

To: Board of Supervisors
From: C. McGarry
Re: County Administrator's Report for May 12, 2026

A. DSS Building Project: Structural wall framing is almost completed with truss installation and internal wall framing to follow. Water lines and sprinklers are being tied in and the foundation drainage around the building is finishing up and will be backfilled with stone. Utility work is going well, Firefly fiber optic cable has been installed, and the permanent power application and payment is being submitted by the County to CVEC this week.

Department of Social Services: A meeting schedule for the DSS Advisory Board has been established and posted on the County calendar. The first meeting will be held on May 19th from 3:30 – 5pm at the DSS Office. Subsequent meetings are scheduled for the 3rd Tuesday of each month, unless otherwise posted.

B. Transfer Station Tipping Floor Replacement: The concrete has been removed, rebar installed, and new concrete is expected to be poured on Wednesday, May 13th. Utilization of the Amherst landfill during the project has been going well and we have received no negative reports to date. During this time, the scale house interior is being remodeled by County staff including new flooring, wall repair, trim, paint, lighting, cabinets, toilet, staff refrigerator, and microwave.

C. ADA Compliance Improvements: The ADA compliant doorway to the Commonwealth Attorney's office has been installed along with some security enhancements. County Administration/Maintenance is working with the CA's office staff on some technical issues related to the security measures. An ADA compliant doorway and keypad lock was also installed at the office of the Victim Witness Advocate. My understanding from Ms. Cunningham is that the doors have been functioning well. Staff is also preparing to have the ADA accessibility of the Sheriff's Department back entrance doors improved.

D. Wintergreen Wastewater Treatment Plant: NCSA is continuing to work with DEQ, CHA, Ovivo, and English Construction towards conducting the plant performance testing. My understanding is that there will be 2 stages of testing: one in July 2026 and a final contractual performance test in December 2026 when flows are high and temperatures are low. NCSA has been working with CHA and DEQ on consent order negotiations regarding an acceptable short-term solution to the EQ basin overflows. They will continue to work towards documenting a long-term solution to the overall plant performance within a negotiated DEQ timeframe. (Pursuant to State Code section 2.2-3705.7 (15-ii) information held by the Department of Environmental Quality relating to enforcement strategies, including proposed sanctions for enforcement actions are excluded from public release under FOIA during the current draft/negotiation phase.) County staff has not received communication from the Virginia Department of Health regarding any public health concerns associated with the EQ basin overflows; however, I will reach out to them to inquire about this. It was recently noted that the EQ basin holes are higher than initially thought, so there was less overflow discharge than originally calculated.

E. Admissions Tax Committee: An initial kick-off meeting was held on April 17th with 5 County staff members, 2 BOS members, and 5 stakeholders associated with larger events in the community in attendance. Ms. Amanda Spivey attended on behalf of County Administration and has provided the attached summary report of the meeting. Mr. Lenahan and Mr. Reed attended on behalf of the Board. The Committee is looking at meeting again in July.

F. FY25-26 Budget: With just under two (2) months remaining of the fiscal year, staff is monitoring the budget closely. Revenues and expenditures overall are still tracking as expected, with no concerns identified at this point.

