




MEMORANDUM

TO: MPPDC Board of Commissioners
FROM: Lewis Lawrence, Executive Director 
DATE: March 24, 2021
RE: March Commission Meeting via Zoom

COMMISSIONERS

Essex County
Hon. Edwin E. Smith, Jr.
Hon. John C. Magruder
Ms. Sarah Pope
Mr. Michael A. Lombardo

Town of Tappahannock
Hon. Roy M. Gladding

Gloucester County
Hon. Ashley C. Chriscoe
(Vice-Chairman)
Hon. Michael R. Winebarger
Dr. William G. Reay
Mr. J. Brent Fedors

King and Queen County
Hon. Sherrin C. Alsop
Hon. R. F. Bailey
Mr. Thomas J. Swartzwelder
(Chairman)

King William County
Hon. Ed Moren, Jr.
Hon. Travis J. Moskalski
(Treasurer)
Mr. Otto Williams

Town of West Point
Hon. James Pruett
Mr. John Edwards

Mathews County
Hon. Michael C. Rowe
Hon. Melissa Mason
Mr. Thornton Hill

Middlesex County
Hon. Wayne H. Jessie, Sr.
Hon. Reggie Williams, Sr.
Mr. Gordon E. White

Town of Urbanna
Vacant

Secretary/Director
Mr. Lewis L. Lawrence

In light of the 2020 COVID-19 virus and current guidance regarding physical distancing to reduce the potential for spread, meetings of the Middle Peninsula Planning District Commission have transitioned to a virtual format. Regional Public Bodies were granted authority to conduct meetings electronically, pursuant to the provisions of Virginia Code § 2.2-3708.2 and related legislation approved by the General Assembly of Virginia during the period of the Governor's State of Emergency Declaration for COVID-19. While we do not know the exact duration of the current practice of electronic meetings, we will continue to function in this manner until such time as it is deemed advisable to return to in-person meetings.

Staff provided notice of this meeting and the means by which we are virtually gathered to members of the public on March 24, 2021 through electronic Facebook posting as well as on the MPPDC website, email distribution of notice to members, alternates, and known interested parties, including the media. This meeting will be recorded. Audio and visual recordings of the meeting and materials will be posted on the MPPDC website within 48 hours of this meeting. Any member of the public participating as an observer during the meeting may submit comments or questions at any time during the meeting via email at CSmith@MPPDC.COM or by using the online chat functions of the meeting platform. Those individuals who are observing by phone may be called upon to share questions or comments. This meeting agenda includes public comment. All comments and questions submitted during the meeting will be reviewed following the meeting and to the extent practical, responses will be provided or posted on the MPPDC website.

We ask that everyone identify themselves first when speaking so we can more accurately record the activities of the meeting. All lines have been muted by the meeting administrator to minimize additional noise and feedback. You may unmute your line at any time to request acknowledgement from the Chair. Staff will be monitoring the chat functions throughout the meeting to assure we do not overlook anyone wishing to participate, as appropriate, in the discussion. I will now ask our Secretary to certify we have followed the approved procedures for appropriate notice of this meeting and the means by which we are convening.

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Please join the meeting from your computer, tablet or smartphone:

<https://us02web.zoom.us/j/6998109642>

Meeting ID: 699 810 9642

To Join by Phone: 1-301-715-8592

Meeting ID: 699 810 9642

Middle Peninsula Planning District Commission Meeting

7:00 P.M.

Wednesday, March 24, 2021

125 Bowden Street

Saluda VA 23149

- I. Roll Call of Attendees and Certification of a Quorum
- II. Approval of February Minutes
- III. Approval of Financial Report for February
- IV. Executive Director's Report on Staff Activities for the month of March
- V. MPCBPAA Update
- VI. MPA Update
- VII. MPPDC Public Relations/Communications Update
- VIII. Public Comment

AGENDA ITEMS FOR DISCUSSION

- IX. Presentation of Fight the Flood – Stephanie Heintz, Consociate Media
- X. General Assembly Session Overview – Robert Crockett, Advantus Strategies
- XI. FY20 Audit Presentation – Heather Modispaw, MPPDC CFO
- XII. OIPI VDOT Award – Prioritizing Smart Scale – Curt Smith, MPPDC Deputy Director
- XIII. VDOT RTP Grant Program Resolution – Curt Smith, MPPDC Deputy Director
- XIV. Comprehensive Economic Development Strategy Update – Curt Smith, MPPDC Deputy Director
- XV. Other Business
- XVI. Adjournment

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MIDDLE PENINSULA PLANNING DISTRICT COMMISSION
February 24, 2021

In light of the 2020 Covid-19 virus and current guidance regarding physical distancing to reduce the potential for spread, meetings of the Middle Peninsula Planning District Commission have transitioned to a virtual format. Regional Public Bodies were granted the authority to conduct meetings electronically, pursuant to the provisions of Virginia Code § 2.2-3708.2 and related legislation approved by the General Assembly of Virginia during the period of the Governor's State of Emergency Declaration for COVID-19. While we do not know the exact duration of the current practice of electronic meetings, we will continue to function in this manner until such time as it is deemed advisable to return to in-person meetings.

I. Roll Call and Certification of a Quorum

The monthly meeting of the Middle Peninsula Planning District Commission was held virtually on Wednesday, February 24, 2021, at 7:00 p.m. MPPDC Chairman Swartzwelder welcomed everyone in attendance and requested roll call. A quorum was certified as roll call determined Essex, Gloucester, King and Queen, King William, Mathews, Middlesex Counties and the Town of West Point were represented.

Commissioners Present

Essex County: John Magruder, Edwin "Bud" Smith, Jr. Michael Lombardo
Gloucester County: Ashley Chriscoe
King and Queen County: Tom Swartzwelder, Sherrin Alsop
King William County: Travis Moskalski, Ed Moren, Otto Williams
Mathews County: Tim Hill, Mike Rowe
Middlesex County: Gordon White, Wayne Jessie, Sr., Reggie Williams
Town of West Point: James Pruett, John Edwards

Commissioners Absent

Essex County: Sarah Pope
Gloucester County: Dr. Willy Reay, Michael Winebarger, Brent Fedors
King and Queen County: R.F. Bailey
Mathews County: Melissa Mason
Town of Urbanna: Vacant
Town of Tappahannock: Monte "Roy" Gladding

Also in Attendance

Lewis Lawrence, MPPDC Executive Director
Curt Smith, MPPDC Deputy Director
Heather Modispaw, MPPDC Chief Financial Officer
Dawn Mantell, MPPDC Executive Assistant
Guests

II. Approval of January Minutes

Chairman Swartzwelder asked whether there were any corrections or changes to the December Minutes. There being no corrections to the Minutes, Chairman Swartzwelder requested a motion to approve the January Minutes. Mr. Chriscoe moved that the January Minutes be approved. Mr. Lombardo seconded the motion; motion carried.

III. Approval of Financial Report for January

Chairman Swartzwelder asked whether there were any questions regarding the financial report for January before being approved subject to audit. There being no questions, Chairman Swartzwelder requested a motion to approve the financial report for January subject to audit. Mr. Smith moved to approve the financial report for January subject to audit. Mr. Hill seconded the motion; motion carried.

IV. Executive Director's Report on Staff Activities for the Month of February

Chairman Swartzwelder requested MPPDC Executive Director, Lewie Lawrence review the Executive Director's Report on Staff Activities for the month of February. The Executive Director's Report on staff activities is developed at a monthly staff meeting, organized by PDC Service Centers, and the activities are used to report grant funding activities.

Mr. Lawrence directed the Commissioners' attention to several items:

- Consulted with the selected property owner to review multiple bids for the construction of the living shoreline project on the Ware River designed by VIMS. Mr. Lawrence reported 3 bids were received for this project at a cost of \$225k, \$125k and \$80k all from qualified contractors who have many years of experience with this type of construction. Staff is encouraging local engineering firms to become more familiar with how to design and spec out living shoreline projects in effort to improve the costs of such projects.
- Consulted with Ann Phillips, Special Assistant to the Governor and Matt Strickler, Secretary of Natural Resources regarding appointment as Subcommittee Chair for project identification. Discussed the role of the Chair and the expectations as related to the development of the Virginia Flood Resiliency Master Plan. Mr. Lawrence reported this is the current plan the Governor is building to address climate, flooding and sea-level rise challenges. There are 7 subcommittees with Mr. Lawrence chairing the project identification subcommittee where all the funding is placed. There is approximately \$44M in the new flood resiliency fund and it is important our needs get on this list and in the best position to access this funding.
- 15 channel characterization surveys (bathy. & sed. cores) are scheduled for completion in February.
 - Sediment sampling: all 15 sites have been visited, augers taken, locations and sediment description has been put into GIS.
 - Drone surveys of the 15 creeks to establish basemaps for the sediment and bathymetric data has begun and will be completed during February. Mr. Lawrence reported Scott Hardaway, VIMS has been working on the 4 dredging projects for shovel ready dredging to be submitted to the Virginia Port Authority. There will be projects completely or partially shovel ready for over 20 of the creeks and rivers in the Middle Peninsula which is tremendous progress from 4 years ago.

- Mr. Lawrence stated staff has been researching how to reduce costs on shoreline resiliency projects by using alternative products in the design phase. A reference was made to a company which has developed a product which offers the same shoreline protection benefits as traditional granite but at a 50% reduction in cost.
- Convened a gathering of the Middle Peninsula Mayors, Town Managers and Board of Supervisors Chairs to discuss vaccine deployment issues and public expectations. Mr. Lawrence stated there was a clear need for improving public awareness of vaccine deployment. At the direction of the Commission during the January meeting, a letter of awareness was submitted to Governor Northam with no response to date.
- As the All-Hazards Mitigation Plan (AHMP) is updated, Local Planning Team members from the Middle Peninsula localities will have the opportunity to review the updates and provide feedback. Below is a table that depicts the plan's sections, section feedback due date for the Middle Peninsula localities, and the localities that have provided feedback. Most recently, 3 Community Profiles were received by LPT participants. Mr. Lawrence drew the Commission's attention to the table in their packet and stated that over the next year, this table will be continually updated. Due to staff changes and lack of resources, the Town of Urbanna has participated which effects the compliance timetable which can ultimately jeopardize federal compliance for the Town. The Town of Urbanna and FEMA have been notified of the intention to continue moving forward under the current timetable while offering to be of any assistance to the town on this matter. FEMA and VDEM will have to work directly with the town to get them up to speed on this project.
- Scheduled a meeting with the Middle Peninsula PDC staff, Middle Peninsula Tribes (i.e. Rappahannock, Upper Mattaponi, and Pamunkey Tribes), FEMA and VDEM to discuss the best way to integrate federally recognized Tribes into the AHMP update. Mr. Lawrence reported when the AHMP grant proposal was submitted to the state, the three Tribes were included to ensure they were found to be consistent with the mandate. Two of these Tribes are interested in more than the minimum necessary for compliance and were referred to FEMA and VDEM for assistance. The Tribes expressed their appreciation for inclusion in this mandate.

V. MCBPAA Update

Melinda Conner, PAA Chairman reported the contract from VMRC to rebuild the fishing pier at Captain Sinclairs Recreation Area continues to progress. A General Assembly bill, providing the same liability protection for the MPCBPAA that other localities have for Parks & Recreation projects, is making its way to the Governor's desk for signature. Lastly, the BayDirect website and application which Stephanie Heinatz, Consociate Media will be presenting later in the meeting, has been a good project for the MPCBPAA.

VI. MPA Update

Ashley Chriscoe, Vice-Chairman reported the MPA is still waiting on word from legal counsel and GO Virginia to determine when the next meeting of the MPA Board can be scheduled. Mr. Lawrence, MPA Secretary stated he attended a meeting with legal counsel and GO Virginia last week to work on any outstanding grant compliance requirements. A complete report from legal counsel should be available in the very near future and the MPA meetings will resume soon thereafter.

VII. MPPDC Public Relations/Communications Update

Vaccine Public Relations Awareness

Stephanie Heinatz, Consociate Media reported as part of the public relations work Consociate provides for the Commission, she has been working with the LGA, Town Managers, and Board of Supervisors Chairs from within the region to develop a vaccine awareness program for the Middle Peninsula. Three Rivers Health District Director, Dr. Rich Williams is currently reviewing the proposed Vaccine Communication Plan that brings together funding from each of the MP localities to release vaccine information from a regionwide perspective through print, radio, PSA's, digital and social media. The plan provides for a 4-month aggressive push of information in effort to avoid confusion. This plan has been previously reviewed by the LGA, Mayors and Board of Supervisors Chairs. Upon Dr. Williams approval of the proposed plan, Consociate will begin to release important vaccine information to the public. Mr. Lawrence added he will make the approved plan available to Mayors and Board of Supervisors Chairs before it is released.

Ms. Heinatz also provided an update on the Fight the Flood project. A final walkthrough meeting was held with MPPDC Executive Director, Lewie Lawrence and the team. Mr. Lawrence added that in the next month, he will have Ms. Heinatz research how constituents visit the site and add their flood mitigation needs in order to obtain a complete record of what the homeowners are requesting either from a structural or land perspective or both and then determine how to use the compiled information for FEMA or VA Flood Preparedness grants. Ms. Heinatz is also currently working with MPPDC Senior Planner, Jackie Rickards on the All Hazards Mitigation Plan to ensure the survey is released to the community in the most efficient way.

VIII. Public Comment

None.

IX. Approval of Resolution in Support of Hole-in-the-Wall VPA Dredging Project Proposal

MPPDC Deputy Director, Curt Smith provided an overview of the proposal for VA Port Authority Waterway Maintenance Funding to dredge the Hole-in-the-Wall in Mathews County. Hole-in-the-Wall was identified as the top priority among the 4 dredging

projects designed in partnership with VIMS. Mr. Smith provided an illustration showing the extent of shoaling that has occurred in the natural channel. The current design for Hole-in-the-Wall is to dredge approximately 40,000 cubic yards to a depth of 7ft below mean low water and to pump the material a little over 2 miles to the county-owned Haven Beach. Material will be placed along the shoreline making the beach approximately 60ft wider and additional breakwaters would be constructed to protect the expanded beach. Mr. Smith provided an additional illustration providing the Commission with a sense of which breakwaters would be constructed first with VPA grant funding and which would need to be constructed at a later date. The breakwaters would be constructed using alternative and innovative structures designed to provide the same shoreline protection of traditional granite breakwaters for potentially less cost. This project proposal is for \$1.5M to complete the dredging, beach placement of sand, and construction of breakwaters to protect the enhanced beach. If awarded, the contract would start in July with being submitted soon thereafter. Actual dredging activities would not commence until the project had received the necessary permits. Chairman Swartzwelder requested a motion to approve the Resolution of Support for the VPA proposal as presented. Mr. Lombardo so moved. Mr. Chriscoe seconded the motion; motion carried.

X. Presentation of Bay Direct

Stephanie Heinatz, Consociate Media provided background information on how the Bay Direct app came to fruition. This project was designed to address the significant impact the pandemic has had on local industry. For example, our local seafood industry was significantly impacted with nowhere to sell while the consumer demand still existed. The Commission and the PAA were looking for a way to create a connection between the agricultural/seafood markets and the consumers. With a grant from GO Virginia, some of their emergency funding and matching in-kind support from local businesses, Consociate was able to build and connect with an application developer out of the West Coast to create the Bay Direct App. Ms. Heinatz shared her screen to display the features of the app and provide a walkthrough to demonstrate how a seller can post what they have to sell, how a consumer can post what they want to buy and how the app works to link the two together for a sale. The app is still in the testing phase and is not fully launched at this time but when launched, it will have the capability to connect anyone selling consumable with those looking to buy. Ms. Heinatz also reported the Bay Direct website is now live and once again, shared her screen to demonstrate the various information that can be accessed as well as the main page containing a link to download the Bay Direct app once it is launched. The website promoting Bay Direct is www.baydirectva.com and everyone was encouraged to take the opportunity to explore the site.

MPPDC Executive Director, Lewie Lawrence asked Ms. Heinatz to talk about the video training that will become available. Ms. Heinatz reported in the early stages of Bay Direct, a survey had been conducted and a database compiled of local harvesters, farmers, etc. As a result of outreach and interviews, a video will be created to perform one-on-one training so when the app is launched to the public, some information will already be populated. Video training will become available to illustrate how to conduct

business through the app and can be accessed individually as well as shared. There are currently businesses waiting for the launch to begin selling their products. Ms. Heinatz closed by reporting she and Mr. Lawrence participated in interviews with Chesapeake Magazine which illustrates the interest already developing in this innovative product. A brief discussion ensued with Commissioners providing ideas such as training local EDA's and collaborating with local groups for input on products they're aware of a need for. Mr. Lawrence offered to provide the Commissioners with a link to the test site stating if it can be grown, harvested, made, processed etc, it should be included in the app's directory of products and welcomed any input. Chairman Swartzwelder thanked Ms. Heinatz and all involved for their hard work on this project.

XI. Update on General Assembly

MPPDC Executive Director, Lewie Lawrence provided an update on the General Assembly Budget Report submitted by Robert Crockett, Advantus Strategies. The budget was almost complete and expected to be released to the public in the next few days. None of the MPPDC bills died in the House this session and are on their way to the Governor's desk for signature. Mr. Lawrence stated Del. Hodges holds a remarkable success rate for the bills he introduces to the General Assembly. The MPPDC bills always seem to pass and some of the credit was given to the contracting of a lobbyist. Specific MPPDC related amendments were reviewed one of which was the funding for piloting an elevated septic system. After approximately 8-9 yrs of work, \$120,000 is being added over the biennium from the general fund for an elevated septic pilot program at the MPPDC. Septic systems are not insurable creating a significant burden on homeowners. Vertically elevating septic systems can assist in avoiding and/or minimizing damage caused by reoccurring flooding. This funding provides the resources to design, build, and monitor an elevated septic system over a 3 yr period. Mr. Crockett will be asked to attend next month's Commission meeting to provide an overview of this year's General Assembly session.

XII. Committee Appointments

o OPD & Budget Committee

Chairman Swartzwelder appointed representatives to the OPD & Budget Committee. Mr. Magruder moved to approve the appointments made by Chairman Swartzwelder to the OPD & Budget Committee. Mr. Chriscoe seconded the motion; motion carried. The following Board members were appointed:

Tom Swartzwelder – King & Queen County
Travis Moskalski – King William County
Dr. Willy Reay – Gloucester County
Jamie Pruett – Town of West Point
Wayne Jessie – Middlesex County
Bud Smith – Essex County

o **Nominating Committee**

Chairman Swartzwelder asked the current officers if they are agreeable to serve another term, all agreed. Therefore, Chairman Swartzwelder asked the Commission what action they would like to take. Mr. Magruder made a motion to keep the current slate of officers on the Nominating Committee. Mr. Hill seconded the motion; motion carried.

XIII. Other Business

Chairman Swartzwelder congratulated the Commissioners representing King William County on their success in obtaining a broadband project to serve part of King William County. MPPDC Executive Director, Lewie Lawrence thanked Commissioner Pruett, Town of West Point for taking the time to meet with Scott Hardaway at VIMS to learn how Living Shoreline designs can be improved upon.

XIV. Adjournment

Chairman Swartzwelder requested a motion to adjourn. Mr. Chriscoe so moved, Mr. White seconded, motion carried.

**Note: All handouts distributed at a meeting are filed in the official MPPDC record book of the minutes. Copies of all PowerPoint presentations, if any, are filed with the official minutes.*

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(Secretary)

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Project Financial Report

Middle Peninsula Planning District Commission
 Period Ending: 02/28/2021

Run Date: 03/17/2021
 Run Time: 1:49:20 pm
 Page 1 of 1

Expenditures

Code	Description	Budget	Curr Month	Project Total	Un/Over	% Budget	Revenues	Balance
30013	Housing Loan Admin - EE&CBG I	318.88	61.37	183.53	135.35	57.55%	190.61	7.08
30118	FY20 MPA Staff Support	0.00	0.17	0.00	0.00	0.00%	0.00	0.00
30119	Essex Planning Grant-Broadban	3,411.18	(0.91)	3,255.16	156.02	95.43%	3,000.00	(255.16)
30121	FY21 MPA Staff Support (\$5k LLI	4,000.00	800.82	4,290.68	(290.68)	107.27%	8,166.50	3,875.82
30170	Sm Bus Loan Admin - MPBDP St	22,865.81	123.96	22,839.70	26.11	99.89%	26,895.62	4,055.92
30180	Covid Three Rivers PSA	2,350.64	0.00	2,350.64	0.00	100.00%	2,350.64	0.00
30182	Covid CARES Act LOCAL PROJEC	310,400.00	(18.62)	281,459.80	28,940.20	90.68%	310,400.00	28,940.20
30216	FY20 TDM Operating	84,807.00	1,454.53	78,823.57	5,983.43	92.94%	71,051.57	(7,772.00)
30217	FY21 TDM Operating (Funded C	44,253.00	3,147.03	29,420.70	14,832.30	66.48%	21,990.16	(7,430.54)
30318	FY21 Rural Transportation Planr	72,500.00	6,859.44	39,350.79	33,149.21	54.28%	21,511.66	(17,839.13)
30420	Onsite Loan Management	164,912.75	604.29	163,322.58	1,590.17	99.04%	189,152.01	25,829.43
30450	Septic Pumpout (Homeowner P:	21,804.00	(1.98)	11,511.59	10,292.41	52.80%	11,513.57	1.98
31002	GA Lobby	25,850.00	0.00	10,000.00	15,850.00	38.68%	32,930.00	22,930.00
31212	Mid Pen AHMP Update	142,863.00	2,636.88	45,764.67	97,098.33	32.03%	43,437.58	(2,327.09)
31500	Living Shoreline Incentive Progr:	23,683.58	70.68	23,211.48	472.10	98.01%	37,804.35	14,592.87
32015	PAA Staff Support	12,200.00	1,356.31	6,694.47	5,505.53	54.87%	6,576.71	(117.76)
32018	PAA - Go VA Bay Direct	17,364.00	1,292.62	13,433.89	3,930.11	77.37%	(5,992.95)	(19,426.84)
32019	PAA - VMRC Public Fishing Pier/	10,000.00	896.78	896.78	9,103.22	8.97%	0.00	(896.78)
32151	NFWF Ware River Landowners L	199,914.09	(59.59)	43,082.68	156,831.41	21.55%	31,778.64	(11,304.04)
32153	Coastal TA FY20	69,000.00	(204.02)	68,650.46	349.54	99.49%	69,000.00	349.54
32154	ANPDC EcoTourism 3	58,333.00	(34.88)	58,662.40	(329.40)	100.56%	52,550.66	(6,111.74)
32155	DEQ Planner #16889	65,000.00	(5.40)	64,790.32	209.68	99.68%	54,537.74	(10,252.58)
32156	PAA - DEQ Hogg Island- Subs: VI	3,585.00	(52.16)	3,408.44	176.56	95.08%	3,585.00	176.56
32157	NFWF Mathews-\$70k Revolving	128,442.00	(49.68)	4,937.02	123,504.98	3.84%	4,799.73	(137.29)
32158	DEQ CZM Coastal TA 21	129,000.00	8,257.22	38,583.36	90,416.64	29.91%	12,579.19	(26,004.17)
32159	DEQ Planner Yr2 (Proj Bal = Savi	39,741.00	2,910.96	5,690.76	34,050.24	14.32%	0.00	(5,690.76)
32160	DEQ CZM ANPDC EcoTourism 4	27,500.00	897.25	7,181.27	20,318.73	26.11%	2,916.72	(4,264.55)
38021	FY21 Local Projects	213,670.00	8,053.63	89,158.80	124,511.20	41.73%	194,095.03	104,936.23
38801	VPA Hole in Wall (Mathews)	129,395.00	6,573.18	127,098.73	2,296.27	98.23%	119,958.64	(7,140.09)
38802	VPA Davis Creek (Mathews)	132,128.00	8,585.82	129,402.21	2,725.79	97.94%	43,297.79	(86,104.42)
38803	VPA Aberdeen Creek (Glouceste	117,528.00	17,059.61	116,206.90	1,321.10	98.88%	80,139.35	(36,067.55)
38804	VPA Timberneck Creek (Glouces	115,328.00	15,065.22	113,976.29	1,351.71	98.83%	78,544.74	(35,431.55)
38805	PAA - VPA Dredging Business Pl:	40,500.00	2,967.59	21,513.03	18,986.97	53.12%	11,205.91	(10,307.12)
38806	VPA Cedarbush (Gloucester)	175,000.00	18,588.92	70,833.39	104,166.61	40.48%	19,286.78	(51,546.61)
38807	VPA Parrots Creek (Middlesex)	150,000.00	19,015.36	47,504.53	102,495.47	31.67%	17,142.36	(30,362.17)
38808	VPA Winter Harbor (Mathews)	150,000.00	16,916.18	60,164.00	89,836.00	40.11%	16,823.36	(43,340.64)
Totals:		2,907,647.93	143,768.58	1,807,654.62	1,099,993.31	62.17%	1,593,219.67	(214,434.95)

Balance Sheet by Category

Middle Peninsula Planning District Commission
 Period Ending: 02/28/2021
 Format: 1 Board

Run Date: 3/17/21
 Run Time: 1:50:48 pm
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Assets:

Not Assigned to a Code	39,016.97
Cash in Bank	710,075.95
Cash in Bank, Restricted	351,904.56
Receivables	304,527.18
Property & Equipment	1,565.83
Prepaid Pension (Deferred Outflows)	28,175.57

Assets:	\$1,435,266.06
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Liabilities:

Not Assigned to a Code	77,085.27
Accounts Payable	454,050.49
VRA Loan Payables	348,959.30
Payroll Withholdings	1,626.10
Accrued Leave	47,208.28
Deferred Inflows (VRS)	67,268.00
Net Pension Liabilities	29,544.00
Cost Allocation Control	7,389.05

Liabilities:	\$1,033,130.49
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Equity:

Not Assigned to a Code	(244,293.01)
Local Initiatives/Information Resources	22,336.96
Economic Development	5,071.29
Transportation Programs	3,090.09
Onsite Repair & Pumpout	26,235.29
Housing	7.08
Coastal Community & Environmental	(12,725.90)
Public Access Auth Programs	(117.76)
Temporarily Restricted	177,307.09
General Fund Balance	425,224.44

Equity:	\$402,135.57
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Total Liabilities and Equity	\$1,435,266.06
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Balance:	\$0.00
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Agencywide R&E by Category

Middle Peninsula Planning District Commission
 Period Ending: 02/28/2021
 Format: 1 Agencywide R&E

Run Date: 03/17/2021
 Run Time: 1:51:27 pm
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Without Indirect Cost Detail

Code & Description	Budget	Current	YTD	Un/Over	% Bud
Revenues					
	0.00	(21,056.32)	(19,592.32)	19,592.32	0.00%
Local Match	0.00	(2,059.91)	50,875.95	(50,875.95)	0.00%
Local Annual Dues	148,099.00	0.00	138,099.00	10,000.00	93.25%
Local Other Revenues	134,013.05	30,968.06	344,428.64	(210,415.59)	257.01%
Local Other Organizations	70,949.00	17,655.43	34,460.87	36,488.13	48.57%
State Revenues	1,113,642.00	121,574.75	373,665.98	739,976.02	33.55%
Federal Revenues	412,478.43	36,270.06	66,059.87	346,418.56	16.02%
Miscellaneous Income	1,600.00	264.73	1,906.43	(306.43)	119.15%
RevolvingLoan Program Income	2,380.00	633.21	70,154.92	(67,774.92)	2947.69%
Revenues	1,883,161.48	184,250.01	1,060,059.34	823,102.14	56.29 %
Expenses					
Personnel	503,706.06	35,485.72	341,003.45	162,702.61	67.70%
Communications	0.00	0.00	(15.99)	15.99	0.00%
Equipment & Supplies	700.00	0.00	369.96	330.04	52.85%
Travel	4,000.00	0.00	67.16	3,932.84	1.68%
Professional Development	4,660.00	0.00	1,175.00	3,485.00	25.21%
Contractual	1,167,114.92	99,214.68	541,850.19	625,264.73	46.43%
Miscellaneous	24,100.00	0.00	203,296.00	(179,196.00)	843.55%
Regional Share	0.00	(2,059.91)	50,875.95	(50,875.95)	0.00%
	0.00	11,128.09	121,240.54	(121,240.54)	0.00%
Expenses	1,704,280.98	143,768.58	1,259,862.26	444,418.72	73.92 %
Agency Balance	178,880.50	40,481.43	(199,802.92)		

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**Middle Peninsula Planning District Commission
Executive Director's Report of Regional Progress
March 16, 2021**

Note: On May 23, 2018, the Commission voted to direct staff to email all future documents including the Commission meeting packets in an effort to save on postage. As we strive to make this report more informative and user friendly, some previously contained information may now be accessed by clicking on the following link(s):

- For Demographic Information:
http://virginialmi.com/report_center/community_profiles/5109000318.pdf
- For MPPDC Website: <http://www.mppdc.com/>

MPPDC Staff and Contact Information

Executive Director: Lewis Lawrence

Contact Info: llawrence@mppdc.com (804) 758-2311x24 (804) 832-6747 (cell)

Programs: *Coastal Zone Technical Assistance, Local Initiatives, Public Access Authority*

Deputy Director: Curt Smith

Contact Info: csmith@mppdc.com (804) 758-2311x28 (804) 384-7509 (cell)

Programs: *Rural Transportation Planning, Dredging Coordination, General Environmental Management*

Chief Financial Officer: Heather Modispaw

Contact Info: hmodispaw@mppdc.com (804) 758-2311x22

Programs: *Commuter/Employer Transportation Services, Septic Repair Assistance, Living Shoreline Incentive Program, Revolving Loan Programs Administration, PDC Finance & Grants Administration, PAA Staff Support, MPA Staff Support*

Special Projects Planner: Jackie Rickards

Contact Info: jrickards@mppdc.com (215) 264-6451 (cell)

Programs: *Environmental Programs, Hazard Mitigation Planning, Grant Writing, Graphic Arts*

Executive Assistant: Dawn Mantell

Contact Info: dmantell@mppdc.com (804) 758-2311x21

Programs: *Septic Pumpout Assistance, PDC Staff Support, MPA Staff Support, PAA Staff Support, Facilities Scheduling*

INFORMATION RESOURCES/ASSISTANCE

- Updated www.mppdc.com website – meeting notices, reports, news releases, GoVA meetings, and MPA notices, etc.

