notices thereunder. Such payments under the Financing Agreement, along with funds on deposit in the Bond Fund, are pledged to the payment of principal of and premium, if any, and interest on the Bonds.

The Trust Agreement provides that the Trustee will deposit in the Bond Fund all Basic Payments received by the Trustee from the County under the Financing Agreement, together with any amounts transferred from the Series 2024 Project Account. From the amounts received by the Trustee from the County, the Trustee will deposit in the subaccount in the Interest Account an amount equal to the interest due and payable on the next interest payment date for the Series 2024 Bonds and will deposit in the subaccount established for the Series 2024 Bonds in the Principal Account an amount equal to the principal due and payable on the next principal payment date for the Series 2024 Bonds. If a redemption premium is payable on the Series 2024 Bonds, the Trustee will deposit in the subaccount in the Premium Account of the Bond Fund that portion of an Additional Payment representing the amount of the redemption premium due. For additional information concerning the Bond Fund, see Appendix B - "Summary of the Financing Documents – THE TRUST AGREEMENT."

Project Fund

The Trust Agreement establishes within the Project Fund a Series 2024 Project Account into which the Trustee will deposit a portion of the proceeds of the Series 2024 Bonds. The Trustee will use money in the Series 2024 Project Account solely to pay costs of the Series 2024 Project and costs of issuing the Series 2024 Bonds. The Trustee will make payments from the Series 2024 Project Account upon receipt of requisitions signed on behalf of the County providing required information with respect to the use of the amounts being requisitioned. For additional information concerning the Project Fund, see Appendix B - "Summary of the Financing Documents – THE TRUST AGREEMENT."

Additional Bonds

The Authority may issue from time to time Additional Bonds secured on an equal and ratable basis with the Existing Parity Bonds and the Series 2024 Bonds (a) to finance or refinance the Cost of a Project, (b) to refund any Bonds previously issued or (c) for a combination of such purposes. Any such Additional Bonds will be issued under a Supplemental Trust Agreement and an amendment to the Financing Agreement providing for modification of the amount of Basic Payments to provide for a new amount of Basic Payments sufficient to pay principal of and interest on all Bonds then Outstanding under the Trust Agreement.

SECTION THREE: MISCELLANEOUS

JAMES CITY COUNTY

Appendix C contains financial and demographic information concerning the County. The County's audited financial statements for the Fiscal Year ended June 30, 2023, are contained in Appendix D. The County's outside auditor has not been engaged to perform, and has not performed, since the date of its report included herein any procedures on the financial statements addressed in that report or the financial information contained in this Official Statement.

BONDHOLDERS' RISKS

The purchase of the Series 2024 Bonds involves a degree of risk; therefore, prospective purchasers of the Series 2024 Bonds should review this Official Statement in its entirety in order to identify risk factors and make an informed investment decision. A number of factors, including those set forth below, may affect the County's ability or willingness to make timely payments sufficient for the Trustee to pay debt service on the Series 2024 Bonds:

(1) Source of Payments. The Series 2024 Bonds are not general obligations of the Authority or the County but are payable only from revenues received by the Trustee on behalf of the Authority from payments made by the County under the Financing Agreement and other moneys held by the Trustee and pledged to the payment of the Series 2024 Bonds. The ability of the Authority to make timely payments of principal and premium, if any, and interest on the Series 2024 Bonds depends solely on the ability of the County to make timely payments under the Financing Agreement. **No other collateral security has been established for the Series 2024 Bonds.** The undertaking by the County to make payments under the Financing Agreement is subject to and dependent upon amounts being lawfully appropriated from time to time by the County Board for such purpose. The undertaking by the County to make payments under the Financing Agreement is neither a debt of the County within the meaning of any constitutional or statutory limitation nor a pledge of the faith and credit or the taxing power of the County. **The**

County Board is not legally obligated to appropriate the funds necessary to meet the County's financial undertaking pursuant to the Financing Agreement.

(2) Non-Appropriation and Limited Remedies. The County Administrator or other officer charged with the responsibility for preparing the County's annual budget is required to include in the proposed County budget for each Fiscal Year as a single appropriation the scheduled amount of all Basic Payments and the estimated amount of Additional Payments coming due during such Fiscal Year. Throughout the term of the Financing Agreement, the County Administrator or other officer charged with the responsibility for preparing the County's Annual Budget is required to deliver to the Trustee and the Authority within 10 days after its adoption, but not later than 10 days after the beginning of each Fiscal Year, a copy of the County's adopted Annual Budget that includes an approval of funds sufficient to pay, or be credited to the Basic Payments and estimated Additional Payments coming due for the relevant Fiscal Year. If any adopted annual budget does not include an appropriation of funds sufficient to pay both scheduled Basic Payments and estimated Additional Payments coming due for the relevant Fiscal Year, the County Administrator will request the County Board to take a roll call vote immediately after adoption of such annual budget acknowledging the impact of its failure to appropriate such funds. If, by 15 days after the beginning of the Fiscal Year, the County Board has not appropriated funds for the payment of both scheduled Basic Payments and estimated Additional Payments coming due for the then current Fiscal Year, the County Administrator or other officer charged with the responsibility for preparing the County's annual budget is required to give written notice to the County Board of the consequences of such failure to appropriate and to request the County Board to consider a supplemental appropriation for such purposes.

In the event of non-appropriation of funds by the County Board, neither the County nor the Authority may be held liable for the principal of and premium, if any, and interest payments on the Series 2024 Bonds following the last Fiscal Year in which funds to make payment under the Financing Agreement were appropriated by the County Board. In the event of non-appropriation, moneys already on deposit in the Bond Fund will be used for the payment of principal of and premium, if any, and interest payments on all Bonds then Outstanding, but such moneys may not be sufficient to pay the Series 2024 Bonds in full.

Upon an Event of Default under the Trust Agreement, the Trustee has no right to accelerate the payment of the Series 2024 Bonds by declaring the entire principal of and interest on the Series 2024 Bonds to be due and payable. Similarly, upon an Event of Default under the Financing Agreement, the Authority has no right to accelerate the payment of Basic Payments by declaring the Basic Payments to be due and payable.

(3) Political Risk. The current members of the County Board have evidenced in the adopted Bond Resolution a present intent to make future appropriations of such funds as may be necessary to make payments due under the Financing Agreement as and when such payments become due. There can be no guarantee, however, that the County Board will retain its current constituency in the future, and there can be no guarantee that future members of the County Board will continue the current County Board's policy with respect to the Series 2024 Bonds.

(4) Limitation on Enforceability of Remedies. The realization of any rights upon a default will depend upon the exercise of various remedies specified in the Trust Agreement and the Financing Agreement. Any attempt by the Trustee to enforce such remedies may require judicial action, which is often subject to discretion and delay. Under current law, certain of the legal and equitable remedies specified in the Trust Agreement and the Financing Agreement may not be readily available or may not be enforced to the extent such remedy may contravene public policy.

(5) Project Cost Overruns. As a result of any change orders with respect to design and material costs of the Series 2024 Project, the total expenditures actually incurred by the County may exceed the amount of available Series 2024 Bond proceeds. Any such additional costs of acquiring, constructing and equipping the Series 2024 Project are not expected to materially impact the County's ability to complete the Series 2024 Project.

RATINGS

Fitch Ratings ("Fitch"), One State Street Plaza, New York, New York 10004, has assigned a rating of "___" to the Series 2024 Bonds; Moody's Investors Service ("Moody's"), 7 World Trade Center, 250 Greenwich Street, New York, New York, has assigned a rating of "___" to the Series 2024 Bonds; and S&P Global Ratings ("S&P"), 55 Water Street, New York, New York, has assigned a rating of "___" to the Series 2024 Bonds.

The Authority and the County furnished to such rating agencies the information contained in this Official Statement and certain publicly available materials and information about the Authority and the County. Generally, rating agencies base their ratings on such materials and information, as well as their own investigations, studies and assumptions. There is no assurance that a rating will continue for any given period of time or that such rating will not be revised, suspended or withdrawn if, in the judgment of the applicable rating agency, circumstances so warrant. A revision, suspension or withdrawal of a rating may have an adverse effect on the market price of the Series 2024 Bonds.

Due to the ongoing uncertainty regarding the economy of the United States of America and the political uncertainty regarding the debt limit of the United States, obligations issued by state and local governments, such as the Series 2024 Bonds, could be subject to a rating downgrade. Additionally, if a significant default or other financial crisis should occur in the affairs of the United States or of any of its agencies or political subdivisions, then such event could also adversely affect the market for and ratings, liquidity and market value of outstanding debt obligations issued by state and local governments, including the Series 2024 Bonds.

BONDS ELIGIBLE FOR INVESTMENT AND SECURITY FOR PUBLIC DEPOSITS

The Act provides that bonds issued pursuant thereto shall be legal and authorized investments for banks, savings banks, trust companies, building and loan associations, insurance companies, fiduciaries, trustees and guardians and for all public funds of the Commonwealth or other political corporations or subdivisions of the Commonwealth. No representation is made as to the eligibility of the Series 2024 Bonds for investment or any other purchase under any law of any other state. The Act also provides that bonds, such as the Series 2024 Bonds, issued pursuant thereto may properly and legally be deposited with and received by any state or municipal officer or any agency or political subdivision of the Commonwealth for any purpose for which the deposit of bonds or obligations of the Commonwealth is now or may hereafter be authorized by law.

LITIGATION

To the best information, knowledge and belief of the Authority and the County, there is no litigation of any kind now pending or threatened to restrain or enjoin the issuance or delivery of the Series 2024 Bonds, in any manner questioning the proceedings and authority under which the Series 2024 Bonds are being issued, or affecting the power and authority of the Authority, the County or the County Board to execute or perform their obligations under the Financing Agreement or the Trust Agreement or to make payments due under the Financing Agreement. In addition, to the best information, knowledge and belief of the County, there is no litigation presently pending or threatened against the County that, in the event of an unfavorable decision, would have a material adverse effect upon the financial condition of the County.

LEGAL MATTERS

Certain legal matters relating to the authorization and validity of the Series 2024 Bonds will be subject to the approving opinion of Hunton Andrews Kurth LLP, Richmond, Virginia, Bond Counsel, which will be furnished at the expense of the County upon delivery of the Series 2024 Bonds, in substantially the form set forth as Appendix E (the "Bond Opinion"). The Bond Opinion will be limited to matters relating to the authorization and validity of the Series 2024 Bonds and to the tax-exempt status of interest thereon as described in the section "TAX EXEMPTION." The Bond Opinion will make no statement as to the financial resources of the County or the Authority or their ability to provide for payment of the Series 2024 Bonds or as to the accuracy or completeness of this Official Statement or any other information that may have been relied on by anyone in making the decision to purchase Bonds.

Certain legal matters will be passed upon for the Authority and the County by the County Attorney.

TAX EXEMPTION

Opinion of Bond Counsel. In the opinion of Bond Counsel, under current law, interest[, including any accrued original issue discount ("OID"),] on the Series 2024 Bonds (a) is not included in gross income for federal income tax purposes, (b) is not an item of tax preference for purposes of the federal alternative minimum tax, (c) is taken into account in determining adjusted financial statement income for applicable corporations (as defined in Section 59(k) of the Internal Revenue Code of 1986, as amended, and applicable regulations thereunder (the "Code"))

for the alternative minimum tax imposed on such corporations, and (d) is exempt from income taxation by the Commonwealth. [Except as discussed below regarding OID,] no other opinion is expressed by Bond Counsel regarding the tax consequences of the ownership of or the receipt or accrual of interest on the Series 2024 Bonds.

Bond Counsel's opinion is given in reliance upon certifications by representatives of the Authority and the County as to certain facts relevant to both the opinion and requirements of the Code, and is subject to the condition that there is compliance subsequent to the issuance of the Series 2024 Bonds with all requirements of the Code that must be satisfied in order for interest thereon to remain excludable from gross income for federal income tax purposes. The Authority and the County have covenanted to comply with the current provisions of the Code regarding, among other matters, the use, expenditure and investment of the proceeds of the Series 2024 Bonds and the timely payment to the United States of any arbitrage rebate amounts with respect to the Series 2024 Bonds. Failure by the Authority or the County to comply with such covenants, among other things, could cause interest[, including any accrued OID,] on the Series 2024 Bonds to be included in gross income for federal income tax purposes retroactively to their date of issue. The Authority and the County may in their discretion, but have not covenanted to, take any and all such actions as may be required by future changes in the Code and applicable regulations in order that interest on the Series 2024 Bonds remain excludable from gross income for federal income tax purposes.

Bond Counsel's opinion represents its legal judgment based in part upon the representations and covenants referenced therein and its review of current law, but is neither a guarantee of a result nor binding on the IRS or the courts. Bond Counsel assumes no duty to update or supplement its opinion to reflect any facts or circumstances that may come to Bond Counsel's attention after the date of its opinion or to reflect any changes in law or the interpretation thereof that may occur or become effective after such date.

Customary practice in the giving of legal opinions includes not detailing in the opinion all of the assumptions, conditions, limitations and exclusions that are part of the conclusions therein. See *"Statement on the Role of Customary Practice in the Preparation and Understanding of Third-Party Legal Opinions,"* 63 Bus. Law. 1277 (2008), and *"Legal Opinion Principles,"* 53 Bus. Law. 831 (May 1998), updated by *"Statement of Opinion Practices,"* 74 Bus. Law. 801, 807 (2019). Purchasers of the Series 2024 Bonds should seek the advice of counsel concerning such matters as they deem prudent in connection with their purchase of Series 2024 Bonds.

Alternative Minimum Tax

Individuals – Bond Counsel's opinion states that under current law interest on the Series 2024 Bonds is not an item of preference and is not subject to the alternative minimum tax on individuals.

Applicable Corporations – Bond Counsel's opinion also states that under current law interest on the Series 2024 Bonds is taken into account in determining adjusted financial statement income for applicable corporations (as defined in Section 59(k) of the Code) for the alternative minimum tax imposed on such corporations. Under current law, an "applicable corporation" generally is a corporation with average annual adjusted financial statement income for a three-taxable-year period ending after December 31, 2021, that exceeds \$1 billion.

[Original Issue Discount. The initial public offering prices of each maturity of the Series 2024 Bonds maturing in the years [____ and ____] (the "OID Bonds") will be less than their stated principal amount. In the opinion of Bond Counsel, under current law, the difference between the stated principal amount and the initial offering price of each maturity of the OID Bonds to the public (excluding bond houses and brokers) at which a substantial amount of such maturity of such Series 2024 Bonds is sold will constitute OID. The offering prices set forth on the inside cover of this Official Statement for the OID Bonds are expected to be the initial offering prices to the public at which a substantial amount of each maturity of such Series 2024 Bonds will be sold.

Under the Code, for purposes of determining the holder's adjusted basis in an OID Bond, OID treated as having accrued while the holder holds such Series 2024 Bond will be added to the holder's basis. OID will accrue on a constant yield-to-maturity method. The adjusted basis will be used to determine taxable gain or loss upon the sale or other disposition (including redemption or payment at maturity) of an OID Bond.

Prospective purchasers of the OID Bonds should consult their own tax advisors with respect to the calculation of accrued OID and the state and local tax consequences of owning or disposing of such Series 2024 Bonds.]

[Original Issue Premium.] Series 2024 Bonds purchased, whether upon issuance or otherwise, for an amount (excluding any amount attributable to accrued interest) in excess of their principal amount will be treated for federal income tax purposes as having amortizable bond premium. A holder's basis in such a Series 2024 Bond must be reduced by the amount of premium that accrues while such Series 2024 Bond is held by the holder. No deduction for such amount will be allowed, but it generally will offset interest on the Series 2024 Bonds while so held. Purchasers of such Series 2024 Bonds should consult their own tax advisors as to the calculation, accrual and treatment of amortizable bond premium and the state and local tax consequences of holding such Series 2024 Bonds.]

Other Tax Matters. In addition to the matters addressed above, prospective purchasers of the Series 2024 Bonds should be aware that the ownership of tax-exempt obligations may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, financial institutions, property and casualty insurance companies, S corporations, foreign corporations subject to the branch profits tax, recipients of Social Security or Railroad Retirement benefits and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations. Prospective purchasers of the Series 2024 Bonds should consult their tax advisors as to the applicability and impact of such consequences.

The IRS has a program to audit state and local government obligations to determine whether the interest thereon is includable in gross income for federal income tax purposes. If the IRS does audit the Series 2024 Bonds, under current IRS procedures, the IRS will treat the Authority as the taxpayer, and the owners of the Series 2024 Bonds will have only limited rights, if any, to participate.

Prospective purchasers of the Series 2024 Bonds should consult their own tax advisors as to the status of interest on the Series 2024 Bonds under the tax laws of any state other than the Commonwealth.

There are many events that could affect the value, liquidity and/or marketability of the Series 2024 Bonds after their issuance, including but not limited to public knowledge of an audit of the Series 2024 Bonds by the IRS, a general change in interest rates for comparable securities, a change in federal or state income tax rates, legislative or regulatory proposals affecting state and local government securities and changes in judicial interpretation of current law. In addition, certain tax considerations relevant to owners of Series 2024 Bonds who purchase Series 2024 Bonds after their issuance may be different from those relevant to purchasers upon issuance. Neither the opinion of Bond Counsel nor this Official Statement purports to address the likelihood or effect of any such potential events or such other tax considerations, and purchasers of the Series 2024 Bonds should seek advice concerning such matters as they deem prudent in connection with their purchase of Series 2024 Bonds.

FINANCIAL ADVISOR

Davenport & Company LLC, Richmond, Virginia, serves as financial advisor to the County and has no underwriting responsibility to the Authority or the County with respect to this transaction. As financial advisor, Davenport & Company LLC has advised the County in matters relating to the planning, structuring and issuance of the Series 2024 Bonds, assisted the County with the preparation of this Official Statement and provided to the County other advice with respect to the issuance and sale of the Series 2024 Bonds. The financial advisor's fee will be paid from [proceeds of the Series 2024 Bonds] [Confirm]. Although the Financial Advisor has assisted in the preparation of the Official Statement, the Financial Advisor is not obligated to undertake, and has not undertaken to make, an independent verification or assume responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement.

SALE AT COMPETITIVE BIDDING

The Series 2024 Bonds will be offered for sale at competitive bidding at ____ a.m., Eastern Time, on ____, 2024, unless changed pursuant to the terms of the Official Notice of Sale. A copy of the Official Notice of Sale is attached to this Preliminary Official Statement as Appendix H.

After the Series 2024 Bonds have been awarded to the winning bidder, the Authority will issue an Official Statement in final form. The Authority will deem the Official Statement final as of its date, and the Official Statement in final form will include, among other things, the identity of the winning bidder, the final principal amount as adjusted, the expected selling compensation to the winning bidder and other information on the interest rates and offering prices or yields, all as provided by the winning bidder.

