



## AGENDA

FREDERICK COUNTY BOARD OF SUPERVISORS  
WEDNESDAY, MARCH 27, 2019  
7:00 P.M. - REGULAR MEETING  
BOARD ROOM, COUNTY ADMINISTRATION BUILDING  
107 NORTH KENT STREET, WINCHESTER, VIRGINIA

### 7:00 P.M. - Regular Meeting Call to Order

#### Invocation

#### Pledge of Allegiance

#### Adoption of Agenda

#### Citizen Comments – Agenda Items that are not the subject of a Public Hearing

#### Consent Agenda *(Note: Roll call vote required)*

#### Attachment

##### A. Minutes

1. Budget Work Session March 6, 2019 ----- A
2. Budget Work Session March 13, 2019 ----- B
3. Regular Meeting of March 13, 2019 ----- C

##### B. Committee Reports

1. Finance Committee Report of 3/20/19 ----- D
2. Parks & Recreation Commission Report of 3/13/19 ----- E
3. Public Safety Committee Report of 3/14/19 ----- F

**Consent Agenda** - Continued

- C. Request from the Commissioner of the Revenue for Refunds and Corresponding Supplemental Appropriations ----- G  
Randy M Manning LLC - \$5,311.26  
Stanley Steemer Crpet Cleaner - \$4,222.62
  
- D. Resolution Proclaiming Census Day ----- H
  
- E. Resolution Proclaiming National Telecommunicator's Week ----- I
  
- F. Closing of County Offices for Annual Apple Blossom Festival----- J

**Board of Supervisors Comments**

**County Officials**

- A. Committee Appointments----- K
  - 1. Handley Regional Library Board  
Unexpired 4-year term ending 11/30/19
  - 2. Extension Leadership Council  
Back Creek District -- Unexpired 4-year term ending 1/14/20

**Committee Business**

- A. Finance Committee (See Tab D for additional information)
  - 1. The Sheriff requests a General Fund supplemental appropriation in the amount of \$17,818.14. This amount Represents (2) auto claims to be used toward a replacement vehicle and vehicle maintenance. No local funds required. *The Committee recommends approval.*
  - 2. Amendment to Frederick County Code, Chapter 155 (Taxation), to add an Article III-A (Exemption for Surviving Spouses of Certain Persons Killed in the Line of Duty). This item has been approved and forwarded from the Code & Ordinance Committee. *The Committee recommends scheduling a public hearing.*

**Public Hearings (Non-Planning Issues) –**

**A. Pursuant to Virginia Code § 15.2-1800, Regarding the Conveyance of ----- L  
the County's Interest in Real Property Located at 441 Linden Drive,  
in the City of Winchester, Virginia, Identified as City Tax Parcel  
Number 130-1-1**

**B. Fiscal Year 2019-2020 Budget ----- M**  
*The Board of Supervisors of Frederick County invites comments on the  
Proposed Budget for the fiscal year ending June 30, 2020.*

**Planning Commission Business**

**Public Hearings** - None

**Other Planning Business** - None

**Board Liaison Reports**

**Citizen Comments**

**Board of Supervisors Comments**

**Adjourn**

A

MINUTES  
FREDERICK COUNTY BOARD OF SUPERVISORS  
BUDGET WORK SESSION  
WEDNESDAY, MARCH 6, 2019  
4:00 P.M.  
BOARD MEETING ROOM, COUNTY ADMINISTRATION BUILDING  
107 NORTH KENT STREET, WINCHESTER, VA

**ATTENDEES**

Board of Supervisors: Chairman Charles S. DeHaven, Jr.; Vice Chairman Gary A. Lofton; Blaine P. Dunn; Judith McCann-Slaughter; J. Douglas McCarthy; Shannon G. Trout; and Robert W. Wells were present. Staff present: Kris C. Tierney, County Administrator; Ellen Murphy, Commissioner of the Revenue; C. William Orndoff, Jr., Treasurer; Jay E. Tibbs, Deputy County Administrator; Roderick B. Williams, County Attorney; Cheryl B. Shiffler, Finance Director; Jennifer Place, Budget Analyst; Sharon Kibler, Assistant Finance Director; Michael Marciano, Human Resources Director; Mike Ruddy, Planning Department Director; Karen Vacchio, Public Information Officer; Jason Robertson, Director of Parks and Recreation; and Ann W. Phillips, Deputy Clerk to the Board of Supervisors.

Others: Finance Committee Members Angela Rudolph and Jeff Boppe; Dr. David Sovine, Superintendent of Schools; Dr. Al Orndorff, Assistant Superintendent; Patty Camery, Executive Director of Finance for FCPS; Kristen Anderson, FCPS Budget Supervisor; Tim Crisman, Director of Facilities Services for FCPS; School Board members Michael Lake and Seth Thatcher; Nick Sabo, Executive Director of the Winchester Regional Airport Authority; and Justin Kerns, Executive Director of the Winchester-Frederick County Visitors Center/Tourism Office; John Huddy, Handley Regional Library Director

**CALL TO ORDER AND ADOPTION OF AGENDA**

Chairman DeHaven called the meeting to order at 4:00 p.m. and the agenda was adopted on motion of Supervisor Slaughter, seconded by Supervisor Trout.

**DISCUSSION – Airplane Tax**

The Board and staff discussed reducing the current airplane tax on aircraft under 20,000 pounds from \$0.50 per \$100 of assessed value to \$0.01 per \$100 of assessed value. By consensus the Board agreed to reduce the rate to \$0.01.

**DISCUSSION – Transient Occupancy Tax**

Mr. Tierney noted that any revenue earned from the tax rate above 2% must be used to fund tourism. By consensus, the Board agreed to increase the transient occupancy tax from 2.5% to 3.5%. Mr. Tibbs noted that a public hearing will be required in order to amend the County Code on this matter.

### **DISCUSSION – Fund Balance Capital Funding and Budget Scenario**

Supervisor Slaughter highlighted a proposal for addressing current school capital needs in light of the new Capital Asset Preservation Plan put forth by FCPS. The Board discussed the option of using categorical funding. Mr. Tierney noted that if the Board funds the School Board's request categorically, then the School Board must return to the Board of Supervisors if they desire to transfer funds within their budget. Supervisors Lofton, Dunn, and McCarthy said they were in favor of categorical funding. Supervisor Trout said she was opposed to categorical funding. By consensus, the Board agreed to review Supervisor Slaughter's proposal in conjunction with the state designated funding categories and Budget Scenario C (recommended by the County Administrator). Supervisors Lofton and McCarthy noted they were not ready to move forward with the Assistant Fire Chief position listed in Scenario C. Mr. Tierney asked the Board not delay the Assistant Fire Chief position, noting it as his first priority. The Board discussed the Fire and Rescue study.

### **ADJOURN**

There being no further business, the meeting was adjourned at 5:01 p.m.

B

MINUTES  
Frederick County Board of Supervisors  
**Budget Work Session**  
**Wednesday, March 13, 2019**  
5:00 p.m.  
Board Meeting Room, 107 North Kent Street, Winchester, VA

**ATTENDEES**

**Board of Supervisors:** Chairman Charles S. DeHaven, Jr.; Vice Chairman Gary A. Lofton; Blaine P. Dunn; Judith McCann-Slaughter; J. Douglas McCarthy; and Robert W. Wells were present. Shannon G. Trout was absent. Staff present: Kris C. Tierney, County Administrator; Jay E. Tibbs, Deputy County Administrator; Roderick B. Williams, County Attorney; Cheryl B. Shiffler, Finance Director; Jennifer Place, Budget Analyst; Sharon Kibler, Assistant Finance Director; Scott Varner, IT Director; Mike Ruddy, Planning Department Director; Candice Perkins, Assistant Director of Planning; Karen Vacchio, Public Information Officer; and Ann W. Phillips, Deputy Clerk to the Board of Supervisors.

**Finance Committee Members** present: Jeffrey Boppe

**CALL TO ORDER AND ADOPTION OF AGENDA**

Chairman DeHaven called the meeting to order at 5:00 p.m.

The agenda was adopted by a voice vote on motion of Vice Chairman Lofton, seconded by Supervisor Dunn.

**FY 2019-2020 BUDGET SCENARIO**

Mr. Tierney reviewed the currently proposed budget scenario. He said that various elements have been incorporated to provide the latest version of the scenario including requests by the schools and Supervisor Slaughter's proposal for funding capital needs. He noted his priorities for funding and discussed the proposed capital funding account and the use of contingency funds.

**FY 2019-2020 BUDGET PUBLIC HEARING ADVERTISEMENT**

Ms. Shiffler reviewed the proposed budget advertisement.

**OTHER**

Vice Chairman Lofton questioned whether categorical funding would be required for the schools. Ms. Shiffler said that the budget can be advertised generally but appropriations can be made by specific category.

Supervisor Dunn suggested that next year, he would like to see the School Board put forth its total school budget in a similar manner as Loudoun County does.

**ADJOURN**

There being no further business, the Work Session was adjourned at 5:11 p.m.



C

MINUTES  
REGULAR MEETING  
FREDERICK COUNTY BOARD OF SUPERVISORS  
WEDNESDAY, MARCH 13, 2019  
7:00 P.M.  
BOARD ROOM, COUNTY ADMINISTRATION BUILDING  
107 NORTH KENT STREET, WINCHESTER, VIRGINIA

**ATTENDEES**

Board of Supervisors: Charles S. DeHaven, Jr., Chairman; Gary A. Lofton, Vice Chairman; Blaine P. Dunn; J. Douglas McCarthy; Judith McCann-Slaughter; Shannon G. Trout and Robert W. Wells were present.

Staff present: Kris C. Tierney, County Administrator; Jay E. Tibbs, Deputy County Administrator; Roderick B. Williams, County Attorney; Ellen Murphy, Commissioner of the Revenue; Cheryl Shiffler, Director of Finance; Karen Vacchio, Public Information Officer; Mike Marciano, Human Resources Director; Mike Ruddy, Director of Planning; Candice Perkins, Assistant Director of Planning; Mark Cheran, Zoning & Subdivision Administrator; John Bishop, Assistant Director of Planning-Transportation; Scott Varner, Director of Information Technologies; Jonathan Turkel, Assistant Director of Parks and Recreation; Patrick Barker, Executive Director of the Frederick County EDA; and Ann W. Phillips, Deputy Clerk to the Board of Supervisors.

**CALL TO ORDER**

Chairman DeHaven called the meeting to order at 7:00 p.m.

**INVOCATION**

Supervisor Dunn delivered the invocation.

**PLEDGE OF ALLEGIANCE**

Vice Chairman Lofton led the Pledge of Allegiance.

**ADOPTION OF AMENDED AGENDA - APPROVED**

Upon motion of Supervisor Dunn, seconded by Supervisor McCarthy, the agenda was adopted as amended by removing CPPA #02-18 – Carter.

**CITIZENS COMMENTS**

Arthur Bragg, Stonewall District, spoke against amending the Comprehensive Plan to change the land use in the Brucetown Road area. He presented a petition opposing the amendment with approximately 150 signatures of area residents.

Charlie Gardner, Stonewall District, said he opposes the proposed project on Brucetown Road because traffic and noise will increase. He said taxes will increase and residents will suffer.

Ken Burcham, Stonewall District, noted soft spots in the pavement near the traffic light on U. S. Route 11, traffic congestion, and possible pollution as reasons for opposing the proposed project.

Brenda Fristoe, Stonewall District, requested the Board vote no on amending the Comprehensive Plan with land use changes. She asked the Board to follow the current 2035 Comprehensive Plan.

Greg McFarland, Stonewall District, said he agreed with the previous speakers. He asked that manufacturing expansion go into other County areas that are already designated for such developments and have the needed infrastructure.

Lynelle McFarland, Stonewall District, said the existing roadways cannot support the current traffic and further development will cause even more problems. She said major changes to the current roads need to take place before further development occurs, adding that there is a public safety issue when traffic backs up and blocks the fire station.

Shawn Graber, Back Creek District, spoke about the Proposed Emergency Response Performance Guide being considered later in the agenda. He said he was opposed to the Guide being adopted before the Chief's Working Group has reviewed and commented on it.

Kathleen Bochert, employee of Frederick County Public Schools, referenced comments made at the Budget Work Session held on February 27. She asked that the Board do the right thing in funding the schools.

**ADOPTION OF CONSENT AGENDA – APPROVED**

Upon motion of Vice Chairman Lofton, seconded by Supervisor McCarthy, the consent agenda was adopted 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		

**- Minutes: Budget Work Session & Closed Session of February 26, 2019 - CONSENT AGENDA APPROVAL**

**- Minutes: Joint Budget Work Session with School Board of February 27, 2019 - CONSENT AGENDA APPROVAL**

**- Minutes: Regular Meeting of February 27, 2019 - CONSENT AGENDA APPROVAL**

**- Finance Committee Report of 2/26/19 - CONSENT AGENDA APPROVAL, Appendix 1**

**- Public Safety Committee Report of 2/21/19 - CONSENT AGENDA APPROVAL, Appendix 2**

**- Request from the Commissioner of the Revenue for Refund and Corresponding Supplemental Appropriation for Physiotherapy Associates, Inc. - \$2868.87 – CONSENT AGENDA APPROVAL**

**- Resolution of Support for Exit 313 Capacity Improvements Funding - CONSENT AGENDA APPROVAL**

**WHEREAS**, VDOT has informed County staff that the staff recommended scenario for SmartScale Round 3 has not allocated approximately \$27 million; and,

**WHEREAS**, VDOT has informed County staff that The Office of Intermodal Planning and Investment, VDOT, and the Commonwealth Transportation Board are in discussions regarding how to allocate the approximately \$27 million, and

**WHEREAS**, Exit 313 Capacity improvements totaling \$5,264,400 were applied for but not currently recommended for funding under the staff recommended scenario for SmartScale Round 3; and,

**WHEREAS**, The remaining funding for the total cost of this \$34,114,400 project has already been allocated under State of Good Repair funds and design begun, and

**WHEREAS**, The Frederick County Board of Supervisors believes the capacity improvements that were applied for to be very important to regional transportation, and

**NOW, THEREFORE, BE IT RESOLVED**, that the Board of Supervisors of the County of Frederick hereby submits this resolution to request that the capacity improvements at Exit 313 totaling \$5,264,400 be reconsidered for funding under the Commonwealth Transportation Board’s consideration of the currently unallocated \$27 million in SmartScale funds.

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**BOARD OF SUPERVISORS COMMENTS**

Supervisor Slaughter thanked the citizens who came to speak at the meeting.

Supervisor Dunn noted the speaker who referenced the February 27 Budget Work Session and offered to talk with her after the meeting.

**COUNTY OFFICIALS:**

**COMMITTEE APPOINTMENTS** - None

**COMMITTEE BUSINESS:**

**FINANCE COMMITTEE**

Supervisor Slaughter moved for approval of the following: the Public Works Director’s request for a General Fund supplemental appropriation in the amount of \$50,000 for the completion of design specifications for a training facility building at the animal shelter; the Parks & Recreation Director’s request for a General Fund supplemental appropriation in the amount of \$33,300 representing donated funds for the installation of sand volleyball courts at Clearbrook Park; the Parks & Recreation Director’s request for a General Fund supplemental appropriation in the amount of \$925 for donated funds for a park bench and dog waste stations; the Sheriff’s request for a General Fund supplemental appropriation in the amount of \$29,378 representing (2) Byrne/JAG grant awards to be used for deputy go bags, a throw phone, a camera, and items for Project Lifesaver; and the Sheriff’s request for a General Fund supplemental appropriation in the amount of \$350 representing restitution for a damaged cruiser. Supervisor McCarthy seconded the motion which carried as follows on a roll call vote:

|                         |     |                         |     |
|-------------------------|-----|-------------------------|-----|
| 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 |                         |     |

Supervisor Slaughter moved for approval of the Sheriff’s request for a General Fund supplemental appropriation in the amount of \$6,692. This amount represents proceeds from the sale of a K9 cruiser, and the funds will be used for equipment for the command center. Supervisor Trout seconded the motion which carried as follows on a roll call vote:

|                         |     |                         |     |
|-------------------------|-----|-------------------------|-----|
| 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 |                         |     |

**PUBLIC SAFETY COMMITTEE**

**PROPOSED EMERGENCY RESPONSE PERFORMANCE GUIDE – REFERRED TO THE CHIEF’S WORKING GROUP FOR REVIEW AND COMMENT**

Supervisor Wells moved that the Proposed Emergency Response Performance Guide be referred to the Chief’s Working Group’s April meeting for review and comment and then return to the Public Safety Committee. Supervisor McCarthy seconded the motion which carried on a voice vote.

+ + + + + + + + + + + +

**PUBLIC HEARINGS (NON-PLANNING ISSUES) –**

**A. THE COUNTY OF FREDERICK PROPOSES TO INCREASE PROPERTY TAX LEVIES. –**

*1. Assessment Increase: Total assessed value of real property, excluding additional assessments due to new construction or improvements to property, exceeds last year’s total assessed value of real property by 5.78 percent.*

*2. Lowered Rate Necessary to Offset Increased Assessment: The tax rate which would levy the same amount of real estate tax as last year, when multiplied by the new total assessed value of real estate with the exclusions mentioned above, would be \$0.577 per \$100 of assessed value. This rate will be known as the “lowered tax rate”.*

*3. Effective Rate Increase: The County of Frederick proposes to adopt a tax rate of \$ 0.61 per \$100 of assessed value. This difference between the lowered tax rate and the proposed rate would be \$0.033 per \$100, or 5.78 percent. This difference will be known as the “effective tax rate increase”. Individual property taxes may, however, increase at a percentage greater than or less than the above percentage.*

*4. Proposed Total Budget Increase: Based on the proposed real property tax rate and changes in other revenues, the total budget of the County of Frederick will exceed last year’s by 5.8 percent.*

Mr. Tierney provided background on the reassessment and the revenue increase expected if the real estate tax rate remains \$0.61 per \$100 of assessed value.

Chairman DeHaven opened the public hearing.

The speakers were as follows:

Shawn Graber, Back Creek District, said his taxes and the County’s debt have increased in recent years and he sees ever expanding costs. He asked the Board to pay down the debt if they were going to have a tax increase caused by keeping the tax rate at \$0.61.

Kerri Ann Kite, Shawnee District, spoke about affordable housing adding that a tax increase does not keep residents from having affordable housing. She said she was in favor of the \$0.61 tax rate.

Brandi Hammond, Shawnee District, spoke in favor of keeping the tax rate at \$0.61 saying that additional revenue is needed.

Chairman DeHaven closed the public hearing.

**B. EXTENSION OF CABLE FRANCHISE AGREEMENT WITH COMCAST OF CALIFORNIA/MARYLAND/PENNSYLVANIA/VIRGINIA/WEST VIRGINIA, LLC. - APPROVED**

*The proposed agreement would extend the nonexclusive franchise agreement between Comcast and the County until June 30, 2019.*

Mr. Tierney explained the request by Comcast for a three-month extension. At the request of Supervisor Dunn, Mr. Tierney clarified that the contract with Comcast is non-exclusive. Chairman DeHaven opened the public hearing.

There were no speakers.

Chairman DeHaven closed the public hearing.

Vice Chairman Lofton moved for approval of the three-month extension of the Cable Franchise Agreement with Comcast Of California/Maryland/Pennsylvania/Virginia/West Virginia, LLC. Supervisor Wells seconded the motion which carried on a voice vote.

**PLANNING COMMISSION BUSINESS**

**PUBLIC HEARINGS**

**A. 2019-2024 CAPITAL IMPROVEMENT PLAN (CIP) - ADOPTED**

*The CIP is a Prioritized List of Capital Projects Requested by Various County Departments and Agencies. The Plan is Created as an Informational Component of the 2035 Comprehensive Plan.*

Ms. Perkins reviewed the draft Capital Improvement Plan.

Chairman DeHaven opened the public hearing. The speakers were as follows:

Dr. Stephen Bauer, Back Creek District, spoke in favor of the CIP, specifically the indoor aquatic center included in the Plan. He noted that the aquatic center in Warrenton has been a boon to the local economy and ONE IN Frederick County would benefit many residents.

Shawn Graber, Back Creek District, said a more realistic plan is needed. He questioned whether the County has the money to finance the items in the plan.

Brandi Hammond, Shawnee District, said the County must take on debt in order to provide for the needs of the residents.

Joe Knight, Opequon District and swimming coach at Sherando High School, referenced the Parks and Recreation capital priorities and facility study. He said teaching children to swim is not a luxury, and that athletes who swim are entitled to have the same level of facilities as other athletes. He said with the lack of area facilities, an aquatic center is greatly needed and would serve the whole community.

Rebecca Morrison, Gainesboro District, said an aquatic center has been needed in the area for 20 years and would bring in visitors.

Chairman DeHaven closed the public hearing.

Supervisor McCarthy moved for adoption of the CIP. Supervisor Slaughter seconded the motion.

Vice Chairman Lofton noted the CIP is wish list rather than a needs list.

Supervisor Dunn said with the County continuing to grow, changes in ways to fund the growth are needed.

The motion carried on voice vote.

**Other Planning Business**

**A. REZONING #03-18 FOR CARPERS VALLEY INDUSTRIAL PARK - DENIED**

*Public Hearing Held January 23, 2019 and Consideration Was Postponed.  
Submitted by Pennoni Associates, Inc., to Rezone 122.18+/- Acres from the R4 (Residential Planned Community) District to the M1 (Light Industrial) District with Proffers. The Properties are Located Approximately One Mile East of I-81 on the South Side of Millwood Pike (Route 50), East of Prince Frederick Drive (Route 781) and Coverstone Drive and are Identified by Property Identification Numbers 64-A-86 and 64-A-87 in the Shawnee Magisterial District.*

Mr. Bishop provided background information and noted the revised proffers include installation of a screen buffer along the northern property line (along Route 50) and \$360,000 to the County to be used to pay toward the road improvements in the public right-of-way on Route 50 to create an intersection with Inverlee Way or to be used at the County's discretion, for road improvements in the Coverstone Drive area. He cited identified concerns as the request not being in conformance with the 2035 Comprehensive Plan; no coordination with land bay 2 of the parcel; it being unclear if the industrial development will continue to offset the impacts of the residential development; elimination of the design modification package; elimination of the coordinated and unified development with the entire project; and transportation concerns.

Ty Lawson spoke on behalf of the applicant and explained the revision of the proffers to include \$360,000 to be paid to the County to be used at the County's discretion. Mr. Lawson read a slightly modified Proffer 7.9: The Owner shall pay \$360,000 to the County to be used to pay toward road improvements related to those rights of way directly impacted by this development.

Supervisor McCarthy moved for approval of the rezoning subject to the amended proffers as stated by Mr. Lawson. Vice Chairman Lofton seconded the motion. The motion failed on the following roll call vote:

|                         |     |                         |    |
|-------------------------|-----|-------------------------|----|
| Blaine P. Dunn          | No  | Shannon G. Trout        | No |
| Gary A. Lofton          | Aye | Robert W. Wells         | No |
| J. Douglas McCarthy     | Aye | Charles S. DeHaven, Jr. | No |
| Judith McCann-Slaughter | No  |                         |    |

**BOARD LIAISON REPORTS** – None

### CITIZEN COMMENTS

Shawn Graber, Back Creek District, thanked Supervisor Wells for moving to send the Proposed Emergency Response Performance Guide to the Chief's Working Group for review.

### BOARD OF SUPERVISORS COMMENTS

Supervisor Trout referenced the CIP discussion saying that some have called the CIP a wish list. She said that while the CIP contains some lofty goals, many of the items are needs that must be addressed in order to keep up with the increasing population growth in the County.

### ADJOURN

On motion of Vice Chairman Lofton, seconded by Supervisor Trout, the meeting was adjourned at 8:10 p.m.



D

FINANCE COMMITTEE & AUDIT COMMITTEE REPORT to the BOARD OF SUPERVISORS  
Wednesday, March 20, 2019  
8:00 a.m.  
107 NORTH KENT STREET, WINCHESTER, VIRGINIA

A Finance Committee meeting was held in the First Floor Conference Room at 107 North Kent Street on Wednesday, March 20, 2019 at 8:00 a.m.

ATTENDEES:

Committee Members Present: Judith McCann-Slaughter, Chairman; Charles DeHaven; Gary Lofton; Jeffrey Boppe; and Angela Rudolph.

Committee Members Absent: William Orndoff, Treasurer and Ellen Murphy, Commissioner of the Revenue (non-voting liaisons).

Staff present: Cheryl Shiffler, Finance Director; Sharon Kibler, Assistant Finance Director; Kris Tierney, County Administrator; Rod Williams, County Attorney; and Lenny Millholland, Sheriff.

Others present: David Foley, Robinson, Farmer, Cox Associates.

ITEMS REQUIRING ACTION BY BOARD OF SUPERVISORS:

1. The Sheriff requests a General Fund supplemental appropriation in the amount of \$17,818.14. This amount represents (2) auto claims to be used toward a replacement vehicle and vehicle maintenance. No local funds required. See attached memo, p. 3 – 5. The committee recommends approval.
2. Amendment to Frederick County Code, Chapter 155 (Taxation), to add an Article III-A (Exemption for Surviving Spouses of Certain Persons Killed in the Line of Duty). This item has been approved and forwarded from the Code & Ordinance Committee. A public hearing would be required. See attached, p. 6 – 26. The committee recommends scheduling a public hearing.

NO ACTION REQUIRED:

AUDIT COMMITTEE:

1. David Foley from Robinson, Farmer, Cox Associates will present the FY 2018 Comprehensive Annual Financial Report (CAFR) and be available for discussion of the upcoming FY 2019 audit. The FY 2018 CAFR is available in dropbox or online at: [www.fcva.us/CAFR](http://www.fcva.us/CAFR). See attached memo, p. 27 – 28. The committee accepted the report and authorized the Finance Committee Chairman to sign the engagement letter for the FY 2019 audit.