COASTAL COMMUNITY DEVELOPMENT/ ENVIRONMENTAL

Funding – VDEQ, VIMS, VDCR, local match from MPPDC General Fund & partners

Project 31500 - Living Shoreline Incentive Program RLF

MPPDC submitted a proposal to the National Fish and Wildlife Foundation for VIMS. The objective of this project is to leverage previous funding from NFWF to install oyster bag sills at two publicly owned (MPCBPAA) properties on and monitor them for a year. In addition, existing oyster bag sill installations at four private locations will be monitored to determine overall project effectiveness. This work will provide recommendations for installations along fetch-limited shorelines of Chesapeake Bay.

- Received payoff from client. Completed Certificate and Affidavit of Satisfaction and mailed to client with letter explaining that they must have it notarized and filed with the County Clerk.
- Received response from DEQ regarding reimbursement request submitted in January. Michael Crocker explained the request “fell through the cracks”. Reimbursement was processed and received via ACH.
- *Executed ACH loan payments for loans. All MPPDC loan funding programs require that loan recipients authorize loan payments to be made automatically from loan recipients’ bank accounts. Loan clients authorize the payments at loan closing (ACH Authorizations). MPPDC staff process these payments on the 15th of each month. This places the onus to not make a payment on the loan client contacting MPPDC staff prior to the loan processing date of the 12th of the month to request a payment be held. This has significantly reduced defaults and delinquent repayments of MPPDC loans.*
- ***Revolving uncommitted funds - \$82,496***

Project 32018 – GoVA Bay Direct

This project is a special COVID economic development project that will facilitate electronic commerce between those who want to purchase “local” seafood/agricultural products and those who can sell “local” seafood/agricultural products by customizing an established mobile and web application to address the unique economic pandemic challenges facing the Middle Peninsula.

- Continued testing of the Bay Direct App for official launch in March.
- Responded to a call from Chesapeake Bay Magazine interested in doing a story on Bay Direct focusing on farmers and waterman’s ability to sell local products.
- Participated in a conference call with Jennifer Morgan for clarification of intricacies involved in GoVA reimbursement requests and reporting. Provided Jennifer with contracts between MPCBPAA and Phondini, Consociate Media, and MPPDC, related to the project.
- Provided Phondini Partners, LLC with an ACH payment due to our check payment not being received after a month. When the check finally arrived, Phondini provided a photo of the destroyed check which was then voided in GMS.

Project 32019 – Sinclair’s Public Fishing Pier

- Submitted the Joint Permit application to Virginia Marine Resource Commission (VMRC) for permitting of the new public fishing pier at Captain Sinclair’s Recreation Area.

Project 32151 – NFWF Landowners Living Shorelines & Shoreline Management – Ware River

This is a two-part project that focused on continuing coastal resiliency and mitigation efforts, while simultaneously improving water quality, managing shoreline erosion and marsh loss. First, MPPDC staff will work directly with FEMA National Flood Insurance repetitive loss property owners to offer grant and loan funds through the MPPDC Living Shorelines Incentives Revolving loan to install living shorelines. Second, MPPDC will contract with VIMS to create a grant template to be used by localities to receive funding through the Virginia Waterway Maintenance Fund.

- Coordinated with VIMS staff on final products.
- Finalized inventory of 120 tidal waterways in the region from topo maps and tax maps. The inventory will serve as a critical baseline in determining local/regional dredging priorities.
- Assisted landowner with submission of Joint Permit application necessary for construction

Project 32158 – Virginia Coastal TA FY21

This project provides ongoing support to member localities of the Planning District Commission and other stakeholders committed to improving community development and coastal management within the coastal zone.

- Consulted with Virginia Outdoors Foundation (VOF) staff regarding placement of fiber for broadband service within either a public or private right-of-way where a conservation easement has been located. The easement is a private contract between the landowner and the VOF. Local government has no relationship to a private contract.
- Consulted with Chris Thompson, Director of Virginia Housing on elevating septic systems within the floodplain.
- Convened weekly meetings of the Local Government Administrators (LGA) group to discuss vaccine matters as well as other local government issues of concern including update to the FEMA required Middle Peninsula All Hazard Mitigation Plan and local budget discussions.
- Responded to a constituent's question regarding Living Shoreline design for a multi-parcel project and potential erosion matters on the adjoin side of the project. The landowner was interested in the design requirements to ensure that erosion does not transfer to the neighboring property.
- Consulted with Virginia Coastal Zone Management Program staff regarding section 306A funding to identify publicly owned property in need of shoreline resiliency designs. Offered up land owned by the MPCBPAA. Also discussed the need for the next generation shoreline management plans. MPPDC staff will provide a next generation shoreline plan draft scope of work in partnership with VIMS Shoreline Studies program.
- Participated in a DCR grant application review debrief for two proposals submitted under the Department of Conservation & Recreation VLCF program. The review looks to improve scoring for the South Garden land acquisition project on the Severn River and the Hoskins Creek land acquisition project in the Town of Tappahannock.
- Consulted with a Middlesex County Board of Supervisors member interested in the history of how a public access site became owned by Middlesex County. Provided research documentation on file.
- MPPDC Fight the Flood program client intake form is live for use by the Middle Peninsula's residents. Received multiple inquiries from Mathews, Middlesex and Gloucester requesting financial assistance to manage recurrent flooding and erosion problems on the shorelines.
- Convened the first meeting of the Technical Advisory Committee for the Virginia Coastal Resiliency Master Plan Project Identification Subcommittee.

- Received multiple inquiries of donations of waterfront land in Gloucester County to support the work of the MPCBPAA for public access and flood resiliency protection.
- Consulted with FEMA and VDEM regarding official recognition of acknowledging the utility of donating waterfront land to be used as match against FEMA flood mitigation grant programs.
- Provided multiple Middle Peninsula realtors with the link to the MPPDC Fight the Flood program to assist buyers and sellers' agents with gaining access to flood mitigation solutions.
- Consulted with Virginia Home Builders Association and the Virginia Realtors Association regarding Chesapeake Bay Act flood mitigation measures within the RPA.
- Consulted with David Rose, Senior Vice President and Co-Head of Public Finance of Davenport Financial regarding capitalizing the MPPDC Fight the Flood program to an appropriate level to support the need for shoreline improvement projects.
- Met with a landowner on the Dragon Run interested in donating or selling land to the MPCBPAA. Provided conservation easement and grant information.
- Continued to work with Kimberly Gaines, DCR regarding delayed receipt for Fight the Flood reimbursement request which was originally submitted in October 2020.
- Compiled data and worked with Berkley Group GIS staff to create a geodatabase (online map with data) showing flood hazard risks and sharing on the Fight the Flood website.
- Continued developing the structure for the Access database that will contain and relate non-spatial data and connect to the geodatabase.
- Continued refining the Fight the Flood intake form where participants can report needs and the information can be used for advancing the implementation of projects using grants and loans.
- Participated in VA Coastal Resiliency Technical Advisory Committee meeting on February 26.
- Participated in the VA Coastal Resiliency TAC Finance Subcommittee meeting on February 22.
- Respond to VCZM/Coastal States Organization request for planned resilience projects.
- Coordinated with staff from the VA SolSmart team regarding prospects for conducting the solar technical assistance program regionally for the PDC and local governments. Discussed the program with Local Government Administrators and local planners.
- Coordinated with US Army Corps of Engineers regarding Section 510 habitat restoration funding projects.
- Coordinated with localities to kick off the RAFT program to explore opportunities for advancing coastal resilience projects.
- Participate in working group exploring solutions for abandoned vessels in Virginia.
- Coordinated with local economic development practitioners on the development of small-scale manufacturing activities for the region.
- Submit updates to the regional list of projects in the VA Outdoors Plan on behalf of the MP localities.

- Participate in the Virginia Bay Enhancement Working Group meeting for beneficial use of dredge material to identify prospective locations for beneficial reuse of material from the York Spit Channel in the Chesapeake Bay. Develop conceptual restoration project with VIMS staff in the vicinity of the Hole-in-the-Wall in Mathews County.
- Participate in a kickoff meeting with the GoVA water management economy grant team.
- Participate in the Governor’s Office webinar on Coastal Resilience & Equity on March 12.
- Participate in the Hampton Roads Coastal Resiliency Working Group meeting on March 12.
- Participate in discussion regarding the proposed creation of the Chesapeake Bay National Recreation Area.
- Submit application to the VA Port Authority for Waterway Maintenance Fund for dredging and beneficial reuse at Hole-in-the-Wall in Mathews County. Coordinate with VDOT and VPA regarding timing of bridge repairs at Gwynn’s Island and HITW dredging.
- Develop proposal for NFWF Small Watershed Grant Funding to construct part of the shoreline protection designs for Hog Island.
- Respond to request from the VA Coastal Policy Center regarding No Discharge Zones in the Chesapeake Bay Watershed.

Project 32160 – ANPDC Eco Tourism IV Promoting Ecotourism to Support Conservation of Conserved Lands and Resilient Communities

This project will build on the efforts completed between 2017 – 2019. During this project PDC’s will focus on implementing actions identified in the 36-month Marketing Strategy and Action Plan. PDC’s will also organize a business resiliency training for local businesses. Finally, PDCs will create a tiered priority list for paddling launch sites that need signage enhancements and will begin the development of graphic design content for the selected launch sites.

- Worked with the rural PDCs to develop a scope of work and budget for the Eco Tourism year 5 project for the Virginia Coastal Zone Management Program.
- Contacted the ANPDC project manager regarding the needs for the semi-annual progress report due on April 15th.
- Extracted the list of public access locations from the Virginia Water Trails website to be used to prioritize for future site enhancements with signs.
- Assisted staff with budget and budget tables for FY23 Eco Tourism V and FY22.
- Submit proposal for Ecotourism V.

Project 38805 – Local Government Dredging Implementation Business Plan Development

This project will study and determine the most cost effective and efficient alternative for local government dredging operations using existing and new channel survey information.

- Received subaward invoice from Shore Consulting Group. MPPDC Deputy Director approved the invoice for payment.

- Continued to communicate with US Army Corps of Engineers regarding categorical permission in federally authorized channels. Public comment period slated for Summer 2021.
- 15 channel characterization surveys (bathy. & sed. cores) were completed in February. Post-processing of the data is ongoing.
- Drone surveys of the 15 creeks to establish basemaps for the sediment and bathymetric data has been completed.
- Other GIS assessments are ongoing. The tidal prisms are being determined for all waterways and a review of gray literature & online reports to find existing data and determine reported issues is ongoing.
- Developed White Paper Describing a financial model intended for use in evaluating local dredging projects.
- Developed White Paper summarizing Grant and Loan Resources for Dredging Activities.
- Presented and discussed cost templates for initial construction and subsequent maintenance dredging efforts at February 25 “All Hands” team meeting.
- Identified and coordinated with the dredging equipment industry on 4 scenarios for identifying mechanical and hydraulic dredging equipment.
- Provided a draft write-up on the dredging equipment and staffing to the team.
- Researched cost of dredging equipment and procedures via document review and interviews with local/state dredging agencies in North Carolina, Florida, and Texas.
- Finalized a comparative analysis of real estate values in Mathews County to enhance understanding of local financing alternative feasibility.

Project 38806 – Cedarbush Creek Dredging Design

This project will focus on the pre-planning activities to dredging Cedarbush Creek in Gloucester County. Pre-planning includes surveying the channel, conducting sediment sampling, and a benthic, marine and fishery assessment as well as gathering information for the permitting of the dredging project.

- Organized existing data on the channel and potential disposal areas including creation of GIS database.
- Surveying/coring work has been completed.
- Sediment sampling for contamination has been completed with no issues found.
- Benthic/Fisheries literature review is complete. Physical parameters have found, compiled, and put into GIS if possible.
- Post-processing of cores and bathymetric surveys is underway. Processing of the cores will take 3-4 more weeks. Sediment sample analysis for grain size will occur as samples are taken. The channel determination and volume calculations are underway.

Project 38807 – Parrots Creek Dredging Design

This project will focus on the pre-planning activities to dredging Parrots Creek in Middlesex County. Pre-planning includes surveying the channel, conducting sediment sampling, and a benthic, marine and fishery assessment as well as gathering information for the permitting of the dredging project.

- Organized existing data on the channel and potential disposal areas including creation of GIS database. 18

- Surveying/coring work has been completed.
- Post-processing of cores and bathymetric surveys is underway. Processing of the cores will take 3-4 more weeks. Sediment sample analysis for grain size will occur as samples are taken. The channel determination and volume calculations are underway.
- Benthic/Fisheries literature review is complete. Physical parameters have found, compiled, and put into GIS if possible.

Project 38808 – Winter Harbor Dredging Design

This project will focus on the pre-planning activities to dredging Winter Harbor in Mathews County. Pre-planning includes surveying the channel, conducting sediment sampling, and a benthic, marine and fishery assessment as well as gathering information for the permitting of the dredging project.

- Organized existing data on the channel and potential disposal areas including creation of GIS database.
- Surveying/coring work has been completed.
- Post-processing of cores and bathymetric surveys is underway. Processing of the cores will take 3-4 more weeks. Sediment sample analysis for grain size will occur as samples are taken. The channel determination and volume calculations are underway.
- Benthic/Fisheries literature review is complete. Physical parameters have found, compiled, and put into GIS if possible.

Project 32015 - Staff Support to Middle Peninsula Chesapeake Bay Public Access Authority (MPCBPAA)

Middle Peninsula Chesapeake Bay Public Access Authority Special Project – Support of Executive Order 23, Goal 8 Coastal Management Coordination Public Access: Continue implementation of adopted annual work program, including identifying land, either owned by the Commonwealth or private holdings that can be secured for use by the general public as a public access site; researching and determining ownership of all identified sites; determining appropriate public use levels of identified access sites; developing appropriate mechanism for transferring title of Commonwealth or private holdings to the Authority; developing appropriate acquisition and site management plan. This Program allows the Authority to function by supporting the individual projects and operations of the Authority, as well as, by responding to daily requests for assistance from local government staff.

- Prepared vouchers, processed A/P, reconciled bank statements. Prepared monthly financial statements.
- Billed Gloucester Rowing Association for pool house electric bills.
- Finalized setup of all new projects in GMS.
- Completed and submitted the 2021 Government Units Survey. The survey is the first component of the 2022 Census of Governments and contributes to the official count of local governments in the U.S.

Project 32157 – Mathews NFWF

This project will design, permit, and monitor living shoreline in targeted locations on the East River and the North River.

- Coordinated with VIMS staff on project design.
- Coordinated for a training meeting on site with two private surveying and engineering companies interested in learning more about designing for living shorelines.
- Consulted with VIMS Shoreline Studies program to determine how best to incorporate NATRX into the shoreline design proposal to offer comparison of rock versus NATRX products.

Project 32159 – DEQ Planner Yr2

MPPDC will continue to engage localities and regional and state partners regarding Bay WIP III programmatic actions and implementation activities with funding provided by DEQ.

- Attended a Chesapeake Bay WIP meeting of PDC's. At the meeting, the PDC's discussed solar and septic impacts to land use and how localities are addressing these topics locally.
- Worked with MPPDC Deputy Director to establish budget allocation.
- Participated in February 24 MPPDC Planners Meeting to kickoff WIP scope.

TRANSPORTATION

Funding – VDRPT, VDOT, local match from MPPDC General Fund

Project 30217 – Transportation Demand Management (TDM) Operating FY21

This program assists local commuters and employers with transportation issues. The main emphasis is on lowering the number of single occupancy vehicle commutes within and from the Middle Peninsula region through marketing and promotion of the program through local media and provision of ride matching services to commuters.

- Updated website – www.midpenrideshare.org.
- Responded to Kathy Molin regarding questions on the FY22 TDM Operating Grant Proposal. Coordinated with Stephanie Heintz, Consociate Media to accurately respond to those questions.
- Participated in ACT's virtual discussion regarding Covid and the 2021 International Conference being held at Disney World this August. Also discussed this with Kathy Molin at DRPT.
- Attended ACT webinar "Meaningful Design + Mobility Decisions: Elevating TDM's Role in Reshaping Our Communities".
- ***Current commuter database – 406***
- ***Number of Commuters with logged alt mode trips in February – 74***
- ***Number of logged alt trips in February – 70***
- ***Reduced miles (VMT) in February – 308***
- ***Commuter Savings in January – \$341***

Project 30318 – Rural Transportation Planning FY21

This program provides rural transportation planning services through the Rural Transportation Planning Work Program which outlines specific tasks and goals to guide the rural planning of transportation services.

- Finalize scope for VA Office for Intermodal Planning and Investment's Growth and Accessibility Planning Technical Assistance Program project. MPPDC will receive OIPI technical assistance to develop and adopt a planning process that will be utilized to evolve the MPPDC Rural Long-Range Transportation Plan into a living document focused primarily on identifying and prioritizing regional projects and recommendations for which local projects can or will score higher by using a performance-based criteria to more effectively and efficiently advance projects for implementation.
- Coordinated with VDOT and Middlesex regarding Transportation Alternatives Program funding for design and construction of bike trail at Deltaville.

- Coordinated with local planners to identify next steps for the development of a multiuse path along US Route 17. It was agreed that the MPPDC should pursue funding to conduct a corridor-wide study to better characterize potential issues presented by topography, wetlands, utilities, etc. The project will be added to the Long-Range Transportation Plan and presented to the MPPDC during 2021 for consideration.
- Worked with local and district VDOT staff to identify prospects in the Long-Range Transportation Plan that would be eligible and competitive for a STARS study.
- Coordinate with local VDOT staff regarding identification of projects for Smart Scale funding.
- Participated in the USDOT ROUTES webinar regarding the TIFIA Rural Project Initiative.
- Hosted the February 24 Planners Roundtable meeting.
- Respond to request from VDOT regarding locations of planned bike routes in Mathews and Gloucester.
- Coordinate with VDOT and localities on a proposal for USDOT BUILD funding to design improvements for publicly owned working waterfronts.
- Participated in the March 17 Commonwealth Transportation Board meeting.
- Worked with VDOT and King and Queen County staff on the bridge structural deficiency study. Once complete, funding strategies for bridges with structural deficiencies that may not be capable of being improved using available state-of-good-repair funds will be identified and incorporated into a draft of the Long-Range Transportation Plan for consideration by the MPPDC.

ONSITE REPAIR & PUMPOUT

Funding –VRA Loan Funds, local match from MPPDC General Fund, cost sharing

Project 30420/30428 - On-Site Technical Guidance Assistance and Revolving Loan Program

The On-Site Technical Guidance Program aids the Middle Peninsula localities and residents in the technical understanding and implementation of approaches to address On-Site Disposal Systems and improve water quality by assisting local homeowners with repairing failing septic systems through low-interest loans and/or grants. In addition, MPPDC received funding under the Water Quality Improvement Fund (WQIF) to provide grants to low to moderate income Middle Peninsula and New Kent County homeowners to repair failing septic systems impacting water quality and health in the region. Grants can be paired with loans from the MPPDC Onsite Wastewater Revolving Loan Fund to provide matching funds as required. It is anticipated this funding will be used to provide assistance to 20-27 homeowners.

- Continuing to receive phone calls from homeowners and contractors regarding assistance for septic repairs. Discussed our program and instructed on how to apply.
- Presented two applications to loan committee. MPPDC Executive Director is researching if the PDC can leverage one of the loans as our match for the DEQ 319 award. This will depend upon award start date. Will send approval letter to applicant upon word from MPPDC Executive Director.
- *Executed ACH loan payments for septic repair loans. All MPPDC loan funding programs require that loan recipients authorize loan payments to be made automatically from loan recipients' bank accounts. Loan clients authorize the payments at loan closing (ACH Authorizations). These payments occur on the 15th of each month. This places the onus to not make a payment on the loan client contacting MPPDC staff prior to the loan processing date of the 12th of the month to request a payment to be held. This has significantly reduced defaults and delinquent repayments of MPPDC loans as well as collection efforts.*
- ***Remaining uncommitted septic repair funding \$50,733 in loan funds – \$0 in grant funds.***

ECONOMIC DEVELOPMENT

Funding – EDA, local match from MPPDC General Fund, BDP Loan Program Income

Project 30121 – Staff Support to Middle Peninsula Alliance (MPA) FY21

MPPDC staff are providing clerical and fiscal assistance to the Middle Peninsula Alliance.

- Prepared vouchers, processed A/P, processed deposits, and balanced bank account. Prepared monthly financial statements.
- Participated in a video conference with MPPDC Executive Director, Jennifer Morgan (GWRC/GoVA), and David Gundlach (Sands Anderson) to discuss PamunkeyNet.
- Received and completed State Corporation Commission annual registration for 2021 from Sands Anderson; removed Travis Moskalski from the report. Process and paid SCC annual fee.
- Received phone call from Mary Davis, Essex County regarding MPA FY22 Budget Request and the Virtual Budget Work Session they are holding on March 3rd. Asked for Ashley Chriscoe, MPA Vice-Chairman to return her call.
- Received invoice from Momenta for “Web Hosting and Web Maintenance”. Was advised by the MPPDC Executive Director to hold the bill until the MPA Board determines if they can afford to pay for these services. Consociate Media has been asked to assist with the site’s content to ensure the MPA doesn’t have to start from scratch if the site goes down due to lack of payment.

Project 30170 - Small Business Revolving Loan Fund

MPPDC agreed to service Middle Peninsula Business Development Partnership’s (MPBDP) Small Business Loan Portfolio after MPBDP’s dissolution November 30, 2011. MPPDC established a revolving loan fund and staff initiate ACH loan payments from clients’ bank accounts and manages the accounts. Principal repaid will be held until the Commission determines the best use for these funds as allowed by the USDA (RBEG) original lending restrictions. Interest earned will be used to offset administration costs.

- *Executed ACH loan payments for MPBDP loans. All MPPDC loan funding programs require that loan recipients authorize loan payments to be made automatically from loan recipients’ bank accounts. Loan clients authorize the payments at loan closing (ACH Authorizations). MPPDC staff process these payments on the 15th of each month. This places the onus to not make a payment on the loan client contacting MPPDC staff prior to the loan processing date of the 12th of the month to request a payment be held. This has significantly reduced defaults and delinquent repayments of MPPDC loans.*
- ***Funds available – \$144,453***

LOCAL INITIATIVES

Funding - local dues, PDC base-funding from VDHCD and/or MPPDC General Fund. Funding for specific projects may come from locality requesting assistance.

Project 38021 - Local & Regional Technical Assistance

This program responds to daily requests for technical assistance which other commission programs are unable to provide.

- Updated the Middle Peninsula Chesapeake Bay Public Access Authority’s (MPCBPAA) proposal to the Virginia Land Conservation Fund application to acquire 125 acres owned by South Garden International, LLC which is adjacent to the Captain Sinclair’s Recreation area. The next proposal is due April 5th.
- Developed application to have the region designated as an Economic Development District by the US EDA. Coordinated with the Local Government Administrators (LGA) on required proposal elements.

HOUSING

Funding –Housing Loan Program Income

Project 30013 – Energy Efficiency and Conservation Block Grant (EECBG) Revolving Loan Fund

The program emphasizes a community-based approach to help meet energy and climate protection goals. MPPDC was awarded a contract to provide weatherization renovations to 12 homeowners ineligible for LMI weatherization programs in each of the 6 counties. MPPDC subcontracted the promotion and construction portions of this project to Bay Aging but was tasked with administering the overall project. MPPDC is administering the revolving loan program per DMME.

- Executed ACH loan payments for MPBDP loans. All MPPDC loan funding programs require that loan recipients authorize loan payments to be made automatically from loan recipients' bank accounts. Loan clients authorize the payments at loan closing (ACH Authorizations). MPPDC staff process these payments on the 15th of each month. This places the onus to not make a payment on the loan client contacting MPPDC staff prior to the loan processing date of the 12th of the month to request a payment be held. This has significantly reduced defaults and delinquent repayments of MPPDC loans.
- **Funds available = \$45,055**

EMERGENCY SERVICES

Funding – VDEM/FEMA/Homeland Security

Project 31212 – Middle Peninsula All Hazards Mitigation Plan Update

MPPDC staff will work with participating localities to update the 2016 All-Hazards Mitigation Plan. The plan will address mitigation of several natural hazards impacting the region.

- The Local Planning Team (LPT) will meet throughout the All-Hazards Mitigation Plan (AHMP) update. Below is a table that shows LPT meeting date and attendance.