CONTINUING DISCLOSURE

To permit compliance by the underwriter with the continuing disclosure requirements of the Rule, the County will execute a Continuing Disclosure Agreement (the "CDA") at closing agreeing to provide certain annual financial information and certain event notices required by the Rule. Such information will be filed through the Electronic Municipal Market Access System maintained by the Municipal Securities Rulemaking Board and may be accessed through the Internet at emma.msrb.org. As described in Appendix F, the CDA requires the County to provide only limited information at specific times, and the information provided may not be all the information necessary to value the Series 2024 Bonds at any particular time. The County may from time to time disclose certain information and data in addition to that required by the CDA. If the County chooses to provide any additional information, the County will have no obligation to continue to update such information or to include it in any future disclosure filing. Failure by the County to comply with the CDA is not an event of default under the Series 2024 Bonds or the Bond Resolution. The sole remedy for a default under the CDA is to bring an action for specific performance of the County's covenants hereunder, and no assurance can be provided as to the outcome of any such proceeding.

[Other than as disclosed in the following sentence, the County has not failed within the last five years to comply in all material respects with its previous continuing disclosure undertakings under the Rule. Due to technical oversight in linking otherwise available information to the CUSIP numbers for the Series 2016 Bonds, the County did not file in a timely manner its financial information and operating data for the fiscal years ended June 30, 2016, and June 30, 2017, for such bonds. Such financial information and operating data has now been filed for the Series 2016 Bonds at emma.msrb.org, along with a notice of the failure to file such information in a timely manner.] [Update]

MISCELLANEOUS

Any statements in this Official Statement involving matters of opinion or estimates, whether or not expressly so stated, are intended as such and not representations of fact. No representation is made that any of the estimates will be realized. Neither this Official Statement nor any statement that may have been made verbally or in writing is to be construed as a contract with the holders of the Series 2024 Bonds.

The attached Appendices are an integral part of this Official Statement and must be read together with the balance of this Official Statement.

The distribution of this Preliminary Official Statement has been duly authorized by the Authority and duly approved by the County. The Authority and the County have deemed this Preliminary Official Statement final as of its date within the meaning of the Rule, except for the omission of certain pricing and other information permitted to be omitted by the Rule.

ECONOMIC DEVELOPMENT AUTHORITY OF JAMES CITY COUNTY, VIRGINIA

By _____
Chairman

Approved:

JAMES CITY COUNTY, VIRGINIA

By _____
County Administrator

APPENDIX A
DEFINITIONS OF CERTAIN TERMS

APPENDIX B

SUMMARY OF THE FINANCING DOCUMENTS

APPENDIX C

JAMES CITY COUNTY, VIRGINIA

[The inclusion of this information does not imply that James City County, Virginia, is legally obligated to make payments on any Bonds outstanding under the Trust Agreement, including the Series 2024 Bonds.]

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INTRODUCTION

James City County, Virginia (the “County”), is the site of Jamestown, which in 1607 became the first permanent English settlement in the New World. The United States Congress called Jamestown the birthplace of Virginia and American government.

The County is conveniently located between the major metropolitan areas of Richmond and Norfolk. Adjacent to the County is the City of Williamsburg, Virginia (the “City”), home to historic Colonial Williamsburg and the College of William and Mary. As of July 1, 2023, the County is home to approximately 80,678 residents and encompasses 147 square miles, the largest land area on the Virginia peninsula. Services provided by the County include a transit system, law enforcement, fire protection, parks and a recreation center, public-private health center, and social services that promote self-sufficiency.

Government Services and Facilities

The County provides a comprehensive range of local government services characteristic of its form of government under Virginia law. Although legally separate and independent, the City and the County are closely linked. The City is the County seat and the two jurisdictions share an elected Treasurer, Clerk of the Circuit Court, Commonwealth’s Attorney and Sheriff. The County and the City share a public school system and courts. The County is also a partner in many regional entities such as the jail, library system, transit authority, public health department and behavioral health system. Cooperative agreements exist for fire, emergency medical, social services and recreation.

Form and Organization of Government

The County is governed by a five-member Board of Supervisors (the “Board”). Each member is elected by the voters in his or her district for a term of four years. Terms are staggered with representatives from two districts being elected one year and the other three representatives being elected two years later. At its annual organizational meeting, the Board elects a chairman and vice chairman from among the five supervisors. The Board passes all local ordinances and determines all local policies that govern the County. It appoints a County Administrator as well as most boards and commissions. It also appropriates funds for County operations and generally oversees all County functions.

The County Administrator is the chief administrative officer of the County and is responsible to the Board for executing policies established by the Board. The County Administrator acts as Clerk to the Board and handles the daily administrative operations of the County as well as its strategic planning.

In addition to the elected members of the Board, five constitutional officers are elected. These officers are the Commissioner of the Revenue, the Treasurer, the Clerk of the Circuit Court, the Commonwealth’s Attorney and the Sheriff. The Treasurer, the Clerk of Circuit Court, the Commonwealth’s Attorney and the Sheriff are elected jointly by the voters of the County and the City. The County and the City courts are part of the 9th Judicial District. The three judges serving the area represent Juvenile, District and Circuit Courts and are appointed by the General Assembly of Virginia. The Circuit Court Judge appoints the members of the County’s Board of Zoning Appeals and members of the County’s Electoral Board which, in turn, appoints the General Registrar.

The County’s schools are operated by the Williamsburg-James City County School Board, which consists of two at-large members appointed by the City and five members elected by the voters of the County. Each of the County members are elected by the voters in his or her district for a term of four years, and the terms are staggered with representatives from two districts being elected one year and the other three representatives being elected two years later. [Update as necessary if vote to split]

Economic Development

The Office of Economic Development's mission is to foster development and expansion of a diversified and sustainable base of primary business and industry that will better balance the tax base, increase job opportunities and contribute positively to both the quality and standard of living in the County. The department focuses on the retention and expansion of the County's existing primary businesses and industries as well as the diversification of the local economy through the recruitment of new businesses and industries.

The Economic Development Authority of James City County, Virginia (the "Economic Development Authority") assists and supports James City County and the Office of Economic Development in fostering its goals and objectives and performs required statutory roles. The Economic Development Authority works in collaboration with a variety of organizations to strengthen the economic base in the County through efforts supporting regional business attraction and entrepreneurship. The Economic Development Authority owns property in the James River Commerce Center (a 219-acre industrial park) and Stonehouse Commerce Park, and leases space to a business at the James City County Marina.

ECONOMIC AND DEMOGRAPHIC FACTORS

Population

According to estimates by the County, the County's 2023 population was approximately 80,678. The following table presents the population figures for selected years.

POPULATION AND RATES OF CHANGE JAMES CITY COUNTY, THE COMMONWEALTH OF VIRGINIA AND THE UNITED STATES SELECTED YEARS

Year	County	Commonwealth of Virginia	United States
2000	48,102	7,079,030	281,421,906
2010	67,009	8,001,024	308,745,538
2015	72,099	8,394,902	321,418,821
2016	73,189	8,449,049	323,127,515
2017	74,309	8,506,433	325,719,178
2018	75,444	8,549,345	327,167,439
2019	76,633	8,598,513	328,239,523
2020	78,254	8,644,727	331,449,281
2021	78,567	8,655,608	331,893,745
2022	79,488	8,696,955	333,287,562
2023	80,678	8,729,032	334,914,896

Sources: 2015 -2019 and 2021 – 2023 population figures for James City County and the Commonwealth of Virginia are from Weldon Cooper Center for Public Service; all other years are from the U.S. Department of Commerce, Bureau of the Census.

Income

Presented below are comparative tables on per capita income and median household income for selected years.

PER CAPITA INCOME

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022 ⁽²⁾
James City County ⁽¹⁾	\$55,418	\$56,377	\$59,126	\$60,952	\$62,192	\$61,913	\$63,928	\$67,364	\$73,332	\$75,891
Commonwealth of Virginia	48,198	49,764	51,620	52,659	54,380	56,133	58,368	61,474	66,838	68,985
United States	44,401	46,287	48,060	48,971	51,004	53,309	55,547	59,153	64,430	65,470

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

⁽¹⁾ Numbers are for the County and the City of Williamsburg combined.

⁽²⁾ Latest information available.

MEDIAN HOUSEHOLD INCOME

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022 ⁽²⁾
James City County ⁽¹⁾	\$75,806	\$76,705	\$75,710	\$80,226	\$80,772	\$83,048	\$87,678	\$91,675	\$94,907	\$100,711
Commonwealth of Virginia	62,745	64,792	65,015	66,149	68,766	71,564	74,222	76,398	80,615	87,249
United States	52,250	53,482	53,889	55,322	57,652	60,293	62,843	64,994	69,021	75,149

Source: James City County Annual Comprehensive Financial Report, U.S. Census Bureau.

⁽¹⁾ Numbers are for the County alone; they do not include the City of Williamsburg.

⁽²⁾ Latest information available.

Housing and Construction Activity

As of December 31, 2023, the total number of dwelling units in the County was estimated to be [____], an increase of approximately [____]% from December 31, 2014.

TOTAL DWELLING UNITS

Calendar Year	Total Unit Count
2014	30,943
2015	31,392
2016	31,835
2017	32,357
2018	32,838
2019	33,284
2020	33,699
2021	33,771
2022	34,104
2023	[]

Source: U.S. Census Bureau.

Selected data is presented below to illustrate the level of new construction that has occurred in the County.

TOTAL NUMBER OF BUILDING PERMITS ISSUED AND VALUE

Fiscal Year	Commercial/Industrial		Residential		Total	
	Number of Permits	Value	Number of Permits	Value	Number of Permits	Value
2014	166	\$33,169,762	741	\$123,841,836	907	\$157,011,598
2015	147	16,449,776	822	126,526,342	969	142,976,118
2016	227	35,201,616	759	113,133,643	986	148,335,259
2017	196	78,253,358	868	127,815,408	1,064	206,068,766
2018	178	31,474,968	881	115,365,412	1,059	146,840,380
2019*	311	71,776,009	1,022	105,656,969	1,333	177,432,978
2020**	178	24,653,454	946	93,085,004	1,124	117,738,458
2021	104	13,110,342	1,045	110,462,392	1,149	123,572,734
2022	[]	_____	_____	_____	_____	_____
2023***	_____	_____	_____	_____	_____	_____

Source: James City County Building and Safety Permits Division

* A new permit system was put in place in fiscal year 2019 that captured additional data on permits and reviews not captured in the prior system. As a result, the number of permits and values show an increase related to this new system.

** The number of permits and related values in fiscal year 2020 reflect the economic impacts of COVID-19.

*** Data available for fiscal year 2023 through [_____].

Employment

The following table presents the employment and average weekly wages in the County for the first quarter of 2024.

AVERAGE EMPLOYMENT AND AVERAGE WEEKLY WAGE First Quarter 2024

Industry Group	Average Employment For Quarter ⁽¹⁾	Percent of Total	Weekly Wage Per Employee
Private			
Health Care and Social Assistance	4,483	19.4%	\$1,133
Retail Trade	3,561	15.4	607
Accommodation and Food Services	2,931	12.7	549
Arts, Entertainment, and Recreation	2,245	9.7	439
Manufacturing	1,782	7.7	1,707
Professional, Scientific, and Technical Service	1,710	7.4	1,433
Construction	1,576	6.8	1,374
Administrative and Support and Waste Management	1,237	5.4	926
Other Services (except Public Administration)	907	3.9	827
Wholesale Trade	740	3.2	1,335
Real Estate and Rental and Leasing	730	3.2	1,109
Finance and Insurance	552	2.4	2,332
Management of Companies and Enterprises	218	0.9	3,104
Educational Services	206	0.9	586
Information	139	0.6	1,340
Unclassified	70	0.2	1,165
Agriculture, Forestry, Fishing and Hunting	42	0.2	463
Total Private	23,095	100.0%	
Public			
Local Government	3,544	77.0%	\$ 981
State Government	978	21.2	1,178
Federal Government	81	1.8	1,228
Total Public	4,603	100.00%	
Total	27,698		

Source: Virginia Employment Commission.

⁽¹⁾ Data excludes self-employed persons and non-disclosed data for the following industries: Mining, Quarrying and Oil and Gas Extraction; Transportation and Warehousing; and Utilities.

The average annual unemployment rates for the County, the Commonwealth and the United States for recent years are set forth in the following table.

AVERAGE ANNUAL UNEMPLOYMENT RATES Calendar Year

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
James City County	4.8%	4.3%	3.8%	3.5%	2.9%	2.6%	7.1%	3.9%	2.8%	2.8%
Commonwealth of Virginia	5.1	4.4	4.0	3.7	3.0	2.8	6.4	3.9	2.8	2.9
United States	6.2	5.3	4.9	4.4	3.9	3.7	8.1	5.3	3.6	3.6

Source: Bureau of Labor Statistics.

A variety of industrial and commercial service employers are located within the County. The table below presents data regarding the major employers in the County, including the products and services they provide and the approximate number of employees.

MAJOR PRINCIPAL EMPLOYERS
Fiscal Year Ended June 30, 2023

Firm	Type of Business	Approximate Number of Employees
Williamsburg-James City County Public Schools	Educational Institution	1,000+
James City County	Local Government	1,000+
Busch Entertainment	Theme Parks	500-999
Eastern State Hospital	Hospital	500-999
Wal-Mart Distribution Center	Distribution	500-999
Riverside Regional Medical Center	Healthcare	500-999
Anheuser-Busch Inbev	Manufacturing	500-999
Williamsburg Landing	Retirement Community/Assisted Living Facility	250-499
Owens & Minor/AVID Medical	Healthcare Logistics	250-499
Ball Metal	Manufacturing	100-249

Source: James City County Annual Comprehensive Financial Report.

The table presented below is a summary of County taxable sales for the last ten years.

TAXABLE SALES

Fiscal Year	Taxable Sales
2014	\$ 944,881,285
2015	968,747,933
2016	1,012,137,939
2017	984,305,831
2018	971,269,532
2019	965,106,640
2020	955,039,338
2021	877,233,336
2022	1,060,780,715
2023	1,127,882,325

Source: James City County Annual Comprehensive Financial Report.

Tourism [UPDATE]

The tourism industry makes a substantial contribution to the County's and Virginia's economy. According to the Virginia Tourism Corporation, in 2019, Greater Williamsburg area visitors contributed approximately \$457 million to the James City County economy and almost \$1.3 billion to the economy of the Greater Williamsburg area. The current hotel room inventory in the Greater Williamsburg area is approximately 8,000 with an inventory of 2,300 in the County. In addition, there are multiple timeshare properties representing nearly 5,000 additional rooms in the region, with an inventory of approximately 2,000 in the County.

HOTEL ROOMS TAX RECEIPTS
Fiscal Year 2014 to Fiscal Year 2023

Fiscal Year	Total Hotel Room Tax Receipts
2014	\$3,149,512
2015	3,350,328
2016	3,472,440
2017	3,628,872
2018	3,748,977
2019	3,715,256
2020	2,761,831*
2021	[]
2022	[]
2023	[]

Source: James City County Department of Financial Management Services.

* Reduction in fiscal year 2020 receipts relates to the impact of COVID-19 on the local economy and travel.

Health Care

Located in upper York County is Sentara Williamsburg Regional Medical Center, a comprehensive medical center with an Emergency Department, all private patient rooms, and an array of inpatient and outpatient services. The hospital has a cardiac catheterization lab and advanced imaging services that feature a 32-slice Computed Tomography (CT) scanner. This five-story, approximately 339,000 square foot facility adjoins the existing Geddy Outpatient Center via an enclosed connector on the first and second floors.

Riverside Doctors Hospital opened in the City of Williamsburg in May of 2013. This two story, 100,000 square foot facility includes an emergency department and is certified as a primary stroke center.

The largest non-military medical provider on the peninsula is Riverside Regional Medical Center in the City of Newport News, Virginia. This 576-bed facility offers comprehensive medical care in 29 specialties, Level II trauma care, complete cardiac care, complete cancer treatment, laser surgeries, hospice, neonatal ICU, home care and health education programs.

Other hospitals located in the area are Sentara Hampton General Hospital, Mary Immaculate Hospital, Newport News General Hospital, Riverside Rehabilitation Institute, Veteran's Administration Medical Center, McDonald Army Hospital, Langley Air Force Base Hospital, Riverside Psychiatric Institute and Eastern State Hospital. For specialized needs, such as acute care for children, serious trauma or burns, peninsula area citizens can go to Norfolk to the Children's Hospital of the King's Daughters, devoted exclusively to children, and Sentara Norfolk General Hospital, which features a Level I trauma center and Nightingale helicopter service. Virginia Commonwealth University Health System in Richmond is located just an hour's drive northwest.

Education [TO BE UPDATED – DEPENDING ON VOTE TO SPLIT]

The Williamsburg-James City County Public Schools Division (the "Public Schools") was formed in 1954 as a joint venture of the City and County to provide quality public education to the children within the two localities. Local financing for its operating and capital budgets is governed by a contract between the two localities.

The Public Schools are managed by a School Board consisting of seven members. There are five County members who are elected by County voters for four-year terms. There are two City members of the School Board who are appointed for three-year terms by the City Council.

The School Board has the power and responsibility to set policy and ensure that the Public Schools follow state and federal guidelines. The School Board appoints the superintendent; establishes goals and adopts policies that

become the basis for instructional programs in accordance with state regulations and local needs; sets student policies; manages school facilities and identifies additional facility requirements; and maintains public relations.

There are nine elementary schools, four middle schools and three high schools for the 2024-2025 school year. Summarized in the following tables are selected items of information concerning the total annual school membership (enrollment) and the percentage change.

PUBLIC SCHOOLS STUDENT POPULATION

School Year	Number of Students	Percent Change
2014-2015	11,389	0.9%
2015-2016	11,597	1.8
2016-2017	11,775	1.5
2017-2018	11,853	0.7
2018-2019	11,813	(0.3)
2019-2020	11,805	(0.1)
2020-2021	11,152	(5.9)*
2021-2022	11,322	1.5
2022-2023	11,642	2.7
2023-2024	11,694	0.4

Source: Williamsburg – James City County Public Schools.

* The decrease in enrollment for the 2020-2021 school year relates to the COVID-19 pandemic and resulting virtual learning environment.

Colleges and Universities

There are several colleges and universities within a short distance of the County.

The College of William and Mary, located in the City, was founded over three hundred years ago. Fall 2023 enrollment was approximately 9,762 undergraduate and graduate students.

Hampton University, located approximately 40 miles from the County in the City of Hampton, was founded in 1868 and had a Fall 2023 enrollment of approximately 3,649 undergraduate, graduate and professional students.

Christopher Newport University, located approximately 30 miles from the County in Newport News, and had a Fall 2023 enrollment of approximately 4,399 students.

Virginia Peninsula Community College (“VPCC”) is a two-year public college with a campus in Hampton and a campus in the County (the “James City Campus”). The James City Campus is a state-of-the-art academic, administrative, physical plant and student and faculty support facility in a three-story, 120,000 square-foot building located on 74 acres next to the Warhill High School in the County. VPCC has an enrollment of approximately 9,012 students across two campuses. Students can transfer class credits earned at VPCC to most four year universities with no loss of credits.

Public Safety

Police Department. The Police Department is responsible for enforcing the law, preserving the peace, crime prevention services and animal control. The department has [107] sworn officers and annually responds to over [20,000] calls for service. The department is accredited by the Virginia Law Enforcement Professional Standards Commission, which rates agencies on over seven hundred different standards and criteria.

