

The property tax is one of the major revenue sources for the General Fund. It provides 30.9% of the General Fund's revenues.

- **Real Estate Tax:** The tax rate is 80 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 through the Regional Industrial Facility Authority owns two industrial parks, one in the City (Cyber Park) and one located in the county, Cane Creek Industrial Park. 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 2019 Actual	FY 2020 Actual	FY 2021 Adopted	FY 2022 Adopted	Increase/ (Decrease)
Revenues:					
Real Estate Tax	\$ 18,094,098	\$ 18,819,571	\$ 18,950,000	\$ 19,360,000	\$ 410,000
Personal Property Tax	12,011,548	11,170,801	12,290,000	12,420,000	130,000
Machine & Tools Tax	1,644,796	1,753,882	1,761,500	1,762,500	1,000
Public Service Taxes	427,543	438,108	426,000	501,400	75,400
Regional Partnership	303,981	376,191	300,000	376,000	76,000
Penalties & Interest	791,337	718,691	750,000	750,000	-
Other	297,997	1,152,505	286,920	305,820	18,900
Totals	\$ 33,571,300	\$ 34,429,749	\$ 34,764,420	\$ 35,475,720	\$ 711,300

Other Local Taxes is comprised of seven major revenues and represents 25.1% of General Fund Revenues.

- **Local Sales Tax:** The City receives 1% local origin sales tax generates an anticipated \$10,110,880 for the new year. The increase in this category is primarily attributed to State legislation assessing sales tax on internet sales.
- **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.). The \$200,000 estimated increase is attributed to the anticipated construction of the new casino. Contractors are required to purchase business licenses. The Commissioner of Revenue has made a conservative estimate for the increase of this revenue.
- **Meals Tax:** The tax rate is 7%. Due to COVID-19, this revenue source has experienced a significant decline. This trend is expected to rebound in FY 2022.
- **Hotel/Motel Tax:** This tax rate 8% plus \$2.00 per day. This revenue source has also experienced a decline with the COVID-19 virus but is expected to rebound
- **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 reflects a flat revenue stream.
- **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 for this revenue: 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 2019 Actual	FY 2020 Actual	FY 2021 Adopted	FY 2022 Adopted	Increase/ (Decrease)
Revenues:					
Local Sales Tax	\$ 8,930,854	\$ 8,852,565	\$ 9,150,000	\$ 10,115,880	\$ 965,880
Bus & Occup License	5,242,488	5,237,591	5,250,000	5,450,000	200,000
Prepared Meals Tax	8,483,880	8,068,464	8,645,000	8,471,320	(173,680)
Utility Consumption Tax	191,070	180,218	192,000	180,000	(12,000)
Consumer Utility Tax	769,173	756,137	775,000	760,000	(15,000)
Hotel/Motel Tax	1,107,335	1,379,320	1,600,000	1,511,630	(88,370)
Auto License Registration	973,801	1,038,422	990,000	1,000,000	10,000
Bank Stock Tax	904,043	941,431	900,000	940,000	40,000
Other	346,479	440,176	370,000	375,200	5,200
Totals	\$ 26,949,123	\$ 26,894,324	\$ 27,872,000	\$ 28,804,030	\$ 932,030

FY 2022 Adopted 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 reflect a significant increase with the anticipated construction of the new casino scheduled to begin this fiscal year.

	FY 2019 Actual	FY 2020 Actual	FY 2021 Adopted	FY 2022 Adopted	Increase/ (Decrease)
Revenues:					
Inspection Fees	\$ 161,808	\$ 173,193	\$ 182,940	\$ 1,128,680	\$ 945,740
Concealed Weapon Permits	16,126	15,894	20,000	15,000	(5,000)
Dog Tags	16,612	14,221	16,600	14,200	(2,400)
Stormwater Mgt Permit Fee	6,589	11,979	12,500	12,500	-
Planning Commission Fees	1,070	-	10,800	10,800	-
Other	19,277	30,284	15,510	15,510	-
Totals	\$ 221,482	\$ 245,571	\$ 258,350	\$ 1,196,690	\$ 938,340

