

FINANCE COMMITTEE REPORT to the BOARD OF SUPERVISORS
Wednesday, August 19, 2020
8:00 a.m.
107 NORTH KENT STREET, WINCHESTER, VIRGINIA

A Finance Committee meeting was held in the Board of Supervisors Room at 107 North Kent Street on Wednesday, August 19, 2020 at 8:00 a.m.

ATTENDEES:

Committee Members Present: Judith McCann-Slaughter, Chairman; Charles DeHaven; Robert Wells; Jeffrey Boppe; Angela Rudolph-Wiseman; and non-voting liaisons William Orndoff, Treasurer and Seth Thatcher, Commissioner of the Revenue.

Committee Member Absent: none.

Staff present: Cheryl Shiffler, Finance Director; Sharon Kibler, Assistant Finance Director; Kris Tierney, County Administrator; Jay Tibbs, Deputy County Administrator; Rod Williams, County Attorney; Joe Wilder, Public Works Director; Chester Lauck, Deputy Emergency Management Coordinator; Lenny Millholland, Sheriff; Jason Robertson, Parks & Rec Director; Jon Turkel, Assistant Parks & Rec Director; and Patrick Barker, EDA Director.

ITEMS REQUIRING ACTION BY BOARD OF SUPERVISORS:

(*) Items 1, 2, 5 and 10 were approved under consent agenda.

1. (*) The Deputy County Administrator requests a General Fund supplemental appropriation in the amount of \$51,281. This amount represents a carry forward of unspent FY20 funds for carpet installation that is currently in process. See attached memo, p. 4.
2. (*) The F&R Chief requests a General Fund supplemental appropriation in the amount of \$76,000. This amount represents a carry forward of unspent grant funds for the Stephens City Swiftwater Team. The grant and appropriation were originally approved by the BOS on 11/13/19. See attached information, p. 5 – 17.
3. The P&R Director requests a General Fund supplemental appropriation in the amount of \$55,000. This amount represents proffer funds for an outdoor gym facility at Clearbrook Park. The P&R Commission approved the request on August 11, 2020. See attached information, p. 18 – 21. The committee recommends approval.
4. The Public Works Director requests a General Fund supplemental appropriation in the amount of \$20,000. This amount represents funds donated and reserved for the spaying and neutering

of shelter pets. The Public Works Committee approved the request on July 28, 2020. No local funds required. See attached information, p. 22 – 23. The committee recommends approval.

5. (*) The Public Works Director requests a General Fund supplemental appropriation in the amount of \$2,495. This amount represents unspent FY20 grant funds for environmental education. The grant appropriation was originally approved by the BOS on 10/23/19. The Public Works Committee approved the request on July 28, 2020. See attached information, p. 24 – 25.
6. The Public Works Director requests a Landfill Fund supplemental appropriation not to exceed \$1,327,298. This amount represents a carry forward of unspent FY20 funds for various projects. The Public Works Committee approved the request on July 28, 2020. See attached information, p. 26. The committee recommends approval.
7. The Sheriff requests General Fund supplemental appropriation in the amount of \$11,492.03. This amount represents 2 auto insurance claims and will go toward auto repair and the purchase of a new vehicle. No local funds required. See attached information, p. 27 – 30. The committee recommends approval. The committee recommends approval.
8. The Sheriff requests a General Fund supplemental appropriation in the amount of \$20,559.80. This amount represents the sale of surplus and will be used towards the purchase of a new cruiser and a building at the impound lot. No local funds required. See attached information, p. 31 – 32. The committee tabled the request pending yearend financial information.
9. The EDA Director requests discussion on the tax rate for data centers. See attached information, p. 33 – 40. The committee recommends approval.
10. (*) The Finance/Audit Committee charter adopted by the Board of Supervisors requires an annual review and reassessment. See attached charter, p. 41 – 43.

INFORMATION ONLY:

1. The Finance Director provides a Fund 10 Transfer Report for July 2020. See attached, p. 44.
2. Fund balance information will be provided after the County closes FY20.

Respectfully submitted,

FINANCE COMMITTEE

Judith McCann-Slaughter, Chairman

Charles DeHaven

Robert Wells

Jeffrey Boppe

Angela Rudolph-Wiseman

By *Cheryl B. Shiffler*

Cheryl B. Shiffler, Finance Director



COUNTY of FREDERICK

Jay E. Tibbs

Deputy County Administrator

540/665-6382

Fax 540/667-0370

E-mail:

jtibbs@fcva.us

TO: Finance Committee
FROM: Jay E. Tibbs., Deputy County Administrator
DATE: August 12, 2020
RE: Carry Forward for Carpet Replacement Project

This is a request for a General Fund supplemental appropriation in the amount of \$51,280.70. This amount represents a carry forward request for the replacement of carpet on the second floor of the south building (i.e. Parks & Recreation and Cooperative Extension). The Maintenance Department utilized standing purchase order #17700 for this project. Unfortunately, a standing purchase order does not encumber the funds for the project.

The carpeting has been received and installed; however, there were problems with the installation and staff is working with the contractor to clear up defects, etc.

We respectfully request that these funds be carried forward in line item 4-010-043040-3004-000-003 so we can complete the project and pay the contractor once the project is completed.

Should you have any questions, please do not hesitate to contact me.

FY20 bal: \$62,485.34



COUNTY OF FREDERICK, VIRGINIA

FIRE AND RESCUE DEPARTMENT

1080 Coverstone Drive
Winchester, VA 22602

FREDERICK
COUNTY

29 2020

FINANCE
DEPARTMENT

Dennis D. Linaburg
Fire Chief

MEMORANDUM

TO: Cheryl Shiffler, Director
Finance Department

FROM: Dennis D. Linaburg, Chief
Fire and Rescue Department

SUBJECT: Carry Forward Request

DATE: July 29, 2020

The Stephens City Fire and Rescue Company is requesting a FY20 fund carry forward of \$76,000.00 unspent from line item 4-010-32020-5604-000-007 to the same line item in the FY21 budget. The SHSP grant will be used to fund the Stephens City Swiftwater Team.

If you have any questions or need additional information, please do not hesitate to contact me.


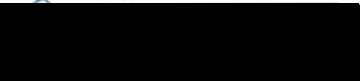
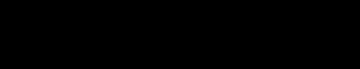
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Grant Application Request Form

The Grant Application & Acceptance Policy, adopted by the Board of Supervisors on March 23, 2016, outlines the policies for submitting grant applications on behalf of Frederick County and for the acceptance and appropriation of all grant awards. This policy applies to any Frederick County program, department or constitutional office preparing and submitting grant applications to agencies outside the County government for funds, materials or equipment to be received and administered by the County or by an agency for which the County acts as fiscal agent.

Please refer to the policy flow chart on the back of this form to assist in determining the appropriate course of action. The policy in its entirety can be found on the Finance intranet page.

Complete the information below and attach as the cover to all grant applications sent to the County Administrator for approval.

Requesting Department	Fire & Rescue		
Name of Grant	Stephens City Swiftwater grant		
Grantor	VDEM		
Grant deadline for submission			
Total Amount of Anticipated Award	\$ 76,000.00		
Purpose of grant (summary)	To supplement the Stephens City Fire & Rescue Swiftwater team as a local and state asset. Funds will be reimbursed by VDEM as pass through from FEMA.		
Grant approved through budget process? (Yes/No)	Yes BOS approval 11/13/19 w/ appropriation		
Local Match Requirement (Yes/No)	No	Amount:	\$ 0.00
If yes, Source(s) & amount(s) of local match (fin comm/BOS approval required if match requires a budget amendment)			
Other associated costs	no associated cost		
Continuing obligation and cost (fin comm/BOS approval required)			
Addition of Staff and cost (Yes/No) (fin comm/BOS approval required)	No	How many?	Total cost, including fringes:
Revenue and Expenditure codes & amounts	4010-032020-5604-000-007 BS 200336 3-010-033010-0030		
Department Contact (name, email, phone)	Chester Lauck, clauck@fcva.us 540-504-6457		
Department Head approval to apply for grant		Date	4/16/2020
BOS approval date (if applicable)	11/13/19		
Finance review of grant policy compliance		Date	4/16/20
County Administrator approval to apply for grant		Date	4/16/2020



Notes: 4/16/20 advised Chester that a C/F will need to be requested for unspent fy 20 funds @