Fire Department. The Fire Department is responsible for providing protective action services to the citizens and visitors of James City County. Those protective services include fire protection, emergency medical services, open water and dive rescue, fire prevention, fire code enforcement, and public education. The Fire Department is also

responsible for the Emergency Communications system that includes the 911 dispatch center, 800 MHz radio system. The third component of the Fire Department is Emergency Management, which is responsible for the planning, response, and mitigation of emergency situations including natural disasters, hazardous material incidents, any instances at the Surry Nuclear Power Plant, and for overseeing the citizen emergency notification systems. The Fire Department has a staff of [158] including [123] uniformed and [35] civilians.

Transportation

Interstate 64 links the County with the Tidewater communities to the east and with Interstate 95 and the entire interstate corridor of the eastern seaboard to the west. The commercial and industrial areas in the County are within minutes of Interstate I-64 and within 45 minutes of Interstates I-95 and I-295.

Three international airports, all within 45 minutes of the County, provide air transportation and cargo facilities: Richmond International Airport to the west and Williamsburg/Newport News International and Norfolk International airports to the east. These airports handle international and domestic passenger flights and all-cargo flights daily. Williamsburg-Jamestown airport serves as a regional general aviation airport for turbo-prop and corporate aircraft.

The CSX rail line that passes through the County provides rail service to the County. Along with Interstate I-64, the rail line provides access to the Hampton Roads ports some 40 minutes to the east. Hampton Roads is the second largest commercial port area on the East Coast.

The Williamsburg Area Transit Authority (“WATA”) is a political subdivision of the Commonwealth of Virginia created in 2008. Members include James City County, York County, the City of Williamsburg, and the Colonial Williamsburg Foundation. WATA was created to provide transportation services to the citizens and visitors of its member jurisdictions and areas owned or operated by Colonial Williamsburg. Services include bus and trolley routes throughout its member jurisdictions.

Water and Wastewater Services

The James City Service Authority (the “JCSA”) is a public body politic and corporate of the Commonwealth of Virginia. The JCSA was created in 1969 by the Board of Supervisors pursuant to the Virginia Water and Sewer Authorities Act (Code of Virginia, 1950, as amended). The JCSA was created to acquire, construct, operate and maintain, to the extent determined by the JCSA to be financially feasible, an integrated water system and an integrated sewer collection system in the County. The JCSA Board of Directors is appointed by the Board of Supervisors. Since 1976, the Board of Supervisors has appointed its own members as Directors of the JCSA to coordinate more fully JCSA activities with those of the County in the planning and development of utility systems. The JCSA’s General Manager serves as the Chief Executive Officer of JCSA and reports to the Board of Directors.

The Board of Supervisors has authorized water and sewer operations for the JCSA within the Primary Service Area (the “PSA”) in the County. With the approval of the County, the JCSA has extended services beyond the PSA to several public sites in the County, including three public schools, Freedom Park and two major planned communities, Greensprings West and Governor’s Land. The JCSA also provides water and/or sewer service to limited sections of York County and the City of Williamsburg with the concurrence of the appropriate governing bodies.

The JCSA’s water system includes the central water system and Five Forks Water Treatment Facility with 10 water production facilities, and eight independent water production facilities that are located outside the PSA. There are approximately 421 miles of water transmission and distribution lines throughout the entire system. The water system facilities supply approximately 4.9 million gallons of water per day to approximately 24,000 water customers.

The JCSA’s sewer system includes 77 pump stations with approximately 454 miles of sewer collection lines and [10,136] manholes. The sewer system facilities collect and move approximately 5.3 million gallons of sewage per day for approximately 25,750 sewer customers. The JCSA has no sewage treatment facilities. Sewage treatment

for areas served by the JCSA, as well as for other Hampton Roads communities, is provided by the Hampton Roads Sanitation District.

Approximately [95]% of customers are residential and [5]% are commercial. Residential customers account for roughly [80]% of billed consumption revenue for both water and sewer service.

The JCSA's operating funds are self-supporting, and the JCSA receives no share of any County tax levies. The JCSA's Board of Directors has the sole power to set water and sewer utility rates. The Board of Directors adopted an inverted block or inclining rate structure in 1996 for single-family residential customers that incorporates a unit charge that increases with increasing consumption. The primary objective of the inverted block structure is to promote water conservation, particularly from large volume residential customers.

[In fiscal year 2016, the Board of Directors adopted a new rate structure that included a fixed charge for water and sewer service and proposed incremental service rate increases in subsequent fiscal years to ensure the long-term financial stability of the JCSA. The goals of this initiative are to reduce revenue variability and adequately provide for both current water and wastewater operating needs and future capital infrastructure repairs, upgrades and expansion required by asset age and regulations. Fixed charges and service rates increased in fiscal year 2021 in accordance with the plan.

As a result of a comprehensive water and sewer rate study in 2020, the number and volumes of the single-family residential tiers were updated in fiscal year 2021 to reflect current usage patterns more accurately while promoting water conservation. The current structure contains four tiers sized as follows: Tier 1 (up to 4,000 gallons monthly), Tier 2 (4,001-8,000 gallons monthly), Tier 3 (8,001-12,000 gallons monthly), and Tier 4 (greater than 12,000 gallons monthly). Sewer collection charges are based on water meter readings billed at a per thousand gallon rate.

Water and sewer facility fees were also updated in fiscal year 2021 as a result of the 2020 comprehensive rate study. Facility fees are charged to new development in the JCSA's service area to cover the cost of system expansion. System facility fees are assessed for major backbone infrastructure and local facility fees are assessed for smaller water distribution and sewer collection mains. The system facility fee structure is based on meter size and the local facility fee structure is a flat charge.

JCSA's multi-year meter replacement project was completed in fiscal year 2020, which allows meter readings to be collected from a vehicle mounted mobile data collector that significantly reduces meter reading time. This operational efficiency resulted in a shift from quarterly billing to monthly billing, the benefits of which include more efficient household budgeting, more frequent and timely information on usage, and the ability to detect leaks sooner.]

FINANCIAL INFORMATION

Budgetary Process

The Code of Virginia requires the County Administrator to submit, for informative and fiscal planning purposes, a balanced, proposed operating budget to the Board of Supervisors at least 90 days before the beginning of each fiscal year, which commences July 1. Inclusion of any item in the proposed budget does not constitute an obligation or commitment on the part of the Board of Supervisors to appropriate funds for such item or purpose.

The budget includes a two-year financial plan for operations and a five-year plan for capital projects. Public hearings are conducted to obtain citizen comments. Prior to June 30, only the first year of the financial plan 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; however, the County Administrator may amend the budget within functions. The School Board is authorized to transfer budgeted amounts within the Public Schools' categories. Supplemental appropriations may be made without amending the budget.

Each department is required to review its performance versus budget on a monthly basis. In addition, a formal review of actual revenues and expenses versus budget is performed and reported to the Board of Supervisors at least quarterly on a County-wide basis.

All County general fund appropriations lapse June 30.

Operating Budgets

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 2025 is the first year of the two-year cycle. On May 14, 2024, the Board of Supervisors adopted a total budget for the fiscal year ending June 30, 2025. [Add any budget background if needed to explain any significant increases/decreases year-over-year.]

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The following table shows for comparative purposes the County's General Fund budgeted revenues and expenditures for fiscal years 2023, 2024 and 2025.

**GENERAL FUND OPERATING BUDGET
REVENUES AND EXPENDITURES**

	Fiscal Year 2023 Actual	Fiscal Year 2024 Adopted	Fiscal Year 2025 Adopted
REVENUES:			
Property Taxes	\$160,843,816	\$159,615,000	\$176,282,000
Other Local Taxes	46,005,290	44,330,000	43,835,000
Licenses, Permits and Fees	2,227,922	1,851,000	2,010,000
Fines and Forfeitures	188,209	192,500	168,000
Use of Money and Property	798,462	700,000	700,000
State	15,844,523	15,928,600	16,106,000
Federal	9,164	8,500	9,000
Charges for Services	8,232,122	8,259,400	9,620,000
Miscellaneous	1,829,026	215,000	170,000
Total Revenues	\$235,978,534	\$231,100,000	\$248,900,000
EXPENDITURES:			
County Operations:			
General Administration	\$ 3,940,989	\$ 4,821,620	\$ 5,031,550
Court Services	4,878,703	5,412,070	5,841,270
Public Safety	31,788,890	35,437,020	38,977,280
Financial Administration	5,256,723	6,394,500	7,030,240
Information Resources Management	4,978,224	5,865,510	6,441,780
Community Development	3,411,507	3,892,080	4,405,450
General Services	14,712,078	16,156,090	18,487,640
Parks and Recreation	7,585,978	8,437,220	9,840,120
WJCC School Division	90,483,413	105,602,270	110,494,330
Other Operations	45,622,274	39,081,620	48,850,340
Total Expenditures	\$212,658,779	\$231,100,000	\$255,400,000

Source: James City County Department of Financial Management Services.

Five-Year Summary of Governmental Funds

The financial data shown in the following table present a summary of revenues, expenditures and other sources and uses of the County's Governmental Funds for each of the five fiscal years through the period ended June 30, 2023. The Governmental Funds consist of the General Fund, the Capital Projects Fund, the Debt Service Fund and the Non-Governmental Funds.

This summary has been compiled from the basic financial statements of the County for Fiscal Years 2019 through 2023. Financial data for the Fiscal Year ended June 30, 2023, should be read in conjunction with the Basic Financial Statements and Notes thereto, submitted by Cherry Bekaert LLP, Richmond, Virginia, and included herein as Appendix D. Cherry Bekaert LLP has not reviewed this Appendix or the Official Statement generally or any other matters related to the issuance of the Series 2024 Bonds.

[COLUMN FOR 2024 UNAUDITED TO BE ADDED]

GOVERNMENTAL FUNDS
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
Fiscal Year End June 30,

	2019	2020	2021	2022	2023	[2024]
REVENUES:						
General property taxes	\$134,744,837	\$138,724,196	\$144,766,114	\$146,502,246	\$160,843,816	
Other local taxes	29,324,049	25,981,646	29,370,617	38,372,537	46,904,944	
Licenses, permits, and fees	9,496,531	8,878,568	8,354,258	10,507,338	2,227,922	
Fines and forfeitures	292,518	231,608	154,314	205,478	188,209	
Use of money and property	795,865	966,252	349,292	444,493	3,877,227	
Charges for services	6,586,341	6,291,204	6,341,310	7,678,699	8,232,122	
Miscellaneous	2,779,596	1,493,215	3,929,305	4,753,731	3,432,978	
Intergovernmental	36,733,787	44,338,305	44,917,875	29,392,759	30,505,767	
Total Revenues	\$220,753,524	\$226,904,994	\$238,183,085	\$237,857,281	\$256,212,985	
EXPENDITURES:						
General government	\$11,651,426	\$12,905,240	\$15,239,378	\$15,448,266	\$16,957,522	
Judicial administration	5,908,750	5,954,875	6,276,544	6,450,992	6,932,333	
Public works	31,127,333	31,102,285	32,582,648	35,344,302	41,889,727	
Health and welfare	8,235,686	8,652,838	8,542,554	9,858,415	11,057,736	
Education	8,259,078	9,383,160	9,613,906	9,826,707	11,280,547	
Parks, recreation & culture	91,070,061	92,286,710	91,265,989	80,953,282	78,622,373	
Public safety	10,896,838	10,751,418	10,947,198	11,646,489	13,638,908	
Community development	10,451,529	9,682,050	10,318,221	12,209,744	14,621,063	
Nondepartmental	1,015,671	16,128	-	51,542	-	
Debt service:						
Principal	14,343,182	14,282,841	12,471,271	12,408,938	12,770,426	
Interest	5,848,486	5,447,279	4,655,693	4,441,433	3,927,359	
Bond issuance costs	380,771	-	273,391	-	-	
Lease financing	-	-	-	-	314,423	
Subscription financing	-	-	-	-	687,451	
Capital outlay ⁽¹⁾	26,793,328	11,824,193	13,411,798	15,893,291	12,605,501	
Total Expenditures	\$225,982,139	\$212,289,017	\$215,598,591	\$214,533,401	\$225,305,369	
Excess (deficiency) of revenues over (under) expenditures	(\$5,228,615)	\$14,615,977	\$22,584,494	\$23,323,880	\$30,907,616	
Other financing sources:						
Transfers in	\$46,365,441	\$36,233,275	\$26,987,246	\$51,568,906	\$45,595,301	
Transfers out	(46,365,441)	(36,233,275)	(26,987,246)	(51,568,906)	(52,403,952)	
Issuance of debt	21,015,000	-	11,030,000	-	-	
Premiums on bonds issued	2,007,009	-	2,450,765	-	-	
Proceeds from financed purchase	-	-	-	62,571	4,708,260	
Proceeds from leases	-	-	1,693,311	-	510,976	
Proceeds from subscriptions	-	-	-	-	2,239,151	
Payment to refunded bond escrow agent	(9,779,912)	-	(14,297,561)	-	-	
Total other financing sources	\$13,242,097	-	\$876,515	\$62,571	\$649,736	
Net change in fund balances	\$8,013,482	\$14,615,977	\$23,461,009	\$23,386,451	\$31,557,352	
Fund balance, beginning of year	\$83,939,323	\$91,952,805	\$106,568,782	\$130,029,791	\$153,416,242	
Fund balance, end of year	\$91,952,805	\$106,568,782	\$130,029,791	\$153,416,242	\$184,973,594	

[Debt service as a percentage of Noncapital expenditures⁽²⁾]

Source: James City County, Virginia, Annual Comprehensive Financial Report

⁽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 assets.

The following table shows the County’s fiscal year 2024 unaudited revenues by source.

GOVERNMENTAL FUNDS
[Fiscal Year 2024 Revenues by Source*]

	Amount	Percent of Total	Increase (Decrease) from 2023
General Property Taxes			
Other Local Taxes			
Permits, privilege fees reg. licenses			
Fines and Forfeitures			
Use of Money and Property			
Charges For Services			
Miscellaneous			
Intergovernmental			
Total Revenue			

Source: James City County Department of Financial Management Services.

* Preliminary, unaudited.

Fiscal Year 2024 Performance [TO COME]

Operating Data

The following table sets forth the assessed value of all taxable property in the County for each of its ten most recent fiscal years.

HISTORICAL ASSESSED VALUE Fiscal Year 2014 to Fiscal Year 2023

Year	Total Real Property	General Personal Property	Machinery and Tools	Mobile Homes	Total Personal Property	Public Service	Total Assessed Value
2014	\$11,067,756,400	\$ 710,720,870	\$144,950,305	\$ 8,346,659	\$864,017,834	\$233,973,337	\$12,165,747,571
2015	11,148,405,300	783,249,672	144,694,099	7,901,856	935,845,627	336,370,602	12,420,621,529
2016	11,352,153,219	770,378,346	145,094,277	7,533,858	923,006,481	236,177,856	12,511,337,556
2017	11,608,801,433	809,023,687	147,942,350	7,008,284	963,974,321	245,349,999	12,818,125,753
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
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
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
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
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
2023	13,991,898,842	1,175,910,328	163,770,203	11,304,406	1,350,984,937	510,430,407	15,853,314,186

Source: Real Estate Assessments and Commissioner of the Revenue, James City County.

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The following table shows the County's property tax rates for each of its ten most recent fiscal years and the current fiscal year.

PROPERTY TAX RATES ⁽¹⁾

Fiscal Year	Real Estate	Personal Property
2015	\$0.770	\$4.00
2016	0.840	4.00
2017	0.840	4.00
2018	0.840	4.00
2019	0.840	4.00
2020	0.840	4.00
2021	0.840	4.00
2022	0.840	4.00
2023	0.843	4.00
2024	0.830	4.00
2025	0.830	4.00

Source: Fiscal years 2015-2023: James City County, Virginia, Annual Comprehensive Financial Report, Year Ended June 30, 2023.
Fiscal years 2024 – 2025: James City County, Virginia, Budget.

⁽¹⁾ Per \$100 of assessed value.

The following table sets forth information concerning the County's general property tax collection rate for each of its ten most recent fiscal years.

GENERAL PROPERTY TAX COLLECTION RATE
Fiscal Year 2014 to Fiscal Year 2023

Fiscal Year	Collected within the Fiscal Year of the Levy			Collections in Subsequent Years⁽⁴⁾	Total Collections to Date	
	Taxes Levied for the Fiscal Year	Amounts⁽¹⁾	Percentage of Levy		Amount	Percentage of Levy
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	115,753,472	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	86.24	15,895,512	125,331,744	98.76
2018	129,502,759	111,268,080	85.92	17,510,094	128,778,174	99.44
2019	133,720,786	114,672,068	85.75	16,894,911	131,566,979	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	139,861,027	98.42
2022	143,792,467	122,219,660	85.00	19,533,920	141,753,580	98.58
2023	157,942,362	133,520,676	84.54		133,520,676	84.54

Source: Treasurer, James City County.

⁽¹⁾ Collections related to fiscal year levies include the Personal Property Tax Relief Act (the "PPTRA") reductions claimed by taxpayers.

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The following tables set forth the County's ten largest taxpayers of personal property taxes and real estate taxes. The aggregate assessed personal property taxes of the ten largest personal property taxpayers represent 17.71% of the County's total personal property tax levy for fiscal year 2023. The aggregate assessed real estate taxes of the ten largest real estate taxpayers represent 8.96% of the County's total real estate tax levy for fiscal year 2023.

TEN LARGEST TAXPAYERS
(Fiscal Year 2023)

Principal Personal Property Taxpayers

Name of Business	Property Taxes Assessed	% of County Total
Anheuser-Busch, Inc.	\$4,441,146	8.46%
Seaworld Parks, LLC	1,717,148	3.27
Ball Metal Container	790,023	1.51
Owens-Brockway Glass Container	475,605	0.91
Printpack, Inc.	470,799	0.90
Cox Communications of Hampton Roads	385,378	0.73
Wal-Mart, Inc.	322,567	0.61
Citizen Asset Finance, Inc.	231,809	0.45
HVT, Inc.	228,424	0.44
Toyota Lease Trust	225,089	0.43
	\$9,287,988	17.71%

Principal Real Estate Taxpayers

Name of Business	Property Taxes Assessed	% of County Total
Virginia Electric & Power Company	\$ 3,207,648	2.64%
Premium Outlets of Williamsburg ⁽¹⁾	1,169,965	0.96
Anheuser-Busch, Inc.	1,138,942	0.94
Historic Powhatan Plantation Owners Association ⁽²⁾	997,634	0.82
Wal-Mart, Inc.	883,950	0.73
Williamsburg Landing, Inc.	814,438	0.67
Riverside Healthcare Assoc.	695,724	0.57
Vacation Village at Williamsburg ⁽²⁾	692,239	0.57
Manor Club @ Ford's Colony	643,256	0.53
Virginia United Methodist Homes, Inc.	638,067	0.53
	\$10,881,863	8.96%

Source: Commissioner of Revenue, James City County.

⁽¹⁾ Premium Outlets includes two related parties, Williamsburg Outlets, LLC and Williamsburg Mazel, LLC, which have been combined to show the value of the shopping center.

⁽²⁾ Formerly known as Williamsburg Plantation Owners Association.

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Capital Improvements Program

As a part of the annual budgeting process, each year the County develops a Capital Improvements Program ("CIP") for the following five fiscal years. Only the first year of the CIP is actually appropriated. The remaining four years are included for planning purposes and are subject to revision in future years.

