

FY 2023 Adopted Budget  
General Fund  
Revenues – General Property Tax

The property tax is one of the major revenue sources for the General Fund. It provides approximately 33% 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, one in the City (Cyber Park) and two located in the 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 2020 Actual	FY 2021 Actual	FY 2022 Adopted	FY 2023 Adopted	Increase/ (Decrease)
<b>Revenues:</b>					
Real Estate Tax	\$ 18,819,571	\$ 19,397,749	\$ 19,360,000	\$ 19,700,000	\$ 340,000
Personal Property Tax	11,170,801	13,204,537	12,420,000	13,693,580	1,273,580
Machine & Tools Tax	1,753,882	1,710,667	1,762,500	1,802,500	40,000
Public Service Taxes	438,108	601,415	501,400	551,500	50,100
Regional Partnership	376,191	(13,166)	376,000	360,150	(15,850)
Penalties & Interest	718,691	809,469	750,000	780,000	30,000
Other	1,152,505	268,988	305,820	329,510	23,690
<b>Totals</b>	<b>\$ 34,429,749</b>	<b>\$ 35,979,659</b>	<b>\$ 35,475,720</b>	<b>\$ 37,217,240</b>	<b>\$ 1,741,520</b>

FY 2023 Adopted Budget  
General Fund  
Revenues – Other Local Taxes

Other Local Taxes is comprised of seven major revenues and represents approximately 28% 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 7%. 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 2020 Actual	FY 2021 Actual	FY 2022 Adopted	FY 2023 Adopted	Increase/ (Decrease)
<b>Revenues:</b>					
Local Sales Tax	\$ 8,852,565	\$ 10,289,650	\$ 10,115,880	\$ 10,962,050	\$ 846,170
Bus & Occup License	5,237,591	5,413,194	5,450,000	5,430,000	(20,000)
Prepared Meals Tax	8,068,464	9,028,654	8,471,320	9,500,000	1,028,680
Utility Consumption Tax	180,218	181,572	180,000	180,000	-
Consumer Utility Tax	756,137	749,133	760,000	750,000	(10,000)
Hotel/Motel Tax	1,379,320	1,592,338	1,511,630	2,025,080	513,450
Auto License Registration	1,038,422	1,018,883	1,000,000	1,000,000	-
Bank Stock Tax	941,431	1,008,685	940,000	1,000,000	60,000
Other	440,176	603,898	375,200	482,370	107,170
<b>Totals</b>	<b>\$ 26,894,324</b>	<b>\$ 29,886,007</b>	<b>\$ 28,804,030</b>	<b>\$ 31,329,500</b>	<b>\$ 2,525,470</b>

FY 2023 Adopted Budget  
 General Fund  
 Revenues – License, Permits, Privilege

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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 2020 Actual	FY 2021 Actual	FY 2022 Adopted	FY 2023 Adopted	Increase/ (Decrease)
<b>Revenues:</b>					
Inspection Fees	\$ 173,193	\$ 154,926	\$ 1,128,680	\$ 208,390	\$ (920,290)
Concealed Weapon Permits	15,894	31,554	15,000	20,000	5,000
Dog Tags	14,221	13,358	14,200	13,360	(840)
Stormwater Mgt Permit Fee	11,979	11,979	12,500	12,500	-
Planning Commission Fees	-	6,994	10,800	10,800	-
Other	30,284	22,707	15,510	18,280	2,770
<b>Totals</b>	<b>\$ 245,571</b>	<b>\$ 241,518</b>	<b>\$ 1,196,690</b>	<b>\$ 283,330</b>	<b>\$ (913,360)</b>

FY 2023 Adopted Budget  
General Fund  
Revenues – Fines and Forfeitures

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

	FY 2020 Actual	FY 2021 Actual	FY 2022 Adopted	FY 2023 Adopted	Increase/ (Decrease)
<b>Revenues:</b>					
General District Court	\$ 221,807	\$ 163,258	\$ 250,000	\$ 220,000	\$ (30,000)
Circuit Court	8,140	5,876	11,700	9,600	(2,100)
Courthouse Security	45,483	35,682	55,000	47,000	(8,000)
Court Cost - Bldg Maint	16,572	13,444	16,500	13,450	(3,050)
Court Cost - Law Library	21,594	24,915	25,000	25,000	-
Parking Tickets	15,867	11,509	17,300	13,600	(3,700)
Other	34,200	75,402	25,650	24,350	(1,300)
<b>Totals</b>	<b>\$ 363,663</b>	<b>\$ 330,086</b>	<b>\$ 401,150</b>	<b>\$ 353,000</b>	<b>\$ (48,150)</b>

FY 2023 Adopted Budget  
General Fund  
Revenues – Revenue From Use of Money and Property

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This group of revenues provides approximately 0.6% 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 in an attempt 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. The Administration proposes a small increase in Airport Hangar Rental Rates as approved by the Airport Commission.