Virginia Department of Emergency Management

10501 Trade Court
North Chesterfield, VA 23236

SUBAWARD AGREEMENT

<p>1. SUBRECIPIENT NAME AND ADDRESS:</p> <p>Frederick County 107 N. Kent St. Winchester, VA 22601</p>	<p>4a. SUBAWARD ID NUMBER: 8312 4b. Federal Award ID: EMW-2019-SS-00079-S01 5. SUBAWARD DATE: March 4, 2020 6. PROJECT PERIOD: October 01, 2019 to June 30, 2021 BUDGET PERIOD: October 01, 2019 to June 30, 2021 7. TOTAL AMOUNT OF THIS SUBAWARD: \$76,000.00</p>
<p>2. SUBRECIPIENT DUNS Number: 142884365</p> <p>SUBRECIPIENT EIN: 54-6001290</p>	<p>8. FEDERAL AMOUNT OF THIS SUBAWARD: \$76,000.00</p> <p>9. SUBRECIPIENT NON-FEDERAL COST SHARE REQUIREMENT: N/A</p> <p>10. INDIRECT COST RATE (If applicable):</p>
<p>3. PASS-THROUGH ENTITY: Virginia Department of Emergency Management SUBAWARD NAME: 2019 State Homeland Security Grant Program (SHSP) CFDA: 97.067 Homeland Security Grant Program (HSGP) U.S. Department of Homeland Security (DHS) Federal Emergency Management Agency (FEMA)</p>	
<p>11. STANDARD TERMS AND CONDITIONS & SPECIAL CONDITIONS The above subaward is approved subject to the 2019 Department of Homeland Security (DHS) Standard Terms and Conditions and VDEM Special Conditions found here: DHS Terms and Conditions 2019</p>	
<p>12. APPROPRIATION AUTHORITY FOR GRANT The project is supported under the <i>Department of Homeland Security Appropriations Act, 2019 (Public Law No. 115-141)</i>.</p>	
<p>13. METHOD OF PAYMENT Commonwealth of Virginia Cardinal Accounting System</p>	
<p style="text-align: center;">AGENCY APPROVAL</p> <p>14. NAME AND TITLE OF APPROVING VDEM OFFICIAL</p> <p>Jeffrey D. Stern Ph.D. State Coordinator</p>	<p style="text-align: center;">SUBRECIPIENT ACCEPTANCE</p> <p>16. NAME AND TITLE OF AUTHORIZED OFFICIAL</p> <p>Kris Tierney County Administrator</p>
<p>15. SIGNATURE OF APPROVING VDEM OFFICIAL</p> 	<p>17. SIGNATURE OF AUTHORIZED SUBRECIPIENT OFFICIAL</p>  <p>18. DATE: 4/16/2020</p>

 <p>Virginia Department of Emergency Management</p> <p>10501 Trade Court North Chesterfield, VA 23236</p>	<p>SUBAWARD AGREEMENT</p>	<p>Page 2 of 3</p>
<p>Subaward Name: 2019 State Homeland Security Grant Program (SHSP)</p> <p>Subaward Date: March 4, 2020</p>		
<p style="text-align: center;">SPECIAL CONDITIONS</p>		
<p>1. The Subrecipient shall comply with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards located at 2 CFR Part 200, and adopted by DHS at 2 CFR Part 3002 and the U.S. Department of Homeland Security Grant Program (HSGP) Notice of Funding Opportunity (NOFO).</p>		
<p>2. The Subrecipient agrees to permit the pass-through entity and auditors to have access to its records and financial statements as necessary for the pass-through entity to meet the requirements of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards located at 2 CFR Part 200.</p>		
<p>3. The Subrecipient understands and agrees that it cannot use any federal funds, either directly or indirectly, in support of the enactment, repeal, modification or adoption of any law, regulation or policy, at any level of government, without the express prior written approval of FEMA.</p>		
<p>4. The Subrecipient shall comply with the indirect costs provisions of 2 CFR§ 200.414. With the exception of subrecipients who have never received a negotiated indirect cost rate as described in 2 C.F.R. § 200.414(f), subrecipients must have an approved indirect cost rate agreement with their cognizant federal agency to charge indirect costs to this subaward.</p>		
<p>5. In the event VDEM determines that changes are necessary to the award document after an award has been made, including changes to period of performance or terms and conditions, the Subrecipient will be notified of the changes in writing. Once notification has been made, any subsequent request for funds will indicate Subrecipient acceptance of the changes to the award.</p>		
<p>6. Subrecipients proposing projects that have the potential to impact the environment, including but not limited to construction of communication towers, modification or renovation of existing buildings, structures and facilities, or new construction including replacement of facilities, must participate in the FEMA Environmental Planning and Historic Preservation (EHP) review process. Subrecipients must comply with all conditions placed on the project as the result of the EHP review. Any change to the approved project scope of work will require re-evaluation for compliance with these EHP requirements. If ground disturbing activities occur during project implementation, the Subrecipient must ensure monitoring of ground disturbance, and if any potential archeological resources are discovered, the Subrecipient will immediately cease construction in that area and notify FEMA and the State Historic Preservation Office. Any construction activities that have been initiated without the necessary EHP review and approval will result in a non-compliance finding and will not be eligible for FEMA funding.</p>		
<p>7. The Subrecipient agrees that federal funds under this award will be used to supplement, not supplant, state or local funds for emergency preparedness.</p>		



Virginia Department of Emergency Management
 10501 Trade Court
 North Chesterfield, VA 23236

SUBAWARD AGREEMENT

Page 3 of 3

Subaward Name: **2019 State Homeland Security Grant Program (SHSP)**

Subaward Date: March 4, 2020

8. The Subrecipient agrees that all publications created with funding under this grant shall prominently contain the following statement: "This document was prepared under a grant from FEMA's Grant Programs Directorate, U.S. Department of Homeland Security. Points of view or opinions expressed in this document are those of the authors and do not necessarily represent the official position or policies of FEMA's Grant Programs Directorate or the U.S. Department of Homeland Security."
9. The Subrecipient agrees that, when practicable, any equipment purchased with grant funding shall be prominently marked as follows: "Purchased with funds provided by the U.S. Department of Homeland Security."
10. The Subrecipient agrees to cooperate with any assessments, national evaluation efforts, or information or data collection requests, including, but limited to, the provision of any information required for the assessment or evaluation of any activities within this project.
11. The Subrecipient must submit a Quarterly Progress Report for every quarter of the period of performance, including partial calendar quarters, as well as for periods where no grant activity occurs. Reports are due within fifteen (15) days following the end of the quarter. A Final Progress Report is due thirty (30) days after the end date of the performance period. Failure to provide this information may result in VDEM withholding grant funds from further obligation and expenditure and prevent future awards to the Subrecipient.
12. National Incident Management System (NIMS) Implementation Compliance

 In accordance with HSPD-5, the adoption of the NIMS is a requirement to receive federal preparedness assistance through grants, contracts, and other activities. No federal funds will be released to the primary grantee and any other entity participating and benefiting in this project if this requirement has not been met. In the event of a Corrective Action Plan submitted, VDEM/SAA will determine if the Subrecipient has made sufficient progress to disburse funds.
13. All conferences and workshops using federal preparedness funds must pertain to the project being funded. The Subrecipient agrees to submit a Trip Report when using federal funds to attend a conference or workshop. The Trip Report template can be found at www.vaemergency.gov under [Reporting Forms](#). These reports must be remitted with your request for reimbursement. Failure to do so will result in a delay of payment until received.
14. The Subrecipient agrees that under program guidelines, travel expenses are allowable for approved training, planning, administrative, and exercise activities following local, state, and federal guidelines. Prior to traveling for these activities outside of contiguous United States (OCONUS) as well as to Canada and Mexico, preapproval is required by the state and FEMA through the SAA office.

 Please reference [2 CFR 200.403](#), in regard to reasonableness when considering requests for travel of this type. Where applicable, you should also reference the following regarding travel: the Western Hemisphere Travel Initiative (http://www.dhs.gov/files/programs/qc_1200693579776.shtm).

**COMMONWEALTH OF VIRGINIA
VIRGINIA DEPARTMENT OF EMERGENCY MANAGEMENT
AND
THE COUNTY OF FREDERICK, ON BEHALF OF THE
FREDERICK COUNTY FIRE & RESCUE /
STEPHENS CITY VOLUNTEER FIRE & RESCUE
WATER RESCUE TEAM**

MEMORANDUM OF UNDERSTANDING

THIS AGREEMENT is made by and between the Commonwealth of Virginia, Department of Emergency Management (VDEM) and the County of Frederick, a political subdivision within the Commonwealth of Virginia.

WHERE AS, There exists within the Commonwealth of Virginia the potential for serious accidents, as well as man-made and natural disasters; and

WHERE AS, The public health, safety and welfare may be threatened as a result of these incidents; and

WHERE AS, The VDEM is authorized by Va. Code Ann. § 44-146.18 to enter into agreements, necessary or incidental to performance of any of its duties, with political subdivisions; and

WHERE AS, The County of Frederick is the host jurisdiction of the Frederick County Fire & Rescue / Stephens City Volunteer Fire & Rescue Swiftwater Rescue Team; and

WHERE AS, The County of Frederick and VDEM desire to enhance the Commonwealth's Emergency Management capabilities to protect the environment and the health, safety, and welfare of the citizens of the Commonwealth from the dangers and potential dangers of accidents and incidents during natural and man-made emergencies (to include acts of terrorism) by entering into this Agreement for the County of Frederick to provide a Swiftwater Rescue Team to areas impacted by events in the Commonwealth of Virginia or to fulfill a request for assistance under the Emergency Management Assistance Compact (EMAC), Va. Code Ann. § 44-146.28:1.

NOW, THEREFORE, in consideration of the foregoing, the parties hereby agree as follows:

I. RESPONSIBILITIES OF VDEM

- A. VDEM shall request Frederick County Fire & Rescue / Stephens City Volunteer Fire & Rescue Swiftwater Rescue Team assistance in accordance with the procedures set forth in Appendix A.
- B. VDEM shall reimburse all eligible expenses incurred during a VDEM-authorized response in accordance with the below procedure.

- C. VDEM will place Frederick County Fire & Rescue / Stephens City Volunteer Fire & Rescue Swiftwater Rescue Team in the non-competitive category of the State Homeland Security Grant program in order to provide access to additional potential funding to support team equipment and training aligned with published annual Swiftwater Rescue program grant funding priorities.