INFORMATION ONLY:

1. The Finance Director provides a Fund 10 Transfer Report for February 2019. See attached, p. 29.
2. The Finance Director provides financial statements ending February 28, 2019. See attached, p. 30 – 40.
3. The Finance Director provides an FY 2019 Fund Balance Report ending March 15, 2019. See attached, p. 41.

Respectfully submitted,

FINANCE COMMITTEE

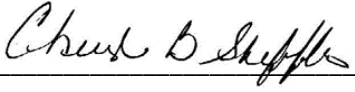
Judith McCann-Slaughter, Chairman

Charles DeHaven

Gary Lofton

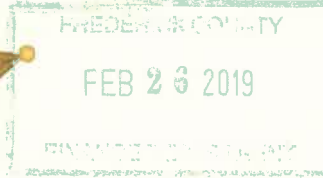
Jeffrey Boppe

Angela Rudolph

By 

Cheryl B. Shiffler, Finance Director

# 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 : February 22, 2019  
SUBJECT : Insurance Reimbursement

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We are requesting the insurance checks received for the auto claims dated December 14, 2018 involving Deputy Bradford and January 22, 2019 involving Deputy Parker be appropriated into the following line items

December 14, 2018- \$13,975.00 please appropriate in line items 3102-8005-000-000. This will be used to purchase a replacement vehicle . C.S. 2/14/19

January 22, 2019 – \$3,843.14. Please appropriate in line item 3102-3004-000-002. This will be used for maintenance on the cruiser. C.S. 2/25/19

Thank you

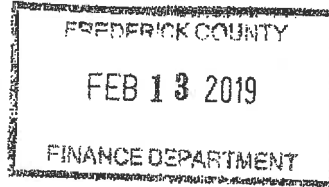
A handwritten signature in blue ink, appearing to be 'LWM'.

LWM/adl

3-010-018990-0001



**VACORP**



February 7, 2019

Frederick County  
Attn: Jennifer Place  
107 North Kent Street  
Winchester, VA. 22601

Virginia Association of Counties Self Insurance Risk Pool  
Member: Frederick County  
Claim Number: 0342018234952  
Date of Loss: 12/14/2018

Dear Ms. Place:

Enclosed please find VACORP property damage check in the amount of \$13,975.00 for the total loss of the 2016 Ford Taurus VIN 8222 that was damaged on 12/14/2018. This payment was based on the Actual Cash Value of \$14,475.00 less the \$500.00 deductible.

If you should have any questions regarding this payment, please feel free to call me at 1-888-822-6772 ext. 174.

Sincerely,

A handwritten signature in black ink, appearing to read "J. Mullen".

Jared Mullen  
Claims Specialist

Enclosed – Check



**VACORP**

February 11, 2019

Frederick County  
Attn: Captain Mike Ellinger  
107 North Kent Street  
Winchester, VA 22601

VA Association of Counties Group Self-Insurance Risk Pool

Participant: Frederick County

Claim Number 0342019237681

Date of Loss: ~~02/04/2019~~

01/22/2019

Dear Sheriff Ellinger,

Enclosed please find a VACORP property damage check in the amount of \$3843.14. This check is for cost related to the repair on the 2017 Ford Explorer, Vin #0839. This amount was determined by the repair cost \$4343.14 - \$500.00 (deductible) = \$3843.14

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

Sincerely,

Jennifer Williams  
Claims Associate

Enclosed: check



COUNTY OF FREDERICK

**Roderick B. Williams**  
County Attorney

540/722-8383  
Fax 540/667-0370  
E-mail [rwillia@fcva.us](mailto:rwillia@fcva.us)

## MEMORANDUM

TO: Finance Committee

FROM: Roderick B. Williams  
County Attorney

DATE: March 12, 2019

RE: Amendment to Frederick County Code, Chapter 155 (Taxation), to add an Article III-A (Exemption for Surviving Spouses of Certain Persons Killed in the Line of Duty) – Ability to Limit Scope of Eligibility for Exemption

The Finance Committee discussed this item at its last meeting. In short, the proposed addition to the County Code would provide an exemption from real property taxes for surviving spouses of certain public safety personnel killed in the line of duty, as such exemption is permitted, but not required, under applicable state law, Virginia Code Title 58.1, Chapter 32, Article 2.5. As authorized under state law, the exemption would apply to the surviving spouses of sworn employees or members of, essentially, any Virginia state or local agency engaged law enforcement, corrections, firefighting, emergency medical services, civil defense (including Virginia National Guard), or emergency management.

In its discussion, the Committee asked whether the County could limit the exemption to surviving spouses of only public safety agencies of Frederick County and/or such other Virginia localities as the Board might prescribe. For the reason that follows, I am of the opinion that the Board may not limit the class of individuals eligible for relief under the program, were the Board to adopt such a program.

I base this conclusion on a comparison of the language in the enabling legislation for the different property tax relief programs contained within Chapter 32 of Title 58.1 of the Code of Virginia. Thus, for instance, for the program for exemptions for elderly persons and disabled persons, the enabling legislation specifically provides that the locality may establish net financial worth and/or annual income limitations, and such other limitations, as a condition of eligibility. See Va. Code §§58.1-3210 & 58.1-3212.

By contrast, the enabling legislation for the surviving spouse program under consideration by the Finance Committee contains no such discretionary reference with respect to the class of persons eligible for the program. Instead, the enabling legislation contains a specific definition of a “covered person”, which in turn adopts a specific definition contained in the Line of Duty Act at Va. Code § 9.1-400. The enabling legislation contains nothing to suggest discretion to deviate from such a comprehensive definition.



**CODE & ORDINANCE COMMITTEE REPORT to the BOARD OF SUPERVISORS**  
**Thursday, June 28, 2018**  
**8:30 a.m.**  
**107 NORTH KENT STREET, WINCHESTER, VIRGINIA**

**ATTENDEES:**

Committee Members Present: Shannon Trout, Chair; Blaine P. Dunn; J. Douglas McCarthy; Stephen Butler, and James Drown

Committee Members Absent: Derek Aston

Staff present: Roderick B. Williams, County Attorney; Jay E. Tibbs, Deputy County Administrator; Treasurer C. William Orndoff, Jr.; and Commissioner of the Revenue Ellen Murphy.

**ITEMS FOR INFORMATION ONLY:**

1. Amendment Frederick County Code, Chapter 155 (Taxation), Article III (Senior Citizens and Disabled Persons Exemption and Deferral), to adjust amounts to account for inflation since the amounts were last established.

These proposed revisions would adjust the different income and asset limits for program eligibility, to account for inflation since the amounts were last established, in 2003. The revisions would also provide for the amounts to be adjusted automatically each year going forward based upon changes in the Consumer Price Index. Lastly, the revisions clarify that relief under the program is limited to the taxes on the dwelling and not more than one acre of land upon which the dwelling is situated.

The committee, Treasurer, and Commissioner discussed the proposed changes. The Treasurer raised some concerns relative to the proposal to include the use of the Consumer Price Index. The committee also discussed changes to the total combined income brackets. The high end of the income brackets to receive the 100%, 60%, and 35% exemptions were each increased by \$5,000. The proposed new brackets would be as follows:

| Total Combined Income | Percentage of Exemption |
|-----------------------|-------------------------|
| \$0 - \$25,000        | 100%                    |
| \$25,001 - \$30,000   | 60%                     |
| \$30,001 - \$35,000   | 35%                     |
| \$35,001 - \$50,000   | 10%                     |

In addition to the income changes, the committee agreed to keep the net combined financial worth cap at \$150,000 and removed the Consumer Price Index provision.

Upon a motion by Mr. Dunn, seconded by Mr. McCarthy, the Code and Ordinance Committee forwarded the proposed ordinance amendment, as modified, to the Finance Committee with a recommendation of approval. The motion was unanimously approved.

2. Amendment to Frederick County Code, Chapter 155 (Taxation), to add an Article III-A (Exemption for Surviving Spouses of Certain Persons Killed in the Line of Duty).

This proposed amendment would allow for an exemption from real property taxes for surviving spouses of certain public safety personnel killed in the line of duty.

Upon a motion by Mr. McCarthy, seconded by Mr. Drown, the Code and Ordinance Committee forwarded the proposed ordinance amendment to the Finance Committee, with a recommendation of approval. The motion was approved by a 4-1 vote with Mr. Dunn voting no.

3. Amendment to Frederick County Code, Chapter 155 (Taxation), Article IV (Personal Property Taxes), Section 155-26 (Exemptions), to add an exemption for one motor vehicle each, owned and regularly used by a veteran who has either lost, or lost the use of, one or both legs, or an arm or a hand or who is blind or who is permanently and totally disabled.

This proposed amendment would allow for an exemption from personal property taxes for one motor vehicle each, owned by disabled veterans. The tax rate for this property would be zero, which would be accomplished by noting the property in the County Code as a separate class, exempted from taxation.

Mr. McCarthy moved that the Code and Ordinance Committee forwarded the proposed ordinance amendment to the Finance Committee with a recommendation of approval. The motion died for lack of a second.

There being no further business, the meeting was adjourned at 6:53 p.m.

Respectfully submitted,

A handwritten signature in blue ink that reads "Jay E. Tibbs". The signature is written in a cursive style.

Deputy County Administrator

cc: Code & Ordinance Committee



COUNTY OF FREDERICK

**Roderick B. Williams**  
County Attorney

540/722-8383  
Fax 540/667-0370  
E-mail: [rwillia@fcva.us](mailto:rwillia@fcva.us)

## MEMORANDUM

TO: Code & Ordinance Committee  
Finance Committee

FROM: Roderick B. Williams  
County Attorney

DATE: February 7, 2019

RE: Amendment to Frederick County Code, Chapter 155 (Taxation), to add an Article III-A (Exemption for Surviving Spouses of Certain Persons Killed in the Line of Duty).

A Board member requested addition to the County Code of provisions allowing for an exemption from real property taxes for surviving spouses of certain public safety personnel killed in the line of duty. A draft is attached. Virginia Code Title 58.1, Chapter 32, Article 2.5 (copy attached) authorizes localities to enact such an exemption as an optional program, eligibility for the program being based upon the definitions and provisions of the Line of Duty Act, Virginia Code Title 9.1, Chapter 4 (copy attached). A recommendation to the Board from each Committee would be appropriate.

Attachments



**ORDINANCE**  
**\_\_\_ , 2019**

The Board of Supervisors of Frederick County, Virginia hereby ordains that Article III-A (Exemption for Surviving Spouses of Certain Persons Killed in the Line of Duty) of Chapter 155 (Taxation) of the Code of Frederick County, Virginia be, and the same hereby is, enacted, as follows:

**CHAPTER 155 TAXATION**

**Article III-A Exemption for Surviving Spouses of Certain Persons Killed in the Line of Duty**

**§ 155-22.1 Definitions and word usage.**

As used in this article, unless the context requires otherwise:

"Covered person" means any person set forth in the definition of "deceased person" in § 9.1-400 of the Code of Virginia, 1950, as amended, whose beneficiary, as defined in that section, is entitled to receive benefits under § 9.1-402 of the Code of Virginia, 1950, as amended, as determined by the Comptroller of Virginia prior to July 1, 2017, or as determined by the Virginia Retirement System on and after July 1, 2017.

**§ 155-22.2 Exemption**

- A. For tax years beginning on or after January 1, 2019, the real property described in subsection B, owned and occupied by the surviving spouse of any covered person as his principal place of residence is exempt from taxation. If the covered person's death occurred on or prior to January 1, 2019, and the surviving spouse has a principal residence on January 1, 2019, eligible for the exemption under this section, then the exemption for the surviving spouse shall begin on January 1, 2019. If the covered person's death occurs after January 1, 2019, and the surviving spouse has a principal residence eligible for the exemption under this section on the date that such covered person dies, then the exemption for the surviving spouse shall begin on the date that such covered person dies. If the surviving spouse acquires the property after January 1, 2019, then the exemption

shall begin on the date of acquisition, and the previous owner may be entitled to a refund for a pro rata portion of real property taxes paid pursuant to § 58.1-3360 of the Code of Virginia, 1950, as amended. The county shall not be liable for any interest on any refund due to the surviving spouse for taxes paid prior to the surviving spouse's filing of the affidavit or written statement required by § 155-22.3.

- B. Those dwellings with assessed values in the most recently ended tax year that are not in excess of the average assessed value for such year of a dwelling situated on property that is zoned as single-family residential shall qualify for a total exemption from real property taxes under this article. If the value of a dwelling is in excess of the average assessed value as described in this subsection, then only that portion of the assessed value in excess of the average assessed value shall be subject to real property taxes, and the portion of the assessed value that is not in excess of the average assessed value shall be exempt from real property taxes. Single-family homes, condominiums, town homes, manufactured homes as defined in § 46.2-100 of the Code of Virginia, 1950, as amended, whether or not the wheels and other equipment previously used for mobility have been removed, and other types of dwellings of surviving spouses, whether or not the land on which the single-family home, condominium, town home, manufactured home, or other type of dwelling of a surviving spouse is located is owned by someone other than the surviving spouse, that (i) meet this requirement and (ii) are occupied by such persons as their principal place of residence shall qualify for the real property tax exemption. If the land on which the single-family home, condominium, town home, manufactured home, or other type of dwelling is located is not owned by the surviving spouse, then the land is not exempt. For purposes of determining whether a dwelling, or a portion of its value, is exempt from real property taxes, the average assessed value shall be such average for all dwellings located within the county that are situated on property zoned as single-family residential.
- C. The surviving spouse shall qualify for the exemption so long as the surviving spouse does not remarry and continues to occupy the real property as his principal place of residence. The exemption applies without any restriction on the spouse's moving from one principal place of residence within Frederick County to a different principal place of residence within Frederick County.
- D. The exemption shall be calculated, as provided herein, based upon the taxes otherwise due for the dwelling and up to one acre of land upon which it is situated. A real property improvement other than a dwelling, made to such one acre exempt from taxation pursuant to this subsection, shall also be exempt from taxation so long as the principal use of the improvement is (a) to house or cover motor vehicles or household goods and personal effects as classified in

subdivision A 14 of § 58.1-3503 of the Code of Virginia, 1950, as amended, and as listed in § 58.1-3504 of the Code of Virginia, 1950, as amended, and (b) for other than a business purpose.

- E. For purposes of this exemption, real property of any surviving spouse of a covered person includes real property (i) held by a surviving spouse as a tenant for life, (ii) held in a revocable inter vivos trust over which the surviving spouse holds the power of revocation, or (iii) held in an irrevocable trust under which the surviving spouse possesses a life estate or enjoys a continuing right of use or support. Such real property does not include any interest held under a leasehold or term of years.
- F. 1. In the event that (i) a surviving spouse is entitled to an exemption under this section by virtue of holding the property in any of the three ways set forth in subsection E and (ii) one or more other persons have an ownership interest in the property that permits them to occupy the property, then the tax exemption for the property that otherwise would have been provided shall be prorated by multiplying the amount of the exemption by a fraction the numerator of which is 1 and the denominator of which equals the total number of people having an ownership interest that permits them to occupy the property.
2. In the event that the principal residence is jointly owned by two or more individuals including the surviving spouse, and no person is entitled to the exemption under this section by virtue of holding the property in any of the three ways set forth in subsection E, then the exemption shall be prorated by multiplying the amount of the exemption by a fraction the numerator of which is the percentage of ownership interest in the dwelling held by the surviving spouse and the denominator of which is 100.

### **§ 155-22.3 Application for exemption**

The surviving spouse claiming the exemption under this article shall file with the Commissioner of the Revenue, on forms to be supplied by the Commissioner of the Revenue, an affidavit or written statement (i) setting forth the surviving spouse's name, (ii) indicating any other joint owners of the real property, (iii) certifying that the real property is occupied as the surviving spouse's principal place of residence, and (iv) including evidence of the determination of the Comptroller or the Virginia Retirement System pursuant to section 155-22.1. The surviving spouse shall also provide documentation that he is the surviving spouse of a covered person and of the date that the covered person died. The surviving spouse shall be required to refile the information required by this section only if the surviving spouse's principal place of residence changes. The surviving spouse shall promptly notify the Commissioner of the Revenue of any remarriage.

**§ 155-22.4 Absence from residence**

The fact that surviving spouses who are otherwise qualified for tax exemption pursuant to this article are residing in hospitals, nursing homes, convalescent homes, or other facilities for physical or mental care for extended periods of time shall not be construed to mean that the real estate for which tax exemption is sought does not continue to be the sole dwelling of such persons during such extended periods of other residence, so long as such real estate is not used by or leased to others for consideration.

Enacted this \_\_\_\_\_ day of \_\_\_\_\_, 2019.

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

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Kris C. Tierney  
Clerk, Board of Supervisors  
County of Frederick, Virginia

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## Article 2.5. Exemption for Surviving Spouses of Certain Persons Killed in the Line of Duty

### § 58.1-3219.13. Definitions.

As used in this article, unless the context requires otherwise:

"Covered person" means any person set forth in the definition of "deceased person" in § 9.1-400 whose beneficiary, as defined in § 9.1-400, is entitled to receive benefits under § 9.1-402, as determined by the Comptroller prior to July 1, 2017, or as determined by the Virginia Retirement System on and after July 1, 2017.

2017, c. 248.

### § 58.1-3219.14. Exemption from taxes on property of surviving spouses of certain persons killed in the line of duty.

A. Pursuant to Article X, Section 6-B of the Constitution of Virginia, for tax years beginning on or after January 1, 2017, any county, city, or town may exempt from taxation the real property described in subsection B of the surviving spouse of any covered person who occupies the real property as his principal place of residence. If the covered person's death occurred on or prior to January 1, 2017, and the surviving spouse has a principal residence on January 1, 2017, eligible for the exemption under this section, then the exemption for the surviving spouse shall begin on January 1, 2017. If the covered person's death occurs after January 1, 2017, and the surviving spouse has a principal residence eligible for the exemption under this section on the date that such covered person dies, then the exemption for the surviving spouse shall begin on the date that such covered person dies. If the surviving spouse acquires the property after January 1, 2017, then the exemption shall begin on the date of acquisition, and the previous owner may be entitled to a refund for a pro rata portion of real property taxes paid pursuant to § 58.1-3360. No county, city, or town shall be liable for any interest on any refund due to the surviving spouse for taxes paid prior to the surviving spouse's filing of the affidavit or written statement required by § 58.1-3219.15.

B. Those dwellings, in any locality that provides the exemption pursuant to this article, with assessed values in the most recently ended tax year that are not in excess of the average assessed value for such year of a dwelling situated on property that is zoned as single-family residential shall qualify for a total exemption from real property taxes under this article. If the value of a dwelling is in excess of the average assessed value as described in this subsection, then only that portion of the assessed value in excess of the average assessed value shall be subject to real property taxes, and the portion of the assessed value that is not in excess of the average assessed value shall be exempt from real property taxes. Single-family homes, condominiums, town homes, manufactured homes as defined in § 46.2-100 whether or not the wheels and other equipment previously used for mobility have been removed, and other types of dwellings of surviving spouses, whether or not the land on which the single-family home, condominium, town home, manufactured home, or other type of dwelling of a surviving spouse is located is owned by someone other than the surviving spouse, that (i) meet this requirement and (ii) are occupied by such persons as their principal place of residence shall qualify for the real property tax exemption. If the land on which the single-family home, condominium, town home,



manufactured home, or other type of dwelling is located is not owned by the surviving spouse, then the land is not exempt.

For purposes of determining whether a dwelling, or a portion of its value, is exempt from county and town real property taxes, the average assessed value shall be such average for all dwellings located within the county that are situated on property zoned as single-family residential.

C. The surviving spouse shall qualify for the exemption so long as the surviving spouse does not remarry and continues to occupy the real property as his principal place of residence. The exemption applies without any restriction on the spouse's moving to a different principal place of residence.

D. A county, city, or town shall provide for the exemption from real property taxes of (i) the qualifying dwelling, or that portion of the value of such dwelling and land that qualifies for the exemption pursuant to subsection B, and (ii) with the exception of land not owned by the surviving spouse, the land, not exceeding one acre, upon which it is situated. However, if a county, city, or town provides for an exemption from or deferral of real property taxes of more than one acre of land pursuant to Article 2 (§ 58.1-3210 et seq.), then the county, city, or town shall also provide an exemption for the same number of acres pursuant to this section. A real property improvement other than a dwelling, including the land upon which such improvement is situated, made to such one acre or greater number of acres exempt from taxation pursuant to this subsection shall also be exempt from taxation so long as the principal use of the improvement is (a) to house or cover motor vehicles or household goods and personal effects as classified in subdivision A 14 of § 58.1-3503 and as listed in § 58.1-3504 and (b) for other than a business purpose.

E. For purposes of this exemption, real property of any surviving spouse of a covered person includes real property (i) held by a surviving spouse as a tenant for life, (ii) held in a revocable inter vivos trust over which the surviving spouse holds the power of revocation, or (iii) held in an irrevocable trust under which the surviving spouse possesses a life estate or enjoys a continuing right of use or support. Such real property does not include any interest held under a leasehold or term of years.

F. 1. In the event that (i) a surviving spouse is entitled to an exemption under this section by virtue of holding the property in any of the three ways set forth in subsection E and (ii) one or more other persons have an ownership interest in the property that permits them to occupy the property, then the tax exemption for the property that otherwise would have been provided shall be prorated by multiplying the amount of the exemption by a fraction the numerator of which is 1 and the denominator of which equals the total number of people having an ownership interest that permits them to occupy the property.

2. In the event that the principal residence is jointly owned by two or more individuals including the surviving spouse, and no person is entitled to the exemption under this section by virtue of holding the property in any of the three ways set forth in subsection E, then the exemption shall be prorated by multiplying the amount of the exemption by a fraction the numerator of which is the percentage of ownership interest in the dwelling held by the surviving spouse and the denominator of which is 100.

2017, c. 248.

#### **§ 58.1-3219.15. Application for exemption.**

A. The surviving spouse claiming the exemption under this article shall file with the commissioner of the revenue of the county, city, or town or such other officer as may be designated by the governing body in which the real property is located, on forms to be supplied by the county, city, or town, an affidavit or written statement (i) setting forth the surviving spouse's name, (ii) indicating any other joint owners of the real property, (iii) certifying that the real property is occupied as the surviving spouse's principal place of residence, and (iv) including evidence of the determination of the Comptroller or the Virginia Retirement System pursuant to subsection A. The surviving spouse shall also provide documentation that he is the surviving spouse of a covered person and of the date that the covered person died.

The surviving spouse shall be required to refile the information required by this section only if the surviving spouse's principal place of residence changes.

B. The surviving spouse shall promptly notify the commissioner of the revenue of any remarriage.

2017, c. 248.

**§ 58.1-3219.16. Absence from residence.**

The fact that surviving spouses who are otherwise qualified for tax exemption pursuant to this article are residing in hospitals, nursing homes, convalescent homes, or other facilities for physical or mental care for extended periods of time shall not be construed to mean that the real estate for which tax exemption is sought does not continue to be the sole dwelling of such persons during such extended periods of other residence, so long as such real estate is not used by or leased to others for consideration.

2017, c. 248.

## Chapter 4. Line of Duty Act.

### § 9.1-400. Title of chapter; definitions.

A. This chapter shall be known and designated as the Line of Duty Act.

B. As used in this chapter, unless the context requires a different meaning:

"Beneficiary" means the spouse of a deceased person and such persons as are entitled to take under the will of a deceased person if testate, or as his heirs at law if intestate.

"Deceased person" means any individual whose death occurs on or after April 8, 1972, in the line of duty as the direct or proximate result of the performance of his duty, including the presumptions under §§ 27-40.1, 27-40.2, 51.1-813, 65.2-402, and 65.2-402.1 if his position is covered by the applicable statute, as a law-enforcement officer of the Commonwealth or any of its political subdivisions, except employees designated pursuant to § 53.1-10 to investigate allegations of criminal behavior affecting the operations of the Department of Corrections, employees designated pursuant to § 66-3 to investigate allegations of criminal behavior affecting the operations of the Department of Juvenile Justice, and members of the investigations unit of the State Inspector General designated pursuant to § 2.2-311 to investigate allegations of criminal behavior affecting the operations of a state or nonstate agency; a correctional officer as defined in § 53.1-1; a jail officer; a regional jail or jail farm superintendent; a sheriff, deputy sheriff, or city sergeant or deputy city sergeant of the City of Richmond; a police chaplain; a member of any fire company or department or emergency medical services agency that has been recognized by an ordinance or a resolution of the governing body of any county, city, or town of the Commonwealth as an integral part of the official safety program of such county, city, or town, including a person with a recognized membership status with such fire company or department who is enrolled in a Fire Service Training course offered by the Virginia Department of Fire Programs or any fire company or department training required in pursuit of qualification to become a certified firefighter; a member of any fire company providing fire protection services for facilities of the Virginia National Guard or the Virginia Air National Guard; a member of the Virginia National Guard or the Virginia Defense Force while such member is serving in the Virginia National Guard or the Virginia Defense Force on official state duty or federal duty under Title 32 of the United States Code; any special agent of the Virginia Alcoholic Beverage Control Authority; any regular or special conservation police officer who receives compensation from a county, city, or town or from the Commonwealth appointed pursuant to the provisions of § 29.1-200; any commissioned forest warden appointed under the provisions of § 10.1-1135; any member or employee of the Virginia Marine Resources Commission granted the power of arrest pursuant to § 28.2-900; any Department of Emergency Management hazardous materials officer; any other employee of the Department of Emergency Management who is performing official duties of the agency, when those duties are related to a major disaster or emergency, as defined in § 44-146.16, that has been or is later declared to exist under the authority of the Governor in accordance with § 44-146.28; any employee of any county, city, or town performing official emergency management or emergency services duties in cooperation with the Department of Emergency Management, when those duties are related to a major disaster or emergency, as defined in § 44-146.16, that has been or is later declared to exist under the authority of the Governor in accordance with § 44-146.28 or a local emergency, as defined in § 44-146.16, declared by a local governing body; any nonfirefighter regional hazardous materials emergency response team

member; any conservation officer of the Department of Conservation and Recreation commissioned pursuant to § 10.1-115; or any full-time sworn member of the enforcement division of the Department of Motor Vehicles appointed pursuant to § 46.2-217.

