### **COUNTY OF FREDERICK, VA**

# Spring 2015 FINANCIAL NEWSLETTER

## FY 2016 Budget is Approved—No Tax Increase

Written by Jennifer Place, Budget Analyst, Frederick County Finance Department

The fiscal year (FY) 2015-2016 budget totals \$368,820,813. This is an increase of 4.9% over the FY 2014-2015 adopted budget. New local revenue of \$8.8 million is projected for FY 2016. Fund balance funding for FY 2016 has also increased by \$3,000,000. new local revenue and increased fund balance funding is split with 43% remaining in the General Fund and 57% going to the School System. This equates to an additional \$6,728,328 for the School System and \$5,075,757 for the General Fund. Due to the reassessment effective January 1, 2015, real estate tax rates are reduced to a revenue neutral rate of \$0.56 per \$100 of assessed value. The personal property tax rate

remains unchanged at \$4.86 per \$100 of assessed value.

The Board of Supervisors held several budget work sessions and the Budget Public Hearing was conducted on March 25, 2015. The budget was formally adopted on April 8, 2015.

The largest funds that make up the budget are the General Fund, Northwestern Regional Adult Detention Center Fund, School Operating Fund, and School Debt Service Fund. The General Fund budget totals \$154,813,644, an 8.7% increase over FY 2015. The Northwestern Regional Adult Detention Center Fund budget totals \$20,063,860, a 3.5% increase over FY 2015. The School Operating

Fund Budget totals \$148,028,927, a 5.4% increase over FY 2015. The School Debt Service Fund budget totals \$15,236,485, a 3.3% reduction compared to FY 2015. The increases mainly consist of increased Public Safety overtime, positions for Public Safety and Social Services, Joint Judicial Center increased costs, Round Hill Fire Department debt and operating expenses, minimal increases in operating costs, annualization of prior fiscal year salary survey, merit increases, and School System merit increases and positions.

The 2015-2016 fiscal year begins on July 1, 2015. More budget info can be found at: www.fcva.us/budget2016.

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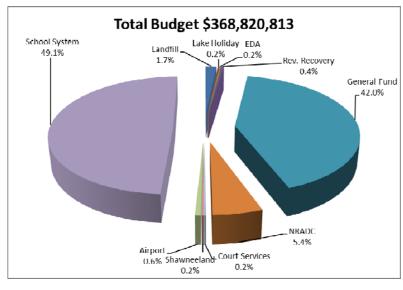




Photo courtesy of LeeAnna Pyles Weeping Cherry

Year to date revenue for the period ending in March increased \$4,108,881. Included in this increase are the property taxes (\$2,300,616), which are the largest single revenue stream in the General Fund.

General Fund
expenditures represents
the net of expenditures
and transfers. The
expenditures are
impacted in December
and June each year for
half of the School
Operating (FY 2015
\$32.7 million) and
School Debt Service (FY
2015 \$7.3 million)
transfers.

## **Overall Fund Performance**

Frederick County's overall General Fund revenue comparison through March 31, 2015 shows a total increase of \$4,108,881. Included in this increase are the property taxes, local taxes, recovered taxes and state revenue detailed in the following pages. The total increase, in the amount

of \$3,531,400, when comparing FY 2014 expenditures to FY 2015, represents the net of an increase in expenditures and decrease in transfers. The expenditures were impacted by the purchase of (24) vehicles for the Sheriff's department in the amount of \$587,223, the contri-

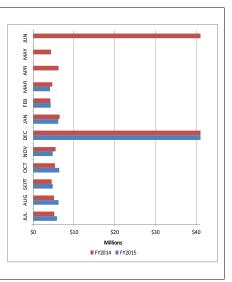
bution for the local share for the Northwestern Regional Adult Detention Center through the third quarter increased in the amount of \$314,684, and the \$2.2 million increase for the School Operating transfer for FY 2015.

