

COUNTY OF FREDERICK, VA

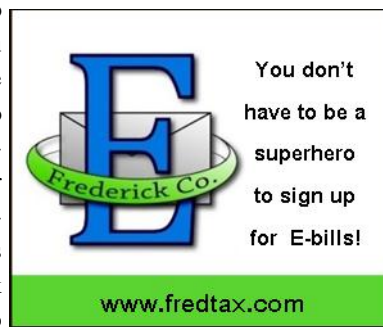
# Summer 2014 FINANCIAL NEWSLETTER

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 ★ **Special point of interest:** ★  
 ★ Revenue and expenditure information is not provided in this edition of the Financial Newsletter due to the fact that the County's fiscal year ended June 30, 2014. The FY 2014 revenue and expenditures have not been finalized at this time.  
 ★ Prior to the year end information being provided, revenue received and expenditure payments after June 30 must be applied to the previous year.  
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## Treasurer & Government Students Collaborate

*Written by R. Wayne Corbett, Deputy Treasurer, Frederick County Treasurer's Office*

The Frederick County Treasurer's Office was pleased to collaborate with the Frederick County Schools in the Government Service Learning program to prove that "you don't have to be a superhero to sign up for E-bills." Four senior government students from Millbrook and Sherando High Schools were matched to the Treasurer's Office to research, develop and implement a movement to increasing the number of taxpayers that sign up for e-bill. E-bill is the electronic way of receiving your personal property and real estate tax bill.



The project began in January when the students researched what they thought would be the target demographic and decided to do a marketing campaign. It was decided to do media blitz to encourage sign up. A slogan, along with a logo depicting their theme, was designed by the students.

The media blitz would include a print ad in the Winchester Star, a TV commercial, printing the slogan on the back of all receipts given to taxpayers and signs hanging throughout the County Administration office complex during the

June tax season. The students wrote, directed, filmed and edited the 30 second commercial, with equipment from Millbrook High School, which portrayed the demographic they were trying to reach. The commercial was aired 96 times on Comcast cable channels during the second week of April, along with the County's community information cable channel and on the County's YouTube channel.

After one month of exposure, the sign up for e-bill increased 17% overall. For each new account that participates in e-bill the County realizes a \$10.00 savings by not printing, stuffing, mailing and processing a paper bill.

Visit [www.fcva.us/ebill](http://www.fcva.us/ebill) for more information.

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## Outstanding Achievement Awards for Financial Reporting

The Certificate of Achievement for Excellence in Financial Reporting has been awarded, for the twenty-eighth consecutive year, to the County of Frederick by the Government Finance Officers Association of the United States and Canada (GFOA) for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2013. The Certificate of

Achievement is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management. The CAFR was judged by an impartial panel to meet the high standards of the program including demonstrating a constructive "spirit of full disclosure" to clearly

communicate its financial story and motivate potential users and user groups to read the CAFR.

The GFOA has also given an Award for Outstanding Achievement in Popular Annual Financial Reporting to Frederick County for its Popular Annual Financial Re-

*(Continued on page 7)*

*“This past winter over 8,000 tons of debris was processed and turned into approximately 16,000 cubic yards of mulch...”*

## Brush Grinding at the Landfill

*Written by Ronnel Kimble, Environmental Manager and C. Steve Frye, Landfill Manager, Frederick County Landfill*

The Frederick County Landfill manages the solid waste generated in Frederick County Clarke County and the City of Winchester. As part of the management practices at the facility all yard waste and vegetative debris is separated from the waste stream and stockpiled for processing to make mulch. This mulch is then utilized on site, with the primary use being supplemental daily cover on the municipal landfill.

Mulching of the debris is contracted out and is typically processed on an annual or semi-annual basis according to need. This past winter over 8,000 tons of debris was processed and turned into approximately 16,000 cubic yards of mulch by S.W. Rodgers using a large “Diamond Z” tub grinder. The



total cost to have this work performed was \$86,587.50 or approximately \$11.00 per ton.