"Disabled person" means any individual who has been determined to be mentally or physically incapacitated so as to prevent the further performance of his duties at the time of his disability where such incapacity is likely to be permanent, and whose incapacity occurs in the line of duty as the direct or proximate result of the performance of his duty, including the presumptions under §§ 27-40.1, 27-40.2, 51.1-813, 65.2-402, and 65.2-402.1 if his position is covered by the applicable statute, in any position listed in the definition of deceased person in this section. "Disabled person" does not include any individual who has been determined to be no longer disabled pursuant to subdivision A 2 of § 9.1-404. "Disabled person" includes any state employee included in the definition of a deceased person who was disabled on or after January 1, 1966.

"Eligible dependent" for purposes of continued health insurance pursuant to § 9.1-401 means the natural or adopted child or children of a deceased person or disabled person or of a deceased or disabled person's eligible spouse, provided that any such natural child is born as the result of a pregnancy that occurred prior to the time of the employee's death or disability and that any such adopted child is (i) adopted prior to the time of the employee's death or disability or (ii) adopted after the employee's death or disability if the adoption is pursuant to a preadoptive agreement entered into prior to the death or disability. Eligibility will continue until the end of the year in which the eligible dependent reaches age 26 or when the eligible dependent ceases to be eligible based on the Virginia Administrative Code or administrative guidance as determined by the Department of Human Resource Management.

"Eligible spouse" for purposes of continued health insurance pursuant to § 9.1-401 means the spouse of a deceased person or a disabled person at the time of the death or disability. Eligibility will continue until the eligible spouse dies, ceases to be married to a disabled person, or in the case of the spouse of a deceased person, dies, remarries on or after July 1, 2017, or otherwise ceases to be eligible based on the Virginia Administrative Code or administrative guidance as determined by the Department of Human Resource Management.

"Employee" means any person who would be covered or whose spouse, dependents, or beneficiaries would be covered under the benefits of this chapter if the person became a disabled person or a deceased person.

"Employer" means (i) the employer of a person who is a covered employee or (ii) in the case of a volunteer who is a member of any fire company or department or rescue squad described in the definition of "deceased person," the county, city, or town that by ordinance or resolution recognized such fire company or department or rescue squad as an integral part of the official safety program of such locality.

"Fund" means the Line of Duty Death and Health Benefits Trust Fund established pursuant to § 9.1-400.1.

"Line of duty" means any action the deceased or disabled person was obligated or authorized to perform by rule, regulation, condition of employment or service, or law.

"LODA Health Benefit Plans" means the separate health benefits plans established pursuant to § 9.1-401.

"Nonparticipating employer" means any employer that is a political subdivision of the Commonwealth that elected to directly fund the cost of benefits provided under this chapter and not participate in the Fund.

"Participating employer" means any employer that is a state agency or is a political subdivision of the Commonwealth that did not make an election to become a nonparticipating employer.

"VRS" means the Virginia Retirement System.

1995, cc. 112, 156, 597, §§ 2.1-133.5, 2.1-133.6; 1996, cc. 66, 174; 1998, c. 712; 2001, cc. 678, 844; 2003, cc. 37, 41, 1005; 2004, c. 30; 2005, cc. 907, 910; 2006, c. 824; 2007, c. 87; 2011, cc. 572, 586; 2012, cc. 374, 458, 573; 2015, cc. 38, 502, 503, 730; 2016, c. 677; 2017, cc. 439, 627; 2018, c. 548.

**§ 9.1-400.1. Line of Duty Death and Health Benefits Trust Fund.**

A. There is hereby established a permanent and perpetual fund to be known as the Line of Duty Death and Health Benefits Trust Fund, consisting of such moneys as may be appropriated by the General Assembly, contributions or reimbursements from participating and nonparticipating employers, gifts, bequests, endowments, or grants from the United States government or its agencies or instrumentalities, net income from the investment of moneys held in the Fund, and any other available sources of funds, public and private. Any moneys remaining in the Fund at the end of a biennium shall not revert to the general fund but shall remain in the Fund. Interest and income earned from the investment of such moneys shall remain in the Fund and be credited to it. The moneys in the Fund shall be (i) deemed separate and independent trust funds, (ii) segregated and accounted for separately from all other funds of the Commonwealth, and (iii) administered solely in the interests of the persons who are covered under the benefits provided pursuant to this chapter. Deposits to and assets of the Fund shall not be subject to the claims of creditors.

B. The Virginia Retirement System shall invest, reinvest, and manage the assets of the Fund as provided in § 51.1-124.39 and shall be reimbursed from the Fund for such activities as provided in that section.

C. The Fund shall be used to provide the benefits under this chapter related to disabled persons, deceased persons, eligible dependents, and eligible spouses on behalf of participating employers and to pay related administrative costs.

D. Each participating employer shall make annual contributions to the Fund and provide information as determined by VRS. The amount of the contribution for each participating employer shall be determined on a current disbursement basis in accordance with the provisions of this section. For purposes of establishing contribution amounts for participating employers, a member of any fire company or department or rescue squad that has been recognized by an ordinance or a resolution of the governing body of any locality of the Commonwealth as an integral part of the official safety program of such locality shall be considered part of the locality served by the company, department, or rescue squad. If a company, department, or rescue squad serves more than one locality, the affected localities shall determine the basis and apportionment of the required covered payroll and contributions for each company, department, or rescue squad.

If any participating employer fails to remit contributions or other fees or costs associated with the Fund, VRS shall inform the State Comptroller and the affected participating employer of the delinquent amount. In calculating the delinquent amount, VRS may impose an interest rate of

one percent per month of delinquency. The State Comptroller shall forthwith transfer such delinquent amount, plus interest, from any moneys otherwise distributable to such participating employer.

2016, c. 677;2017, c. 439.

**§ 9.1-401. Continued health insurance coverage for disabled persons, eligible spouses, and eligible dependents.**

A. Disabled persons, eligible spouses, and eligible dependents shall be afforded continued health insurance coverage as provided in this section, the cost of which shall be paid by the nonparticipating employer to the Department of Human Resource Management or from the Fund on behalf of a participating employer, as applicable. If any disabled person or eligible spouse is receiving the benefits described in this section and would otherwise qualify for the health insurance credit described in Chapter 14 (§ 51.1-1400 et seq.) of Title 51.1, the amount of such credit shall be deposited into the Line of Duty Death and Health Benefits Trust Fund or paid to the nonparticipating employer, as applicable, from the health insurance credit trust fund, in a manner prescribed by VRS.

B. 1. The continued health insurance coverage provided by this section for all disabled persons, eligible spouses, and eligible dependents shall be through separate plans, referred to as the LODA Health Benefits Plans (the Plans), administered by the Department of Human Resource Management. The Plans shall comply with all applicable federal and state laws and shall be modeled upon state employee health benefits program plans. Funding of the Plans' reserves and contingency shall be provided through a line of credit, the amount of which shall be based on an actuarially determined estimate of liabilities. The Department of Human Resource Management shall be reimbursed for health insurance premiums and all reasonable costs incurred and associated, directly and indirectly, in performing the duties pursuant to this section (i) from the Line of Duty Death and Health Benefits Trust Fund for costs related to disabled persons, deceased persons, eligible dependents, and eligible spouses on behalf of participating employers and (ii) from a nonparticipating employer for premiums and costs related to disabled persons, deceased persons, eligible dependents, and eligible spouses for which the nonparticipating employer is responsible. If any nonparticipating employer fails to remit such premiums and costs, the Department of Human Resource Management shall inform the State Comptroller and the affected nonparticipating employer of the delinquent amount. In calculating the delinquent amount, the Department of Human Resource Management may impose an interest rate of one percent per month of delinquency. The State Comptroller shall forthwith transfer such delinquent amount, plus interest, from any moneys otherwise distributable to such nonparticipating employer.

2. In the event that temporary health care insurance coverage is needed for disabled persons, eligible spouses, and eligible dependents during the period of transition into the LODA Health Benefits Plans, the Department of Human Resource Management is authorized to acquire and provide temporary transitional health insurance coverage. The type and source of the transitional health plans shall be within the sole discretion of the Department of Human Resource Management. Transitional coverage for eligible dependents shall comply with the eligibility criteria of the transitional plans until enrollment in the LODA Health Benefits Plan can be completed.

C. 1. a. Except as provided in subdivision 2 and any other law, continued health insurance

coverage in any LODA Health Benefits Plans shall not be provided to any person (i) whose coverage under the Plan is based on a deceased person's death or a disabled person's disability occurring on or after July 1, 2017 and (ii) who is eligible for Medicare due to age.

b. Coverage in the LODA Health Benefits Plans shall also cease for any person upon his death.

2. The provisions of subdivision 1 a shall not apply to any disabled person who is eligible for Medicare due to disability under Social Security Disability Insurance or a Railroad Retirement Board Disability Annuity. The Department of Human Resource Management may provide such disabled person coverage under a LODA Health Benefits Plan that is separate from the plan for other persons.

3. Continued health insurance under this section shall also terminate upon the disabled person's return to full duty in any position listed in the definition of deceased person in § 9.1-400. Such disabled person shall promptly notify the participating or nonparticipating employer, VRS, and the Department of Human Resource Management upon his return to work.

4. Such continued health insurance shall be suspended for the Plan year following a calendar year in which the disabled person whose coverage under the Plan is based on a disability occurring on or after July 1, 2017, has earned income in an amount equal to or greater than the salary of the position held by the disabled person at the time of disability, indexed annually based upon the annual increases in the United States Average Consumer Price Index for all items, all urban consumers (CPI-U), as published by the Bureau of Labor Statistics of the U.S. Department of Labor. Such suspension shall cease the Plan year following a calendar year in which the disabled person has not earned such amount of income. The disabled person shall notify the participating or nonparticipating employer, VRS, and the Department of Human Resource Management no later than March 1 of the year following any year in which he earns income of such amount, and notify the participating or nonparticipating employer, VRS, and the Department of Human Resource Management when he no longer is earning such amount. Upon request, a disabled person shall provide VRS and the Department of Human Resource Management with documentation of earned income.

1998, c. 712, § 2.1-133.7:1; 2000, c. 616; 2001, c. 844; 2016, c. 677; 2017, c. 439.

**§ 9.1-401.1. Supplemental short-term disability benefit for state police officers.**

A state police officer who is a participating employee, as defined in § 51.1-1100, and who incurs a work-related injury in the line of duty, shall receive supplemental short-term disability coverage, pursuant to § 51.1-1121, that provides income replacement for 100 percent of the officer's creditable compensation for the first six months and, pursuant to a certification by the Superintendent of State Police, based on a medical evaluation, that the officer is likely to return to service within another six months, up to one calendar year, that the officer is disabled, without regard to the officer's number of months of state service. Except as provided in this section with regard to the rate of income replacement and the duration of supplemental short-term disability coverage, such state police officers shall be eligible for work-related, supplemental short-term disability benefits upon the same terms and conditions that apply to other participating employees pursuant to Article 4 (§ 51.1-1119 et seq.) of Chapter 11 of Title 51.1. Upon the expiration of the one-calendar-year period, such state police officers shall be eligible for supplemental long-term disability benefits as provided in § 51.1-1123.

2010, c. 654.

**§ 9.1-402. Payments to beneficiaries of certain deceased law-enforcement officers, firefighters, etc., and retirees.**

A. The beneficiary of a deceased person whose death occurred on or before December 31, 2005, while in the line of duty as the direct or proximate result of the performance of his duty shall be entitled to receive the sum of \$75,000, which shall be paid by the nonparticipating employer or from the Fund on behalf of a participating employer, as applicable, in gratitude for and in recognition of his sacrifice on behalf of the people of the Commonwealth.

B. The beneficiary of a deceased person whose death occurred on or after January 1, 2006, while in the line of duty as the direct or proximate result of the performance of his duty shall be entitled to receive the sum of \$100,000, which shall be paid by the nonparticipating employer or from the Fund on behalf of a participating employer, as applicable, in gratitude for and in recognition of his sacrifice on behalf of the people of the Commonwealth.

C. Subject to the provisions of § 27-40.1, 27-40.2, 51.1-813, or 65.2-402, if the deceased person's death (i) arose out of and in the course of his employment or (ii) was within five years from his date of retirement, his beneficiary shall be entitled to receive the sum of \$25,000, which shall be paid by the nonparticipating employer or from the Fund on behalf of a participating employer, as applicable.

1995, cc. 156, 597, § 2.1-133.7; 2000, c. 314; 2001, c. 844; 2006, c. 878; 2016, c. 677.

**§ 9.1-402.1. Payments for burial expenses.**

It is the intent of the General Assembly that expeditious payments for burial expenses be made for deceased persons whose death is determined to be a direct and proximate result of their performance in the line of duty as defined by the Line of Duty Act. Upon the approval of VRS, at the request of the family of a person who may be subject to the line of duty death benefits, payments shall be made to a funeral service provider for burial and transportation costs by the nonparticipating employer or from the Fund on behalf of a participating employer, as applicable. These payments would be advanced from the death benefit that would be due to the beneficiary of the deceased person if it is determined that the person qualifies for line of duty coverage. Expenses advanced under this provision shall not exceed the coverage amounts outlined in § 65.2-512. In the event a determination is made that the death is not subject to the line of duty benefits, VRS or other Virginia governmental retirement fund of which the deceased is a member will deduct from benefit payments otherwise due to be paid to the beneficiaries of the deceased payments previously paid for burial and related transportation expenses and return such funds to the nonparticipating employer or to the Fund on behalf of a participating employer, as applicable. The Virginia Retirement System shall have the right to file a claim with the Virginia Workers' Compensation Commission against any employer to recover burial and related transportation expenses advanced under this provision.

2012, cc. 90, 576; 2016, c. 677.

**§ 9.1-403. Claim for payment; costs.**

A. Every beneficiary, disabled person or his spouse, or dependent of a deceased or disabled person shall present his claim to the chief officer, or his designee, of the employer for which the disabled or deceased person last worked on forms to be provided by VRS. Upon receipt of a claim, the chief officer or his designee shall forward the claim to VRS within seven days. The Virginia Retirement System shall determine eligibility for benefits under this chapter. The Virginia



Retirement System may request assistance in obtaining information necessary to make an eligibility determination from the Department of State Police. The Department of State Police shall take action to conduct the investigation as expeditiously as possible. The Department of State Police shall be reimbursed from the Fund or the nonparticipating employer, as applicable, for the cost of searching for and obtaining information requested by VRS. The Virginia Retirement System shall be reimbursed for the reasonable costs incurred for making eligibility determinations by nonparticipating employers or from the Fund on behalf of participating employers, as applicable. If any nonparticipating employer fails to reimburse VRS for reasonable costs incurred in making an eligibility determination, VRS shall inform the State Comptroller and the affected nonparticipating employer of the delinquent amount. In calculating the delinquent amount, VRS may impose an interest rate of one percent per month of delinquency. The State Comptroller shall forthwith transfer such delinquent amount, plus interest, from any moneys otherwise distributable to such nonparticipating employer.

B. 1. Within 10 business days of being notified by an employee, or an employee's representative, that such employee is permanently and totally disabled due to a work-related injury suffered in the line of duty, the agency or department employing the employee shall provide him with information about the continued health insurance coverage provided under this chapter and the process for initiating a claim. The employer shall assist in filing a claim, unless such assistance is waived by the employee or the employee's representative.

2. Within 10 business days of having knowledge that a deceased person's surviving spouse, dependents, or beneficiaries may be entitled to benefits under this chapter, the employer for which the deceased person last worked shall provide the surviving spouse, dependents, or beneficiaries, as applicable, with information about the benefits provided under this chapter and the process for initiating a claim. The employer shall assist in filing a claim, unless such assistance is waived by the surviving spouse, dependents, or beneficiaries.

C. Within 30 days of receiving a claim pursuant to subsection A, an employer may submit to VRS any evidence that could assist in determining the eligibility of a claim. However, when the claim involves a presumption under § 65.2-402 or 65.2-402.1, VRS shall provide an employer additional time to submit evidence as is necessary not to exceed nine months from the date the employer received a claim pursuant to subsection A. Any such evidence submitted by the employer shall be included in the agency record for the claim.

1995, c. 156, § 2.1-133.8; 1998, c. 712; 2001, cc. 427, 844; 2007, c. 90; 2009, cc. 393, 580; 2016, c. 677.

#### **§ 9.1-404. Order of the Virginia Retirement System.**

A. 1. The Virginia Retirement System shall make an eligibility determination within 45 days of receiving all necessary information for determining eligibility for a claim filed under § 9.1-403. The Virginia Retirement System may use a medical board pursuant to § 51.1-124.23 in determining eligibility. If benefits under this chapter are due, VRS shall notify the nonparticipating employer, which shall provide the benefits within 15 days of such notice, or VRS shall pay the benefits from the Fund on behalf of the participating employer within 15 days of the determination, as applicable. The payments shall be retroactive to the first date that the disabled person was no longer eligible for health insurance coverage subsidized by his employer.

2. Two years after an individual has been determined to be a disabled person, VRS may require the disabled person to renew the determination through a process established by VRS. If a

disabled person refuses to submit to the determination renewal process described in this subdivision, then benefits under this chapter shall cease for the individual, any eligible dependents, and an eligible spouse until the individual complies. If such individual does not comply within six months from the date of the initial request for a renewed determination, then benefits under this chapter shall permanently cease for the individual, any eligible dependents, and an eligible spouse. If VRS issues a renewed determination that an individual is no longer a disabled person, then benefits under this chapter shall permanently cease for the individual, any eligible dependents, and an eligible spouse. If VRS issues a renewed determination that an individual remains a disabled person, then VRS may require the disabled person to renew the determination five years after such renewed determination through a process established by VRS. The Virginia Retirement System may require the disabled person to renew the determination at any time if VRS has information indicating that the person may no longer be disabled.

B. The Virginia Retirement System shall be reimbursed for all reasonable costs incurred and associated, directly and indirectly, in performing the duties pursuant to this chapter (i) from the Line of Duty Death and Health Benefits Trust Fund for costs related to disabled persons, deceased persons, eligible dependents, and eligible spouses on behalf of participating employers and (ii) from a nonparticipating employer for premiums and costs related to disabled persons, deceased persons, eligible dependents, and eligible spouses for which the nonparticipating employer is responsible.

C. The Virginia Retirement System may develop policies and procedures necessary to carry out the provisions of this chapter.

1995, cc. 156, 597, § 2.1-133.9; 1998, c. 712; 2001, c. 844; 2016, c. 677; 2017, c. 439.

#### **§ 9.1-405. Appeal from decision of Virginia Retirement System.**

Any beneficiary, disabled person or eligible spouse or eligible dependent of a deceased or disabled person aggrieved by the decision of VRS may appeal the decision through a process established by VRS. Any such process may utilize a medical board as described in § 51.1-124.23. An employer may submit information related to the claim and may participate in any informal fact-finding proceeding that is included in such process established by VRS. Upon completion of the appeal process, the final determination issued by VRS shall constitute a case decision as defined in § 2.2-4001. Any beneficiary, disabled person, or eligible spouse or eligible dependent of a deceased or disabled person aggrieved by, and claiming the unlawfulness of, such case decision shall have a right to seek judicial review thereof in accordance with Article 5 (§ 2.2-4025 et seq.) of the Administrative Process Act. The employer shall not have a right to seek such judicial review.

1995, cc. 156, 597, § 2.1-133.10; 1998, c. 712; 2001, c. 844; 2016, c. 677.

#### **§ 9.1-406. Repealed.**

Repealed by Acts 2016, c. 677, cl. 2, effective July 1, 2017.

#### **§ 9.1-407. Training.**

Any employee entitled to benefits under this chapter shall receive training within 30 days of his employment, and again every two years thereafter, concerning the benefits available to himself or his beneficiary in case of disability or death in the line of duty. The Virginia Retirement System and the Department of Human Resource Management, in consultation with the Secretary of Public Safety and Homeland Security, shall develop training information to be distributed to

employers. The employer shall be responsible for providing the training. Such training shall not count toward in-service training requirements for law-enforcement officers pursuant to § 9.1-102 and shall include, but not be limited to, the general rules for intestate succession described in § 64.2-200 that may be applicable to the distribution of benefits provided under § 9.1-402.

2006, c. 535;2014, cc. 115, 490;2016, c. 677;2017, c. 439.

**§ 9.1-408. Records of investigation confidential.**

A. Evidence and documents obtained by or created by, and the report of investigation prepared by, the Department of State Police, the Virginia Retirement System, or the Department of Human Resource Management in carrying out the provisions of this chapter shall (i) be deemed confidential, (ii) be exempt from disclosure under the Freedom of Information Act (§ 2.2-3700 et seq.), and (iii) not be released in whole or in part by any person to any person except as provided in this chapter. Notwithstanding the provisions of this section, VRS may release to necessary parties such information, documents, and reports for purposes of administering appeals under this chapter.

B. Notwithstanding subsection A, the Department of State Police and the Department of Accounts shall, upon request, share with the Virginia Retirement System and the Department of Human Resource Management any information, evidence, documents, and reports of investigation related to existing and past claims for benefits provided under this Chapter. Such information, evidence, documents, and reports of investigation shall be exempt from disclosure under the Virginia Freedom of Information Act (§ 2.2-3700 et seq.).

2010, c. 568;2017, c. 439.

# ROBINSON, FARMER, COX ASSOCIATES

A PROFESSIONAL LIMITED LIABILITY COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

## Communication with Those Charged with Governance

### To the Audit Committee County of Frederick, Virginia

We have audited the financial statements of the governmental activities, business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Frederick ("County") for the year ended June 30, 2018. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards* and the Uniform Guidance as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated January 17, 2018. Professional standards also require that we communicate to you the following information related to our audit.

### Significant Audit Findings

#### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the County are described in Note 1 to the financial statements. The County adopted new accounting guidance, GASB Statement No. 75 Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. All significant transactions have been recognized in the financial statements in the proper period.

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

Management's estimate of the depreciable lives of capital assets is based on the actual lives of prior assets and industry standards. We evaluated the key factors and assumptions used to develop the depreciable lives in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of other post-employment benefit liabilities is based on the actuarial valuation performed by a qualified independent actuary. We evaluated the key factors and assumptions used to develop the estimated liability in determining that it is reasonable in relation to the financial statements taken as a whole.

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

#### *Difficulties Encountered in Performing the Audit*

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

### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

### *Disagreements with Management*

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

### *Management Representations*

We have requested certain representations from management that are included in the management representation letter dated December 20, 2018.

### *Management Consultations with Other Independent Accountants*

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

### *Other Matters*

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

This information is intended solely for the use of the Audit Committee and management of the County of Frederick and is not intended to be and should not be used by anyone other than these specified parties.

