



Board of Supervisors 2023 Strategic Retreat

January 27, 2023
Annual Board Retreat

Retreat Agenda

- 8:45 **Overview of Day – Neil**
- 9:00 **A Quick Look Back**
FY 2022 Results– Theresa
Final Disposition of CARES Act and ARPA
Funding – Greg
Financing Enhanced CIP – Neil
- 10:00 **BREAK**
- 10:30 **Information Technology Training – Tim**

Retreat Agenda

Noon

Lunch

1:00

Know Your Numbers Game – Paula

Local Revenue-Personal Property Taxes
– Neil, Theresa, & Greg

Local Revenues-Real Estate – Mark

Consumer Taxes – Theresa

Expenditure Needs & Priorities – Neil

Adjournment

BOS Strategic Priorities

1. Exemplary Public Safety
2. Excellent Educational Opportunities
3. Value-Driven Economic Development
4. Outstanding Communications and Customer Service
5. Environmental Stewardship with a Focus on Resiliency
6. Quality Technology Investments

FY2024 Budget Timeline

August 2022

- CIP forms distributed to departments for submission at the end of the month

September 2022

- CIP Review Committee Meeting
- FY2024 Budget Call for all departments

October 2022

- FY2024 Agency Funding Request Packages Distributed

November 2022

- FY2024 budget submissions are due from departments

December 2022

- Preliminary CIP presented to the Board

January 2023

- FY2024 Revenue Estimates from the Director of Finance
- FY2024 Public Forum
- Budget Review Committee Meetings Begin

March 2023

- FY2024 Budget Work Session
- Presentation of FY2024 Proposed Budget
- FY2024 Agency Funding notifications distributed

April 2023

- FY2024 Budget Work Session and Public Hearing

May 2023

- Adoption of the FY2024 Budget, CIP, and Calendar Year Tax Rates

The background of the slide is a blue-tinted image. On the left side, there is a tall, ornate stone monument with a statue on top. On the right side, there is a large bridge spanning across a body of water. The overall scene is a landscape view.

A Quick Look Back FY2022 Year End Results

Budget Planning & External Variables

October 2019
Wayfair
Decision
Impact Begins

January 2021
Vaccine
Available

February 2022
Russia/Ukraine
War

Possible
Recession

March 2020
National Emergency
and Interest Rate Drop

FY2024
Budget
Planning

Jan 2019	Jan 2020	June 2020	Jan 2021	June 2021	Jan 2022	June 2022	Jan 2023	June 2023
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FY2020
Budget
Planning

FY2021
Budget
Planning

FY2022
Budget
Planning

FY2023
Budget
Planning

Interest Rate Increases
March 2022
May 2022
June 2022
July 2022
September 2022
November 2022
December 2022

FY 2022 Year End Results

(exclusive of ARPA Surplus)

FY 2022 General Fund Carryover (Exclusive of ARPA Surplus)

Revenue Surplus	\$ 14,300,000
Expenditure Surplus	1,749,000
Total Surplus	\$ 16,049,000

Less Required Commitments:

FY 2022 Personal Property tax rebate	\$ 3,500,000
Law Enforcement building	3,250,000
FY 2023 Capital Projects funding	2,500,000
FY 2023 Return of reserve capital funding	1,445,600
January compensation adjustment (School & County)	1,300,000
Grants and other restricted funding	438,000
Fund Balance policy increase	105,000
	\$ 12,538,600

Year-end Funds Available for departmental requests and Senior Management

Recommendations (2.1% of FY2022 Budget) \$ 3,510,400

Use of Year End Funds

One-Time Funding:

Transfer to Health Insurance Fund	\$ 1,000,000
Transfer to Information Technology Fund	750,000
Transfer to Vehicle Maintenance	500,000
CCTV Infrastructure	350,000
Litigation Costs	300,000
Planning scanning projects	160,000
Transfer to Worker's Comp Fund	100,000
Building AEDs	40,000

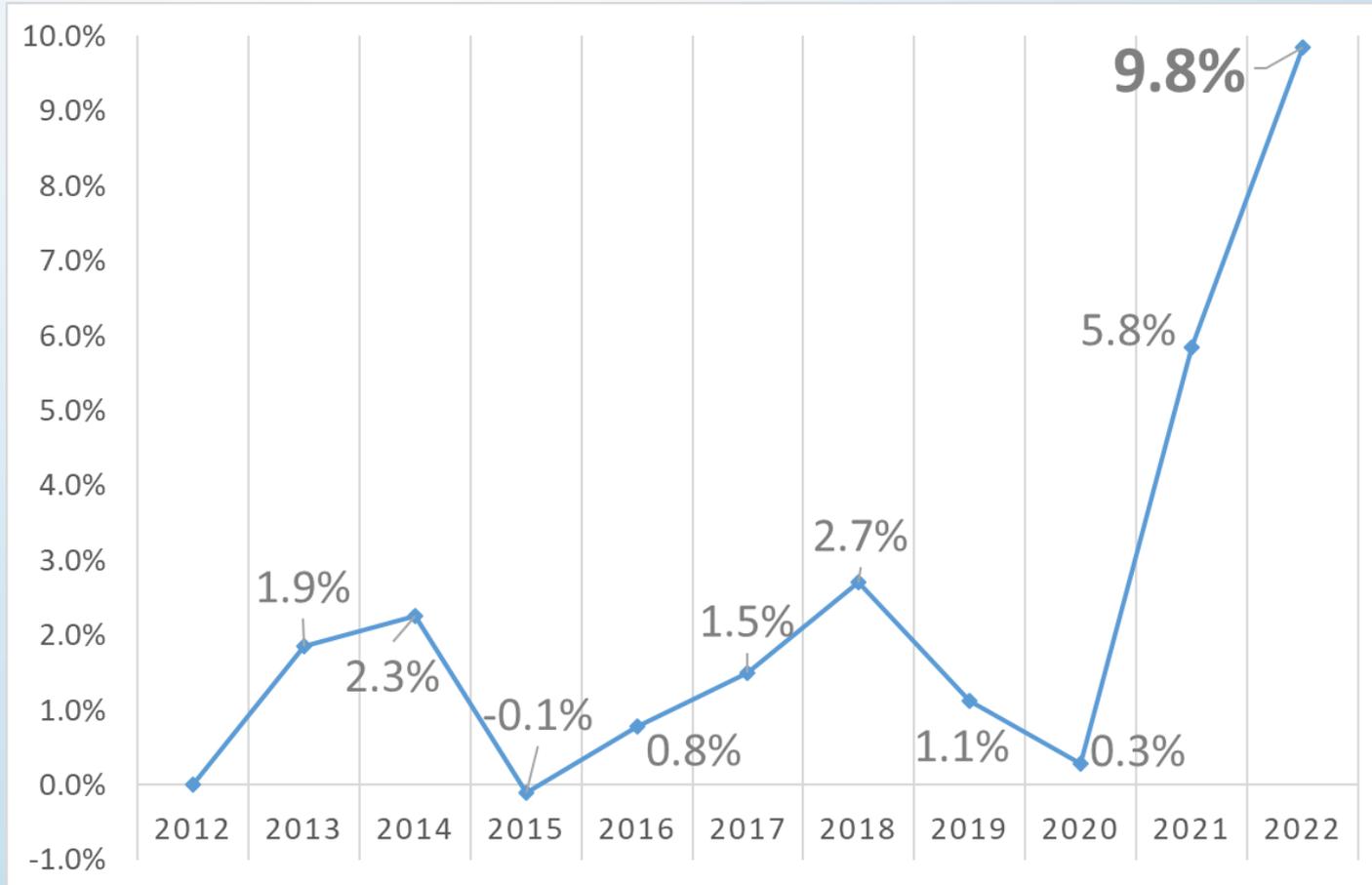
Total One-Time Uses \$ 3,200,000

Departmental Requests:

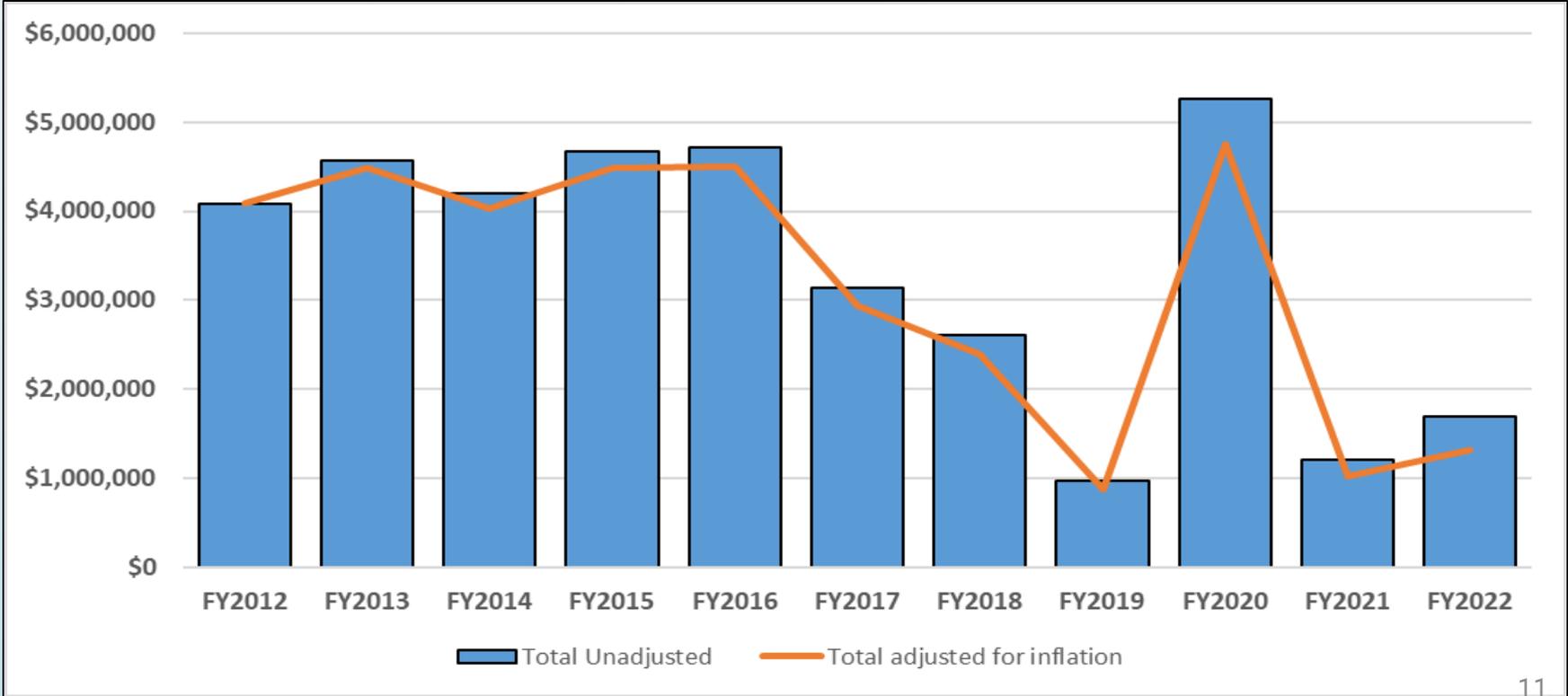
Degree Program/ Training	\$ 150,000
Other Requests	160,400

Funded Operational Requests \$ 310,400

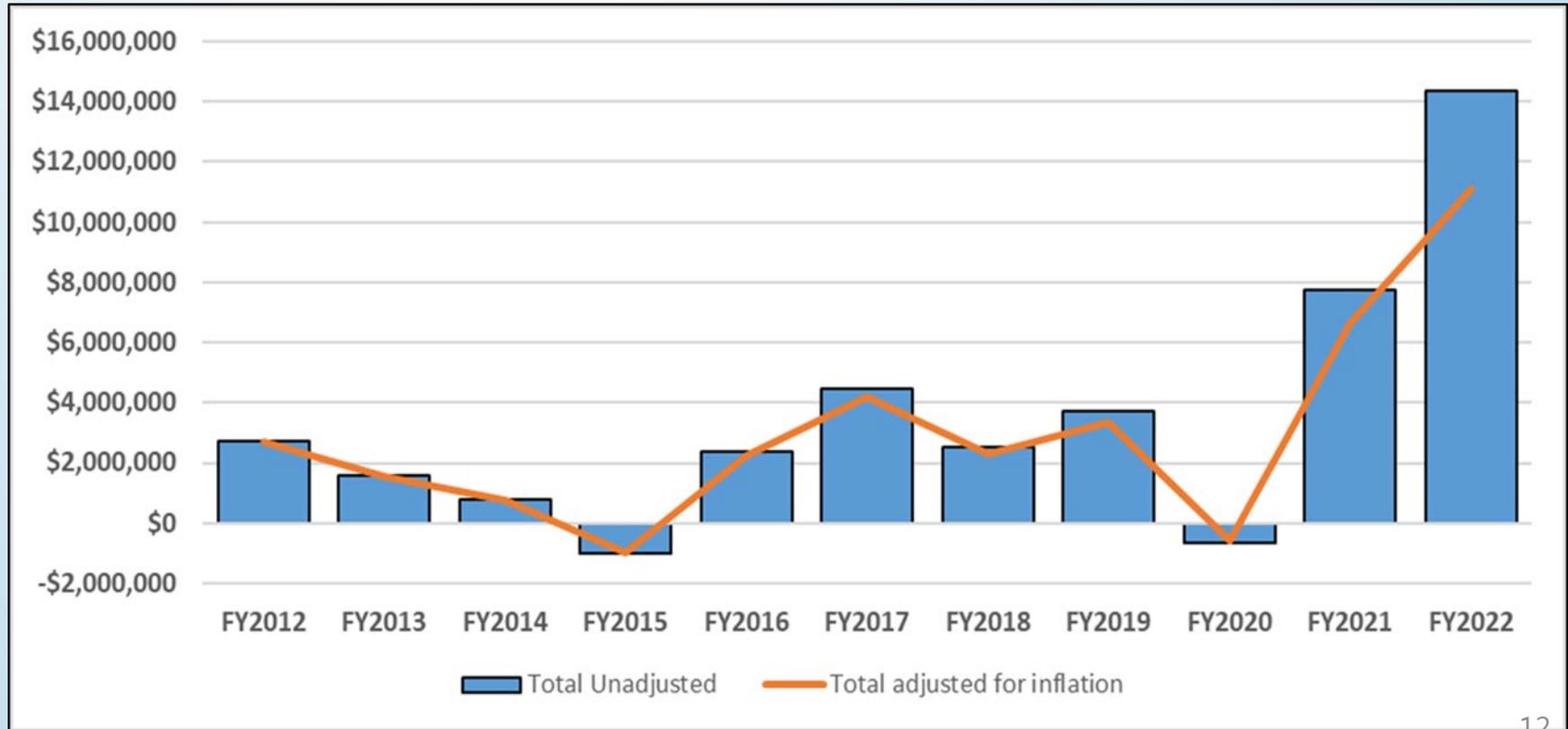
Consumer Price Index - South



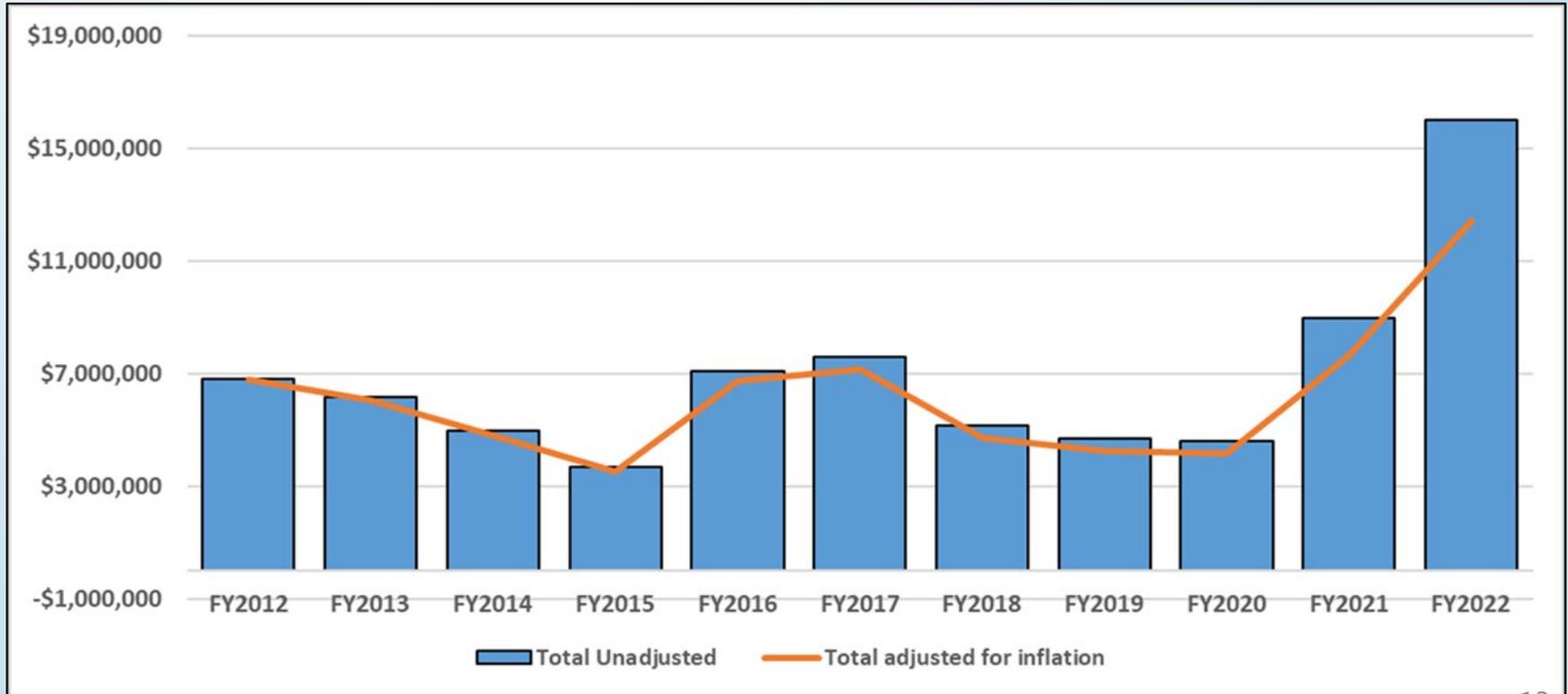
Expenditure Surplus Comparison



Revenue Surplus Comparison



Total Surplus Comparison



FY2022 Revenue Drivers

Revenue Source	FY 2022 Over Budget
Personal Property Taxes	\$5,130,000
Real Estate Taxes	\$400,000
Sales Tax	\$2,000,000
Historic Triangle Tax	\$1,025,000
Hotel & Motel Room Taxes	\$670,000
Meals Taxes	\$980,000
BPOL	\$1,900,000
Cigarette Tax	\$895,000

