

COUNTY OF FREDERICK, VA

# Winter 2012 FINANCIAL NEWSLETTER

## Winter Wonderland

*Written by Jason Robertson, Director, Parks & Recreation  
Photos courtesy of Karen Vacchio, Public Information Officer, Parks & Recreation*

Back in 2000, Parks and Recreation staff created a special event held at Sherando Park called "Candyland Christmas". This special event was a driving tour to look at light displays throughout various shelters in the park. We had 442 cars go through that year leading us to believe we had a good event. Little did we know, a transformation to a walking tour and twelve years later, we would have over 29,000 people take in the forty night event held in Clearbrook Park known as "Winter Wonderland".

What makes "Winter Wonderland" so special? Simply put "the staff at Frederick County Parks and Recreation". Prepping for this forty day event begins as soon as the prior year ends as staff carefully takes down dozens of light displays and stores them in the park for safe keeping. After the displays come down, staff discusses what was successful, (or not), and how to improve on the customer experience for next year. The summer is filled with acquiring and constructing new displays, contacting event sponsors, making contact with the jolly elf

from the North Pole, and putting together the marketing plan for the event. Finally fall arrives and after the last Haunted Hayride from "Halloween Happenings" in mid October, the staff from Clearbrook Park begin to meticulously unpack the displays, present new displays, and hang thousands of lights in order to be ready for the Friday after Thanksgiving. This year thanks to the generosity of Jim Stutzman Chevrolet, the Parks and Recreation Department was able to purchase and program the fan favorite musical light display. This display had been provided and programmed by Dave Craig for the last

several years. After on site part time event staff are hired, full time staff adjusts their schedule and everyone trained, "Winter Wonderland" is open to create many new family memories and traditions for another year.

As you read this, Parks and Recreation staff is already getting ready for the 2103 edition of "Winter Wonderland". There are only 300 days to go till the next "Winter Wonderland"!

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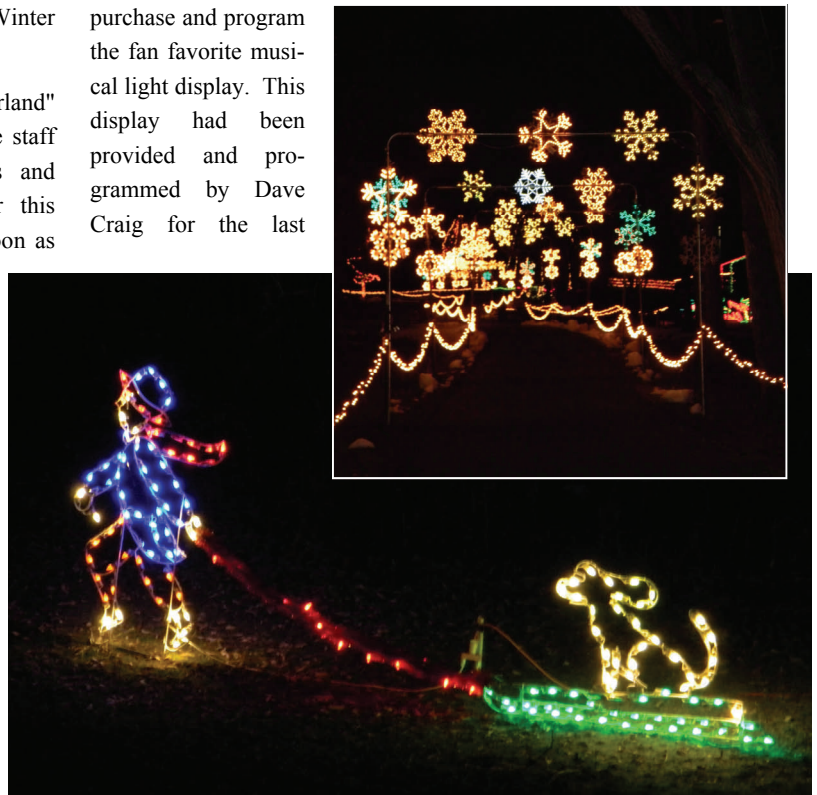




Photo courtesy of Jeff Keister  
Old Frederick County Courthouse

*December revenue increased \$929,937. Included in this increase are the property taxes (\$2,901,269), which are the largest single revenue stream in the General Fund.*

*Expenditures increased \$4,141,083 year to date. Expenditures were impacted by the salary increase to cover the July 1st, state mandate for the Virginia Retirement System program changes.*

## Overall Fund Performance

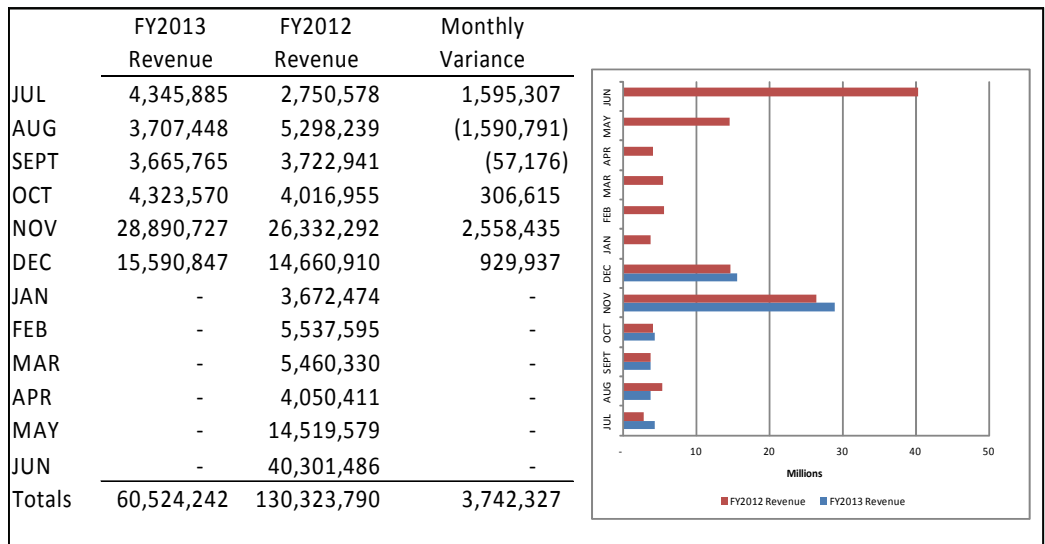
Frederick County's overall General Fund revenue comparison through December 31, 2012 shows a total increase of \$3,742,327.

