



Finance Department
Cheryl B. Shiffler
Director

540/665-5610
Fax: 540/667-0370
E-mail: cshiffle@fcva.us

TO: Board of Supervisors
FROM: Finance Committee
DATE: January 18, 2018
SUBJECT: Finance & Audit Committees Reports and Recommendations

A Finance Committee meeting was held in the First Floor Conference Room at 107 North Kent Street on Wednesday, January 17, 2018 at 3:00 p.m. An Audit Committee meeting immediately followed. All members were present. A budget work session followed at 4:00 p.m.

FINANCE COMMITTEE

1. The Fire & Rescue Chief provides information on the SCBA replacement costs, and notification that potential grant funding was not awarded, which will result in the use of local funds. See attached memo, p. 3 – 4. The committee reached consensus on proceeding with the purchase now, and a General Fund adjustment in the amount of \$607,880.50 to follow at the next scheduled Board of Supervisors meeting as a consent item.

AUDIT COMMITTEE

1. David Foley from Robinson, Farmer, Cox Associates will present the FY 2017 CAFR and be available for discussion of the upcoming FY 2018 audit. The FY 2017 CAFR is available in dropbox or online at: www.fcva.us/CAFR. See attached memo, p. 5 – 6. The committee accepted the report and authorized the Finance Committee Chairman to sign the engagement letter for the FY 2018 audit. No Board action required.

BUDGET WORK SESSION

1. Discussion on the FY 2019 budget.

INFORMATION ONLY

1. The Finance Director provides a Fund 10 Transfer Report for December 2017. See attached, p. 7.

Finance & Audit Committees Reports and Recommendations

January 17, 2018

Page 2

2. The Finance Director provides financial statements ending December 31, 2017. See attached, p. 8 – 18.
3. The Finance Director provides an FY 2018 Fund Balance Report ending January 11, 2018. See attached, p. 19.

Respectfully submitted,

FINANCE COMMITTEE

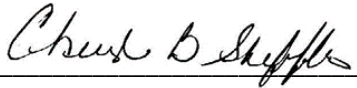
Judith McCann-Slaughter, Chairman

Charles DeHaven

Gary Lofton

Angela Rudolph

Jeffrey Boppe

By 

Cheryl B. Shiffler, Finance Director



Dennis D. Linaburg
Fire Chief

MEMORANDUM

TO: Cheryl Shiffler, Director
Finance Department

FROM: Dennis D. Linaburg, Chief
Fire and Rescue Department

SUBJECT: Request for Funding

DATE: January 9, 2018

During Fiscal Year 2018, the Department applied for an Assistance to Firefighters Grant through FEMA to replace all our SCBA units within the County. The total cost of replacing all 327 units was expected to be \$3-million, with \$2-million coming from local funds and \$1-million awarded through the grant.

In November 2017, we learned the Department was not selected to receive the grant. After discussing our options with the Finance Department, we requested \$1-million in the FY19 Budget to utilize for the replacement of the SCBA units that would not be covered by the local funds appropriated in the current fiscal year. However, we recently learned the Department could save up to \$72,945.66 if all 327 units were replaced at one time and before July 1, 2018 when a price increase is planned. The total cost for the project is \$2,607,880.50.

At this time, I respectfully request an additional \$607,880.50 in local funds to allow the Department to replace these vital pieces of equipment during the current fiscal year.

Total Request: \$607,880.50

I have attached our previous justifications for this project for your review. If you have any questions or need additional information, please do not hesitate to contact me.

/attachment

DDL:mhn

Self-Contained Breathing Apparatus (SCBA) is a safety component that protects firefighters' respiratory system and facial area from contaminants during fires and hazardous materials incidents. It is regulated by the National Institute for Occupational Safety and Health (NIOSH) with parameters included by Occupational Safety and Health Administration (OSHA) and the National Fire Protection Association (NFPA) consensus standards. Components include a harness, straps, pressure reducer, cylinder, high pressure hoses, and face-pieces.

Typically, SCBA is considered outdated at the end of 15 years (or 3 NFPA Standard years) with potential to add an additional 5 years with upgrades to existing equipment and/or the life expectancy of the cylinder.

Currently there are five or six different styles of SCBA being utilized. Many do not have Integrated Personal Alert Safety Systems (PASS) devices, Emergency Breathing Support System (EBSS), Rapid Intervention Team (RiT) Connections, Heads-Up Display (HUD), and Chemical-Biological-Radiological-Nuclear or a combination thereof; all of which are safety components considered industry standards. The majority of the SCBA units do not have the high-temperature face-pieces assigned with them as outlined in the 2018 NFPA Standard. A large portion of the existing SCBA inventory has been upgraded through parts received from the Metropolitan/Washington area fire and rescue departments, with future upgrades being non-existent.

Nearly 50% of the SCBA units being utilized within the County will come to the end of their life expectancy during 2017, and 40% of the remaining units ending in 2018. **Frederick County Fire and Rescue has will replace approximately 2/3 of the current SCBA in FY18, with the remaining SCBA devices being replaced in FY19 for approximately \$1,000,000.**

ROBINSON, FARMER, COX ASSOCIATES

A PROFESSIONAL LIMITED LIABILITY COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

Communication with Those Charged with Governance

To the Audit Committee County of Frederick, Virginia

We have audited the financial statements of the governmental activities, business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Frederick (“County”) for the year ended June 30, 2017. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards* and the Uniform Guidance as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated February 14, 2017. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the County are described in Note 1 to the financial statements. There were no new accounting policies adopted in 2017. All significant transactions have been recognized in the financial statements in the proper period.