FY 2022 Adopted 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 2019 Actual	FY 2020 Actual	FY 2021 Adopted	FY 2022 Adopted	Increase/ (Decrease)
Revenues:					
General District Court	\$ 253,366	\$ 221,807	\$ 250,000	\$ 250,000	\$ -
Circuit Court	14,786	8,140	15,000	11,700	(3,300)
Courthouse Security	59,692	45,483	55,000	55,000	-
Court Cost-Bldg Maint	21,323	16,572	20,000	16,500	(3,500)
Court Cost Law Library	22,529	21,594	25,000	25,000	-
Parking Tickets	19,605	15,867	18,000	17,300	(700)
Other	63,554	34,200	27,550	25,650	(1,900)
Totals	\$ 454,855	\$ 363,663	\$ 410,550	\$ 401,150	\$ (9,400)

FY 2022 Adopted Budget
General Fund
Revenues – Revenue From Use of Money and Property

This group of revenues provides approximately 0.8% 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.

	FY 2019 Actual	FY 2020 Actual	FY 2021 Adopted	FY 2022 Adopted	Increase/ (Decrease)
Revenues:					
Investments-Interest	\$ 1,025,669	\$ 857,431	\$ 734,500	\$ 464,410	\$ (270,090)
Rental Income	348,675	311,188	324,660	301,400	(23,260)
Concession Rentals	97,947	91,265	89,430	91,120	1,690
Sale-Salvage & Surplus	13,334	8,908	10,000	8,800	(1,200)
Totals	\$ 1,485,625	\$ 1,268,792	\$ 1,158,590	\$ 865,730	\$ (292,860)

This group of revenues provides approximately 2.8% 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 2019 Actual	FY 2020 Actual	FY 2021 Adopted	FY 2022 Adopted	Increase/ (Decrease)
Revenues:					
Court Fees	\$ 29,917	\$ 50,982	\$ 28,300	\$ 35,700	\$ 7,400
Charges for Detention	2,679,242	2,618,481	2,768,260	2,865,660	97,400
Charges for Collection	148,292	93,565	150,000	100,000	(50,000)
Recreation Fees	311,335	246,822	367,180	216,440	(150,740)
Fire Dept Fees	4,020	5,010	5,800	5,800	-
Other	4,223	3,533	8,820	8,820	-
Totals	\$ 3,177,029	\$ 3,018,393	\$ 3,328,360	\$ 3,232,420	\$ (95,940)

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. This provides the Administration a method of posting revenue budget for unanticipated grants and donations less than \$50,000 without an additional appropriation ordinance.

	FY 2019 Actual	FY 2020 Actual	FY 2021 Adopted	FY 2022 Adopted	Increase/ (Decrease)
Revenues:					
Gain on Disposal of Prop	\$ 1,172	\$ 420	\$ -	\$ -	\$ -
Unanticipated Grants	-	-	100,000	100,000	-
Skilled Gaming Revenue	-	-	-	180,000	180,000
Other	26,763	27,909	25,400	25,170	(230)
Totals	\$ 27,935	\$ 28,329	\$ 125,400	\$ 305,170	\$ 179,770

This major revenue group provides approximately 7.1% of General Fund revenue and reflects estimated 2% growth.

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’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. The amount of this budgeted transfer for FY 2021 is \$1,685,830. Also there is a transfer to the General Fund to cover a portion of the cost for the General Fund’s River City TV activity in the amount of \$50,000.

Other: This category of recoveries represent 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 2019 Actual	FY 2020 Actual	FY 2021 Adopted	FY 2022 Adopted	Increase/ (Decrease)
Revenues:					
Enterprise Funds	\$ 4,427,980	\$ 4,960,060	\$ 4,781,430	\$ 4,779,540	\$ (1,890)
Recoveries & Rebates	1,711,164	3,192,387	3,176,820	3,349,450	172,630
Totals	\$ 6,139,144	\$ 8,152,447	\$ 7,958,250	\$ 8,128,990	\$ 170,740