The landfill charges \$45 per ton to receive commercial brush and \$12 per ton for residential brush. Residential brush accounts for

approximately 80% of the total collection. The revenue, after expenses, derived from brush collection is minimal; however, the real value is realized by saving landfill space and using the mulch as an alternative daily cover.

## Beautiful Acts of Green

*Written by Gloria Puffinburger, Solid Waste Manager, Frederick County Public Works*

From Middletown to Stephenson and Gore to Star Tannery, hundreds of county residents were caught during the month of April – committing beautiful acts of green.

Frederick County Recycling and Frederick County Green celebrated Earth Day, April 22, all during the month with several special happenings encouraging Frederick County residents to “Get Caught in a Beautiful Act of Green”.

Kicking off April, Spring Cleaning Community Shred was attended by a record 372 residents who not only destroyed old personal documents, but recycled 13,160 pounds of paper. Com-

munity partners included Records Management Solutions, Southern Scrap/Williams’ Recycling, Shockey Companies, E&M Enterprises and Stephens Restaurant Jazz Café.

Indian Hollow Elementary School’s Kindness Team, under the leadership of sponsor Jeanette Gluszak, collected and recycled nearly 400 old shoes, sneakers and boots during its Save-a-Sole shoe drive. Shoes collected through the county program are shipped across the globe to those in need.

The Regional Electronics Recycling Program recycled another 460 broken or obsolete television and computer screens during

April, keeping them out of the local landfill.

Rain barrels were offered for sale, allowing gardeners the opportunity to grow greener by conserving water. A single 55-gallon barrel can capture 1,300 gallons of water during the growing season, according to the U.S. Environmental Protection Agency.

Frederick County Clean Sweep and the regional jail’s Community Inmate Workforce picked up 6,400 pounds of roadside litter.

Across Frederick County, these acts of green prove that sometimes getting “caught” can be a beautiful thing.

# PROFFERS FY 2014 PROJECTS

**Historic Preservation:** \$50,000 designated for the final debt payment on the Huntsberry property.

**Transportation:** \$45,300 appropriated for Valley Mill Road.

**Round Hill Fire Company:** \$1,000,000 approved for station replacement in FY 2015.

**Parks & Recreation:** \$15,000 appropriated for site plan for northwestern corner of Sherando Park.

Below are the FY 2014 collection totals and June 30th balances for each category, followed by a five year history illustration.

