

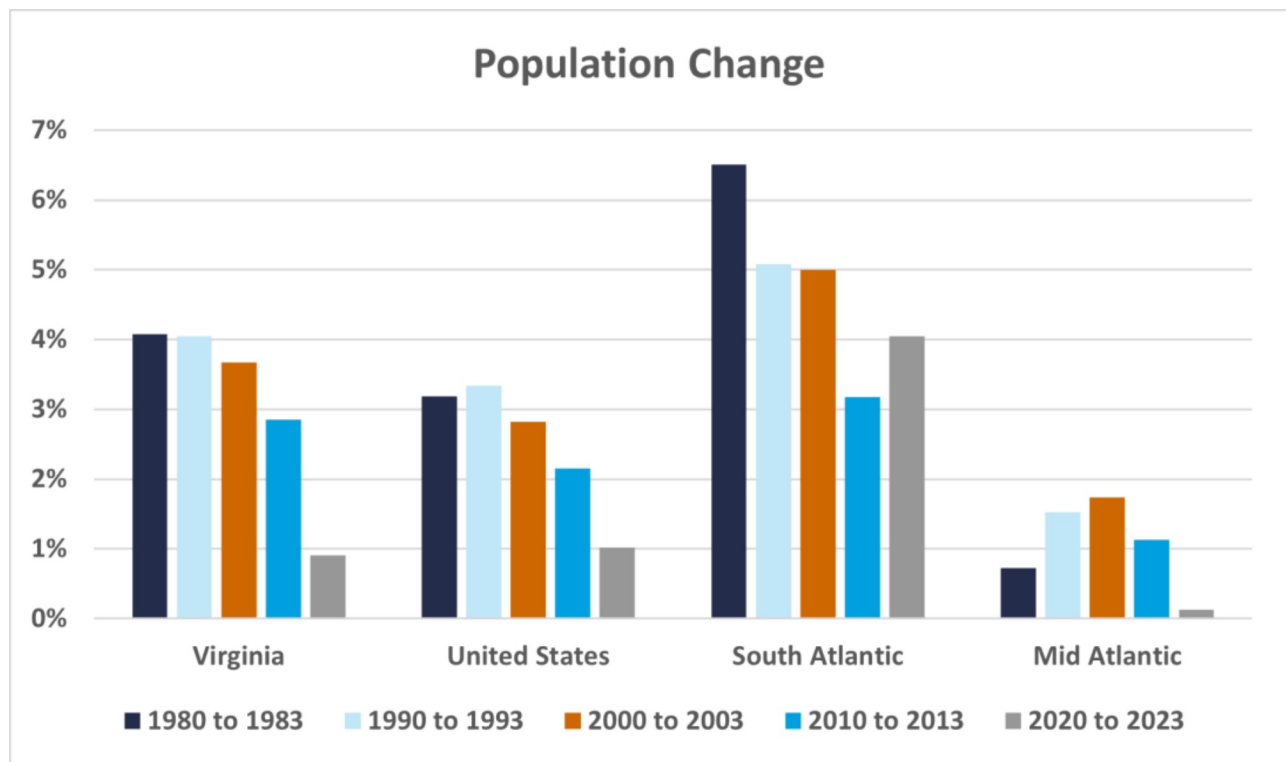


JANUARY 29, 2024

Amid slow population growth, Virginia's demographic landscape is being transformed

By [Hamilton Lombard](#) in [StatChat](#)

In 1972, the Premier of China, Zhou Enlai, famously responded “too early to say” when asked what the impact of the French Revolution would be. Regardless of whether he was referring to the revolution of 1789 or, more likely, the revolution of 1968, his point was the same: the repercussions from significant events can be much more far reaching and long lasting than most imagine. Nearly four years since the pandemic began in the U.S., its repercussions remain a significant source of uncertainty in understanding what demographic trends will look like for what remains of the 2020s. Initially, the pandemic caused the number of deaths to spike and immigration to drop, both slowing population growth temporarily. But the **2023 Virginia county and city population estimates** released today by the Weldon Cooper Center show that a more lasting impact of the pandemic has been high levels of migration **continuing to flow** out of Virginia's large metro areas into smaller metro areas and rural counties. The persistence of this trend, which mirrors the transformative effect of suburbanization in the last century, will likely attract the public's attention during this decade, as it is slowly, but significantly, altering Virginia's demographic landscape.

