

FY 2024 Introductory Budget
General Fund
Revenues – General Property Tax

The property tax is one of the major revenue sources for the General Fund. It provides approximately 30% of the General Fund's revenues. **Real Estate Tax:** The tax rate is 84 cents per hundred dollar valuation. The City reassesses all property bi-annually. This category reflects natural growth. **Personal Property Tax:** The tax rate is \$3.60 per hundred dollar valuation. This revenue also reflects natural growth. **Machine and Tolls Tax:** This tax is set at \$1.50 per hundred dollar valuation and is imposed upon industry. **Public Service Tax:** The revenues for this group are set by the State Corporation Commission and represent taxable utility property within the City limits. **Regional Partnership Shared Tax:** The City and Pittsylvania County through the Regional Industrial Facility Authority owns three industrial parks, Cyber Park located in the City, and two located in Pittsylvania County, Cane Creek Industrial Park and the Southern Virginia Megasite at Berry Hill. This revenue source reflects the shared revenue from the Cane Creek Industrial Park. **Other:** This group includes Machinery/Tools, Aircraft, and Mobile Homes taxes as well as penalties and interest on delinquent taxes.

	FY 2021 Actual	FY 2022 Actual	FY 2023 Adopted	FY 2024 Introductory	Increase/ (Decrease)
Revenues:					
Real Estate Tax	\$ 19,397,749	\$ 19,417,802	\$ 19,700,000	\$ 19,900,000	\$ 200,000
Personal Property Tax	13,204,537	13,670,357	13,693,580	14,847,910	1,154,330
Machine & Tools Tax	1,710,667	1,734,581	1,802,500	1,802,500	-
Public Service Taxes	601,415	534,873	551,500	577,000	25,500
Regional Partnership	(13,166)	180,825	360,150	350,000	(10,150)
Penalties & Interest	809,469	826,206	780,000	825,000	45,000
Other	268,988	274,887	329,510	328,320	(1,190)
Totals	\$ 35,979,659	\$ 36,639,531	\$ 37,217,240	\$ 38,630,730	\$ 577,709

Other Local Taxes is comprised of seven major revenues and represents approximately 37% of General Fund Revenues. **Local Sales Tax:** The City receives 1% local origin sales tax. **Business Tax:** The Business and Professional License Tax is levied on businesses operating within the City. The rate is based on the business class (whole merchants, retail merchants, professional occupations, services, etc.). Contractors are required to purchase business licenses. **Meals Tax:** The tax rate is 6.5%. The City has made a conservative estimate that revenues will return to pre-pandemic levels based on economic data. **Hotel/Motel Tax:** These revenues are comprised of a tax rate of 8% plus \$2.00 per day. This revenue source previously experienced a decline due to the pandemic, but a rebound is anticipated. **Auto License Registration:** Vehicles registered in the City are required to pay a registration fee based on the weight of the vehicle (\$25 for vehicles up to one ton and \$175 for vehicles 3.5 ton and over). This revenue is expected to remain stable. **Bank Stock Tax:** This revenue reflects Bank Franchise Tax of the net capital of banks located with the City. The rate is \$0.40 on each \$100 of taxable value. **Utility Taxes:** There are two categories: Utility Consumption Tax (tax on consumers of utility electric services and based on kilowatts consumed), Consumer Utility Tax (monthly tax imposed on each purchase of electricity delivered to consumers by a services provider). **Other:** Included in this category are Recordation Taxes, Daily Property Rental Tax, and Motor Vehicle Tax.