On May 14, 2024, the Board approved the CIP for fiscal years 2025 through 2029. The following table summarizes anticipated capital expenditures for the next five fiscal years.

SUMMARY OF ANTICIPATED CAPITAL EXPENDITURES FOR FISCAL YEARS ENDING JUNE 30

Description	2025	2026	2027	2028	2029	Total
Schools	\$11,315,780	\$ 9,323,000	\$ 7,530,000	\$18,095,000	\$11,756,000	\$ 58,019,780
General Services	9,441,000	10,977,000	6,438,000	7,076,000	7,025,000	40,957,000
Other	1,820,000	1,840,000	4,711,000	12,671,000	17,274,000	38,316,000
Public Safety	2,894,000	2,563,000	858,000	2,348,000	21,851,000	30,514,000
Library	250,000	444,000	-	4,000,000	18,000,000	22,694,000
County Administration	-	96,740,000	-	-	-	96,740,000
Other	2,040,000	1,650,000	1,700,000	2,250,000	2,250,000	9,890,000
Total Uses	\$27,760,780	\$123,537,000	\$21,237,000	\$46,440,000	\$78,156,000	\$297,130,780

Source: James City County Department of Financial and Management Services.

The sources of funding for the capital improvement projects are shown in the following table:

Sources of Funds	2025	2026	2027	2028	2029	Total
General Fund:						
Current year transfer	\$ 5,870,000	\$ 6,071,000	\$ 7,000,000	\$ 8,500,000	\$10,000,000	\$ 37,441,000
1% Historic Triangle Sales Tax	6,400,000	6,400,000	6,500,000	6,600,000	6,700,000	32,600,000
Cigarette Tax	500,000	500,000	525,000	550,000	575,000	2,650,000
Fund Balance:						
General Fund	6,219,000	2,609,000	3,378,000	2,014,000	1,954,000	16,174,000
WJCC Schools	5,805,780	2,000,000	2,000,000	2,000,000	2,000,000	13,805,780
Capital Projects Fund	1,000,000	1,000,000	500,000	500,000	500,000	3,500,000
Proffers	500,000	500,000	500,000	500,000	500,000	2,500,000
Grants and Donations	393,000	387,000	296,000	424,000	413,000	1,913,000
City of Williamsburg	73,000	95,000	38,000	23,000	28,000	257,000
Tourism Fund	1,000,000	1,000,000	500,000	500,000	500,000	3,500,000
Bond Proceeds	-	102,975,000	-	24,829,000	54,986,000	182,790,000
Total	\$27,760,780	\$123,537,000	\$21,237,000	\$46,440,000	\$78,156,000	\$297,130,780

Source: James City County Department of Financial and Management Services.

Outstanding Bonded Debt and Debt Service

Pursuant to the Constitution of Virginia and the Public Finance Act of 1991 (Chapter 26, Title 15.2 of the Code of Virginia of 1950, as amended), a county in Virginia is authorized to issue general obligation bonds secured by a pledge of its full faith and credit. For the payment of such bonds, the governing body of the county is required to levy, if necessary, an annual ad valorem tax on all property in the county subject to local taxation. Although the amount of bonds issued by Virginia counties is not subject to statutory limitation, counties generally are prohibited from issuing general obligation bonds unless the issuance of such bonds has been approved by public referendum. This referendum requirement does not apply to bonds for capital projects for school purposes and sold to the Literary Fund, the Virginia Supplemental Retirement System or other state agencies prescribed by law, including the Virginia

Public School Authority. The County's undertakings to make rental payments under capital and operating leases are subject to annual appropriation and do not constitute general obligation debt under the Constitution of Virginia or the Public Finance Act of 1991.

Set forth below is a statement of long-term general obligation and major capital lease indebtedness of the County at June 30, 2023, and a schedule of debt service payments:

STATEMENT OF LONG-TERM DEBT

Total Long-Term Debt as of June 30, 2023

\$129,539,539

[Remainder of page intentionally left blank.]

The following table shows the County's ratio of net general bonded debt to assessed value of property and net bonded debt per capita for the 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
2014	70,020	\$12,165,747,571	\$72,164,244	\$2,920,538	\$69,243,706	56.92%	\$989
2015	71,015	12,420,621,529	65,458,589	2,920,369	62,538,220	50.35	881
2016	72,099	12,511,337,556	49,844,842	1,219,616	48,625,226	38.86	674
2017	73,189	12,818,125,753	44,155,482	1,221,521	42,933,961	33.49	587
2018	74,309	13,065,070,419	38,348,323	1,222,024	37,126,299	28.42	500
2019	75,444	13,407,219,197	33,966,163	1,226,463	32,739,700	24.42	434
2020	76,633	13,686,990,111	29,479,003	-	29,479,003	21.54	385
2021	78,317	14,303,580,339	26,481,646	-	26,481,646	18.51	338
2022	78,567	14,482,062,562	23,404,288	-	23,404,288	16.16	298
2023	79,488	15,853,314,186	20,231,931	-	20,231,931	12.76	255

Source: James City County Annual Comprehensive Financial Report for June 30, 2023.

⁽¹⁾ From Table 13 of James City County Annual Comprehensive Financial Report for June 30, 2023; based on calendar year

⁽²⁾ From Table 5 of James City County Annual Comprehensive Financial Report for June 30, 2023

⁽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.

Other Indebtedness and Obligations [UPDATE]

The County has no overlapping debt. The Williamsburg-James City County School Board, which is a component unit of the County according to the Government Accounting Standards Board, had [no] outstanding capitalized leases as of June 30, 2023.

The County closed its landfill in 1994. 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. The County's financial statements for the fiscal year ended June 30, 2023 show \$_____ as landfill post-closure liability, which represents the liability estimated to monitor the landfill for an average monitoring period of 25 years. See note ___ of the County's audited financial statement in Appendix D for a more complete description of the County's landfill closure and post-closure care cost. [Paragraph still applicable?]

Retirement Systems

The County, the James City Service Authority and the Williamsburg-James City County Public Schools contribute to the Virginia Retirement System ("VRS"), an agent multiple-employer defined benefit pension plan.

All full-time, salaried permanent employees of the County, the JCSA and the Public Schools must participate in the VRS. Plan members are required to contribute 5% of their annual salary to the VRS. In addition, the County, the JCSA and the Public Schools are required to contribute the remaining amounts necessary to fund their participation in the VRS using the actuarial basis specified by statute and approved by the VRS Board of Trustees. The employer contribution rates for the fiscal year ended June 30, 2023 were 13.30%, 6.69% and 4.37% of annual covered payroll for the County, the JCSA and the Public Schools, respectively, resulting in contributions of \$5,903,389, \$341,006 and \$206,318, respectively.

See note 10 of the County's audited financial statements in Appendix D for a more complete description of the County's defined pension benefit obligation as of June 30, 2023.

Post-Employment Benefits Other Than Pensions [UPDATE]

For the fiscal year ended June 30, 2009, the County and Public Schools adopted GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. The Statement establishes standards for reporting the liability for the County's nonpension postemployment benefit, the health care plan for retirees.

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

The County, JCSA and Public Schools have not established a trust to prefund this liability. The anticipated growth in the net OPEB obligation 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. Retirees pay the full rate of coverage under the medical plan.

Currently, covered full-time active employees who retire directly from the County or JCSA and are at least 55 years of age with 15 years of service are eligible to receive post-employment health care benefits. Each year, retirees participating in the County or JCSA sponsored plans will be given the opportunity to change plans or drop coverage during an open enrollment period. Dental plans are available at the retiree's cost, and therefore, have no GASB 45 liability. There is no coverage for post-Medicare retirees. The County and JCSA do not contribute towards the retiree's health insurance premiums. Therefore, given that the retirees pay their health insurance premiums based on a blended rate, the County and JCSA have an implicit liability.

The Public Schools provides a single-employer defined benefit 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 Schools' retiree health insurance premium contribution plan allows eligible retirees to receive a \$62.50 contribution monthly toward their health insurance premium. The retiring employee must have a minimum of twelve continuous years of service with Williamsburg-James City County Public Schools.

[In 2020, a consulting firm conducted an actuarial valuation study using the entry age normal funding method. The actuarial assumptions included calculations based on a discount rate of 3.13% for the unfunded liability, rate of inflation of 2.5%, and payroll growth of 3.15% to 1.30% for general employees and 2.55% to 1.30% for public safety employees.]

At June 30, 2023, the County and JCSA's proportionate shares of the County's retiree healthcare liability were approximately \$3,264,216 and \$258,038, respectively. The Public Schools' net retiree healthcare OPEB liability was approximately \$5,163,000 for fiscal year 2020.

The County, JCSA, and the Public Schools also participate in various cost-sharing and agent multiple-employer OPEB plans provided by VRS, including the Health Insurance Credit Program, Group Life Insurance Program, and Virginia Local Disability Program.

See note 11 of the County's audited financial statements in Appendix D for a more complete description of the County's other post-employment benefits as of June 30, 2023.

Published Financial Information

The County issues and distributes an Annual Comprehensive Financial Report on its financial operations for each fiscal year. The report covers the fiscal year ending the prior June 30. Copies of the Annual Financial Report are available to the public upon request from the Department of Financial and Management Services, 101-F Mounts Bay Road, P.O. Box 8784, Williamsburg, Virginia 23187.

In addition to the Annual Financial Report, the County also annually publishes an Adopted Budget and a five-year Capital Improvements Program. These documents are available through the Department of Financial and Management Services, 101-F Mounts Bay Road, P.O. Box 8784, Williamsburg, Virginia 23187.

APPENDIX D

**AUDITED FINANCIAL STATEMENTS OF THE COUNTY
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

APPENDIX E

FORM OF BOND COUNSEL OPINION

*Set forth below is the proposed opinion of Hunton Andrews Kurth LLP, Richmond, Virginia, Bond Counsel.
It is preliminary and subject to change prior to the delivery of the Bonds.*

_____, 2024

Economic Development Authority
of James City County, Virginia
Williamsburg, Virginia

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

**Economic Development Authority of
James City County, Virginia
\$_____ Public Facility Revenue Bonds
(County Government Projects), Series 2024**

Ladies and Gentlemen:

We have examined the applicable law, including the Industrial Development and Revenue Bond Act (Chapter 49, Title 15.2 of the Code of Virginia of 1950, as amended) (the “Act”) and certified copies of proceedings and documents relating to the organization of the Economic Development Authority of James City County, Virginia (the “Authority”), and the issuance and sale by the Authority of its \$_____ Public Facility Revenue Bonds (County Government Projects), Series 2024 (the “Series 2024 Bonds”), for the benefit of James City County, Virginia (the “County”). Reference is made to the form of the Series 2024 Bonds for information concerning their details, including payment and redemption provisions, and the proceedings pursuant to which they are issued. Terms used but not otherwise defined herein have the same meanings assigned to such terms in the Agreement of Trust dated as of June 1, 2016, as previously supplemented (the “Master Trust Agreement”), and as further supplemented by a Fourth Supplemental Agreement of Trust dated as of December 1, 2024 (the “Supplemental Trust Agreement” and, together with the Master Trust Agreement, the “Trust Agreement”), all between the Authority and Wilmington Trust, National Association, as trustee (the “Trustee”).

The Series 2024 Bonds are being issued pursuant to the Trust Agreement on a parity with the outstanding principal amounts of the Authority’s \$26,750,000 Public Facility Revenue Bonds (James City County School Project), Series 2016, \$21,015,000 Public Facility Revenue and Refunding Bonds (County Government Projects), Series 2018, and \$11,030,000 Public Facility Revenue Refunding Bonds (County Government Projects), Series 2021 (collectively, the “Existing Parity Bonds”), in order to loan funds to the County pursuant to the terms of a Financing Agreement dated as of June 1, 2016, as previously supplemented, and as further supplemented by a Third Supplemental Financing Agreement dated as of December 1, 2024 (collectively, the “Financing Agreement”), all between the Authority and the County. The proceeds of such loan will be used to (a) finance certain capital projects, and (b) pay the related costs of issuance.

The Financing Agreement provides for the County to make Basic Payments to the Authority in amounts and on dates expected to be sufficient for payment of principal of and interest on all Bonds (including the Series 2024 Bonds) outstanding under the Trust Agreement. Pursuant to the Trust Agreement, the Authority has assigned certain of its rights under the Financing Agreement, including the right to receive Basic Payments and certain Additional Payments, to the Trustee as security for the Bonds (including the Series 2024 Bonds).

Without undertaking to verify the same by independent investigation, we have relied on certifications by representatives of the Authority and the County as to certain facts relevant to both our opinion and requirements of the Internal Revenue Code of 1986, as amended (the “Code”). The Authority and the County have covenanted to comply with the current provisions of the Code, regarding, among other matters, the use, expenditure and investment of the proceeds of the Series 2024 Bonds and the timely payment to the United States of any arbitrage rebate amounts

with respect to the Series 2024 Bonds, all as set forth in the proceedings and documents relating to the issuance of the Series 2024 Bonds (the “Covenants”).

Based on the foregoing, in accordance with customary opinion practice and assuming due authorization, execution and delivery of the Documents (as hereinafter defined) by the Trustee, we are of the opinion that:

1. The Authority is a political subdivision of the Commonwealth duly created under the Act and is vested with all rights and powers conferred by the Act.
2. The Series 2024 Bonds (a) have been duly authorized and issued in accordance with the Act and constitute valid and binding limited obligations of the Authority payable as to principal, premium, if any, and interest solely from certain payments made by the County under the Financing Agreement and other funds pledged under the Trust Agreement and (b) are secured on parity with the Existing Parity Bonds and any additional bonds subsequently issued on a parity with the Series 2024 Bonds and the Existing Parity Bonds as provided in the Trust Agreement. The Series 2024 Bonds do not create or constitute a debt or pledge of the faith and credit of the Commonwealth of Virginia or any political subdivision thereof, including the Authority and the County.
3. The Trust Agreement and the Financing Agreement (collectively, the “Documents”) have been duly authorized, executed and delivered, constitute valid and binding obligations of the Authority and the County, as applicable, and are enforceable against the Authority and the County in accordance with their terms. The Fourth Supplemental Trust Agreement and the Third Supplemental Financing Agreement are authorized or permitted by the Master Trust Agreement and comply with its terms. The undertaking by the County to make payments under the Financing Agreement is subject to and dependent upon appropriations made by the Board of Supervisors of the County from time to time of sufficient funds for such purpose. Such undertaking constitutes neither a debt of the County within the meaning of any constitutional or statutory limitation nor a liability of or a lien or charge upon funds or property of the County beyond any fiscal year for which the Board of Supervisors has appropriated moneys for such purpose.
4. The rights of holders of the Series 2024 Bonds and the enforceability of such rights, including the enforcement by the Trustee of the obligations of the Authority and the County under the Documents, as applicable, may be limited or otherwise affected by (a) bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and other laws affecting the rights of creditors generally and (b) principles of equity, whether considered at law or in equity, and by public policy.
5. Under current law, interest on the Series 2024 Bonds (a) is not included in gross income for federal income tax purposes, (b) is not an item of tax preference for purposes of the federal alternative minimum tax, and (c) is taken into account in determining adjusted financial statement income for applicable corporations (as defined in Section 59(k) of the Code) for the alternative minimum tax imposed on such corporations. The opinions in (a) and (b) of the preceding sentence are subject to the condition that there is compliance subsequent to the issuance of the Series 2024 Bonds with all requirements of the Code that must be satisfied in order that interest on the Series 2024 Bonds not be included in gross income for federal income tax purposes. Failure by the Authority and the County to comply with the Covenants, among other things, could cause interest on the Series 2024 Bonds to be included in gross income for federal income tax purposes retroactively to their date of issue. The Authority and the County may in their discretion, but have not covenanted to, take any and all such actions as may be required by future changes in the Code and applicable regulations in order that interest on the Series 2024 Bonds remain excludable from gross income for federal income tax purposes. We express no opinion regarding other federal tax consequences of the ownership of or receipt or accrual of interest on the Series 2024 Bonds. Further, we express no opinion as to the treatment for federal income tax purposes of any interest paid on the Series 2024 Bonds after an event of default or non-appropriation by the Board of Supervisors of the County resulting in a termination of the Financing Agreement.
6. Under current law, interest on the Series 2024 Bonds is exempt from income taxation by the Commonwealth of Virginia and any political subdivision thereof.

The opinions set forth above are based on existing law, which is subject to change. Such opinions are further based on our knowledge of facts as of the date hereof. Our services as bond counsel to the Authority have been limited to rendering the foregoing opinion based on our review of such proceedings and documents as we deem necessary to

approve the validity of the Series 2024 Bonds and the tax-exempt status of interest thereon. Our services have not included financial or other non-legal advice. We express no opinion herein as to the financial resources of the Authority or the County, the ability or willingness of the County to make payments under the Financing Agreement or the accuracy or completeness of any information, including the Authority's Preliminary Official Statement dated _____, 2024, and its Official Statement dated _____, 2024, that may have been relied upon by anyone in making the decision to purchase Series 2024 Bonds. We assume no duty to update or supplement these opinions to reflect any facts or circumstances that may hereafter come to our attention or to reflect any changes in any law or the interpretation thereof that may hereafter occur or become effective.

Very truly yours,

APPENDIX F

FORM OF CONTINUING DISCLOSURE AGREEMENT

FORM OF CONTINUING DISCLOSURE AGREEMENT

This **CONTINUING DISCLOSURE AGREEMENT** dated as of _____, 2024 (the “Disclosure Agreement”), is executed and delivered by the Board of Supervisors of James City County, Virginia, on behalf of James City County, Virginia (the “County”), in connection with the issuance by the Economic Development Authority of James City County, Virginia (the “Issuer”), of its \$_____ Public Facility Revenue Bonds (County Government Projects), Series 2024 (the “Series 2024 Bonds”). The County hereby covenants and agrees as follows:

Section 1. Purpose. This Disclosure Agreement is being executed and delivered by the County for the benefit of the holders of the Series 2024 Bonds and in order to assist the original purchasers of the Series 2024 Bonds in complying with the provisions of Section (b)(5)(i) of Rule 15c2-12 (the “Rule”) promulgated by the Securities and Exchange Commission (the “SEC”) by providing certain annual financial information and material event notices required by the Rule (collectively, the “Continuing Disclosure”).

Section 2. Annual Disclosure. (a) The County shall provide annually financial information and operating data in accordance with the provisions of Section (b)(5)(i) of the Rule as follows:

(i) financial statements of the County, prepared in accordance with generally accepted accounting principles; and

(ii) to the extent not included in (a)(i) above, certain operating data with respect to the County substantially of the type described in Appendix C of the Issuer’s Official Statement dated _____, 2024, under the subsection “FINANCIAL INFORMATION - Operating Data.”

If the financial statements filed pursuant to Section 2(a)(i) are not audited, the County shall subsequently file such statements as audited when available.

(b) The County shall file annually with the Municipal Securities Rulemaking Board (“MSRB”) the financial information and operating data described in subsection (a) above (collectively, the “Annual Disclosure”) no later than the March 31 following the end of the County’s preceding fiscal year, commencing with the County’s fiscal year ending June 30, 2024.