	<b>FY 2020 Actual</b>	<b>FY 2021 Actual</b>	<b>FY 2022 Adopted</b>	<b>FY 2023 Adopted</b>	<b>Increase/ (Decrease)</b>
<b>Revenues:</b>					
Interest on Investments	\$ 857,431	\$ 497,695	\$ 464,410	\$ 243,460	\$ (220,950)
Rental Income	311,188	318,471	301,400	344,630	43,230
Concession Rentals	91,265	93,032	91,120	95,390	4,270
Sale - Salvage & Surplus	8,908	53,568	8,800	13,460	4,660
<b>Totals</b>	<b>\$ 1,268,792</b>	<b>\$ 962,766</b>	<b>\$ 865,730</b>	<b>\$ 696,940</b>	<b>\$ (168,790)</b>

FY 2023 Adopted Budget  
General Fund  
Revenues – Charges for Services

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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 2020 Actual	FY 2021 Actual	FY 2022 Adopted	FY 2023 Adopted	Increase/ (Decrease)
<b>Revenues:</b>					
Court Fees	\$ 50,982	\$ 25,632	\$ 35,700	\$ 35,380	\$ (320)
Charges for Detention	2,618,481	2,383,777	2,865,660	2,942,880	77,220
Charges for Collection	93,565	81,480	100,000	82,000	(18,000)
Recreation Fees	246,822	112,361	216,440	261,750	45,310
Fire Dept Fees	5,010	4,470	5,800	5,800	-
Other	3,533	3,007	8,820	8,420	(400)
<b>Totals</b>	<b>\$ 3,018,393</b>	<b>\$ 2,610,727</b>	<b>\$ 3,232,420</b>	<b>\$ 3,336,230</b>	<b>\$ 103,810</b>

FY 2023 Adopted Budget  
General Fund  
Revenues – Miscellaneous Revenues

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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 2020 Actual	FY 2021 Actual	FY 2022 Adopted	FY 2023 Adopted	Increase/ (Decrease)
<b>Revenues:</b>					
Gain on Disposal of Property	\$ 420	\$ 2,673	\$ -	\$ -	\$ -
Contribution in Aid	\$ -	75,000	\$ -	-	-
Private Gifts & Donations	\$ -	8,623	\$ -	-	-
Unanticipated Grants	-	-	100,000	-	(100,000)
Skilled Gaming Revenue	-	173,808	180,000	-	(180,000)
Other	27,909	26,452	25,170	25,100	(70)
<b>Totals</b>	<b>\$ 28,329</b>	<b>\$ 286,556</b>	<b>\$ 305,170</b>	<b>\$ 25,100</b>	<b>\$ (280,070)</b>

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 2020 Actual	FY 2021 Actual	FY 2022 Adopted	FY 2023 Adopted	Increase/ (Decrease)
<b>Revenues:</b>					
Enterprise Funds	\$ 4,960,060	\$ 4,871,420	\$ 4,779,540	\$ 5,043,530	\$ 263,990
Recoveries & Rebates	3,192,387	3,375,365	3,349,450	3,447,040	97,590
<b>Totals</b>	<b>\$ 8,152,447</b>	<b>\$ 8,246,785</b>	<b>\$ 8,128,990</b>	<b>\$ 8,490,570</b>	<b>\$ 361,580</b>



FY 2023 Adopted Budget  
General Fund  
Revenues – Non-Categorical Aid State

This major revenue group provides approximately 5.0% 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. A number of 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 provides \$100,000 annually toward the operation and maintenance of the Welcome Center.

	FY 2020 Actual	FY 2021 Actual	FY 2022 Adopted	FY 2023 Adopted	Increase/ (Decrease)
<b>Revenues:</b>					
Motor Vehicle Carriers Tax	\$ 67,137	\$ 65,685	\$ 67,000	\$ 66,720	\$ (280)
Mobile Home Titling Tax	10,788	10,960	5,900	7,800	1,900
Recordation Tax-State	120,000	81,032	100,000	100,500	500
State Aid to Localities 599	2,808,032	2,886,030	2,800,000	2,880,000	80,000
State Telecommunications	2,656,540	2,370,316	2,650,000	2,370,000	(280,000)
Welcome Center-State Aid	100,000	100,000	100,000	100,000	-
<b>Totals</b>	<b>\$ 5,762,497</b>	<b>\$ 5,514,023</b>	<b>\$ 5,722,900</b>	<b>\$ 5,525,020</b>	<b>\$ (197,880)</b>

FY 2023 Adopted Budget  
General Fund  
Revenues – Categorical Aid State Shared

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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.