## **General Fund Revenue Comparison**

	FY2015	FY2014	Monthly
	Revenue	Revenue	Variance
JUL	4,355,544	3,802,718	552,826
AUG	5,043,704	5,101,233	(57,529)
SEPT	4,547,960	3,812,516	735,444
ОСТ	4,407,694	4,755,402	(347,708)
NOV	22,051,147	27,861,181	(5,810,034)
DEC	25,652,047	16,746,592	8,905,455
JAN	4,593,554	4,940,066	(346,512)
FEB	6,230,893	5,496,761	734,132
MAR	6,086,082	6,343,274	(257,192)
APR	-	5,036,924	-
MAY	-	30,680,468	-
JUN	-	28,862,373	
Totals	82,968,624	143,439,508	4,108,881

# **General Fund Expenditure Comparison**

	FY2015	FY2014	Monthly
	Expenditures	Expenditures	Variance
JUL	5,860,637	5,166,416	694,221
AUG	6,220,837	5,111,081	1,109,756
SEPT	4,800,555	4,540,351	260,204
OCT	6,414,000	5,364,483	1,049,517
NOV	4,779,231	5,541,996	(762,765)
DEC	44,249,391	42,248,239	2,001,152
JAN	6,148,055	6,467,159	(319,104)
FEB	4,325,547	4,263,176	62,371
MAR	4,134,280	4,698,232	(563,952)
APR	-	6,259,362	-
MAY	-	4,366,273	-
JUN		43,324,610	-
Totals	86,932,533	137,351,378	3,531,400



## **Unassigned Fund Balance 5-year Comparison**

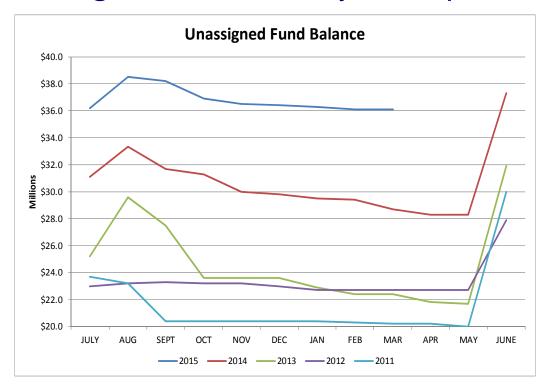




Photo courtesy of Gloria Puffinburger
Spring Blooms at the Clearbrook
Citizens' Convenience Site

## 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 unassigned fund balance 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 \$23.7 million or 16.7% of the total general fund budget for FY 2015. Currently, the County's fund balance is above the recommendation at 25.3% (\$36.1 million).

The County monitors unassigned 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 2015 budget. Fund balance has been regularly used to balance

budgets in the past. At year-end those funds have been routinely returned to unassigned fund balance as a result of unbudgeted revenues or unspent expenditures resulting in the June spikes on the chart. The Board of Supervisors remains committed to retaining a healthy fund balance. The Board elected to increase the use of fund balance, to to \$7.3 million, to balance the upcoming FY 2016 budget.

Unassigned General Fund fund balance has increased over \$7 million compared to March 2014. This is a result of having revenues in excess of expenditures at the end of fiscal year 2014.

Unassigned General Fund fund balance at March 31, 2015 is \$36,065,267.



Photo courtesy of Lorraine Mossburg
Early Bird Gets the Worm

## **Revenue Information**

Property taxes include real estate, personal property and machinery and tools tax. Total property taxes increased \$2,300,615 year to date and the majority can be attributed to personal property (+\$1,557,457). Other significant variances in-

clude real estate (+\$537,954) public services (+\$193,040) and penalties, interest & administration fees for liens & distress (+\$12,164).

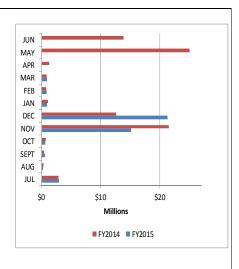
Included in the permits and privilege fees are dog licenses, land use, transfer fees, development

review fees, building, mechanical, electrical, plumbing, sign, land disturbance, commercial burning, explosive storage permits, septic haulers, sewage installation license, and transfer development rights. These per-

(Continued on page 5)