Locality	Meeting 1 (012521)	Meeting 2 (020821)	Meeting 3 (022221)	Meeting 4 (032921)
Essex County	✓	✓	✓	
Mathews County	✓	✓	✓	
Middlesex County		✓	✓	
King William County	✓	✓	✓	
King & Queen County	✓	✓		
Gloucester County	✓	✓	✓	
Town of West Point	✓	✓	✓	
Town of Urbanna				
Town of Tappahannock			✓	
Missed meeting and no follow up		Missed meeting but followed up	✓ Attended meetings	

- As the All-Hazards Mitigation Plan (AHMP) is updated, Local Planning Team (LPT) members from Middle Peninsula localities will have the opportunity to review the updates and provide feedback. Below is a table that depicts the plan's sections, section feedback due date for Middle Peninsula localities, and the localities that have provided feedback.

SECTION	TITLE	Section Feedback Due	Counties						Towns		
			Essex	Mathews	Middlesex	King William	King & Queen	Gloucester	West Point	Urbanna	Tappahannock
1	Intro	TBD									
2	Planning Process	TBD									
3	Community Profile	2/5/2021	X	X	X	X	X	X	X	X	X
4	Hazard Identification	TBD									
5	Risk Assessment Analysis (HAZUS)	TBD									
6	Capability Assessment	TBD									
7	Review of 2010 Strategies	TBD									
8	Mitigation Goals, Objects and Strategies	TBD									
9	Implementation Plan	TBD									
10	Plan Adoption	TBD									
11	Plan Maintenance	TBD									
12	Appendices	TBD									

- Followed up with localities regarding AHMP update tasks including the completion of the Capability Assessment, National Flood Insurance Program Survey, and the local hazards assessment through the Kaiser Permanente Tool.
- Updated the AHMP project page with meeting minutes from the February 2021 LPT meetings at: <https://mppdc.com/index.php/service-centers/mandates/hazards>.
- MPPDC staff, with the help of LPT members developed a survey for public input. This survey requested information on local hazards and thoughts on mitigation actions. The survey opened March 1st and closed March 15th. It was shared on MPPDC Facebook page, some locality websites, and the MPPDC website. There were 106 responses. Results will be summarized and included in the AHMP update.
- Executed the contract with Dewberry and attended a kickoff meeting to review the details and products within the scope of work.
- Corresponded with Garth Wheeler, Town of Urbanna Interim Town Manager, to gather updates on the AHMP project tasks.
- Reviewed and updated Section 1 of the AHMP and will send out to the LPT for review following the March 29th meeting.
- Attended webinar hosted by the American Flood Coalition, Netherlands, and Arcadis on March 11th titled: Adaption for All – How to build flood resilience for communities of every size. This webinar introduced study focused on flooding and how communities are adapting.
- Began to update the quarterly report (Due April 15th).
- Consulted with the Virginia Department of Emergency Management (VDEM) and the Federal Emergency Management Agency (FEMA) regarding federally recognized Tribes participation in the development of the Middle Peninsula AHMP and the ability for individual tribal units to receive additional financial assistance to develop standalone plans. VDEM staff will discuss providing funding direct to the Tribe outside of the MPPDC grant.

AGENCY ADMINISTRATION

Funding - Indirect cost reimbursements from all PDC projects

MPPDC Administration

Administrative services provided to MPPDC programs. Planned FY21 Indirect Cost rate =20.66%.

- Prepared vouchers, processed A/P, processed deposits, and balanced bank account. Prepared monthly payroll run. Prepared monthly financial statements.
- Worked with Anita Hazelwood, C&F Bank to temporarily increase our monthly ACH limit so that Phondini's payment and Payroll would process without delay.
- Updated Hybrid 401 and 457 plan deductions for MPPDC Executive Assistant and CFO to reflect correct Mandatory and Match.
- Discussed overpayment to and refund from Xerox for an invoice they voided on their end.
- Provided auditor with requested documents and reports necessary to finalize the FY20 audit. Completed the Audit Report letter for the auditor.
- Prepared financial reports and/or reimbursement requests for all projects requiring them.
- Assisted staff with budget and budget tables for FY23 Eco Tourism 5 and FY22.
- Assisted staff with budget for WMF proposal for dredging and beneficial reuse at Hole-in-the-Wall in Mathews County.
- Completed VACORP FY22 renewal request for both MPPDC MPCBPAA.
- Continued to work with Kimberly Gaines, DCR regarding delayed receipt for Fight the Flood reimbursement request which was originally submitted in October 2020.
- Submitted 2021 salary survey to VAPDC.
- Instructed RVA staff on how to submit reimbursement requests to VDEM.
- Attended TLC Renewal Process webinar.
- Participated in DEQ 319 meeting with MPPDC Deputy Director to understand what can be expected in the MPPDC modified award.
- Updated and distributed quarterly staff allocations.

Closed Projects

Project 30118 – Staff Support to Middle Peninsula Alliance (MPA) FY20

MPPDC staff are providing clerical and fiscal assistance to the Middle Peninsula Alliance.

Project 30450 – Septic Pumpout Program

This project will provide grants to 100 LMI Middle Peninsula homeowners to assist them in complying with the Chesapeake Bay Act requirement to have their septic tanks pumped out or inspected every 5 years. Eligible homeowners will receive a voucher equal to 50% of pumpout cost (maximum value \$150).

- Continuing to receive phone calls requesting information on applying for septic pumpout assistance due to the informational cards Gloucester County circulated to its residents.
- Revised reimbursement request/report to DEQ. Their reporting template had formula errors which created errors in totals. Corrected and submitted final report.

Project 32153 – Virginia Coastal TA FY20

This project provides ongoing support to member localities of the Planning District Commission and other stakeholders committed to improving community development and coastal management within the coastal zone.

Project 32154 – ANPDC Eco Tourism III

This project will build on ecotourism efforts from Year 1 and 2 and extend Middle Peninsula Watertrails into the Piankatank River and Rappahannock River. The Rural Coastal Virginia Ecotourism Steering Committee will refine the Virginia Watertrails website and will continue to promote watertrails and eco-tourism in Rural Coastal Virginia.

Project 32155 – DEQ Chesapeake Bay WIP Technical Assistance (Year 1)

MPPDC will continue to engage localities and regional and state partners regarding Bay WIP III programmatic actions and implementation activities with funding provided by DEQ.

Project 32156 – CZM Hog Island Resilience Design

This project will design shoreline protection measures and prepare a permit for the construction of the activities at Hog Island in Gloucester County.

Project 38801 – Hole-in-the-Wall Dredging Design

This project will focus on the pre-planning activities to dredging Hole-in-the-Wall in Mathews County. Pre-planning includes surveying the channel, conducting sediment sampling, and a benthic, marine and fishery assessment as well as gathering information for the permitting of the dredging project.

Project 38802 –Davis Creek Dredging Design

This project will focus on the pre-planning activities to dredging Davis Creek in Mathews County. Pre-planning includes surveying the channel, conducting sediment sampling, and a benthic, marine, and fishery assessment as well as gathering information for the permitting of the dredging project.

Project 38803 – Aberdeen Creek Dredging Design

This project will focus on the pre-planning activities to dredging Aberdeen Creek in Gloucester County. Pre-planning includes surveying the channel, conducting sediment sampling, and a benthic, marine, and fishery assessment as well as gathering information for the permitting of the dredging project.

Project 38804 –Timberneck Creek Dredging Design

This project will focus on the pre-planning activities to dredging Timberneck Creek in Gloucester County. Pre-planning includes surveying the channel, conducting sediment sampling, and a benthic, marine, and fishery assessment as well as gathering information for the permitting of the dredging project.

MPPDC: Membership, Appointments, Committee Assignments, and Networks

Coastal Policy Team (CPT): The CPT, whose members and alternates represent the Virginia Coastal Zone Management Program's key partners and eight planning district commissions, provides a forum for discussion and resolution of cross-cutting coastal resource management issues. Members serve on the team at the discretion of their agency or planning district commission director. The CPT recommends funding levels to the DEQ Director for coastal zone management projects. (MPPDC Staff 15 years +)

Virginia Coastal Resilience Technical Advisory Committee: As appointed by the Governor in EO-71, a Technical Advisory Committee (TAC) with representatives of state agencies, coastal planning districts and regional commissions, and academic advisors, among others will facilitate the coordination and the development of the Virginia Coastal Resilience Master Plan. The Commonwealth's Chief Resilience Officer, Special Assistant to the Governor for Coastal Adaptation and Protection, and TAC will work with localities, regional entities, citizens, and stakeholder groups to identify critical infrastructure, at-risk communities, adaptation strategies, and specific resilience projects for inclusion in the Plan.

Congressman Robert Wittman's Fisheries Advisory Committee and Environmental Advisory Committee: (MPPDC Staff 8 years +)

Virginia Sea Grant Program External Advisory Committee (EAC): The EAC provides stakeholder input on the strategic planning process, the research proposal review process, and on Commonwealth-wide trends and needs. The EAC is a diverse group of end-users including representatives from state agencies, the education community, coastal planning and management, the private sector, and NGOs. (MPPDC Staff 9 years+)

The Association for Commuter Transportation (ACT) (Telework Council Secretary): ACT is the premier association for professionals and organizations whose focus is the delivery of commuting options and solutions for an efficient transportation system. The Telework Council is concerned with promoting telework and providing telework information and technical assistance to employers (MPPDC Staff 10 years+)

Middle Peninsula Northern Neck Coordinated Human Services Mobility Committee: Provides direction for a unified comprehensive strategy for transportation service delivery in the Middle Peninsula and Northern Neck Planning Districts focused on unmet transportation needs of seniors, people with disabilities, and people with low incomes. (MPPDC Staff 12 years)

The Coastal Society: The Coastal Society is an organization of private sector, academic, and government professionals and students. The Society is dedicated to actively addressing emerging coastal issues by fostering dialogue, forging partnerships, and promoting communications and education. (MPPDC staff serves as a Director)

Eastern Virginia Groundwater Management Advisory Committee (EVGMAC) Workgroup #2B: EVGMAC is charged with assisting the State Water Commission and DEQ in developing, revising and implementing a management strategy for groundwater in Eastern Virginia Groundwater Management Area. Group #2B will identify trading options and programs used in other states; evaluate how trading programs might help with future growth and development, and individual and regional solutions; and evaluate feasibility, data needs, cost and possible participants.

Opportunities Identified to Implement Commission Priorities

April 2020 – March 2021

Service Center	Project Title and Description	Date Applied	Funding	Status
Environmental	VCZMP 306 – Next Generation Shorelines (Year 1)	Mar. 2021	\$100,000	Submitted
Environmental	VCZMP – Coastal Technical Assistance Program	Mar. 2021	\$129,100	Submitted
Community Develop.	CZM ANPDC Ecotourism Year 5	Mar. 2021	\$13,600	Submitted
Transportation	VPA Hole In The Wall Dredging	Mar. 2021	\$1,500,000	Submitted
Community Develop.	DRPT Transportation Demand Management Program	Feb. 2021	\$82,402	Submitted
Environmental	VCZMP Restoration Project Design	Feb. 2021	\$60,000	Funded
MPCBPAA	VOF Paddle/Fish Day @ Captain Sinclairs	Dec. 2020	\$25,000	Not Funded
Environmental	DEQ WIP Technical Assistance (Year 2)	Dec. 2020	\$72,500	Funded
Environmental	General Assembly Elevated Septic Pilot Program	Nov. 2020	\$120,000	Funded
Environmental	FEMA BRIC Fight The Flood Project Scoping	Nov. 2020	\$100,000	Submitted
Environmental	FEMA BRIC Hog Island Resilience Construction	Nov. 2020	\$82,688	Submitted
Environmental	FEMA BRIC Cpt. Sinclair Poolhouse Mitigation	Nov. 2020	\$97,200	Submitted
Environmental	FEMA BRIC Ware River Living Shoreline Extension	Nov. 2020	\$97,500	Submitted
MPCBPAA	DCR Virginia Land Conservation Foundation – Tappahannock Acquisition	Nov. 2020	\$274,500	Not Funded
MPCBPAA	VTC Paddle & Pub Crawl Event	Sep. 2020	\$10,000	Funded
Community Develop.	VTC Rural Coastal VA marketing (ANPDC applicant)	Sep. 2020	\$10,000	Funded
Environmental	DEQ Nonpoint Program – Residential Septic Improvements	Sep. 2020	\$179,571	Funded
Community Develop.	DHCD – Community Business Launch	Aug. 2020	\$45,000	Not Funded
Environmental	VCZMP – Coastal Technical Assistance Program	July 2020	\$129,100	Funded
Environmental	DEQ VA Clean Water Revolving Loan Fund – Stormwater Improvements	July 2020	\$250,000	Not Funded
MPCBPAA	GO VA Bay Direct App	June 2020	\$115,500	Funded
Transportation	VDOT Rural Transportation Planning Program	May 2020	\$72,500	Funded
Transportation	USDOT BUILD – Working Waterfronts Enhancement Designs	May 2020	\$2,658,096	Not Funded
Emergency Mgmt.	VDEM – Cybersecurity	April 2020	\$231,920	Not Funded
Community Develop.	CZM ANPDC Ecotourism Year 4	April 2020	\$27,501	Funded
Environmental	NFWF Coastal Resilience Fund – Ware River Living Shoreline	April 2020	\$135,000	Not Funded
Environmental	NFWF Coastal Resilience Fund – Mathews Shoreline Resilience	April 2020	\$156,000	Not Funded
MPCBPAA	DCR Virginia Land Conservation Foundation – Abingdon Land Acquisition	April 2020	\$455,470	Not Funded
MPCBPAA	VMRC Recreation Fishing Fund – Cpt. Sinclair Dock Rebuild	April 2020	\$90,000	Funded

ACRONYMS

ACH	Automated Clearing House	MPRSC	Middle Peninsula Regional Security Center
AFG	Assistance to Firefighters Grants	NHD	Natural Heritage Data
AFID	Agricultural and Forestry Industries Development	NIMS	National Incident Management System
AHMP	All Hazards Mitigation Plan	NFWF	National Fish and Wildlife Foundation
BCC	Building Collaborative Communities Project	NOAA	National Oceanic and Atmospheric Administration
BOS	Board of Supervisors	NPS	National Park Services
CBPA	Chesapeake Bay Preservation Area	OCVA	Oyster Company of Virginia
CBSF	Chesapeake Bay Stewardship Fund	OLGA	On-line Grant Administration
CDBG	Community Development Block Grant	PAA	Public Access Authority
CEDS	Comprehensive Economic Development Strategy	RBEG	Rural Business Enterprise Grant
CIP	Capital Improvement Plan	RBOG	Rural Business Opportunity Grant
COI	Conflict of Interest	RFP	Request for Proposal
CRS	Credit Rating System	RFQ	Request for Qualifications
CVE	Countering Violent Extremism	RLF	Revolving Loan Fund
CZMP	Coastal Zone Management Program	RTP	Rural Transportation Planning
DEQ	Department of Environmental Quality	SERCAP	Southeast Rural Community Assistance Project
DGIF	Department of Game and Inland Fisheries	SHSG	State Homeland Security Grant
DHR	Department of Historic Resources	SWCD	Soil and Water Conservation District
DHCD	Department of Housing and Community Development	SWM	Storm Water Management
DMME	Department of Mines Minerals and Energy	SWRP	State Water Resource Plan
DOC	Department of Corrections	THIRA	Threat & Hazard Identification & Risk Assessment
DOE	Department of Energy	TIF	Tax Increment Financing
DRPT	Department of Rail and Public Transportation	TMDL	Total Maximum Daily Loads
EDA	Economic Development Administration	USDA	U.S. Department of Agriculture
EDO	Economic Development Organization	USFWS	U.S. Fish and Wildlife Service
EECBG	Energy Efficiency and Conservation Block Grant	VAPA	Virginia Planning Association
EOC	Emergency Operation Center	VAPDC	Virginia Association of Planning District Commissions
EPA	Environmental Protection Agency	VASG	Virginia Sea Grant
FEMA	Federal Emergency Management Agency	VAZO	Virginia Association of Zoning Officials
Fracking	Hydraulic Fracturing	VCP	Virginia Coastal Program
GIS	Geographic Information System	VCZMP	Virginia Coastal Zone Management Program
HAM	Amateur Radio	VCWRLF	Virginia Clean Water Revolving Loan Fund
HRPDC	Hampton Roads Planning District Commission	VDEM	Virginia Department of Emergency Management
LGA	Local Government Administrators	VDH	Virginia Department of Health
LPT	Local Planning Team	VDOT	Virginia Department of Transportation
LSIP	Living Shoreline Incentive Program	VDMME	Virginia Department of Mines, Minerals, and Energy
MOU	Memorandum of Understanding	VEE	Virginia Environmental Endowment
MPA	Middle Peninsula Alliance	Vertical Assets	"Towers or other structures that hold cell, broadband and other equipment"
MPBA	Middle Peninsula Broadband Authority	VHB	Vanasse Hangen Brustlin
MPCBPAA	Middle Peninsula Chesapeake Bay Public Access Authority	VIMS	Virginia Institute of Marine Science
MPEDRO	Middle Peninsula Economic Development and Resource Organization	VMRC	Virginia Marine Resource Commission

VOAD	Volunteer Organization Active in Disasters
VOP	Virginia Outdoors Plan
VRA	Virginia Resources Authority
VSMP	Virginia Stormwater Management Program
VTA	Virginia Transit Association
VWP	Virginia Water Protection
VWWR	Virginia Water Withdrawal Reporting
WIP	Watershed Implementation Plan
WQIF	Water Quality Improvement Fund



2021 Virginia General Assembly Special Session I Budget Conference Report

Middle Peninsula Planning District Commission

Special Session I, which was actually just a continuation of the 2021 regular General Assembly session, ended with a whimper in pro forma floor sessions on March 1. The real work had been completed late Saturday evening (February 27) as the last conference reports were considered. The General Assembly will return on April 7 in a reconvened session to consider any vetoes and amendments to bills, including the budget. Another Special Session is anticipated in the coming months to deal with judicial selections as a result of the expanded Court of Appeals, the allocation of new federal COVID relief dollars (budget language would reserve that authority for the General Assembly alone - see below) and the reapportionment issue since census data will not be available in time to draw new House of Delegate districts in time for the November 2021 elections.

The budget approved by the General Assembly removes certain authority previously granted to governors to appropriate federal funds to state agencies, institutions of higher education and other permissible entities. New budget language requires that any future direct federal Covid relief funds be deposited into new Assistance for COVID-19 Trust Fund and that any expenditures must be specifically appropriated by the General Assembly through an appropriation act.

On Saturday, the General Assembly also approved the budget conference report. The bill now goes to the Governor for his review and possible amendments which would be considered at the reconvened session. Provided below is a recap of priority legislative initiatives, and budget amendments of interest proposed by the Governor in December as well as House and Senate action on those amendments, and amendments proposed by either body that were not included in the Governor's amendments. The final action on each item by the budget conference committee is then shown.

Middle Peninsula PDC Legislation:

HB2187 (Hodges) directs the Commonwealth Center for Recurrent Flooding Resiliency to (1) evaluate the development of a Flood Resiliency Clearinghouse Program, (2) work with DCR to evaluate solutions that manage both water quality and flooding – emphasizing nature-based solutions; and, (3) report its findings to the General Assembly. **Awaiting Governor's action.**

HB2217 would grant the Chesapeake Bay Public Access Authority liability protections that are currently given to localities in relation to parks, recreational facilities, and playgrounds. **Awaiting Governor's action.**

HB2188: Re. elevated septic tank pilot project with VDH and DEQ is accomplished through budget action (see below).

Other Bills of Interest:

HB1903 provides local governing bodies the option of reducing the speed limit to less than 25 miles per hour, but not less than 15 miles per hour, in a business district or residence district. **Awaiting Governor's action.**

HB2269 is an initiative of rural solar coalition. It enables 10% escalator every 5 years for solar and energy/battery storage beginning 7-1-26, and then every 5 years thereafter. **Awaiting Governor's action.**

HB2006 treats energy storage systems the same as solar projects; including an option for localities to use M&T or Revenue Share of \$1,400/MW. **Awaiting Governor's action.**

SB1207 and **HB2201** amends the original siting legislation patroned by Del. Hodges in 2020 by clarifying that siting agreements can extend to battery/storage projects; and eliminates requirement for siting agreement to be limited to opportunity zones. **Awaiting Governor's action.**

Specific MMPDC Related Amendments

Department of Housing and Community Development

Governor: No proposal

House: Adds \$120,000 over the biennium from the general fund for an elevated specific system pilot program at the Middle Peninsula Planning District Commission. Septic systems in coastal Virginia suffer from a constant threat of sea level rise, storm surges, and chronic flooding which can cause catastrophic failures of inground septic systems due to water inundation. The Middle Peninsula Planning District Commission will contribute \$10,000 to this pilot project.

Senate: No comparable amendment

Conference: Adopted House amendment

Department of Health

Governor: No proposal

House: This amendment adds language directing the Virginia Department of Health (VDH) and Department of Environmental Quality, in partnership with the Middle Peninsula Planning District Commission, to initiate a three-year pilot program designed to study the use of engineered septic systems that house and treat sewage effluent in an elevated, self-contained unit suitable for areas with high water tables and susceptible to flooding in Coastal Virginia. A companion amendment in Item 114 provides funding to Middle Peninsula Planning District Commission for costs associated with the pilot program.

Senate: No comparable amendment

Conference: Adopted House amendment

Department of Transportation

Governor: No proposal

House: Requires VDOT to report annually on the status of what transportation infrastructure in the Coastal Shore region is at risk to inundation from sea-level rise and what is being done to address the concerns.

Senate: No comparable amendment

Conference: Adopted House amendment

Other budget amendments of interest:

Department of Conservation and Recreation:

Governor: No proposal

House: Increases the appropriation for agricultural best management practices by \$30.0 million from the general fund the second year, to a total of \$65 million.

Senate: No comparable amendment

Conference: Adopted House amendment

Department of Environmental Quality

Governor: No proposal

House: No comparable amendment

Senate: Directs the creation of a multi-agency workgroup to review the practice of retiring agricultural land for the generation of nutrient credits and determine its impact on agricultural sustainability, farmland retention, farmland preservation, and functions of the nutrient credit exchange in the Virginia portion of the Chesapeake Bay watershed and its subwatersheds.

Conference: Adopted Senate amendment

Governor: No proposal

House: No comparable amendment

Senate: Provides the \$115,500 GF for staffing dedicated to the erosion and sediment control program to review for solar project permitting and provide this service to projects upon the request of a locality pursuant to the provisions of SB 1258 of the 2021 General Assembly.

Conference: Adopted Senate Amendment

Department of Agriculture and Consumer Services

Governor: No proposal

House: Increases the first year general fund appropriation for the Virginia Food Access Investment Program from \$1.25 million to \$3.1 million.

Senate: No comparable proposal

Conference: Adopt House amendment

Childrens' Services Act

House: No comparable amendment

Senate: Eliminates the annual two percent rate cap on increases that localities may pay for private day special services under the Children's Services Act. This rate cap was temporary until the completion of the rate setting study, which will be complete in fiscal year 2021.

Conference: Adopted Senate amendment

Governor: No proposal

House: No comparable amendment

Senate: Removes language that allows localities to adjust daily or monthly rates for the 2020-2021 school year for virtual or distance learning provided by a private school serving with disabilities under the Children's Services Act.

Conference: Adopted Senate amendment

Department of Health

Governor: Provides funds to continue support for a mass vaccination campaign to respond to the COVID-19 pandemic and have systems in place to efficiently store and distribute COVID-19 vaccines.

	FY 2021	FY 2022
General Fund	\$30,184,899	\$59,123,029

House: Added \$18.0 million in nongeneral funds the first year in addition to \$30.2 million from the general fund contained in the introduced budget for COVID-19 mass vaccination efforts. Replaces \$59.1 million the second year funding from the general fund for mass vaccination efforts with \$59.1 million in nongeneral funds. The source of the nongeneral funds in each year is funding provided from the federal Coronavirus Preparedness and Response Supplemental Appropriations Act (P.L. 116-123).

Senate: Includes same amendment

Conference: Adopted

Governor: Provides funds in the second year for the U.S. Centers for Disease Control and Prevention's Epidemiology and Laboratory **Capacity grant for COVID-19 response to continue testing and containment efforts.**

	FY 2021	FY 2022
Nongeneral Fund	\$0	\$40,255,099

House: Supplants the general funds with newly available federal COVID -19 response funds.

Senate: Includes same amendment

Conference: Adopted

Governor: Provides support to further enhance the **agency's communication efforts in response to the COVID-19 pandemic through the Virginia's Health is in Our Hands campaign.**

	FY 2021	FY 2022
General Fund	\$6,500,000	\$12,500,000

House: No change

Senate: No change

Conference: No change

Governor: Provides funds to meet the **revised funding formula estimates for the cooperative health budget.** The agency will use a portion of this funding to hold harmless localities that would otherwise experience a decrease in general fund support.

	FY 2021	FY 2022
General Fund	\$0	\$10,200,000

House: No changes

Senate: Reduces funding to \$2.8 million by phasing in over three years the increase in local matching funds and the increase in state support for the updates to the local health department cooperative funding formula.

Conference: Adopted the Senate amendment

Governor: Provides funds to support **epidemiologist and communicable disease nurse positions at the Office of Epidemiology** for public health emergency response and to respond to the COVID-19 pandemic.

	FY 2021	FY 2022
General Fund	\$0	\$3,118,145
Positions	0.00	26.00

House: No change

Senate: No change

Conference: No change

Governor: Provides support for the **contract with the University of Virginia's Biocomplexity Institute and the RAND corporation for COVID-19 data modeling services.**

	FY 2021	FY 2022
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General Fund	\$722,472	\$1,444,944
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House: No change
Senate: No change
Conference: No change

Governor: Increases funds from federal Temporary Assistance for Needy Families (TANF) funds for LARC and non-LARC contraceptives. Additionally, this amendment adds language giving the Virginia Department of Health the flexibility to shift funding from one category of contraceptives to the other based on patient volume and patient choice.

	FY 2021	FY 2022
Nongeneral Fund	\$0	\$1,000,000

House: No change
Senate: No change
Conference: No change

Governor: Provides funds to support a **strategic public communications campaign with a focus on equity, diversity, and inclusion to maximize the reach of COVID-19 communications** to target Virginians of various socio-economic, geographic, racial and ethnic, generational, physical and mental abilities, religious, gender, language differences, and other unique similarities and differences.

	FY 2021	FY 2022
General Fund	\$600,000	\$0

House: No change
Senate: No change
Conference: No change

Department of Social Services

Governor: Updates appropriation to **properly account for the anticipated cost of providing mandated Temporary Assistance for Needy Families (TANF) benefits**. Benefits include cash assistance payments, employment services and childcare.

	FY 2021	FY 2022
General Fund	\$1,747,069	\$1,378,372
Nongeneral Fund	(\$17,693,963)	(\$2,585,687)

House: No change
Senate: No change
Conference: No change

Governor: Increases the appropriation for **federal pass through funding for local departments of social services**.

	FY 2021	FY 2022
Nongeneral Fund	\$8,000,000	\$8,000,000

House: No change
Senate: No change
Conference: No change

Governor: Provides funding for **evidence-based and trauma-informed mental health, substance use disorder, and in-home parent skill based training to children at imminent risk of entering foster care and their families**. The reimbursable services are included in the federal title IV-E) Prevention Services Clearinghouse (Family First Prevention Services Act (FFPSA)). Also provides funding to create an evidence-based practices evaluation team. An evaluation team is required by the FFPSA to ensure that the provision of evidence-based

practices provided to children and families are producing the desired outcomes to improve the safety, permanency and well-being of children. Funding was separately reallocated during the 2020 Special Session I to provide phased-in funding for local departments of social services to begin hiring staff and creating their prevention services departments in response to the FFPSA.