II. RESPONSIBILITIES OF THE HOST JURISDICTION

- A. The County of Frederick agrees to provide:
 - a. A Swiftwater Rescue Team meeting the minimum personnel/equipment standards of a FEMA Type 4 SWR Team, but not to exceed the personnel/equipment standards of a FEMA Type 1 SWR Team.
 - b. Team response 24 hours per day, seven days per week, at the request of VDEM, within four hours of notification with capability to self-sustain operations for at least 24 hours. See Appendix A.
 - c. Access to team equipment and training records to the VDEM program management staff during normal business hours. A roster of team personnel will be furnished to the VDEM Swiftwater Rescue Program Manager on a semi-annual basis or when personnel rotate on or off the roster; roster must include training and credentialing maintained by each team member.
 - d. A written response report to VDEM within 24 hours following a response.
 - e. An inventory of available team equipment annually. In addition, the inventory will be resubmitted anytime equipment is added or removed from assignment to the Team.
- B. Report team readiness to the VDEM's Situation Awareness Unit to ensure it maintains an accurate team status at all times. VDEM will assume the team is ready unless notified the team is out of service or under a delayed response beyond the required deployment time. Nature of status will be reported as well (mechanical, personnel, training-delayed response, etc.) along with an estimate on when the team will return to a ready status. In addition, team will report response updates to the SAU which includes: acknowledge activation, enroute, on-scene, clearing the scene, and back in quarters. Status may be reported by phone, through the locality's PSAP, or via STARS radio.
- C. Frederick County Fire & Rescue / Stephens City Volunteer Fire & Rescue Swiftwater Rescue Team agrees to maintain training proficiency for all team members by having them complete, as a minimum, 24 hours of continuing education annually and participate in annual drills or exercises developed or sponsored by VDEM.

- D. For the life of this agreement, Frederick County Fire & Rescue / Stephens City Volunteer Fire & Rescue Swiftwater Rescue Team will maintain all Swiftwater Rescue Team equipment purchased with funds provided through VDEM.
- E. Frederick County Fire & Rescue / Stephens City Volunteer Fire & Rescue Swiftwater Rescue Team agrees to participate with VDEM and other State Special Operations teams in the strategic planning process and abide by its implementation.
- F. Frederick County Fire & Rescue / Stephens City Volunteer Fire & Rescue Swiftwater Rescue Team agrees to coordinate with other VDEM Special Operations teams to ensure interoperability and standardization of equipment.
- G. Frederick County Fire & Rescue / Stephens City Volunteer Fire & Rescue Swiftwater Rescue Team agrees to support request for assistance under the Emergency Management Assistance Compact (EMAC) when able.

III. REIMBURSEMENTPROCEDURE

- A. Reimbursement will vary based on the incident. The below Cost/Share Matrix indicates funding responsibility by type of call.

Type of Event	Responsible Party
Emergency (State Declaration)	VDEM
Emergency (Non-Declared)	Requesting Locality
Pre-Planned Event	Responsible party(ies) will be established/negotiated between the team, requesting locality, and VDEM based on incident threat, risk, and anticipated attendance.
Emergency Management Assistance Compact Request	Requesting State/Locality per EMAC Acceptance

- B. Payment will be made only for authorized expenses for responses authorized by VDEM and for incidents based on the above cost/share matrix. Authorized expenses include the following:

1. Payment of salaries, wages, fringe benefit costs of response personnel, and other expenses (in accordance with state guidelines) incurred during a response activated by VDEM. Time billed will start when the team is activated by VDEM and concludes when the team has returned to their base of operations in their locality (portal-to-portal). Up to four additional hours for equipment cleanup (when necessary) are authorized and also costs associated with backfill personnel.
 2. Payment for or resupply of expendable materials used during the incident.
 3. Payment for or replacement of nonexpendable items damaged beyond economical repair. A statement is required documenting extent of damage, length of time in use, and condition of item at time of damage.
 4. Payment for repair of nonexpendable items.
 5. Payment of workers' compensation claims.
 6. Reimbursement for the use of team equipment using the below schedule.
 7. Payment for vehicle insurance deductible only (up to \$1,000) if the vehicle is involved in an accident on a State response. If a third party is involved in an incident and is at fault, collection will be attempted by the team from the third party before VDEM will reimburse.
- C. Team will submit a Cost Recovery Form to VDEM's Chief Financial Officer within 60 days following a response to request reimbursement of authorized expenses as outlined above. Payment will be made within 30 days of VDEM cost validation.
- D. The latest FEMA Schedule of Equipment Rates will be used to determine equipment use cost (see 44 CFR §:206.228). Mileage reimbursement will be at the current IRS rate.

IV. LIABILITIES

- A. VDEM agrees that the Frederick County Fire & Rescue / Stephens City Volunteer Fire & Rescue Swiftwater Rescue Team is an authorized agent of VDEM when its personnel are responding to a VDEM activated request.
- B. Pursuant to § 44-146.23 of the Code of Virginia, when the Frederick County Fire & Rescue / Stephens City Volunteer Fire & Rescue Swiftwater Rescue Team is an authorized agent of VDEM and acting within the scope of such authorization, the Team and its members enjoy limited protection from liability to the same extent as a State employee when deployed by VDEM under the circumstances of this Agreement. Virginia Code Ann. § 44-146.23 does not preclude liability for civil damages as a result of gross negligence, recklessness or willful misconduct.

- C. In accordance with Va. Code Ann. § 65.2-101, any member of the Frederick County Fire & Rescue / Stephens City Volunteer Fire & Rescue Swiftwater Rescue Team who responds to an incident upon request of VDEM, shall be deemed an employee of VDEM for the purposes of the Virginia Workers' Compensation Act. This includes costs associated with medical care related to an illness or injury suspected of being caused or actually caused by acute illness/injury as a result of State response activities.

V. RIGHT TO REFUSE RESPONSE REQUEST

The County of Frederick reserves the right to refuse a VDEM request for the Frederick County Fire & Rescue / Stephens City Volunteer Fire & Rescue Swiftwater Rescue Team if its resources are already committed to other activities, emergencies, or other impending weather or disaster related events. The SAU must be notified immediately anytime the team is out of service due to these circumstances.

VI. TERMINATION

This Agreement may be terminated by either party upon 60 days written notice thereof to the other party. Upon termination, all equipment purchased with grant funds awarded for the purpose of establishing a statewide Swiftwater Rescue Program will be returned to VDEM so that they may be reallocated to support the state program. Equipment that has been in service for more than 3 years and/or exceeded 50% of its service life will remain with the team.

VII. ENTIRE AGREEMENT

- A. This Agreement, including all Appendices, may be modified from time to time by written agreement of the parties hereto and which Appendices are hereby incorporated by reference as a part of this Agreement, represents the entire and integrated Agreement between the parties and supersedes any and all prior negotiations, representations, or agreements, either oral or written. This Agreement may be amended only by written instrument signed by all authorized representatives of all parties of said Agreement.
- B. This Agreement shall not preempt any existing mutual aid agreements (written or verbal) now in effect by the County of Frederick.
- C. This Agreement is not legally enforceable by any third party, does not create enforceable rights in any third party, nor shall any third party be considered a third party beneficiary of this Agreement. As such it does not imply or assume any waiver of sovereign immunity by the Commonwealth of Virginia or the County of Frederick.
- D. This agreement supersedes and cancels any previous agreements signed between VDEM and the County of Frederick relating to the Swiftwater Rescue Team.

VIII. DURATION OF MEMORANDUM OF UNDERSTANDING

A. This MOU is effective upon the signature the State Coordinator of VDEM or his designee, and will expire June 30, 2025.

IN WITNESS THEREOF, the parties have caused this Agreement to be executed by the following duly authorized persons:

County of Frederick by: Kris Tierney

Signature: 

Title: County Administrator

Date: 4/16/2020

Stephens City Volunteer Fire & Rescue by: Timothy Vaught

Signature: _____

Title: Chief

Date: _____

Virginia Department of Emergency Management
by: Jeffrey D. Stern

Signature: _____

Title: State Coordinator

Date: _____

APPENDIX A RESPONSE

PROCEDURES

VDEM will activate the Frederick County Fire & Rescue / Stephens City Volunteer Fire & Rescue Swiftwater Rescue Team by notifying the team leader and/or pre-designated personnel through the Everbridge Mass Notification System. The locality's team leader or pre-designated individual will immediately notify the appropriate personnel to facilitate the rapid deployment of the team. To the extent known at the time, requests shall specify:

1. The nature of the emergency and its location
2. The capability that is needed by the requesting jurisdiction
3. The types and amounts of resources needed including the number of response personnel (VDEM will determine the number of personnel required during the initial response phase of an incident)
4. The address and location of where the resource should report
5. The name of the official to whom the assisting personnel shall report, and tactical radio channels in use at the incident
6. State / EMAC mission number

the Frederick County Emergency Communications Center; and

WHEREAS, Michelle strives constantly to make sure that the Crime Solvers program is not only successful, but also easy for the public to access and for the operators in the Emergency Communications Center to interface with, conducting training with each member of the Emergency Communications Center staff to make sure that all know how to utilize the system, and being available at all times for questions that any staff member may have in relation to working with the system; and

WHEREAS, Michelle is diligent in networking with tipsters to make sure that suspects are apprehended as well as to make sure that tipsters get compensated for the tips that they give; and

WHEREAS, as Administrator for the Crime Solvers program, Michelle takes on extra duties willingly and does them in addition to her other duties in the Emergency Communications Center, giving extra effort in keeping with the highest standards of the Frederick County Department of Emergency Communications, and has contributed to a number of arrests as a result of her drive and fortitude;

NOW, THEREFORE BE IT RESOLVED, by the Frederick County Board of Supervisors this 13th day of November 2019, that Michelle Cunningham is hereby recognized as the Frederick County Employee of the Month for November 2019; and

BE IT FURTHER RESOLVED, that the Board of Supervisors extends gratitude to Michelle Cunningham for her outstanding performance and dedicated service and wishes her continued success in future endeavors; and

BE IT FINALLY RESOLVED, that Michelle Cunningham is hereby entitled to all of the rights and privileges associated with this award.

