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ALBEMARLE COUNTY, VIRGINIA

Introduction

Albemarle County, Virginia (the “County”), is located in north central Virginia, approximately 70 miles west of Richmond and 110 miles southwest of Washington, D.C. The County encompasses approximately 726 square miles, with the developed area accounting for about one-third of the land area. According to 2021 estimates by the Weldon Cooper Center for Public Service, the County had an estimated population of 112,395.

COVID-19 Impact and Response

The outbreak of COVID-19, a respiratory disease caused by a new strain of coronavirus, was declared a pandemic by the World Health Organization on March 11, 2020, resulting in the declaration of a state of emergency for the Commonwealth of Virginia on March 12, 2020, and a National Emergency for the United States on March 13, 2020. The County Executive, as the local Director of Emergency Management, declared a local emergency due to COVID-19 on March 12, 2020, which was amended and approved as a resolution of the Board of Supervisors of the County (the “County Board”) in their public meeting on March 18, 2020. It became effective on March 20, 2020 at 8:00 PM. Over the past 23 months, measures to contain the spread of the virus have been developed and adjusted as information about effective mitigation became available.

The Governor of Virginia made a succession of changes to his initial executive order, and the County established an ordinance to put in place additional restrictions for the local population. Immediately after the local emergency declaration, the County Executive instituted a plan to restrict the County’s discretionary spending to reduce expenditures in the FY 2020 budget. He also restarted the FY 2021 budget process, which had been well underway at that point. One notable cost-cutting measure was a hiring freeze. The County Executive’s Office established a team to evaluate positions that became vacant through attrition, intending to freeze as many as 30 positions, where possible. The County Executive called this the 3/6/6 plan, which approached the budget in three components: (1) the three months remaining in FY 2020, (2) the first half of FY 2021 and (3) the second half of FY 2021. While most of the staff was directed to work off-site as of March 13, 2020, the County continued to provide essential services and address specific issues relating to the COVID-19 pandemic through the Incident Management Team (“IMT”).

The FY 2021 budget was adjusted during the course of the fiscal year to reflect changing expectations concerning the economic impacts of COVID-19 on revenues, especially relating to sales tax, meals tax, transient occupancy tax, business license fees, and charges for services. Other revenue categories were conservatively estimated. In addition, many capital improvement projects were put on hold to help conserve resources.

In response to the pandemic, the County instituted safety measures in County offices to allow for continuity of services while adhering to social distancing guidelines. These measures included automated temperature checks, enhanced disinfecting procedures, physical barriers, personal protective equipment, teleworking and remote communication capabilities.

The County received approximately \$19.1 million in two tranches from the CARES Coronavirus Relief Fund (CFR). The CARES CRF funds could not be used to replace lost revenues but could be applied to specific, pandemic-related expenses. A large portion of these funds was allocated to the public safety budget to cover various costs of responding to the pandemic. Other CARES Act expenditures included:

- The County provided 109 grants to local small businesses impacted by the COVID-19 pandemic. Grants were available to reimburse costs incurred due to the public health emergency, including ongoing expenses such as payroll, rent, insurance, or adaptive costs such as the purchase of e-commerce equipment, website creation or upgrade to online sales.
- The County provided additional grants to 45 County-based businesses through the Safe Spaces & Places Grant Program, a support initiative for businesses that have or were willing to temporarily expand outdoors to serve customers more safely during the pandemic.

- The County provided funding to non-profit charities, including emergency financial assistance to households via United Way as well as support for an online affordable housing search hub.
- The County invested additional resources in a range of public health measures to protect citizens and staff, including, among other things, a Safety Ambassador Program for Parks and Recreation, an air purification system for County office buildings, various materials and supplies such as face coverings and sanitizer, and visitor entry screening at County office buildings.

For details regarding the planned application of additional federal funding allocated to the County under the American Rescue Plan Act, see “Additional Federal Recovery Funds” below.

Transient occupancy tax revenues and food and beverage tax revenues decreased during FY 2020 and FY 2021 compared to pre-pandemic levels. Based on FY 2022 activity to date, such tax revenues are projected in total to exceed pre-pandemic levels. Despite the reduction in these tax revenues during the pandemic, the County maintained a positive fund balance through a combination of curtailed spending and receipt of federal relief funds. During the course of the fiscal year, the County was able to restore some additional funding to various departments that had been reduced at the onset of the pandemic. After salary increases were struck from the FY 2021 budget, the County provided a one-time \$1,000 bonus to full-time employees, with a pro rata share available to permanent part-time employees. The bonuses were paid before the end of FY 2021. The County was able to provide salary increases in the FY 2022 budget effective July 1, 2022, and additional salary increases on December 1, 2022, as the revenue picture stabilized and improved.

The County expects to maintain a positive fund balance through FY 2022. The County will continue to monitor the effects of the pandemic and the recovery therefrom and will make adjustments as circumstances dictate.

The COVID-19 pandemic is ongoing, and there is no basis to predict the duration or extent of the resulting public health crisis or its collateral effects. As of January 2022, with respect to COVID-19, there are no state-imposed public health restrictions limiting general business activity within the Commonwealth, including the County. However, there is no basis to predict the possibility, timing or nature of any future actions that may be taken by governmental authorities, including the County Board, to mitigate the spread of COVID-19 or otherwise address its effects. In addition, all of the short-term and long-term effects of the COVID-19 pandemic on the economies of the United States, the Commonwealth and the County cannot be determined at this time, and such effects may be materially adverse to the operating and financial conditions of the United States, the Commonwealth and the County.

Government

The County Board is the governing body of the County. The County Board is comprised of six members, who are elected for four-year terms, staggered at two-year intervals. The County Board selects from its members a Chair and a Vice-Chair for one-year terms. Functions of the County Board include making land use decisions, establishing growth and development policies, setting operational policies, and reviewing and adopting the County's operational and capital budgets, which sets spending priorities. An integral part of the County Board's office is the Clerk to the County Board. The Clerk is responsible for maintaining all official records of the County Board and coordinating the operations of the County Board office.

The County adopted the County Executive form of government and organization in 1933. Under this form of government, the County Board is the policy-making body of the County. The County Board's administrative responsibilities relate generally to overseeing the implementation and administration of policies through an appointed County Executive, who is the chief executive officer. All departments directly responsible to the County Board report to the County Executive, and he acts as the County Board's liaison to all other departments and agencies. He serves at the pleasure of the County Board, carries out its policies and directs business procedures.

Principal Executive Officers

Official	Name	Term and Manner of Selection	Length of Service With County	Expiration of Term
Chair and County Board Member	Donna P. Price	4 Years (elected)	2 Years	December 31, 2023
Vice-Chair and County Board Member	Bea LaPisto-Kirtley	4 years (elected)	2 Years	December 31, 2023
County Board Member	Jim H. Andrews	4 years (elected)	Newly Elected	December 31, 2025
County Board Member	Ned L. Gallaway	4 Years (elected)	10 Years	December 31, 2025
County Board Member	Ann H. Mallek	4 Years (elected)	14 Years	December 31, 2023
County Board Member	Diantha H. McKeel	4 Years (elected)	24 Years	December 31, 2025
County Executive	Jeffrey B. Richardson	Appointed by County Board	4 Years	Pleasure of County Board
Deputy County Executive	Douglas C. Walker	Employed by County Executive	8 Years	Pleasure of County Executive
Assistant County Executive	Trevor Henry	Employed by County Executive	9 Years	Pleasure of County Executive
County Attorney	Greg Kamptner	Appointed by County Board	26 Years	Pleasure of County Board
Chief Financial Officer	Nelsie Birch	Appointed by County Board	1 Year	Pleasure of County Board
Clerk of County Board	Claudette K. Borgersen	Appointed by County Board	5 Years	Pleasure of County Board
Superintendent of Schools	Dr. Matthew S. Haas	Appointed by School Board	16 Years	Pleasure of School Board

Source: Human Resources Department, Albemarle County, Virginia.

Certain County Administrative and Financial Staff Members

Jeffrey B. Richardson was appointed County Executive of the County effective October 30, 2017. Since his appointment, Mr. Richardson has been leading an organizational transformation through the establishment of the Office of Equity & Inclusion, the reconfiguration of the County’s finance and budget functions, and a renewed focus on delivering high-quality customer service, virtually and in-person. Prior to joining the County, he served as County Manager in Cleveland County, North Carolina, for approximately four and a half years. Mr. Richardson also worked as Deputy City Manager for the City of Asheville, North Carolina, for 16 years. Mr. Richardson was involved in several large economic development projects while serving in Cleveland County, contributing to significant tax base and job growth. While in Asheville, he was involved in a number of important projects, one of which included oversight of a \$20 million downtown urban park project (Pack Square Park) located in front of City Hall that included three separate water features, a terraced lawn, and an amphitheater, all situated over the 6.5-acre site. Mr. Richardson has an MPA from UNC Chapel Hill and a B.S. from UNC Asheville.

Douglas C. Walker was appointed Deputy County Executive effective April 13, 2013. Mr. Walker oversees the Departments of Police, Fire Rescue, Community Development, Social Services and Economic Development. He plays a key role in developing policy, fostering partnerships with our residents, businesses, and community leaders, preparing the annual budget, and managing strategic planning and performance management. Mr. Walker also served as Interim County Executive for eight months in 2017. Mr. Walker is a professional local government manager with over thirty years of combined experience in several communities throughout Virginia, including his most recent position as County Administrator in Shenandoah County. He also served as the City Manager of Waynesboro and as Deputy County Administrator in Spotsylvania County. Mr. Walker has a B.A. from Appalachian State University and a Master’s in Urban and Regional Planning from Virginia Commonwealth University. Mr. Walker is a past president of the Virginia Local Government Management Association and active member of the International City/County Management Association.

Trevor Henry was appointed Assistant County Executive effective May 1, 2018. As Assistant County Executive, Mr. Henry oversees the Departments of Facilities and Environmental Services, Parks and Recreation, Information Technology, Performance and Strategic Planning, and the Broadband Accessibility and Affordability Office. He has been with Albemarle since 2009 and has served as Assistant County Executive since 2018. During his tenure with the County, Mr. Henry has led many organizational change efforts to improve services and efficiency. He is a former qualified nuclear engineer, U.S. Naval Submarine Officer. Mr. Henry holds a B.S. in Physics from Susquehanna University and is a graduate of the Weldon Cooper Center's Senior Executive Institute.