	FY 2021 Actual	FY 2022 Actual	FY 2023 Adopted	FY 2024 Introductory	Increase/ (Decrease)
Revenues:					
Local Sales Tax	\$ 10,289,650	\$ 10,928,006	\$ 10,962,050	\$ 11,400,000	\$ 437,950
Bus & Occup License	5,413,194	5,928,912	5,430,000	6,800,000	1,370,000
Prepared Meals Tax	9,028,654	10,351,013	9,500,000	10,867,220	1,367,220
Utility Consumption Tax	181,572	183,982	180,000	180,000	-
Consumer Utility Tax	749,133	754,041	750,000	750,000	-
Hotel/Motel Tax	1,592,338	2,163,777	2,025,080	2,467,230	442,150
Auto License Registration	1,018,883	984,655	1,000,000	1,000,000	-
Bank Stock Tax	1,008,685	1,022,661	1,000,000	1,000,000	-
Other	603,898	582,386	482,370	13,485,980	13,003,610
Totals	\$ 29,886,007	\$ 32,899,433	\$ 31,329,500	\$ 47,950,430	\$ 16,620,930

FY 2024 Introductory Budget
 General Fund
 Revenues – License, Permits, Privilege

This group of revenues is directly linked to the local economy and reflects growth within the community. Inspection fees for FY 2022 reflect a significant increase with the anticipated construction of the new casino.

	FY 2021 Actual	FY 2022 Actual	FY 2023 Adopted	FY 2024 Introductory	Increase/ (Decrease)
Revenues:					
Inspection Fees	\$ 154,926	\$ 621,902	\$ 208,390	\$ 329,920	\$ 121,530
Concealed Weapon Permits	31,554	18,155	20,000	20,000	-
Dog Tags	13,358	11,786	13,360	11,780	(1,580)
Stormwater Mgt Permit Fee	11,979	13,325	12,500	12,500	-
Planning Commission Fees	6,994	7,200	10,800	10,800	-
Other	22,707	23,157	18,280	39,040	20,760
Totals	\$ 241,518	\$ 695,525	\$ 283,330	\$ 424,040	\$ 140,710

FY 2024 Introductory Budget
 General Fund
 Revenues – Fines and Forfeitures

The main category is General District Court fines and fees and reflects a mixed trend of ups and downs.

	FY 2021 Actual	FY 2022 Actual	FY 2023 Adopted	FY 2024 Introductory	Increase/ (Decrease)
Revenues:					
General District Court	\$ 163,258	\$ 152,296	\$ 220,000	\$ 200,000	\$ (20,000)
Circuit Court	5,876	4,319	9,600	6,100	(3,500)
Courthouse Security	35,682	32,529	47,000	37,900	(9,100)
Court Cost - Bldg Maint	13,444	13,244	13,450	13,240	(210)
Court Cost - Law Library	24,915	16,993	25,000	25,000	-
Parking Tickets	11,509	20,217	13,600	15,870	2,270
Other	75,402	56,213	24,350	22,130	(2,220)
Totals	\$ 330,086	\$ 295,811	\$ 353,000	\$ 320,240	\$ (32,760)

FY 2024 Introductory Budget
 General Fund
 Revenues – Revenue From Use of Money and Property

This group of revenues provides approximately 1.5% of General Fund revenues and is comprised of two main categories as follows: **Interest on Investments:** All of the City’s funds are invested in secured accounts with the primary objective being to earn the highest possible return. Investment earnings are a function of the money marketplace and swings in the revenues reflect higher or lower interest rates. **Facility Rentals and Concessions:** The revenue group reflects the rental of recreational facilities and other municipal properties.

	FY 2021 Actual	FY 2022 Actual	FY 2023 Adopted	FY 2024 Introductory	Increase/ (Decrease)
Revenues:					
Interest on Investments	\$ 497,695	\$ 870,747	\$ 243,460	\$ 1,538,840	\$ (627,287)
Rental Income	318,471	351,755	344,630	334,090	(7,125)
Concession Rentals	93,032	74,224	95,390	85,530	21,166
Sale - Salvage & Surplus	53,568	8,270	13,460	10,710	5,190
Totals	\$ 962,766	\$ 1,304,996	\$ 696,940	\$ 1,969,170	\$ (608,056)

This group of General Fund revenues and is comprised of two main categories as follows:
Charges for Detention: The City receives per diem from the Commonwealth of Virginia for state inmates at the City Jail and at the adult detention facility. The W.W. Moore Juvenile Detention Facility provides for detention of juveniles. The Detention Home serves the cities of Danville and Martinsville, the town of South Boston, and the counties of Pittsylvania, Henry, Patrick, Halifax, and Mecklenburg. The partner localities are charged per diem based on actual cost of operation.
Fines and Fees: This category consists of recreation fees for a variety of programs to citizens and non-citizens.