- G. Proposed VDOT Smart Scale Funding Projects Public Meeting:** A public meeting on two proposed Smart Scale project funding applications will be held on May 27th from 5pm to 7pm at the Nelson Center in Lovingson. The two projects are 1) Reduced Conflict Intersections (RCIs) at Route 29 and Tye Brooke Hwy and Route 29 and Colleen Rd in Colleen. 2) Construction of Right turn lanes at Route 151 and Rockfish School Lane. The Board will be asked to consider endorsement of these funding applications at the regular June Board meeting.
- H. EMS/Fire Vehicle Costs:** County Administration staff met with Director of Emergency Services Adkins, and EMS Council President Johnson to discuss the current challenges in acquiring replacement vehicles including costs and timing issues related to the approvals needed and the time allowed by manufacturers from quote to contract. To secure favorable pricing and mitigate the timing issues, the Board has been amenable to conditionally approving a truck purchase with the knowledge that the delivery time and 80% local share would be needed in a future fiscal year. To address the issue of increasingly expensive new vehicles, acquisition of pre-owned vehicles within 10 years old and refurbished vehicles was discussed as being viable options. Refurbished refers to re-use of a body/box on a new cab and chassis, which can be done at least once. It was noted that maintenance/age was the downfall of the vehicles; not mileage. It was also noted that the 50/50 Rescue Squad Assistance Fund (RSAF) grants will now fund such refurbished ambulances one time. The Board's advisement on the acceptability of providing funding for these options versus new vehicles is requested.
- I. Communications System Enhancements:** County staff and representatives from the County's Emergency Services Council, Wintergreen and the Board of Supervisors met with Motorola on April 30, 2026, for a brief presentation on trunked radio systems and the benefits that such a system would provide to the County. The meeting also provided time for stakeholders to ask questions and share their thoughts with respect to the current system, radio communications challenges and needs. Attendees noted concerns with both coverage and channel availability limitations. Staff continues to work with Motorola to identify the specific system features and project scope required to address the current needs of the County, including any viable alternatives that improve the current system's functionality for its users.
- J. Sturt Property Update:** Parks and Recreation will soon be soliciting quotes for a property survey. Jerry met with Bill Perry of the Department of Forestry and discussed conducting a timber thinning of the middle 132.5 acres and prescribed burns through the 44.5-acre parcel of the property, which would be conducted in thirds over a 3-year period.
- K. FY27 Budget:** The public hearing on the FY27 budget will be held during the evening session at 7pm. This is the proposed budget as authorized for public hearing by the Board, using a 2026 Real Estate tax rate of \$0.57 cents. The actual real estate tax rate adopted for 2026 was \$0.56 cents, which means the budget will be changing following the public hearing. Other changes are expected to be made by the Board due to new information from the State and any other budgetary considerations the Board wishes to take up between the public hearing and the proposed budget adoption and appropriation; scheduled for the Board's regular June meeting. This process is the same every budget year and is not new. Staff will be asking the Board to schedule budget work sessions to finalize the budget before it's adopted and appropriated by the end of June.
- L. Meals and Lodging Tax Collection & Lodging Entity Tracking:** See Attached Charts - Lodging Units went from 850 to 862. TOT and Meals taxes collected FY to date respectively are \$2,423,331 and \$1,295,498 with two (2) months remaining.
- M. Staff Reports:** Department and office reports for April/May have been provided.

The Admissions Tax Committee held its first meeting on April 17, 2026. The committee consists of two Board members, five staff members and five stakeholders. There was a review of the admissions tax in neighboring/nearby localities as well as the 2/25/26 draft of the proposed admissions tax from Mr. Payne. Part of the discussion from the stakeholders was that the proposed ordinance as written only applied to a few events currently taking place in Nelson County. The draft defines them as “events having or projecting more than 2,000 attendees daily or over multiple consecutive days”.

It was noted that the intention of the admissions tax was to diversify the County’s revenue streams.

There were concerns that if an admissions tax was implemented, current festivals and events may look to relocate to other localities that do not have an admissions tax in place, and it would also be hard to attract new events. Stakeholders discussed the fact that their venues can currently be selective on the types of events that they hold on their properties, but an admissions tax may require that they take whatever they can get.

Additionally, it was discussed that the admissions tax revenue is hard to estimate and if implemented, the revenues that we do potentially collect will not equal the revenues that we may be giving up in meals and lodging tax with fewer events/festivals taking place in the future.

The committee discussed the County’s Comprehensive Plan and the fact that the County is built on agri-tourism. The committee also discussed what other revenue streams could look like and if the County should look at the business license, cigarette tax, or any other options.

One suggestion in lieu of an admissions tax, was to consider an optional contribution as part of the ticket purchase checkout that would allow attendees to have the option to contribute to a determined beneficiary. Some events have contributed directly to the Food Pantry, the School Division and Scholarship programs.

