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Director of Finance and
Human Resources

AGENDA
NELSON COUNTY BOARD OF SUPERVISORS
SEPTEMBER 19, 2024
THE CONTINUED MEETING CONVENES AT 10:00 A.M. AT THE LODGE,
THREE NOTCH'D BREWING COMPANY, NELLYSFORD, VA

- 10:00 A.M. I. CALL TO ORDER**
- 10:02 -10:05 II. WELCOME & ITINERARY FOR THE DAY**
- 10:05 – 11:30 III. DAVENPORT & COMPANY, INC. FINANCIAL ADVISORS**
A. Draft Financial Policies Presentation Including:
a. Introduction/Peer Group Comparison/Policy Purpose
b. Fund Balance/Reserves (Financial Condition)
c. Revenues, Expenditures, Budgets, and CIP
d. Debt and Debt Capacity Update
e. Financial Reporting and Economic Development
f. Investment Management (Potential Future Policy)
- 11:30 – 12:00 IV. YEAR IN REVIEW (QUESTIONNAIRE SUMMARY)**
A. What We Did Well/What Needs Improvement (Common Themes)
- 12:00 – 12:30 V. LUNCH (Working if Needed)**
- 12:30 – 2:00 VI. BOARD GOALS FOR THE NEXT YEAR USING COMPREHENSIVE PLAN IMPLEMENTATION MATRIX – SHORT, ONGOING, OR SHORT/MID PRIORITIES**
A. Rank Identified Focus Areas
B. Ways to Achieve Progress-Strategies
- 2:00 – 2:15 VII. 15 MINUTE BREAK**
- 2:15 – 3:00 VIII. CONTINUATION OF ITEM VI.**
- 3:00 – 3:45 IX. FY2025-2026 BUDGET PROCESS DISCUSSION**
- 3:45 – 4:15 X. WRAP-UP**
- 4:15 – 4:45 XI. OTHER BUSINESS (AS MAY BE PRESENTED)**
- 5:00 XII. ADJOURNMENT**

Financial Policy Guidelines Overview

Nelson County, Virginia



September 19, 2024



Contents / Agenda

3 Introduction

7 Section 1: Policy Purpose

9 Section 2: Fund Balance / Reserves

15 Sections 3 – 6: Revenues, Expenditures, Budgets, and CIP

20 Section 7: Debt

32 Sections 8 – 9: Financial Reporting and Economic Development

35 Potential Investment Management Policies

41 Next Steps

Appendix

A Proposed Financial Policy Guidelines

B Potential Investment Policy Guidelines

C Detailed Financial Performance



Introduction



Introduction | Background

- As Financial Advisor to Nelson County, Virginia (the “County”), Davenport & Company LLC (“Davenport”) was tasked with assisting in the development of Financial Policy Guidelines.

- Financial Policies that are adopted, adhered to, and regularly reviewed are recognized as a cornerstone of sound financial management.
 - Effective Financial Policies promote short-term and long-term financial stability by establishing clear and consistent guidelines that provide County stakeholders with a framework for measuring the fiscal impact of government services and decisions.

- With input from County Staff, Davenport has drafted a Proposed Financial Policy Guidelines document for the County’s review.
 - The document is included in this presentation as Appendix A.

- The Proposed Financial Policy Guidelines were developed based on industry best practices, various analyses of the County’s historical and projected financial condition, and comparisons to similarly sized and/or contiguous counties.

- The remainder of this presentation provides an outline of the Proposed Financial Policies and related analyses.



Introduction | Peer Groups

■ To provide perspective for the County, Davenport developed two (2) Peer Groups based on the following criteria:

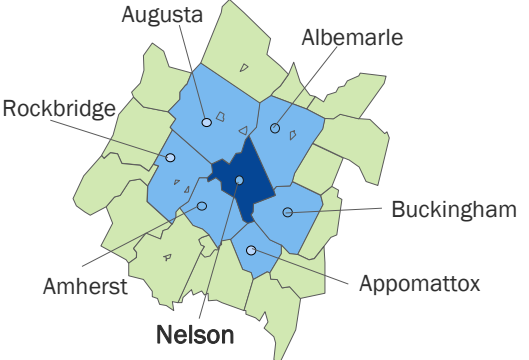
1. **Virginia “Budget” Peers** - Counties in Virginia with a Total Revenue Budget between \$50.0 million and \$80.0 million.⁽¹⁾
 - At \$65.5 million, Nelson County approximates the middle of this budget range.
2. **Contiguous Peers** – Counties that share a border with Nelson County.

Virginia Budget Peers

County	Total Revenue Budget (\$000)
1 Southampton	\$79,949.8
2 Giles	\$78,919.2
3 Buckingham	\$70,395.9
4 Patrick	\$69,031.9
5 Northampton	\$66,183.3
6 Prince Edward	\$65,612.9
7 Nelson	\$65,488.7
8 Grayson	\$61,046.6
9 Amherst	\$60,538.9
10 King William	\$58,551.1
11 Brunswick	\$58,413.1
12 Clarke	\$57,643.2
13 Appomattox	\$57,554.3
14 Madison	\$55,627.6
15 Charlotte	\$54,694.6
16 Floyd	\$54,660.1
17 Nottoway	\$50,639.1

Contiguous Peers

County	Total Revenue Budget (\$000)
1 Nelson	\$65,488.7
2 Albemarle	\$526,814.0
3 Augusta	\$263,211.2
4 Rockbridge	\$98,974.9
5 Buckingham	\$70,395.9
6 Amherst	\$60,538.9
7 Appomattox	\$57,554.3





- The Proposed Financial Policy Guidelines include nine (9) sections as follows:
 1. Policy Purpose
 2. Fund Balance / Reserves
 3. Revenues
 4. Expenditures
 5. Budgets
 6. Capital Improvement Program
 7. Debt
 8. Financial Reporting
 9. Economic Development

Financial Policy Guidelines

Nelson County, Virginia



DRAFT

Adopted [_____], 2024



Section 1 | Policy Purpose



Section 1 | Policy Purpose

- The framework and objectives of the Proposed Financial Policy Guidelines are outlined in Section 1 and provide guidance for financial decisions of the County.

- The County Board of Supervisors, the County Administrator, and the Finance Director will regularly review and promote compliance with the Proposed Financial Policy Guidelines.

- The objectives of the Proposed Financial Policy Guidelines are to:
 - Guide management policy decisions that impact the fiscal health of the County;
 - Promote financial stability and health;
 - Account for the big picture in all short- and long-term planning;
 - Maximize the County’s credit such that it has reliable access to capital markets (either bank financing or public markets); and
 - Provide County Board of Supervisors/citizens with a framework for measuring the fiscal impact of government services.

- The Financial Policy Guidelines will be reviewed for appropriateness on an annual basis during the budget process.
 - Such review shall take into consideration the County’s current and projected fund balance and debt ratios as well as any developments or changes in accounting standards and/or National Credit Rating Agency criteria.
 - Based on that annual review, the County may consider amending these policies as appropriate.



Section 2 | Fund Balance / Reserves



Section 2 | Fund Balance / Reserves

- Fund balances are categorized as required by GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions.
 - Non-spendable;
 - Restricted;
 - Committed – by action of the Board of Supervisors;
 - Assigned – does not necessarily require Board of Supervisors action; assigned via encumbrance process/purchasing activity; and
 - Unassigned – amounts not in the above that may be used for any available purpose.

- The purpose of the Fund Balance / Reserves Policy is to specify the composition of the County’s financial “Reserves”, set minimum levels for fund balances or reserves, and to identify certain requirements for replenishing any General Fund balances or reserves utilized.

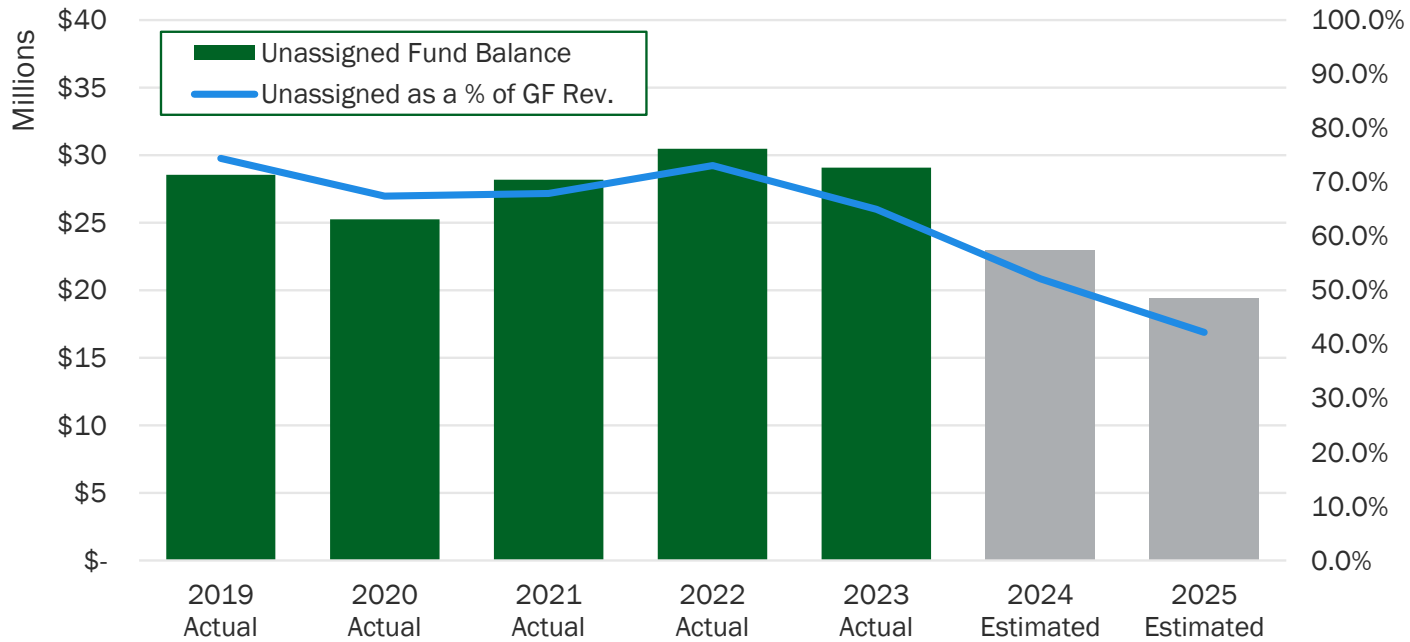
- The Reserves are to be initially established at levels that provide for cash flow flexibility, throughout the year and for unforeseen, emergency revenue decreases or expenditure increases, resulting in budgetary shortfalls.

- Annual review and/or amendment would take into account potential material changes in the County’s Budget.



Section 2 | Fund Balance / Reserves (Continued)

Existing Reserves: Unassigned Fund Balance



	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Estimated	2025 Estimated
Unassigned Fund Balance	\$ 28,540,188	\$ 25,247,975	\$ 28,169,080	\$ 30,473,594	\$ 29,078,931	\$ 22,982,934	\$ 19,405,507
Total General Fund Revenues	\$ 38,361,577	\$ 37,449,968	\$ 41,484,023	\$ 41,697,571	\$ 44,743,496	\$ 44,126,337	\$ 45,952,760
Unassigned as a % of GF Rev.	74.4%	67.4%	67.9%	73.1%	65.0%	52.1%	42.2%

(1)

(2)

(1) Based on the County's FY 2023 ending fund balance less \$6,095,997 of fund balance budgeted to be used for capital projects in FY 2024.

(2) Based on the County's FY 2023 ending fund balance, adjusted for FY 2024, and further adjusted for the \$3,577,427 of fund balance included in the FY 2025 Budget.

Note: does not include the Capital Reserve held in the Debt Service Fund (approximately \$3.2 million as of FY 2023) that has been set aside as a part of the Multi-Year Debt Capacity / Affordability Analysis.



Section 2 | Fund Balance / Reserves (Continued)

Unassigned Fund Balance and Budget Stabilization Fund Policy

■ **Proposed Unassigned Fund Balance Reserves Target should be no less than:**

- 30% of General Fund Revenues – approximately \$13.8 million based on the County’s FY 2025 Budget.
- The County’s estimated FY 2025 Unassigned Fund Balance of \$19.4 million is approximately \$5.6 million above the proposed target.
- Should future County budgets require additional moneys to be added to meet these requirements, the County will build up the required amounts over three (3) years.

■ **Proposed Budget Stabilization Fund Reserves Target should meet:**

- 5% of General Fund Revenues – approximately \$2.3 million based on the County’s FY 2025 Budget.
- The County could establish the 5% Budget Stabilization Fund using a portion of the \$5.6 million of Unassigned Fund Balance in excess of the proposed Unassigned Fund Balance target.

A total of the above Reserves would be 35% of General Fund Revenues, which was \$16.1 million based on the FY 2025 Budget.

Note: currently, County practice is to maintain at least 90 days (or 25%) of the total budgeted General Fund and School Operating Expenses (net of the Local Contribution to Schools). The proposed policy reflected here closely approximates that amount for FY 2025. See Appendix B for additional detail.



Section 2 | Fund Balance / Reserves (Continued)

Proposed “Reserves”: Unassigned Fund Balance & Budget Stabilization Fund

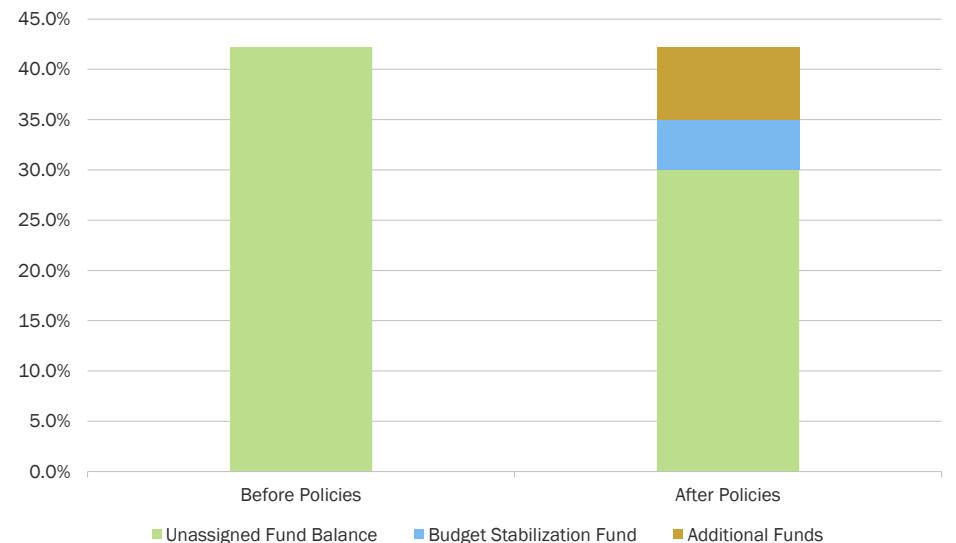
Recommendation:

- Davenport recommends the following Proposed “Reserve Policy”:
 - Unassigned Fund Balance (UFB) level at 30% of General Fund Revenues. Based on the FY 2025 Budget, this figure approximates \$13.8 million.
 - Budget Stabilization Fund (BSF) level that at [5]% of General Fund Revenues. Based on the FY 2025 Budget, this figure approximates \$2.3 million.

- The Reserve Policy also incorporates a plan to add/replenish the above funds over three (3) years in the event that they are used.

- The target levels should be sufficient for the County to avoid the use of Revenue Anticipation Note (RAN) cash flow borrowings and provide enough funds for unplanned, unforeseen circumstances.

FY 2025 Reserves Before & After Policies			
	Proposed Reserves Policy	Before Policies	After Policies
1	Unassigned Fund Balance (30%)	- n/a -	\$ 13,785,828
2	Budget Stabilization Fund (5%)	- n/a -	\$ 2,297,638
3	Additional Funds Over Policies	- n/a -	\$ 3,322,041
4	Total Reserves	\$ 19,405,507	\$ 19,405,507
5	Total General Fund Revenues	\$ 45,952,760	\$ 45,952,760
6	UFB as a % of Gen. Fund Revs	42.2%	30.0%
7	BSF as a % of Gen. Fund Revs	- n/a -	5.0%
8	Additional as a % of Gen. Fund Revs	- n/a -	7.2%

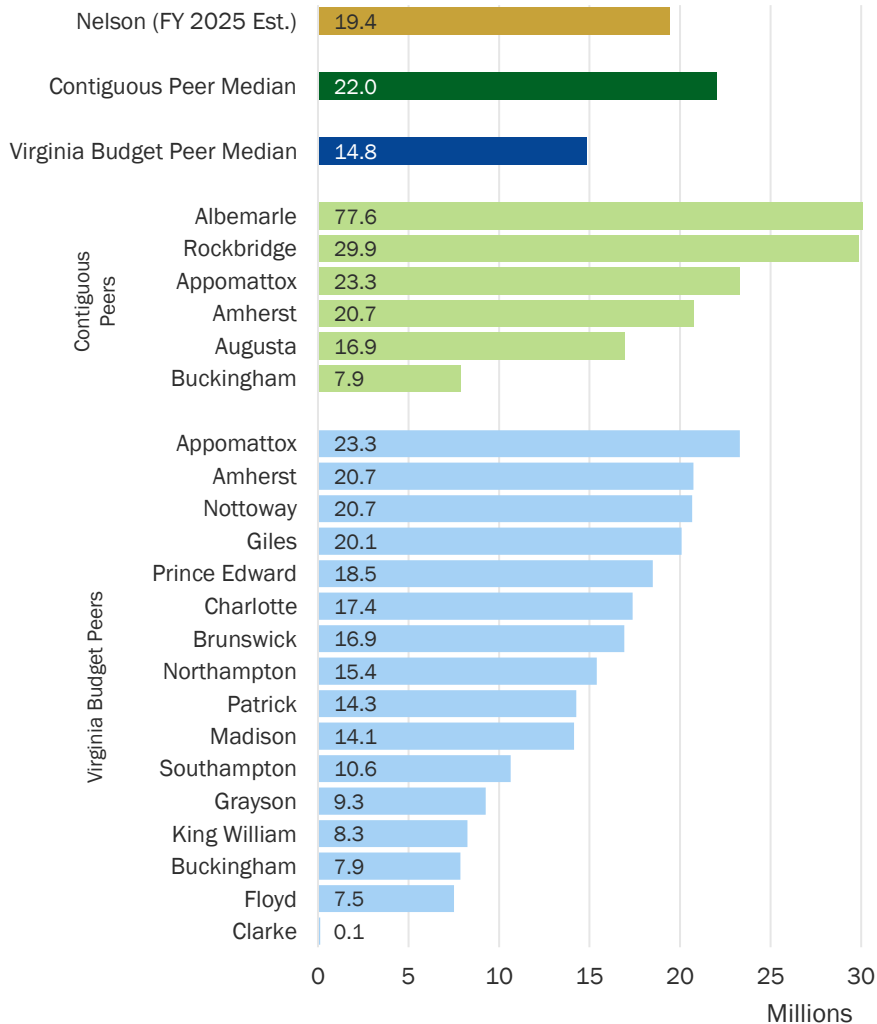




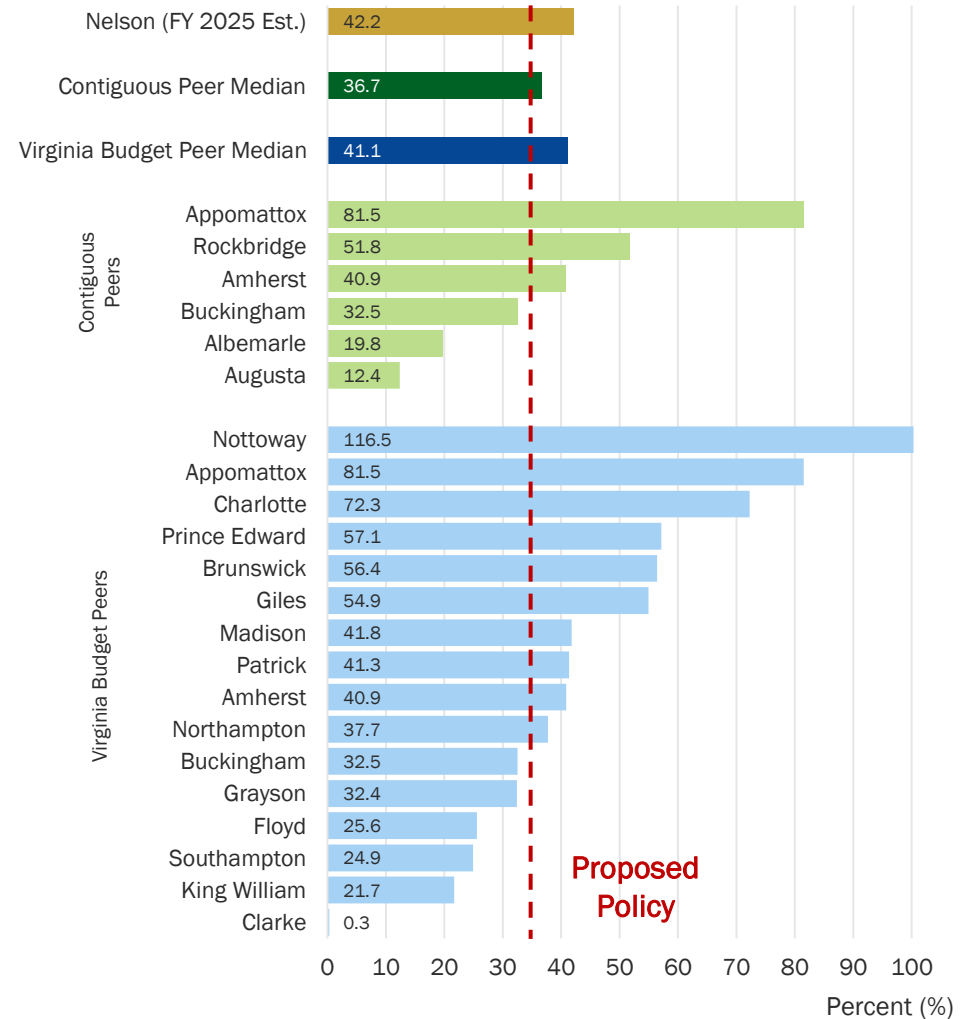
Section 2 | Fund Balance / Reserves (Continued)

Peer Comparison | Unassigned Fund Balance

Unassigned Fund Balance (\$)



Unassigned Fund Balance as a % of Revenues⁽⁴⁾





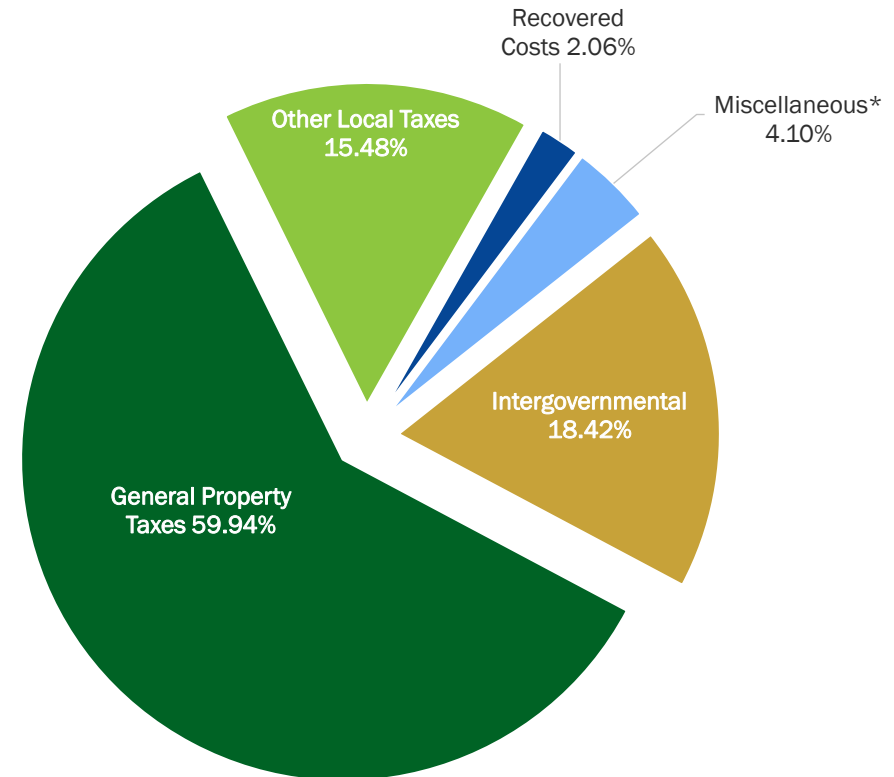
Sections 3 - 6 | Revenues, Expenditures, Budgets, and CIP

Section 3 | Revenues



- The County shall:
 - Strive to maintain a diversified mix of revenues in order to balance the sources of revenue amongst taxpayers and to provide ongoing stability and predictability.
 - Monitor all taxes to ensure they are equitably administered and collections are timely and accurate.
 - To the extent possible, fees and charges shall be structured in order to recover full costs, including all direct costs, capital costs, department overhead, and County-wide overhead.
 - Estimated County revenues shall be set at realistic and attainable levels, sufficiently conservative to avoid shortfalls, yet accurate enough to avoid a systematic pattern of setting tax rates that produce significantly more revenue than is necessary to meet expenditure, fund balance, and reserve requirements.
 - Limit the use of one-time revenues to one-time expenditures such as non-recurring capital projects.
 - However, permitted exceptions may include dedicated reserve funds (Funds set aside and can be demonstrated that use of such funds in the operating budget may provide a temporary and strategic benefit to defray targeted expenditures such as debt service for a defined period of time).