The comparison of the total FY 2013 expenditures have increased \$4,141,083 year to date

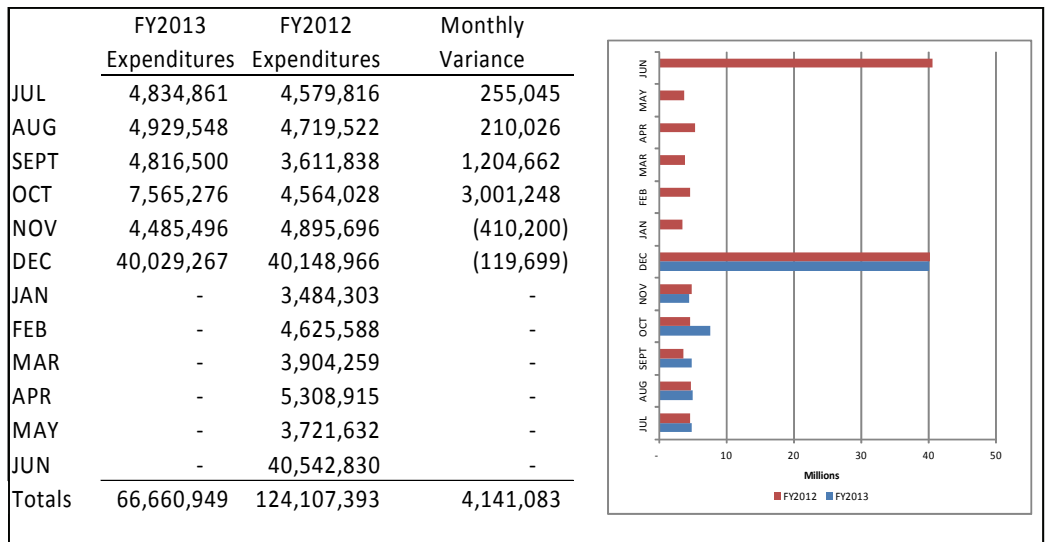
from the previous year. The Virginia Retirement System program changes and overtime pay calculations that were effective July 1, 2012 directly impacted the increase of FY 2013 expenditures. Additionally, the \$1,128,002 transfer to the School Operating Fund for re-

appropriation, and the \$2,223,000 resolution is included in this increase. Additionally, the transfers each year in December and June for half of the School Operating (FY 2013 \$28.7 million) and School Debt Service (FY 2013 \$7.3 million) are included.

## General Fund Revenue Comparison



## General Fund Expenditure Comparison



## Unreserved Fund Balance 5-year Comparison

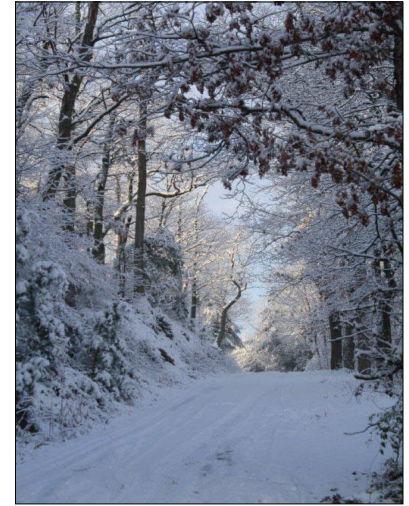
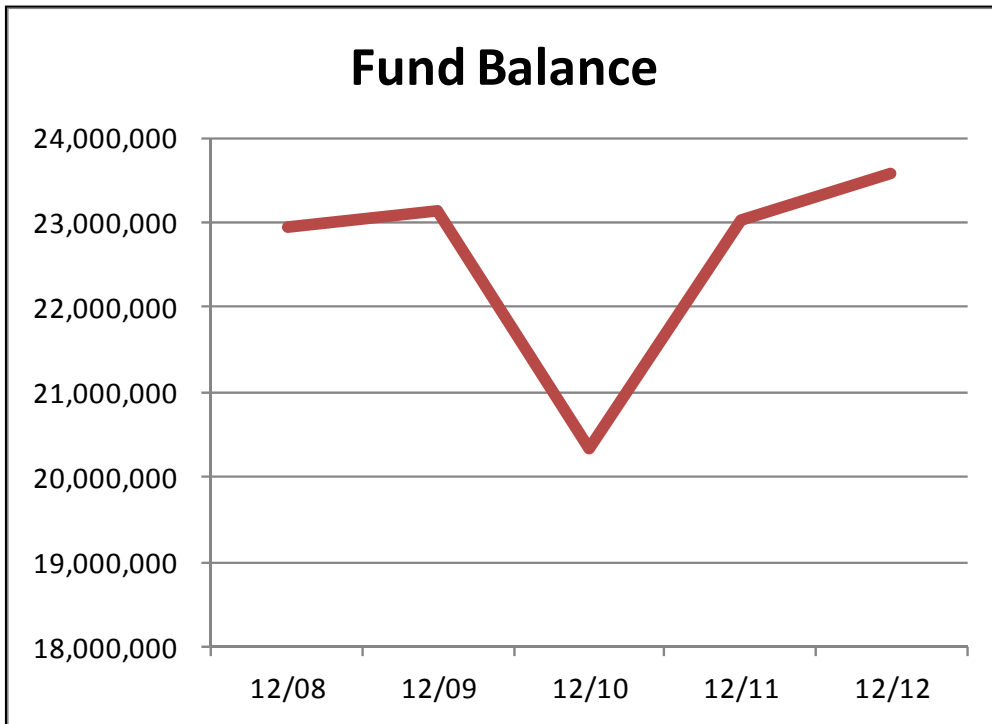