	FY 2021 Actual	FY 2022 Actual	FY 2023 Adopted	FY 2024 Introductory	Increase/ (Decrease)
Revenues:					
Court Fees	\$ 25,632	\$ 21,469	\$ 35,380	\$ 24,450	\$ 13,911
Charges for Detention	2,383,777	1,862,389	2,942,880	2,688,350	1,080,491
Charges for Collection	81,480	57,009	82,000	57,000	24,991
Recreation Fees	112,361	160,746	261,750	304,300	101,004
Fire Dept Fees	4,470	1,550	5,800	14,800	4,250
Other	3,007	9,330	8,420	8,960	(910)
Totals	\$ 2,610,727	\$ 2,112,493	\$ 3,336,230	\$ 3,097,860	\$ 1,223,737

FY 2024 Introductory Budget
 General Fund
 Revenues – Miscellaneous Revenues

This group of revenues as the title suggests provides for miscellaneous revenues including gain on disposal of property. This revenue is not dependable and fluctuates annually. **Unanticipated Grants:** This revenue is a contra account with a matching appropriation in the Non-Departmental section of the budget. Use of this line item will no longer be necessary since grant revenues are only recognized as they are received, and any unrealized amounts are removed. The Skilled Gaming Revenue was a new source of revenue for the General Fund. The State legislature eliminated this type of business.

	FY 2021 Actual	FY 2022 Actual	FY 2023 Adopted	FY 2024 Introductory	Increase/ (Decrease)
Revenues:					
Gain on Disposal of Property	\$ 2,673	\$ 449	\$ -	\$ -	\$ (449)
Contribution in Aid	75,000	-	-	-	-
Private Gifts & Donations	8,623	\$ 3,005	-	-	(3,005)
Unanticipated Grants	-	-	-	-	-
Skilled Gaming Revenue	173,808	34,704	-	-	(34,704)
Other	26,452	40,886	25,100	25,100	(15,786)
Totals	\$ 286,556	\$ 79,044	\$ 25,100	\$ 25,100	\$ (53,944)

This major revenue group provides approximately 7% of General Fund revenues.

Enterprise Funds: These revenues represent recovery of administrative costs from the City's five utility funds and the Sanitation Fund. The Cost Allocation Plan is performed annually with this revenue based on the Plan from two prior years.

The Utility Fund's activity, Customer Services, has been transferred to the General Fund, Finance Department. However, the Electric Fund transfers to the General Fund the cost of this activity since it handles Utility customer accounts. There is also a transfer to the General Fund to cover a portion of the cost for the General Fund's River City TV activity.

Other: This category of recoveries represents contra revenues for Social Services and Juvenile Detention which also include Cost Allocation appropriations. These revenues are shown in order to receive funding for administrative costs from the State for Social Services and the Library, and from the City's Juvenile Detention partner localities. Also included is the recovery of Customer Accounts from Utilities which in the past was an expenditure activity in Utilities. Other recoveries reflect various recoveries and cannot be planned on as a stable revenue source on a year-to-year basis.