+ + + + +

ACKNOWLEDGMENT OF STATE HOMELAND SECURITY PROGRAM GRANT AND CORRESPONDING SUPPLEMENTAL APPROPRIATION IN THE AMOUNT OF \$76,000.00 – APPROVED

The Board, County Administrator Tierney, and Chief Linaburg discussed the nature of the grant being a pass through from the Virginia Department of Emergency Management which specifies allowable uses for the grant funds that can be monitored by the procurement process. Supervisor Dunn moved for acknowledgment of the grant and the corresponding supplemental appropriation with staff addressing any procurement concerns. Supervisor McCarthy seconded the motion which carried on a roll call vote as follows:

Blaine P. Dunn	Aye	Shannon G. Trout	Aye
Gary A. Lofton	Aye	Robert W. Wells	Aye
J. Douglas McCarthy	Aye	Charles S. DeHaven, Jr.	Aye
Judith McCann-Slaughter	Aye		

BOARD OF SUPERVISORS COMMENTS – None



MEMO

To: Finance Committee
From: Jason Robertson, Director
Through Jon Turkel, Assistant Director of [REDACTED]
Subject: Proffer Request: Outdoor Gym, Clearbrook Park
Date: August 12, 2020

The Parks and Recreation Commission is requesting \$55,000 in proffer funds be used to Install an outdoor gym facility at Clearbrook Park. This facility would be like the outdoor gym installed at Sherando Park, but with a focus on flexibility, range of motion, and cardiovascular development. A rendering of the proposed facility is attached (Attachment 1).

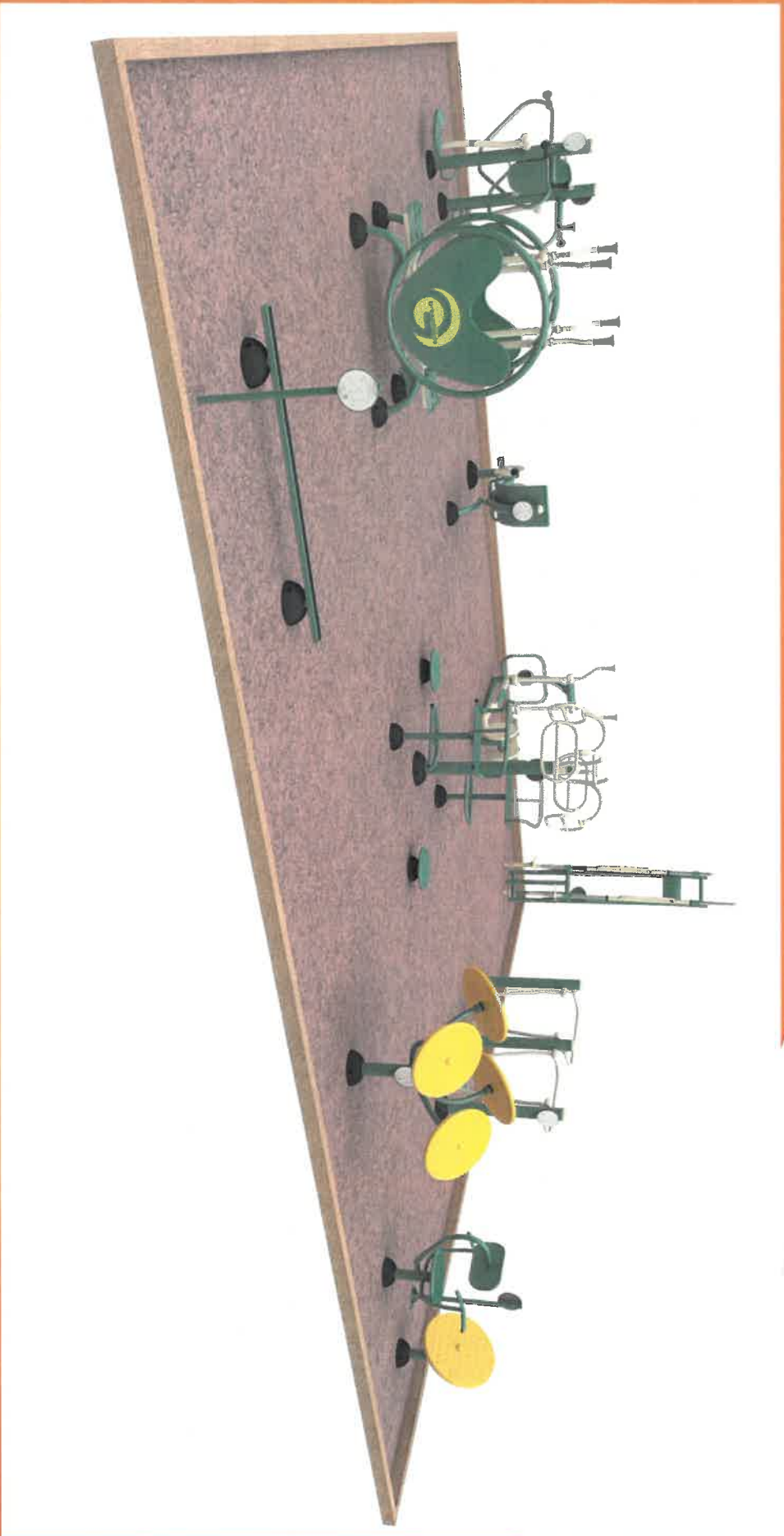
The cost breakdown of the project is as follows, any unused funds would be returned to the Parks and Recreation proffer account:

Proposed Outdoor Gym, CB Park	
Equipment Quote:	\$34,960
Bordering, & Mulch	\$10,000
Access Path	\$5,040
Subtotal:	\$50,000
10% Contingency	\$5,000
Total Request:	\$55,000

Amenity development at Regional Parks is referenced in the county Capital Improvements Plan under the heading of “Regional Parks” for the purpose of meeting the needs of new and existing residents. Fitness facilities are identified as the 6th most desired facility type in the 2017 Parks and Recreation community survey. There are several contributing developments in the 10-15-mile park service area.

The Parks and Recreation proffer balance as of July 31, 2020 was \$330,532.12. The Frederick County Proffer Policy is attached for reference (Attachment 2).

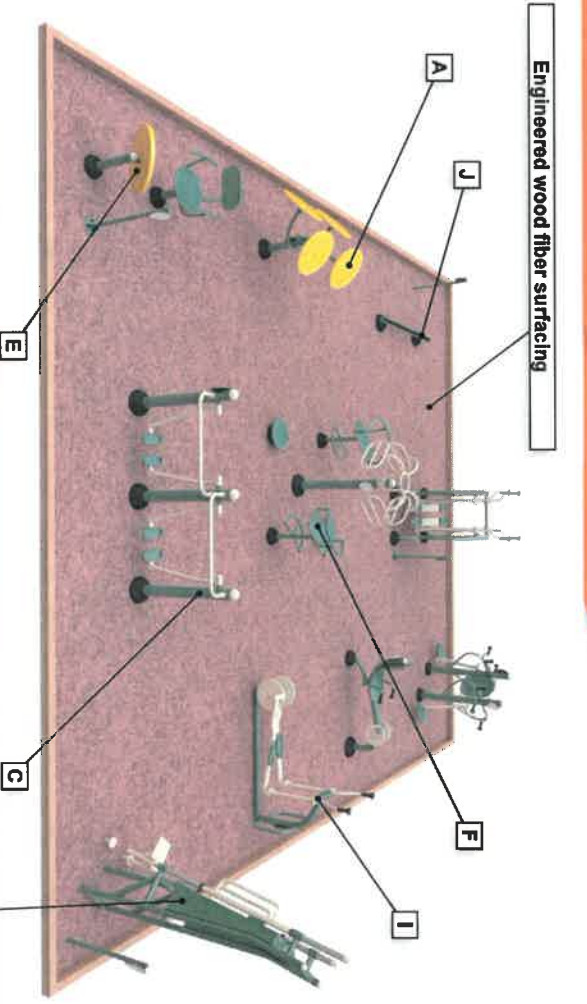
VA - FREDERICK COUNTY - CLEARBROOK PARK - V.3 - REV. 1 - 08-03-2020
PROPOSED OUTDOOR FITNESS ZONE