FY2023 Revenue Driver Projections

Revenue Source	FY2023 Budget	FY2023 Projected	Difference
Sales Tax	\$13,500,000	\$13,837,000	\$337,000
Historic Triangle Tax	5,500,000	5,606,000	106,000
Meals Tax	3,957,345	4,059,000	101,655
Hotel & Motel Room Taxes	1,770,000	1,999,000	229,000
BPOL	7,259,000	8,000,000	741,000
Cigarette Tax	1,650,000	1,820,000	170,000
Personal Property	17,950,000	?	
Real Estate	<u>81,300,000</u>	<u>81,750,000</u>	<u>450,000</u>
Total	<u>\$132,886,345</u>		

Estimated surplus is \$2,134,655

Federal Pandemic Funds Final Disposition

Major Legislation

- Coronavirus Aid, Relief, and Economic Security (CARES) Act
- American Rescue Plan Act (ARPA)

CARES Act Funding

Funding Source	Amount
Coronavirus Relief Fund	11,914,334
Community Development Block Grant (CDBG) Business Assistance Grant (York portion only)	1,775,000
Municipal Utilities Relief Program	105,560
Head Start Funding	102,820
Department of Elections	68,555
Provider Relief Funds (Medical Transport Billings)	62,109
Assistance to Firefighters Grant-COVID supplement	<u>46,250</u>
Total	<u>\$14,074,628</u>

CRF-Funded Projects

- One-time expenses with a focus on response to Coronavirus health emergency
- Total expenditures of \$11.9 million
- Eligible expenditures are determined by U.S. Treasury

Summary of CRF-Funded Projects

Public Safety Payroll	
Public Safety Salaries	\$5,549,000
Hazard Pay	262,200
Telework/Distance Learning	
School Division Distance Learning (One to One Initiative)	2,000,000
Internet Upgrades (includes Dark Fiber)	470,100
Computer Equipment/Licenses	335,900

Summary of CRF-funded Projects

Telework/Distance Learning (cont.)	
IT Server/Infrastructure Upgrades	166,300
Software and Security	55,000
Other Technology	21,650
In-Person Safety	
Emergency Communications Center renovation	816,100
Department of Fire and Life Safety Turnout Gear, Uniforms, and Boots	447,800

Summary of CRF-funded Projects

In-Person Safety (cont.)	
Access Control, Fire, and Security Technology	375,000
Waived Credit Card Fees	281,000
County Building Modifications	123,250
Video Control Room Modifications at York Hall	90,200
Department of Fire and Life Safety Technology and Equipment	84,600
Tourism Expenses	67,800

Summary of CRF-funded Projects

In-Person Safety (cont.)	
Courthouse Reconfiguration	58,500
Sheriff's Transport Vehicle	49,100
Additional Building Cleaning and Disinfection	42,750
Parks and Recreation Information Kiosks and Pass System	36,850
Library Self Checkout	29,000
Election Expenses	16,500

Summary of CRF-funded Projects

In-Person Safety (cont.)	
COVID Testing, Tracing, and PPE	12,384
Business and Household Assistance	
EDA Business Assistance	249,900
Non-profit Distance Learning and Childcare	175,700
Employee Distance Learning	63,250
Public Assistance - Rent, Utilities, etc.	<u>34,500</u>
Total	<u>\$11,914,334</u>

ARPA Funding

Description	Total Costs
State/Local Fiscal Recovery Funds (SLFRF)	\$13,262,590
Virginia Tourism Council Recovery Marketing Program (State Fiscal Recovery Funds pass-through)	300,000
Municipal Utilities Relief Program	156,000
Head Start funding	<u>140,000</u>
Total	<u>\$13,858,590</u>

SLFRF-Funded Projects

- One-time expenses with focus on recovery from economic impact of Coronavirus
- Treasury rules allowed for revenue replacement
- 80% planned for capital projects
- Remaining 20% to provide continued community support and contingency for one-time County needs

Summary of SLFRF Projects

Description	Total Costs
Law Enforcement Building	\$2,000,000
Riverwalk Landing Restaurant Renovation	2,000,000
Dark Fiber Installation	1,500,000
Future Park Design / Green Space	1,500,000
Employee Retention Incentive	1,400,605
Ambulance for Fire Station #7	525,000
IT Consolidation	400,000

Summary of SLFRF Projects

Description	Total Costs
Additional Assistance through Social Services/Community Services Committee	200,000
Mini-bus for Community Services	115,000
Additional One-time Support for Outside Agencies (Community Services Grants Advisory Committee)	50,000
County COVID Supplies and Tracking Software	16,428
Total County Projects	<u>\$9,707,033</u>

Summary of SLFRF Projects

Description	Total Costs
New Turf Field and Drainage Improvements at Bruton High School	1,200,000
New Gym Floors at Grafton Bethel Elementary and Grafton Complex	320,000
New Gym Floor at Queens Lake Middle School	310,000
Gym and Baseball/Softball Field Improvements at Bruton High School	310,000

Summary of SLFRF Projects

Description	Total Costs
Drainage Improvements at Bethel Manor, Coventry, and Tabb Elementary Schools	280,000
Weight Room Improvements and Fence for Soccer Field at Tabb High School	160,000
Gym Improvements at Magruder, Mt. Vernon, and Yorktown Elementary Schools	125,000
Gravel track at Dare Elementary School	83,000

Summary of SLFRF Projects

Description	Total Costs
Training Room Improvements and Field Hockey Scoreboard at York High School	32,000
School Division Capital Contingency	<u>180,000</u>
Total Schools Projects	<u>3,000,000</u>
Total – All Projects	12,707,033
Total SLFRF Funds	13,262,590
Remaining balance – Capital reserves	\$ 555,557

Status of Funding

- All CRF funds have been expended, reported to Treasury, and audited.
- All SLFRF funds have been expended, reported to Treasury, and audited.

Financing the Enhanced CIP

Debt vs. Pay-Go

- Pay-as-you-go (or cash capital) funding is a hallmark of well-managed finances.
- Large amounts of debt indicate a lack of ability to fund capital needs with current resources.
- Debt is appropriate for long-lived assets since the taxpayers that receive the benefit of the asset bear the burden of the debt payments.

Debt Capacity

- County Debt term will not exceed the life of the financed asset, and in no case will exceed 20 years.
- Total debt will not exceed 3% of taxable assets.
- Debt service payments will not exceed 10% of General Fund budgeted expenditures.

Debt Policy

Term of Debt Will Not Exceed Useful Life of Assets Financed

Plan for Financing County Projects, FY2024-FY2029:	
County Building Renovations (Fire & Life Safety/Social Services, Planning & Development, Finance Building, York Hall)	\$12,600,000
Fire Apparatus Replacement (Even years only)	5,500,000
Yorktown Improvements-Dockmaster Office & Restroom	1,750,000
<u>Total Projects to be Financed</u>	<u>\$19,850,000</u>

Debt Policy

General Fund Supported Debt % of Taxable Assessed Values

	Existing FY2023 Principal (Million)	FY2029 Projected Principal (Millions)
Principal	\$126.8	\$171.5
General Fund Supported Debt as % of Taxable Assessed Values	1.16%	
Projected General Fund Supported Debt as % of Taxable Assessed Values (assumes 2.0% assessment growth rate)		1.40%

Debt Policy

Debt Service as % of General Fund Expenditures

	Existing FY2023 (Million)	Projected FY2029 (Millions)
Debt Service	\$13.9	\$16.7
Debt Service as % of FY23 General Fund Budget (\$165.8 Million)	8.4%	
Debt Service as % of FY29 General Fund Budget, assumes 2.0-2.5% average revenue growth rate (\$189.5 Million)		8.8%

Planned Debt Service Expenses as % of General Revenues



Policy – Debt service expense **should not exceed 10%** of General Fund revenues

Cash Capital Funding

- Prior to FY2019, Cash Capital Funding was limited.
- The introduction of new Historic Triangle Tax and Cigarette Taxes provided additional cash for Capital Projects.
- Allowed us to “ramp up” Cash Capital Commitment from <\$1M in FY2019 to \$4.0M in FY2023.

Recent Cash Contributions to Projects

- \$6.3M for Law Enforcement Building
- \$4.3M for Fire Station #7
- \$2.8M in Highway & Transportation Improvements
- \$2.5M Regional Radio Lifecycle
- \$2.0M Records Management System



Cybersecurity

Cybersecurity Outline

- Top Attack Vectors of 2022
- Stuxnet / SCADA
- Nitro Zeus / Supply Chain
- Passphrases
- Phishing
- Election Security
- Dark Fiber

Top Attack Vectors of 2022

1. Social Engineering
2. Email Compromise
3. Misconfiguration
4. Malware
5. Ransomware
6. Supply Chain Compromise
7. Malicious Insiders

Stuxnet / SCADA



Nitro Zeus / Supply Chain

FEATURE

IN CYBERWAR, THERE ARE NO RULES

Why the world desperately needs digital Geneva Conventions.

SEPTEMBER 12, 2018, 8:00 AM

By [Tarah Wheeler](#), an information security researcher and social scientist, and a cybersecurity fellow at the Harvard Kennedy School.

In 1984, a science fiction movie starring an up-and-coming Austrian-American actor took the box office by storm. A cybernetic organism is sent back in time to seek out and kill the mother of a great war hero to prevent his subsequent birth. The cyborg scans a phone book page and begins methodically killing all women named Sarah Connor in the Los Angeles area, starting at the top of the list.

If [The Terminator](#) were set in today's world, the movie would have ended after four and a half minutes. The correct Sarah Connor would have been identified with nothing but a last name and a zip code—information leaked last year in the massive Equifax data breach. The war against the machines would have been over before it started, and no one would have ever noticed. The most frightening thing about cyberwarfare is just how specifically targeted it can be: An enemy can leap national boundaries to strike at a single person, a class of people, or a geographic area.

Now would a cyborg be necessary today? According to U.S. census data, there are currently

Passwords – Time to Crack

- 8 characters simple 2 minutes
- 8 characters complex 39 minutes
- 12 characters simple 24 years
- 12 characters complex 3,000 years
- 16 characters simple 173 million years
- 16 characters complex 92 billion years

Password Lengths

- York County employees 8 characters
- York County IT privileged 14 characters
- NIST 800-53 8 characters
- NIST best practice 14 characters
- VITA (8/25/22) 14 characters
- State departments 8 characters
 - Social Services
 - Voter Registrar

Passphrases

- The air is cold. = 16 characters
- Birds fly high. = 15 characters
- Trekie forever! = 15 characters
- I love York County! = 19 characters

- A single change improves it greatly

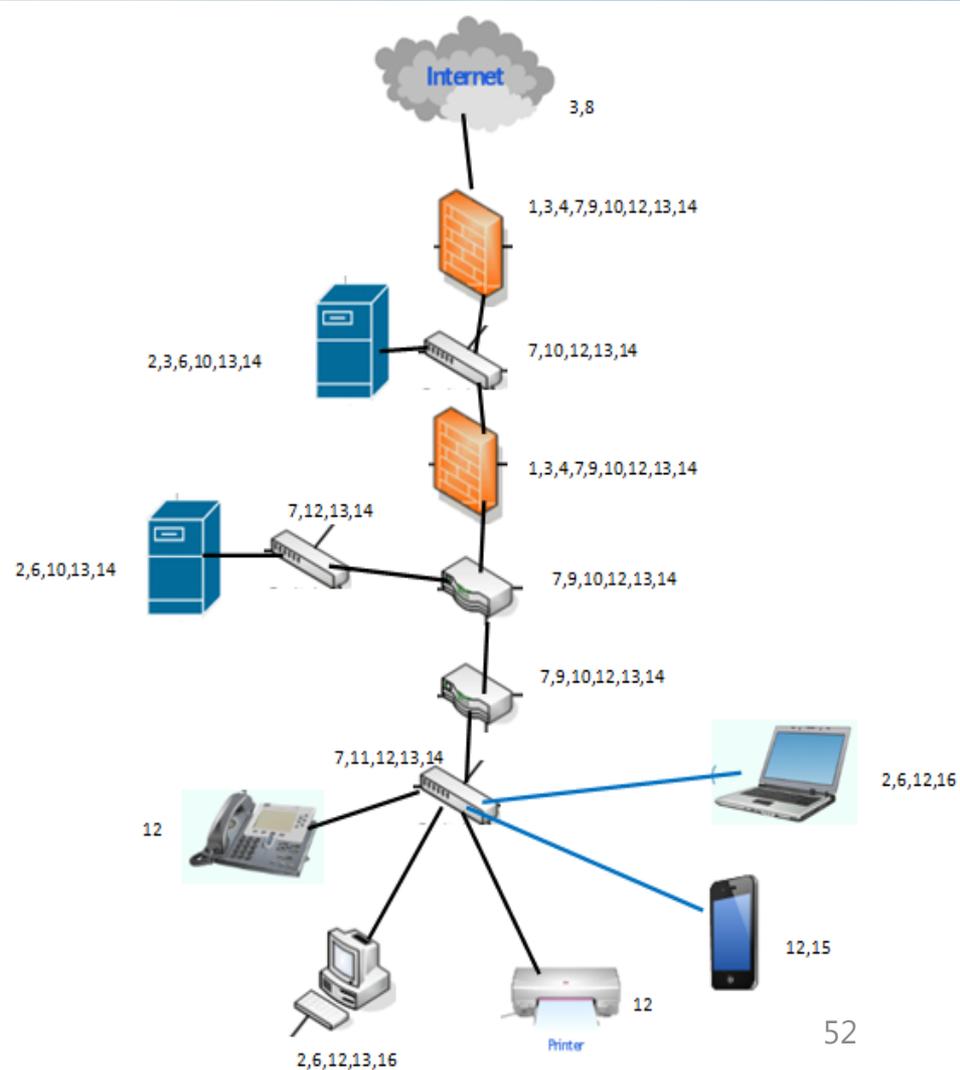
Phishing

- Why are phishing attacks scary
- Consequences / Examples
- Recent Changes

Network based attack (hardest)

1. Firewalls
 1. ACLs
 2. Whitelisting/blacklisting
 3. Proxy/DMZ
2. Host based IPS
3. MFA
4. IDS
5. IPS
6. Anti-virus
 1. Signatures
 2. Heuristics
 3. File size
 4. checksums
7. Network monitoring tools
8. WAF
9. Packet sniffers
10. Pen testing
11. Wireless IPS/IDS
12. Network access control / Port security
13. Vulnerability scans
14. SIEM (Security Information and Event Management)
15. MDM
16. GP

3.5 seconds =
100 attacks



Virus-based Phishing

1. Firewalls
 1. ACLs
 2. Whitelisting/blacklisting
 3. Proxy/DMZ
2. Host based IPS
3. Anti-virus
 1. Signatures
 2. Heuristics
 3. File size
 4. checksums
4. MDM
5. GP
6. Quarantine
7. Rate Limiting
8. Human Action

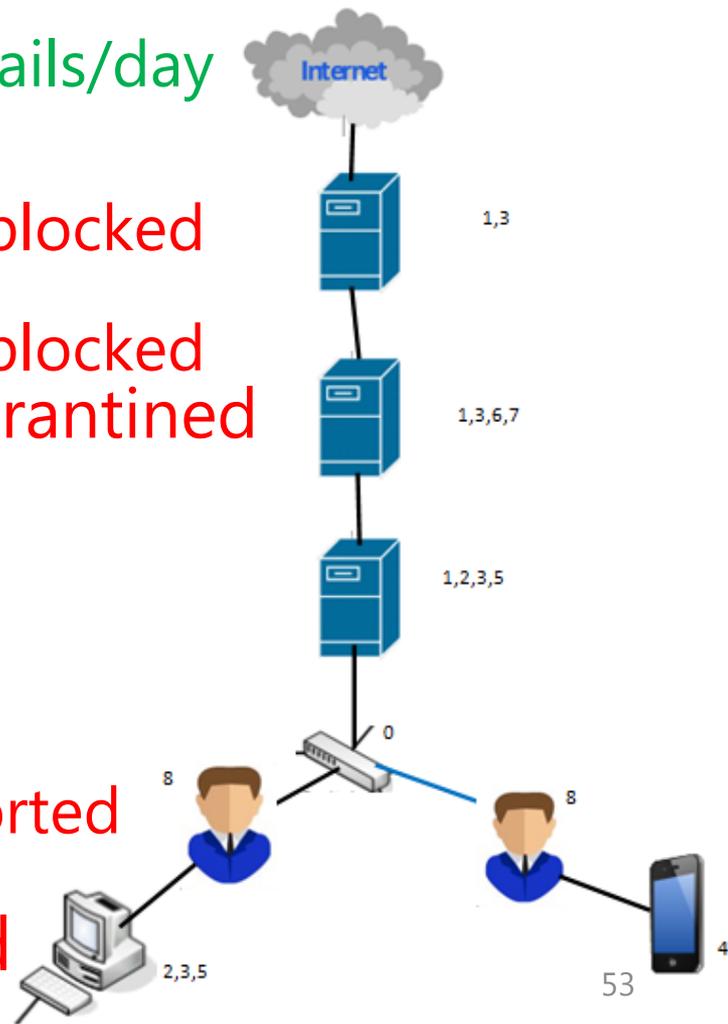
9,000 emails/day

800 emails blocked

350 emails blocked
200 emails quarantined

10 emails reported

3 emails blocked



Social Engineering Phishing (easiest)

1. Human Action

9,000 emails/day

40 emails reported

? emails not reported



Consequences - York

- This year a County user got a phishing email
- Clicked the email and logged into the hacker's website.
- Within 20 minutes hackers connected with stolen credentials to mail server.
- Sent out new phishing email to ~1000 @yorkcounty.gov addresses.
- IT in emergency mode.
- 22 employees clicked the email, 6 logged into website, 1 gave PII.
- IT missed 1 user resulting in ~5,500 malicious emails to non-@yorkcounty.gov addresses.
- Reputation hurt, \$5k lost staff time, 4 day IT delay, risk blacklisting.

Consequences - Large

- Ransomware
 - 1 in 4 starts out identically.
 - Forensic process causes 3-14 day complete outage.
 - 1 month before all services restored.
 - Aftermath 6+ months.
 - Cost 10s – 100s millions of dollars.
 - Reputation crippled.
 - HRSD, Pipeline, & local government localities.