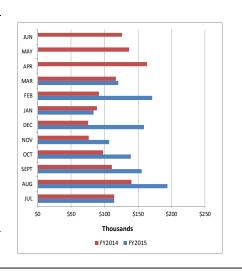
# **Property Tax Comparison 2014—2015**

	FY2015	FY2014	Variance
JUL	2,962,111	2,852,053	110,058
AUG	301,627	390,778	(89,151)
SEPT	587,003	432,218	154,785
OCT	627,409	710,726	(83,317)
NOV	15,097,682	21,528,019	(6,430,337)
DEC	21,292,153	12,626,207	8,665,946
JAN	969,631	1,120,305	(150,674)
FEB	875,274	783,177	92,097
MAR	917,773	886,565	31,208
APR	-	1,325,334	-
MAY	-	25,013,690	-
JUN	_	13,882,605	-
Totals	43,630,663	81,551,677	2,300,615



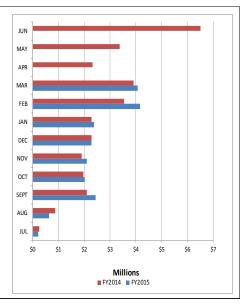
# Permit Fees Comparison 2014—2015

	FY2015	FY2014	Variance
JUL	114,588	114,415	173
AUG	193,830	140,296	53,534
SEPT	155,166	110,791	44,375
OCT	139,123	97,891	41,232
NOV	106,545	76,578	29,967
DEC	159,057	75,499	83,558
JAN	83,609	88,352	(4,743)
FEB	170,954	91,581	79,373
MAR	120,678	117,056	3,622
APR	-	163,621	-
MAY	-	136,478	-
JUN _	-	126,225	-
Totals	1,243,550	1,338,782	331,091
1			



# Other Local Taxes Comparison 2014—2015

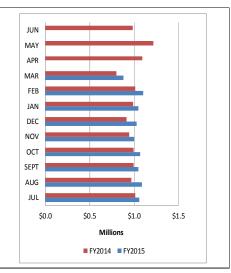
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_	FY2015	FY2014	Variance
JUL	220,665	263,117	(42,452)
AUG	644,602	872,088	(227,486)
SEPT	2,444,536	2,101,859	342,677
OCT	2,016,705	1,975,353	41,352
NOV	2,097,167	1,904,547	192,620
DEC	2,279,425	2,288,320	(8,895)
JAN	2,381,805	2,285,696	96,109
FEB	4,171,007	3,552,978	618,029
MAR	4,069,494	3,914,970	154,524
APR	-	2,330,551	-
MAY	-	3,376,352	-
JUN _		6,503,577	-
Totals	20,325,406	31,369,408	1,166,478



Included in other local taxes are: local sales and use tax, communications sales tax, utility taxes. business licenses, auto rental tax, motor vehicle licenses fees, bank stock taxes, recordation taxes, meals and lodging taxes, street lights, and Star Fort fees. The categories that increased substantially were local sales tax, utility taxes, business licenses, recordation taxes, and meals taxes.

# **Local Sales Tax Comparison 2014—2015**

	FY2015	FY2014	Variance
JUL	1,058,161	1,011,266	46,895
AUG	1,085,666	969,208	116,458
SEPT	1,046,724	993,183	53,541
ОСТ	1,065,768	994,407	71,361
NOV	1,004,656	944,357	60,299
DEC	1,030,054	912,601	117,453
JAN	1,047,517	989,362	58,155
FEB	1,102,682	1,011,997	90,685
MAR	880,286	798,926	81,360
APR	-	1,092,840	-
MAY	-	1,216,411	-
JUN		983,579	-
Totals	9,321,514	11,918,137	696,207
1			



## **Revenue Information**

(Continued from page 4)

mits collections fluctuate with the economy and housing industry. The total permits and privilege fees increased \$331,091 year to date. The volume of permit fees was a contributing factor of the increase.

The total variance of \$1,166,478

in other local taxes through March is a net increase which was significantly impacted by the increase in sales tax, utility taxes, business taxes, recordation taxes, and meals tax.

Local sales taxes consist of the portion of the state sales tax that is remitted to the locality. The state sales tax is 5.3% with the state returning 1% back to the locality. The sales tax increased \$696,207 through the third quarter of FY 2015 compared to the prior year and officials view the increase as a positive economic indicator.