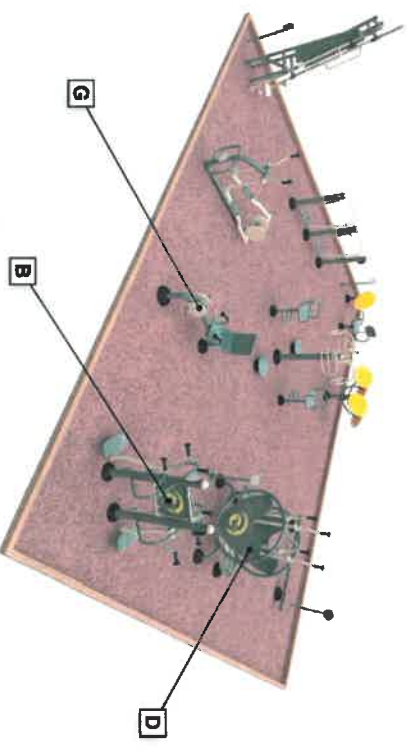
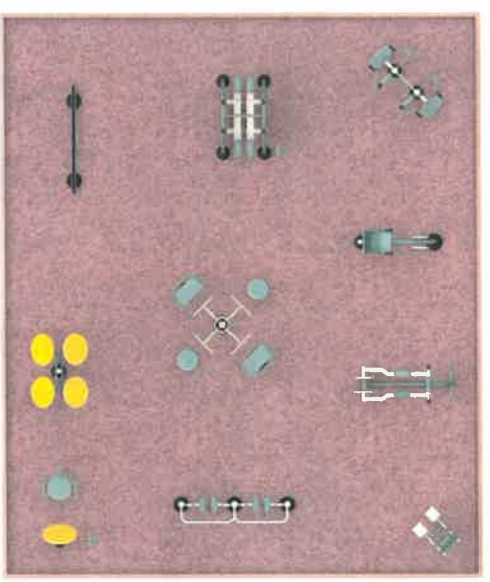
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VA - FREDERICK COUNTY - CLEARBROOK PARK - V.3 - REV. 1 - 08-03-2020
PROPOSED OUTDOOR FITNESS ZONE



- PROPOSED EQUIPMENT LEGEND**
- A SGR2005-1-04 2-Person Tai-Chi Spinners
 - B SGR2005-1-22 4-Person Pendulum, Abs, & Dip Station
 - C SGR2005-1-23 2-Person Air Walker
 - D SGR2005-1-26 2-Person Cross-Country Ski
 - E SGR2005-1-28 Seated Core Strengthening
 - F SGR2005-1-46 4-Person Twisting Station
 - G SGR2005-1-49 Recumbent Bike
 - H SGR2005-1-92 Stair Climber
 - I SHP2009-5-03 Elliptical Cross Trainer
 - J SHP2009-7-31 Balance Beam
- These 10 units may serve up to 19 people at a time.



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Frederick County
Cash Proffer Policy

As approved by the Board of Supervisors on January 28, 2009.

Proffered funds received by Frederick County will be held for the use specified by the proffer language. In the case of funds proffered to offset impacts to fire and rescue services, in the absence of other proffered specifications, the funds will be earmarked for the first due company in the area of the subject rezoning at the time the proffered funds are received. All proffered funds will be collected, held, and will accumulate until such time as a capital project funding request is received from a qualifying County department, agency, or volunteer fire and rescue company.

Qualifying agency or departmental **requests to access proffered funds shall be submitted to the County=s Finance Department** for processing. In order to qualify as a capital project the following criteria must be met:

- 1) the item or project must have a minimum value of five thousand dollars (\$5,000), and;*
- 2) the item/project must have an anticipated useful life of at least five (5) years.*

The Finance Department will forward requests to the Finance Committee for a recommendation to the Board of Supervisors on the appropriateness of the use of proffered funds for the requested purpose. To assist the Finance Committee and Board in their deliberations requests to utilize proffered funds should include the following: 1) the amount of funds requested, 2) the total project cost, 3) a detailed description of the desired capital project or purchase including a discussion of how recent or anticipated development contributes to the need for the expenditure, and, 4) indicate whether or not the item or project is listed on the County=s Capital Improvements Plan (CIP).

In order to comply with State Code ' 15.2-2-2298 (A) the Planning staff, working in conjunction with the County Attorney, will attempt to insure that cash proffers associated with future rezonings are appropriately addressed through inclusion of relevant capital projects in the County=s CIP prior to acceptance of the proffered funds.

For the purpose of determining whether a project or item is appropriate for individual listing on the CIP only, a threshold value of \$100,000 and useful life of at least five year shall be utilized. (This would not preclude the purchase of capital items valued at less than \$100,000 utilizing proffered funds, where other relevant criteria are met and procedures followed.)



MEMORANDUM

TO: Cheryl Shiffler, Director of Finance [REDACTED]

FROM: Joe C. Wilder, Director of Public Works [REDACTED]

SUBJECT: Supplemental Appropriation/Carry Forward Requests for Fiscal Year 2021

DATE: July 31, 2020

In a regularly scheduled meeting held on July 28, 2020, the Public Works Committee unanimously endorsed the following carry forward requests:

- a. Animal Shelter Budget
 1. Line Item 10-4305-3001-00 Professional Health Services
Request supplemental appropriation in the amount of \$20,000 for the spay/neuter program. Funds are available from donations in the reserve fund line item 10-240-2501.
(Attachment 1)
- b. Solid Waste Budget
 1. Line Item 10-4203-5412-01 Educational Supplies - Grant
Request a carry forward in the amount of \$2,495. This grant amount from the Virginia Chesapeake Bay Fund was unable to be spent in the FY20 budget due to COVID-19 concerns.
(Attachment 2)
- c. Landfill Budget
 1. Line Item 12-4204-3002-00 Professional Services
Line Item 12-4204-8003-00 Communication Equipment
Line Item 12-4204-8900-00 Improvements other than
Request any unspent funds from these line items be placed in same line items in FY2021 Budget.
(Attachment 3)

Please include the above carry forward requests/supplemental appropriation on the next Finance Committee agenda.

JCW/kco

attachments as stated

cc: file

ATTACHMENT 1

FREDERICK COUNTY - ANIMAL SHELTER

Kathy M. Whetzel
Shelter Manager
540/667-9192 ext. 2502
FAX 540/722-6108
E-mail: kwhetzel@fcva.us

MEMORANDUM

TO: Joe Wilder, Director of Public Works
FROM: Kathy M. Whetzel, Shelter Manager
SUBJECT: FY 21 Donation Fund Appropriation
DATE: 7/9/20

The Shelter is requesting an appropriation from 1034 donation fund, into line item 10-4305-3001-01 Professional Services - Donation, in the amount of \$20,000.00 for the FY 21 Budget.

The funding is part of the Dorothy Flemming trust given for the purpose of spaying and neutering shelter pets.

Please contact me if you have any questions.

KMW:hag

bal \$1,234,020



ATTACHMENT 2

MEMORANDUM

TO: Cheryl Shiffler, Director, Finance Dept.

FROM: Gloria Puffinburger, Solid Waste Manager [REDACTED]

THROUGH: Joe Wilder, Director, Public Works

SUBJECT: Carry forward of grant funds to
Refuse Collection (4203); FY 20/21

DATE: July 21, 2020

The purpose of this memorandum is to request the carry forward of grant funds shown in line item 10-4203-5412-01 (Refuse Collection) to the current 20/21 fiscal year. Funds total \$2,495 and have been granted to the county in support of environmental education from the Virginia Chesapeake Bay Fund administered by the Virginia Department of Legislative Services.

Monies were intended to be expended during the spring 2020 school term, however, health concerns due to the coronavirus made this impossible. The department has been granted an extension to complete the project.

If you have any questions, please contact me at Extension 8219 or gpuffinb@fcva.us.
/gmp

cc: file

fy 20 bal \$2,495

funds received c.s. 5/20/19
3-010-019040-0015

Sharon Kibler

From: Gloria Puffinburger
Sent: Thursday, August 13, 2020 3:53 PM
To: Sharon Kibler
Subject: FW: '[External]'Re: Chesapeake Bay Grant 19-015

From: Gwen Foley <gfoley@dls.virginia.gov>
Sent: Friday, April 24, 2020 2:54 PM
To: Gloria Puffinburger <gpuffinb@fcva.us>
Cc: Scott Meacham <smeacham@dls.virginia.gov>
Subject: '[External]'Re: Chesapeake Bay Grant 19-015

As detailed in this e-mail, permission is granted for the extension of Chesp. Bay Grant #19-015 until July 1, 2021, at which time your final narrative and fiscal report will be due.

If you have any other questions or concerns, please do not hesitate to contact me.

Thanks, Gwen

On Fri, Apr 24, 2020 at 1:03 PM Gloria Puffinburger <gpuffinb@fcva.us> wrote:

Ms. Foley:

I am writing to inquire about unexpended 2019 grant awards and the possibility of completing the above-referenced project during the 2020/21 fiscal year.

Assemblies were scheduled to happen this spring at local public and private schools per the grant application, however, with the close of all schools in early March, Frederick County as forced to suspend this project.

It is still our desire to bring our chosen vendor and his live Chesapeake critters back to our local school children during the next school year. The program has been well-received in the past and provides a lot of useful information about personal actions that can be taken to improve the health of the bay and its creatures.

I look forward to hearing from you.



ATTACHMENT 3
MEMORANDUM

TO: **Public Works Committee**

FROM: **Ron Kimble, Landfill Manager**

THROUGH: **Joe C. Wilder, Director of Public Works**

SUBJECT: **Carry Forwards to 2020/2021**

DATE: **July 20, 2020**

We are requesting that funding remaining at the end of the 2020 fiscal year in each of the following line items be carried over into the new 2020/2021 budget.

