

Revenues - General Property Tax

Fiscal Year 2025 Operating Budget

Description

The property tax is one of the major revenue sources for the General Fund. It provides approximately 26% of the General Fund's revenues.

Real Estate Tax: The proposed budget includes a 1 cent reduction to the current tax of 84 cents per hundred dollar valuation to tax rate is 83 cents per hundred dollar valuation. The City reassesses all property bi-annually. This category reflects natural growth.

Personal Property Tax: The proposed budget includes a 15 cent reduction to the current tax rate of \$3.60 per hundred dollar valuation to \$3.45 per hundred dollar valuation.

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.

ACTUAL			ADOPTED BUDGET		Increase/ (Decrease)
	FY2022	FY2023	FY2024	FY2025	
Revenues					
Real Estate Tax	\$19,417,803	\$20,020,012	\$19,900,000	\$22,268,240	\$2,368,240
Personal Property Tax	\$13,670,357	\$14,515,473	\$14,847,910	\$17,009,440	\$2,161,530
Machine & Tools Tax	\$1,734,581	\$1,646,597	\$1,802,500	\$1,955,000	\$152,500
Public Service Taxes	\$534,874	\$585,193	\$577,000	\$646,000	\$69,000
Regional Partnership	\$180,825	\$272,082	\$350,000	\$355,600	\$5,600
Penalties & Interest	\$826,205	\$968,474	\$825,000	\$914,000	\$89,000
Other Property Tax	\$274,887	\$323,425	\$328,320	\$331,000	\$2,680
REVENUES TOTAL	\$36,639,531	\$38,331,258	\$38,630,730	\$43,479,280	\$4,848,550

Revenues - Other Local Taxes

Fiscal Year 2025 Operating Budget

Description

Other Local Taxes is comprised of eight major revenues and represents approximately 40% of General Fund Revenues.

Local Casino Tax: This tax is comprised of two components: (1) a minimum guaranteed local share paid directly to the City and (2) a portion of the casino gaming tax collected by the Commonwealth and then remitted back to the City.

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% of the cost of meals and/or drinks.

Hotel/Motel Tax: These revenues are comprised of a tax rate of 8% plus \$2.00 per day. A \$1 increase of the occupancy tax to \$3 per day is proposed.

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).

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.

	ACTUAL		ADOPTED BUDGET		Increase/ (Decrease)
	FY2022	FY2023	FY2024	FY2025	
Revenues					
Local Casino Tax	–	\$2,623,179	\$13,000,000	\$25,000,000	\$12,000,000
Local Sales Tax	\$10,927,394	\$11,968,885	\$11,400,000	\$13,000,000	\$1,600,000
Business & Occupancy License	\$5,928,912	\$6,971,553	\$6,800,000	\$7,642,000	\$842,000
Prepared Meals Tax	\$10,349,788	\$11,279,539	\$10,867,220	\$12,100,000	\$1,232,780
Utility Consumption Tax	\$183,982	\$175,770	\$180,000	\$180,000	\$0
Consumer Utility Tax	\$754,041	\$760,260	\$750,000	\$750,000	\$0
Hotel/Motel Tax	\$2,163,777	\$2,707,221	\$2,467,230	\$3,525,000	\$1,057,770
Auto License Registration	\$984,655	\$1,067,734	\$1,000,000	\$1,025,000	\$25,000
Bank Stock Tax	\$1,022,661	\$1,044,678	\$1,000,000	\$1,100,000	\$100,000
Other Local Taxes	\$582,386	\$590,470	\$485,980	\$630,800	\$144,820
REVENUES TOTAL	\$32,897,597	\$39,189,289	\$47,950,430	\$64,952,800	\$17,002,370

Revenues - License, Permits, Privilege

Fiscal Year 2025 Operating Budget

Description

This group of revenues is directly linked to the local economy and reflects growth within the community.

	ACTUAL		ADOPTED BUDGET		Increase/ (Decrease)
	FY2022	FY2023	FY2024	FY2025	
Revenues					
Inspection Fees	\$621,902	\$432,530	\$329,920	\$412,540	\$82,620
Short Term Rental Permits	-	-	-	\$10,500	\$10,500
Concealed Weapon Permits	\$18,155	\$19,684	\$20,000	\$20,000	\$0
Dog Tags	\$11,786	\$10,131	\$11,780	\$10,000	-\$1,780
Stormwater Permit Fees	\$13,325	\$25,114	\$12,500	\$20,000	\$7,500
Planning Commission Fees	\$7,200	\$11,700	\$10,800	\$26,400	\$15,600
Other Fees and Permits	\$23,157	\$25,138	\$39,040	\$71,620	\$32,580
REVENUES TOTAL	\$695,525	\$524,297	\$424,040	\$571,060	\$147,020