	FY 2021 Actual	FY 2022 Actual	FY 2023 Adopted	FY 2024 Introductory	Increase/ (Decrease)
Revenues:					
Enterprise Funds	\$ 4,871,420	\$ 4,779,540	\$ 5,043,530	\$ 5,286,310	\$ 263,990
Recoveries & Rebates	3,375,365	3,319,872	3,447,040	3,610,760	127,168
Totals	\$ 8,246,785	\$ 8,099,412	\$ 8,490,570	\$ 8,897,070	\$ 391,158

FY 2024 Introductory Budget
 General Fund
 Revenues – Non-Categorical Aid State

This major revenue group provides approximately 4.1% of General Fund revenue and reflects and overall decrease. There are two majority categories as follows: **State Aid to Localities-599:** This state revenue is provided to localities with paid public safety departments. Preliminary estimates reflect an increase in this source. **State Telecommunications Tax:** This was previously a local tax levied on telephone, cell phone, and cable television companies. Several years ago, these companies lobbied the State to take over collection and levy a flat fee for all companies. The State collects the proceeds and distributes to localities based on the number of customers each company has in the locality. **Other:** The other revenues include Motor Vehicle Carriers Tax, Mobile Home Titling Tax, and Recordation Tax – State and reflects moderate growth. The State will provide \$200,000 in FY2024 toward the operation and maintenance of the Visitor Center.

	FY 2021 Actual	FY 2022 Actual	FY 2023 Adopted	FY 2024 Introductory	Increase/ (Decrease)
Revenues:					
Motor Vehicle Carriers Tax	\$ 65,685	\$ 64,892	\$ 66,720	\$ 65,900	\$ (820)
Mobile Home Titling Tax	10,960	6,741	7,800	8,000	200
Recordation Tax-State	81,032	116,091	100,500	105,000	4,500
State Aid to Localities 599	2,886,030	2,808,301	2,880,000	2,800,000	(80,000)
State Telecommunications	2,370,316	2,300,646	2,370,000	2,200,000	(170,000)
Visitor Center-State Aid	100,000	100,000	100,000	200,000	100,000
Totals	\$ 5,514,023	\$ 5,396,671	\$ 5,525,020	\$ 5,378,900	\$ (146,120)

FY 2024 Introductory Budget
 General Fund
 Revenues – Categorical Aid State Shared

This revenue group provides approximately 5% of General Fund revenue. This category provides for reimbursement of a portion of the salary and benefits of Constitutional Officers. The State does not provide for operating costs of these offices. Each office is reimbursed based on a formula as set by the State Compensation Board. For example, the State reimburses 100% of Sheriff deputies salaries, but only 2/3 of the salary for Sheriff office nurses. The reimbursement for the Commissioner of the Revenue and the City Treasurer is less than 50% of salaries and the City also provides a supplement for most of the personnel in the Commissioner of the Revenue.

	FY 2021 Actual	FY 2022 Actual	FY 2023 Adopted	FY 2024 Introductory	Increase/ (Decrease)
Revenues:					
Commonwealth Atty	\$ 955,730	\$ 999,125	\$ 1,050,410	\$ 1,149,520	\$ 99,110
Sheriff's Office	3,328,841	3,612,313	3,649,730	3,889,530	239,800
Commissioner of Rev	151,971	169,316	175,400	191,400	16,000
Treasurer	131,611	138,617	140,690	157,410	16,720
Clerk of Circuit Court	494,514	560,789	574,320	633,190	58,870
Registrar/Electoral Brd	47,716	76,904	47,000	-	(47,000)
Totals	\$ 5,110,383	\$ 5,557,064	\$ 5,637,550	\$ 6,021,050	\$ 383,500

FY 2024 Introductory Budget
General Fund
Revenues – Categorical Aid State

This revenue group provides approximately 7% of General Fund revenue and provides funding for a variety of functions. There two majority categories as follows: **Welfare:** This revenue source provides approximately 80% of the operating cost for the Social Services office. **Dept of Juvenile Justice Block Grant:** This revenue provides funding for the W.W. Moore Juvenile Detention Facility and is dependent on State funding. **Other:** Various funding includes grants for Emergency Services, Fire Service, and support of the Library.