Photo courtesy of LeeAnna Pyles  
Moon Ridge Lane

## The Importance of Fund Balance

Fund Balance is the excess dollars of what the County owns (assets) and what the County owes (liabilities). There are several reasons that fund balance is important. It is a critical factor in financial planning and budgeting. It provides funds for unforeseen expenses or emergencies. Fund balance reduces the need for short-term borrowing for operations and cash flows. Cash flow becomes a critical component since half of the largest revenue source is collected at the end of the budget year with the June 5th tax collection.

The Government Finance Officers Association (GFOA) recommends that unreserved fund bal-

ance be maintained at no less than two months of regular operating revenues or regular operating expenditures. For Frederick County's general fund, that equates to approximately \$21.2 million or 17% of the total general fund budget for FY 2013. Currently, the County's fund balance is above the recommendation at 18.5% (\$23.6 million).

The County monitors unreserved general fund balance monthly. Over the years, fund balance has been used to balance the General Fund budget. The General Fund fund balance was reduced by \$4.3 million to balance the FY 2013 budget. At year-end those funds have been routinely returned to unreserved fund bal-

ance as a result of unbudgeted revenues or unspent expenditures. Returning those funds is a conscience effort on the part of management.

The current unreserved fund balance for the general fund is greater than the past five Decembers. As previously mentioned, fund balance was used to balance the budget when the economy experienced its recession. The county has restored fund balance to pre-recession levels.

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*General Fund fund  
balance at  
December 31, 2012 is  
\$23,568,469.*

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Photo courtesy of Lorraine Mossburg  
County Administration Building

## Revenue Information

Property taxes include real estate, personal property and machinery and tools tax. Total property taxes increased \$2,901,270 year to date. The increase in real estate and personal property was impacted by the increased real estate tax rate

and by the assessments of real property and personal property. Comparable months would be December and June due to tax collection due dates.

Included in the permits and privilege fees are land use, transfer fees, development review

fees, building, mechanical, electrical, plumbing, sign, land disturbance, commercial burning, septic haulers, and sewage installation permits. These permits collections fluctuate with the economy and housing industry.

