# Lynchburg City Council – Budget Retreat

Tuesday, January 26, 2021 – 2:00 P.M.
The Aviary – 400 Grove Street, Lynchburg, VA 24501

1. Discussion of local economic trends – Commissioner of the Revenue & City Assessor – 1 hour
2. Break – 10 minutes
3. Revenue Discussion – Chief Financial Officer – 45 minutes
4. Break – 10 minutes
5. Budget Priorities Discussion – Interim City Manager – 1 hour

# MLA, Sales & Use Tax Trend

Commissioner of the Revenue

Jan 2021

# SALES TAX

| TOP 20 SALES TAX PRODUCERS | | | | | | | | | | JUL-DEC | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Rank** | **Producers** | **Type** | **2017** | **2018** | **Var $** | **Var %** | **2019** | **Var $** | **Var %** | **2020** | **Var $** | **Var %** |
| 1 | BUSINESS 1 | R | 696,806 | 736,448 | 39,642 | 5.7% | 835,819 | 99,370 | 13.5% | 774,156 | (61,663) | -7.4% |
| 2 | BUSINESS 2 | R | 463,120 | 460,141 | (2,979) | -0.6% | 459,302 | (838) | -0.2% | 480,118 | 20,816 | 4.5% |
| 3 | BUSINESS 3 | R | 317,684 | 317,736 | 52 | 0.0% | 322,702 | 4,966 | 1.6% | 351,455 | 28,753 | 8.9% |
| 4 | BUSINESS 4 | R | 201,511 | 211,088 | 9,578 | 4.8% | 210,012 | (1,076) | -0.5% | 278,829 | 68,817 | 32.8% |
| 5 | BUSINESS 5 | R | 195,242 | 213,919 | 18,678 | 9.6% | 205,733 | (8,187) | -3.8% | 237,157 | 31,425 | 15.3% |
| 6 | BUSINESS 6 | R | 139,424 | 194,200 | 54,776 | 39.3% | 202,240 | 8,040 | 4.1% | 194,447 | (7,793) | -3.9% |
| 7 | BUSINESS 7 | M | 78,859 | 139,939 | 61,080 | 77.5% | 129,676 | (10,264) | -7.3% | 319,613 | 189,937 | 146.5% |
| 8 | BUSINESS 8 | R | 136,792 | 155,375 | 18,583 | 13.6% | 151,664 | (3,711) | -2.4% | 194,808 | 43,144 | 28.4% |
| 9 | BUSINESS 9 | R | 128,830 | 123,764 | (5,066) | -3.9% | 129,726 | 5,962 | 4.8% | 101,173 | (28,554) | -22.0% |
| 10 | BUSINESS 10 | R | 98,131 | 129,128 | 30,998 | 31.6% | 88,260 | (40,868) | -31.6% | 125,134 | 36,873 | 41.8% |
| 11 | BUSINESS 11 | W | 92,277 | 77,490 | (14,787) | -16.0% | 87,487 | 9,998 | 12.9% | 103,324 | 15,837 | 18.1% |
| 12 | BUSINESS 12 | R | 66,568 | 73,161 | 6,593 | 9.9% | 72,184 | (977) | -1.3% | 61,541 | (10,643) | -14.7% |
| 13 | BUSINESS 13 | M | 55,251 | 57,126 | 1,875 | 3.4% | 77,083 | 19,957 | 34.9% | 79,121 | 2,038 | 2.6% |
| 14 | BUSINESS 14 | R | 78,117 | 76,978 | (1,139) | -1.5% | 72,323 | (4,654) | -6.0% | 39,132 | (33,191) | -45.9% |
| 15 | BUSINESS 15 | R | 54,677 | 58,406 | 3,729 | 6.8% | 58,734 | 329 | 0.6% | 73,210 | 14,476 | 24.6% |
| 16 | BUSINESS 16 | R | 49,306 | 52,364 | 3,057 | 6.2% | 59,025 | 6,662 | 12.7% | 61,368 | 2,343 | 4.0% |
| 17 | BUSINESS 17 | W | 48,369 | 56,270 | 7,901 | 16.3% | 58,775 | 2,506 | 4.5% | 56,475 | (2,300) | -3.9% |
| 18 | BUSINESS 18 | R | 54,551 | 47,665 | (6,886) | -12.6% | 47,274 | (390) | -0.8% | 61,993 | 14,719 | 31.1% |
| 19 | BUSINESS 19 | R | 43,768 | 43,839 | 71 | 0.2% | 43,468 | (370) | -0.8% | 61,034 | 17,565 | 40.4% |
| 20 | BUSINESS 20 | R | 41,035 | 41,345 | 309 | 0.8% | 53,691 | 12,346 | 29.9% | 54,783 | 1,092 | 2.0% |
| | **TOP 20** | | **3,040,317** | **3,266,382** | **226,065** | **7.4%** | **3,365,181** | **98,799** | **3.0%** | **3,708,870** | **343,690** | **10.2%** |
| | As % Sales Tax | | 43.9% | 45.6% | | | 45.4% | | | 49.0% | | |
| | **Sales Tax** | | **6,933,242** | **7,164,011** | **230,769** | **3.3%** | **7,411,874** | **247,863** | **3.5%** | **7,570,618** | **158,744** | **2.1%** |

