

February 20, 2024

The Second February meeting of the Danville City Council was held on February 20, 2024, 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).

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

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

MEETING MINUTES

Upon **Motion** by Council Member Campbell and **second** by Council Member Whittle Minutes from the Regular Council Meeting held on January 16, 2024, were approved as presented. Draft copies of the minutes had been distributed prior to the meeting.

APPOINTMENTS

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

Resolution No. 2024-02.02 - A Resolution Reappointing Andre Bethea to the Southern Area Agency on Aging.

Resolution No. 2024-02.03 - A Resolution Appointing Mandy Crowder to the Southern Area Agency on Aging.

Resolution No. 2024-02.04 - A Resolution Appointing Hampton Wilkins to the Airport Commission to Fill an Unexpired Term.

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

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

NEW BUSINESS

REVIEW OF GENERAL FUND FINANCIALS AS OF JANUARY 31, 2024.

Chief Financial Officer Micheal Adkins began review of the General Fund Financials as of January 31, 2024, which marks the seventh month of the fiscal year complete or 58%. Revenues were meeting budget expectations, and with regard to Real Estate and Personal Property, they were at 52% at 50% of the budget respectively. There will not be a lot of activity on those two line items until the next invoicing and collection period during the month of May. Delinquent Real Estate

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collections were performing well; the budget was \$900,000 and at the end of January they had collected \$675,000 or 75%. Mr. Adkins explained when the current budget was put together, they had an idea of what interest rates would be, but they were higher than anticipated. The Interest Income at the end of January was \$2.3M, which was on target with the revised budget, that line item was increased a few weeks ago, it was \$1.4M more than the prior year. If things maintain the way they were, Mr. Adkins believed they will still surpass the current budget at the end of this year. Local taxes, their consumer-based taxes were the big driver as far as variances go. Sales tax collections at the end of January amounted to \$7.4M or 62% of budget, about 4% ahead, and an increase of \$850,000 from last year. February was when the City received sales tax related to December 2023 retail activity, there was a two-month lag. The City received a payment from the state last week for sales tax, in the amount of \$1.35M; the highest received in one month especially for holiday sales, about 22% higher than last year. For meals tax, the City received \$7M, about 62% of budget, also running a little ahead, up \$715,000 over last year. Lodging taxes, although a smaller dollar amount showed significant growth; they were at \$1.9M at the end of January, 77% of budget, up about \$362,000 from last year, with a 22% growth over last year. One of the new revenue streams was the casino-based revenue. So far this year, the City has earned a total of \$11.2M, with \$3.3M as direct payments from the casino and \$7.9M was pass through from the State. The budget for this year was \$13M and he believed they will surpass budget on that line item. Mr. Adkins stated state and federal revenues were coming in on target.

With regard to Expenditures, Departmental Spending through the end of January was at 55% of budget, running 2-3% below budget; that was usually what was seen each year. Most of the budgeted transfers to Schools, to Capital Project funds, have not occurred yet; those were usually booked around the middle year, but will be booked in the current month, in February.

Council Member Campbell questioned the \$850,000 increase from last year at this time, that did not include casino monies, and Mr. Adkins stated the increase in sales tax did not include monies from the casino. Rev. Campbell questioned the status of the reserves, and Mr. Adkins stated he believed they will be able to add something to them. Council Member Vogler asked if the City was on track to have another budget surplus by the end of this year, and Mr. Adkins noted he believed they will, but was not sure how much. Mr. Vogler asked Mr. Adkins to review the items where the City was 22% over budget, and Mr. Adkins stated that sales tax and lodging were currently the two that were 22% ahead of where they were last year, and about 4% ahead of budget.

Council Member Whittle asked how much was spent bonding Utilities and why they still do that, and Mr. Adkins stated he would compile that information and get it back to him. A lot of the electrical projects were very expensive and to pay for those in cash would take a lot out of the fund balance and utility funds, so those were usually bonded and paid with a debt payment over twenty years. Mr. Whittle questioned the casino revenues and Mr. Adkins explained the direct payments come once a month, the taxes that were funneled through the state come once per quarter. Council Member Vogler noted the State was talking about taxing digital goods such as buying a digital copy of a movie or music, would the locality receive a portion of that, and Mr. Adkins noted he would assume so; if they were labeling it a sales tax, then the City would.

CONSIDERATION OF AUTHORIZING AND APPROVING A GRANT APPLICATION TO ASSIST IN THE REMOVAL OF THE WHITE MILL/LONG MILL DAM

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

RESOLUTION NO. 2024-02.05

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A RESOLUTION APPROVING AND AUTHORIZING THE SUBMISSION OF A GRANT APPLICATION BY THE CITY OF DANVILLE TO THE VIRGINIA DAM SAFETY, FLOOD PREVENTION AND PROTECTION ASSISTANCE FUND FOR THE REMOVAL OF THE WHITE MILL/LONG MILL DAM.

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

Mayor Jones recognized a citizen (no name given) who spoke in favor of the dam being removed due to the deaths that have occurred and the danger it poses.

Mayor Jones recognized Mel Vernon, Villa Park, California, who spoke to the Council noting the dam was a danger issue.