*(Continued on page 5)*

*Total property taxes increased \$2,901,270 year to date.*

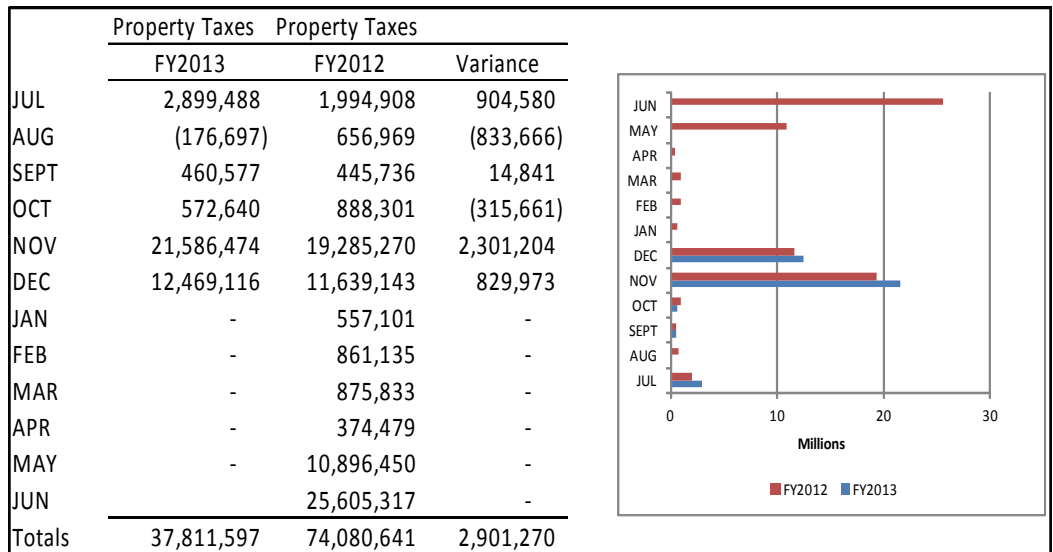
*Significant variances were:*

*Real Estate:  
+\$1,733,971*

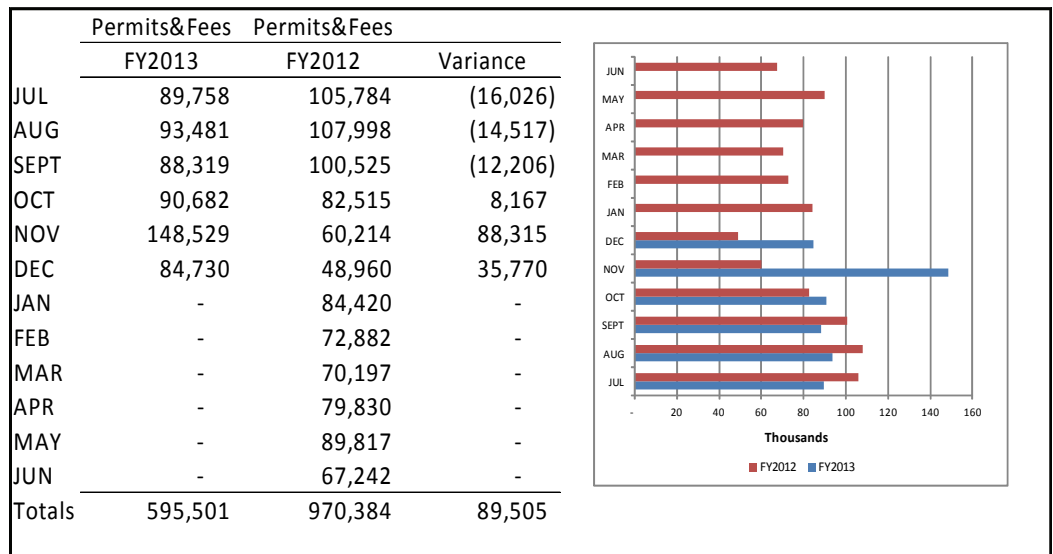
*Public Services  
+543,923*

*Personal Property:  
+\$664,265*

## Property Tax Comparison 2012–2013

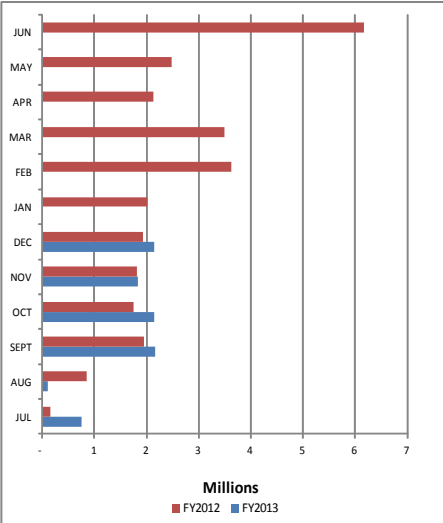


## Permit Fees Comparison 2012–2013



## Other Local Taxes Comparison 2012–2013

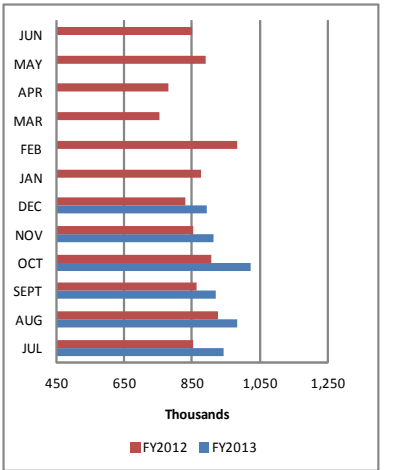
|        | Other Local Taxes | Other Local Taxes | Variance  |
|--------|-------------------|-------------------|-----------|
|        | FY2013            | FY2012            |           |
| JUL    | 747,278           | 146,380           | 600,898   |
| AUG    | 98,954            | 855,962           | (757,008) |
| SEPT   | 2,164,919         | 1,942,884         | 222,035   |
| OCT    | 2,148,947         | 1,752,675         | 396,272   |
| NOV    | 1,831,475         | 1,821,809         | 9,666     |
| DEC    | 2,145,917         | 1,936,950         | 208,967   |
| JAN    | -                 | 2,013,419         | -         |
| FEB    | -                 | 3,618,434         | -         |
| MAR    | -                 | 3,488,380         | -         |
| APR    | -                 | 2,128,562         | -         |
| MAY    | -                 | 2,478,719         | -         |
| JUN    | -                 | 6,160,283         | -         |
| Totals | 9,137,489         | 28,344,457        | 680,829   |



Included in other local taxes are: local sales and use tax, communications tax, utility taxes, business licenses, auto rental tax, motor vehicle license fees, recordation taxes, meals and lodging taxes, street lights and Star Fort fees. The categories that increased substantially were local sales tax, motor vehicle license fees, and recordation taxes. This information is presented on the accrual method of accounting which will reflect a lesser amount than shown in the chart below since two months of sales tax are accrued at year end.

## Sales Tax Comparison 2012–2013

|        | Sales Tax | Sales Tax  | Variance |
|--------|-----------|------------|----------|
|        | FY2013    | FY2012     |          |
| JUL    | 943,592   | 853,640    | 89,952   |
| AUG    | 982,739   | 925,849    | 56,890   |
| SEPT   | 919,355   | 862,116    | 57,239   |
| OCT    | 1,023,120 | 905,590    | 117,530  |
| NOV    | 915,179   | 852,630    | 62,549   |
| DEC    | 894,605   | 831,818    | 62,787   |
| JAN    | -         | 878,446    | -        |
| FEB    | -         | 982,499    | -        |
| MAR    | -         | 754,666    | -        |
| APR    | -         | 781,510    | -        |
| MAY    | -         | 891,249    | -        |
| JUN    | -         | 850,060    | -        |
| Totals | 5,678,590 | 10,370,073 | 446,947  |



*With sales tax on the rise by 8.7% through the second quarter of FY 2013, officials view the increase as positive. This chart is presented on a cash basis to reflect a better second quarter comparison.*

## Revenue Information

(Continued from page 4)

The total permits and privilege fees increased \$35,770 at the end of December and \$89,505 year to date. The increase of permit fees were impacted by the increase in the fee charge for development review and other fee categories.