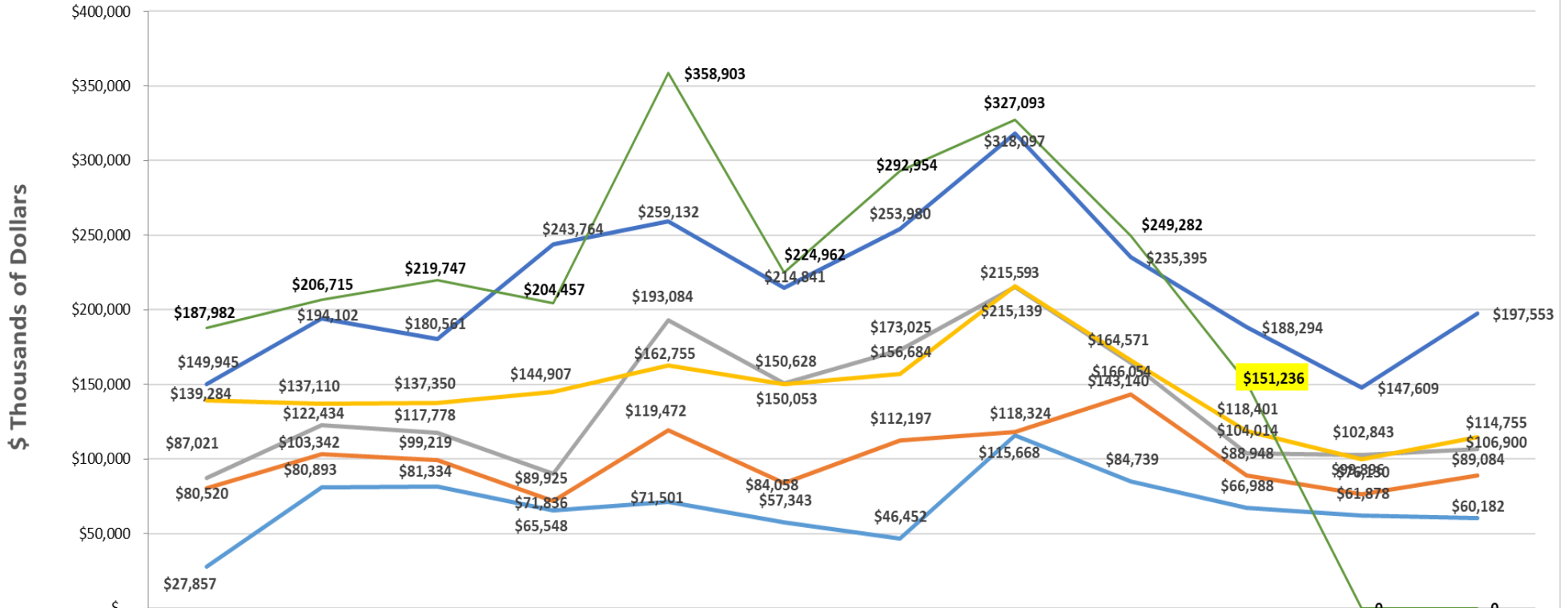
The Admissions tax committee will look to meet again sometime in July.

April 2026 Collection – May 12, 2026, BOS Report

Transient Occupancy Tax Collection - Monthly Trend By Fiscal Year

*Amounts Shown Reflect Payments for Prior Month(s) Tax Levy

** TOT Tax Rate Changed from 5% to 7% Effective July 1, 2024



	July	August	September	October	November	December	January	February	March	April	May	June
FY 20/21	\$27,857	\$80,893	\$81,334	\$65,548	\$71,501	\$57,343	\$46,452	\$115,668	\$84,739	\$66,988	\$61,878	\$60,182
FY 21/22	\$80,520	\$103,342	\$99,219	\$71,836	\$119,472	\$84,058	\$112,197	\$118,324	\$143,140	\$88,948	\$76,130	\$89,084
FY 22/23	\$87,021	\$122,434	\$117,778	\$89,925	\$193,084	\$150,628	\$173,025	\$215,139	\$164,571	\$104,014	\$102,843	\$106,900
FY 23/24	\$139,284	\$137,110	\$137,350	\$144,907	\$162,755	\$150,053	\$156,684	\$215,593	\$166,054	\$118,401	\$99,896	\$114,755
FY 24/25	\$149,945	\$194,102	\$180,561	\$243,764	\$259,132	\$214,841	\$253,980	\$318,097	\$235,395	\$188,294	\$147,609	\$197,553
FY 25/26	\$187,982	\$206,715	\$219,747	\$204,457	\$358,903	\$224,962	\$292,954	\$327,093	\$249,282	\$151,236	0	0