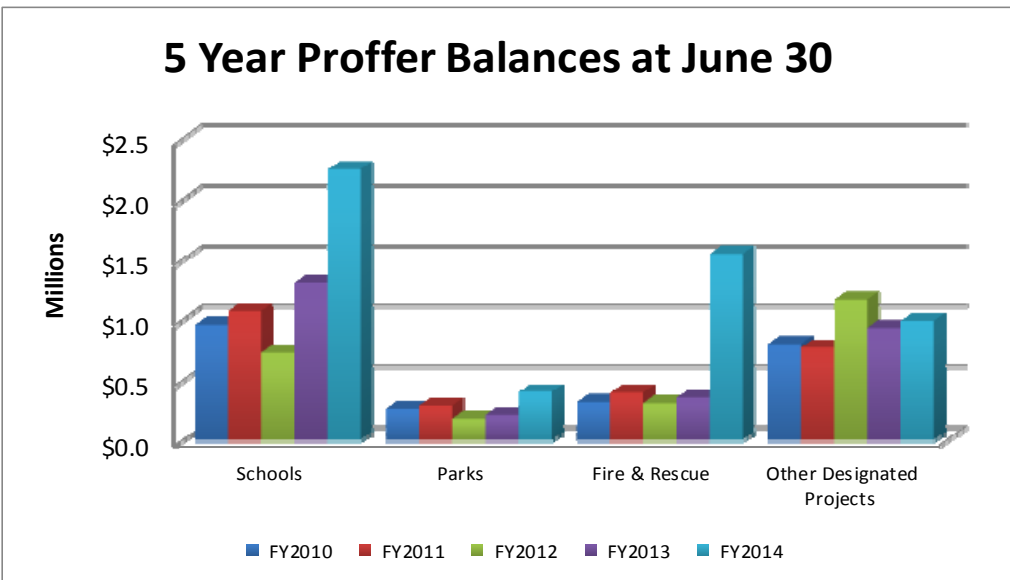
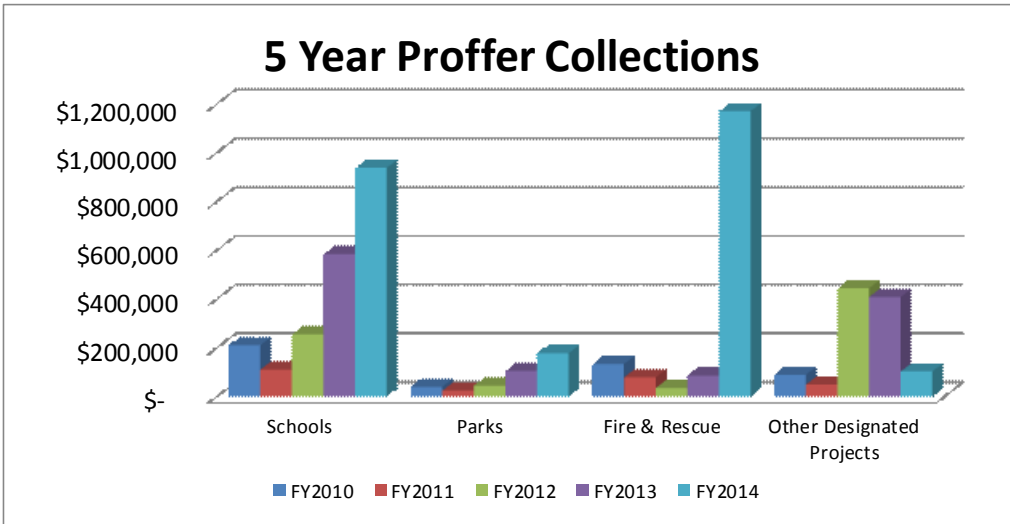
	Schools	Parks	Fire & Rescue	Other Designated Projects	Total
FY2014 Collections	\$ 938,297	\$ 177,931	\$ 1,170,124	\$ 103,110	\$ 2,389,462
FY2014 Balances	\$ 2,245,306	\$ 402,661	\$ 1,548,502	\$ 989,102	\$ 5,185,571

Note: Other Designated Projects include Transportation, Library, Sheriff, Historic Preservation, Solid Waste, and Administration Building.

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*A proffer is an offer of cash or property. This usually refers to property, cash or structural improvements offered by developers in land development projects to mitigate the impact of development on the taxpayer.*

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## Mowers Now Running On Propane Fuel

Written by Jon Turkel, Park & Stewardship Planner, Frederick County Parks & Recreation

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*“A recent propane bill received... shows a cost of \$1.41 per gallon compared to \$3.08 per gallon... for gasoline.”*

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After the 2013 mowing season Parks and Recreation was able to take advantage of a combination of grants through the Virginia Propane Gas Association and Blossman Gas to cover the cost of converting two park mowers to run on propane fuel. Propane gas, probably most notably used in barbecue grills, is the most widely available alternative fuel in the US and has been used as a transportation fuel since the 1940's. The Frederick County Sheriff's Department currently has 10 cruisers in use that were converted to propane in 2012 and their experience helped inform the Parks & Recreation's decision to follow with the mower conversion. To test the conversion of mowers to propane the department decided to convert two machines, one used by the Clearbrook Park team and the other by Sherando Park.