Local sales taxes consist of the portion of the state sales tax that is remitted to the locality. The state sales tax is 5% with the state returning 1% back to the locality. The sales tax increased \$62,787 in December 2012 compared to the prior year and increased \$446,947 year to date.

The total variance of \$680,829 in other local taxes through December is a net increase which was significantly impacted by the increase in sales tax, communication sales tax, utility taxes, business licenses, recordation taxes, meals tax, street lights, and Star Fort fees.



## Northwestern Regional Adult Detention Center



Photo courtesy of Lorraine Mossburg  
NRADC Entrance

The Northwestern Regional Adult Detention Center is a 540 bed, medium security, direct supervision Adult Detention Center located in Winchester, Virginia.

The FY 2013 budget includes five significant initiatives which contribute to the budget increase. As required by the state, the

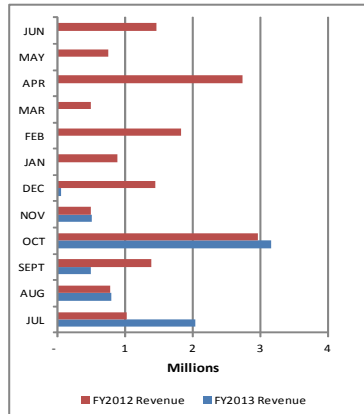
Center's Live Scan Fingerprint System must be updated during FY 2013. In addition, as directed by the Federal government, all analog radio systems must be replaced by digital systems by the end of FY 2013. The cost of those two conversions amount to \$28,000 and \$15,000 respectfully. The Jail's

intercom system, the principal means of communication within the Jail, is over eight years old and failing regularly. System replacement is estimated at \$125,000. The Main Jail key system consists of over 300 security keys. Strict accountability of keys is critical to safety and security. A \$27,000 automated key control is required to better control and account for the keys. The last initiative is to acquire dental equipment to facilitate the contracting of in-house dental services, eliminating the need to transport inmates to dental offices.

The NRADC revenue decrease year to date is \$1,039,755 and as a result of the timing of receipt of local contributions. The expenditures increased \$574,125 year to dates. The Virginia Retirement System increase effective July 1, 2012 directly impacted this increase.

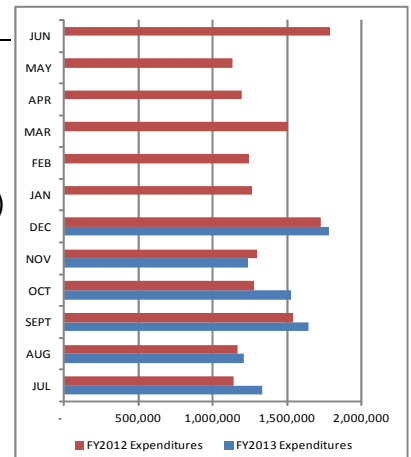
### NRADC Revenues

|        | FY2013 Revenue | FY2012 Revenue | Monthly Variance |
|--------|----------------|----------------|------------------|
| JUL    | 2,046,504      | 1,032,028      | 1,014,477        |
| AUG    | 794,843        | 782,589        | 12,254           |
| SEPT   | 495,608        | 1,386,703      | (891,095)        |
| OCT    | 3,169,052      | 2,963,735      | 205,317          |
| NOV    | 504,158        | 496,764        | 7,394            |
| DEC    | 57,291         | 1,445,391      | (1,388,100)      |
| JAN    | -              | 892,927        | -                |
| FEB    | -              | 1,831,219      | -                |
| MAR    | -              | 494,933        | -                |
| APR    | -              | 2,735,515      | -                |
| MAY    | -              | 753,851        | -                |
| JUN    | -              | 1,460,373      | -                |
| Totals | 7,067,455      | 16,276,028     | (1,039,755)      |



### NRADC Expenditures

|        | FY2013 Expenditures | FY2012 Expenditures | Monthly Variance |
|--------|---------------------|---------------------|------------------|
| JUL    | 1,334,653           | 1,138,976           | 195,677          |
| AUG    | 1,207,919           | 1,170,653           | 37,266           |
| SEPT   | 1,643,388           | 1,538,192           | 105,196          |
| OCT    | 1,526,073           | 1,280,744           | 245,329          |
| NOV    | 1,237,260           | 1,301,186           | (63,926)         |
| DEC    | 1,784,033           | 1,729,449           | 54,584           |
| JAN    | -                   | 1,266,866           | -                |
| FEB    | -                   | 1,243,249           | -                |
| MAR    | -                   | 1,505,712           | -                |
| APR    | -                   | 1,198,055           | -                |
| MAY    | -                   | 1,132,587           | -                |
| JUN    | -                   | 1,791,584           | -                |
| Totals | 8,733,326           | 16,297,253          | 574,126          |



# Frederick County Sanitary Landfill

The Frederick County Sanitary Landfill provides non-hazardous solid waste disposal needs for Frederick and Clarke Counties and the City of Winchester.

## Projects Update:

- Construction/Demolition Debris Landfill (CDD) 10 acre cell-Clay liner and leachate collection system upgrade.
- Clarke County Farm-Clay and shale borrow improvements, installation of Permanent Erosion and Sediment Control Measures, Sediment Basin and haul roads.
- Removed all overhead electric poles and wires across Clarke County Farm, except along eastern perimeter.
- Installed new storm water collection system along Landfill entrance road

along with installation of Best Management Practices (BMP's) to collect sediment from entering stream.

- Drilled five (5) new gas collection wells in MSW landfill to collect additional landfill gas to power energy plant and heating shop.

- Upgrade landfill gas treatment system to remove Siloxane contamination.