# SALES TAX

| Rank | Producers | Type | 2017 | 2018 | Var $ | Var % | 2019 | Var $ | Var % | 2020 | Var $ | Var % |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | TOP 20 SALES TAX PRODUCERS | | | | | | | | | MAR-JUN | | |
| 1 | BUSINESS 1 | R | 417,835 | 449,063 | 31,227 | 7.5% | 525,399 | 76,336 | 17.0% | 486,586 | (38,814) | -7.4% |
| 2 | BUSINESS 2 | R | 270,971 | 263,216 | (7,755) | -2.9% | 259,232 | (3,983) | -1.5% | 319,383 | 60,151 | 23.2% |
| 3 | BUSINESS 3 | R | 201,090 | 201,781 | 692 | 0.3% | 205,831 | 4,050 | 2.0% | 235,642 | 29,811 | 14.5% |
| 4 | BUSINESS 4 | R | 170,541 | 177,346 | 6,805 | 4.0% | 176,066 | (1,281) | -0.7% | 221,655 | 45,589 | 25.9% |
| 5 | BUSINESS 5 | R | 101,046 | 112,406 | 11,360 | 11.2% | 119,054 | 6,648 | 5.9% | 151,960 | 32,906 | 27.6% |
| 6 | BUSINESS 6 | R | 108,495 | 115,830 | 7,335 | 6.8% | 118,087 | 2,257 | 1.9% | 120,165 | 2,078 | 1.8% |
| 7 | BUSINESS 7 | R | 77,018 | 95,008 | 17,990 | 23.4% | 112,142 | 17,133 | 18.0% | 133,713 | 21,572 | 19.2% |
| 8 | BUSINESS 8 | M | 97,775 | 56,801 | (40,974) | -41.9% | 89,048 | 32,247 | 56.8% | 113,348 | 24,300 | 27.3% |
| 9 | BUSINESS 9 | R | 68,967 | 71,619 | 2,652 | 3.8% | 75,697 | 4,077 | 5.7% | 93,077 | 17,380 | 23.0% |
| 10 | BUSINESS 10 | W | 60,852 | 70,137 | 9,285 | 15.3% | 68,150 | (1,987) | -2.8% | 59,316 | (8,834) | -13.0% |
| 11 | BUSINESS 11 | R | 67,109 | 67,623 | 514 | 0.8% | 63,335 | (4,288) | -6.3% | 30,127 | (33,208) | -52.4% |
| 12 | BUSINESS 12 | M | 44,295 | 44,042 | (253) | -0.6% | 43,029 | (1,013) | -2.3% | 50,857 | 7,829 | 18.2% |
| 13 | BUSINESS 13 | R | 38,110 | 38,319 | 209 | 0.5% | 46,791 | 8,472 | 22.1% | 44,054 | (2,737) | -5.8% |
| 14 | BUSINESS 14 | W | 31,814 | 41,226 | 9,412 | 29.6% | 42,519 | 1,293 | 3.1% | 42,811 | 293 | 0.7% |
| 15 | BUSINESS 15 | R | 39,276 | 42,369 | 3,092 | 7.9% | 54,245 | 11,876 | 28.0% | 17,340 | (36,905) | -68.0% |
| 16 | BUSINESS 16 | R | 44,895 | 44,638 | (257) | -0.6% | 42,330 | (2,309) | -5.2% | 13,574 | (28,756) | -67.9% |
| 17 | BUSINESS 17 | R | 31,295 | 36,846 | 5,551 | 17.7% | 39,608 | 2,762 | 7.5% | 36,278 | (3,330) | -8.4% |
| 18 | BUSINESS 18 | R | 26,393 | 27,323 | 930 | 3.5% | 32,671 | 5,348 | 19.6% | 35,100 | 2,429 | 7.4% |
| 19 | BUSINESS 19 | M | 25,194 | 49,989 | 24,795 | 98.4% | 20,675 | (29,314) | -58.6% | 22,990 | 2,315 | 11.2% |
| 20 | BUSINESS 20 | M | 31,758 | 27,836 | (3,921) | -12.3% | 25,957 | (1,879) | -6.8% | 29,213 | 3,256 | 12.5% |
| | **TOP 20** | | **1,954,730** | **2,033,419** | **78,689** | **4.0%** | **2,159,864** | **126,445** | **6.2%** | **2,257,190** | **97,326** | **4.5%** |
| | As % Sales Tax | | 42.2% | 44.3% | | | 44.8% | | | 52.1% | | |
| | **Sales Tax** | | **4,630,224** | **4,591,845** | **(38,379)** | **-0.8%** | **4,825,184** | **233,339** | **5.1%** | **4,329,452** | **(495,732)** | **-10.3%** |

# USE TAX

| | TOP 5 USE TAX PRODUCERS | | | | | | | | JUL-DEC | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Rank** | **Producers** | **2017** | **2018** | **Var $** | **Var %** | **2019** | **Var $** | **Var %** | **2020** | **Var $** | **Var %** |
| 1 | BUSINESS 1 | 57,208 | 68,325 | 11,118 | 19.4% | 194,162 | 125,836 | 184.2% | 278,910 | 84,748 | 43.6% |
| 2 | BUSINESS 2 | - | 132,966 | 132,966 | #DIV/0! | - | (132,966) | -100.0% | - | - | #DIV/0! |
| 3 | BUSINESS 3 | 16,284 | 17,841 | 1,557 | 9.6% | 21,978 | 4,137 | 23.2% | 42,315 | 20,337 | 92.5% |
| 4 | BUSINESS 4 | 10,375 | 12,561 | 2,185 | 21.1% | 17,404 | 4,844 | 38.6% | 31,044 | 13,640 | 78.4% |
| 5 | BUSINESS 5 | 3,498 | 12,871 | 9,373 | 268.0% | 15,493 | 2,622 | 20.4% | 33,660 | 18,166 | 117.3% |
| | **TOP 5** | **87,365** | **244,564** | **157,199** | **179.9%** | **249,037** | **4,473** | **1.8%** | **385,928** | **136,891** | **55.0%** |
| | Top 5 as % Use Tax | 10.8% | 23.4% | | | 20.4% | | | 23.8% | | |
| | **Use Tax** | **812,198** | **1,043,532** | **231,334** | **28.5%** | **1,220,838** | **177,306** | **17.0%** | **1,618,689** | **397,851** | **32.6%** |

| | TOP 5 USE TAX PRODUCERS | | | | | | | | MAR-JUN | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Rank** | **Producers** | **2017** | **2018** | **Var $** | **Var %** | **2019** | **Var $** | **Var %** | **2020** | **Var $** | **Var %** |
| 1 | BUSINESS 1 | 29,073 | 32,717 | 3,643 | 12.5% | 37,705 | 4,989 | 15.2% | 142,091 | 104,386 | 276.8% |
| 2 | BUSINESS 2 | - | - | - | #DIV/0! | - | - | #DIV/0! | 63,938 | 63,938 | #DIV/0! |
| 3 | BUSINESS 3 | 5,483 | 6,663 | 1,180 | 21.5% | 7,757 | 1,095 | 16.4% | 26,733 | 18,976 | 244.6% |
| 4 | BUSINESS 4 | 15,847 | 13,735 | (2,112) | -13.3% | 2,561 | (11,173) | -81.4% | 8,922 | 6,361 | 248.3% |
| 5 | BUSINESS 5 | 3,631 | 7,656 | 4,025 | 110.9% | 7,222 | (434) | -5.7% | 15,523 | 8,301 | 114.9% |
| | **TOP 5** | **54,034** | **60,770** | **6,736** | **12.5%** | **55,246** | **(5,524)** | **-9.1%** | **257,208** | **201,962** | **365.6%** |
| | Top 5 as % Use Tax | 10.3% | 10.1% | | | 10.2% | | | 25.9% | | |
| | **Use Tax** | **522,199** | **603,261** | **81,062** | **15.5%** | **543,496** | **(59,765)** | **-9.9%** | **993,013** | **449,517** | **82.7%** |