(c) Any Annual Disclosure may be included by specific reference to other documents previously provided to the MSRB or filed with the SEC; provided, however, that any final official statement incorporated by reference must be available from the MSRB.

(d) The County shall file with the MSRB in a timely manner the notice specifying any failure of the County to provide the Annual Disclosure by the date specified.

Section 3. Event Disclosure. The County shall file with the MSRB in a timely manner not in excess of ten business days after the occurrence of the event, notice of the occurrence of any of the following events with respect to the Series 2024 Bonds:

(a) principal and interest payment delinquencies;

(b) non-payment related defaults, if material;

(c) unscheduled draws on debt service reserves reflecting financial difficulties;

(d) unscheduled draws on any credit enhancement reflecting financial difficulties;

(e) substitution of credit or liquidity providers, or their failure to perform;

(f) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or

determinations with respect to the tax status of the Series 2024 Bonds, or other material events affecting the tax status of the Series 2024 Bonds;

- (g) modifications to rights of holders of the Series 2024 Bonds, if material;
- (h) bond calls, if material, and tender offers;
- (i) defeasances of all or any portion of the Series 2024 Bonds;
- (j) release, substitution, or sale of property securing repayment of the Series 2024 Bonds, if material;
- (k) rating changes;
- (l) bankruptcy, insolvency, receivership or similar event of the County; *
- (m) the consummation of a merger, consolidation, or acquisition involving the County or the sale of all or substantially all of the assets of the County, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (n) appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (o) incurrence of a financial obligation (hereinafter defined) of the County, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the County, any of which affect holders of the Series 2024 Bonds, if material; and
- (p) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the financial obligation of the County, any of which reflect financial difficulties;

provided that nothing in this Section (3) shall require the County to maintain any debt service reserve, credit enhancement or credit or liquidity providers with respect to the Series 2024 Bonds or to pledge any property as security for repayment of the Series 2024 Bonds.

The term "financial obligation" means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term "financial obligation" does not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

Section 4. Termination. The obligation of the County hereunder will terminate upon the redemption, defeasance (within the meaning of the Rule) or payment in full of all the Series 2024 Bonds.

Section 5. Amendment. The County may modify its obligations hereunder without the consent of bondholders, provided that the County receives an opinion of nationally recognized bond counsel to the effect that this Disclosure Agreement as so modified complies with the Rule as it exists at the time of modification. The County shall within a reasonable time thereafter file with the MSRB a description of such modification(s).

* For the purposes of the event identified in Subsection (3)(l) above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

Section 6. Defaults. (a) If the County fails to comply with any covenant or obligation regarding Continuing Disclosure specified in this Disclosure Agreement, any holder (within the meaning of the Rule) of the Series 2024 Bonds then outstanding may, by notice to the County, proceed to protect and enforce its rights and the rights of the holders by an action for specific performance of the County's covenant to provide the Continuing Disclosure.

(b) Notwithstanding anything herein to the contrary, any failure of the County to comply with any obligation regarding Continuing Disclosure specified in this Disclosure Agreement (i) shall not be deemed to constitute an event of default under the Series 2024 Bonds or the Trust Agreement (as defined in the Official Statement) providing for the issuance of the Series 2024 Bonds and (ii) shall not give rise to any right or remedy other than that described in Section 6(a) above.

Section 7. Filing Method. Any filing required hereunder shall be made by transmitting such disclosure, notice or other information in electronic format to the MSRB through the MSRB's Electronic Municipal Market Access system pursuant to procedures promulgated by the MSRB.

Section 8. Additional Disclosure. The County may from time to time disclose certain information and data in addition to the Continuing Disclosure. Notwithstanding anything herein to the contrary, the County shall not incur any obligation to continue to provide or to update such additional information or data.

Section 9. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 10. Governing Law. This Disclosure Agreement shall be construed and enforced in accordance with the laws of the Commonwealth of Virginia.

**BOARD OF SUPERVISORS OF
JAMES CITY COUNTY, VIRGINIA, ON
BEHALF OF JAMES CITY COUNTY, VIRGINIA**

Chairman

County Administrator

APPENDIX G
BOOK ENTRY ONLY SYSTEM

BOOK-ENTRY ONLY SYSTEM

The description which follows of the procedures and recordkeeping with respect to beneficial ownership interests in the Series 2024 Bonds, payments of principal of and premium, if any and interest on the Series 2024 Bonds to The Depository Trust Company, New York, New York ("DTC"), its nominee, Participants or Beneficial Owners (each as hereinafter defined), confirmation and transfer of beneficial ownership interests in the Series 2024 Bonds and other bond-related transactions by and between DTC, Participants and Beneficial Owners is based solely on information furnished by DTC.

DTC will act as securities depository for the Series 2024 Bonds. The Series 2024 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Series 2024 Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants (the "Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants" and, together with the Direct Participants, the "Participants"). DTC has an S&P rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of the Series 2024 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2024 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2024 Bond (the "Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners, however, are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2024 Bonds are to be accomplished by entries made on the books of the Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Series 2024 Bonds, except in the event that use of the book-entry system for the Series 2024 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2024 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the Series 2024 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2024 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2024 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holding on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the Series 2024 Bonds are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2024 Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Authority or the Trustee as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2024 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payments of principal of and premium, if any, and interest on the Series 2024 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Authority or the Registrar, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Authority or the Trustee subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal of and premium, if any, and interest on the Series 2024 Bonds to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Authority or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Series 2024 Bonds at any time by giving reasonable notice to the Authority or the Trustee. Under such circumstances, in the event that a successor securities depository is not obtained, Series 2024 Bond certificates will be printed and delivered.

The Authority, at the direction of the County, may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Series 2024 Bond certificates will be printed and delivered.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Authority and the County believe to be reliable, but the Authority and the County take no responsibility for the accuracy thereof.

Neither the Authority, the County nor the Trustee has any responsibility or obligation to the Participants or the Beneficial Owners with respect to (a) the accuracy of any records maintained by DTC or any Participant; (b) the payment by any Participant of any amount due to any Beneficial Owner in respect of the principal of and premium, if any, and interest on the Series 2024 Bonds; (c) the delivery or timeliness of delivery by any Participant of any notice to any Beneficial Owner that is required or permitted under the terms of the Trust Agreement to be given to Bondholders; or (d) any other action taken by DTC, or its nominee, Cede & Co., as Bondholder, including the effectiveness of any action taken pursuant to an Omnibus Proxy.

So long as Cede & Co. is the registered owner of the Series 2024 Bonds, as nominee of DTC, references in this Official Statement to the Owners of the Series 2024 Bonds shall mean Cede & Co. and shall not mean the Beneficial Owners, and Cede & Co. will be treated as the only holder of Series 2024 Bonds for all purposes under the Trust Agreement.

The Authority may enter into amendments to the agreement with DTC or successor agreements with a successor securities depository, relating to the book-entry system to be maintained with respect to the Series 2024 Bonds without the consent of Beneficial Owners or Bondholders.

APPENDIX H
OFFICIAL NOTICE OF SALE

OFFICIAL NOTICE OF SALE

\$ _____ *

**ECONOMIC DEVELOPMENT AUTHORITY
OF JAMES CITY COUNTY, VIRGINIA
PUBLIC FACILITY REVENUE BONDS
(COUNTY GOVERNMENT PROJECTS), SERIES 2024**

Electronic bids only will be received by the Economic Development Authority of James City County, Virginia (the "Authority"), in accordance with this Official Notice of Sale until ____ a.m., Eastern Time, on _____, 2024 (the "Date of Sale").

Immediately thereafter, the bids will be publicly announced, and the County Administrator of James City County, Virginia (the "County"), on behalf of the Authority, will act upon the bids by ____ p.m., Eastern Time.

Bid Submission

Solely as an accommodation to bidders, electronic bids via BIDCOMP/PARITY (the "Electronic Bidding System") will be accepted in accordance with this Official Notice of Sale. The Authority and the County are using BIDCOMP/PARITY as a communication mechanism to conduct the electronic bidding for the sale of the Authority's \$ _____ * Public Facility Revenue Bonds (County Government Projects), Series 2024 (the "Series 2024 Bonds"), as described herein. To the extent any instructions or directions set forth in BIDCOMP/PARITY conflict with this Official Notice of Sale, the terms of this Official Notice of Sale shall control. Each bidder submitting an electronic bid agrees (i) that it is solely responsible for all arrangements with BIDCOMP/PARITY, (ii) that BIDCOMP/PARITY is not acting as the agent of the Authority or the County, and (iii) that neither the Authority nor the County is responsible for ensuring or verifying bidder compliance with any of the procedures of BIDCOMP/PARITY. Neither the County nor the Authority assumes any responsibility for, and each bidder expressly assumes the risks of and responsibility for, any incomplete, inaccurate or untimely bid submitted by such bidder through BIDCOMP/PARITY. Each bidder shall be solely responsible for making necessary arrangements to access the Electronic Bidding System for purposes of submitting its bid in a timely manner and in compliance with the requirements of this Official Notice of Sale. Neither the Authority, the County nor the Electronic Bidding System shall have any duty or obligation to provide or assure such access to any bidder, and neither the Authority, the County nor BIDCOMP/PARITY shall be responsible for proper operation of, or have any liability for, any delays or interruptions of, or any damages caused by, BIDCOMP/PARITY. For further information about BIDCOMP/PARITY, potential bidders may contact i-Deal at 1359 Broadway, 2nd Floor, New York, New York 10018, telephone (212) 849-5021.

In the event of a malfunction of the Electronic Bidding System at ____ a.m., Eastern Time, on the Date of Sale, an attempt will be made to reschedule the bidding for ____ a.m., Eastern Time, on the Date of Sale. Should the Electronic Bidding System malfunction a second time, bidding will be rescheduled at the discretion of the County in coordination with its financial advisor, Davenport & Company LLC (the "Financial Advisor"). To the extent possible, the rescheduled bid time will be communicated to the bidders.

Each bid must be unconditional.

Change of Date and Time for Receipt of Bids

The Authority and the County expect to take bids on the Series 2024 Bonds on _____, 2024. However, the Authority and the County reserve the right to postpone the date and time established for the receipt of bids. Any such postponement will be announced by TM3 newswire, or any other such service. If the receipt of bids is postponed, any alternative date for receipt of bids will be announced via TM3 newswire, or any other such service. Any bidder must submit a sealed bid for the purchase of the Series 2024 Bonds on such alternative sale date in conformity with

*Preliminary, subject to change.

the provisions of this Official Notice of Sale, except for any changes announced via the TM3 newswire, or any other such service, as described therein.

Annual Amortization Requirements

The Series 2024 Bonds will be dated the date of their issuance (the “Dated Date”), and will mature, or be subject to mandatory sinking fund redemption, on June 15 in years and amounts as follows:

<u>Year*</u>	<u>Amount*</u>	<u>Year*</u>	<u>Amount*</u>
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Adjustments to Amortization Requirements

The preliminary annual amortization requirements as set forth in this Official Notice of Sale (the “Preliminary Amortization Requirements”) may be revised before the receipt of bids for the purchase of the Series 2024 Bonds. Any such revisions (the “Revised Amortization Requirements”) WILL BE ANNOUNCED ON THOMSON MUNICIPAL NEWS NOT LATER THAN ONE HOUR PRIOR TO THE SPECIFIED BID TIME. In the event that no such revisions are made, the Preliminary Amortization Requirements will constitute the Revised Amortization Requirements. BIDDERS SHALL SUBMIT BIDS BASED ON THE REVISED AMORTIZATION REQUIREMENTS. THE WINNING BID WILL BE DETERMINED ON THE BASIS OF THE REVISED AMORTIZATION REQUIREMENTS.

After selecting the winning bid, the County will determine each final annual amortization requirement (the “Final Amortization Requirements”). The County reserves the right, after bids are opened and prior to award, to increase or reduce the principal amount of the Series 2024 Bonds offered for sale. THE SUCCESSFUL BIDDER MAY NOT WITHDRAW ANY BID OR CHANGE THE INITIAL REOFFERING PRICES AS A RESULT OF ANY INCREASE OR REDUCTION IN THE REVISED AMORTIZATION REQUIREMENTS WITHIN THE LIMITS PROVIDED FOR IN THE PRECEDING SENTENCE. The bid price by the successful bidder (the “Bid Price”) will be adjusted to reflect any adjustments in the amortization requirements of the Series 2024 Bonds. Such adjusted Bid Price will reflect changes in the dollar amount of the underwriting discount, original issue discount/premium and any applicable insurance premium, but will not change the selling compensation (including any applicable bond insurance premium) per \$1,000 of par amount of Series 2024 Bonds from the selling compensation that would have been received based on the Bid Price in the winning bid and the initial reoffering prices. The interest rate for each maturity will not change. The Final Amortization Requirements and the adjusted Bid Price will be communicated to the successful bidder by 4:00 p.m., Richmond, Virginia time on the day following the sale.

*Preliminary, subject to change.

Serial Bonds and/or Term Bonds

Bidders may provide that all of the Series 2024 Bonds be issued as serial bonds or may provide that any two or more consecutive annual principal amounts be combined into one or more term bonds with annual mandatory sinking fund redemptions in amounts as provided above. Term bonds with overlapping sinking fund installments or sinking fund installments that overlap serial bond maturities will not be permitted.

Mandatory Sinking Fund Redemption

If the successful bidder designates consecutive annual principal amounts to be combined into one or more term bonds, each such term bond shall be subject to mandatory sinking fund redemption at par commencing on June 15 of the first year that has been combined to form such term bond and continuing on June 15 in each year thereafter until the stated maturity date of that term bond. The amount redeemed in any year shall be equal to the principal amount for such year set forth in the tables above under the caption "Annual Amortization Requirements."

Optional Redemption *

The Series 2024 Bonds maturing on or before June 15, ____, are not subject to optional redemption. The Series 2024 Bonds maturing on and after June 15, ____, will be subject to redemption prior to maturity, at the option of the Authority upon the direction of the County, at any time on or after June 15, ____, in whole or in part (in \$5,000 integrals), upon payment of 100% of the principal amount to be redeemed, plus interest accrued to the date fixed for redemption.

If less than all of the Series 2024 Bonds are called for redemption, the Series 2024 Bonds (or principal portions thereof) to be redeemed shall be selected by the Authority (at the direction of the County). If less than all of the Series 2024 Bonds of a particular maturity are called for redemption, DTC or any successor securities depository will select the particular Series 2024 Bonds within each maturity to be redeemed pursuant to its rules and procedures or, if the book-entry system is discontinued, the Series 2024 Bonds to be redeemed will be selected by the Trustee (as hereinafter defined). In either case, each portion of the \$5,000 principal amount is counted as one Series 2024 Bond for such purpose. The Authority (at the direction of the County) will cause notice of the call for redemption identifying the Series 2024 Bonds or portions thereof to be redeemed to be sent by facsimile transmission, registered or certified mail or overnight express delivery, not less than 30 nor more than 60 days prior to the redemption date, to the registered owner thereof. Neither the Authority nor the County shall be responsible for mailing notice of redemption to anyone other than DTC or another qualified securities depository or its nominee unless no qualified securities depository is the registered owner of the Series 2024 Bonds. If no qualified securities depository is the registered owner of the Series 2024 Bonds, notice of redemption shall be mailed to the registered owners of the Series 2024 Bonds by the Trustee. If a portion of a Series 2024 Bond is called for redemption, a new Series 2024 Bond in principal amount equal to the unredeemed portion shall be issued to the registered owner upon the surrender thereof.

Bidding Rules; Award of Bonds

Bidders may bid only to purchase all of the Series 2024 Bonds. Bidders are invited to name the rate or rates of interest per annum that the Series 2024 Bonds are to bear in multiples of one-twentieth (1/20) or one-eighth (1/8) of one percent. All Series 2024 Bonds maturing on the same date must bear interest at the same rate. Any number of rates may be named provided that the highest rate of interest stated for any maturity may not exceed ____% per year. In addition, the Series 2024 Bonds shall bear interest at a "true" or "Canadian" interest cost not to exceed ____% (taking into account any original issue discount or premium). No bid for less than ____% of the aggregate principal amount of the Series 2024 Bonds shall be considered. The underwriter's discount for the Series 2024 Bonds shall not exceed ____ basis points (____%). The County, on behalf of the Authority, reserves the right to reject any or all bids (regardless of the interest rate bid), to reject any bid not complying with this Official Notice of Sale and, so far as permitted by law, to waive any irregularity or informality with respect to any bid for the bidding process.

*Preliminary, subject to change.

As promptly as reasonably possible after the bids are received, the County, on behalf of the Authority, will notify the bidder to whom the Series 2024 Bonds will be awarded, if and when such award is made. Such bidder, upon such notice, shall advise the County of the initial reoffering prices or yields to the public of each maturity of the Series 2024 Bonds. The winning bid will remain firm for a period of no less than four hours after the time specified for the opening of bids. An award of the Series 2024 Bonds, if made, will be made by the County Administrator within such four hour period or, with the express consent of the winning bidder, such longer time period as deemed necessary.

Unless all bids are rejected, the Series 2024 Bonds will be awarded to the bidder complying with the terms of this Official Notice of Sale and submitting a bid which provides the lowest “true” or “Canadian” interest cost to the Authority. True interest cost shall be determined for each bid by doubling the semiannual interest rate, compounded semiannually, necessary to discount the debt service payments to the Dated Date and to the price bid. If more than one bid offers the same lowest true interest cost, the successful bid will be selected by the County Administrator by lot.

Bids for the Series 2024 Bonds shall not be conditioned upon obtaining insurance or any other credit enhancement. If a bidder proposes to obtain a policy of municipal bond insurance or any other credit enhancement, any such purchase of insurance or commitment therefor shall be at the sole option and expense of the bidder, and the bidder must pay any increased costs of issuance of the Series 2024 Bonds as a result of such insurance or commitment. Any failure by the bidder to obtain such a policy of insurance shall not in any way relieve such bidder of its contractual obligations arising from the acceptance of its bid for the purchase of the Series 2024 Bonds.

Good Faith Deposit

A good faith deposit in the amount of \$ _____ (the “Deposit”) is required. The Deposit may be provided in the form of (i) a certified check upon, or a cashier’s, treasurer’s or official check of, a responsible banking institution, payable to the order of the Economic Development Authority of James City County, Virginia (and delivered by ____ p.m., Eastern Time, on _____, 2024, to the Financial Advisor, Davenport & Company LLC, 901 East Cary Street, 11th Floor, Richmond, Virginia 23219 (Attention: Mr. Courtney Rogers) or (ii) a federal funds wire transfer to be submitted to the Authority by the successful bidder not later than ____ p.m., prevailing Eastern time (the “Deposit Deadline”), on the date of sale. Option (ii) is described in more detail below. The Deposit of the successful bidder will be collected and the proceeds thereof retained by the Trustee to be applied in partial payment for the Series 2024 Bonds, and no interest will be allowed or paid upon the amount thereof; provided, however, that in the event the successful bidder shall fail to comply with the terms of its bid, the proceeds thereof will be retained as and for full liquidated damages. Any checks of the unsuccessful bidders will be returned promptly after the Series 2024 Bonds are awarded.