The idea of switching mowers to propane fits in with the Parks and Recreation departments' ongoing pursuit of actions that provide environmental and economic benefits. From an environmental perspective, propane in itself is nontoxic, non-poisonous, non-soluble in water and biodegrades easily. When compared to gasoline emissions, engines

using propane produce significantly less greenhouse gasses, ozone producing gasses, and a number of toxic emissions

Even as propane costs can be variable, in recent years it has been quite attractive when compared to conventional fuel. A recent propane bill received by Parks & Recreation shows a cost of \$1.41 per gallon as compared to \$3.08 per gallon in the same period for gasoline. Typical use of the mowers consumes approximately 500 gallons of fuel per year leading to significant fuel cost savings.

Outside of environmental benefits, performance and maintenance are areas of concern when considering a propane conversion. With lower BTU (stored energy) and higher octane ratings there are pros and cons to using the fuel. Converted engines may benefit from the higher octane, but since they are designed for gasoline are not engineered with a

higher compression ratio to take full advantage of this characteristic. The lower BTU rating should tend to increase fuel consumption and decrease power; however our experience to date has presented some mixed results; park staff have experienced equal run time (fuel economy), while power retention varies from unchanged to slight reduction particularly in the thick tall grass we experienced this spring.

It's too early to cite experience when discussing maintenance benefits, but using propane is known to extend engine life due to a combination of the high octane, low carbon and low oil contamination characteristics. We look forward to hearing how dirty or clean the oil looked when the oil change maintenance interval arrives, and hopefully having the decreased engine wear leading to a long and productive life for these mowers!



Parks staff using a mower converted to propane at Sherando Park.

Photo courtesy of Jon Turkel

# Investment Policy Results vs. Market Returns

Written by Angela Whitacre, Deputy Treasurer, Frederick County Treasurer's Office

This is fourth and final article in a series on "Investing Local Tax Dollars".

Here we will review our investing results based on the guidelines that we have discussed in previous articles. We will also compare them to market returns of appropriate instruments.

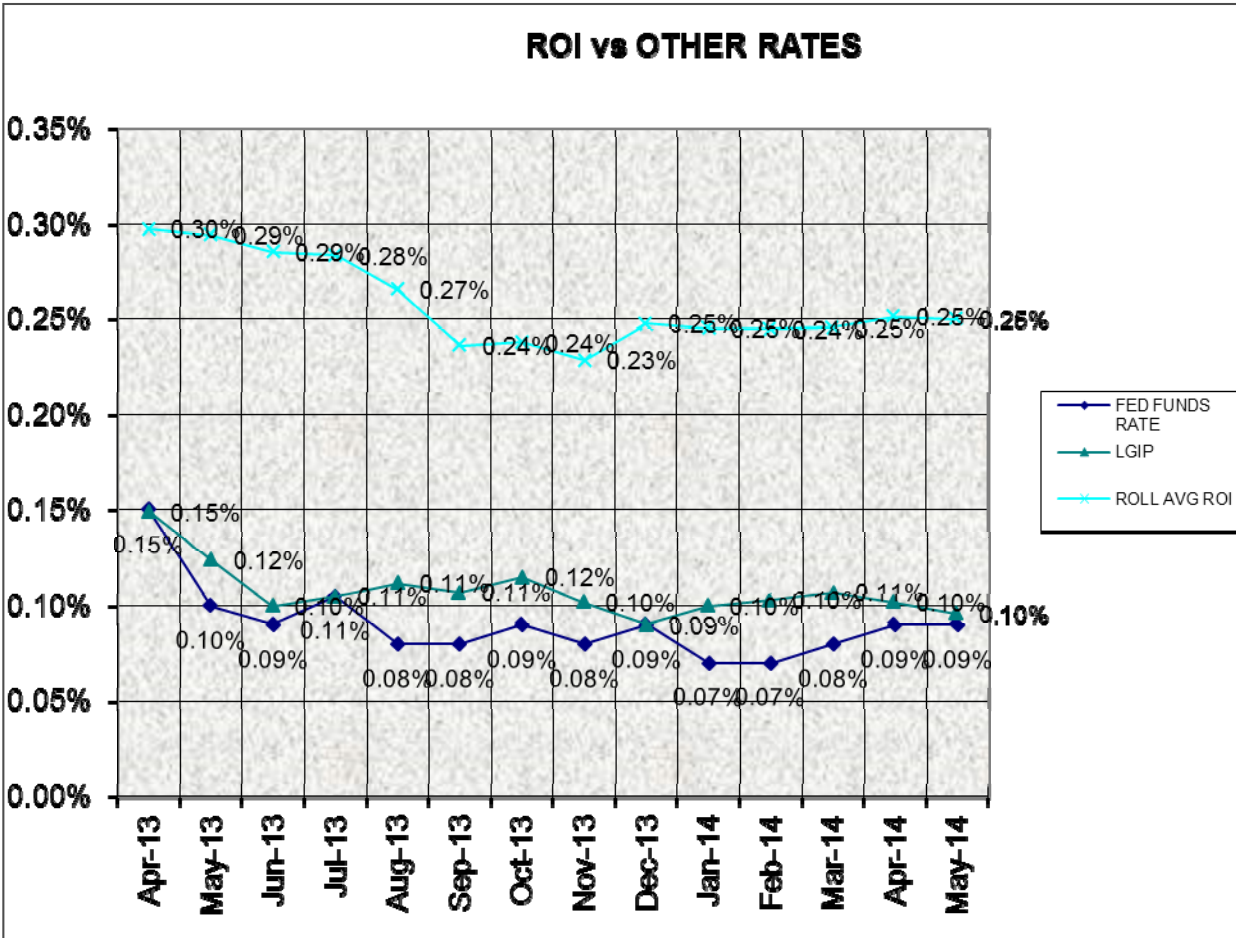
First – let's review our results. The included chart shows our returns over the past few years. It also shows the Fed funds rate