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

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

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

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

Difficulties Encountered in Performing the Audit

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

Corrected and Uncorrected Misstatements

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

Disagreements with Management

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

Management Representations

We have requested certain representations from management that are included in the management representation letter dated December 15, 2017.

Management Consultations with Other Independent Accountants

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

Other Matters

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

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

Robinson, Farnell, Cox Associates

Charlottesville, Virginia
December 15, 2017

DECEMBER 2017 BUDGET TRANSFERS

DATE	DEPARTMENT/GENERAL FUND	REASON FOR TRANSFER	FROM	TO	ACCT	CODE	AMOUNT
12/4/2017	ELECTORAL BOARD AND OFFICIALS	ELECTION RECOUNT	1301	1003	000	000	550.00
	ELECTORAL BOARD AND OFFICIALS		1301	1006	000	002	1,180.00
	ELECTORAL BOARD AND OFFICIALS		1301	3010	000	000	954.60
	ELECTORAL BOARD AND OFFICIALS		1301	5204	000	000	100.00
	ELECTORAL BOARD AND OFFICIALS		1301	5506	000	000	81.00
	TRANSFERS/CONTINGENCY		9301	5890	000	000	(2,865.60)
12/8/2017	SHERIFF	TO COVER EXPENSES	3102	5402	000	000	(55.00)
	SHERIFF		3102	5801	000	000	55.00
12/11/2017	COUNTY ADMINISTRATION	POSITION REALLOCATION	1201	1001	000	001	69,889.11
	COUNTY ADMINISTRATION		1201	1001	000	002	(16,004.84)
	COUNTY ADMINISTRATION		1201	1001	000	021	(46,627.67)
	COUNTY ADMINISTRATION		1201	2005	000	000	(7,256.60)
12/12/2017	SHERIFF	TO PURCHASE VESTS THAT ARE EXPIRED & NEW POSITION	3102	5413	000	000	(8,475.00)
	SHERIFF		3102	5410	000	000	8,475.00
12/14/2017	REASSESSMENT/BOARD OF ASSESSORS	DUES	1210	3007	000	000	(300.00)
	REASSESSMENT/BOARD OF ASSESSORS		1210	5801	000	000	300.00
12/27/2017	TREASURER	REMOTE ACCESS TO DMV KIOSK	1213	5401	000	000	(50.00)
	TREASURER		1213	3005	000	000	50.00
12/27/2017	MANAGEMENT INFORMATION SYSTEMS	SUPPLEMENT PHONE LINE ITEM	1222	5401	000	000	(140.00)
	MANAGEMENT INFORMATION SYSTEMS		1222	5204	000	000	140.00
12/27/2017	INSPECTIONS	TO COVER EXPENSES IN PRINTING STICKERS FOR INSPECTIONS	3401	4003	000	002	(1,000.00)
	INSPECTIONS		3401	3006	000	000	1,000.00
12/27/2017	INSPECTIONS	TO COVER MAINTENANCE ON SCANNERS	3401	3004	000	002	(276.88)
	INSPECTIONS		3401	3004	000	001	276.88
12/30/2017	TREASURER	SALARY INCREASE 12/17	1213	3002	000	002	(6,424.00)
	TREASURER		1213	1001	000	002	6,424.00
	ANIMAL SHELTER		4305	5101	000	000	(537.29)
	ANIMAL SHELTER		4305	5413	000	000	(537.30)
	ANIMAL SHELTER		4305	1001	000	006	1,074.59
1/8/2018	SHERIFF	TO COVER EXPENSES	3102	5401	000	000	(1,800.00)
	SHERIFF		3102	3010	000	000	1,800.00
1/8/2018	SHERIFF	TO COVER EXPENSES FOR THE MONTH OF DECEMBER 2017	3102	5409	000	000	(1,000.00)
	SHERIFF		3102	5410	000	000	1,000.00
	SHERIFF		3102	5409	000	000	(1,500.00)
	SHERIFF		3102	5410	000	001	1,500.00