If a federal funds wire transfer is used, the County or the Financial Advisor shall distribute wiring instructions for the Deposit to the successful bidder upon verification of the bids submitted by the bidders and prior to the Deposit Deadline. **The award of the Series 2024 Bonds will be made promptly following the receipt of the federal funds wire.** If the Deposit is not received by the Deposit Deadline, the award of the sale of the Series 2024 Bonds to the successful bidder may be cancelled by the County Administrator in his discretion, upon the advice of the Financial Advisor, without the Authority incurring any financial liability to such bidder or any limitation whatsoever on the County’s right to sell the Series 2024 Bonds to a different purchaser upon such terms and conditions as the Authority shall deem appropriate.

Book-Entry-Only System

The Series 2024 Bonds will be issued by means of a book-entry system with no distribution of physical bond certificates made to the public. One bond certificate for each maturity of the Series 2024 Bonds will be issued to The Depository Trust Company, New York, New York (“DTC”), or its nominee, and immobilized in its custody. The book-entry system will evidence beneficial ownership of the Series 2024 Bonds in principal amounts of \$5,000 or multiples thereof, with transfers of beneficial ownership effected on the records of DTC and its participants pursuant to rules and procedures established by DTC and its participants. Series 2024 Bond certificates registered in the name of Cede & Co. will be deposited with DTC. Interest on the Series 2024 Bonds will be payable from their date semiannually on each June 15 and December 15, beginning June 15, 2025, and principal of the Series 2024 Bonds

will be paid annually as set forth on the preceding page to DTC or its nominee as registered owner of the Series 2024 Bonds. Transfer of principal, premium and interest payments to beneficial owners by participants of DTC will be the responsibility of such participants and other nominees of beneficial owners. Neither the Authority nor the County will be responsible or liable for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants.

DTC may discontinue providing its services as securities depository with respect to the Series 2024 Bonds at any time by giving reasonable notice to the Authority. Under such circumstances, in the event that a successor securities depository is not obtained, Series 2024 Bond certificates are required to be prepared, executed and delivered.

The Authority (at the direction of the County) may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that case, either a successor depository will be selected by the Authority (at the direction of the County) or Series 2024 Bond certificates will be prepared, executed and delivered.

Security

The Series 2024 Bonds will be secured by a Financing Agreement dated as of June 1, 2016, as previously supplemented (the "Master Financing Agreement"), and as further supplemented by a Third Supplemental Financing Agreement dated as of December 1, 2024 (the "Third Supplemental Financing Agreement" and, together with the Master Financing Agreement, the "Financing Agreement"), all between the Authority and the County, pursuant to which the County will undertake, subject to annual appropriation by the County Board of Supervisors of sufficient funds for such purpose, to make payments to the Authority that will be sufficient to pay the principal of and interest on the Series 2024 Bonds as the same shall become due in accordance with their terms. **Neither the Series 2024 Bonds nor the Financing Agreement will constitute a debt of the County or a pledge of the faith and credit or taxing power of the County.**

The Series 2024 Bonds will be issued pursuant to the terms of the Agreement of Trust dated as of June 1, 2016, as previously supplemented (the "Master Trust Agreement"), and as further supplemented by a Fourth Supplemental Agreement of Trust dated as of December 1, 2024 (the "Fourth Supplemental Trust Agreement" and, together with the Master Trust Agreement, the "Trust Agreement"), all between the Authority and Wilmington Trust, National Association, as trustee (the "Trustee").

A more detailed description of the security for the Series 2024 Bonds is set forth in the Authority's Preliminary Official Statement dated the date hereof (the "Preliminary Official Statement").

Delivery of the Bonds

The Series 2024 Bonds will be delivered at the expense of the Authority in New York, New York, through the facilities of DTC (through its FAST Program) on or about _____, 2024.

Concurrently with the delivery of the Series 2024 Bonds, the successful bidder will be furnished with (1) a certificate dated the date of delivery of the Series 2024 Bonds, signed by the appropriate Authority and County officials and stating that no litigation of any kind is then pending or, to the best of their information, knowledge and belief, threatened against the Authority or the County to restrain or enjoin the issuance or delivery of the Series 2024 Bonds or the levy or collection of ad valorem taxes, over and above all other taxes authorized and without limitation as to rate or amount on all locally taxable property within the County sufficient to pay when due principal of or interest on the Series 2024 Bonds or in any manner questioning the proceedings and authority under which the Series 2024 Bonds are issued, and (2) a certificate dated the date of delivery of the Series 2024 Bonds, signed by the appropriate County officials, stating that the descriptions and statements in the Official Statement (except in the sections entitled "Litigation" and "Tax Matters" and in Appendix G and the information as to yields and CUSIP numbers on the inside cover page) on the date of the Official Statement and on the date of delivery of the Series 2024 Bonds were and are true and correct in all material respects, did not and do not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make such descriptions and statements, in light of the circumstances under which they were made, not misleading. Such certificate will also state however, that such County

officials did not independently verify the information indicated in the Official Statement as having been obtained or derived from sources other than the County and its officers but that they have no reason to believe that such information is not accurate.

The County Attorney will also furnish to the successful bidder concurrently with the delivery of the Series 2024 Bonds a certificate dated the date of delivery of the Series 2024 Bonds, stating that the statements relating to the County contained in the section entitled "Litigation" on the date of the Official Statement and on the date of delivery of the Series 2024 Bonds were and are true and correct in all material respects and did not and do not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make such statements, in light of the circumstances under which they were made, not misleading.

Conflict Waiver

Hunton Andrews Kurth LLP is serving as Bond Counsel in connection with the issuance and sale of the Series 2024 Bonds. By placing a bid, each bidder represents that it understands that Hunton Andrews Kurth LLP, in its capacity as Bond Counsel, represents the Authority and the County, and that, if successful, the bidder waives any conflict of interest that Hunton Andrews Kurth LLP's involvement in connection with the issuance and sale of the Series 2024 Bonds presents to the successful bidder.

Certificates of Winning Bidder

The successful bidder must, by facsimile transmission or overnight delivery received by the County within 24 hours after receipt of bids for the Series 2024 Bonds, furnish the following information to complete the Official Statement in final form, as described below:

- A. The offering prices for the Series 2024 Bonds (expressed as the price or yield per maturity).
- B. Selling compensation (aggregate total anticipated compensation to the underwriters expressed in dollars, based on the expectation that all Series 2024 Bonds are sold at the prices or yields described in Subpart A above).
- C. The identity of the underwriters if the successful bidder is a part of a group or syndicate.
- D. Any other material information necessary to complete the Official Statement in final form but not known to the County.

Prior to delivery of the Series 2024 Bonds, the successful bidder shall furnish to the Authority a certificate, in form acceptable to bond counsel, to the effect that successful bidder has complied with Rule G-37 of the Municipal Securities Rulemaking Board (the "MSRB") with respect to the Authority and County.

Certificate of Issue Price

Unless other arrangements are made with the Hunton Andrews Kurth LLP, Bond Counsel, at least 24 hours in advance of the delivery date of the Series 2024 Bonds, the successful bidder shall complete, execute and deliver to the Authority, on or before the delivery date of such Series 2024 Bonds, a certificate as to the "issue price" of the Series 2024 Bonds, substantially in the form attached hereto as Exhibit A (the "Issue Price Certificate"). In the event a successful bidder will not reoffer such Series 2024 Bonds for sale or is otherwise unable to deliver such form of certificate, the Issue Price Certificate may be modified in a manner approved by, and at the discretion of, the County (on behalf of the Authority) and Hunton Andrews Kurth LLP. Each bidder, by submitting its bid for the Series 2024 Bonds, agrees to complete, execute and deliver an Issue Price Certificate at delivery of the Series 2024 Bonds, if its bid is accepted by the County (on behalf of the Authority). It will be the responsibility of the successful bidder to institute such syndicate reporting requirements, to make such investigations, or otherwise ascertain the facts necessary to enable it to make such certificate with reasonable certainty. In addition to executing and delivering an Issue Price Certificate, the winning bidder may be required to (a) demonstrate that it has made a bona fide offering of all such Series 2024 Bonds to the public (excluding bond houses, brokers, or similar persons or organizations acting in the

capacity of underwriters or wholesalers) at prices no higher than, or yields no lower than, the initial public offering prices, (b) provide an explanation of why any Series 2024 Bonds sold by the successful bidder between the Date of Sale and the date of the delivery were sold for a price higher than, or a yield lower than, the initial public offering prices, and (c) provide information regarding the initial purchasers of the Series 2024 Bonds, particularly information sufficient to enable the County (on behalf of the Authority) and Hunton Andrews Kurth LLP to determine that such purchasers are the "public." Any questions concerning the Issue Price Certificate should be directed, not later than 24 hours before the Date of Sale, to Christopher G. Kulp, of Hunton Andrews Kurth LLP, 804-788-8742.

CUSIP Numbers

It is anticipated that CUSIP identification numbers will be printed on the Series 2024 Bonds, but neither the failure to print such numbers on any Series 2024 Bond nor any error with respect thereto shall constitute cause for failure or refusal by the successful bidder thereof to accept delivery of and pay for the Series 2024 Bonds in accordance with the terms of its bid.

Official Statement

The County (on behalf of the Authority) will furnish the successful bidder, at the expense of the County, up to 200 copies of the final Official Statement within seven business days from the date of the award of the Series 2024 Bonds, as specified in Rule 15c2-12 (the "Rule") of the Securities and Exchange Commission (the "SEC") and the rules of the MSRB; provided that minor delays in furnishing such final Official Statement will not be a basis for failure to pay for and accept delivery of the Series 2024 Bonds. Additional copies will be made available at the successful bidder's request and expense. Neither the Authority nor the County assumes any responsibility or obligation for the distribution or delivery of the Official Statement to anyone other than the successful bidder.

The successful bidder, by executing the Official Bid Form, agrees to provide two copies of the Official Statement (with any required forms) to the MSRB or its designee no later than ten business days following the Date of Sale. The successful bidder shall notify the County as soon as practicable of (1) the date which is the end of the underwriting period (such "underwriting period" is described in the Rule) and (2) the date of filing of the Official Statement with the MSRB or its designee.

If the Series 2024 Bonds are awarded to a syndicate, the County (on behalf of the Authority) will designate the senior managing underwriter of the syndicate as its agent for purposes of distributing copies of the Official Statement to each participating underwriter. Any underwriter executing and delivering a bid form with respect to the Series 2024 Bonds agrees thereby that if its bid is accepted it shall accept such designation and shall enter into a contractual relationship with all participating underwriters for the purposes of assuring the receipt and distribution by each such participating underwriter of the Official Statement, unless another firm is so designated by the syndicate in writing and approved by the County.

Legal Opinion

The approving opinion of Hunton Andrews Kurth LLP, Richmond, Virginia, with respect to the Series 2024 Bonds will be furnished to the successful bidder, at the expense of the County, and will state that the Series 2024 Bonds constitute valid and binding limited obligations of the Authority payable as to both principal and interest solely from Basic Payments, certain Additional Payments (each as defined in the Financing Agreement) and other funds pledged under the Trust Agreement. The Series 2024 Bonds do not create or constitute a debt or pledge of the faith and credit of the Commonwealth of Virginia or any political subdivision thereof, including the Authority and the County.

The opinion will also state that (a) the Trust Agreement and the Financing Agreement have been duly authorized, executed and delivered by, and constitute valid and binding obligations of, the Authority and the County, as applicable, and are enforceable against the Authority and the County in accordance with their terms, (b) the County's undertaking to make Basic Payments and Additional Payments under the Financing Agreement is subject to and dependent upon the County Board making annual appropriations for such purpose, and (c) such obligation does not constitute a debt of the County within the meaning of any constitutional or statutory limitation or a liability of or

a lien or charge upon funds or property of the County beyond any fiscal year for which the County Board has appropriated moneys for such purpose.

The opinion will further state that the rights of holders of the Series 2024 Bonds and the enforceability of such rights, including the enforcement by the Trustee of the obligations of the Authority and the County under the Trust Agreement and the Financing Agreement, as applicable, may be limited or otherwise affected by (a) bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and other laws affecting the rights of creditors generally and (b) principles of equity, whether considered at law or in equity, and by public policy.

Tax Matters

The Official Statement relating to the Series 2024 Bonds contains a discussion of the effect of the Internal Revenue Code of 1986, as amended, on the exclusion from gross income of interest on the Series 2024 Bonds and a discussion of the opinion of Hunton Andrews Kurth LLP insofar as it concerns such exclusion.

Federal and State Securities Laws

No action has been taken to qualify the Series 2024 Bonds under the federal securities laws.

Continuing Disclosure

For purposes of the Rule, the County is an obligated person with respect to the Series 2024 Bonds. The County will agree, pursuant to the Continuing Disclosure Agreement, to provide certain annual financial information and operating data and notices of the occurrence of certain events, if material. A description of these undertakings is set forth in the Preliminary Official Statement for the Series 2024 Bonds and will also be set forth in the final Official Statement for the Series 2024 Bonds (See Appendix F of the Preliminary Official Statement).

Additional Information

For further information relating to the Series 2024 Bonds, the Authority and the County, reference is made to the Authority's Preliminary Official Statement. The Authority has deemed the Preliminary Official Statement to be final as of its date within the meaning of the Rule, except for the omission of certain pricing and other information permitted to be omitted pursuant to the Rule. The Official Bid Form and the Preliminary Official Statement may be obtained from the Financial Advisor, Davenport & Company LLC (telephone 804-697-2900).

**ECONOMIC DEVELOPMENT AUTHORITY OF
JAMES CITY COUNTY, VIRGINIA**

By: Board of Supervisors of James City County, Virginia

Dated _____, 2024.

EXHIBIT A-1

[For use in competitive sale where at least 3 qualifying bids are received]

PROPOSED FORM OF UNDERWRITER'S CERTIFICATE

In connection with the purchase by _____ (the "Underwriter") of the \$_____ Public Facility Revenue Bonds (County Government Projects), Series 2024 (the "Bonds"), issued and sold by the Economic Development Authority of James City County, Virginia (the "Issuer"), on the date hereof, the undersigned authorized representative of the Underwriter certifies as follows:

1. The Underwriter purchased the Bonds from the Issuer at a price of \$_____ (calculated as the original principal amount of \$_____, [plus][less] [net] original issue [premium][discount] of \$_____, and less the Underwriter's discount of \$_____).

2. On _____, 2024 (the "Sale Date"), the Underwriter made a bona fide offering of all the Bonds of each Maturity to the Public (as defined below) reflecting the following terms:

Maturity (June 15)	Principal Amount	Interest Rate	Yield	Price (%)
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*Yield reflects Bonds priced to the first optional call date of June 15, _____.

3. As of the Sale Date, the reasonably expected initial offering prices of the Bonds to the Public are the prices (expressed as a percentage of the principal amount) listed above (the "Expected Offering Prices"). The Expected Offering Prices are the prices for the Maturities of the Bonds used by the Underwriter in formulating its bid to purchase the Bonds. Attached as Schedule I is a true and correct copy of the bid provided by the Underwriter to purchase the Bonds.

4. The Underwriter was not given the opportunity to review the other bids submitted to the Issuer prior to submitting its own bid.

5. The bid submitted by the Underwriter constituted a firm offer to purchase the Bonds.

6. All capitalized terms used but not otherwise defined herein shall have the meanings given in the Non-Arbitrage and Tax Compliance Certificate of the Issuer for the Bonds, a copy of which we have reviewed. In addition, the following capitalized terms shall have the following meanings for purposes of this Certificate:

(a) “**Maturity**” means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.

(b) “**Public**” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter.

(c) For purposes of this certificate a purchaser of any of the Bonds is a “**related party**” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other).

(d) “**Underwriter**” means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

We understand that the foregoing information will be relied upon by (i) the Issuer in establishing, among other things, the “issue price” of the Bonds within the meaning of Section 1273 of the Internal Revenue Code of 1986, as amended (the “Code”), and certain other expectations with respect to the Bonds for purposes of Section 148 of the Code set forth in the Non-Arbitrage and Tax Compliance Certificate and (ii) Hunton Andrews Kurth LLP, Richmond, Virginia, in connection with rendering its opinion to the Issuer that the interest on the Bonds is not includable in gross income of the owners thereof for federal income tax purposes. The undersigned is certifying only as to facts in existence on the date hereof. Nothing herein represents the undersigned’s interpretation of any laws, in particular the regulations under the Code or the application of any laws to these facts. The certifications contained herein are not necessarily based on personal knowledge, but may instead be based on either inquiry deemed adequate by the undersigned or institutional knowledge (or both) regarding the matters set forth herein. Although certain information furnished in this Certificate has been derived from other purchasers, bond houses and brokers and cannot be independently verified by us, we have no reason to believe it to be untrue in any material respect.

Dated _____, 2024.

[Name of Winning Bidder]

By: _____

Name: _____

Title: _____

[Attachment – Schedule I – Copy of Bid]

EXHIBIT A-2

[For use in competitive sale where fewer than 3 qualifying bids are received]

PROPOSED FORM OF UNDERWRITER'S CERTIFICATE

In connection with the purchase by _____ (the "Underwriter") of the \$_____ Public Facility Revenue Bonds (County Government Projects), Series 2024 (the "Bonds"), issued and sold by the Economic Development Authority of James City County, Virginia (the "Issuer"), on the date hereof, the undersigned authorized representative of the Underwriter certifies as follows:

1. The Underwriter purchased the Bonds from the Issuer at a price of \$_____ (calculated as the original principal amount of \$_____, [plus][less] [net] original issue [premium][discount] of \$_____, and less the Underwriter's discount of \$_____).

2. On _____, 2024 (the "Sale Date"), the Underwriter made a bona fide offering of all the Bonds of each Maturity to the Public (as defined below) reflecting the following terms:

Maturity (June 15)	Principal Amount	Interest Rate	Yield	Price (%)
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* Yield reflects Bonds priced to the first optional call date of June 15, _____.

3. (a) The Underwriter offered each Maturity of the Bonds to the Public for purchase at the respective initial offering prices listed above (the "Initial Offering Prices") on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule I.

(b) As set forth in the Official Notice of Sale, the Underwriter has agreed in writing that, (i) for each Maturity of the Bonds, it would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the "hold-the-offering-price rule"), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker dealer who is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter (as defined below) has offered or sold any Maturity of the Bonds at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.

(c) The Underwriter has an established industry reputation for underwriting new issuances of municipal bonds.

4. All capitalized terms used but not otherwise defined herein shall have the meanings given in the Non-Arbitrage and Tax Compliance Certificate of the Issuer for the Bonds, a copy of which we have reviewed. In addition, the following capitalized terms shall have the following meanings for purposes of this Certificate:

(a) **“Holding Period”** means for each Maturity of the Bonds, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date, or (ii) the date on which the Underwriter has sold at least 10% of each Maturity of the Bonds to the Public at prices that are no higher than the Initial Offering Price for such Maturity.

(b) **“Maturity”** means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.

(c) **“Public”** means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter.

(d) For purposes of this certificate a purchaser of any of the Bonds is a **“related party”** to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other).