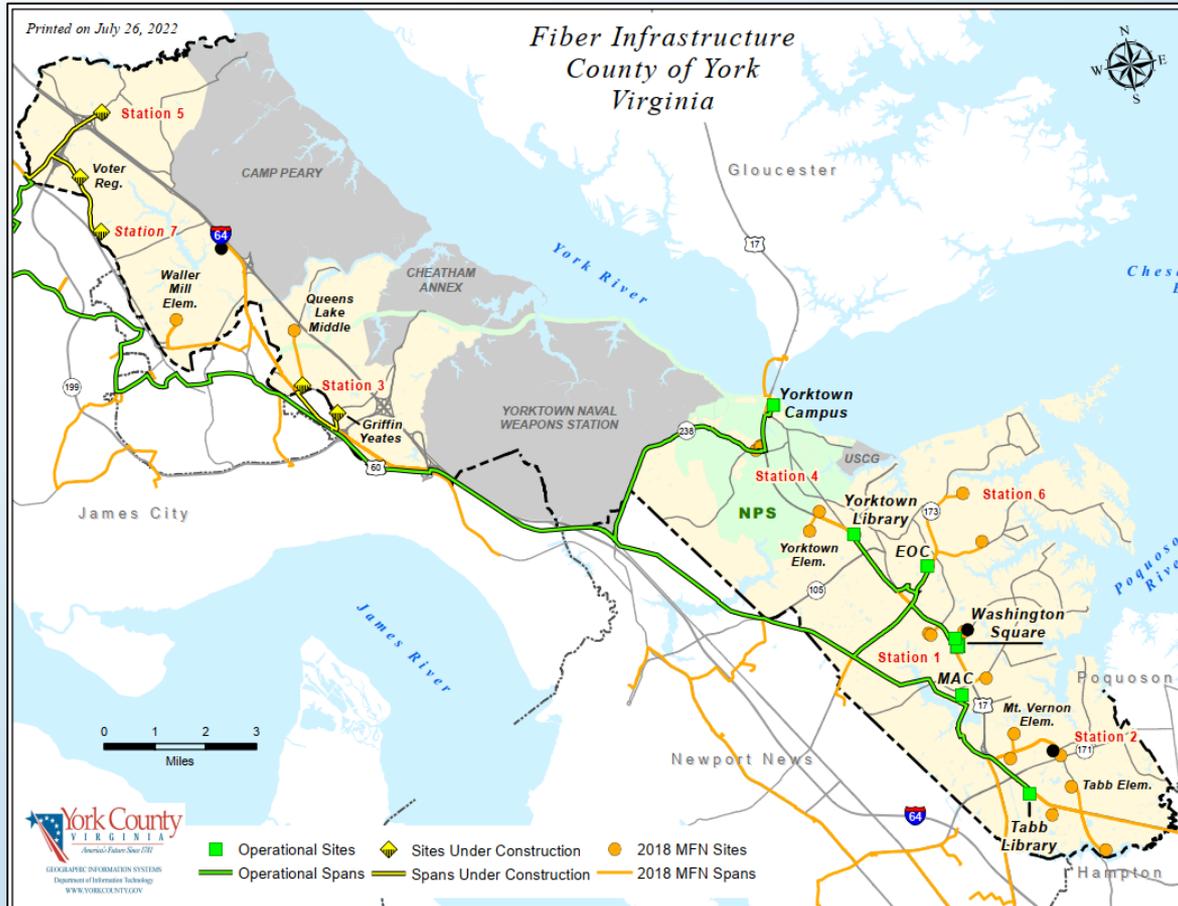
Implemented Changes

- (190) 1 click over a year = 2 minute video.
- (52) 2 clicks = 15 minute video + training.
- (18) 3 clicks = 30 minute video + training + Director notified
- (3) 4+ clicks = 1 hour video + training + Director and Neil notified.
 - Optional: IT in-person individualized training, progressive discipline.
- 4 clicks = 1/3 test phishing emails clicked.
- Increased test email sophistication.

Election Security

- House Bill 2178
- Voter Registration System Security (2020)
- November 2022 Scope Change
- VA Paper and Electronic System

Dark Fiber



Review

- Top Attack Vectors of 2022
- Stuxnet / SCADA
- Nitro Zeus / Supply Chain
- Passphrases
- Phishing
- Election Security
- Dark Fiber





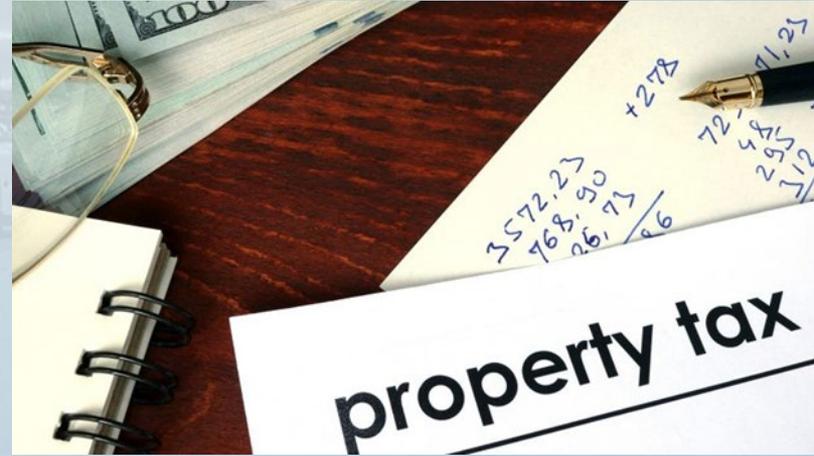
Know Your Numbers



Personal Property Taxes

What are Personal Property Taxes?

- Personal Property Taxes are taxes on tangible, personal property in York County, as determined by the Code of Virginia.
- The taxes are due semi-annually on June 25th and December 5th.
- The current tax rate is \$4 per \$100 of assessed value.



Examples of Personal Property

- Boat trailers
- Boats
- Business furniture
- Camping trailers
- Mobile homes
- Recreational vehicles
- Business equipment, machinery and tools
- Buses
- Cars
- Motor homes
- Motorcycles
- Trucks
- Utility trailers



How are Assessments Determined?

- The tax rate is set annually by the Board in the month of May. The tax is assessed by the Commissioner of the Revenue and collected by the Treasurer.
- Vehicle assessments are determined from the NADA Official Used Car Guide by J.D. Power. Vehicles are assessed using 100% of the "clean loan value" listed in the guide for the specific year, make and model of each vehicle.
- If you buy or sell a vehicle during the year, the vehicle will be subject to a prorated tax. If you move into or out of York County, your vehicle may be subject to a prorated tax.



Personal Property Tax Relief Act

- The General Assembly approved the Personal Property Tax Relief Act in 1998.

- This Act allows a percentage of tax relief on personal-use vehicles valued at \$20,000 and less. Based on this Act, the Board adopted an ordinance requiring vehicles to meet the "personal use" criteria to qualify for the relief.

2022 tax relief %	= 40.5%
2021 tax relief %	= 48.5%
2020 tax relief %	= 52%
2019 tax relief %	= 54%

- The relief is based upon total dollars from the Commonwealth, divided by the total tax of all qualifying vehicles in the County.
- The County receives **\$8,741,680** annually from the Commonwealth.

Appeals Process

- No formal appeals process, but an appeal must be made to the Commissioner of the Revenue within one year from the date of assessment.
- Appeals are considered on a case by case basis. The prime consideration will be the status of the vehicle on January 1st of the current tax year.
- The basis for an appeal is the vehicle must be inoperable, meaning that there must be something mechanically wrong with the vehicle preventing it from being driven; i.e., irreparable engine or transmission.
- A broken windshield, worn tires or cosmetic damage would not constitute consideration for such a reduction in value.

Tax Exemptions

- Military (Non-Virginia Residents)
- Spouses of Military Servicemembers
- Military Retirees
- Disabled Veterans



Tax Rates on the Peninsula

- Hampton \$4.50 per \$100
- Newport News \$4.50 per \$100
- Poquoson \$4.15 per \$100
- James City County \$4.00 per \$100
- **York County** **\$4.00 per \$100**
- Isle of Wight \$3.90 per \$100
- Williamsburg \$3.50 per \$100

2022 Personal Property Tax Rebate

- Due to significant increases in vehicle prices in 2022 as a result of the pandemic, the Board approved a Personal Property Tax rebate.
- The rebates were calculated to closely align with the amount of increase residents experienced on the first half 2022 tax bill.
- The rebate was applied to 61,123 vehicles on 33,987 customer numbers.
- The average rebate was \$57.36 with a total of \$3.5 million rebated.



2022 Personal Property Tax Changes

- York County Distributed a tax rebate.
- James City County Assessed at 75% of market value
- Hampton Assessed at 75% of market value
- Isle of Wight Reduced the rate by \$0.60 from \$4.50 to \$3.90
- Newport News Assessed at 75% of market value
- Poquoson Assessed at 90% of market value
- Williamsburg Assessed at 80% of market value

Vehicle Registration Fees

- The Code of Virginia allows localities to levy fees on motor vehicles, trailers, and semitrailers in the County.
- York County Vehicle Registrations (formerly Vehicle Decals) are due on June 25th annually and are billed with Personal Property Taxes.

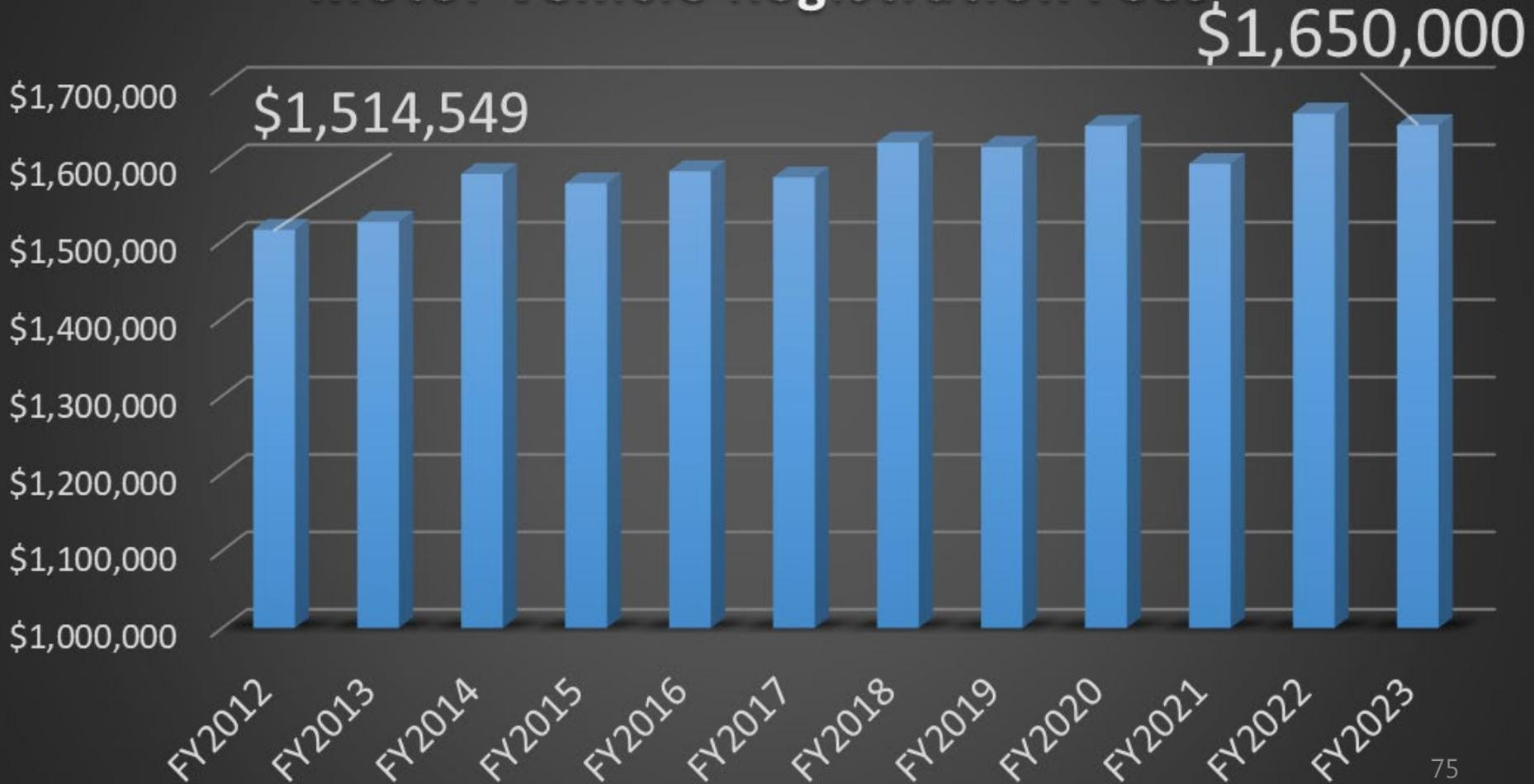
Item	Fee
Car, Truck, Bus	\$23.00
Active Duty Non-Resident Military	No Fee
Antique Car	No Fee
Motorcycle	\$15.00
Trailer/Living Quarters	\$23.00
Trailer/Rented or Leased	\$23.00
Trailer over 1500 pounds	\$15.00
Trailer under 1500 pounds	\$6.50

Vehicle Registration Fees

- Hampton \$35-\$40
- Isle of Wight \$33
- Newport News \$26-\$31
- **York County** **\$23**
- James City County \$10*
- Poquoson \$0
- Williamsburg \$0

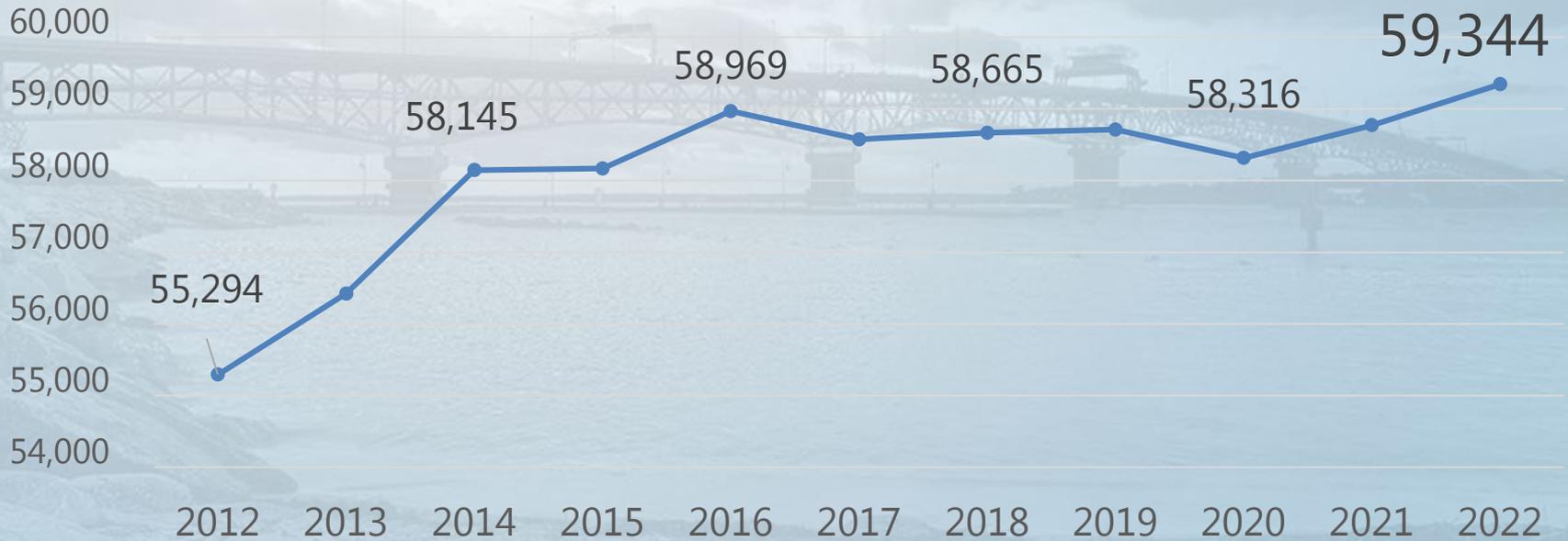
*A one-time fee of \$10 is charged for each newly registered vehicle.