# MEALS TAX

| Rank | Producers | 2017 | 2018 | Var $ | Var % | 2019 | Var $ | Var % | 2020 | Var $ | Var % |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | **TOP 10 MEALS TAX PRODUCERS** | | | | | | | | **JUL-DEC** | | |
| 1 | BUSINESS 1 | 252,749 | 255,786 | 3,037 | 1.2% | 333,722 | 77,936 | 30.5% | 340,586 | 6,864 | 2.1% |
| 2 | BUSINESS 2 | 248,380 | 217,346 | (31,035) | -12.5% | 229,327 | 11,982 | 5.5% | 149,141 | (80,186) | -35.0% |
| 3 | BUSINESS 3 | 163,313 | 172,017 | 8,703 | 5.3% | 173,082 | 1,065 | 0.6% | 158,431 | (14,651) | -8.5% |
| 4 | BUSINESS 4 | 131,648 | 157,339 | 25,691 | 19.5% | 171,523 | 14,184 | 9.0% | 164,796 | (6,726) | -3.9% |
| 5 | BUSINESS 5 | 135,521 | 147,769 | 12,248 | 9.0% | 164,780 | 17,011 | 11.5% | 149,496 | (15,284) | -9.3% |
| 6 | BUSINESS 6 | 154,887 | 148,555 | (6,331) | -4.1% | 152,059 | 3,503 | 2.4% | 131,332 | (20,727) | -13.6% |
| 7 | BUSINESS 7 | 157,388 | 149,821 | (7,566) | -4.8% | 143,673 | (6,148) | -4.1% | 126,249 | (17,424) | -12.1% |
| 8 | BUSINESS 8 | 118,685 | 110,796 | (7,889) | -6.6% | 123,217 | 12,421 | 11.2% | 149,149 | 25,933 | 21.0% |
| 9 | BUSINESS 9 | 122,590 | 128,160 | 5,570 | 4.5% | 129,757 | 1,597 | 1.2% | 108,745 | (21,012) | -16.2% |
| 10 | BUSINESS 10 | 116,125 | 115,199 | (926) | -0.8% | 122,255 | 7,056 | 6.1% | 133,374 | 11,119 | 9.1% |
| | **Top 10** | **1,601,285** | **1,602,787** | **1,502** | **0.1%** | **1,743,394** | **140,607** | **8.8%** | **1,611,300** | **(132,094)** | **-7.6%** |
| | Top 10 As % of Total Tax | 21.9% | 21.5% | | | 22.4% | | | 23.2% | | |
| | **Meals Tax** | **7,295,854** | **7,448,595** | **152,741** | **2.1%** | **7,775,644** | **327,049** | **4.4%** | **6,939,593** | **(836,051)** | **-10.8%** |

| Rank | Producers | 2017 | 2018 | Var $ | Var % | 2019 | Var $ | Var % | 2020 | Var $ | Var % |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | **TOP 10 MEALS TAX PRODUCERS** | | | | | | | | **MAR-JUN** | | |
| 1 | BUSINESS 1 | 164,076 | 169,960 | 5,884 | 3.6% | 203,417 | 33,458 | 19.7% | 218,614 | 15,197 | 7.5% |
| 2 | BUSINESS 2 | 106,264 | 113,538 | 7,275 | 6.8% | 117,231 | 3,693 | 3.3% | 101,776 | (15,454) | -13.2% |
| 3 | BUSINESS 3 | 127,518 | 124,198 | (3,320) | -2.6% | 116,107 | (8,091) | -6.5% | 30,691 | (85,417) | -73.6% |
| 4 | BUSINESS 4 | 98,480 | 109,865 | 11,385 | 11.6% | 115,343 | 5,478 | 5.0% | 73,649 | (41,694) | -36.1% |
| 5 | BUSINESS 5 | 91,658 | 97,393 | 5,735 | 6.3% | 112,003 | 14,610 | 15.0% | 85,057 | (26,946) | -24.1% |
| 6 | BUSINESS 6 | 106,876 | 103,900 | (2,976) | -2.8% | 92,022 | (11,878) | -11.4% | 51,240 | (40,782) | -44.3% |
| 7 | BUSINESS 7 | 95,593 | 99,453 | 3,860 | 4.0% | 91,185 | (8,267) | -8.3% | 41,487 | (49,698) | -54.5% |
| 8 | BUSINESS 8 | 83,789 | 79,811 | (3,978) | -4.7% | 84,757 | 4,945 | 6.2% | 79,084 | (5,672) | -6.7% |
| 9 | BUSINESS 9 | 80,255 | 80,516 | 261 | 0.3% | 81,993 | 1,477 | 1.8% | 83,183 | 1,189 | 1.5% |
| 10 | BUSINESS 10 | 84,202 | 88,114 | 3,912 | 4.6% | 89,482 | 1,368 | 1.6% | 63,223 | (26,259) | -29.3% |
| | **Top 10** | **1,038,710** | **1,066,748** | **28,038** | **2.7%** | **1,103,540** | **36,792** | **3.4%** | **828,004** | **(275,536)** | **-25.0%** |
| | Top 10 As % of Total Tax | 20.7% | 20.5% | | | 20.9% | | | 23.9% | | |
| | **Meals Tax** | **5,009,565** | **5,198,710** | **189,145** | **3.8%** | **5,282,988** | **84,278** | **1.6%** | **3,469,331** | **(1,813,657)** | **-34.3%** |

# LODGING TAX

| Rank | Producers | 2017 | 2018 | Var $ | Var % | 2019 | Var $ | Var % | 2020 | Var $ | Var % |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | **TOP 5 LODGING TAX PRODUCERS** | | | | | | | | **JUL-DEC** | | |
| 1 | BUSINESS 1 | 191,091 | 181,179 | (9,913) | -5.2% | 195,024 | 13,845 | 7.6% | 80,743 | (114,281) | -58.6% |
| 2 | BUSINESS 2 | 166,757 | 150,172 | (16,584) | -9.9% | 145,146 | (5,026) | -3.3% | 101,658 | (43,488) | -30.0% |
| 3 | BUSINESS 3 | - | 133,540 | 133,540 | #DIV/0! | 163,812 | 30,271 | 22.7% | 108,257 | (55,554) | -33.9% |
| 4 | BUSINESS 4 | 107,712 | 102,592 | (5,119) | -4.8% | 96,987 | (5,606) | -5.5% | 67,609 | (29,378) | -30.3% |
| 5 | BUSINESS 5 | 101,919 | 95,520 | (6,399) | -6.3% | 83,683 | (11,838) | -12.4% | 75,890 | (7,793) | -9.3% |
| | **Top 5** | **567,479** | **663,004** | **95,525** | **16.8%** | **684,651** | **21,647** | **3.3%** | **434,157** | **(250,494)** | **-36.6%** |
| | Top 5 As % of Total Tax | 43.9% | 45.6% | | | 45.3% | | | 39.9% | | |
| | **Lodging Tax** | **1,293,457** | **1,453,600** | **1,453,600** | **#DIV/0!** | **1,512,925** | **59,325** | **4.1%** | **1,087,235** | **(425,690)** | **-28.1%** |

| Rank | Producers | 2017 | 2018 | Var $ | Var % | 2019 | Var $ | Var % | 2020 | Var $ | Var % |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | **TOP 5 LODGING TAX PRODUCERS** | | | | | | | | **MAR-JUN** | | |
| 1 | BUSINESS 1 | 91,598 | 111,624 | 20,027 | 21.9% | 105,954 | (5,670) | -5.1% | 35,622 | (70,332) | -66.4% |
| 2 | BUSINESS 2 | 98,857 | 107,465 | 8,608 | 8.7% | 99,747 | (7,718) | -7.2% | 33,627 | (66,120) | -66.3% |
| 3 | BUSINESS 3 | 59,849 | 71,216 | 11,367 | 19.0% | 65,834 | (5,382) | -7.6% | 35,591 | (30,243) | -45.9% |
| 4 | BUSINESS 4 | 66,410 | 73,945 | 7,534 | 11.3% | 66,742 | (7,202) | -9.7% | 23,436 | (43,306) | -64.9% |
| 5 | BUSINESS 5 | 54,171 | 57,318 | 3,146 | 5.8% | 64,154 | 6,836 | 11.9% | 38,261 | (25,893) | -40.4% |
| | **Top 5** | **370,886** | **421,567** | **50,682** | **13.7%** | **402,431** | **(19,136)** | **-4.5%** | **166,537** | **(235,894)** | **-58.6%** |
| | Top 5 As % of Total Tax | 48.4% | 42.6% | | | 40.9% | | | 35.8% | | |
| | **Lodging Tax** | **766,636** | **989,463** | **989,463** | **#DIV/0!** | **985,024** | **(4,439)** | **-0.4%** | **465,577** | **(519,447)** | **-52.7%** |