(e) **“Underwriter”** means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

We understand that the foregoing information will be relied upon by (i) the Issuer in establishing, among other things, the “issue price” of the Bonds within the meaning of Section 1273 of the Internal Revenue Code of 1986, as amended (the “Code”), and certain other expectations with respect to the Bonds for purposes of Section 148 of the Code set forth in the Non-Arbitrage and Tax Compliance Certificate and (ii) Hunton Andrews Kurth LLP, Richmond, Virginia, in connection with rendering its opinion to the Issuer that the interest on the Bonds is not includable in gross income of the owners thereof for federal income tax purposes. The undersigned is certifying only as to facts in existence on the date hereof. Nothing herein represents the undersigned’s interpretation of any laws, in particular the regulations under the Code or the application of any laws to these facts. The certifications contained herein are not necessarily based on personal knowledge, but may instead be based on either inquiry deemed adequate by the undersigned or institutional knowledge (or both) regarding the matters set forth herein. Although certain information furnished in this Certificate has been derived from other purchasers, bond houses and brokers and cannot be independently verified by us, we have no reason to believe it to be untrue in any material respect.

Dated _____, 2024.

[Name of Winning Bidder]

By: _____

Name: _____

Title: _____

[Attachment – Schedule I – Copy of pricing wire or equivalent communication]

October 2, 2024

Cherry Bekaert LLP
200 South 10th Street, Suite 900
Richmond, Virginia 23219

This representation letter is provided in connection with your audit of the financial statements of the Economic Development Authority of James City County, Virginia (the "Authority"), a component unit of the County of James City, Virginia, which comprise the respective financial position of the Authority, as of June 30, 2024, and the respective changes in financial position and cash flows for the year then ended, and the disclosures (collectively, the "financial statements"), for the purpose of expressing an opinion as to 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 to be material, regardless of size, if they involve an omission or misstatement of accounting information that, in 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 October 2, 2024, 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, 18, 2024, including our responsibility for the preparation an fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the Required Supplementary Information ("RSI") 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 of the Primary Government and all component units required by U.S. GAAP 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 are reasonable.
- 6) Related party relationships and transactions, including revenues, 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.
- 8) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
- 9) Guarantees, whether written or oral, under which the Authority is contingently liable, if any, have been properly recorded or disclosed.

Information Provided

10) 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 (including information obtained from outside of the general and subsidiary ledgers), documentation, and other matters.
- b) Additional information that you have requested from us for the purpose of the audit.
- c) Unrestricted access to persons within the Authority from whom you determined it necessary to obtain audit evidence.
- d) Minutes of the meetings of Board of Directors' meetings or summaries of actions of recent meetings for which minutes have not yet been prepared.

11) All material transactions have been recorded in the accounting records and are reflected in the financial statements.

12) 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.

13) We have no knowledge of any fraud or suspected fraud that affects the Authority and involves:

- Management,
- Employees who have significant roles in internal control, or
- Others where the fraud could have a material effect on the financial statements.

14) We have no knowledge of any allegations of fraud or suspected fraud affecting the Authority's financial statements communicated by employees, former employees, regulators, or others.

15) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or waste or abuse, whose effects should be considered when preparing financial statements.

16) We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.

17) We have disclosed to you the names of Authority related parties and all related party relationships and transactions, including any side agreements.

Government-specific

18) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.

19) We have identified to you any previous audits, attestation engagements, and other studies related to the objectives of the audit and whether related recommendations have been implemented.

20) We have identified to you any investigations or legal proceedings that have been initiated with respect to the period under audit.

21) The Authority has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or equity.

22) 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.

23) We have appropriately identified, recorded, and disclosed all leases in accordance with U.S. GAAP.

24) We have appropriately disclosed or recognized conduit debt obligations and/or certain arrangements associated with conduit debt obligations in accordance with U.S. GAAP.

25) We have appropriately identified, recorded, and disclosed subscription-based information technology arrangements in accordance with U.S. GAAP.

- 26) We have identified and disclosed to you all instances of identified and suspected fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we believe have a material effect on the financial statements.
- 27) There are no violations or possible 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.
- 28) The Authority 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.
- 29) The Authority has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 30) 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.
- 31) The financial statements properly classify all funds and activities in accordance with U.S. GAAP.
- 32) Components of net position (unrestricted, restricted, net investment in capital assets) are properly classified and, if applicable, approved.
- 33) Land is properly valued at cost and land sales during the fiscal year are complete and accurate.
- 34) Provisions for uncollectible receivables have been properly identified and recorded.
- 35) Expenses have been appropriately classified in the statement of revenues, expenses, and changes in net position.
- 36) Revenues are appropriately classified in the statement of revenues, expenses, and changes in net position within operation and nonoperating revenues.
- 37) Deposits are properly classified as to risk and properly disclosed.
- 38) We have appropriately disclosed the Authority'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.
- 39) We acknowledge our responsibility for the RSI, which 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.
- 40) We take responsibility for all documents provided by you and will retain copies based on our needs and document retention policies. We are responsible for maintaining internal controls over our books and records, including business continuity and disaster recovery alternatives. We have retained anything we have uploaded to a Cherry Bekaert portal and are responsible for downloading and retaining anything you have uploaded in a timely manner. We have maintained control over our accounting systems to include the licensing of applications and the hosting of said applications and data.

ECONOMIC DEVELOPMENT AUTHORITY OF JAMES CITY COUNTY, VIRGINIA

Signature: Sharon McCarthy

Title: Director, Financial & Mgmt. Svcs.

Signature: 

Title: EDA Secretary

**Economic Development Authority
of James City County, Virginia**

(A Component Unit of the County of James City, Virginia)



Financial Statements and Supplemental Information
(With Independent Auditor's Report Thereon)

June 30, 2024

Economic Development Authority of James City County, Virginia
(A Component Unit of the County of James City, Virginia)

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Economic Development Authority of James City County, Virginia
(A Component Unit of the County of James City, Virginia)

Authority Officials
June 30, 2024

Board Members

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

Other Officials

Barbara E. Null, Board of Supervisor Liaison
Christopher Johnson, Secretary
Jennifer Tomes, Treasurer
Adam Kinsman, Legal Counsel

Report of Independent Auditor

To the Board of Directors
Economic Development Authority of James City County, Virginia
Williamsburg, Virginia

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Economic Development Authority of James City County, Virginia (the "Authority"), a component unit of the County of James City, Virginia, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Authority'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 financial position of the Authority, as of June 30, 2024, and the respective changes in financial position and its cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit 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 *Specifications for Audits of Authorities, Boards, and Commissions* (the "Specifications"), issued by the Auditor of Public Accounts of the Commonwealth of Virginia. Our responsibilities under those standards and Specifications 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 Authority 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 opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 Authority'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.

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 opinion. 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 Specifications 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, *Government Auditing Standards*, and the Specifications, 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 Authority'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 the Authority'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 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.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Authority Officials and the Schedules of Revenue Bonds Outstanding - Conduit Debt but does not include the basic financial statements and our auditor's report thereon. Our opinion 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 October 2, 2024, on our consideration of the Authority'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 Authority'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 Authority's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Cherry Bekaert LLP". The script is cursive and fluid, with the letters "C", "B", and "L" being particularly prominent.

Richmond, Virginia
October 2, 2024

Economic Development Authority of James City County, Virginia
(A Component Unit of the County of James City, Virginia)

Management's Discussion and Analysis
June 30, 2024

This section of the **Economic Development Authority of James City County, Virginia's** (Authority) annual financial report presents our discussion and analysis of the Authority's financial performance, as of and for the fiscal year ended June 30, 2024.

Financial Highlights

The Authority had an increase in net position of \$240,887 for fiscal year 2024, primarily due to annual bond fee revenues and interest income earned on an investment account.

Overview of the Financial Statements

The financial section of this report has two components - Management's Discussion and Analysis (this section) and the basic financial statements. The basic financial statements are comprised of the Statement of Net Position, Statement of Revenues, Expenses, and Changes in Net Position, Statement of Cash Flows, and Notes to Financial Statements. The Statement of Net Position presents information on the Authority's 1) assets and 2) liabilities and deferred inflows of resources with the difference between these two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating. However, it is also important to consider other nonfinancial factors, such as changes in economic conditions, population and service area growth, and new or changed legislation. The Statement of Revenues, Expenses, and Changes in Net Position presents information showing how net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods. The Statement of Cash Flows supplement the above two statements by presenting changes in cash position as a result of the Authority's activities over the current year. Notes to financial statements are an integral part of the statements and should be read in conjunction with the financial statements and Management's Discussion and Analysis.

The Authority is a self-supporting entity and follows enterprise fund accounting; accordingly, the financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Enterprise fund statements offer short and long-term financial information about the activities and operations of the Authority.

Financial Analysis

Summary of Statement of Net Position

	6/30/2024	6/30/2023
Current assets	\$ 12,493,411	\$ 11,492,382
Capital assets, net of accumulated depreciation	524,019	1,116,293
Other non-current assets	52,068,275	62,453,189
Total assets	\$ 65,085,705	\$ 75,061,864
Current liabilities	\$ 10,273,247	\$ 10,106,210
Non-current liabilities	50,041,049	60,237,568
Total liabilities	60,314,296	70,343,778
Deferred inflows of resources	1,790,694	1,978,258
Net position		
Net investment in capital assets	524,019	1,116,293
Unrestricted	2,456,696	1,623,535
Total net position	2,980,715	2,739,828
Total liabilities, deferred inflows of resources, and net position	\$ 65,085,705	\$ 75,061,864

Economic Development Authority of James City County, Virginia
(A Component Unit of the County of James City, Virginia)
Management's Discussion and Analysis
June 30, 2024

Current assets experienced an increase of \$1,001,029 in 2024. For fiscal year 2024, the increase was primarily due to the sale of a parcel of land owned by the Authority along with bond fees both new and recurring. Total assets experienced a decrease of (\$9,976,159), primarily from the reduction of bond principal and interest payments that the Authority issued on behalf of James City County, Virginia (County). The Authority has issued these bonds and is a party to the related transactions, but the County is fully responsible for this debt.

Current liabilities experienced an increase of \$167,037 in fiscal year 2024, primarily due to an increase in the portion of bond principal that will be due within one year. Non-current liabilities experienced a decrease of (\$10,196,519) in fiscal year 2024, primarily due to the payments made on the outstanding bond principal and interest amounts that the Authority issued on behalf of the County.

During fiscal year 2024, the deferred inflows of resources decreased by (\$187,564) because of recognizing the current portion of revenue from the marina lease as well as the amortization of the deferred charge on the bond refunding.

At June 30, 2024, assets exceeded liabilities and deferred inflows of resources by \$2,980,715.

Summary of Statement of Revenues, Expenses and Changes in Net Position for the Year Ended
--

	6/30/2024	6/30/2023
Intergovernmental - County contribution	\$ 2,622,500	\$ 3,020,496
Other	228,419	157,635
Total operating revenues	2,850,919	3,178,131
Bond interest	2,607,775	3,005,771
Other	102,982	120,497
Total operating expenses	2,710,757	3,126,268
Operating income	140,162	51,863
Nonoperating revenues, net	100,725	590,512
Change in net position	240,887	642,375
Net position - beginning of year	2,739,828	2,097,453
Net position - end of year	\$ 2,980,715	\$ 2,739,828

Revenues represent the County's contribution to the Authority and other operating revenues from bond fees and lease revenue from the marina property. In fiscal year 2024, the County contribution decreased by (\$397,996) due to a decrease in amounts owed for lease revenue bond interest. In 2024, other operating revenues increased by \$70,784 primarily because of new bond applications and fees.

The largest of the operating expenses is the bond interest on outstanding debt, which decreased by \$397,996 in fiscal year 2024 due to lower outstanding principal balances.

Nonoperating revenues, net consist of interest income and gains/losses on the disposal of capital assets. In fiscal year 2024, the Authority recognized \$100,725 of net revenue, primarily related to interest income earned on the investment account.

Total net position increased by \$240,887 in 2024, primarily from annual bond fee revenues and interest income earned on the investment account.

Economic Development Authority of James City County, Virginia
(A Component Unit of the County of James City, Virginia)
Management's Discussion and Analysis
June 30, 2024

Capital Assets

	6/30/2024	6/30/2023
Nondepreciable	\$ -	\$ 549,956
Depreciable	524,019	566,337
Capital assets, net	\$ 524,019	\$ 1,116,293

During fiscal year 2024, net capital assets decreased primarily due to the sale of property owned by the Authority.

Additional information can be found in Note 6 to the basic financial statements.

Debt Administration

The Authority has issued Economic Revenue 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. It should be noted this represents conduit debt and although conduit debt obligations bear the name of the governmental issuer, which is the Authority, the issuer has no obligation, if the debt is not issued for the County, for such debt beyond the resources provided by a lease or loan with the third party on whose behalf they are issued. Additional information can be found in Note 3 to the basic financial statements and the Other Information section on the Schedules of Revenue Bonds Outstanding – Conduit Debt (Unaudited).

The Authority's financial statements reflect liabilities for lease revenue bonds issued on behalf of the County and related bond premiums and deferred charges on the refundings. These balances are offset by a receivable included among the Authority's assets, which reflects that the County will cover the amounts due for the bonds in full. Similarly, the Authority's fiscal year 2024 expenses reflect interest related to these lease revenue bonds, which is offset by a contribution from the County of an equal amount. Further information on these lease revenue bonds issued on behalf of the County and related transactions can be found in Notes 1, 3, 4, and 5.

Requests for Financial Information

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

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Economic Development Authority of James City County, Virginia
(A Component Unit of the County of James City, Virginia)

Statement of Net Position

	<u>6/30/2024</u>
Assets	
Cash and short-term investments (Note 2)	\$ 2,326,785
Bond fee receivable	71,494
Miscellaneous receivable	2,873
Due from Primary Government - net, current portion (Notes 4 and 5)	10,056,479
Lease receivable, current portion (Note 8)	32,594
Lease interest receivable (Note 8)	3,186
Non-current assets:	
Lease receivable, due in more than one year (Note 8)	651,350
Due from Primary Government, due in more than one year, net (Notes 4 and 5)	51,416,925
Capital assets - depreciable, net (Note 6)	524,019
Total assets	<u>\$ 65,085,705</u>
Liabilities, Deferred Inflows of Resources, and Net Position	
Liabilities	
Accounts payable	\$ 3,000
Long-term liabilities (Note 4)	
Due within one year	10,270,247
Due in more than one year	50,041,049
Total liabilities	<u>60,314,296</u>
Deferred inflows of resources	
Deferred inflows, leases (Note 8)	628,386
Deferred charge on refundings, net (Note 4)	1,162,308
Total deferred inflows of resources	<u>1,790,694</u>
Net position	
Net investment in capital assets	524,019
Unrestricted	2,456,696
Total net position	<u>2,980,715</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 65,085,705</u>

See accompanying notes to financial statements.

Economic Development Authority of James City County, Virginia
(A Component Unit of the County of James City, Virginia)

Statement of Revenues, Expenses, and Changes in Net Position

	Year Ended 6/30/2024
Operating revenues	
Intergovernmental - County contribution (Note 5)	\$ 2,622,500
Lease revenue (Note 8)	47,726
Bond fees	177,410
Miscellaneous	3,283
Total operating revenues	<u>2,850,919</u>
Operating expenses	
Bond interest	2,607,775
Community development (Note 7)	47,585
Depreciation (Note 6)	24,632
Promotion	17,565
Professional fees	13,200
Total operating expenses	<u>2,710,757</u>
Operating income	<u>140,162</u>
Nonoperating revenues (expenses)	
Interest income	120,504
Loss on disposal of capital assets	(19,779)
Total nonoperating revenues, net	<u>100,725</u>
Change in net position	240,887
Net position, beginning of year	<u>2,739,828</u>
Net position, end of year	<u>\$ 2,980,715</u>

See accompanying notes to financial statements.

Economic Development Authority of James City County, Virginia
(A Component Unit of the County of James City, Virginia)

Statement of Cash Flows

	Year Ended 6/30/2024
Cash flows from operating activities	
Receipts from County and customers	\$ 2,832,438
Payments to suppliers	(2,683,125)
Net cash provided by operating activities	<u>149,313</u>
Cash flows from capital and related financing activities	
Proceeds from the County for principal on long-term debt	8,815,000
Proceeds from the County for interest on long-term debt	2,607,775
Repayment of principal on long-term debt	(8,815,000)
Interest paid	(2,607,775)
Proceeds from sale of capital assets	547,863
Net cash provided by financing activities	<u>547,863</u>
Cash flows from investing activities	
Interest received	123,671
Net increase in cash	<u>820,847</u>
Cash and short-term investments, beginning of year	<u>1,505,938</u>
Cash and short-term investments, end of year	<u>\$ 2,326,785</u>
Reconciliation of operating income to net cash provided by operating activities	
Operating income	\$ 140,162
Adjustments to reconcile operating income to cash provided by operating activities:	
Depreciation	24,632
Changes in assets and liabilities:	
Bond fee receivable	1,165
Due from Primary Government - net, current portion	199
Miscellaneous receivable	(2,873)
Lease receivable	30,753
Deferred inflows - leases	(47,725)
Accounts payable	3,000
Net cash provided by operating activities	<u>\$ 149,313</u>

See accompanying notes to financial statements.

Economic Development Authority of James City County, Virginia
(A Component Unit of the County of James City, Virginia)
Notes to Financial Statements
June 30, 2024

1) Summary of Significant Accounting Policies

The Economic Development Authority of James City County, Virginia (the Authority) was created as a political subdivision of the Commonwealth of Virginia by ordinance of the governing body of James City County, Virginia (the County) on July 9, 1979, pursuant to the provisions of the Economic Development and Revenue Bond Act (Chapter 33, Section 15.1-1373, et seq., of the *Code of Virginia* (1950), as amended). The Authority is governed by a seven-member board appointed by the Board of Supervisors of the County. The essential purpose of the Authority is to promote industrial and commercial development in the County.

The Reporting Entity

The Authority has been determined to be a component unit of the County in accordance with accounting principles generally accepted in the United States of America (GAAP). Component units are legally separate entities for which a primary government is financially accountable. The County is financially accountable given the significance of the Authority's fiscal dependence on and financial relationship with the County. As a result of the County's financial accountability for the Authority, the information included in these financial statements is included in the financial statements of the County.

Implementation of these reporting requirements in no way infringes upon the independence of the Authority nor otherwise impairs the Authority's power to perform its functions under state law.

Basis of Accounting and Presentation

The Authority utilizes the economic resources measurement focus and the accrual basis of accounting as an enterprise fund. Accordingly, revenues are recognized in the period earned and expenses are recognized when they are incurred. Enterprise funds are used to account for the ongoing activities that are financed and operated similar to those often found in the private sector. Enterprise funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from the Authority's ongoing operations. Operating revenues include revenue from the County, bond fees, and lease income. Operating expenses include the costs related to promoting and developing the County and administrative expenses. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

The Authority generally first uses restricted net position for expenses incurred for which both restricted and unrestricted net position are available. The Authority may defer the use of restricted net position based on a review of the specific transaction.

Cash Equivalents

For purposes 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 maturity that they present insignificant risk of changes in value because of changes in interest rates. The Authority considers all certificates of deposits, regardless of their maturity, and other investments with original maturities of three months or less to be cash equivalents.

Capital Assets

For fiscal year 2024, the Authority updated its asset capitalization policy. Previously, the Authority capitalized assets with a historical cost or acquisition value at time of donation of \$5,000 or greater. The new policy is to capitalize capital assets as noted in the table below, and this update was treated prospectively as a change in accounting estimate for fiscal year 2024.