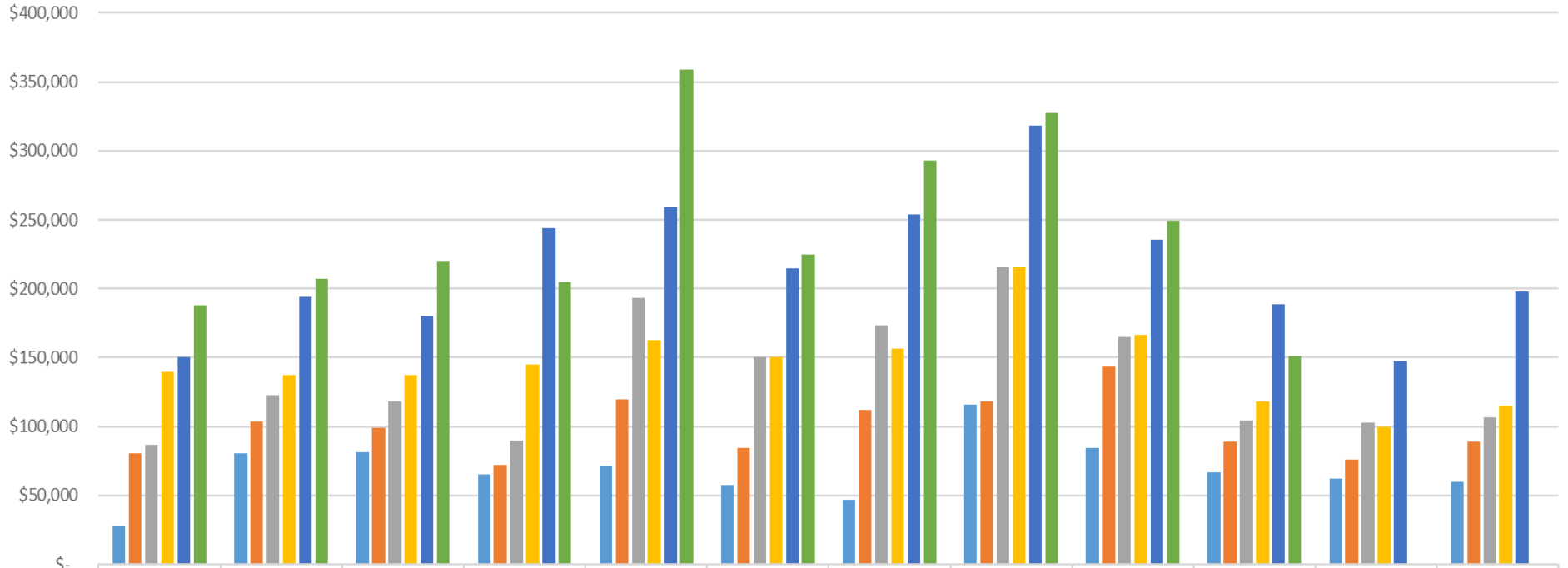
— FY 20/21 — FY 21/22 — FY 22/23 — FY 23/24 — FY 24/25 — FY 25/26