Greg Kamptner was appointed County Attorney effective June 1, 2016. He joined the Albemarle County Attorney's Office in 1995, first as an Assistant County Attorney and, from 2007 until his appointment as County Attorney in 2016, as Deputy County Attorney. Previously, he served as a Deputy County Counsel for the County of Madera, California, from 1983 until 1987, and as Deputy and Senior Deputy County Counsel for the County of Fresno, California, from 1987 until relocating to Charlottesville, Virginia in 1991. Before joining the Albemarle County Attorney's Office, he worked for a legal research firm and an environmental consulting firm in Charlottesville between 1991 and 1995. In the span of Mr. Kamptner's career, he has represented a wide range of county clients, school divisions and special taxing entities. While in the Albemarle County Attorney's Office, he also has been a frequent instructor for various statewide organizations serving Virginia local governments. He was the 2015 recipient of the Cherin Award for Outstanding Deputy or Assistant given by the Virginia Local Government Attorneys Association. Mr. Kamptner received his Bachelor's degree from the University of California, Irvine in 1979 and his Juris Doctor degree from the University of San Diego in 1982.

Nelsie L. Birch was appointed Chief Financial Officer for Albemarle County on May 6, 2020. Ms. Birch brings over 20 years of public and private sector experience in finance, budgeting, and administration, with experience working in the District of Columbia, Alexandria, Virginia, Baltimore, Maryland, Greensboro, North Carolina, and Highland Park, Illinois. She began her career as a credit analyst for Fitch Ratings, serving as the lead analyst for local credits in the Mid-Atlantic region. Prior to joining Albemarle County, Ms. Birch served as the Founder and President of BIRCHbark Strategic Consulting, a consultancy providing leadership, strategic planning and budgeting, financial and performance management, process improvement and operational excellence expertise and services to local governments across the United States. In this capacity, one of the projects she led was the financial turnaround for the City of Petersburg, Virginia, serving as part of an emergency management team in the capacity as Interim CFO/Deputy City Manager. Ms. Birch has a Master of Public Administration from Northern Illinois University and a Bachelor of Arts in Political Science from Knox College. She is a graduate of the Senior Executive Institute at the University of Virginia, Weldon Cooper Center for Public Service, and the Leadership ICMA program of the International City/County Management Association. Ms. Birch is a member of GFOA, VGFOA, ICMA and VLGMA.

Dr. Matthew S. Haas was appointed as Superintendent for Albemarle County Public Schools effective June 30, 2018. Dr. Haas was born and raised in Trenton and Bordentown, New Jersey. He earned a B.S. in Secondary Education and English from Old Dominion University in 1990; an M.S. in Educational Administration from The College of William and Mary in 1997; and an Ed.D. in Educational Leadership and Policy Studies from Virginia Tech in 2002. Dr. Haas started out teaching English in Virginia Beach in 1990 and served there as an English teacher, coach, bus driver, and assistant principal at the middle and high school levels until 2001, when he and his family moved to Smyth County, Virginia. He served as a high school principal at Northwood High School in Smyth County for three years and came to Albemarle to be principal at Albemarle High School from 2004 through 2009. He has worked in the central office for Albemarle County Public Schools for the past 12 years as a director, executive director, assistant superintendent, deputy superintendent, and now superintendent.

Services Provided by the County

The County provides general governmental services for its community members, often in partnership with other governmental jurisdictions. Services include animal control, building inspections, planning and zoning, economic development, tourism, youth services, parks and recreation, libraries/culture, police and fire services, emergency medical services, E911 and emergency services and health and social services. The County provides water and sewer services and disposal of refuse for portions of the County in connection with the Albemarle County Service Authority and the Rivanna Solid Waste Authority. Other services provided by the County, which receive partial funding from the Commonwealth of Virginia (the "Commonwealth"), include public education in grades

kindergarten through twelve and certain technical, vocational and special education programs, mental health assistance, agricultural services, judicial activities, adult incarceration, juvenile detention services and airport services.

Public Schools

The Albemarle County Public School Board (the “School Board”) is a body corporate vested with all the powers and charged with all the duties, obligations and responsibilities imposed upon school boards by Virginia law. The School Board may sue, be sued, contract, be contracted with and purchase, take hold, lease and convey school property, both real and personal.

At the time of election to office, each member of the School Board must be a qualified voter and bona fide resident of the school division and district that they represent and meet any other criteria set forth in Virginia law. If a board member shall cease to be a resident of the school division or that district that the School Board member represents, the position of the School Board becomes vacant until a successor is chosen.

The School Board is elected by popular vote from election districts coterminous with the election districts for the County Board. Elections of School Board members are held to coincide with the elections of members of the County Board at the regular general election in November. The terms of office for School Board members are the same as the terms of the County Board and commence on the January 1 following the date of their election.

No employee of the School Board is eligible to serve on the School Board.

The School Board presents an annual budget to the County Board. The County Board makes an annual appropriation for school operations but has no authority over how the School Board allocates and expends the amount appropriated. For the Fiscal Year ended June 30, 2021, approximately 22% of school funds were received from the Commonwealth, approximately 5% from the federal government, approximately 71% from the County Board appropriation and approximately 2% from other sources.

Summary of Certain School Statistics

	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
Kindergarten Enrollment ⁽¹⁾	1,009	1,025	1,090	852	1,003
Elementary School Enrollment	5,281	5,273	5,393	4,950	4,987
Secondary School Enrollment	7,287	7,338	7,549	7,406	7,428
Total Enrollment	13,577	13,636	14,032	13,208	13,418
Number of Teachers and Administrators	1,374	1,431	1,479	1,473	1,509
Number of Other Employees	1,155	1,104	1,144	1,056	1,131
Total Number of Employees	2,529	2,535	2,623	2,529	2,640
Number of Elementary and Intermediate Schools	15	15	15	15	15
Number of Secondary Schools (includes Vocational) ⁽²⁾	10	10	10	9	9
Total Number of Buildings	25	25	25	24	24

Source: Director of Budget and Planning, Albemarle County Public Schools.

⁽¹⁾ A majority of elementary schools host Pre-K programs. Enrollment for Pre-K is not included.

⁽²⁾ Includes five comprehensive middle schools, three comprehensive high schools, one charter middle school and one charter high school. In 2020-2021, two charter schools were combined into one school. In 2021-2022, a virtual school was created. Because it does not have a building, it is excluded from this table.

Statistics on Existing Public Schools

School	Grade⁽¹⁾	Site Size	Original Construction Date	Date of Additions	K-12 Capacity⁽²⁾	2020-2021 Enrollment	2021-2022 Enrollment
Elementary:							
Agnor Hurt	K-5	19.5	1992	2015	504	409	404
Baker-Butler	K-5	55.0	2002	2018	596	629	656
Broadus Wood	K-5	11.7	1935	1961, 1966, 1985, 1993	360	251	246
Brownsville	K-5	20.0	1966	1997, 2003, 2009	756	723	736
Crozet	K-5	21.2	1990	1997	328	325	310
Greer	K-5	15.0	1974	2009, 2012	566	431	424
Hollymead	K-5	20.1	1972	1992, 2002, 2006	470	345	325
Meriwether	K-5	17.7	1988	-	420	322	315
Mountain View	K-5	16.1	1990	1997, 2008, 2015	624	662	677
Murray	K-5	20.9	1960	1964, 1991	260	231	262
Red Hill	K-5	10.9	1973	1973, 1982, 2016, 2021	198	153	163
Scottsville	K-5	15.0	1974	1981, 2005, 2017, 2021	285	207	201
Stone Robinson	K-5	11.3	1961	1972, 1988, 1999	536	419	427
Stony Point	K-5	11.6	1934	1960's, 1972, 1990, 1996	228	170	180
Woodbrook	K-5	12.0	1966	1997, 2018	584	525	504
Total		278.0			6,715	5,802	5,830
Middle:							
Burley	6-8	15.3	1951	1988, 1992, 1998, 2002	717	601	564
Henley	6-8	30.0	1966	1999, 2006, 2017, 2018	999	871	813
Jouett	6-8	20.0	1966	2003, 2005, 2017	717	674	656
Lakeside	6-8	21.0	1994	-	653	575	529
Walton	6-8	50.0	1974	-	499	338	316
Total		136.3			3,585	3,059	2,878
High/Other:							
Albemarle	9-12	40.0	1953	1961, 1970, 1974, 1979, 1984, 1992, 1996, 2009	1,785	1,853	1,792
Monticello	9-12	70.0	1998	2002, 2005, 2007, 2008	1,230	1,174	1,138
Western Albemarle	9-12	75.0	1977	1996, 2004, 2015, 2018	1,200	1,138	1,101
Center 1 ⁽³⁾	9-12	n/a ⁽³⁾	n/a ⁽³⁾	2018	150	n/a ⁽³⁾	71
Community Lab Sch.	6-12	7.1	1959	1992, 1996, 2005, 2008	240	161	185
Post High	12+	n/a ⁽⁴⁾	n/a ⁽⁴⁾	n/a ⁽⁴⁾	24	21	22
Virtual School		n/a	n/a	n/a			401
Total		192.1			4,629	4,347	4,710
Schools Grand Total		606.4			14,929	13,208	13,418

Source: Director of Building Services and Director of Budget and Planning, Albemarle County Public Schools.

⁽¹⁾ A majority of elementary schools host Pre-K programs. Enrollment for Pre-K is not included.

⁽²⁾ Building Capacity for K-12 students only. Does not include capacity for art, music, Pre-K, and auxiliary space, which vary by school.

⁽³⁾ Center 1 is located in a leased space of 42,274 square feet. Students attending Center 1 are counted in their base comprehensive high school.

⁽⁴⁾ Post High is located on the Burley Middle School Campus and serves Special Education students beyond 12th grade.

Higher Education

The County is also home to three institutions of higher learning, the University of Virginia (UVA); Piedmont Virginia Community College (PVCC); and American National University (ANU).

