



**BUDGET WORK SESSION AGENDA  
BOARD OF SUPERVISORS  
WEDNESDAY, MARCH 11, 2020  
6:00 PM  
BOARD MEETING ROOM  
107 NORTH KENT STREET, WINCHESTER, VIRGINIA 22601**

- 1. Call to Order**
- 2. Scenario C update with proposed changes, p. 2**
  - A. Volunteer Association Fuel Request, p. 3-6**
- 3. Proposed FY 2021 Budget Public Hearing advertisement, p. 7-12**
- 4. Legislative Update**
  - A. Taxing Authority, p. 13-14**
- 5. Windfall Discussion**
- 6. Calendar:**
  - **March 25, 2020 – FY 2021 Budget Public Hearing – 7:00 PM**
  - **April 1, 2020 – Budget Work Session, if needed – 6:00 PM**
  - **April 8, 2020 – FY 2021 Budget Adoption – 7:00 PM**
  - **April 9-10, 2020 – Tax Relief calculated**
  - **April 13, 2020 – COR sends tax book to Treasurer**
  - **April 14-24, 2020 – Treasurer prints tax bills for mailing**
  - **April 27, 2020 – Tax bills mailed**
- 7. Adjourn**

FY 2021 Proposed Budget

PROPOSED FUNDING	PROPOSED NOT FUNDED
<div><div>Positions</div><div>IT Deputy Director/Security Environmental Inspector School Resource Officer - Jordan Springs 6 Firefighters/EMT's (Full year Funding 200K) Sheriff Investigator Rec Tech for Jordan Springs (53k) DSS Benefit Manager 2 Firefighters/EMT for Relief Staffing</div></div> <div>Funds 12 Positions</div>	<div><div>Positions</div><div>Human Resource Assistant Assistant Registrar 3 Deputy - Patrol 3 Deputy - Civil 1 Investigator 2 Deputy - CRT 1 Assistant Fire Marshal 9 Firefighter/EMT's 1 Maintenance Specialist Parks Marketing Coordinator Parks Basic Rec Coordinator EDA research/Project Manager</div></div> <div>25 Positions NOT FUNDED</div>
<div><div>Operating</div><div>VRS Increase Health Insurance Increase (County to fund 1.5% of Increase) 3 % Merit/Cola NG911 Foster Care/Adoption Increase Homeland Security Grant Sheriff Taser/Body Cam Contracts Basic Rec P/T Staff Detention Facility Funding Contractual Services - Sunnyside Increase in Hauling/Recycling Contract Property Tax Relief Outside Agencies (no new funding or funding to AB and Museum) IT Switches and Backup Network Monitoring 400k Contingency (100k Increase) Tuition Assistance (262k) Volunteer F&amp;R Companies Fuel Program (197k)</div></div> <div>(Items in Bold Purple are add-ons from Scen. C as a result of 588k in additional budget cuts and 210k in increased revenue)</div>	<div><div>Operating</div><div>Salary Survey for County and Schools Targeted Salary Adjustments Court Staff Supplements F&amp;R Volunteer Vehicle Insurance Assistance F&amp;R Volunteer Contribution Increase F&amp;R Revolving Capital Loan Fund Apple Blossom Contribution Courthouse Museum Health Insurance - BOS</div></div>
<div><div>Capital</div><div>Vehicle for Environmental Inspector Vehicle for SRO - Jordan Springs Vehicle for Sheriff Investigator Radios (subject to future appropriation from Capital Fds) Abrams Creek Greenway Design</div></div>	<div><div>Capital</div><div>Vehicle for Reassessment IT Vehicle GIS Drone General District Court Furniture Sheriff Cameras Sheriff Portable Radios Sheriff 35 Replacement Police Interceptors and Equipment Animal Control Vehicles (2) Prisoner Cargo Van Sheriff Boat and Trailer Sheriff Off Road Utility Vehicle 5 License Plate Readers Sheriff Spead Trailer 8 Bay Steel Building to house Specialized Sheriff Vehicles 2 Fire and Rescue Replacement Trucks and Equipment Fire and Rescue Portable Radios 2 Fire and Rescue Trucks and Equipment Bay Garage at Stephenson Convenience Site Kitchen Cabinets - Round Hill Concrete Ramp - Millwood Vehicle Bay Floor - Millwood Animal Shelter Replacement Vehicle Social Services Vehicle Snowden Bridge Property Development Clearbrook and Sherando Pools Disinfectant System Indoor Aquatic Facility Design Tractor - Sherando Clearbrook and Sherando Water Features Clearbrook and Sherando Z-Turn Mowers Sherando Access Phase II Design Sherando Softball Complex Design Gym Addition Design- Jordan Springs Sherando Backstop Replacement IPADS for Planning Commissioners</div></div>