	FY 2021	FY 2022
General Fund	\$0	\$9,211,378
Nongeneral Fund	\$0	\$5,000,000

House: No change

Senate: No change

Conference: No change

Governor: Removes **foster care placement funding in Psychiatric Residential Treatment Facilities** with federal Title IV-E funding. These placements qualify for Medicaid funding and are reflected in a corresponding decision package at the Office of Children's Services.

	FY 2021	FY 2022
General Fund	\$0	(\$5,024,583)
Nongeneral Fund	\$0	(\$5,024,584)

House: No change

Senate: No change

Conference: No change

Governor: Adjusts funding to cover the cost of **providing foster care and adoption subsidy payments**. Based on recent expenditure trends and the impact of child welfare policy changes, this amendment adjusts the appropriation to cover the necessary costs of providing payments to foster care and adoptive families.

	FY 2021	FY 2022
General Fund	(\$917,838)	(\$716,572)
Nongeneral Fund	\$2,365,422	\$2,164,156

House: No change

Senate: No change

Conference: No change

Governor: **Supplants general funds with nongeneral funds for foster care and adoptions** to account for the temporary enhanced Federal Medical Assistance Percentage rate. This adjustment has been calculated for January 1 through March 31, 2021, when the enhanced rate is set to expire.

	FY 2021	FY 2022
General Fund	(\$2,923,178)	\$0
Nongeneral Fund	\$2,923,178	\$0

House: No change

Senate: No change

Conference: No change

Governor: Provides funding to **expand the SNAP Employment and Training (SNAPET)** program to 95 additional local departments of social services.

	FY 2021	FY 2022
General Fund	\$0	\$2,034,699
Nongeneral Fund	\$0	\$2,923,675
Positions	0.00	1.00

House: No change

Senate: No change

Conference: No change

Governor: Provides funding for **two positions in the Central Office and staffing costs for local departments of social services to implement the Virginia Facilitated Enrollment program.** There is a corresponding package that the Department of Medical Assistance Services that include one-time funding for related changes to the Virginia Case Management System.

	FY 2021	FY 2022
General Fund	\$0	\$376,910
Nongeneral Fund	\$0	\$2,709,776
Positions	0.00	2.00

House: No change

Senate: No change

Conference: No change

Governor: Continues Temporary Assistance for Needy Families (TANF) grant funding to the Federation of Virginia Food Banks to provide child nutrition programs.

	FY 2021	FY 2022
Nongeneral Fund	\$0	\$3,000,000

House: No change

Senate: No change

Conference: No change

Governor: No proposal

House: This amendment restores \$2.2 million from the general fund and \$2.2 million from the nongeneral fund in fiscal year 2022 for local social services departments' (LDSS) to **increase minimum salary levels for LDSS family services by 20 percent, and to increase minimum salary levels for benefit program services, self-sufficiency services and administrative positions by 15 percent** that are currently below the new minimum threshold. These actions should assist in reducing the high turnover and vacancy rates in these LDSS positions

Senate: Includes same amendment

Conference: Adopted

Governor: No proposal

House: No comparable amendment

Senate: Establishes an **interagency working group to develop recommendations for local criminal justice diversion programs to provide alternatives to arrest, conviction or incarceration for lower-level offenses.** Specifically charges DSS, as administrator of the federal Community Services Block Grant, to establish an interagency working group to develop recommendations for implementation of local criminal justice diversion programs. Each diversion program should offer standards for providing persons charged with lower-level offenses alternatives to arrest, conviction or incarceration for lower-level offenses. The scope of these programs shall not include behavioral health issues as those priorities are being addressed elsewhere. The working group should include the appropriate offices and agencies of Health and Human Resources, Commerce and Trade, Public Safety and Homeland Security and the Governor's Chief Diversity, Equity and Inclusion Officer. The interagency working group shall work with community action agencies, local governments including local law enforcement, representatives of the judicial system, civil rights organizations as well as other stakeholders to develop locally-based solutions. The recommendations shall provide for two-generation whole family strategies that deal with meeting the needs of the potential offender and his or her entire family by addressing issues related to poverty, including homelessness. The DSS must submit its recommendations to the General Assembly no later than September 30,2021.

Conference: Adopted Senate amendment

Department of Behavioral Health and Developmental Services

Governor: Provides funds to support **contracts for the diversion and discharge of individuals from state mental health facilities** and a **pilot mobile crisis program for those who have a primary diagnosis of dementia**. Additionally, language requires a multi-agency work group to determine system capacity and needs.

	FY 2021	FY 2022
General Fund	\$0	\$3,547,000
Positions	0.00	6.00

House: No change

Senate: No change

Conference: No change

Governor: **Increases the availability of discharge planning funding for those individuals moving from state-operated mental health facilities to community placements.**

	FY 2021	FY 2022
General Fund	\$0	\$2,500,000

House: No change

Senate: No change

Conference: No change

Governor: Amends language to **allow funds currently earmarked for law enforcement training in rural localities to be used to address additional CIT programs and programs at CIT assessment sites**. The localities currently served by these funds have adequate training funds remaining from the previous year's distribution. Language requires that priority be given to rural localities in the distribution of these funds.

House: No change

Senate: No change

Conference: No change

Governor: Provides **emergency regulatory authority to the State Board of Department of Behavioral Health and Developmental Services for regulations related to providers impacted by the federal Family First Prevention Services Act**. Language requires that any regulatory change be budget neutral.

House: No change

Senate: No change

Conference: No change

Governor: No proposal

House: No proposal

Senate Restores \$2.1 million the second year from the general fund to expand forensic discharge planning services at three additional jails with a high percentage of inmates with serious mental illness. The General Assembly provided \$1.6 million from the general fund in fiscal year 2020 for discharge planning services at two local jails. Discharge planning includes linking inmates with serious mental illness to community providers for treatment and housing and other needed services as they transition from jails to the community.

Conference: Adopted Senate amendment

Governor: No proposal

House: Modifies language related to **medication assisted treatment for individuals who are addicted to opioids**. Language changes (i) clarify that this pertains to funding received by Community Services Boards or a Behavioral Health Authority, (ii) clarify that the funding is used for appropriate long-acting, injectable

prescription drug treatment regimens, and (iii) directs that the funding for medication assisted treatment also be prioritized for individuals that are not covered by insurance.

Senate: Includes same amendment

Conference: Adopted

Department of Forestry

Governor: No proposal

House: Directs the Department to convene a **stakeholder workgroup to provide recommendations for policies which encourage increased tree cover in communities, and the preservation of mature trees and tree cover on sites being developed.**

Senate: No comparable amendment

Conference: Adopted House amendment

Department of Housing and Community Development

Governor: Increases support for the **Virginia Housing Trust Fund, including additional funds to support mortgage and rental assistance in the first year.**

	FY 2021	FY 2022
General Fund	\$15,700,000	\$25,000,000
Positions	0.00	4.00

House: Removes the second year funding increase. The additional \$40.7 million for the Virginia Housing Trust Fund in fiscal year 2021 served as a bridge to continue the Rent and Mortgage Relief program and is no longer needed in the second year due to the availability of over \$560 million in federal funds for rental assistance.

Senate: Removes the first year increase intended to support the Virginia Rent and Mortgage Relief Program and directs that funding distributed under the federal Consolidated Appropriations Act, P.L. 116-260 (2020) for rental assistance be designated as the primary source of funding for the Commonwealth's rental assistance program.

Conference: Adopted Governor's proposal

Governor: Provides an appropriation and position **authorization to administer federal funds received by the agency to provide coronavirus relief.**

	FY 2021	FY 2022
Nongeneral Fund	\$0	\$30,000,000
Positions	0.00	10.00

House: No change

Senate: No change

Conference: No change

Governor: Increases support for **Virginia Telecommunication Initiative (VATI) to level fund grants from the program at \$49.7 million** and provide \$250,000 for administration.

	FY 2021	FY 2022
General Fund	\$0	\$15,250,000
Positions	0.00	2.00

House: No change

Senate: No change

Conference: No change

Governor: No proposal

House: Adds \$424,000 from the general fund in the second year to develop a statewide broadband map and establishes parameters for the development of that map.

Senate: No comparable amendment
Conference: Adopted House amendment

Governor: No proposal

House: Creates a one-year pilot that will allow public broadband authorities to compete for funds from the Virginia Telecommunications Initiative program. This is the recommendation of the Broadband Advisory Council

Senate: Includes same amendment

Conference: Adopted

Governor: Provides funding to **continue the Eviction Prevention and Diversion Pilot Program** with the aim of reducing evictions throughout the Commonwealth.

	FY 2021	FY 2022
General Fund	\$0	\$3,300,000
Positions	0.00	2.00

House: No change

Senate: No change

Conference: No change

Governor: Provides a one-time **increase for the Virginia Main Street Program.**

	FY 2021	FY 2022
General Fund	\$0	\$3,000,000

House: Removes the proposed increase for program in the second year due to the \$120 million in small business support being deployed through the Rebuild Virginia program. A companion amendment in item 128 provides additional funds for the Rebuild Virginia program from skilled games revenues.

Senate: No comparable amendment

Conference: Adopts House amendment

Governor: Provides additional support to the **Southeast Rural Community Assistance Project, bringing total state support to \$1.6 million in 2022.**

House: No change

Senate: No change

Conference: No change

Governor: No proposal

House: No comparable amendment

Senate: This amendment \$10.0 mill and 3 FTE **establishes the Virginia CDFI Fund (the Fund)** which may be comprised of appropriations, grants and loans from federal, state and private sources, and other types of financial assistance, to provide capital through grants to community development financial institutions (CDFIs), community development enterprises (CDE), or other such similar entities as permitted by law, whose primary purpose is **to provide financing in the form of loans, grants or forgivable loans to small business or community revitalization real estate projects** in Virginia.

Conference: Adopted Senate amendment

Governor: No proposal

House: Adds \$50,000 in the second year from the general fund pursuant to the passage of House Bill 2053 in the 2021 General Assembly, which directs the Department to lead a **workgroup to provide recommendations on increasing local development of accessory dwelling units on single-family dwelling lots.**

Senate: No comparable proposal

Conference: Adopted House amendment

Governor: No proposal

House: Directs the Commission on Local Government to undertake a **review of the of mandatory property tax exemptions on local government revenues and services** and recommend potential options for mitigating fiscal impacts.

Senate: Includes same amendment

Conference: Adopted

Governor: No proposal

House: Restores \$250,000 in each year from the general fund for an increase to the **Enterprise Zone grant program to help avoid grant proration** of real estate awards from the program.

Senate: Includes same amendment

Conference: Adopted

Governor: No proposal

House: Restores \$294,000 the second year from the general fund to provide each of the 21 **Planning District Commissions with an increase** of \$14,000 per year.

Senate: Includes same amendment

Conference: Adopted

Virginia Employment Commission

Governor: Provides **one-time support to cover costs associated with the increase in staffing** necessary to process the high volume of unemployment insurance claims as a result of the pandemic.

	FY 2021	FY 2022
General Fund	\$0	\$9,960,283

House: No change

Senate: No change

Conference: No change

Governor: Provides **support for estimated interest on federal cash advances for unemployment insurance benefits** as a direct result of the pandemic. Interest payments will continue into the next biennium.

	FY 2021	FY 2022
General Fund	\$0	\$7,502,701

House: No change

Senate: No change

Conference: Removes \$6.8 million GF for an interest payment on federal cash advances for the state's unemployment insurance program. Provisions contained in the recent coronavirus stimulus package reduced Virginia's anticipated interest payment for September 2021 to \$750,000.

Governor: Provides **one-time support to incorporate CARES Act programs into the new unemployment insurance system** so that the agency can go live with the modernized system and remove the legacy system from the state's mainframe.

	FY 2021	FY 2022
General Fund	\$0	\$5,000,000

House: No change

Senate: No change

Conference: No change

Department of Emergency Management

Governor: Provides support for **estimated costs from January 2021 (fiscal year 2021) through December 2021 (fiscal year 2022) as the agency continues coordinating the Commonwealth’s response to the COVID-19 pandemic.**

	FY 2021	FY 2022
General Fund \$	41,965,587	\$36,930,220

House: Supplanted with newly available federal funds

Senate: Includes same amendment

Conference:

Governor: Provides funding to begin **evaluating, upgrading, and maintaining the Integrated Flood Observation and Warning System (IFLOWS).** The IFLOWS is an automated flood warning system located in flash flood prone areas of western Virginia. The aging system is in need of repair and maintenance to operate properly. This action restores funding that was unallotted in Chapter 1289, 2020 Acts of Assembly.

	FY 2021	FY 2022
General Fund	\$0	\$1,000,000

House: No change

Senate: No change

Conference: No change

Compensation Board

Governor: Provides **entry-level salary increases for regional jail officers** consistent with the 2018 Special Session I approved salary increases for all entry-level deputy sheriffs. The funding equalizes the pay grade for all entry-level correctional officers in local and regional jails. This action restores funding that was unallotted in Chapter 1289, 2020 Acts of Assembly.

	FY 2021	FY 2022
General Fund	\$0	\$2,625,182

House: No change

Senate: No change

Conference: No change

Governor: Provides funding to meet **25 percent of the staffing need in Sheriffs’ offices and Commonwealth’s Attorneys’ offices.** This action restores funding that was unallotted in Chapter 1289, 2020 Acts of Assembly.

	FY 2021	FY 2022
General Fund	\$0	\$2,330,388

House: No change

Senate: No change

Conference: No change

Governor: Adjusts **circuit court clerk personnel salaries to address pay equity with the district court clerk positions.** This action restores funding that was unallotted in Chapter 1289, 2020 Acts of Assembly.

	FY 2021	FY 2022
General Fund	\$0	\$1,837,167

House: No change

Senate: No change

Conference: No change

Governor: No proposal

House: No comparable proposal

Senate: CB- Adds \$250,000 GF in FY 2022 to contract with the National Center for State Courts to assist the Compensation Board in a study, working in collaboration with the Virginia Association of Commonwealth's Attorneys, of **the staffing standards for Commonwealth's Attorney's offices**, to revise the workload measures used as the basis for the allocation of new positions so that they are not based solely on metrics related to felony charges and convictions. The budget language is supplemental to the provisions of SB 1226.

Conference: Adopted

Governor: Provides funding to support positions in **Treasurer and Commissioner of Revenue offices**. This action restores funding that was unallotted in Chapter 1289, 2020 Acts of Assembly.

	FY 2021	FY 2022
General Fund	\$0	\$1,703,254

House: No change

Senate: No change

Conference: No change

Supreme Court of Virginia

Governor: No proposal

House: Directs the Executive Secretary of the Supreme Court shall, with representatives from the Indigent Defense Commission, Virginia Community Criminal Justice Association, and other stakeholders identified by the Executive Secretary, to **review the requirements of House Bill 2286 of the 2021 Session regarding bail hearings and provisions** and produce (i) a plan for the implementation of the provisions of the bill, (ii) an estimate of the costs of implementing the provisions of the bill, and (iii) an estimate of potential off-setting savings resulting from implementation of the plan and report the findings to the General Assembly by December 1, 2021.

Senate: No amendment

Conference: Adopted

Virginia Criminal Sentencing Commission

Conference: Provides \$333,200 from the general fund and 2.0 FTE positions in fiscal year 2022 for costs associated with Senate Bill 1391 of the 2021 General Assembly, which is a recommendation of the Virginia State Crime Commission, requiring the Virginia Criminal Sentencing Commission to collect and disseminate certain statewide and locality-level pre-trial detention data annually.

Department of Mines, Minerals and Energy

Governor: No proposal

House: Establishes a **workgroup to assess the feasibility of creating a Virginia Residential Property-Assessed Clean Energy (R-PACE) Program**.

Senate: No comparable amendment

Conference: Adopts House amendment

Department of Conservation and Recreation

Governor: **Increases funding for water quality efforts**, including \$4.55 million for technical assistance to soil and water conservation districts and \$9.0 million for deposit to the Virginia Natural Resources Commitment Fund for agricultural best management practices. With this amendment, \$35.0 million will be available for the implementation of agricultural best management practices in 2022.

	FY 2021	FY 2022
General Fund	\$0	\$13,550,000

House: No change

Senate: No change

Conference: No change

Governor: Provides for **additional floodplain management positions** to assist Virginia’s residents, localities, and state and federal partners, and to ensure compliance with the National Flood Insurance Program.

	FY 2021	FY 2022
General Fund	\$0	\$229,637
Positions	0.00	2.00

House: No change

Senate: No change

Conference: No change

Governor: Provides support for a **lead engineer position in the Dam Safety and Floodplain Management Program.**

	FY 2021	FY 2022
General Fund	\$0	\$170,758
Positions	0.00	1.00

House: No change

Senate: No change

Conference: No change

Governor: Allocates the **Water Quality Improvement Fund deposit** in the Appropriation Act in 2022 associated with the 2020 discretionary general fund balances. This is a **companion to the amendment appropriating support for technical assistance and additional support to provide \$35 million for the implementation of agricultural best management practices in 2022.**

House: No change

Senate: No change

Conference:

Department of Environmental Quality

Governor: Provides **support for the Water Protection program** including positions, equipment, and contractual work in air monitoring, compliance, permitting, and policy service areas.

	FY 2021	FY 2022
General Fund	\$0	\$8,315,476

House: No change

Senate: No change

Conference: No change

Governor: Provides **support for the Air Protection program** including positions, equipment, and contractual work in air monitoring, compliance, permitting, and policy service areas.

	FY 2021	FY 2022
General Fund	\$0	\$1,978,451

House: No change

Senate: No change

Conference: No change

Governor: Provides **support for the Land Protection program** including positions, equipment, and contractual work in air monitoring, compliance, permitting, and policy service areas.

	FY 2021	FY 2022
General Fund	\$0	\$1,659,834

House: No change
Senate: No change
Conference: No change

Governor: Amends **hydrofluorocarbons language** to require that the agency implement rules consistent with federally approved manufacturing alternatives as they are approved.

House: DEQ - **Removes proposed language.**

Senate: Includes same amendment

Conference: Adopted

Governor: Amends language to **continue the water quality enhancement fee paid by nonpoint source nutrient banks, and to require the workgroup of affected stakeholders to provide recommendations** to the Governor and General Assembly by November 1, 2021.

House: No change

Senate: No change

Conference: No change

Governor: No proposal

House: Adds \$26.0 million from the general fund the second year **for deposit in the Stormwater Local Assistance Fund** for stormwater quality retrofits and upgrades.

Senate: No comparable proposal

Conference: Adopted House amendment

Governor: No proposal

House: CA . Authorizes up to \$150,000,000 in **bond proceeds to reimburse entities for the design and installation of nutrient removal technology** as provided in Enhanced Nutrient Removal Certainty Program established in House Bill 2129 for capital costs incurred.

Senate: No comparable proposal

Conference: Includes \$50 million GF and \$50 million in bond proceeds.

Virginia Marine Resources Commission

Governor: **Provides funding for a coastal resiliency manager position.** This position will manage the Waterways Improvement Fund and the agency's approach to coastal resiliency in the Commonwealth.

	FY 2021	FY 2022
General Fund	\$0	\$78,150

House: No change

Senate: No change

Conference: No change

Department of Wildlife Resources

Governor: No proposal

House: – Delays by one fiscal year the authority of the Department to assess fees for access to boat ramps it owns or manages, and directs the Department to study the costs and benefits or assess such access fees

Senate: Includes a comparable amendment

Conference: Adopted

Department of Rail and Public Transportation

Governor: No proposal

House: Authorizes the CTB to **waive the 25 percent cap on programs to reduce the impact of fares on low-income individuals**, including reduced-fare programs and elimination of fares in the Transit Ridership Incentive Program. This budget amendment will allow the CTB to allocate more funding to support the reduction or elimination of fares.

Senate: Provides \$5.0 million the first year from the federal Highway Infrastructure Programs portion of the CRRSA Act (P.L. 116-260) to the **Transit Ridership Incentive Program. Earmarks \$2.5 million to support programs that reduce the impact of fares on low-income individuals**, including reduced-fare programs and elimination of fares and the remaining \$2.5 million for regional connectivity programs focused on congestion reduction and mitigation of long-distance commuter routes.

Conference: Included the funding as part of the 2021 Transportation Funding Initiative.

Governor: No proposal

House: Includes \$500,000 pursuant to the passage of HJ 542 requiring DRPT to **study the Commonwealth's current public transportation system focusing on the equitable delivery of transportation services and the modernization of transit** in the Commonwealth. The resolution requires the DRPT to make a preliminary report by the end of calendar year 2021 and a final report by the end of calendar year 2022.

Senate: No comparable amendment

Conference: Adopted House amendment

Department of Transportation

Governor: Included \$50.0 million GF for to support the extension of passenger rail service between Roanoke and Washington DC. and \$5.0 million for planning and development of multiuse trails.

House: No change

Senate: No change

Conference: Provides a total of \$323.4 million and repurposes \$55.0 million GF in the introduced budget to establish the 2021 Transportation Funding Initiative comprised of one-time federal Coronavirus relief funding, existing program balances, and general funds. The Initiative provides funding for a variety of statewide funding programs and projects including expansion of intercity and commuter passenger rail programs, completion of the Hampton Roads Express Lanes network, capacity expansion of the Interstate 64 Corridor in Richmond, fare-free transit demonstration projects, statewide multiuse trails, and an urban connected infrastructure demonstration project.

Governor: No proposal

House: Requires VDOT to report annually on the status of what **transportation infrastructure in the Coastal Shore region is at risk to inundation from sea-level rise** and what is being done to address the concerns.

Senate: No comparable amendment

Conference: Adopted House amendment

Department of Education - Direct Aid

Governor: No proposal

House: No comparable amendment

Senate: Requires **all school divisions to offer in-person instruction** options in the 2021-2022 school year to a student if the parent or guardian requests.

Conference: Rejects the amendment

Governor: (two amendments) **Updates Average Daily Membership projections based on actual Fall Membership data** submitted by local school divisions in fall 2020.

FY 2021

FY 2022

General Fund (\$199,432,610) (\$201,146,159)

Provides funding to ensure that no school division loses state funding in the 2020-2022 biennium as compared to that school division’s fiscal year 2021 and fiscal year 2022 state distributions as calculated in Chapter 56, 2020 Acts of Assembly, Special Session I. These payments account for declines in actual Fall Membership and projected Average Daily Membership as well as declines in Direct Aid program enrollment or participation during the 2020 calendar year as a result of the COVID-19 pandemic. The intent is to ensure that each division receives the same amount for FY 2021 and FY 2022 as was approved in Chapter 56, which was the budget approved in the 2020 regular General Assembly session. That budget used projected ADM for Spring 2020. It does not include additional funding if the actual Spring 2020 ADM exceeded those projections.

	FY 2021	FY 2022
General Fund	\$299,373,461	\$214,167,967

House: Reduces funding available for No Loss payments by \$64.7 million in FY 2021. The No Loss payments are reduced by an amount equal to 25 percent of each school division's ESSER II federal relief distribution, and such reduction is capped at 25% of the No Loss payment. The introduced budget proposed \$299.4 million for No Loss payments in the first year, however this was proposed prior to authorization of \$845.4 million in ESSER II subgrants to Virginia school divisions through the federal CRRSA Act of 2021, which became law on December 27, 2020. The House further reduces funding for No Loss Payments as proposed in the introduced budget by \$20.7 million in FY 2021 while adding \$1.8 million in FY 2022. The House further supplants \$30.0 million in first year general funds with nongeneral funds from gray machine revenues.

Senate: No comparable amendment

Conference: Reduces proposed No Loss Payments by \$20.7 million GF the first year and \$49.8 million GF the second year, based upon other actions, including the sales tax update, increased Infrastructure and Operations Per Pupil Payments, and technical updates.

Governor: No proposal

House: Specifies that **students enrolled in full-time MOP programs shall be enrolled in a separate public school for public reporting purposes**, effective with the 2021-22 school year. Currently, school divisions are permitted to enroll full-time MOP students in a traditional public school for public reporting purposes, although though these students typically do not receive instruction from the staff of the school and reside outside of the enrolling school division. This would ensure that the public reporting information for traditional public schools reflects the student body that physically attends such traditional public schools.

Senate: No comparable amendment

Conference: Adopted the House amendment

Governor: Updates funding provided to local school divisions based on the November 2020 sales tax forecast. Additionally, pursuant to budget language in Chapter 56, 2020 Acts of Assembly, Special Session I, the fiscal year 2021 COVID-19 Local Relief Payments (gray machine tax revenues) are reduced based on the net increase from the sales tax update. The update to COVID-19 Local Relief Payments also accounts for the sales tax impact to the Supplemental Basic Aid account, which was not accounted for in the Chapter 56 appropriation.

	FY 2021	FY 2022
General Fund	\$42,335,519	\$46,595,740
Nongeneral Fund	(\$42,326,571)	\$0

House: No change

Senate: No change

Conference: Provides an additional \$40.0 million from the general fund in fiscal year 2021 and \$45.7 million from the general fund in fiscal year 2022 based on the revised sales tax distributions in the mid-session reforecast. This increases the estimated sales tax dedicated to K-12 by \$90.4 million in fiscal year 2021 and \$103.2 million in fiscal year 2022, reducing the state's share of Basic Aid payments by \$50.4 million from the

general fund in fiscal year 2021 and \$57.5 million in fiscal year 2022. Corresponding amendments reduce the COVID-19 Local Relief Payments and adjust the No Loss Payments as a result of this action.

Governor: Supplants nongeneral COVID-19 Relief Funds with general fund support for the Direct Aid COVID-19 Local Relief Payments to local school divisions that were provided in fiscal year 2021 to replace projected losses in sales tax revenue. A separate amendment adjusted the amount of the COVID-19 Local Relief Payments appropriation based on the net increase in general fund support to local school divisions from the sales tax update.

	FY 2021	FY 2022
General Fund	\$52,901,159	\$0
Nongeneral Fund	(\$52,901,159)	\$0

House: No change

Senate: No change

Conference: No change

Governor: Provides the state share of a two percent bonus, effective September 1, 2021, for funded Standards of Quality, Academic Year Governor’s School Program, and Regional Alternative Education Program instructional and support positions.

	FY 2021	FY 2022
General Fund	\$0	\$80,068,012

House: Provides \$231.4 million the second year from the general fund and \$759,238 the second year from the Lottery Proceeds fund to provide a 5.0 percent salary increase, effective July 1, 2021. This represents an addition of \$151.7 million the second year, to the convert the 2.0 percent bonus payment that was proposed in the budget as introduced to a 5.0percent salary increase. To access these funds, school divisions must certify that salary increases an average of 5.0 percent will be provided during the 2020-22 biennium.

Senate: Provides \$139.8 million the second year from the general fund and \$455,787 the second year from the Lottery Proceeds fund to provide a 3.0 percent salary increase for SOQ-recognized instructional and support positions, to become effective August 1, 2021. This represents an addition of \$59.3 million the second year to provide a 3.0 percent salary increase in lieu of the 2.0 percent bonus that was proposed in the budget as introduced.