and the LGIP. LGIP is the Local Government Investment Pool, which is a Virginia sponsored investment instrument that meets the criteria of the Virginia Public deposits Act and allows local governments and State agencies to pool resources to get better returns on their investments.

As the chart indicates, our rate of return (ROI) exceeds the Fed Funds rate, which we consider the least amount of return we should have. We use this as a

baseline since a negative return is highly unlikely given our conservative investment policy. We have routinely exceeded the LGIP rate of return, even though a portion of our investments are in this pool. "Success" is relative in this market since there is little return in conservative instruments. Most of that success is due to great negotiated rates with local investment instruments, including CD's and repurchase agreements.

*"...our rate of return exceeds the Fed Funds rate... [and] we routinely exceed the LGIP rate of return..."*



## eCycle Marks Another Milestone

*Written by Gloria Puffinburger, Solid Waste Manager, Frederick County Public Works*

The Regional Electronics Recycling Program, eCycle, measures success one circuit board, cable, laptop, cell phone and television screen at a time. Those items and more accounted for 611,580 pounds of material collected during FY 2014, an increase of 22 percent over last year.

Accounting for one of the most rapidly growing portions of the U.S. waste stream, 7,876 tons of waste electronics were collected in the Commonwealth during 2012, the most recent year for which data is available. 251 tons of material can be attributed to the local program.

In June, 260 residents and 12 businesses visited eCycle, resulting in the collection of 428 televisions, 132 monitors, 77 processors and scores of cables, keyboards, laptops, printers, cable boxes, stereos, cell phones and other e-waste.

eCycle remains one of the oldest, permanent electronics recycling programs in Virginia. It continues to remain fee-sustaining by collecting end-user fees for difficult to manage television and computer screens. Fees offset monies paid to the county's vendor, C2 Management LLC of Berryville, for the transport and

proper management of materials collected. Inmate labor from the Community Inmate Workforce is used to offload and package old electronics, greatly curtailing operational costs.

Since its inception in September 2001, eCycle has diverted 4.7 million pounds of electronic waste from the regional landfill. Once collected during two monthly events, hard drives are destroyed by the vendor, and other materials such as plastics, metals and cables are demanufactured and sold on the commodities market. All computer and television screens are shipped to a glass processor in Ohio and utilized in the manufacture of new screens.