Revenues as a % of Total - FY 2023 Actuals



*Note: Miscellaneous is composed of the line items "Permits, Privilege Fees, and Regulatory Licenses", "Fines and Forfeitures", "Revenue from Use of Money & Property", "Charges for Services", and "Miscellaneous" from County Audit.

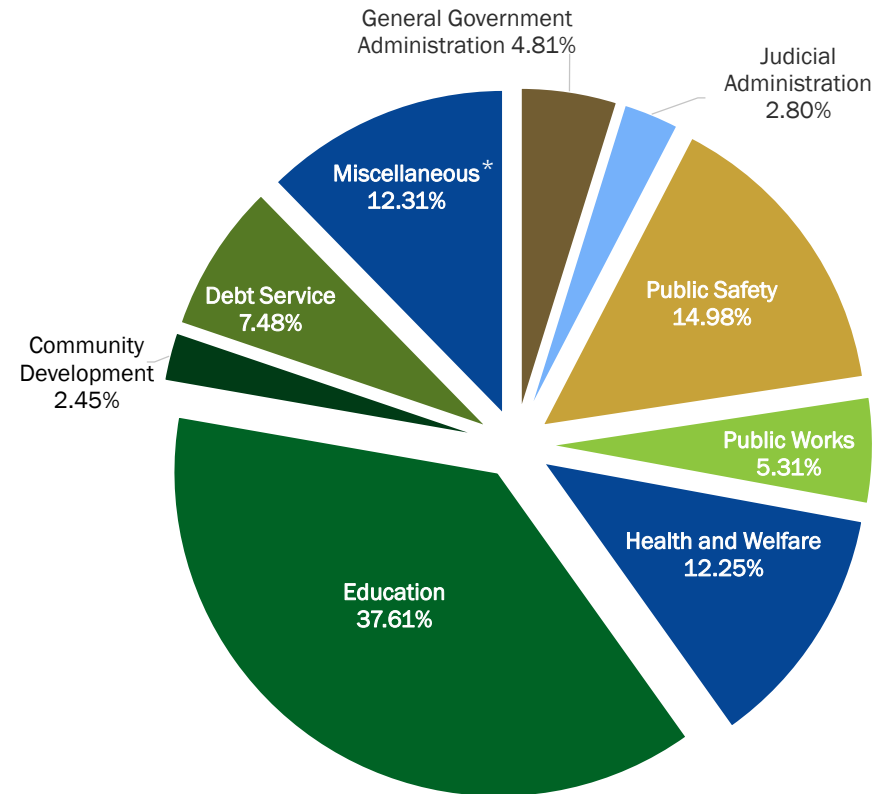
Source: County 2023 Audit.

Section 4 | Expenditures



- The County shall:
 - Accommodate ongoing expenditures within current resources.
 - Fund one-time expenditures with an offsetting revenue or from an established and adequately funded capital reserve fund.
 - Evaluate expenditures based on their fiscal impact to current and future operations.
 - On-going expenses will be monitored in comparison with budget appropriations, effectiveness of the services, and operational efficiency.
 - Seek to optimize the efficiency and effectiveness of its services through Improvement efforts, performance measures, and by assessing its services with comparable localities to reduce costs and improve service quality.
 - Manage program expenses within the total adopted operating budget, which will be the responsibility of the County Administrator or Department Directors, as applicable.

Expenditures as a % of Total - FY 2023 Actuals



*Note: Miscellaneous is composed of the line items "Parks, Recreation, and Cultural", "Nondepartmental" and "Capital Projects" from County Audit.
Source: County 2023 Audit.



Section 5 | Budgets

- The annual budget shall be balanced within all available operating revenues, including the fund balance, and adopted by the Board of Supervisors.
- The annual budget of the County will be considered balanced when all payments for operations, debt service, and annual capital plan needs do not exceed budgeted revenues.
- The County Administrator shall annually deliver a Proposed Budget for Board of Supervisors review. The Proposed Budget shall serve as a financial plan for the upcoming fiscal year and shall contain the following information:
 - A budget message that outlines the proposed revenue and expenditures for the upcoming fiscal year together with an explanation of any major changes from the previous fiscal year. The budget message should also include any proposals for major changes in financial policy;
 - Summaries of proposed revenues and expenditures by department for all funds proposed to be expended and received in a fiscal year;
 - The proposed budget document will contain Revenue and Expenditures in the three following categories: prior year actuals, current year budget (as adopted and amended, if applicable), and proposed budget year;
 - Budget Transfers and Adjustments.
- Ongoing and stable revenues will be used to support ongoing operating costs.
- The use of one-time revenues and one-time expenditure savings (excess cash balances) will be used for non-recurring expenditures, subject to certain exceptions (i.e., Capital Reserve Funds).



Section 6 | Capital Improvement Program

- The County will annually prepare and adopt a five-year Capital Improvement Plan. The overall Capital Improvement Program will include two (2) components:
 - **Capital Improvement Plan:** A listing of capital items that the locality anticipates undertaking within the next five (5) years. A capital item is any tangible asset or project with a total cost of \$[25,000] or more and a useful life of at least [five (5)] years.
 - **Capital Budget:** An element of the locality’s annual budget adoption process and details the upcoming budget year’s planned expenditures for capital projects. This capital budget is based on the Capital Improvement Plan.

- The adopted Capital Improvement Plan will include major capital improvements and identify estimated funding sources and annual operational costs for facilities to include anticipated debt service requirements.
 - Incremental operating costs associated with capital projects shall be funded in the operating budget after being identified and approved in the Capital Improvement Program.

- Capital improvements not to include routine annual maintenance on existing capital assets.

- Long-term borrowing shall be confined to major capital improvements and equipment purchases.



Section 7 | Debt



Section 7 | Debt

- Section 7 is designed to provide guidance on decisions related to the issuance of debt and similar obligations that may be supported by either the County’s general obligation (i.e., taxing power) or moral obligation (i.e., subject to County Board appropriation).
 - The debt policy is to be used in conjunction with the Adopted Budget, the CIP, and other financial policies and considerations.

- This section includes guidelines for the use of debt such as:
 - Revenue Anticipation Notes (RANs) are not intended to be used, but they will be permitted if extraordinary circumstances arise.
 - Bond Anticipation Notes (BANs) or Lines of Credit (LOCs) may be issued in expectation of issuing long-term Bonds when cash is required in order to initiate or continue a capital project.
 - Lease purchase and master lease obligations allowed for short-term needs.
 - Use of long-term borrowing for major capital improvements and long-lived equipment only.
 - Public Private partnerships that require the County to provide capital or credit enhancement to a project may be considered after undergoing a rigorous cost-benefit analysis by County Staff (or agents employed by the County for such purpose).
 - The County shall comply with all applicable state and federal laws related to the issuance of indebtedness and/or lease obligations. The County shall retain the use of a nationally recognized bond counsel to provide the appropriate legal advice with respect to any debt or lease issuance.



Section 7 | Debt (*continued*)

- As reflected on the next several pages, the policy includes ratios associated with the County’s Tax-Supported Debt, which is defined as any and all debt service that is supported by general revenues of the County:
 - Tax-Supported Debt as a percentage of Total Assessed Value of Taxable Property should not exceed 3.5%;
 - *Note: this policy includes an exception for any debt that is repaid from dedicated and restricted funding sources, such as a potential Local Sales Tax specifically enacted for School capital and debt service.*
 - Tax-Supported Debt Service as a percentage of Total Operating Expenditures⁽¹⁾ should not exceed 10-12%; and
 - Tax-Supported Debt Service and Fixed Costs as a percentage of Total Operating Expenditures⁽¹⁾ should not exceed 17%.

- All Debt Ratio Policies are intended to be measured at least annually and at such time as a new debt issuance is being considered for approval by the County Board.

- Additionally, the following topics are addressed in this section of the document:
 - Guidelines for the use of different types of long-term debt (i.e., general obligation indebtedness, lease revenue bonds, lease purchase obligations, and moral obligation/other off balance sheet debt);
 - Refunding of existing debt (including minimum savings required, restructuring of payments, and term of refundings);
 - Short-term borrowing for interim financing of projects; and
 - Continuing financial disclosure.



Section 7 | Debt (continued)

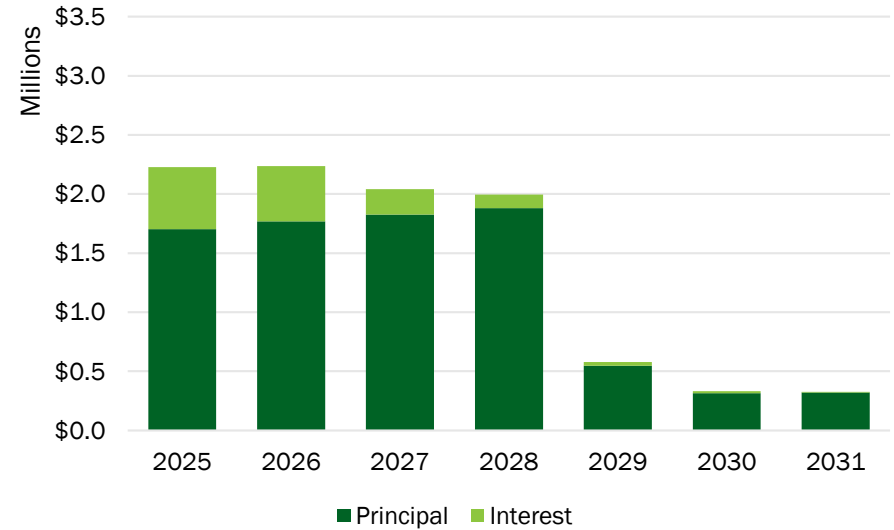
Existing Tax-Supported Debt

Tax-Supported Debt Service

FY	Principal	Interest	Total
Total	\$ 8,354,000	\$ 1,380,866	\$ 9,734,866
2025	1,702,000	526,246	2,228,246
2026	1,767,000	469,311	2,236,311
2027	1,826,000	215,944	2,041,944
2028	1,879,000	116,584	1,995,584
2029	545,000	32,859	577,859
2030	315,000	14,922	329,922
2031	320,000	5,000	325,000

Note: the table above and graph to the right include the interest on the 2022 and 2024 Lines of Credit.

Tax-Supported Debt Service



Par Outstanding – Estimated as of 6/30/2024

Type	Par Amount
Existing Long-term Debt	\$8,354,000
Existing Lines of Credit ⁽¹⁾	6,800,000
Total	\$15,154,000

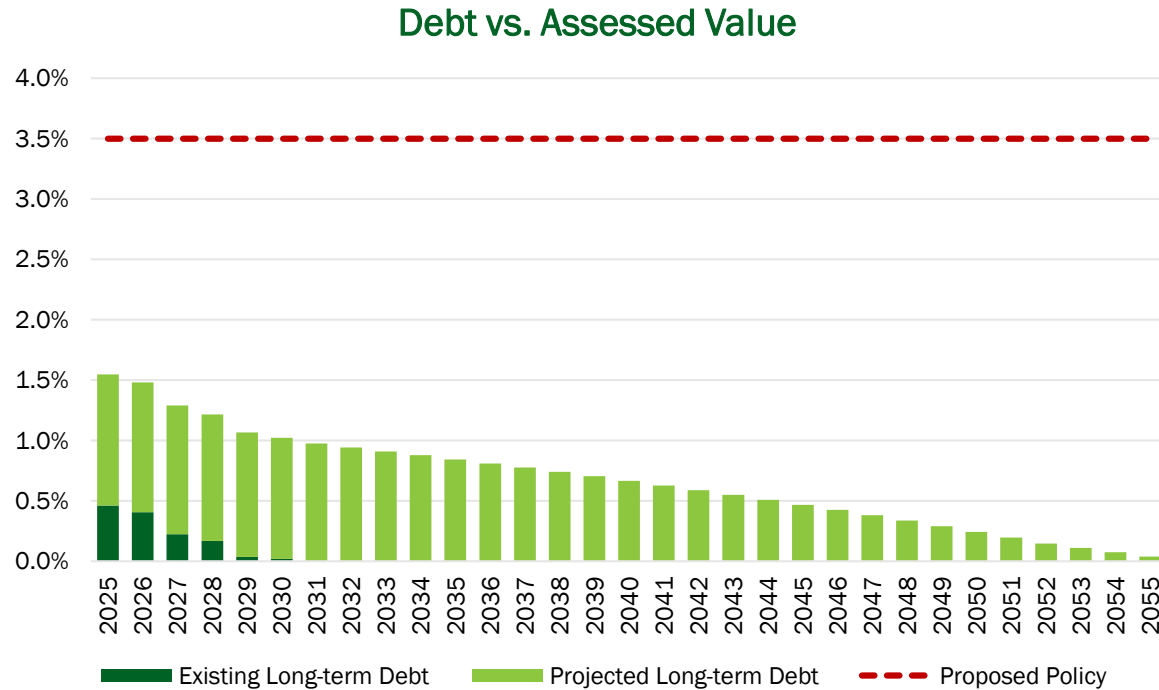
(1) Existing Lines of Credit are to be permanently financed over a longer period.



Section 7 | Debt (continued)

Proposed Policy: Debt vs. Assessed Valuation

- Tax Supported Debt vs. Assessed Value of taxable property is a key ratio that answers the question “Can I Borrow This?”.



Recommendation:

- Davenport recommends that the County implement Debt Policies that govern the amount of debt that can be issued and still be in compliance with “Best Practices” of comparable local governments.
- Proposed Debt Policy: Davenport recommends that the County consider adopting a Debt vs. Assessed Value Policy of 3.5%.
- After the projected debt of \$35.1 million from the most recent Debt Capacity and Affordability Analysis is accounted for, the County has the capacity to issue approximately \$64.3 million of additional debt.



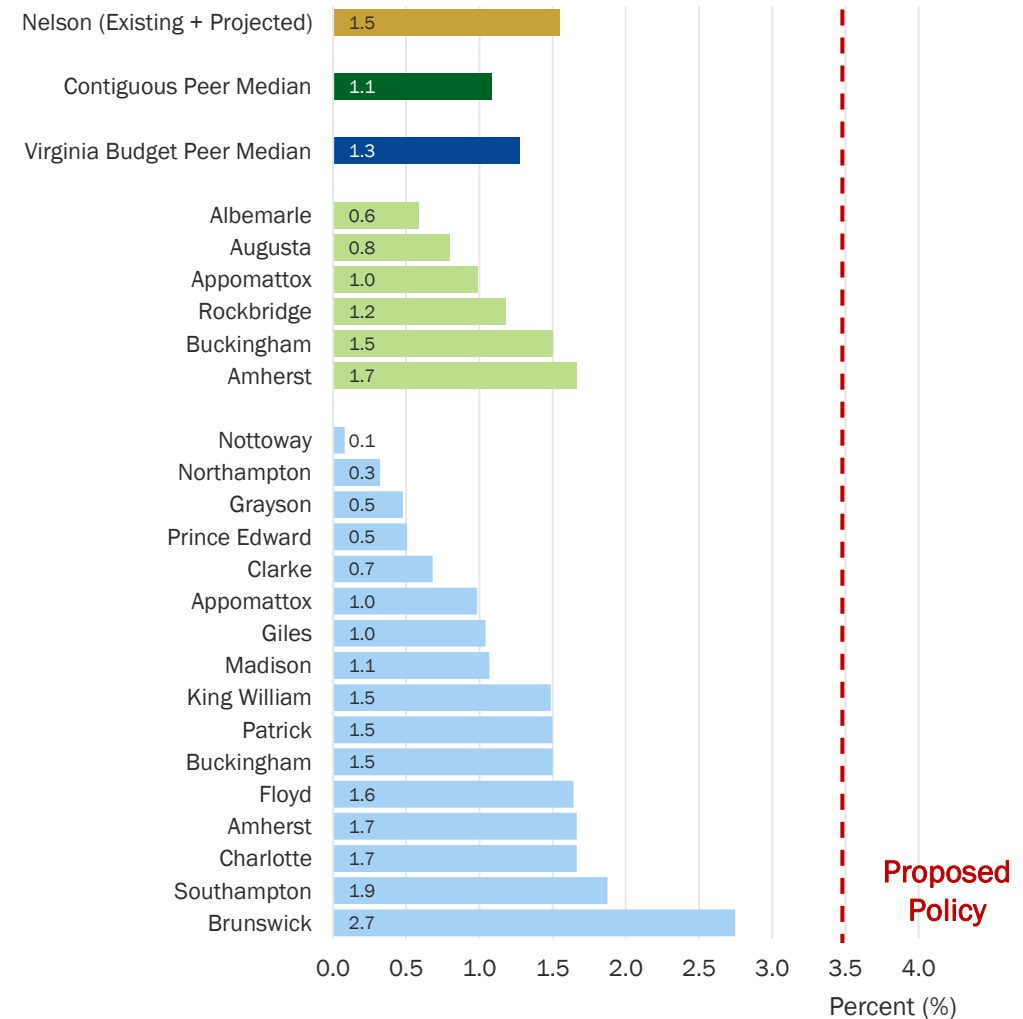
Section 7 | Debt (continued)

Proposed Policy: Debt vs. Assessed Valuation

Rating Considerations:

- S&P: A positive qualitative adjustment is made to the Debt and Contingent Liabilities score for a debt to market value ratio below 3.0%, while a negative adjustment is made for a ratio above 10.0%.

Tax-Supported Debt to Assessed Value Peer Comparative



Source: Nelson County FY25 reflects 2022 Assessed Value grown at 1% annually. Regional peer median is calculated as of most recently available audited financial statements for each respective peer County.

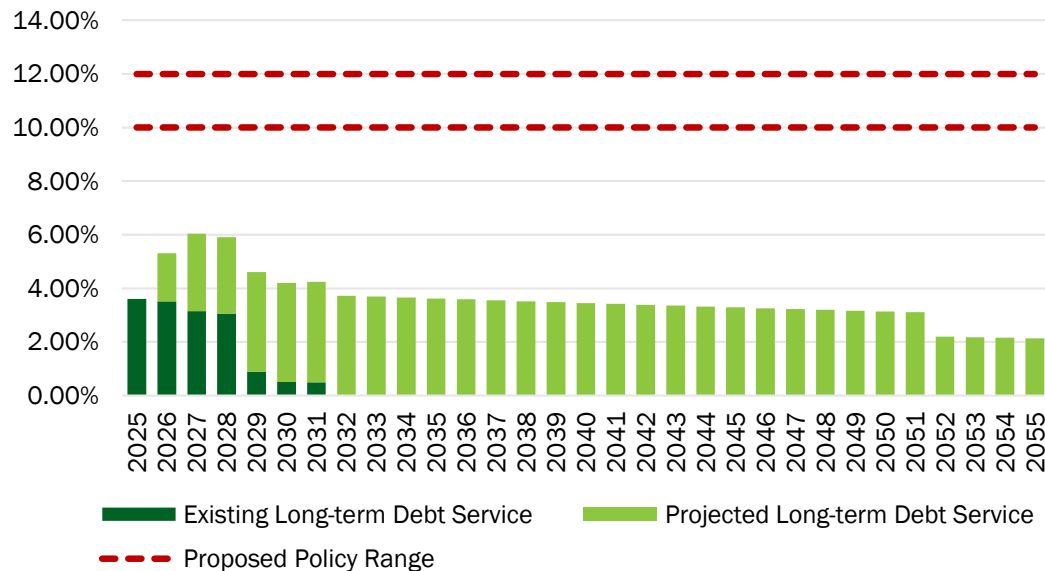


Section 7 | Debt (continued)

Proposed Policy: Debt Service vs. Expenditures

- Tax-Supported Debt Service vs. Expenditures is a key ratio because it measures how much of the annual budget is being spent to pay for debt, and can show how much additional debt service can be added before exceeding prudent levels. It answers the *“Can I Afford This?”* question.

Debt Service vs. Expenditures



Recommendation:

- Davenport recommends that the County implement Debt Policies that govern the amount of debt that can be issued and still be in compliance with “Best Practices” of comparable local governments.
- Proposed Debt Policy: Davenport recommends that the County consider adopting a Debt Service vs. Total Expenditures Policy of 10 - 12%.
- After the projected debt of \$35.1 million from the most recent Debt Capacity and Affordability Analysis is accounted for, the County has the capacity to issue approximately \$30.1 – \$45.3 million of additional debt.

*Note: Graph assumes FY 2023 Total Expenditures, grow 1% annually from FY 2023 levels. Total Expenditures is defined as expenditures for the General and School Operating Funds Net of the Local Contribution to the School Operating Fund.

(1) Additional issuance capacity calculation assumes a 5% interest rate, and 20-Year Level D.S. amortization.

Source: County Audited Financial Statements & Budgets.



Section 7 | Debt (continued)

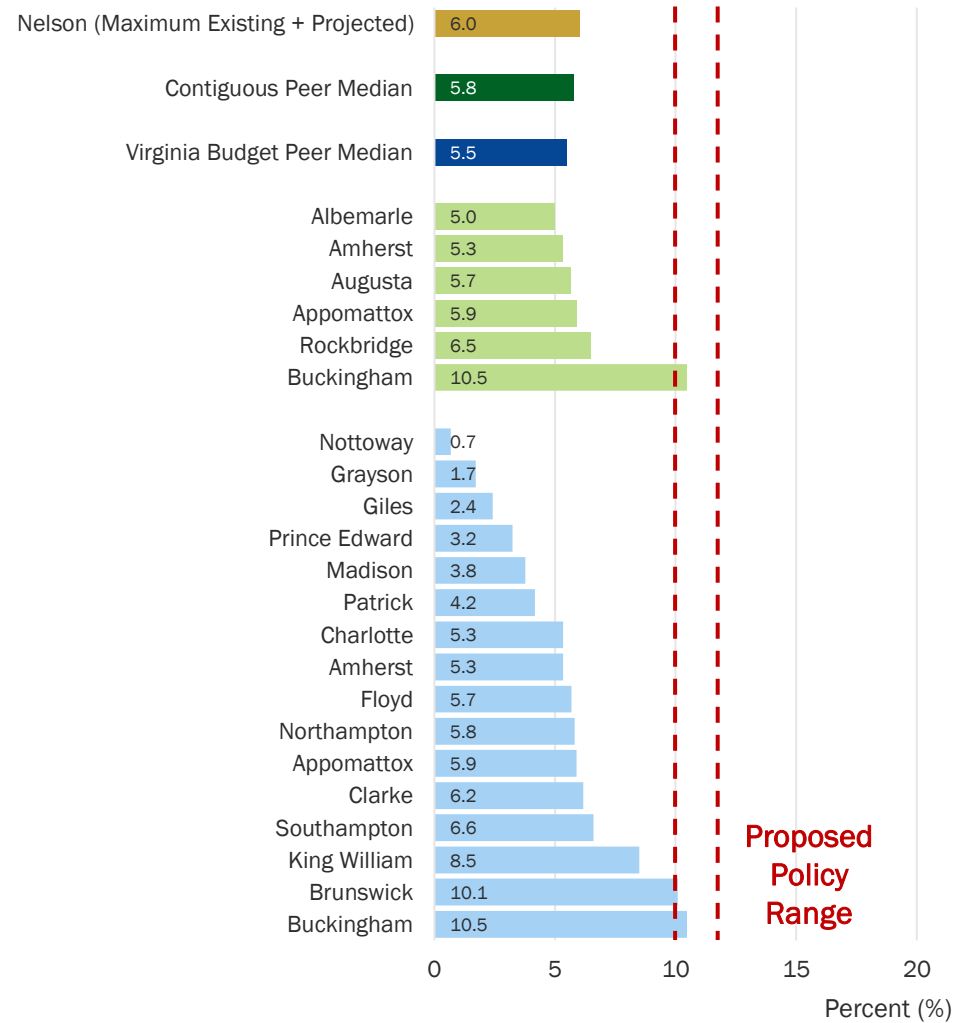
Proposed Policy: Debt Service vs. Budgeted Expenditures

Rating Considerations:

– S&P: The Debt and Contingent Liabilities section defines categories of Net Direct Debt as a % of Total Governmental Funds Expenditures.