Sales tax collection has risen by 8.0% through the third quarter of FY 2015. This chart is presented on a cash basis to reflect a better third quarter comparison.



NRADC
"Serving the Criminal Justice
System Since 1991"

## **Northwestern Regional Adult Detention Center**

Written by James Whitley, Superintendent, NRADC

The Northwestern Regional Jail is a 540 bed, medium security, direct supervision Adult Detention Center located in Winchester, Virginia. The Jail, organized in October 1989, in accordance with Article 5, title 53.1-105 Code of Virginia, serves the counties of Clarke, Fauquier, and

Frederick, and the City of Winchester. The Jail is governed by a Regional Jail Authority composed of appointed members from each of the four participating localities.

The budget integrates Local Offender Probation operations and services. The Local Offend-

er Probation Program and Jail's Pretrial Services functions are partially funded by a grant provided by the Virginia Department of Criminal Justice Services. The remainder of expenses for Pretrial is supported by the localities, whereas Probation is supported by Client Supervision Fees and Drug Testing Fees.

### Capital Improvements Plan 2015

- Purchase of steamer Cost: \$15,000
- Purchase of heated cabinet for kitchen—Cost: \$5,500
- Lawn mover replacement— Cost: \$5,300
- Dodge Caravan –Handicap Accessible—Cost: \$48,000
- IT Equipment– Virtual Server-Cost: \$65,000

## **NRADC** Revenues

Y2015 evenue  ,065,524 ,136,419 ,047,175 ,025,093 667,044 ,034,270 ,925,089	FY2014  Revenue  2,141,636  1,001,336  1,732,025  1,934,489  46,318  1,879,421  2,369,498	Monthly Variance (1,076,112) 1,135,083 (684,850) 1,090,604 620,726 154,849 (444,409)	JUN MAY APR MAR FEB JAN DEC NOV				
,136,419 ,047,175 ,025,093 667,044 ,034,270	1,001,336 1,732,025 1,934,489 46,318 1,879,421	1,135,083 (684,850) 1,090,604 620,726 154,849	MAY APR MAR FEB JAN DEC				
,047,175 ,025,093 667,044 ,034,270	1,732,025 1,934,489 46,318 1,879,421	(684,850) 1,090,604 620,726 154,849	APR MAR FEB JAN DEC				
,025,093 667,044 ,034,270	1,934,489 46,318 1,879,421	1,090,604 620,726 154,849	MAR FEB JAN DEC				
667,044 ,034,270	46,318 1,879,421	620,726 154,849	JAN DEC				
,034,270	1,879,421	154,849	DEC				
, ,	, ,	,	-				
,925,089	2.369.498	(444 400)	NOV				
		(444,403)	OCT				
663,257	946,394	(283,137)	SEPT				
,674,450	1,929,500	(255,050)	AUG				
-	1,897,698	_	JUL				
-	435,469	_	\$0	\$1	\$2 Millions	\$3	\$4
-	1,772,531			■ FY2014 Re	evenue FY2	2015 Reven	ıe
	18,086,315	257,703					
	- - - ,238,320	- 435,469 - 1,772,531	- 435,469 - - 1,772,531 -	- 1,897,698 - 50 - 435,469 - 50 - 1,772,531 -	- 1,897,698 - 50 S1 - 435,469 -	- 1,897,698 - 50 \$1 \$2  - 435,469 - Millions  - 1,772,531 - FY2014 Revenue FFY	- 1,897,698 - 50 \$1 \$2 \$3  - 435,469 - Millions  - 1,772,531 - FY2014 Revenue FY2015 Revenue

The increase in revenue can be attributed to the increase of local contributions for \$314,683. Increased expenditures were significantly effected by inmate medical costs.