Founded in 1819 by Thomas Jefferson, the University of Virginia is situated on 188 acres and has a current student enrollment of over 25,000. In 2021 (for the 2022 edition), U.S. News and World Report ranked the University as the nation's 4th best public university and 25th best among all national universities. The University comprises the Schools of Architecture, Business, Commerce, Continuing and Professional Studies, Engineering and Applied Science, Law, Leadership and Public Policy, Medicine, Nursing, Education and the College of Arts and Sciences.

Piedmont Virginia Community College, established in 1972, is a nonresidential two-year institution of higher education. PVCC offers Associates Degrees as well as transfer opportunities to a four-year college or university to complete a Bachelor's Degree. Piedmont Virginia Community College has guaranteed admission agreements with most colleges and universities in Virginia. PVCC is accredited by the Southern Association of Colleges and Schools Commission on Colleges. PVCC also offers extensive workforce training programs for local employees.

American National University opened its Charlottesville campus in 1979 and continues to build on its reputation among Central Virginia employers for its skilled graduates. ANU offers many diploma programs, as well as associates, bachelor's and master's degrees in medical, business, and technology fields including Medical Health Services Management and Cybersecurity. American National University is accredited by the Accrediting Council for Independent Colleges and Schools (ACICS).

Transportation

The County and surrounding areas are served by Interstate 64 as a main east/west highway, connecting to I-81 and I-95, and by U.S. Highway 29 north/south and 250 east/west. The Virginia Department of Transportation ("VDOT") is responsible for road maintenance within the County. In December 2016, VDOT completed major improvements to the intersection of Route 29 and Rio Road, creating a grade-separated intersection allowing through traffic on Route 29 to pass under the intersection.

The County is serviced by the Charlottesville-Albemarle Airport ("CHO"), a non-hub, commercial service airport offering daily non-stop flights to and from Atlanta, Charlotte, Chicago, New York/LaGuardia, Philadelphia, and Washington/Dulles. CHO includes a 60,000-square foot terminal facility with amenities including on-site rental cars, ground transportation and food service. General aviation facilities include an executive terminal offering a full-service fixed base operation, flight school and aircraft charter firms. Rail transportation is provided by direct Amtrak passenger service and freight service to Hampton Roads in the east and Chicago in the Midwest. The Southern Railway main line, running from Washington, D.C., to Atlanta and New Orleans, also comes through the area.

The Charlottesville Area Transit ("CAT"), operated by the City of Charlottesville, Virginia (the "City"), provides bus service to all sections of the City and to the urbanized portions of the County. CAT operates 12 fixed routes, which provide bus service six days a week, both during the day and in the evening.

JAUNT is a regional public transportation system providing service to the citizens of Albemarle, Fluvanna, Louisa, Nelson, Buckingham, and Amherst Counties, as well as Charlottesville. Its buses make over 300,000 trips each year throughout a 2,600-square-mile service area, carrying riders to work, medical appointments, stores, leisure activities, and other destinations. In Albemarle County, JAUNT provides paratransit, rural demand response and commuter services.

Community Facilities

Medical Facilities. The largest medical facilities in the County are The University of Virginia Medical Center and Sentara Martha Jefferson Hospital. In 2020-2021, The University of Virginia Medical Center Hospital was rated in U.S. News & World Report as the No. 1 hospital in Virginia, for the fifth year in a row. In 2021-2022, the news magazine rated the University of Virginia Children's Hospital as the No. 1 children's hospital in Virginia. In 2019, it completed an emergency room expansion, tripling its size, and the hospital now has over 630 beds. Sentara Martha Jefferson Hospital, a not-for-profit hospital that moved its main campus from the City to the County in 2011, provides general medical services and emergency room services to the community.

Public Library. Public library services in the County are provided by the Jefferson-Madison Regional Library, which also serves the City, as well as Nelson, Greene and Louisa Counties. The library has over 500,000 volumes, including videos, books-on-tape, large print books and music compact discs, and circulates over 1,600,000 items annually. The University of Virginia's libraries house more than 4.7 million volumes.

Parks and Recreation. The Department of Parks and Recreation is responsible for the stewardship, development, and maintenance of over 5,000 acres of public parklands and greenway trails to meet the outdoor recreation and natural open space needs and desires of the County residents and visitors. Currently, there are 14

County park facilities, with two additional under development and three properties in holding for future development; three community centers; and a total of over 80 miles of maintained trails and three river access points within the County parks and in the County's greenways and blueways systems.

The Department of Parks and Recreation maintains all of these facilities, including 22 athletic fields, and provides maintenance support to the County's community and district parks located on Albemarle County Public Schools properties countywide. As identified in the County's Community Facilities Plan, community parks are generally located at elementary schools, and district parks are located at the middle and high schools. Facilities provided at community and district parks are generally designed for active recreation pursuits such as tennis, pickleball, baseball, softball, soccer, basketball, field hockey, football, lacrosse, cricket and playgrounds. Regional parks, which are larger in size and acreage, are designed for both active and leisure activities and provide recreational opportunities for swimming, picnicking, shelters, fishing, boating, hiking, running, mountain biking, disc golf, off leash dog parks, horseback riding as well as athletic facilities for youth and adults.

The Department of Parks and Recreation also offers numerous recreation classes, camps, special events, and youth and adult sports and programs, to enhance County residents' quality of life and provide recreational and enrichment opportunities for all ages.

Utilities. Natural gas is supplied by the Columbia Gas/Virginia Pipeline Company and distributed by Commonwealth Gas and the City of Charlottesville Gas. Raw water is supplied by the Rivanna Water and Sewer Authority and is distributed by the Albemarle County Service Authority and the City. The average daily flow is 9.97 million gallons, which includes the urban, Crozet and Scottsville systems. The Rivanna Water and Sewer Authority provides water and sewage treatment services. Daily capacity is 15.9 million gallons, and the average daily use of wastewater flow is 10.6 million gallons. The Rivanna Solid Waste Authority operates and maintains the County's landfill located in the Ivy area of the County.

Travel and Tourism

The County and immediate area contain numerous cultural and recreational facilities and historic sites. The travel and tourism industry contributes significantly to the local economy, having generated an estimated \$263.5 million in revenues and approximately 3,400 jobs in the County in calendar year 2020.

Located partially within the City's corporate limits, though legally within the jurisdiction of the County, is the University of Virginia. The Lawn, Ranges and Rotunda, comprising the original academic buildings of the University, were designed by Thomas Jefferson and are a registered national historic landmark. Monroe Hill, the home occupied by James Monroe when he was rector of the University, is also on the University grounds.

Jefferson's home, Monticello, is located within the County and typically receives over 400,000 visitors annually. Ash Lawn-Highland, another of Monroe's homes, and several other outstanding eighteenth and nineteenth century landmarks also draw tourists to the area, as do the Skyline Drive, Blue Ridge Parkway and Shenandoah National Park, all located in the western part of the County.

The County, the City and the local Chamber of Commerce jointly fund the Charlottesville/Albemarle Convention and Visitor's Bureau, which promotes tourist activities and provides assistance to visitors. In 2020, the Charlottesville Albemarle Convention & Visitors Bureau purchased two branded vans to serve as mobile visitor centers. The mobile visitor centers will move between attractions in the City and the County, interacting with visitors and promoting the area.

The community has an active cultural life including a symphony orchestra, several theater and dance groups and numerous small museums and art galleries. The County provides direct support for many of these groups, including the Virginia Discovery Museum, the Ashlawn/Highland Summer Festival, the Municipal Band, the Virginia Film Festival, the Piedmont Council of the Arts and the Lewis & Clark Festival. The University annually provides a large number of appearances by speakers and performing artists of international reputation, most of which are open to the general public. A variety of national publications, including The Washington Post and The New York Times, regularly cover Charlottesville events and lifestyles.

Separate Authorities

Economic Development Authority. The Economic Development Authority was created by the County Board on May 12, 1976, pursuant to applicable Virginia law. The Economic Development Authority is composed of seven members appointed by the County Board, one from each magisterial district and one at-large member. The Economic Development Authority acquires, owns, leases and disposes of properties and makes loans to promote industry and development by inducing manufacturing, industrial, governmental, nonprofit and commercial enterprises and institutions of higher education to locate in or remain in the County. The Economic Development Authority's role also includes assisting qualified businesses, institutions and industries who plan to expand or locate within the County by administering grant and bond programs that support economic vitality.

Rivanna Solid Waste Authority. The Rivanna Solid Waste Authority (the "Solid Waste Authority") was created by ordinance of the governing bodies of both the City and the County on August 6, 1990. Organized pursuant to the Virginia Water and Waste Authorities Act, Chapter 51, Title 15.2, Code of Virginia of 1950, as amended (the "Water and Waste Authorities Act"), and chartered by the State Corporation Commission on September 4, 1990, the Solid Waste Authority was created as a political subdivision to acquire, finance, construct, operate and maintain those facilities needed for the disposal of solid waste as well as those needed for recycling or other alternatives. The Solid Waste Authority is governed by a board of seven directors, six of whom are ex-officio members from the City and the County, with the seventh appointed by mutual consent of the City and the County governing bodies. The Solid Waste Authority is subject to the jurisdiction of the Virginia Department of Environmental Quality under the provisions of state and federal laws. The Solid Waste Authority operates under terms of the Organizational Agreement ratified by the City, the County and the Solid Waste Authority on November 20, 1990, along with subsequent Organizational, Environmental, and Recycling Agreements.

According to the Water and Waste Authorities Act, the Solid Waste Authority is authorized, among other things, to issue its revenue bonds to pay all or any part of the cost of a garbage and refuse disposal system. All indebtedness incurred by the Solid Waste Authority is payable solely from the revenues derived from user fees set by the Solid Waste Authority. The Solid Waste Authority has the authority to raise its fees to such a level as is necessary to cover the debt service on its obligations as well as pay its operating expenses and provide cash reserves. At present, the Solid Waste Authority's customers constitute private haulers who serve areas of the County and the City.