Computers are about 95 percent recyclable and C2 Management either reuses or recycles 100 percent of the e-waste it receives.



Find news, tips, and events with Frederick County Recycling on **facebook**



David Creswell, a supervisor at the Landfill Citizen's Center, has a load of TVs and monitors that were brought in for the eCycle event.

*Photo courtesy of Gloria Puffinburger*



Members of the Community Inmate Workforce unload a big screen TV.

*Photo courtesy of Gloria Puffinburger*

# Frederick County Finance Committee

## Summary of Action Items

The Finance Committee generally meets at 8:00 a.m. on the third Wednesday of each month in the First Floor Conference Room in the County Administration Complex. The committee is comprised of three board members and three citizen members. The Treasurer and the Commissioner of the Revenue serve as non-voting liaisons.

The primary function of the committee is to review matters of a financial nature including proposed changes to fiscal/procurement policies and the review and recommendation for matters of a financial nature coming forward to the Board including, but not limited to, supplemental appropriations, transfers and contracts.

The following were the meeting dates for the fourth quarter of fiscal year 2014:

April 16, 2014—canceled

May 21, 2014

June 18, 2014

All Finance Committee Agendas and Reports can be found online at [www.fcva.us/fincomm](http://www.fcva.us/fincomm).

The following are supplemental appropriation request which required no local funds:

### General Fund

- \$52,051 for various reimbursements and donations received by the Sheriff's Department;
- \$98,824 for a grant from the Attorney General for the Sheriff's Department;
- \$7,280 excess revenue collected by Fire & Rescue to be used for vehicle & powered equipment expenses;
- \$46,316 general fund reduction for the Department of Social Services due to unspent allocations;
- \$11,926 for excess State EMS Four-for-Life funds received to be distributed to the Volunteer Fire and Rescue Association;
- \$62,962 vacancy savings realized to be used for phone services and part time staff at the Sheriff's Department; and
- \$15,000 proffer funds appropriated for a site plan for the northwestern corner of Sherando Park (FY15).

The following are supplemental appropriation requests which required local funds:

### General Fund

- \$80,282 for the County share of Airport capital projects and land acquisitions (FY15).

The committee also held discussions on the following topics:

- EMS Expense Recovery Program fee schedule;
- The VRS employer retirement contribution rate;
- A borrowing resolution in the event that a State budget was not adopted; and
- Outside Agency contributions.

## GFOA Awards

*(Continued from page 1)*

port for the fiscal year ended June 30, 2013. The award is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports. In order to receive this award a government unit must publish a document whose contents conform to pro-

gram standards of creativity, presentation, understandability and reader appeal. This is the seventh consecutive year that the County has received this award.

Both documents are available online at [www.fcva.us/cafr](http://www.fcva.us/cafr) and [www.fcva.us/pafr](http://www.fcva.us/pafr).



## County of Frederick

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## National & Local Headlines

- U.S. home construction fell 9% in June to the slowest pace in nine months.
- The average 30-year fixed mortgage rate dipped to 4.13% this week, down slightly from last week; the 5-year ARM fell to 2.97%.
- The number of people seeking U.S. unemployment benefits fell last week, a steady decline that suggests a strengthening job market.
- The National Association of Home Builders/ Wells Fargo reported that its gauge of home-builder confidence rose to 53 in July, the highest level in 6 months.
- The national average price of gasoline is at \$3.597 a gallon, the lowest price in more than three months.
- Microsoft will cut 18,000 jobs, about 14% of its staff, nearly double what Wall Street was expecting.
- Regional unemployment rate for May 2014 was 4.7% compared to 4.6% in May 2013.
- Frederick County government, as an employer, had \$362 in unemployment claims for the June 2014 quarter compared to \$14,748 for the June 2013 quarter.



A gold finch feeding on the seed pods of a Cosmos plant.

*Photo courtesy of Steve Frye*