	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>Increase/ (Decrease)</b>
	<b>Actual</b>	<b>Actual</b>	<b>Adopted</b>	<b>Adopted</b>	
<b>Revenues:</b>					
Commonwealth Atty	\$ 958,313	\$ 955,730	\$ 1,065,810	\$ 1,050,410	\$ (15,400)
Sheriff's Office	3,308,525	3,328,841	3,387,260	3,649,730	262,470
Commissioner of Rev	151,981	151,971	150,580	175,400	24,820
Treasurer	124,821	131,611	129,460	140,690	11,230
Clerk of Circuit Court	491,499	494,514	481,450	574,320	92,870
Registrar/Electoral Brd	46,125	47,716	45,600	47,000	1,400
<b>Totals</b>	<b>\$ 5,081,264</b>	<b>\$ 5,110,383</b>	<b>\$ 5,260,160</b>	<b>\$ 5,637,550</b>	<b>\$ 377,390</b>

FY 2023 Adopted Budget  
General Fund  
Revenues – Categorical Aid State

This revenue group provides approximately 8% 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.

**Revenues**

	FY 2020 Actual	FY 2021 Actual	FY 2022 Adopted	FY 2023 Adopted	Increase (Decrease)
<b>Categorical Aid - State</b>					
Welfare Admin-Serv/Elg	\$ 4,644,361	\$ 4,719,696	\$5,196,630	\$ 5,500,000	\$ 303,370
Public Assistance	1,917,452	1,773,097	2,364,900	2,500,000	135,100
Fire Service Grant	156,813	164,083	156,000	165,000	9,000
Wireless E911 State Funds	253,998	263,510	174,000	174,000	-
Emergency Response Program	30,000	30,000	30,000	30,000	-
Emergency Medical Services	17,529	17,916	17,130	17,130	-
Emergency Medical Services	17,529	17,916	17,130	17,130	-
Emergency Sevices Grant	27,013	27,013	27,020	27,020	-
Dept of Juvenile Jus Block Gt	1,441,921	1,447,179	1,416,070	1,416,070	-
Dept of Juv Justice-CAP Prog	-	70,700	31,500	31,500	-
Juvenile & Domestic Relations	7,454	6,673	7,400	7,150	(250)
Library	158,297	173,015	162,680	171,100	8,420
National Guard Armory - Maint	10,385	11,164	14,000	14,000	-
<b>Totals</b>	<b>\$ 8,682,752</b>	<b>\$ 8,721,962</b>	<b>\$9,614,460</b>	<b>\$10,070,100</b>	<b>\$ 455,640</b>
<b>Categorical Aid - Federal</b>					
Federal Aid CARES Act	\$ 69,000	\$ 23,000	\$ -	\$ -	\$ -
<b>Totals</b>	<b>\$ 69,000</b>	<b>\$ 23,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

FY 2023 Adopted Budget  
General Fund  
Revenues – Interfund Transfers

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This interfund transfers from the five Utility Funds represent approximately 14% 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 2023 Proposed Budget reflects an increase for the next two years. Federal American Rescue Plan funds totaling \$1,800,000 are being used to supplement operating costs for FY 2023.

	<b>FY 2020 Actual</b>	<b>FY 2021 Actual</b>	<b>FY 2022 Adopted</b>	<b>FY 2023 Adopted</b>	<b>Increase/ (Decrease)</b>
<b>Revenues:</b>					
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	950,300	953,300	953,300	-
Transfer In Gas	3,186,330	3,186,330	3,196,330	3,196,330	-
Transfer In Electric	10,429,610	10,429,610	10,572,610	10,572,610	-
Transfer In Telecommun	81,000	81,000	81,000	81,000	-
Transfer In Capital Projects	-	-	200,000	364,000	164,000
<b>Totals</b>	<b>\$ 15,353,000</b>	<b>\$ 15,353,000</b>	<b>\$ 15,709,000</b>	<b>\$ 17,673,000</b>	<b>\$ 1,964,000</b>

FY 2023 Adopted Budget  
 General Fund  
 Revenues – Transfer From Fund Balance

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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 2023 Proposed Budget includes a \$1.9 million appropriation from General Fund Balance to pay for the cost of implementing a new payroll system that will transition our processes to a more efficient system using best practices.

	FY 2020 Actual	FY 2021 Actual	FY 2022 Adopted	FY 2023 Adopted	Increase/ (Decrease)
<b>Revenues:</b>					
Transfer From Unreserved FB	\$ -	\$ -	\$ -	\$ 1,900,000	\$ 1,900,000
<b>Totals</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,900,000</b>	<b>\$ 1,900,000</b>