Albemarle County Service Authority. The Albemarle County Service Authority (the "Service Authority") was created by resolution of the County Board on April 2, 1964. Organized pursuant to the Water and Waste Authorities Act and chartered by the State Corporation Commission on April 23, 1964, the Service Authority was created as a political subdivision for the distribution and sale of potable water to retail customers and for the collection of wastewater from retail customers and delivery of such wastewater to the Rivanna Water and Sewer Authority (the "Water and Sewer Authority"). The Service Authority is governed by a board of five directors appointed for four-year terms by the County Board. The Service Authority is subject to the jurisdiction of the Virginia State Water Control Board under the provisions of state and federal water control laws.

According to the Water and Waste Authorities Act, the Service Authority is authorized, among other things, to issue its revenue bonds to pay all or any part of the cost of its water and sewer systems. All indebtedness incurred by the Service Authority is payable solely from the revenues of such systems. The Service Authority has the power to raise its rates to such a level as is necessary to cover the debt service on its obligations. As of June 30, 2021, the Service Authority had \$5,966,000 million in debt outstanding. The County has no direct obligation for the repayment of such debt.

Since July 1, 1973, when the Water and Sewer Authority assumed responsibility for the operations of certain existing water supply and water and wastewater treatment facilities of the City and the Service Authority, the City and the Service Authority have received wholesale water and sewer services from the Water and Sewer Authority. Service to the City and the Service Authority is currently provided in a ratio of approximately 50-50% for water and wastewater services.

Rivanna Water and Sewer Authority. The Rivanna Water and Sewer Authority (the “Water and Sewer Authority”) was created by ordinances of the governing bodies of both the City and the County on May 30, 1972. Organized pursuant to the Water and Waste Authorities Act and chartered by the State Corporation Commission on June 7, 1972, the Water and Sewer Authority was created as a political subdivision to acquire, finance, construct, operate and maintain those facilities needed for the production, storage and transmission of potable water, as well as those facilities needed for the interception, treatment and discharge of wastewater. The Water and Sewer Authority is governed by a board of seven directors, six of whom are ex-officio members from the City and County, with the seventh appointed by mutual consent of the City and County governing bodies. The Water and Sewer Authority is subject to the jurisdiction of the Virginia Departments of Health and Environmental Quality under the provisions of state and federal water control laws.

According to the Water and Waste Authorities Act, the Water and Sewer Authority is authorized, among other things, to issue its revenue bonds to pay all or any part of the cost of water treatment or wastewater treatment systems. All indebtedness incurred by the Water and Sewer Authority is payable solely from the revenues of its water or sewage system. The Water and Sewer Authority has the authority to raise its rates to such a level as is necessary to cover the debt service on its obligations. At present, the Water and Sewer Authority has two customers, the City and the Service Authority. Neither the City, the Service Authority nor the County, however, has any direct obligation for the indebtedness of the Water and Sewer Authority. As of June 30, 2021, the Water and Sewer Authority had \$176,174,359 principal amount of revenue bonds outstanding.

Albemarle-Charlottesville Regional Jail Authority. The Albemarle-Charlottesville Regional Jail Authority (the “Jail Authority”) was created by ordinance of the governing bodies of both the City and the County on November 15, 1995. Organized under the authority of Chapter 3, Article 3.1 of Title 53.1 of the Code of Virginia of 1950, as amended (the “enabling legislation”), the Jail Authority was created as a political subdivision to acquire, finance, construct, operate and maintain a regional jail. On July 1, 1998, Nelson County become a member of the Jail Authority. The Jail Authority is governed by a board of eleven directors, four each from the City and the County (three of whom are ex-officio; the fourth is a citizen appointed by their respective governing bodies), two from Nelson County, and one who is jointly appointed by mutual consent of the governing bodies. The Jail Authority is subject to the jurisdiction of the Virginia Department of Corrections under the provision of state and federal laws.

The Jail Authority replaced the operations of the former Albemarle-Charlottesville Joint Security Complex, which had operated since 1977. According to the enabling legislation, the Jail Authority is authorized, among other things, to issue its revenue bonds to pay all or any part of the cost of a regional jail facility. All indebtedness incurred by the Jail Authority is payable from a combination of per diem prisoner payments and an amount for net debt service, collected from the three member jurisdictions. The per diem payments will be calculated to include the debt service costs on any moneys borrowed for construction of cells or prisoner housing areas. The Jail Authority currently has no revenue bonds currently outstanding.

Charlottesville-Albemarle Airport Authority. The Charlottesville-Albemarle Airport Authority (the “Airport Authority”) was created in 1984 by the Virginia General Assembly as a political subdivision of the Commonwealth with the authority to direct the operations of the Charlottesville-Albemarle Airport. The former governing body of the Airport, the Charlottesville-Albemarle Airport Board, turned over all airport property to the Airport Authority and was then dissolved by joint resolutions of the City and County governing bodies.

The Airport Authority consists of three members: the City Manager, the County Executive and a member of the Joint Airport Commission. The seven-member Joint Airport Commission is composed of three County residents, three City residents and one member appointed by mutual consent of the City and County governing bodies. The Joint Airport Commission is advisory to the Airport Authority and elects its own Chairman.

The Airport Authority is a self-supporting, public entity. Annual revenues are derived from parking fees, airline rents, landing fees, passenger facility charges, customer facility charges and fees paid to the Airport Authority by concessions and tenants operating at the Airport. Neither the City nor the County is responsible for any indebtedness incurred by the Airport Authority. As of June 30, 20[20], the Airport Authority had \$[1.1] million in debt outstanding.

Acquisition of Conservation Easements Authority. The Acquisition of Conservation Easements Authority (the “ACEA”) was created as a parks and recreational facilities authority by resolution adopted by the County Board on November 20, 1989, pursuant to the Public Recreational Facilities Authority Act (§ 15.2-5600 et seq. of the Code of Virginia of 1950, as amended). Formerly known as the Public Recreational Facilities Authority, the ACEA was established to accept, hold and administer open-space land and interests therein under the Open-Space Land Act (§ 10.1-1700 et seq. of the Code of Virginia of 1950, as amended). The types of interests held include open-space easements donated by landowners, easements acquired by the County under its acquisition of conservation easements program and easements created pursuant to rural preservation developments allowed under the County’s zoning regulations. The ACEA is governed by a nine-member board appointed by the County Board.

The Albemarle Broadband Authority. The Albemarle Broadband Authority (“ABBA”) was incorporated as a wireless service authority by resolution adopted by the County Board on August 2, 2017, pursuant to the Virginia Wireless Service Authorities Act (§ 15.2-5431.1 et seq. of the Code of Virginia of 1950, as amended). ABBA works to extend affordable broadband internet service access to every customer in the County. ABBA does not own or operate a broadband internet network; instead, ABBA partners with internet service providers, community members, businesses and governments to advance broadband to every citizen and business in the County. ABBA is governed by a six-member board (two of whom are members of the County Board) appointed by the County Board.

Labor Relations

As part of the 2020 legislative session, the Virginia General Assembly voted to provide localities the authority to recognize labor unions or employee associations as bargaining representatives of any public employee bargaining unit for purposes of bargaining collectively for terms and conditions of employment. The legislation was subsequently signed by the Governor with an amendment making this legislation effective May 1, 2021. To date, the County Board has not adopted an ordinance or resolution authorizing collective bargaining or allowing any such union or employee association to be recognized as an exclusive bargaining representative.

Under Virginia law, any employees of the County, who, in concert with two or more other such employees, for the purpose of obstructing, impeding or suspending any activity or operation of their employing agency or any other governmental agency, strikes or willfully refuses to perform the duties of their employment, shall, by such action, be deemed to have terminated their employment and shall thereafter be ineligible for employment in any position or capacity during the next twelve months by the Commonwealth, or any county, city, town or other political subdivision of the Commonwealth, or by any department or agency thereof.

The County has neither negotiated nor bargained with its employees in any manner concerning any aspect of the terms and conditions of the employment of its employees.

The County does provide, pursuant to Virginia law, a grievance procedure for the resolution of various personnel complaints.

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COUNTY ECONOMIC AND DEMOGRAPHIC FACTORS

Population

The following table presents the County's estimated population for the last ten years.

Year ⁽¹⁾	Population
2011	100,780
2012	101,575
2013	102,731
2014	103,707
2015	105,051
2016	105,715
2017	107,697
2018	108,639
2019	109,722
2020	110,545

Source: Weldon Cooper Center Public Service.

⁽¹⁾ Estimates as of July 1 of the particular year. [2021 ESTIMATES TO BE UPDATED]

Per Capita Income

The following table presents comparative total per capita income figures for the County, the Commonwealth and the United States for selected years.

	2015	2016	2017	2018	2019	2020
Albemarle County*	\$62,467	\$65,691	\$70,988	\$74,603	\$75,885	\$77,606
Commonwealth of Virginia	52,379	53,439	55,181	56,978	58,738	61,958
United States	48,891	49,812	51,811	54,098	56,047	59,510

Source: U.S. Bureau of Economic Analysis; most recent information available.

* Includes data for the City.

** Latest information available.

Largest Employers

The estimate of the largest employers located in the County for Fiscal Year 2021, is listed below.

Firm	Product	Approximate Number of Employees
University of Virginia/Blue Ridge Hospital	Educational Services / Hospital	1,000+
County of Albemarle	Local Government / Education	1,000+
Sentara Healthcare (formerly Martha Jefferson Hospital)	Hospital	1,000+
U.S. Department of Defense	Federal Government	500 - 999
State Farm Mutual Automobile Insurance	Insurance	500 - 999
Atlantic Coast Athletic Club	Fitness	500 - 999
Northrup Grumman Corporation	Manufacturing	500 - 999
Piedmont Virginia Community College	Educational Services	250 - 499
Crutchfield Corporation	Retail	250 - 499
Walmart	Retail	250 - 499

Source: The County's Comprehensive Audited Financial Report for Fiscal Year 2021.

Unemployment Rates

The table below provides comparative average annual unemployment rates for the County, the Commonwealth and the United States.

	2016	2017	2018	2019	2020	2021
Albemarle County	3.5	3.3	2.6	2.4	5.4	2.6% ⁽¹⁾
Commonwealth of Virginia	4.0	3.7	2.9	2.7	6.2	2.7 ⁽²⁾
United States	4.9	4.4	3.9	3.7	8.1	5.3 ⁽³⁾

Sources: County and Commonwealth figures from Virginia Employment Commission; United States figures from Bureau of Labor Statistics.