Very Strong	< 8%
Strong	8% - 15%
Adequate	15% - 25%
Weak	25% - 35%
Very Weak	> 35%

Debt Service vs. Expenditures Peer Comparative



Source: Nelson County FY25 reflects 2023 General Fund and Schools Expenditures grown at 1% annually. Regional peer median is calculated as of most recently available audited financial statements for each respective peer County.

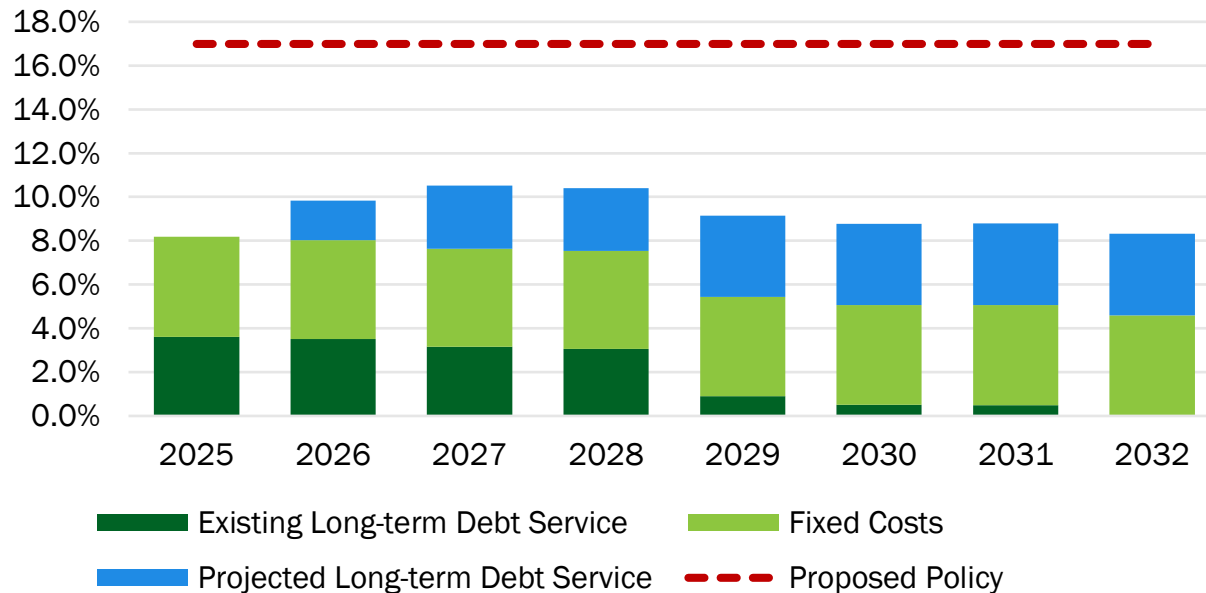


Section 7 | Debt (continued)

Proposed Policy: Debt Service and Fixed Costs/Contingent Liabilities to Expenditures

- The Fixed Costs Ratio provides an important indication of the annual financial burden associated with the County’s debt, pensions, OPEB obligations, and other miscellaneous long-term liabilities relative to its budget.
 - The ratio also reflects the percentage of revenue that remains available for the County to provide core services after Fixed Costs are paid. Higher Fixed Costs may indicate greater challenges meeting demand for services.

Fixed Costs to Expenditures



Recommendation:

- Davenport recommends that the County implement Debt Policies that govern the amount of debt that can be issued and still be in compliance with “Best Practices” of comparable local governments, even when including non-debt liabilities.
- Proposed Debt Policy: Davenport recommends that the County consider adopting a Debt Service & Fixed Costs/Contingent Liabilities vs. Total Budgeted Expenditures Policy of 17%.



Debt Capacity and Affordability Analysis

Overview

Summary Results

- Projects Funded with Debt (Total: \$35,100,000):
 - Land Purchase: \$2,600,000
 - DSS Building: \$10,000,000
 - School Renovation: \$22,500,000

- Recurring Debt Service:
 - \$2,480,000
 - Fully funded by the existing Budget for Debt Service and the balance currently held in the Debt Service Reserve.

- The County is able to fund all \$35,100,000 of projects that are currently in progress with the FY 2025 Budget for Debt Service of \$3,325,284 and approximately \$1,200,000 of the fund balance currently held in the Debt Service Fund.
 - Assuming all \$3,235,000 of the Debt Service Fund Balance at FYE 2023 is available for the County’s capital plan, an additional \$11,350,000 of projects could be funded without the need for additional dedicated revenues.

Key Assumptions

- This analysis incorporates the following:
 - The County’s FY 2025 Budget for Debt Service; and
 - The \$3,235,000 balance currently held in the Debt Service Reserve.

Use of Natural Affordability/Strategic Funding Approach

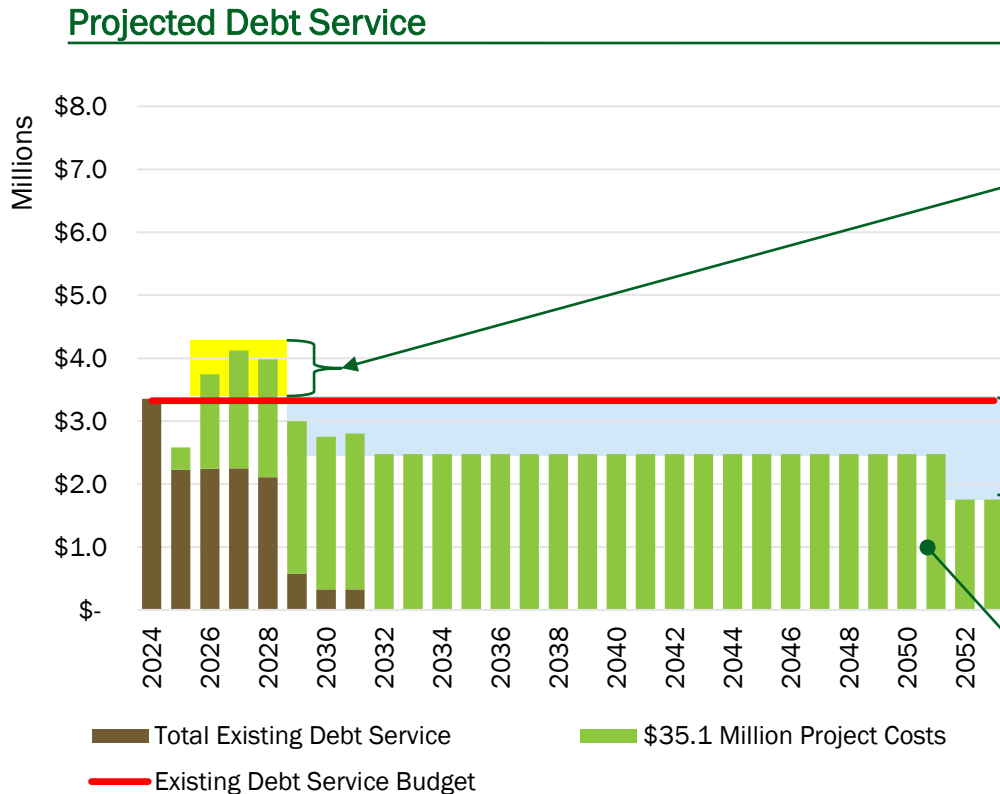
1		
2	Recurring Revenues Available for Debt Service	\$ 3,325,284
3		
4	Debt Service Fund Balance Utilized	\$ 1,200,000
5		
6	Total Project Costs Funded	\$35,100,000
7	Annual Debt Service to Fund Project Costs ⁽¹⁾	\$ 2,480,000
8		
9	Additional Capacity for Projects	\$11,375,000
10	Recurring Revenues Required	-
11	Use of Available Debt Service Fund Balance	2,035,000

(1) Assumes 5-Year BAN for initial Land Purchase; 25-30 year Long-term DS borrowing @ 5.0%.



Debt Capacity and Affordability Analysis

Projected Debt Service



\$1,200,000 of the current Debt Service Fund Balance (\$3,235,000) is used to offset peaks in debt service. Additional available Debt Service Fund Balance may be used to afford additional projects up to \$11,375,000 (for a total of \$46,475,000).

Capacity to fund future projects in excess of the \$35,100,000 considered here.

\$35,100,000 Funding for Project Costs requires the use of Debt Service Fund Balance but no additional revenues in excess of the FY 2025 Budget for Debt Service.



Debt Capacity and Affordability Analysis

Affordability Cash Flows

	(A)	(B)	(C)	(D) (B+C)	(E)	(F)	(G) (E+F)	(H) (D-G)	(I) (A+H)
FYE 6/30	Beginning Debt Service Reserve	Debt Service Budget	Additional Revenues Available for Debt Service	Total Revenues	Existing Debt Service	Projected Debt Service	Total Existing & Projected Debt Service	Surplus (Shortfall)	Ending Debt Service Reserve
2023									
2024	3,237,412	3,325,284	0	3,325,284	3,357,550	0	3,357,550	(32,266)	3,205,146
2025	3,205,146	3,325,284	0	3,325,284	2,226,052	356,825	2,582,877	742,407	3,947,554
2026	3,947,554	3,325,284	0	3,325,284	2,242,797	1,503,763	3,746,560	(421,276)	3,526,278
2027	3,526,278	3,325,284	0	3,325,284	2,251,946	1,870,298	4,122,244	(796,960)	2,729,318
2028	2,729,318	3,325,284	0	3,325,284	2,109,015	1,870,298	3,979,313	(654,029)	2,075,290
2029	2,075,290	3,325,284	0	3,325,284	577,859	2,422,425	3,000,285	324,999	2,400,289
2030	2,400,289	3,325,284	0	3,325,284	329,922	2,422,425	2,752,347	572,937	2,973,226
2031	2,973,226	3,325,284	0	3,325,284	325,000	2,477,964	2,802,964	522,320	3,495,546
2032	3,495,546	3,325,284	0	3,325,284	0	2,477,964	2,477,964	847,320	4,342,866
2033	4,342,866	3,325,284	0	3,325,284	0	2,477,964	2,477,964	847,320	5,190,186
2034	5,190,186	3,325,284	0	3,325,284	0	2,477,964	2,477,964	847,320	6,037,507
2035	6,037,507	3,325,284	0	3,325,284	0	2,477,964	2,477,964	847,320	6,884,827
2036	6,884,827	3,325,284	0	3,325,284	0	2,477,964	2,477,964	847,320	7,732,147
2037	7,732,147	3,325,284	0	3,325,284	0	2,477,964	2,477,964	847,320	8,579,467
2038	8,579,467	3,325,284	0	3,325,284	0	2,477,964	2,477,964	847,320	9,426,787
2039	9,426,787	3,325,284	0	3,325,284	0	2,477,964	2,477,964	847,320	10,274,107
2040	10,274,107	3,325,284	0	3,325,284	0	2,477,964	2,477,964	847,320	11,121,427
2041	11,121,427	3,325,284	0	3,325,284	0	2,477,964	2,477,964	847,320	11,968,747
2042	11,968,747	3,325,284	0	3,325,284	0	2,477,964	2,477,964	847,320	12,816,068
2043	12,816,068	3,325,284	0	3,325,284	0	2,477,964	2,477,964	847,320	13,663,388
2044	13,663,388	3,325,284	0	3,325,284	0	2,477,964	2,477,964	847,320	14,510,708
2045	14,510,708	3,325,284	0	3,325,284	0	2,477,964	2,477,964	847,320	15,358,028
2046	15,358,028	3,325,284	0	3,325,284	0	2,477,964	2,477,964	847,320	16,205,348
2047	16,205,348	3,325,284	0	3,325,284	0	2,477,964	2,477,964	847,320	17,052,668
2048	17,052,668	3,325,284	0	3,325,284	0	2,477,964	2,477,964	847,320	17,899,988
2049	17,899,988	3,325,284	0	3,325,284	0	2,477,964	2,477,964	847,320	18,747,308
2050	18,747,308	3,325,284	0	3,325,284	0	2,477,964	2,477,964	847,320	19,594,628
2051	19,594,628	3,325,284	0	3,325,284	0	2,477,964	2,477,964	847,320	20,441,949
2052	20,441,949	3,325,284	0	3,325,284	0	1,754,604	1,754,604	1,570,680	22,012,629
2053	22,012,629	3,325,284	0	3,325,284	0	1,754,604	1,754,604	1,570,680	23,583,309

Capacity to fund projects in excess of \$35.1 million



Sections 8 – 9 | Financial Reporting and Economic Development



Section 8 | Financial Reporting

- Financial reporting - financial statements will conform to Generally Accepted Accounting Principles (GAAP) as established by the Governmental Accounting Standards Board (GASB).
- Maintenance of accounting records and annual preparation of audited financial statements.

Section 9 | Economic Development



- Economic Development projects: Prior to any formal or informal introduction of a potential Economic Development Project that may require the County’s direct or indirect support, the County Administrator will be required to provide an independent assessment of the proposed Economic Development Project to the County Board.



Potential Investment Management Policies



Potential Investment Management Policies

Policy Overview & Scope

- It is the policy of the County to invest public funds in a manner which 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.
- This policy applies to the investment of all the financial assets and funds held by the County inclusive of the investment of Bond Proceeds, Debt Service Funds, and Debt Service Reserve Funds.



Potential Investment Management Policies

Objectives

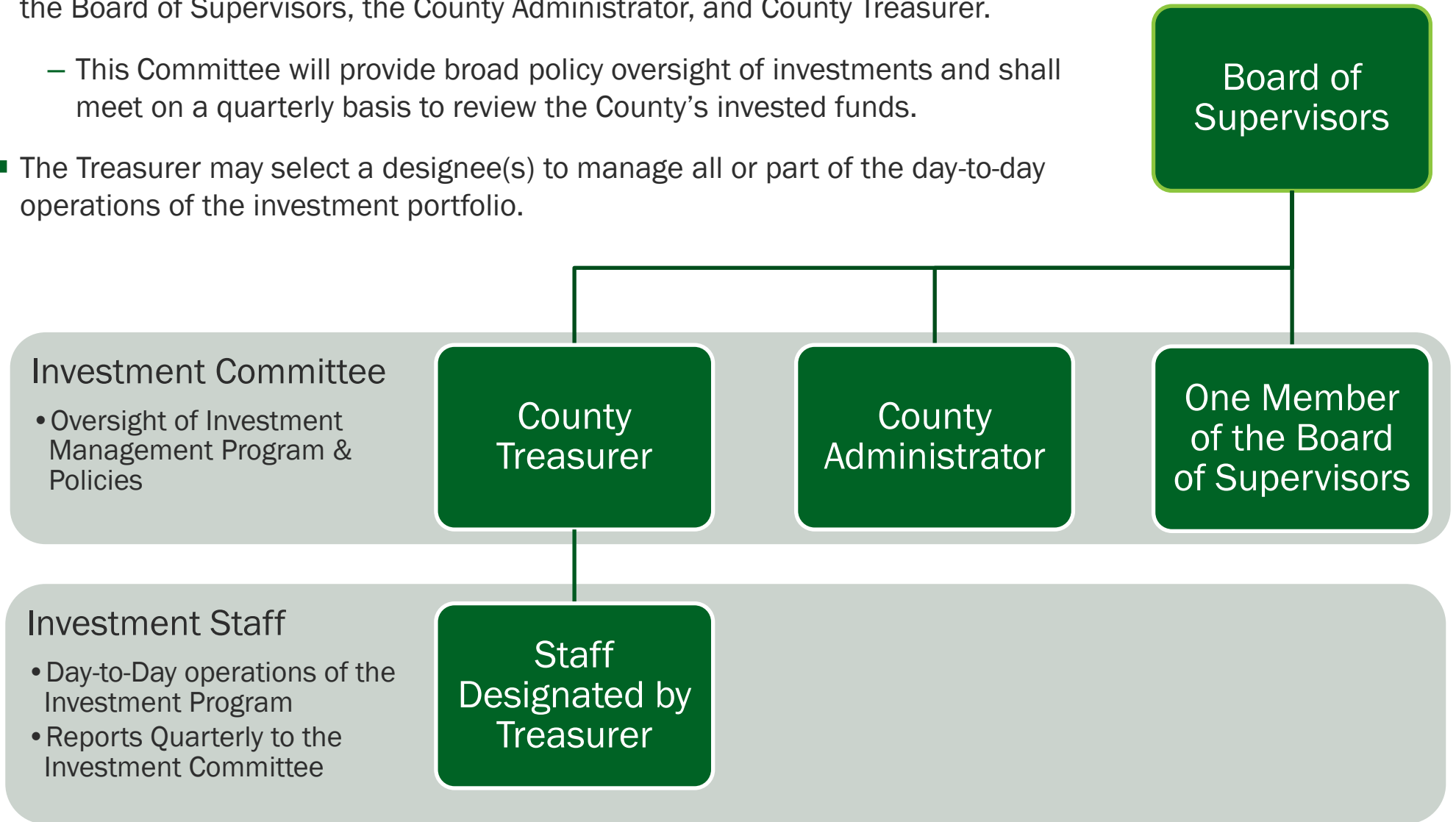
- All of the County's funds, regardless of investment term shall be invested with the following objectives listed in the order of priority:
 - 1) Safety – Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure preservation of capital in the overall portfolio.
 - 2) Liquidity – The investment portfolio will remain sufficiently liquid to enable it to meet all operational requirements which might be reasonably anticipated.
 - 3) Yield – The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, considering its investment risk constraints and the cash flow characteristics of the portfolio.



Potential Investment Management Policies

Investment Committee

- The County will establish an Investment Committee consisting of one Member of the Board of Supervisors, the County Administrator, and County Treasurer.
 - This Committee will provide broad policy oversight of investments and shall meet on a quarterly basis to review the County’s invested funds.
- The Treasurer may select a designee(s) to manage all or part of the day-to-day operations of the investment portfolio.





Potential Investment Management Policies

Competitive Selection of Investment Instruments

- For the selection of individual securities, it is desirable to select investments on a competitive basis to ensure that the County receives the best price available.
- By receiving security offers from multiple trading firms, the County avoids paying excessive fees, mark-ups, or other compensation.
- From time to time, the County may be presented with offers outside the competitive process that are attractive for investment – these investments must be authorized and approved by the Investment Committee prior to purchase.

Summary of Bids Received

PASTE REQUEST DETAILS BELOW

October 11, 2017
Request 1 of 2

Available Liquidity Yield	0.250%
Settlement Date	10/12/2017

Request Details

Security Type Requested

FHLMC or FFCB

Bids Due By

10/11/2017
@ 11:00 AM

Par Amount Requested

\$2,000,000

Latest Maturity

3/31/2021

Callable

N/A

Bidder Name	Par Amount	Security Type	Settlement Date	Maturity Date	Price (%)	Coupon (%)	YTM % / Bond Equiv. Yield	Call Date (if applicable)	Yield to Call % (if applicable)	Estimated Yield to Req. Date (1)
Wells Fargo	\$ 2,000,000	CB	10/12/2017	12/28/2020	100.684%	1.920%	1.750%	n/a	n/a	1.640%
PNC Capital Markets	\$ 1,000,000	CB	10/12/2017	3/26/2021	102.9010%	2.625%	1.756%	N/A	N/A	1.750%
PNC Capital Markets	\$ 2,000,000	FFCB	10/12/2017	10/13/2020	99.925%	1.680%	1.706%	N/A	N/A	1.511%
BB&T Capital Markets	\$ 1,000,000	FFCB	10/12/2017	3/26/2021	102.8363%	2.625%	1.775%	N/A	N/A	1.769%
Multi-Bank Securities	\$ 2,000,000	FFCB	10/12/2017	10/13/2020	99.912%	1.680%	1.710%	N/A	N/A	1.515%
Fifth Third Bank	\$ 2,000,000	FFCB	10/12/2017	2/8/2021	101.2020%	2.100%	1.725%	N/A	N/A	1.666%

(1) Estimated yield to requirement date, which assumes maturing investments are invested in the liquidity account from the investment maturity date until the requirement date



Potential Investment Management Policies

Authorized Investments and Deposits

- Authorized investments for public funds are set forth in the “Investment of Public Funds Act” of the Code of Virginia.
- Within the permitted statutory framework, we recommend the County limits the investment of assets to the following categories of securities.

Type	Maximum
U.S. Treasury Securities and Agencies	100%
Bankers Acceptance	40%
Negotiable CD’s and Bank Deposit Notes	40%
Non-Negotiable Certificates of Deposits	40%
Insured Certificates of Deposits	40%
Commercial Paper	25%
Repurchase Agreements	30%
Mutual Funds	30%
Collateralized Deposit Account	30%
Corporate Notes	5%

- Pooled and statewide investment programs such as the Virginia Local Government Investment Pool, Virginia State Non-Arbitrage Program, and the VML/VaCo investment pools are considered broadly diversified and are therefore not subject to limitation.



Next Steps



Next Steps

- Discuss and receive feedback from the County Board on additional revisions to the Proposed Financial Policy Guidelines.
- Revise the Proposed Financial Policy Guidelines for further consideration by the County Board and Staff.
- Present the updated document to the County Board for consideration of adoption.
- Work with County Staff to implement any new processes established in the Proposed Financial Policy Guidelines.
- Further develop the Potential Investment Management Policies with the Treasurer and County Staff for future consideration of adoption by the Board.



Appendix A

Proposed Financial Policy Guidelines

Financial Policy Guidelines

Nelson County, Virginia



DRAFT

Adopted [_____], 2024

Nelson County, Virginia
DRAFT Financial Policy Guidelines



TABLE OF CONTENTS

<u>Section</u>	<u>Title</u>	<u>Page #</u>
1.0	Policy Purpose	3
2.0	Fund Balance / Reserves	4
3.0	Revenues	8
4.0	Expenditures	10
5.0	Budgets	11
6.0	Capital Improvement Program	13
7.0	Debt	14
8.0	Financial Reporting	25
9.0	Economic Development	25



Nelson County, Virginia

DRAFT Financial Policy Guidelines

1.0 Policy Purpose

Nelson County, Virginia (the “County”) and its governing body, the Board of Supervisors (the “Board”), recognizes and acknowledges that local government resources must be used wisely to ensure adequate funding for the services, public facilities, and infrastructure necessary to meet the community’s present and future needs. The following financial policies and guidelines establish the framework for the County’s overall fiscal planning and management.

1.01 Policy Objectives

The primary objective of sound financial management policies is for the Board to create a framework within which financial decisions will be made. This fiscal policy is a statement of the guidelines and objectives that will influence and guide the financial management practices of the County. A fiscal policy that is adopted, adhered to, and regularly reviewed is recognized as the cornerstone of sound financial management and safeguards the fiscal stability of the County. In order to achieve its purpose, the fiscal policy has the following objectives for the County’s fiscal performance.

- A. To contribute significantly to the County's ability to insulate itself from fiscal crisis and economic disruption.
- B. To guide Board and management policy decisions that have significant fiscal impact.
- C. To promote long-term financial stability by establishing clear and consistent guidelines.
- D. To direct attention to the total financial picture of the County rather than single issue areas and promote the view of linking long term financial planning with day-to-day operations.
- E. To ensure sound financial management by providing accurate and timely information on the County’s financial condition; the foundation for effective financial analysis.
- F. To enhance the County’s access to both short-term and long-term capital by helping the County to strengthen its credit standing (for purposes of bank, financing, and access to capital markets through other financing vehicles).
- G. To ensure that the organization has adequate resources to meet the provisions of all of the County’s indebtedness and perform mandated responsibilities.
- H. To provide the Board and citizens with a framework for measuring the fiscal impact of government services against established fiscal parameters and guidelines.

1.02 Policy Implementation and Coordination

The Board, in conjunction with the County Administrator, will review and promote compliance with the financial policies outlined herein.

The County intends to adhere to these polices. If there is any anticipated or unplanned variance from these policies, staff will advise the Board and establish a plan for recovery within three (3) years.



Nelson County, Virginia

DRAFT Financial Policy Guidelines

1.03 Review and Revision

These polices will be reviewed for appropriateness on an annual basis during the budget process. Such review shall take into consideration the County's current and projected fund balance and debt ratios as well as any developments or changes in accounting standards and/or National Credit Rating Agency criteria. Based on the review the County may consider amending these policies as appropriate.

2.0 Fund Balance / Reserves Policy

The County is dedicated to maintaining an appropriate level of fund balance sufficient to mitigate current and future financial risks and to ensure stable tax rates; and, therefore, formally establishes the General Fund Balance Policy for the County's General Fund Balance. This policy also authorizes and directs the County Administrator to prepare financial reports, which accurately categorizes fund balance as required by GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*.

The County believes that sound financial management principles require that sufficient funds be retained by the County to provide a stable financial base at all times. To retain this stable financial base, the County needs to maintain Unassigned Fund Balance, and other fund balances or reserves as identified by the County, if any, sufficient to fund all cash flows of the County, to provide financial reserves for unanticipated or emergency expenditures and/or revenue shortfalls, and to provide funds for all existing expenses.