The costs of major improvements are capitalized, while the costs of maintenance and repairs, which do not improve or extend the life of an asset, are expensed. The Authority provides for depreciation of capital assets using the straight-line method at amounts estimated to amortize the cost or other basis of the assets over their estimated useful lives. When capital assets are sold or retired, the related assets and accumulated depreciation are removed from the accounts and any gain or loss is included in nonoperating revenues (expenses).

Economic Development Authority of James City County, Virginia
(A Component Unit of the County of James City, Virginia)
Notes to Financial Statements
June 30, 2024

1) Summary of Significant Accounting Policies, Continued

The capitalization policy and estimated useful lives for the Authority's capital assets are as follows:

Capital Asset	Capitalization Threshold	Estimated Useful Life
Land	All	Indefinite
Land improvements	\$ 10,000	20
Infrastructure	\$ 25,000	25-30
Buildings	\$ 50,000	40

Pass-Through Financing Arrangements

Some activities of the Authority represent pass-through financing arrangements. The Authority is authorized to issue revenue bonds for the purpose of obtaining and constructing facilities within the County. These agreements provide for periodic rental payments in amounts that are equal to the principal and interest payments due to project bondholders. The Authority has assigned all rights to the rental payments to the trustees of the bondholders, and the borrowers have assumed responsibility for all operating costs, such as utilities, repairs, and property taxes. In such cases, the Authority neither receives nor disburses funds.

Although title to these properties rests with the Authority, bargain purchase options or other provisions eliminate any equity interest that would otherwise be retained. Deeds of trust secure outstanding obligations, and title will revert to the borrowers when the bonds are fully paid.

Therefore, while the Authority provides a conduit to execute such transactions, it does not retain either the benefits of asset ownership or the liability for bond liquidation. Accordingly, the Authority does not recognize associated assets, liabilities, deferred inflows or outflows of resources, rental income, or interest expense in its financial statements.

Advertising Costs

Advertising/promotion costs are expensed in the period in which they are incurred.

Estimates

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

Deferred Outflows and Inflows of Resources

In addition to assets and liabilities, the Statement of Net Position reports a separate section for deferred inflows of resources which represent an acquisition of net position that is applicable to a future reporting period and, therefore, will not be recognized as an inflow of resources until that time.

The Authority recognizes a deferred inflow of resources for the deferred amount on a bond refunding resulting from the difference in the carrying amount 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. The Authority also recognizes deferred inflows of resources for the value of lease receivables plus any payments received at or before the commencement of the lease term that relate to future periods.

Economic Development Authority of James City County, Virginia
(A Component Unit of the County of James City, Virginia)
Notes to Financial Statements
June 30, 2024

2) Cash and Short-Term Investments

The Authority's cash and short-term investments consisted of:

	<u>6/30/2024</u>
Bank deposits	\$ 27,591
Investments	<u>2,299,194</u>
Total	<u>\$ 2,326,785</u>

Deposits with banks are 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 Authority's investments at June 30, 2024, were as follows:

<u>Investment Type</u>	<u>Amount</u>	<u>Maturity</u>
LGIP (amortized cost)	\$ 2,299,194	1 day

The Authority utilizes the Investment Policy (Policy) of the County, which is enforced by the County Treasurer. In accordance with the *Code of Virginia* and other applicable law, including regulations, the Authority's Policy permits investments in U.S. government obligations, municipal obligations, commercial paper, and certain corporate notes, bankers' acceptances, repurchase agreements, negotiable certificates of deposit, bank deposit notes, mutual funds that invest exclusively in securities specifically permitted under the Policy, and the State Treasurer's Local Government Investment Pool (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 eligible 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

Credit Risk

As required by state statute, the Policy requires 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 Authority has established stringent credit standards for these investments to minimize portfolio risk.

Economic Development Authority of James City County, Virginia
(A Component Unit of the County of James City, Virginia)
Notes to Financial Statements
June 30, 2024

2) Cash and Short-Term Investments, Continued

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 Authority'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

Interest Rate Risk

As a means of limiting exposure to fair value losses arising from rising interest rates, the Authority'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. To control the volatility of the core portfolio, the Treasurer will determine a duration target, not to exceed three years.

Custodial Credit Risk

The Policy requires all investment securities purchased by the Authority or held as collateral on deposits or investments shall be held by the Authority or by a third-party custodial agent who may not otherwise be counterparty to the investment transaction.

3) Conduit Debt Obligations

From time to time, the Authority has issued Economic 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 Commonwealth, 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, 2024, there were 7 series of Economic Revenue Bonds outstanding, with an aggregate principal amount payable of approximately \$218.7 million.

Economic Development Authority of James City County, Virginia
(A Component Unit of the County of James City, Virginia)
Notes to Financial Statements
June 30, 2024

4) Long-Term Liabilities

In accordance with Governmental Accounting Standards Board (GASB) Statement No. 91, *Conduit Debt Obligations*, the Authority presents the County's lease revenue bonds, which are issued by the Authority, as debt of the Authority along with related transactions. The Statement of Net Position includes a corresponding receivable from the County, reflecting that these bonds and related transactions are the responsibility of the County. A summary of the Authority's long-term liability activity for the fiscal year ended June 30, 2024, is presented below:

	Balance July 1, 2023	Additions	Reductions	Balance June 30, 2024	Due within one year
Lease revenue/refunding bonds	\$ 63,365,000	\$ -	\$ 8,815,000	\$ 54,550,000	\$ 8,995,000
Bond premiums, net	6,889,086	-	1,201,519	5,687,567	1,201,518
Interest payable	89,692	-	15,963	73,729	73,729
Total	<u>\$ 70,343,778</u>	<u>\$ -</u>	<u>\$ 10,032,482</u>	<u>\$ 60,311,296</u>	<u>\$ 10,270,247</u>

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, 2024, there was no rebate liability.

Details of long-term bond indebtedness at June 30, 2024, for the Authority were as follows:

	Sale date	Original borrowing	Interest rates	Final maturity	Balance June 30, 2024
Lease revenue refunding bonds	2014	\$ 12,575,000	3.00-4.00%	2026	\$ 2,685,000
Lease revenue refunding bonds	2015	49,815,000	4.00-5.00%	2026	8,820,000
Lease revenue bonds	2016	26,750,000	2.00-5.00%	2036	18,270,000
Lease revenue refunding bonds	2018	21,015,000	4.00-5.00%	2039	15,920,000
Lease revenue refunding bonds	2021	11,030,000	3.00-5.00%	2033	8,855,000
				Total	<u>\$ 54,550,000</u>

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

Year ending June 30,	Lease revenue/refunding bonds	
	Principal	Interest
2025	\$ 8,995,000	\$ 2,195,738
2026	9,165,000	1,772,489
2027	3,585,000	1,341,438
2028	3,715,000	1,204,188
2029	3,855,000	1,061,188
2030-2034	16,970,000	3,130,150
2035-2039	8,265,000	745,050
	<u>\$ 54,550,000</u>	<u>\$ 11,450,241</u>

Economic Development Authority of James City County, Virginia
(A Component Unit of the County of James City, Virginia)
Notes to Financial Statements
June 30, 2024

5) Transactions with Related Parties

Certain financial management, accounting, and legal services are provided to the Authority by the County. These services were provided at no charge during the fiscal year ending June 30, 2024. In addition, certain personnel costs in 2024 were incurred by the County for the benefit of the Authority at no charge to the Authority.

The Authority has a resolution with the County where Renwood Farms, Inc. would pay the County annual rent for use of farm property owned by the County and then pass that revenue through to the Authority. The County passed \$14,725 to the Authority in fiscal year 2024.

The Authority's Statement of Net Position reflects a long-term liability related to lease revenue bonds issued on the County's behalf. The County is responsible for this debt and, as a result, the Authority's Statement of Net Position also reflects an amount due from the County for these bonds of which \$10,056,679 is a current receivable and \$51,416,925 is a long-term receivable. The County is also responsible for annual interest for these bonds, and the fiscal year 2024 contribution from the County includes \$2,607,775 to correspond to interest expense incurred. For the fiscal year ended June 30, 2024, the Authority owed the County \$200 related to purchasing card transactions paid by the County on the Authority's behalf.

An Authority Board member serves as the Vice President of Construction for a local contractor that performs construction at the marina property for its tenant, Billsburg Brewery (the "Brewery"). Major improvements on the property, of a structural nature or costing over \$5,000, require the Authority's prior written consent per the lease agreement with the Brewery. Additional information on the lease agreement is provided in Note 8.

6) Capital Assets

A summary of the capital asset activity for fiscal year 2024 is below.

	Balance 7/1/2023	Additions	Reductions	Balance 6/30/2024
Capital assets, nondepreciable:				
Land	\$ 515,756	\$ -	\$ 515,756	\$ -
Land improvements	34,200	-	34,200	-
Total capital assets, nondepreciable	549,956	-	549,956	-
Capital assets, depreciable:				
Land improvements	237,988	-	-	237,988
Buildings	290,095	-	-	290,095
Infrastructure	182,379	-	22,983	159,396
Total capital assets, depreciable	710,462	-	22,983	687,479
Less accumulated depreciation:				
Land improvements	67,603	11,957	-	79,560
Buildings	41,146	7,269	-	48,415
Infrastructure	35,376	5,406	5,297	35,485
Total accumulated depreciation	144,125	24,632	5,297	163,460
Total capital assets, depreciable, net	566,337	(24,632)	17,686	524,019
Total capital assets, net	\$ 1,116,293	\$ (24,632)	\$ 567,642	\$ 524,019

Economic Development Authority of James City County, Virginia
(A Component Unit of the County of James City, Virginia)
Notes to Financial Statements
June 30, 2024

7) Commitment of Operating Subsidies

In fiscal year 2017, the Authority along with the Economic Development Authority of the City of Williamsburg, Virginia (EDA-WMSBG) and the Economic Development Authority of York County, Virginia (EDA-YORK), transferred regional economic development initiatives to the Greater Williamsburg Partnership, including the operation of a regional business incubator, referred to as "Launchpad." The Authority, EDA-WMSBG, and EDA-YORK agreed that \$103,500 was a reasonable estimate of the annual costs to operate Launchpad and that each party would be responsible for one-third of those annual costs. During fiscal year 2024, the Authority contributed \$34,500 to Launchpad, which is in community development expenses on the Statement of Revenues, Expenses, and Changes in Net Position.

8) Leases

The Authority is a lessor for a noncancellable lease of property at a marina with Billsburg Brewery (the "Brewery") and recognizes a lease receivable and deferred inflow of resources on the Statement of Net Position related to this lease.

With the adoption of GASB Statement No. 87, *Leases*, the Authority initially measured lease receivables 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 inflows of resources are 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 inflows of resources are recognized as revenue on a straight-line basis over the life of the lease term in the amount of \$47,726, annually. During the year of the implementation, leases entered prior to the beginning of that fiscal year are recorded at their present value as of the implementation date, July 1, 2021, if there were no prepayments or initial incentive payments, which was the case with the Brewery lease.

The lease with the Brewery has an initial term of ten years and will automatically renew for up to two additional five-year terms. The lease commenced in September 2017 and the rent amount paid for the first year was \$60,000. Per the agreement, rent would increase for the first five subsequent years by 3% annually and will remain an annual rent of \$70,000 for the last four years of the initial term. Rent will increase by 5% for each renewal term.

The assessed value of the leasehold property at the marina is \$798,500. A warehouse and renovations at the site were capitalized by the Authority at a cost of \$687,479. Depreciation expense on these assets was \$24,555 in 2024 resulting in accumulated depreciation of \$163,460 at June 30, 2024.

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

- The Authority uses the interest rate implicit in the lease as the discount rate for those leases where the Authority does not specify an interest rate within the lease. The discount rate being used is 5.59%.
- The lease term includes the initial ten-year term of the lease and the two additional five-year renewal terms.
- Lease receipts in the measurement of the lease receivable are composed of fixed payments from the lessee.

Economic Development Authority of James City County, Virginia
(A Component Unit of the County of James City, Virginia)
Notes to Financial Statements
June 30, 2024

8) Leases, Continued

The balance of the lease receivable and lease interest receivable was \$683,944 and \$3,186, respectively, as of June 30, 2024. The present value of future annual lease payments from the Brewery are anticipated as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 32,594	\$ 37,406	\$ 70,000
2026	34,464	35,536	70,000
2027	36,440	33,560	70,000
2028	41,509	31,408	72,917
2029	44,502	28,998	73,500
2030-2034	270,931	103,306	374,237
2035-2038	223,504	20,884	244,388
Total	<u>\$ 683,944</u>	<u>\$ 291,098</u>	<u>\$ 975,042</u>

* * * * *

Compliance Section

**Report of Independent Auditor 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 Directors
Economic Development Authority of James City County, 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 Authorities, Boards, and Commissions* issued by the Auditor of Public Accounts of the Commonwealth of Virginia (the “Specifications”), the financial statements of the Economic Development Authority of James City County, Virginia (the “Authority”), a component unit of the County of James City, Virginia, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Authority’s basic financial statements, and have issued our report thereon dated October 2, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority’s internal control over financial reporting (internal control) as a basis for designing 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 Authority’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority’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 or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority’s financial statements are free from 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 or other matters that are required to be reported under *Government Auditing Standards* or the Specifications.

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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Cherry Bekaert LLP". The script is cursive and fluid, with the letters "Cherry" and "Bekaert" being more prominent than "LLP".

Richmond, Virginia
October 2, 2024

Other Information

Economic Development Authority of James City County, Virginia
(A Component Unit of the County of James City, Virginia)

Schedules of Revenue Bonds Outstanding - Conduit Debt (Unaudited)

Bond	Issue Date	6/30/2024
Economic Development Revenue Bond - Christopher Newport University Educational Foundation	2001	\$ 2,054,119
Revenue Refunding Bond, William and Mary Foundation, Series 2011 (Refunding Variable Rate Revenue Bond - William and Mary Foundation, Series 2006, issued 12/1/2006)	2012	8,090,000
Virginia United Methodist Homes of Williamsburg, Inc., Series 2021A	2021	26,800,000
Virginia United Methodist Homes of Williamsburg, Inc., Series 2021B	2021	27,820,000
Williamsburg Landing Inc., Series 2021	2021	68,695,000
Blaine Landing, Series 2022	2022	8,367,000
Williamsburg Landing Inc., Series 2024	2023	76,910,000
		\$ 218,736,119

See accompanying independent auditors' report.

MEMORANDUM

DATE: October 15, 2024

TO: The Economic Development Authority

FROM: Christopher M. Johnson, Director of Economic Development

SUBJECT: Director's Report, September-October 2024

Greater Williamsburg Chamber of Commerce (GWCC) - The GWCC has announced the second speaker for the Commonwealth Conversations Speakers Series. Dr. Larry Sabato, Founder and Director of the University of Virginia's Center for Politics will discuss his unique insights into the post-election landscape and the implications for businesses in the Greater Williamsburg community. The Speakers Series will be moderated by Colonial Williamsburg Foundation President Cliff Fleet.

Manufacturing Day(s) - The Office of Economic Development is once again partnering with the Williamsburg-James City County Public Schools to present the 10th Annual Manufacturing and Trades Days to allow students to tour local manufacturing businesses, hear from local business leaders, and explore careers in the trades or manufacturing. Lafayette High School is scheduled to tour Printpack on Friday, Oct. 18; Warhill High School is scheduled to tour Nicewood on Friday, Nov. 1; and Jamestown High School will tour O-I on Friday, Nov. 8. All three high schools will also visit the Virginia Peninsula Community College Trades Center on their scheduled tour date.

Virginia Economic Developers Association (VEDP) Asia Call Trip - James City County was selected by VEDP's Foreign Direct Investment team as a locality partner for a call trip to Taiwan and South Korea in December 2024. Staff will meet with a dozen high-value target businesses in Taipei City and Seoul to cultivate relationships with key target contacts, gain additional sector expertise, and promote Virginia's site location advantages.

Regional Events/Initiatives:

- Staff attended the Virginia Peninsula Chamber of Commerce (VPCC) Forum on Infrastructure and its impact on Economic Development on Sept. 18 at the Williamsburg Lodge.
- Staff attended the Virginia Retail Matters event on Sept. 19 at Kingsmill Resort.
- Staff attended the Commonwealth Conversations Speakers Series event featuring former Chief of Staff for the United States Air Force John Jumper on Sept. 25 at the Williamsburg Lodge.
- Staff attended the VEDP Fall Conference from Sept. 25-27 at The Hotel Roanoke & Conference Center.
- Staff participated on a conference call with InLight Real Estate Partners on Sept. 27 regarding prospective interest in the GreenMount Logistics Center.
- Staff attended a bi-monthly meeting on Sept. 30 with GWCC CEO Terry Banez and the Economic Development Directors of the City of Williamsburg and York County.
- Staff participated in a Start Peninsula Annual Conference planning meeting on Oct. 1.
- Staff attended the Strictly Business event at the Art Museums of Colonial Williamsburg on Oct. 2.
- Staff attended the Hampton Roads Alliance Regional Economic Development Team meeting on Oct. 3 at VPCC.
- Staff attended the 4th Quarter Hampton Roads Alliance Regional Business Retention and Expansion Roundtable on Oct. 10 at the Virginia Tech Newport News Center.
- Staff attended the Old Dominion University Strom School of Business State of the Region Economic Forecast Breakfast on Oct. 11 at the Holiday Inn in City Center, Newport News.
- Staff participated in ribbon cutting ceremonies on Sept. 18 for the Williamsburg Bazaar's 5th Anniversary at 5625-F120 Richmond Road, Suite F120, in the Williamsburg Premium Outlets; Sept.

28 for the Waltrip Williamsburg Executive Airport 54th Anniversary at 100 Marclay Drive; and on Oct. 11 for Hospice House of Williamsburg at 4445 Powhatan Parkway to celebrate their renovation and re-opening.

Upcoming Dates of Interest:

- Tour of the Port of Virginia, Norfolk International Terminal, Oct. 18 from 1:30-3 p.m.
- The State of Greater Williamsburg, presented by Sentara Williamsburg Regional Medical Center, Oct. 22, 8-10 a.m., at the Colonial Heritage Clubhouse, 6507 Arthur Hills Drive.
- Women's Impact Summit, Oct. 22 from 8 a.m.-3 p.m. at Kingsmill Resort, 1010 Kingsmill Road.
- Williamsburg Area Association of Realtors Panel Discussion and Reception, Oct. 23 from 3-6 p.m. at Ford's Colony Country Club, 240 Fords Colony Drive.
- Start Peninsula Championship Pitch - Nov. 6, 6-8 p.m.
- Peninsula Home-Based Business Network Conference - Navigating the Digital Landscape, Thursday, Nov. 7, 8 a.m.-4 p.m., at the Peninsula Workforce Development Center, 600 Butler Farm Road, Suite A, Hampton. (Draft Conference Agenda attached.)
- Celebration of Business - Nov. 21, 4:30-6:30 p.m., at The Maine of Williamsburg, 2580 John Tyler Highway.
- GWCC 2024 Christmas Parade "Believe!", Sunday, Dec. 8 at 5 p.m.

CMJ/ap

DirRptSept-Oct24-mem