⁽¹⁾ As of October 2021.

⁽²⁾ As of November 2021.

⁽³⁾ As of December 2021.

Taxable Retail Sales

The following table shows retail sales data in the County for the last five years for which information is available.

Calendar Year	Taxable Retail Sales
2016	\$1,397,980,854
2017	1,490,607,721
2018	1,528,316,908
2019	1,542,201,308
2020	1,472,443,819

Source: Virginia Department of Taxation. [2021 not yet available]

Building Permits

Building permits issued by the County and the corresponding value of such permits are presented below.

Calendar Year	Residential Units		Other		Total	
	No. ⁽¹⁾	Value ⁽²⁾	No. ⁽¹⁾	Value ⁽²⁾	No. ⁽¹⁾	Value ⁽²⁾
2012	345	\$102,068	57	\$44,504	402	\$146,572
2013	468	120,478	36	13,838	504	134,316
2014	474	151,713	29	61,473	503	213,186
2015	449	135,510	42	82,191	491	217,701
2016	592	213,556	48	45,738	640	258,294
2017	664	209,766	53	21,115	717	230,881
2018	661	224,124	46	20,732	707	244,856
2019	795	257,795	50	95,927	845	353,722
2020	531	223,241	49	99,465	580	322,706
2021						

Source: The County's Audited Financial Reports for Fiscal Years 2012 through 2021.

⁽¹⁾ Residential Unit and Other columns reflect number of new units regardless of the number of dwellings. Does not include additions, alterations, farm buildings, etc.

⁽²⁾ Value expressed in thousands.

Overview of Select Economic Data

The County has a diverse collection of economic development sectors and partners that provide economic stability for today and help position the County for the future. Principal economic sectors include the defense industry, high-tech companies, tourism, life sciences, agriculture, as well as, locally-owned small businesses and retailers that prevent leakage from the local economy.

University of Virginia

The University of Virginia, which is primarily located in the County, helps to accelerate robust economic growth for a number of communities across Virginia. In particular, the University has joined the County, the City and the Chamber of Commerce to form Venture Central, a collective effort to create start-up companies via research, innovation and entrepreneurship. See “*Albemarle County’s Investments in Economic Development*” below for additional detail regarding Venture Central. The University has also recently founded two research institutes—the Data Science Institute and the Applied Research Institute. The Data Science Institute has been a catalyst for expanded cyber security research and contributed to the creation of a new 75-person company—CCri. The Applied Research Institute recently organized and hosted its third annual Conference on National Defense and Intelligence. Through these undertakings and others, the University helps recruit and retain industry in the County and the surrounding area and empowers a future-ready workforce with the necessary skills to adapt to a rapidly changing world.

Defense

The National Ground Intelligence Center (NGIC), located in Albemarle County is part of the United States Army Intelligence and Security Command. NGIC provides scientific and technical intelligence and general military intelligence on foreign ground forces in support of the warfighting commanders, force and material developers, United States Department of the Army, United States Department of Defense, and other national security decision-makers. The defense industry’s economic impact in the County in 20[20] was conservatively estimated to be approximately \$[567.2] million. Defense manufacturing contractors, such as Northrop Grumman and Mitre, continue expanding local operations with capital investments and new hires.

Primary Businesses

The County is also home to a multitude of primary businesses that create goods or provide services to others outside the area, which has resulted in a flow of new wealth into the community. The types of primary businesses and services are diverse. As illustrations, however, there are (1) technology companies such as WillowTree, MDA, PunchOut2Go and Castle Hill Gaming; (2) manufacturers such as Custom Ink, Northrop Grumman, MicroAire and Mikro Systems; (3) agricultural businesses including more than fifty wineries, cideries and breweries; and (4) medical services such as UVA Health Services and Sentara Martha Jefferson. This diverse array of industries and services demonstrates how the County is not reliant on any one economic sector, minimizing the likelihood of significant economic harm.

Albemarle County’s Investments in Economic Development

Over the past decade, the County has increased its investment in economic development and maintaining a thriving economy. In 2018-19, the County established the Economic Development Office and hired an Economic Development Director, Project Coordinator and Project Manager, all to enhance its economic development efforts. The County soon adopted an Economic Development strategic plan named Project ENABLE.

Project ENABLE is a wide-ranging set of strategies for achieving and maintaining economic vitality and growing the County’s tax base, which include, among other things, public investment in local infrastructure and local businesses, incentives to attract and retain local business and public-private partnerships. For example, in Fiscal Year 2019, the County dedicated \$5,300,000 to create an economic development investment pool to achieve the goals in Project ENABLE, provide customized solutions to help local businesses and support economic vitality efforts.

In 2018, the County partnered with the City and the University of Virginia to launch an economic development group cluster strategy resulting in unified support of CvilleBioHub. This hub amplifies a vibrant and expansive biotechnology industry cluster in the community, home to more than 65 companies at the forefront of advancing human health and innovation. The result has been \$118 million in grant support, 1,950 employed, \$183 million in funds raised, and 431 patents issued.

Additionally, the County has ongoing collaborations with the City, the University of Virginia and the local Chamber of Commerce to create a highly adaptive innovation and entrepreneurship ecosystem, called Venture Central. Venture Central is intended to amplify economic vitality by launching start-up companies born from local research, innovation and entrepreneurship.

Public-Private Partnerships

In April 2020, the Albemarle Business Campus, a public-private partnership to be located near the 5th Street Station shopping center, was established to invest an estimated \$40 - \$100 million in the County, providing benefits such as traffic solutions, a large increase in the County's tax base, various infrastructure and real estate improvements, and homes to both businesses and families. The agreement outlines how the developer will construct and market at least 25,000 square feet of office space for "primary businesses" in coordination with the Economic Development Office. Construction of the first phase started in March 2021 and is expected to be completed in summer 2022.

In July 2019, the County entered into a public-private partnership with Crozet New Town Associates to redevelop the Barnes Lumber property in Crozet. The Barnes Lumber redevelopment will transform a vacant industrial site in downtown Crozet into a mixed-use space featuring a public plaza, commercial and retail space, a hotel and approximately 52 residential units. The County has agreed to contribute \$1.6 million in the form of incremental tax financing and \$1.6 million in other public funds to build a public plaza. The developer will provide \$2 million to match a \$2.3 million contribution from VDOT to build a road network. The Barnes Lumber redevelopment is expected to add 471,000 square feet of space. Construction is expected to begin in 2022.

In December 2019, the County, Perrone Robotics, Inc., and JAUNT, Inc., entered into a partnership to develop, test and operate an autonomous transit shuttle service pilot in the County. The partnership, totaling \$600,000, launched autonomous transit shuttle service in March 2019. As part of the partnership, the County provided a neighborhood electric vehicle. Perrone Robotics adapted their technology to enable the neighborhood electric vehicle and provided an autonomous shuttle service. While the shuttle operated autonomously, a safety-trained transit "ambassador" was on-board. In 2021, Perrone Robotics, in part due to this partnership with JAUNT, received an additional \$10 million of capital investment and announced a 3-year plan to expand operations in the County. The total project is expected to include \$21,000,000 in new investment and to create approximately 200 jobs, with average annual salaries expected to exceed \$100,000.

In September 2018, the County partnered with the Commonwealth of Virginia, the Economic Development Authority and Woolen Mills, LLC, to redevelop Woolen Mills, an iconic site located along the Rivanna River. Woolen Mills has been redeveloped as the new corporate campus for WillowTree, Inc., with approximately \$12.3 million in new investment. The project was forecasted to create approximately 200 net new jobs, with median annual salaries exceeding \$80,000. The Weldon Cooper Center at UVA conducted an ImPlan analysis and projected the economic impact of the project will exceed more than \$132,000,000 annually. WillowTree began operating in the redeveloped site in July 2020.

Other Business Expansions

In 2016, the Brookhill development was approved for a maximum of 1,550 residential units and 130,000 square feet of non-residential space along with other community amenities. By 2021, a 179-unit multi-story, assisted living facility and 316 apartments had been completed. Multiple other phases are currently under construction.

In February 2018, Lighthouse Instruments announced a \$4.8 million investment to expand its manufacturing operation in the County, creating 10 jobs. Lighthouse Instruments is a world leader in laser test and measurement systems for pharmaceutical process monitoring.

In January 2019, Potter's Craft Cider announced a \$1.56 million investment to relocate and expand their existing hard cider production facility and add a tasting room. The expansion more than quadrupled Potter's cider production, creating 12 new jobs in the County.

In June 2019, Castle Hill Gaming announced a \$1.3 million investment to expand its headquarters in the County, creating over 100 jobs. Castle Hill Gaming is a software developer of quality gaming solutions and works with clients across the United States.

In July 2019, the Oakleigh mixed-use development opened a multi-story assisted living facility. The remaining phases have not started construction, but are zoned for a mix of offices, apartments, and retail. The development also contains a veterans memorial open to the public.

In November 2019, a 103-room Staybridge Suites Hotel was added to Hollymead Town Center, which is a mixed-use development consisting of a shopping center with Target, Harris Teeter, Kohl's, PetSmart, Bonefish Grill, and many other stores and restaurants. Additionally, more than 500 residential units have been constructed.

In February 2021, Afton Scientific announced a \$500,000 investment to expand its operations within the County. Afton Scientific plans to add 20 new jobs and 8,000 square feet to its facility to accommodate its estimated 50 percent growth over the past year.

In October 2021, Bonumose, Inc., a Virginia-based startup with patented technology that could enable the mass market adoption of rare healthy sugars, announced a \$27.7 million investment to expand in the County and add approximately 64 high-paying jobs.

In December 2021, Rivanna Medical, Inc. announced that it is partnering with BARDA to develop a portable medical system for rapid, radiation-free fracture detection and aid for triage in emergency medicine. The company expects to receive grant funding of up to \$65 million from BARDA. The company anticipates an initial investment of \$260,000 to expand its headquarters in the County and create 18 initial jobs.

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TAX BASE DATA

County Tax Data

The following tables present certain tax base operating data concerning the County.