County of Frederick
 General Fund
 December 31, 2017

ASSETS	FY18 <u>12/31/17</u>	FY17 <u>12/31/16</u>	Increase <u>(Decrease)</u>
Cash and Cash Equivalents	46,788,841.54	46,945,847.53	(157,005.99) *A
Petty Cash	1,555.00	1,555.00	0.00
Receivables:			
Taxes, Commonwealth, Reimb. P/P	3,468,797.20	3,519,494.09	(50,696.89)
Streetlights	1,211.09	1,458.78	(247.69)
Miscellaneous Charges	54,868.41	21,526.36	33,342.05
Due from Fred. Co. San. Auth.	657,083.23	734,939.23	(77,856.00)
Prepaid Postage	4,351.66	3,498.53	853.13
GL controls (est.rev / est. exp)	<u>(16,425,148.68)</u>	<u>(9,066,936.21)</u>	<u>(7,358,212.47)</u> (1) Attached
TOTAL ASSETS	<u>34,551,559.45</u>	<u>42,161,383.31</u>	<u>(7,609,823.86)</u>
LIABILITIES			
Performance Bonds Payable	1,188,847.76	1,074,066.96	114,780.80
Taxes Collected in Advance	497,932.48	1,108,304.54	(610,372.06) *B
Deferred Revenue	<u>3,525,429.97</u>	<u>3,543,697.32</u>	<u>(18,267.35)</u> *C
TOTAL LIABILITIES	5,212,210.21	5,726,068.82	(513,858.61)
EQUITY			
Fund Balance			
Reserved:			
Encumbrance General Fund	715,196.38	410,698.57	304,497.81 (2) Attached
Conservation Easement	4,779.85	4,779.85	0.00
Peg Grant	234,066.38	205,675.38	28,391.00
Prepaid Items	949.63	949.63	0.00
Advances	657,083.23	734,939.23	(77,856.00)
Employee Benefits	93,120.82	93,120.82	0.00
Courthouse Fees	362,751.09	312,512.63	50,238.46
Historical Markers	17,501.27	17,386.10	115.17
Animal Shelter	1,091,175.27	335,530.02	755,645.25
Sheriff's Reserve	1,000.00	0.00	1,000.00
Proffers	4,160,177.57	3,261,503.96	898,673.61 (3) Attached
Parks Reserve	12,413.70	9,810.01	2,603.69
E-Summons Funds	78,269.19	78,763.75	(494.56)
VDOT Revenue Sharing	436,270.00	436,270.00	0.00
Undesignated Adjusted Fund Balance	<u>21,474,594.86</u>	<u>30,533,374.54</u>	<u>(9,058,779.68)</u> (4) Attached
TOTAL EQUITY	<u>29,339,349.24</u>	<u>36,435,314.49</u>	<u>(7,095,965.25)</u>
TOTAL LIAB. & EQUITY	<u>34,551,559.45</u>	<u>42,161,383.31</u>	<u>(7,609,823.86)</u>

NOTES:

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

*B Prepayment of taxes includes overpayment of \$866,394.30 in the previous year.

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

BALANCE SHEET

(1) GL Controls	FY18	FY17	Inc/(Decrease)
Est.Revenue	172,209,964	160,158,908	12,051,056
Appropriations	(84,594,267)	(71,047,663)	(13,546,604)
Est.Tr.to Other fds	(104,756,042)	(98,588,879)	(6,167,162)
Encumbrances	715,196	410,699	304,498
	(16,425,149)	(9,066,936)	(7,358,212)

(2) Purchase Orders Outstanding 12/31/17

DEPARTMENT	Amount	
County Office Buildings	22,447.73	Install (2) Heat Pumps CAB
Fire & Rescue	36,649.72	Uniforms
	11,100.00	Radio Prevention Maintenance
	6,300.00	Digital Dispatch License Fee
Information Technology	2,030.61	(100) Sprint IPADS With Lighting Adapters for F&R
Inspections	27,404.60	2018 Chevrolet Colorado
Parks	8,000.00	Frederick Heights Park Design
	14,339.69	Event Shirts
	1,560.77	Supplies/ Arts & Crafts
	80,710.30	Outdoor Gym & Installation Sherando
	6,310.74	Wall Showers Clearbrook Park
	7,496.00	Sherando Pool Gate Repair
Public Safety	330,000.00	Radio Console Upgrade
Sheriff	6,164.50	Ammunition
	6,240.00	Electronic Summons Software
	2,825.00	Body Armor Carriers
	5,276.64	Combat Uniforms
	5,288.00	Uniforms
	20,962.50	(15) Protective Gear Kits
	21,914.70	Swat Riot Communication
	24,752.50	2018 Dodge Charger
	14,872.38	Vest Carriers(48)
	13,500.00	1985 Hendrickson Fire Truck & Repairs
	39,050.00	2017 Chevrolet Tahoe
Total	715,196.38	

(3)Proffer Information	SCHOOLS	PARKS	FIRE & RESCUE	Designated Other Projects	TOTAL
Balance 12/31/17	1,958,914.05	80,415.29	363,485.63	1,757,362.60	4,160,177.57

Designated Other Projects Detail

Administration	295,023.60	
Bridges	4,100.00	
Historic Preservation	145,000.00	12/11/14 Board Action designated \$50,000 for final debt payment
Library	171,026.00	on the Huntsberry property.
Rt.50 Trans.Imp.	10,000.00	
Rt. 50 Rezoning	25,000.00	
Rt. 656 & 657 Imp.	25,000.00	
RT.277	162,375.00	
Sheriff	69,448.00	
Solid Waste	12,000.00	
Stop Lights	52,445.00	
Treasurer	700.00	
BPG Properties/Rt.11 Corridor	330,000.00	
Blackburn Rezoning	452,745.00	
Clearbrook Bus.Ctr.Rezoning	2,500.00	
Total	1,757,362.60	

Other Proffers 12/31/17

(4) Fund Balance Adjusted	
Ending Balance 12/31/17	37,891,921.62
Revenue 12/17	79,126,801.09
Expenditure 12/17	(40,687,492.25)
Transfers 12/17	(54,856,635.60)
12/17 Adjusted Fund Balance	21,474,594.86