## Volunteer Fuel Request

The Volunteer Association requested \$197,077 for Fuel dispensing program for volunteer owned apparatus. To provide the County the requested level of transparency and accountability for the funding, we would recommend that the volunteer departments be folded into the existing fuel program that the Fire and Rescue Department currently operates under. Additionally, the proposal would be limited to vehicles that only use diesel fuel, which would encompass most of all Fire and EMS station-assigned response vehicles. Those vehicles are disproportionally operated by the career staff members of the Fire and Rescue Department.

### **Recommended Implementation Plan**

This proposal would follow an updated version of the current Fire and Rescue Department Standard Operating Procedure 1.4.04.

Currently, seven of the eleven volunteer companies utilize the Frederick County School's fueling stations and tracking system for all or some of their fuel purchases. Each company utilizing the Schools fueling stations are billed directly monthly. The fueling stations are accessed via an issued key fob for each apparatus or vehicle and a unique key code for each authorized driver. The fob and driver authorization code need to sync for fuel to be dispersed. (See picture example)



The amount of fuel acquired is recorded electronically and each station is provided a monthly invoice. While not currently utilized, there is an ability to require the entry of the mileage of the vehicle being fueled to be added to the entry log as an additional layer of verification.

The proposal would be for all diesel fuel powered response vehicles to utilize the School's fueling stations and the itemized invoices to be provided and paid for by the County through the Fire Rescue Department. County personnel would verify that the appropriate apparatus and mileage and approve the fuel payments or reroute them as appropriate.

The volunteer companies would then have the choice of opting into the program or opting out. If they opt out, they retain responsibility for all fuel costs for all their apparatus.

There are twelve School fueling stations in the County, geographically dispersed. (See attached list of locations) Star Tannery is the one volunteer company where they would need to travel significantly outside their first due response area to get to the nearest Schools fueling station in Middletown. Star Tannery also has the lowest annual fuel costs and lowest call volume and their ambulance units would have convenient access to a Schools fueling station. There is a fueling station in close proximity to the Winchester Medical Center to allow ready access to a fueling station for all ambulances.

### **Cost Data Provided**

The Volunteer Association provide the following data on FY 2018 fuel expenses to justify their funding request. Please note the totals below include diesel and gasoline fueled vehicles. (\* - indicates companies currently utilizing Schools fueling stations for all or part of fuel needs)

#### **Do:**

11- Stephens City	\$35,412
12 - Middletown	\$17,654*
13 - Clearbrook	\$14,568*
14 - Gore	\$12,116*
15 - Round Hill	\$21,579*
16 - Gainesboro	\$23,937*
17 - Star Tannery	\$6,315
18 - Greenwood	\$21,811
19 - North Mountain	\$12,954*
20 - Reynolds Store	\$10,244
21 - Millwood Station	\$20,487*
<b>Total</b>	<b>\$197,077</b>

We have reviewed the School's billing records to validate the figure given. In 2018 – School's reported the volunteer companies totaled \$74,083.87 in fuel purchases from the School's fueling stations. In 2019 – they report \$71,005.95 in volunteer fuel purchases from their fueling stations. It is difficult to get a specific comparison given the large swings in fuel prices and because some companies split fueling between Schools and local gas stations depending on convenience.