Assessed Value of all Taxable Property (\$ amounts expressed in thousands)

Tax Year	Real Estate ⁽¹⁾	Personal Property ⁽²⁾⁽³⁾	Public Service	Total Taxable Assessed Value	Total Direct Tax Rate ⁽⁴⁾
2011	\$15,081,811	\$852,033	\$424,607	\$16,358,451	1.096%
2012	14,875,587	880,576	314,061	16,070,224	1.065
2013	14,734,853	905,538	329,783	15,970,174	1.045
2014	14,931,100	932,217	333,529	16,196,846	1.022
2015	15,467,281	951,629	358,256	16,777,166	1.000
2016	16,059,837	998,813	388,154	17,446,804	0.983
2017	16,719,336	1,040,481	391,501	18,151,318	0.972
2018	17,543,064	1,046,359	397,434	18,986,857	0.981
2019	18,459,194	1,098,864	437,903	19,995,961	0.975
2020	19,457,789	1,090,069	449,544	20,997,402	0.978
2021	20,300,083	1,200,642	473,631	21,974,356	0.983

Source: The County's Comprehensive Audited Financial Report for Fiscal Year 2021.

⁽¹⁾ Real estate net of exemptions for land use deferral and tax relief for the elderly/disabled.

⁽²⁾ Personal property includes personal property, business personal property, machinery/tools and mobile homes.

⁽³⁾ Personal property, machinery and tools, and public service is assessed as 100% fair market value.

⁽⁴⁾ The total direct tax rate is calculated using the weighted average method.

Ten Principal Property Taxpayers As of January 1, 2021⁽¹⁾

Name	Nature of Business	Assessed Valuation ⁽²⁾	% of Total Assessed Valuation
University of Virginia Real Estate Foundation	Office Park	\$229,458	1.04
Westminster-Canterbury	Retirement Village	136,778	0.62
5 th Street Station Ventures, LLC	Developer	88,569	0.40
Oct Stonefield Property Owner, LLC	Shopping Center	77,851	0.35
Reserve at Belvedere, LLC	Apartments	62,807	0.29
Avemore Apartments, LP	Apartments	50,988	0.23
Brookhill Apartments, LLC	Apartments	49,728	0.23
MAALP Stonefield Commons, LLC	Shopping Mall	48,970	0.22
Arden Place Associates, LLC	Apartments	47,124	0.21
JDM II SF National LLC	Developer	46,510	0.21
Totals		\$838,783	3.82%

Source: The County's Comprehensive Audited Financial Report for Fiscal Year 2021.

⁽¹⁾ Based on January 1, 2020 real estate tax assessment records.

⁽²⁾ Amounts expressed in thousands.

**Selected Miscellaneous Tax Receipts
(\$ Amounts in Thousands)**

Fiscal Year	Business License Taxes	Consumer Utility Taxes	Motor Vehicle Licenses	Recordation and Wills Taxes	Meals Tax
2012	\$ 9,639	\$4,144	\$3,720	\$1,386	5,965
2013	10,198	4,266	3,773	1,706	6,168
2014	10,160	4,346	3,673	1,806	6,362
2015	10,640	4,440	3,566	1,668	6,951
2016	11,692	4,404	3,733	1,679	7,415
2017	12,626	4,463	3,911	2,308	7,971
2018	13,231	4,608	3,925	1,830	8,580
2019	13,481	4,571	4,224	1,944	8,850
2020	13,835	4,493	3,945	2,063	7,909
2021	13,811	4,541	4,007	3,203	7,332

Source: The County's Comprehensive Audited Financial Report for Fiscal Year 2021.

Property Tax Rates⁽¹⁾⁽²⁾

Fiscal Year	Real Estate⁽³⁾	Personal Property⁽³⁾	Public Service	
			Real	Personal
2012	\$.742/.762	\$4.28/4.28	\$.742/.762	\$4.28/4.28
2013	.762/.766	4.28/4.28	.762/.766	4.28/4.28
2014	.766/.799	4.28/4.28	.766/.799	4.28/4.28
2015	.799/.819	4.28/4.28	.799/.819	4.28/4.28
2016	.819/.839	4.28/4.28	.819/.839	4.28/4.28
2017	.839/.839	4.28/4.28	.839/.839	4.28/4.28
2018	.839/.839	4.28/4.28	.839/.839	4.28/4.28
2019	.839/.854	4.28/4.28	.839/.854	4.28/4.28
2020	.854/.854	4.28/4.28	.854/.854	4.28/4.28
2021	.854/.854	4.28/4.28	.854/.854	4.28/4.28

Source: The County's Comprehensive Audited Financial Report for Fiscal Year 2021.

⁽¹⁾ Per \$100 of assessed value.

⁽²⁾ Includes 1st Half Rate/2nd Half Rate.

⁽³⁾ Mobile homes taxed as personal property using the real estate tax rate.

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Tax Levies and Collections

Fiscal Year	Collected within the Fiscal Year of the Levy			Total Collections to Date		
	Total Tax Levy for Fiscal Year ⁽¹⁾	Current Tax Collections	Percent of Levy	Collections in Subsequent Years	Amount	Percentage of Levy
2012	\$150,892,028	\$144,024,192	95.45%	\$6,784,355	\$150,808,547	99.94%
2013	152,881,289	146,813,431	96.03	5,971,832	152,785,263	99.94
2014	158,501,037	152,862,649	96.44	5,525,134	158,387,783	99.93
2015	167,821,725	162,541,808	96.85	5,174,982	167,716,790	99.94
2016	177,465,143	171,967,912	96.90	5,361,447	177,329,359	99.92
2017	186,788,335	181,098,238	96.95	5,393,960	186,492,198	99.84
2018	193,611,195	189,968,058	98.12	3,267,173	193,235,231	99.81
2019	205,017,770	199,964,487	97.54	4,223,450	204,187,937	99.60
2020	214,696,751	196,210,787 ⁽²⁾	91.39 ⁽²⁾	15,814,446	212,025,233	98.76
2021	223,531,251	213,417,187 ⁽²⁾	95.48 ⁽²⁾	-	213,417,187	95.48

Source: The County's Comprehensive Audited Financial Report for Fiscal Year 2021.

⁽¹⁾ Net of exemptions for land use deferral and tax relief for the elderly/disabled.

⁽²⁾ The due date for the 1st half installment of 2020 taxes was moved from June 5th to June 30th due to COVID-19. As a result, there was a significant increase in tax collections after year end.

City-County Revenue Sharing Agreement

As an alternative to future annexations by the City of portions of the County, the governing bodies of the two jurisdictions have entered into a revenue-sharing agreement. The agreement was adopted in 1982 after public hearings by both the City Council and the County Board, and approved at a referendum in May 1982 by County voters. No referendum by City voters was required.

Under this agreement, the City has permanently foregone its annexation rights to County territory. In return, the two jurisdictions annually pool a fixed percentage of their real estate tax proceeds. The pooled revenues are then re-divided under a formula based on population and relative real estate tax effort, with a maximum annual transfer equivalent to 10 cents of the County's tax rates times the County's assessed value of real estate. The formula has produced a payment by the County to the City in the last ten years as follows:

Fiscal Year Ended June 30	Amount
2013	\$17,678,767
2014	16,931,333
2015	16,466,981
2016	16,058,668
2017	15,767,084
2018	15,855,485
2019	15,596,360
2020	14,199,617
2021	14,589,313
2022	15,411,834

FINANCIAL INFORMATION

Budgetary Procedure

Prior to April 1, the County Executive submits to the County Board a proposed operating and capital budget for the fiscal year commencing the following July 1. The operating and capital budget includes proposed expenditures and the means of financing them. Public hearings and town halls are conducted to obtain citizen comments. Also, work sessions between the County Board and the School Board are conducted relating to the School Board budget. Prior to June 30, the budget is legally enacted by an appropriations resolution of the County Board. Changes to the approved General Fund operating budget during the fiscal year can be accomplished in any of the following ways: (1) transfers between divisions and non-salary line-item expenditures within general government departments may be approved by the heads of the departments; (2) transfers between expenditure accounts in different departments may be approved by the County Board or, if specifically delegated by the County Board, by the County Executive; and (3) encumbered funds for active operational purchase orders will be carried forward into the next fiscal year subject to the approval of the County Board. The School Board is authorized to transfer budgeted amounts within the school system's categories.

Formal budgetary integration is employed as a management control device during the year for the General Fund and the General Capital Projects Fund. The School Fund and the School Capital Projects Fund are integrated only at the level of legal adoption. All budgets are adopted on a basis consistent with generally accepted accounting principles ("GAAP").

All appropriations lapse on June 30 and are re-appropriated as necessary. In Fiscal Year 2022, capital projects and grants will be carried forward pursuant to new legislation approved in the Virginia General Assembly's 2021 session.

Accounting System and Annual Audit

The accounts of the County are organized on the basis of funds, each of which is considered to be a separate accounting and reporting entity. Operations are accounted for by a separate set of self-balancing accounts which comprise its assets, liabilities, fund equity, revenues and expenditures or expenses.

The modified accrual basis of accounting is followed for the Governmental Funds (General, Special Revenue, Debt Service and Capital Projects). Under this method of accounting, revenues are recognized in the period in which they become measurable and available. With respect to real and personal property tax revenues and other local taxes, the term available is limited to collection within 45 days of the fiscal year-end. Levies made prior to the fiscal year-end but which are not available are deferred. Interest income is recorded as earned; federal and state reimbursement-type grants are recorded as revenue when related eligible expenditures are incurred. Expenditures, other than accrued interest on long-term debt, are recorded when the fund liability is incurred.

An annual audit is made of the various funds of the County, and the most recently completed financial statement submitted by Robinson, Farmer, Cox Associates, independent certified public accountants, is presented in the Appendix D to this Official Statement. Robinson, Farmer, Cox Associates has not been engaged to review this Official Statement or any other matters in connection with the issuance of the Series 2022 Bonds.

Note 1 of the financial statements in Appendix D gives a more detailed summary of significant accounting policies.

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Five-Year Summary of Revenues, Expenditures and General Fund Balances

The financial data shown in the table below presents a summary of the County's General Fund revenues, expenditures and fund balances for the Fiscal Years ended June 30, 2017 to 2021. The summaries for the Fiscal Years have been compiled from the accounting records of the County for the same Fiscal Years.