County of Frederick
 Comparative Statement of Revenues, Expenditures
 and Changes in Fund Balance
 December 31, 2017

REVENUES:	<u>Appropriated</u>	FY18 12/31/2017 <u>Actual</u>	FY17 12/31/2016 <u>Actual</u>	YTD Actual <u>Variance</u>
General Property Taxes	117,080,093.00	51,453,139.22	46,606,161.90	4,846,977.32 (1)
Other local taxes	35,717,875.00	11,214,649.75	11,105,609.76	109,039.99 (2)
Permits & Privilege fees	2,004,806.00	1,062,366.11	1,091,851.39	(29,485.28) (3)
Revenue from use of money and property	203,241.40	413,541.47	174,037.19	239,504.28 (4)
Charges for Services	3,076,558.00	1,419,637.97	1,465,560.68	(45,922.71)
Miscellaneous	588,252.37	380,058.51	825,233.66	(445,175.15)
Recovered Costs	1,559,454.00	841,921.02	931,128.59	(89,207.57) (5)
Proffers		690,852.32	939,247.52	(248,395.20) (5)
Intergovernmental:				
Commonwealth	10,941,384.32	11,640,839.72	11,216,429.46	424,410.26 (6)
Federal	1,038,299.82	9,795.00	25,541.00	(15,746.00) (7)
Transfers		0.00	0.00	0.00
TOTAL REVENUES	172,209,963.91	79,126,801.09	74,380,801.15	4,745,999.94
EXPENDITURES:				
General Administration	12,135,525.57	7,026,272.96	5,992,485.75	1,033,787.21
Judicial Administration	2,709,881.55	1,256,908.88	1,260,851.62	(3,942.74)
Public Safety	40,683,517.16	20,073,829.59	17,686,582.61	2,387,246.98
Public Works	6,794,105.80	2,159,239.59	2,274,222.73	(114,983.14)
Health and Welfare	9,520,883.00	4,153,337.90	3,903,002.38	250,335.52
Education	76,320.00	38,160.00	39,409.50	(1,249.50)
Parks, Recreation, Culture	7,707,012.04	3,306,539.14	3,173,361.37	133,177.77
Community Development	4,028,049.03	2,673,204.19	641,609.13	2,031,595.06
TOTAL EXPENDITURES	83,655,294.15	40,687,492.25	34,971,525.09	5,715,967.16 (8)
OTHER FINANCING SOURCES (USES):				
Operating transfers from / to	105,695,014.82	54,856,635.60	48,537,086.25	6,319,549.35 (9)
Excess (deficiency)of revenues & other sources over expenditures & other uses	(17,140,345.06)	(16,417,326.76)	(9,127,810.19)	7,289,516.57
Fund Balance per General Ledger		37,891,921.62	39,661,184.73	(1,769,263.11)
Fund Balance Adjusted to reflect Income Statement 12/31/17		21,474,594.86	30,533,374.54	(9,058,779.68)

(1)General Property Taxes	FY18	FY17	Increase/Decrease
Real Estate Taxes	27,956,242	25,179,564	2,776,678
Public Service Current Taxes	1,402,899	1,197,789	205,110
Personal Property	21,395,961	19,587,524	1,808,437
Penalties and Interest	535,847	503,888	31,959
Credit Card Chgs./Delinq.Advertising	(27,381)	(17,589)	(9,792)
Adm.Fees For Liens&Distress	189,571	154,986	34,585
	51,453,139	46,606,162	4,846,977

(2) Other Local Taxes

Local Sales and Use Tax	4,697,581.87	4,567,575.80	130,006.07
Communications Sales Tax	418,112.79	428,129.38	(10,016.59)
Utility Taxes	1,351,671.82	1,408,271.70	(56,599.88)
Business Licenses	1,052,577.86	1,043,777.17	8,800.69 *1
Auto Rental Tax	46,996.47	50,934.47	(3,938.00)
Motor Vehicle Licenses Fees	470,667.63	411,597.15	59,070.48
Recordation Taxes	838,697.68	865,656.23	(26,958.55)
Meals Tax	2,024,859.31	2,007,057.50	17,801.81 *2
Lodging Tax	294,011.30	302,157.78	(8,146.48) *2
Street Lights	15,363.02	16,312.58	(949.56)
Star Fort Fees	4,110.00	4,140.00	(30.00)
Total	11,214,649.75	11,105,609.76	109,039.99

(3)Permits&Privileges

Dog Licenses	19,139.00	22,592.00	(3,453.00)
Land Use Application Fees	6,325.00	5,450.00	875.00
Transfer Fees	1,714.27	1,740.60	(26.33)
Development Review Fees	243,007.00	184,121.00	58,886.00
Building Permits	567,052.26	678,767.66	(111,715.40) *3
2% State Fees	7,804.58	12,733.73	(4,929.15)
Electrical Permits	61,054.00	47,521.00	13,533.00
Plumbing Permits	10,294.00	12,044.40	(1,750.40)
Mechanical Permits	53,899.00	46,932.00	6,967.00
Sign Permits	4,925.00	3,425.00	1,500.00
Permits Commercial Burning	100.00	100.00	-
Blasting Permits	195.00	135.00	60.00
Land Disturbance Permits	86,157.00	75,739.00	10,418.00
Septic Haulers Permit	-	300.00	(300.00)
Residential Pump and Haul Fee	500.00	50.00	450.00
Transfer Development Rights	200.00	200.00	-
Total	1,062,366.11	1,091,851.39	(29,485.28)

(4) Revenue from use of

Money	383,091.37	150,838.96	232,252.41
Property	30,450.10	23,198.23	7,251.87
Total	413,541.47	174,037.19	239,504.28

*1 COR has changed the process in billing earlier resulting in receipt of the revenue earlier.