Conference: Provides \$233.7 million the second year from the general fund and \$759,098 the second year from the Lottery Proceeds fund **to provide a 5.0 percent salary increase, effective July 1, 2021.** This represents an addition of \$153.6 million the second year, to the convert the 2.0 percent bonus payment that was proposed in the budget as introduced to a 5.0 percent salary increase. To access these funds, **each school division must provide at least an average 2.0 percent pay increase during the 2020-22 biennium, and funding provided is prorated for school divisions providing between 2.0 percent and 5.0 percent pay increases over the biennium.**

Governor: Adjusts funding for certain educational programs that exceed the foundation of the Standards of Quality. State or federal statutes or regulations mandate most categorical programs. These adjustments update the cost of continuing the current programs with the required data revisions.

	FY 2021	FY 2022
General Fund	(\$1,843,476)	(\$1,850,277)

House: No change

Senate: No change

Conference: No change

Governor: No proposal

House: No comparable amendment

Senate: Adds \$49.2 million for the state's share of **three specialized student support positions per 1,000 students**. Specialized student support positions, consistent with Senate Bill 1257, **includes school social workers, school psychologists, school nurses, licensed behavior analysts, licensed assistant behavior analysts, and other licensed health and behavioral positions**. SB 1257 modifies a school personnel requirement in Standard 2 of the Standards of Quality. It requires each school board to provide at least three specialized student support positions, including school social workers, school psychologists, school nurses, licensed behavior analysts, licensed assistant behavior analysts, and other licensed health and behavioral positions, per 1,000 students. The effect is to remove a portion of these positions from the cap on support staff.
Conference: Adopted the Senate Amendment

Governor: No proposal

House: Provides \$13.2 million the second year from the general fund to increase the **Cost of Competing Adjustment (COCA) for support positions in the school divisions in Planning District 8** and certain adjacent divisions specified in the Appropriation Act that are eligible to receive COCA funds. For the nine Planning District 8 school divisions, this action would increase the adjustment factor from 10.6% to 18%. For the nine adjacent school divisions, this action would increase the adjustment factor from 2.65% to 4.5%. This restores and expands funding that was eliminated in Chapter 56, 2020 Special Session I that would have increased the adjustment factors from 10.6% to 16% and 2.65% to 4%.

Senate: No comparable amendment

Conference: Provides \$14.6 million the second year from the general fund to increase the Cost of Competing Adjustment (COCA) for support positions in the school divisions in Planning District 8 and certain adjacent divisions specified in the Appropriation Act that are eligible to receive COCA funds. For the nine Planning District 8 school divisions, this action would increase the adjustment factor from 10.6 to 18.0 percent. For the nine adjacent school divisions, this action would increase the adjustment factor from 2.65 to 4.5 percent.

Governor: Provides additional funding to adjust Standards of Quality salary payments for instructional and support positions in Accomack County and Northampton County school divisions to account for Maryland labor costs, consistent with Senate Bill 327 as introduced to the 2020 General Assembly Session.

	FY 2021	FY 2022
General Fund	\$0	\$2,740,726

House: Reduces the proposed amount to \$627,671 in the second year from the general fund and applies the partial Cost of Competing Adjustment (COCA) rate to Accomack and Northampton Counties, which is the rate applied to outlying Northern Virginia localities. The introduced budget included \$2.7 million to provide the full COCA rate to Accomack and Northampton Counties, which is the same rate applied to the core Northern Virginia localities in Planning District 8.

Senate: Removes Accomack and Northampton counties from the full cost of competing adjustment as included in the introduced budget and instead provides \$2.7 million from the Lottery Proceeds Fund the second year for one-time support to Accomack and Northampton school divisions for recruitment and retention efforts.

Conference: Provides \$2.0 million from the Lottery Proceeds Fund the second year to provide **one-time support to Accomack and Northampton school divisions for recruitment and retention efforts**. These funds are contingent on the local school division providing the full 5.0 percent compensation supplement.

Governor: No proposal

House: Provides \$582,000 GF the second year as an **incentive for the Alleghany County and Covington City school divisions to consolidate**. Such payments are intended to beset at this amount for five years, with no adjustments. The Board of Education approved the consolidation of these divisions to be effective July 1, 2022.

Senate: Includes same amendment

Conference: Adopted

Governor: No proposal

House: Appropriates \$30 million the second year from federal Elementary and Secondary School Emergency Relief funds authorized in the CRRSA Act of 2021 for **grants to address COVID-19 related learning loss, remediation and recovery, and other student support needs related to the impact of COVID-19 on the public education system. Grants shall be awarded by the Department of Education, in consultation with a stakeholder workgroup convened to focus on remediation and recovery needs.**

Senate: Provides \$30.0 million from the Lottery Proceeds Fund the second year to support **the state share of \$117.18 per pupil the second year based on the estimated number of federal Free Lunch participants** for one-time programs and initiatives to **address learning loss** experienced by students due to the COVID-19 pandemic. No local match is required to receive these state funds.

Conference: Provides \$40.0 million the first year from the Lottery Proceeds Fund to **support the state share of \$156.54 per pupil the first year based on the estimated number of federal Free Lunch participants, in support of one-time programs and initiatives to address learning loss resulting from the COVID-19 pandemic.** No local match is required to receive these state funds, and unexpended funds from the first year shall remain available in the second year. School divisions are required to spend these payments on eligible programs, including: (i) extending the school year, (ii) summer school, (iii) tutoring, remediation and recovery, and supplemental afterschool programs, (vi) counseling and other student supports, (v) assessments to determine student progress and the need for access to these programs, (vi) other similar programs, and (vii) modifications to facilities to assist with COVID-19 mitigation strategies for in-person learning.

Governor: No proposal

House: Adds **\$51.1 million the first year from gray machine revenues to support learning losses resulting from the COVID-19 pandemic.** These payments will be **distributed to school divisions based on the existing At-Risk Add-On formula,** using an add-on range of 0% to 6%. No local match is required, and unexpended funds from the first year shall remain available in the second year. This amendment requires the Department of Education to include information on each school divisions' use of these funds in an annual report to the Chairs of the House Appropriations and Senate Finance and Appropriations Committees.

Senate: No comparable proposal

Conference: Appropriates **\$30.0 million the second year from federal Elementary and Secondary School Emergency Relief funds** authorized in the Coronavirus Response and Relief Supplemental Appropriations Act of 2021 to provide grants to address COVID-19 related learning loss and other student support needs. Grants shall be awarded by the Department of Education, in consultation with a stakeholder workgroup convened to focus on remediation and recovery needs.

Governor: Supplants general funds with Lottery proceeds to reflect an increase in the estimate of Lottery proceeds to support K-12 public education. The fiscal year 2021 estimate increases from \$658.0 million to \$685.0 million, and the fiscal year 2022 estimate increases from \$666.1 million to \$690.9 million.

	FY 2021	FY 2022
General Fund	(\$27,071,726)	(\$24,798,667)
Nongeneral Fund	\$27,071,726	\$24,798,664

House: Increases the Lottery proceeds forecast by \$23.2 million to a total of \$708.2 million the first year and uses the increase to supplant a like amount of general funds.

Senate: No comparable amendment

Conference: Adopts the House amendment

Governor: Adjusts state support for Lottery-funded programs based on actual participation and updated projections.

	FY 2021	FY 2022
General Fund	(\$18,720,887)	(\$8,633,348)

House: Adds \$20.1 million the first year and \$9.9 million the second year fund to ensure 40 percent of Lottery Proceeds are dedicated to Infrastructure and Operations Per Pupil Payments, formerly known as Supplemental Lottery Per Pupil Allocations. The additional funding increases these Per Pupil Payments by approximately \$30 per pupil the first year and \$15 per pupil the second year.

Senate: No comparable amendment

Conference: Adopted the House amendment

Governor: Provides state support for one full-time equivalent school counselor position per 325 students in grades kindergarten through 12 pursuant to the 2021-2022 school year staffing ratio required by § 22.1-253.13:2, Code of Virginia.

	FY 2021	FY 2022
General Fund	\$0	\$26,645,142

House: No change

Senate: No change

Conference: No change

Governor: Updates the state cost of the English as a Second Language program based on data for verified English learners submitted by school divisions in fall 2020. A separate amendment adds data for presumptive English learners, which are those students who are identified through a preliminary screening process but who have not been screened formally. Formal screening involves the in-person administration of a screening instrument, and a number of school divisions have had difficulty administering the in-person screening because of the COVID-19 pandemic. The addition of presumptive English learners increases the state cost by \$4.3 million in fiscal year 2021 and increases the state cost by \$6.5 million in fiscal year 2022. The net impact of these actions is a decrease of \$7.6 million in fiscal year 2021 and a decrease of \$12.6 million in fiscal year 2022.

	FY 2021	FY 2022
General Fund	(\$11,841,463)	(\$19,043,255)

House: No change

Senate: No change

Conference: No change

Governor: Adds the presumptive English learner designation in the update for the English as a Second Language program. Presumptive English learners are those students who are identified through a preliminary screening process but who have not been screened formally. Formal screening involves the in-person administration of a screening instrument, and a number of school divisions have had difficulty administering the in-person screening because of the COVID-19 pandemic. A separate amendment updates the state cost of the English as a Second Language program with data for verified English learners, which results in a decreased state cost of \$11.8 million in fiscal year 2021 and a decreased state cost of \$19.0 million in fiscal year 2022. The net impact of these actions is a decrease of \$7.6 million in fiscal year 2021 and a decrease of \$12.6 million in fiscal year 2022.

	FY 2021	FY 2022
General Fund	\$4,251,850	\$6,490,911

House: No change

Senate: No change

Conference: No change

Governor: Restores funding to maximize pre-kindergarten access for at-risk three- and four-year-old children. Chapter 56, 2020 Acts of Assembly, Special Session I, partially restored funding for this initiative by increasing the Virginia Preschool Initiative per-pupil amount from \$6,326 to \$6,959 in fiscal year 2022. This

amendment increases the per pupil amount to \$7,655 in fiscal year 2022, which restores the balance of funding initially appropriated for this initiative in fiscal year 2022 in Chapter 1289, 2020 Acts of Assembly.

	FY 2021	FY 2022
General Fund	\$0	\$11,122,649

House: Reduces first year funding by \$15.9 million based on actual VPI enrollment reported in the 2020-2021 school year. The introduced budget retained \$21.0 million GF the first year in the undistributed balance to ensure that there were sufficient funds available to school divisions that exercised the enrollment flexibility contained in Superintendent's Memo #282-20. The House also eliminates the \$11.1 million proposed increase in the second year. Even with these changes, the VPI per pupil amount will increase by 10% from \$6,326 in FY 2021 to \$6,959 in FY 2022. The introduced budget would have increased the per pupil amount by 21% to \$7,655 in FY 2022.

Senate: Has same amendment

Conference: Adopted

Governor: Extends the timeline for the Department of Education's plan to determine the gap between childcare market rates and the Virginia Preschool Initiative per pupil amount. The unique childcare conditions during the COVID-19 pandemic have made it difficult to assess accurate market rates and to project accurate values for add-on grants.

House: No change

Senate: No change

Conference: No change

Governor: Adds language that authorizes, within the fiscal year, any funds appropriated for Virginia Preschool Initiative Payments that are not awarded to be used as flexible funding available to supplement any of the other initiatives in Item 145.C.14. This additional flexibility is intended to maximize the expansion of early childhood programming based on the needs of the localities.

House: No change

Senate: No change

Conference: No change

Governor: No proposal

House: Requires the Department of Education to prioritize serving at-risk four-year-old children when reallocating funds among components of the Virginia Preschool Initiative, such as the community provider add-on, and the at-risk three-year-old pilot program.

Senate: No comparable amendment

Conference: Adopts the House amendment

Governor: Establishes a target inclusion rate for special education students in Virginia Preschool Initiative classrooms.

House: No change

Senate: No change

Conference: No change

Governor: Expands eligibility for the Virginia Preschool Initiative - Provisional Teacher Licensure program to include provisionally licensed teachers in other publicly-funded preschool programs operated by the school division.

House: No change

Senate: No change

Conference: No change

Governor: No proposal

House: Provides \$300,000 the second year for the **Literacy Lab- VPI Minority Educator Fellowship program**. Embedded language in House Bill 1800, as introduced, provided \$300,000 for this program in the second year, however the total allocation for Item 144 was not updated to reflect the additional funds.

Senate: Has same amendment

Governor: No proposal

House: Adds \$250,000 GF the second year to encourage **active learning for students in pre-K through 2nd grade**. The Department of Education will establish criteria by which to award these funds to school divisions. Local school divisions will use the grant funds to provide active learning curriculum that relate math and language Standard of Learning content into movement rich activities for students in pre-K through 2nd grade.

Senate: Has same amendment

Conference: Adopted

Governor: **Restores incentive payments to attract and retain early childhood educators** in hard-to-serve preschool classrooms.

	FY 2021	FY 2022
General Fund	\$0	\$5,000,000

House: No change

Senate: No change

Conference: No change

Governor: **Updates the state cost of Remedial Summer School** based on actual program participation in summer 2020.

	FY 2021	FY 2022
General Fund	(\$4,630,879)	\$0

House: No change

Senate: No change

Conference: No change

Governor: No proposal

House: Captures savings of \$2.5 million GF the first year for the **School Meals Expansion program**. Under a federal waiver for the 2020-21 school year, all divisions are providing school meals at no cost to all students. These funds are no longer needed to eliminate the cost of reduced price school meals.

Senate: Includes a comparable amendment

Conference: Adopted

Governor: No proposal

House: Provides \$6.5 million the second year from the federal Elementary and Secondary School Emergency Relief funds authorized in the federal CRRSA Act of 2021 for **one additional year of education for students with disabilities** who were 19 years of age or older and enrolled during the 2020-21 school year. This covers the state share of per-pupil costs and costs that do not qualify under the federal Individuals with Disabilities Education Act.

Senate: No comparable amendment

Conference: Adopted House amendment

Governor: **Amends eligibility for Foster Children Education Payments to include any student who was in foster care upon reaching 18 years of age but who has not yet reached 22 years of age**. This change aligns with § 22.1-3.4, Code of Virginia, as amended during the 2020 General Assembly Session, and is intended to ease

the administrative burden of enrollment for students who no longer are supported by the foster care system but are continuing their education.

House: No change

Senate: No change

Conference: No change

Governor: No proposal

House: No comparable proposal

Senate: Provides \$250,000 the second year for grants to support **one-time pilot programs to redesign a division's dual enrollment course offerings to align/link to the Passport and Uniform Certificate of General Studies** offered by Virginia's community colleges.

Conference: Adopted Senate amendment

Governor: No proposal

House: Directs the Board of Education to **develop recommendations for funding state operated programs in local and regional juvenile detention centers**, which have experienced a significant decline in population in recent decades without an accompanying adjustment to state funding levels. This is a Commission on Youth recommendation.

Senate: Includes a comparable amendment

Conference: Adopted

Governor: **Removes language referencing waivers for third grade science or history and social science Standards of Learning (SOL) assessments.** Legislation passed in the 2014 General Assembly Session limited third grade SOL testing to reading and math, so this language no longer is applicable.

House: No change

Senate: No change

Conference: No change

Governor: **Clarifies language regarding the use of funds to support tuition for the Math/Reading Instructional Specialist Initiative.** Additionally, authorizes the award of prorated funds for positions filled after the beginning of the school year to encourage continued hiring of these specialists.

House: No change

Senate: No change

Conference: No change

Governor: **Amends language to authorize using the most recent year of available data when calculating the Early Reading Intervention payments.** Existing language requires the Department of Education to calculate payments based on diagnostic tests administered in the previous year. Due to the mandatory school closures in March 2020, spring Phonological Awareness Literacy Screening (PALS) assessments were not conducted, and 2019-2020 school year data does not exist.

House: No change

Senate: No change

Conference: No change

Governor: **Directs the Virginia Department of Education and the Virginia Department of the Treasury to develop recommendations for enhancing the Literary Fund's attractiveness as an ongoing source of school construction funding.** The overall health of the Literary Fund improves with increased use of loans from the Fund; however, localities are finding more cost-effective borrowing options and relying less on the Literary Fund as a financing source.

House: No change
Senate: No change
Conference: No change

Governor: No proposal

House: Provides \$120,000 the second year from the general fund to support the purchase of albuterol and spacers for public schools in Virginia. **House Bill 2019 will require undesignated stock albuterol inhalers to be maintained in every public school.**

Senate: No comparable amendment

Conference: Adopted House amendment

Governor: No proposal

House: Requires each Academic Year Governor's School to **post their diversity goals and implementation plans, and related annual progress reports to their websites.** In 2020, language was added to the Appropriation Act requiring Academic Year Governor's Schools to (i) establish diversity goals for its student body and faculty, (ii) to develop a plan to meet such goals, and (iii) provide an annual progress report to the Governor including information about admissions processes, outreach and demographics; however, no requirement was included to make such information easily accessible to the public.

Senate: No comparable amendment

Conference: Adopted House amendment

Governor: Restores additional funding for the **Jobs for Virginia Graduates** program, which helps at-risk youth graduate from high school and transition from school to work.

	FY 2021	FY 2022
General Fund	\$0	\$1,670,000

House: No change

Senate: No change

Conference: No change

Governor: No proposal

House: Restores \$350,000 the second year from the general fund to support **educational programming produced by Blue Ridge PBS.**

Senate: No comparable amendment

Conference: Adopts the House amendment

Governor: No proposal

House: Adds \$100,000 the second year from the general fund shall be provided to the **Metropolitan Junior Baseball League to implement a program to encourage racial equity in Virginia's collegiate baseball programs,** including academic supports for youth seeking to play collegiate baseball.

Senate: No comparable amendment

Conference: Rejects the House amendment

Governor: No proposal

House: Provides \$332,000 GF the second year **for improvements at the Holiday Lake 4-H Educational Center in Appomattox County,** including accessibility upgrades and improvements to: the medical clinic, emergency generators, exterior security lighting, infrastructure and buildings, challenge course, and other equipment. The center is used as an emergency evacuation location for Appomattox County Public Schools.

Senate: No comparable amendment

Conference: Provides \$250,000 GF the second year through the Department of Agriculture and Consumer Services.

Department of Education – Central Office

Governor: Increases the agency's nongeneral fund appropriation in support of the Virtual Virginia program to reflect increased revenues and expenditures resulting from increased program participation.

	FY 2021	FY 2022
Nongeneral Fund	\$0	\$1,218,842

House: No change

Senate: No change

Conference: No change

Governor: No proposal

House: No comparable amendment

Senate: Provides \$7.0 million in Governor's Education Emergency Relief Funds from the federal CRRSA Act (P.L. 116-260) to support the **continued expansion of Virtual Virginia's learning management system and additional free course enrollment slots** during the 2021-22 school year.

Conference: Adopted Senate amendment

Governor: Includes \$1.0 million for a statewide contract for **digital content development, online learning, and related support services.**

House: Repurposes this funding into a direct grant for WHRO to operate the eMediaVA statewide digital content and online learning system.

Senate: No comparable amendment

Conference: Adopted House amendment

Governor: No proposal

House: Provides \$208,000 the second year from the general fund to **replace Virginia's Career and Technical Education (CTE) curriculum database and content management system managed by the Virginia CTE Resource Center.** The previous CTE database, VERSO, suffered a crash and is no longer operable. The new system would be integrated into the state's learning management system and provide access for teachers, post-secondary institutions, families and business stakeholders to information including course competencies, credentials, workplace learning guides, career pathways and workplace readiness skills aligned to the Standards of Learning and the Profile of a Virginia Graduate.

Senate: No comparable amendment

Conference: Adopted House amendment

Governor: Supports a **Cultural Proficiency Coordinator position** at the Department of Education to help school divisions develop processes and procedures that advance equity outcomes that are aligned with the EdEquityVA framework. Additionally, this amendment supports professional development aimed at addressing implicit bias, cultural competency, and culturally responsive instruction and curriculum.

	FY 2021	FY 2022
General Fund	\$0	\$365,300
Positions	0.00	1.00

House: No change

Senate: No change

Conference: No change

Governor: Provides funding to support implementation of a **pre-kindergarten version of the Virginia Kindergarten Readiness Program** for four-year-old children enrolled in publicly-funded pre-kindergarten programs.

	FY 2021	FY 2022
General Fund	\$0	\$300,000

House: No change

Senate: No change

Conference: No change

Governor: Provides general fund support for a **Deputy Superintendent of Early Childhood position** to continue oversight of the early childhood care and education transition and consolidation and ongoing early childhood programming. This position will be partially supported by the existing Child Care Development Fund nongeneral fund appropriation.

	FY 2021	FY 2022
General Fund	\$0	\$161,174
Positions	0.00	1.00

House: No change

Senate: No change

Conference: No change

Governor: Adds language giving the Department of Education temporary **authority to make certain changes to the Child Care Development Fund (CCDF) State Plan** in response to COVID-19.

House: No change

Senate: No change

Governor: No proposal

House: Appropriates \$52.5 million the second year from the federal Child Care and Development Fund (CCDF) to implement the provisions of **House Bill 2206, which temporarily expands the Child Care Subsidy Program**. Recently, additional CCDF funds became available to states through the Coronavirus Response and Relief Supplemental Appropriations Act of 2021 (CRRSA).

Senate: No comparable amendment

Conference: Adopted House amendment

Governor: Clarifies that the **Department of Social Services will continue to have fiscal and operational responsibility** for the Temporary Assistance for Needy Families (TANF) Virginia Initiative for Employment and Work (VIEW) mandated childcare forecast, and that the Department of Education will **transfer Child Care Development Fund (CCDF) appropriation to the Department of Social Services** to support this responsibility.

House: No change

Senate: No change

Conference: No change

Governor: No proposal

House: Directs the Department of Education **to submit a report on implementation of an early childhood mental health consultation program and identify any barriers to implementation** that may be addressed through legislative, regulatory or budgetary action.

Senate: No comparable amendment

Conference: Adopted House amendment

Governor: Expands the scope of the University of Virginia's Center for Advanced Study of Teaching and Learning classroom observations and professional development to include publicly-funded early childcare programs to support the Department of Education's development of the uniform quality rating and improvement system.

House: No change

Senate: No change

Conference: No change

Governor: : No proposal

House: No comparable amendment

Senate: Directs the Superintendent of Public Instruction to **convene a workgroup to make recommendations on the staffing standards for school nurses**. The recommendations shall include the appropriate school nurse staffing ratio and the required qualifications and training for school nurses.

Conference: Adopted Senate amendment

Governor: : No proposal

House: Provides \$8.8 million the second year from federal Elementary and Secondary School Emergency Relief funds authorized in the federal CRRSA to **implement the provisions of House Bill 2027 to restructure Standards of Learning assessments for mathematics and reading in grades 3-8 from a single end-of-year assessment to a growth assessment system** that measures student progress above, at, and below grade level.

Senate: Similar amendment provides \$10.0 million in federal relief funds to implement the provisions of Senate Bill 1357 to **develop and administer a diagnostic assessment tool for use in the fall and winter and a growth measurement assessment administered in the spring to measure student progress and competency in grades 3-8 in English and mathematics** for use in the 2021-22 and 2022-23 school year pursuant to the. The Senate also captures savings in the amount of \$1.8 million GF in FY 2022 from the reduction of Standards of Learning assessments to the minimum federal requirements pursuant to SB1401.

Conference: Provides \$8.8 million the second year from federal ESSER funds to implement the provisions of House Bill 2027 and Senate Bill 1357 to **restructure Standards of Learning assessments for mathematics and reading in grades 3-8 from a single end-of-year assessment to a growth assessment system** that measures student progress above, at, and below grade level

Governor: : No proposal

House: Provides \$105,000 the second year from the general fund as a one-time appropriation to implement provisions in **House Bill 2299** that would direct the Department of Education to develop **training modules for IEP team members** and to implement a plan to improve the agency's approach to **oversight and technical assistance related to post-secondary transition planning** for students with disabilities.

Senate: Provides \$300,000 GF the second year for costs associated with implementation of Senate Bill 1288 which is similar in scope.

Conference: Adopts the House amendment

Governor: No proposal

House: Implements recommendation 8 **regarding the collection and publishing of data annually from each private special education day school, by campus**, from the JLARC Report "Review of the Children's Services Act and Private Special Education Day School Costs".

Senate: Has same amendment

Conference: Rejected the amendment

Governor: No proposal

House: Implements recommendation 9 **regarding regulations for private special education day schools on restraint and seclusion** from the JLARC Report, "Review of the Children's Services Act and Private Special Education Day School Costs".

Senate: Has same amendment

Conference: Rejected the amendment

Governor: : No proposal

House: No comparable amendment

Senate: Implement recommendations 8, **regarding a one-time targeted review of the transition sections of a random sample of students' individualized education programs (IEPs) in each school division** from the JLARC report "K-12 Special Education in Virginia".

Conference: Rejected the amendment

Governor: No proposal

House: Implements recommendations 10, 12, 21, and 27 regarding **(i) state monitoring of compliance with special education requirements, (ii) special education complaint** procedures and practices, (iii) matters related to the applied studies diploma from the JLARC report "K-12 Special Education in Virginia".

Senate: Has same amendment for recommendations 10, 12, and 21.

Conference: Rejected the amendment

Governor: No proposal

House: Implements recommendations 15 ,16, and 17 **regarding the review and update to regulations governing administrator preparation programs** from the JLARC report "Review of K-12 Special Education in Virginia".

Senate: Has same amendment for 15 and 17.

Conference: Rejected the amendment

Governor: No proposal

House: Adds \$395,991 the second year from the general fund to establish three staff positions to implement provisions in **House Bill 2299 related to development and implementation of a statewide strategic plan for recruiting and retaining special education teachers** by JLARC's review of K-12 Special Education in Virginia.

Senate: Includes similar language but without funding.

Conference: Adopts the House amendment

Governor: No proposal

House: Adds \$180,000 the second year from the general fund as a one-time appropriation to implement recommendation 3 and policy option 1 **regarding the development and implementation of a pilot program to more comprehensively supervise school division compliance with a subset of key standards** that was included in the JLARC report "Operations and Performance of the Virginia Department of Education."

Senate: No comparable amendment

Conference: Rejected the amendment

Governor: No proposal

House: Implements recommendations 8, 9 and 10 **regarding an effective and appropriately-resourced school improvement program** from the JLARC report "Operations and Performance of the Virginia Department of Education".

Senate: No comparable amendment

Conference: Rejected the amendment

Governor: Directs the Department of Education to **conduct a review of Family Life Education in the Commonwealth through school division reporting of local practices.** Requires the Department of Education to utilize the Youth Risk Behavior Survey to examine and report on any correlation that may exist between student behavior and the type of Family Life Education offered in a school division, along with best practices for teacher training and parent and community involvement.

House: No change

Senate: No change

Conference: No change

Other Areas

Department of Elections

Governor: No proposal

House: Continues funding to **reimburse general registrars for the cost of prepaid postage for the return of absentee ballots** at an amount estimated to be \$1.0 million.

Senate: No comparable amendment

Conference: Adopted

Governor: No proposal

House: Includes \$3.5 million to **increase the salary scale for general registrars to equal the salary scale for treasurers and restores the funding level for registrars** and electoral boards to 100 percent of the cost.

Senate: Restores \$2.5 million for compensation of general registrars and electoral board members that was included in the budget as passed in March 2020, but unallotted in April and removed during the 2020 Special Session I.