Our analysis is that \$197,077 would be a high-end estimate given the specifics of the proposed implementation of the program. A low-end estimate would be closer to \$150,000. The obvious advantage of utilizing this program as a method to reduce the volunteer financial burden would be if the fuel allocation estimates were too high, the savings would flow back into the County General Fund.

**In summary:**

The recommended solution would follow the existing Department fueling policy utilizing the Frederick County Public schools fueling stations and accounting system.

- The program would be managed by the Fire and Rescue Department.
- This would require additional funding be added to the proposed budget line item 4003-002 Gasoline
- Each approved vehicle would be required to have an assigned “vehicle specific prom key”
- Each approved driver would be assigned an individual “ID code” in order to dispense fuel.
- Mileage would be a required entry when dispensing fuel.
- All purchases would be reviewed prior to payment.
- The County would pay the Schools directly for the expenditures.

FCPS FUEL STATIONS			
SITE	ADDRESS	FUEL TYPE AVAILABLE	
		DIESEL	UNLEADED
Support Facilities West	178 Indian Hollow Road Winchester, VA 22603	✓	✓
Robert E Aylor Middle	901 Aylor Road Stephens City, VA 22655	✓	✓
Admiral Richard E Byrd Middle	134 Rosa Lane Winchester, VA 22602	✓	
Gainesboro Elementary	4651 North Frederick Pike Winchester, VA 22603	✓	
Millbrook High	251 First Woods Drive Winchester, VA 22603	✓	
James Wood Middle	1313 Amherst Street Winchester, VA 22601	✓	✓
Middletown Elementary	190 Mustang Lane Middletown, VA 22645	✓	
Orchard View Elementary	4275 Middle Road Winchester, VA 22602	✓	
Stonewall Elementary	3165 Martinsburg Pike Clear Brook, VA 22624	✓	
Indian Hollow Elementary	1548 North Hayfield Road Winchester, VA 22603	✓	
Transportation Facility	2261 Front Royal Pike Winchester, VA 22602	✓	✓
Dowell J Howard Center	156 Dowell J. Circle Winchester, VA 22602		✓

NOTICE OF PUBLIC HEARING  
FREDERICK COUNTY, VIRGINIA

The Board of Supervisors of Frederick County invites comments on the Proposed Budget for the fiscal year ending June 30, 2021. Verbal comments may be presented at the Public Hearing scheduled at:

7:00 p.m., Wednesday, March 25, 2020 at County Administration Office Building

For the purpose of the public hearing on March 25, 2020, written comments may be mailed to the Office of the County Administrator, 107 North Kent Street, Winchester, Virginia 22601, or may be presented to the Board at its public hearing. Anyone wishing to address the Board on March 25, 2020, is encouraged to call the County Administrator's office (665-5600) and have their name placed on a speaker list. The following synopsis of the budget is published for information and planning purposes only. No money shall be paid out or become available to be paid out for any contemplated expenditure unless and until there has first been made an appropriation by the Board of Supervisors.