Business license revenue that would have been received in the first quarter of FY18 was received in FY17. Comparison of the calendar years of FY17 and FY18 shows the current year revenue as higher.

*2 Meals and lodging tax are affected by the assessment, filing date and timing of the deposits.

*3 There were a greater number of commercial building permits issued last year for the same time period. Commercial permits generally have higher values than home building permits. Another factor is that a rush of home building permits were issued in the last quarter of FY2017 which caused a brief lull in FY2018.

(5) Recovered Costs	FY18	FY17	Increase/Decrease
	12/31/2017	12/31/2016	
Recovered Costs Treasurer's Office	32,772.00	33,861.00	(1,089.00)
Worker's Comp	-	550.00	(550.00)
Purchasing Card Rebate	156,281.56	161,675.29	(5,393.73)
Recovered Costs -IT/GIS	27,261.00	20,000.00	7,261.00
Recovered Costs-F&R Fee Recovery	101,177.06	145,574.24	(44,397.18)
Recovered Cost Fire Companies	94,182.34	120,674.40	(26,492.06)
Recovered Costs Sheriff	11,125.00	-	11,125.00
Reimbursement Circuit Court	5,244.61	4,811.27	433.34
Reimb.Public Works/Planning Clean Up	1,283.68	2,590.00	(1,306.32)
Clarke County Container Fees	24,891.95	36,358.16	(11,466.21)
City of Winchester Container Fees	22,428.48	31,412.25	(8,983.77)
Refuse Disposal Fees	53,092.37	57,568.45	(4,476.08)
Recycling Revenue	44,664.76	37,211.44	7,453.32
Container Fees Bowman Library	926.36	936.32	(9.96)
Litter-Thon/Keep VA Beautiful Grant	-	750.00	(750.00)
Restitution Victim Witness	-	7,031.92	(7,031.92)
Reimb.of Expenses Gen.District Court	14,846.53	18,188.85	(3,342.32)
Reimb.Task Force	26,529.62	27,300.83	(771.21)
Reimb. Elections	-	5,460.29	(5,460.29)
Westminster Canterbury Lieu of Tax	18,651.80	13,967.40	4,684.40
Grounds Maint.Frederick Co.Schools	142,671.65	135,347.57	7,324.08
Comcast PEG Grant	43,292.00	41,389.00	1,903.00
Fire School Programs	11,288.00	17,155.00	(5,867.00)
Clerks Reimbursement to County	5,094.36	4,629.08	465.28
Reimb. Sheriff	4,215.89	6,685.83	(2,469.94)
Subtotal Recovered Costs	841,921.02	931,128.59	(89,207.57)
Proffer Lynnhaven	3,378.31	47,296.34	(43,918.03)
Proffer Redbud Run	32,270.00	83,902.00	(51,632.00)
Proffer Canter Estates	57,231.58	53,143.61	4,087.97
Proffer Village at Harvest Ridge	-	12,312.00	(12,312.00)
Proffer Southern Hills	127,660.00	44,190.00	83,470.00
Proffer Snowden Bridge	416,621.43	422,508.57	(5,887.14)
Proffer Meadows Edge Racey Tract	-	241,728.00	(241,728.00)
Proffer Cedar Meadows	53,691.00	34,167.00	19,524.00
Subtotal Proffers	690,852.32	939,247.52	(248,395.20)
Grand Total	1,532,773.34	1,870,376.11	(337,602.77)

*1

*1

*1

*1 Timing of the receipt of payments.

(6) Commonwealth Revenue	12/31/17	12/31/16	
	FY18	FY17	Increase/Decrease
Motor Vehicle Carriers Tax	22,886.25	26,854.52	(3,968.27)
Mobile Home Titling Tax	54,528.49	79,829.01	(25,300.52)
Recordation Taxes	187,177.20	186,735.96	441.24
P/P State Reimbursement	6,526,528.18	6,526,528.18	-
Shared Expenses Comm.Atty.	228,328.33	223,415.73	4,912.60
Shared Expenses Sheriff	1,027,896.59	966,624.53	61,272.06
Shared Expenses Comm.of Rev.	91,613.47	88,899.29	2,714.18
Shared Expenses Treasurer	53,671.72	66,962.28	(13,290.56)
Shared Expenses Clerk	195,692.75	203,366.32	(7,673.57)
Public Assistance Grants	2,536,509.94	2,348,122.49	188,387.45
Litter Control Grants	14,774.00	15,152.00	(378.00)
Four-For-Life Funds	85,262.32	-	85,262.32
Emergency Services Fire Program	251,441.00	219,662.00	31,779.00
DMV Grant Funding	14,220.85	13,450.55	770.30
Sheriff State Grants	-	9,927.01	(9,927.01)
State Grant Emergency Services	15,925.00	-	15,925.00
Sheriff State Grants	36,207.35	-	36,207.35
JJC Grant Juvenile Justice	64,180.00	64,180.00	-
Rent/Lease Payments	115,528.52	134,209.86	(18,681.34)
Spay/Neuter Assistance State	134.90	187.78	(52.88)
Wireless 911 Grant	29,144.98	28,854.33	290.65
State Forfeited Asset Funds	17,584.42	13,177.82	4,406.60
Victim Witness-Commonwealth Office	71,475.96	-	71,475.96
F&R OEMS Reimbursement	127.50	289.80	(162.30)
Total	11,640,839.72	11,216,429.46	424,410.26