*Robinson, Kimmel, Cox Associates*

Charlottesville, Virginia  
December 20, 2018

| DATE      | DEPARTMENT/GENERAL FUND             | REASON FOR TRANSFER                                       | FROM | TO   | ACCT | CODE | AMOUNT       |
|-----------|-------------------------------------|---|------|------|------|------|--------------|
| 2/7/2019  | MANAGEMENT INFORMATION SYSTEMS      | PAY HELP SYSTEMS INVOICE                                  | 1222 | 5413 | 000  | 000  | (377.00)     |
|           | MANAGEMENT INFORMATION SYSTEMS      |   | 1222 | 3005 | 000  | 000  | 377.00       |
| 2/7/2019  | OTHER                               | REPAIR AND MAINTENANCE BUILDINGS - ROUND HILL             | 1224 | 5415 | 000  | 001  | (1,940.00)   |
|           | COUNTY OFFICE BUILDINGS/COURTHOUSE  |   | 4304 | 3004 | 000  | 008  | 1,940.00     |
|           | OTHER                               |   | 1224 | 5308 | 000  | 000  | (410.00)     |
|           | COUNTY OFFICE BUILDINGS/COURTHOUSE  |   | 4304 | 3004 | 000  | 008  | 410.00       |
|           | OTHER                               |   | 1224 | 5307 | 000  | 000  | (220.00)     |
|           | COUNTY OFFICE BUILDINGS/COURTHOUSE  |   | 4304 | 3004 | 000  | 008  | 220.00       |
|           | OTHER                               |   | 1224 | 5302 | 000  | 000  | (153.00)     |
|           | COUNTY OFFICE BUILDINGS/COURTHOUSE  |   | 4304 | 3004 | 000  | 008  | 153.00       |
| 2/7/2019  | REASSESSMENT/BOARD OF ASSESSORS     | TRANSPORT NEW VEHICLE                                     | 1210 | 3007 | 000  | 000  | (330.00)     |
|           | REASSESSMENT/BOARD OF ASSESSORS     |   | 1210 | 8005 | 000  | 000  | 330.00       |
| 2/7/2019  | COUNTY OFFICE BUILDINGS/COURTHOUSE  | WATER/SEWAGE PSB-WATER PRICES DOUBLED 2019                | 4304 | 5408 | 000  | 005  | (113.99)     |
|           | COUNTY OFFICE BUILDINGS/COURTHOUSE  |   | 4304 | 5103 | 000  | 005  | 113.99       |
| 2/8/2019  | FIRE AND RESCUE                     | EQUIPMENT FOR F&R F-150                                   | 3505 | 8003 | 000  | 000  | 34,440.00    |
|           | TRANSFERS/CONTINGENCY               |   | 9301 | 5890 | 000  | 000  | (34,440.00)  |
| 2/13/2019 | SHERIFF                             | COVER JANUARY EXPENSE OF POWER EQUIPMENT                  | 3102 | 5401 | 000  | 000  | (4,000.00)   |
|           | SHERIFF                             |   | 3102 | 5408 | 000  | 000  | 4,000.00     |
| 2/13/2019 | ADMINISTRATION DSS                  | DSS VEHICLE   | 5316 | 8005 | 000  | 000  | 22,977.00    |
|           | TRANSFERS/CONTINGENCY               |   | 9301 | 5890 | 000  | 000  | (22,977.00)  |
| 2/14/2019 | TRANSFERS/CONTINGENCY               | RETURN UNSPENT FUNDS FOR SHERIFF'S RADIO EQUIPMENT        | 9301 | 5890 | 000  | 000  | 18,014.00    |
|           | SHERIFF                             |   | 3102 | 5409 | 000  | 000  | (18,014.00)  |
| 2/14/2019 | PARKS AND RECREATION ADMINISTRATION | CAPRA RESOURCE MATERIALS                                  | 7101 | 5413 | 000  | 000  | (110.00)     |
|           | PARKS AND RECREATION ADMINISTRATION |   | 7101 | 5411 | 000  | 000  | 110.00       |
| 2/22/2019 | GENERAL ENGINEERING/ADMINISTRATION  | NEW COPIER LEASE  | 4201 | 4003 | 000  | 002  | (1,000.00)   |
|           | GENERAL ENGINEERING/ADMINISTRATION  |   | 4201 | 5413 | 000  | 000  | 1,000.00     |
| 2/22/2019 | CLEARBROOK PARK                     | SAND FOR VOLLEYBALL COURT & WWW                           | 7109 | 5413 | 000  | 000  | (10,000.00)  |
|           | CLEARBROOK PARK                     |   | 7109 | 5412 | 000  | 000  | 10,000.00    |
| 2/22/2019 | SHERANDO PARK                       | UTILITY RATE INCREASE                                     | 7110 | 3004 | 000  | 003  | (2,000.00)   |
|           | CLEARBROOK PARK                     |   | 7109 | 5102 | 000  | 000  | 2,000.00     |
|           | SHERANDO PARK                       |   | 7110 | 3004 | 000  | 003  | (1,200.00)   |
|           | SHERANDO PARK                       |   | 7110 | 5103 | 000  | 000  | 1,200.00     |
| 2/22/2019 | RECREATION CENTERS AND PLAYGROUNDS  | TO COVER LIFT FOR WWW                                     | 7104 | 3010 | 000  | 000  | (50.00)      |
|           | CLEARBROOK PARK                     |   | 7109 | 9001 | 000  | 000  | 50.00        |
| 2/25/2019 | FIRE AND RESCUE                     | F-150 TR10 EQUIPMENT F&R                                  | 3505 | 8005 | 000  | 000  | 21,060.00    |
|           | TRANSFERS/CONTINGENCY               | FIRE AND RESCUE TRUCK AND RADIO                           | 9301 | 5890 | 000  | 000  | (21,060.00)  |
| 2/25/2019 | SHERIFF                             | SHERIFF VEHICLE EQUIPMENT                                 | 3102 | 8005 | 000  | 000  | 312,381.00   |
|           | TRANSFERS/CONTINGENCY               |   | 9301 | 5890 | 000  | 000  | (312,381.00) |
| 2/26/2019 | REASSESSMENT/BOARD OF ASSESSORS     | DUES  | 1210 | 5305 | 000  | 000  | (100.00)     |
|           | REASSESSMENT/BOARD OF ASSESSORS     |   | 1210 | 5801 | 000  | 000  | 100.00       |
| 2/26/2019 | FIRE AND RESCUE                     | PROMOTIONS 2/19 PAYROLL                                   | 3505 | 1007 | 000  | 001  | (1,643.00)   |
|           | FIRE AND RESCUE                     |   | 3505 | 1001 | 000  | 067  | 1,643.00     |
|           | TREASURER                           |   | 1213 | 1001 | 000  | 058  | (6,774.30)   |
|           | TREASURER                           |   | 1213 | 1001 | 000  | 062  | 6,774.30     |
|           | TREASURER                           |   | 1213 | 1001 | 000  | 058  | (1,987.00)   |
|           | TREASURER                           |   | 1213 | 1001 | 000  | 041  | 1,987.00     |
| 2/27/2019 | SHERIFF                             | DECAL GRAPHICS FOR (15) UTILITY CRUISERS AND INSTALLATION | 3102 | 8005 | 000  | 000  | (11,250.00)  |
|           | SHERIFF                             |   | 3102 | 5408 | 000  | 000  | 11,250.00    |
| 2/27/2019 | PLANNING                            | PURCHASE OF HP T930PS DESIGNJET                           | 8101 | 3006 | 000  | 000  | (800.00)     |
|           | PLANNING                            |   | 8101 | 8001 | 000  | 000  | 800.00       |
|           | PLANNING                            |   | 8101 | 5401 | 000  | 001  | (1,400.00)   |
|           | PLANNING                            |   | 8101 | 8001 | 000  | 000  | 1,400.00     |
|           | PLANNING                            |   | 8101 | 5413 | 000  | 000  | (2,000.00)   |
|           | PLANNING                            |   | 8101 | 8001 | 000  | 000  | 2,000.00     |
|           | PLANNING                            |   | 8101 | 5401 | 000  | 000  | (2,000.00)   |
|           | PLANNING                            |   | 8101 | 8001 | 000  | 000  | 2,000.00     |
| 2/27/2019 | ANIMAL SHELTER                      | SUPPLEMENT TRAVEL EXPENSE                                 | 4305 | 3002 | 000  | 000  | (1,500.00)   |
|           | ANIMAL SHELTER                      |   | 4305 | 5506 | 000  | 000  | 1,500.00     |
| 2/27/2019 | REFUSE COLLECTION                   | VEHICLE MAINTENANCE AND REPAIR                            | 4203 | 3004 | 000  | 001  | (2,000.00)   |
|           | REFUSE COLLECTION                   |   | 4203 | 3004 | 000  | 002  | 2,000.00     |

County of Frederick  
 General Fund  
 February 28, 2019

| ASSETS                             | FY19<br><u>2/28/19</u> | FY18<br><u>2/28/18</u> | Increase<br><u>(Decrease)</u>    |
|------------------------------------|------------------------|------------------------|----------------------------------|
| Cash and Cash Equivalents          | 49,338,713.75          | 46,440,333.77          | 2,898,379.98 *A                  |
| Petty Cash                         | 1,555.00               | 1,555.00               | 0.00                             |
| Receivables:                       |                        |                        |                                  |
| Taxes, Commonwealth, Reimb. P/P    | 5,030,112.08           | 5,079,866.65           | (49,754.57)                      |
| Streetlights                       | 580.91                 | 806.71                 | (225.80)                         |
| Miscellaneous Charges              | 19,641.10              | 37,446.64              | (17,805.54)                      |
| Due from Fred. Co. San. Auth.      | 657,083.23             | 657,083.23             | 0.00                             |
| Prepaid Postage                    | 2,277.55               | 4,965.44               | (2,687.89)                       |
| GL controls (est.rev / est. exp)   | <u>(4,939,144.94)</u>  | <u>(14,316,506.08)</u> | <u>9,377,361.14</u> (1) Attached |
| <b>TOTAL ASSETS</b>                | <u>50,110,818.68</u>   | <u>37,905,551.36</u>   | <u>12,205,267.32</u>             |
| <b>LIABILITIES</b>                 |                        |                        |                                  |
| Retainage Payable                  | 47,010.53              | 0.00                   | 47,010.53                        |
| Performance Bonds Payable          | 774,987.14             | 1,302,241.80           | (527,254.66)                     |
| Taxes Collected in Advance         | 213,852.14             | 506,617.86             | (292,765.72) *B                  |
| Deferred Revenue                   | <u>5,050,633.09</u>    | <u>5,115,850.51</u>    | <u>(65,217.42)</u> *C            |
| <b>TOTAL LIABILITIES</b>           | 6,086,482.90           | 6,924,710.17           | (838,227.27)                     |
| <b>EQUITY</b>                      |                        |                        |                                  |
| Fund Balance                       |                        |                        |                                  |
| Reserved:                          |                        |                        |                                  |
| Encumbrance General Fund           | 1,959,053.84           | 3,449,088.11           | (1,490,034.27) (2) Attached      |
| Conservation Easement              | 4,779.85               | 4,779.85               | 0.00                             |
| Peg Grant                          | 331,565.38             | 234,066.38             | 97,499.00                        |
| Prepaid Items                      | 949.63                 | 949.63                 | 0.00                             |
| Advances                           | 657,083.23             | 657,083.23             | 0.00                             |
| Employee Benefits                  | 93,120.82              | 93,120.82              | 0.00                             |
| Courthouse Fees                    | 408,676.25             | 362,751.09             | 45,925.16                        |
| Historical Markers                 | 17,804.23              | 17,542.19              | 262.04                           |
| Reserve For Capital                | 7,028,510.00           | 0.00                   | 7,028,510.00                     |
| Animal Shelter                     | 1,216,179.07           | 1,091,175.27           | 125,003.80                       |
| Sheriff's Reserve                  | 1,000.00               | 1,000.00               | 0.00                             |
| Proffers                           | 5,158,521.68           | 4,160,177.57           | 998,344.11 (3) Attached          |
| Parks Reserve                      | 17,631.82              | 12,413.70              | 5,218.12                         |
| E-Summons Funds                    | 163,429.73             | 78,269.19              | 85,160.54                        |
| VDOT Revenue Sharing               | 436,270.00             | 436,270.00             | 0.00                             |
| Undesignated Adjusted Fund Balance | <u>26,529,760.25</u>   | <u>20,382,154.16</u>   | <u>6,147,606.09</u> (4) Attached |
| <b>TOTAL EQUITY</b>                | <u>44,024,335.78</u>   | <u>30,980,841.19</u>   | <u>13,043,494.59</u>             |
| <b>TOTAL LIAB. &amp; EQUITY</b>    | <u>50,110,818.68</u>   | <u>37,905,551.36</u>   | <u>12,205,267.32</u>             |

**NOTES:**

\*A Cash increase includes an increase in revenue and fund balance and a decrease in expenditures and transfers (refer to the comparative statement of revenues, expenditures, transfers and change in fund balance).

\*B Decrease in prepayment of real estate taxes at year end in the previous year to prepay because of the new tax law.

\*C Deferred revenue includes taxes receivable, street lights, misc. charges, dog tags, and motor vehicle registration fees.

**BALANCE SHEET**

| (1) GL Controls     | FY19          | FY18          | Inc/(Decrease) |
|---------------------|---------------|---------------|----------------|
| Est.Revenue         | 180,250,744   | 171,298,698   | 8,952,046      |
| Appropriations      | (80,173,241)  | (84,308,250)  | 4,135,009      |
| Est.Tr.to Other fds | (106,975,701) | (104,756,042) | (2,219,660)    |
| Encumbrances        | 1,959,054     | 3,449,088     | (1,490,034)    |
|                     | (4,939,145)   | (14,316,506)  | 9,377,361      |

**(2) General Fund Purchase Orders 2/19**

| DEPARTMENT                  | Amount              |  |
|-----------------------------|---------------------|--|
| Commissioner of the Revenue | 28,822.13           | 2019 Chevrolet Colorado                                      |
| County Office Buildings     | 4,500.00            | Control System Public Safety Building                        |
| Fire and Rescue             | 47,300.00           | Uniforms   |
|                             | 47,300.00           | Protective Clothing  |
|                             | 10,235.23           | Emergency Lighting for 2019 Ford F-250 includes Installation |
|                             | 6,776.00            | Online Employee Scheduling and Document Management           |
|                             | 34,439.32           | Motorola Multi-Ban Radios and Accessories                    |
|                             | 31,578.70           | 2019 Ford F-150 4x4  |
|                             | 30,381.99           | 2019 Ford E-250 Cargo Van                                    |
|                             | 16,290.71           | Emergency Lighting, Push Bumper & Installation               |
|                             | 63,730.07           | LifePak & Lucas Annual Preventive Maintenance                |
| Parks                       | 40,355.15           | Outdoor Gym & Installation Sherando                          |
|                             | 10,606.10           | Frederick Heights Park Trail                                 |
|                             | 560.40              | Agricultural Supplies  |
|                             | 462,980.00          | Sherando Park Recreation Access Project                      |
|                             | 9,512.04            | Event Shirts   |
|                             | 5,650.00            | Sand for Volleyball Courts                                   |
|                             | 6,890.00            | Clearbrook Park Volleyball Courts Project                    |
|                             | 6,246.00            | Trailer  |
|                             | 1,532.40            | Youth Basketball Uniforms                                    |
|                             | 5,572.25            | Spring/Summer Uniforms for Summer Events                     |
|                             | 858.00              | Summer League Basketball Uniforms                            |
|                             | 104,372.00          | Sherando Park Restroom Facility                              |
|                             | 3,014.36            | Crafts Order   |
| Planning                    | 6,200.00            | HP Designjet Printer   |
| Public Safety               | 5,000.00            | Clear Lot At North Mountain Tower                            |
| Registrar                   | 223.60              | Envelopes  |
| Sheriff                     | 4,540.00            | One Solution Software and Installation Service               |
|                             | 254.59              | Body Vest Carriers   |
|                             | 887.65              | Uniforms   |
|                             | 3,693.43            | Tactical Equipment   |
|                             | 2,892.00            | (2) Raptor K Band Radar                                      |
|                             | 127,600.00          | Armored Swat Van   |
|                             | 9,000.00            | (12) Simunition Guns   |
|                             | 10,747.90           | Uniforms   |
|                             | 8,992.35            | (15) Body Armor  |
|                             | 5,276.64            | Combat Uniforms  |
|                             | 397,941.77          | (12) 2019 Ford Truck Police Utility (1) Ford F-150 Responder |
|                             | 46,980.00           | (2) 2019 Chevrolet Impalas                                   |
|                             | 166,719.12          | (24) Motorola APX8500 All Band Mobile Radios w/Accessories   |
|                             | 148,823.64          | (18) Light Bars and Accessories for 2019 Police Interceptors |
|                             | 23,986.00           | (100) Batteries & Accessories for Motorola Portable Radios   |
|                             | 5,356.00            | (13) Flex 9Body Armor  |
| Treasurer                   | 4,436.30            | Envelopes  |
| <b>Total</b>                | <b>1,959,053.84</b> |  |

| (3) Proffer Information | SCHOOLS      | PARKS     | FIRE & RESCUE | Designated Other Projects | TOTAL        |
|-------------------------|--------------|-----------|---------------|---------------------------|--------------|
| Balance 2/28/19         | 2,751,622.38 | 87,651.67 | 463,712.91    | 1,855,534.72              | 5,158,521.68 |

**Designated Other Projects Detail**

|                               |                     |  |  |  |  |
|-------------------------------|---------------------|--|--|--|--|
| Administration                | 327,492.71          |  |  |  |  |
| Bridges                       | 14,714.00           |  |  |  |  |
| Historic Preservation         | 158,000.00          | 12/11/14 Board Action designated \$50,000 for final debt payment |  |  |  |
| Library                       | 200,857.01          | on the Huntsberry property.                                      |  |  |  |
| Rt.50 Trans.Imp.              | 10,000.00           |  |  |  |  |
| Rt. 50 Rezoning               | 25,000.00           |  |  |  |  |
| Rt. 656 & 657 Imp.            | 25,000.00           |  |  |  |  |
| RT.277                        | 162,375.00          |  |  |  |  |
| Sheriff                       | 81,706.00           |  |  |  |  |
| Solid Waste                   | 12,000.00           |  |  |  |  |
| Stop Lights                   | 52,445.00           |  |  |  |  |
| Treasurer                     | 700.00              |  |  |  |  |
| BPG Properties/Rt.11 Corridor | 330,000.00          |  |  |  |  |
| Blackburn Rezoning            | 452,745.00          |  |  |  |  |
| Clearbrook Bus.Ctr.Rezoning   | 2,500.00            |  |  |  |  |
| <b>Total</b>                  | <b>1,855,534.72</b> |  |  |  |  |

**Other Proffers 2/28/19**

| (4) Fund Balance Adjusted |                 |
|---------------------------|-----------------|
| Ending Balance 2/19       | 35,900,000.54   |
| Revenue 2/19              | 96,517,422.56   |
| Expenditures 2/19         | (51,148,273.28) |
| Transfers 2/19            | (54,739,389.57) |
| Ending Balance 2/19       | 26,529,760.25   |



County of Frederick  
 Comparative Statement of Revenues, Expenditures  
 and Changes in Fund Balance  
 February 28, 2019

| <b>REVENUES:</b>   | <u>Appropriated</u>   | FY19<br>2/28/19<br><u>Actual</u> | FY18<br>2/28/18<br><u>Actual</u> | YTD<br>Actual<br><u>Variance</u> |
|--|-----------------------|----------------------------------|----------------------------------|----------------------------------|
| General Property Taxes   | 123,179,515.00        | 55,846,828.43                    | 53,611,841.24                    | 2,234,987.19 (1)                 |
| Other local taxes  | 36,959,731.00         | 20,138,748.94                    | 19,208,456.19                    | 930,292.75 (2)                   |
| Permits & Privilege fees   | 1,838,386.00          | 1,355,737.96                     | 1,539,302.90                     | (183,564.94) (3)                 |
| Revenue from use of money<br>and property  | 531,401.55            | 900,720.10                       | 475,411.88                       | 425,308.22 (4)                   |
| Charges for Services   | 3,090,299.00          | 1,894,200.68                     | 1,801,525.09                     | 92,675.59                        |
| Miscellaneous  | 534,187.57            | 417,164.88                       | 451,947.94                       | (34,783.06)                      |
| Recovered Costs  | 1,650,224.00          | 1,475,463.40                     | 1,111,797.65                     | 363,665.75 (5)                   |
| Proffers   |                       | 880,499.64                       | 764,959.30                       | 115,540.34 (5)                   |
| Intergovernmental:   |                       |                                  |                                  |                                  |
| Commonwealth   | 12,462,499.74         | 13,482,534.04                    | 13,227,661.22                    | 254,872.82 (6)                   |
| Federal  | 4,500.00              | 69,524.16                        | 97,073.14                        | (27,548.98) (7)                  |
| Insurance Recoveries   | 0.00                  | 3,104.33                         | 0.00                             | 3,104.33                         |
| Transfers  | 0.00                  | 52,896.00                        | 0.00                             | 52,896.00                        |
| <b>TOTAL REVENUES</b>  | <b>180,250,743.86</b> | <b>96,517,422.56</b>             | <b>92,289,976.55</b>             | <b>4,227,446.01</b>              |
| <b>EXPENDITURES:</b>   |                       |                                  |                                  |                                  |
| General Administration   | 13,024,232.27         | 8,984,734.25                     | 8,565,208.54                     | 419,525.71                       |
| Judicial Administration  | 2,928,600.52          | 1,834,975.39                     | 1,679,646.99                     | 155,328.40                       |
| Public Safety  | 39,701,618.13         | 25,420,448.54                    | 24,816,053.95                    | 604,394.59                       |
| Public Works   | 6,299,995.63          | 3,494,703.07                     | 3,141,242.00                     | 353,461.07                       |
| Health and Welfare   | 10,223,475.00         | 5,679,791.98                     | 5,580,971.72                     | 98,820.26                        |
| Education  | 81,080.00             | 60,810.00                        | 57,240.00                        | 3,570.00                         |
| Parks, Recreation, Culture   | 8,662,891.30          | 4,634,215.17                     | 4,412,527.21                     | 221,687.96                       |
| Community Development  | 2,188,820.46          | 1,038,594.88                     | 2,909,954.77                     | (1,871,359.89)                   |
| <b>TOTAL EXPENDITURES</b>  | <b>83,110,713.31</b>  | <b>51,148,273.28</b>             | <b>51,162,845.18</b>             | <b>(14,571.90) (8)</b>           |
| <b>OTHER FINANCING SOURCES ( USES):</b>  |                       |                                  |                                  |                                  |
| Operating transfers from / to  | 104,038,229.33        | 54,739,389.57                    | 58,011,649.70                    | (3,272,260.13) (9)               |
| <b>Excess (deficiency)of revenues &amp; other<br/>sources over expenditures<br/>&amp; other uses</b> | <b>(6,898,198.78)</b> | <b>(9,370,240.29)</b>            | <b>(16,884,518.33)</b>           | <b>(7,514,278.04)</b>            |
| <b>Fund Balance per General Ledger</b>   |                       | <b>35,900,000.54</b>             | <b>37,266,672.49</b>             | <b>(1,366,671.95)</b>            |
| <b>Fund Balance Adjusted to reflect<br/>Income Statement 2/28/19</b>                                 |                       | <b>26,529,760.25</b>             | <b>20,382,154.16</b>             | <b>6,147,606.09</b>              |

| (1)General Property Taxes            | FY19       | FY18       | Increase/Decrease |
|--------------------------------------|------------|------------|-------------------|
| Real Estate Taxes                    | 29,824,907 | 28,367,776 | 1,457,131         |
| Public Services                      | 1,202,351  | 1,402,899  | (200,548)         |
| Personal Property                    | 23,742,338 | 22,797,639 | 944,699           |
| Penalties and Interest               | 819,193    | 816,199    | 2,993             |
| Credit Card Chgs./Delinq.Advertising | (26,534)   | (54,772)   | 28,238            |
| Adm.Fees For Liens&Distress          | 284,573    | 282,099    | 2,475             |
|                                      | 55,846,828 | 53,611,841 | 2,234,987         |

**(2) Other Local Taxes**

|                             |                      |                      |                   |
|-----------------------------|----------------------|----------------------|-------------------|
| Local Sales Tax             | 7,323,855.33         | 7,047,748.68         | 276,106.65        |
| Communications Sales Tax    | 583,983.27           | 624,247.66           | (40,264.39)       |
| Utility Taxes               | 2,100,957.78         | 1,981,791.51         | 119,166.27        |
| Business Licenses           | 4,938,894.89         | 4,515,913.47         | 422,981.42        |
| Auto Rental Tax             | 93,178.37            | 64,939.41            | 28,238.96         |
| Motor Vehicle Licenses Fees | 528,975.93           | 563,867.61           | (34,891.68)       |
| Recordation Taxes           | 1,241,076.13         | 1,154,859.63         | 86,216.50         |
| Meals Tax                   | 2,941,233.44         | 2,857,521.35         | 83,712.09         |
| Lodging Tax                 | 369,912.90           | 377,661.35           | (7,748.45)        |
| Street Lights               | 12,510.90            | 15,765.52            | (3,254.62)        |
| Star Fort Fees              | 4,170.00             | 4,140.00             | 30.00             |
| <b>Total</b>                | <b>20,138,748.94</b> | <b>19,208,456.19</b> | <b>930,292.75</b> |

**(3)Permits&Privileges**

|                               |                     |                     |                     |
|-------------------------------|---------------------|---------------------|---------------------|
| Dog Licenses                  | 21,813.83           | 29,019.00           | (7,205.17)          |
| Land Use Application Fees     | 6,325.00            | 6,325.00            | -                   |
| Transfer Fees                 | 2,177.77            | 2,205.22            | (27.45)             |
| Development Review Fees       | 212,957.14          | 342,716.70          | (129,759.56)        |
| Building Permits              | 823,687.73          | 857,360.28          | (33,672.55)         |
| 2% State Fees                 | 5,666.99            | 7,715.70            | (2,048.71)          |
| Electrical Permits            | 88,500.50           | 87,189.00           | 1,311.50            |
| Plumbing Permits              | 18,625.00           | 14,078.00           | 4,547.00            |
| Mechanical Permits            | 69,435.00           | 67,591.00           | 1,844.00            |
| Sign Permits                  | 1,575.00            | 5,625.00            | (4,050.00)          |
| Permits Commerical Burning    | 75.00               | 175.00              | (100.00)            |
| Blasting Permits              | 255.00              | 270.00              | (15.00)             |
| Land Disturbance Permits      | 102,644.00          | 118,333.00          | (15,689.00)         |
| Commercial Pump and Haul Fee  | 500.00              | -                   | 500.00              |
| Residential Pump and Haul Fee | 100.00              | 500.00              | (400.00)            |
| Transfer Development Rights   | 1,400.00            | 200.00              | 1,200.00            |
| <b>Total</b>                  | <b>1,355,737.96</b> | <b>1,539,302.90</b> | <b>(183,564.94)</b> |