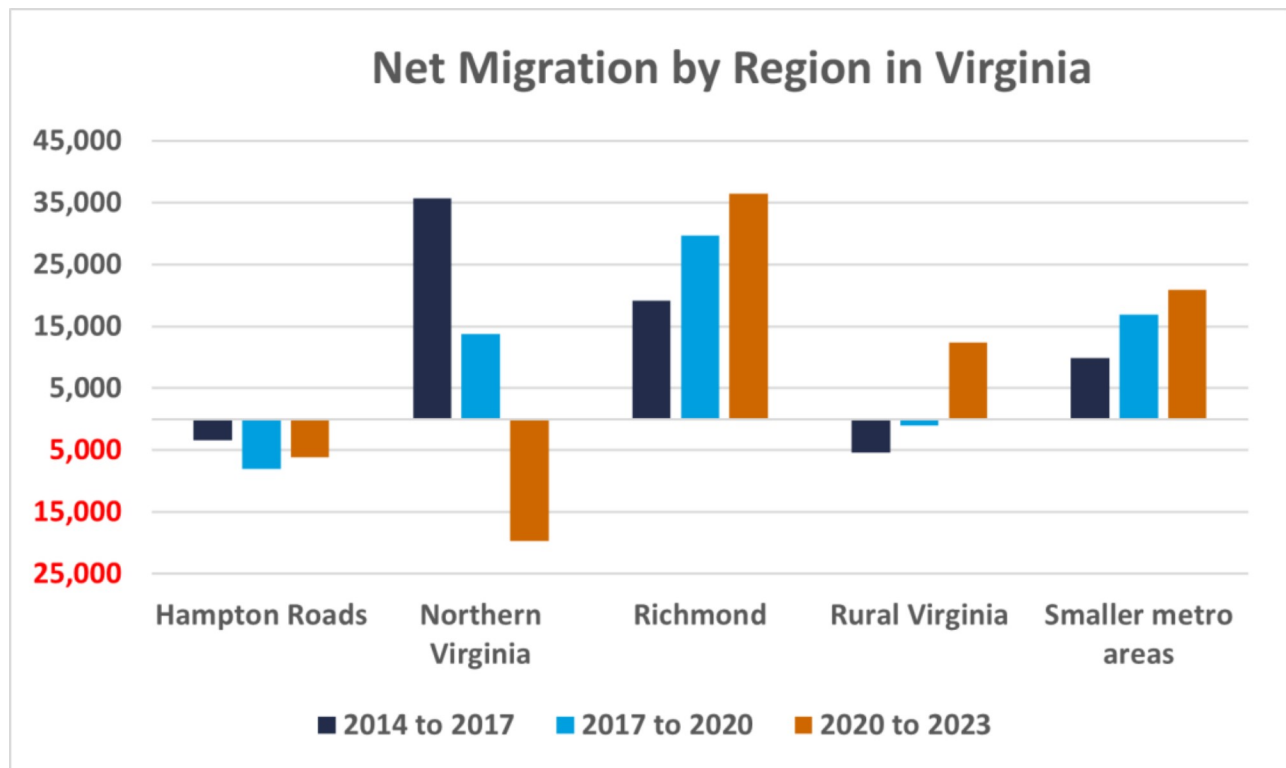


- Source: Census Bureau Annual Population Estimates. The South Atlantic includes Florida, Georgia, North and South Carolina. The Mid Atlantic includes DC, Delaware, Maryland, New Jersey, New York and Pennsylvania

Though growth accelerated in Virginia and across the U.S. in 2023, it remained slower than in recent decades. Between 2022 and 2023, both Virginia and the U.S. grew by less than half a percentage point. For Virginia, this is the slowest it has grown since the Civil War. Some of the slower growth has been the result of death rates dropping only slowly from pandemic highs, while births have not rebounded since falling in 2020. In Virginia, there were less than 13,000 more births than deaths in 2022, a big drop from 27,000 more births than deaths in 2019. An even larger factor behind the slower growth in Virginia and in many states to our north is that since the pandemic, more people are leaving large metro areas, including Northern Virginia, often to southern states, which have seen population growth accelerate since the pandemic.