Nelson County's Unassigned General Fund Balance shall be maintained at a level to provide the County with sufficient working capital and a comfortable margin of safety to address emergencies and unexpected declines in revenue without borrowing.

2.01 Purpose

The purpose of the General Fund Balance Policy is to specify the composition of the County's financial reserves, set minimum levels for fund balances or reserves, and to identify certain requirements for replenishing any general fund balances or reserves utilized.

The County shall not use the Unassigned General Fund Balance to finance recurring operating expenditures.

2.02 General Fund Balance Categories

For documentation of the County's fund balance position, communication with interested parties and general understanding, a clear and consistent system of classification of the components of the County's fund balances is necessary. The County's reporting and communication with respect to General Fund Balance will utilize the classifications outlined in generally accepted accounting principles (GAAP). GAAP dictates the following hierarchical fund balance classification structure based primarily on the extent to which the County is restricted in its use of resources.

- A. Non-spendable Fund Balance: amounts that are not in a spendable form, such as land, prepayments, or trust or endowment funds where the balance must remain intact.



Nelson County, Virginia

DRAFT Financial Policy Guidelines

- B. **Restricted Fund Balance:** amounts that have constraints placed on their use for a specific purpose by external sources such as creditors, legal, or constitutional provisions.
- C. **Committed Fund Balance:** amounts that have been designated for a specific purpose or which have constraints placed by the Board. Committed fund balance may also include contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements. Amounts within this category require Board action to commit or to release the funds from their commitment.
- D. **Assigned Fund Balance:** amounts set aside with the intent that they be used for specific purposes. The expression of intent can be made by the Board or County Administrator and does not necessarily require Board action to remove the constraint on the resources. Fund Balance may be assigned through the encumbrance process as a result of normal purchasing activity (which includes the issuance of a purchase order).
- E. **Unassigned Fund Balance:** amounts not included in the previously defined categories that are available for any purpose. The County's General Fund should report a positive Unassigned Fund Balance. Amounts in this classification represent balances available for appropriation at the discretion of the Board. However, the Board recognizes that the Unassigned Fund Balance needs to be comprised of liquid cash and investments to meet the County's cyclical cash flow requirements and be at a level sufficient to allow the County to avoid the need for short-term revenue anticipation borrowing. The Unassigned Fund Balance should also allow for a margin of safety against unforeseen expenditures that could include, but not be limited to, natural disasters, severe economic downturns, and economic development opportunities. Unassigned Fund Balance shall not be used for annual recurring expenditures, except for unforeseen emergency circumstances.

2.03 Committed Fund Balance Policy

The Board is the County's highest level of decision-making authority and the formal action that is required to be taken to establish, modify, or rescind a fund balance commitment is a resolution/ordinance approved by the Board. The resolution must either be approved or rescinded, as applicable, prior to the last day of the fiscal year for which the commitment is made. The amount subject to the constraint may be determined in the subsequent period.

2.04 Assigned Fund Balance Policy

The Board may set aside funds with the intent that they be used for specific purposes. The expression of intent can be by the Board or County Administrator and does not necessarily require formal action to remove the constraint on the resources.



Nelson County, Virginia

DRAFT Financial Policy Guidelines

2.05 Unassigned Fund Balance Policy

The Board recognizes that the Unassigned Fund Balance Policy should be:

- A. 30% of the County’s General Fund Budgeted Revenues.
 - Example Calculation: Based on the County’s FY 2025 Adopted Budget, 30% translates into **\$13,785,828** as follows:

General Fund Revenues (Less Appropriated Fund Balance)	\$45,952,760
X 30% = Unassigned Fund Balance Target	\$13,785,828

Funds in excess of the Unassigned Fund Balance Policy target may be considered to supplement “pay-as-you-go” capital outlay expenditures, other non-recurring expenditures, or as a greater buffer to General Fund balance.

To the extent that funds are available in excess of the minimum described above (i.e., 30%), the Board recognizes that it could strategically utilize these funds, if appropriate. However, the Board also recognizes that maintaining reserves above the minimum Unassigned Fund Balance Policy target may be beneficial to the overall well-being of the County. Should any amounts above the 30% Unassigned Fund Balance Policy target exist, they should only be appropriated for non-recurring expenditures, as they represent prior year surpluses that may or may not materialize in subsequent fiscal years. Amounts above the 30% Unassigned Fund Balance Policy target could be used for the following purposes (listed in order of priority):

- A. Increase Restricted Fund Balances as necessary.
- B. Fund additional reserves as deemed appropriate by the Board.
- C. Allocating such amounts toward equity funding of the capital needs, economic development or transfer to a capital project or capital reserve fund.

2.06 Budget Stabilization Fund

In addition to the Unassigned Fund Balance, the County shall establish a Budget Stabilization Fund, which shall be considered a part of the County’s Committed Fund Balance. The Budget Stabilization Fund shall be used for unforeseen, emergency expenditures or unplanned, unforeseen declines in revenues. The Budget Stabilization Fund shall be initially established in an amount equal to 5% of General Fund Budgeted Revenues. Example Calculation as follows:

- A. Based on the County’s FY 2025 Adopted Budget, 5% of the County’s General Fund Revenues translates into **\$2,297,638** as follows:

General Fund Revenues (Less Appropriated Fund Balance)	\$45,952,760
X 5% = Budget Stabilization Fund	\$2,297,638

- B. Should future County budgets require additional moneys to be added to meet these requirements, the County will build up the required amounts over three (3) years.
- C. To the extent needed, the Budget Stabilization Fund shall be used first, in priority before Assigned and Unassigned Fund Balances. See Section 2.08 for Prioritization of use of Fund Balances.



Nelson County, Virginia

DRAFT Financial Policy Guidelines

2.07 Replenishment of Unassigned Fund Balance/Budget Stabilization Fund

Upon the use of any Unassigned Fund Balance or Budget Stabilization Fund for temporary funding of unforeseen emergency needs, which causes such fund balance to fall below the Unassigned Fund Balance Policy target or below the Budget Stabilization Fund target, the Board must approve and adopt a plan to restore amounts used within 36 months. If restoration of the reserve cannot be accomplished within such period without severe hardship to the County, then the Board will establish a different time period.

2.08 Prioritization of Fund Balances

As indicated, the fund balance classifications outlined in Section 2.02 are based on the level of restriction. In the event expenditures qualify for disbursement from more than one fund balance category, it shall be the policy of the County that the most constrained or limited fund balance be used first. Funds shall be used in the following order: Restricted, Committed, Assigned, and Unassigned as they are needed.

2.09 Carryover Funds

Carryover funds are unspent funds requested by departments to move out of the previous fiscal year and into the new fiscal year raising the overall budget from adopted to amended budget classification. These funds could include projects that were not completed in the previous year as expected or changes that occurred after acceptance of the new budget for the upcoming fiscal year.

General operation funds typically should not be carried over from one fiscal year to the next unless funds are tied to a grant. It is the responsibility of the departments to properly budget upcoming expenses for the new fiscal year.

Capital improvement funds may be carried over if a project is not completed within the year, upon recommendation of the County Administrator and approval by the Board.



Nelson County, Virginia

DRAFT Financial Policy Guidelines

3.0 Revenues

The County will strive to maintain a diversified mix of revenues in order to balance the sources of revenue amongst taxpayers, to provide ongoing stability and predictability, and to shelter it from short-term fluctuations in any one revenue source.

Current revenues will fund current expenditures. The County must balance the need for services and the County's ability to raise fees, charges, and taxes to support those services.

3.01 Revenue Collections

The County will monitor all taxes to ensure that they are equitably administered and collections are timely and accurate. The County will aggressively collect property taxes and related penalties and interest as authorized by the Code of Virginia.

3.02 Fees and Charges

As much as is reasonably possible, County services that provide private benefit should be supported by fees and charges in order to provide maximum flexibility in use of general County taxes to meet the cost of services of broader public benefit. Charges for services that benefit specific users should recover full costs, including all direct costs, capital costs, department overhead, and County-wide overhead. Departments that impose fees or service charges should prepare and periodically update cost-of-service studies for such services. A subsidy of a portion of the costs for such services may be considered when consistent with legal requirements to meet other County interests and objectives, such as remaining competitive within the region.

3.03 Reassessment

Reassessment will be made of all real property on a scheduled basis as determined by the County. The County will maintain sound appraisal procedures to keep property values current.

3.04 Intergovernmental Aid

The County will pursue intergovernmental aid, including grants, for those programs and activities that address a recognized need and are consistent with the County's long-range objectives, and will attempt to recover all allowable costs associated with those programs. Any decision to pursue intergovernmental aid should include the consideration of the following:

- A. Present and future funding requirements;
- B. Cost of administering the funds;
- C. Costs associated with special conditions or regulations attached to the grant award; and
- D. The effect on the County Budget if grants or other intergovernmental aid are reduced or eliminated in the future.



Nelson County, Virginia

DRAFT Financial Policy Guidelines

3.05 Revenue Forecasts

The estimate of the County's revenues shall be set at realistic and attainable levels, sufficiently conservative to avoid shortfalls, yet accurate enough to avoid a systematic pattern of setting tax rates that produce significantly more revenue than is necessary to meet expenditure, fund balance, and reserve requirements.

3.06 Restricted Revenue

Restricted revenue shall only be used for the purpose intended and in a fiscally responsible manner.

3.07 Use of One-Time Revenues

The County will limit the use of one-time revenues to one-time expenditures such as non-recurring capital projects. However, to the extent that dedicated capital reserve funds are set aside and it can be demonstrated that use of such funds in the operating budget may provide a temporary and strategic benefit to defray targeted expenditures (e.g., debt service) for a defined period of time, the County may incorporate use of such one-time funds in its operating budget.

Capital reserve funds may be comprised of Unassigned Fund Balance in excess of policy targets, operating surpluses from a given fiscal year, "banked revenues", budgeted contingencies, or some combination thereof.

3.08 Use of Fund Balance

The County's General Fund balance will be utilized to provide sufficient working capital in anticipation of current budgeted revenues and to finance unforeseen emergencies without borrowing. The General Fund equity of the County (Unassigned Fund Balance) should not be used to finance current operations.

Nelson County, Virginia

DRAFT Financial Policy Guidelines



4.0 Expenditures

The County should accommodate ongoing expenditures within current resources. One-time expenditures should be funded with an offsetting revenue or from an established and adequately funded capital reserve fund. Expenditures will be evaluated based on the fiscal impact on current and future operations. Ongoing expenses will be monitored in comparison with budget appropriations, effectiveness of the services, and operational efficiency.

4.01 Continual Improvements

The County will seek to optimize the efficiency and effectiveness of its services through improvement efforts, performance measures, and by assessing its services with comparable localities to reduce costs and improve service quality.

4.02 Monitoring

The County Administrator or Department Directors, as applicable, are responsible for managing program expenses within the total adopted operating budget.



Nelson County, Virginia

DRAFT Financial Policy Guidelines

5.0 Budgets

The County will annually adopt and execute a budget for such funds as may be required by law or by sound financial practices and generally accepted accounting principles. The budget shall control the levy of taxes and the expenditure of money for all County purposes during the ensuing fiscal year. The County budget shall be balanced within all available operating revenues, including the fund balance, and adopted by the Board. Per the County's budget adoption and appropriation resolutions, the County Administrator is authorized and directed to do all things necessary to implement the annual budget to include making all payments and disbursement consistent with the purpose and intent of the adopted budget.

Public participation in the budgetary process will be encouraged. The County will avoid dedicating revenue to a specific project or program because of the constraint this may place on flexibility in resource allocation except in instances where programs are expected to be self-sufficient or where revenue is dedicated to a program for statutory or policy reasons.

The budget process will be coordinated in a way that major policy issues are identified for the Board prior to consideration of budget approval. All expenditures will be tracked for each fund.

A structured budget preparation and formulation process shall be used for all departments and Funds receiving funding from the County.

- Departmental budgets shall be managed within the total appropriated departmental budget for each fiscal year.
- All operating budget appropriations shall lapse at the end of the fiscal year to the extent that they are not expended or encumbered.
- The budget shall be adopted and appropriated by the favorable vote from the Board majority.
- The vision and priorities established by the Board, in the Comprehensive Plan, in the Capital Improvement Plan, and any other means will serve as the framework for the budget proposed by the County Administrator.
- The fiscal year for the County is July 1 through June 30.
- One-time revenues shall be used for one-time expenditures only.
- The County will maintain a budget control system and staff will monitor and evaluate expenditures and revenues as compared to budget and/or prior year-to-date reports. The County Administrator will propose recommendations to the Board for adjustments as needed.

5.01 Balanced Budget and Process

The annual budget of the County will be considered balanced when all payments for operations, debt service, and annual capital plan needs do not exceed budgeted revenues. The County Administrator shall annually deliver a Proposed Budget for Board review. The Proposed Budget shall serve as a financial plan for the upcoming fiscal year and shall contain the following information:

- 1) A budget message that outlines the proposed revenue and expenditures for the upcoming fiscal year together with an explanation of any major changes from the previous fiscal year. The budget message should also include any proposals for major changes in financial policy.



Nelson County, Virginia

DRAFT Financial Policy Guidelines

- 2) Summaries of proposed revenues and expenditures by department for all funds proposed to be expended and received in a fiscal year.
- 3) The proposed budget document will contain Revenue and Expenditures in the three following categories; prior year actuals, current year budget (as adopted and amended, if applicable) and proposed budget year.
- 4) The proposed budget appropriation process;
 - a. Pursuant to the Code of Virginia, the Board shall hold a public hearing on the budget, including the Capital Improvement Program, pursuant to the Board's rules of procedure.
 - b. Following the public hearing on the budget, the Board may make adjustments. In instances where the Board increases the total proposed expenditures, it shall also identify a source of funding at least equal to the proposed expenditures.
- 5) Budget Transfers and Adjustments, and Implementation
 - a. Per the County's budget adoption and appropriation resolutions, the County Administrator is authorized to make transfers and adjustments among the various budgetary accounts within each agency.
 - b. Per the County's budget adoption and appropriation resolutions, the County Administrator is also authorized and directed to do all things necessary to implement the annual budget, to include executing all purchase orders/contracts and making all payments and disbursements consistent with the purpose and intent of the approved budget.
- 6) Budget requests after the budgetary process and adoption of the annual budget, particularly from outside organizations, shall be considered in the next budget cycle, unless such request is deemed an emergency or provides a material benefit (i.e., grant matching funds or other similar items) that affects the operations of County government.

5.02 Current Revenues to Support Current Expenditures

Ongoing and stable revenues will be used to support ongoing operating costs.

5.03 One-time Revenues and One-time Expenditures

The use of one-time revenues and one-time expenditure savings (excess cash balances) will be used for non-recurring expenditures, subject to certain exceptions as provided by section 3.07 and 4.0.

5.04 Budget Performance Monitoring

All departments of the County will periodically examine and effect changes in program delivery responsibilities or management which would improve productivity, lower costs, enhance service, and further communication with the public. The County will prepare monthly reports comparing actual revenues and expenditures (expenses) to budgeted amounts. The County Administrator is authorized to implement any cost savings measures necessary to ensure the County stays within its adopted budget (i.e., expenditures do not exceed revenues).



Nelson County, Virginia

DRAFT Financial Policy Guidelines

6.0 Capital Improvement Program

In order to prepare and plan for upcoming capital needs and improve capital infrastructure, the County will annually prepare and adopt a minimum five-year Capital Improvement Plan.

The adopted Capital Improvement Plan will include major capital improvements and identify estimated funding sources and annual operational costs for facilities to include anticipated debt service requirements. Incremental operating costs associated with capital projects shall be funded in the operating budget after being identified and approved in the Capital Improvement Program.

Capital improvements do not include routine maintenance on existing capital assets.

Long-term borrowing shall be confined to major capital improvements and equipment purchases.

To the extent that there are any remaining bond funds, the County shall consult bond counsel and their Financial Advisor in order pursue the best course of action pursuant to tax laws and / or County negotiations in affect at the time.

6.01 Capital Improvement Program Components

The County's capital improvement program consists of two (2) components:

- A. Capital plan - a listing of capital items that the locality anticipates undertaking within the next five (5) years. A capital item is any tangible asset or project with a total cost of \$25,000 or more and a useful life of at least five (5) years.
- B. Capital budget - an element of the locality's annual budget adoption process and details the upcoming year's planned expenditures for capital projects. This capital budget is based on the capital improvement plan.



Nelson County, Virginia

DRAFT Financial Policy Guidelines

7.0 Debt

The Board shall follow the guidelines listed below in making financial decisions on debt issuance. Adherence to these guidelines allows the County to plan for the necessary financing of capital projects while maintaining credit worthiness. In addition, continued adherence to these policies will help ensure that the County maintains the strongest financial position possible.

The County shall use an objective analytical approach to determine whether it can afford new or additional general-purpose debt. This process shall use the County's standards of affordability. These standards include policies described under Section 7.07 herein.

The County may obtain debt through a variety of methods including, but not limited to: stand-alone issuance via the public markets, state pooled loan programs, loans obtained directly from banks, United States Department of Agriculture (USDA) loans, or other funding mechanism as they may be available to local governments.

The County may use the services of a Financial Advisor to assist in the analysis of debt issuance and undertaking debt obligations.

7.01 Revenue Anticipation Notes (RANs)

The County does not intend to issue revenue anticipation notes (RANs) to fund government operations. However, if extraordinary circumstances arise affecting the timing of receipt of revenues in the course of the fiscal year requires the borrowing of money to support expenditures within the adopted budget, the County may issue promissory notes pursuant to Board authorization.

7.02 Bond Anticipation Notes (BANs)

The County may issue Bond Anticipation Notes (BANs) in expectation of issuing long-term Bonds when cash is required in order to initiate or continue a capital project or when long-term markets do not appear appropriate but have a clear potential for improvement within the designated BAN time frame.

If the County issues a bond anticipation note for a capital project, the BAN will be converted to a long-term bond or redeemed at its expiration.

7.03 Letters of Credit

The County may enter into a letter-of-credit (LOC) when such an agreement is deemed prudent and advantageous. Such LOC may be used in lieu of a BAN.

7.04 Lease Purchase Obligations

Lease purchase and master lease obligations may be considered as an alternative to vendor leases. Such debt shall be subject to annual appropriation.



Nelson County, Virginia

DRAFT Financial Policy Guidelines

7.05 Public-Private Partnerships

The County recognizes the value of developing public-private partnerships. As such, public-private partnerships that require the County to provide capital or credit enhancement to a project will be considered in light of the following:

- A. The project is multi-faceted requiring coordinated and/or accelerated development. The project is non-traditional with a mixed use of public and private components. The project calls for the bundling of design, construction, and operation phases.
- B. There is an urgent need to construct multiple facilities or other public infrastructure simultaneously to keep pace with a rapidly growing population or other critical public need.
- C. The project has undergone a rigorous cost-benefit analysis by County Staff (or agents employed by the County for such purpose). If the project ultimately requires County credit enhancement, such obligations will be treated as if debt by the County.
- D. The financing mechanism in the proposed public-private partnership will be evaluated in context of financing sources available to the County and the most beneficial financing mechanism (e.g., cost of funds, terms and conditions, etc.) shall be undertaken.

7.06 Compliance with Legal Requirements

The County shall comply with all applicable state and federal laws related to the issuance of indebtedness and/or lease obligations. The County shall retain the use of a nationally recognized bond counsel to provide the appropriate legal advice with respect to any debt or lease issuance.

7.07 Tax-Supported Debt and Fixed Costs/Contingent Liability Ratio Policies

Policy 1: Tax-Supported Debt as a Percentage of Total Assessed Value of Taxable Property shall not exceed 3.5%.

This ratio indicates the relationship between the County's debt and the Total Taxable value of real property, personal property, public service property and any other taxable property in the County on which a tax is levied. It is an important indicator of the County's ability to repay debt, because property taxes are the primary source of the County's revenues used to repay debt. A small ratio is an indication that the County will be better able to withstand possible future economic downturns and continue to meet its debt obligations. The County may choose to exclude certain debt issuances if the principal and interest thereof is repaid from a dedicated funding source that is restricted for that use.

Policy 2: Tax-Supported Debt Service payments (principal and interest) shall not exceed 10-12% of Total Governmental Expenditures.

This ratio is a measure of the County's ability to repay debt without hampering other County services. A smaller ratio indicates a lesser burden on the County Budget. Total Governmental Expenditures is defined as budgeted expenditures for the General and School Operating Funds, net of the Local Government Contribution to the School Operating Fund.



Nelson County, Virginia

DRAFT Financial Policy Guidelines

Note: Any long-term debt financing or lease obligations which may be subject to annual appropriation by the County or have the County's Moral Obligation pledge will also be included in the calculations of tax-supported debt and debt service in the above policies.

Compliance with the above debt policy ratios will be calculated each fiscal year in conjunction with the budget development process and provided to the Board with the proposed annual budget.

Tax-supported obligations are those that are expected to be repaid from the General Fund tax revenue of Nelson County. These include general obligation bonds (except fully or partially self-supporting bonds) and capital leases. General obligation bonds issued for self-supporting enterprise funds are not included in calculations of tax-supported bonds.

Policy 3: Tax-Supported Debt Service payments (principal and interest) in conjunction with payments related to pensions/OPEB/other contingent liabilities shall not exceed 17% of Total Governmental Expenditures.

This ratio captures a more expansive view of the County's liability profile by including other fixed payments/obligations related to pensions/OPEB/other contingent liabilities in the calculation of the ratio. Fixed Costs/Contingent Liabilities shall be defined as the County's actuarially required annual contribution on previously mentioned pensions/OPEB/other contingent liabilities.

The Fixed Costs Ratio provides an important indication of the annual financial burden associated with the County's debt, pensions, OPEB obligations and other miscellaneous long-term liabilities relative to its budget.

The ratio also provides by proxy the percentage of revenue that remains available for the County to provide core services after Fixed costs are paid. Higher Fixed Costs may indicate greater challenges meeting demand for services.

The above policies shall not include debt that is fully self-supporting from a user fee revenue stream (i.e. Business-type / Enterprise Fund indebtedness), although such debt will be taken into consideration in the evaluation of the County's overall debt burden. A user fee revenue stream is defined as a revenue stream that provides partial or full coverage of all debt service obligations with minimal or no general fund support (i.e., Business-type / Enterprise Funds, which have revenues derived from charges for services and used to support related debt).



Nelson County, Virginia

DRAFT Financial Policy Guidelines

7.08 Long Term Debt Policy

The County will use debt financing for capital projects and unusual equipment purchases under the following circumstances:

- A. When the project is included in the County's capital improvement program.
- B. When the project is not included in the County's Capital Improvement Program, but it is an emerging critical need whose timing was not anticipated in the Capital Improvement Program, or it is a project mandated immediately by state or federal requirements.
- C. When the project's useful life, or the projected service life of the equipment, will be equal to or exceed the term of the financing.
- D. When there are designated revenues sufficient to service the debt, whether from project revenues, other specified and reserved resources, or infrastructure cost sharing revenues.

The following criteria will be used to evaluate funding options for capital improvements:

- A. Factors that favor pay-as-you-go:
 - Current revenues and adequate fund balances are available.
 - Project phasing is feasible.
 - Debt levels would adversely affect the County's credit.
 - Financial market conditions are unstable or present difficulties in marketing the sale of long-term financing investments.
 - The percentage interest rate earned on invested funds is less than the percentage interest rate for the cost of borrowing.
- B. Factors that favor long-term financing:
 - Revenues available for debt service are considered sufficient and reliable so that long-term financing can be marketed with the highest possible credit rating.
 - The project for which financing is being considered is of the type that will allow the County to maintain the best possible credit based on industry standard best practices.
 - Market conditions present favorable interest rates and demand for municipal financings.
 - A project is mandated by state or federal requirements and current revenues and fund balances are insufficient to pay project costs.
 - A project is immediately required to meet or relieve capacity needs.
 - The percentage interest rate for the cost of borrowing is less than the percentage interest rate earned on invested funds.



Nelson County, Virginia

DRAFT Financial Policy Guidelines

There are many different types of long-term debt instruments available. Depending on the specific circumstances, the County will consider using the following types of financing instruments depending upon circumstances as evaluated by the County:

- A. General Obligation Bonds.
- B. Lease Revenue Bonds, or Subject-to-Appropriation (i.e. Moral Obligation) Bonds.
- C. Revenue Bonds.
- D. Selected State Pooled-Borrowing Programs for General and/or Utility Capital Needs, Including those of the Virginia Resources Authority.
- E. Loans or leases obtained directly from banks and/or leasing institutions.
- F. USDA Loans.