Motor Vehicle Registration Fees

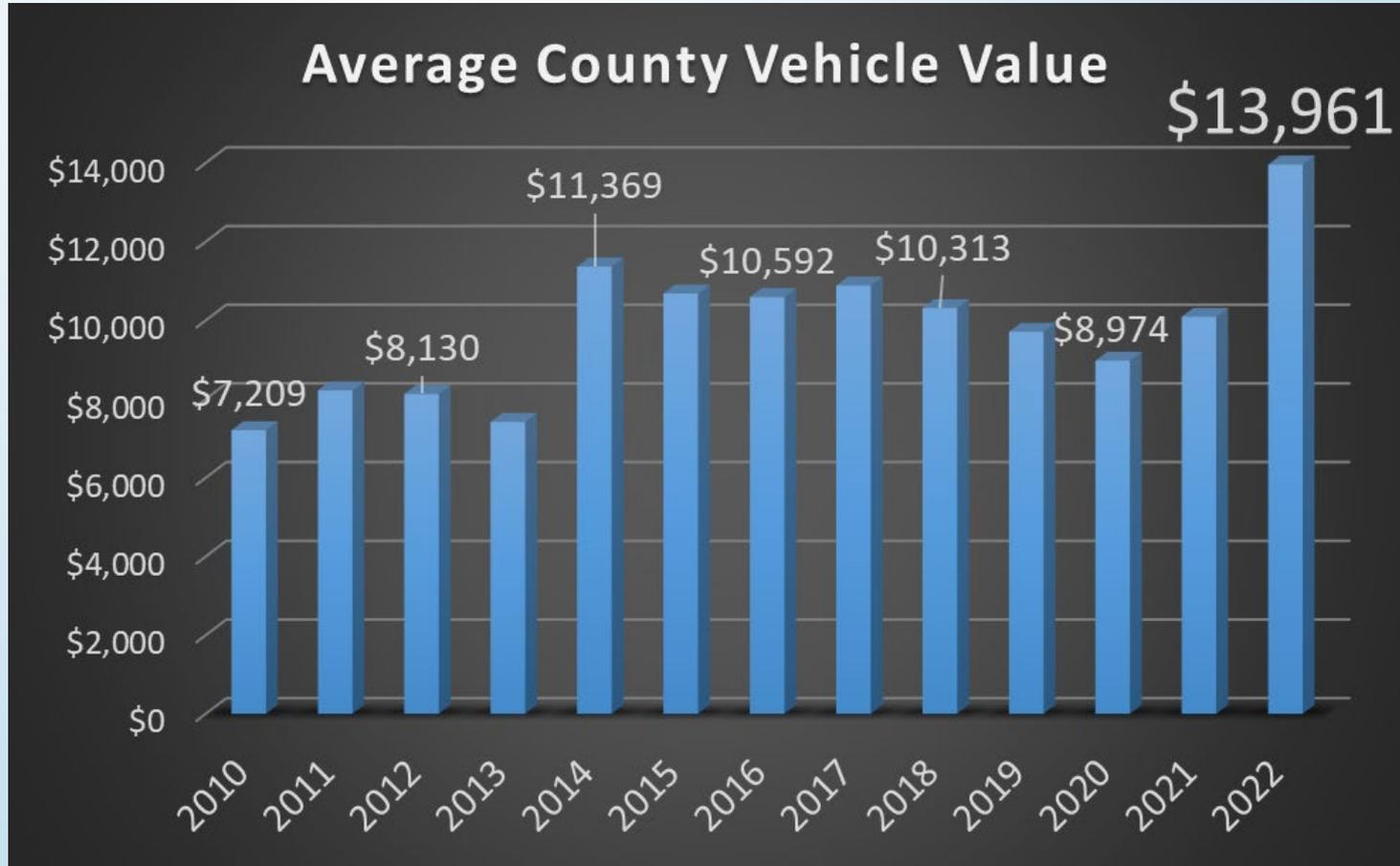


Personal Property Trends

Number of Personal Property Assessed Each Year

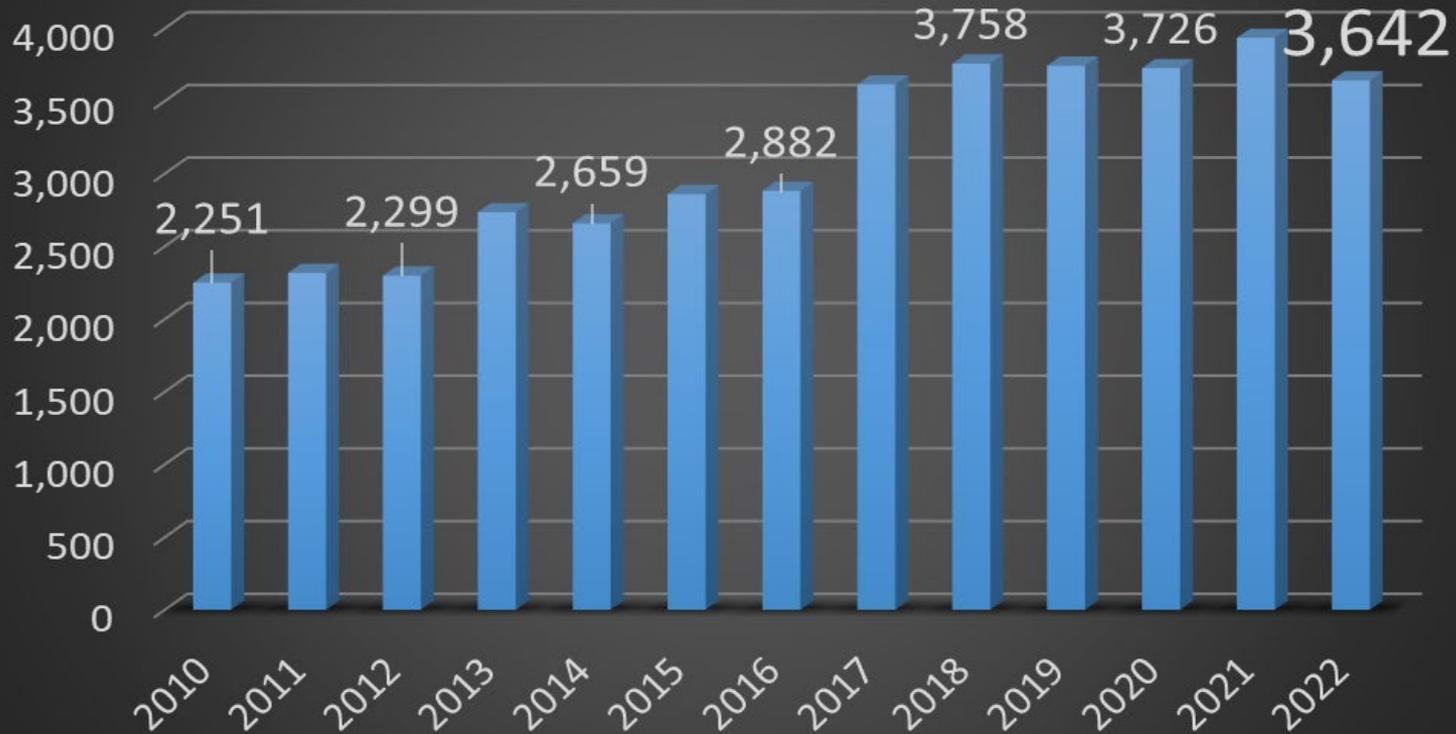


Personal Property Trends



Personal Property Trends

County Residents Receiving Exemptions



Personal Property Tax Changes for Calendar Year 2023

Vehicle Values 2021-2022

- Market Supply disruptions caused used vehicle values to increase significantly in CY2022.
- The increase in values was not uniform.
- Rebate issued on December 2022 tax bill.

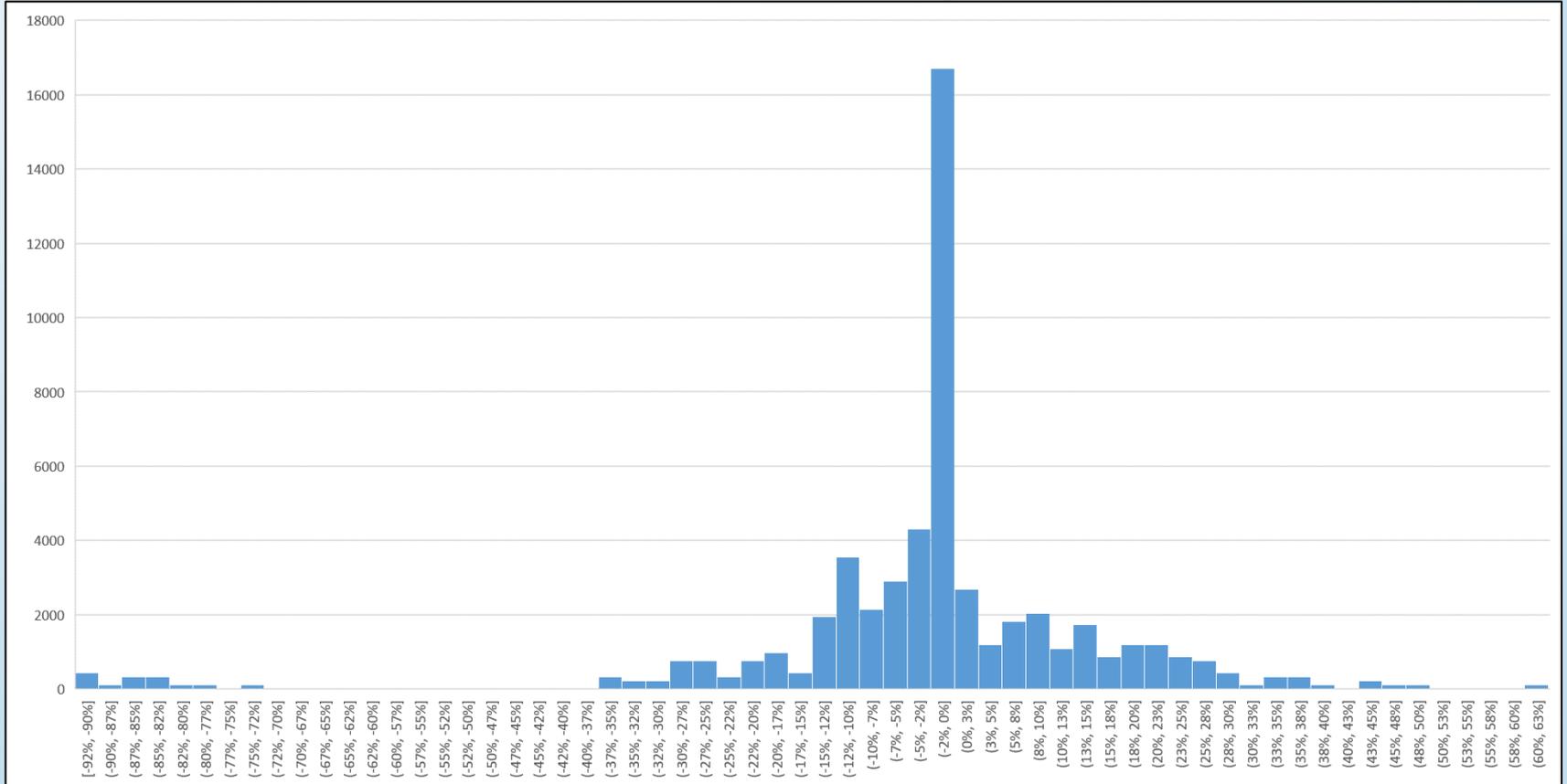
Current Trend

- Sampled ~5,000 vehicles from December 2021 tax rolls and used J.D. Power to value as of November 2022.
- Commissioner of Revenue manually valued ~100 of the 5,000 in January to confirm the trend.
- Values have begun to normalize, but change varies widely from vehicle to vehicle.

Current Trend (cont.)

- On average, values increased 22.8% from 2021 to 2022, with the majority of owners seeing increases between 6% and 39%.
- Estimate January 2023 values will be significantly lower than 2022, but still ~1.7% higher than in 2021.
- Some vehicles will still have elevated values relative to 2021.

Percentage Change in Assessed Value – January 2021 to January 2023



Examples

	December 2021 Bill	June 2022 Bill	June 2023 Bill (est.)
2013 Dodge Ram			
Assessed value	11,075	13,975	9,998
Gross tax	221.50	279.50	199.96
PPTRA	-	-	-
Tax to be paid	221.50	279.50	199.96
2020 Ford F-250			
Assessed value	38,325	47,925	39,394
Gross tax	766.50	958.50	787.88
PPTRA	-	-	-
Tax to be paid	766.50	958.50	787.88

Examples (cont.)

	December 2021 Bill	June 2022 Bill	June 2023 Bill (est.)
2020 Kia Sorento			
Assessed value	18,600	25,400	19,952
Gross tax	372.00	508.00	399.04
PPTRA	(180.42)	(162.00)	(159.62)
Tax to be paid	191.58	346.00	239.42
2015 Chevy Silverado			
Assessed value	22,875	25,425	18,420
Gross tax	457.50	508.50	368.40
PPTRA	(194.00)	(162.00)	(147.36)
Tax to be paid	263.50	346.50	221.04

Examples (cont.)

	December 2021 Bill	June 2022 Bill	June 2023 Bill (est.)
2019 Subaru Forester			
Assessed value	24,225	29,175	22,299
Gross tax	484.50	583.50	445.98
PPTRA	(194.00)	(162.00)	(178.39)
Tax to be paid	290.50	421.50	267.59
2017 Chevy Volt			
Assessed value	10,100	15,075	14,742
Gross tax	202.00	301.50	294.84
PPTRA	(97.97)	(122.11)	(117.94)
Tax to be paid	104.03	179.39	176.90

CY2023 Tax Actions - Considerations

- First 6 months of calendar year impact current (FY2023) budget.
- Recognize “normal” inflation.
- Reduce impact of higher values on taxpayers, but still adequately fund the budget.
- Any change should be transparent and easy to understand.

Limitations and Other Considerations

- Must assess vehicles as of January 1st.
- Must use the recognized publication of used vehicle values.
- The Commissioner of Revenue uses loan value, which is among the lowest values provided by J.D. Power.

Options Available

1. Continue to use 100% of Loan Value
2. Lower tax rate
3. Eliminate the Registration Fee
4. Combination of lower rate/phase out the Registration Fee

Eliminate Registration Fee Option

- Flat amount - larger impact for owners of lower-valued vehicles.
- Eliminates \$1.6M in County Revenue.
- Most likely would keep the tax rate at \$4.00 per \$100.

Eliminate Registration Fee Option

- 97% of owners would see a decline from 2022 tax bill.
- Still, ~80% would remain higher than the 2021 bills, typically between 5% and 25% higher.
- Impact mitigated by the elimination of the Registration Fee.
- Results in ~\$1M revenue shortfall for second half of FY23.

Lower Tax Rate Option

- Dropping tax rate to \$3.90 per \$100 would provide budgeted revenue in FY23.
- 99% of owners would see a decline from 2022 tax bill.
- ~75% would remain higher than the 2021 bills, with most less than 20% higher.

Combination Option

- Best of both worlds.
- Gives the Board flexibility to further reduce the Registration in the future.
- Remains easy to understand.

Information Available on the County's Website

Board of Supervisors Government Residents Business Things to Do How Do I... Search

Home > Government > Commissioner of the Revenue



Commissioner of the Revenue

ATTENTION: Vehicle Value Increases for Tax Year 2022

York County citizens may notice that their vehicle value has increased for 2022, resulting in a higher tax bill than in previous years. This is a direct result of the COVID-19 pandemic, which created supply and demand issues for the automotive industry and has impacted locality vehicle values state-wide.

The 'Code of Virginia', Title 58.1-3515 states that the "tax day" in Virginia is January 1st annually. Title 58.1-3503 requires that all assessments be uniform and a recognized pricing guide be utilized.

In York County, vehicle assessments are ascertained from the 'NADA Official Used Car Guide' or 'NADA Official Older Used Car Guide'. Vehicles are assessed using 100% of the "clean loan value" listed in the guide for the specific year, make and model of each vehicle and no additions are made for condition, mileage or extra options.

For more information regarding the increase in vehicle value, you may wish to read the article "[When Will Car Prices Come Back to Earth?](#)" from *Car and Driver*.

Personal Property Tax Rebate

With the general increase in vehicle values for tax year 2022, many vehicles saw a notable increase in taxes. In response to this increase, the Board of Supervisors has approved a rebate for qualifying vehicles. For further details on the rebate, please refer to "[Rebate Information](#)." For more information regarding how this rebate was applied to bills, please click [here](#).

Business may be conducted with our office via telephone, email, web, portal and drop box, as well as in person. You may contact our office at the below phone numbers.

Business Tax: 757-890-3383
Personal Property: 757-890-3381
Real Estate: 757-890-3382
State Income: 757-890-3381

Contact Us

Ann Thomas, MCR
Commissioner of the Revenue
[Email the Commissioner of the Revenue](#)
Phone: 757-890-3381
[More Information](#)

Commissioner of the Revenue's Office

Physical Address

120 Alexander Hamilton Blvd.
Yorktown, VA 23690

Mailing Addresses

General

P.O. Box 190
Yorktown, VA 23690

State Income Tax

P.O. Box 90
Yorktown, VA 23690

Business License

P.O. Box 189
Yorktown, VA 23690
FAX: 757-890-3389
TDD: 757-890-3621

[Directory](#)

- Commissioner of the Revenue Designation Background
- Cigarette Tax
- Current Tax Rates
- Customer Service Survey
- Due Dates
- Forms
- Freedom of Information Act Requests (FOIA) (PDF)
- Frequently Asked Questions
- Payment Options
- Tax Calendar
- Taxes
- Your Guide to York County Taxes

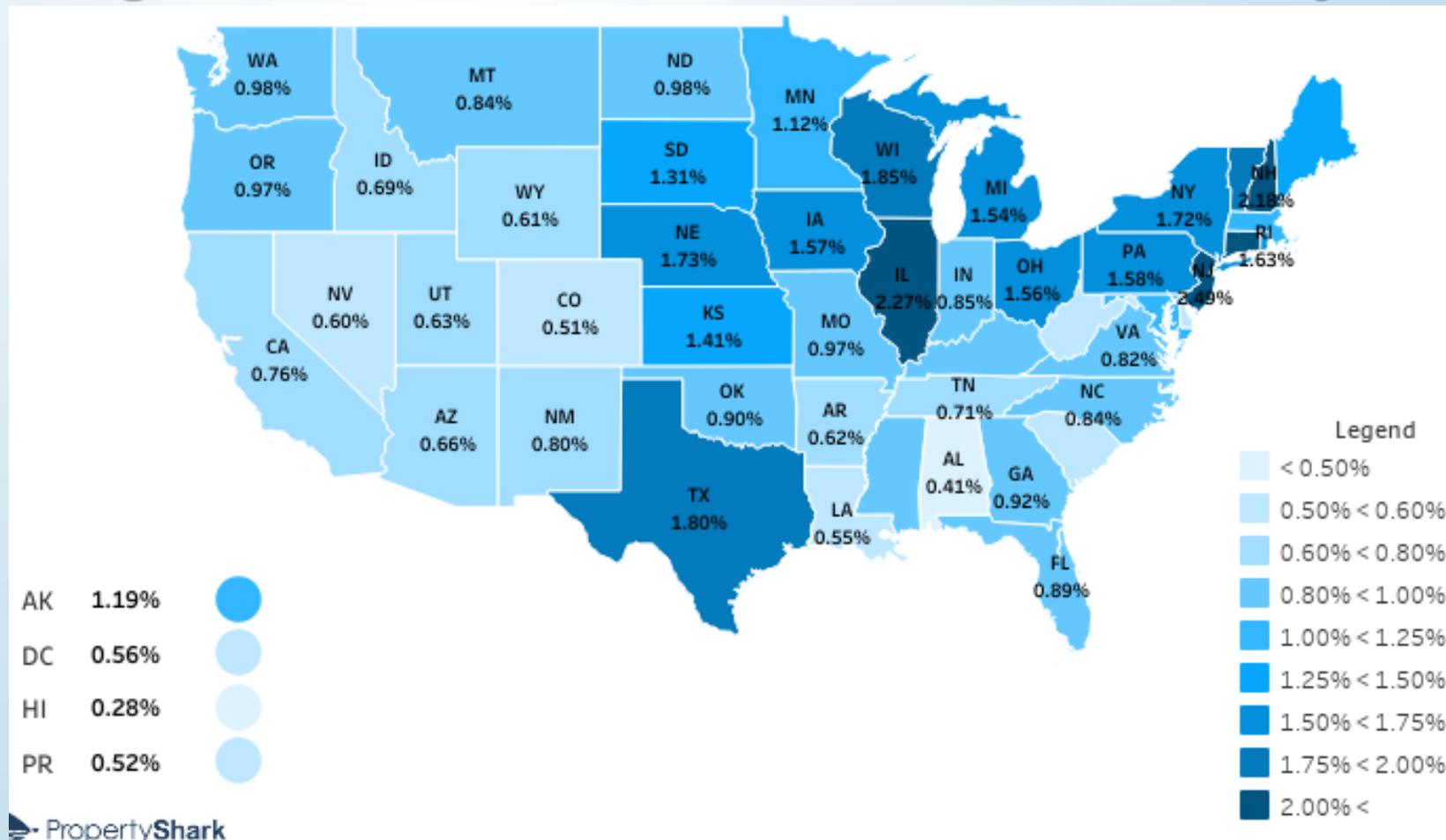
Real Estate Tax Assessment

How are Real Estate Taxes Determined?

- The County Code (Sec. 21-8) requires the County to conduct a biennial reassessment of all real property within the County.
- The County maintains a Property Information Search which lists information about all real property within the County. Property Sales Information are updated monthly and new property values are continuously assigned when new permits are approved.
- Appraisers continually review sales activity in neighborhoods and use those transactions as guidelines to establish assessed value.
- **The County's real estate tax rate is \$0.78 per \$100.** Prior to FY23, the rate was \$0.795.



Average Effective Real Estate Tax Rate (%) by State



Real Estate Tax Rates in Hampton Roads

- Portsmouth \$1.30
- Norfolk \$1.25
- Newport News \$1.20
- Hampton \$1.18
- Poquoson \$1.13
- Suffolk \$1.09
- Chesapeake \$1.05
- Virginia Beach \$0.99
- Isle of Wight \$0.85
- James City County \$0.83
- **York County \$0.78**
- Gloucester \$0.725
- Williamsburg \$0.64

State Assessment Requirement

- The Code of Virginia (§58.1-3201) requires the assessment offices to assess all real estate at 100% fair market value.
- Market value is generally accepted to be the price paid by a willing buyer to a willing seller, neither of which is unduly motivated to complete the transaction. Market value is determined by analyzing current activity in the real estate market.