# AMUSEMENT TAX

| TOP 10 AMUSEMENT TAX PRODUCERS | | | | | | | | | JUL-DEC | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Rank** | **Producers** | **2017** | **2018** | **Var $** | **Var %** | **2019** | **Var $** | **Var %** | **2020** | **Var $** | **Var %** |
| 1 | BUSINESS 1 | 163,100 | 159,370 | (3,729) | -2.3% | 160,239 | 868 | 0.5% | 6,950 | (153,288) | -95.7% |
| 2 | BUSINESS 2 | 83,914 | 43,810 | (40,104) | -47.8% | 60,958 | 17,148 | 39.1% | 12,625 | (48,333) | -79.3% |
| 3 | BUSINESS 3 | 32,691 | 32,795 | 104 | 0.3% | 26,063 | (6,732) | -20.5% | 10,121 | (15,942) | -61.2% |
| 4 | BUSINESS 4 | 4,693 | 26,386 | 21,694 | 462.3% | 43,383 | 16,996 | 64.4% | 971 | (42,411) | -97.8% |
| 5 | BUSINESS 5 | 17,413 | 18,855 | 1,442 | 8.3% | 19,646 | 791 | 4.2% | 13,942 | (5,704) | -29.0% |
| 6 | BUSINESS 6 | 18,395 | 19,835 | 1,439 | 7.8% | 17,896 | (1,939) | -9.8% | 4,803 | (13,092) | -73.2% |
| 7 | BUSINESS 7 | 15,310 | 16,759 | 1,450 | 9.5% | 16,737 | (22) | -0.1% | 11,569 | (5,168) | -30.9% |
| 8 | BUSINESS 8 | - | - | - | #DIV/0! | 25,824 | 25,824 | #DIV/0! | 18,507 | (7,317) | -28.3% |
| 9 | BUSINESS 9 | 10,431 | 9,783 | (648) | -6.2% | 8,658 | (1,125) | -11.5% | 6,490 | (2,169) | -25.0% |
| 10 | BUSINESS 10 | 11,550 | 10,907 | (642) | -5.6% | 10,106 | (801) | -7.3% | - | (10,106) | -100.0% |
| | **Top 10** | **357,497** | **338,500** | **(18,997)** | **-5.3%** | **389,509** | **51,008** | **15.1%** | **85,978** | **(303,530)** | **-77.9%** |
| | Top 10 As % of Total Tax | 86.1% | 84.7% | | | 87.0% | | | 82.9% | | |
| | **Amusement Tax** | **415,322** | **399,645** | **(15,677)** | **-3.8%** | **447,518** | **47,872** | **12.0%** | **103,749** | **(343,769)** | **-76.8%** |

| TOP 10 AMUSEMENT TAX PRODUCERS | | | | | | | | | MAR-JUN | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Rank** | **Producers** | **2017** | **2018** | **Var $** | **Var %** | **2019** | **Var $** | **Var %** | **2020** | **Var $** | **Var %** |
| 1 | BUSINESS 1 | 108,029 | 146,408 | 38,379 | 35.5% | 123,440 | (22,967) | -15.7% | 7,659 | (115,782) | -93.8% |
| 2 | BUSINESS 2 | 27,976 | 22,732 | (5,245) | -18.7% | 21,028 | (1,704) | -7.5% | 3,256 | (17,772) | -84.5% |
| 3 | BUSINESS 3 | 18,436 | 17,876 | (560) | -3.0% | 18,304 | 428 | 2.4% | 4,954 | (13,350) | -72.9% |
| 4 | BUSINESS 4 | 15,743 | 22,283 | 6,540 | 41.5% | 14,892 | (7,392) | -33.2% | 2,141 | (12,751) | -85.6% |
| 5 | BUSINESS 5 | 13,621 | 13,004 | (618) | -4.5% | 12,251 | (753) | -5.8% | 2,115 | (10,136) | -82.7% |
| 6 | BUSINESS 6 | 13,459 | 12,485 | (975) | -7.2% | 12,545 | 61 | 0.5% | 1,769 | (10,776) | -85.9% |
| 7 | BUSINESS 7 | 2,819 | 7,978 | 5,159 | 183.0% | 18,202 | 10,224 | 128.1% | 2,989 | (15,213) | -83.6% |
| 8 | BUSINESS 8 | 2,573 | 13,120 | 10,546 | 409.8% | 15,053 | 1,934 | 14.7% | - | (15,053) | -100.0% |
| 9 | BUSINESS 9 | 7,140 | 6,634 | (506) | -7.1% | 7,059 | 425 | 6.4% | 1,062 | (5,997) | -85.0% |
| 10 | BUSINESS 10 | 5,929 | 5,971 | 42 | 0.7% | 6,529 | 558 | 9.3% | 1,170 | (5,359) | -82.1% |
| | **Top 10** | **215,726** | **268,490** | **52,764** | **24.5%** | **249,303** | **(19,187)** | **-7.1%** | **27,115** | **(222,188)** | **-89.1%** |
| | Top 10 As % of Total Tax | 88.1% | 92.6% | | | 91.1% | | | 70.2% | | |
| | **Amusement Tax** | **244,960** | **289,951** | **44,990** | **18.4%** | **273,555** | **(16,395)** | **-5.7%** | **38,647** | **(234,909)** | **-85.9%** |

# PERSONAL PROPERTY TAX

| | PERSONAL PROPERTY | | | | | | | JUL-DEC | | |
|---|---|---|---|---|---|---|---|---|---|---|
| **Taxes** | **2017** | **2018** | **Var $** | **Var %** | **2019** | **Var $** | **Var %** | **2020** | **Var $** | **Var %** |
| Personal Property | $15,871,702 | $16,393,431 | $521,729 | 3.29% | $17,264,806 | $871,375 | 5.05% | $17,523,870 | $259,064 | 1.48% |
| Business Personal Property | $4,924,487 | $4,956,992 | $32,505 | 0.66% | $5,167,692 | $210,700 | 4.08% | $5,483,218 | $315,526 | 5.75% |
| Machinery & Tools | $4,790,928 | $5,144,875 | $353,947 | 7.39% | $5,293,753 | $148,878 | 2.81% | $4,697,237 | -$596,516 | -11.27% |
| License Fees | $66,901 | $67,000 | $99 | 0.15% | $68,759 | $1,759 | 2.56% | $65,456 | -$3,303 | -5.05% |