## **NRADC** Expenditures

		Monthly	
Expenditures	Expenditures	Variance	JUN
1,276,476	1,320,300	(43,824)	MAY
1,233,221	1,233,335	(114)	APR
1,859,507	1,640,822	218,685	MAR
1,376,596	1,406,298	(29,702)	JAN JAN
1,418,045	1,306,520	111,525	DEC
1,706,069	1,642,485	63,584	NOV
1,417,639	1,349,565	68,074	ост
1,526,294	1,368,375	157,919	AUG
1,811,082	1,618,509	192,573	AUG JUL
_	1,345,245	-	\$0 \$500 \$1,000 \$1,500 \$2,000 \$2,50
-	1,304,252	-	Thousands
-	1,996,544		FY2014 Expenditures FY2015 Expenditures
13,624,929	17,532,250	738,720	•
_	1,233,221 1,859,507 1,376,596 1,418,045 1,706,069 1,417,639 1,526,294 1,811,082	1,233,221 1,233,335 1,859,507 1,640,822 1,376,596 1,406,298 1,418,045 1,306,520 1,706,069 1,642,485 1,417,639 1,349,565 1,526,294 1,368,375 1,811,082 1,618,509 - 1,345,245 - 1,304,252 - 1,996,544	1,233,221 1,233,335 (114) 1,859,507 1,640,822 218,685 1,376,596 1,406,298 (29,702) 1,418,045 1,306,520 111,525 1,706,069 1,642,485 63,584 1,417,639 1,349,565 68,074 1,526,294 1,368,375 157,919 1,811,082 1,618,509 192,573 - 1,345,245 1,304,252 1,996,544 -

# Frederick County Sanitary Landfill

Capital Improvements Plan 2015

- Purchase of a new stationary tire shredder. Landfill manages and operates a mobile unit that is owned by the Northern Shen-Valley Regional andoah Commission. The new unit will be a stationary electric unit and will reduce emissions and onsite noise pollution. Operation of the new equipment will increase the overall utility costs at the facility; however, the increases should be offset by the savings in reduced maintenance costs and increased employee production. Cost: \$700,000
- Installation of a heat exchange system for the leachate treatment ponds. Designed to use waste heat from the landfill gas to energy plant to heat the water in the treatment ponds. This will

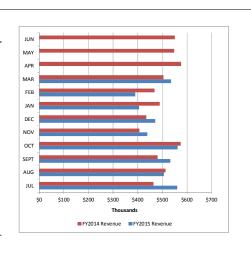
- increase treatment efficiencies throughout the year, allowing the discharge of more liquids in the winter. There will be a slight overall increased operation costs as this system will incorporate additional new pumps and associated electrical use. Cost: \$350,000
- Renovation of old shop for storage. This building is approximately 30 years old and in need of repairs. This renovation will include repairs to siding and doors, along with providing storage bins and related shelving. Cost: \$50,000



Photo courtesy of Steve Frye
A rainbow shines over the Construction
Demolition Debris (CDD) Landfill.

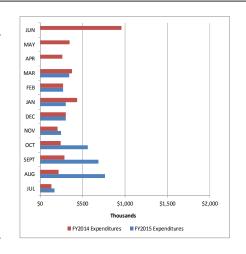
## **Landfill Revenues**

	FY2015	FY2014	Monthly
	Revenue	Revenue	Variance
JUL	560,097	463,851	96,246
AUG	506,408	512,398	(5,990)
SEPT	531,929	481,218	50,711
OCT	561,291	574,633	(13,342)
NOV	439,209	406,825	32,384
DEC	470,295	435,036	35,259
JAN	405,328	489,162	(83,834)
FEB	390,012	468,402	(78,390)
MAR	535,319	504,559	30,760
APR	-	576,128	-
MAY	-	547,335	-
JUN		550,120	-
Totals	4,399,888	6,009,667	63,803



# **Landfill Expenditures**

	EV204E	E)/2044	8.4 11.1
	FY2015	FY2014	Monthly
	Expenditures	Expenditures	Variance
JUL	170,880	132,819	38,061
AUG	765,547	218,622	546,925
SEPT	685,905	286,108	399,797
OCT	559,938	243,580	316,358
NOV	245,160	207,239	37,921
DEC	301,059	304,054	(2,995)
JAN	303,706	435,794	(132,088)
FEB	269,226	270,122	(896)
MAR	341,527	375,846	(34,319)
APR	-	263,258	-
MAY	-	348,210	-
JUN		959,093	
Totals	3,642,949	4,044,745	1,168,765



The increase in FY15
expenditures were
impacted by the
completion of capital
project for landfill
improvements
roadway, leachate
lagoon and permit 40
drainage for
\$1,086,546.