Real Estate Tax Timeline for 2024/25

- January – November 2023: Staff review sales activity and update property values.
- November 15, 2023: Staff finalize appraisals.
- December 2023: Residents pay second half of 2023 real estate taxes.
- December 30, 2023: 2024/25 real estate tax notices sent to residents.
- January 1, 2024: New 2024/25 appraisals take effect.
- January 2024: Informal reassessment hearings begin.
- February 2024: Board of Equalization applications due.
- April 1, 2024: Deadline to apply for exemptions.
- April 2024: Board of Equalization hearings.
- June 2024: First half of 2024 real estate taxes due.
- December 2024: Second half of 2024 real estate taxes due.

FY2024 Budget Timeline

August 2022

- CIP forms distributed to departments for submission at the end of the month

September 2022

- CIP Review Committee Meeting
- FY2024 Budget Call for all departments

October 2022

- FY2024 Agency Funding Request Packages Distributed

November 2022

- FY2024 budget submissions are due from departments

December 2022

- Preliminary CIP presented to the Board

January 2023

- FY2024 Revenue Estimates from the Director of Finance
- FY2024 Public Forum
- Budget Review Committee Meetings Begin

March 2023

- FY2024 Budget Work Session
- Presentation of FY2024 Proposed Budget
- FY2024 Agency Funding notifications distributed

April 2023

- FY2024 Budget Work Session and Public Hearing

May 2023

- Adoption of the FY2024 Budget, CIP, and Calendar Year Tax Rates

Appeals Process

Administrative Appeal

- Citizens initiate and County staff review and may conduct an inspection.
- An administrative decision will be mailed to the owner.

Board of Equalization (BOE)

- Appeals to BOE can be based on Inequity of Assessment or Unreasonable Market Value. The burden of proof is upon the taxpayer to dispute the assessment.
- All decisions rendered by BOE are mailed to the homeowners.

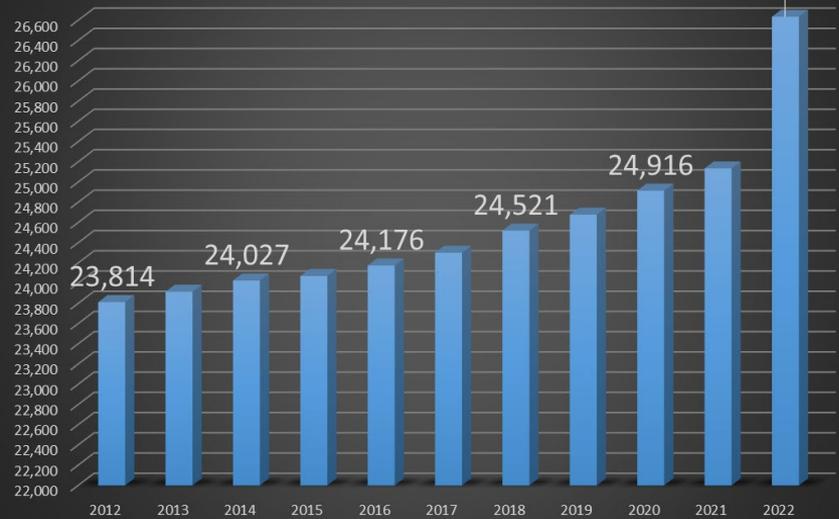
Circuit Court

- Property owners dissatisfied with the decision of administration or BOE hearings may file a petition to the Circuit Court.

York County Real Estate Trends

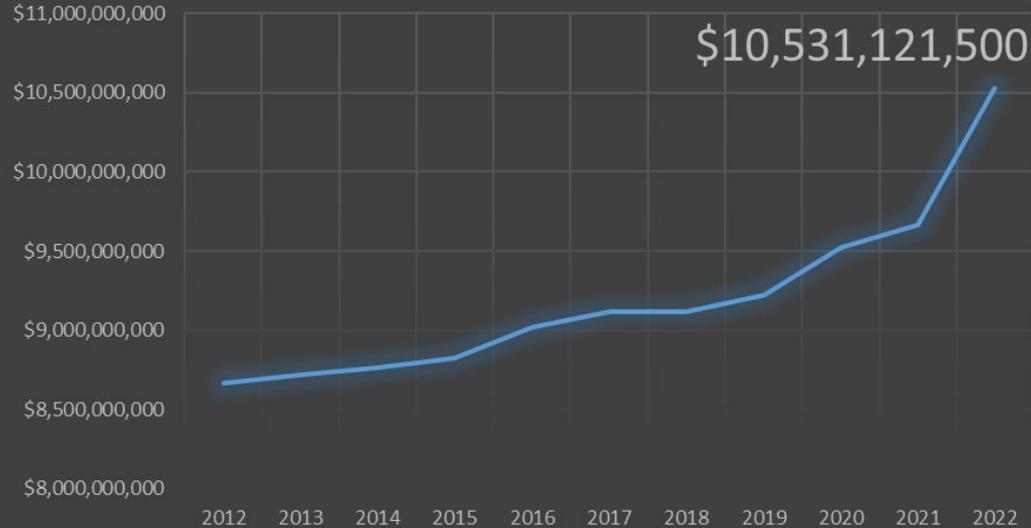
Number of Properties Assessed

26,636



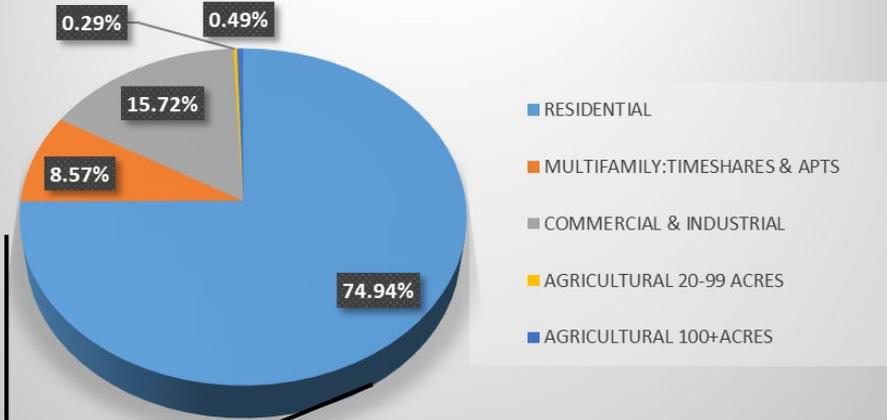
Total Evaluation (Commercial/Residential)

\$10,531,121,500

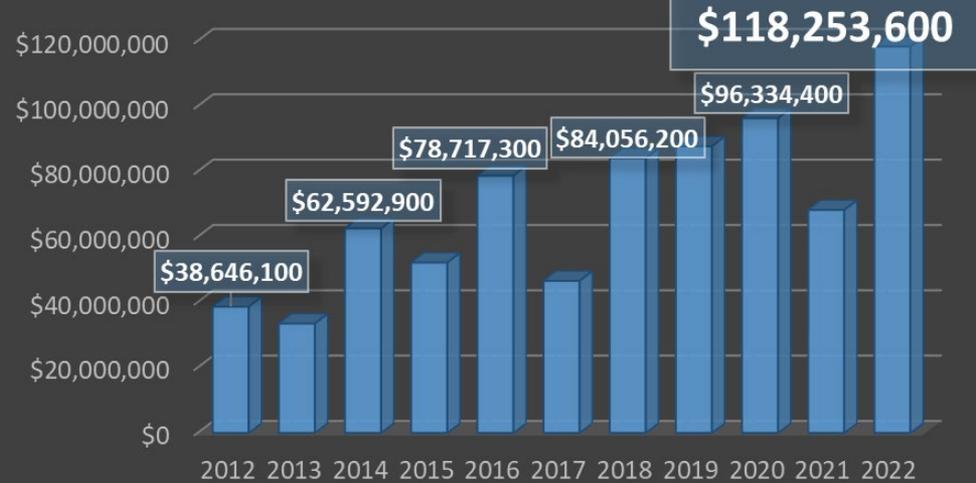


York County Real Estate Trends

2022 Assessed Property Values By Type

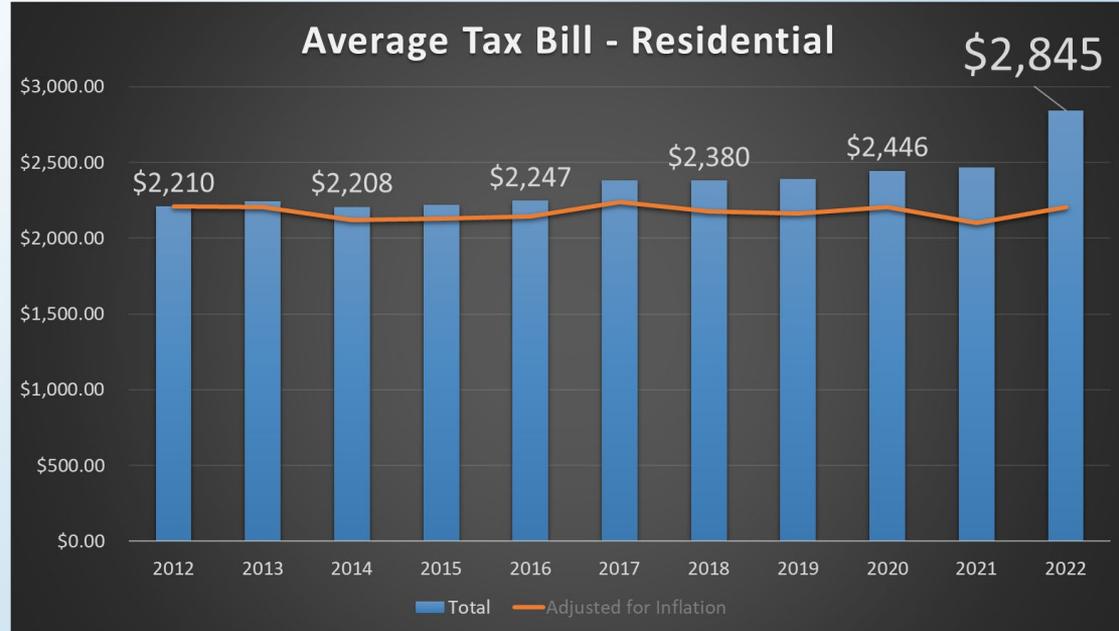
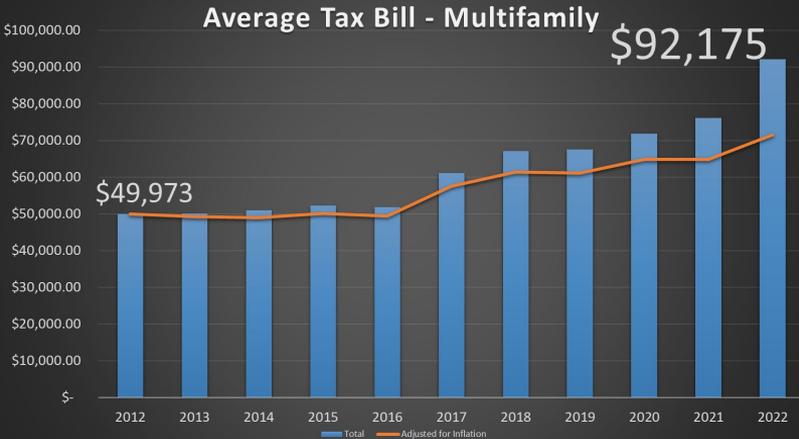
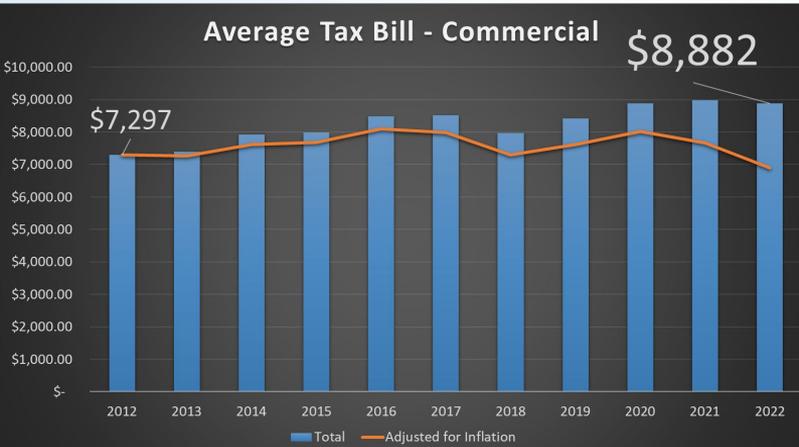


NEW CONSTRUCTION VALUES



*100% of the assessed property values only includes 63% percent of all York County jurisdictional limits since the Federal Government owns the rest of the 37% (Naval Weapons Station Yorktown, Cheatham Annex, USCG Training Center Yorktown, National Park Service, Langley AFB Housing).

York County Real Estate Trends



Top Assessed Commercial Tax Properties in York County for 2021

- Virginia Power/VEPCO
- Lawyers Title/Wyndham Vacation Resorts, Inc. (Timeshares)
- Great Wolf Lodge
- Kings Creek Resorts, Inc. (Timeshares)
- BP/Plains Marketing, L.P.
- Walmart
- Anheuser Busch/Busch Entertainment/Busch Prop.
- Orange Lake Country Club (Timeshares)

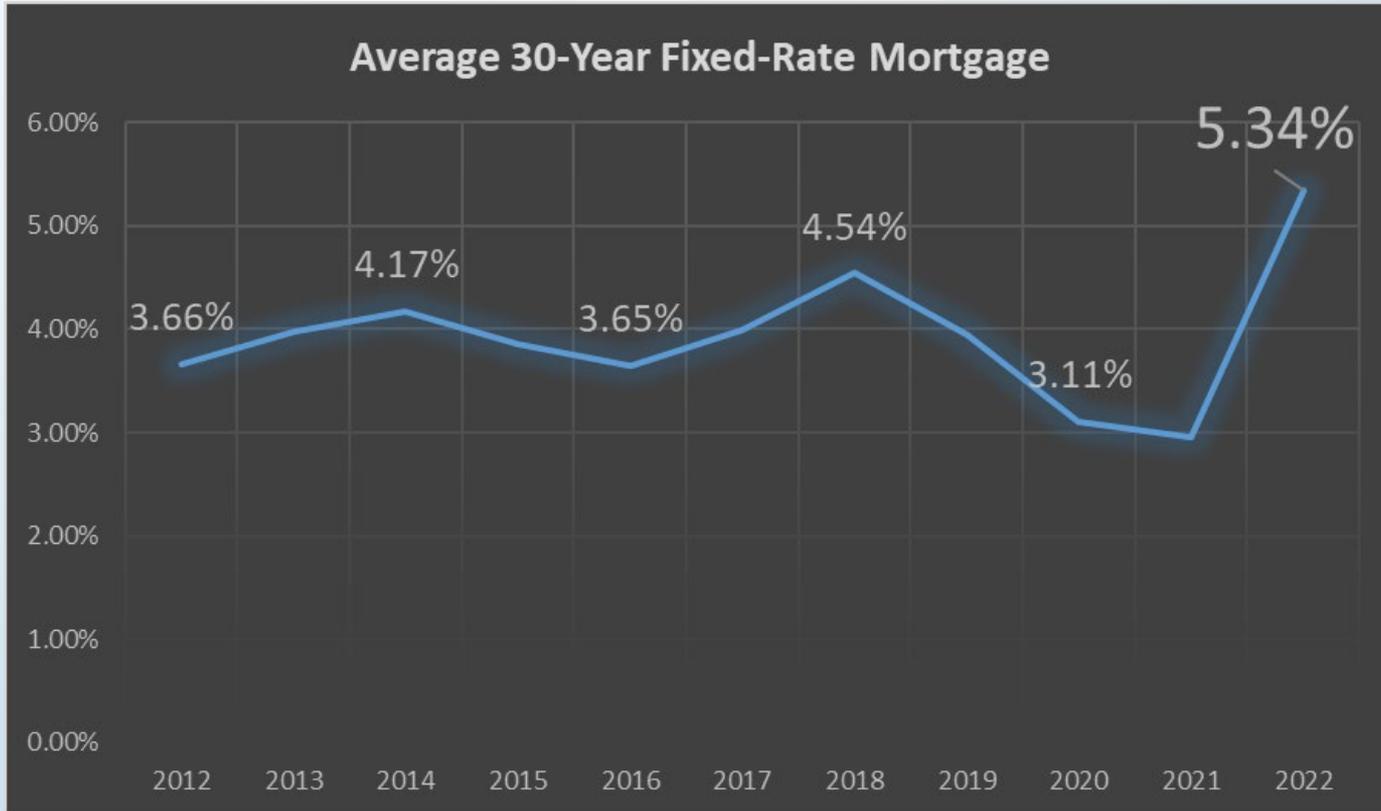
York County Real Estate Trends

- **New Parcels**

- 266 new parcels added \$31,225,200 in value starting on January 1, 2023.
- New parcels are defined as new properties added since the last assessment of January 1, 2022.