*1

*2

*1 Five positions were added . Two of the positions funded from the State (Match rate of 84.50%).

DSS became fiscal agent of Foster Parent Training that was two positions the State gave us and additional \$30,600(match rate of 84.50%) Additionally one position by the county with a 29% State match.

*2 Timing--FY17 funds received in FY18

County of Frederick

General Fund

December 31, 2017

(7) Federal Revenue	FY18	FY17	Increase/Decrease
Housing Illegal Aliens-Federal	-	9,803.00	(9,803.00)
Federal Forfeited Assets	1,549.17	-	1,549.17
Federal Funds Sheriff	6,423.36	9,263.00	(2,839.64)
Federal Forfeited Assets Treasury	1,822.47	6,475.00	(4,652.53)
Total	9,795.00	25,541.00	(15,746.00)

(8) Expenditures

Expenditures increased \$5,715,967.16. **General Administration** increased \$1,066,787.21 and includes an increase of \$428,491 for the Children’s Services transfer due to increased expenses. **Public Safety** increased \$2,387,246.98 and reflects the year to date increase of \$1,176,481.10 in salaries and fringe benefits for the Sheriff and Fire and Rescue. This increase was impacted by staff turnover, position reclassifications and additional positions. Additionally, the contributions to the Volunteer Fire Departments and the Ambulance and Rescue Services increased \$347,799.01 and includes \$200,136.02 in proffer funds to Stephens City Fire and Rescue for payment of construction of an Ancillary Building. The local contribution to the Jail increased \$70,907.25 over the previous year. Community Development reflects the \$2 million increase in transfers to the Economic Development Authority for EDA incentives. The Transfers increased \$6,319,549.35. See chart below:

(9) Transfers Increased \$6,319,549.35	FY18	FY17	Increase/Decrease
Transfer to School Operating	40,951,338.87	39,093,518.88	1,857,819.99 *1
Transfer to Debt Service Schools	7,986,237.50	7,986,237.50	-
Transfer to Debt Service County	1,525,259.37	1,492,545.86	32,713.51 *2
Operational Transfers	70,179.86	(35,215.99)	105,395.85 *3
Debt Contingency	4,323,620.00	-	4,323,620.00 *4
Total	54,856,635.60	48,537,086.25	6,319,549.35

*1 Increase in School Operating FY18 includes C/F \$1,032,255.77 for School Encumbrances, \$285,003.55 grant funds received during FY17 for specific purposes, \$997,264.55 represents unspent FY17 funds to be spent on buses, and \$38,636,815 for half the School Operating. FY17 includes \$903,813.48 C/F School Encumbrances, \$670,618.90 C/F School Operating, and \$37,519,086.50 for half the School Operating.

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

*3 Timing of Insurance Charge-Outs

*4 Board of Supervisors Capital

County of Frederick
 FUND 11 NORTHWESTERN REGIONAL ADULT DETENTION CENTER
 December 31, 2017

ASSETS	FY2018 <u>12/31/2017</u>	FY2017 <u>12/31/2016</u>	Increase <u>(Decrease)</u>
Cash	8,776,390.97	8,820,121.81	(43,730.84) *1
GL controls(est.rev/est.exp)	<u>(1,003,200.50)</u>	<u>(809,750.48)</u>	<u>(193,450.02)</u>
TOTAL ASSETS	<u>7,773,190.47</u>	<u>8,010,371.33</u>	<u>(237,180.86)</u>
LIABILITIES			
Accrued Operating Reserve Costs	<u>2,507,247.00</u>	<u>2,395,005.00</u>	<u>112,242.00</u>
TOTAL LIABILITIES	<u>2,507,247.00</u>	<u>2,395,005.00</u>	<u>112,242.00</u>
EQUITY			
Fund Balance Reserved			
Encumbrances Undesignated Fund Balance	15,961.60	71,853.94	(55,892.34)
	<u>5,249,981.87</u>	<u>5,543,512.39</u>	<u>(293,530.52) *2</u>
TOTAL EQUITY	<u>5,265,943.47</u>	<u>5,615,366.33</u>	<u>(349,422.86)</u>
TOTAL LIABILITY & EQUITY	<u>7,773,190.47</u>	<u>8,010,371.33</u>	<u>(237,180.86)</u>

NOTES:

*1 Cash decreased \$43,730.84. Refer to the following page for comparative statement of revenues and expenditures and changes in fund balance.