"The Widget Cup showcases what's already being implemented in our education systems to support business needs. It brings excitement to the areas of STEM and CTE and allows businesses to interact with our future workforce."

-Sally Michaels, FCEDA Existing Business Coordinator



# Frederick County EDA Launches the Inaugural Widget Cup

Written by Wendy May, Marketing Manager, Frederick County Economic Development Authority

On Saturday, April 11, eightperson teams from Frederick County and Winchester City high schools (James Wood, John Handley, Millbrook, and Sherando) vied for The Inaugural Widget Cup. An expansion of the EDA's Career Pathways Program, The Widget Cup provides an important opportunity for students (the area's future workforce) to display skills attained through STEM (Science, Technology, Engineering & Math) and CTE (Career & Technical Education) coursework. The challenge? Consult, design, and build a workbench to be used by local non-profit, NW Works, and then present the final product to a panel of judges. Because the widget was unveiled at the start of the event, teams had to think through the process quickly and demonstrate ingenuity as they were tasked with designing, building, and developing their product presentation in a four-hour span. To further resemble on-the-job scenarios, teams were asked to incorporate

through the build.

The energy and excitement the day of the event could be felt. Students moved to-and-from their design space to review the project materials and think through their designs. In the shop, welding, sawing, and hammering could be heard as teams brought their visions to life. Managers (educators from each school) oversaw the workstations for safety shared their expertise when needed. Industry experts from Frederick County and Winchester businesses were also on hand to assist. Judges patrolled the room, making notes and scoring teams on a specific rubric. As the teams broke for lunch, audiovisual team members assembled to choreograph their presentations and judges reviewed the final widget products. Back in the gym, teams presented to the audience with pride and confidence as they demonstrated the benefits of their widget. As teams waited in anticipation, judges convened to tally their final scores. The moment everyone had been waiting for arrived
and (...drum roll, please) Sherando High School was named
the winner of this year's competition! They took possession of
the coveted Widget Cup, a 40
pound trophy designed and graciously donated by manufacturer
Fabritek/Winchester Tool. Sherando will be the stewards of the
trophy until next year, when
teams from each of the schools
will come together to compete
once again.

Encouraging our community's youth to consider technicallyskilled careers is important to the long term health of our businesses and the local economy. The Career Pathways Program has connected more than 1.300 educators and 5,500 students with local businesses over its 15-year span. In addition to The Widget Cup, the EDA rotates teacher tour events among the community's middle and high schools each year. Teachers can take their students on tours during the student tour program each fall or

> at any other time during the year through the ondemand program.

To learn more about The Widget Cup, the Career Pathways Program, other EDA workforce development initiatives, please contact Sally Michaels, EDA existing business coordinator, (540) 665-0973 or visit YesFrederickVA.com.



## **Earth Day Everyday!**

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

"Earth Day is the World's Birthday!" proclaims a colorful message written in crayon across the top of a second-grader's poster, one of many dotting the hallways of Orchard View Elementary School.

Indeed, there was much to celebrate in Frederick County on Earth Day, April 22.

Blue posters, crafted with reused construction paper, were just one of the many environmental projects - raising brook trout for release, recycling old markers and collecting plastic shopping bags for recycling - underway at the elementary school. The Student Council Association, sponsored by Connie VanSickler and Jennifer Wolfe, invited Frederick County Recycling to speak in order to find out how its student members can improve recycling efforts and help the community. Presentations with the school's fourth grade pupils focused on the conservation of natural resources and energy through recycling.

Frederick County Recycling and Frederick County Green's month long Earth Day fete wrapped up much as it began – sharing the day with children, the county's future stewards. At Rainbow Express Preschool, three- and four-year-olds learned about Earth Day and planted sunflower seeds in recycled paper pots.

During the month, Frederick County Recycling discussed recycling and waste diversion with the Rotary Club of Clarke County; hosted its annual Compost Bin and Rain Barrel Sale; and partnered with several local businesses to offer free document destruction during Spring Cleaning Community Shred.