Five-Year Summary of Revenues, Expenditures and Fund Balances General Fund Fiscal Years 2017 to 2021

	2017	2018	2019	2020	2021
Revenues					
General Property Taxes	\$174,497,297	\$183,727,785	\$195,682,664	\$204,574,224	\$216,599,323
Other Local Taxes	51,003,575	52,089,699	53,234,026	53,469,503	55,833,042
Permits, Privilege Fees & Regulatory Licenses	2,595,632	2,936,061	2,594,777	2,755,285	2,800,489
Fines & Forfeitures	440,281	487,221	515,342	410,333	199,460
Use of Money & Property	1,180,939	1,664,455	1,851,038	1,791,992	1,497,825
Charges for Services	1,624,974	1,576,254	3,919,176	3,751,776	3,522,275
Miscellaneous	274,005	222,962	278,190	335,004	695,204
Recovered Costs	264,677	849,215	375,482	377,363	726,351
Intergovernmental					
Contribution from School Board	824,120	1,520,455	620,869	5,415,466	4,425,479
Commonwealth	27,888,083	27,651,180	28,251,847	28,194,254	27,348,856
Federal	6,656,236	6,607,249	7,123,098	7,218,272	7,499,237
Total Revenues	\$267,249,819	\$279,332,536	\$294,446,509	\$308,293,472	\$321,147,541
Expenditures					
General Government					
Administration	\$ 12,904,062	\$ 14,168,560	\$ 14,784,312	\$ 16,528,524	\$ 17,498,215
Judicial Administration	4,722,068	4,853,301	5,328,534	5,745,333	5,589,083
Public Safety	25,890,638	27,008,819	44,051,141	47,213,732	40,201,589
Public Works	4,468,841	4,860,134	5,722,825	5,931,091	7,683,222
Health & Welfare	17,400,434	17,749,686	19,940,970	18,661,884	20,340,530
Education - local community					
college	23,981	24,934	24,255	24,008	24,048
Education - public school system	123,592,513	124,103,485	134,885,001	142,828,854	146,381,563
Parks, Recreation & Cultural	7,662,290	8,083,543	8,562,105	8,960,028	8,321,599
Community Development	23,178,766	24,390,822	24,568,626	24,512,954	24,800,961
Contingencies	621,493	605,666	548,509	523,728	596,120
Total Expenditures	\$220,465,086	\$225,848,950	\$258,416,278	\$270,930,136	\$271,436,930
Excess (deficiency) of Revenues over Expenditures	\$ 46,784,733	\$ 53,483,586	\$ 36,030,231	\$ 37,363,336	\$ 49,710,611
Other Financing Sources (Uses):					
Transfers in	\$ 2,680,559	\$ 3,203,960	\$ 3,359,398	\$ 2,599,295	2,844,672
Transfers out	(41,093,244)	(59,499,041)	(37,105,295)	(36,023,971)	(30,752,140)
Total other financing sources (uses)	\$ (38,412,685)	\$ (56,295,081)	\$ (33,745,897)	\$ (33,424,676)	\$ (27,907,468)
Net change in fund balance	\$ 8,372,048	\$ (2,811,495)	\$ 2,284,334	\$ 3,938,660	\$ 21,803,143
Fund balance, beginning of year	\$ 47,933,070	\$ 56,305,118	\$ 53,493,623	\$ 55,777,957	\$ 59,716,617
Fund balance, end of year	\$ 56,305,118	\$ 53,493,623	\$ 55,777,957	\$ 59,716,617	\$ 81,519,760

Source: Information from Fiscal Years 2017-2021 derived from the County's Comprehensive Audited Financial Reports for such years.

General Fund Operating Budget

The following table shows the County’s budgeted revenues and expenditures for the General Fund for the Fiscal Years 2021 and 2022.

Adopted Budgets for General Fund – Fiscal Years 2021 and 2022

<u>General Fund Revenues:</u>	Adopted FY 2021	Adopted FY 2022
Local Sources:		
General Property Taxes	\$200,997,702	\$213,660,617
Other Local Taxes	52,850,529	54,744,221
Other Local Revenue	9,190,425	8,816,114
Subtotal	<u>\$263,038,656</u>	<u>\$277,220,952</u>
State Revenue	\$ 24,753,797	\$ 24,802,726
Federal Revenue	7,041,656	7,135,311
Transfers	3,120,169	2,780,227
Use of Fund Balance	2,439,973	2,935,858
Subtotal	<u>\$ 37,355,595</u>	<u>\$ 37,654,122</u>
Total	<u>\$300,394,251</u>	<u>\$314,875,074</u>
<u>General Fund Expenditures:</u>		
Administration	\$ 16,589,729	\$ 18,188,382
Judicial	5,917,819	5,958,384
Public Safety*	48,427,583	48,073,990
Public Works	6,495,065	6,778,772
Health & Welfare*	22,247,057	22,620,823
Parks, Recreation & Culture	8,578,283	8,521,456
Community Development*	10,384,548	11,196,604
Subtotal	<u>\$118,640,084</u>	<u>\$121,338,411</u>
Revenue Sharing	\$ 14,589,313	\$ 15,411,834
Transfers to Schools	134,184,078	141,108,965
Transfer to Capital/Debt Service	30,142,066	30,547,608
Other Use of Funds*	2,838,710	6,468,256
Subtotal	<u>\$181,754,167</u>	<u>\$193,536,663</u>
Total	<u>\$300,394,251</u>	<u>\$314,875,074</u>

Source: Department of Finance & Budget, Albemarle County, Virginia.

* Other includes Economic Development Fund, Grants Leveraging Fund, and transfer to Vehicle Replacement Fund.

Additional Federal Recovery Funds

On May 10, 2021, the County received confirmation that it would receive approximately \$21.2 million in State and Local Fiscal Recovery funds pursuant to the American Rescue Plan Act. The County received half of the funds on May 21, 2021 and expects to receive the remaining half by mid-May 2022. On March 29, 2021, as part of the FY 2022 budget development process, the County Board endorsed a plan of funding recommended by staff.

The most recent framework, approved by the County Board on August 18, 2021, set aside \$4 million for FY 2022 “Economic Vitality” projects and \$4.5 million to be transferred to the Albemarle Broadband Authority (ABBA) to support their match for the Virginia Telecommunication Initiative (VATI) 2022 grant through the Thomas Jefferson Planning District Commission (TJPDC) and Firefly. The remaining \$12.7 million was to be held for consideration in the context of the FY 2023 budget process, which will take place in spring of 2022. On December 1, 2021, the County Board amended the spending framework to include premium pay bonuses for front line First Responders of the County. As of January 31, 2022, \$3.1 million has been obligated or spent from the \$4 million for “Economic Vitality” programs. These projects include, but are not limited to, mortgage, rent and utility

assistance; shelter support for unhoused individuals; food support; eviction prevention; and support for long-term housing assistance. Approximately \$0.9 million has been obligated for premium pay bonuses to Fire/Rescue, Police and Sheriff's office employees (not covered under State bonus funding). Funding has also been obligated to support weekly testing required by County Executive order 12-3. This order is vital to reducing the transmission of COVID-19 among County employees and the public; protecting those who are at higher risk for adverse health complications; and maintaining essential services for the public.

Pension Plan

The County and the School Board each participate in the Virginia Retirement System ("VRS") defined benefit pension plan. All full-time, salaried permanent (professional) employees of the School Board and the County are automatically covered by VRS upon employment. Benefits vest after five years of service credit.

At June 30, 2021, the County reported a liability of \$48,760,745 for its proportionate share of the net pension liability of its employees. The County's net pension liability was measured as of June 30, 2020. Contributions from the County to the pension plan totaled \$6,227,157 and \$5,333,508 for the Fiscal Years ended June 30, 2021, and June 30, 2020, respectively.

At June 30, 2021, the School Board reported a liability of \$1,529,045 for its proportionate share of the net pension liability for its nonprofessional employees. The School Board's net pension liability was measured as of June 30, 2020. Contributions from the School Board to the pension plan for its nonprofessional employees totaled \$327,696 and \$309,723 for the Fiscal Years ended June 30, 2021 and June 30, 2020, respectively. Year.

At June 30, 2021, the School Board reported a liability of \$169,385,292 for its proportionate share of the net pension liability for its professional employees. The School Board's net pension liability was measured as of June 30, 2020. Contributions from the School board to the pension plan for its professional employees totaled \$16,033,889 and \$15,466,883 for the Fiscal Years ended June 30, 2021, and June 30, 2020, respectively.

For each of the plans described above, the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of June 30, 2019, using updated actuarial assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2020. The assumed investment rate of return for purposes of such valuation was 6.75%, net of pension plan investment expense, including inflation.

For more information about the plans and the funding thereof, see Note 13 to the County's audited financial statements attached as [Appendix D](#).

Part-Time Employee Pension Plan

See Note 11 to the County's audited financial statements included as [Appendix D](#) for information on the County's defined contribution plan for its permanent part-time employees.

Commitments and Contingent Liabilities

Federal programs in which the County and the School Board participate were audited in accordance with the provisions of the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. All major programs and certain other programs were tested for compliance with all applicable grant requirements. While no matters of noncompliance were disclosed by audit, the federal government may subject grant programs to additional tests which may result in disallowed expenditures. Any future disallowances of current grant program expenditures, if any, would be immaterial.

In 1998, a lawsuit was filed against the County, the City and the Solid Waste Authority by property owners in the vicinity of the Ivy Landfill under the Federal Resource Conservation and Recovery Act ("RCRA"), the Comprehensive Environmental Response Compensation and Liability Act ("CERCLA"), the Clean Water Act, the Virginia State Water Control Law, and the Virginia Waste Management Act. The plaintiffs alleged that pollutants had been discharged into the air and the underground and surface waters in violation of various federal and state

laws. The plaintiffs sought injunctive relief, civil penalties, compensatory damages and attorney's fees. The defendants denied the allegations. In 2000, the lawsuit was settled and dismissed with prejudice by all plaintiffs except for two. The lawsuits for those two plaintiffs were dismissed in 2000, without prejudice, and may be re-filed. The County, the City of Charlottesville, and the Solid Waste Authority would be jointly and severally liable for the RCRA and CERCLA claims. The County has no identified insurance coverage for the claims arising from the allegations if the suit is re-filed. Counsel to the County is of the opinion that, if the lawsuit were re-filed, the County could potentially be liable under a CERCLA claim for removal of pollutants from the landfill if they are contaminating adjacent properties and for related attorneys' fees. Counsel for the County is also of the opinion that the County's liability appears to be limited by the ability of the Solid Waste Authority to fund appropriate remediation to address any environmental issues for the now-closed landfill and settlement of the claims.