**(4) Revenue from use of**

|              |                   |                   |                   |
|--------------|-------------------|-------------------|-------------------|
| Money        | 871,198.93        | 443,676.08        | 427,522.85        |
| Property     | 29,521.17         | 31,735.80         | (2,214.63)        |
| <b>Total</b> | <b>900,720.10</b> | <b>475,411.88</b> | <b>425,308.22</b> |

| (5) Recovered Costs                     | FY19         | FY18         | Increase/Decrease |
|---|--------------|--------------|-------------------|
|   | 2/28/2019    | 2/28/2018    |                   |
| Recovered Costs Treasurer's Office      | 819.00       | 32,772.00    | (31,953.00)       |
| Recovered Costs Social Services         | 29,168.54    | 12,981.28    | 16,187.26         |
| Purchasing Card Rebate                  | 205,315.50   | 156,281.56   | 49,033.94         |
| Recovered Costs-IT/GIS                  | 27,261.00    | 27,261.00    | -                 |
| Recovered Costs F&R Fee Recovery        | 342,395.54   | 158,627.30   | 183,768.24        |
| Recovered Cost Fire Companies           | 171,346.53   | 94,182.34    | 77,164.19         |
| Recovered Costs Sheriff                 | 47,400.00    | 28,900.00    | 18,500.00         |
| Reimbursement Circuit Court             | 6,299.98     | 6,873.73     | (573.75)          |
| Reimb.Public Works/Planning Clean Up    | 2,242.47     | 1,283.68     | 958.79            |
| Clarke County Container Fees            | 48,252.02    | 39,785.70    | 8,466.32          |
| City of Winchester Container Fees       | 30,445.13    | 28,726.40    | 1,718.73          |
| Refuse Disposal Fees                    | 84,778.80    | 71,091.77    | 13,687.03         |
| Recycling Revenue                       | 43,495.00    | 49,140.25    | (5,645.25)        |
| Sheriff Restitution                     | 3,125.00     | -            | 3,125.00          |
| Container Fees Bowman Library           | 1,278.96     | 1,237.28     | 41.68             |
| Reimb.of Expenses Gen.District Court    | 20,257.23    | 19,564.56    | 692.67            |
| Reimb.Task Force                        | 45,873.00    | 37,673.82    | 8,199.18          |
| Reimb. Elections                        | 4,195.62     | -            | 4,195.62          |
| Westminster Canterbury Lieu of Tax      | 18,651.80    | 18,651.80    | -                 |
| Grounds Maint. Frederick County Schools | 247,824.07   | 234,915.13   | 12,908.94         |
| Comcast PEG Grant                       | 65,843.50    | 65,163.00    | 680.50            |
| Fire School Programs                    | 11,680.00    | 12,038.00    | (358.00)          |
| Clerks Reimbursement to County          | 6,247.15     | 6,492.02     | (244.87)          |
| Reimb. Sheriff                          | 11,267.56    | 8,155.03     | 3,112.53          |
| Subtotal Recovered Costs                | 1,475,463.40 | 1,111,797.65 | 363,665.75        |
| Proffer Sovereign Village               | 47,563.49    | -            | 47,563.49         |
| Proffer Lynnehaven                      | -            | 3,378.31     | (3,378.31)        |
| Proffer Redbud Run                      | 77,448.00    | 45,178.00    | 32,270.00         |
| Proffer Canter Estates                  | -            | 65,407.52    | (65,407.52)       |
| Proffer Southern Hills                  | 103,646.29   | 147,300.00   | (43,653.71)       |
| Proffer Snowden Bridge                  | 612,793.86   | 445,123.47   | 167,670.39        |
| Proffer Cedar Meadows                   | 39,048.00    | 58,572.00    | (19,524.00)       |
| Subtotal Proffers                       | 880,499.64   | 764,959.30   | 115,540.34        |
| Grand Total                             | 2,355,963.04 | 1,876,756.95 | 479,206.09        |

| (6) Commonwealth Revenue           | FY19          | FY18          |                   |
|------------------------------------|---------------|---------------|-------------------|
|                                    | 2/28/2019     | 2/28/18       | Increase/Decrease |
| Motor Vehicle Carriers Tax         | 38,825.41     | 22,886.25     | 15,939.16         |
| Mobile Home Titling Tax            | 66,870.71     | 90,343.99     | (23,473.28)       |
| Recordation Taxes                  | 353,850.45    | 302,051.73    | 51,798.72         |
| P/P State Reimbursement            | 6,526,528.18  | 6,526,528.18  | -                 |
| Shared Expenses Comm.Atty.         | 320,688.55    | 321,373.03    | (684.48)          |
| Shared Expenses Sheriff            | 1,484,784.05  | 1,457,091.76  | 27,692.29         |
| Shared Expenses Comm.of Rev.       | 131,899.73    | 129,267.13    | 2,632.60          |
| Shared Expenses Treasurer          | 97,992.89     | 96,884.89     | 1,108.00          |
| Shared Expenses Clerk              | 266,331.21    | 269,288.83    | (2,957.62)        |
| Public Assistance Grants           | 3,095,578.35  | 3,143,646.24  | (48,067.89)       |
| Litter Control Grants              | 18,330.00     | 14,774.00     | 3,556.00          |
| Four-For-Life-Funds                | 88,718.24     | 85,262.32     | 3,455.92          |
| Emergency Services Fire Program    | 260,328.00    | 251,441.00    | 8,887.00          |
| DMV Grant Funding                  | 16,341.91     | 20,295.28     | (3,953.37)        |
| Parks -State Grants                | 24,792.12     | -             | 24,792.12         |
| State Grant Emergency Services     | -             | 15,925.00     | (15,925.00)       |
| Parks State Grant                  |               | 10,985.00     |                   |
| Sheriff State Grants               | 37,015.50     | 36,827.60     | 187.90            |
| JJC Grant Juvenile Justice         | 96,269.00     | 96,269.00     | -                 |
| Rent/Lease Payments                | 156,188.81    | 160,635.58    | (4,446.77)        |
| Spay/Neuter Assistance State       | 2,558.72      | 2,167.50      | 391.22            |
| Wireless 911 Grant                 | 151,025.37    | 41,076.56     | 109,948.81        |
| State Forfeited Asset Funds        | 15,815.94     | 18,593.81     | (2,777.87)        |
| VA Dept. of Health                 | 93,033.80     | -             | 93,033.80         |
| Victim Witness-Commonwealth Office | 138,767.10    | 113,919.04    | 24,848.06         |
| F&R OEMS Reimbursement             | -             | 127.50        | (127.50)          |
| Total                              | 13,482,534.04 | 13,227,661.22 | 254,872.82        |

**County of Frederick**

**General Fund**

February 28, 2019

| <b>(7) Federal Revenue</b>       | FY19             | FY18             | Increase/Decrease  |
|----------------------------------|------------------|------------------|--------------------|
| Payments In Lieu of Taxes        | 352.20           | 0.00             | 352.20             |
| Federal Forfeited Assets DOJ     | -                | 1,549.17         | (1,549.17)         |
| Federal Funds Sheriff            | 69,171.96        | 6,423.36         | 62,748.60          |
| Emergency Services Grant Federal | -                | 87,278.14        | (87,278.14)        |
| Forfeited Assets Treasury        | -                | 1,822.47         | (1,822.47)         |
| <b>Total</b>                     | <b>69,524.16</b> | <b>97,073.14</b> | <b>(27,548.98)</b> |

**(8) Expenditures**

Expenditures decreased \$14,571.90. **General Administration** increased \$419,525.71 and includes \$163,585.88 in IT for firewall support, switch and smartnet contract, and switch replacement core data network. **Public Safety** increased \$604,394.59. Inspections purchased (2) 2018 F-150 Ford 4x4 trucks at a cost of \$55,570.50, Fire and Rescue (3) 2019 F-250 trucks with emergency lighting equipment for \$110,653 and Isimulate training with IPADS and stethoscopes costing \$33,120. **Public Works** increased \$353,461.07 and includes the the \$296,141.64 for the Stephenson Compactor Site and an Engineering purchase for a 2018 Ford F-150 4x4 at cost of \$28,408. Additionally, \$25,406 for a heat pump that includes Installation and \$32,400 for control system. **Community Development** decreased \$1,871,359.89 and was impacted by the \$2 million transfer to the Economic Development Authority for economic incentive for the Navy Credit Union in the previous year. The transfers decreased \$3,272,260.13. See chart below:

| <b>(9) Transfers Decreased \$3,272,260.13</b> | FY19                 | FY18                 | Increase/Decrease     |
|---|----------------------|----------------------|-----------------------|
| Transfer to School Operating                  | 41,730,199.45        | 40,951,338.87        | 778,860.58 *1         |
| Transfer to Debt Service Schools              | 7,267,910.00         | 7,986,237.50         | (718,327.50) *2       |
| Transfer to Debt Service County               | 1,747,270.88         | 1,716,209.87         | 31,061.01 *3          |
| Transfer School Operating Capital             | 4,067,416.47         | 3,088,287.00         | 979,129.47 *4         |
| Operational Transfers                         | (73,407.23)          | (54,043.54)          | (19,363.69) *5        |
| Board Contingency                             | 0.00                 | 4,323,620.00         | (4,323,620.00) *6     |
| <b>Total</b>                                  | <b>54,739,389.57</b> | <b>58,011,649.70</b> | <b>(3,272,260.13)</b> |

\*1 School Operating FY19 was \$542,862.45 C/F encumbrances and \$41,187,337 for half the School Operating. The FY18 total was C/F that includes School encumbrances of \$1,032,255.77, grant funds for \$285,003.55 received in FY17 for specific purposes, and \$997,264.55 represents unspent FY17 funds to be spent on buses. Additionally \$38,636,815 for half the School operating.

\*2 The transfer to debt service was reduced \$718,327.50.

\*3 Payments include the Bowman Library and the City of Winchester for Courtroom, Roof, and HVAC Projects, Millwood Station, Roundhill, Public Safety, and the Animal Shelter.

\*4 School Operating Capital FY19 includes \$316,537.71 that represents a carry forward unspent, restricted grant funds and \$186,878.76 carry forward of unspent funds for the purchase of a school bus and security equipment. Additionally, \$1,264,000 for security equipment upgrade and \$2.3 million budgeted. FY18 budgeted for School Operating Capital.

\*5 Timing of Insurance Charge Outs.

\*6 Board of Supervisors Capital.

County of Frederick  
 FUND 11 NORTHWESTERN REGIONAL ADULT DETENTION CENTER  
 February 28, 2019

| ASSETS                              | FY2019<br><u>2/28/19</u>   | FY2018<br><u>2/28/18</u>   | Increase<br><u>(Decrease)</u> |
|-------------------------------------|----------------------------|----------------------------|-------------------------------|
| Cash                                | 8,743,193.25               | 8,568,579.63               | 174,613.62 *1                 |
| GL controls(est.rev/est.exp)        | <u>(1,469,056.09)</u>      | <u>(948,158.84)</u>        | <u>(520,897.25)</u>           |
| <b>TOTAL ASSETS</b>                 | <b><u>7,274,137.16</u></b> | <b><u>7,620,420.79</u></b> | <b><u>(346,283.63)</u></b>    |
| <br>                                |                            |                            |                               |
| LIABILITIES                         |                            |                            |                               |
| Accrued Operating Reserve Costs     | <u>2,551,494.10</u>        | <u>2,507,247.00</u>        | <u>44,247.10</u>              |
| <b>TOTAL LIABILITIES</b>            | <b><u>2,551,494.10</u></b> | <b><u>2,507,247.00</u></b> | <b><u>44,247.10</u></b>       |
| <br>                                |                            |                            |                               |
| EQUITY                              |                            |                            |                               |
| Fund Balance Reserved               |                            |                            |                               |
| Encumbrances Undesignated           | 73,253.83                  | 71,003.26                  | 2,250.57                      |
| Fund Balance                        | <u>4,649,389.23</u>        | <u>5,042,170.53</u>        | <u>(392,781.30) *2</u>        |
| <b>TOTAL EQUITY</b>                 | <b><u>4,722,643.06</u></b> | <b><u>5,113,173.79</u></b> | <b><u>(390,530.73)</u></b>    |
| <b>TOTAL LIABILITY &amp; EQUITY</b> | <b><u>7,274,137.16</u></b> | <b><u>7,620,420.79</u></b> | <b><u>(346,283.63)</u></b>    |

**NOTES:**

\*1 Cash increased \$174,613.62. Refer to the following page for comparative statement of revenues and expenditures and changes in fund balance.

\*2 Fund balance decreased \$392,781.30. The beginning balance was \$5,566,043.76 and include: adjusting entries, budget controls for FY19(\$1,316,409.00) and the year to date revenue less expenditures of \$399,754.47.

| <b>Current Unrecorded Accounts Receivable-</b> | <u>FY19</u>       |
|--|-------------------|
| Prisoner Billing:                              | 27,739.52         |
| Compensation Bpard Reimbursement 2/19          | <u>493,570.35</u> |
| <b>Total</b>                                   | <b>521,309.87</b> |

County of Frederick  
 Comparative Statement of Revenues, Expenditures  
 and Changes in Fund Balance  
 February 28, 2019

**FUND 11 NORTHWESTERN REGIONAL ADULT DETENTION CENTER**

| <b>REVENUES:</b>   | <u>Appropriated</u>   | FY2019<br>2/28/19<br><u>Actual</u> | FY2018<br>2/28/18<br><u>Actual</u> | YTD Actual<br><u>Variance</u> |
|--|-----------------------|------------------------------------|------------------------------------|-------------------------------|
| Credit Card Probation  | -                     | 351.67                             | 80.56                              | 271.11                        |
| Interest   |                       | 72,789.77                          | 40,908.15                          | 31,881.62                     |
| Supervision Fees   | 56,096.00             | 33,727.00                          | 20,538.00                          | 13,189.00                     |
| Drug Testing Fees  | 1,000.00              | 150.00                             | 150.00                             | -                             |
| Work Release Fees  | 350,628.00            | 222,199.34                         | 195,118.04                         | 27,081.30                     |
| Prisoner Fees from other localities                              | 0.00                  | 237.96                             | 0.00                               | 237.96                        |
| Federal Bureau Of Prisons  | 0.00                  | 165.00                             | 220.00                             | (55.00)                       |
| Local Contributions  | 7,824,994.00          | 5,785,244.25                       | 5,798,062.50                       | (12,818.25)                   |
| Miscellaneous  | 7,501.00              | 5,315.37                           | 2,066.07                           | 3,249.30                      |
| Phone Commissions  | 400,000.00            | 177,668.75                         | 154,756.30                         | 22,912.45                     |
| Food & Staff Reimbursement                                       | 80,000.00             | 36,766.13                          | 52,240.50                          | (15,474.37)                   |
| Elec.Monitoring Part.Fees  | 97,000.00             | 87,746.38                          | 42,283.00                          | 45,463.38                     |
| Share of Jail Cost Commonwealth                                  | 1,350,000.00          | 621,220.97                         | 635,672.60                         | (14,451.63)                   |
| Reimb. Of Prior Year Deficit                                     |                       |                                    | 0.00                               |                               |
| Medical & Health Reimb.  | 85,000.00             | 31,516.56                          | 43,393.57                          | (11,877.01)                   |
| Shared Expenses CFW Jail   | 5,400,000.00          | 3,153,050.44                       | 3,046,343.24                       | 106,707.20                    |
| State Grants   | 276,233.00            | 135,763.00                         | 122,488.00                         | 13,275.00                     |
| D.J.C.P. Grant   | 0.00                  | 0.00                               | 0.00                               | 0.00                          |
| Local Offender Probation   | 277,467.00            | 138,777.00                         | 141,717.00                         | (2,940.00)                    |
| Bond Proceeds  | 0.00                  | 0.00                               | 0.00                               | 0.00                          |
| Transfer From General Fund                                       | 5,266,848.00          | 3,893,932.50                       | 4,045,844.25                       | (151,911.75)                  |
| <b>TOTAL REVENUES</b>  | <b>21,472,767.00</b>  | <b>14,396,622.09</b>               | <b>14,341,881.78</b>               | <b>54,740.31</b>              |
| <b>EXPENDITURES:</b>   | <b>23,015,076.92</b>  | <b>13,996,867.62</b>               | <b>12,903,345.02</b>               | <b>1,093,522.60</b>           |
| <b>Excess(Deficiency)of revenues over expenditures</b>           | <b>(1,542,309.92)</b> | <b>399,754.47</b>                  | <b>1,438,536.76</b>                | <b>(1,038,782.29)</b>         |
| <b>FUND BALANCE PER GENERAL LEDGER</b>                           |                       | <b><u>4,249,634.76</u></b>         | <b><u>3,603,633.77</u></b>         | <b><u>646,000.99</u></b>      |
| <b>Fund Balance Adjusted To Reflect Income Statement 2/28/19</b> |                       | <b>4,649,389.23</b>                | <b>5,042,170.53</b>                | <b>(392,781.30)</b>           |

County of Frederick  
Fund 12 Landfill  
February 28, 2019

| ASSETS                            | FY2019<br>2/28/19           | FY2018<br>2/28/18           | Increase<br>(Decrease)       |
|-----------------------------------|-----------------------------|-----------------------------|------------------------------|
| Cash                              | 37,245,785.55               | 37,448,427.66               | (202,642.11)                 |
| Receivables:                      |                             |                             |                              |
| Accounts Receivable               |                             |                             |                              |
| Fees                              | 597,915.24                  | 466,541.80                  | 131,373.44 *1                |
| Accounts Receivable Other         | 3,225.95                    | 4,766.76                    | (1,540.81)                   |
| Allow.Uncollectible Fees          | (84,000.00)                 | (84,000.00)                 | 0.00                         |
| Fixed Assets                      | 47,529,650.90               | 47,158,186.20               | 371,464.70                   |
| Accumulated Depreciation          | (31,283,925.70)             | (29,232,078.83)             | (2,051,846.87)               |
| GL controls(est.rev/est.exp)      | <u>(4,095,510.55)</u>       | <u>(3,258,158.00)</u>       | <u>(837,352.55)</u>          |
| <b>TOTAL ASSETS</b>               | <b><u>49,913,141.39</u></b> | <b><u>52,503,685.59</u></b> | <b><u>(2,590,544.20)</u></b> |
| <b>LIABILITIES</b>                |                             |                             |                              |
| Accounts Payable                  | -                           | -                           |                              |
| Accrued VAC.Pay and Comp TimePay  | 173,153.49                  | 158,608.75                  | 14,544.74                    |
| Accrued Remediation Costs         | 13,434,744.90               | 13,079,548.65               | 355,196.25 *2                |
| Deferred Revenue Misc.Charges     | <u>3,225.95</u>             | <u>4,766.76</u>             | <u>(1,540.81)</u>            |
| <b>TOTAL LIABILITIES</b>          | <b><u>13,611,124.34</u></b> | <b><u>13,242,924.16</u></b> | <b><u>368,200.18</u></b>     |
| <b>EQUITY</b>                     |                             |                             |                              |
| Fund Balance                      |                             |                             |                              |
| Reserved:                         |                             |                             |                              |
| Encumbrances                      | 24,068.00                   | 0.00                        | 24,068.00 *3                 |
| Land Acquisition                  | 1,048,000.00                | 1,048,000.00                | 0.00                         |
| New Development Costs             | 3,812,000.00                | 3,812,000.00                | 0.00                         |
| Environmental Project Costs       | 1,948,442.00                | 1,948,442.00                | 0.00                         |
| Equipment                         | 3,050,000.00                | 3,050,000.00                | 0.00                         |
| Undesignated                      |                             |                             |                              |
| Fund Balance                      | <u>26,419,507.05</u>        | <u>29,402,319.43</u>        | <u>(2,982,812.38) *4</u>     |
| <b>TOTAL EQUITY</b>               | <b><u>36,302,017.05</u></b> | <b><u>39,260,761.43</u></b> | <b><u>(2,958,744.38)</u></b> |
| <b>TOTAL LIABILITY AND EQUITY</b> | <b><u>49,913,141.39</u></b> | <b><u>52,503,685.59</u></b> | <b><u>(2,590,544.20)</u></b> |

**NOTES:**

\*1 Landfill receivables increased \$131,373.44. Landfill fees at 2/19 were \$530,841.41 compared to \$484,736.23 at 2/18 for an increase of \$46,105.18. Delinquent fees at 2/19 were \$112,463.07 compared to \$27,360.13 at 2/18 for an increase of \$85,102.94.

\*2 Remediation increased \$355,196.25 and includes \$308,263.00 for post closure and \$46,933.25 interest.

\*3 The encumbrance balance at 2/28/19 was \$24,068.00 for a Toyota forklift.

\*4 Fund balance decreased \$2,982,812.38. The beginning balance was \$31,691,389.40 and includes adjusting entries, budget controls for FY19(\$30,199), C/F Landfill projects(\$3,706,000), and (\$1,535,683.35) for year to date revenue less expenses.



County of Frederick  
 Comparative Statement of Revenue, Expenditures  
 and Changes in Fund Balance  
 February 28, 2019

| <b>FUND 12 LANDFILL<br/>REVENUES</b>                      | <u>Appropriated</u>  | FY2019<br>2/28/19<br><u>Actual</u> | FY2018<br>2/28/18<br><u>Actual</u> | YTD<br>Actual<br><u>Variance</u> |
|---|----------------------|------------------------------------|------------------------------------|----------------------------------|
| Credit Card Charges                                       | 0.00                 | 3,921.02                           | 3,707.60                           | 213.42                           |
| Interest on Bank Deposits                                 | 120,000.00           | 282,933.16                         | 133,812.36                         | 149,120.80                       |
| Salvage and Surplus                                       | 75,000.00            | 98,311.55                          | 98,973.31                          | (661.76)                         |
| Sanitary Landfill Fees                                    | 6,562,000.00         | 4,549,124.15                       | 3,816,916.13                       | 732,208.02                       |
| Charges to County   | 0.00                 | 386,675.85                         | 340,540.41                         | 46,135.44                        |
| Charges to Winchester                                     | 0.00                 | 102,420.95                         | 88,232.00                          | 14,188.95                        |
| Tire Recycling  | 142,500.00           | 162,259.45                         | 156,442.13                         | 5,817.32                         |
| Reg. Recycling Electronics                                | 91,200.00            | 40,475.00                          | 32,482.16                          | 7,992.84                         |
| Greenhouse Gas Credit Sales                               | 0.00                 | 29,680.82                          | 4,918.95                           | 24,761.87                        |
| Miscellaneous   | 0.00                 | 239.00                             | 255.00                             | (16.00)                          |
| Renewable Energy Credits                                  | 168,402.00           | 103,409.10                         | 119,493.18                         | (16,084.08)                      |
| Landfill Gas To Electricity                               | 312,837.00           | 194,427.87                         | 257,449.03                         | (63,021.16)                      |
| Insurance Recoveries                                      |                      | 4,872.23                           | 0.00                               | 4,872.23                         |
| Waste Oil Recycling                                       |                      | 0.00                               | 0.00                               | 0.00                             |
| <b>TOTAL REVENUES</b>                                     | <u>7,471,939.00</u>  | <u>5,958,750.15</u>                | <u>5,053,222.26</u>                | <u>905,527.89</u>                |
| Operating Expenditures                                    | 5,567,138.00         | 3,267,662.35                       | 2,485,374.90                       | 782,287.45                       |
| Capital Expenditures                                      | 6,024,379.55         | 4,226,771.15                       | 483,610.38                         | 3,743,160.77                     |
| <b>TOTAL Expenditures</b>                                 | <u>11,591,517.55</u> | <u>7,494,433.50</u>                | <u>2,968,985.28</u>                | <u>4,525,448.22</u>              |
| <b>Excess(deficiency)of revenue over<br/>expenditures</b> | (4,119,578.55)       | (1,535,683.35)                     | 2,084,236.98                       | (3,619,920.33)                   |
| <b>Fund Balance Per General Ledger</b>                    |                      | <u>27,955,190.40</u>               | <u>27,318,082.45</u>               | <u>637,107.95</u>                |
| <b>FUND BALANCE ADJUSTED</b>                              |                      | 26,419,507.05                      | 29,402,319.43                      | (2,982,812.38)                   |

**County of Frederick, VA**  
**Report on Unreserved Fund Balance**  
**March 15, 2019**

**Unreserved Fund Balance, Beginning of Year, July 1, 2018** **46,153,037**

**Prior Year Funding & Carryforward Amounts**

|  |             |
|--|-------------|
| C/F forfeited asset funds                  | (52,569)    |
| C/F Fire Company Capital                   | (224,818)   |
| C/F Capital impact study                   | (59,067)    |
| C/F Sheriff auto claim reimbursement       | (15,191)    |
| C/F Parks projects                         | (324,382)   |
| C/F compactor rehab                        | (19,500)    |
| C/F Middletown convenience site            | (45,000)    |
| C/F Stephenson convenience site            | (385,342)   |
| C/F spay/neuter program                    | (6,521)     |
| C/F design/build animal shelter addition   | (6,727)     |
| C/F county admin bldg maintenance projects | (31,044)    |
| C/F School Operating                       | (503,416)   |
|  | (1,673,577) |

**Other Funding / Adjustments**

|   |             |
|---|-------------|
| COR refund - Ascar Leasing                  | (2,521)     |
| COR refund - BMW Financial                  | (2,790)     |
| COR refund - Bowman Properties              | (3,283)     |
| COR refund - Capital Meats                  | (23,136)    |
| Sheriff SWAT vehicle                        | (130,943)   |
| COR refund - Acar Leasing                   | (3,026)     |
| COR refund - Toyota Leasing                 | (4,087)     |
| COR refund - Toyota Leasing                 | (3,714)     |
| COR refund - Disabled Veteran               | (3,492)     |
| COR refund - Disabled Veteran               | (3,907)     |
| COR refund - Disabled Veteran               | (7,297)     |
| COR refund - American Telephone             | (2,712)     |
| COR refund - APC PCS LLC                    | (40,650)    |
| Return unspent FY 18 VJCCCA funds           | (41,450)    |
| School Safety Phase II                      | (1,264,000) |
| COR refund - Enterprise FM                  | (5,786)     |
| COR refund - Disabled Veteran               | (2,543)     |
| COR refund - Disabled Veteran               | (3,501)     |
| COR refund - Disabled Veteran               | (12,290)    |
| correct original budget appropriation error | 28,400      |
| COR refund - Handy Mart                     | (12,321)    |
| COR refund - James Plummer                  | (2,876)     |
| COR refund - Toyota Leasing                 | (3,025)     |
| Reserve for capital                         | (7,028,510) |
| COR refund - Physiotherapy Associates       | (2,869)     |
|   | (8,582,328) |

**Fund Balance, March 15, 2019** **35,897,132**

E

**PARKS AND RECREATION COMMISSION REPORT to the BOARD OF SUPERVISORS**

**To:** Jay Tibbs, Deputy County Administrator for Human Services  
**From:** Jason L. Robertson, Director, Parks & Recreation Dept.  
**Date:** March 13, 2019  
**Subject:** Parks and Recreation Commission Action

The Parks and Recreation Commission met on March 12, 2019. Members present were: Randy Carter, Christopher Fordney, Gary Longerbeam, Amy Strosnider, Charles Sandy, Jr., Natalie Gerometta, Ronald Madagan, and Robert Wells (Board of Supervisors' Non-Voting Liaison). Members absent: Guss Morrison

ITEMS REQUIRING ACTION BY BOARD OF SUPERVISORS:

None

ITEMS SUBMITTED FOR INFORMATION ONLY

1. The Commission approved the rental of the newly shaded former Tot Pool areas of Sherando and Clearbrook Pools at a rental rate of \$50/day which includes 10 pool admissions.
2. The Commission approved the rental fee of \$10/hour per court (minimum rental of two hours) for the new sand volleyball courts being constructed at Clearbrook Park.
3. The Commission approved the department participating in the National Wildlife Federations Great American Campout on June 21, 2019 to be held at Sherando Park to introduce camping to the community.