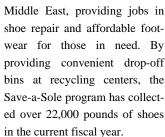
This year's bin and barrel sale attracted 150 area residents. Those visiting the distribution event at the County Administration Building's rear parking lot, took home plenty of information about water conservation and backyard composting along with kitchen scrap buckets, vegetable and flower seeds and white dogwood seedlings.

Spring Cleaning Community Shred drew a near record 276 residents and small businesses for secure, free destruction of paper documents. A total of 12,000 pounds of paper was shredded by Records Management Solutions. The paper will be recycled into tissue paper by Southern Scrap/Williams' Recycling, a continuous partner in community shred events since 2006. Other community supporters included the Shockey Companies, E&M Enterprises and Stephens Restaurant Jazz Café.

Throughout April, Frederick County Clean Sweep worked at a rapid pace to clear the county's primary roads of unsightly litter, collecting over 4,000 pounds of roadside debris. The program utilizes trustees from the regional jail's Community Inmate Workforce to pick up litter which is then transported by the Virginia Department of Transportation, Stephens City office. During the 2013/2014 fiscal

year, the in-kind contribution of the trustees' labor was valued at \$29,014.

Closing out the month, Indian Hollow Elementary School's Kindness Team, under the guidance of Jeanette Gluszak, announced that as an act of kindness, the team had collected old shoes and backpacks for recycling as part of the county's Save-a-Sole program. Shoes are sold at little to no cost in the United States, South America, Africa and the



Yet another reason to celebrate was announced the day following Earth Day. Frederick County Recycling was named the recipient of a grant from Keep America Beautiful in order to expand its ReThreads Textile Recycling Program to all citizens' convenience sites. The program, the county's newest diversion effort, has kept 17,500 pounds, or approximately one ton a month, of used clothing and other textiles out of the local landfill since the start of the 2014/2015 fiscal vear.



"Frederick County
Recycling was named
the recipient of a grant
from Keep America
Beautiful in order to
expand its ReThreads
Textile Recycling
Program."

"... the primary purpose of the program is to provide more relevant information... and allow for continued diligence in energy utilization."

## **Energy Management Program Update**

Vritten by Jon Turkel, Park & Stewardship Planner, Parks & Recreation Department

# What is the energy management program?

Frederick County processes 69 electric meters and 21 natural gas meters with a combined cost of around \$900,000 per year. Since FY 2011 these bills have been collected, monitored, and graphically represented by a subscription service. These bills represent electric and natural gas consumption for County Administration, NRADC, Landfill, Airport, and Shawneeland.

#### Why track?

Primarily as a means of seeing if money could be saved. Keeping track of utility cost and use is a means by which opportunities can be identified and costs managed. Energy reduction goals adopted by the county created a need to actually track energy consumption. As energy efficiency measures were pursued, ongoing monitoring of energy consumption was in place to validate results.

#### Why a subscription service?

Having a repository of accurate utility data is a useful tool for understanding usage patterns and monitoring intentional or unintentional changes. Prior to the service program, some meters were being formally tracked, but the majority were not. A formal process of managing and

tracking utility bills in-house was overly time consuming and limited due to the data format being difficult to use. Based only on a calculation of staff time the subscription service offered cost savings.

#### What is the subscription cost?

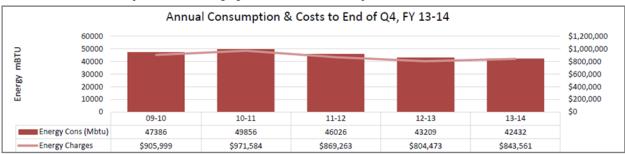
Originally \$4,200 per year in 2011 the service cost \$5,200 in 2014. Cost increased due to improved service capabilities of the provider and general inflation. A new provider has entered the market and the county is in the process of transitioning, the annual fee with the new service provider is \$4,500.