Revenues - Fines and Forfeitures

Fiscal Year 2025 Operating Budget

Description

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

	ACTUAL	ADOPTED BUDGET		ADOPTED BUDGET	
	FY2022	FY2023	FY2024	FY2025	Increase/ (Decrease)
Revenues					
General District Court	\$152,296	\$140,014	\$200,000	\$135,000	-\$65,000
Circuit Court	\$4,319	\$5,060	\$6,100	\$6,000	-\$100
Courthouse Security	\$32,529	\$29,282	\$37,900	\$40,000	\$2,100
Court Cost - Bldg Maint	\$13,244	\$12,915	\$13,240	\$14,000	\$760
Court Cost - Law Library	\$16,993	\$18,214	\$25,000	\$25,000	\$0
Parking Tickets	\$20,217	\$4,980	\$15,870	\$16,000	\$130
Other Fines	\$56,214	\$42,446	\$22,130	\$22,000	-\$130
REVENUES TOTAL	\$295,813	\$252,910	\$320,240	\$258,000	-\$62,240

Revenues - Revenue From Use of Money and Property

Fiscal Year 2025 Operating Budget

Description

This group of revenues provides approximately 2% 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.

	ACTUAL		ADOPTED BUDGET		Increase/ (Decrease)
	FY2022	FY2023	FY2024	FY2025	
Revenues					
Interest on Investments	\$870,747	\$2,448,146	\$1,538,840	\$2,817,560	\$1,278,720
Rental Income	\$354,437	\$360,892	\$333,190	\$356,060	\$22,870
Concession Rentals	\$74,222	\$69,192	\$85,530	\$76,430	-\$9,100
Sale - Salvage & Surplus	\$8,270	\$6,576	\$10,710	\$5,000	-\$5,710
REVENUES TOTAL	\$1,307,676	\$2,884,806	\$1,968,270	\$3,255,050	\$1,286,780

Revenues - Charges for Services

Fiscal Year 2025 Operating Budget

Description

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.

ACTUAL		ADOPTED BUDGET		ADOPTED BUDGET	
	FY2022	FY2023	FY2024	FY2025	Increase/ (Decrease)
Revenues					
Court Fees	\$21,469	\$23,646	\$24,450	\$25,600	\$1,150
Charges for Detention	\$1,862,390	\$1,938,009	\$2,688,350	\$2,975,600	\$287,250
Charges for Collection	\$57,009	\$76,049	\$57,000	\$71,500	\$14,500
Recreation Fees	\$164,369	\$220,199	\$304,300	\$349,515	\$45,215
Fire Fees	\$1,550	\$974	\$14,800	\$2,500	-\$12,300
Other Charges for Services	\$34,164	\$12,703	\$8,960	\$9,000	\$40
REVENUES TOTAL	\$2,140,950	\$2,271,579	\$3,097,860	\$3,433,715	\$335,855

Revenues - Miscellaneous Revenues

Fiscal Year 2025 Operating Budget

Description

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.

ACTUAL		ADOPTED BUDGET		ADOPTED BUDGET	
	FY2022	FY2023	FY2024	FY2025	Increase/ (Decrease)
Revenues					
Gain on Disposal of Property	\$449	\$2,323	\$0	–	\$0
Private Gifts & Donations	\$92,067	\$89,626	\$0	\$0	\$0
Unanticipated Grants	–	–	\$0	–	\$0
Skilled Gaming Revenue	\$34,704	–	\$0	–	\$0
Other Miscellaneous Revenue	\$375,558	\$562,242	\$26,000	\$225,100	\$199,100
REVENUES TOTAL	\$502,778	\$654,192	\$26,000	\$225,100	\$199,100

Revenues - Recovered Costs

Fiscal Year 2025 Operating Budget

Description

This major revenue group provides approximately 6% of General Fund revenues.

Enterprise Funds: These revenues represent recovery of administrative costs from the City's five utility funds. 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.

ACTUAL		ADOPTED BUDGET		ADOPTED BUDGET	
	FY2022	FY2023	FY2024	FY2025	Increase/ (Decrease)
Revenues					
Enterprise Funds	\$4,779,540	\$5,043,567	\$5,286,310	\$5,572,710	\$286,400
Recovered Cost	\$3,319,872	\$3,540,992	\$3,610,760	\$4,159,620	\$548,860
REVENUES TOTAL	\$8,099,412	\$8,584,559	\$8,897,070	\$9,732,330	\$835,260

Revenues - Non-Categorical Aid State

Fiscal Year 2025 Operating Budget

Description

This major revenue group provides approximately 3% 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 FY2025 toward the operation and maintenance of the Visitor Center.



Revenues - Categorical Aid State Shared

Fiscal Year 2025 Operating Budget

Description

This revenue group provides approximately 4% 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 City also provides a supplement for most of the personnel.