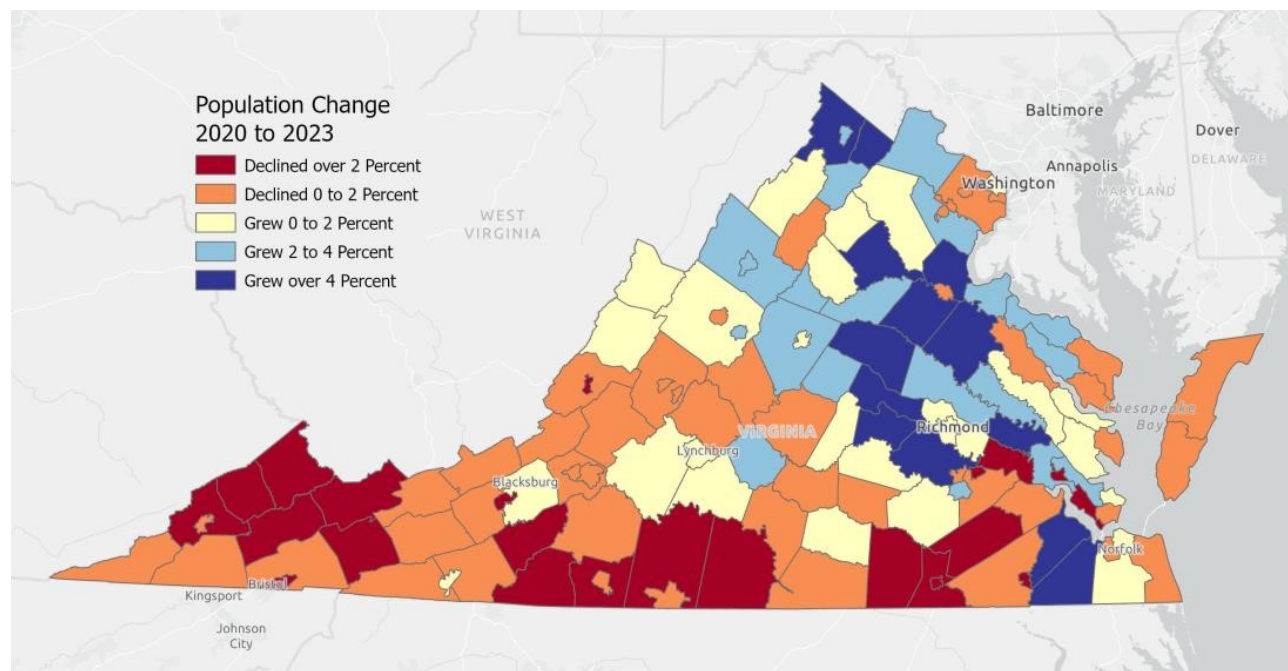
The flow from large population centers is being felt in nearly every part of Virginia

In 2023, many people continued to move out of Northern Virginia, a trend seen in other big metro areas across the country. Many of these people stayed in Virginia, moving to smaller cities and counties nearby. Migration from Northern Virginia helped the Winchester Metro Area become Virginia's fastest growing metro area, with its population increasing at nearly five times the rate of Virginia as a whole. It also contributed to Richmond Metro Area's greatest influx of new residents in its history. The four fastest growing counties in Virginia so far this decade—New Kent, Goochland, Louisa, and Caroline—were all in or adjacent to the Richmond Metro Area.



- Source: Weldon Cooper Center Population Estimates

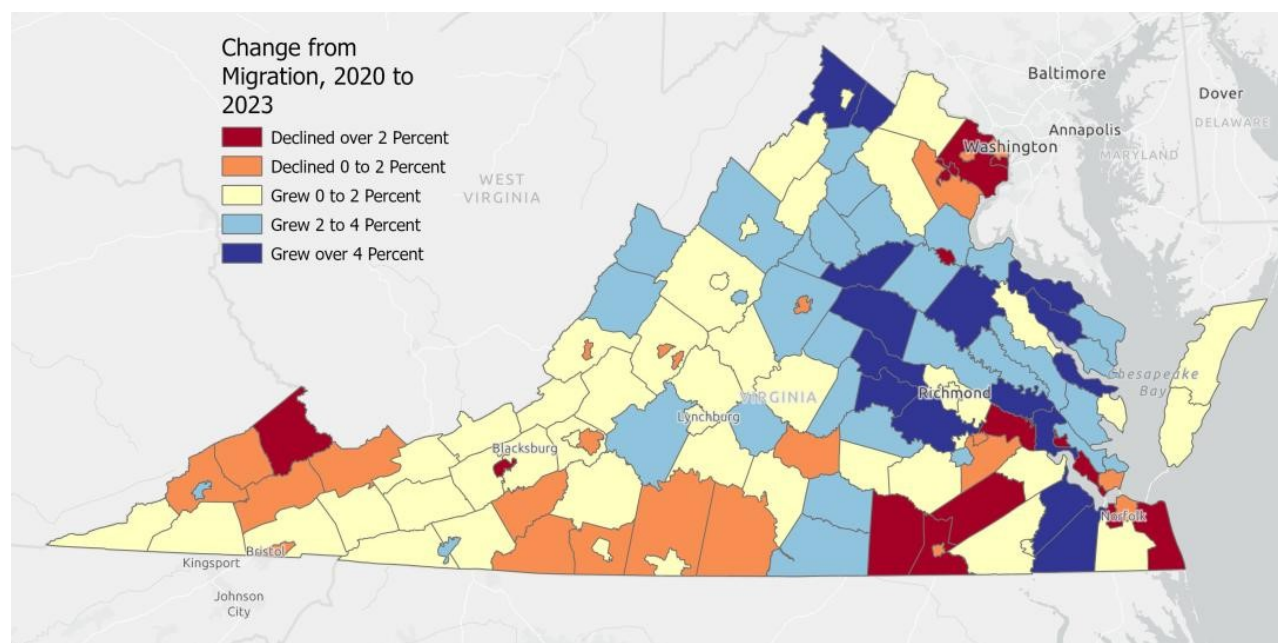
Some of Virginia's recent migration trends—including movement from larger to smaller metro areas and from city cores to suburbs—echo longstanding demographic shifts that have been shaping the state's population distribution for close to a century. Decades of migration into the Richmond Metro Area and weak growth in western Virginia has meant that at some point early this year, the size of the population in the Richmond Metro Area will have surpassed Virginia's total population living west of the Blue Ridge Mountains for the first time since before the American Revolution. The national trend in recent years of more migration out of cities into nearby suburbs helped caused the number of residents in Suffolk to pass 100,000 in 2023, after surpassing neighboring Portsmouth in population last year. Similarly, in 2023, Bedford also surpassed neighboring Lynchburg, in population as a result of the largest surge in migration into the county since the peak of the 2000s housing boom.