7.09 Bond Structure

The County shall establish all terms and conditions relating to the issuance of bonds, and will invest all bond proceeds pursuant to the terms of the bond. Unless otherwise authorized by the County, the following shall serve as bond requirements:

- A. Term

All capital improvements financed through the issuance of debt will be financed for a period not to exceed the useful life of the improvements. It is the County's goal to issue bonds with a final maturity of no more than thirty (30) years. However, maturities longer than 30 years (e.g., USDA loans) may be issued at the County's discretion based on the nature and useful life of the asset being financed and budgetary cash flow considerations.
- B. Capitalized Interest

From time to time, certain financings may require the use of capitalized interest from the issuance date until the County has beneficial use and/or occupancy of the financed project. Interest shall not be funded (capitalized) beyond three years or a shorter period if further restricted by law. Interest earnings may, at the County's discretion, be applied to extend the term of capitalized interest but in no event beyond the term allowed by law.
- C. Debt Service Structure

Debt issuance shall be planned to achieve relatively equal payments of principal and interest (level debt service) while matching debt service to the useful life of facilities. The County shall avoid the use of bullet or balloon maturities except in those instances where these maturities serve to make existing overall debt service level. The County may elect a more rapid debt service structure, such as level principal payments, or less rapid wrapped debt service structures at its discretion and depending upon affordability.
- D. Call Provision

In general, the County's debt will include an early redemption (or "call") feature, which is no later than 10 years from the date of delivery of the bonds. The County will avoid the sale of non-callable bonds absent careful, documented evaluation by the County in conjunction with its Financial Advisor with respect to the value of the call option.



Nelson County, Virginia

DRAFT Financial Policy Guidelines

E. Original Issue Discount

An original issue discount will be permitted if the County determines that such discount results in a lower true interest cost on the bonds and that the use of an original issue discount will not adversely affect the project funding.

F. Deep Discount Bonds

Deep discount bonds may provide a lower cost of borrowing in certain markets. The County will carefully consider their value and effect on any future refinancing as a result of the lower-than-market coupon associated with deep discount bonds.

G. Derivative and Swap Transactions

The County recognizes that derivatives and swap transactions are highly complex financial instruments. In general, the County should seek to fund its capital and other needs with more traditional financing vehicles such as those financing vehicles outlined under Section 7.08. In the event that there is a compelling reason to consider the use of a derivative or swap transaction, the County will work closely with its Financial Advisor to analyze the risks of such derivative or swap transaction. In addition, the County will obtain its Financial Advisor's written recommendation and rationale as to why the use of a derivative or swap transaction is the best funding strategy for the County. County Management and the Board will acknowledge its understanding of its Financial Advisor's written recommendation and the risks involved with entering into a derivative or swap structure transaction.

Prior to the use of a derivative or swap transaction, the County will adopt a comprehensive Derivative and Swap Management Plan that is consistent and does not conflict in principle with this governing policy.

7.10 Variable Rate

To maintain a predictable debt service burden, the County may give preference to debt that carries a fixed interest rate. The County, however, may consider variable rate debt. The percentage of variable rate debt outstanding (excluding debt which has been converted to synthetic fixed rate debt with a derivative or swap transaction) shall not exceed 75% of the County's combined Unassigned Fund Balance and Revenue Stabilization Fund Balance. The County may consider issuing variable rate debt to:

- A. **Match Assets and Liabilities:** By issuing variable rate debt the County matches variable interest rates to its short-term investment assets.
- B. **Potentially Lower Debt Service Costs:** Historically variable interest rates are less than fixed rate cost of capital.
- C. **Add Flexibility and Diversity to the County's Debt Structure:** Variable rate bonds are traditionally callable every 30 days and can generally be refunded on a fixed rate basis to take advantage of low fixed rates and open up variable rate capacity for higher rate environments.

In determining its use of variable rate debt, the County will utilize an analysis from the County's Financial Advisor evaluating and quantifying the risks and returns involved in the variable rate financing.



Nelson County, Virginia

DRAFT Financial Policy Guidelines

7.11 Refinancing Outstanding Debt

The County Administrator, with assistance from the County's Financial Advisor, will have the responsibility to analyze outstanding bond issues for refunding opportunities. The County will consider the following issues when analyzing possible refunding opportunities:

A. Refunding

The County establishes a minimum aggregate present value savings threshold of 3% of the refunded bond principal amount. The present value savings will be net of all costs related to the refinancing. Debt service savings may be taken in equal amounts over time or on an upfront or deferred basis, at the County's discretion. The County shall receive a written refunding analysis indicating the estimated amount of net present value savings from its Financial Advisor prior to selling bonds to refund any outstanding bonds.

B. Restructuring

The County will restructure debt when it is in the best financial interest of the County to do so. Such refunding will be limited to restructuring to meet unanticipated revenue expectations, achieve costs savings, mitigate irregular debt service payments, release reserve funds, remove unduly restrictive bond covenants, or to respond to a financial emergency. Refunding transactions for revenue bonds can be structured so that savings are realized over the life of the refunding bonds or up-front, depending on the results of a cost-benefit analysis.

C. Term of Refunding Issues

The County will refund bonds within the term of the originally issued debt. However, the County may consider maturity extension, when necessary to achieve a desired outcome, provided that such extension is legally permissible. The County may also consider shortening the term of the originally issued debt to realize greater savings. The remaining useful life of the financed facility and the concept of inter-generational equity should guide this decision.

D. Escrow Structuring

The County shall utilize the least costly securities available in structuring refunding escrows, which is typically provided by State and Local Government Series (SLGS) securities issued by the Federal Government. In the event that SLGS are not available, the County shall use the services of a bidding agent to obtain an escrow consisting of competitively obtained open market securities shall be used for escrows. A certificate will be provided by a third party provider stating that the open market securities were procured through an arms-length, competitive bid process, and that the price paid for the securities was reasonable within Federal guidelines. Under no circumstances shall an underwriter, bidding agent, or Financial Advisor sell escrow securities to the County from its own account.

E. Arbitrage

The County shall take all necessary steps to optimize escrows and to avoid negative arbitrage in its refunding. Any resulting positive arbitrage will be rebated as necessary according to Federal guidelines.



Nelson County, Virginia

DRAFT Financial Policy Guidelines

7.12 Methods of Issuance

The County shall comply with all requirements of the Public Finance Act as included in Title 15.2 of the Code of Virginia and other legal requirements regarding the issuance of bonds and certificates of the County or its debt issuing authorities.

The County shall comply with all U.S. Internal Revenue Service rules and regulations regarding issuance of tax exempt debt, including arbitrage rebate requirements for bonded indebtedness, and with all Securities and Exchange Commission requirements for continuing disclosure of the County's financial condition, and with all applicable Municipal Securities Rulemaking Board requirements.

The County will determine the method of issuance on a case-by-case basis in consultation with its Financial Advisor.

A. Competitive Sale

In a competitive sale, the County's bonds shall be awarded to the bidder providing the lowest true interest cost as long as the bid adheres to the requirements set forth in the official notice of sale.

B. Negotiated Sale

The County recognizes that some securities are best sold through negotiation. In its consideration of a negotiated sale, the County shall assess the following circumstances:

- Bonds issued as variable rate demand obligations.
- A structure which may require a strong pre-marketing effort such as a complex transaction or a "story" bond.
- Size or credit rating of the issue which may limit the number of potential bidders.
- Market volatility is such that the County would be better served by flexibility in timing a sale in a changing interest rate environment.

C. Direct Bank Loans

From time to time the County may elect to obtain Direct Bank Loans for its financing needs. Such Direct Bank Loans shall be considered if other methods are not viable or cost effective.

7.13 Bond Insurance

The County may purchase bond insurance when such purchase is deemed prudent and advantageous. Use of bond insurance shall be based on such insurance being less costly than the present value of the difference between the interest on insured bonds versus uninsured bonds.

In the case of a competitive sale, the County may permit bidders for its bonds to purchase bond insurance if such insurance will enhance the market reception and lower the interest rate on the County's bonds. The winning bidder in a competitive sale will bear any associated cost with such enhancement.

In the instance of a negotiated sale, the County may solicit quotes for bond insurance from interested providers. The County may select a provider whose bid is most cost effective and whose terms and conditions governing the guarantee are satisfactory to the County.



Nelson County, Virginia **DRAFT** Financial Policy Guidelines

7.14 Debt Service Reserves

If necessary, the County may establish a reserve account funded from bond proceeds, subject to federal tax regulations and in accordance with the requirements of credit enhancement providers and/or rating agencies. The County may purchase reserve equivalents (i.e., a reserve fund surety or letter of credit) when such purchase is deemed prudent and advantageous. Such equivalents shall be evaluated in comparison to cash funding of reserves on a net present value basis.

7.15 Underwriter Selection

A. Senior Manager Selection

The County shall select a senior manager for any proposed negotiated sales. The selection criteria shall include but not be limited to the following:

- The firm's ability and experience in managing transactions similar to that contemplated by the County.
- Prior knowledge and experience with the County.
- The firm's ability and willingness to risk capital and demonstration of such risk and capital availability.
- Quality and experience of personnel assigned to the County's engagement financing plan presented.
- Underwriting fees.

B. Co-Manager Selection

Co-managers may be selected on the same basis as the senior manager. In addition to their qualifications, co-managers appointed to specific transactions will be a function of transaction size and the necessity to ensure maximum distribution of the County's bonds.

C. Selling Groups

The County may establish selling groups in certain transactions. To the extent that selling groups are used, the County Administrator at his or her discretion, may make appointments to selling groups from within the pool of underwriters or from outside the pool, as the transaction dictates.

D. Underwriter's Counsel

In any negotiated sale of County debt in which legal counsel is required to represent the underwriter, the appointment will be made by the Senior Manager.

E. Underwriter's Discount

The County Administrator, with assistance from the County's Financial Advisor, will evaluate the proposed underwriter's discount against comparable issues in the market. If there are multiple underwriters in the transaction, the County Administrator will determine the allocation of underwriting liability and management fees in consultation with the County's Financial Advisor.



Nelson County, Virginia

DRAFT Financial Policy Guidelines

The allocation of fees will be determined prior to the sale date; a cap on management fee, expenses, and underwriter's counsel will be established and communicated to all parties by the County Administrator. The senior manager shall submit an itemized list of expenses charged to members of the underwriting group. Any additional expenses must be substantiated.

F. Evaluation of Underwriter Performance

The County will evaluate each bond sale after completion to assess the following: costs of issuance including underwriters' compensation, pricing of the bonds in terms of the overall interest cost and on a maturity-by-maturity basis, and the distribution of bonds and sales credits.

7.16 Consultants

A. Financial Advisor

The County may select a Financial Advisor (or advisors) to assist in its debt issuance and debt administration processes. Selection of the County's Financial Advisor(s) shall be based on, but not limited to, the following criteria:

- Experience in providing consulting services to entities similar to the County. Knowledge and experience in all matters related to Public Finance, including, but not limited to, budgeting analysis and projections, debt management, debt structuring and issuance, credit rating services, financial modeling, and economic development project analysis, among others.
- Fees and expenses.
- Conflicts of Interest. The County requires that its consultants and advisors provide objective advice and analysis, maintain the confidentiality of County financial plans, and be free from any conflicts of interest.

B. Bond Counsel

County debt will include a written opinion by legal counsel affirming that the County is authorized to issue the proposed debt, that the County has met all legal requirements necessary for issuance, and a determination of the proposed debt's federal income tax status. The approving opinion and other documents relating to the issuance of debt will be prepared by counsel with extensive experience in public finance and tax issues. Bond Counsel will be selected by the County.

C. Disclosure by Financing Team Member

All financing team members will be required to provide full and complete disclosure, relative to agreements with other financing team members and outside parties. The extent of disclosure may vary depending on the nature of the transaction. However, in general terms, no agreements shall be permitted which could compromise the firm's ability to provide independent advice which is solely in the County's best interests or which could reasonably be perceived as a conflict of interest.



Nelson County, Virginia

DRAFT Financial Policy Guidelines

7.17 County Financial Disclosure

The County is committed to full and complete financial disclosure, and to cooperating fully with rating agencies, institutional and individual investors, County departments, and the general public to share clear, comprehensive, and accurate financial information. The County is committed to meeting secondary market disclosure requirements on a timely and comprehensive basis through the Municipal Securities Rulemaking Board (“MSRB”) Electronic Municipal Market Access (“EMMA”) dataport, if applicable.

EMMA Procedures (if applicable): The County will undertake the following procedures to ensure prompt and timely submission of its continuing disclosure information if the County is required to do so in connection with a public offering of debt or obligation requiring disclosure through EMMA.

- 1) Email reminders are to be established and maintained through the EMMA dataport to automatically generate 30 days prior to the filing due date each year. These emails are scheduled to be delivered to the Finance Director (“Primary Contact”), and County Administrator (“Secondary Contact”).
- 2) After the email reminders have been received by the individuals listed above, a new continuing disclosure submission is created by the Primary Contact. All information is then reviewed for accuracy by the Secondary Contacts and then submitted by Primary Contact on or before the required filing due date. If the required continuing disclosure information will not be ready prior to the required filing due date, then a notice of failure to file the continuing disclosure information will be filed that contains an estimated filing date for the required continuing disclosure information.
- 3) The County shall file any material event notices within 10 days of such event occurring. If the County is unsure of the materiality of an event, it shall be discussed with its Bond Counsel and/or Financial Advisor to confirm if such event should be filed.

The procedures listed above will continue annually, however the individuals listed may change.



Nelson County, Virginia

DRAFT Financial Policy Guidelines

8.0 Financial Reporting and Accounting Standards

The County's financial statements will conform to generally accepted accounting principles (GAAP) as established by the Government Accounting Standards Board (GASB).

8.01 Accounting Records

The County will maintain an accounting system to allow for the accurate and timely preparation of financial statements.

8.02 Audit Requirements

An independent certified public accountant will perform an annual audit of the County's financial statements and present the results to the Board.

9.0 Economic Development

Prior to any formal or informal introduction of a potential Economic Development Project that may require the County's direct or indirect support, the County Administrator will be required to provide an independent assessment of the proposed Economic Development Project to the Board. In providing such independent assessment, the County Administrator may be assisted by the County's Financial Advisor and any other consultants that are deemed appropriate. Ample time shall be provided so that the independent assessment will include, at a minimum, the following:

- A. Identification of business risk/going concern risks of the business prospect;
- B. Construction costs, including contingencies, of the Proposed Project;
- C. The direct and/or indirect County commitment involved with the Proposed Project;
- D. Evaluation of inflationary impact, if any, related to the Proposed Project or County's commitment;
- E. Evaluation of any performance management contracts that may be entered into in conjunction with the Proposed Project;
- F. Identification of any potential contingent liabilities to the County that may result from the Proposed Project; and
- G. Identification of all annual revenues and expenses (e.g., incentives, maintenance, debt service, etc.) that would result from the Proposed Project. In addition, the independent assessment shall provide, if possible, an annual cash flow pro-forma analysis so as to determine the annual impact on the County's General Fund and/or other fund as applicable.

Finally, the independent assessment shall include a determination of the impact, if any, on the County's current and/or future debt capacity.



Appendix B

Potential Investment Policy Guidelines

Investment Policy Guidelines

Nelson County, Virginia



DRAFT

Adopted [_____], 2024



Nelson County, Virginia

DRAFT Investment Policy Guidelines

1.0 Investment Management Policies

It is the policy of the County to invest public funds in a manner which 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.

1.01 Scope

This policy applies to the investment of all the financial assets and funds held by the County inclusive of the investment of Bond Proceeds, Debt Service Funds, and Debt Service Reserve Funds.

1.02 Objectives

All of the County's funds, regardless of investment term, shall be invested with the following objectives listed in the order of priority:

- 1) **Safety** – Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure preservation of capital in the overall portfolio.
- 2) **Liquidity** – The investment portfolio will remain sufficiently liquid to enable it to meet all operational requirements which might be reasonably anticipated.
- 3) **Yield** – The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, considering its investment risk constraints and the cash flow characteristics of the portfolio.

Funds of the County will be invested in accordance with this policy and all applicable local, state and federal codes and regulations including but not limited to the Virginia Security for Public Deposits Act (Code of Virginia § 2.2-4400 et seq.) and the Virginia Public Procurement Act (Code of Virginia § 2.2-4300 et seq.).

1.03 Investment Committee

The County will establish an Investment Committee consisting of one member of the Board, the County Administrator, and County Treasurer. This Committee will provide broad policy oversight of investments and shall meet on a quarterly basis to review the County's invested funds. This Investment Policy will be reviewed on an annual basis. Any changes must be approved by the Investment Committee.

1.04 Delegation of Authority

The County Treasurer is responsible for the day-to-to management of the County's investment portfolio. The Count Treasurer may select a designee(s) to manage all or part of the day-to-day operations of the investment portfolio, such as selecting investment advisors and consultants involved in investment management, solicitation of investment offerings, placement of purchase and sell orders, confirmation of trades, and preparation of reports and other activities as required for the daily operations of the investment portfolio.



Nelson County, Virginia

DRAFT Investment Policy Guidelines

1.05 Standards of Prudence

At a minimum, the “prudent person” standard shall be used by investment personnel and shall be applied in the context of managing the overall portfolio. The “prudent person” standard states:

“Investments shall be made with judgement and care – under circumstances then prevailing – which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.”

The County Treasurer, and those with delegated investment authority under this Policy, when acting in accordance with the Investment of Public Funds Act (Code of Virginia § 2.2-4500 et seq.) and exercising due diligence, shall not be held personally responsible for a specific security’s credit risk or market price change provided these deviations are reported by the County Treasurer, or those with delegated investment authority, to the Investment Committee in a timely manner and that reasonable and prudent action is taken to control adverse developments.

1.06 Ethic and Conflicts of Interest

The County Treasurer and his/her designees involved in the investment process shall comply with the County’s Guidelines for Ethical Behavior and the Code of Virginia §2.2-3100 et seq., the State and Local Government Conflict of Interests Act. Specifically, no officer or employee shall:

- 1) Accept any money, loan, gift, favor, services or business or professional opportunity that reasonably tends to influence her/him in the performance of his/her official duties.
- 2) Disclose any material interests in financial institutions with which they conduct business and any personal investment positions that could be related to the performance of the investment portfolio.
- 3) Refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the County.

1.07 Safekeeping

All investment securities purchased by the County will be held by a third-party custodian, whenever applicable, designated by the County Treasurer, or designee, and evidenced by safekeeping receipt. As required by Virginia Code, all security holdings with maturities over 30 days may not be held in safekeeping with the “counterparty” to the investment transaction. The Code refers to counterparty as the issuer or seller of the security and any repurchase agreement provider.

All investments shall be safekept so as to be classified within category one (includes investments that are insured or registered or for which the securities are held by the County or its agent in the County’s name) of Statement Three of the Governmental Accounting Standards Board (GASB).



Nelson County, Virginia

DRAFT Investment Policy Guidelines

1.08 Competitive Selection of Investment Instruments

It is desirable to select investments 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.

The County Treasurer and any delegated staff ("Investment Staff") shall adhere to the following procedures when funds become available for investment to the extent practical:

- 1) Determine the class of investment and maturity range most appropriate for investment of the funds available, based upon the anticipated expenditure schedule of the County, the desired asset allocation of the County's portfolio, and the County's Investment Plan.
- 2) Offers will be solicited for the selected investment from a group of pre-approved providers. It will be the responsibility of the County Treasurer, or designee, to maintain a list of approved dealers/providers for various types of investments suitable for the County's portfolio.
- 3) The County Treasurer, or designee, will accept the offer (or bid, if the County is selling an investment) which provides the highest rate of return or which is otherwise deemed most suitable while complying with this Policy and any other criteria specified in the solicitation of offers.
- 4) The County shall retain a record of the offers received, the instruments chosen, and the rationale for making the decision.

From time to time, the County may be presented with offers that are attractive for investment. Although the County should endeavor to verify and document that the price is "fair", it may occasionally purchase such a security without a competitive process. All investments that bypass the competitive process must be authorized and approved by the Investment Committee.

A competitive process is not required for the investment of funds in money market funds, investment pools, and overnight securities. However, it shall be the responsibility of the County Treasurer to be aware of the yields being offered by various highly liquid investments and to invest the County's overnight funds in the vehicle(s) which provide a competitive return to the County while complying with this policy and any other criteria established by the County Treasurer.



Nelson County, Virginia

DRAFT Investment Policy Guidelines

1.09 Authorized Investments and Deposits

Authorized investments for public funds are set forth in the “Investment of Public Funds Act” of the Code of Virginia §2.2-4500 through §2.2-4518. Within the permitted statutory framework, the County limits the investment of assets to the following categories of securities:

TYPE	MAXIMUM
U.S. Treasury Securities and Agencies	100%
Bankers’ Acceptance	40%
Negotiable CD’s and Bank Deposit Notes	40%
Non-Negotiable Certificates of Deposits	40%
Insured Certificates of Deposits	40%
Commercial Paper	25%
Repurchase Agreements	30%
Mutual Funds	30%
Collateralized Deposit Account	30%
Corporate Notes	5%

Pooled and statewide investment programs such as the Virginia Local Government Investment Pool, Virginia State Non-Arbitrage Program, and the VML/VaCo investment pools are considered broadly diversified and are therefore not subject to limitation.

1.10 Suitable and Authorized Investments

1) Treasury Securities -§2.2-4506 of the Code of Virginia

Bonds, Notes, and Bills issued by the United States Treasury maturing within five years of the date of purchase, or certificates representing ownership of treasury bond principal or coupons payable within five years.

2) Agency Securities (FHLB, FNMA, FFCB, FHLMC, GNMA)

Obligations issued and guaranteed as to principal and interest by the Federal Home Loan Bank, the Federal National Mortgage Association, the Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, or the Government National Mortgage Association, maturing within five years of the date of purchase.

3) Certificates of Deposit-§2.2-4518 of the Code of Virginia

Certificates of Deposit maturing within one year and issued by domestic banks rated P-1 by Moody’s and A-1 by Standard and Poor’s.

4) Bankers Acceptances-§2.2-4504 of the Code of Virginia

Bankers Acceptances maturing within 180 days rated P-1 or higher by Moody’s AND A-1 or higher by Standard and Poor’s, provided the issuer is a major domestic bank or the domestic office of an international bank is rated Aa3 or better by Moody’s and AA- or better by Standard & Poor’s.



Nelson County, Virginia **DRAFT** Investment Policy Guidelines

5) Commercial Paper-§2.2-4502 of the Code of Virginia

Commercial Paper maturing within 270 days of the day of purchase rated P-1 or higher by Moody's AND A-1 or higher by Standard and Poor's, provided that the issuing corporation has a net worth of \$50 million and its long-term debt is rated Aa3 or better by Moody's and AA- or better by Standard & Poor's. No more than 5 percent of the portfolio can be from one issuer.

6) Repurchase Agreements-§2.2-4507 of the Code of Virginia

Repurchase Agreements collateralized by securities approved for investment herein, provided that the counterparty is rated Aa3 or better by Moody's and AA- or better by Standard & Poor's and the collateral is held by an independent third party.

7) Mutual Funds-§2.2-4508 of the Code of Virginia

Mutual Funds must be open-ended, registered under the Securities Act (§13.1-501 et seq.) of the Commonwealth or the Federal Investment Co. Act of 1940, and the investments by such funds are restricted to investments otherwise permitted by law for political subdivision as set forth by the Code of Virginia.

8) Commonwealth of Virginia and Virginia Local Government Obligations

General Obligations, Insured Obligations, or Revenue Bonds secured by Debt Service Reserve Funds not subject to annual appropriation that are rated Aa3 or better by Moody's and AA- or better by Standard & Poor's.

9) Virginia Local Government Investment Pool

10) Virginia State Non-Arbitrage Program

11) VML/VaCo investment pool

Down-graded Securities (Out-of-Compliance): Should a security fail to meet the required credit quality limitations after purchase (i.e. credit downgrades), the external manager shall notify the Investment Committee in writing within one business day after the security fails to meet the credit quality limitations. Such security must then be sold within 30 calendar days, unless the Investment Manager's written rationale (both quantitative and qualitative) on why the security should be continued for an exception is approved by the County Treasurer.

1.11 Suitable and Authorized investments – Restricted Funds

Funds defined as sinking funds under the Virginia Code may be invested in items listed in Section 8.10.3 above, repurchase agreements collateralized by those investments, and in the Virginia State Non-Arbitrage Program.

1.12 Suitable and Authorized investments – Bond Proceeds



Nelson County, Virginia

DRAFT Investment Policy Guidelines

Funds defined as Bond Proceeds under the Virginia Code may be invested in items listed in Section 8.10.3, repurchase agreements collateralized by those investments, and in the Virginia State Non-Arbitrage Program.

1.13 Diversification

The County will diversify its investment portfolio to avoid incurring unreasonable risks regarding (i) security type, (ii) individual financial institution or issuing entity, and (iii) maturity. Target asset allocation strategies shall be developed by the County Treasurer, or designee, and delivered to the Investment Committee to provide guidance as to appropriate levels of diversification.