# SALES & USE – MLA TAX

| SALES - MEALS, LODGING, & AMUSEMENT TAX - JULY TO DECEMBER OF FY | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Taxes** | **2017** | **2018** | **Var $** | **Var %** | **2019** | **Var $** | **Var %** | **2020** | **Var $** | **Var %** | **2021** | **Var $** | **Var %** |
| MEALS | $7,117,183 | $7,310,124 | $192,941 | 2.71% | $7,477,684 | $167,560 | 2.29% | $7,798,959 | $321,275 | 4.30% | $6,978,864 | -$820,095 | -10.52% |
| LODGING | $1,151,348 | $1,293,509 | $142,162 | 12.35% | $1,453,907 | $160,398 | 12.40% | $1,514,119 | $60,212 | 4.14% | $1,097,773 | -$416,347 | -27.50% |
| AMUSEMENT | $402,584 | $413,167 | $10,583 | 2.63% | $399,657 | -$13,510 | -3.27% | $450,245 | $50,588 | 12.66% | $104,836 | -$345,409 | -76.72% |
| SALES | $7,898,823 | $7,832,958 | -$65,865 | -0.83% | $8,226,240 | $393,282 | 5.02% | $8,655,849 | $429,608 | 5.22% | $9,302,357 | $646,508 | 7.47% |

| SALES - MEALS, LODGING, & AMUSEMENT TAX - MARCH TO JUNE OF FY | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Taxes** | **2017** | **2018** | **Var $** | **Var %** | **2019** | **Var $** | **Var %** | **2020** | **Var $** | **Var %** | **2021** | **Var $** | **Var %** |
| MEALS | $5,021,258 | $5,197,107 | $175,849 | 3.50% | $5,301,482 | $104,375 | 2.01% | $3,457,321 | -$1,844,161 | -34.79% | $0 | $0 | 0.00% |
| LODGING | $769,277 | $989,254 | $219,977 | 28.60% | $985,465 | -$3,789 | -0.38% | $466,331 | -$519,134 | -52.68% | $0 | $0 | 0.00% |
| AMUSEMENT | $241,411 | $302,887 | $61,477 | 25.47% | $274,670 | -$28,217 | -9.32% | $38,500 | -$236,170 | -85.98% | $0 | $0 | 0.00% |
| SALES | $5,233,724 | $5,223,984 | -$9,740 | -0.19% | $5,425,600 | $201,616 | 3.86% | $5,360,935 | -$64,665 | -1.19% | $0 | $0 | 0.00% |

# PANDEMIC NUMBERS???

# Lynchburg Real Estate Market Overview

Jeff Bandy, City Assessor

January 26th, 2021

# Real Estate Markets – COVID-19

- We are very early, but so far the local real estate market is holding up well overall. Long term there are many unknowns.
  - Residential Markets are very strong. Demand is significantly higher than available supply for price points below $250,000.
- According to The Long & Foster Market Minute report for December 2020 (Greater Lynchburg Housing Market- Year over Year Comparison) units sold is up (33%), active inventory is down 37%, Median Sale prices are up 20%, Days on Market (26 days) is down 46% with Months of Supply of 1.1 months down 58%.
- Another factor driving prices upward is that mortgage rates are at historically low levels. Bank Rate published 30 year fixed mortgages rates average 2.88% recently.
- Proposed residential neighborhoods are increasing in value ranges from zero to 25%. The wide range is mostly due to price points with the higher value properties (over $250K) going up
- Supply and demand are out of balance currently.

# Apartment Market

- The apartment market is also very strong. Most of the new projects that are being leased up are having no problems leasing units. Some projects are leasing more units in 2020 than they were leasing in 2019.
- Recent sales(2020) of older apartment communities indicate strong demand:
  - Walden Pond recently sold for $32.55 million which translates to $90,755/ unit. Current assessment is about 80% of sale price.
  - Dumont Apartment recently sold for $1.2 million or about $80K/unit which is about 36% more than current assessment.

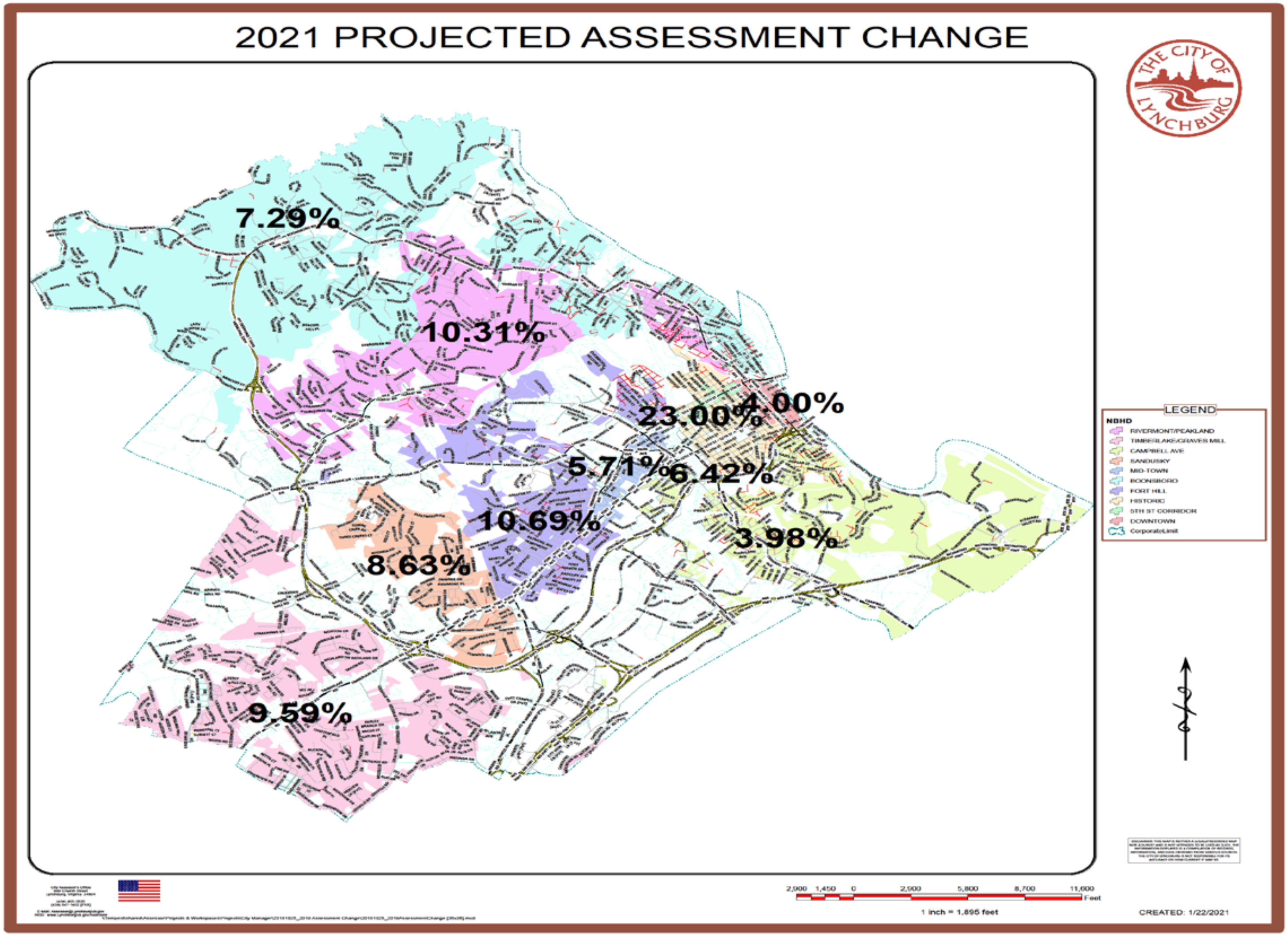
# Commercial Markets

- Commercial markets are also holding up better than expected.
  - Petsmart recently sold for $3.8 million or $199/SF; which is about 23% higher than current assessment.
  - Aaron's rentals sold for $1.525 million or $188/SF; which is 20% higher than current assessment.
- The problem areas include: hotels/extended stays, some retail/shopping centers, theaters and restaurants and office. It is too early to understand the long term affects for these property types. Most provided little if any data (I &E) surveys to help me better understand their operating positions.