– Source: Weldon Cooper Center Population Estimates

Migration into Virginia's rural counties is the most widespread since the 1970s

Yet, examining the 2023 population estimates more closely reveals that Virginia is experiencing a remarkable break from some of its longstanding demographic trends. In 2023, over three-quarters of Virginia's rural counties outside metro areas had more people move into them than out, the highest share since 1975. So far, this surge in migration, has to some extent, been masked by the high death rates that rural counties' older population disproportionately suffered during the pandemic. Middlesex, a small rural county located on the Rappahannock River and Chesapeake Bay, has, in recent years, attracted new residents at a similar rate as Frederick County—one of Virginia's fastest growing counties—yet Middlesex's population has only grown by 1 percent since 2020 because it had 400 more deaths than births during the period.



– Source: Weldon Cooper Center Population Estimates

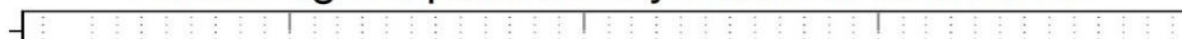
Increased migration is already impacting Virginia's rural counties. Since 2020, more people moving into Virginia's rural localities has resulted in the fastest increases in home values in the state. Earlier this month, the [Weldon Cooper Center released school enrollment projections](#), which forecast that the ten fastest growing school divisions over the next five years will be mostly in rural counties. As death rates continue to fall during the 2020s, the surge in migration to Virginia's rural counties should only become more obvious.

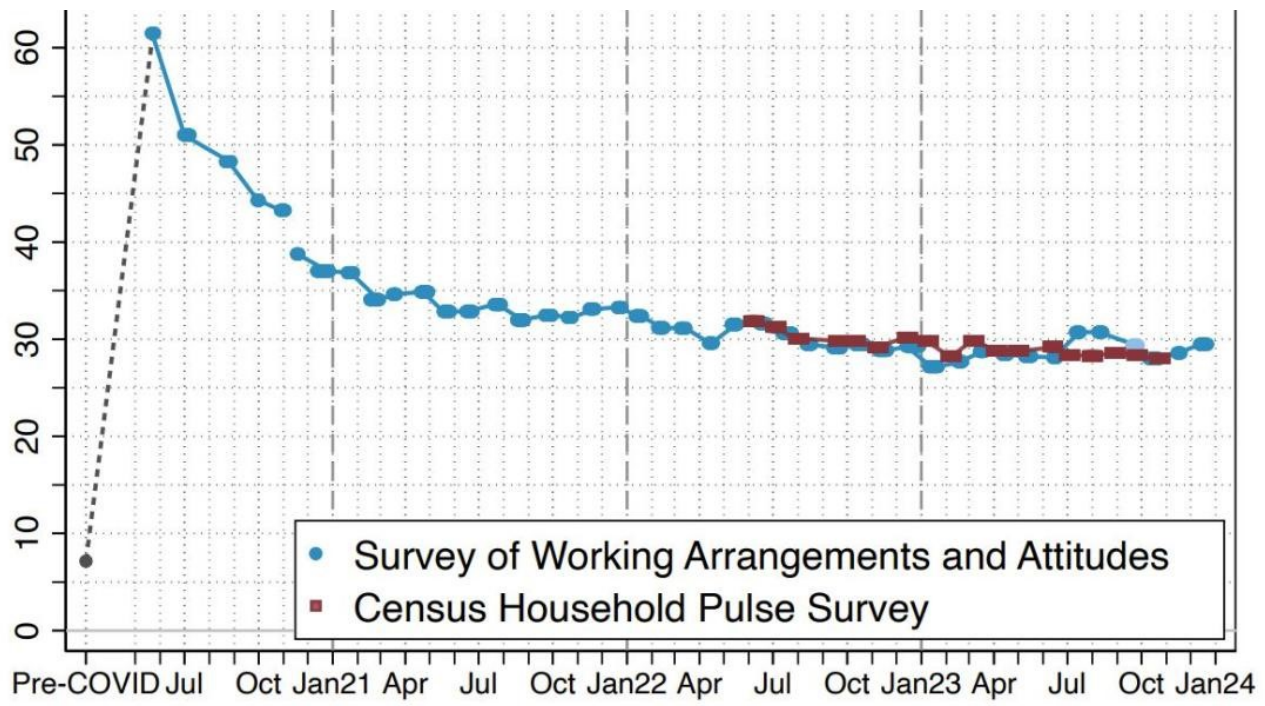
The 2023 estimates show few signs of a return to pre-pandemic trends