Conference: Adopts House position

	A	B	C	D	E	F	G	H	I
	Billno	Catch line	Chief Patron	Last action	Passed House	Passed Senate	Passed	Failed	Approved
1	HB1760	Conservation easements; certain easements be liberally construed in favor of purpose which created.	Webert	02/26/21 G Governor's Action Deadline 11:59 p.m., March 31, 2021	Y	Y	Y	N	N
2	HB1824	Virginia Residential Property Disclosure Act; required disclosures for buyer to beware, mold.	Askew	02/25/21 G Approved by Governor-Chapter 10 (effective 7/1/21)	Y	Y	Y	N	Y
3	HB1833	Conservation and Recreation, Department of; leasing of land.	Subramanyam	02/25/21 G Governor's Action Deadline 11:59 p.m., March 31, 2021	Y	Y	Y	N	N
4	HB1903	Local government; authority to reduce the speed limit in a business district or residence district.	Carr	02/25/21 G Governor's Action Deadline 11:59 p.m., March 31, 2021	Y	Y	Y	N	N
5	HB1928	Historic resources; acquisition and lease of land.	Aird	02/26/21 G Governor's Action Deadline 11:59 p.m., March 31, 2021	Y	Y	Y	N	N
6	HB1982	Nutrient credits; use by facility with certain stormwater discharge permit.	Bulova	02/26/21 G Governor's Action Deadline 11:59 p.m., March 31, 2021	Y	Y	Y	N	N
7	HB1983	Wetland and stream mitigation banks; proximity of impacted site.	Bulova	02/26/21 G Governor's Action Deadline 11:59 p.m., March 31, 2021	Y	Y	Y	N	N
8	HB2042	Trees; replacement and conservation during development, effective date.	Guy	02/26/21 G Governor's Action Deadline 11:59 p.m., March 31, 2021	Y	Y	Y	N	N
9	HB2129	Chesapeake Bay; wastewater treatment, Enhanced Nutrient Removal Certainty Program established.	Lopez	02/25/21 H Senate substitute agreed to by House 21200270D-S1 (63-Y 34-N)	Y	Y	Y	N	N
10	HB2186	Mathews County; appointment of bd. of director to the Economic Development Authority of the County.	Hodges	02/25/21 G Governor's Action Deadline 11:59 p.m., March 31, 2021	Y	Y	Y	N	N
11	HB2187	Recurrent Flooding Resiliency, Commonwealth Center; study topics to manage water quality, etc.	Hodges	02/26/21 G Governor's Action Deadline 11:59 p.m., March 31, 2021	Y	Y	Y	N	N
12	HB2217	Public access authorities; granted certain liability protections.	Hodges	02/25/21 G Governor's Action Deadline 11:59 p.m., March 31, 2021	Y	Y	Y	N	N
13	HB2221	Environmental permits; community and environmental justice outreach.	Hayes	02/23/21 S Left in Agriculture, Conservation and Natural Resources	Y	N	N	Y	N
14	HB2320	Real property; required disclosures for buyer to exercise due diligence, flood risk report.	Convirs-Fowler	02/25/21 G Governor's Action Deadline 11:59 p.m., March 31, 2021	Y	Y	Y	N	N
15	HB2322	Opioid Abatement Authority; established, report.	Herring	02/25/21 H Senate substitute with amendment agreed to by House 21200424D-S1 (94-Y 5-N)	Y	Y	Y	N	N
16	SB1143	Wetlands; extension of certain permits through 2021.	Cosgrove	02/22/21 G Governor's Action Deadline 11:59 p.m., March 31, 2021	Y	Y	Y	N	N
17	SB1199	Conservation easements; construction.	Petersen	02/22/21 G Governor's Action Deadline 11:59 p.m., March 31, 2021	Y	Y	Y	N	N
18	SB1207	Solar and energy storage projects; siting agreements throughout the Commonwealth.	Barker	03/01/21 G Governor's Action Deadline 11:59 p.m., March 31, 2021	Y	Y	Y	N	N
19	SB1291	Va. Water Protection Permit; withdrawal of surface water or ground water, plans for water auditing.	Mason	03/01/21 G Governor's Action Deadline 11:59 p.m., March 31, 2021	Y	Y	Y	N	N
20	SB1318	Interagency Environmental Justice Working Group; established, report.	Hashmi	03/01/21 S Failed to pass	Y	Y	N	Y	N
21	SB1319	Waste Diversion & Recycling Task Force; Department of Environmental Quality to continue Task Force.	Hashmi	02/25/21 S Title replaced 21200354D-H1	Y	Y	Y	N	N
22	SB1334	Broadband capacity; expands existing pilot program, municipal broadband authorities.	Edwards	02/24/21 G Governor's Action Deadline 11:59 p.m., March 31, 2021	Y	Y	Y	N	N
23	SB1354	Chesapeake Bay; wastewater treatment, Enhanced Nutrient Removal Certainty Program established.	Hanger	03/01/21 G Governor's Action Deadline 11:59 p.m., March 31, 2021	Y	Y	Y	N	N
24	SB1389	Real property; required disclosures for buyer to exercise due diligence, flood risk report.	Lewis	02/24/21 G Governor's Action Deadline 11:59 p.m., March 31, 2021	Y	Y	Y	N	N
25	SB1393	Trees; replacement and conservation during development, effective date.	Marsden	02/24/21 G Governor's Action Deadline 11:59 p.m., March 31, 2021	Y	Y	Y	N	N
26	SB1469	Opioid Abatement Authority; established, Fund created, report, membership.	Barker	02/27/21 H Conference report agreed to by House (90-Y 7-N)	Y	Y	Y	N	N
27	SJ289	Constitutional amendment; authority to grant perpetual easements to units of government.	Mason	02/17/21 H Tabled in Privileges and Elections (15-Y 5-N)	N	Y	N	Y	N
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**MIDDLE PENINSULA PLANNING
DISTRICT COMMISSION**

**AUDITED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

DUNHAM, AUKAMP & RHODES, PLC
Certified Public Accountants
Chantilly, Virginia

MIDDLE PENINSULA PLANNING DISTRICT COMMISSION

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MIDDLE PENINSULA PLANNING DISTRICT COMMISSION
BOARD OF COMMISSIONERS

Edwin E. Smith, Jr. - Essex County

Don Blanton - Essex County

John Magruder - Essex County

Michael Lombardo - Essex County

Ashley C. Chriscoe - Gloucester County

Dr. William G. Reay - Gloucester County

Michael Winebarger - Gloucester County

Brent Fedors - Gloucester County

Sherrin C. Alsop - King and Queen County

R. F. Bailey - King and Queen County

Thomas J. Swartzwelder - King and Queen County

Ed Moren - King William County

Travis J. Moskalski - King William County

Otto Williams - King William County

Melissa Mason - Mathews County

Tim Hill - Mathews County

Michael Rowe - Mathews County

Wayne Jessie - Middlesex County

Reggie Williams - Middlesex County

Gordon White - Middlesex County

Matt Walker - Middlesex County

Roy M. Gladding - Town of Tappahannock

Holly Gailey - Town of Urbanna

Diane Gravatt - Town of Urbanna

James Pruett - Town of West Point

Dunham, Aukamp & Rhodes, PLC
Certified Public Accountants

4437 Brookfield Corporate Dr., Suite 205-D
Chantilly, VA 20151

INDEPENDENT AUDITOR'S REPORT

To the Commissioners
Middle Peninsula Planning District Commission
Saluda, Virginia

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities and the aggregate remaining fund information of the Middle Peninsula Planning District Commission, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Middle Peninsula Planning District Commission's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Managements is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the *Specifications for Audits of Authorities, Boards, and Commissions*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made be management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the aggregate remaining fund information of the Middle Peninsula Planning District Commission as of June 30, 2020, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and pension disclosures on pages 4 - 7, page 33, and pages 36 - 37 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.


Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Middle Peninsula Planning District Commission's basic financial statements. The schedule of revenues and expenses by program on pages 31 - 32 is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The schedule of revenues and expenses by program is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of revenues and expenditures by program is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 10, 2021, on our consideration of Middle Peninsula Planning District Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Middle Peninsula Planning District Commission's internal control over financial reporting and compliance.


Certified Public Accountants
Chantilly, Virginia

March 10, 2021

MIDDLE PENINSULA PLANNING DISTRICT COMMISSION MANAGEMENT'S DISCUSSION AND ANALYSIS

In this section of the annual financial report of the Middle Peninsula Planning District Commission (the "Commission"), management provides a narrative discussion and an analysis of its financial activities for the fiscal year that ended June 30, 2020. Responsibility for the accuracy of the data as well as the completeness and fairness of this presentation (including all disclosures) rests with management. To the best of our knowledge and belief, the data contained herein is accurate in all material respects. This data is reported in a manner designed to fairly represent the Commission's financial position and the result of operations of its various funds. All disclosures necessary to enable the reader to gain an accurate understanding of the Commission's financial activities have been included. The Commission's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

Overview of the Financial Statements

The financial statements presented herein included all of the activities of the Commission using the integrated approach as prescribed by GASB Statement No. 34. Management's Discussion and Analysis (MD&A) is intended to introduce the Commission's financial statements. In addition to this Management's Discussion and Analysis (MD&A), the report consists of the enterprise fund financial statements, and the notes to the financial statements. These financial statements are designed to be more corporate-like in that all activities of the Commission are considered to be business-type activities.

Required Financial Statements

The Statement of Net Position focuses on resources available for future operations. In simple terms, this statement presents a snap shot view of the assets the Commission has, the liabilities it owes and the net difference. The net difference is further separated into amounts restricted for specific purposes and unrestricted amounts. Business-type activities are reported on the accrual basis of accounting. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the Commission is improving or deteriorating.

The Statement of Revenues, Expenses and Changes in Net Position details the Commission's revenues and expenses by functional type, and the net operating result of the current year. This statement summarizes and simplifies the user's analysis to determine the extent to which programs are self-supporting and/or subsidized by general revenues.

The Statement of Cash Flows shows the cash flows from the Commission's operating, capital and related financing, and investing activities.

The notes to the financial statements provide additional disclosure required by governmental accounting standards and provide information to assist the reader in understanding the Commission's financial condition.

The MD&A is intended to explain the significant changes in financial position and the differences in operation between the current year and prior years. Significant changes from the prior year are explained in the following paragraphs.

Financial Analysis

Summary Statements of Net Position June 30,

	<u>2020</u>	<u>2019</u>
Current Assets	\$ 914,425	\$ 916,726
Loans Receivable	201,689	240,113
Capital Assets (net)	<u>2,574</u>	<u>1,746</u>
Total Assets	<u>1,118,688</u>	<u>1,158,585</u>
Deferred Outflows of Resources	<u>28,176</u>	<u>10,096</u>
Current Liabilities	185,376	211,806
Long-Term Liabilities	<u>293,037</u>	<u>240,560</u>
Total Liabilities	<u>478,413</u>	<u>452,366</u>
Deferred Inflows of Resources	<u>67,268</u>	<u>113,784</u>
Invested in Capital Assets	2,574	1,746
Unrestricted	<u>598,609</u>	<u>600,785</u>
Total Net Position	<u>\$ 601,183</u>	<u>\$ 602,531</u>

Current assets decreased during the year by approximately \$2,300 primarily due to an increase in accounts receivable of \$80,000 as the Commission was delayed in collections on billings, and a decrease in cash of \$82,300 as a result in that delay.

Loans receivable decreased approximately \$38,000 during the year as a result of repayments on various revolving loan programs.

Deferred outflows of resources associated with the differences in projected and actual experience of the pension plan was increased by approximately \$18,000 during the year.

Current liabilities decreased approximately \$26,000 during the year primarily as a result of a timing difference in payments on accounts payable.

Deferred inflows of resources associated with the differences in projected and actual experience of the pension plan and differences between projected and actual earnings of the plan assets was reduced by \$46,500 during the year.

Long-term liabilities increased by approximately \$52,500 during the current year, as the Commission continued its septic repair and living shoreline loan programs financed through the Virginia Resources Authority. VRA loans have a delayed payback period of 2-3 years.

Total net position decreased by approximately \$1,350 this year.

**Summary Statements of Activities
For the Years Ended June 30,**

	<u>2020</u>	<u>2019</u>
Revenues		
Operating revenues	\$865,737	\$882,787
Interest	<u>10,351</u>	<u>15,538</u>
Total Revenues	<u>876,088</u>	<u>898,325</u>
Expenses		
General and administration	109,085	119,890
Project costs	<u>811,739</u>	<u>782,940</u>
Total Expenses	<u>920,824</u>	<u>902,830</u>
GASB 68 pension benefit	<u>43,388</u>	<u>54,783</u>
Change in net position	(1,348)	50,278
Net position at beginning of year	<u>602,531</u>	<u>552,253</u>
Net position at end of year	<u>\$601,183</u>	<u>\$602,531</u>

Operating revenues decreased by approximately \$17,000 and project expenses increased by approximately \$29,000 from the prior year. It is not uncommon for these figures to change substantially from year to year due to differences in the Commission's work program based on changes in the Commission's priorities and the availability of funding to implement the work program.

In FY 2020 actual operating revenues were under the budgeted amount by approximately \$317,000 as several projects were delayed due to forces beyond the Commission's control such as staffing changes and delays by project partners. Project costs for contractual costs were under budget by \$182,000 for the same reasons.

Actual expenses exceeded budgeted expenses for personnel costs by approximately \$26,000 as a result of the Commission's performance compensation program whereby management is authorized to obtain additional funding to enable and enhance the Commission's work program and increase staff salaries proportionately as additional funding is obtained. The ability to allow for a fluctuation in personnel costs based on availability of funding allows for greater flexibility in applying for additional funding to advance the Commission's priorities without increased staffing.

Fringe benefits were \$4,000 lower than budgeted due to loss of staff.

Actual promotion and advertising costs were lower than budget by \$28,000 as a result of a budget cut from the DRPT TDM Operating project.

Website and internet costs were \$17,000 lower than budgeted because we did not require as much anticipated IT support as in previous year(s). Also, we have an agreement with our IT person that if she does not invoice in time that we are not required to pay more than our monthly retainer.

Capital Assets

The capital assets in the governmental funds consist of computer equipment and vehicles used in the business-type activities of the Commission.

Long-Term Debt

Long-term debt consists of three loans from the Virginia Water Facilities Revolving Fund. In 2011 the Commission received a \$250,000 loan from the Virginia Water Facilities Revolving Fund to increase the revolving loan fund for wastewater loans. This loan consisted of a \$125,000 no interest loan and a \$125,000 "principal forgiveness" loan. As of June 30, 2020, \$125,000 had been drawn on this loan and an additional \$125,000 on the "principal forgiveness loan". This loan has been reduced by regular annual payments to \$37,500. During FY2016 the Commission received another loan in the amount of \$250,000 loan from the Virginia Water Facilities Revolving Fund to increase the revolving loan fund for wastewater loans. As of June 30, 2020, \$236,774 had been drawn on this loan but through regular annual payments has been reduced to \$117,293. A third loan in the amount of a \$250,000 loan from the Virginia Water Facilities Revolving Fund to capitalize the new revolving loan fund for living shoreline projects was settled in FY2018. As of June 30, 2020, \$182,867 has been drawn down on this loan but through regular annual payments has been reduced to \$157,867.

Economic Factors and Future Outlook

Presently, management of the Commission is aware of the changing federal, state, regional and local economic climate and is working to comprehensively understand, address and plan for the future security of the Commission consistent with the evolving new economic model and the cumulative effects of the Pandemic on the work program of the Commission. Management realizes the challenges posed to the organization by the high dependency on grants to fund operations especially during periods of economic stress and continues to explore other options to fund its essential programs including increased local funding. Management continues to work with the MPPDC leadership to explore strategies to fund the Commission, provide for a motivated and adequately compensated staff, and increase performance while maintaining compliance with the requirements of OMB Uniform Guidance and the needs and resources of the member localities. Currently management has increased the use of staffing under cooperative procurement to provide staffing needs as a means to providing more and varied expertise for increasingly complicated projects being undertaken by the Commission in regards to environmental and economic development projects.

Contacting the Commission's Financial Management Staff

This financial report is designed to provide a general overview of the Commission's finances and show the Commission's accountability for the funds it receives. If you have questions about this report or need additional information, contact the Commission's Executive Director at 125 Bowden Street in Saluda, Virginia.

MIDDLE PENINSULA PLANNING DISTRICT COMMISSION
STATEMENT OF NET POSITION
JUNE 30, 2020

ASSETS

Current Assets

Cash and cash equivalents	\$ 557,334
Restricted cash	29,167
Accounts receivable	327,924
Total Current Assets	914,425

Noncurrent Assets

Capital assets, net	2,574
Loans receivable	201,689
Total Noncurrent Assets	204,263
Total Assets	1,118,688

DEFERRED OUTFLOWS OF RESOURCES

Pension contributions after the measurement date	11,216
Changes of assumptions	16,208
Differences between expected and actual experience	752
Total Deferred Outflows of Resources	28,176

LIABILITIES

Current Liabilities

Accounts payable	24,610
Deferred revenue	64,391
Accrued leave payable	47,208
Current portion of notes payable	49,167
Total Current Liabilities	185,376

Noncurrent Liabilities

Notes payable, net of current portion	263,493
Net pension liability	29,544
Total Liabilities	478,413

DEFERRED INFLOWS OF RESOURCES

Differences between expected and actual experience	57,329
Changes of assumptions	2,182
Net difference between projected and actual earnings on plan investments	7,757
Total Deferred Inflows of Resources	67,268

NET POSITION

Invested in capital assets, net of related debt	2,574
Unrestricted	598,609
Total Net Position	\$ 601,183

See accompanying notes

MIDDLE PENINSULA PLANNING DISTRICT COMMISSION
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2020

Operating Revenues

Grants and appropriations	
Federal grants	\$ 385,896
State grants and appropriations	207,592
Local grants and appropriations	267,015
Miscellaneous	5,234
Total Operating Revenues	865,737

Operating Expenses

Salaries	386,458
Consultant and contractual	246,914
Fringe benefits	105,322
Construction	73,084
Rent and utilities	32,395
Promotion and advertising	13,023
Legal and accounting	11,583
Printing and duplicating	9,136
Office supplies	7,867
Lodging and staff expense	7,015
Workshops and conferences	5,184
Dues and memberships	4,535
Insurance	4,120
Telephone	3,002
Depreciation	2,555
Miscellaneous	2,415
Subscriptions and publications	1,881
Vehicle costs	1,361
Website and internet	1,318
Meeting supplies and expenses	1,001
Postage	635
Bad debt	20
Total Operating Expenses	920,824
Operating Income (Loss)	(55,087)

Non-Operating Revenues

Interest income	10,351
GASB 68 pension benefit	43,388
Change in Net Position	(1,348)

Net Position - Beginning of Year	602,531
Net Position - End of Year	\$ 601,183

See accompanying notes

**MIDDLE PENINSULA PLANNING DISTRICT COMMISSION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2020**

Cash Flows from Operating Activities

Received from customers	\$ 785,219
Paid to suppliers for goods and services	(553,264)
Paid to employees for services	(385,005)
Net Cash Flows Used in Operating Activities	(153,050)

Cash Flows from Capital and Related Financing Activities

Proceeds from notes payable	80,436
Principal paid on notes payable	(55,417)
Net Cash Flows Provided by Capital and Related Financing Activities	25,019

Cash Flows from Investing Activities

Disbursement for new loans made	(2,505)
Loan payments received	37,546
Interest income	10,351
Net Cash Flows Provided by Investing Activities	45,392

Net Change in Cash and Cash Equivalents	(82,639)
Cash and Cash Equivalents - Beginning of Year	669,140
Cash and Cash Equivalents - End of Year	\$ 586,501

Reconciliation of Operating Income to Net Cash

Provided by Operating Activities

Operating income (loss)	\$ (55,087)
Depreciation	2,555
Changes in Assets and Liabilities	
Accounts receivable	(80,338)
Accounts payable	(28,202)
Deferred revenue	319
Accrued annual leave	1,453
Net Cash Flows from Operating Activities	\$ (159,300)

See accompanying notes

MIDDLE PENINSULA PLANNING DISTRICT COMMISSION

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – Organization and Summary of Accounting Policies

The Middle Peninsula Planning District Commission (the "Commission") was established April, 1972, pursuant to the provisions of Section 15.1-1403 of the Virginia code (the 1968 Virginia Area Development Act) as an authorized regional planning district commission. The Commission's primary duty is to promote orderly and efficient development of the physical, social and economic elements of the district by planning, encouraging and assisting governmental subdivisions to plan for the future. The Commission is a subsidiary organization of the counties of Essex, Gloucester, King and Queen, King William, Mathews, Middlesex and the towns of Tappahannock, Urbanna and West Point. Commission funding is obtained from member jurisdictions' contributions, funds provided by the Commonwealth of Virginia, and Federal, state and local grants and contracts for specified projects designed to further the Commission's goals and objectives.

The financial statements have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Government Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of significant accounting policies followed in the preparation of these financial statements:

- (a) Reporting Entity – The Commission's governing body is composed of members appointed by the nine member jurisdictions. The Commission is not a component unit of any of the member governments, and there are no component units to be included in the Commission's financial statements.
- (b) Basis of Accounting – The accounting and reporting policies of the Commission relating to the accompanying basic financial conform to accounting principles generally accepted in the United States of America applicable to state and local governments. Generally accepted accounting principles for local governments include those principles prescribed by the Governmental Accounting Standards Board (GASB) and by the Financial Accounting Standards Board (when applicable).

Management believes that the periodic determination of revenues earned, expenses incurred and net income is desirable for purposes of facilitating management control and accountability. Therefore, the activities of the Commission are accounted for as a proprietary fund which uses the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recognized when incurred. The Commission considers grant revenue as earned when the grant expenditure is incurred.

Private-sector standards of accounting and financial reporting issued prior to December 31, 1989, generally are followed in the government-wide financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board.

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

MIDDLE PENINSULA PLANNING DISTRICT COMMISSION

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 1 – Organization and Summary of Accounting Policies (Continued)

- (c) Project Expenditures – The costs of goods and services that are identifiable for indirect costs are allocated to projects as described in Note 10. Personnel costs for Commission employees, including overtime and compensatory time, are direct charges to the appropriate projects. Expenses for paid leave and fringe benefits are allocated to projects as described in Notes 10 and 11.
- (d) Concentrations of Credit and Market Risk – Financial instruments that potentially expose the Organization to concentrations of credit and market risk consist primarily of cash equivalents and investments. Cash equivalents are maintained at high-quality financial institutions which, at times, may exceed federally insured limits. Credit exposure is limited to any one institution. The Commission has not experienced any losses on its cash equivalents.
- (e) Cash and Cash Equivalents – Cash and cash equivalents include investments in highly liquid debt instruments with a maturity of three months or less, excluding amounts whose use is limited by the Commission’s Board designation or other arrangements under trust agreements with third-party payers.
- (f) Accounts Receivable – Accounts receivable are reported at their gross value when earned as the underlying exchange transaction occurs. Receivables related to non-exchange transactions are recognized when their eligibility requirements have been met. Receivables are reduced by the estimated portion that is expected to be uncollectible. This estimate is made based on collection history and current information regarding the credit worthiness of the debtors. When continued collection activity results in receipts of amounts previously written off, revenue is recognized for the amount collected. Management considers all of the receivables collectible at June 30, 2020, and no allowance for doubtful accounts has been provided. Concentration of credit risk with respect to accounts receivable is limited due to the number of grantors, many of which are federal government grants.
- (g) Employee Leave Benefits – Commission policy allows employees to accumulate unused vacation leave up to certain maximum hours. Commission employees earn from twelve to eighteen vacation days a year, depending on the length of their employment. Annual leave may be carried over from one fiscal year to the next, subject to certain limitations. The liability for accrued vacation is \$38,838 as of June 30, 2020.

All employees receive fifteen sick days a year. Sick leave may be carried over from one fiscal year to the next. Upon termination or retirement, employees with five or more years of continuous salaried service may receive up to 25% of their unused sick leave balances up to a maximum of \$5,000. The liability for accrued sick leave is \$8,370 as of June 30, 2020.

- (h) Management Estimates – The presentation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

MIDDLE PENINSULA PLANNING DISTRICT COMMISSION

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 1 – Organization and Summary of Accounting Policies (Continued)

- (i) Capital Assets – Capital assets are recorded at historical or estimated historical cost if actual historical cost is not available for items exceeding \$1,000. Depreciation is taken on the straight-line method over the estimated useful life of the respective asset.

The estimated lives are as follows:

Equipment	3-5 years
Furniture	7 years

Assets that have been purchased with grantor funds may revert to the grantor in the event the program is discontinued.

- (j) Budgets and Budgetary Accounting – Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all funds. All budgets are presented on the modified accrual basis of accounting. Accordingly, the Budgetary Comparison Schedule presents actual expenditures in accordance with the accounting principles generally accepted in the United States of America on a basis consistent with the adopted budgets as amended.
- (k) Advertising Costs – Advertising costs are expensed as incurred.
- (l) Deferred Outflows/Inflows of Resources – The Commission reports deferred outflows of resources on its statement of net position. Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until the applicable period.

The Commission reports deferred inflows of resources on its statement of net position. Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until a future period.

- (m) Pension – For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Commission's Virginia Retirement System (VRS) plans (Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by VRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

MIDDLE PENINSULA PLANNING DISTRICT COMMISSION

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 2 – Cash and Investments

State statute authorizes the Commission to invest in obligations of the U.S. Treasury, agencies, and instrumentalities, repurchase agreements, certificates of deposit or time deposits insured by the FDIC, and the local government investment pool. Deposits are carried at cost, which approximates fair value.

At June 30, 2020 the carrying amount of the Commission’s deposits with banks was \$207,223 and the bank balances were \$254,528. All of the bank balances were covered by federal depository insurance or collateralized in accordance with the Virginia Security for Public Deposits Act.

Investments in 2a7-like pools are valued based on the value of pool shares. The Commission invests a 2a7-like pool, the Local Government Investment Pool, managed by the Virginia Department of Treasury. Permitted investments in the pool include U.S. government obligations, repurchase agreements, certificates of deposit, banker’s acceptances, commercial paper, short-term corporate notes, and short-term taxable municipal obligations. The investment pool has not been assigned a risk category since the Commission is not issued securities, but rather owns an undivided interest in the assets of the pool. The Commission’s balance in the investment pool was \$379,278 at June 30, 2020.

NOTE 3 – Restricted Cash

The Virginia Resources Authority has required the Commission to provide a loan loss reserve of one year’s worth of debt service on the 2015 Septic Repair Revolving Loan Fund note payable and for the 2015 Living Shoreline Revolving Loan Fund. Restricted cash accounts in the amount of \$12,500 and \$16,667, respectively, have been established.

NOTE 4 – Property and Equipment

A summary of property and equipment as of June 30, 2020 is as follows:

	Balance July 1, 2019	Additions	Disposals	Balance June 30, 2020
Equipment	\$ 58,194	\$ 3,383	\$(11,393)	\$ 50,184
Accumulated Depreciation	<u>(56,448)</u>	<u>(2,555)</u>	<u>11,393</u>	<u>(47,610)</u>
Net	<u>\$ 1,746</u>	<u>\$ 828</u>	<u>\$ -</u>	<u>\$ 2,574</u>

MIDDLE PENINSULA PLANNING DISTRICT COMMISSION

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 5 – Pension Plan

The Virginia Retirement System (VRS) Political Subdivision Retirement Plan is a multi-employer, agent plan. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Commission’s Retirement Plan and the additions to/deductions from the Commission’s Retirement Plan’s net fiduciary position have been determined on the same basis as they were reported by the Virginia Retirement System (VRS). For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Plan Description

All full-time, salaried permanent employees of the Political Subdivision are automatically covered by VRS Retirement Plan upon employment. This plan is administered by the Virginia Retirement System (the System) along with plans for other employer groups in the Commonwealth of Virginia. Members earn one month of service credit for each month they are employed and for which they and their employer pay contributions to VRS. Members are eligible to purchase prior service, based on specific criteria defined in the *Code of Virginia*, as amended. Eligible prior service that may be purchased includes prior public service, active military service, certain periods of leave, and previously refunded service.