Appraisal Area	Lots	Total Proposed
Dare	51	\$7,425,500
Tabb	21	\$1,590,000
Williamsburg	186	\$21,644,500
Yorktown	8	\$565,200

Mortgage Rates



Current 30-Year Fixed-Rate Mortgage: 6.15%

Neighborhood Sales

Neighborhood	District	2020 Median Assessment	2020 Median Sales Price	2021 Median Assessment	2021 Median Sales Price	2022 Median Assessment	2022 Median Sales Price
Running Man	5	\$479,000	\$520,000 (34 sales)	\$465,275	\$550,600 (36 sales)	\$527,950	\$667,039 (27 sales)
Meadowlake Farms	5	\$280,600	\$321,800 (1 sale)	\$278,150	\$361,000 (8 sales)	\$312,800	\$339,000 (4 sales)
Taylor Farms	4	\$795,800	\$875,000 2 Sales	\$1,020,400	\$1,200,000 (1 sale)	\$837,250	\$1,061,885 (2 sales)
Brandywine	4	\$323,300	\$363,500 (12 sales)	\$332,000	\$410,000 (17 sales)	\$360,300	\$470,000 (7 sales)
Marlbank Cove	3	\$417,150	\$479,000 (6 sales)	\$465,650	\$569,250 (6 sales)	\$455,050	\$583,476 (10 sales)
Yorktown Village	3	\$421,400	\$300,000 (1 sale)	N/A	N/A (0 sales)	\$434,200	\$499,000 (3 sales)

Neighborhood Sales

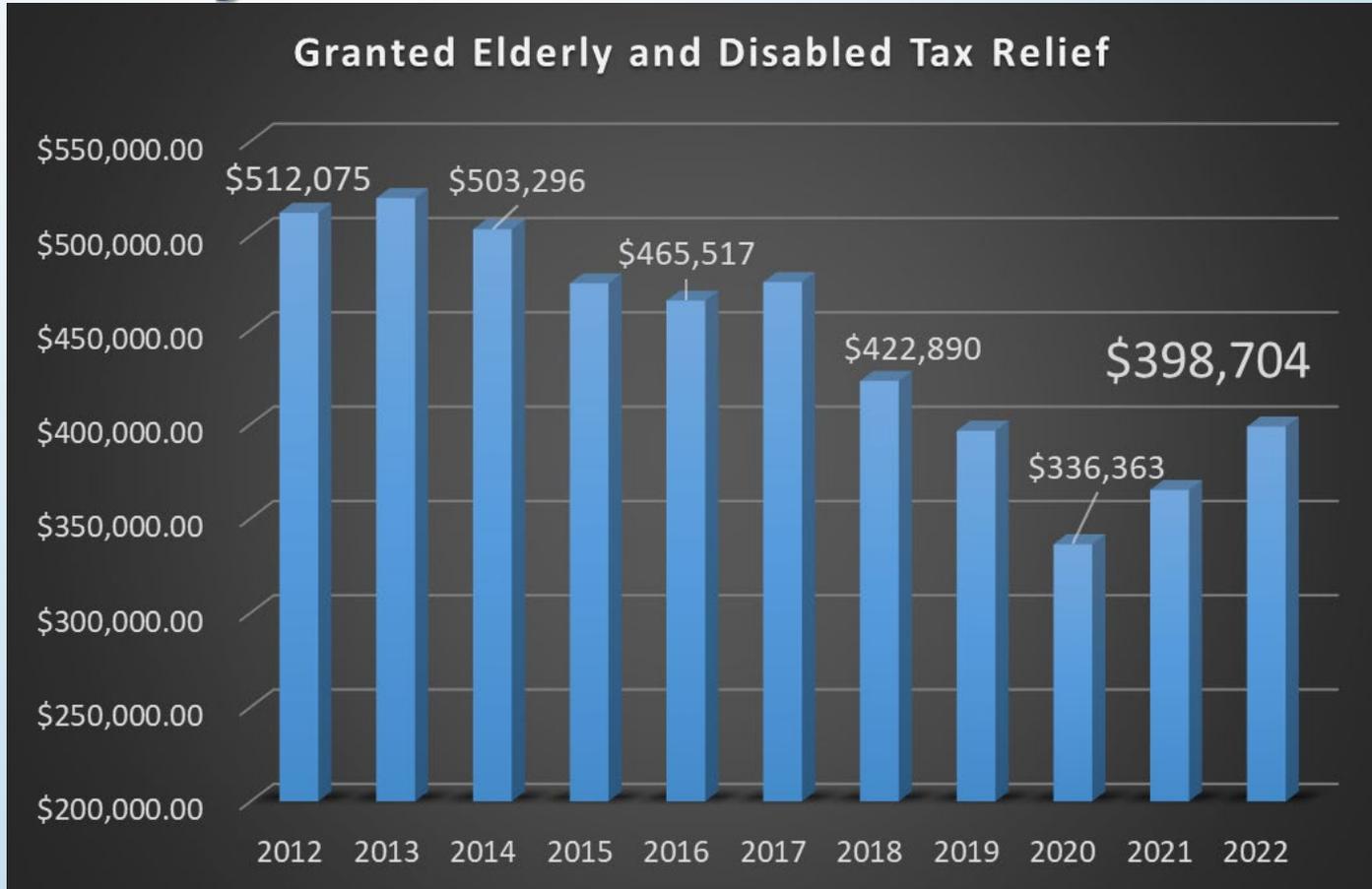
Neighborhood	District	2020 Median Assessment	2020 Median Sales Price	2021 Median Assessment	2021 Median Sales Price	2022 Median Assessment	2022 Median Sales Price
York Meadows	2	\$371,700	\$434,000 (9 sales)	\$363,400	\$430,000 (9 sales)	\$411,050	\$491,800 (6 sales)
Coventry	2	\$311,425	\$344,700 (24 sales)	\$318,000	\$359,000 (22 sales)	\$356,000	\$445,000 (17 sales)
Queens Lake	1	\$446,000	\$488,750 (31 sales)	\$449,875	\$484,250 (30 sales)	\$443,875	\$579,500 (21 sales)
Penniman East	1	\$235,100	\$256,825 (6 sales)	\$233,100	\$286,021 (3 sales)	\$281,800	\$328,000 (5 sales)

Elderly and Disabled Tax Relief

- Assets cannot exceed \$220,000 and applicants must be 65 or older or permanently disabled.
- Applications due annually before April 1st.
- Owner(s) applying must reside on the property.
- **1,275** York County residents received this relief in 2022.

1 Eligible Owner	2 Eligible Owners	Exemption Amount
\$43,801 - \$55,000	\$44,901 - \$55,000	Up to \$330.00
\$32,701 - \$43,800	\$34,701 - \$44,900	Up to \$460.00
\$21,501 - \$32,700	\$24,601 - \$34,700	Up to \$660.00
\$21,500 and Under	\$24,600 and Under	100%

Elderly and Disabled Tax Relief



Disabled Veterans Tax Relief

- Since 2011, the General Assembly has allowed tax exemptions on real property for qualified veterans.
- Veterans must be 100% service-connected, permanent and totally disabled, or a surviving spouse.

2011

- 77 residents received the exemption.
- \$172,454 in relief.

2022

- 896 residents received the exemption.
- \$2,944,818 in relief.

New Virginia Real Estate Law

- HB 957 – Real property; classification, property owned by certain surviving spouses for tax purposes.
 - Allows localities to declare real property a separate class of property for Gold Star spouses that may be taxed at a different rate than that imposed on the general class of real property.
 - The spouse must occupy the real property as their principal place of residence and cannot remarry.



GOLD STAR
LAPEL BUTTON

Elderly and Disabled Tax Relief

- Staff Recommendation:
 - 3 income categories.
 - Relief would be a percentage of the tax bill.
 - Eliminate the application deadline and grandfather in the households receiving assistance at their current level until January 1, 2025.
 - Anticipate 150 households to receive an increase in benefit.
 - \$46,000 estimated total cost to the County per year.

1 Eligible Owner	2 Eligible Owners	% AMI	Assistance Percentage	Not to Exceed
\$32,751 - \$52,400	\$34,701 - \$59,850	80%	25%	\$630.00
\$22,951 - \$32,750	\$26,151 - \$34,700	50%	50%	\$1,260.00
\$22,950 and Under	\$26,150 and Under	35%	100%	\$2,530.00

Information Available on the County's Website

The screenshot displays the York County Virginia website. At the top, a dark red navigation bar contains the following menu items: Board of Supervisors, Government, Residents, Business, Things to Do, and How Do I... A search bar is located on the right side of this bar. Below the navigation bar, the York County Virginia logo is on the left. The main content area is titled "Real Estate Assessment" and includes a breadcrumb trail: Home > Government > Real Estate Assessment. The page text states that all real property in York County is appraised and assessed on a biennial basis, effective January 1, on even-numbered years, by the Real Estate Assessment Office. It also notes that the 2022 assessment value can be viewed on the GIS Mapping Site. A key message states: "The effective date of the assessment is January 1, 2022". The page is organized into three columns. The left column contains a vertical menu with links to: Appeal Process, Calendar and Deadlines, Customer Service Survey, FAQs, Function & Responsibilities, General Reassessments, Land Use Program, Property Information Search, and Property Sales. The middle column contains sections for: Appeal Process (Review the appeal process for assessments.), Calendar and Deadlines, Customer Service Survey (Tell us how we are doing and complete the Customer Service Survey.), FAQs (Find answers to frequently asked questions related to the Real Estate Assessment Office.), Function & Responsibilities (The Office of Real Estate Assessment is responsible for the reassessment of all real estate within the County of York and receives its authority from the Code of Virginia and the Code of the County of York.), and Assessment Documents (links to Damage Assistance - Tax Relief Application (PDF) and Scope (PDF)). The right column contains sections for: Contact Us (Maria Kattmann, Real Estate Assessor, with links for Email, Phone: 757-890-3720, and More Information); Real Estate Assessment Office (Email the Real Estate Assessor's Office); Physical Address (120 Alexander Hamilton Boulevard, Yorktown, VA 23690-0532, with a View Map button); Directions; Mailing Address (P.O. Box 532, Yorktown, VA 23690-0532); Phone: 757-890-3720; Fax: 757-890-4078; TDD Phone: 757-890-3621; Hours (Monday - Friday, 8:15 a.m. - 5 p.m.); and Directory.

Board of Supervisors Government Residents Business Things to Do How Do I... Search

Home > Government > Real Estate Assessment

Real Estate Assessment

All real property in York County is appraised and assessed on a biennial basis, effective January 1, on even numbered years, by the Real Estate Assessment Office.

Your 2022 assessment value can be viewed on the [GIS Mapping Site](#) under current assessment.

The effective date of the assessment is January 1, 2022

Appeal Process

Review the appeal process for assessments.

Calendar and Deadlines

Customer Service Survey

Tell us how we are doing and complete the Customer Service Survey.

FAQs

Find answers to frequently asked questions related to the Real Estate Assessment Office.

Function & Responsibilities

The Office of Real Estate Assessment is responsible for the reassessment of all real estate within the County of York and receives its authority from the Code of Virginia and the Code of the County of York.

Assessment Documents

- [Damage Assistance - Tax Relief Application \(PDF\)](#)
- [Scope \(PDF\)](#)

Contact Us

Maria Kattmann
Real Estate Assessor
[Email](#)
Phone: 757-890-3720
[More Information](#)

Real Estate Assessment Office

[Email the Real Estate Assessor's Office](#)

Physical Address

[View Map](#)
120 Alexander Hamilton Boulevard
Yorktown, VA 23690-0532

Directions

Mailing Address

P.O. Box 532
Yorktown, VA 23690-0532

Phone: 757-890-3720
Fax: 757-890-4078

TDD Phone: 757-890-3621

Hours

Monday - Friday
8:15 a.m. - 5 p.m.

Directory

Consumer Taxes

Types of Consumer Taxes

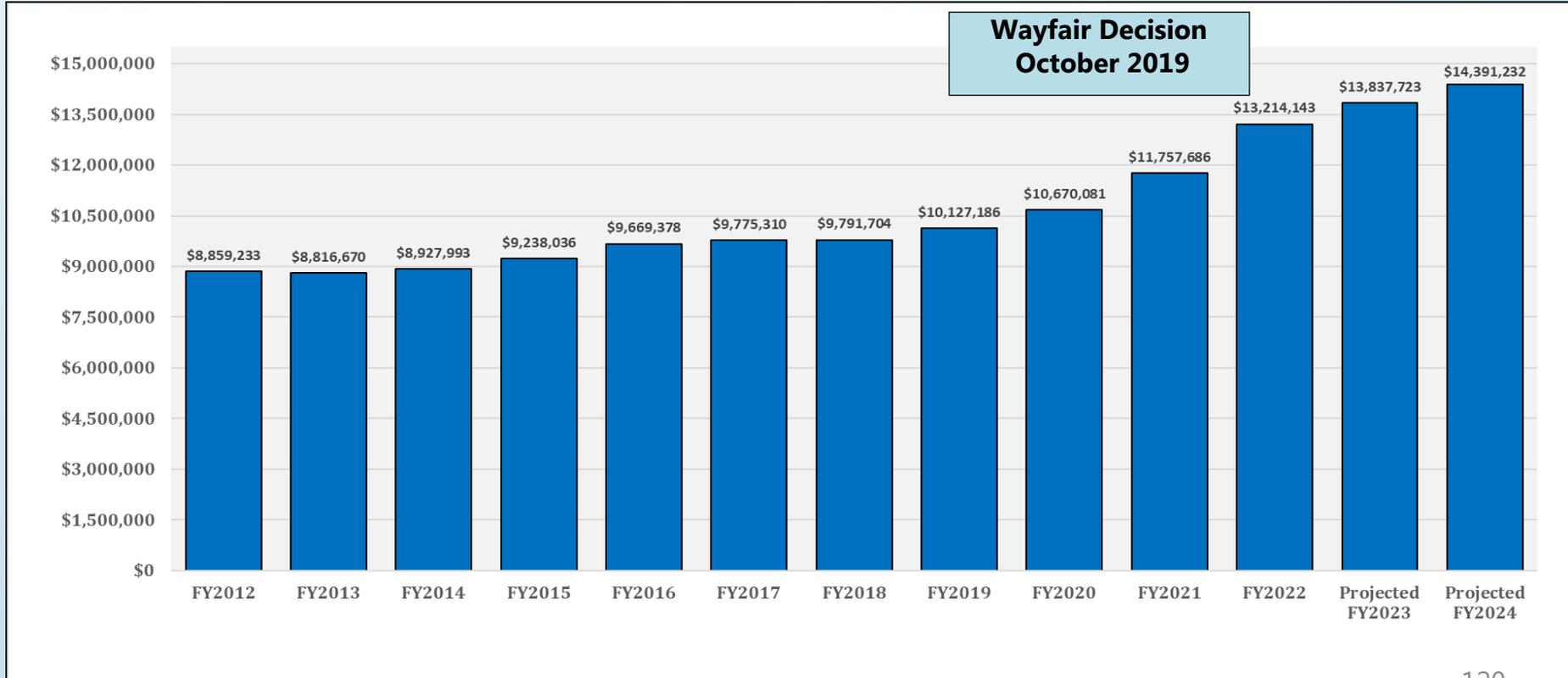
- Local Sales Tax
- Historic Triangle Tax
- Transient Occupancy Tax
- Meals Taxes
- Cigarette Tax

Sales Tax

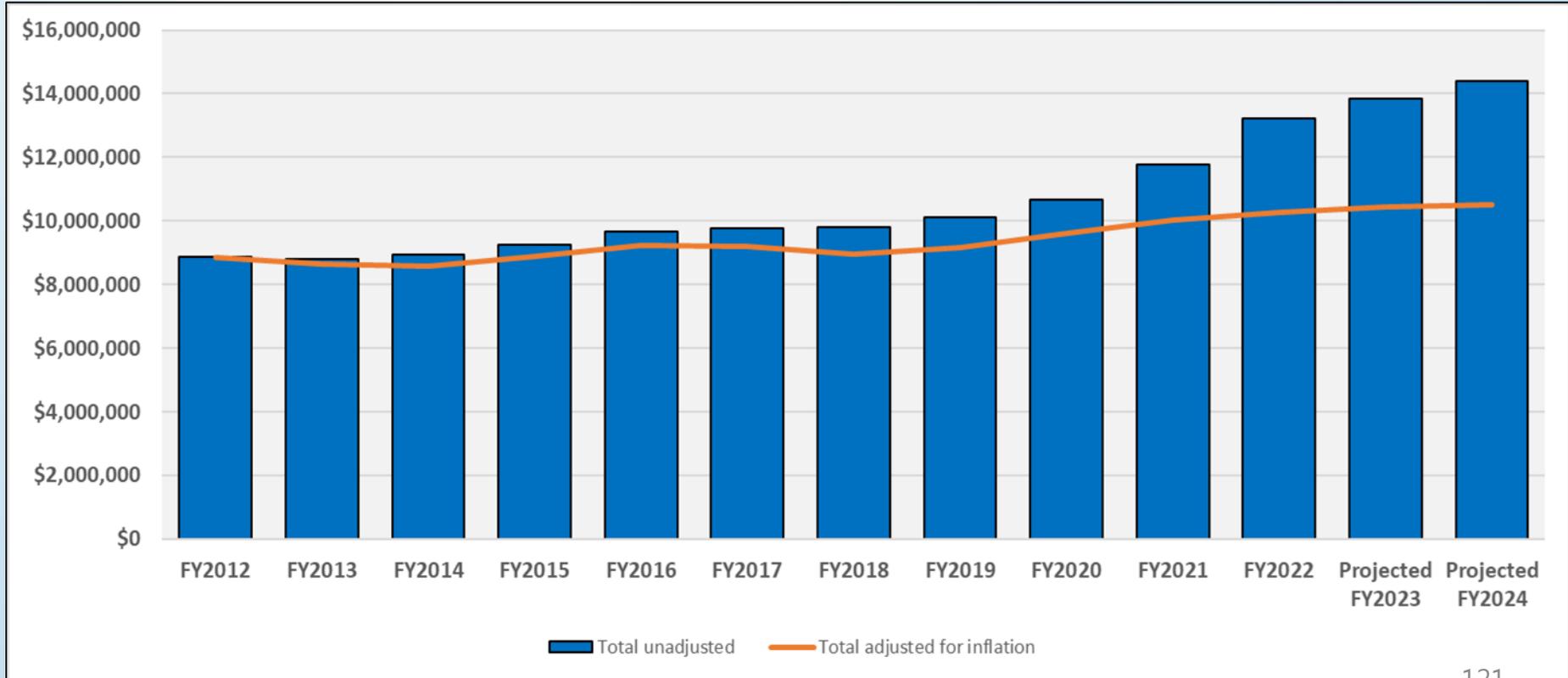
- §8.1-605 permits the County to levy a general Retail Sales Tax rate of 1%.
- Board adopted Ordinance 098-12.
- Administered and collected by the State Tax Commissioner in the same manner as State Sales Tax.
- Remitted to the County approximately 30 days after the due date to the state.