	ACTUAL		ADOPTED BUDGET		Increase/ (Decrease)
	FY2022	FY2023	FY2024	FY2025	
Revenues					
Sheriff	\$3,612,313	\$3,762,284	\$3,889,530	\$4,400,290	\$510,760
Commonwealth Attorney	\$999,125	\$1,037,883	\$1,149,520	\$1,314,010	\$164,490
Clerk of Circuit Court	\$560,789	\$601,247	\$633,190	\$676,670	\$43,480
Commissioner of Revenue	\$169,316	\$179,652	\$191,400	\$216,560	\$25,160
Treasurer	\$138,617	\$147,743	\$157,410	\$188,300	\$30,890
Registrar/Electoral Board	\$76,904	\$82,163	\$0	\$0	\$0
REVENUES TOTAL	\$5,557,063	\$5,810,972	\$6,021,050	\$6,795,830	\$774,780

Revenues - Categorical Aid State

Fiscal Year 2025 Operating Budget

Description

This revenue group provides approximately 6% of General Fund revenue and provides funding for a variety of functions. There majority categories as follows:

Welfare: This revenue source provides approximately 80% of the operating cost for the Social Services office.

Department 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.

ACTUAL		ADOPTED BUDGET		ADOPTED BUDGET	
	FY2022	FY2023	FY2024	FY2025	Increase/ (Decrease)
Revenues					
Categorical Aid State					
Welfare Admin-Serv/Elg	\$4,955,044	\$5,232,081	\$5,500,000	\$5,434,700	-\$65,300
Public Assistance	\$1,471,887	\$1,204,780	\$2,500,000	\$2,000,000	-\$500,000
Fire Service Grant	\$174,265	\$170,876	\$165,000	\$165,000	\$0
Wireless E911 State Funds	\$316,590	\$286,505	\$174,000	\$294,000	\$120,000
Emergency Response Program	\$30,000	\$30,000	\$30,000	\$30,000	\$0
Emergency Medical Services	\$35,392	\$36,697	\$19,600	\$37,130	\$17,530
Emergency Sevices Grant	\$27,013	\$27,013	\$27,020	\$27,000	-\$20
Dept of Juvenile Jus Block Gt	\$1,505,309	\$1,591,589	\$1,588,200	\$1,588,200	\$0
Dept of Juv Justice-CAP Prog	\$8,925	\$50,441	\$31,500	\$48,000	\$16,500
Juvenile & Domestic Relations	\$5,815	\$5,532	\$6,500	\$6,000	-\$500
Library	\$172,098	\$195,211	\$196,290	\$230,345	\$34,055
National Guard Armory - Maint	\$11,408	\$11,444	\$12,000	\$12,000	\$0
Categorical State Aid Other	\$17,122	\$11,260	\$0	\$0	\$0
CATEGORICAL AID STATE TOTAL	\$8,730,869	\$8,853,431	\$10,250,110	\$9,872,375	-\$377,735
REVENUES TOTAL	\$8,730,869	\$8,853,431	\$10,250,110	\$9,872,375	-\$377,735

Revenues - Interfund Transfers

Fiscal Year 2025 Operating Budget

Description

This interfund transfers from the five Utility Funds represent approximately 9% 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.

ACTUAL			ADOPTED BUDGET		ADOPTED BUDGET				
FY2022			FY2023		FY2024		FY2025		Increase/ (Decrease)
Revenues									
Transfers In									
Transfer in - Comm Dev	–	\$8,500			\$0		–	\$0	
Transfer in - Special Revenue	–	–			–		\$0	\$0	
Transfer In - Capital Projects	\$873,603	\$200,000			\$0		\$0	\$0	
Transfer in from Wastewater	\$705,760	\$705,760			\$705,760		\$705,760	\$0	
Transfer in from Water	\$953,300	\$953,300			\$966,300		\$966,300	\$0	
Transfer in from Gas	\$3,196,330	\$3,196,330			\$3,199,330		\$3,199,330	\$0	
Transfer in from Power& Light	\$10,572,610	\$10,572,610			\$10,635,610		\$10,635,610	\$0	
Transfer in from Telecom	\$81,000				\$81,000		\$81,000	\$0	
TRANSFERS IN TOTAL	\$16,382,603	\$15,717,500			\$15,588,000		\$15,588,000	\$0	
REVENUES TOTAL	\$16,382,603	\$15,717,500			\$15,588,000		\$15,588,000	\$0	

Revenues - Transfer From Fund Balance

Fiscal Year 2025 Operating Budget

Description

Per the City's Financial Policies, unassigned and unrestricted fund balances in excess of established minimum levels may be appropriated by Council for nonrecurring expenditures such as unanticipated budget shortfalls, economic development incentive payments, special projects, acquisition of real property, capital purchases, local matches for grants, pre-payment of existing debt, prepayment of equipment maintenance contracts, and one-time employee pay bonuses. Except during periods of economic recession or under unusual circumstances, excess funds will not be used to support routine operating expenditures.

For FY 2025, an appropriation from General Fund Balance will be used to support various capital and special projects.

	ACTUAL		ADOPTED BUDGET		ADOPTED BUDGET
	FY2022	FY2023	FY2024	FY2025	
Revenues					Increase/ (Decrease)
Transfer from Fund Balance	-	-	\$1,145,550	\$832,170	-\$313,380
REVENUES TOTAL	-	-	\$1,145,550	\$832,170	-\$313,380