There are a number of matters of litigation involving the County Police Department and certain police officers. All of these matters have been referred to the County's insurance carriers, which are handling the matters. Counsel to the County is of the opinion that the County has no liability in the matters other than the financial responsibilities to the insurance carriers.

Post-Employment Benefits Other Than Pensions (OPEB) – Medical and Life Insurance

The Albemarle County Voluntary Early Retirement Incentive Program ("VERIP") is a single-employer defined benefit plan. VERIP benefits are paid monthly for a period of five years or until age 65, whichever comes first. In addition to the monthly stipend, the County will pay an amount equivalent to the County Board's annual contribution toward medical insurance. Participants may accept it as a cash payment, or apply it toward the cost of continuation of their County medical/dental benefits. To be eligible, employees must meet the age and service criteria for reduced VRS retirement and be a current employee at least 50 years of age and have been employed by the County in a benefits-eligible position for 10 of the last 13 years prior to retirement. The plan is administered by the County and does not have a separate financial report.

The County establishes employer medical contribution rates for all medical plan participants as part of the budgetary process each year. The County also determines how the plan will be funded each year, whether it will partially fund the plan or fully fund the plan. Retirees pay 100% of spousal premiums. Coverage ceases when retirees reach the age of 65. Surviving spouses are not allowed access to the plan.

The County and School Board's total OPEB liability was measured as of June 30, 2020, using an actuarial valuation as of that date. The County and School Board's total OPEB liability at June 30, 2020, using an actuarial valuation as of that date, was \$13,818,723 and \$28,292,826, respectively.

See Note 19 to the County's audited financial statements attached as Appendix D for more information related to OPEB - Medical and Life Insurance.

Self-Insurance/Risk Management

The County offers health and dental insurance benefits through a self-insured fund. Eligible employees are offered medical and dental benefits administered through a third-party, private carrier. The County is billed directly for actual claims and expenses incurred. Stop Loss Insurance protects the County against catastrophic losses and excess claims. The Plan Administrator of the Self-Funded Group Medical and Dental Benefit Plan - a Steering Committee comprised of leaders from both the County and Albemarle County Public Schools - sets the premiums collected each Plan Year in the form of payroll deductions and employer contributions. According to the Healthcare Plan and Self-Insurance Fund Management Plan, the reserve balance shall be maintained in the range of two to four months' claims. The County and the School Board contract with VACORP and the School System of Virginia/United Heartland to provide workers' compensation coverages. The associations may assess all members based on the proportion that their premium bears to the total premium of all members should the association suffer a deficit and depletion of all its assets

Auto liability, property, employee crime and dishonesty, general and excess liability, public officials, and law enforcement liability coverages are provided through VACORP for both the County and the School Board.

Capital Improvement Plan

The Capital Improvement Plan (CIP) addresses the County's long-term capital needs for the ensuing five-year period. The County paused the planning of the FY 2021 – 2025 CIP when the pandemic began in early calendar year 2020 due to the uncertainty of the pandemic and its potential impact on current and future revenues. The County intends to adopt a new CIP in the spring of 2022 for FY 2023 - 2027, reflecting financial changes and updates that have occurred as a result of the COVID-19 pandemic.

As part of the FY 2021 Capital Budget, which was adopted in May 2020 during the early stages of the pandemic, the County paused several capital projects and programs that were previously appropriated and planned to be appropriated at the start of FY 2021. The County took this action due to declining revenues and an uncertain economic situation and bond market. The County administration implemented an approach to assess the capital budget utilizing a "3-6-6" timeframe, referring to the last three months of FY 2020, first six months of FY 2021, and last six months of FY 2021. At the joint County Board and School Board meeting on October 21, 2020, the Boards agreed to a simplified, short-term capital budget process, where the Capital Improvements Plan (CIP) Advisory Committee was charged to develop a CIP proposal for the remainder of FY 2021 and FY 2022. The recommendation from the Advisory Committee is reflected in the appropriations for the FY 2021 Capital Budget and also for the FY 2022 Capital Budget. The FY 2023 budget process is again considering a five-year approach and a FY 2023 - 2027 CIP is scheduled to be recommended for County Board consideration on February 23, 2022.

Investment Policies and Practices

It is the policy of the County to invest public funds in a manner that will safely preserve principal, provide adequate liquidity to meet the County's cash flow needs and optimize returns while conforming to all federal, state and local statutes governing the investment of public funds. The County conducts an analysis of cash flow needs on an annual basis. Disbursements, collections and deposits of all funds are scheduled to ensure maximum cash availability and investment potential. Contractual consolidated banking services are reviewed regularly and procured in accordance with the Virginia Public Procurement Act. The Chief Financial Officer is required to maintain a system of internal controls for investments (the "Investment Policy"), which is documented in writing and subject to review by the County's independent auditor.

The Chief Financial Officer is responsible for the investment of the County's operating and bond funds. The Chief Financial Officer invests the County's funds using internal staff, investment advisors and consultants involved in investment management for the operation of the County's investment program. All investment securities purchased by the County are held by a third-party custodian, whenever applicable, designed by the Chief Financial Officer and evidenced by safekeeping receipt. As required by the Code of Virginia of 1950, as amended (the "Virginia Code"), all security holdings with maturities over 30 days are not permitted to be held in safekeeping with the "counterparty" to the investment transaction. The Virginia Code refers to a counterparty as the issuer or seller of the security and any repurchase agreement provider. Management of the County's investments portfolio is the responsibility of the Investment Committee. The Investment Committee consists of at least the following individuals: a representative of the County Executive's Office, the Chief Financial Officer, the Chief of Treasury, the Assistant CFO, and a member of the Economic Development Office. The Investment Committee meets not less than quarterly for the purpose of reviewing investment results and future investment plans.

Investments are selected on a competitive basis when possible to ensure that the County receives the best price available on a particular investment and avoids paying excessive fees, mark-ups or other compensation to the provider. Copies of the County's investment policy are available upon request from the Chief Financial Officer.

For more information about the Investment Policy, see Note 2 to the County's audited financial statements attached as Appendix D.

DEBT MANAGEMENT

Pursuant to the Constitution of Virginia and the Public Finance Act of 1991, 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 principal of and premium, if any, and interest on such bonds, the governing body of the County is authorized and required to levy on all taxable property within the County such ad valorem taxes as may be necessary. Although the issuance of bonds by Virginia counties is not subject to any limitation on amount, counties are prohibited from issuing general obligation bonds unless the issuance of such bonds has been approved by public referendum except for certain bonds issued for school purposes.

Counties may, with voter approval, elect to be treated as cities for the purpose of incurring debt which would then allow the issuance of bonds without voter approval in an aggregate principal amount of up to 10% of the assessed valuation of the real estate in the county subject to taxation. However, the County has not elected to be treated as a city for this purpose.

Debt Ratios

The key debt ratios of the net general bonded debt of the County are presented in the following table.

**Ratio of Net General Bonded Debt to Assessed Value
and Net Bonded Debt per Capita**

Fiscal Year	Real Estate Assessed Value ⁽¹⁾	Net Bonded Debt ⁽³⁾	Net General Bonded Debt as % of Assessed Value	Net Bonded Debt Per Capita ⁽²⁾
2012	\$14,875,587,841	\$99,608,160	0.67%	\$988
2013	14,734,853,452	91,106,736	0.62	897
2014	14,931,099,687	82,696,120	0.55	805
2015	15,467,280,583	84,021,531	0.54	810
2016	16,059,836,557	66,133,135	0.41	630
2017	16,719,336,669	91,218,535	0.55	863
2018	17,543,064,000	79,450,000	0.45	738
2019	18,459,193,250	71,930,000	0.39	662
2020	19,457,789,000	64,670,000	0.33	592
2021	20,300,083,000	57,515,000	0.28	520

Source: The County's Comprehensive Audited Financial Report for Fiscal Year 2021.

⁽¹⁾ Real estate net of exemptions for land use deferral and tax relief for the elderly/disabled.

⁽²⁾ Population data can be found in the Schedule of Demographic and Economic Statistics – Table 13 of the County's Comprehensive Annual Financial Report for Fiscal Year 2021.

⁽³⁾ Includes all long-term general obligation bonded debt, literary fund loans and a portion of unamortized bond premiums related to the general obligation debt.

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Debt Service Requirements

Annual requirements to amortize long-term debt and related interest are as follows:

**Debt Service Requirements on Long-Term Debt to Maturity
As of June 30, 2021**

Year	<u>Lease Revenue and Other</u>			Existing Long-Term Debt			<u>Total Debt Service</u>		
	<u>Ending</u>	<u>Appropriation-Based Long-Term Debt</u>		<u>General Obligation Debt Service</u>			<u>Total Debt Service</u>		
<u>June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>

Source: Chief Financial Officer, Albemarle County, Virginia.

Annual requirements to amortize long-term debt and related interest upon the issuance of the Series 2021 Bonds are as follows:

**Debt Service Requirements on Long-Term Debt to Maturity
As of June 30, 2021
(Plus Series 2022 Bonds)⁽¹⁾**

Fiscal Year	Debt Service on Long-Term Debt⁽¹⁾	<u>Series 2022 Bonds</u>		Debt Service on Series 2022 Bonds	Total Debt Service
		Principal	Interest		

Note: Indicates gross debt service requirements. Actual debt service payments may be less depending on earnings received on the investment moneys on deposit in the Debt Service Reserve Fund and other funds used under the Trust Agreement.

⁽¹⁾ Net of the Series 2013 Bonds to be refunded with proceeds of the Series 2022 Bonds.

Debt Issued Since June 30, 2021

The County has not incurred any new long-term indebtedness since June 30, 2021.