Sales Tax Revenue

(not adjusted for inflation)

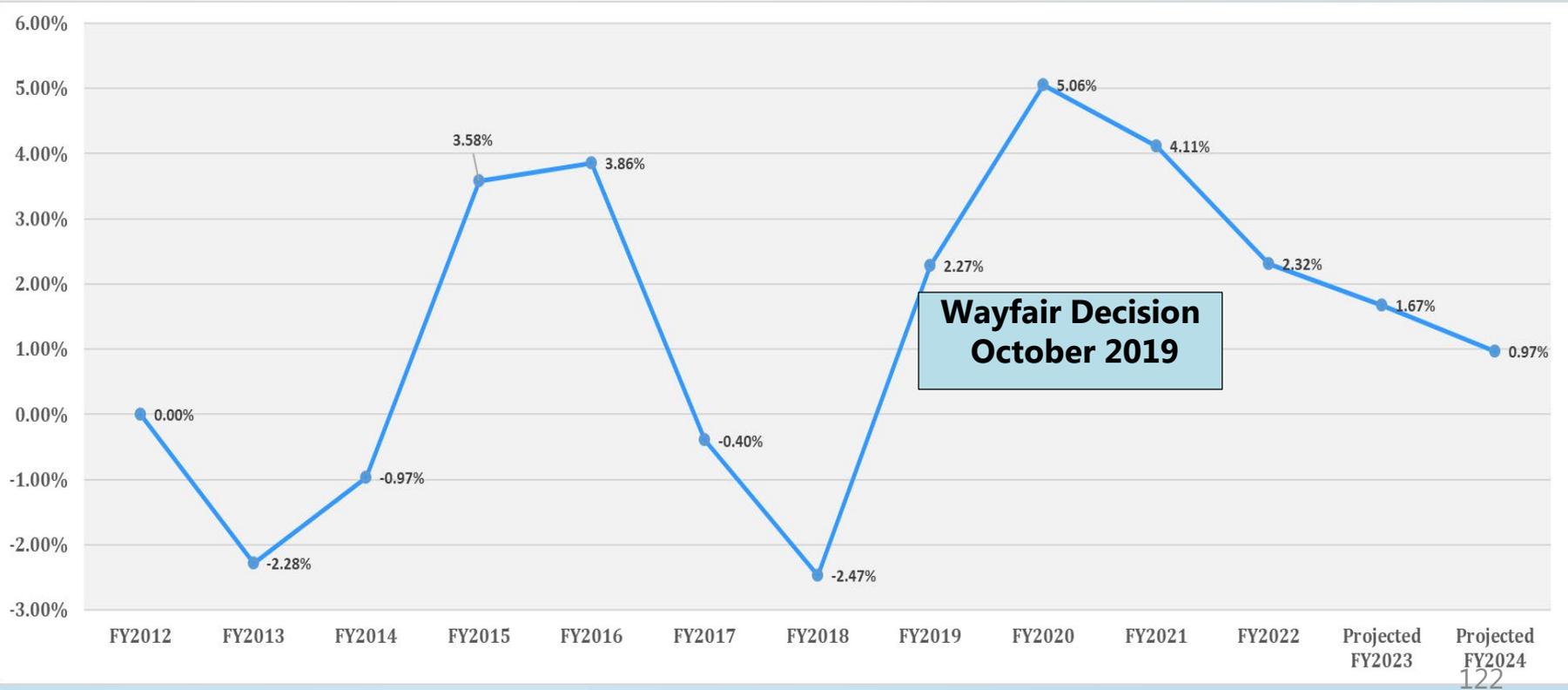


Sales Tax Yearly Trend Comparison



Percentage Change

(adjusted for inflation-2012 dollars)

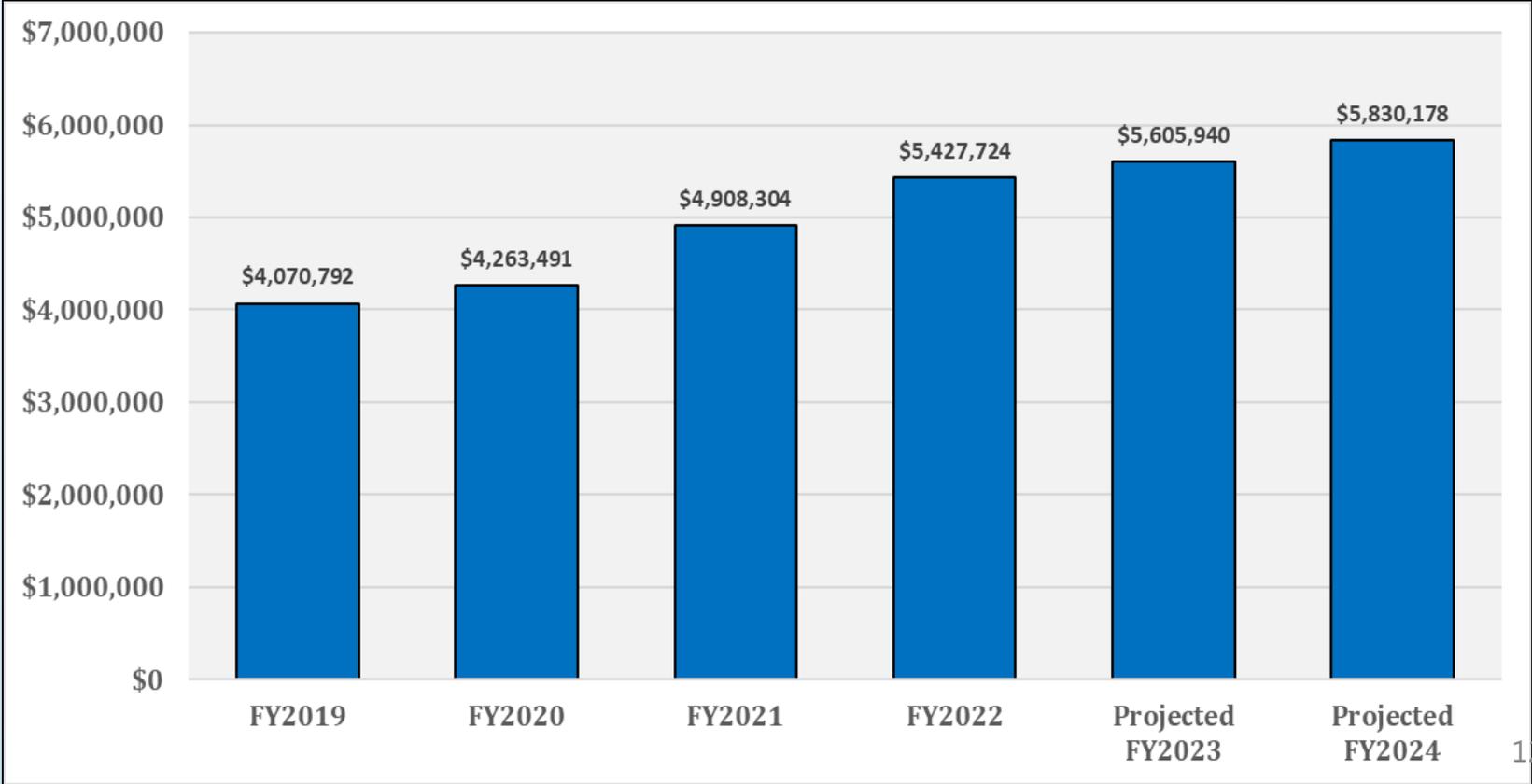


Historic Triangle Tax

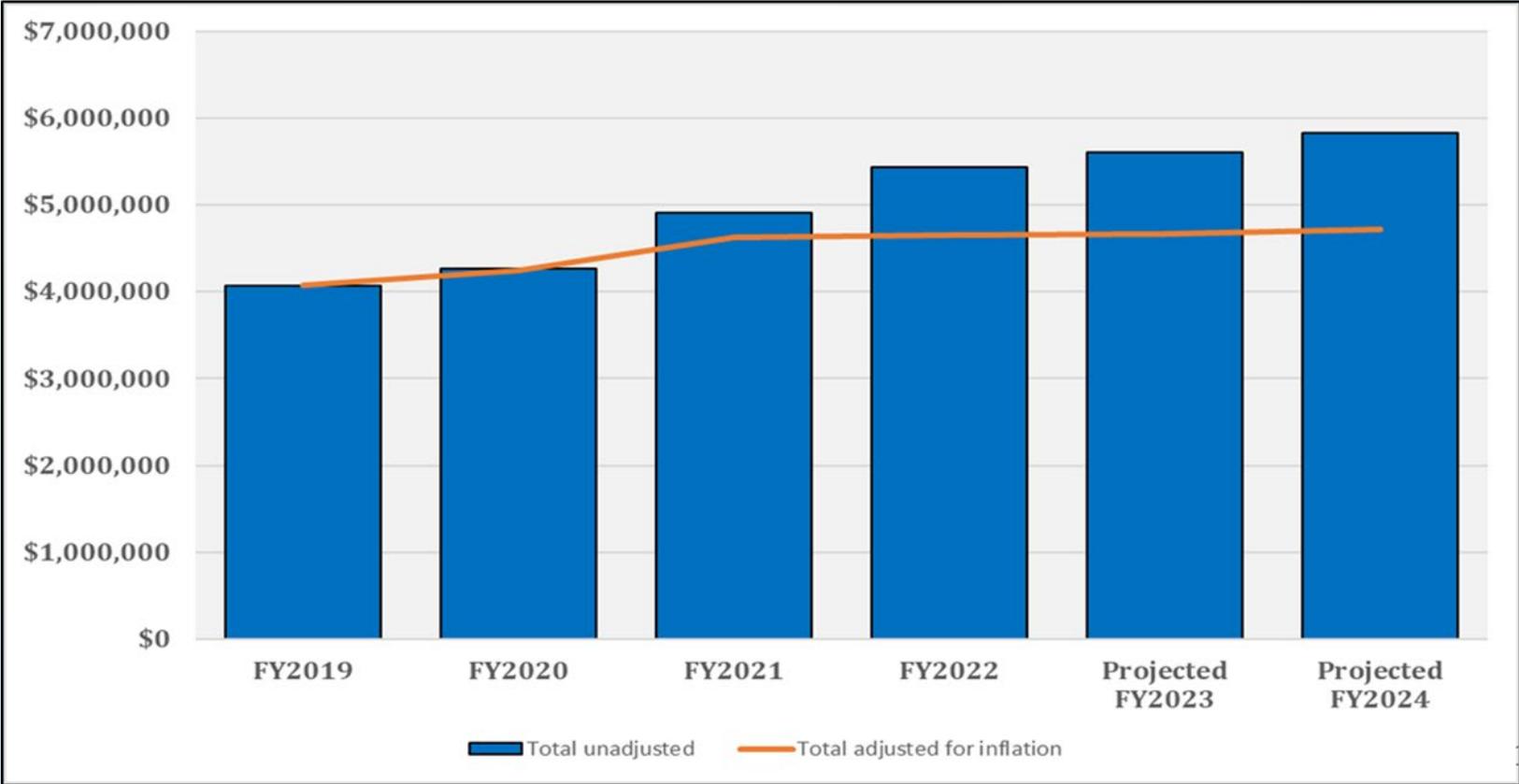
- §8.1-603.2 additional 1% retail tax in the Historic Triangle except for food and essential personal hygiene products.
- Cannot raise the Meals Tax or Transit Occupancy Taxes (January 1, 2026).
- Other provisions.

Historic Triangle Tax Trend

(not adjusted for inflation)



Historic Triangle Tax Yearly Trend Comparison

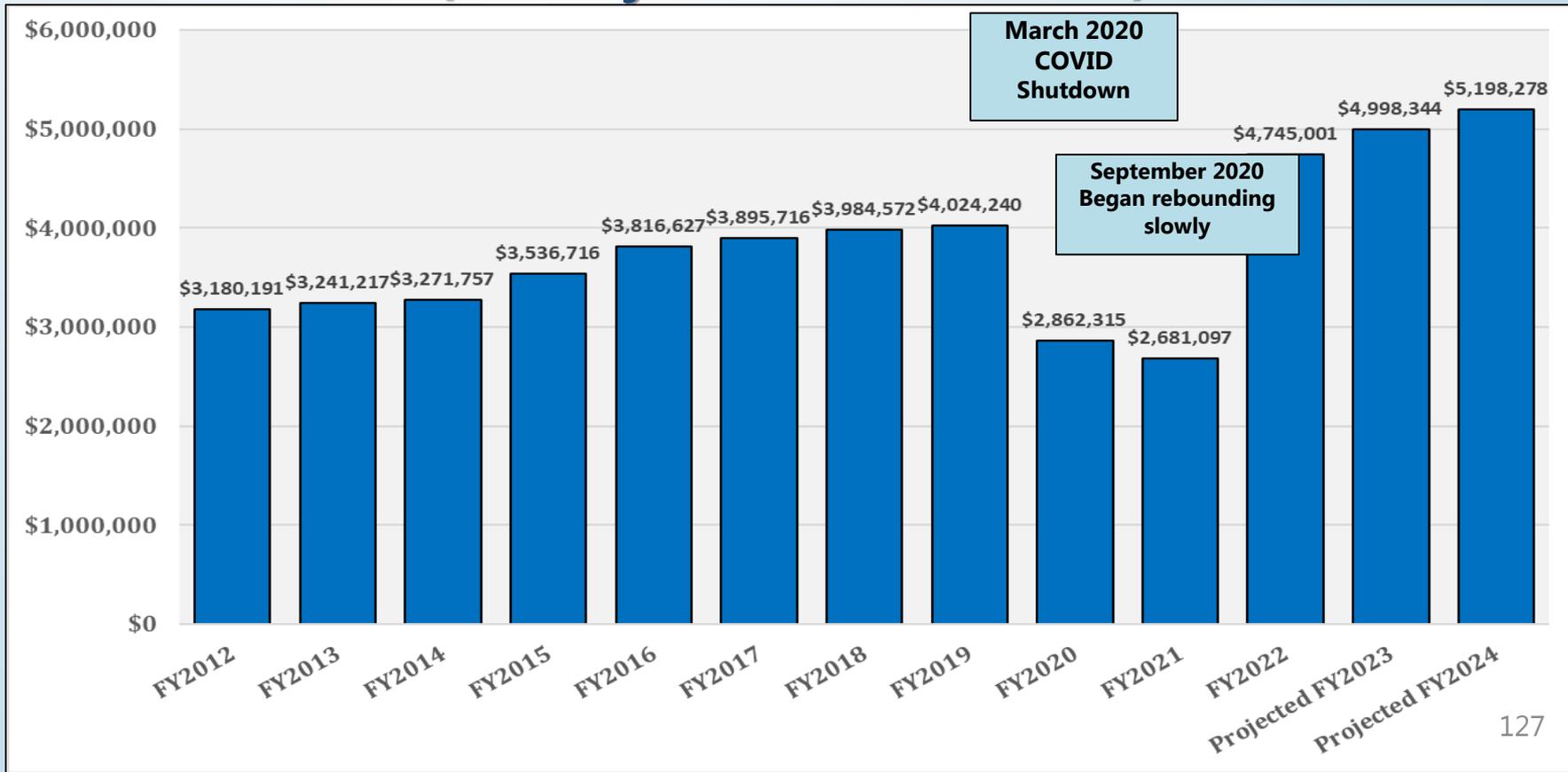


Transient Occupancy Tax

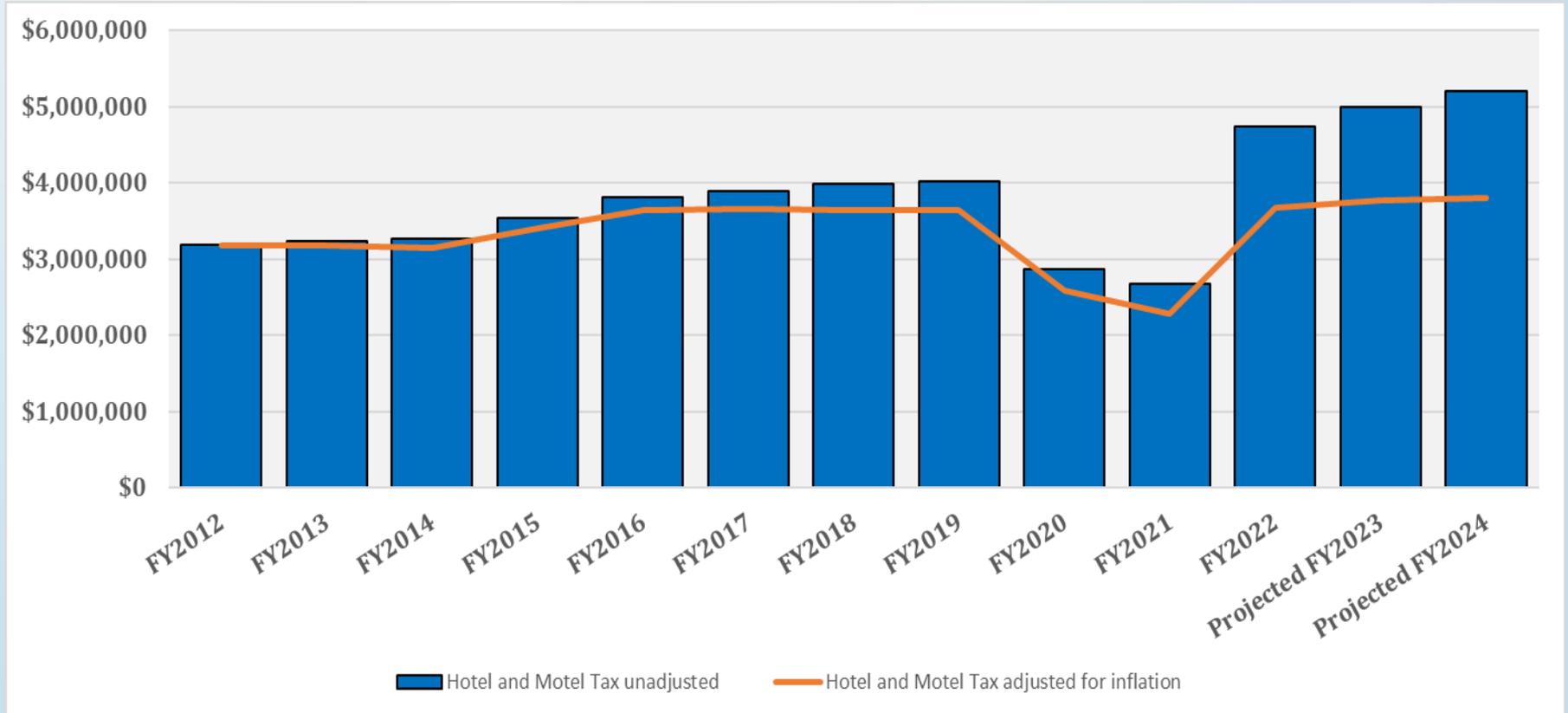
- §8.1-3819 Any county, may levy a transient occupancy tax on hotels, motels, boarding houses, travel campgrounds, and other facilities offering guest rooms rented out for continuous occupancy for fewer than 30 consecutive days.
- Any excess from a rate over two percent but not exceeding five percent shall be designated and spent solely for tourism and travel, marketing of tourism or initiatives related to tourism.
- Board adopted Ordinance 04-08.
- 2% in General Fund and 3% in Tourism Fund.
- Remitted to the County directly.