1.14 Internal Control

Investment Staff, with approval from the Investment Committee, is responsible for establishing and maintaining an internal control structure that comports with any County internal controls policies and that is designed to ensure that the assets of the County are protected from loss, theft or misuse. The internal control structure should be designed to provide reasonable assurance that these objectives are met. The internal controls shall address the following points:

- a. Controls to prevent collusion.
- b. Separation of transaction authority from accounting and reconciliation activities.
- c. Custodial safekeeping.
- d. Avoidance of physical delivery of securities to the County (when possible).
- e. Clear delegation of authority to subordinate staff members.
- f. Written confirmation of transactions for investment and wire transfers.
- g. Development of wire transfer agreement with the lead bank and third-party custodian.

1.15 Reporting Requirements

The Investment Staff shall generate investment activity reports at least [biannually]. Portfolio reports will be presented to the Investment Committee biannually with an annual report provided to the Board.

A statement of the market value of the portfolio shall be issued annually. The review is consistent with the GASB 31 (Accounting and Financial Reporting for Certain Investments and for External Investment Pools) and 40 (Deposit and Investment Risk Disclosures-An Amendment of GASB Statement No. 3).



Appendix C

Detailed Financial Performance

General Fund | Detailed Balance Sheet



	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023
1 Assets					
2 Cash and Equivalents	\$ 23,036,282	\$ 24,445,204	\$ 28,185,165	\$ 30,567,931	\$ 31,228,860
3 Restricted Cash	2,127,417	-	-	-	-
4 Taxes Receivable, Net	12,883,343	12,890,115	13,378,984	14,671,152	14,461,760
5 Accounts Receivable	431,437	339,792	456,099	680,606	736,567
6 Notes Receivable	-	-	302,796	417,627	372,563
7 Lease Receivable	-	-	-	63,947	62,628
8 Due from Component Unit	552,461	631,895	847,350	1,624,594	129,982
9 Due from Other Governmental Units	3,916,363	2,136,438	1,588,204	1,819,908	1,854,503
10 Prepaid Items	20,431	25,975	78,511	70,472	15,346
11 Total Assets	\$ 42,967,734	\$ 40,469,419	\$ 44,837,109	\$ 49,916,237	\$ 48,862,209
12 Liabilities					
13 Accounts Payable	1,229,870	843,256	393,706	247,621	713,046
14 Unearned Revenue	-	1,246,700	1,449,989	2,894,977	2,894,977
15 Amounts held for others	255,317	125,757	125,783	389,554	303,271
16 Total Liabilities	\$ 1,485,187	\$ 2,215,713	\$ 1,969,478	\$ 3,532,152	\$ 3,911,294
17 Deferred Inflows of Resources					
18 Unavailable Revenue - Prepaid Taxes	342,660	276,042	342,947	410,815	479,423
19 Unavailable Revenue - Taxes	12,454,495	12,493,638	12,922,825	14,094,367	13,990,753
20 Unavailable Revenue - Opioid Settlement	-	-	-	166,110	129,615
21 Lease Deferrals	-	-	-	63,633	61,027
22 Total Deferred Inflows of Resources	\$ 12,797,155	\$ 12,769,680	\$ 13,265,772	\$ 14,734,925	\$ 14,660,818
23 Fund Balance					
24 Nonspendable	20,431	25,975	381,307	488,413	389,510
25 Restricted	-	-	-	5,978	8,093
26 Committed	124,773	210,076	1,051,472	681,175	813,563
27 Unassigned	28,540,188	25,247,975	28,169,080	30,473,594	29,078,931
28 Total Fund Balance	\$ 28,685,392	\$ 25,484,026	\$ 29,601,859	\$ 31,649,160	\$ 30,290,097
29 Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 42,967,734	\$ 40,469,419	\$ 44,837,109	\$ 49,916,237	\$ 48,862,209

General Fund | Detailed Revenues and Expenditures



	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023
1 Revenues					
2 General Property Taxes	\$ 23,048,894	\$ 21,596,875	\$ 23,740,313	\$ 25,703,816	\$ 26,819,120
3 Other Local Taxes	4,723,968	4,680,575	5,841,886	6,422,557	6,924,358
4 Permits, Privilege Fees, and Regulatory Licenses	200,533	225,841	377,629	475,033	366,434
5 Fines and Forfeitures	104,541	88,571	106,860	167,482	202,375
6 Revenue from Use of Money and Property	426,877	528,397	57,295	(5,984)	779,656
7 Charges for Services	279,577	265,694	274,835	257,872	286,383
8 Miscellaneous	132,489	314,843	173,874	232,323	200,132
9 Recovered Costs	694,799	655,771	722,283	912,688	922,959
10 Intergovernmental	8,749,899	9,093,401	10,189,048	7,531,784	8,242,079
11 Total Revenues	\$ 38,361,577	\$ 37,449,968	\$ 41,484,023	\$ 41,697,571	\$ 44,743,496
12 Current Expenditures					
13 General Government Administration	1,938,766	1,875,480	2,168,581	2,280,829	2,195,999
14 Judicial Administration	795,823	947,585	1,016,286	1,087,423	1,277,690
15 Public Safety	5,298,773	5,601,536	7,989,343	6,134,243	6,830,742
16 Public Works	2,034,512	2,022,659	2,178,189	2,199,408	2,421,125
17 Health and Welfare	3,655,624	3,979,752	4,125,957	4,119,822	5,584,969
18 Education	15,063,204	14,664,364	14,599,806	16,526,808	17,154,689
19 Parks, Recreation, and Cultural	515,938	512,077	531,203	584,969	641,101
20 Community Development	829,821	728,944	657,756	2,185,065	1,119,088
21 Nondepartmental	92,690	1,134,105	719,944	135,645	669,700
22 Capital Projects	3,914,950	5,112,880	1,221,294	1,069,317	4,304,436
23 Debt Service	-	-	-	-	85,260
24 Total Expenditures	\$ 34,140,101	\$ 36,579,382	\$ 35,208,359	\$ 36,323,529	\$ 42,284,799
25 Excess (Deficiency) of Revenues Over Expenditures	\$ 4,221,476	\$ 870,586	\$ 6,275,664	\$ 5,374,042	\$ 2,458,697
26 Other Financing Sources (Uses):					
27 Transfers In	-	-	-	-	-
28 Transfers Out	(3,684,711)	(4,071,952)	(3,216,340)	(3,326,741)	(6,417,760)
29 Issuance of Debt	2,025,000	-	-	-	2,600,000
30 Bond Premium	263,794	-	-	-	-
31 Total Other Financing Sources (Uses)	\$ (1,395,917)	\$ (4,071,952)	\$ (3,216,340)	\$ (3,326,741)	\$ (3,817,760)
32 Net change in fund balances	\$ 2,825,559	\$ (3,201,366)	\$ 3,059,324	\$ 2,047,301	\$ (1,359,063)
33 Fund balance, beginning of year	\$ 25,859,833	\$ 28,685,392	\$ 26,542,535	\$ 29,601,859	\$ 31,649,160
34 Fund balance, end of year	\$ 28,685,392	\$ 25,484,026	\$ 29,601,859	\$ 31,649,160	\$ 30,290,097

Calculation of 90 Day Operating Cash Requirement



	FY 2024 Budget	FY 2025 Budget
1 General Fund Budget	\$ 50,222,334	\$ 49,530,187
2 School Fund Budget	34,694,395	33,765,576
3 Less: Transfers Including Schools	(24,066,135)	(25,041,291)
4 Non-Recurring General Fund Capital Outlay	(6,185,921)	(2,816,669)
A Adjusted Operating Revenue	54,664,673	55,437,803
6		
7 90-Day Operating Cash Requirement (A x 25%)	13,666,168	13,859,451
8		
9 General Fund Budget	\$ 50,222,334	\$ 49,530,187
10 Less: Appropriated Fund Balance	(6,095,997)	(3,577,427)
B General Fund Operating Budget	44,126,337	45,952,760
12		
13 Proposed 30% Unassigned Fund Balance Policy (B x 30%)	13,237,901	13,785,828

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YEAR IN REVIEW

(COMMENTS WILL BE COMPILED AND COMMON THEMES DISCUSSED AT THE RETREAT)

- 1. THINGS WE AS A COUNTY DID WELL (SPECIFY IF COMMENT IS RELATED TO BOARD OR STAFF ONLY):**

September 19, 2024 Board of Supervisors Retreat Questionnaire

YEAR IN REVIEW

(COMMENTS WILL BE COMPILED AND COMMON THEMES DISCUSSED AT THE RETREAT)

2. THINGS THAT NEED IMPROVEMENT (SPECIFY IF COMMENT IS RELATED TO BOARD OR STAFF ONLY):

YEAR IN REVIEW

(COMMENTS WILL BE COMPILED AND COMMON THEMES DISCUSSED AT THE RETREAT)

1. THINGS WE AS A COUNTY DID WELL (SPECIFY IF COMMENT IS RELATED TO BOARD OR STAFF ONLY):

STAFF: I think the staff shines from top to bottom.

STAFF: Communication with County Administrator and public, NGOs, Community Groups, Schools and Supervisors has increased in quality and quantity immeasurably.

STAFF: Planning and Zoning has gotten more positive reviews from public in interactions and support.

Recovery Court is a huge asset to the community.

STAFF/BOARD: Positive movement in real estate purchases for new DSS Building and increased potential for Callohill Property. Also Larkin Property.

STAFF: Much more positive relationship and support for NCSA and necessary infrastructure projects.

STAFF/BOARD: Increased Support for Registrar and her needs.

BOARD: Support for Sheriff and Fire and Rescue and Dispatch needs and initiatives.

BOARD: Support for community projects and school initiatives: for instance, July 4th, Christmas, FFA, Library.

STAFF: Kudos to Parks and Rec for new, expanded programs and support joint use of community resources.

STAFF: Setting a positive tone for staff and the community.

STAFF and BOARD: Comp Plan process and outcome was very successful.

STAFF: Reuse sheds at waste disposal/recycling sites are a great asset.

STAFF/BOARD: Transparency is at an all-time high...still room for improvement..., video streaming of Board meetings, tech improvements with smart board visibility (see: Communication above)

YEAR IN REVIEW

(COMMENTS WILL BE COMPILED AND COMMON THEMES DISCUSSED AT THE RETREAT)

2. THINGS THAT NEED IMPROVEMENT (SPECIFY IF COMMENT IS RELATED TO BOARD OR STAFF ONLY):

BOARD: The board has done a poor job in communication and creating a positive relationship with School Board and Superintendent. 2 x 2s have failed to materialize and Board has taken little initiative to reach out.

BOARD-STAFF: any initiatives to promote and create housing have yet to be initiated or implemented

BOARD: Employment-the largest employer in the county Schools- lack board support in the School Board's attempt to move towards filling empty and necessary positions, to the detriment of the county's economy.

BOARD/STAFF: Recycling program needs an educational component that it once had but has been lacking for years. The relationship between solid waste and recycling is huge. Programs are in need of a multi-jurisdictional commitment and upgrade.

September 19, 2024 Board of Supervisors Retreat Questionnaire

YEAR IN REVIEW

(COMMENTS WILL BE COMPILED AND COMMON THEMES DISCUSSED AT THE RETREAT)

1. THINGS WE AS A COUNTY DID WELL (SPECIFY IF COMMENT IS RELATED TO BOARD OR STAFF ONLY):

Staff: communication, preparation, presentation, negotiation and de-escalation

September 19, 2024 Board of Supervisors Retreat Questionnaire

YEAR IN REVIEW

(COMMENTS WILL BE COMPILED AND COMMON THEMES DISCUSSED AT THE RETREAT)

2. THINGS THAT NEED IMPROVEMENT (SPECIFY IF COMMENT IS RELATED TO BOARD OR STAFF ONLY):

Staff: Getting meeting minutes caught up

Exercise: For each of the 6 Chapter themes (Ch3-Ch8), have the Board rank the Focus Areas (aqua blue highlighted text) in order of priority. Then establish 1-2 strategies for each priority. Have 5 flip chart pages, 1 for each Chapter Theme (excluding Ch3), split into Focus Areas. Have BOS members apply 5 dots (1 color per member) per Chapter Theme (25 dots per BOS Member Total). Rank each Chapter's Focus Areas based on # of dots applied to the Focus Areas to determine top priority for each Chapter theme. Then 2 strategies will be identified for each priority with the top priority taking precedence over the next year.

CH 3 –SHAPING COMMUNITY CHARACTER (1 FOCUS AREA)

Focus Area: **Protect Rural Character & Environment**

- Strategy 1
- Strategy 2

CH 4 – CONNECTING PEOPLE & PLACES (3 FOCUS AREAS)

Focus Area: **Maintain & Improve Existing Road Network**

- Strategy 1
- Strategy 2

Focus Area: **Invest in Alternative Transportation**

- Strategy 1
- Strategy 2

Focus Area: **Coordinate Land Use & Transportation**

- Strategy 1
- Strategy 2

CH 5 – CREATING LIVABLE COMMUNITIES (3 FOCUS AREAS)

Focus Area: **Protect and Improve the Existing Housing Stock**

- Strategy 1
- Strategy 2

Focus Area: **Expanding Housing Opportunities**

- Strategy 1
- Strategy 2

Focus Area: **Support Livable Communities**

- Strategy 1
- Strategy 2

CH 6 – PROTECTING NATURAL & CULTURAL RESOURCES (3 FOCUS AREAS)

Focus Area: **Protect the Natural Environment**

- Strategy 1
- Strategy 2

Focus Area: **Preserve Rural Character and Heritage**

- Strategy 1
- Strategy 2

Focus Area: **Plan for Resiliency and Sustainability**

- Strategy 1
- Strategy 2

CH 7 – CREATING A RESILIENT ECONOMY (3 FOCUS AREAS)

Focus Area: **Support and Cultivate Today’s Workforce**

- Strategy 1
- Strategy 2

Focus Area: **Diversify and Improve Local Industry**

- Strategy 1
- Strategy 2

Focus Area: **Bolster and Promote Economic Growth**

- Strategy 1
- Strategy 2

CH 8 – SERVING THE COMMUNITY (3 FOCUS AREAS)

Focus Area: **Enhance Effectiveness and Transparency of County Government**

- Strategy 1
- Strategy 2

Focus Area: **Improve Infrastructure to Support Sustainable Growth and Development**

- Strategy 1
- Strategy 2

Focus Area: **Provide Quality Services that Improve Community Livability**

- Strategy 1
- Strategy 2

**NELSON 2042 FOCUS AREAS (NON-ZONING/LAND USE &
SHORT(S), ONGOING (O), OR SHORT/MID (S/M) PRIORITIES)**

CH 3 SHAPING COMMUNITY CHARACTER

• Focus Area: Protect Rural Character & Environment

STRATEGIES:

- **3.2** Consider the use of alternative energy on private development through special programs such as State Code permitted solar tax exemptions for residential and commercial small-scale solar installations **(S)**
 - **3.3** Reduce or exempt permit fees for residential solar installations **(S)**
 - **3.7** Identify opportunities to connect neighborhoods and development through sidewalks, shared use paths, and trails **(S)**
 - **3.8** Encourage revitalization, repurposing, and rehabilitation of existing structures by promoting available resources, such as grants and tax credits; pursuing funding to support such efforts **(O)**
- Create Coordinated Framework for Growth (All Zoning/Subdivision Related)**

CH 4 CONNECTING PEOPLE & PLACES

• Focus Area: Maintain & Improve Existing Road Network

STRATEGIES:

- **4.2** Conduct traffic safety and speed studies throughout the County as necessary, based on an analysis of existing traffic volume and crash statistics. Work with VDOT to address priority traffic safety issues, such as a reduction of speed limits **(S/M)**
- **4.3** Work with VDOT to address priority traffic safety issues such as reduction of speed limits, safety improvements at high crash intersections, adequate turn lanes, and reduced tractor-trailer “cut-through” traffic **(S)**

• Focus Area: 2 Invest in Alternative Transportation

STRATEGIES:

- **4.7** Identify areas to construct or expand natural trails and sidewalks for pedestrian traffic **(S)**
- **4.11** Install EV charging stations at County-owned properties such as administrative offices, schools, and libraries **(S/M)**
- **4.12** Evaluate the feasibility of installing solar panels above county-owned parking lots to provide both covered parking and clean energy infrastructure **(S/M)**
- **4.13** Work with community organizations to help facilitate the installation of EV charging stations in the County **(S/M)**
- **4.15** Explore opportunities to create additional commuter parking lots in other areas of the County, such as along Route 29 near Colleen or Lovington **(S/M)**

- **Focus Area: Coordinate Land Use & Transportation**

STRATEGIES:

- **4.18** Facilitate the study of potential village and areas for designations as Urban Development Areas (S)
- **4.19** Facilitate the creation of area plans that identify transportation improvements in County towns and villages, such as Lovington and Nellysford (S/M)

CH 5 CREATING LIVABLE COMMUNITIES

- **Focus Area: Protect and Improve the Existing Housing Stock**

STRATEGIES:

- **5.1** (Excerpt) Maintain an inventory of all short-term rentals in order to track and better understand costs and benefits (S)
- **5.3** (Excerpt) Promote grant programs, provide incentives and partner with NCCDF, Habitat for Humanity, and other local organizations and businesses that facilitate investments in maintenance and rehabilitation of existing housing – as well as TJPDC septic and SERCAP (O)

- **Focus Area: Expanding Housing Opportunities**

STRATEGIES:

- **5.7** Work with developers, non-profit agencies, and community groups to preserve and increase the supply of obtainable housing (O)
- **5.8** Explore County investment in a community land trust that can create more affordable housing options (S)
- **5.9** Review related strategies offered in regional housing study “Planning for Affordability: A Regional Approach” by TJPDC (O)

- **Focus Area: Support Livable Communities**

STRATEGIES:

- **5.11** Target housing near the County’s existing growth areas where public utilities are available with a range of housing types and densities (O)
- **5.13** In partnership with NCSA, create a water master plan for the County that includes current maximum build out and considers possible expansion of public water and sewer systems to support housing goals and objectives (S)
- **5.17** Consider conducting a neighborhood study for the village of Lovington to identify community-based preservation, revitalization, and neighborhood improvement strategies. Pursue grant funding as appropriate to implement study recommendations (S)

CH 6 PROTECTING NATURAL AND CULTURAL RESOURCES

- **Focus Area: Protect the Natural Environment**

STRATEGIES:

- **6.3** Implement green infrastructure principles to preserve and connect natural habitats to support native species and wildlife (O)

- **6.11** Support scenic river and blue-way designations for local waterways (S/O)
- **6.12** Explore opportunities for an incentive program to utilize existing recycling and compost facilities. Focus on education and outreach, continue to support and make better use of re-use sheds (O)

- **Focus Area: Preserve Rural Character and Heritage**

STRATEGIES:

- **6.17** Protect agricultural and forested landscapes from development through tools such as conservation easements, ag and forestall districts, use-value assessments, and purchase of development rights program. (O)
- **6.21** Encourage assessment of unlisted historic sites for inclusion on the VA Landmarks Register and/or National Register of Historic Places (S/O)
- **6.22** Work with local partners such as the NC Historical Society to identify, protect, and celebrate historic and culturally significant properties (O)

- **Focus Area: Plan for Resiliency and Sustainability**

STRATEGIES:

- **6.26** Continue to work with regional partners to update and implement the Regional Hazard Mitigation Plan (O)
- **6.28** Continue working toward the state goal of becoming a Solsmart designated community (S)
- **6.32** Assess County-owned buildings to identify opportunities for improving energy efficiency using the EPA’s resources for Energy Efficiency in Government Operations and Facilities, or a similar program (O)

CH 7 CREATING A RESILIENT ECONOMY

- **Focus Area: Support and Cultivate Today’s Workforce**

STRATEGIES:

- **7.1** Prepare for the needs of the next generation of workers by supporting both traditional higher education and vocational education opportunities (O)
- **7.2** Support NC Public Schools and regional partners in coordinating and enhancing workforce training programs, sponsorships, incentives, and financial support opportunities to promote students’ enrollment in such programs (O)
- **7.5** Support private and public investments in the County’s service economy to provide long-term economic and community growth and stability (O)
- **7.6** Promote and support community centers as hubs for education and economic development (O)

- **Focus Area: Diversify and Improve Local Industry**

STRATEGIES:

- **7.7** (Excerpt) Continue to support the tourism industry; diversify tourism assets across the County to distribute traffic and prevent negative impacts to local quality of life (O)
- **7.8** Review Drive 2.0 Initiative and consider pursuing DRIVE Outdoor grant funding

to implement recommendations of the DRIVE 2.0 strategic and regional plans to increase tourism (S)

- 7.9 Support expansion and diversification in the agricultural and forestry industries while maintaining and encouraging environmentally sustainable practices (O)
- 7.11 Support organizations and initiatives that provide agricultural assistance, community education, marketing strategies, information on agricultural support businesses, and alternative agricultural uses (O)
- 7.12 Assess local permitting, licensing, and fees for agricultural producers and streamline processes where practical to remove unnecessary procedural barriers (O)

• Focus Area: Bolster and Promote Economic Growth

STRATEGIES:

- 7.17 Continue to support place-making and wayfinding in the village areas, grant opportunities for village branding and identity, and establish village mixed use to incentivize infill and development (S)
- 7.19 Support Regional economic development partners that provide local business support services (O)
- 7.20 Work with TJPDC to implement recommendations from the regional Comprehensive Economic Development Strategy (O)
- **Addition:** Support and Work with local Economic Development Authority to identify and attract new business opportunities to appropriate areas of the County

CH 8 SERVING THE COMMUNITY

• Focus Area: Enhance Effectiveness and Transparency of County Government

STRATEGIES:

- 8.1 Expand and improve external government communications to increase transparency and public participation across all demographics through the use of resources such as County websites and social media (S/O)
- 8.3 Create and maintain a comprehensive facility inventory, maintenance schedule, and level of service standards to protect existing investments and ensure sound planning and budgeting for facility improvements (S/M)
- 8.4 Ensure that the County is using up-to-date information technology and cybersecurity practices including technological aptitude and data storage (S)
- 8.9 Create a Countywide fire and EMS strategic plan that can be regularly updated and maintained to address response time, facility, and staffing needs (O)
- 8.11 Ensure Emergency 911 operations center is fully supported, with paid staff and the most up-to-date technological capabilities, to continue to respond to community needs as quickly as possible in the face of an aging population (O)
- 8.13 Pursue stronger community outreach and training on disaster readiness and resilience (O)
- 8.15 Where possible, provide County information, services, and programs in both Spanish and English languages (O)

- **Focus Area: 2 Improve Infrastructure to Support Sustainable Growth and Development**

STRATEGIES:

- **8.16** Continue to work with regional partners to upgrade and develop necessary infrastructure to meet the county's long term water supply demand **(O)**
- **8.18** Continue to work with the NCSA to create a water and sewer master plan to identify current system needs and target long-term strategies to maintain and expand service areas **(S)**
- **8.20** Work with regional partners to evaluate the needs of the County's solid waste and recycling disposal as the regional landfill nears capacity **(S)**
- **8.22** Assist in educating the community on recycling and waste reduction efforts **(S/O)**
- **8.24** Promote the broadband expansion project with additional public outreach so that residents remain up-to-date on deployment and availability of services **(S/O)**
- **8.25** Support expansion of cellular service quality and availability through cooperation with cellular providers. Evaluate the need for planning and zoning changes to improve service **(S/O)**

- **Focus Area: Provide Quality Services that Improve Community Livability**

STRATEGIES:

- **8.26** Support the creation of an up-to-date NC Public School's Master Plan that identifies and plans for critical needs of school facilities **(S/O)**
- **8.27** Continue to monitor student enrollment to ascertain short-term and long-term needs of students **(S)**
- **8.28** Support educational programs through County schools, community centers, community organizations, and regional community colleges to help prepare the community workforce for employment **(S/O)**
- **8.29** Develop a strategy for greater investment in personnel, facilities, and/or public-private partnership as needed to expand access to childcare programs **(S/O)**
- **8.30** Create a Parks and Recreation Master Plan that identifies gaps in equitable services and opportunities to expand recreation across the community **(S)**
- **8.31** Investigate and pursue options to create a centralized County-owned recreational facility to offer athletic fields, aquatic recreation, and exercise opportunities to the community **(S)**
- **8.32** Continue partnerships with local organizations, such as community centers, to provide recreation opportunities across the community **(S/O)**
- **8.34** Partner with local and regional organizations as well as private landowners to increase access to natural areas and river-ways **(S/O)**
- **8.35** Create a joint public-private partnership with NC community centers to facilitate coordination between different organizations, increase programming, and connect residents with their services **(S/O)**
- **8.36** Promote the use of school buildings, community centers, long-term care facilities, and multi-use facilities for citizens year-round **(S/O)**

- **8.39** Work with VDH and other regional partners to identify community health needs and increase the availability of healthcare services **(O)**
- **8.40** Continue to work with JAUNT and other regional transportation providers to expand transportation access to better connect residents to medical care **(O)**
- **8.41** Pursue public-private partnerships to expand access and capacity for social service networks **(O)**

9

Blazing the Way



Using Nelson 2042

Implementation Tools

Implementation Matrix

Nelson 2042 is Nelson County's guide for growth and development. It is intended to be a dynamic document that will change and evolve to reflect the needs of the community. Accordingly, to ensure that this Comprehensive Plan is properly implemented, the Planning Commission and Board of Supervisors should refer to Plan and consider its vision prior to making recommendations and decisions. Effective implementation of the Plan depends on consistent analysis of each land use application and budgetary decision to ensure compatibility with the long-range vision of the Comprehensive Plan.