PROPOSED FY 2020-2021 BUDGET

	ADOPTED 2019-2020	PROPOSED 2020-2021	DIFFERENCE
<b>GENERAL OPERATING FUND:</b>			
Revenue	190,546,413	202,766,659	12,220,246
Non-Revenue	7,000,000	3,715,900	-3,284,100
<b>TOTAL REVENUE - GENERAL OPERATING FUND</b>	<b>197,546,413</b>	<b>206,482,559</b>	<b>8,936,146</b>
<b>GENERAL OPERATING FUND:</b>			
Expenditures	82,068,138	87,811,366	5,743,228
Transfer to Adult Detention Center	5,071,538	5,719,536	647,998
Transfer to Airport Operating	120,215	92,991	-27,224
Transfer to EDA Fund	593,057	614,301	21,244
Transfer to County Capital Fund	7,000,000	0	-7,000,000
Transfer to School Operating	86,445,165	91,442,934	4,997,769
Transfer to School Capital	0	3,715,900	3,715,900
Transfer to School Debt	16,248,300	17,085,531	837,231
<b>TOTAL EXPENDITURES - GENERAL OPERATING FUND</b>	<b>197,546,413</b>	<b>206,482,559</b>	<b>8,936,146</b>
<b>NORTHWESTERN REGIONAL ADULT DETENTION CENTER FUND:</b>			
Revenue	16,178,894	17,077,604	898,710
Non-Revenue	1,988,416	1,441,534	-546,882
Transfer from General Operating Fund	5,071,538	5,719,536	647,998
<b>TOTAL REVENUE - NRADC FUND</b>	<b>23,238,848</b>	<b>24,238,674</b>	<b>999,826</b>
<b>NORTHWESTERN REGIONAL ADULT DETENTION CENTER FUND:</b>			
Expenditures	23,238,848	24,238,674	999,826
<b>FREDERICK-WINCHESTER LANDFILL FUND:</b>			
Revenue	7,972,793	8,373,924	401,131
Non-Revenue	2,494,860	1,273,430	-1,221,430
<b>TOTAL REVENUE - LANDFILL FUND</b>	<b>10,467,653</b>	<b>9,647,354</b>	<b>-820,299</b>
<b>FREDERICK-WINCHESTER LANDFILL FUND:</b>			
Expenditures	10,467,653	9,647,354	-820,299
<b>DIVISION OF COURT SERVICES FUND:</b>			
Revenue	551,634	483,524	-68,110
Non-Revenue	25,015	108,358	83,343
<b>TOTAL REVENUE - DIVISION OF COURT SERVICES FUND</b>	<b>576,649</b>	<b>591,882</b>	<b>15,233</b>

DIVISION OF COURT SERVICES FUND:

Expenditures	576,649	591,882	15,233
SHAWNEELAND SANITARY DISTRICT FUND:			
Revenue	804,300	812,880	8,580
Non-Revenue	490,915	341,701	-149,214
TOTAL REVENUE-SHAWNEELAND SANITARY DISTRICT FUND	1,295,215	1,154,581	-140,634
SHAWNEELAND SANITARY DISTRICT FUND:			
Expenditures	1,295,215	1,154,581	-140,634
AIRPORT OPERATING FUND:			
Revenue	1,636,341	1,812,006	175,665
Transfer from General Operating Fund	120,215	92,991	-27,224
TOTAL REVENUE - AIRPORT OPERATING FUND	1,756,556	1,904,997	148,441
AIRPORT AUTHORITY OPERATING FUND:			
Expenditures	1,756,556	1,904,997	148,441
LAKE HOLIDAY SANITARY DISTRICT FUND:			
Revenue	779,998	779,998	0
LAKE HOLIDAY SANITARY DISTRICT FUND:			
Expenditures	779,998	779,998	0
EMS REVENUE RECOVERY FUND:			
Revenue	1,803,958	1,867,217	63,259
EMS REVENUE RECOVERY FUND:			
Expenditures	1,803,958	1,867,217	63,259
ECONOMIC DEVELOPMENT AUTHORITY FUND:			
Revenue	26,050	26,050	0
Non-Revenue	12,695	0	-12,695
Transfer from General Operating Fund	593,057	614,301	21,244
TOTAL REVENUE - ECONOMIC DEVELOPMENT AUTHORITY FUND	631,802	640,351	8,549
ECONOMIC DEVELOPMENT AUTHORITY FUND:			
Expenditures	631,802	640,351	8,549
COUNTY CAPITAL FUND:			
Transfer from General Operating Fund	7,000,000	0	-7,000,000
TOTAL REVENUE - COUNTY CAPITAL FUND	7,000,000	0	-7,000,000
COUNTY CAPITAL FUND:			
Expenditures	3,000,000	0	-3,000,000
Transfer to School Capital Fund	4,000,000	0	-4,000,000
TOTAL EXPENDITURES - COUNTY CAPITAL FUND	7,000,000	0	-7,000,000
SCHOOL OPERATING FUND:			
Revenue	89,536,384	93,452,487	3,916,103
Transfer from General Operating Fund	86,445,165	91,442,934	4,997,769
TOTAL REVENUE - SCHOOL OPERATING FUND	175,981,549	184,895,421	8,913,872

