

October 17, 2023

The Second October meeting of the Danville City Council was held on October 17, 2023, at 7:00 p.m. in the Council Chambers located on the Fourth Floor of the Municipal Building. The following Council Members were present: L.G. "Larry" Campbell Jr., Bryant Hood, Mayor Alonzo L. Jones, Barry Mayo, Vice Mayor Gary P. Miller, Sherman M. Saunders, J. Lee Vogler, Jr., and Madison J.R. Whittle (8). James B. Buckner was absent (1). *Mr. Vogler entered the meeting at 7:12 p.m.*

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

Sherman M. Saunders gave the Invocation followed by the Pledge of Allegiance.

Mayor Jones yielded to Council Member Mayo who informed citizens about the Community Job and Resource Fair on November 1st at Danville Community Market from 9:00 a.m. to 3:00 p.m. This was a job resource for all the citizens and will include resources on employment, health care services, education family services, and mental health services.

CONSENT AGENDA

Mayor Jones opened the floor for a Public Hearing regarding the Consent Agenda. Notice of the Public Hearing was published in the *Danville Register & Bee* on September 26, 2023 and October 3, 2023. No one present desired to be heard and the Public Hearing was closed.

Vice Mayor Miller **moved** for adoption of the following Consent Agenda items:

Consideration of Approval of Minutes from Regular Council Meeting held on September 19, 2023.
Draft copies of the Minutes had been distributed prior to the meeting.

Consideration of Amending or Establishing Rental Fees for a New Corporate Hangar.

An Ordinance entitled, Ordinance No. 2023-10.10, an Ordinance Amending and Establishing Monthly Rental Fees for a New Hangar located at the Danville Regional Airport Effective November 1, 2023.

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

VOTE: 7-0-2
AYE: Campbell, Hood, Jones, Mayo, Miller,
Saunders, and Whittle (7)
NAY: Buckner, Vogler (2)

APPOINTMENTS

CONSIDERATION OF APPOINTMENTS TO BOARDS AND COMMISSIONS

Vice Mayor Miller **moved** for adoption of the following Appointment Resolutions:

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Resolution No. 2023-10.08 - A Resolution Reappointing Larry Toomer to the Danville Redevelopment and Housing Authority.

Resolution No. 2023-10.09 - A Resolution Reappointing Adam Jones to the River District Design Commission.

Resolution No. 2023-10.10 - A Resolution Reappointing R.J. Lackey to the River District Design Commission.

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

VOTE: 7-0-2
AYE: Campbell, Hood, Jones, Mayo, Miller,
Saunders, and Whittle (7)
NAY: Buckner, Vogler (2)

NEW BUSINESS

REVIEW OF GENERAL FUND FINANCIALS AS OF SEPTEMBER 30, 2023

Chief Financial Officer Michael Adkins gave a brief overview of the General Fund Financials, noting this was the end of the first quarter for Fiscal Year 2024 or 25% of the fiscal year complete. Revenues continue to perform well and the City had \$23.6M for the first quarter; that was up about \$1.8M over last year. The growth was seen in two main areas, local consumer driven taxes as well as an increase in interest earnings from a rise in interest rates. A lot of the City's surplus funds were invested in the LGIP, Virginia's Local Government Investment Pool. That fund was currently paying about 5.5% interest compared to last year when it was only 2.5%. The \$900,000 in the financials was just for two months, but nearly half of the budget. With regard to local taxes, the main three were sales, meals and lodging; the City received \$3.1M in sales tax, or 27.5% of budget, an increase of over \$300,000 from last year. The City's monthly receipts exceeded \$1M per month for the last three months. In the recent past, the last year or two, the City would only see those numbers around the holidays when the retail sales tax came in. This was about a 10% growth over last year. With Meals Tax, the City received \$3M at the end of September, 28% of budget, an increase of over \$322,000 and 10% growth over last year. Lodging taxes at the end of September were \$855,000, 35% of budget, and an increase of \$173,000 from last year, a 25% growth rate. With regard to General Property Taxes, those tax bills will be mailed out during the first week of November and Mr. Adkins stated he will begin to report on those in the coming months. Delinquent Real Estate Tax collections were strong; the City realized \$356,000 in the first three months and that was nearly 40% of the budgeted amount. The City held an auction last Thursday for abandoned parcels; they had twenty eight parcels available for sale, all twenty eight sold. The gross proceeds were nearly \$175,000; that money will come in the coming months as each of those parcels were closed out. They hope to have another auction before the end of the calendar year. State and federal funds were coming in as expected with no concerns with those revenue sources.

Expenditures were tracking budget as expected. Departmental spending was under the 25% mark, just under 24% at the end of September 30. The increases seen were expected and related to the pay study implemented a few months ago. Group Health Insurance as of September was just over 25%; staff will keep a close eye on that. Open enrollment has started for employees and there was also a slight increase with health insurance premiums. That will help offset that and keep the City in line with budget.