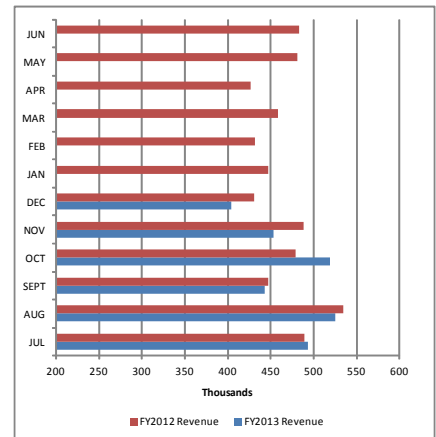
Landfill revenue decreased \$29,188 year to date and expenditures decreased \$1.29 million due to a \$1.28 million decrease in capital projects.



Photo courtesy of Gloria Puffinburger  
Clay being rolled into new CDD cell, September 2012.

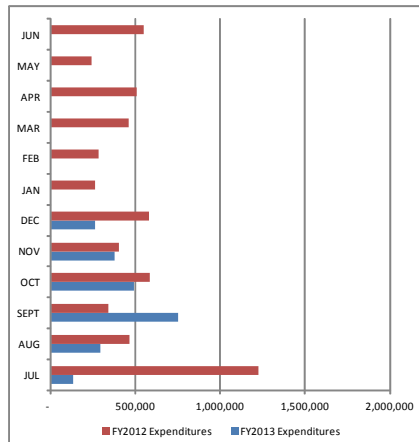
## Landfill Revenues

|        | FY2013 Revenue | FY2012 Revenue | Monthly Variance |
|--------|----------------|----------------|------------------|
| JUL    | 493,721        | 489,700        | 4,021            |
| AUG    | 525,521        | 534,369        | (8,848)          |
| SEPT   | 443,332        | 446,675        | (3,343)          |
| OCT    | 518,991        | 478,565        | 40,426           |
| NOV    | 453,331        | 488,432        | (35,101)         |
| DEC    | 403,940        | 430,284        | (26,344)         |
| JAN    | -              | 447,097        | -                |
| FEB    | -              | 431,295        | -                |
| MAR    | -              | 458,536        | -                |
| APR    | -              | 426,302        | -                |
| MAY    | -              | 481,457        | -                |
| JUN    | -              | 482,700        | -                |
| Totals | 2,838,836      | 5,595,412      | (29,189)         |



## Landfill Expenditures

|        | FY2013 Expenditures | FY2012 Expenditures | Monthly Variance |
|--------|---------------------|---------------------|------------------|
| JUL    | 129,602             | 1,226,446           | (1,096,844)      |
| AUG    | 292,154             | 466,969             | (174,815)        |
| SEPT   | 753,515             | 340,261             | 413,254          |
| OCT    | 489,278             | 584,408             | (95,130)         |
| NOV    | 375,625             | 404,851             | (29,226)         |
| DEC    | 263,595             | 577,945             | (314,350)        |
| JAN    | -                   | 260,307             | -                |
| FEB    | -                   | 281,577             | -                |
| MAR    | -                   | 460,047             | -                |
| APR    | -                   | 507,617             | -                |
| MAY    | -                   | 242,665             | -                |
| JUN    | -                   | 550,498             | -                |
| Totals | 2,303,768           | 5,903,590           | (1,297,111)      |



# Government Services Mobile App Released

Written by Andrew Farrar, GIS Technician, IT Department

Frederick County has a new web and mobile application for citizens to access information on county services through their mobile device or desktop browser.

The focus of this application is to enable citizens to use and to access all that is offered around them. Addresses, phone numbers, and email addresses for government facilities are provided to the user, as well as driving directions to the locations from an address or from the GPS location on a phone. By using this application citizens can gather information to plan an outing at a park, drop off recycling, register to vote, as well as other things.

The application provides an easy and intuitive way to access the information. To start, a user simply clicks on the magnifying glass at the top of the screen, enters an address, and then clicks on the correct address or street that comes up in the search results. This then zooms the user to that location and displays all of the government services provided in order of their proximity to the chosen address. Alternatively, the crosshairs symbol can be selected to gather the current location from the GPS receiver on a Smartphone.

The government services search results tab on the bottom of the application shows contact information and, in some cases, hours of operation for the aforementioned services. By clicking on the yellow traffic sign in the tab,

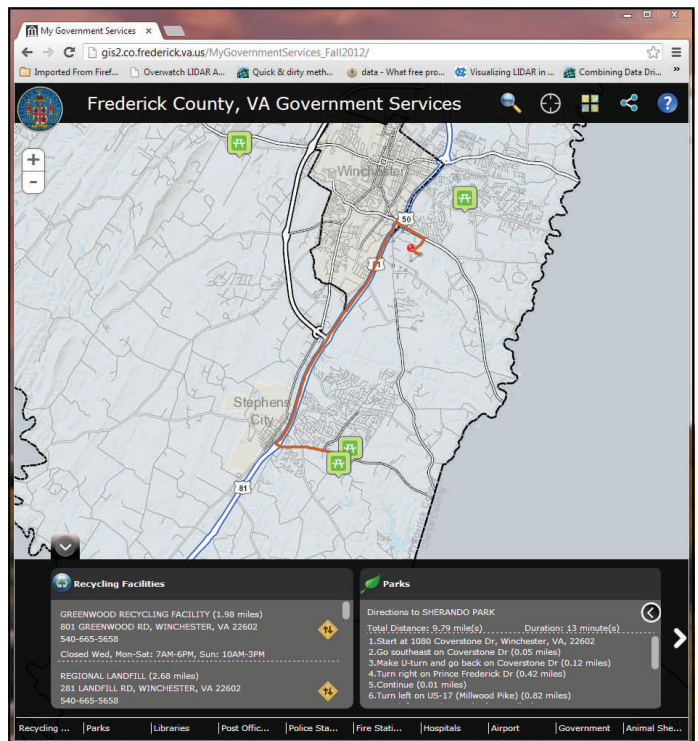
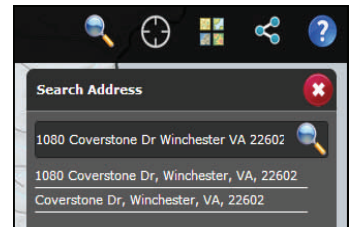
driving directions will be generated from the current address to whichever government service location was selected. The mobile application functions in a slightly different manner than the web app, but it retains the same information.