# Industrial Markets

- The industrial market has also proven to be resilient. This sector never had a complete shutdown during COVID-19 and the future looks promising.
  - Porter Steel (3726 Cohen Pl) sold for $5.42 million and then resold for $7.56 million after company was bought out by May Steel. These sales are 25%- 76% higher than current assessments.
  - R R Donnelley plant recently sold ($6.75 million) to an Industrial investor from Mid-West who specializes in repositioning older industrial properties. This is a 648,000 SF plants. This type of asset typically sits vacant for years!

# Proposed Value Appreciation Map

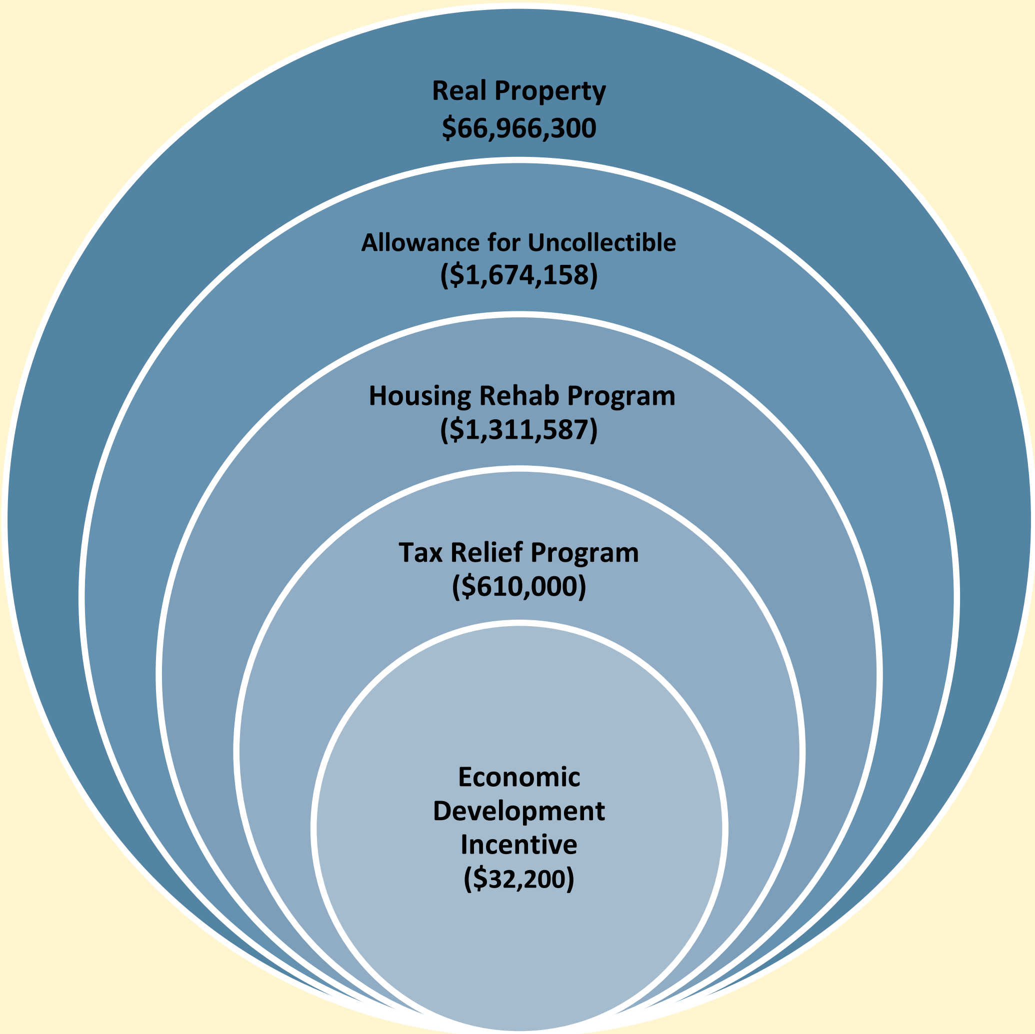



# FY 2022
# Major Revenues
# Budget Calendar

## City Council Retreat
January 26, 2021

# Major Revenue
# Net Real Property Tax

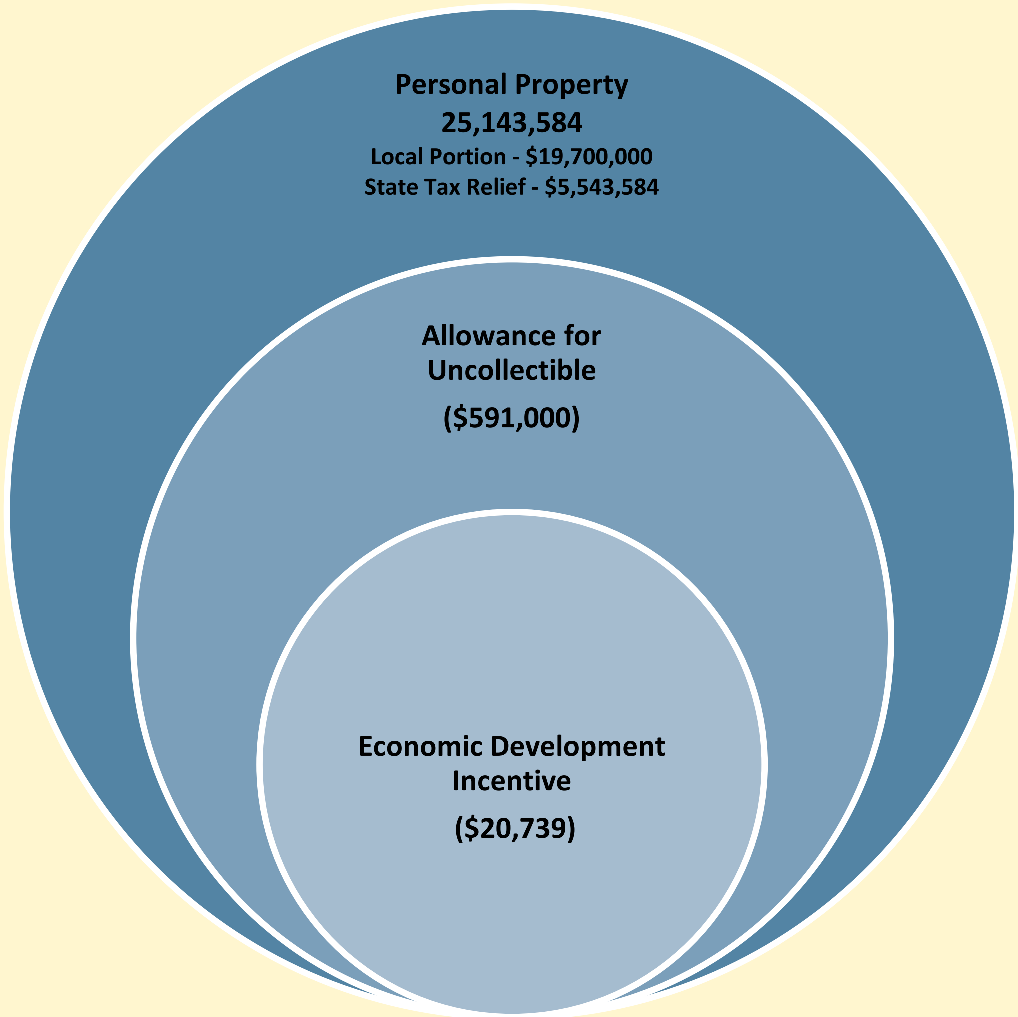
**FY 2022 $63,338,355**




Increase of 7.2% ($4,238,209) over Actual FY 2020 $59,100,146

# Major Revenue
# Net Personal Property Tax

**FY 2022 $24,631,845**




Decrease of 3.6% ($919,349) below Actual FY 2020 $25,551,194

# Major Revenues
# Motor Vehicle Licenses Tax

FY 2022 Projected $1,605,000

FY 2021 Adopted $1,605,000

FY 2020 Actual $1,647,832

Decrease of 2.6% ($42,832) below Actual FY 2020

# Major Revenues
# Net Local Sales and Use Tax

FY 2022 Projected $16,921,365

FY 2021 Adopted $15,375,944

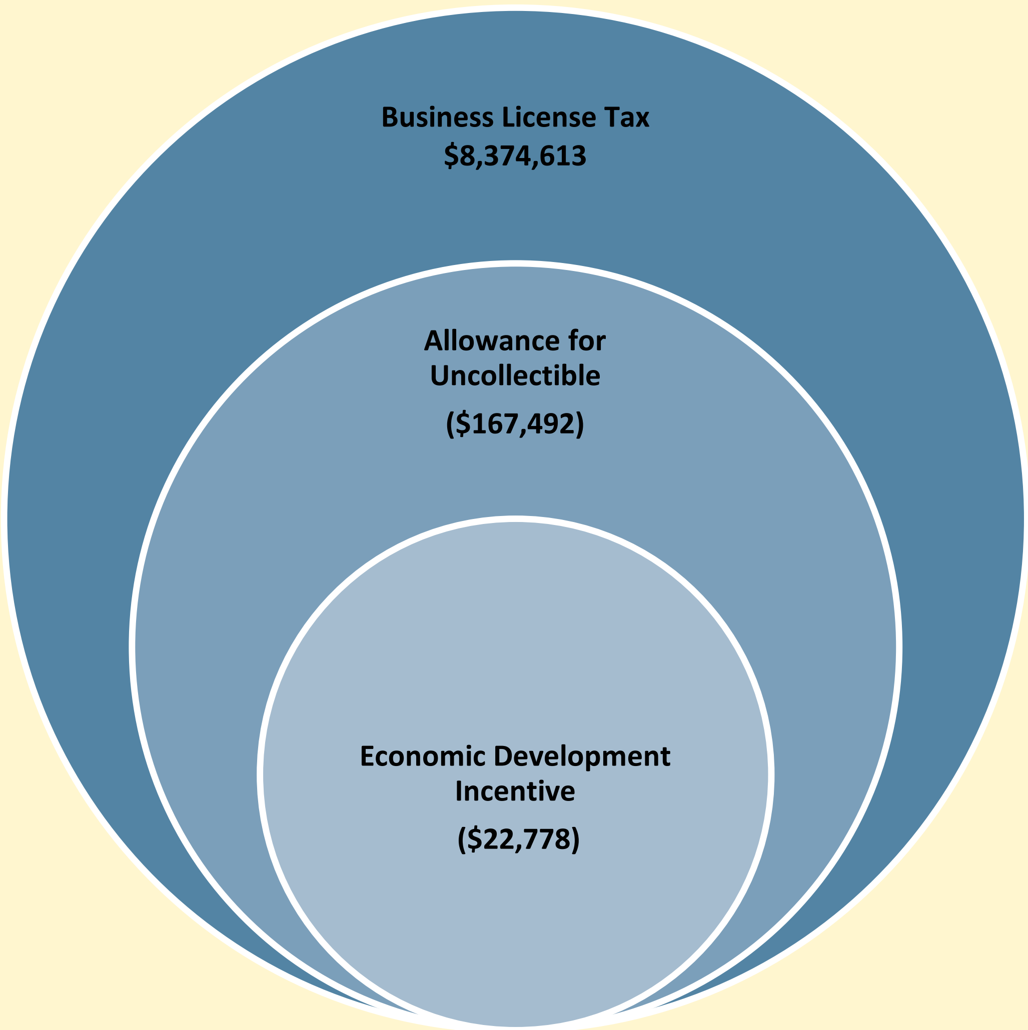
FY 2020 Actual $16,478,533

Increase of 2.7% ($442,832) over Actual FY 2020

* Net of Economic Development Incentive

# Major Revenues
# Net Business License Tax

**FY 2022 $8,184,343**




Decrease of 11.3% ($1,041,938) below Actual FY 2020

# Major Revenues
# Net Lodging Tax

FY 2022 Projected $2,077,937

FY 2021 Adopted $2,457,218

