

April 19, 2022

The Second Regular April meeting of the Danville City Council was held on April 19, 2022, at 7:00 p.m. in the Council Chambers located on the Fourth Floor of the Municipal Building. The following Council Members were present: Bryant Hood, Mayor Alonzo L. Jones, Barry Mayo, Dr. Gary P. Miller, Sherman M. Saunders, J. Lee Vogler, Jr., and Madison J.R. Whittle (7). James B. Buckner and L.G. "Larry" Campbell Jr. were absent (2).

Staff Members present were: City Manager Ken F. Larking, Deputy City Manager Earl B. Reynolds, Jr., City Attorney W. Clarke Whitfield Jr., and City Clerk Susan M. DeMasi.

Mayor Jones presided.

### **INVOCATION AND PLEDGE OF ALLEGIANCE**

The Invocation was given by Sherman M. Saunders, followed by the Pledge of Allegiance to the Flag.

### **CONSENT AGENDA**

Council Member Vogler **moved** for adoption of the following Consent Agenda items:

Minutes from the Regular Council Meeting held on March 15, 2022. Draft copies of the minutes had been distributed prior to the meeting.

Amending the Fiscal Year 2022 Budget Appropriation Ordinance for Public Safety Technology Modernization

An Ordinance entitled, Ordinance No. 2022-03.07, an Ordinance Amending the Fiscal Year 2022 Budget Appropriation Ordinance by Increasing Revenues from Various Taxes to Purchase Public Safety Modernization Software and Hardware an Appropriation in the Amount of \$1,500,000 and Appropriating the Same.

The Motion was **seconded** by Council Member Mayo and carried by the following vote:

VOTE: 7-0-2  
AYE: Hood, Jones, Mayo,  
Miller, Saunders, Vogler and Whittle (7)  
NAY: None  
ABSENT: Buckner and Campbell (2)

### **REVIEW OF GENERAL FUND FINANCIALS AS OF MARCH 31, 2022**

Chief Financial Officer Michael Adkins noted with 75% of the fiscal year complete, revenues were continuing on a positive path, as they have seen for the first three quarters of this year, at \$77.8M and 67% of budget, up \$3.7M from last year. Increases were mainly seen in two categories, General Property Taxes and the Local Consumer Taxes with about \$1M more in General Property Taxes. That was split pretty evenly, \$500,000 with Real Estate and \$500,000 with Personal Property; this was a result of higher assessed values in the last assessment about a year ago. Local consumer taxes were \$2.7M of the increase; the main four categories showing increased activity included business licenses, meals, sales, and lodging. Meals Tax was about \$1M over the prior year; this year, for the first nine months, the City collected \$7.3M, which was 86% of budget with the City at 75% of the year complete. Sales tax was about \$600,000 over last year,

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currently at \$81.M and 80% of budget. Lodging taxes were also above last year by \$425,000; currently the City has collected about \$1.5M and 98% of the budget. Mr. Adkins noted he looked at the lodging taxes collected through today, and the City received a few payments the first week of April that really related to March. If those had come in at the end of March, the City would have been \$31,500 over, ending the third quarter over budget. Most of the Business Licenses were paid in March, some companies opt to do it quarterly, but at the end of March, the City was \$535,000 over last year; they have collected about \$5.3M and that was 98% of budget. With the quarterly payers, Mr. Adkins noted he was sure the City will exceed budget by the end of June.

Mr. Adkins stated under the State Telecommunications Tax, the City budgeted about \$2.6M, and if he had to forecast that, he believed the City will come in at \$2.3M, about a \$300,000 shortfall. He was not concerned, as the City's overages in consumer driven taxes, real estate and personal property, will more than make up for that deficit. Mr. Adkins explained if he had to speculate, a large part of that would be residences that had both a land line and cellular phones, and were dropping the land lines. Also, perhaps, streaming services were replacing cable arrangements and thinks those two things were playing into the decrease of tax there. Other than that, all the state and federal revenues were right on target.

On the Expenditure side, the City has spent \$88M, 71% of budget and behind the 75% mark. Departmental Spending was at 67% of budget; the major two categories that make up Non-Departmental Expenditures were Group Health Insurance and that was just under 75%, tracking well with budget, and the City's debt service at 100%, where it should be. Most of the debt service payments were paid in September and March each fiscal year; in March they made their last debt service payment and were paid 100% of budget at this point. With regard to Transfer to Schools, throughout the first half of the year there was some delay in getting State funding in to reimburse the schools, and they spent more of the local funding; that has leveled out now. The Contribution to Schools has hit 73% of budget so their State funding has caught up, they were on track now and that 73% was more in line with what they would expect at this point in the year. Mr. Adkins noted he had no other concerns and it looks like the fiscal year will end pretty well.

Mayor Jones asked Mr. Adkins to discuss the used vehicle tax and Mr. Adkins explained one of the negative impacts of the pandemic was the disruption of the semi-conductor chips that were used in automobile manufacturing. There has been a very stark decrease in supply of new cars which translated into a decreased supply of used cars as well because people were having to hold on to their cars maybe longer than usual. This has driven up the value of all cars, new and used. The Personal Property tax rate was the same as it had been, but the underlying value of the cars has gone up which will result in a higher tax bill; they increased quite a bit, some from 25% to 45%, but on average about 30-35% increase in value. Each year, the state gives the City a set amount of money, about \$3.5M, and they spread that across every tax payer that has a personal use vehicle; that dollar amount does not change. With the increased tax liability personal vehicle owners would see this year, the City needed to do something to offset the drastic increase in that personal property tax, and has added on about 30% additional relief.