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Council Member Campbell asked about the casino funds and Mr. Adkins explained in the last few months the City has received a direct payment from Caesar's each month along with quarterly state tax. In October they received payments from the state for June, July and August. The direct payment from Caesar's was 2.5% of their revenues which equals around \$470,000 a month right now. The state portion was about \$1M per month with regard to states taxes on their revenues. These amounts were included in the Financial Statements.

CONSIDERATION OF APPROVAL OF THE ACCEPTANCE OF PARCEL NO. 01944 ON RIVERSIDE DRIVE IN EXCHANGE FOR RELEASE OF LIENS

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

RESOLUTION NO. 2023-10.11

A RESOLUTION APPROVING AND AUTHORIZING THE ACCEPTANCE OF REAL PROPERTY IDENTIFIED AS PARCEL NO. 01944 FOR RIGHT-OF-WAY IMPROVEMENTS ALONG RIVERSIDE DRIVE.

The Motion was **seconded** by Council Member Campbell.

Council Member Whittle asked Assistant City Attorney Ryan Dodson to explain this item. Mr. Dodson stated that originally there was a house that fell into disrepair and was demolished. During demolition there were some issues with a retaining wall that was keeping some of the slope grade from falling back onto Riverside Drive. The contractor left most of the retaining wall in place, so it was secure for now. The owner was in an elderly care facility and owed \$30,000 in demo costs. Her son, who has guardianship, asked if the City would be interested in taking over ownership of the property in exchange for zeroing out the account. Engineering looked at the parcel and believed there will be a need for it as far as securing the grade and making additional road improvements.

The **Motion** was carried by the following vote:

VOTE: 8-0-1
AYE: Campbell, Hood, Jones, Mayo, Miller, Saunders,
Vogler, and Whittle (8)
NAY: None (0)
ABSENT: Buckner (1)

CONSIDERATION OF AUTHORIZING AND APPROVING THE EXECUTION OF A SUPPORT AGREEMENT BY AND BETWEEN THE CITY OF DANVILLE, VIRGINIA AND THE VIRGINIA SMALL BUSINESS FINANCING AUTHORITY

Vice Mayor Miller **moved** for adoption of a Resolution entitled:

RESOLUTION NO. 2023-10.12

A RESOLUTION OF THE COUNCIL OF THE CITY OF DANVILLE, VIRGINIA APPROVING AND AUTHORIZING A SUPPORT AGREEMENT.

The Motion was **seconded** by Council Member Mayo.

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Council Member Whittle asked if several loans were being put together and Assistant Director of Economic Development Kelvin Perry stated they were refinancing two notes the City had; it was not new money out. There was a loan with Virginia Community Capital and the VSBFA, and those two loans were being consolidated with a lower interest rate. Mr. Larking noted this was for 500 Cane Creek Parkway.

The **Motion** was carried by the following vote:

VOTE: 8-0-1
AYE: Campbell, Hood, Jones, Mayo, Miller, Saunders,
Vogler, and Whittle (8)
NAY: None (0)
ABSENT: Buckner (1)

COMMUNICATIONS

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

Council Member Mayo reminded citizens about the Job and Resource Fair being held on November 1st from 9:00 a.m. to 3:00 p.m. at the Danville Community Market, and encouraged everyone to mark their calendars to come out. For more information, people can call 434-797-8429 or email barry.mayo@danville.edu.

Vice Mayor Miller asked the City Attorney if the November 7th Council Meeting would be moved, and Mr. Whitfield stated it would be moved to November 9; it was automatically moved from Tuesday to Thursday if the meeting fell on Election Day. Vice Mayor Miller commented on the VML conference and medical conference he attended, how everyone seems to know about Danville and take ideas from them.

Council Member Vogler discussed the groundbreaking this past week on the Navy's Regional Training Center which was part of the Accelerated Training and Defense Manufacturing Program. This was an awesome project, the new facility will allow 800 to 1,000 students a year to train in Danville to fill critical vacancies across the defense industrial base. Several hundred people were there, the Secretary of the Navy spoke about Danville and how they were leading the way doing these things. Mr. Vogler noted it was good to think about how far Danville has come; people were looking at Danville to lead the way, and he was glad to be a part of this great team they have.

Council Member Whittle noted the event was outstanding at the groundbreaking for the navy facility. The Housing Summit was today with a lot of information going through there; everyone who worked on that did an excellent job. VML was an awesome event, and it was amazing to hear everyone speak positively about Danville. Mr. Whittle noted their prayers go out to Israel.

Council Member Campbell noted that every time Danville was mentioned at VML it was off the charts, they were setting the standard. There were people from other cities coming here to see how Danville has turned things around. There was a lot of good information given at VML and one of the most exciting things he saw was a workshop on drones and how they can be used.

Mayor Jones thanked Council for everything they have done in the past few weeks with ribbon cuttings and conferences; Council Members have been all over the place. Mayor Jones thanked

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the School Board for all their support of the community, reminded citizens that the next meeting will be November 9, and for everyone to go vote on November 7.

MEETING ADJOURNED AT 7:30 p.m.

APPROVED:

s/Alonzo L. Jones
MAYOR

ATTEST:

s/Susan M. DeMasi, CMC
CITY CLERK