Migration into Virginia's rural counties and smaller metro areas has accelerated in recent years, but the 2023 population estimates show a contrasting trend of weak growth and decline in its largest localities as out-migration continues. Fairfax County, Virginia's largest locality, continued to experience population decline due to out-migration in 2023. Last year in nearby Loudoun County, once Virginia's fastest growing locality and still its wealthiest, only 11 more people moved in than left. A decade ago, Loudoun was attracting close to 10,000 more residents than left each year.

The same pattern of out-migration seen in Northern Virginia is occurring in most of the country's largest metropolitan areas, indicating that a [wider demographic shift](#) is taking place. The [rise of remote work](#) has helped fuel this shift, as it offers people the flexibility to move to areas with better living standards and a lower cost of living. So far this decade, among metro areas in Virginia, Northern Virginia has had the highest per capita out-migration rate, while the Bristol Metro Area has had the highest per capita in-migration rate.

Percentage of paid full days worked from home





- Source: Nick Bloom, Stanford University Survey of Working Arrangements and Attitudes

The explosion in remote work during the pandemic and its persistence since then is shaping up to be the most impactful demographic trend since expansion of suburbs and exurbs after World War II. While over the past century most population growth was concentrated within commuting distance of major employment centers, such as Washington DC, the large amount of work now done remotely (a third of all workdays in 2023) is helping shift growth much further away from major employment centers. If the impact of remote work even partially echoes the cataclysmic demographic shift that Virginia experienced during post-war suburbanization, Virginia's population trends will continue to be reshaped by remote work well beyond this decade.

Related Research

[Census 2020 Analysis-Virginia's Age and Sex Distribution over the Past Decades](#)

NOV 13, 2023

[New Virginia Population Projections for 2030-2050](#)

SEP 06, 2023

[After a decade of slow growth, many of Virginia's exurbs are booming again](#)

JAN 30, 2023

	Scenario A	Scenario B	Scenario C	Scenario D
				Agrees with Proposed Ad
Revenue (Per notebook. PL for property taxes)	250,169,943	250,169,943	250,169,943	250,231,412
Expenses (original current FY 24 level)	239,544,613	239,544,613	239,544,613	239,544,613
Operating Increases	9,485,605	9,485,605	9,485,605	9,485,605
Less Operating Decreases	-2,503,918	-2,503,918	-2,503,918	-2,503,918
Expenses	246,526,300	246,526,300	246,526,300	246,526,300
FY 25 Operating Funds Remaining	3,643,643	3,643,643	3,643,643	3,705,112
<u>Additional Proposed FY 25 Budget Cuts</u>				
Employee Training	100,000	100,000	100,000	100,000
Sheriff Dept. Cuts	300,000	300,000	300,000	300,000
Vol. Fire Co. Physicals	93,000	93,000	93,000	0
F&R Laptops and Mounting	684,000	684,000	684,000	723,728
Parks (Capital/Revenue)	300,000	300,000	300,000	300,000
Health Insurance Costs	600,000	600,000	600,000	600,000
Eliminate Unfilled C. A. Position		200,000	200,000	200,000
Microsoft Update Licensing		300,000	300,000	300,000
Reduce Pay Increase to 4%			350,000	350,000
Jail Contribution				175,549
General District Court Salary Supplements				41,365
Other Operating Costs	300,000	300,000	300,000	300,000
FY 25 Additional General Fund Cuts	2,377,000	2,877,000	3,227,000	3,390,642
FY 24 Operating Funds Available	6,020,643	6,520,643	6,870,643	7,095,754
FY 25 School Operating Funding	5,000,000	5,000,000	5,000,000	5,000,000
(FY25 School Debt funded from capital)				
FY 25 Adjusted Operating Funds Available	1,020,643	1,520,643	1,870,643	2,095,754
<u>Proposed New Positions</u>				
Local Cost for 3 Social Services Positions	231,035	231,035	231,035	231,035
Sheriff FOIA	107,644	107,644	107,644	107,644
Sheriff - 3 Deputies (Cars funded from Cap)	295,725	295,725	295,725	295,725
8 Firefighter(Jan. 2025 Hire date)	406,000			
16 Firefighters (Sept/Feb Hire dates)		1,137,888	1,137,888	1,137,888
	1,040,404	1,772,292	1,772,292	1,772,292
Proposed Budget Deficit/Surplus	-19,761	-251,649	98,351	323,462

