

# POPULAR ANNUAL FINANCIAL REPORT

## FISCAL YEAR ENDED JUNE 30, 2018

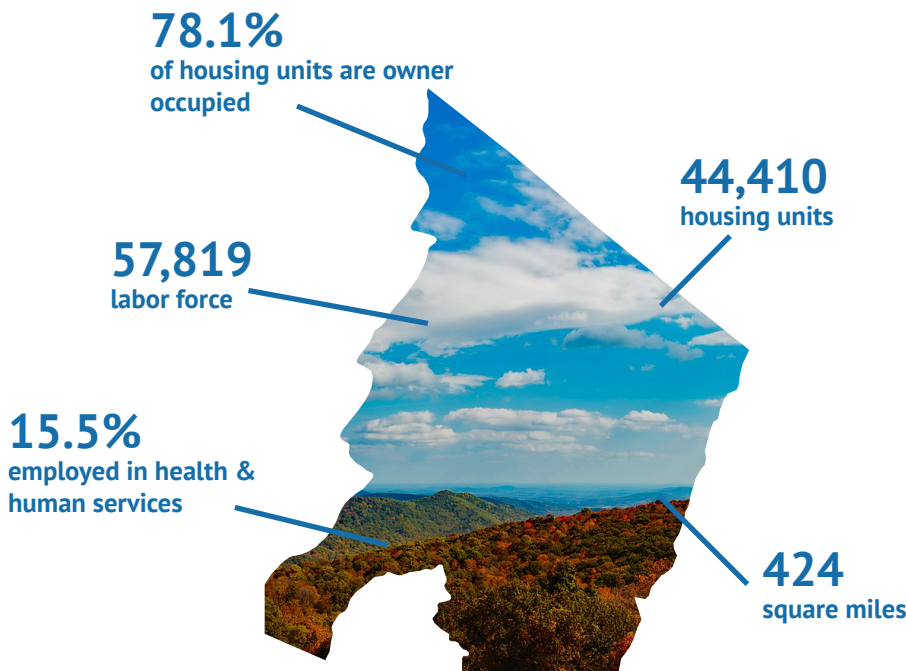
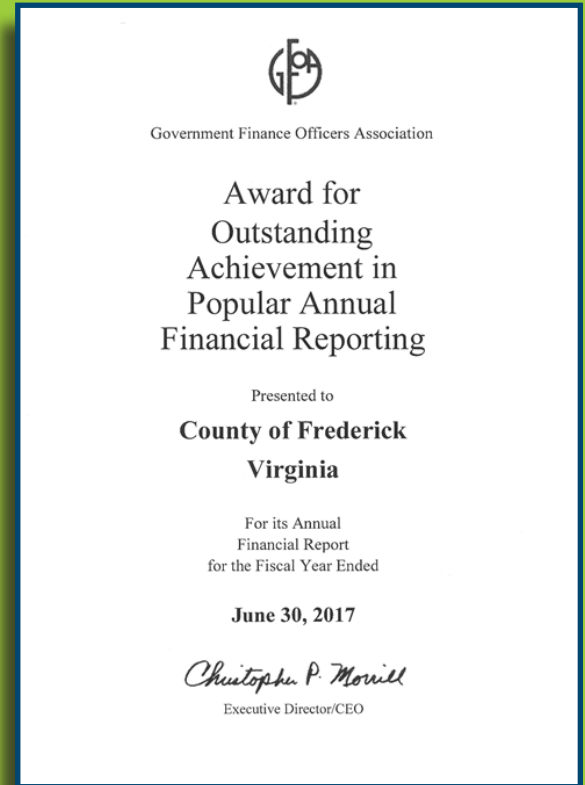
### Frederick County, Virginia

We face a steady influx of facts, figures and statistics in today's busy world. Sorting through this information, deciding what is important and then putting that information to good use can be a difficult task. In an effort to provide you with easily accessible, reliable information, we are pleased to present the Frederick County, Virginia's Popular Annual Financial Report (PAFR) for the fiscal year July 1, 2017 through June 30, 2018.