12-4204-3002-00 Professional Services

Landfill staff are currently looking at long term waste disposal options for the local service area. Moving the remaining funding in this line item into the 20/21 budget will ensure that the current studies will be completed. An estimated amount of \$188,111 remains in this line item at the end of FY20.

12-4204-8003-00 Communication Equipment

The 2019/2020 budget had \$40,000 allocated to begin the creation of an onsite network at the landfill facility. The first step of establishing a trunk line to connect the facility directly to the County's network has been completed. Landfill staff continue to work with the County IT department to establish the most effective networking options moving forward.

12-4204-8900-00 Improvements Other Than

Hetzer Construction is in process of blasting and crushing rock in the area of future MSW Cell 3A. The funding that we are requesting be moved in this line item is allocated to this project. Staff estimate that a total of \$1,099,187 will be available to carry forward in this line item.

In total, I am asking that an estimated \$1,327,298 be carried over into the 2020/2021 budget. Please contact me at 540-665-5658 should you have questions regarding this request.

FREDERICK COUNTY SHERIFF'S OFFICE



Sheriff Lenny Millholland

Major Steve A. Hawkins

1080 COVERSTONE DRIVE
WINCHESTER, VIRGINIA 22602

540-662-6168
FAX 540-504-6400

TO : Cheryl Shiffler Director of Finance
FROM : Sheriff Lenny Millholland
DATE : July 17, 2020
SUBJECT : Insurance Reimbursement

The Frederick County Sheriff's Office has received a check from VACoRP for an auto claim dated June 10, 2020. We are requesting \$7,025.00 be appropriated into the following line item. This amount will go towards a vehicle to replace the one that was total

Please appropriate to line item 31020-8005-000-000

Thank you

[REDACTED]
LWM/adc



VACORP

FREDERICK
COUNTY

JUL 18 2020

FINANCE
DEPARTMENT

July 8, 2020

Frederick County
Attn: Jennifer Place
107 N. Kent St.
Winchester, Virginia 22601

Virginia Association of Counties Group Self-Insurance Risk Pool

Member: Frederick County

Claim Number: 0342020266771

Date of Loss: 06/10/2020

To Frederick County:

Enclosed please find a VACORP property damage check in the amount of \$7,025.00 for the damages to the 2014 Ford Taurus. We issued payment \$7,525.00 (estimate) – \$500.00 (deductible) = \$7,025.00 to Frederick County. This repair was determined by S&S Appraisal Services

If you should have any questions regarding this payment, please do not hesitate to contact our office.

Sincerely,

[Redacted Signature]

Corey Reese

Claims Associate
Enclosed: check
Cc: Jennifer Place

Frederick County Sheriff's Office

Sheriff Lenny Millholland



Major Steve A. Hawkins

1080 Coverstone Drive
Winchester, Virginia 22602

Office (540) 662-6168
Fax (540) 504-6400

TO : Cheryl Shiffler Director of Finance
FROM : Sheriff Lenny Millholland
DATE : August 3, 2020
SUBJECT : Insurance Reimbursement

The Frederick County Sheriff's Office has received a check from VACoRP for an auto claim dated June 12, 2020. We are requesting \$4467.03 be appropriated into the following line item.

Please appropriate to line item 31020-3004-000-002

Thank you

LWM/adc



VACORP

July 10, 2020

Frederick County
Attn: Jennifer Place
107 N. Kent Street
Winchester, Virginia 22601

Virginia Association of Counties Group Self-Insurance Risk Pool
Member: Frederick County
Claim Number: 0342020267029
Date of Loss: 06/12/2020

To Frederick County:

Enclosed please find a VACORP property damage check in the amount of \$4,467.03 for the damages to the 2017 Ford Fusion VIN#2835. We issued payment \$4,967.03 (estimate) – \$500.00 (deductible) = \$4,467.03 to Frederick County. This repair was determined by S&S Appraisal Services.

If you should have any questions regarding this payment, please do not hesitate to contact our office.

Sincerely,


Corey Reese

Claims Associate
Enclosed: check
Cc: Jennifer Place

FREDERICK COUNTY SHERIFF'S OFFICE



Sheriff Lenny Millholland

Major Steve A. Hawkins

1080 COVERSTONE DRIVE
WINCHESTER, VIRGINIA 22602

540-662-6168
FAX 540-504-6400

TO : Cheryl Shiffler Director of Finance
FROM : Sheriff Lenny Millholland
SUBJECT : Appropriation of Funds – Payment for Cruiser
DATE : July 21, 2020

Frederick County Sheriff's Office has received payment in the amount of \$18,159.23 from PAYMAC Inc. for the purchase five cruisers that were out of service and a 1989 trailer that was at the impound lot unoccupied. The Amount has been posted to 3-010-015020-0007.

We are requesting the amounts to be appropriated into the following line items

31020-8005-000-000 - \$13,409.23. This will be used to go towards a new cruiser

31020-~~8009~~-000-000 - \$4,750.00. Will be used to go towards a building at the impound lot.

~~8900~~

Thank you,

LWM/adc

C.S. 7/20/20 \$23,159.23

5,000.00 budgeted revenue

\$18,159.23 31/A request

FREDERICK COUNTY SHERIFF'S OFFICE



Sheriff Lenny Millholland

Major Steve A. Hawkins

1080 COVERSTONE DRIVE
WINCHESTER, VIRGINIA 22602

540-662-6168
FAX 540-504-6400

TO : Cheryl Shiffler Director of Finance
FROM : Sheriff Lenny Millholland
SUBJECT : Appropriation of Funds – Public Surplus
DATE : August 12, 2020

Frederick County Sheriff's Office has received payment in the amount of \$2,400.57 from PAYMAC Inc. for the purchase of a generator and projector. The Amount has been posted to 3-010-015020-0007.

We are requesting the amount to be appropriated into 31020-8009-000-000. Will be used to go towards a building at the impound lot.

Thank you,

[REDACTED]
LWM/adc

c.s. 8/13/20

DATE: August 11, 2020

TO: Cheryl Shiffler
Finance Director

FROM: Patrick Barker, CEcD
Executive Director, Frederick County EDA

CC: Jay Tibbs
Deputy County Administrator

RE: Data Center Equipment Tax Rate Request

Northern Virginia is the largest data center market in the world. Estimates from 2018 reveal that the data center industry in Virginia directly provided approximately:

- 14,644 full-time-equivalent jobs with an average annual pay of \$126,000 (data center industry pay has increased twice as fast as the statewide average since 2001),
- \$1.9 billion in associated pay and benefits,
- \$4.5 billion in economic output.

Data centers pay millions of dollars in state and local taxes in Virginia, even though Virginia has a sales and use tax exemption on some equipment for data centers that are large enough to qualify for the exemption. In addition to the taxes paid directly by data centers, local governments and the Commonwealth collect tax revenue from the secondary indirect and induced economic activity that data centers generate. Estimates from 2018 forecast that data centers were directly and indirectly responsible for generating \$600.1 million in state and local tax revenue in Virginia.

Frederick County, and the rest of the Shenandoah Valley, have mostly been left out of Virginia's data center market. Seventy-five percent of data center employment was in Northern Virginia in 2018. The Shenandoah Valley accounted for only two percent.

Data center experts state that Virginia and the United States have not yet reached "peak data center." The expansion of artificial intelligence, machine learning, and augmented reality are all putting increasing demands on data centers. In addition, with the rollout of 5G technology to wireless networks, the shape of the industry will change. It is likely that the rate of growth of data center operations will be even greater than in the past.

Frederick County's time is now to acquire a share of the data center market. In consulting with project managers at the Virginia Economic Development Partnership and data center experts, the creation of a competitive tax structure for data center operations is one of the first steps for Frederick County to be competitive in this sector. Currently, data center prospects most always build in Loudoun County and then Prince William County.

One of the single most important reasons for northern Virginia's domination of the data center market is that it is right on the doorstep of Washington D.C., without actually being in the city.

YOUR MOVE. OUR COMMITMENT.

Northern Virginia is one market where fiber connectivity is widely available. Another reason that Northern Virginia is a prime choice for data centers than other regions around the country is lower electricity costs. Ashburn and the rest of Data Center Alley have access to a pool of skilled, affordable labor that makes running a data center simpler and more affordable.

Frederick County must entice data centers to look further and bring their business into an area of low data center concentration with a combination of financial incentives (e.g. low taxes, competitive utility rates, and low-cost data center capacity).

Virginia enabling legislation regarding business personal property tax permits differentiation in tax treatment of data center equipment, both in method of valuation (Va. Code Sec. 58.1-3503(A)(17)) and in rate of taxation (Va. Code Sec. 58.1-3506(A)(43)). State law (Va. Code Sec. 58.1-3506(A)(43)) defines a “data center” as “a facility whose primary services are the storage, management, and processing of digital data, and is used to house: (i) computer and network systems, including associated components such as servers, network equipment and appliances, telecommunications, and data storage systems; (ii) systems for monitoring and managing infrastructure performance; (iii) equipment used for the transformation, transmission, distribution, or management of at least one megawatt of capacity of electrical power and cooling, including substations, uninterruptible power supply systems, all electrical plant equipment, and associated air handlers; (iv) Internet-related equipment and services; (v) data communications connections; (vi) environmental controls; (vii) fire protection systems; and (viii) security systems and services.”