#### How has the program worked?

As can be seen in the bar graph, overall energy consumption has decreased since the program began, unfortunately it can also be seen that rising costs are working in the opposite direction. The program provided a direct savings of \$6,900 in annual cost avoidance associated with the FY 2011 energy efficiency improvements done at the County Administration and Public Safety Buildings; however this savings is no longer contingent on the program continuation. Small opportunities, primarily behavioral changes, have been identified which shows anomalies in consumption on meters that would not otherwise be tracked, but it has been difficult to determine clear cause and effect relationships in larger facilities and when considering the influence of weather. On the whole, monitoring of energy meters has found that consumption and billing is progressing as anticipated. Facilities where energy efficiency measures have taken place are performing better than previously, and monitoring for errors has shown that billing is accurate.

#### What is next?

Staff has been directed to continue the program and will pursue a new service provider. The new service will provide monthly reporting and integrated weather normalization in addition to tracking and monitoring. Integrated weather normalization will allow for determining if consumption changes are due to weather or some other cause. The monthly comparison of consumption should make the identification of anomalies easier to separate from the quarterly currently presentation Overall the primary purpose of the program is to provide more relevant information to decision makers and allow for continued diligence in energy utilization.



# Frederick County Finance Committee Summary of Action Items—FY 2015 QTR 3

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 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 third quarter of fiscal year 2015:

January 21, 2015

February 19, 2015

March 19, 2015

All Finance Committee Agendas and Reports can be found online, www.fcva.us/fincomm.

The following are **General Fund** supplemental appropriation requests which required no local funds:

- \$5,700 in proceeds from the sale of surplus for vehicle equipment for Fire & Rescue;
- \$43,474 for donations, reimbursements and unclaimed property sale for the Sheriff's department;
- \$9,000 for overtime expenses from the U.S. Department of Justice for the Sheriff's department;
- \$20,488 to return unspent VJCCCA funds to the State of Virginia;
- \$5,200 for an insurance reimbursement for the Department of Social Services;
- \$6,105 for an insurance reimbursement for the Fire & Rescue department;
- \$16,060 for a LEMP grant to replace radios and equipment for Fire & Rescue;
- \$2,642 for unbudgeted SCBA funds collected by Fire & Rescue; and
- \$10,530 for a hazmat training grant for the Fire & Rescue department.

The following are **General Fund** supplemental appropriation requests which required local funds:

- \$18,770 to fill a full time Recreation Technician position in the Parks & Recreation department;
- \$150,000 for an EDA incentive to ON Minerals Company;
- \$24,495 for the June 9, 2015 Republican Primary election;
- \$160,000 for overtime expenses in the Fire & Rescue department; and
- \$32,811 (half local) for a 50/50 match grant for the purchase of bariatric equipment for Fire & Rescue.

The committee also held discussions on the following topics:

- The FY 2014 Comprehensive Annual Financial Report (CAFR);
- A draft Grant Application & Acceptance Policy;
- The audit process conducted by the EDA on Local Economic Development Incentive Grants;
- Property tax exemptions for community organizations;
- The proposed FY 2016 budget;
- The refinance of the bonds for the Public Safety Building and the Animal Shelter; and
- A reimbursement resolution for certain costs of joint capital improvements for courts and related services.



### **County of Frederick**

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Photo courtesy of LeeAnna Pyles Graphics courtesy of Jeremy Coulson

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## **National & Local Headlines**

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- Apartment construction is a booming business nationwide. According to U.S. Census Bureau figures, the low vacancy rate has led to sky high rents and an explosion of apartment building.
- Frederick County government, as an employer, had \$14,891 unemployment claims for the March 2015 quarter compared to \$3,067 for the previous year.
- The average U.S. rate on a 30-year mortgage edges up to 3.67 % according to mortgage giant Freddie Mac for the week ending 4/17/15.

- The national average price of regular gasoline is \$2.37 a gallon.
- Regional unemployment rate for February 2015 was 4.6% compared to 4.9% in February 2014.
- The national unemployment rate for February 2015 was 5.5% compared to 6.7% in February 2014.



Solid Waste Coordinator, Gloria Puffinburger, celebrates Earth Day at Rainbow Preschool

# Virginia Primary Election Tuesday, June 9, 2015

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Republican Primary will be held for the Offices of House of Delegates 29th District.

Visit the Voter Registration website to find precinct and polling place locations, absentee voting information, and voter ID requirements at www.fcvotes.net.

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