Cc: Charles R. Sandy, Chairman  
Robert Wells, Board of Supervisors' Non-Voting Liaison

FREDERICK COUNTY COMMISSION FOR PARKS AND RECREATION

March 12, 2019

Gainesboro Elementary Community Center

Members Present: Christopher Fordney, Gary Longerbeam, Charles Sandy, Jr., Amy Strosnider, Ronald Madagan, Natalie Gerometta, Randy Carter, Mr. Robert Wells (Non-Voting Board Liaison)

Members Absent: Guss Morrison

Staff: Jason Robertson, Jon Turkel, Stacy Herbaugh, Cory Smith

Call to Order

The meeting was called to order at 7:00 p.m. by Mr. Charles Sandy.

Approval of January 29, 2019 Meeting Minutes

Mr. Madagan moved to approve the minutes as submitted, second by Mr. Carter carried unanimously (7-0).

Adoption of Agenda

Mr. Fordney moved to approve the agenda, second by Mrs. Gerometta carried unanimously (7-0).

Unfinished Business

1. Mr. Robertson updated the Commission on some bylaw clarifications: staff clarified with County Administration that the percentage of members needed for quorum is based on the number of active Commission members. Currently the quorum is five in attendance with a Commission of eight active members. Should there be a vacancy, the quorum would be four based on seven active members.
2. There was a question in the previous meeting regarding attendance. The bylaws were amended in December 2016 to include sub-committee attendance in the overall requirement of attending 75% of the meetings.

Monthly Reports

Mr. Robertson reported as follows:

On February 13<sup>th</sup> the Parks and Recreation budget was discussed at the Board of Supervisors meeting. Some of the highlighted savings were discussed as well as the School Ground Maintenance Fund. The design documents for Snowden Bridge were highlighted as a need, especially if the old Frederick County Middle School property is not retained to be used as park property.

We have an opening in the Operations Division-we will be looking at ways to utilize this position to increase our Customer Service presence after 5 p.m.

Dan Pidgeon announced his retirement; his last day will be March 15, 2019. The two open Park Caretaker positions have been filled with Wilbur French (CB) and Kevin Villabara (SH). They will start on March 15<sup>th</sup>.

Chris Konyar and Stacy Herbaugh have been working with a Service Learning group from James Wood HS researching under utilized areas of the County and our service offerings.

We are applying for an AARP Grant for funds to construct a pickleball court at FHP.

The Department was represented at the recent Valley Health Wellness Fair held at Apple Blossom Mall.

Winter sports have concluded and registrations for spring sports are underway.

April 6<sup>th</sup> will be a busy day at Sherando Park; we will host our first 4 Mile Trail Run/1 Mile Walk which will benefit the ARC and local Autism Awareness chapter (I'm Just Me), the Kite Fest will be held from 10-2 p.m., and BRYSA will begin games that day.

Mr. Smith reported as follows:

Park staff is working hard to have all athletic fields playable for spring high school sports.

The poles have been installed at the CB Park sand volleyball courts, the drainage is in, gravel will be delivered on March 13, and then the sand will be installed.

Cory will be meeting with representatives from FCPS to discuss some changes to the Co-Operative Use Agreement on March 13.

Mr. Turkel reported as follows:

The silk fence at FHP will remain in place until the grass has started growing.

Northwest Sherando Park construction has been delayed by weather, the sewer line has been installed.

Clearbrook Park Parking lot bids are in and are lower than projected.

Standing Committee Reports:

Finance Committee- March 6, 2019:

1. Mrs. Strosnider made a motion to accept the recommendation that the newly shaded former tot pool areas at each pool location be rented for \$50/day which includes 10 pool admissions, seconded by Mr. Longerbeam, carried unanimously (7-0).
2. Mrs. Strosnider made a motion to accept the recommendation to rent the CB Park Sand Volleyball courts for the fee of \$10/hour with a minimum rental of two hours per court, seconded by Mr. Longerbeam, carried unanimously (7-0).

Promotions/Appeals/Youth Sports Partners-March 6, 2019:

1. Mrs. Gerometta made a motion to accept staff proposal to participate in the National Wildlife Federations Great American Campout on June 21, 2019 at Sherando Park, seconded by Mr. Madagan, carried unanimously (7-0).

Information Items

None

Adjournment

Mr. Sandy adjourned the meeting at 7:28 p.m.

Respectfully submitted,

Charles R. Sandy, Chairman  
Jason L. Robertson, Director

F

PUBLIC SAFETY COMMITTEE REPORT to the BOARD OF SUPERVISORS  
Thursday March 14, 2019  
8:30 a.m.  
1080 COVERSTONE DRIVE, WINCHESTER, VIRGINIA

ATTENDEES:

Committee Members Present: Chairman Bob Wells, Walt Cunningham, Judy McCann-Slaughter, Helen Lake and Blain Dunn. Citizen member Chuck Torpy was not present.

Staff present: Deputy Chief Larry Oliver, Deputy County Administrator Jay Tibbs, Deputy Chief/Fire Marshal Jay Bauserman, Major Steve Hawkins, Fire Chief Denny Linaburg, County Attorney Rod Williams and Fire Marshal Kenny Scott.

**ITEMS REQUIRING ACTION BY BOARD OF SUPERVISORS:**

1. None

**ITEMS FOR INFORMATION ONLY:**

1. **Follow-up discussion of proposed expansion to the Fire Prevention Code fee schedule (see attached):**

Chairman Wells started the meeting by stating this was a procedural meeting to discuss the potential continuation of the Fire Marsal inspection fee schedule that Deputy Chief Bauserman and Fire Marshal Kenny Scott presented at the Public Safety Committee on February 21, 2019.

Mr. Walt Cunningham stated that the fee schedule would bring in much needed revenue to Frederick County and that it should move forward to the Public Works Committee for further discussion.

Mr. Blaine Dunn disagreed with forwarding this proposal to the Public Works Committee. He stated the proposed program was too broad in scope and wanted to see a more refined fee schedule.

Ms. Judy Slaughter stated she would like the inspections to stay as a community service. She expressed her preference for a phased approach that also looked at risk reduction. She believed the current fee schedule would have a big impact on small business owners.

Ms. Helen Lake stated that the proposed fee schedule should be moved to the Public Works Committee where it could get more refined in structure and then to be brought back to a future Public Safety Committee meeting.

*Mr. Cunningham moved to forward the proposed fee schedule to the Public Works Committee for more review and refinement and then have the revised schedule returned to the Public Safety Committee for review. The motion was seconded by Ms. Lake and passed on a 3 to 2 vote.*

Respectfully submitted,

Public Safety Committee

Bob Wells  
Judy McCann-Slaughter

Blaine Dunn  
Helen Lake

Chuck Torpy  
Walt Cunningham





OFFICE OF THE FIRE MARSHAL

**John J. Bauserman**  
Deputy Chief/Fire Marshal  
Life Safety Division

**M E M O R A N D U M**

1080 Coverstone Drive  
Winchester, VA 22602

**TO:** Chairman Robert Wells, Public Safety Committee

**FROM:** John J. Bauserman, Deputy Chief/Fire Marshal, Life Safety Division

**SUBJECT:** Proposed Expansion to the Frederick County Fire Prevention Code Fee Schedule

**DATE:** February 14, 2019

---

The Fire Marshal's Office is seeking approval to expand the current fee schedule to offset the cost of conducting inspections and permitting. In accordance with Section 27-97 of the Code of Virginia, the Frederick County Board of Supervisors adopted the Statewide Fire Prevention Code as the Frederick County Fire Prevention Code (FCFPC) in June of 2012. This code allows the Frederick County Fire Marshal's Office to establish a life safety/fire prevention fee schedule.

Per the Frederick County Fire Prevention Code **Section 107.10 Local fees** ...fees may be levied by the local governing body in order to defray the cost of enforcement and appeals under the FCFPC.

The primary focus of inspections that the Fire Marshal's Office currently conducts are concentrated towards businesses that are required to have an annual fire inspection to maintain compliance with state or federal agencies. Examples would be nursing homes, daycares, and public/private schools. We also do inspections on large life hazard occupancies, to include hotels, motels, and restaurants. While all these inspections are important, there is a need to expand our inspection services to include **all** commercial businesses in Frederick County promoting the overall safety to our residents, visitors and firefighters.

Please reference the attached document for a detailed informational breakdown of the proposed process and associated fees.

# Procedure & Fees

Presented by Frederick County Fire Marshal's Office



## Introduction

- In 2012 Frederick County Board of Supervisor adopted the Virginia Statewide Fire Prevention Code and all future amendments in its entirety and renamed it the Frederick County Fire Prevention Code (per VA State Statute 27-97).
- With the adoption it allowed the Frederick County Fire Marshal's Office to conduct annual life safety inspections (106.3 Inspections) and issue operational permits (section 107 Permits And Fees).
- Also that adoption allows Frederick County to levy fees for those inspections (107.10 Local fees).

**§ 27-97. Adoption of Fire Prevention Code.** The Board of Housing and Community Development is hereby empowered to adopt and promulgate a Statewide Fire Prevention Code which shall be cooperatively developed with the Fire Services Board pursuant to procedures agreed to by the two Boards. The Fire Prevention Code shall prescribe regulations to be complied with for the protection of life and property from the hazards of fire or explosion and for the handling, storage, sale and use of fireworks, explosives or blasting agents, and shall provide for the administration and enforcement of such regulations. The Fire Prevention Code shall require manufacturers of fireworks or explosives, as defined in the Code, to register and report information concerning their manufacturing facilities and methods of operation within the Commonwealth in accordance with regulations adopted by the Board. In addition to conducting criminal background checks pursuant to § 27-97.2, the Board shall also establish regulations for obtaining permits for the manufacturing, storage, handling, use, or sales of fireworks or explosives. In the enforcement of such regulations, the enforcing agency may issue annual permits for such activities to any state regulated public utility. Such permits shall not apply to the storage, handling, or use of explosives or blasting agents pursuant to the provisions of Title 45.1.

The Fire Prevention Code shall prohibit any person, firm, or corporation from transporting, manufacturing, storing, selling, offering for sale, exposing for sale, or buying, using, igniting, or exploding any fireworks except for those persons, firms, or corporations that manufacture, store, market and distribute fireworks for the sole purpose of fireworks displays permitted by an enforcement agency or by any locality.

The Fire Prevention Code shall supersede fire prevention regulations heretofore adopted by local governments or other political subdivisions. Local governments are hereby empowered to adopt fire prevention regulations that are more restrictive or more extensive in scope than the Fire Prevention Code provided such regulations do not affect the manner of construction, or materials to be used in the erection, alteration, repair, or use of a building or structure, including the voluntary installation of smoke alarms and regulation and inspections thereof in commercial buildings where such smoke alarms are not required under the provisions of the Code. The Fire Prevention Code shall prohibit any person not certified by the State Fire Marshal's Office as a fireworks operator or pyrotechnician to design, set up, or conduct or supervise the design, setup, or conducting of any fireworks display, either inside a building or structure or outdoors and shall require that at least one person holding a valid certification is present at the site where the fireworks display is being conducted. Certification shall not be required for the design, storage, sale, use, conduct, transportation, and set up of permissible fireworks or the supervision thereof or in connection with any fireworks display conducted by a volunteer fire department provided one member of the volunteer fire department holds a valid certification.

In formulating the Fire Prevention Code, the Board shall have due regard for generally accepted standards as recommended by nationally recognized organizations including, but not limited to, standards of the International Code Council, the National Fire Protection Association, and recognized organizations issuing standards for the protection of the public from the hazards of explosives and blasting agents. Such standards shall be based on the companion document to the model building code referenced by the Uniform Statewide Building Code.

The Fire Prevention Code shall require that buildings constructed prior to 1973 be maintained in accordance with state fire and public building regulations in effect prior to March 31, 1986, and that any building which is (i) more than 75 feet or more than six stories high and (ii) used, in whole or in part, as a dormitory to house students by any public or private institution of higher education shall be required to comply with the provisions of § 36-99.3. The Fire Prevention Code shall also require annual fire drills in all buildings having floors used for human occupancy located more than 75 feet above the lowest level of fire department vehicle access. The drills shall be conducted by building staff personnel or the owner of the building in accordance with a plan approved by the appropriate fire official and shall not affect other current occupants. The Board

may modify, amend or repeal any Code provisions as the public interest requires. Any such Code changes shall be developed in cooperation with the Fire Services Board pursuant to procedures agreed to by the two Boards.

106.3 Inspections. The fire official is authorized to conduct such inspections as are deemed necessary to determine the extent of compliance with the provisions of this code and to approve reports of inspection by approved agencies or individuals in accordance with the fire official's written policy. All reports of such inspections by approved agencies or individuals shall be prepared and submitted in writing for review and approval. Inspection reports shall be certified by a responsible officer of such approved agency or by the responsible individual. The fire official is authorized to engage such expert opinion as deemed necessary to report upon unusual, detailed or complex technical issues in accordance with local policies.

107.10 Local fees. In accordance with § 27-98 of the Code of Virginia, fees may be levied by the local governing body in order to defray the cost of enforcement and appeals under the SFPC. However, for the city of Chesapeake no fee charged for the inspection of any place of religious worship designated as Assembly Group A-3 shall exceed \$50. For purposes of this section, "defray the cost" may include the fair and reasonable costs incurred for such enforcement during normal business hours but shall not include overtime costs, unless conducted outside of the normal working hours established by the locality. A schedule of such costs shall be adopted by the local governing body in a local ordinance. A locality shall not charge an overtime rate for inspections conducted during the normal business hours established by the locality. Nothing herein shall be construed to prohibit a private entity from conducting such inspections, provided the private entity has been approved to perform such inspections in accordance with the written policy of the fire official for the locality.

## Introduction (Cont.)

- The code allows Frederick County to establish a fee schedule and how we are to base those fees. The Fire Marshal has chosen to use square footage which will mirror what the Building Official's Office is currently doing (107.13 Fee Schedule).
- We have consulted with the County Attorney to address any concerns or questions that may come up as a result of implementing these fees.

**107.13** Fee schedule. The local governing body may establish a fee schedule. The schedule shall incorporate unit rates, which may be based on square footage, cubic footage, estimated cost of inspection or other appropriate criteria.

## The Process

- Step 1 - Notify the commercial businesses via radio, newspaper, social media, email and mass mailing.
- Step 2 - A Life Safety application will be sent out and shall be returned within 30 days of receipt.
- Step 3 - Upon return of the Life Safety application, information will be entered into Code Pal to generate an invoice to be sent out. Payment will be required within 30 days.

## The Process (Cont.)

- Step 4 - A Life Safety inspection will then be scheduled and conducted on that business.
- Step 5 - If violations are noted then a re-inspection(s) will be scheduled at a later time based on the severity of the violation.
- Step 6 - After a second re-inspection, if the business still fails or refuses to make repairs then a summons will be issued to start criminal proceedings as warranted.



## Life Safety Inspection Fees (107.13 fee schedule)

- \$100 - Businesses up to 12,000 sq. ft
- \$200 - Businesses 12,001 sq. ft - 100,000 sq. ft
- \$300 - Businesses 100,001 sq. ft - 250,000 sq. ft
- \$400 - Businesses 250,001 sq. ft and above
  
- Re-inspections fees shall be half the original assessed cost.
  
- Inspections being conducted on County owned buildings shall be exempt from fees.

**107.13 Fee schedule.** The local governing body may establish a fee schedule. The schedule shall incorporate unit rates, which may be based on square footage, cubic footage, estimated cost of inspection or other appropriate criteria.

## Operational Permits and Fees

(section 108 operational permits)

- The Fire Marshal's Office currently issue Operational Permits.
- Proposed fee changes:
  - Commercial Burning - \$100 per site
  - Commercial Blasting - \$200 per site
  - Explosive Storage - \$200 per magazine
  - Fireworks Outdoor Sales - \$200
  - Fireworks Retail Sales - \$200
  - Fireworks Aerial Displays - \$200
  - (new) Mobile Food Preparation Vehicles (Food Trucks) - \$100
  - (new) Tent(s) - \$100 per tent
- Re-inspection fees shall be half the initial assessed value per re-inspection.

### **Current operational permit fees:**

Commercial Burning - \$25 per site  
Commercial Blasting - \$15 per site  
Explosive Storage - \$100 per magazine  
Fireworks Outdoor Sales - \$0  
Fireworks Retail Sales - \$0  
Fireworks Aerial Displays - \$0

### Section 108

#### OPERATIONAL PERMITS

108.1 General. Operational permits shall be in accordance with Section 108. The fire official may require notification prior to (i) activities involving the handling, storage or use of substances, materials or devices regulated by the SFPC; (ii) conducting processes which produce conditions hazardous to life or property; or (iii) establishing a place of assembly.

108.1.1 Permits required. Operational permits may be required by the fire official in accordance with Table 107.2. The fire official shall require operational permits for the manufacturing, storage, handling, use and sale of explosives. Issued permits shall be kept on the premises designated therein at all times and shall be readily available for

inspection by the fire official.

Exceptions:

1. Operational permits will not be required by the State Fire Marshal except for the manufacturing, storage, handling, use and sale of explosives in localities not enforcing the SFPC.
2. Operational permits will not be required for the manufacturing, storage, handling or use of explosives or blasting agents by the Virginia Department of State Police provided notification to the fire official is made annually by the Chief Arson Investigator listing all storage locations.

## Cost Recovery and Start Up

- Based on operational permits, approximately 1400 businesses and projected re-inspections, the estimated recovery will be a minimum of \$250,000 after first year.
- The majority of the up front costs associated with implementing fees will be the following:
  - Code Pal Software - Approximately \$14,000 the first year
  - Part time employee - \$12 an hour, working approximately 27 hours a week

## After Approval

- Hire part-time permit technician to issue permits, schedule inspections, subsequent data entry, and invoicing.
- Purchase Code Pal software. Several meetings have taken place with Code Pal and Treasurer's Office (AS-400) to confirm that Code Pal and AS-400 can seamlessly communicate with each other.
- Treasurer's Office will work with Fire Marshal's Office to build the AS-400 to work with Code Pal to meet our needs for inspections and billing (minimum of 90 days).
- Our goal for full implementation is January 2020.

Questions???

Thank You

G





COUNTY OF FREDERICK

**Roderick B. Williams**  
County Attorney

540/722-8383  
Fax 540/667-0370  
E-mail [rwillia@fcva.us](mailto:rwillia@fcva.us)

**MEMORANDUM**

TO: Frederick County Board of Supervisors  
CC: Kris Tierney, County Administrator  
FROM: Roderick B. Williams, County Attorney  
DATE: Tuesday, March 19, 2019  
RE: Commissioner of Revenue Refund Requests

---

Attached, for the Board's review, are requests to authorize the Treasurer to credit the following entities:

1. Randy M Manning LLC – \$5,311.26
2. Stanley Steemer Carpet Cleaner – \$4,222.62

A handwritten signature in blue ink, appearing to be "R. Williams", is written over a horizontal line.

Roderick B. Williams  
County Attorney

Attachments



COUNTY OF FREDERICK

**Roderick B. Williams**  
County Attorney

540/722-8383  
Fax 540/667-0370  
E-mail [rwillia@fcva.us](mailto:rwillia@fcva.us)

**MEMORANDUM**

TO: Ellen E. Murphy, Commissioner of the Revenue  
Frederick County Board of Supervisors

CC: Kris Tierney, County Administrator

FROM: Roderick B. Williams, County Attorney

DATE: March 19, 2019

RE: Refund – Randy M Manning LLC

I am in receipt of the Commissioner's request, dated March 13, 2019, to authorize the Treasurer to refund Randy M Manning LLC the amount of \$5,311.26, for personal property taxes in 2017. This refund resulted from an adjustment of truck personal property taxes due to presentation of International Fuel Tax Agreement (IFTA) information allowing a carrier to adjust taxes based on possible liability of personal property taxes in other states in which it traveled. This comes under Federal Interstate Commerce laws and is frequently handled by the Commissioner's office for long-haul trucks and trailers stationed at local terminals.

The Commissioner verified that documentation and details for this refund meet all requirements. Pursuant to the provisions of Section 58.1-3981(A) of the Code of Virginia (1950, as amended), I hereby note my consent to the proposed action. The Board of Supervisors will also need to act on the request for approval of a supplemental appropriation, as indicated in the Commissioner's memorandum.

A handwritten signature in blue ink, appearing to be "R. Williams", is written over a horizontal line.

Roderick B. Williams  
County Attorney

Attachment



# Frederick County, Virginia

OFFICE OF

COMMISSIONER OF THE REVENUE

107 North Kent Street  
Winchester VA 22601

P.O. Box 552  
Winchester VA 22604-0552

[emurphy@fcva.us](mailto:emurphy@fcva.us)

[www.fcva.us/cor](http://www.fcva.us/cor)



ELLEN E. MURPHY  
COMMISSIONER

Phone: 540-665-5681  
Fax: 540-667-6487

MARCH 13, 2019

TO: Rod Williams, County Attorney  
Cheryl Shiffler, Finance Director  
Frederick County Board of Supervisors  
Kris Tierney, County Administrator

FROM: Ellen E. Murphy, Commissioner of the Revenue

RE: Exoneration – RANDY M MANNING LLC

Please approve a refund of \$5,311.26 for reduction of personal property taxes for 2017 in the name of Randy M Manning LLC. This refund is for the adjustment of truck personal property taxes for the periods shown due to presentation of IFTA (International Fuel Tax Agreement) information allowing a carrier to adjust taxes based on possible liability of personal property taxes in other States in which it traveled. This comes under Federal Interstate Commerce laws and is frequently handled by our Department for long-haul trucks and trailers stationed at local terminals.

To comply with requirements for the Treasurer to apply this refund, Board action is required.

The Commissioner's staff has verified all required data and the paperwork is in the care of the Commissioner of the Revenue.

Please also approve a supplemental appropriation for the Finance Director on this request.

Exoneration is \$5,311.26.

Date: 3/13/19

Cash Register: COUNTY OF FREDERICK

Time: 09:58:30

Cashier: ██████████

Customer Name: RANDY M MANNING LLC

Total Transactions: 127

Customer Transactions: 7

Options: 2=Edit 4=Delete 5=View

| Opt | Dept   | Trans | Ticket No.  | Tax Amount  | Penalty/Int | Amount Paid |
|-----|--------|-------|-------------|-------------|-------------|-------------|
| -   | PP2017 | 1     | 00742210001 | \$868.53-   | \$142.57-   | \$1,011.10- |
| -   | PP2017 | 2     | 00742210003 | \$831.44-   | \$136.48-   | \$967.92-   |
| -   | PP2017 | 3     | 00742210005 | \$810.57-   | \$133.05-   | \$943.62-   |
| -   | PP2017 | 4     | 00742210007 | \$238.78-   | \$39.19-    | \$277.97-   |
| -   | PP2017 | 5     | 00742210009 | \$1,032.61- | \$169.51-   | \$1,202.12- |
| -   | PP2017 | 6     | 00742210011 | \$523.21-   | \$85.89-    | \$609.10-   |
| -   | PP2017 | 7     | 00742210013 | \$257.21-   | \$42.22-    | \$299.43-   |

Total Paid :

\$5,311.26

F3=Exit

F14=Show Map#

F15=Show Balance

F18=Sort-Entered

F21=CmdLine

F20=Attach

Needs Board Approval



COUNTY OF FREDERICK

**Roderick B. Williams**  
County Attorney

540/722-8383  
Fax 540/667-0370  
E-mail [rwillia@fcva.us](mailto:rwillia@fcva.us)

**MEMORANDUM**

TO: Ellen E. Murphy, Commissioner of the Revenue  
Frederick County Board of Supervisors

CC: Kris Tierney, County Administrator

FROM: Roderick B. Williams, County Attorney

DATE: March 19, 2019

RE: Refund – Stanley Steemer Carpet Cleaner

I am in receipt of the Commissioner's request, dated March 13, 2019, to authorize the Treasurer to refund Stanley Steemer Carpet Cleaner the amount of \$4,222.62, for business license taxes in 2017 and 2018. This refund resulted from duplication of tax liability where the business paid taxes in part on the same gross receipts in three other states.

The Commissioner verified that documentation and details for this refund meet all requirements. Pursuant to the provisions of Section 58.1-3981(A) of the Code of Virginia (1950, as amended), I hereby note my consent to the proposed action. The Board of Supervisors will also need to act on the request for approval of a supplemental appropriation, as indicated in the Commissioner's memorandum.

A handwritten signature in blue ink, appearing to be "R. Williams", is written over a horizontal line.

Roderick B. Williams  
County Attorney

Attachment



*Frederick County, Virginia*  
**Ellen E. Murphy**  
**Commissioner of the Revenue**  
107 North Kent Street  
Winchester, VA 22601  
Phone 540-665-5681 Fax 540-667-6487  
email: [emurphy@co.frederick.va.us](mailto:emurphy@co.frederick.va.us)



MARCH 13, 2019

TO: Rod Williams, County Attorney  
Cheryl Shiffler, Finance Director  
Frederick County Board of Supervisors  
Kris Tierney, County Administrator

FROM: Ellen E. Murphy, Commissioner of the Revenue

RE: Exoneration – STANLEY STEEMER CARPET CLEANER

Please approve a refund of \$4,222.62 for adjustment of 2017 & 2018 business license fees. Stanley Steemer Carpet Cleaner has provided proper information to show that in 2017 and 2018 they paid a business license tax in part on the same gross receipts in three other states, thus duplicating their tax liability.

To comply with requirements for the Treasurer to apply this refund board action is required.