Many localities in Virginia have already enacted tax structures per this enabling legislation and established tax rates for data center equipment. The following is a listing of potential competing localities and their data center rates.

Locality	Assessed value (% of original cost), by year	Rate/\$100
Fauquier County	60%, 40%, 20%, 10% min.	\$2.30
Henrico County	72%, 50%, 32%, 20%, 12%, 4% min.	\$0.87
Loudoun County	50%, 40%, 30%, 20%, 10% min.	\$4.20
Prince William County	50%, 35%, 20%, 10%, 5% min.	\$1.35
Stafford County	50%, 35%, 20%, 10%, 5% min	\$1.25

Currently, equipment at data center operations in Frederick County would be taxed at a tangible personal property tax rate of 30% of original value then \$4.86 per \$100. This creates significant cost differences between Frederick County and competing localities. For example, Frederick County’s five-year effective tax rate on data center operations would be \$1.46 per \$100 versus Prince William’s \$0.32, Loudoun’s \$1.26, Fauquier’s \$0.64, and Stafford’s \$0.30. Comparing Frederick County to Prince William County, for example, for every \$10,000,000 in equipment a data center has, the net tax amount in Frederick County would be \$567,000 more over 5 years, obviously creating a significant disincentive for a data center to locate in Frederick County.



Staff collaborated with the Commissioner of Revenue’s office on the following recommended rate structure for data center equipment.

Assessed value (% of original cost), by year	Rate/\$100
50%, 35%, 20%, 10%, 5% min.	\$1.25

This rate structure was selected based on a review of likely competing localities, discussions with State economic development officials and data center site location consultants. This rate structure would be lower than established data center counties of Prince William, Loudoun, and Fauquier. However, it should be noted that these counties boast vastly superior telecommunications infrastructure. As such, Frederick County needs to compensate for some of that difference with a lower data center equipment tax rate, coupled with the County’s lower land costs and real estate taxes.

A hypothetical example of a data center project illustrates Frederick County’s financial competitive edge with the recommended rate structure for data centers. The underlying assumption for the example is a 150,000 square foot facility with capital investment of \$267 million — \$9.75 million in real estate, \$77.8 million in data center infrastructure, and \$180 million in servers, which are typically refreshed every 4 to 5 years. Data center infrastructure is typically comprised of generators, UPS, power distribution units, air conditioning, cooling towers, and chiller plants.

Summary findings for this hypothetical example is provided. Full details of the analysis are attached.

Locality	5 Year Revenue\Tax Liability	10 Year Revenue\Tax Liability
Frederick County <i>(current)</i>	\$19,087,350	\$38,174,700
Frederick County <i>(recommendation)</i>	\$5,176,125	\$9,091,469
Fauquier County	\$10,854,125	\$19,270,825
Loudoun County	\$19,850,906	\$35,680,313
Henrico County	\$2,773,785	\$4,872,910
Prince William County	\$5,857,706	\$10,353,769
Stafford County	\$5,351,625	\$9,442,469

At their August meeting, the Board of Directors for the Frederick County Economic Development Authority unanimously recommended **adoption of this new tax rate and forwarded it** to Frederick County’s Finance Committee for further evaluation and discussion.



Data Center Equipment Tax Rate Analysis

	Frederick													
	Current	Proposed												
5 Year DC Operator's Real Estate	\$297,375	\$297,375	\$588,656	\$424,125	\$484,575	\$472,875	\$588,656							
5 Year DC Operator's Computer Hardware	\$5,667,975	\$1,166,250	\$1,259,550	\$578,460	\$2,503,550	\$1,166,250	\$4,898,250							
5 Year DC Operator Tax Liability	\$5,965,350	\$1,463,625	\$1,848,206	\$1,002,585	\$2,988,125	\$1,639,125	\$5,486,906							
5 Year Rank	2													
5 Year DC Client's Computer Hardware	\$13,122,000	\$3,712,500	\$4,009,500	\$1,771,200	\$7,866,000	\$3,712,500	\$14,364,000							
5 Year Rank	2													
TOTAL 5 YEAR	\$19,087,350	\$5,176,125	\$5,857,706	\$2,773,785	\$10,854,125	\$5,351,625	\$19,850,906							
10 Year DC Operator's Real Estate	\$594,750	\$594,750	\$1,177,313	\$848,250	\$969,150	\$945,750	\$1,177,313							
10 Year DC Operator's Computer Hardware	\$11,335,950	\$1,409,219	\$1,521,956	\$640,660	\$3,397,675	\$1,409,219	\$6,531,000							
10 Year DC Operator Tax Liability	\$11,930,700	\$2,003,969	\$2,699,269	\$1,488,910	\$4,366,825	\$2,354,969	\$7,708,313							
10 Year Rank	2													
10 Year DC Client's Computer Hardware	\$26,244,000	\$7,087,500	\$7,654,500	\$3,384,000	\$14,904,000	\$7,087,500	\$27,972,000							
10 Year Rank	2													
TOTAL 10 YEAR	\$38,174,700	\$9,091,469	\$10,353,769	\$4,872,910	\$19,270,825	\$9,442,469	\$35,680,313							
Real Estate	\$0.61	\$0.61	\$1.208	\$0.87	\$0.994	\$0.97	\$1.04							
Computer Hardware	\$4.86	\$1.25	\$1.35	\$0.40	\$2.30	\$1.25	\$4.20							
Year 1	30%	\$1.46	50%	\$0.63	50%	\$0.68	72%	\$0.29	60%	\$1.38	50%	\$0.63	50%	\$2.10
Year 2	30%	\$1.46	35%	\$0.44	35%	\$0.47	50%	\$0.20	40%	\$0.92	35%	\$0.44	40%	\$1.68
Year 3	30%	\$1.46	20%	\$0.25	20%	\$0.27	32%	\$0.13	20%	\$0.46	20%	\$0.25	30%	\$1.26
Year 4	30%	\$1.46	10%	\$0.13	10%	\$0.14	20%	\$0.08	10%	\$0.23	10%	\$0.13	20%	\$0.84
Year 5	30%	\$1.46	5%	\$0.06	5%	\$0.07	12%	\$0.05	10%	\$0.23	5%	\$0.06	10%	\$0.42
Year 6	30%	\$1.46	5%	\$0.06	5%	\$0.07	4%	\$0.02	10%	\$0.23	5%	\$0.06	10%	\$0.42
Year 7	30%	\$1.46	5%	\$0.06	5%	\$0.07	4%	\$0.02	10%	\$0.23	5%	\$0.06	10%	\$0.42
Year 8	30%	\$1.46	5%	\$0.06	5%	\$0.07	4%	\$0.02	10%	\$0.23	5%	\$0.06	10%	\$0.42
Year 9	30%	\$1.46	5%	\$0.06	5%	\$0.07	4%	\$0.02	10%	\$0.23	5%	\$0.06	10%	\$0.42
Year 10	30%	\$1.46	5%	\$0.06	5%	\$0.07	4%	\$0.02	10%	\$0.23	5%	\$0.06	10%	\$0.42
5 Year Average	\$1.46	\$0.30	\$0.32	\$0.15	\$0.64	\$0.30	\$1.26							
RANK	2													
10 Year Average		\$0.18	\$0.20	\$0.08	\$0.44	\$0.18								
RANK	2													

PRO FORMA SAMPLE – FOR DISCUSSION OF
DATA CENTER PROPERTY TAXATION

8/19/2020

FY 20__-20__ BUDGET RESOLUTION

WHEREAS a notice of public hearing and budget synopsis has been published and a public hearing held on _____, in accordance with Title 15.2, Chapter 25, Section 15.2-2506, of the Code of Virginia, 1950 as amended.

THEREFORE BE IT RESOLVED by the Board of Supervisors of the County of Frederick, Virginia, that the budget for the 20__-20__ Fiscal Year as advertised in The Winchester Star on _____, be hereby approved in the amount of \$_____.

BE IT FURTHER RESOLVED that the County of Frederick budget for the _____ fiscal year be adopted and the funds appropriated as follows:

[FUND AMOUNTS DETAIL OMITTED HERE – NOT RELEVANT FOR PURPOSES OF SAMPLE]

BE IT FURTHER RESOLVED that the Board of Supervisors of the County of Frederick, Virginia, does herein adopt the tax rates for the 20__ assessment year as follows:

PRO FORMA SAMPLE – FOR DISCUSSION OF DATA CENTER PROPERTY TAXATION

8/19/2020

Property Taxes – Rates per \$100 of assessed value

\$0.61	Applied to real estate, including mobile homes
\$4.86	Except as specified below, applied to personal property including business equipment
\$2.25	Applied to personal property on one vehicle to volunteer firefighters that are approved and registered with the Frederick County Fire and Rescue Department
\$0.01	Applied to aircraft
Zero tax	Applied to antique vehicles and mopeds
\$1.25	Applied to personal property constituting property used in a “data center” as that term is defined in Va. Code § 58.1-3506(A)(43), on declining values, at the following percentages of original cost: 50% for year one, 35% for year two, 20% for year three, 10% for year four, and 5% for year five and all subsequent years.
\$2.00	Applied to machinery and tools, on declining values, at the following percentages of original cost: 60% for year one, 50% for year two, 40% for year three, and 30% for year four and all subsequent years.
\$2.00	Applied to Contract Classified Vehicles and equipment, on apportioned percentage of book values.