This application was designed using templates from ESRI, the County's GIS software provider. In October 2012, GIS staff began to look at these applications as a way to easily disseminate information to the public. Existing data first had to be manipulated and fit to a specific format so that it could be utilized by the application. Then the cartography (the look, style, and layout of the map) had to be developed and tweaked. The overall design theme was to have a clean map and interface to make the focus of the application on the loca-

tions and information provided.

The Frederick County Government Services app can be accessed at the following link: [http://gis2.co.frederick.va.us/MyGovernmentServices\\_Fall2012/](http://gis2.co.frederick.va.us/MyGovernmentServices_Fall2012/). Alternatively, it can be accessed from the "Interactive Mapping" link of the county homepage. It operates on iPad, iPhone, and Android devices, as well as desktop browsers such as Google Chrome, Mozilla Firefox, and Microsoft Internet Explorer version 9 and higher.

*"By using this application citizens can gather information to plan an outing at a park, drop off recycling, register to vote..."*





# Frederick County on Facebook and Twitter

Written by Karen Vacchio, Public Information Officer, Parks & Recreation

In an effort to improve communications with the public, Frederick County has established a presence on Facebook and has initiated a Twitter feed. Both entities will be utilized to further the mission of making the public aware of Frederick County government activities and news. Assistant County Administrator Kris Tierney is overseeing the effort with current employees and points out “We are taking the news to where the people are, on the platform they select

to hear from us on a regular basis.”

The County will make use of the sites to promote the dates and agendas of meetings, meeting cancellation notices, the release of new publications such as the budget and budget guides, programs and events, and other news from the County government that would be of interest to the public. Additionally, the sites will be used in the event of an emergency to help keep the public and employees informed as

necessary.

The County has a number of departments that have established Facebook and Twitter sites. Some of the information from these sites will be incorporated into the overall County sites, but users are encouraged to sign up for any and all of the sites in which they have an interest. They are all listed on the County website under “Social Media: Connect with Frederick County.”

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*“We are taking the news to where the people are...”*

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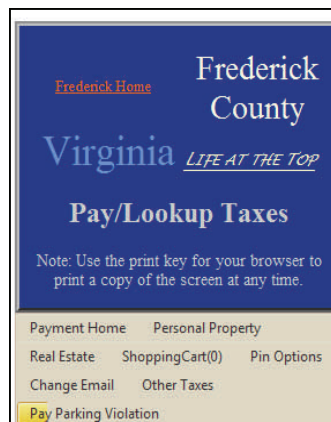
# Treasurer’s Payment Webpage Redesigned

Written by Wayne Corbett, Deputy, Treasurer’s Office and Angela Whitacre, Deputy, Treasurer’s Office

The trend of online payments is moving from desktop devices to the world of tablets and smart phones. To keep up with these changes, the Frederick County Treasurer’s payment webpage has been redesigned for a more user-friendly experience. One noticeable difference is the location of the navigation bar. It is now located at the top of the page for easier navigation. Another feature is the use of “responsive design” that allows the screen image to adjust based on the type of device that you are using (phone, tablet, or PC).

You can also add our payment page’s web address to your device’s home screen to create an easy icon to click on. This allows you to access our payment and information screens from your mobile device anywhere you may be.

The Treasurer’s office web address is [www.fredtax.com](http://www.fredtax.com), then click on “pay taxes” for the payment options.



## Fiscal Year 2012 Financial Reports

Frederick County issues two annual financial reports: the Comprehensive Annual Financial Report (CAFR) and the Popular Annual Financial Report (PAFR). Both reports can be found in print in the Finance Department or online at frederickcountyva.gov, keyword: financial reports.

The purpose of the CAFR is to provide citizens, investors, grant agencies, and other interested parties with reliable financial information about the County.

The CAFR provides reliable, audited financial information about the County and all organizations which have significant operational or financial relationships with the County. It contains material disclosures, schedules and notes.

The Code of Virginia requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of audited financial statements presented in conformity with United States generally accepted accounting principles (GAAP) as established by the Governmental Accounting Standards Board.

The purpose of the PAFR is to summarize and simplify the presentation of information contained in the CAFR. The PAFR is intended to be a supplement to the CAFR, not a replacement. Since the PAFR is presented in a simple and easy-to-understand format, it does not conform to GAAP. The PAFR is not audited and excludes many material disclosures, financial statements, schedules, and notes to the finan-

cial statements found in the County's CAFR.