The Commissioner's staff has all required data and the paperwork is in the care of the Commissioner of the Revenue.

Please also approve a supplemental appropriation for the Finance Director on this request.

Exoneration is \$4,222.62.

Date: 3/12/19

Cash Register: COUNTY OF FREDERICK

Time: 10:08:28

Cashier: XXXXXXXXXX Total Transactions: 122  
 Customer Name: STANLEY STEEMER CARPET CLEANER Customer Transactions: 2

Options: 2=Edit 4=Delete 5=View

| Opt | Dept   | Trans | Ticket No.  | Tax Amount  | Penalty/Int | Amount Paid |
|-----|--------|-------|-------------|-------------|-------------|-------------|
| -   | BL2017 | 1     | 00035240025 | \$1,933.20- | \$ .00      | \$1,933.20- |
| -   | BL2018 | 2     | 00075490009 | \$2,289.42- | \$ .00      | \$2,289.42- |

F3=Exit      F14=Show Map#      Total Paid :      \$4,222.62  
 F15=Show Balance      F18=Sort-Entered      F21=CmdLine  
 F20=Attach

Needs Board Approval

H





# RESOLUTION

## Frederick County Board of Supervisors

### Census Awareness Day

WHEREAS, every ten years, Article 1, Section 2 of the United States Constitution mandates a count of all the people living in the United States and its territories; and

WHEREAS, the 2020 Census will address every household in the nation with a simple questionnaire with the goal of counting everyone once, only once, and in the right place; and

WHEREAS, data obtained by the survey will be used to help determine how approximately \$675 billion will be distributed from the federal government to state, local, and tribal governments annually; and

WHEREAS, up to \$2,000 of federal funding will be lost for each person not counted; as well as upwards of \$20,000 of federal funding lost every ten years; and

WHEREAS, a complete count requires that we bring together leaders from all communities of the Commonwealth, so that every Virginian regardless of racial, social, or economic background is counted; and

WHEREAS, Governor Ralph S. Northam has established the Virginia Complete Count Commission, which is comprised of 40 members to collaborate with community partners and local Complete Count Committees to ensure an accurate 2020 Census count;

NOW, THEREFORE, BE IT RESOLVED THAT the County of Frederick hereby proclaims April 1st, 2019, as Census Awareness Day.

Passed this 27th day of March 2019 by the following recorded vote:

Charles S. DeHaven, Jr., Chairman

Gary A. Lofton

J. Douglas McCarthy

Judith McCann-Slaughter

Shannon G. Trout

Blaine P. Dunn

Robert W. Wells

A COPY ATTEST

---

Kris C. Tierney  
Frederick County Administrator

**I**



**PROCLAMATION  
NATIONAL TELECOMMUNICATOR'S WEEK  
FREDERICK COUNTY, VIRGINIA  
APRIL 14-20, 2019**

**WHEREAS**, emergencies can occur at any time that require police, fire or emergency medical services; and

**WHEREAS**, when an emergency occurs, the prompt response of police officers, firefighters and paramedics is critical to the protection of life and preservation of property; and

**WHEREAS**, the safety of our police officers and firefighters is dependent upon the quality and accuracy of information obtained from citizens who telephone the Frederick County Department of Public Safety Communications Center; and

**WHEREAS**, Public Safety Dispatchers are the first and most critical contact our citizens have with emergency services; and

**WHEREAS**, Public Safety Dispatchers are the single vital link for our police officers and firefighters by monitoring their activities by radio, providing them information and ensuring their safety; and

**WHEREAS**, Public Safety Dispatchers of Frederick County, Virginia have contributed substantially to the apprehension of criminals, suppression of fires and treatment of patients; and

**WHEREAS**, each dispatcher has exhibited compassion, understanding and professionalism during the performance of their job in the past year.

**NOW THEREFORE BE IT RESOLVED**, that the Board of Supervisors of Frederick County, Virginia does hereby proclaim the week of April 14-20, 2019 to be National Telecommunicator's Week in Frederick County, in honor of the men and women whose diligence and professionalism keep our county and citizens safe.

Adopted this 27<sup>th</sup> day of March, 2019

Charles S. DeHaven, Jr., Chairman

J. Douglas McCarthy

Blaine P. Dunn

Judith McCann-Slaughter

Gary A. Lofton

Robert W. Wells

Shannon G. Trout

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Kris C. Tierney  
Clerk, Board of Supervisors  
County of Frederick, Virginia



## MEMORANDUM

To: Administration

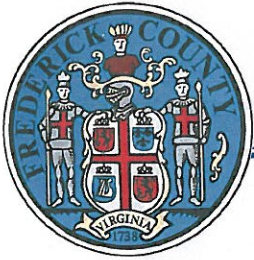
From: LeeAnna Pyles; Director

Date: March 18, 2019

Ref: Item to add to BOS meeting on March 27, 2019

Every year, the second full week of April is dedicated to the men and women who serve as Public Safety Telecommunicators. This year, April 14-20, 2019 will be recognized as "National Telecommunicators Week". Please see that the attached Proclamation is entered in the Board of Supervisors agenda for the March 27, 2019 meeting.

J



## COUNTY of FREDERICK


**Kris C. Tierney**  
County Administrator

540/665-6382

Fax: 540/667-0370

E-mail: [ktierney@fcva.us](mailto:ktierney@fcva.us)

### MEMORANDUM

**TO:** Board of Supervisors  
**FROM:** Kris C. Tierney, County Administrator   
**DATE:** March 11, 2019  
**RE:** Closing of County Offices for Annual Apple Blossom Festival

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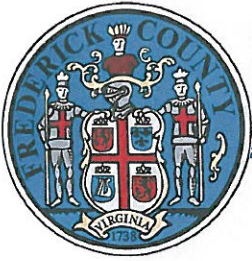
As in the past, the Board of Supervisors will need to take action on the closing of county offices on Friday, May 3, 2019, for the 92<sup>nd</sup> Shenandoah Apple Blossom Festival. This is a regularly scheduled holiday for county employees; however, the court offices need official action by the Board in order to close their offices for this day. Action at the March 27, 2019 meeting will give the courts time to arrange their schedules accordingly.

Thank you.

KCT/tjp

U:\TJP\miscmemos\CountyAdministrator\BdOfSupAppleBlossom(2019).docx

K



Kris C. Tierney  
County Administrator

540/665-6382

Fax: 540/667-0370

E-mail: ktierney@fcva.us

**MEMORANDUM**

**TO:** Board of Supervisors

**FROM:** Kris C. Tierney, County Administrator *KCT*

**DATE:** March 20, 2019

**RE:** Committee Appointments

Listed below are the vacancies/appointments due through May 2019. As a reminder, in order for everyone to have ample time to review applications, and so they can be included in the agenda, please remember to submit applications prior to Friday agenda preparation. Your assistance is greatly appreciated.

**VACANCIES/OTHER**

Handley Regional Library Board

Brian J. Hester  
165 Babbs Run Lane  
Winchester, VA 22603  
Term Expires: 11/30/19  
Four-year term

**(Staff has been advised that Mr. Hester has resigned.)**

Extension Leadership Council

Margaret B. Douglas – Back Creek District Representative  
452 Barley Lane  
Winchester, VA 22602  
Term Expires: 01/14/20  
Four-year term

**(Vacancy Due to the Passing of Mrs. Brumback.)** *(The Extension Leadership Council is comprised of ten members, one member from each magisterial district appointed by the Board of Supervisors and four members-at large recommended by the Virginia Tech Extension Service. Members serve a four-year term.)*



Board of Equalization

Timothy W. McKee – Frederick County Representative  
2101 Salem Church Road  
Stephens City, VA 22655  
Home: (540)868-1472  
Term Expires: 12/31/18  
Three-year term

**(Mr. McKee advised he does not wish to continue serving when his term expires. Staff has posted to County Web Site.)** *(The Board of Equalization is composed of five members. Members must be free holders in the county. In October 2010, the Board of Supervisors appointed the Board of Equalization as a “permanent” board for subsequent reassessments. The original five members were appointed for the following terms: one member for a one-year term; one member for a two-year term; and three members for a three-year term. Going forward, all future appointments shall be for a three-year term. Recommendation for appointment/reappointment are made by the Board of Supervisors and submitted to the Judge of the Frederick County Circuit Court for final appointment.)*

Shenandoah Area Agency on Aging (SAAA)

Member-At-Large – Frederick County – SAAA Appointment

**(Staff has confirmed that the Area Agency on Aging is still seeking assistance in finding a possible candidate(s) to fill the Frederick County Member-At-Large seat. This seat is their appointment. Staff has posted to County Web Site.)** *(According to agency by-laws, the Area Agency on Aging Board may appoint up to six At-Large Members.)*

**APRIL and MAY 2019**

No appointments due for April or May.

KCT/tjp

L



**COUNTY of FREDERICK**

**Jay E. Tibbs**

Deputy County Administrator

540/665-5666

Fax 540/667-0370

E-mail: jtibbs@fcva.us

**MEMORANDUM**

|                 |  |
|-----------------|--|
| <b>TO:</b>      | Board of Supervisors   |
| <b>FROM:</b>    | Jay E. Tibbs, Deputy County Administrator <i>Jay E. Tibbs</i>  |
| <b>SUBJECT:</b> | Public Hearing Regarding the Conveyance of the County's Interest in Real Property Located at 441 Linden Drive, in the City of Winchester, Virginia, Identified as City Tax Parcel Number 130-1-1 |
| <b>DATE:</b>    | March 21, 2019   |

Pursuant to Virginia Code § 15.2-1800, the Board will conduct a public hearing regarding the conveyance of the County's interest in real property located at 441 Linden Drive, in the City of Winchester, Virginia, identified as City tax parcel number 130-1-1, also known as the former Frederick County Middle School.

By way of background, on December 5, 2017, the Frederick County School Board adopted a resolution declaring the former Frederick County Middle School as surplus and turned over ownership to the Frederick County Board of Supervisors.

In April 2018 the County prepared an IFB (Invitation for Bids) seeking sealed bids on the real property and improvements. In response to the IFB, only one offer was received. Valley Health offered \$50,000 above the highest bid up to \$4,000,000.00. This offer was subsequently rejected.

In the intervening months, the county had several inquiries and a number of entities toured the property, but none of those resulted in any further offers.

In August 2019, the County prepared a Request for Proposals (RFP) for commercial real estate brokerage services to assist with the disposition of the property. On October 7, 2019, as a result of the RFP process, the County contracted with Mr. Don Butler, Virginia Property Group, to assist with marketing the property.

On February 27, 2019, the County has received a contract to purchase the property for \$3,250,000.00. The proposed contract is contingent upon approval by the Board of Supervisors following a public hearing.

At the conclusion of the public hearing, staff is seeking action from the Board to authorize the county administrator to execute the Commercial Purchase Agreement between the County of Frederick and HD Partners, LLC, and or its assigns.

Attachment



VIRGINIA ASSOCIATION OF REALTORS®
Commercial Purchase Agreement

Each commercial transaction is different. This form may not address your specific purpose. This is a legally binding document. If not understood, seek competent advice before signing.

This Commercial Purchase Agreement (the "Agreement") is dated February 28, 2019, between County of Frederick HD Partners, LLC, and or its assigns ("Seller") and ("Purchaser"). The parties acknowledge that Virginia Property Greenfield & Craun Commercial ("Listing Broker") represents Seller and that ("Selling Broker") represents [select one]:
[ ] Seller [X] Purchaser. The parties further acknowledge that disclosure of the brokerage relationships was made to them by the real estate licensees involved in this transaction when specific assistance was first rendered and confirmed in writing.

1. Sale of Property. Purchaser agrees to buy and Seller agrees to sell the land, all improvements thereon, and all rights and appurtenances thereto belonging, located in the City/County of Winchester, Virginia, with a tax parcel no. of 130-01-1 and a street address of 441 Linden Drive. Seller discloses that [select one]: [X] there are no tenants or other parties in possession of the Property OR [ ] there are tenants or persons who are in possession of the Property as set forth on SCHEDULE A attached hereto.

2. Purchase Price. The purchase price for the Property is Three Million Two Hundred Fifty Thousand Dollars (\$3,250,000.00) (the "Purchase Price") and shall be paid to Seller at Settlement, subject to the prorations and adjustments described herein, as follows:

A. Deposit. Purchaser shall make a deposit of \$25,000.00 (the "Deposit") to be held by Fidelity National Title (the "Escrow Agent"). Purchaser [select one]: [ ] has paid the Deposit to the Escrow Agent OR [X] will pay the Deposit to the Escrow Agent within -5- days after this Agreement is fully executed by both parties. If Purchaser fails to pay the Deposit as set forth herein, then Seller may terminate this Agreement by written notice to Purchaser and neither party shall have any further obligation hereunder. The Deposit shall be held in an interest bearing account and the parties waive claim to any such interest. The Deposit shall be applied towards the Purchase Price at Settlement. If Settlement does not occur, the Deposit shall be paid as provided herein.
\*\*and interest

B. Balance. The balance of the Purchase Price shall be paid by Purchaser at Settlement in certified funds or bank wire (inclusive of any loan obtained by Purchaser to purchase the Property).

3. Settlement.

A. Settlement of Property. Settlement of the purchase and sale of the Property shall be made at Purchaser's Choice; TBD on see Addendum #1 ("Settlement"). Possession of the Property shall be delivered to Purchaser at Settlement.

B. Deliveries by Seller at Settlement. At Settlement, Seller shall deliver to Purchaser the following:

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(i) A general warranty deed with full English covenants of title (the "Deed") conveying to the Purchaser good and marketable fee simple title to the Property, free and clear of all liens, encumbrances, conditions and restrictions, except any lien for real estate taxes not yet due and payable, and any Title Objections for which Purchaser has no objection and/or has waived such objection pursuant to Paragraph 5;

(ii) An affidavit for the benefit of Purchaser and its title insurer, satisfactory to Purchaser's title company (the "Affidavit") stating that (i) no right to a mechanic's or materialman's lien has accrued with respect to the Property as a result of any act or omission by the Seller and (ii) there are no outstanding leases or agreements with regard to, or other parties in or entitled to possession of, the Property except as disclosed in **SCHEDULE A** attached hereto;

(iii) A Certificate of Non-Foreign Status as required by Section 1445 of the Internal Revenue Code of 1986 and any other certificates required by any governmental authority or agency;

(iv) If the Property is leased, a tenant estoppel certificate and an assignment of lease (including the transfer of the security deposit at Settlement) for each and every tenant of the Property, in forms acceptable to Purchaser; and

(v) Such other Seller certifications as Purchaser's lender or title company may reasonably require.

C. Costs and Prorations. Seller shall pay the costs of preparing the Deed, the Grantor's tax thereon and any other expenses incurred by Seller. Purchaser shall pay for the title search, title insurance premiums, ~~survey expenses~~ lender fees, Grantee's tax and all other settlement expenses incurred by Purchaser. Real estate taxes, rent, CAM and assessments, as applicable, shall be prorated between Seller and Purchaser as of the date of the Settlement. Each party shall pay its own legal, accounting and other expenses incurred in connection with this Agreement or Settlement.

D. Condition of Property. Purchaser agrees to accept the Property at Settlement in its physical condition at the time this Agreement is fully executed by all parties, except as otherwise provided herein. Seller agrees to maintain the Property in good condition and repair until Settlement. ~~At Settlement, Seller agrees to transfer to Purchaser all existing warranties of any kind on the Property's roof, structural components, HVAC, mechanical, electrical, security, and plumbing systems.~~

4. Feasibility Period. \*\*SEE ADDENDUM #1 FOR ADDITIONAL TERMS AND CONDITIONS TO FEASIBILITY PERIOD

A. For a period of ONE HUNDRED TWENTY (120) days following ~~execution of this Agreement by all parties~~ <sup>\*\*</sup>execution of this Agreement by all parties (the "Feasibility Period"), Purchaser, its agents and contractors, shall have the right to: (i) enter the Property for the purpose of inspecting the Property and performing tests as are desirable to Purchaser in its sole and absolute discretion; (ii) seek zoning information from the local governing authority concerning Purchaser's intended use of the Property; and/or (iii) apply for lender financing to acquire the Property.

\*\*Board of Supervisor Approval; see Addendum #1

B. Within five (5) days after Seller's receipt of a fully executed copy of this Agreement, if not previously delivered, Seller shall deliver to Purchaser copies of the following materials related to the Property if in Seller's possession: (i) any Phase I or other environmental studies; (ii) a current survey; (iii) the most current owner's title insurance policy; and (iv) all leases and rent rolls for each tenant identified in **SCHEDULE A** (including without limitation, the base monthly rental and all taxes, insurance, and other pass-throughs paid by the tenant), and all

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contracts affecting the Property that are not terminable at will. Items (i) through (iv) are collectively referred to as the "Materials".

C. If Purchaser is not satisfied in its sole and absolute discretion with all aspects of the Property (including zoning) or the Materials, or has not obtained financing upon terms and conditions satisfactory to Purchaser, then Purchaser shall have the right, upon written notice to Seller prior to the expiration of the Feasibility Period, to terminate this Agreement, in which event the Deposit shall be refunded in full to Purchaser and the parties shall have no further obligation or liability to one another, except for any liability pursuant to the indemnity provisions of Paragraphs 4D., 10 and 11.

D. If Purchaser fails to acquire the Property, Purchaser agrees: (i) to repair any damage arising as a result of its exercise of the right of access granted in this Paragraph 4; (ii) to indemnify and hold Seller harmless from any and all liability of any kind or nature whatsoever as a result of the exercise of such right of access, other than as a result of Seller's negligence or misconduct or the negligence or misconduct of Seller's agents, employees or contractors; and (iii) upon demand to return the Materials to Seller.

5. Title and Survey Objections. Purchaser may, at its sole expense, obtain a title insurance commitment and a survey for the Property. Prior to the expiration of the Feasibility Period, Purchaser shall notify the Seller in writing as to any title or survey objections regarding the Property that the Purchaser is unwilling to accept (collectively the "Title Objections"). Seller shall advise Purchaser in writing within ten (10) days after receipt of such notice, which if any of the Title Objections will not be cured by Seller at or prior to Settlement. If Seller fails to respond to Purchaser within such ten (10) day period or if Seller's response indicates that it does not intend to cure one or more of the Title Objections, then Purchaser may, at its option either (i) terminate this Agreement by giving written notice to Seller; (ii) cure such Title Objections at its own expense and proceed to Settlement with no reduction in the Purchase Price; or (iii) waive such Title Objections and proceed to Settlement, with no reduction in the Purchase Price. If Purchaser elects to terminate this Agreement, the Deposit shall be refunded in full to Purchaser and the parties shall have no further obligation or liability to one another, except for any liability pursuant to the indemnity provisions of Paragraphs 4D., 10 and 11.

6. Conditions Precedent to Obligation of Purchaser. This Agreement and all of Purchaser's obligations hereunder are further subject to Purchaser determining in its sole and absolute discretion that all of the conditions set forth in this Paragraph 6 have been satisfied or waived in writing by Purchaser. In the event that any of the following conditions are not satisfied or waived by Purchaser, Purchaser may give written notice to Seller terminating this Agreement on or before Settlement, in which event the Deposit shall be refunded in full to Purchaser and the parties shall have no further obligation or liability to one another, except for any liability pursuant to the indemnity provisions of Paragraphs 4D., 10 and 11.

A. Seller's Representations and Warranties. All the representations and warranties of Seller made herein shall have been true when made and shall be true and correct as of Settlement, with no material changes therein.

B. Seller's Deliveries. As of Settlement, Seller shall have taken all action and delivered all documents and materials required by this Agreement.

C. No Litigation. As of Settlement, there shall be no litigation, proceeding or investigation pending, or to the knowledge of Purchaser or Seller threatened, which might prevent or adversely affect the intended use of the Property or which questions the validity of any action

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taken or to be taken by Seller or Purchaser hereunder, or which threatens the continued operation of the Property for commercial purposes.

7. Representations and Warranties of the Seller. Seller, jointly and severally (if more than one Seller), represents and warrants unto Purchaser as of the date hereof and on the Settlement date that:

A. Authority and Marketable Title. Seller is the owner of the Property, possesses the requisite authority to enter into and perform this Agreement, and has the absolute right to sell, assign, and transfer the Property to Purchaser at Settlement.

B. No Pending Litigation or Bankruptcy. There are no actions, suits or proceedings at law or in equity pending, threatened against, or affecting the Property before or by any federal, state, municipal, or other governmental department, commission, board, bureau, agency, or instrumentality. No bankruptcy or similar action, whether voluntary or involuntary, is pending or is threatened against Seller, and Seller has no intention of filing or commencing any such action within ninety (90) days following Settlement.

C. No Outstanding Purchase Option. No option, right of first refusal or other contractual opportunity to purchase the Property has been granted to, or executed with, a third-party that is enforceable against Seller and/or the Property giving such third-party a right to purchase an interest in the Property or any party thereof.

D. No Notice of Repairs. Seller has received no written notice from any governmental agency that repairs, alterations or corrections that must be made to the Property.

E. Utilities. The Property is connected to [**select one**]:  a municipal water and sewer system and has utility meters installed within the Property **OR**  a well and septic system located on the Property. Seller makes no representation on whether the capacities of such utilities are sufficient for Purchaser's intended use of the Property.

F. Hazardous Materials. To the best of Seller's actual knowledge, no toxic or hazardous materials (as said terms are defined in any applicable federal or state laws) have been used, discharged or stored on or about the Property in violation of said laws, and to the best of Seller's knowledge, no such toxic or hazardous materials are now or will be at Settlement located on or below the surface of the Property. There are no petroleum storage tanks located on or beneath the surface of the Property.

G. Parties in Possession. As of the Settlement date, there will be no adverse or other parties in possession of the Property or any part thereof, nor has any party been granted any license, lease or other right or interest relating to the use or possession of the Property or any part thereof, except for the Leases attached hereto and made a part hereof as **SCHEDULE A**.

H. Other Contracts. Seller is not a party to any contracts relating to the Property that is not terminable at will, except as disclosed on **SCHEDULE B**, which is attached hereto and made a part hereof. Between the date of this Agreement and the Settlement date, Seller will not, without the prior written consent of Purchaser, which consent shall not be unreasonably withheld, enter into any contract relating to the Property that is not terminable at will.

I. No Undisclosed Restrictions. Seller has not, nor to the best of Seller's knowledge or belief has any predecessor in title, executed or caused to be executed any document with or for the benefit of any governmental authority restricting the development, use or occupancy of the Property that has not specifically been disclosed to Purchaser or wouldn't be revealed by a title report.

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8. Risk of Loss. The risk of loss or damage to the Property by fire or other casualty prior to Settlement shall be on the Seller. If such loss or damage materially and adversely affects the use of the Property as of Settlement, Purchaser shall be entitled to terminate this Agreement by written notice to Seller, in which event the Deposit shall be refunded in full to Purchaser and the parties shall have no further obligation or liability to one another, except for any liability pursuant to the indemnity provisions of Paragraphs 4D., 10 and 11.

9 A. Condemnation. If, prior to Settlement, any taking pursuant to the <sup>\*\* and interest</sup> power of eminent domain is proposed or occurs, as to all or any portion of the Property intended to be acquired at Settlement by the Purchaser, or sale occurs in lieu thereof, the Purchaser shall be entitled to terminate this Agreement by written notice to Seller, in which event the Deposit shall be refunded in full to Purchaser and the parties shall have no further obligation or liability to one another, except for any liability pursuant to the indemnity provisions of Paragraphs 4D., 10 and 11.

9B. see Addendum #1

10. Access/Cooperation. During the term of this Agreement, Purchaser and his duly authorized agents shall be entitled to reasonable access to the Property for the purpose of surveying, appraising and making other findings related to the Property. Purchaser agrees to indemnify and hold the Seller harmless from any and all liability of any kind or nature whatsoever as a result of the exercise of such right of access, other than as a result of the Seller's gross negligence or willful misconduct.

11. Agents and Brokers. Each party represents and warrants that it did not consult or deal with any broker or agent with regard to this Agreement or the transaction contemplated hereby, except for the Listing Broker and the Selling Broker, and each party hereto agrees to indemnify and hold harmless the other party from all liability, expense, loss, cost or damage, including reasonable attorneys' fees, that may arise by reason of any claim, demand or suit of any agent or broker arising out of facts constituting a breach of the foregoing representation and warranty. Listing Broker shall be paid a brokerage fee by Seller of  \_\_\_\_\_% of the Purchase Price. Selling Broker shall be paid by Seller a fee of  -3- % of the Purchase Price.

12. Notices. Any notice, request or demand required or permitted to be given pursuant to this Agreement shall be in writing and shall be deemed sufficiently given if, delivered by hand or messenger at the address of the intended recipient, sent prepaid by Federal Express (or a comparable guaranteed overnight delivery service), or deposited in the United States first class mail (registered or certified, postage prepaid, with return receipt requested), addressed to the intended recipient, at the intended recipient's address set forth below, or at such other address as the intended recipient may have specified by written notice to the sender given in accordance with the requirements of this Paragraph. Any such notice, request or demand so given shall be deemed given on the day it is received by the recipient.

For the Seller: 3050 Valley Ave, Suite 110  
Winchester, VA 22601  
c/o D. Butler

For Purchaser: 180 N. Michigan Ave, #510  
Chicago, IL 60601

13. Default.

A. Default by Purchaser. If Purchaser defaults under this Agreement, the damages suffered by Seller would be difficult to ascertain. **Therefore, Seller and Purchaser agree that, in the event of a default by Purchaser, Seller's sole and exclusive remedy, in lieu of all other remedies, shall be to terminate this Agreement and retain the Deposit as full and**

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**complete liquidated damages.** If the Deposit is retained as liquidated damages, Seller agrees to pay one-half of the Deposit to the Listing Broker to compensate Broker for his brokerage services in the transaction. Such payment shall have no effect on the payment due in any subsequent transaction. Seller hereby specifically waives the right to seek specific performance of this Agreement by Purchaser or any other remedy at law or in equity, provided that Seller reserves the right to all remedies available at law and in equity solely in order to enforce the indemnification obligations of Purchaser under Paragraphs 4D., 10 and 11 herein.