Business and Professional Occupational License Rates

Contractors	\$0.16 per \$100 of gross receipts
Retail	\$0.20 per \$100 of gross receipts
Financial, Real Estate, and Professional Services	\$0.58 per \$100 of gross receipts

PRO FORMA SAMPLE – FOR DISCUSSION OF DATA CENTER PROPERTY TAXATION

8/19/2020

Repair, personal and business services and all other businesses and occupations not specifically listed or exempted in the County Code \$0.36 per \$100 of gross receipts

Wholesale \$0.05 per \$100 of purchases

The tax rates for other businesses and occupations specifically listed in the County Code are also unchanged.

Other General Taxes

Meals tax 4% of gross receipts

Transient Occupancy tax 3.5% of gross receipts

Vehicle License Taxes \$25 per vehicle and \$10 per motorcycle

Sanitary Landfill Fees

\$50	Per ton for commercial/industrial
\$45	Per ton for construction demolition debris
\$20	Per ton for municipal waste
\$38	Per ton for municipal sludge
\$15	Per ton for Miscellaneous Rubble Debris

Shawneeland Sanitary District Taxes

\$190	Unimproved Lots
\$660	Improved Lots

PRO FORMA SAMPLE – FOR DISCUSSION OF
DATA CENTER PROPERTY TAXATION

8/19/2020

Lake Holiday Sanitary District Taxes

\$678 Buildable Lots

\$264 Unbuildable Lots

Lots owned by Lake Holiday Country Club, Inc.

\$0 Buildable Lots and Unbuildable Lots

Star Fort Subdivision Taxes/Fees

\$60 Per Lot

Street Light Fees

Oakdale Crossing and Fredericktowne \$40 annually

Green Acres \$25 annually

[REMAINDER OF DOCUMENT OMITTED HERE – NOT RELEVANT FOR PURPOSES OF
SAMPLE]

Frederick County Board of Supervisor's

Finance/Audit Committee Charter

I. Organization

There shall be a committee of the Board of Supervisors ("Board") of Frederick County, Virginia ("County") known as the Finance Committee ("Committee"). The Committee shall be comprised of three (3) members of the Board of Supervisors who will be appointed by the Chairman of the Board, with one appointed as Chair, three (3) citizen members as appointed by the Chairman of the Board, and two (2) non-voting liaisons: the County Treasurer and the County Commissioner of the Revenue. The Finance Director will serve as secretary of the Committee with the duties including preparing agendas and reports to the Board. This Charter shall govern the Committee with regard to its duties and responsibilities. The goal of the Committee shall be to provide oversight for all financial policies, procurement policy, financial planning, risk management, debt issuance, budget development and other fiscal related issues.

II. Purpose

The primary function of the Committee is to review matters of a financial nature including proposed changes to fiscal/procurement policies and the review and recommendation for matters of a financial nature coming forward to the Board including, but not limited to, supplemental appropriations, transfers and contracts. The Committee's primary duties and responsibilities are as follows:

- To provide to the Board means for determining the manner in which policies, programs, and resources authorized by the Board are being deployed by management consistent with the intent of the Board and in compliance with all appropriate statutes, ordinances, and directives.
- Develop and submit reports, draft policies and/or recommendations regarding audits and the finances of the County to the full Board for its consideration.
- To serve as the Audit Committee to assist the Board in carrying out its oversight responsibilities by reviewing financial information provided in the County's annual financial report.

The Committee will primarily fulfill these responsibilities by carrying out the activities enumerated in Section IV of this Charter.

III. Meetings and Quorum

The Committee shall meet monthly or more or less frequently as circumstances dictate. The Chairman of the Board, the Chair of the Committee, or a majority of the Committee members may call or cancel meetings of the Committee. The Chair of the Committee shall prepare or approve an agenda in advance of each meeting. The County Administrator and the Director(s) with the responsibilities for finance shall be invited to all meetings. Other management officials and counsel to the Board may be invited as necessary. With the exception of Directors, the Chair may excuse any non-Committee members from attendance at any meeting or portion of any meeting. A majority of the total Committee composition shall constitute a quorum for the purposes of conducting the business of the Committee.

IV. Responsibilities

The Committee shall have the following duties and responsibilities:

A. Finance

1. Review and advise the Board and senior management of the County with respect to finance initiatives, policies and procedures, including activities relating to procurement.
2. Provide direction during the preparation of the annual budget. Review the County Administrator's final budget proposal and provide recommendations to the Board with respect to those proposals including tax rates and fees.
3. Review and advise the Board on supplemental appropriation requests, transfers and change orders as dictated by policy.
4. Review the budgetary and financial implications of management's tactical and strategic plans.
5. Review periodic or interim budget and/or financial statements to ensure the County is operating within approved financial and budgetary allocations and that the County is appropriately safeguarding its financial resources.

B. Audit

1. Perform independent review and execute oversight of the financial reporting process, internal controls and independent auditors.
2. Provide a forum separate from management in which auditors and other interested parties can discuss the annual audit.
3. Meet with the external auditors during the entrance and exit conferences and at other times as needed or upon request of the external auditors. Review and approve the annual external audit engagement letter.
4. Manage the County's internal audit function including review and approval of the internal annual audit work plan, reports and recommendations. The internal auditor shall report functionally to the Chair of the committee or designee. The Committee chair, along with the County Administrator and Finance Director, shall conduct annual evaluations of the auditor's performance. The Committee Chairman shall participate in decisions regarding the appointment of the internal auditor and the acceptance of the internal audit plan.

C. Other Duties Related to Review, Reports and Improvement Procedures

1. Review and reassess annually the adequacy of this Charter, and conduct an annual self-assessment of this Committee's performance.
2. Report all meetings of the Committee to the Board on the matters discussed at each Committee meeting, as appropriate.

3. Perform any other activities consistent with this Charter, the County's goals, objectives and governing law, as the Committee or the Board deems necessary or appropriate.

Original: Adopted by Board of Supervisors 1/25/2012

Revisions:

9/9/2013: reduced Board of Supervisor representatives from four (4) to three (3)

9/29/2014: no changes

10/21/2015: no changes

9/13/2017: no changes

9/12/2018: no changes

9/11/2019: no changes

BUDGET TRANSFERS JULY 2020

DATE	DEPARTMENT/GENERAL FUND	REASON FOR TRANSFER	FROM	TO	ACCT	CODE	AMOUNT
7/13/2020	ELECTORAL BOARD AND OFFICIALS	UPGRADING COPIER	1301	5506	000	000	(1,000.00)
	ELECTORAL BOARD AND OFFICIALS		1301	9001	000	000	1,000.00
	REGISTRAR		1302	5506	000	000	(1,000.00)
	REGISTRAR		1302	9001	000	000	1,000.00
7/15/2020	ELECTORAL BOARD AND OFFICIALS	PURCHASE OF TWO ADDITIONAL VOTING MACHINES	1301	3010	000	000	(12,000.00)
	ELECTORAL BOARD AND OFFICIALS		1301	8001	000	000	12,000.00
7/22/2020	COMMISSIONER OF THE REVENUE	DMV REGISTRATION FOR NEW VEHICLE	1209	5401	000	000	(5.00)
	COMMISSIONER OF THE REVENUE		1209	5415	000	000	5.00
7/31/2020	MAINTENANCE ADMINISTRATION	JULY PROMOTIONS	4301	1003	000	000	(1,706.58)
	MAINTENANCE ADMINISTRATION		4301	1001	000	097	1,706.58
	MAINTENANCE ADMINISTRATION		4301	1003	000	005	(7.00)
	MAINTENANCE ADMINISTRATION		4301	2011	000	000	7.00
	MAINTENANCE ADMINISTRATION		4301	1003	000	005	(29.00)
	MAINTENANCE ADMINISTRATION		4301	2001	000	000	29.00
	MAINTENANCE ADMINISTRATION		4301	1003	000	005	(38.00)
	MAINTENANCE ADMINISTRATION		4301	2002	000	000	38.00
	MAINTENANCE ADMINISTRATION		4301	1003	000	005	(5.00)
	MAINTENANCE ADMINISTRATION		4301	2006	000	000	5.00
	FIRE AND RESCUE		3505	1007	000	001	(4,335.00)
	FIRE AND RESCUE		3505	1001	000	007	4,335.00
	FIRE AND RESCUE		3505	1007	000	001	(3,833.00)
	FIRE AND RESCUE		3505	1001	000	020	3,833.00
	FIRE AND RESCUE		3505	1007	000	001	(6,708.00)
	FIRE AND RESCUE		3505	1001	000	032	6,708.00
	PUBLIC SAFETY COMMUNICATIONS		3506	1001	000	005	(2,105.75)
	PUBLIC SAFETY COMMUNICATIONS		3506	1001	000	012	2,105.75
	PUBLIC SAFETY COMMUNICATIONS		3506	1001	000	005	(2,044.97)
	PUBLIC SAFETY COMMUNICATIONS		3506	1001	000	007	2,044.97
	MAINTENANCE ADMINISTRATION		4301	1003	000	005	(3,053.65)
	MAINTENANCE ADMINISTRATION		4301	1001	000	093	3,053.65
8/6/2020	INFORMATION TECHNOLOGY	EXPENSE BUDGETED INCORRECTLY	1220	5413	000	003	(17,066.50)
	INFORMATION TECHNOLOGY		1220	5401	000	000	17,066.50