The PAFR is presented in a simple and easy to understand format to better inform the public about the County's financial condition, without excessive detail or the use of technical accounting terms. This report represents the ongoing commitment of County officials to keep Frederick County citizens informed about County finances, and to be accountable for the receipt and expenditure of public funds. It is intended to be a supplement to the 2018 Comprehensive Annual Financial Report (CAFR), not a replacement. It does not conform to accounting principles generally accepted in the United States of America

(GAAP) and focuses solely on Governmental Activities. Financial information related to the County Schools, Landfill, Adult Detention Center, Regional Airport, Shawneeland and Court Services are not included.

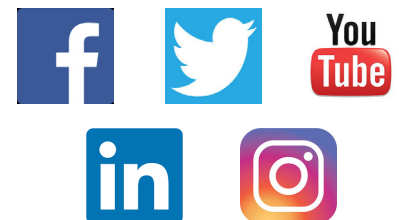
Although the PAFR is not audited and excludes many material disclosures, financial statements, schedules and notes to the financial statements, figures are extracted from the County's CAFR. The County's financial statements are prepared using the financial reporting model prescribed by the Governmental Accounting Standards Board (GASB) and are independently audited in accordance with auditing standards generally accepted in the United States of America by the accounting firm of Robinson, Farmer, Cox Associates of Charlottesville, VA. We encourage you to read the CAFR, which is comprised of detailed financial statements, notes, schedules and reports. The CAFR, in its entirety, is available in the Frederick County Finance Department and online at [www.fcva.us/CAFR](http://www.fcva.us/CAFR)



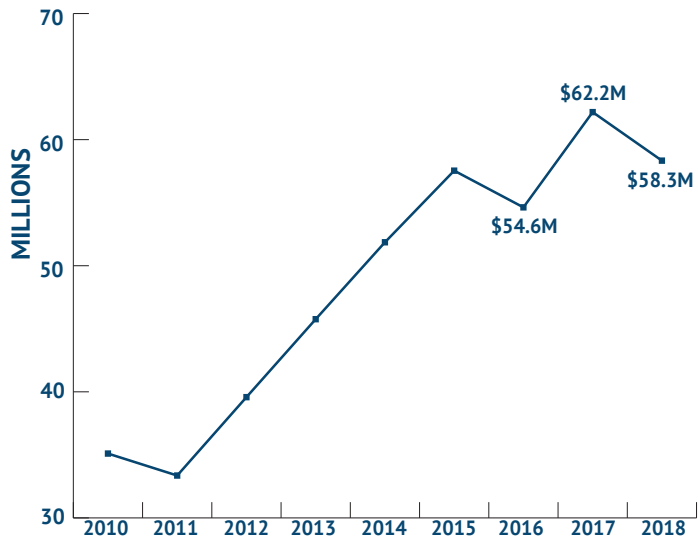
Frederick County EDA; US Census Bureau; DataUSA

## Connect with Us

Keep up to date on all information from the Finance Department at [www.fcva.us/finance](http://www.fcva.us/finance) and about all-things Frederick County Government through our various Social Media Outlets listed at [www.fcva.us/news](http://www.fcva.us/news)

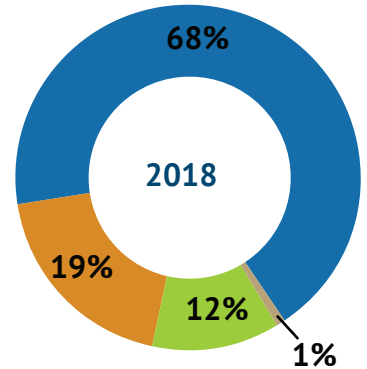


## FY 2018 GENERAL FUND: FUND BALANCE



Fund Balance is the excess dollars of what the County owns (assets) over what the County owes (liabilities) in the current year. Fund balance is a critical factor in financial planning and budgeting, provides for unforeseen expenses or emergencies, reduces the need for short-term borrowing for operations by assuring sufficient cash flow, and demonstrates financial stability, which enhances bond rating, thereby lowering debt issuance costs. The County's fund balance has increased over the last 3 years.

**\$2.4M Committed**  
**\$47.9M Unassigned**  
**\$7.3M Restricted**  
**\$663K Nonspendable**



### What's the difference between Net Position and Fund Balance?

Net position of governmental activities reflects the difference between all economic assets and liabilities, both short-term and long-term, while fund balance of governmental funds represents the difference between only currently available assets and the liabilities to be repaid from those assets. Additions to fund balance include: capital assets (land, buildings, schools, etc.), internal service funds, other long-term assets, and deferrals. Long-term liabilities are subtractions from fund balance and include items such as OPEB and pension liabilities and debt and interest payments outside of the current year. (See Exhibit 4 of the CAFR)

## FY 2018 GOVERNMENTAL ACTIVITIES: NET POSITION



Changes in net position are represented by comparing total annual revenue with total annual expenses. When revenue exceeds expenses, the County's net position improves. The County's net position has decreased over the last three years.