April 2026 Collection – May 12, 2026, BOS Report

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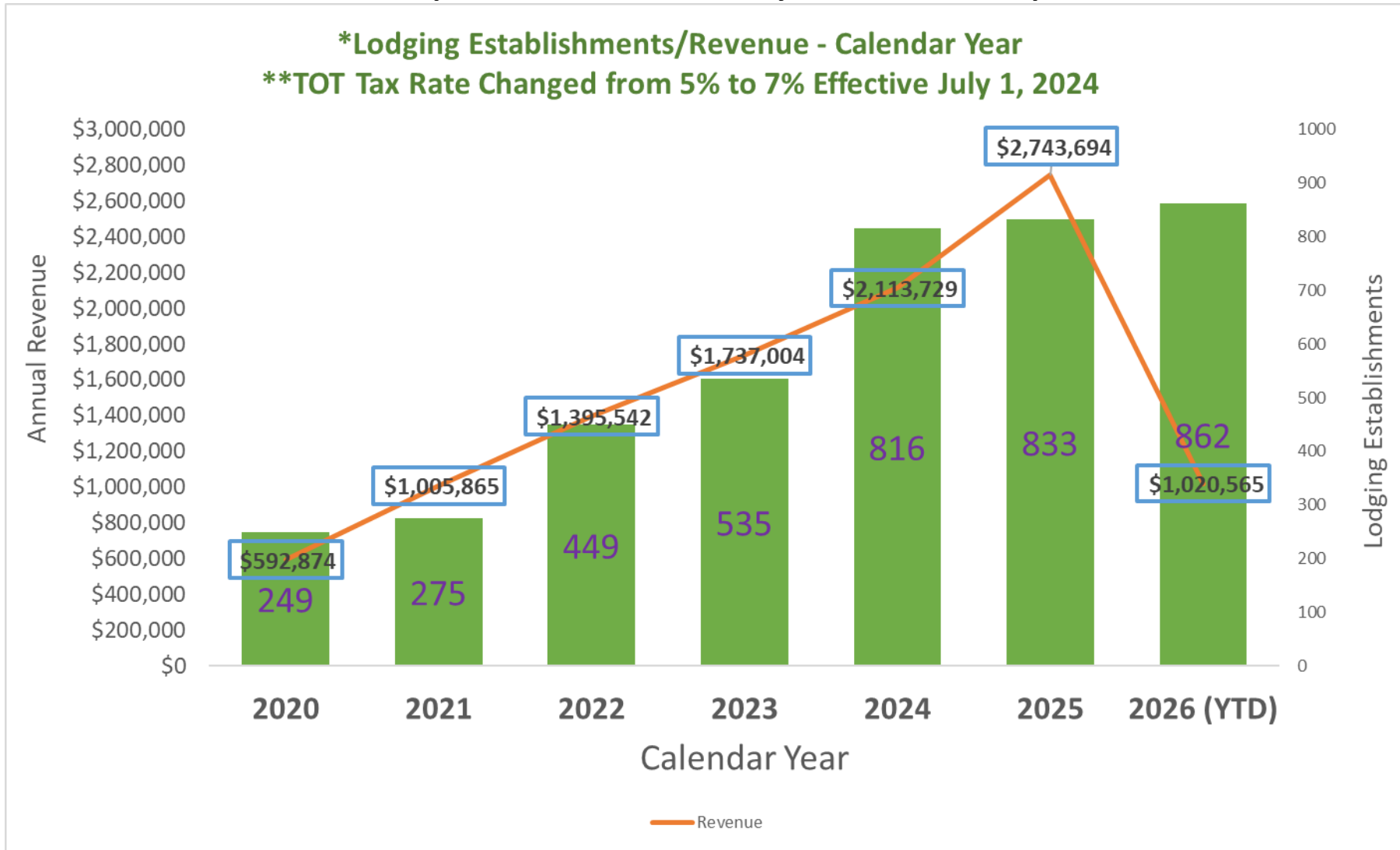
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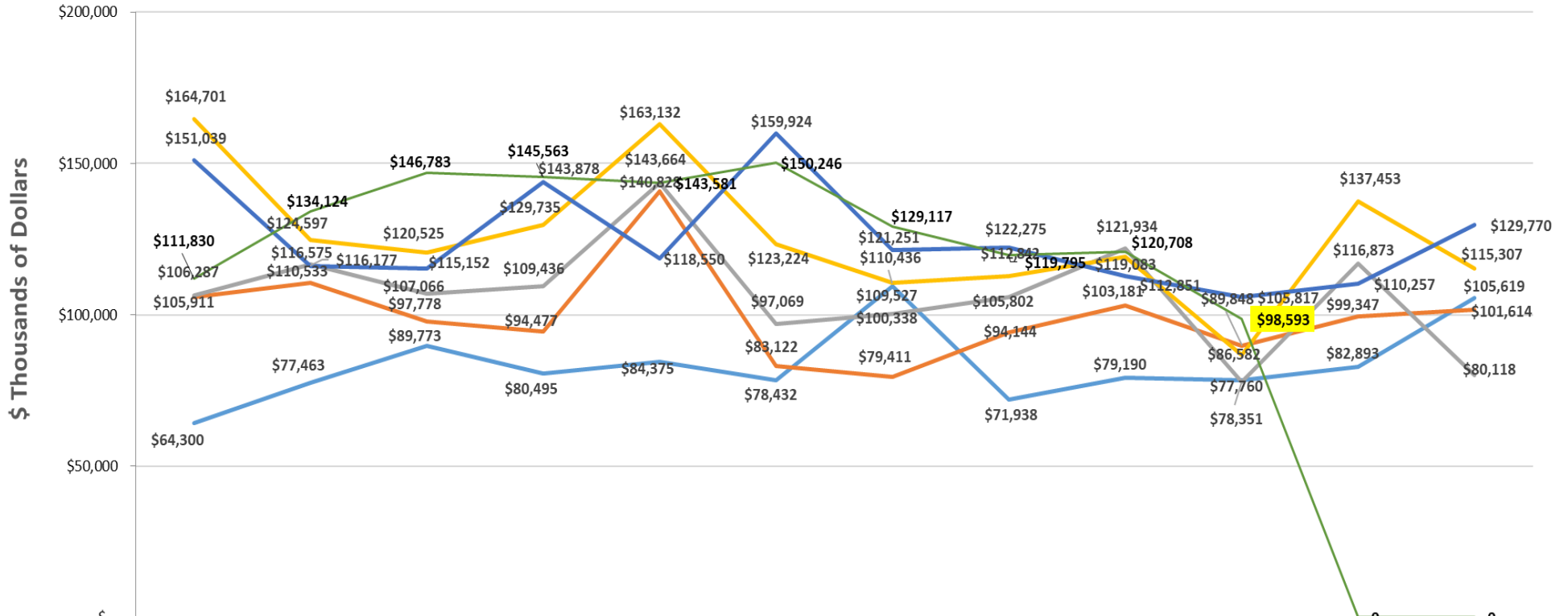