The System administers three different benefit structures for covered employees – Plan 1, Plan 2, and Hybrid. Each of these benefit structures has a different eligibility criteria. The specific information for each plan and the eligibility for covered groups within each plan are set out in the table below:

PLAN 1	PLAN 2	HYBRID RETIREMENT PLAN
<p>About Plan 1 Plan 1 is a defined benefit plan. The retirement benefit is based on a member’s age, service credit and average final compensation at retirement using a formula.</p>	<p>About Plan 2 Plan 2 is a defined benefit plan. The retirement benefit is based on a member’s age, service credit and average final compensation at retirement using a formula.</p>	<p>About the Hybrid Retirement Plan The Hybrid Retirement Plan combines the features of a defined benefit plan and a defined contribution plan.</p> <ul style="list-style-type: none"> • The defined benefit is based on a member’s age, service credit and average final compensation at retirement using a formula. • The benefit from the defined contribution component of the plan depends on the member and employer contributions made to the plan and the investment performance of those contributions. • In addition to the monthly benefit payment payable from the defined benefit plan at retirement, a member may start receiving distributions from the balance in the defined contribution account, reflecting the contributions, investment gains or losses, and any required fees.

MIDDLE PENINSULA PLANNING DISTRICT COMMISSION

**NOTES TO FINANCIAL STATEMENTS
(Continued)**

NOTE 5 – Pension Plan (Continued)

<p>Eligible Members Employees are in Plan 1 if their membership date is before July 1, 2010, and they were vested as of January 1, 2013, and they have not taken a refund.</p> <p>Hybrid Opt-In Election VRS non-hazardous duty covered Plan 1 members were allowed to make an irrevocable decision to opt into the Hybrid Retirement Plan during a special election window held January 1 through April 30, 2014.</p> <p>The Hybrid Retirement Plan’s effective date for eligible Plan 1 members who opted in was July 1, 2014.</p> <p>If eligible deferred members returned to work during the election window, they were also eligible to opt into the Hybrid Retirement Plan.</p> <p>Members who were eligible for an optional retirement plan (ORP) and had prior service under Plan 1 were not eligible to elect the Hybrid Retirement Plan and remain as Plan 1 or ORP.</p>	<p>Eligible Members Employees are in Plan 2 if their membership date is on or after July 1, 2010, or their membership date is before July 1, 2010, and they were not vested as of January 1, 2013.</p> <p>Hybrid Opt-In Election Eligible Plan 2 members were allowed to make an irrevocable decision to opt into the Hybrid Retirement Plan during a special election window held January 1 through April 30, 2014.</p> <p>The Hybrid Retirement Plan’s effective date for eligible Plan 2 members who opted in was July 1, 2014.</p> <p>If eligible deferred members returned to work during the election window, they were also eligible to opt into the Hybrid Retirement plan.</p> <p>Members who were eligible for an optional retirement plan (ORP) and have prior service under Plan 2 were not eligible to elect the Hybrid Retirement Plan and remain as Plan 2 or ORP.</p>	<p>Eligible Members Employees are in the Hybrid Retirement Plan if their membership date is on or after January 1, 2014. This includes:</p> <ul style="list-style-type: none"> • Political subdivision employees* • Members in Plan 1 or Plan 2 who elected to opt into the plan during the election window held January 1-April 30, 2014; the plan’s effective date for opt-in members was July 1, 2014. <p>* Non-Eligible Members Some employees are not eligible to participate in the Hybrid Retirement Plan. They include:</p> <ul style="list-style-type: none"> • Political subdivision employees who are covered by enhanced benefits for hazardous duty employees. <p>Those employees eligible for an optional retirement plan (ORP) must elect the ORP plan or the Hybrid Retirement Plan. If these members have prior service under Plan 1 or Plan 2, they are not eligible to elect the Hybrid Retirement Plan and must select Plan 1 or Plan 2 (as applicable) or ORP.</p>
<p>Retirement Contributions Members contribute up to 5% of their compensation each month to their member contribution account through a pre-tax salary reduction. Member contributions are tax-deferred until they are withdrawn as part of retirement benefit or as a refund. The employer makes a separate actuarially determined contribution to VRS for all covered employees. VRS invests both member and employer contributions to provide funding for the future benefit payment.</p>	<p>Retirement Contributions Same as Plan 1.</p>	<p>Retirement Contributions A member’s retirement benefit is funded through mandatory and voluntary contributions made by the member and the employer to both the defined benefit and the defined contribution components of the plan. Mandatory contributions are based on a percentage of the employee’s creditable compensation and are required from both the member and the employer. Additionally, members may choose to make voluntary contributions to the defined contribution component of the plan, and the employer is required to match those voluntary contributions according to specified percentages.</p>

MIDDLE PENINSULA PLANNING DISTRICT COMMISSION

**NOTES TO FINANCIAL STATEMENTS
(Continued)**

NOTE 5 – Pension Plan (Continued)

<p>Service credit Service credit includes active service. Members earn service credit for each month they are employed in a covered position. It also may include credit for prior service the member has purchased or additional service credit the member was granted. A member's total service credit is one of the factors used to determine their eligibility for retirement and to calculate their retirement benefit. It also may count toward eligibility for the health insurance credit in retirement, if the employer offers the health insurance credit.</p>	<p>Service credit Same as Plan 1.</p>	<p>Service credit <u>Defined Benefit Component:</u> Under the defined benefit component of the plan, service credit includes active service. Members earn service credit for each month they are employed in a covered position. It also may include credit for prior service the member has purchased or additional service credit the member was granted. A member's total service credit is one of the factors used to determine their eligibility for retirement and to calculate their retirement benefit. It also may count toward eligibility for the health insurance credit in retirement, if the employer offers the health insurance credit.</p> <p><u>Defined Contributions Component:</u> Under the defined contribution component, service credit is used to determine vesting for the employer contribution portion of the plan.</p>
<p>Vesting Vesting is the minimum length of service a member needs to qualify for a future retirement benefit. Members become vested when they have at least five years (60 months) of service credit. Vesting means members are eligible to qualify for retirement if they meet the age and service requirements for their plan. Members also must be vested to receive a full refund of their member contribution account balance if they leave employment and request a refund.</p> <p>Members are always 100% vested in the contributions that they make.</p>	<p>Vesting Same as Plan 1.</p>	<p>Vesting <u>Defined Benefit Component:</u> Defined benefit vesting is the minimum length of service a member needs to qualify for a future retirement benefit. Members are vested under the defined benefit component of the Hybrid Retirement Plan when they reach five years (60 months) of service credit. Plan 1 or Plan 2 members with at least five years (60 months) of service credit who opted into the Hybrid Plan remain vested in the defined benefit component.</p> <p><u>Defined Contributions Component:</u> Defined contribution vesting refers to the minimum length of service a member needs to be eligible to withdraw the employer contributions from the defined contribution component of the plan.</p> <p>Members are always 100% vested in the contributions that they make.</p> <p>Upon retirement or leaving covered employment, a member is eligible to withdraw a percentage of employer contributions to the defined contribution component of the plan, based on service.</p>

MIDDLE PENINSULA PLANNING DISTRICT COMMISSION

**NOTES TO FINANCIAL STATEMENTS
(Continued)**

NOTE 5 – Pension Plan (Continued)

		<p>Vesting (continued)</p> <ul style="list-style-type: none"> • After two years, a member is 50% vested and may withdraw 50% of employer contributions. • After three years, a member is 75% vested and may withdraw 75% of employer contributions. • After four or more years, a member is 100% vested and may withdraw 100% of employer contributions. <p>Distribution is not required, except as governed by law.</p>
<p>Calculating the Benefit The basic benefit is determined using the average final compensation, service credit and plan multiplier. An early retirement reduction is applied to this amount if the member is retiring with a reduced benefit. In cases where the member has elected an optional form of retirement payment, an option factor specific to the option chosen is then applied.</p>	<p>Calculating the Benefit See definition under Plan 1.</p>	<p>Calculating the Benefit Defined Benefit Component: See definition under Plan 1.</p> <p>Defined Contribution Component: The benefit is based on contributions made by the member and any matching contributions made by the employer, plus net investment earnings on those contributions.</p>
<p>Average Final Compensation A member's average final compensation is the average of the 36 consecutive months of highest compensation as a covered employee.</p>	<p>Average Final Compensation A member's average final compensation is the average of their 60 consecutive months of highest compensation as a covered employee.</p>	<p>Average Final Compensation Same as Plan 2. It is used in the retirement formula for the defined benefit component of the plan.</p>
<p>Service Retirement Multiplier VRS: The retirement multiplier is a factor used in the formula to determine a final retirement benefit. The retirement multiplier for non-hazardous duty members is 1.70%.</p> <p>Sheriffs and regional jail superintendents: The retirement multiplier for sheriffs and regional jail superintendents is 1.85%.</p>	<p>Service Retirement Multiplier VRS: Same as Plan 1 for service earned, purchased or granted prior to January 1, 2013. For non-hazardous duty members the retirement multiplier is 1.65% for service credit earned, purchased or granted on or after January 1, 2013.</p> <p>Sheriffs and regional jail superintendents: Same as Plan 1.</p>	<p>Service Retirement Multiplier Defined Benefit Component VRS: The retirement multiplier for the defined benefit component is 1.00%.</p> <p>For members who opted into the Hybrid Retirement Plan from Plan 1 or Plan 2, the applicable multipliers for those plans will be used to calculate the retirement benefit for service credited in those plans.</p> <p>Sheriffs and regional jail superintendents: Not applicable</p>

MIDDLE PENINSULA PLANNING DISTRICT COMMISSION

**NOTES TO FINANCIAL STATEMENTS
(Continued)**

NOTE 5 – Pension Plan (Continued)

<p>Service Retirement Multiplier VRS: (continued)</p> <p>Political subdivision hazardous duty employees: The retirement multiplier of eligible political subdivision hazardous duty employees other than sheriffs and regional jail superintendents is 1.70% or 1.85% as elected by the employer.</p>	<p>Service Retirement Multiplier VRS: (continued)</p> <p>Political subdivision hazardous duty employees: Same as Plan 1.</p>	<p>Service Retirement Multiplier VRS: (continued)</p> <p>Political subdivision hazardous duty employees: Not applicable.</p> <p><u>Defined Contribution Component:</u> Not applicable.</p>
<p>Normal Retirement Age VRS: Age 65.</p> <p>Political subdivision hazardous duty employees: Age 60.</p>	<p>Normal Retirement Age VRS: Normal Social Security retirement age.</p> <p>Political subdivision hazardous duty employees: Same as Plan 1.</p>	<p>Normal Retirement Age <u>Defined Benefit Component:</u> VRS: Same as Plan 2.</p> <p>Political subdivision hazardous duty employees: Not applicable.</p> <p><u>Defined Contribution Component:</u> Members are eligible to receive distributions upon leaving employment, subject to restrictions.</p>
<p>Earliest Unreduced Retirement Eligibility VRS: Age 65 with at least five years (60 months) of service credit or at age 50 with at least 30 years of service credit.</p> <p>Political subdivision hazardous duty employees: Age 60 with at least five years (60 months) of service credit or at age 50 with at least 25 years of service credit.</p>	<p>Earliest Unreduced Retirement Eligibility VRS: Normal Social Security retirement age with at least five years (60 months) of service credit or when their age plus service equal 90.</p> <p>Political subdivision hazardous duty employees: Same as Plan 1.</p>	<p>Earliest Unreduced Retirement Eligibility <u>Defined Benefit Component:</u> VRS: Normal Social Security retirement age and have at least five years (60 months) of service credit or when their age plus service equal 90.</p> <p>Political subdivision hazardous duty employees: Not applicable.</p> <p><u>Defined Contribution Component:</u> Members are eligible to receive distributions upon leaving employment, subject to restrictions.</p>
<p>Earliest Reduced Retirement Eligibility VRS: Age 55 with at least five years (60 months) of service credit or at age 50 with at least 10 years of service credit.</p> <p>Political subdivision hazardous duty employees: 50 with at least five years of service credit.</p>	<p>Earliest Reduced Retirement Eligibility VRS: Age 60 with at least five years (60 months) of service credit.</p> <p>Political subdivision hazardous duty employees: Same as Plan 1.</p>	<p>Earliest Reduced Retirement Eligibility <u>Defined Benefit Component:</u> VRS: Age 60 with at least five years (60 months) of service credit.</p> <p>Political subdivision hazardous duty employees: Not applicable.</p> <p><u>Defined Contribution Component:</u> Members are eligible to receive distributions upon leaving employment, subject to restrictions.</p>

MIDDLE PENINSULA PLANNING DISTRICT COMMISSION

**NOTES TO FINANCIAL STATEMENTS
(Continued)**

NOTE 5 – Pension Plan (Continued)

<p>Cost-of-Living Adjustment (COLA) in Retirement The Cost-of-Living Adjustment (COLA) matches the first 3% increase in the Consumer Price Index for all Urban Consumers (CPI-U) and half of any additional increase (up to 4%) up to a maximum COLA of 5%.</p> <p><u>Eligibility:</u> For members who retire with an unreduced benefit or with a reduced benefit with at least 20 years of service credit, the COLA will go into effect on July 1 after one full calendar year from the retirement date.</p> <p>For members who retire with a reduced benefit and who have less than 20 years of service credit, the COLA will go into effect on July 1 after one calendar year following the unreduced retirement eligibility date.</p> <p><u>Exceptions to COLA Effective Dates:</u> The COLA is effective July 1 following one full calendar year (January 1 to December 31) under any of the following circumstances:</p> <ul style="list-style-type: none"> • The member is within five years of qualifying for an unreduced retirement benefit as of January 1, 2013. • The member retires on disability. • The member retires directly from short-term to long-term disability under the Virginia Sickness and Disability Program (VSDP). • The member is involuntarily separated from employment for causes other than job performance or misconduct and is eligible to retire under the Workforce Transition Act or the Transitional Benefits Program. <p>The member dies in service and the member’s survivor or beneficiary is eligible for a monthly death-in-service benefit. The COLA will go into effect on July 1 following one full calendar year (January 1 to December 31) from the date the monthly benefit begins.</p>	<p>Cost-of-Living Adjustment (COLA) in Retirement The Cost-of-Living Adjustment (COLA) matches the first 2% increase in the CPI-U and half of any additional increase (up to 2%), for a maximum COLA of 3%.</p> <p><u>Eligibility:</u> Same as Plan 1.</p> <p><u>Exceptions to COLA Effective Dates:</u> Same as Plan 1.</p>	<p>Cost-of-Living Adjustment (COLA) in Retirement <u>Defined Benefit Component:</u> Same as Plan 2.</p> <p><u>Defined Contribution Component:</u> Not applicable.</p> <p><u>Eligibility:</u> Same as Plan 1 and Plan 2.</p> <p><u>Exceptions to COLA Effective Dates:</u> Same as Plan 1 and Plan 2.</p>
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MIDDLE PENINSULA PLANNING DISTRICT COMMISSION

**NOTES TO FINANCIAL STATEMENTS
(Continued)**

NOTE 5 – Pension Plan (Continued)

<p>Disability Coverage Members who are eligible to be considered for disability retirement and retire on disability, the retirement multiplier is 1.70% on all service, regardless of when it was earned, purchased or granted.</p>	<p>Disability Coverage Members who are eligible to be considered for disability retirement and retire on disability, the retirement multiplier is 1.65% on all service, regardless of when it was earned, purchased or granted.</p>	<p>Disability Coverage Employees of political subdivisions (including Plan 1 and Plan 2 opt-ins) participate in the Virginia Local Disability Program (VLDP) unless their local governing body provides and employer-paid comparable program for its members.</p> <p>Hybrid members (including Plan 1 and Plan 2 opt-ins) covered under VLDP are subject to a one-year waiting period before becoming eligible for non-work-related disability benefits.</p>
<p>Purchase of Prior Service Members may be eligible to purchase service from previous public employment, active duty military, an eligible period of leave or VRS refunded service as service credit in their plan. Prior service credit counts toward vesting, eligibility for retirement and the health insurance credit. Only active members are eligible to purchase prior service. When buying service, members must purchase their most recent period of service first. Members also may be eligible to purchase periods of leave without pay.</p>	<p>Purchase of Prior Service Same as Plan 1.</p>	<p>Purchase of Prior Service Defined Benefit Component: Same as Plan 1, with the following exceptions: <ul style="list-style-type: none"> • Hybrid Retirement Plan members are ineligible for ported service. Defined Contribution Component: Not applicable.</p>

Employees Covered by Benefit Terms

As of the June 30, 2018 actuarial valuation, the following employees were covered by the benefit terms of the pension plan:

	Number
Inactive Members or Their Beneficiaries Currently Receiving Benefits	3
Inactive Members	
Vested inactive members	1
Non-vested inactive members	2
Inactive members active elsewhere in VRS	0
Total Inactive Members	3
Active Members	3
Total covered employees	9

MIDDLE PENINSULA PLANNING DISTRICT COMMISSION

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 5 – Pension Plans (Continued)

Contributions

The contribution requirement for active employees is governed by §51.1-145 of the *Code of Virginia*, as amended, but may be impacted as a result of funding options provided to political subdivisions by the Virginia General Assembly. Employees are required to contribute 5.00% of their compensation toward their retirement.

The Commission's contractually required contribution rate for the year ended June 30, 2020 was 4.68% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2017.

This rate, when combined with employee contributions, was expected to finance the costs of benefits earned by employee during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the Commission were \$11,216 and \$10,096 for the years ended June 30, 2020 and June 30, 2019, respectively.

Net Pension Liability

The net pension liability (NPL) is calculated separately for each employer and represents that particular employer's total pension liability determined in accordance with GASB Statement No. 68, less that employer's fiduciary net position. For the Commission, the net pension liability was measured as of June 30, 2019. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of June 30, 2018 rolled forward to the measurement date of June 30, 2019.

Actuarial Assumptions – General Employees

The total pension liability for General Employees in the Commission's Retirement Plan was based on an actuarial valuation as of June 30, 2018, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2019.

Inflation	2.5%
Salary increases, including Inflation	3.5% – 5.35%
Investment rate of return	6.75%, net of pension plan investment expenses, including inflation*

* Administrative expenses as a percent of the market value of assets for the last experience study were found to be approximately 0.06% of the market assets for all of the VRS plans. This would provide an assumed investment return rate for GASB purposes of slightly more than the assumed 6.75%. However, since the difference was minimal, and a more conservative 6.75% investment return assumption provided a projected plan net position that exceeded the projected benefit payments, the long-term expected rate of return on investments was assumed to be 6.75% to simplify preparation of pension liabilities.

MIDDLE PENINSULA PLANNING DISTRICT COMMISSION

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 5 – Pension Plans (Continued)

Mortality rates:

Largest 10 - Non-Hazardous Duty: 20% of deaths are assumed to be service related

Pre-Retirement:

RP-2014 Employee Rates to age 80, Healthy Annuitant Rates at ages 81 and older projected with scale BB to 2020; males 95% of rates; females 105% of rates.

Post-Retirement:

RP-2014 Employee Rates to age 49, Healthy Annuitant Rates at ages 50 and older projected with scale BB to 2020; males set forward 3 years; females 1.0% increase compounded from ages 70 to 90.

Post-Disablement:

RP-2014 Disability Mortality Rates projected with scale BB to 2020; males set forward 2 years, 110% of rates; females 125% of rates.

All Others (Non 10 Largest) - Non-Hazardous Duty: 15% of deaths are assumed to be service related

Pre-Retirement:

RP-2014 Employee Rates to age 80, Healthy Annuitant Rates at ages 81 and older projected with scale BB to 2020; males 95% of rates; females 105% of rates.

Post-Retirement:

RP-2014 Employee Rates to age 49, Healthy Annuitant Rates at ages 50 and older projected with scale BB to 2020; males set forward 3 years; females 1.0% increase compounded from ages 70 to 90.

Post-Disablement:

RP-2014 Disability Mortality Rates projected with scale BB to 2020; males set forward 2 years, 110% of rates; females 125% of rates.

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study are as follows:

Largest 10 – Non-Hazardous Duty:

Mortality Rates (Pre-retirement, post-retirement healthy and disabled)	Update to a more current mortality table – RP-2014 projected to 2020
Retirement Rates	Lowered rates at older ages and changed final retirement from 70 to 75
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates	Lowered rates
Salary Scale	No change
Line of Duty Disability	Increase rate from 14% to 20%
Discount Rate	Decrease rate from 7.00% to 6.75%

MIDDLE PENINSULA PLANNING DISTRICT COMMISSION

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 5 – Pension Plans (Continued)

All Other (Non 10 Largest) – Non-Hazardous Duty:

Mortality Rates (Pre-retirement, post-retirement healthy and disabled)	Update to a more current mortality table – RP-2014 projected to 2020
Retirement Rates	Lowered rates at older ages and changed final retirement from 70 to 75
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates	Lowered rates
Salary Scale	No change
Line of Duty Disability	Increase rate from 14% to 20%
Discount Rate	Decrease rate from 7.00% to 6.75%

Long-Term Expected Rate of Return

The long-term expected rate of return on pension System investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension System investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimate of arithmetic real rates of return for each major asset class are summarized in the following table:

<i>Long-Term Expected Rate of Return (Continued)</i>	Arithmetic Long-Term Expected Rate of Return	Weighted Average Long- Term Expected Rate of Return
Public Equity	34.00%	5.61%
Fixed Income	15.00%	0.88%
Credit Strategies	14.00%	5.13%
Real Assets	14.00%	5.27%
Private Equity	14.00%	8.77%
MAPS-Multi-Asset Public Strategies	6.00%	3.52%
PIP-Private Investment Partnership	<u>3.00%</u>	6.29%
Total	<u>100.00%</u>	<u>5.13%</u>
	Inflation	2.50%
	* Expected arithmetic nominal return	<u>7.63%</u>

* The above allocation provides a one-year return 7.63%. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected return for the system, stochastic projections are employed to model future returns under various economic conditions. The results provide a range of returns over various time periods that ultimately provide a median return of 7.11%, including expected inflation of 2.50%. The VRS Board elected a long-term rate of 6.75% which is roughly at the 40th percentile of expected long-term results of the VRS fund asset allocation.

MIDDLE PENINSULA PLANNING DISTRICT COMMISSION

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 5 – Pension Plans (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that System member contributions will be made per the VRS Statutes and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Consistent with the phased-in funding provided by the General Assembly for state and teacher employer contributions; political subdivisions were also provided with an opportunity to use an alternate employer contribution rate. For the year ended June 30, 2019, the alternate rate was the employer contribution rate used in FY2012 or 100% of the actuarially determined employer contribution rate from the June 30, 2017, actuarial valuations, whichever was greater. From July 1, 2019 on, participating employers are assumed to continue 100% of the actuarially determined contribution rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the Long-term expected rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

Change in the Net Pension Liability:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances at June 30, 2018	\$789,118	\$780,781	\$ 8,337
Changes for the year:			
Service cost	23,285	-	23,285
Interest	54,652	-	54,652
Changes of assumptions	26,733	-	26,733
Differences between expected and actual experience	(13,208)	-	(13,208)
Contributions – employer	-	8,734	(8,734)
Contributions – employee	-	9,332	(9,332)
Net investment income	-	52,729	(52,729)
Benefit payments, including refunds of employee contributions	(16,756)	(16,756)	-
Administrative expense	-	(507)	507
Other changes	-	(33)	33
Net changes	74,706	53,499	21,207
Balances at June 30, 2019	\$863,824	\$834,280	\$ 29,544

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the Commission using the discount rate of 6.75%, as well as what the Commission's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate:

MIDDLE PENINSULA PLANNING DISTRICT COMMISSION

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 5 – Pension Plans (Continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate (Continued)

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Commission's Net Pension Liability	\$144,163	\$29,544	\$(62,646)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2020, the Commission recognized pension benefit of \$43,388. At June 30, 2020, the Commission reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Summary of Deferred Outflows of Resources and Inflows of Resources (continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 752	\$57,329
Changes of assumptions	16,208	2,182
Net difference between projected and actual earnings on plan investments	-	7,757
Employer contributions subsequent to the Measurement Date	11,216	-
Total	<u>\$28,176</u>	<u>\$67,268</u>

\$11,216 reported as deferred outflows of resources related to pensions resulting from Commission's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending June 30,	
2021	\$(45,218)
2022	(5,241)
2023	(238)
2024	389
2025	-
Thereafter	-

MIDDLE PENINSULA PLANNING DISTRICT COMMISSION

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 5 – Pension Plans (Continued)

Pension Plan Data

Information about the VRS Political Subdivision Retirement Plan is also available in the separately issued VRS 2019 *Comprehensive Annual Financial Report* (CAFR). A copy of the 2019 VRS CAFR may be downloaded from the VRS website at varetire.org/Pdf/Publications/2019-annual-report.pdf, or by writing to the System’s Chief Financial Officer at PO Box 2500, Richmond, VA 23218-2500.

NOTE 6 – Notes Payable

On February 10, 2011 the Commission entered into a financing agreement with the Virginia Water Facilities Revolving Fund to receive a \$125,000 loan to finance project costs of small water facility projects. The loan is non-interest bearing, and calls for semi-annual repayments of \$6,250 commencing on August 1, 2013. The balance of this loan was \$37,500 at June 30, 2020.

On December 16, 2014 the Commission entered into a financing agreement with the Virginia Water Facilities Revolving Fund to receive a \$200,000 loan to finance project costs of small water facility projects. The loan is non-interest bearing, and calls for semi-annual repayments of \$10,000 commencing on June 1, 2018. The balance of this loan was \$117,293 at June 30, 2020.

On June 14, 2017 the Commission entered into a financing agreement with the Virginia Water Facilities Revolving Fund to receive a \$250,000 loan to finance project costs of small water facility projects. The loan is non-interest bearing, and calls for semi-annual repayments of \$8,333 commencing on June 1, 2019. The balance of this loan was \$157,867 at June 30, 2020.

The following is a summary of changes in long-term debt for the year ended June 30, 2020:

	<u>Beginning</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending</u>
VRA 2011 Note	\$ 50,000	\$ -	\$12,500	\$ 37,500
VRA 2015 Note	56,856	80,437	20,000	117,293
VRA 2017 Note	<u>174,534</u>	<u>-</u>	<u>16,667</u>	<u>157,867</u>
Total	<u>\$281,390</u>	<u>\$80,437</u>	<u>\$49,167</u>	<u>\$312,660</u>

Mandatory debt service requirements consist of the following:

Year ending <u>June 30,</u>	<u>Total</u>
2021	\$ 49,167
2022	49,167
2023	49,167
2024	36,667
2025	36,667
Thereafter	<u>91,825</u>
Total	<u>\$312,660</u>

MIDDLE PENINSULA PLANNING DISTRICT COMMISSION

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 7 – Lease Commitments

The Commission is obligated under a non-cancelable operating lease for office facilities. The 21-month facility lease commenced on October 1, 2018 and expired on June 30, 2020. The lease will continue on a month-to-month basis until either party gives notice to cancel. The lease calls for monthly payments in the amount of \$1,801, with an increase rate of 3% beginning July 2019. Rent expense was \$25,680 for the year ended June 30, 2020.