FY 2022 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.
- **State Telecommunications Tax:** This was previously a local tax levied on telephone, cell phone, and cable television companies. 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. This revenue has experienced a steady decrease.
- **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 2019 Actual	FY 2020 Actual	FY 2021 Adopted	FY 2022 Adopted	Increase/ (Decrease)
Revenues:					
Motor Vehicle Carriers Tax	\$ 67,319	\$ 67,137	\$ 50,000	\$ 67,000	\$ 17,000
Mobile Home Titling Tax	7,564	10,788	5,000	5,900	900
Recordation Tax-State	100,317	120,000	100,000	100,000	-
State Aid to Localities 599	2,702,628	2,808,032	2,860,000	2,800,000	(60,000)
State Telecommunications	2,742,920	2,656,540	2,750,000	2,650,000	(100,000)
Welcome Center-State Aid	100,000	100,000	100,000	100,000	-
Totals	\$ 5,720,748	\$ 5,762,497	\$ 5,865,000	\$ 5,722,900	\$ (142,100)

FY 2022 Adopted Budget
 General Fund
 Revenues – Categorical Aid State Shared

This revenue group provides approximately 4.6% 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 2019 Actual	FY 2020 Actual	FY 2021 Adopted	FY 2022 Adopted	Increase/ (Decrease)
Revenues:					
Commonwealth Atty	\$ 935,539	\$ 958,313	\$ 972,380	\$ 1,065,810	\$ 93,430
Sheriff's Office	3,193,306	3,308,525	3,404,900	3,387,260	(17,640)
Commissioner of Rev	148,018	151,981	150,180	150,580	400
Treasurer	120,911	124,821	123,650	129,460	5,810
Clerk of Circuit Court	477,762	491,499	481,830	481,450	(380)
Registrar/Electoral Brd	42,436	46,125	42,000	45,600	3,600
Totals	\$ 4,917,972	\$ 5,081,264	\$ 5,174,940	\$ 5,260,160	\$ 85,220

FY 2022 Adopted Budget
General Fund
Revenues – Categorical Aid State

This revenue group provides approximately 8.4% of General Fund revenue and provides funding for a variety of functions.

- **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 2019 Actual	FY 2020 Actual	FY 2021 Adopted	FY 2022 Adopted	Increase/ (Decrease)
Revenues: Categorical Aid - State					
Social Service	\$ 6,635,635	\$ 6,561,813	\$ 7,399,750	\$ 7,561,530	\$ 161,780
Fire Service Grant	149,026	156,813	149,000	156,000	7,000
Wireless E911 State Funds	238,473	253,998	174,000	174,000	-
Emergency Response Prog	30,000	30,000	30,000	30,000	-
Emergency Medical Svc	34,076	35,058	34,260	34,260	-
Emergency Svcs Grant	27,013	27,013	27,020	27,020	-
Dept of Juvenile Justice	1,369,307	1,441,921	1,369,300	1,473,420	104,120
Juvenile & Domestic Rel	7,336	7,454	6,500	7,400	900
Library	151,058	158,297	151,000	162,680	11,680
National Guard Maint	14,291	10,385	15,000	14,000	(1,000)
Totals	\$ 8,656,215	\$ 8,682,752	\$ 9,355,830	\$ 9,640,310	\$ 284,480
Revenues: Categorical Aid - Federal					
Federal Aid - CARES Act	\$ -	\$ -	\$ 69,000	\$ -	\$ (69,000)
Totals	\$ -	\$ -	\$ 69,000	\$ -	\$ (69,000)

FY 2022 Adopted Budget
General Fund
Revenues – Interfund Transfers

This interfund transfers from the five Utility Funds represent 13.7% 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 2022 Adopted Budget reflects an increase for the next two years.

Transfer In Telecommun	81,000	81,000	81,000	81,000	-
Transfer In Capital Projects (Casino Rev)	-	-	-	200,000	200,000
Totals	\$ 14,848,000	\$ 15,353,000	\$ 15,353,000	\$ 15,709,000	\$ 356,000

FY 2022 Adopted 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 2022 Adopted Budget does not include a transfer from the unreserved fund balance.

	FY 2019 Actual	FY 2020 Actual	FY 2021 Adopted	FY 2022 Adopted	Increase/ (Decrease)
Revenues:					
Transfer From Unreserved FB	\$ -	\$ -	\$ 3,957,610	\$ -	\$ (3,957,610)
Totals	\$ -	\$ -	\$ 3,957,610	\$ -	\$ (3,957,610)