SCHOOL OPERATING FUND:			
Expenditures	175,432,842	183,768,057	8,335,215
Transfer to School Nutrition Fund	15,000	30,000	15,000
Transfer to Textbook Fund	533,707	1,097,364	563,657
TOTAL EXPENDITURES - SCHOOL OPERATING FUND	175,981,549	184,895,421	8,913,872
SCHOOL CAPITAL PROJECTS FUND:			
Non-Revenue	1,300,000	700,000	-600,000
Transfer from County Capital Fund	4,000,000	0	-4,000,000
Transfer from General Operating Fund	0	3,715,900	3,715,900
TOTAL REVENUE - SCHOOL CAPITAL PROJECTS FUND	5,300,000	4,415,900	-884,100
SCHOOL CAPITAL PROJECTS FUND:			
Expenditures	5,300,000	4,415,900	-884,100
SCHOOL NUTRITION SERVICES FUND:			
Revenue	5,563,557	5,976,516	412,959
Non-Revenue	1,800,000	1,575,228	-224,772
Transfer from School Operating Fund	15,000	30,000	15,000
TOTAL REVENUE - SCHOOL NUTRITION SERVICES FUND	7,378,557	7,581,744	203,187
SCHOOL NUTRITION SERVICES FUND:			
Expenditures	7,378,557	7,581,744	203,187
SCHOOL DEBT SERVICE FUND:			
Revenue	455,287	574,642	119,355
Non-Revenue	23,282	297,059	273,777
Transfer from General Operating Fund	16,248,300	17,085,531	837,231
TOTAL REVENUE - SCHOOL DEBT SERVICE FUND	16,726,869	17,957,232	1,230,363
SCHOOL DEBT SERVICE FUND:			
Expenditures	16,726,869	17,957,232	1,230,363
SCHOOL PRIVATE PURPOSE FUNDS:			
Revenue	150,000	150,000	0
Non-Revenue	150,000	350,000	200,000
TOTAL REVENUE - SCHOOL PRIVATE PURPOSE FUNDS	300,000	500,000	200,000
SCHOOL PRIVATE PURPOSE FUNDS:			
Expenditures	300,000	500,000	200,000
SCHOOL TEXTBOOK FUND:			
Revenue	861,975	909,740	47,765
Non-Revenue	1,730,367	864,136	-866,231
Transfer from School Operating Fund	533,707	1,097,364	563,657
TOTAL REVENUE - SCHOOL TEXTBOOK FUND	3,126,049	2,871,240	-254,809
SCHOOL TEXTBOOK FUND:			
Expenditures	3,126,049	2,871,240	-254,809
NREP OPERATING FUND:			
Revenue	5,685,540	5,951,913	266,373
Non-Revenue	300,000	300,000	0

TOTAL REVENUE - NREP OPERATING FUND	5,985,540	6,251,913	266,373
NREP OPERATING FUND:			
Expenditures	5,985,540	6,241,913	256,373
Transfer to NREP Textbook Fund	0	10,000	10,000
TOTAL EXPENDITURES - NREP OPERATING FUND	5,985,540	6,251,913	266,373
NREP TEXTBOOK FUND:			
Non-Revenue	40,000	10,000	-30,000
Transfer from NREP Operating Fund	0	10,000	10,000
TOTAL REVENUE - NREP TEXTBOOK FUND	40,000	20,000	-20,000
NREP TEXTBOOK FUND:			
Expenditures	40,000	20,000	-20,000
CONSOLIDATED SERVICES FUND:			
Revenue	3,600,000	3,600,000	0
CONSOLIDATED SERVICES FUND:			
Expenditures	3,600,000	3,600,000	0
TOTAL REVENUE - ALL FUNDS	463,535,656	475,401,063	11,865,407
Less Transfers Between Funds	120,026,982	119,808,557	-218,425
NET REVENUE - ALL FUNDS	343,508,674	355,592,506	12,083,832
TOTAL EXPENDITURES - ALL FUNDS	463,535,656	475,401,063	11,865,407
Less Transfers Between Funds	120,026,982	119,808,557	-218,425
NET EXPENDITURES - ALL FUNDS	343,508,674	355,592,506	12,083,832