**B. Default by Seller.** If Seller defaults under this Agreement, Purchaser shall have the option to (i) seek specific performance of this Agreement, or (ii) terminate this Agreement, in which event the Deposit shall be promptly refunded to Purchaser. Seller shall be liable for Purchaser's expenses in the filing of any specific performance action, including reasonable attorney's fees and court costs.

**C. Right to Cure Default.** Prior to any termination of this Agreement as provided in Subparagraphs 13A. and 13B., the non-defaulting party shall provide written notice of any default(s) to the defaulting party (the "Default Notice") permitting the defaulting party ten (10) days to cure any such default(s). If defaulting party does not cure the default(s) or does not respond to the Default Notice, then the non-defaulting party may terminate the Agreement by written notice to the defaulting party. Nothing herein shall prevent either party from seeking a judicial determination regarding any default; provided however, the court shall award the expenses of attorney's fees and court costs to the prevailing party in any such action.

**D. Brokerage Fees.** Notwithstanding the remedies set forth in Subparagraphs 13A., 13B, and 13C, if either Seller or Purchaser defaults under this Agreement, the defaulting party shall be liable for the full amount of the brokerage fees set forth in Paragraph 11 and any brokerage fees set forth in Seller's listing agreement with the Listing Broker for the Property (which document is hereby incorporated herein by this reference) as if this Agreement and Seller's listing agreement had been performed, and for any damages and all expenses incurred by the Listing Broker and the Selling Broker in connection with this transaction and the enforcement of this Agreement and Seller's listing agreement, including, without limitation, attorney's fees and court costs. Payment of a real estate broker's fee as the result of a transaction relating to the Property which occurs subsequent to a default under this Agreement shall not relieve the defaulting party of liability for any brokerage fees due under this Agreement or Seller's listing agreement.

**14. Miscellaneous.**

**A. Final Agreement.** This Agreement contains the entire agreement between the parties hereto relating to the Property and supersedes all prior and contemporaneous negotiations, understandings and agreements, written or oral, between the parties hereto.

**B. Virginia Law Applicable.** This Agreement shall be construed, performed and enforced in accordance with the laws of the Commonwealth of Virginia and shall not be amended or modified and no waiver of any provision hereof shall be effective unless set forth in a written instrument executed with the same formality as this Agreement.

**C. Assignment.** This Agreement ~~shall not~~ <sup>MAY</sup> be assigned by one party without the written consent of the other party, ~~except the assignment of this Agreement to an entity owned by Purchaser or the principals of Purchaser~~ shall not require the consent of Seller, but Purchaser shall provide written notice to Seller of such assignment. This Agreement shall inure to the benefit of the parties hereto and their respective and permitted successors and assigns.

\*AND

**D. Counterparts.** This Agreement may be signed in one or more counterparts, each of which is deemed to be an original and all of which shall together constitute the same instrument.

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The parties agree that a fax of any signed original document shall have the same effect as an original.

E. Tax-Deferred Exchange. Either party may elect to include the conveyance of the Property in an IRS Section 1031 Like Kind Exchange (a tax-deferred exchange). In the event that a party makes such an election, the non-exchanging party agrees to execute such documents necessary to effectuate such an exchange (at no cost to the exchanging party), but in no event shall such exchange affect the terms of the transaction or a party's responsibilities to the other party under this Agreement. The exchanging party shall bear the sole costs of its exchange.

15. Additional Provisions: see Addendum #1, attached hereto  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

16. Acceptance. To be effective this Agreement must be executed by Purchaser and Seller and an original copy of this Agreement returned to Purchaser no later than 5:00 p.m. on \_\_\_\_\_, or this Purchase Agreement shall be deemed withdrawn.

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Each of the parties has executed this Agreement in its name pursuant to due authority as of the dates set forth below.

DocuSigned by:  
Todd Bryant  
**Purchaser** \_\_\_\_\_  
Printed Name: Todd Bryant  
Title (if applicable): President  
Date: 2/26/2019

\_\_\_\_\_  
**Seller** \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Title (if applicable): \_\_\_\_\_  
Date: \_\_\_\_\_

\_\_\_\_\_  
**Purchaser** \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Title (if applicable): \_\_\_\_\_  
Date: \_\_\_\_\_

\_\_\_\_\_  
**Seller** \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Title (if applicable): \_\_\_\_\_  
Date: \_\_\_\_\_

**Listing Company's Name and Address**

Virginia Property Group  
3050 Valley Ave, Suite 110  
Winchester, VA 22601

**Selling Company's Name and Address**

Greenfield & Craun Commercial  
14 E. Piccadilly Street  
Winchester, VA 22601

**Agent's Name** Don Butler  
Agent's tel. no. \_\_\_\_\_  
Fax no. \_\_\_\_\_  
Agent's email \_\_\_\_\_

**Agent's Name** Gillian Greenfield  
Agent's tel. no. 540-974-3927  
Fax no. \_\_\_\_\_  
Agent's email gillian.greenfield@greenfieldandcraun.com

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**SCHEDULE A**

**LEASES, AGREEMENTS AND CONTRACTS  
FOR TENANTS AND OTHER PARTIES  
IN POSSESSION OF THE PROPERTY**

**List below each such tenant or other party in possession of the Property, and provide Purchaser with a copy of each lease, license or other agreement. If verbal agreement, summarize terms below.**

**Also provide Purchaser with any contract affecting the Property that is not terminable at will.**

**SCHEDULE B**

**CONTRACTS RELATING TO THE PROPERTY  
(Not terminable at will)**



**GREENFIELD & CRAUN  
COMMERCIAL**

Addendum #1, dated 2/26/2019, to Commercial Purchase Agreement dated 2/26/2019 between County of Frederick (Seller) and HD Partners, LLC, and or its assigns (Purchaser), for 441 Linden Drive, Winchester, VA 22601 (Property);

The additional terms and conditions shall apply:

- I. Feasibility Period Extensions
  1. By the date of expiration of Purchaser's Feasibility Period, Purchaser shall have completed the following due diligence items (Due Diligence Items):
    - a. Asbestos Report;
    - b. Statement of Property Conditions Report; and
    - c. Conceptual Plan of Development
  2. Upon Seller's receipt of Purchaser's Due Diligence Items, 1a, 1b, & 1c, Purchaser shall have the following two (2) 45-day extensions:
    - a. One (1) additional 45-day extension to its Feasibility Period at no additional cost to Purchaser (Extension #1); and
    - b. Purchaser shall have a second 45-day extension to its Feasibility Period with \$10,000.00 'at risk' of its deposit (Extension #2).
  3. Purchaser must provide five (5) business days' notice in advance in writing to Seller of its intent to exercise Extension #1 & #2.
- II. Frederick County Board of Supervisors, 1<sup>st</sup> Public Hearing
  1. This contract shall be contingent upon approval by the Frederick County Board of Supervisors in a public meeting following the duly advertised public hearing, per Section 15.2-1800 B of the Code of Virginia, 1950, as amended. The time of such public hearing shall be based on the following: acceptance of counter-offer by HD Partners, LLC, advertising requirements pursuant to Section 15.2-1427(F) of the Code of Virginia, 1950, as amended, and the Board of Supervisors meeting schedule/agenda (Board Approval); and
  2. Start Date of Purchaser's Feasibility Period shall be the day following Board Approval.



**GREENFIELD & CRAUN  
COMMERCIAL**


III. Settlement

1. Settlement shall occur on or before thirty (30) days from expiration of Purchaser's Feasibility Period; and
2. In the event of a non-settlement, Purchaser shall provide its Due Diligence Items to Seller at no cost to Seller.

IV. Paragraph 9B, Condemnation

1. In the event of Condemnation, in addition to the terms provided in Paragraph 9A in Agreement, Purchaser, in its sole discretion, may elect to proceed to settlement and receive proceeds of condemnation award and any property remaining as may be applicable.

PURCHASER – Todd Bryant

DocuSigned by:  
  
 11228394/2444E9  
 2/26/2019

DATE

SELLER – COUNTY OF FREDERICK

By: \_\_\_\_\_

Its: \_\_\_\_\_

DATE

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NOTICE OF PUBLIC HEARING  
FREDERICK COUNTY, VIRGINIA

The Board of Supervisors of Frederick County invites comments on the Proposed Budget for the fiscal year ending June 30, 2020. Verbal comments may be presented at the Public Hearing scheduled at:

7:00 p.m., Wednesday, March 27, 2019 at County Administration Office Building

For the purpose of the public hearing on March 27, 2019, written comments may be mailed to the Office of the County Administrator, 107 North Kent Street, Winchester, Virginia 22601, or may be presented to the Board at its public hearing. Anyone wishing to address the Board on March 27, 2019, is encouraged to call the County Administrator's office (665-5600) and have their name placed on a speaker list. The following synopsis of the budget is published for information and planning purposes only. No money shall be paid out or become available to be paid out for any contemplated expenditure unless and until there has first been made an appropriation by the Board of Supervisors.

PROPOSED FY 2019-2020 BUDGET

|   | ADOPTED<br>2018-2019 | PROPOSED<br>2019-2020 | DIFFERENCE        |
|---|----------------------|-----------------------|-------------------|
| <b>GENERAL OPERATING FUND:</b>                            |                      |                       |                   |
| Revenue   | 179,503,228          | 190,546,413           | 11,043,185        |
| Non-Revenue   | 1,965,000            | 7,000,000             | 5,035,000         |
| <b>TOTAL REVENUE - GENERAL OPERATING FUND</b>             | <b>181,468,228</b>   | <b>197,546,413</b>    | <b>16,078,185</b> |
| <b>GENERAL OPERATING FUND:</b>                            |                      |                       |                   |
| Expenditures  | 75,869,389           | 82,068,138            | 6,198,749         |
| Board of Supervisors Contingency                          | 430,000              | 0                     | -430,000          |
| Transfer to Adult Detention Center                        | 5,266,848            | 5,071,538             | -195,310          |
| Transfer to Airport Operating                             | 120,215              | 120,215               | 0                 |
| Transfer to EDA Fund                                      | 571,282              | 593,057               | 21,775            |
| Transfer to County Capital Fund                           | 0                    | 7,000,000             | 7,000,000         |
| Transfer to School Operating                              | 82,374,674           | 86,445,165            | 4,070,491         |
| Transfer to School Capital                                | 2,300,000            | 0                     | -2,300,000        |
| Transfer to School Debt                                   | 14,535,820           | 16,248,300            | 1,712,480         |
| <b>TOTAL EXPENDITURES - GENERAL OPERATING FUND</b>        | <b>181,468,228</b>   | <b>197,546,413</b>    | <b>16,078,185</b> |
| <b>NORTHWESTERN REGIONAL ADULT DETENTION CENTER FUND:</b> |                      |                       |                   |
| Revenue   | 16,205,919           | 16,178,894            | -27,025           |
| Non-Revenue   | 1,316,409            | 1,988,416             | 672,007           |
| Transfer from General Operating Fund                      | 5,266,848            | 5,071,538             | -195,310          |
| <b>TOTAL REVENUE - NRADC FUND</b>                         | <b>22,789,176</b>    | <b>23,238,848</b>     | <b>449,672</b>    |
| <b>NORTHWESTERN REGIONAL ADULT DETENTION CENTER FUND:</b> |                      |                       |                   |
| Expenditures  | 22,789,176           | 23,238,848            | 449,672           |
| <b>FREDERICK-WINCHESTER LANDFILL FUND:</b>                |                      |                       |                   |
| Revenue   | 7,471,939            | 7,972,793             | 500,854           |
| Non-Revenue   | 30,199               | 2,435,595             | 2,405,396         |
| <b>TOTAL REVENUE - LANDFILL FUND</b>                      | <b>7,502,138</b>     | <b>10,408,388</b>     | <b>2,906,250</b>  |
| <b>FREDERICK-WINCHESTER LANDFILL FUND:</b>                |                      |                       |                   |
| Expenditures  | 7,502,138            | 10,408,388            | 2,906,250         |
| <b>DIVISION OF COURT SERVICES FUND:</b>                   |                      |                       |                   |
| Revenue   | 551,634              | 551,634               | 0                 |
| Non-Revenue   | 10,714               | 25,015                | 14,301            |
| <b>TOTAL REVENUE - DIVISION OF COURT SERVICES FUND</b>    | <b>562,348</b>       | <b>576,649</b>        | <b>14,301</b>     |

|   |             |             |           |
|---|-------------|-------------|-----------|
| DIVISION OF COURT SERVICES FUND:                    |             |             |           |
| Expenditures  | 562,348     | 576,649     | 14,301    |
| SHAWNEELAND SANITARY DISTRICT FUND:                 |             |             |           |
| Revenue   | 707,260     | 804,300     | 97,040    |
| Non-Revenue   | 377,831     | 490,915     | 113,084   |
| TOTAL REVENUE-SHAWNEELAND SANITARY DISTRICT FUND    | 1,085,091   | 1,295,215   | 210,124   |
| SHAWNEELAND SANITARY DISTRICT FUND:                 |             |             |           |
| Expenditures  | 1,085,091   | 1,295,215   | 210,124   |
| AIRPORT OPERATING FUND:                             |             |             |           |
| Revenue   | 1,526,227   | 1,636,341   | 110,114   |
| Transfer from General Operating Fund                | 120,215     | 120,215     | 0         |
| TOTAL REVENUE - AIRPORT OPERATING FUND              | 1,646,442   | 1,756,556   | 110,114   |
| AIRPORT AUTHORITY OPERATING FUND:                   |             |             |           |
| Expenditures  | 1,646,442   | 1,756,556   | 110,114   |
| LAKE HOLIDAY SANITARY DISTRICT FUND:                |             |             |           |
| Revenue   | 779,998     | 779,998     | 0         |
| LAKE HOLIDAY SANITARY DISTRICT FUND:                |             |             |           |
| Expenditures  | 779,998     | 779,998     | 0         |
| EMS REVENUE RECOVERY FUND:                          |             |             |           |
| Revenue   | 1,522,400   | 1,803,958   | 281,558   |
| EMS REVENUE RECOVERY FUND:                          |             |             |           |
| Expenditures  | 1,522,400   | 1,803,958   | 281,558   |
| ECONOMIC DEVELOPMENT AUTHORITY FUND:                |             |             |           |
| Revenue   | 24,050      | 26,050      | 2,000     |
| Non-Revenue   | 8,151       | 12,695      | 4,544     |
| Transfer from General Operating Fund                | 571,282     | 593,057     | 21,775    |
| TOTAL REVENUE - ECONOMIC DEVELOPMENT AUTHORITY FUND | 603,483     | 631,802     | 28,319    |
| ECONOMIC DEVELOPMENT AUTHORITY FUND:                |             |             |           |
| Expenditures  | 603,483     | 631,802     | 28,319    |
| COUNTY CAPITAL FUND:                                |             |             |           |
| Transfer from General Operating Fund                | 0           | 7,000,000   | 7,000,000 |
| TOTAL REVENUE - COUNTY CAPITAL FUND                 | 0           | 7,000,000   | 7,000,000 |
| COUNTY CAPITAL FUND:                                |             |             |           |
| Expenditures  | 0           | 3,000,000   | 3,000,000 |
| Transfer to School Capital Fund                     | 0           | 4,000,000   | 4,000,000 |
| TOTAL EXPENDITURES - COUNTY CAPITAL FUND            | 0           | 7,000,000   | 7,000,000 |
| SCHOOL OPERATING FUND:                              |             |             |           |
| Revenue   | 86,081,006  | 89,536,384  | 3,455,378 |
| Transfer from General Operating Fund                | 82,374,674  | 86,445,165  | 4,070,491 |
| TOTAL REVENUE - SCHOOL OPERATING FUND               | 168,455,680 | 175,981,549 | 7,525,869 |

|   |                    |                    |                   |
|---|--------------------|--------------------|-------------------|
| <b>SCHOOL OPERATING FUND:</b>                         |                    |                    |                   |
| Expenditures  | 167,912,382        | 175,432,842        | 7,520,460         |
| Transfer to School Nutrition Fund                     | 7,000              | 15,000             | 8,000             |
| Transfer to Textbook Fund                             | 536,298            | 533,707            | -2,591            |
| <b>TOTAL EXPENDITURES - SCHOOL OPERATING FUND</b>     | <b>168,455,680</b> | <b>175,981,549</b> | <b>7,525,869</b>  |
| <b>SCHOOL CAPITAL PROJECTS FUND:</b>                  |                    |                    |                   |
| Non-Revenue   | 1,000,000          | 1,300,000          | 300,000           |
| Transfer from General Operating Fund                  | 2,300,000          | 0                  | -2,300,000        |
| Transfer from County Capital Fund                     | 0                  | 4,000,000          | 4,000,000         |
| <b>TOTAL REVENUE - SCHOOL CAPITAL PROJECTS FUND</b>   | <b>3,300,000</b>   | <b>5,300,000</b>   | <b>2,000,000</b>  |
| <b>SCHOOL CAPITAL PROJECTS FUND:</b>                  |                    |                    |                   |
| Expenditures  | 3,300,000          | 5,300,000          | 2,000,000         |
| <b>SCHOOL NUTRITION SERVICES FUND:</b>                |                    |                    |                   |
| Revenue   | 5,317,512          | 5,563,557          | 246,045           |
| Non-Revenue   | 2,675,981          | 1,800,000          | -875,981          |
| Transfer from School Operating Fund                   | 7,000              | 15,000             | 8,000             |
| <b>TOTAL REVENUE - SCHOOL NUTRITION SERVICES FUND</b> | <b>8,000,493</b>   | <b>7,378,557</b>   | <b>-621,936</b>   |
| <b>SCHOOL NUTRITION SERVICES FUND:</b>                |                    |                    |                   |
| Expenditures  | 8,000,493          | 7,378,557          | -621,936          |
| <b>SCHOOL DEBT SERVICE FUND:</b>                      |                    |                    |                   |
| Revenue   | 418,662            | 455,287            | 36,625            |
| Non-Revenue   | 11,923             | 23,282             | 11,359            |
| Transfer from General Operating Fund                  | 14,535,820         | 16,248,300         | 1,712,480         |
| <b>TOTAL REVENUE - SCHOOL DEBT SERVICE FUND</b>       | <b>14,966,405</b>  | <b>16,726,869</b>  | <b>1,760,464</b>  |
| <b>SCHOOL DEBT SERVICE FUND:</b>                      |                    |                    |                   |
| Expenditures  | 14,966,405         | 16,726,869         | 1,760,464         |
| <b>SCHOOL PRIVATE PURPOSE FUNDS:</b>                  |                    |                    |                   |
| Revenue   | 300,000            | 300,000            | 0                 |
| <b>SCHOOL PRIVATE PURPOSE FUNDS:</b>                  |                    |                    |                   |
| Expenditures  | 300,000            | 300,000            | 0                 |
| <b>SCHOOL TEXTBOOK FUND:</b>                          |                    |                    |                   |
| Revenue   | 851,030            | 861,975            | 10,945            |
| Non-Revenue   | 2,873,709          | 1,730,367          | -1,143,342        |
| Transfer from School Operating Fund                   | 536,298            | 533,707            | -2,591            |
| <b>TOTAL REVENUE - SCHOOL TEXTBOOK FUND</b>           | <b>4,261,037</b>   | <b>3,126,049</b>   | <b>-1,134,988</b> |
| <b>SCHOOL TEXTBOOK FUND:</b>                          |                    |                    |                   |
| Expenditures  | 4,261,037          | 3,126,049          | -1,134,988        |
| <b>NREP OPERATING FUND:</b>                           |                    |                    |                   |
| Revenue   | 5,191,659          | 5,685,540          | 493,881           |
| Non-Revenue   | 300,000            | 300,000            | 0                 |
| <b>TOTAL REVENUE - NREP OPERATING FUND</b>            | <b>5,491,659</b>   | <b>5,985,540</b>   | <b>493,881</b>    |

|                                |             |             |            |
|--------------------------------|-------------|-------------|------------|
| NREP OPERATING FUND:           |             |             |            |
| Expenditures                   | 5,491,659   | 5,985,540   | 493,881    |
| NREP TEXTBOOK FUND:            |             |             |            |
| Non-Revenue                    | 65,000      | 40,000      | -25,000    |
| NREP TEXTBOOK FUND:            |             |             |            |
| Expenditures                   | 65,000      | 40,000      | -25,000    |
| CONSOLIDATED SERVICES FUND:    |             |             |            |
| Revenue                        | 3,600,000   | 3,600,000   | 0          |
| CONSOLIDATED SERVICES FUND:    |             |             |            |
| Expenditures                   | 3,600,000   | 3,600,000   | 0          |
| TOTAL REVENUE - ALL FUNDS      | 426,399,578 | 463,476,391 | 37,076,813 |
| Less Transfers Between Funds   | 105,712,137 | 120,026,982 | 14,314,845 |
| NET REVENUE - ALL FUNDS        | 320,687,441 | 343,449,409 | 22,761,968 |
| TOTAL EXPENDITURES - ALL FUNDS | 426,399,578 | 463,476,391 | 37,076,813 |
| Less Transfers Between Funds   | 105,712,137 | 120,026,982 | 14,314,845 |
| NET EXPENDITURES - ALL FUNDS   | 320,687,441 | 343,449,409 | 22,761,968 |

TAX RATES

Property Taxes - Rates per \$100 of assessed value

|   | <u>Current</u> | <u>Proposed</u> |
|---|----------------|-----------------|
| Real Estate   | \$0.61         | \$0.61          |
| Personal Property                                       | \$4.86         | \$4.86          |
| Qualifying Personal Property for Volunteer Firefighters | \$2.25         | \$2.25          |
| Antique Vehicles  | \$0.00         | \$0.00          |
| Mopeds  | \$0.00         | \$0.00          |
| Mobile Homes  | \$0.61         | \$0.61          |
| Aircraft  | \$0.50         | \$0.01          |
| Business Equipment                                      | \$4.86         | \$4.86          |
| Machinery and Tools                                     | \$2.00         | \$2.00          |
| Contract Carrier Classified Vehicles                    | \$2.00         | \$2.00          |

The total value of real estate in Frederick County that is exempt from real estate taxes is \$1,164,244,800. At the proposed tax rate of \$0.61/\$100, the foregone tax would be \$7,101,893.24.

Machinery and Tools are assessed on declining values based on acquisition year, as follows:

| <u>Year</u> | <u>Assessment Ratio</u> |
|-------------|-------------------------|
| 1           | 60%                     |

|                            |     |
|----------------------------|-----|
| 2                          | 50% |
| 3                          | 40% |
| 4 and all subsequent years | 30% |

Vehicle License Taxes

|                                 |           |
|---------------------------------|-----------|
| Vehicles other than motorcycles | \$25 each |
| Motorcycles                     | \$10 each |

Business and Professional Occupational License Taxes

|  |                                    |
|--|------------------------------------|
| Contracting, and persons constructing for their own account for sale | \$0.16 per \$100 of gross receipts |
| Retail sales   | \$0.20 per \$100 of gross receipts |
| Financial, real estate, and professional services                    | \$0.58 per \$100 of gross receipts |
| Repair, personal, and business services                              | \$0.36 per \$100 of gross receipts |
| Wholesale merchants  | \$0.05 per \$100 of purchases      |

All other Business and Professional Occupational License Taxes will remain unchanged, all as currently set forth in Article XVI of Chapter 155 of the County Code.

|   | <u>Current</u> | <u>Proposed</u> |
|---|----------------|-----------------|
| Meals Tax (of gross receipts)               | 4.0%           | 4.0%            |
| Transient Occupancy Tax (of gross receipts) | 2.5%           | 3.5%            |

Shawneeland Sanitary District Taxes

|                             | <u>Current</u> | <u>Proposed</u> |
|-----------------------------|----------------|-----------------|
| Unimproved Lots             | \$190 per lot  | \$190 per lot   |
| Improved Lots               | \$560 per lot  | \$660 per lot   |
| Unimproved - External Users | \$190 per lot  | \$190 per lot   |
| Improved - External Users   | \$560 per lot  | \$660 per lot   |

Lake Holiday Sanitary District Taxes

|   |               |               |
|---|---------------|---------------|
| Buildable Lots  | \$678 per lot | \$678 per lot |
| Unbuildable Lots  | \$264 per lot | \$264 per lot |
| Lots owned by Lake Holiday Country Club, Inc. (property owners assoc.): |               |               |
| Buildable Lots  | \$0 per lot   | \$0 per lot   |
| Unbuildable Lots  | \$0 per lot   | \$0 per lot   |

|   |              |              |
|---|--------------|--------------|
| <u>Star Fort Subdivision Taxes/Fees</u> | \$60 per lot | \$60 per lot |
|---|--------------|--------------|

Street Light Fees

|                                  |               |               |
|----------------------------------|---------------|---------------|
| Oakdale Crossing, Fredericktowne | \$45 Annually | \$40 Annually |
| Green Acres                      | \$25 Annually | \$25 Annually |

Sanitary Landfill Fees

|                                | <u>Current</u> | <u>Proposed</u> |
|--------------------------------|----------------|-----------------|
| Commercial/Industrial          | \$50 per ton   | \$50 per ton    |
| Construction Demolition Debris | \$45 per ton   | \$45 per ton    |
| Municipal Solid Waste          | \$20 per ton   | \$20 per ton    |
| Municipal Sludge               | \$38 per ton   | \$38 per ton    |

Miscellaneous Rubble Debris

\$15 per ton

\$15 per ton

All other taxes and fees imposed by Frederick County will remain unchanged, all as currently set forth in the County Code, otherwise previously adopted by the Board of Supervisors, or authorized pursuant to state law.

CHERYL B. SHIFFLER  
FINANCE DIRECTOR  
FREDERICK COUNTY, VIRGINIA