School Operating Fund Proposed Revenue

as of March 8, 2024

	FY24 Adopted Budget	FY25 School Board Proposed Budget	Proposed Change
Revenue			
State	107,035,437	118,963,314	11,927,877
Federal	16,779,896	8,556,896	(8,223,000)
Fees/Other Charges	1,091,516	1,056,516	(35,000)
County Transfer	104,677,110	110,067,110	5,390,000
Total Revenue	\$ 229,583,959	\$ 238,643,836	\$ 9,059,877

NOTICE OF PUBLIC HEARING
FREDERICK COUNTY, VIRGINIA

7:00 p.m., Wednesday, March 27, 2024 at County Administration Office Building

For the purpose of the public hearing on the Proposed Budget for the fiscal year ending June 30, 2025, comments may be presented either in person to the Board at its public hearing on March 27, 2024 or submitted prior to the meeting via:

1. eComments on the county website at fcva.us/BOSMeetings by noon on the day of the meeting.
2. Email to county staff Karen Vacchio at kvacchio@fcva.us or Ann Phillips at ann.phillips@fcva.us by noon on the day of the meeting.
3. By calling the Deputy Clerk at 540.722.8273 to arrange to drop off your comments.

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 2024-2025 BUDGET

	ADOPTED 2023-2024	PROPOSED 2024-2025	DIFFERENCE
GENERAL OPERATING FUND:			
Revenue	239,544,613	250,231,412	10,686,799
Transfer from County Capital Fund	0	5,672,056	5,672,056
	<hr/>	<hr/>	<hr/>
TOTAL REVENUE - GENERAL OPERATING FUND	239,544,613	255,903,468	16,358,855
GENERAL OPERATING FUND:			
Expenditures	109,450,429	114,713,501	5,263,072
Capital Expenditures	0	5,672,056	5,672,056
Transfer to Adult Detention Center Fund	7,223,373	7,515,295	291,922
Transfer to Airport Operating Fund	42,589	32,725	-9,864
Transfer to Airport Capital Fund	0	150,885	150,885
Transfer to EDA Fund	735,368	726,152	-9,216
Transfer to School Operating Fund	104,015,936	109,015,936	5,000,000
Transfer to School Debt Fund	18,076,918	18,076,918	0
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TOTAL EXPENDITURES - GENERAL OPERATING FUND	239,544,613	255,903,468	16,358,855
NORTHWESTERN REGIONAL ADULT DETENTION CENTER FUND:			
Revenue	19,796,029	20,475,777	679,748
Non-Revenue	1,911,500	1,510,700	-400,800
Transfer from General Operating Fund	7,223,373	7,515,295	291,922
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TOTAL REVENUE - NRADC FUND	28,930,902	29,501,772	570,870
NORTHWESTERN REGIONAL ADULT DETENTION CENTER FUND:			
Expenditures	28,930,902	29,501,772	570,870
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FREDERICK-WINCHESTER LANDFILL FUND:			
Revenue	9,668,192	10,933,092	1,264,900
Non-Revenue	583,247	910,431	327,184
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TOTAL REVENUE - LANDFILL FUND	10,251,439	11,843,523	1,592,084
FREDERICK-WINCHESTER LANDFILL FUND:			
Expenditures	10,251,439	11,843,523	1,592,084
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DIVISION OF COURT SERVICES FUND:			
Revenue	611,559	603,155	-8,404
Non-Revenue	0	19,943	19,943
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TOTAL REVENUE - DIVISION OF COURT SERVICES FUND	611,559	623,098	11,539

DIVISION OF COURT SERVICES FUND:

Expenditures	611,559	623,098	11,539
SHAWNEELAND SANITARY DISTRICT FUND:			
Revenue	857,600	868,160	10,560
Non-Revenue	67,504	561,410	493,906
TOTAL REVENUE-SHAWNEELAND SANITARY DISTRICT FUND	925,104	1,429,570	504,466
SHAWNEELAND SANITARY DISTRICT FUND:			
Expenditures	925,104	1,429,570	504,466
AIRPORT AUTHORITY OPERATING FUND:			
Revenue	2,932,222	2,879,024	-53,198
Transfer from General Operating Fund	42,589	32,725	-9,864
TOTAL REVENUE - AIRPORT OPERATING FUND	2,974,811	2,911,749	-63,062
AIRPORT AUTHORITY OPERATING FUND:			
Expenditures	2,974,811	2,911,749	-63,062
AIRPORT AUTHORITY CAPITAL FUND:			
Revenue	0	25,418,472	25,418,472
Transfer from General Operating Fund	0	150,885	150,885
TOTAL REVENUE - AIRPORT AUTHORITY CAPITAL FUND	0	25,569,357	25,569,357
AIRPORT AUTHORITY CAPITAL FUND:			
Expenditures	0	25,569,357	25,569,357
LAKE HOLIDAY SANITARY DISTRICT FUND:			
Revenue	781,763	1,744,578	962,815
LAKE HOLIDAY SANITARY DISTRICT FUND:			
Expenditures	781,763	1,744,578	962,815
EMS REVENUE RECOVERY FUND:			
Revenue	2,506,645	2,624,594	117,949
EMS REVENUE RECOVERY FUND:			
Expenditures	2,506,645	2,624,594	117,949
ECONOMIC DEVELOPMENT AUTHORITY FUND:			
Revenue	26,050	27,290	1,240
Transfer from General Operating Fund	735,368	726,152	-9,216
TOTAL REVENUE - ECONOMIC DEVELOPMENT AUTHORITY FUND	761,418	753,442	-7,976
ECONOMIC DEVELOPMENT AUTHORITY FUND:			
Expenditures	761,418	753,442	-7,976
TRANSPORTATION PROJECTS FUND:			
Transfer from County Capital Fund	6,041,046	3,200,000	-2,841,046
TOTAL REVENUE - TRANSPORTATION PROJECTS FUND	6,041,046	3,200,000	-2,841,046
TRANSPORTATION PROJECTS FUND:			
Expenditures	6,041,046	3,200,000	-2,841,046

COUNTY CAPITAL FUND:			
Non-Revenue	6,702,220	15,273,230	8,571,010
COUNTY CAPITAL FUND:			
Transfer to General Operating Fund	0	5,672,056	5,672,056
Transfer to School Operating Fund	661,174	1,051,174	390,000
Transfer to School Capital Fund	0	3,000,000	3,000,000
Transfer to School Debt Service Fund	0	2,350,000	2,350,000
Transfer to Transportation Fund	6,041,046	3,200,000	-2,841,046
TOTAL EXPENDITURES - COUNTY CAPITAL FUND	6,702,220	15,273,230	8,571,010
SCHOOL OPERATING FUND:			
Revenue	124,906,849	128,576,726	3,669,877
Transfer from Capital Fund	661,174	1,051,174	390,000
Transfer from General Operating Fund	104,015,936	109,015,936	5,000,000
TOTAL REVENUE - SCHOOL OPERATING FUND	229,583,959	238,643,836	9,059,877
SCHOOL OPERATING FUND:			
Expenditures	228,539,695	236,699,239	8,159,544
Transfer to School Debt Service Fund	226,069	0	-226,069
Transfer to School Nutrition Fund	60,000	1,000,000	940,000
Transfer to Textbook Fund	758,195	944,597	186,402
TOTAL EXPENDITURES - SCHOOL OPERATING FUND	229,583,959	238,643,836	9,059,877
SCHOOL CAPITAL PROJECTS FUND:			
Non-Revenue	1,000,000	1,000,000	0
Transfer from County Capital Fund	0	3,000,000	3,000,000
TOTAL REVENUE - SCHOOL CAPITAL PROJECTS FUND	1,000,000	4,000,000	3,000,000
SCHOOL CAPITAL PROJECTS FUND:			
Expenditures	1,000,000	4,000,000	3,000,000
SCHOOL NUTRITION SERVICES FUND:			
Revenue	7,500,885	7,099,483	-401,402
Non-Revenue	4,035,462	3,222,274	-813,188
Transfer from School Operating Fund	60,000	1,000,000	940,000
TOTAL REVENUE - SCHOOL NUTRITION SERVICES FUND	11,596,347	11,321,757	-274,590
SCHOOL NUTRITION SERVICES FUND:			
Expenditures	11,596,347	11,321,757	-274,590
SCHOOL DEBT SERVICE FUND:			
Revenue	624,212	565,475	-58,737
Transfer from School Operating Fund	226,069	0	-226,069
Transfer from General Operating Fund	18,076,918	18,076,918	0
Transfer from County Capital Fund	0	2,350,000	2,350,000
TOTAL REVENUE - SCHOOL DEBT SERVICE FUND	18,927,199	20,992,393	2,065,194
SCHOOL DEBT SERVICE FUND:			
Expenditures	18,927,199	20,992,393	2,065,194
SCHOOL PRIVATE PURPOSE FUNDS:			
Revenue	150,000	450,000	300,000
Non-Revenue	525,000	550,000	25,000