#### TAX RATES

##### Property Taxes - Rates per \$100 of assessed value

	<u>Current</u>	<u>Proposed</u>
Real Estate	\$0.61	\$0.66
Personal Property	\$4.86	\$4.86
Qualifying Personal Property for Volunteer Firefighters	\$2.25	\$2.25
Antique Vehicles	\$0.00	\$0.00
Mopeds	\$0.00	\$0.00
Mobile Homes	\$0.61	\$0.66
Aircraft	\$0.01	\$0.01
Business Equipment	\$4.86	\$4.86
Machinery and Tools	\$2.00	\$2.00
Contract Carrier Classified Vehicles	\$2.00	\$2.00

The total value of real estate in Frederick County that is exempt from real estate taxes is \$1,190,285,700. At the proposed tax rate of \$0.66/\$100, the foregone tax would be \$7,855,885.62.

Machinery and Tools are assessed on declining values based on acquisition year, as follows:

<u>Year</u>	<u>Assessment Ratio</u>
1	60%
2	50%
3	40%
4 and all subsequent years	30%

#### Vehicle License Taxes

Vehicles other than motorcycles	\$25 each
Motorcycles	\$10 each

#### Business and Professional Occupational License Taxes

Contracting, and persons constructing for their own account for sale	\$0.16 per \$100 of gross receipts
Retail sales	\$0.20 per \$100 of gross receipts
Financial, real estate, and professional services	\$0.58 per \$100 of gross receipts
Repair, personal, and business services	\$0.36 per \$100 of gross receipts
Wholesale merchants	\$0.05 per \$100 of purchases

All other Business and Professional Occupational License Taxes will remain unchanged, all as currently set forth in Article XVI of Chapter 155 of the County Code.

	<u>Current</u>	<u>Proposed</u>
Meals Tax (of gross receipts)	4.0%	4.0%
Transient Occupancy Tax (of gross receipts)	3.5%	3.5%

#### Shawneeland Sanitary District Taxes

	<u>Current</u>	<u>Proposed</u>
Unimproved Lots	\$190 per lot	\$190 per lot
Improved Lots	\$660 per lot	\$660 per lot
Unimproved - External Users	\$190 per lot	\$190 per lot
Improved - External Users	\$660 per lot	\$660 per lot

#### Lake Holiday Sanitary District Taxes

Buildable Lots	\$678 per lot	\$678 per lot
Unbuildable Lots	\$264 per lot	\$264 per lot
Lots owned by Lake Holiday Country Club, Inc. (property owners assoc.):		
Buildable Lots	\$0 per lot	\$0 per lot
Unbuildable Lots	\$0 per lot	\$0 per lot

<u>Star Fort Subdivision Taxes/Fees</u>	\$60 per lot	\$60 per lot
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#### Street Light Fees

Oakdale Crossing	\$40 Annually	\$40 Annually
Fredericktowne	\$40 Annually	\$42.50 Annually
Green Acres	\$25 Annually	\$25 Annually

#### Sanitary Landfill Fees

	<u>Current</u>	<u>Proposed</u>
Commercial/Industrial	\$50 per ton	\$50 per ton
Construction Demolition Debris	\$45 per ton	\$45 per ton
Municipal Solid Waste	\$20 per ton	\$20 per ton
Municipal Sludge	\$38 per ton	\$38 per ton
Miscellaneous Rubble Debris	\$15 per ton	\$15 per ton

All other taxes and fees imposed by Frederick County will remain unchanged, all as currently set forth in the County Code, otherwise previously adopted by the Board of Supervisors, or authorized pursuant to state law.