FY 2020 Actual $2,100,355

Decrease of 1.1% ($22,418) below Actual FY 2020

* Net of Economic Development Incentive

# Major Revenues
# Net Meals Tax

FY 2022 Projected $13,540,866

FY 2021 Adopted $14,673,465

FY 2020 Actual $13,456,401

Increase of 0.6% ($84,465) over Actual FY 2020

* Net of Economic Development Incentive

# Major Revenues
# Amusement Tax

FY 2022 Projected $205,201

FY 2021 Adopted $795,190

FY 2020 Actual $624,430

Decrease of 67.1% ($419,229) below Actual FY 2020

# FY 2022 Budget Calendar

| | | |
|---|---|---|
| **March 9, 2021** | 4 - 6 PM | Regular Council Work Session - City Manager Introduces FY 2022 Proposed Budget and Begin Budget Review |
| **March 16, 2021** | 4 - 6 PM | Council Budget Work Session - Continue to review FY 2022 Proposed Budget |
| **March 23, 2021** | 4 - 6 PM | Regular Council Work Session - Continue to review FY 2022 Proposed Budget |
| **March 30, 2021** | 7 PM | FY 2022 Budget Public Hearing |
| **April 6, 2021** | 4 - 6 PM | Council Budget Work Session - Continue to review FY 2022 Proposed Budget; Begin to review Proposed FY 2022-2026 Capital Improvement Program |
| **April 13, 2021** | 4 - 6 PM | Regular Council Work Session - Continue to review Proposed FY 2022-2026 Capital Improvement Program; Presentation of Revised FY 2022 Revenues and Expenditures |
| **April 20, 2021** | 4 - 6 PM | Council Budget Work Session - Budget Balancing |
| **April 27, 2021** | 4 - 6 PM | Regular Council Work Session - Budget Balancing |
| **May 4, 2021** | 4 - 6 PM | Council Budget Work Session - Budget Balancing |
| **May 11, 2021** | 7:30 PM | Council Meeting - First Reading of the Budget |
| **May 25, 2021** | 7:30 PM | Council Meeting - Second Reading and Adoption of the Budget |