NOTE 8 – Loans Receivable

The Commission operates several loan programs to provide low or no interest loans for wastewater, small business and housing projects. The loans are carried at the net realizable value, and all amounts are believed collectible as of June 30, 2020. Loan loss reserves exist for several of the programs.

NOTE 9 – Commitments

The Commission participates in a number of programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Commission may be required to reimburse. As of June 30, 2020, the Commission believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on the overall financial position of the Commission.

NOTE 10 – Leave Allocation

The leave allocation includes annual leave expense which is based on the amount of leave earned during the year. Other types of leave (i.e., holiday leave, administrative leave, etc.) are based on the amount of leave actually taken. Components for the leave allocation for the year ended June 30, 2020, are shown below:

Leave	
Holiday	\$23,043
Annual	16,898
Sick	<u>14,979</u>
Total	<u>\$54,920</u>

The leave allocation rate for the fiscal year ended June 30, 2020, is calculated as follows:

Leave allocation	<u>\$ 54,920</u>
Total salaries excluding leave	\$329,597 = 16.66%

MIDDLE PENINSULA PLANNING DISTRICT COMMISSION

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 11 – Indirect Costs

Indirect costs, which support all projects, are allocated based on the ratio of the individual project's direct salaries, leave, and fringe benefits to total direct salaries, leave, and fringe benefits (excluding temporary help). The indirect cost rate for the fiscal year ended June 30, 2020, was 25.63%, and is calculated as follows:

Indirect costs	<u>\$192,145</u>
Total direct salaries, leave, and fringe benefits	\$749,777 = 25.63%

The following are included in indirect costs allocated to projects:

Salaries	\$ 74,587
Rent	26,280
Fringe benefits	20,971
Consulting/contractual services	20,383
Printing and duplicating	9,136
Accounting	7,010
Dues and subscriptions	5,790
Office supplies	4,800
Utilities	3,565
Depreciation	3,458
Public officials insurance	3,358
Telephone	3,002
Facility maintenance	2,550
Conference	1,987
Miscellaneous	1,237
Website/internet	1,284
Vehicle insurance	1,050
Postage	603
Travel	523
Vehicle operating costs	311
Facility insurance	<u>260</u>
Total	<u>\$192,145</u>

MIDDLE PENINSULA PLANNING DISTRICT COMMISSION

NOTES TO FINANCIAL STATEMENTS (Concluded)

NOTE 12 – Fringe Benefit Allocation

Fringe benefit expense is allocated using the percentage of benefits to total salaries. The fringe benefit rate for the fiscal year ended June 30, 2020 was 27.25%, and is calculated as follows:

Fringe benefit expense	\$105,322
Total salaries	\$386,458 = 27.25%

Components of fringe benefit expense for the year ended June 30, 2018, are shown below:

Fringe benefits	
Group health insurance	\$ 54,753
Social security taxes	28,195
Retirement and special pension	17,711
Group life insurance	• 3,305
Long-term disability	955
Workers compensation insurance	360
Unemployment	<u>43</u>
Total	<u>\$105,322</u>

NOTE 13 – Evaluation of Subsequent Events

The Commission has evaluated subsequent events through March 10, 2021, the date which the financial statements were available to be issued.

MIDDLE PENINSULA PLANNING DISTRICT COMMISSION

SCHEDULE OF REVENUES AND EXPENSES BY PROGRAM

For the Year Ended June 30, 2020

	Local Programs	Rural Trans- portation Planning	TDM	TDM Marketing	MPBDP Support	WQIF
Revenues						
Federal	\$ -	\$ 57,271	\$ -	\$ -	\$ -	\$ -
State	75,971	-	7,610	65,531	-	58,480
Local	135,099	-	-	-	-	-
Other	53,916	-	-	-	489	-
Total Revenues	<u>264,986</u>	<u>57,271</u>	<u>7,610</u>	<u>65,531</u>	<u>489</u>	<u>58,480</u>
Expenses						
Salaries	36,386	25,766	2,072	15,808	203	554
Fringe benefits	10,024	7,245	583	4,444	57	156
Office supplies	13	-	-	-	-	-
Meeting supplies	566	-	-	16	-	-
Private mileage	1,261	-	-	-	-	-
Lodging and staff expense	3,885	-	-	-	-	-
Travel	1,021	-	-	-	-	-
Dues and memberships	51	-	-	575	-	-
Conferences	3,047	-	-	-	-	-
Accounting and audit	631	-	-	-	130	-
Legal services	1,281	-	-	-	-	-
Consultant and contractual	9,266	24,005	6,067	33,000	-	-
Construction	-	-	-	-	-	57,986
Postage	-	-	-	-	-	-
Promotion and advertising	-	-	-	13,024	-	-
Miscellaneous	954	-	-	-	-	-
Bad debt expense	-	-	-	-	-	-
Indirect expense	40,699	14,573	3,558	15,047	99	182
Total Expenses	<u>109,085</u>	<u>71,589</u>	<u>12,280</u>	<u>81,914</u>	<u>489</u>	<u>58,878</u>
Revenues Over (Under) Expenses	155,901	(14,318)	(4,670)	(16,383)	-	(398)
General Fund Support	<u>(157,249)</u>	<u>14,318</u>	<u>4,670</u>	<u>16,383</u>	<u>-</u>	<u>398</u>
Revenues and General Fund Support						
Over (Under) Expenses	<u>\$ (1,348)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

MIDDLE PENINSULA PLANNING DISTRICT COMMISSION

SCHEDULE OF REVENUES AND EXPENSES BY PROGRAM

For the Year Ended June 30, 2020

Costal TA	Onsite Loan Management	Wetlands Conservation	CZM Dredging	CZM Extraction Fee Study	Septic Pump out	Fight the Flood	WWF Video	WIP III Update
\$ 36,995	\$ -	\$ 18,806	\$ 34,668	\$ 6,791	\$ 7,473	\$ 28,173	\$ 763	\$ 13,938
-	-	-	-	-	-	-	-	-
-	4,078	-	-	-	-	-	-	-
<u>36,995</u>	<u>4,078</u>	<u>18,806</u>	<u>34,668</u>	<u>6,791</u>	<u>7,473</u>	<u>28,173</u>	<u>763</u>	<u>13,938</u>
41,193	2,361	2,488	1,113	5,148	1,978	14,708	710	889
11,534	664	700	279	1,242	556	4,122	165	212
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	35	-	-
-	-	-	-	-	-	50	-	-
40	-	-	-	-	-	150	-	-
-	-	-	-	-	-	-	-	-
-	208	-	-	-	-	-	-	-
-	-	-	-	-	-	1,799	-	-
6,000	-	-	29,199	-	4,740	25,000	-	10,500
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
2,057	-	15,097	-	-	-	-	-	-
-	15	-	-	-	-	-	-	-
16,314	830	815	5,263	1,633	1,890	11,723	224	3,860
<u>77,138</u>	<u>4,078</u>	<u>19,100</u>	<u>35,854</u>	<u>8,023</u>	<u>9,164</u>	<u>57,587</u>	<u>1,099</u>	<u>15,461</u>
(40,143)	-	(294)	(1,186)	(1,232)	(1,691)	(29,414)	(336)	(1,523)
<u>40,143</u>	<u>-</u>	<u>294</u>	<u>1,186</u>	<u>1,232</u>	<u>1,691</u>	<u>29,414</u>	<u>336</u>	<u>1,523</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

The accompanying notes to financial statements
are an integral part of this statement

	GA Lobby	DEQ Planner	Local Dredging TA	Living Shorelines	Regional Debris Management Plan	NFWF Landowners Living Shoreline Management
Revenues						
Federal	-	\$ 41,607	\$ -	\$ 4,513	\$ 11,872	\$ 27,263
State	-	-	-	-	-	-
Local	10,000	-	76,051	-	-	-
Other	-	-	-	-	-	-
Total Revenues	10,000	41,607	76,051	4,513	11,872	27,263
Expenses						
Salaries	-	33,302	47,452	2,572	1,784	7,788
Fringe benefits	-	8,119	13,117	723	502	2,049
Office supplies	-	-	-	-	-	-
Meeting supplies	-	-	-	150	-	-
Private mileage	-	-	-	-	-	-
Lodging and staff expense	-	-	-	-	-	-
Travel	-	-	-	-	-	-
Dues and memberships	-	-	-	-	-	-
Conferences	-	-	-	-	-	-
Accounting and audit	-	-	-	149	-	-
Legal services	-	-	-	-	-	-
Consultant and contractual	10,000	-	-	-	6,205	11,876
Construction	-	-	-	-	-	-
Postage	-	-	-	-	-	-
Promotion and advertising	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Bad debt expense	-	-	-	-	-	-
Indirect expense	-	10,588	15,482	919	4,674	5,550
Total Expenses	10,000	52,009	76,051	4,513	13,165	27,263
Revenues Over (Under) Expenses	-	(10,402)	-	-	(1,293)	-
General Fund Support	-	10,402	-	-	1,293	-
Revenues and General Fund Support Over (Under) Expenses	-	\$ -	\$ -	\$ -	\$ -	\$ -

MIDDLE PENINSULA PLANNING DISTRICT COMMISSION

SCHEDULE OF REVENUES AND EXPENSES BY PROGRAM

For the Year Ended June 30, 2020

MPEDRO Administration	Regional Emergency Planning	Re-Entry Plan	Ecotourism	Rural Enhancement Authority	PAA Administration	EECBG Administration	Urbanna Comp Plan	Total
\$ -	\$ 29,615	\$ 33,003	\$ 32,306	\$ 839	\$ -	\$ -	\$ -	\$ 385,896
-	-	-	-	-	-	-	-	207,592
27,453	-	-	-	-	12,412	-	6,000	267,015
-	-	-	-	-	-	490	-	58,973
<u>27,453</u>	<u>29,615</u>	<u>33,003</u>	<u>32,306</u>	<u>839</u>	<u>12,412</u>	<u>490</u>	<u>6,000</u>	<u>919,476</u>
16,723	6,781	5,088	31,047	507	7,145	304	-	311,870
4,703	1,907	1,431	7,592	131	2,009	86	-	84,352
-	-	-	-	-	18	-	-	31
-	36	-	-	41	59	-	-	903
49	-	-	9	-	-	-	-	1,319
-	-	-	-	-	-	-	-	3,935
15	-	-	13	-	-	-	-	1,239
-	-	-	-	-	-	-	-	626
-	-	-	-	-	-	-	-	3,047
375	-	-	-	-	-	-	-	1,493
-	-	-	-	-	-	-	-	3,080
-	15,309	20,931	9,899	-	428	-	5,000	227,425
-	-	-	-	-	-	-	-	57,986
-	-	-	-	-	32	-	-	32
-	-	-	-	-	-	-	-	13,024
-	-	-	-	-	194	-	-	18,302
-	-	-	-	-	-	-	-	15
5,588	8,506	6,998	13,051	174	2,527	100	1,278	192,145
<u>27,453</u>	<u>32,539</u>	<u>34,448</u>	<u>61,611</u>	<u>853</u>	<u>12,412</u>	<u>490</u>	<u>6,278</u>	<u>920,824</u>
-	(2,924)	(1,445)	(29,305)	(14)	-	-	(278)	(1,348)
-	2,924	1,445	29,305	14	-	-	278	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,348)</u>

The accompanying notes to financial statements are an integral part of this statement

MIDDLE PENINSULA PLANNING DISTRICT COMMISSION
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2020

	<u>Actual</u>	<u>Budget</u>	<u>Favorable (Unfavorable)</u>
Operating Revenues			
Grants and appropriations			
Federal grants	\$ 385,896	\$ 526,216	\$ (140,320)
State grants and appropriations	207,592	441,863	(234,271)
Local grants and appropriations	267,015	196,591	70,424
Miscellaneous	5,234	17,500	(12,266)
Total Operating Revenues	865,737	1,182,170	(316,433)
Operating Expenses			
Salaries	386,458	360,660	(25,798)
Consultant and contractual	246,914	428,665	181,751
Fringe benefits	105,322	101,433	(3,889)
Construction	73,084	80,000	6,916
Rent and utilities	32,395	34,080	1,685
Promotion and advertising	13,023	41,096	28,073
Legal and accounting	11,583	10,900	(683)
Printing and duplicating	9,136	13,000	3,864
Office supplies	7,867	3,000	(4,867)
Lodging and staff expense	7,015	3,500	(3,515)
Workshops and conferences	5,184	8,500	3,316
Dues and memberships	4,535	4,460	(75)
Insurance	4,120	2,105	(2,015)
Telephone	3,002	2,800	(202)
Depreciation	2,555	-	(2,555)
Miscellaneous	2,415	100	(2,315)
Subscriptions and publications	1,881	250	(1,631)
Vehicle costs	1,361	1,525	164
Website and internet	1,318	18,331	17,013
Meeting supplies and expenses	1,001	1,400	399
Postage	635	1,200	565
Bad debt	20	-	(20)
Total Operating Expenses	920,824	1,117,005	196,181
Operating Income (Loss)	(55,087)	65,165	(120,252)
Non-Operating Revenues			
Interest income	10,351	10,000	351
GASB 68 pension benefit	43,388	-	43,388
Change in Net Position	(1,348)	75,165	(76,513)
Net Position - Beginning of Year	602,531	602,531	-
Net Position - End of Year	\$ 601,183	\$ 677,696	\$ (76,513)

See accompanying notes

Dunham, Aukamp & Rhodes, PLC
Certified Public Accountants

4437 Brookfield Corporate Dr., Suite 205-D
Chantilly, VA 20151

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Commissioners
Middle Peninsula Planning District Commission:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the business-type activities and the aggregate remaining fund information of Middle Peninsula Planning District Commission, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Middle Peninsula Planning District Commission's basic financial statements, and have issued our report thereon dated March 10, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Middle Peninsula Planning District Commission's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Middle Peninsula Planning District Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of Middle Peninsula Planning District Commission's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

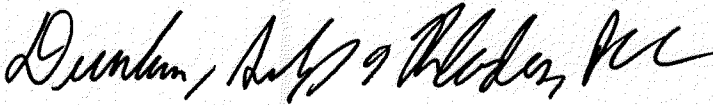
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Middle Peninsula Planning District Commission's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Certified Public Accountants
Chantilly, Virginia

March 10, 2021

**MIDDLE PENINSULA PLANNING DISTRICT COMMISSION
SCHEDULE OF CHANGES IN THE COMMISSION'S NET PENSION
LIABILITY AND RELATED RATIOS**

	2019	2018	2017	2016	2015	2014
Total Pension Liability						
Service Cost	\$ 23,285	\$ 22,841	\$ 33,694	\$ 32,598	\$ 35,411	\$ 33,666
Interest	54,652	51,597	47,499	44,855	56,054	51,210
Differences between expected and actual experience	(13,208)	(14,068)	2,582	(27,899)	(247,777)	-
Changes of assumptions	26,733	-	(7,504)	-	-	-
Benefit payments, including refunds of employee contributions	(16,756)	(16,701)	(18,748)	(4,821)	(2,534)	(28,811)
Net change in total pension liability	74,706	43,669	57,523	44,733	(158,846)	56,065
Total pension liability - beginning	789,118	745,449	687,926	643,193	802,039	745,974
Total pension liability - ending (a)	<u>\$863,824</u>	<u>\$ 789,118</u>	<u>\$ 745,449</u>	<u>\$ 687,926</u>	<u>\$ 643,193</u>	<u>\$ 802,039</u>
Plan fiduciary net position						
Contributions - employer	\$ 8,734	\$ 11,043	\$ 13,393	\$ 30,454	\$ 29,567	\$ 41,066
Contributions - employee	9,332	10,076	12,257	14,502	14,079	15,942
Net investment income	52,729	53,890	78,809	11,707	25,306	69,634
Benefit payments, including refunds of employee contributions	(16,756)	(16,701)	(18,748)	(4,821)	(2,534)	(28,811)
Administrative expense	(507)	(452)	(440)	(340)	(299)	(348)
Other changes	(33)	(48)	(71)	(5)	(5)	4
Net change in plan fiduciary net position	53,499	57,808	85,200	51,497	66,114	97,487
Plan fiduciary net position - beginning	780,781	722,973	637,773	586,276	520,162	422,675
Plan fiduciary net position - ending (b)	<u>\$834,280</u>	<u>\$ 780,781</u>	<u>\$ 722,973</u>	<u>\$ 637,773</u>	<u>\$ 586,276</u>	<u>\$ 520,162</u>
Commission's Net Pension Liability - Ending (a) - (b)	<u>\$ 29,544</u>	<u>\$ 8,337</u>	<u>\$ 22,476</u>	<u>\$ 50,153</u>	<u>\$ 56,917</u>	<u>\$ 281,877</u>
Plan fiduciary net position as a percentage of the total pension liability	96.58%	98.94%	96.98%	92.71%	91.15%	64.85%
Covered payroll	\$201,519	\$ 201,515	\$ 244,398	\$ 290,036	\$ 281,589	\$ 325,839
Commission's net pension liability as percentage of covered payroll	14.66%	4.14%	9.20%	17.29%	20.21%	86.51%

See accompanying notes

**MIDDLE PENINSULA PLANNING DISTRICT COMMISSION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
FOR THE YEARS ENDED JUNE 30, 2011 THROUGH 2020**

	Contractually Required Contributions	Contributions in Relation to Contractually Required Contributions	Contribution Deficiency (Excess)	Employer's Covered Payroll	Contributions as a % of Covered Payroll
2020	\$ 9,332	\$ 11,216	\$ (1,884)	\$202,447	5.54%
2019	12,431	8,734	3,697	201,519	4.33%
2018	11,043	11,043	-	201,515	5.48%
2017	13,393	13,393	-	244,398	5.48%
2016	30,454	30,454	-	290,036	10.50%
2015	29,567	27,344	2,223	281,589	9.71%
2014	41,968	41,070	898	325,839	12.60%
2013	42,064	39,438	2,626	326,582	12.08%
2012	29,612	42,818	(13,206)	263,220	16.27%
2011	32,977	58,815	(25,838)	293,126	20.06%

See accompanying notes

MIDDLE PENINSULA PLANNING DISTRICT COMMISSION

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION For the Year Ended June 30, 2020

NOTE 1 – Change of Benefit Terms

There have been no actuarially material changes to the System benefit provisions since the prior actuarial valuation.

NOTE 2 – Changes of Assumptions

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

Largest 10 – Non-Hazardous Duty:

Mortality Rates (Pre-retirement, post-retirement healthy, and disabled)	Update to a more current mortality table – RP-2014 projected to 2020
Retirement Rates	Lowered rates at older ages and changed final retirement from 70 to 75
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates	Lowered rates
Salary Scale	No change
Line of Duty Disability	Increase rate from 14% to 20%
Discount Rate	Decrease rate from 7.00% to 6.75%

All Others (Non 10 Largest) – Non-Hazardous Duty:

Mortality Rates (Pre-retirement, post-retirement healthy, and disabled)	Update to a more current mortality table – RP-2014 projected to 2020
Retirement Rates	Lowered rates at older ages and changed final retirement from 70 to 75
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates	Lowered rates
Salary Scale	No change
Line of Duty Disability	Increase rate from 14% to 15%
Discount Rate	Decrease rate from 7.00% to 6.75%

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March 24, 2021

COMMISSIONERS

Essex County
Hon. Edwin E. Smith, Jr.
Hon. John C. Magruder
Ms. Sarah Pope
Mr. Michael A. Lombardo

Town of Tappahannock
Hon. Roy M. Gladding

Gloucester County
Hon. Ashley C. Chriscoe
(Vice-Chairman)
Hon. Michael R. Winebarger
Dr. William G. Reay
Mr. J. Brent Fedors

King and Queen County
Hon. Sherrin C. Alsop
Hon. R. F. Bailey
Mr. Thomas J. Swartzwelder
(Chairman)

King William County
Hon. Ed Moren, Jr.
Hon. Travis J. Moskalski
(Treasurer)
Mr. Otto O. Williams

Town of West Point
Hon. James Pruett

Mathews County
Hon. Michael C. Rowe
Hon. Melissa Mason
Mr. Thornton Hill

Middlesex County
Hon. Wayne H. Jessie, Sr.
Hon. Reggie Williams, Sr.
Mr. Gordon E. White

Town of Urbanna
Vacant

Secretary/Director
Mr. Lewis L. Lawrence

RESOLUTION DIRECTING STAFF TO ASSIST THE VA DEPARTMENT OF TRANSPORTATION IN TRANSPORTATION RELATED MATTERS FOR THE MIDDLE PENINSULA PLANNING DISTRICT AS NECESSARY IN COMPLIANCE WITH THE PROVISIONS OF 23 U.S.C. 135

WHEREAS the Middle Peninsula Planning District Commission (“the Commission”) is the Planning District Commission that serves Essex, Gloucester, King and Queen, King William, Mathews, and Middlesex counties, and the towns of Tappahannock, Urbanna, and West Point.

WHEREAS the Virginia Department of Transportation and the Commission have entered in an agreement, dated March 24, 1993, to guide this partnership; and

WHEREAS State Planning and Research (SPR) funds in the amount of \$58,000 are being made available to the Middle Peninsula Planning District Commission for the period July 1, 2021 through June 30, 2022; and

WHEREAS the Commission has developed the Scope of Work and \$14,500 to utilize SPR funds for the benefit of the local jurisdictions comprising the Commission.

THEREFORE BE IT RESOLVED by the Commission that the Executive Director is directed, for and on behalf of the Commission, to furnish such documents and other information as may be required to qualify for authorization under the agreement with the Department and to administer such SPR funds made available, certifying that they shall be administered in accordance with the provisions of 23 U.S.C. 307(c), Highway Planning and Research Program Administration.

This the _____ day of _____, 2021

ATTEST _____
(Clerk or Secretary)

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Project Description	Location/Lead Organization	Source of Funding (federal = grants.gov)	Jobs Created/Updates
<p>Build Hangers at Regional Airports - pursue funding to build hangers and rent hangers.</p>	<p>Middlesex County, Essex County, King and Queen County</p>	<p>Local State Federal</p>	<p>Because of restrictions related to storm water management the project was halted. Legislative remedy introduced by House of Delegates member Hodges will allow this project to proceed in the future.</p>
<p>Develop 3 Industrial Sites in Each County - build ready with broadband, water, sewer, etc., enterprise zones, technology zones.</p>	<p>Region wide MPEDRO Doing Businesses As: Middle Peninsula Alliance (MPA)</p>	<p>Local State EDA</p>	<p>The MPA is now completing its strategic plan (2017) which calls for the development of at least one regional, multi-jurisdictional, commerce/industrial park with a revenue sharing agreement. The Essex Co. EDA intends to seek funding for expansion and enhancement of the LaGrange Industrial/Business Park including water and sewer service development.</p>
<p>Dedicated Regional Economic Development Director - stable funding.</p>	<p>Region wide/MPPDC MPEDRO Doing Businesses As: Middle Peninsula Alliance (MPA)</p>	<p>EDA State Local</p>	<p>The participating localities in the Middle Peninsula Alliance have each appropriated between \$5,000 and \$8,000 to get the organization started. The annual work plan now in process of development will outline a budget for 2018 and beyond.</p>

Project Description	Location/Lead Organization	Source of Funding (federal = grants.gov)	Jobs Created/Updates
<p>Develop a Power Generation Plant (not methane) - feasibility study with Dominion Virginia Power</p>	<p>Region wide</p>	<p>Local State Dominion Virginia Power</p>	<p>TBD</p>
<p>Create Park on Waterfront in Tappahannock - proposed infrastructure improvement extension of Main Street Project or separate public access improvements at Hoskins Creek Route 17 Bridge.</p>	<p>Essex County, Town of Tappahannock</p>	<p>Local State EDA (construction)</p>	<p>In 2014 the MPCBPAA was given management control of a road ending on the water (Prince Street) in the Town of Tappahannock by VDOT. The MPCBPAA and the Town of Tappahannock have developed an MOU whereby the Town will take the responsibility of improving, maintaining and managing the road ending and its facilities for public use. Essex County has obtained an option on a marine sit adjacent to the downtown area. The County is now exploring reuse plans for the site and potential funding sources for its development. In 2020, the Town expressed interest in potential public access improvements to additional property at the Hoskins Creek Route 17 Bridge.</p>

Deltaville Pedestrian/Bike Trail	Middlesex County/MPPDC	VDOT-FHWA/DCR Trails	Marine, Commercial and Retail
Cooks Corner Revitalizations	Middlesex County and Middlesex EDA	DHCD/EDA/USDA/Go VA	Construction, retail Comercial
KQ Telework/Business Incubator/ Regional Govt Center	King and Queen/King and Queen EDA/MPPDC	VDOT/Local/MPPDC/G a Va/USDA	Retail. Small business and govt jobs.
Middlesex County/HRSD Sewer project.	HRSD/Middlesex	HRSD	Govt Employment
Moving potential local and regional economic sites to a higher Tier recognized by VEDP	All Middle Peninsula localities and regional partners	DHCD/EDA/USDA/Go VA	All Sectors what may want to locate in sites.
Route 17 Tourism Bike Path	Gloucester, Middlesex, Essex, and Tappahannock	VDOT/ DHCD/EDA/USDA/Go VA	Transportation Contractos
Improved launch facilities associated with Blueways trails	All Middle Peninsula localities with water trails	VDCR and VCZMP	Marine Contractors
Improvements to public facilities at local museums, such as Guinea Heritage Museum	All Middle Peninsula localities with museums as part of a tourism program	Local, Foundations and Fed and State	Local Contractors
Projects of local and regional importance to Mainstreet projects	All Middle Peninsula localities with approved main street programs.	VDHCD	Local contractors
Back To Business COVID-19 Business Relief Fund	All Middle Peninsula localities and businesses	Federal CARES Act funds	Grants designed to provide immediate relief to businesses to help them remain in business through the pandemic and prepare for reopening under the guidelines of Forward Virginia.
VASG Coastal Resilience & Adaptation Economy	All Middle Peninsula localities and businesses	Go VA, EDA Funding, and other	Contractors, including Marine, Physical Scientists, Architects, Landscape Designers

In order to align the Middle Peninsula CEDS with state economic development priorities, annually, the MPPDC Board of Commissioners aligns the CEDS Vital Projects in the Community Development Block Grant (CDBG) program's regional prioritization process (Appendix H). The prioritization is important to the Middle Peninsula because CDBG funding, which local governments can utilize for community development improvement projects, receive proposal points during the proposal review process, based on need. To receive maximum proposal points, potential local projects identified as the highest priority receive a higher score.

The MPPDC Board of Commissioners ranked the 2021 Regional Priorities as follows:

This year, DHCD supplied five items to be ranked. Commissioners provided the following rankings which will be communicated to DHCD:

- High Priority: Comprehensive Community Development, Public Infrastructure, and Economic Development – Business District Revitalization, Housing – Housing Rehabilitation, Community Service Facility, and Community Service Facility
- Intermediate Priority: Housing – Housing Rehabilitation and Community Service Facility
- Low Priority – None

CDBG project proposals identified or anticipated from any Middle Peninsula localities for consideration under the 2021 program were as follows:

- New Firehouse in Gloucester;
- Telehealth Center in King and Queen;
- Telework Center/Business Innovation Center in King and Queen; and
- Davis Creek Business District Revitalization in Mathews County.