CHERYL B. SHIFFLER  
FINANCE DIRECTOR  
FREDERICK COUNTY, VIRGINIA

## Jennifer Place

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**From:** Jay Tibbs  
**Sent:** Monday, March 9, 2020 1:36 PM  
**To:** Jay Tibbs  
**Subject:** HB 785 - Equal Taxing Authority

Dear Mr. Chairman and Board Members:

I am writing with an update on HB 785 – Equal Taxing Authority. The House and Senate passed an amended bill that was negotiated through a Joint Conference Committee. Staff is reviewing the bill to see what changed and to get a clearer interpretation on some of the verbiage. We will update the Board at Wednesday night's work session. Staff is working with the Commissioner's office to get revenue estimates for meals and lodging based on what we currently know.

At the present time, it appears the bill will have an enactment date of July 1, 2020, with the exception of the cigarette tax, which will not be enacted until July 1, 2021.

### Admissions Tax

Permits any county to charge an admissions tax and retains the existing 10% cap.

### Transient Occupancy

Removes the cap on transient occupancy tax. Tax rate of 2% - revenue could be used without restriction. Tax rate above 2% and up to 5% would be restricted for tourism and travel marketing. Tax rate above 5% could be used without restriction. (Staff is seeking clarification regarding some of the new language in this bill, as it could affect those percentages and use of those dollars.)

### Cigarette Tax

Authorizes any county, city, or town to levy taxes on the sale or use of cigarettes. There is a cap on the tax rate of \$0.02 per cigarette for a county. Effective July 1, 2021.

### Meals Tax

Authorized any county to levy a tax on food and beverages sold by a restaurant with a rate cap not to exceed 6%. The referendum requirement was removed.

The bill must now go to the Governor for his signature and will not be final until he has signed it.

Jay

Jay E. Tibbs  
Deputy County Administrator  
County of Frederick, Virginia  
107 N. Kent Street  
Winchester, VA 22601  
Phone: 540-665-6382  
Fax: 540-667-0370  
E-mail: jtibbs@fcva.us

## Jennifer Place

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**From:** Cheryl Shiffler  
**Sent:** Wednesday, March 11, 2020 9:08 AM  
**To:** Jennifer Place  
**Subject:** RE: Meals and Lodging Tax Projection

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**From:** Seth Thatcher <seth.thatcher@fcva.us>  
**Sent:** Wednesday, March 11, 2020 9:03 AM  
**To:** Kris Tierney <ktierney@fcva.us>  
**Cc:** Cheryl Shiffler <cshiffle@fcva.us>; Ann Phillips <ann.phillips@fcva.us>; Jay Tibbs <jtibbs@fcva.us>  
**Subject:** Meals and Lodging Tax Projection

Kris, after working with my staff and getting feedback from Jay and Cheryl over the last two days, I have come up with the following that can be reported at tonight's budget worksession to the BOS.

With **each additional percent** of meals tax, the county will gain approximately **\$1.5M**. We are at 4% currently and the cap is at 6%.

Lodging tax is a bit trickier. We are at 3.5%, but up to 5% we gain nothing except tourism money (ballpark \$450K). But for **each additional percent** above 5%, we gain approximately **\$300K**. And at this time I am not aware of a cap on that tax, although Jay was working on that. It is interesting to note also that we have three new hotels opening in the near future 1)Kernstown Commons 2)Rutherford Crossing 3)near Taco Bell on Welltown Rd. These new arrivals could bolster the revenue projection provided here.

Let me know if this is sufficient. Be glad to get anything else you need.



Seth T. Thatcher  
Commissioner of the Revenue  
Frederick County, VA

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