# FY 2022 BUDGET PRIORITIES DISCUSSION

City Council Budget Retreat

January 26, 2021

# Agenda

- Purpose: Identify 3 or 4 key strategic priorities that City staff should focus on in developing the upcoming budget

- Agenda
  - Review Process
  - Review Potential Budget Priorities
  - Present Rankings from Council Members
  - Discuss Other Comments/Priorities
  - Discuss and Decide on 3 to 4 priorities

# Process So Far

- City executive team reviewed budget submissions and other strategic initiative plans and outlined 9 potential priorities for the upcoming budget year, then wrote a document explaining those priorities
- Two weeks ago, we asked Council members to review the document outlining potential budget priorities, rank them from 1 to 9 and provide any other feedback for other priorities
- We now have those results and are ready for you, to state what you want to achieve as a group
  - Before, we do that, I want to make sure we clarify what we have envisioned in each item.

# Implementation of the City-wide salary study

- Implementation of the next phase of the salary study
- Focused on direct service delivery staff members and hard-to-attract positions.
- The idea is that generally, this would be focused on the lower paid positions in the organization, though we will also be cognizant of salary compression issues, as well.
- We also have several positions that are not necessarily lower paid, but are extremely difficult to fill at the present rates of pay.

# Diversity, Equity, and Inclusion

- This priority would focus resources on the appointment of a Chief DEI Officer, at the C-Suite level, (leading to a supportive Office of DEI).
- Resources, policy direction, and ideological reinforcement from leadership must also be in place and funding would be made available for training the City's workforce.
- The Chief DEI Officer will work to suggest plans for greater implementation of DEI principles and identify initiatives that an Office of DEI will implement in order to benefit the City organization based on best-practices.

# Public Safety Staffing Plan

- City Council has received presentations regarding staffing needs in our public safety function.
  - The Police Department has indicated a need for 25 additional officers
  - Fire Department has a need for 14 additional Firefighters, and
  - Emergency Services needs an additional 4 communications officers.
- Non-sworn positions that have been requested in these departments, but this priority area would focus primarily on the direct service delivery functions of these departments.
- This year, we would begin with a smaller contingent of added staff.

# Public Education

- Lynchburg City Schools will forward requests for funding that are designed to innovate and improve on the success we’ve seen and provide targeted interventions to address student achievement and opportunity, while being a competitive employer for their most critical resource: teachers.
- We know they are crafting budget proposals that would address COVID challenges and provide more flexibility and options to families, with the intent of providing more options for students who are not in the system.

# Refuse Collection Personnel

- There is a need for additional personnel in the Refuse Division.
- We utilized CARES funds to add two additional “knuckleboom” trucks to the fleet and have since been using Public Works staff from other divisions to assist in collection of these materials.
- This has come at the cost of other functions not being completed in as timely a manner.
- Addition of two full time refuse collection employees to staff the knuckleboom trucks, allowing these units to be used full time.

# Refuse Collection Fleet

- This priority would include the purchase of one additional refuse collection truck in order to create a reserve refuse collection fleet.
- There are presently no reserve refuse trucks, so when one truck goes down for maintenance or breakdown, that route must be completed by the rest the remainder of the crews.
- We were able to procure two additional trucks with CARES funds.
- Presently, there are six daily routes and six corresponding trucks in service every day. Having three reserve trucks would allow us to ensure that we are maintaining all of our vehicles and keeping them in service every day.

# Litter Control

- Funding for litter control on City streets and along City streams, where appropriate.
- This could be based on the Neighborhood Caretaker program or hiring a private company to assist with litter control and beautification efforts in and around neighborhoods.
- This will both improve the appearance of the City and reduce the environmental impacts of our urban environment.

# Poverty Reduction Strategic Plan

- Task Forces have been effective in building community buy-in and building an understanding of the need to address poverty concerns in our community.
- Now time to re-assess this effort and conduct a new planning exercise with a multi-decade perspective towards improving quality of life for people in our community.
- This priority would provide funding for a community wealth building (poverty reduction) strategic action plan, utilizing experts in this field to identify policies and programs that help to increase income and reduce barriers to economic independence in our community.

# Parks and Rec Programming/Public Spaces

- COVID-19 has reintroduced many in our community to the wonderful public spaces we have available. With the addition of available spaces, funding to support adequate staff and industry technologies are imperative.
- Some specific matters related to this priority include:
  - Reopening the Miller Park pool (restoration of aquatics budget)
  - Extending trails, providing access to public internet,
  - Working to keep these areas safe for employees and patrons.
  - Extension of Recreational Specialist positions at the College Hill Neighborhood Center, and
  - Assuring appropriate facility maintenance staff

# Ranking (low score is higher rank)

| Rank | Item | Average Score |
|---|---|---|
| 1 | Public Safety Staffing Plan | 1.40 |
| 2 | Public School Funding | 2.60 |
| 3 | City-wide Salary Study Implementation | 4.60 |
| 4 | Refuse Staffing | 4.75 |
| 5 | DEI | 4.80 |
| 6 | Refuse Fleet | 5.25 |
| 7 | Poverty Strategic Planning | 6.00 |
| 8 | Parks and Rec Programing and Public Spaces | 6.75 |
| 9 | Litter Control | 8.25 |

# Other Priorities or Comments

- Please identify ways to offer relief to taxpayers. Similarly, are there opportunities for cutting spending?
- I am thinking that somehow a real priority should be COVID recovery but I don't even know what that looks like at the moment since it is such a fast moving target.
- On Public Education: While this is extremely important, I think it is imprudent to undertake anything different until the Future Of Education Task Force has completed its tasks.  Perhaps the only aspect of it that I would favor is in the realm of technology and expanding internet access for all neighborhoods and city facilities.  That is an obvious necessity for schools, businesses, families and city facilities.

# Other Priorities and Comments

- On Poverty: While significant, I think the largely community based Bridges To Progress initiative should be the area of focus rather than for the City to attempt to compete or undertake parallel efforts with B2P. As you know, COVID-19 has sidetracked B2P but has a broad and talented base of leadership and support.
- On Parks and Rec: In the face of COVID-19, our City's parks and trails are an increasingly healthy and popular venue for our citizens
- On DEI: This is an important ongoing goal but I do not think it is prudent to create a new position to address this. It should be an ongoing focus of existing Human Service staff and leadership as well as every department head.
- Just a note of thanks — this is incredibly thoughtful, and I appreciate all the work the team has put in to arranging this discussion. Looking forward to Tuesday!

# A Few Points

- We need to create a common vision together; budget is the best place to start with implementation of that vision
  - We want to start budget processes from a question of policy goals, not reacting
- We haven’t talked about money yet (costs).
- Depending on resources, in order to present a balance budget, the recommended budget may:
  - Pass over a higher ranked item and fund a lower ranked item that is less expensive
  - Include funding recommendations for items that are lowers on the list if, by chance, we have enough money
- Unless Council tells us today to focus on other items or not focus on something, this is what our focus will be

# Discussion and Priority Setting