Transient Occupancy Tax Yearly Trend

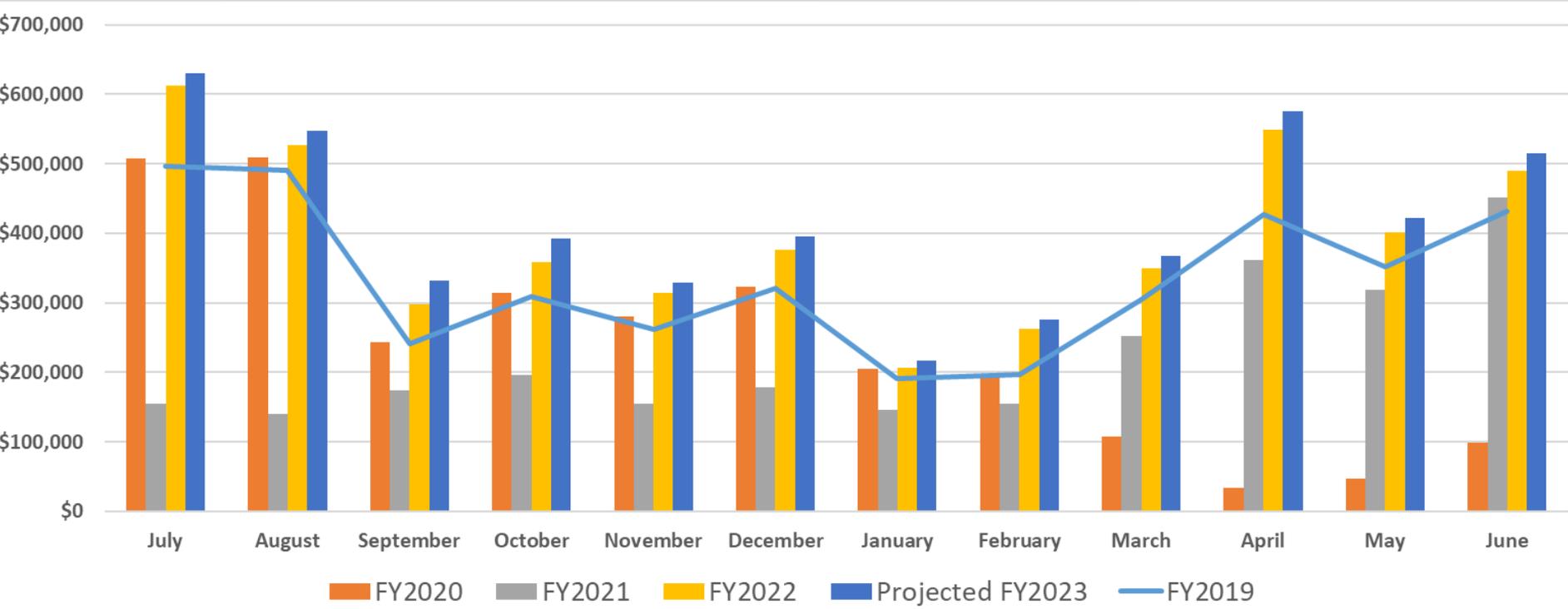
(not adjusted for inflation)



Transient Occupancy Tax Comparison



Transient Occupancy Tax Monthly Trend

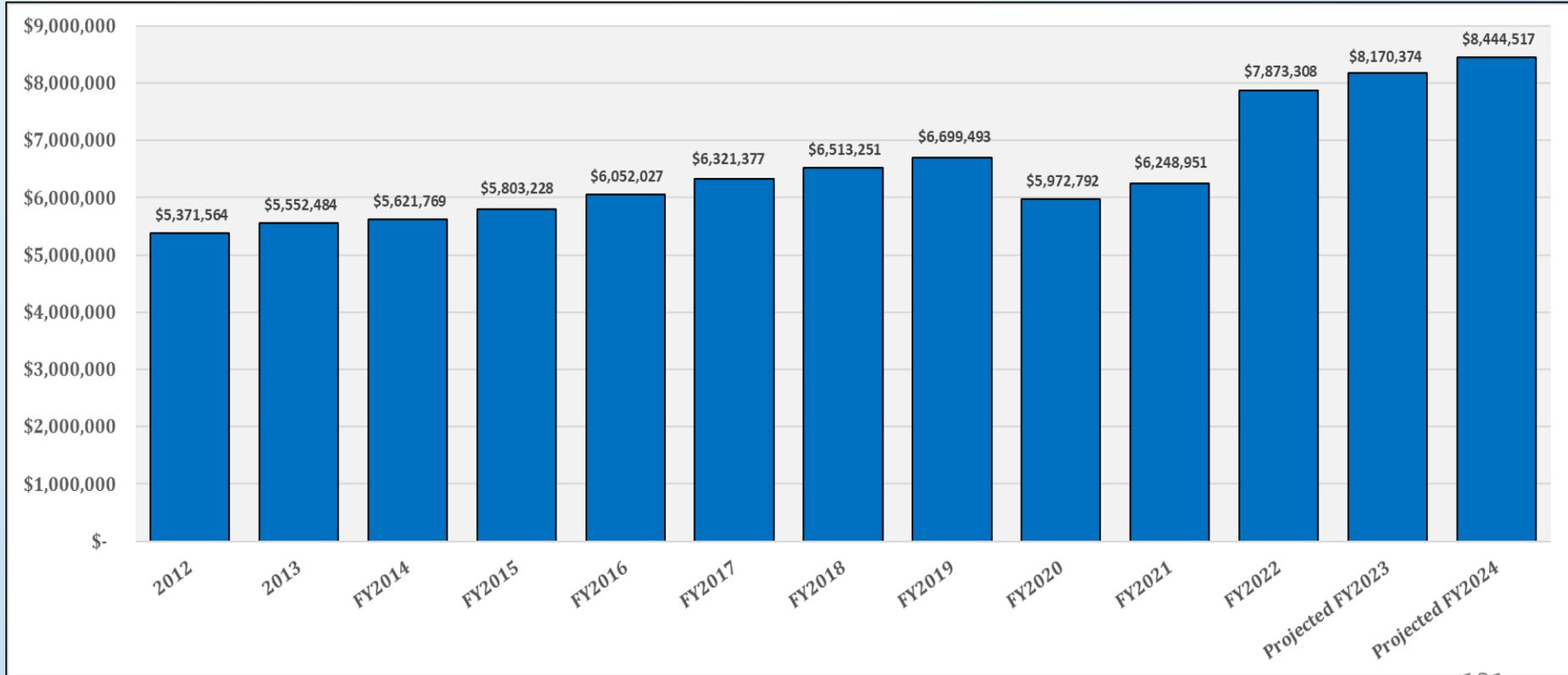


Meals Tax

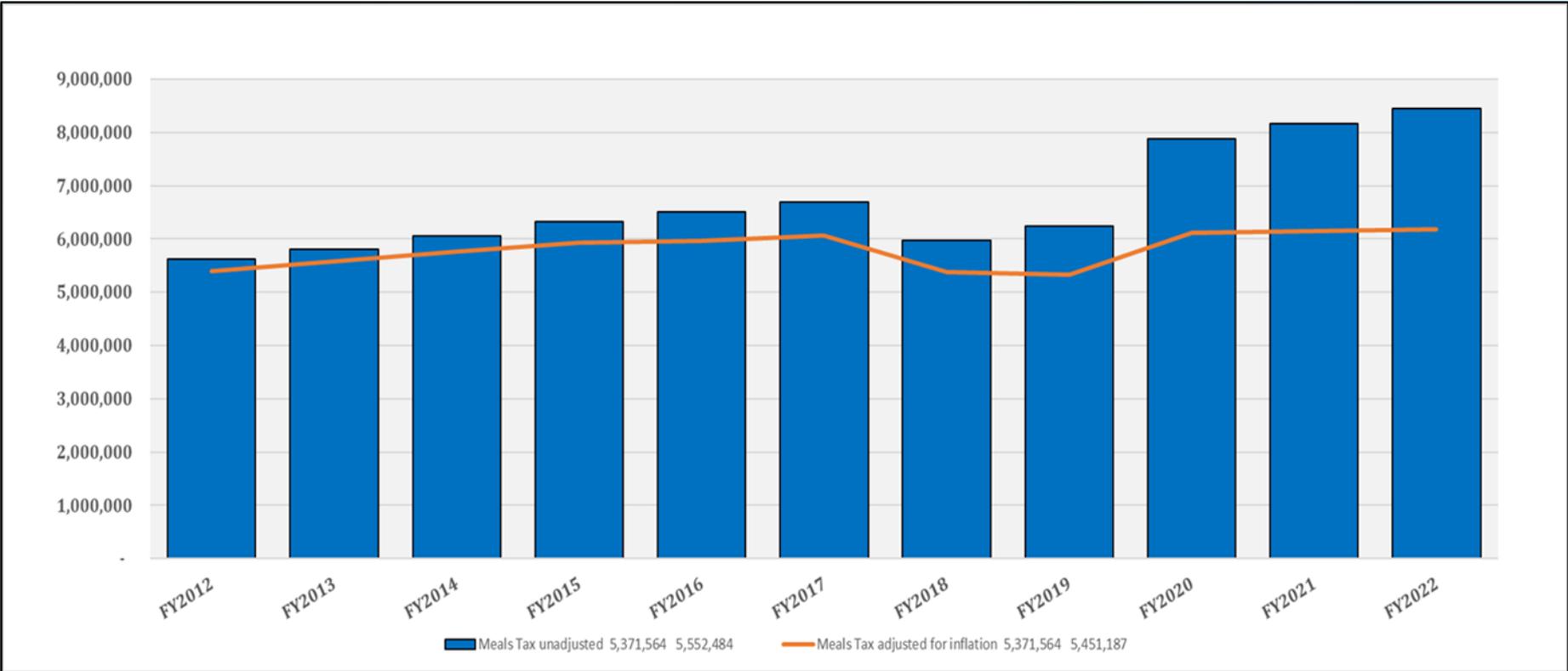
- §8.1-3833 authorized the County to levy a tax on food and beverages sold for human consumption, not to exceed six percent.
- Board adopted Ordinance 90-36.
- Tax rate 4%-Allocated 50% in the General Fund and 50% allocated to Sewer, Stormwater and Water Capital Projects.

Meals Tax Yearly Trend

(not adjusted for inflation)



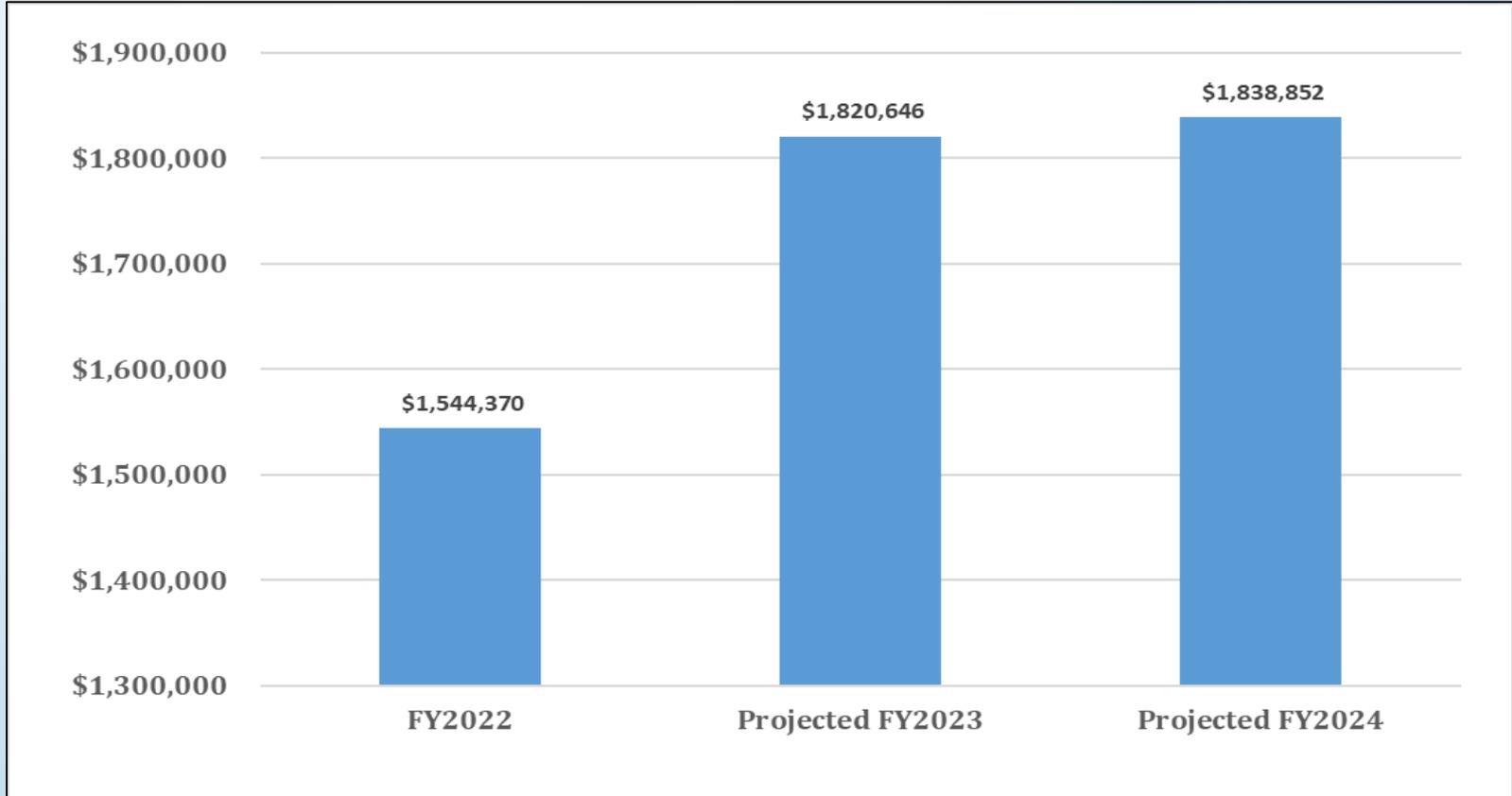
Meals Tax Trend Comparison



Cigarette Tax

- §8.1-3830 authorized the County to levy taxes upon the sale or use of cigarettes.
- Board adopted Ordinance 21-6.
- Implemented November 2021.
- Commissioner of Revenue oversees.

Cigarette Tax



The background of the slide is a blue-tinted image. On the left side, there is a tall, ornate stone monument with a statue on top. On the right side, there is a large bridge spanning across a body of water. The overall scene is a landscape view.

FY2024 Expenditure Needs & Priorities

Expenditure Needs & Priorities

- Employee Compensation
- Capital Improvements Plan
- School Funding
- Health Insurance Increases
- Regional Commitments
- Overall Inflation

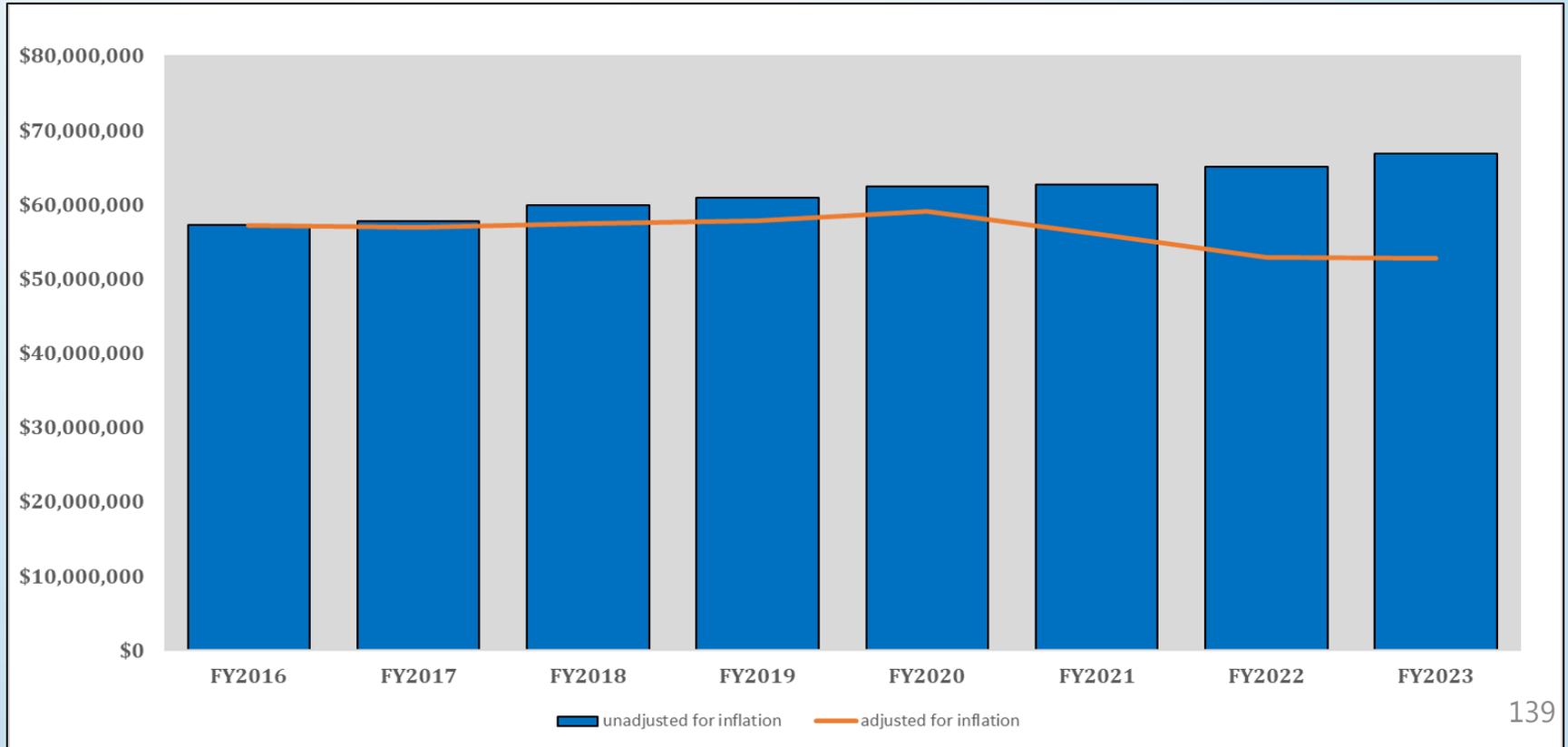
History of Compensation

Fiscal Year	Compensation Adjustment
FY2016	2.5%
FY2017	1.0% Plus flat rate of \$500-\$1,250 depending on length of service
FY2018	0% Plus flat rate of \$1,500
FY2019	2% Plus flat rate of \$750 for employees under \$100K
FY2020	2.5% Plus flat rate of \$750
FY2021	No compensation adjustment
FY2022	1.5% Plus flat rate of \$1,500
FY2023	5.0% Plus flat rate of \$1,500 and \$750 additional increase in January
FY2024	?

History School Contributions

Fiscal Year	Operations Transfer	Debt Transfer	Total	Increase
FY2016	\$51,275,444	\$5,944,837	\$57,220,281	
FY2017	\$51,640,444	\$6,137,627	\$57,778,071	\$577,790
FY2018	\$52,987,094	\$6,960,388	\$59,947,482	\$2,169,411
FY2019	\$54,487,094	\$6,450,002	\$60,937,096	\$989,614
FY2020	\$55,737,094	\$6,735,979	\$62,473,073	\$1,535,977
FY2021	\$55,237,094	\$7,506,166	\$62,743,260	\$270,187
FY2022	\$56,837,094	\$8,252,830	\$65,089,924	\$2,346,664
FY2023	\$58,637,094	\$8,242,168	\$66,879,262	\$1,789,338
FY2024	?	\$8,613,490		>\$371,322

Local School Contributions



History Health Insurance Increase

Fiscal Year	Health Insurance		Dental insurance	
	County	Employee	County	Employee
FY2016	2.0%	2.0%	2.5%	0.0%
FY2017	4.1%	4.1%	2.9%	0.0%
FY2018	13.1%	5.0% & 8.0%	0.0%	0.0%
FY2019	0.0%	0.0%	0.0%	0.0%
FY2020	0.0%	0.0%	0.0%	0.0%
FY2021	0.0%	0.0%	0.0%	0.0%
FY2022	6.0%	6.0%	6.0%	6.0%
FY2023	10.0%	10.0%	10.0%	10.0%

Summary Budget Outlook

Budget Outlook

- Minimal Real Revenue Growth
- Inflation
 - Revenue
 - Expenditures
- Limited Positions
- Protect against a Recession

Revenue Threats

- Grocery Tax
- Personal Property Tax
- Growth in Real Estate Veteran Exemptions
- Final closure of Dominion Power Plant
- General Assembly Actions
- Federal Debt Ceiling Crisis
- Overall Economy



Board of Supervisors 2023 Strategic Retreat

January 27, 2023

This presentation will be posted on the County's website