Vice Mayor Miller spoke about the importance of removing the dam so that future projects can come through. The river was not used as much as it could be and that will change with the new park coming. Council Member Vogler spoke about his concern for the depth of the river once the dam was removed; he will not be voting in favor of this item. Council Member Whittle stated that he was not in favor of the funding and will not be voting in favor.

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

VOTE: 6-2-1
AYE: Campbell, Hood, Jones, Mayo, Miller,
and Saunders (6)
NAY: Vogler, Whittle (2)
ABSENT: Buckner (1)

CONSIDERATION OF AMENDING THE FISCAL YEAR 2024 BUDGET APPROPRIATION ORDINANCE BY INCREASING REVENUES FROM CASINO GAMING TAXES TO FUND CAPITAL PROJECTS

Upon **Motion** by Council Member Vogler and **second** by Council Member Mayo, an Ordinance entitled:

ORDINANCE NO. 2024-02.05

AN ORDINANCE AMENDING THE FISCAL YEAR 2024 BUDGET APPROPRIATION ORDINANCE BY INCREASING REVENUES FROM THE CASINO GAMING TAXES TO FUND CAPITAL PROJECTS IN THE AMOUNT OF \$2,000,000 AND APPROPRIATING THE SAME.

was presented by its **First Reading**, as required by City Charter, to lie over before final adoption.

COMMUNICATIONS FROM VISITORS

Mayor Jones recognized Steve Barrow, who introduced Lonnie Jones, and members of the Board of Directors of the Historical Society, who addressed Council about the work that has been done at the Historical Society. Mr. Jones noted that he will give Council monthly updates.

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COMMUNICATIONS

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

Council Member Mayo acknowledged two members of his church that were in attendance and commended the leaders and individuals that have done so much in the City. Mr. Mayo discussed the black history bus wrap and community members that were honored.

Vice Mayor Miller stated the black history bus wrap event was a great event, and discussed the citizens who had been honored. Dr. Miller commented on the short-term rentals that were approved by the Board of Zoning Appeals; there were not enough hotel rooms in the City and these will help fill that need.

Council Member Saunders thanked Mayor Jones, council members, city staff, and citizens doing great things to continue to move Danville forward, and hoped they continued the progress they were making. Mr. Saunders asked if the City does have additional revenues become available, it would be great to see the statistics in terms of the poverty rate, unemployment rate, handicapped and disabled individuals, and so forth, if they could find ways to help those people, that would help the City as well.

Council Member Vogler noted it was great to see the superintendent's budget request; in the past, Council would only receive a single piece of paper with the school's budget. It was good to see in detail where the money was going so they could effectively vote yes or no. The Edmonds gala was a success with a huge crowd; the Edmonds family continues to be a blessing to the community with what they have come back and done for Danville. Mr. Vogler reminded everyone that youth t-ball sign ups were available; 434-799-5214 was the number for Parks and Recreation, and thanks to everyone who came out tonight and to those watching at home as well. Danville has come a long way from five or ten years ago to where they were today. That was a credit to this council working together to find solutions that were best for Danville. With all the prosperity coming to Danville during this budget season they need to find ways to give back to the citizens.

Council Member Whittle mentioned a previous comment from Telly Tucker who had stated, "we stand on the shoulders of giants" and that was the reason they were where they were; this was a cohesive council that works through issues. Not everything was always agreed on but that's okay, they work through it. Mr. Whittle questioned the City Manager about the land bank, the committee that was supposed to be set up, and Mr. Larking noted he believed that three members of Council were on that committee, per the minutes. Mayor Jones asked that a committee be established, with Mr. Buckner and Mr. Whittle, so that information can come back to Council.

Council Member Campbell stated how impressed he was with Mr. Adelman and the Transportation Committee who put together the bus wrap with leaders of the community who have served over the years. Whenever you can honor people of the past, you were able to move forward. Rev. Campbell noted he was glad to hear the comments about those who were in need, what can the City do; prosperity should be shared in all areas. The Climate Change taskforce meetings have been fascinating and hopefully those strategies will be shared with the council.

Council Member Hood commended the integrity of the city and the citizens, especially when it comes to assisting and volunteering; volunteering was important and takes a major place in all cities. Danville comes together when there was a need, that has been shone over the years. Mr. Hood noted the warming center was more than just putting people in a warm place and giving them

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a meal at night; it was also helping to put them in homes. There was a grandmother with two children who came in last week, and this week they are in their own home thanks to people working and putting their resources together; that speaks volumes about the integrity of the community.

Mayor Jones reminded citizens about how the White Mill that was there for so long how it used to be, overgrown and blighted, and where it was today, and where Dan River Mills once stood, and compared to today. Also, the playgrounds, new homes, businesses, and hotels; there are so many wonderful things going on in the community. Mayor Jones thanked the Historical Society for being here tonight and for what they do in the community, and thanked those who come to Council, they appreciate them and thank them for being here. Mayor Jones thanked all those who engage in the community, and stated at times people get discouraged but to keep the course; the work was not yet done.

The meeting was adjourned at 7:51 pm.

APPROVED:

MAYOR

ATTEST:

CITY CLERK