FY 2018	
Beginning Net Position	\$ 12,169,500
Total Revenues	+ 181,974,817
Total Expenses	- 181,821,508
Ending Net Position	\$ 12,322,809

*The significant reduction in net position in 2018 is due to the new accounting standard required to recognize postemployment benefits other than pensions (OPEB). Without this reporting change, the County's net position would have remained flat as there was a minimal difference, \$153,309, between revenues and expenses for 2018.*

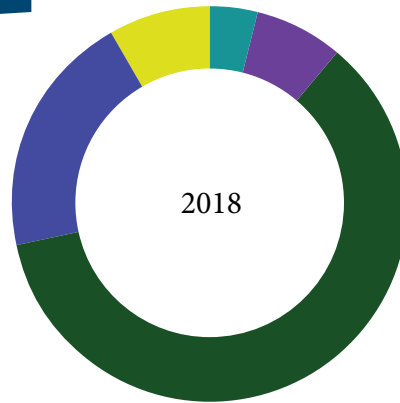
# SOURCES OF COUNTY REVENUES - GENERAL FUND

The General Fund is the County's primary operating fund. This fund is used to record all resource inflows and outflows that are not associated with special-purpose funds. The major sources of revenues for the General Fund are real estate and personal property taxes, other taxes, non-restricted grants, and operating grants and contributions. These taxes predominately fund basic government services including Public Safety, Parks and Recreation, and education. The activities being paid for through the general fund constitute the principal administrative and operational tasks of Frederick County Government.

Revenues	FY2018	FY2017	FY2016
Charges for Services	7.8M	7.7M	7.3M
Operating Grants & Contributions	12.2M	11.9M	11.3M
Capital Grants & Contributions	218K	2.5M	1.6M
Real Estate & Personal Property	109.7M	102.4M	93.9M
Other Taxes	35.9M	34.4M	32.3M
Non-restricted Grants	14.6M	14.7M	14.7M
Use of Money and Property	892K	359K	232K
Miscellaneous	392K	980K	257K
<b>Total Revenues</b>	<b>\$182M</b>	<b>\$175M</b>	<b>\$162M</b>

## REVENUES

*Fiscal year 2018 results illustrated as cents per dollar of revenue with property taxes making up 60¢ for each \$1 received.*



- .60¢** Real Estate & Personal Property
- .20¢** Other Taxes
- .08¢** Non-restricted Grants
- .07¢** Operating Grants & Contributions
- .04¢** Charges for Services

Not shown in chart:  
 Miscellaneous: >.01  
 Use of Money & Property: >.01  
 Capital Grants & Contributions: >.01

# USE OF COUNTY FUNDS - GENERAL FUND

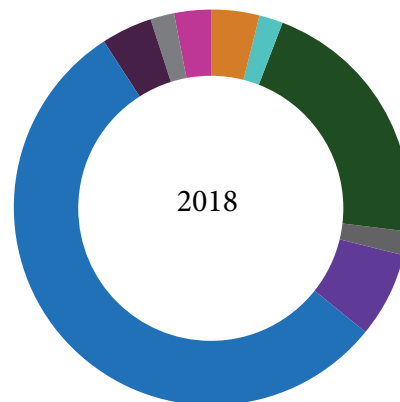
On an annual basis, the County adopts an annual operating budget which allocated dollars to the highest priorities as determined by the Board of Supervisors. The General Fund primarily is financed by real estate and personal property taxes and supports core services such as public safety.

The County provides services to our citizens with the majority of the fund being dedicated to Education and Public Safety, which includes fire and rescue and the Sheriff's Office, Parks and Recreation, and Health & Welfare,.