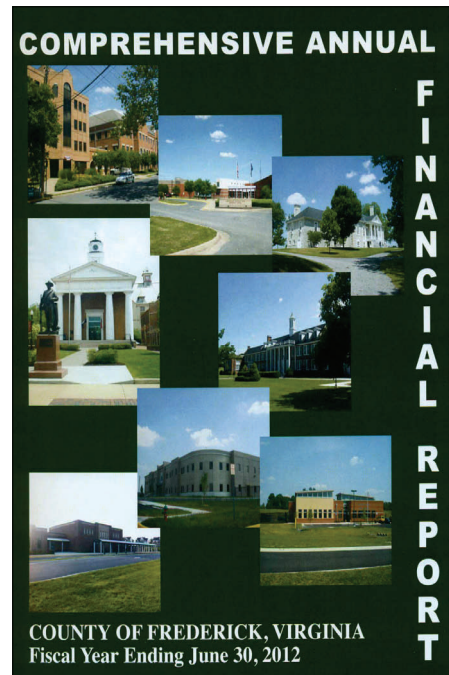
The PAFR is presented to better inform the public about the County's financial condition, without excessive detail or the use of technical accounting terms. This report represents the ongoing commitment of County officials to keep Frederick County citizens informed about County finances, and to be accountable for the receipt and expenditure of public funds.

We hope that you find these reports interesting and informative. As you review the documents, please feel free to share any questions, concerns or recommendations that you may have. We value your input and look forward to the opportunity to address any comments that you may have.

*“Frederick County issues two annual financial reports: the CAFR and the PAFR.”*



PAFR: <http://goo.gl/FXORu>



CAFR: <http://goo.gl/ZPeh0>

## Distinguished Budget Presentation Award

Frederick County received the Distinguished Budget Presentation Award, for the 26th consecutive year, for its annual budget for the fiscal year beginning July 1, 2012 by the Government Officers Association of the United States and Canada (GFOA).

In order to receive the award, the

government must publish a budget document that meets program criteria as a policy document, a financial plan, an operations guide and a communications device. Budget documents must be rated “proficient” in all four categories to receive the award. Budgets are reviewed by members of the GFOA pro-

fessional staff and by outside reviewers with public-sector budgeting experience.

The award represents a significant achievement by the county and reflects the commitment of the governing body and staff to meeting the highest principles of governmental budgeting.

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*“Frederick County received the Distinguished Budget Presentation Award for the 26th consecutive year...”*

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## 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 four board members and three citizen members.

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 are the meeting dates for the 4th quarter of 2012:

October 2012—canceled

November 2012—canceled

December 19, 2012

All Finance Committee Agendas and Reports can be found online at <http://goo.gl/jZ1xb>.

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

### General Fund

- \$1,000 for the free smoke detector program administered by the Fire & Rescue Department;
- \$23,060 for a VDEM grant awarded to the Fire & Rescue Haz Mat Team;
- \$18,955 for the proceeds from the Sheriff’s sale;
- \$627 for donations received by the Sheriff’s Department;
- \$2,330 for the reimbursement of DARE t-shirts;
- \$4,278 for the reimbursement of travel and firing range expenses;
- \$4,315 for an insurance reimbursement for damage from a lightning strike at the Public Safety Building;
- \$5,838 to return unspent VJCCA funds to the State.

The following are supplemental appropriation requests which required local funds:

### General Fund

- \$48,875 for the Sheriff’s Department Criminal Investigations Unit—Computer Forensics for equipment and software.



Photos courtesy of Lorraine Mossburg  
Top: Public Safety Building  
Bottom: Sheriff’s cruiser

## County of Frederick

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### Connect with Frederick County

**Find us. Follow us. Stay connected.**

Government-to-citizen communication is evolving rapidly with web technologies and Frederick County is embracing these new ways to reach those we serve.

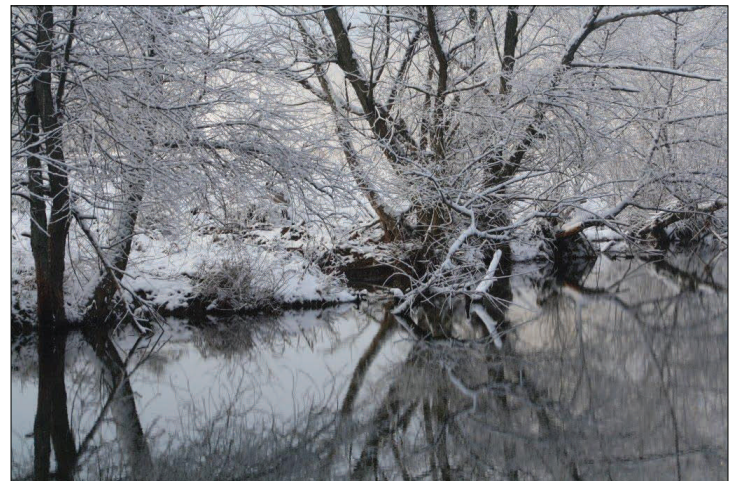
<http://www.co.frederick.va.us/social.aspx>



**WE'RE ON THE WEB!**  
**WWW.FREDERICKCOUNTYVA.GOV**

## National & Local Headlines

- Regional unemployment rate for November 2012 was 4.7%, compared to 5.4% in November 2011.
- Frederick County government, as an employer, had \$6,832 unemployment claims for the December 2012 quarter compared to \$6,977 for the previous year.
- GE reported that its quarterly net income rose 4% to \$4 billion.
- Flu vaccines generate \$2.4 billion in sales annually worldwide, according to a report from GlobalData.
- Lab researchers have created a superomniphobic coating for fabric that resists not only water and juice but everything from blood to hydrochloric acid.
- Goldman Sachs and Morgan Stanley will pay a total of \$557 million to troubled borrowers to end a case-by-case review of past foreclosures.
- Toyota has once again dethroned GM as the top-selling automaker selling at least 9.7 million cars/trucks worldwide in 2012; GM sold 9.2 million.



Hogue Creek on Indian Hollow Road

Photo courtesy of LeeAnna Pyles