*2 Fund balance decreased \$293,530.52. The beginning balance was \$4,611,633.77 and includes adjusting entries, budget controls for FY18(\$1,008,000) and the year to date revenue less the expenditures of \$1,646,348.10.

Current Unrecorded Accounts Receivable-	<u>FY18</u>
Prisoner Billing:	25,696.11
Compensation Board Reimbursement 12/17	<u>478,754.97</u>
Total	504,451.08

County of Frederick
 Comparative Statement of Revenues, Expenditures
 and Changes in Fund Balance
 12/31/2017

FUND 11 NORTHWESTERN REGIONAL ADULT DETENTION CENTER

REVENUES:		FY2018	FY2017	YTD Actual <u>Variance</u>
	<u>Appropriated</u>	12/31/17 <u>Actual</u>	12/31/16 <u>Actual</u>	
Credit Card Probation	-	43.76	68.05	(24.29)
Interest		20,902.98	7,373.04	13,529.94
Supervision Fees	72,435.00	15,043.00	15,094.62	(51.62)
Drug Testing Fees	1,000.00	103.45	100.00	3.45
Work Release Fees	379,828.00	141,077.63	154,830.51	(13,752.88)
Federal Bureau Of Prisons	0.00	110.00	1,263.28	(1,153.28)
Local Contributions	7,730,746.00	4,570,527.75	5,242,225.32	(671,697.57)
Miscellaneous	7,500.00	1,656.68	20,580.57	(18,923.89)
Phone Commissions	336,000.00	91,607.53	107,631.42	(16,023.89)
Food & Staff Reimbursement	75,000.00	29,207.68	20,620.67	8,587.01
Elec.Monitoring Part.Fees	110,000.00	34,155.07	43,539.10	(9,384.03)
Share of Jail Cost Commonwealth	1,400,000.00	326,160.60	348,291.51	(22,130.91)
Medical & Health Reimb.	75,000.00	31,837.48	32,046.25	(208.77)
Shared Expenses CFW Jail	5,250,000.00	2,086,294.38	2,223,104.38	(136,810.00)
State Grants	276,233.00	64,092.00	79,751.00	(15,659.00)
Local Offender Probation	247,636.00	69,832.00	68,316.00	1,516.00
Bond Proceeds	0.00	0.00	2,197.44	(2,197.44)
Transfer From General Fund	5,394,459.00	4,045,844.25	3,974,934.00	70,910.25
TOTAL REVENUES	21,355,837.00	11,528,496.24	12,341,967.16	(813,470.92)
EXPENDITURES:	22,374,999.10	9,882,148.14	9,807,357.80	74,790.34
Excess(Deficiency)of revenues over expenditures		1,646,348.10	2,534,609.36	(888,261.26)
FUND BALANCE PER GENERAL LEDGER		<u>3,603,633.77</u>	<u>3,008,903.03</u>	<u>594,730.74</u>
Fund Balance Adjusted To Reflect Income Statement 12/31/17		5,249,981.87	5,543,512.39	(293,530.52)

County of Frederick
Fund 12 Landfill
December 31, 2017

ASSETS	FY2018 12/31/17	FY2017 12/31/16	Increase (Decrease)
Cash	37,157,395.82	34,198,160.32	2,959,235.50
Receivables:			
Accounts Receivable			
Fees	533,200.46	659,276.26	(126,075.80) *1
Accounts Receivable Other	2,273.44	1,813.10	460.34
Allow.Uncollectible Fees	(84,000.00)	(84,000.00)	0.00
Fixed Assets	47,158,186.20	45,498,224.85	1,659,961.35
Accumulated Depreciation	(29,232,078.83)	(27,824,334.18)	(1,407,744.65)
GL controls(est.rev/est.exp)	(2,871,762.00)	(1,687,631.76)	(1,184,130.24)
TOTAL ASSETS	52,663,215.09	50,761,508.59	1,901,706.50
LIABILITIES			
Accounts Payable	-	-	
Accrued VAC.Pay and Comp TimePay	158,608.75	183,021.61	(24,412.86)
Accrued Remediation Costs	12,807,957.65	12,516,507.64	291,450.01 *2
Retainage Payable	0.00	26,133.20	(26,133.20)
Deferred Revenue Misc.Charges	2,273.44	1,813.10	460.34
TOTAL LIABILITIES	12,968,839.84	12,727,475.55	241,364.29
EQUITY			
Fund Balance			
Reserved:			
Encumbrances	386,396.00	802,572.64	(416,176.64) *3
Land Acquisition	1,048,000.00	1,048,000.00	0.00
New Development Costs	3,812,000.00	3,812,000.00	0.00
Environmental Project Costs	1,948,442.00	1,948,442.00	0.00
Equipment	3,050,000.00	3,050,000.00	0.00
Undesignated			
Fund Balance	29,449,537.25	27,373,018.40	2,076,518.85 *4
TOTAL EQUITY	39,694,375.25	38,034,033.04	1,660,342.21
TOTAL LIABILITY AND EQUITY	52,663,215.09	50,761,508.59	1,901,706.50

NOTES:

*1 Landfill receivables decreased \$126,075.80. Landfill fees at 12/17 were \$463,335.25 compared to \$559,840.99 at 12/16 for a decrease of \$96,505.74. Delinquent fees at 12/17 were \$69,865.21 compared to \$60,844.67 at 12/16 for an increase of \$9,020.54.