Expenses	FY2018	FY2017	FY2016
General Government	7.4M	8.7M	7.6M
Judicial Administration	2.9M	3.4M	2.9M
Public Safety	37.4M	35.6M	33.9M
Public Works	4.4M	3.8M	3.8M
Health / Welfare	12.1M	12.1M	10.0M
Education	100.8M	79.1M	92.6M
Parks, Recreation & Culture	6.5M	6.3M	5.9M
Community Development	4.7M	3.2M	3.0M
Interest on Long-term Debt	5.3M	5.7M	6.2M
<b>Total Expenses</b>	<b>\$182M</b>	<b>\$158M</b>	<b>\$166M</b>

## EXPENSES

*Fiscal year 2018 results illustrated as cents per dollar of expense, with Education accounting for 55¢ and Public Safety accounting for 21¢ of every \$1 spent.*



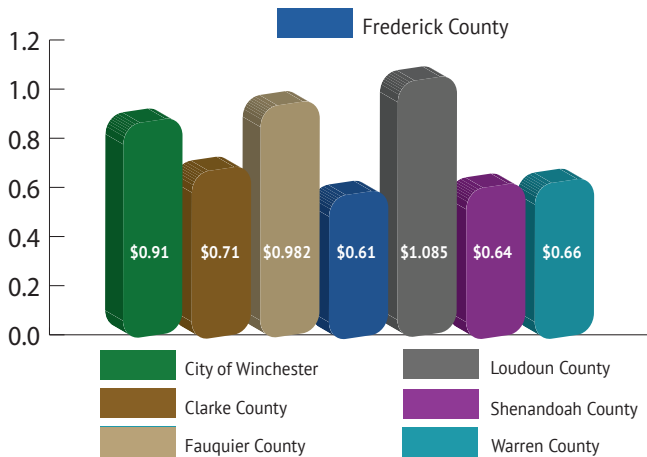
- .03¢** Interest on Long-term Debt
- .02¢** Community Development
- .04¢** Parks, Recreation & Culture
- .55¢** Education
- .07¢** Health/Welfare
- .02¢** Public Works
- .21¢** Public Safety
- .02¢** Judicial Administration
- .04¢** General Government

## OUR COMMUNITY

Frederick County, at the tip of the Northern Shenandoah Valley, is 72 miles northwest of Washington, D.C., and in the northernmost corner of the state of Virginia. The County, which covers 424 square miles and borders the West Virginia line, was established in 1738. The County sits at the mouth of the Shenandoah Valley which stretched 200 miles between two mountain ranges - The Blue Ridge Mountains to the east and the Allegheny Mountains to the west. The Valley is bound by two rivers, the Potomac River to the north and the James River to the south. Its county administrator form of government was established in 1971. In the southeastern portion of the county, there are two incorporated towns, Stephens City and Middletown. Frederick County is the 13th largest county in Virginia by population, is home to the 22nd largest school division in Virginia, and 30.6% of residents hold bachelors degrees or higher.

### 2018 TAX RATES

Real Estate\*: 0.610



\*Per \$100 of assessed value

**Personal Property: 4.86 | Machinery & Tools: 2.00**  
**Airplanes: 0.010 / 0.500 | Mobiles Homes: 0.610**

### MEDIAN REAL ESTATE VALUES



## MILESTONES

### PUBLIC SAFETY

Fire and Medical incidents: 8,673  
 Law enforcement calls for service: 74,751  
 911 Calls for service - F&R/EMS: 11,577  
 911 Calls for service - Sheriff: 88,232

### ANIMAL SHELTER

Dogs adopted/reclaimed: 811  
 Cats adopted/reclaimed: 523  
 Vaccinated animals at rabies clinics: 407

## POPULATION



\*estimates

## UNEMPLOYMENT



\*estimate

## PER CAPITA INCOME



\*estimate

## TAXABLE PROPERTY VALUES REAL ESTATE



## PERSONAL PROPERTY



## MACHINERY & TOOLS



## MOBILE HOMES



## MAJOR EMPLOYERS

Frederick County School Board - Navy Federal Credit Union - U.S. Dept. of Homeland Defense - County of Frederick - Trex Company Inc. - H.P. Hood, Inc. - Lord Fairfax Community College - The Home Depot - Axiom Staffing Group - Metromont Corporation

## PARKS & RECREATION

Program participants: 78,000  
 basicREC average daily attendance: 612

## BUILDING INSPECTIONS

Inspections performed: 17,995  
 Building/zoning permits issued: 6,789  
 Failed inspections: 4,694