	FY 2021 Actual	FY 2022 Actual	FY 2023 Adopted	FY 2024 Introductory	Increase (Decrease)
Categorical Aid - State					
Welfare Admin-Serv/Elg	\$ 4,719,696	\$4,955,044	\$ 5,500,000	\$ 5,500,000	\$ -
Public Assistance	1,773,097	1,471,887	2,500,000	2,500,000	-
Fire Service Grant	164,083	174,265	165,000	165,000	-
Wireless E911 State Funds	263,510	316,590	174,000	174,000	-
Emergency Response Program	30,000	30,000	30,000	30,000	-
Emergency Medical Services	17,916	17,696	17,130	9,800	(7,330)
Emergency Medical Services	17,916	17,696	17,130	9,800	(7,330)
Emergency Sevices Grant	27,013	27,013	27,020	27,020	-
Dept of Juvenile Jus Block Gt	1,447,179	1,505,309	1,416,070	1,588,200	172,130
Dept of Juv Justice-CAP Prog	70,700	8,925	31,500	31,500	-
Juvenile & Domestic Relations	6,673	5,815	7,150	6,500	(650)
Library	173,015	172,098	171,100	196,290	25,190
National Guard Armory - Maint	11,164	11,408	14,000	12,000	(2,000)
Totals	\$ 8,721,962	\$8,713,746	\$10,070,100	\$10,250,110	\$ 180,010
Categorical Aid - Federal					
Federal Aid CARES Act	\$ 23,000	\$ 59,000	\$ -	\$ -	\$ -
Totals	\$ 23,000	\$ 59,000	\$ -	\$ -	\$ -

FY 2024 Introductory Budget
General Fund
Revenues – Interfund Transfers

This interfund transfers from the five Utility Funds represent approximately 11% of General Fund Revenues and is a major source of income for the General Fund. The City Utilities shares its profits with the owners, the taxpayers, thereby affording a lower real property tax rate and enhanced local services. The transfer is determined by a council approved policy and is reviewed bi-annually along with the Utility Rate Study. The FY 2024 Proposed Budget reflects an increase for the next two years. Federal American Rescue Plan funds totaling \$1,800,000 were used to supplement operating costs for FY 2023.

	FY 2021 Actual	FY 2022 Actual	FY 2023 Adopted	FY 2024 Introductory	Increase/ (Decrease)
Revenues:					
Transfer In Special Revenue	\$ -	\$ -	\$ 1,800,000	\$ -	\$ (1,800,000)
Transfer In Wastewater	705,760	705,760	705,760	705,760	-
Transfer In Water	950,300	953,300	953,300	966,300	13,000
Transfer In Gas	3,186,330	3,196,330	3,196,330	3,199,330	3,000
Transfer In Electric	10,429,610	10,572,610	10,572,610	10,635,610	63,000
Transfer In Telecommun	81,000	81,000	81,000	81,000	-
Transfer In Capital Projects	-	213,240	364,000	-	(364,000)
Totals	\$ 15,353,000	\$ 15,722,240	\$ 17,673,000	\$ 15,588,000	\$ (2,085,000)

FY 2024 Introductory Budget
 General Fund
 Revenues – Transfer From Fund Balance

The transfer from Unreserved Fund Balance is limited to one-time expenditures such as Economic Development Incentives and capital projects. Use of fund balance is not recommended to fund recurring expenditures. The FY 2024 Proposed Budget includes a \$1.1 million appropriation from General Fund Balance to support the cost of economic development incentives.

	FY 2021 Actual	FY 2022 Actual	FY 2023 Adopted	FY 2024 Introductory	Increase/ (Decrease)
Revenues:					
Transfer From Unreserved Fund Balance	\$ -	\$ -	\$ 1,900,000	\$ 1,145,550	\$ (754,450)
Totals	\$ -	\$ -	\$ 1,900,000	\$ 1,145,550	\$ (754,450)