*2 Remediation increased \$291,450.01 and includes \$260,047.00 for post closure and \$31,403.01 interest.

*3 The encumbrance balance at 12/31/17 was \$386,396.00. Included in this balance is a 2017 CAT 963K track loader for \$334,679 and a 2017 Ford Super Duty F-450 at a cost of \$51,717.

*4 Fund balance increased \$2,076,518.85. The beginning balance was \$30,545,628.45 and includes adjusting entries, budget controls for FY18(\$2,997,546), (\$120,000) for trash compactor GPS system,(\$10,000) for generator monitoring equipment, (\$100,000) for surveillance equipment and \$2,131,454.80 for year to date revenue less expenditures.

Note that FY17 budget controls were (\$645,965) compared to FY18(\$2,997,546) for a difference of \$2,351,581 reduction in fund balance.

County of Frederick
 Comparative Statement of Revenue, Expenditures
 and Changes in Fund Balance
 December 31, 2017

FUND 12 LANDFILL REVENUES		FY2018 12/31/17	FY2017 12/31/16	YTD Actual
	<u>Appropriated</u>	<u>Actual</u>	<u>Actual</u>	<u>Variance</u>
Credit Card Charges	0.00	1,845.80	1,838.53	7.27
Interest on Bank Deposits	75,000.00	72,604.30	34,208.66	38,395.64
Salvage and Surplus	0.00	80,089.51	57,229.40	22,860.11
Sanitary Landfill Fees	5,920,000.00	2,950,140.66	2,776,455.80	173,684.86
Charges to County	0.00	268,547.35	254,722.61	13,824.74
Charges to Winchester	0.00	69,949.32	111,383.16	(41,433.84)
Tire Recycling	110,000.00	124,957.49	65,259.15	59,698.34
Reg. Recycling Electronics	66,000.00	24,301.00	26,129.00	(1,828.00)
Greenhouse Gas Credit Sales	10,000.00	4,918.95	0.00	4,918.95
Miscellaneous	48,000.00	178.00	3,218.96	(3,040.96)
Wheel Recycling	50,000.00	0.00	0.00	0.00
Charges for RTOP	0.00	0.00	0.00	0.00
Renewable Energy Credits	168,402.00	89,808.12	107,568.10	(17,759.98)
Landfill Gas To Electricity	287,293.00	159,885.85	180,168.62	(20,282.77)
Waste Oil Recycling		0.00	0.00	0.00
TOTAL REVENUES	6,734,695.00	3,847,226.35	3,618,181.99	229,044.36
Operating Expenditures	4,951,853.00	1,618,557.17	1,514,930.12	103,627.05
Capital Expenditures	5,041,000.00	97,214.38	1,547,985.71	(1,450,771.33)
TOTAL Expenditures	9,992,853.00	1,715,771.55	3,062,915.83	(1,347,144.28)
Excess(deficiency)of revenue over expenditures		2,131,454.80	555,266.16	1,576,188.64
Fund Balance Per General Ledger		27,318,082.45	26,817,752.24	500,330.21
FUND BALANCE ADJUSTED		29,449,537.25	27,373,018.40	2,076,518.85

County of Frederick, VA
Report on Unreserved Fund Balance
January 11, 2018

Unreserved Fund Balance, Beginning of Year, July 1, 2017 **44,544,519**

Prior Year Funding & Carryforward Amounts

C/F forfeited asset funds	(209,066)	
C/F capital contingency	(1,144,788)	
C/F Fire Company Capital	(219,688)	
C/F Sheriff vehicle equipment	(20,130)	
C/F Sheriff body cameras	(128,440)	
C/F Sheriff eSummons	(29,620)	
C/F Sheriff 21st century grant	(12,699)	
C/F Sheriff honor guard donation	(100)	
C/F Sheriff auto claim reimbursement	(15,742)	
C/F design Stephenson Convenience Center	(9,000)	
C/F Middletown & Greenwood site improvements	(60,434)	
C/F NW Sherando design & Abrams Creek survey	(88,770)	
C/F NW Sherando construction	(272,300)	
C/F Rose Hill Park playground	(7,278)	
C/F E911 radio upgrade	(7,580)	
C/F Stephens City ancillary building	(214,106)	
C/F Sherando fire hydrant install	(20,000)	
C/F School FY17 grant funds	(285,004)	
C/F Fire & Resuce study	(27,900)	
	(2,772,643)	

Other Funding / Adjustments

COR refund - Calibur Collision	(14,926)	
COR refund - Valley Proteins	(16,961)	
COR refund - Ally Financial	(3,267)	
Airport capital	(209,674)	
COR refund - Toyota Lease Trust	(3,305)	
COR refund - Gander Mountain	(7,150)	
Return unspent FY17 VJCCCA funds	(18,896)	
Stephenson Convenience Site	(330,537)	
(3) Sheriff's Deputies & equipment	(266,507)	
PT to FT COR position	(11,466)	
FY17 School surplus for buses	(997,265)	
EDA incentive - NFCU	(2,000,000)	
	(3,879,954)	

Fund Balance, January 11, 2018 **37,891,922**