Nelson County should assess the Plan's effectiveness on a regular basis by reviewing and monitoring implementation of the goals and action strategies outlined within this document. When appropriate and necessary, the Plan should be amended. The Board of Supervisors should carefully consider whether specific amendments are congruent with the Plan's overarching vision. Any modifications should be considered with long-term policy implications.



Implementation Tools

There are a variety of tools that can be used to implement the long-range vision set forth in the Comprehensive Plan. The following tools are the most important to ensuring the successful implementation of this Plan.



Annual Budget



Land Use Regulations



Capital Improvement Plan



Land Use Actions



Annual Review



Intergovernmental Cooperation

Implementation Tools

The tools listed here are the most important and frequently used for implementing the strategies of the Comprehensive Plan but many more exist beyond the ones included here.

Annual Budget

The Board of Supervisors and staff should use the recommendations of the Comprehensive Plan to guide preparation of the annual budget. The budget works in conjunction with the Comprehensive Plan to achieve a thriving and more resilient future.

Capital Improvements Plan

Nelson County's Capital Improvements Plan (CIP) coordinates the location, timing, and financing of capital improvements over a multi-year period. Capital improvements refer to major, non-recurring physical expenditures such as land, buildings, public infrastructure, and equipment. The CIP includes a description of proposed capital improvement projects ranked by priority, a year-by-year schedule of expected project funding, and an estimate of project costs and financing sources. The CIP is a working document and should be reviewed and updated annually to reflect changing community needs, priorities, and funding opportunities. The community benefits and the long-range vision is achieved when the priorities of the CIP and ordinance updates align with the Comprehensive Plan.

Annual Review and Updates

The Zoning Ordinance, Subdivision Ordinance, and other land use and development standards and procedures are the primary implementation tools for the Comprehensive Plan. As legal documents, zoning and subdivision regulations outline what property owners may do with their land and how buildings and sites must be designed and developed. Aligning land use regulations with the goals and strategies in this Comprehensive Plan is critical to its implementation. Several objectives throughout the Plan include strategies that suggest revisions to the Zoning Ordinance as well as other considerations for the County's land use regulations. These revisions will work to enact Nelson County's goals and vision over time.

Land Use Regulations

The Zoning Ordinance, Subdivision Ordinance, and other land use and development standards and procedures are the primary implementation tools for the Comprehensive Plan. As legal documents, zoning and subdivision regulations outline what property owners may do with their land and how buildings and sites must be designed and developed. Aligning land use regulations with the goals and strategies in this Comprehensive Plan is critical to its implementation. Several objectives throughout the Plan include strategies that suggest revisions to the Zoning Ordinance as well as other considerations for the County's land use regulations. These revisions will work to enact Nelson County's goals and vision over time.

Land Use Actions

The process for development approvals are central to the implementation of the Comprehensive Plan. The Comprehensive Plan should serve as a strong guide for decisions on all land use applications. Land use applications should be scrutinized for alignment with the Comprehensive Plan, including the specific action strategies and the Future Land Use Map, to ensure consistency. In rare cases where unforeseen uses or changes in market conditions may warrant deviation from the adopted Plan, Planning Commission and the Board of Supervisors should review and consider amendments to the Comprehensive Plan to ensure that the document remains current, relevant, and responsive to the community's needs.

Intergovernmental Cooperation

Nelson County's success is dependent on multi-jurisdictional cooperation. Issues related to the natural environment, transportation, equity, education, tourism, community facilities, job and workforce development, and many other topics covered in this Comprehensive Plan do not conform to jurisdictional boundaries, and are best solved through cooperation at the regional and state levels. Moreover, successful implementation of the strategies in this Plan will require continued regional cooperation with the Thomas Jefferson Planning District Commission and numerous state agencies responsible for various facilities, services, and programs implemented across the state.

Implementation Matrix

The implementation matrix provides specific tools to meet the goals of the Comprehensive Plan and serves as our roadmap forward. The matrix builds on the strategies in each plan element by identifying tools, resources, responsible parties, and anticipated timeframes for completion. The matrix also correlates strategies with specific policies, goals, and values set forth in the Plan. The implementation matrix should be reviewed annually as part of the County's budgeting process to set priorities as well as measure progress toward the vision of the Nelson 2042 Comprehensive Plan.

The key to the Plan's success will be a proactive approach by the Planning Commission in cooperation with the Board of Supervisors, County departments and boards, residents, businesses, and community institutions and organizations. The matrix includes the following information:

Implementation Strategy

The specific action item. Type of implementation categories include:

- Capital Projects
- Partnerships
- Community Outreach and Education
- Programs and Services
- Regulation Updates and Enforcement

Responsible Agency

The organization(s) responsible for partnering, administering, managing, and/or implementing the specific action item. These organizations include:

- Nelson County
- Nonprofit Organizations
- Regional and Institutional Partners
- State and Federal Agencies
- County Citizens

Priority

Each strategy is assigned an ideal timeframe for completion, with higher priority items being the most short-term in nature.

- *Short:* Actions that should be completed within **1-3 years** of the Plan's adoption.
- *Mid:* Actions that should be completed within **3-5 years** of the Plan's adoption.
- *Long:* Actions that should be completed beyond **5 years** of the Plan's adoption.
- *On-Going:* Actions that should continue for the life of the Plan.

Chapter 3 | Shaping Community Character

Focus Areas	#	Implementation Strategy	Implementation Type	Responsible Party	Priority	Resources
Protect Rural Character & the Environment	3.1	Review and update alternative energy standards to ensure the adopted standards protect rural character and the interests of the community.	Regulation Updates and Enforcement	Nelson County	Short	Nelson County (Zoning Ordinance, Code of Ordinances)
	3.2	Consider the use of alternative energy on private development through special programs, such as the Code of Virginia permitted solar tax exemption for residential and commercial small-scale solar installations.	Programs and Services	Nelson County	Short	SoSmart; Nelson County (Code of Ordinances)
	3.3	Reduce or exempt permit fees for residential solar installations.	Regulation Updates and Enforcement	Nelson County	Short	Nelson County (Zoning Ordinance, Code of Ordinances)
	3.4	Encourage the use of energy-efficient lighting and investigate outdoor light standards to reduce the impacts of over-lighting, glare, and light pollution.	Regulation Updates and Enforcement	Nelson County	Short	Nelson County (Zoning Ordinance)
	3.5	Explore changes to zoning and development provisions to update parking requirements and encourage permeable paving and other materials that promote infiltration of stormwater.	Regulation Updates and Enforcement	Nelson County	Short	Nelson County (Zoning Ordinance)
	3.6	Revise landscaping regulations to require the placement of shade trees in parking lots and use of native plants in all commercial and institutional landscaping.	Regulation Updates and Enforcement	Nelson County	Short	Nelson County (Zoning Ordinance)

Focus Areas	#	Implementation Strategy	Implementation Type	Responsible Party	Priority	Resources
Protect Rural Character & the Environment	3.7	Identify opportunities to connect neighborhoods and development through sidewalks, shared use paths, and trails. Require such connections in new development or redevelopment proposals.	Regulation Updates and Enforcement	Nelson County	Short	Nelson County (Zoning Ordinance); VDOT; Bike Virginia; USDOT Bicycle and Pedestrian Program; AASHTO Publications
	3.8	Encourage revitalization, repurposing, and rehabilitation of existing structures by promoting available resources, such as grants and tax credits, and pursuing funding to support such efforts.	Community Outreach and Education; Partnerships	Nelson County; Regional and Institutional Partners	On-Going	VMS; USDA Rural Development Division; Virginia's Historic Rehabilitation Tax Credit (HRTC) Program
	3.9	Encourage Low Impact Development practices and alternative wastewater systems in environmentally sensitive areas to ensure the preservation of water quality in the County.	Regulation Updates and Enforcement	Nelson County	On-Going	Nelson County (Zoning Ordinance, Code of Ordinances); TJPDC
	3.10	Continue to encourage and administer cluster subdivision regulations and incentivize their use in rural areas of the County to preserve open space and reduce the impact of development. Regularly evaluate and modify cluster subdivision regulations as needed to ensure they are effective and meet County standards.	Regulation Updates and Enforcement	Nelson County	On-Going	Nelson County (Zoning Ordinance)
	3.11	Discourage the use of large-scale development in Montebello through Zoning.	Regulation Updates and Enforcement	Nelson County	On-Going	Nelson County (Zoning Ordinance)

Focus Areas	#	Implementation Strategy	Implementation Type	Responsible Party	Priority	Resources
Create a Coordinated Framework for Growth	3.11	Conduct a regular review of zoning and land development codes and ordinances on a yearly basis to ensure compatibility with the goals, objectives, and recommendations of this Plan.	Regulation Updates and Enforcement	Nelson County	On-Going	Nelson County (Zoning & Subdivision Ordinances)
	3.12	Evaluate land use applications for rezonings and special use permits against the criteria contained within this Plan.	Regulation Updates and Enforcement	Nelson County	On-Going	Nelson County (Zoning Ordinance)
	3.13	Update land use regulations to provide clear and simplified requirements that promote economic development, enable creative housing choices, and protect sensitive resources.	Regulation Updates and Enforcement	Nelson County	Short	Nelson County (Zoning Ordinance)
	3.14	Review the zoning ordinance, and amend it as necessary, to allow for a wider mix of use types, including accessory dwellings and mixed-use buildings.	Regulation Updates and Enforcement	Nelson County	Short	Nelson County (Zoning Ordinance)
	3.15	Encourage new development in designated growth areas so that existing infrastructure can be more efficiently used, and rural lands will be protected from development.	Regulation Updates and Enforcement	Nelson County	On-Going	Nelson County (Zoning Ordinance, Code of Ordinances)
	3.16	Ensure that new development complements and enhances its surroundings through proper land use, design, landscaping, and transitional buffers.	Regulation Updates and Enforcement	Nelson County	On-Going	Nelson County (Zoning & Subdivision Ordinances)
	3.17	Ensure that a natural transition is maintained between the Land Use Elements through careful development review.	Regulation Updates and Enforcement	Nelson County	On-Going	Nelson County (Zoning & Subdivision Ordinances)

Chapter 4 | Connecting People & Places

Focus Areas	#	Implementation Strategy	Implementation Type	Responsible Party	Priority	Resources
Maintain & Improve the Existing Road Network	4.1	Continue to work with VDOT to develop, design, and implement transportation projects, including, but not limited to, SMART SCALE, Highway Safety, Bike Pedestrian Safety, and Transportation Alternatives projects.	Partnerships	Nelson County; VDOT	On-Going	VDOT; Bike Virginia; USDOT Bicycle and Pedestrian Program
	4.2	Conduct traffic safety and speed studies throughout the County, as necessary, based on an analysis of existing traffic volume and crash statistics. Work with VDOT to address priority traffic safety issues, such as a reduction of speed limits.	Plans and Studies; Partnerships	Nelson County; VDOT	Short/Mid	VDOT; Commonwealth Transportation Board; TJPDC
	4.3	Work with VDOT to address priority traffic safety issues such as reduction of speed limits, safety improvements at high crash intersections, adequate turn lanes and reduced tractor-trailer "cut through" traffic.	Capital Projects	Nelson County; VDOT	Short	VDOT; TJPDC
	4.4	Partner with VDOT and the TJPDC to prioritize improvements to bridges and culverts with poor ratings.	Partnerships; Capital Projects	Nelson County; Regional and Institutional Partners; VDOT	On-Going	VDOT; TJPDC
	4.5	Continue to work with VDOT and other regional partners to provide essential maintenance and expansion of vital transportation systems throughout the County.	Partnerships; Capital Projects	Nelson County; Regional and Institutional Partners; VDOT	On-Going	VDOT; TJPDC; Neighboring Localities; Nelson County (Staff); AASHTO Publications
	4.6	Coordinate with neighboring jurisdictions, state, and regional agencies in planning and achieving an efficient and cost-effective transportation network.	Partnerships	Nelson County; Regional and Institutional Partners	On-Going	VDOT; TJPDC

Focus Areas	#	Implementation Strategy	Implementation Type	Responsible Party	Priority	Resources
Invest in Alternative Transportation	4.7	Identify areas to construct or expand natural trails and sidewalks for pedestrian traffic.	Plans and Studies	Nelson County	Short	VDOT; Bike Virginia; USDOT Bicycle and Pedestrian Program; AASHTO Publications
	4.8	Explore opportunities to widen County roadways and introduce bicycle lanes to facilitate safe bicycle travel.	Plans and Studies; Capital Projects	Nelson County	Short/Mid	VDOT; Commonwealth Transportation Board; TJPDC
	4.9	Support regional partners in their efforts to link the Blue Ridge Tunnel Trail to regional destinations through pedestrian and bicycle infrastructure.	Partnerships	Nelson County; Regional and Institutional Partners	On-Going	VDOT; Neighboring Localities; TJPDC
	4.10	Support an expanded greenway trail network and ensure that the trail network connects to key public destinations such as parks, libraries, schools, and community centers, as well as to private developments and other trail systems, including regional trail networks.	Partnerships; Plans and Studies	Nelson County; Regional and Institutional Partners	Mid	Nelson County (Staff/BOS, Zoning & Subdivision Capital Improvement Plan, County Budget); VDOT; TJPDC
	4.11	Install EV charging stations at County-owned properties such as administrative offices, schools, and libraries.	Capital Projects	Nelson County	Short/Mid	Nelson County (Staff/BOS, Capital Improvement Plan, County budget)
	4.12	Evaluate the feasibility of installing solar panels above County-owned parking lots to provide both covered parking and clean energy infrastructure.	Plans and Studies	Nelson County	Short/Mid	Nelson County (Staff/BOS, Capital Improvement Plan, County budget)
	4.13	Work with community organizations to help facilitate the installation of EV charging stations in the County.	Partnerships	Nelson County	Short/Mid	Nelson County (Staff/BOS, Capital Improvement Plan, County budget); Community

Focus Areas	#	Implementation Strategy	Implementation Type	Responsible Party	Priority	Resources
Invest in Alternative Transportation	4.14	Encourage ridesharing, car/vanpooling, and other means of shared vehicle use.	Community Outreach and Education	Nelson County	On-Going	Nelson County
	4.15	Explore opportunities to create additional commuter parking lots in other areas of the County, such as along U.S. Route 29 near Colleen or Lovingston.	Plans and Studies; Capital Projects	Nelson County	Short/Mid	VDOT; Nelson County
	4.16	Continue partnership with JAUNT to monitor existing service and identify needs and gaps in the public transportation network for potential future services such as on-demand pickup.	Partnerships	Nelson County; Regional and Institutional Partners	On-Going	VDOT; TJPDC; JAUNT
	4.17	Explore the feasibility of creating additional public transportation services in Nelson County, such as local or regional shuttle services.	Programs and Services	Nelson County	Long	Nelson County (Staff/BOS, Zoning & Subdivision Capital Improvement Plan, County Budget); VDOT; TJPDC
Coordinate Land use & Transportation	4.18	Facilitate the study of potential village and areas for designations as Urban Development Areas.	Plans and Studies	Nelson County; Regional and Institutional Partners	Short	VDOT; TJPDC
	4.19	Facilitate the creation of area plans that identify transportation improvements in County towns and villages, such as Lovingston and Nellysford.	Plans and Studies	Nelson County; Regional and Institutional Partners	Short/Mid	VDOT; TJPDC

Chapter 5 | Creating Livable Communities

Focus Areas	#	Implementation Strategy	Implementation Type	Responsible Party	Priority	Resources
Protect and Improve the Existing Housing Stock	5.1	Update the definition of short-term rentals. Maintain an inventory of all short-term rentals in order to track and better understand costs and benefits. Create regulations for short-term rentals as necessary through the Zoning Ordinance and other tools that maintain a significant stock of single-family homes and long-term rentals.	Regulation Updates and Enforcement	Nelson County	Short	Nelson County (Staff/BOS, Zoning Ordinance, Code of Ordinances, Comprehensive Plan)
	5.2	Consider allowing accessory dwelling units by right through zoning changes that can allow affordable rental options that benefit renters and homeowners.	Regulation Updates and Enforcement	Nelson County	Short	Nelson County (Zoning Ordinance, Comprehensive Plan)
	5.3	Promote grant programs, provide incentives and partner with Nelson County Community Development Foundation, Habitat for Humanity, and other local organizations and businesses that facilitate investments in maintenance and rehabilitation of existing housing—as well as TJPDC septic and SERCAP—and create a vehicle for enforcement of the zoning ordinance.	Partnerships; Programs and Services	Nelson County; State and Federal Agencies; Regional and Institutional Partners; Nonprofit Organizations	On-Going	TJPDC; Virginia Housing; Virginia DHCD; Bay Aging; SERCAP; DARS

Focus Areas	#	Implementation Strategy	Implementation Type	Responsible Party	Priority	Resources
Expanding Housing Opportunities	5.4	Create ordinances that offer a mixture of housing types and sizes integrated within the development area, including affordable and senior housing.	Regulation Updates and Enforcement	Nelson County	Short	Nelson County (Zoning Ordinance)
	5.5	Expand the types of allowable housing in appropriate areas to accommodate multi-family housing units, such as townhouses, condominiums, and duplexes.	Regulation Updates and Enforcement	Nelson County	Short	Nelson County (Zoning Ordinance and Comprehensive Plan)
	5.6	Evaluate current zoning district densities and adjust them to allow for additional housing in appropriate areas.	Regulation Updates and Enforcement	Nelson County	Short	Nelson County (Zoning Ordinance and Comprehensive Plan)
	5.7	Work with developers, non-profit agencies, and community groups to preserve and increase the supply of obtainable housing.	Partnerships	Nelson County; Nonprofit	On-Going	Nonprofit/Community organizations; TJPDC; Housing Forward Virginia; DHCD
	5.8	Explore County investment in a community land trust that can create more affordable housing options.	Plans and Studies	Nelson County	Short	Nelson County (Capital Improvement Plan, County Budget); Piedmont Community Land Trust; Virginia Center for Housing Research
	5.9	Review related strategies offered in regional housing study "Planning for Affordability: A Regional Approach" by the Thomas Jefferson Planning District Commission.	Plans and Studies	Nelson County; Regional and Institutional Partners	On-Going	Nelson County (Staff/BOS); TJPDC; DHCD

Focus Areas	#	Implementation Strategy	Implementation Type	Responsible Party	Priority	Resources
Support Livable Communities	5.10	Pursue a housing study of Nelson County to identify current housing trends and potential strategies specific for Nelson County.	Plans and Studies	Nelson County; Regional and Institutional Partners	Mid	Nelson County (Staff/BOS); TJPDC; DHCD
	5.11	Target housing near the County's existing growth areas where public utilities are available with a range of housing types and densities.	Regulation Updates and Enforcement	Nelson County; Local Business Partners	On-Going	Nelson County (Zoning Ordinance, Comprehensive Plan)
	5.12	Consider development impacts on public water and sewer systems when reviewing residential rezoning and special use permits.	Regulation Updates and Enforcement	Nelson County	On-Going	Nelson County (Zoning Ordinance, Comprehensive Plan)
	5.13	In partnership with the Nelson County Service Authority, create a water master plan for the County that includes current maximum build out and considers possible expansion of public water and sewer systems to support housing goals and objectives.	Plans and Studies	Nelson County; Regional and Institutional Partners	Short	Nelson County Service Authority; TJPDC
	5.14	Consider adding density bonuses and incentives to encourage affordable and senior housing options in denser developments.	Regulation Updates and Enforcement	Nelson County	Mid	Nelson County (Zoning Ordinance, Comprehensive Plan)
	5.15	Explore opportunities to implement cluster subdivision provisions within the Subdivision Ordinance.	Regulation Updates and Enforcement	Nelson County	Short	Nelson County (Zoning & Subdivision Ordinances, Comprehensive Plan)

Focus Areas	#	Implementation Strategy	Implementation Type	Responsible Party	Priority	Resources
Support Livable Communities	5.16	Protect and connect to the surrounding environment by encouraging cluster developments and green infrastructure principles for new developments.	Community Outreach and Education	Nelson County; Local Business Partners	On-Going	Nelson County (Zoning & Subdivision Ordinances, Comprehensive Plan); US EPA Green Infrastructure Resources
	5.17	Consider conducting a neighborhood study for the village of Lovingson to identify community-based preservation, revitalization, and neighborhood improvement strategies. Pursue grant funding, as appropriate, to implement study recommendations.	Plans and Studies	Nelson County; State and Federal Agencies; Regional and Institutional Partners	Short	Nelson County (Staff/ BOS, Zoning Ordinance, Comprehensive Plan); VDHR; Virginia's Historic Rehabilitation Tax Credit (HRTC) Program; TJPDC; DHCD
	5.18	Ensure that any new housing development is strategically placed to complement the rural landscape and avoid burden to the existing public services.	Regulation Updates and Enforcement	Nelson County	On-Going	Nelson County (Zoning & Subdivision Ordinances, Comprehensive Plan)

Chapter 6 | Protecting Natural & Cultural Resources

Focus Areas	#	Implementation Strategy	Implementation Type	Responsible Party	Priority	Resources
Protect the Natural Environment	6.1	Define and guide development on steep slopes to maintain balance between slope, soils, geology, and vegetation. Where disturbance is unavoidable, enforce erosion and sediment control measures to prevent unnecessary degradation.	Regulation Updates and Enforcement	Nelson County	Short / On-Going	Nelson County (Zoning & Subdivision Ordinances, Code of Ordinances, Comprehensive Plan)
	6.2	Direct development and infrastructure away from ecological cores, migration corridors, forest conservation areas, and environmentally sensitive areas.	Partnerships	Nelson County; State and Federal Agencies; Local Business Partners	On-Going	Nelson County (Zoning & Subdivision Ordinances, Code of Ordinances, Comprehensive; VDOF; TJPDC STEW-MAP
	6.3	Implement green infrastructure principles to preserve and connect natural habitats to support native species and wildlife.	Community Outreach and Education	Nelson County; Regional and Institutional Partners; Local Business	On-Going	Nelson County (Capital Improvement Plan, Comprehensive Plan); US Environmental Protection Agency (EPA) Green Infrastructure Resources; DCR
	6.4	Support the use of low impact development and stormwater best management practices to reduce nonpoint source pollution in local waterways.	Regulation Updates and Enforcement	Nelson County; Local Business Partners	On-Going	Nelson County (Zoning & Subdivision Ordinances, Capital Improvement Plan, Comprehensive Plan

Focus Areas	#	Implementation Strategy	Implementation Type	Responsible Party	Priority	Resources
Protect the Natural Environment	6.5	Encourage landowners to work with local organizations, such as TJSWCD, for cost-share opportunities to install LID and BMPs catered to agricultural, residential, and commercial sites.	Community Outreach and Education	Nelson County; Regional and Institutional Partners	On-Going	Nelson County (Staff/BOS); TJSWCD; Regional and Institutional Partners; Chesapeake Bay Foundation; DCR; Regional and Institutional Partners
	6.6	Continue to work with state and regional partners (such as DEQ, TJPDC, and TJSWCD) to implement TMDL plans for impaired waterways.	Programs and Services	Nelson County; Regional and Institutional Partners; Nonprofit Organizations	Long	Nelson County (Staff/BOS); VDH; DEQ; TJPDC; TJSWCD
	6.7	Continue to work with regional partners on updates to the Regional Water Supply Plan and implement solutions and sustain the future water supply.	Plans and Studies	Nelson County; Regional and Institutional Partners	On-Going	Nelson County (Capital Improvement Plan, County Budget) TJPDC; Regional and Institutional Partners
	6.8	Encourage water conservation measures as outlined in the Regional Water Supply Plan.	Community Outreach and Education	Nelson County; Regional and Institutional Partners	On-Going	Nelson County (Staff/BOS); Regional and Institutional Partners
	6.9	Consider efforts to identify and cap or remove abandoned wells and septic tanks to prevent contamination of the groundwater supply, and continue providing information on VDH's Septic and Well Assistance Program.	Programs and Services	Nelson County; Regional and Institutional Partners	On-Going	Nelson County (Staff/BOS); Regional and Institutional Partners; VDH