*Lodging Establishments is the number of businesses who are registered with the Commissioner of the Revenue for lodging in Nelson County. This number is up 12 from 850 to 862, in the previous month's report. The number includes businesses who may have multiple properties who remit for all units with one payment. Some businesses remit their taxes quarterly, and due to their start date, may not be on a January-March-June-September schedule. Many businesses utilize services such as AirBnB who remit on their behalf and by State Code, these revenues are only to be disclosed in aggregate; no personal information can be shared (State Code Section 55.1-1209).

April 2026 Collection – May 12, 2026, BOS Report

Meals Tax Collection - Monthly Trend By Fiscal Year

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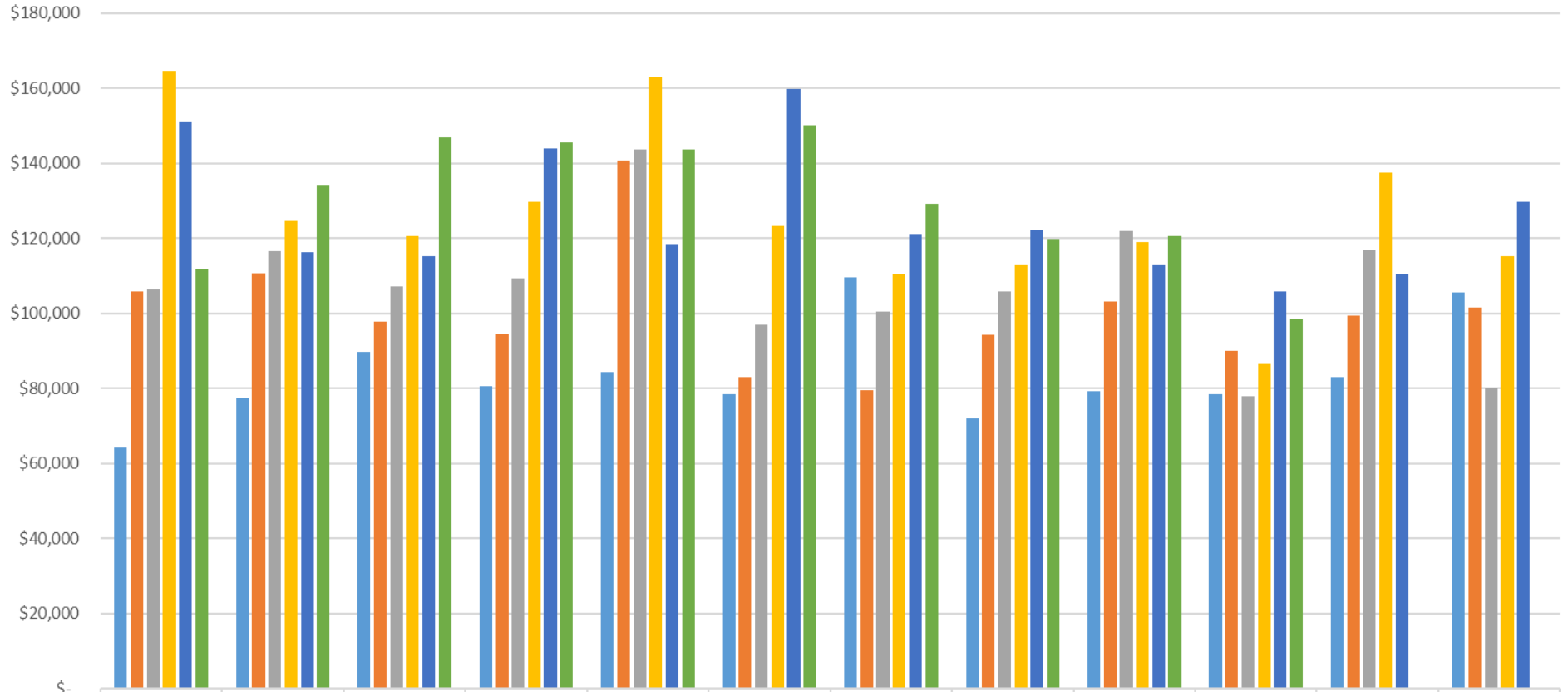
	July	August	September	October	November	December	January	February	March	April	May	June
— FY 20/21	\$64,300	\$77,463	\$89,773	\$80,495	\$84,375	\$78,432	\$109,527	\$71,938	\$79,190	\$78,351	\$82,893	\$105,619
— FY 21/22	\$105,911	\$110,533	\$97,778	\$94,477	\$140,828	\$83,122	\$79,411	\$94,144	\$103,181	\$89,848	\$99,347	\$101,614
— FY 22/23	\$106,287	\$116,575	\$107,066	\$109,436	\$143,664	\$97,069	\$100,338	\$105,802	\$121,934	\$77,760	\$116,873	\$80,118
— FY 23/24	\$164,701	\$124,597	\$120,525	\$129,735	\$163,132	\$123,224	\$110,436	\$112,842	\$119,083	\$86,582	\$137,453	\$115,307
— FY 24/25	\$151,039	\$116,177	\$115,152	\$143,878	\$118,550	\$159,924	\$121,251	\$122,275	\$112,851	\$105,817	\$110,257	\$129,770
— FY 25/26	\$111,830	\$134,124	\$146,783	\$145,563	\$143,581	\$150,246	\$129,117	\$119,795	\$120,708	\$98,593	0	0

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Meals Tax Collection by Month and Fiscal Year

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