TOTAL REVENUE - SCHOOL PRIVATE PURPOSE FUNDS	675,000	1,000,000	325,000
SCHOOL PRIVATE PURPOSE FUNDS:			
Expenditures	675,000	1,000,000	325,000
SCHOOL TEXTBOOK FUND:			
Revenue	1,084,252	1,406,992	322,740
Non-Revenue	1,546,946	2,758,485	1,211,539
Transfer from School Operating Fund	758,195	944,597	186,402
TOTAL REVENUE - SCHOOL TEXTBOOK FUND	3,389,393	5,110,074	1,720,681
SCHOOL TEXTBOOK FUND:			
Expenditures	3,389,393	5,110,074	1,720,681
NREP OPERATING FUND:			
Revenue	6,907,583	7,633,933	726,350
Non-Revenue	300,000	55,300	-244,700
TOTAL REVENUE - NREP OPERATING FUND	7,207,583	7,689,233	481,650
NREP OPERATING FUND:			
Expenditures	7,187,583	7,669,233	481,650
Transfer to NREP Textbook Fund	20,000	20,000	0
TOTAL EXPENDITURES - NREP OPERATING FUND	7,207,583	7,689,233	481,650
NREP TEXTBOOK FUND:			
Non-Revenue	0	0	0
Transfer from NREP Operating Fund	20,000	20,000	0
TOTAL REVENUE - NREP TEXTBOOK FUND	20,000	20,000	0
NREP TEXTBOOK FUND:			
Expenditures	20,000	20,000	0
CONSOLIDATED SERVICES FUND:			
Revenue	4,500,000	5,500,000	1,000,000
CONSOLIDATED SERVICES FUND:			
Expenditures	4,500,000	5,500,000	1,000,000
TOTAL REVENUE - ALL FUNDS	576,931,001	645,655,674	68,724,673
Less Transfers Between Funds	137,860,668	152,755,738	14,895,070
NET REVENUE - ALL FUNDS	439,070,333	492,899,936	53,829,603
TOTAL EXPENDITURES - ALL FUNDS	576,931,001	645,655,674	68,724,673
Less Transfers Between Funds	137,860,668	152,755,738	14,895,070
NET EXPENDITURES - ALL FUNDS	439,070,333	492,899,936	53,829,603

TAX RATES

Property Taxes - Rates per \$100 of assessed value

	<u>Current</u>	<u>Proposed</u>
Real Estate	\$0.51	\$0.51
Personal Property	\$4.23	\$4.23
Qualifying Personal Property for Volunteer Firefighters	\$2.25	\$2.25
Antique Vehicles	\$0.00	\$0.00
Mopeds	\$0.00	\$0.00
Mobile Homes	\$0.51	\$0.51
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
Computer Equipment & Peripherals used in a Data Center	\$1.25	\$1.25

The total value of real estate in Frederick County that is exempt from real estate taxes is \$1,369,661,500. At the proposed tax rate of \$0.51/\$100, the foregone tax would be \$6,985,273.65.

Business Equipment is assessed at original cost on acquisition year, as follows:

<u>Year</u>	<u>Assessment Ratio</u>
1 and all subsequent years	30%

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%

Computer Equipment & Peripherals used in a Data Center are assessed on declining values based on acquisition year, as follows:

<u>Year</u>	<u>Assessment Ratio</u>
1	50%
2	35%
3	20%
4	10%
5 and all subsequent years	5%

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	\$544 per lot
Unbuildable Lots	\$264 per lot	\$212 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	\$35 Annually	\$35 Annually
Fredericktowne	\$45 Annually	\$45 Annually
Green Acres	\$25 Annually	\$25 Annually

Sanitary Landfill Fees

	<u>Current</u>	<u>Proposed</u>
Commercial/Industrial	\$52 per ton	\$55 per ton
Construction Demolition Debris	\$47 per ton	\$50 per ton
Municipal Solid Waste	\$22 per ton	\$24 per ton
Municipal Sludge	\$40 per ton	\$42 per ton
Miscellaneous Rubble Debris	\$17 per ton	\$20 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