Focus Areas	#	Implementation Strategy	Implementation Type	Responsible Party	Priority	Resources
Protect the Natural Environment	6.10	Condition approval of operations utilizing underground storage tanks (USTs) on assurances guaranteeing proper closure or removal of unused USTs and remediation of impacted soils.	Regulation Updates and Enforcement	Nelson County	On-Going	Nelson County (Staff/BOS; Code of Ordinances); DEQ
	6.11	Support scenic river and blueway designations for local waterways.	Programs and Services	Nelson County; State and Federal Agencies; Nonprofit Organizations	Short/ On-Going	Nelson County (Staff/BOS); DCR Scenic Rivers Program
	6.12	Explore opportunities for an incentive program to utilize existing recycling and compost facilities. Focus on education and outreach. Continue to support and make better use of the Re-Use Sheds.	Community Outreach and Education; Programs and Services	Nelson County	On-Going	Nelson County (Staff/BOS, Capital Improvement Plan, County Budget)
	6.13	Invest in partnerships with community organizations to ensure continued support and possible expansion of the Re-Use Sheds.	Programs and Services	Nelson County	On-Going	Nelson County (Staff/BOS)
	6.14	Carefully consider noise-intensive uses near residential or rural properties, and require noise mitigation efforts such as perimeter buffers and sound barriers.	Regulation Updates and Enforcement	Nelson County	On-Going	Nelson County (Staff/BOS, Zoning Ordinance)
	6.15	Adopt an outdoor lighting ordinance with design and performance standards that increase safety and protect dark skies, consistent with International Dark Sky Association recommendations.	Regulation Updates and Enforcement	Nelson County	Short	Nelson County (Staff/BOS, Zoning Ordinance, Code of Ordinances)

Focus Areas	#	Implementation Strategy	Implementation Type	Responsible Party	Priority	Resources
Preserve Rural Character & Heritage	6.16	Direct development away from prime agricultural soils and suitable agricultural lands identified on the Virginia Agricultural Model.	Regulation Updates and Enforcement	Nelson County; Local Business Partners	On-Going	Nelson County (Staff/BOS, Zoning Ordinance); DCR Conservation Vision Agricultural Model
	6.17	Protect agricultural and forested landscapes from development through tools such as conservation easements, agricultural and forestal districts, use-value assessments, and purchase of development rights program.	Regulation Updates and Enforcement; Programs and Services	Nelson County; Nonprofit Organizations	On-Going	Nelson County (Staff/BOS, Zoning & Subdivision Ordinances); DCR; Virginia Land Conservation Assistance Network
	6.18	Maintain use-value taxation criteria and qualifications in the best interest of the County and landowners to ensure long-term viability of agricultural, horticultural, and forestal operations.	Programs and Services	Nelson County	On-Going	Nelson County (Staff/BOS, Zoning Ordinance); VDF
	6.19	Continue to utilize the Virginia Department of Forestry's Forest Sustainability Fund to offset reduced tax revenue due to forestland use taxation.	Programs and Services	Nelson County; State and Federal Agencies	On-Going	Nelson County (Staff/BOS, Zoning Ordinance); VDF; USDA Forest Service
	6.20	Discourage ridgeline development to protect scenic viewsheds.	Regulation Updates and Enforcement	Nelson County; Local Business Partners	On-Going	Nelson County (Staff/BOS, Zoning & Subdivision Ordinances, Comprehensive Plan)

Focus Areas	#	Implementation Strategy	Implementation Type	Responsible Party	Priority	Resources
Preserve Rural Character & Heritage	6.21	Encourage assessment of unlisted historic sites for inclusion on the Virginia Landmarks Register and/or National Register of Historic Places.	Community Outreach and Education; Programs and Services	Nelson County; State and Federal Agencies; Nonprofit Organizations	Short/ On-Going	Nelson County (Staff/BOS, Comprehensive Plan); Nelson County Historical Society; Nelson Heritage Center; Preservation Virginia; DHR; National Park Service
	6.22	Work with local partners such as the Nelson County Historical Society to identify, protect, and celebrate historic and culturally significant properties.	Partnerships	Nelson County; Regional and Institutional Partners	On-Going	Nelson County (Staff/BOS, Comprehensive Plan); Nelson County Historical Society; Nelson Heritage Center; Preservation Virginia; DHR; National Park Service
	6.23	Pursue identification, recognition, and protection of historic areas representing Nelson County's diverse culture, including Native American and African American sites.	Plans and Studies	Nelson County; Regional and Institutional Partners; Nonprofit Organizations	Mid	Nelson County (Staff/BOS, Comprehensive Plan); Monacan Indian Nation; Nelson County Historical Society; Nelson Heritage Center; Preservation Virginia; DHR; National Park Service
	6.24	Encourage architectural compatibility of new development, including infill development, where significant historic resources exist.	Regulation Updates and Enforcement	Nelson County; Local Business Partners	On-Going	Nelson County (Staff/BOS, Zoning Ordinance Comprehensive Plan); Nelson County Historical Society; Nelson Heritage Center; DHR; National Park Service

Focus Areas	#	Implementation Strategy	Implementation Type	Responsible Party	Priority	Resources
Preserve Rural Character & Heritage	6.25	Work with local and regional partners to create an online repository to support landowners in the preservation of natural resources.	Programs and Services	Nelson County; Regional and Institutional Partners	On-Going	Nelson County (Staff/BOS, Comprehensive Plan); TJPDC; DEM; Preservation Virginia; DHR; National Park Service
Plan for Resiliency & Sustainability	6.26	Continue to work with regional partners to update and implement the Regional Hazard Mitigation Plan.	Partnerships	Nelson County; Regional and Institutional Partners	On-Going	Nelson County (Staff/BOS, Comprehensive Plan); TJPDC; DEM; FEMA
	6.27	Continue improving flood resiliency by updating the Floodplain District Ordinance as needed to reflect new flood maps and best practices, and participating in FEMA's Community Rating System.	Regulation Updates and Enforcement	Nelson County; Staff and Federal Agencies	On-Going	Nelson County (Staff, Code of Ordinances, Comprehensive Plan); DEM; FEMA Community Rating System (CRS)
	6.28	Continue working toward the stated goal of becoming a SolSmart-designated community.	Programs and Services	Nelson County	Short	Nelson County (Staff/BOS, Zoning Ordinance, Code of Ordinances)
	6.29	Encourage and incentivize green building certifications, energy efficiency, and renewable energy sources for new developments and existing development retrofits.	Community Outreach and Education	Nelson County	Mid	Nelson County (Staff/BOS, Zoning Ordinance, Code of Ordinances); Local Energy Alliance Program (LEAP); US EPA Green Building Resources
	6.30	Consider amendments to existing ordinances to encourage installation of solar panels on existing impervious surfaces, such as rooftops and parking lots.	Regulation Updates and Enforcement	Nelson County	Short	Nelson County (Staff/BOS, Zoning Ordinance, Code of Ordinances)

Focus Areas	#	Implementation Strategy	Implementation Type	Responsible Party	Priority	Resources
Plan for Resiliency & Sustainability	6.31	Strengthen performance standards for ground-mounted solar energy systems to protect existing landscapes, such as limiting clear-cutting on undeveloped parcels, specifying minimum vegetation requirements, and increasing perimeter buffer widths.	Regulation Updates and Enforcement	Nelson County	On-Going	Nelson County (Staff/BOS, Zoning Ordinance, Code of Ordinances)
	6.32	Assess County-owned buildings to identify opportunities for improving energy efficiency using the EPA's resources for Energy Efficiency in Government Operations and Facilities, or a similar program.	Programs and Services	Nelson County; Regional and Institutional Partners; Nonprofit Organizations	On-Going	Nelson County (Staff/BOS, Zoning Ordinance, Code of Ordinances); US EPA Energy Efficiency in Government Operations and Facilities; TJPDC; Local Energy Alliance Program (LEAP)

Chapter 7 | Creating a Resilient Economy

Focus Areas	#	Implementation Strategy	Implementation Type	Responsible Party	Priority	Resources
Support & Cultivate Today's Workforce	7.1	Prepare for the needs of the next generation of workers by supporting both traditional higher education and vocational education opportunities.	Community Outreach and Education	Nelson County; Regional and Institutional Partners; Nonprofit Organizations	On-Going	Nelson County (Staff/BOS); TJPDC; PVCC; CVCC; VCW-Piedmont, Virginia Cooperative Extension; Workforce Development Board Combined State Plan; FFA
	7.2	Support Nelson County Public Schools and regional partners in coordinating and enhancing workforce training programs, sponsorships, incentives, and financial support opportunities to promote students' enrollments in such programs.	Programs and Services	Nelson County; Regional and Institutional Partners	On-Going	Nelson County (Staff/BOS); TJPDC; PVCC; CVCC; VCW-Piedmont; Virginia Cooperative Extension
	7.3	Support dual enrollment programs for high school students that contribute to college- or vocational-level programs.	Programs and Services	Nelson County; Regional and Institutional Partners	On-Going	Nelson County; Regional and Institutional Partners
	7.4	Work with the Virginia Community College system to consider and advocate for a local branch in Nelson County, including collaboration between one or more existing colleges for a satellite branch.	Partnerships	Nelson County; Regional and Institutional Partners	Mid	Nelson County (Staff/BOS); TJPDC; PVCC; CVCC; Virginia Department of Education

Focus Areas	#	Implementation Strategy	Implementation Type	Responsible Party	Priority	Resources
Support & Cultivate Today's Workforce	7.5	Support private and public investments in the County's service economy to provide long-term economic and community growth and stability.	Community Outreach and Education	Nelson County; Local Business Partners	On-Going	Nelson County (Staff/BOS); TJPDC; VCW-Piedmont; Go Virginia Growth and Development Plan; Virginia Cooperative Extension; Workforce Development Board Combined State Plan
	7.6	Promote and support community centers as hubs for education and economic development.	Community Outreach and Education	Nelson County; Regional and Institutional Partners	On-Going	Nelson County; Regional and Institutional Partners
Diversify & Improve Local Industry	7.7	Continue to support the tourism industry while being mindful of over-tourism; diversify tourism assets across the County to distribute traffic and prevent negative impacts to local quality of life.	Community Outreach and Education	Nelson County; Local Business Partners	On-Going	Nelson County (Staff/BOS); TJPDC; VCW-Piedmont; Go Virginia Growth and Development Plan; Virginia Tourism Corporation resources; Land Conservation Assistance Network publications; DCR's Virginia Tourism Plan
	7.8	Review the DRIVE 2.0 initiative and consider pursuing DRIVE Outdoor grant funding to implement recommendations of the related DRIVE 2.0 strategic and regional plans to increase tourism.	Programs and Services	Nelson County; State and Federal Agencies	Short	Nelson County (Staff/BOS); DRIVE 2.0 Regional Tourism Plan; US SBA publications

Focus Areas	#	Implementation Strategy	Implementation Type	Responsible Party	Priority	Resources
Diversify & Improve Local Industry	7.9	Support expansion and diversification in the agricultural and forestry industries while maintaining and encouraging environmentally friendly and sustainable practices.	Community Outreach and Education	Nelson County; Local Business Partners; Nonprofit Organizations	On-Going	Nelson County (Staff/BOS); TJPDC; VCW-Piedmont; Land Conservation Assistance Network publications; VDACS resources; Virginia Department of Forestry publications
	7.10	Expand water access, trails, and bike infrastructure to promote outdoor recreation to encourage connection with the outdoors, encourage healthy recreation activities and enhance transportation options.	Capital Projects	Nelson County; Regional and Institutional Partners	Short/ On-Going	Nelson County (Staff/BOS, Comprehensive Plan); TJPDC; DCR; VDOT; Bike Virginia; USDOT Bicycle and Pedestrian Program
	7.11	Support organizations and initiatives that provide agricultural assistance, community education, marketing strategies, information on agricultural support businesses, and information about alternative agricultural uses.	Programs and Services	Nelson County; Regional and Institutional Partners; Nonprofit Organizations	On-Going	Nelson County (Staff/BOS, Comprehensive Plan); VDACS; Land Conservation Assistance Network publications; VSU Small Farm Marketing and Business Programs
	7.12	Assess local permitting, licensing, and fees for agricultural producers and streamline processes where practical to remove unnecessary procedural barriers.	Regulation Updates and Enforcement	Nelson County	On-Going	Nelson County (Staff/BOS, Code of Ordinances)
	7.13	Support multiple revenue streams for farmers by reviewing and amending ordinances to better allow farmers to host complementary agritourism uses on agricultural properties.	Regulation Updates and Enforcement	Nelson County	Short	Nelson County (Staff/BOS, Code of Ordinances)

Focus Areas	#	Implementation Strategy	Implementation Type	Responsible Party	Priority	Resources
Bolster & Promote Economic Growth	7.14	Explore opportunities to establish a Tourism Improvement District, ABC-designated Outdoor Refreshment Areas, a Tax-Incremented Finance District, and/or Technology Zones to increase business investment in targeted areas.	Programs and Services	Nelson County; State and Federal Agencies	Mid	Nelson County; State and Regional Partners; TJPDC; VEDP
	7.15	Continue to extend high-speed internet and cellular service throughout the County with bandwidth capable of serving businesses and maintaining viability during technological advances.	Capital Projects	Nelson County; Regional and Institutional Partners	On-Going	Nelson County; GO Virginia; DHCD; VATI; ConnectVirginia
	7.16	Review and modify the Zoning Ordinance, as necessary, for regulations regarding special event venues and temporary events in the County.	Regulation Updates and Enforcement	Nelson County	Short	Nelson County (Staff/BOS, Code of Ordinances)
	7.17	Continue to support placemaking and wayfinding in the village areas, grant opportunities for village branding and identity, and establish village mixed use to incentivize infill and development.	Programs and Services	Nelson County; Regional and Institutional Partners	Short	Nelson County(Staff/ BOS, Code of Ordinances); TJPDC; VDOT

Focus Areas	#	Implementation Strategy	Implementation Type	Responsible Party	Priority	Resources
Bolster & Promote Economic Growth	7.18	Update and enforce the temporary event ordinance to protect Nelson’s rural character.	Regulation Updates and Enforcement	Nelson County	Short	Nelson County (Staff/BOS, Code of Ordinances)
	7.19	Support regional economic development partners that provide local business support services.	Partnerships	Nelson County; Regional and Institutional Partners; Local Business Partners	On-Going	Nelson County; TJPDC; VDEP
	7.20	Work with TJPDC to implement recommendations from the regional Comprehensive Economic Development Strategy.	Partnerships	Nelson County; Regional and Institutional Partners; Local Business Partners	On-Going	Nelson County; TJPDC

Chapter 8 | Serving the Community

Focus Areas	#	Implementation Strategy	Implementation Type	Responsible Party	Priority	Resources
Enhance the Effectiveness & Transparency of County Government	8.1	Expand and improve external government communications to increase transparency and public participation across all demographics through the use resources such as Nelson County websites and social media.	Community Outreach and Education	Nelson County	Short/ On-Going	Nelson County (Staff/BOS)
	8.2	Enhance interdepartmental communication across County government as well as between the various public boards.	Community Outreach and Education	Nelson County	On-Going	Nelson County (Staff/BOS)
	8.3	Create and maintain a comprehensive facility inventory, maintenance schedule, and level of service standards to protect existing investments and ensure sound planning and budgeting for facility improvements.	Plans and Studies	Nelson County; Regional and Institutional Partners	Short/Mid	Nelson County (Staff/BOS)
	8.4	Ensure that the County is using up-to-date information technology and cybersecurity practices, including technological aptitude and data storage.	Capital Projects	Nelson County	Short	Nelson County Sheriff's Office
	8.5	Construct a new, centrally located facility to house additional administrative offices.	Capital Projects	Nelson County; State and Federal Agencies	Mid/Long	Nelson County (CIP); TJPDC
	8.6	Construct additional Sheriff facilities to allow for additional training and storage spaces.	Capital Projects	Nelson County; State and Federal Agencies	Mid/Long	Nelson County (CIP); Nelson County Sheriff's Office

Focus Areas	#	Implementation Strategy	Implementation Type	Responsible Party	Priority	Resources
Enhance the Effectiveness & Transparency of County Government	8.7	Renovate and modernize current Sheriff facilities to meet security standards.	Capital Projects	Nelson County; State and Federal Agencies	Mid/Long	Nelson County (CIP); Nelson County Sheriff's Office
	8.8	Identify possible mental health emergency service providers to support the community and reduce these burdens from the Sheriff's office. Consider that drug use is a facet of public safety, and pursue greater public education on this matter.	Community Outreach and Education	Nelson County; Regional and Institutional Partners	Short/ On-Going	Nelson County (CIP); Nelson County Sheriff's Office; VDBHDS
	8.9	Create a Countywide fire and emergency medical services (EMS) strategic plan that can be regularly updated and maintained to address response time, facility, and staffing needs.	Plans and Studies	Nelson County; Regional and Institutional Partners	On-Going	Nelson County (Staff/BOS); Nelson County Fire & EMS; TJPDC
	8.10	Expand fire and EMS facilities to include additional living spaces such as bunks, kitchenettes, and recreation areas.	Capital Projects	Nelson County	Mid/Long	Nelson County (CIP); Nelson County Fire & EMS
	8.11	Ensure that the Emergency 911 operations center is fully supported, with paid staff and most up-to-date technological capabilities, to continue to respond to community needs as quickly as possible in the face of an aging population.	Programs and Services	Nelson County	On-Going	Nelson County (Staff/BOS); Nelson County Sheriff's Office; Nelson County Fire & EMS
	8.12	Continually monitor public safety staffing needs, expanding as needed to maintain public safety as the County experiences additional residential and commercial growth.	Programs and Services	Nelson County	On-Going	Nelson County (Staff/BOS); Nelson County Sheriff's Office; Nelson County Fire & EMS

Focus Areas	#	Implementation Strategy	Implementation Type	Responsible Party	Priority	Resources
Enhance the Effectiveness & Transparency of County Government	8.13	Pursue stronger community outreach and training on disaster readiness and resilience.	Community Outreach and Education	Nelson County; Regional and Institutional Partners	On-Going	Nelson County (Staff/BOS); Nelson County Sheriff's Office; Nelson County Fire & EMS
	8.14	Seek out stronger partnerships with community-based organizations to educate the public and collect more data on substance abuse in the population.	Partnerships	Nelson County; Nonprofit Organizations	On-Going	Nelson County (CIP); Nelson County Sheriff's Office; VDBHDS
	8.15	Where possible, provide County information, services, and programs in both Spanish and English languages.	Programs and Services	Nelson County	On-Going	Nelson County
Improve Infrastructure to Support Sustainable Growth & Development	8.16	Continue to work with regional partners to upgrade and develop necessary infrastructure to meet the County's long-term water supply demand.	Partnerships	Nelson County; Regional and Institutional Partners	On-Going	Nelson County Service Authority; TJPDC; CVPDC
	8.17	Utilize results of the updated CVPDC water supply plan.	Plans and Studies	Nelson County	On-Going	Nelson County (Staff/BOS); CVPDC
	8.18	Continue to work with the service authority to create a water and sewer master plan to identify current system needs and target long-term strategies to maintain and expand service areas.	Plans and Studies	Nelson County; Regional and Institutional Partners	Short	Nelson County Service Authority; TJPDC; CVPDC
	8.19	Promote water conservation practices to reduce water use and conserve the water supply.	Community Outreach and Education	Nelson County; Local Business Partners	On-Going	Nelson County (Staff/BOS)

Focus Areas	#	Implementation Strategy	Implementation Type	Responsible Party	Priority	Resources
Improve Infrastructure to Support Sustainable Growth & Development	8.20	Work with regional partners to evaluate the needs of the County's solid waste and recycling disposal as the regional landfill nears capacity.	Programs and Services	Nelson County; Regional and Institutional Partners	Short	Nelson County Service Authority; TJPDC; CVPDC
	8.21	Support waste management and recycling planning through rational, cost-effective, and environmentally safe approaches.	Programs and Services	Nelson County	Short/ On-Going	Nelson County Service Authority; TJPDC; CVPDC
	8.22	Assist in educating the community on recycling and waste reduction efforts.	Community Outreach and Education	Nelson County	Short/ On-Going	Nelson County (Staff/BOS)
	8.23	Continue the County's partnership with Firefly Fiber Broadband to expand broadband services to all areas of the County.	Partnership	Nelson County; Regional and Institutional Partners; Local Business Partners	Short/ On-Going	Nelson County; GO Virginia; DHCD; VATI; Connect Virginia; Firefly Fiber Broadband
	8.24	Promote the broadband expansion project with additional public outreach so that residents remain up-to-date on deployment and availability of services.	Community Outreach and Education	Nelson County	Short/ On-Going	Nelson County (Staff/BOS)
	8.25	Support expansion of cellular service quality and availability through cooperation with cellular providers. Evaluate the need for planning and zoning changes to improve service.	Programs and Services Regulation Updates and Enforcement	Nelson County Regional and Institutional Partners; Local Business Partners	Short/ On-Going	Nelson County (Staff/BOS, Code of Ordinances)

Focus Areas	#	Implementation Strategy	Implementation Type	Responsible Party	Priority	Resources
Provide Quality Services that Improve Community Livability	8.26	Support the creation of an up-to-date Nelson County Public School's Master Plan that identifies and plans for critical needs of school facilities.	Plans and Studies	Nelson County	Short/On-Going	Nelson County (Comprehensive Plan, CIP); NCPS
	8.27	Continue to monitor student enrollment to ascertain short-term and long-term needs of students.	Programs and Services	Nelson County	Short	Nelson County (Staff/BOS); NCPS
	8.28	Support educational programs through County schools, community centers, community organizations, and regional community colleges to help prepare the community workforce for employment.	Programs and Services	Nelson County; Regional and Institutional Partners; Nonprofit Organizations	Short/On-Going	Nelson County (Staff/BOS); NCPS; CVCC
	8.29	Develop a strategy for greater investment in personnel, facilities, and/or public-private partnership as needed to expand access to childcare programs.	Community Outreach and Education	Nelson County	Short/On-Going	Nelson County (Staff/BOS)
	8.30	Create a Parks and Recreation Master Plan that identifies gaps in equitable services and opportunities to expand recreation across the community.	Plans and Studies	Nelson County; Regional and Institutional Partners; Nonprofit Organizations	Short	Nelson County (Staff/BOS); NCPR; TJPDC
	8.31	Investigate and pursue options to create a centralized County-owned recreational facility to offer athletic fields, aquatic recreation, and exercise opportunities to the community.	Capital Projects	Nelson County; State and Federal Agencies	Short	Nelson County (Comprehensive Plan, CIP)
	8.32	Continue partnerships with local organizations, such as community centers, to provide recreation opportunities across the community.	Partnerships	Nelson County; Nonprofit Organizations	Short/On-Going	Nelson County (Staff/BOS)

Focus Areas	#	Implementation Strategy	Implementation Type	Responsible Party	Priority	Resources
Provide Quality Services that Improve Community Livability	8.33	Create additional family-friendly parks and amenities throughout the County to provide alternative recreational areas for residents.	Capital Projects	Nelson County	Mid	Nelson County (Staff/BOS); NCPR
	8.34	Partner with local and regional organizations, as well as private landowners, to increase access to natural areas and riverways.	Partnerships	Nelson County; Nonprofit Organizations	Short/ On-Going	Nelson County (Staff/BOS); NCPR; TJPDC
	8.35	Create a joint public-private partnership with Nelson County's community centers to facilitate coordination between different organizations, increase programming, and connect residents with their services.	Partnerships	Nelson County; Nonprofit Organizations	Short/ On-Going	Nelson County (Staff/BOS)
	8.36	Promote the use of school buildings, community centers, long-term care facilities, and multi-use facilities for citizens year-round.	Community Outreach and Education	Nelson County	Short/ On-Going	Nelson County (Staff/BOS); NCPS
	8.37	Continue to work with the County library to ensure that it meets the needs of the community.	Programs and Services	Nelson County; Regional and Institutional Partners	On-Going	Nelson County (Staff/BOS); JMRL
	8.38	Encourage emergency, long-term care, and urgent medical care in appropriate areas of the County.	Regulation Updates and Enforcement	Nelson County	Mid	Nelson County (Staff/BOS, Code of Ordinances)

Focus Areas	#	Implementation Strategy	Implementation Type	Responsible Party	Priority	Resources
Provide Quality Services that Improve Community Livability	8.39	Work with Virginia Department of Health, and other regional partners, to identify community health needs and increase the availability of healthcare services.	Programs and Services	Nelson County; Regional and Institutional Partners; Local Business Partners	On-Going	Nelson County (Staff/BOS); TJPDC; VDH
	8.40	Continue to work with Jaunt and other regional transportation providers to expand transportation access to better connect residents to medical care.	Programs and Services	Nelson County; Regional and Institutional Partners	On-Going	Nelson County (Staff/BOS)
	8.41	Pursue public-private partnerships to expand access to and capacity for social service networks.	Partnerships	Nelson County; Nonprofit Organizations	On-Going	Nelson County (Staff/BOS)