Council Member Whittle questioned the \$33M disbursement to the schools, there was another \$9M, close to \$10M disbursement and Mr. Adkins explained their total budget this year was \$33.6M and that was the City's normal contribution to their operations, plus debt service, plus any carryover they had last year. At the end of March, the City had actually provided about \$24.5M of that so far to the schools.

Mr. Vogler thanked Mr. Adkins for discussing the property tax relief as Council Members have received questions about it. That tax relief was built into everyone's bill every year, but because

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of the increased value in assessment of used cars, the value of cars has gone up, the assessments have gone up. The tax rate, even though it was flat, people would be paying more if not for the City increasing the amount of relief, and thanked Mr. Adkins, the City Manager and staff who worked on that.

Mr. Vogler asked Mr. Adkins to discuss the Real Estate Tax Relief and Exemptions for Senior Citizens and the permanently disabled, and Mr. Adkins noted at the next council meetings, there will be a first reading and a final adoption, for a change in the city code. The first step to enhance the relief for elderly and disabled real estate was to raise the income limit from \$20,000 to \$30,000. Depending on the income, citizens either had the ability to abate the tax, which means they would not owe any, or defer it, which means it would go into holding and would eventually have to be paid once the property changed hands. The code change staff was proposing was to increase the income limit to \$30,000, do away with the deferral option and just make it either 100% abated or 50% abated depending on the income level. That may not be the last change they make; it was hard to know the effects of that change, they don't know how many people would apply or how many were qualified for the advanced abatement. After a fiscal year, they will be in a position to assess that and see if there were any additional enhancements they can make to the that policy. Mayor Jones asked staff to consider the veterans in that policy, Mr. Adkins noted he would and stated there was an existing abatement program for veterans; he believes they have to be totally disabled through active service. If there was anyone out there that feels they qualify for that, they need to apply.

#### **RELEASING EXISTING TAX LIENS ON PARCEL 21914 AND PARCEL 22219**

Council Member Vogler **moved** for adoption of a Resolution entitled:

#### **RESOLUTION NO. 2022-04.05**

A RESOLUTION APPROVING AND AUTHORIZING THE RELEASE OF CITY-HELD LIENS AGAINST REAL PROPERTY IDENTIFIED AS PARCEL #21914 (120 & 122 KEMPER ROAD) and #22219 (124 & 126 KEMPER ROAD) TO FACILITATE THEIR TRANSFER TO THE DANVILLE NEIGHBORHOOD DEVELOPMENT CORPORATION.

The Motion was **seconded** by Council Member Saunders and carried by the following vote:

VOTE: 7-0-2  
AYE: Hood, Jones, Mayo,  
Miller, Saunders, Vogler and Whittle (7)  
NAY: None  
ABSENT: Buckner and Campbell (2)

#### **COMMUNICATIONS**

There were no communications from the City Manager, Deputy City Manager, City Attorney or City Clerk.

#### **ROLL CALL**

Council Member Mayo noted that Pittsylvania County Communication Action was holding a Mutt Strut; it would be held May 21, 2022 at Chatham High School track with prizes for dogs. This was a fundraiser for PCCA and Mr. Mayo would be the emcee.

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Vice Mayor Miller noted he spoke with Rev. Bridgeforth, he was retired from Shiloh Baptist, but was still preaching, and did a Sunday Easter Service this weekend. His son, Reverend Ezekiel Bridgeforth was at the Almagro dedication Friday; it was a great event, held at the events centers, called the Venue.

Council Member Vogler noted the Danville Wine Festival will be April 30<sup>th</sup> at the Community Market, it was a great fundraiser for local organizations. There will be a Michael Jackson tribute show May 1<sup>st</sup> at the North Main Theatre, and on May 2<sup>nd</sup>, the Schoolfield District will have events and meetings. Mr. Larking explained there were events planned related to Schoolfield all week and starting on the 2<sup>nd</sup>. Mr. Vogler noted if citizens look up the Schoolfield District in Danville they will be able to find the information, and there will be a lot of great things happening there.

Council Member Whittle noted he was in Almagro looking at one of the properties that had been a former hospital, and asked Deputy City Manager Earl Reynolds to read the Historic Marker that was erected recognizing Peters Park. Mr. Reynolds read, *James Peters Sr. (ca. 1883-1970) opened Peters Park, also called the Almagro Baseball Stadium, at this site in 1948. The park was home to the Danville All-Stars, an African American baseball team that Peters sponsored. The stadium was state of the art when it opened, being one of the first in the country to boast lights to permit nighttime usage. Peters Park became an important part of the African American community, hosting Sunday afternoon baseball games as well as community events. In 1952 the park closed because of the racial integration of baseball and the ability to watch the sport on television.* Mr. Whittle noted it showed the enormous amount of history that came out of the area. Mr. Whittle asked if the City Manager had a chance to check on Mountain View Avenue, to help slow down the traffic; there have been six or seven accidents in the area.

Mayor Jones noted a thank you to all the many partners who support the City. College graduations begin in a couple weeks, his son will be graduating from ODU, and he thinks about the people that have helped their children including all the different educators. Barry Mayo, Tommy Bennett and he recently spoke at Project Imagine; Mr. Bennett stated he wanted to give them something from the NAACP for their hard work, and was sponsoring a trip to A&T in Greensboro at no cost to the children. Mayor Jones thanked everyone who partnered with and supported the City, and thanked city staff for looking at ways to help the citizens.

The meeting adjourned at: 7:28 p.m.

APPROVED:

s/Alonzo L. Jones  
MAYOR

ATTEST:

s/Susan M. DeMasi, CMC  
CITY CLERK