DANVILLE CITY COUNCIL REGULAR MEETING AGENDA

MUNICIPAL BUILDING

June 17, 2025

7:00 PM

PRESIDING:	Alonzo L. Jones, Mayor	
CITY COUNCIL MEMBERS:	James B. Buckner, Vice Mayor L.G. "Larry" Campbell, Jr. Bryant Hood Barry P. Mayo	Dr. Gary P. Miller Sherman M. Saunders J. Lee Vogler, Jr., Madison J. Whittle
STAFF:	Ken F. Larking, City Manager Earl B. Reynolds, Jr., Deputy City Manager	W. Clarke Whitfield, Jr., City Attorney Susan M. DeMasi, City Clerk

The City Council is the City of Danville's legislative body and is composed of nine Council members. Council members are elected to serve a four year term of office and elects one of its own to serve as Mayor and presiding officer for a two year term.

Time and Place of Meeting
The public is invited and encouraged to attend and participate in the City Council meetings. The City Council meets in the City Hall, Fourth Floor, Council Chambers at 7:00 p.m. on the first and third Tuesday of each month. All meetings of the Council are open to the public.

Communications from Visitors
Communication from Visitors is an opportunity for citizens, who have signed up to speak at www.danvilleva.gov/council or by contacting the Office of the City Clerk, to address Council on matters not on the agenda. Citizens who desire to speak on agenda items will be heard when the agenda item is considered. Each speaker shall clearly state his or her name and address, and shall have three uninterrupted minutes. A representative of a group may have up to five uninterrupted minutes to make a presentation. The representative shall identify the group and a group may have no more than one spokesperson. Time will be kept using the electronic timer on the podium.

Guidelines for Public Hearings
For Public Hearings the applicant or his or her representative shall be the first speaker(s). There shall be a time limit of ten (10) minutes for the applicant's or his or her representative's presentation. The presiding officer shall then solicit comments from the public, asking those in favor of the proposal to speak first, and then those opposed to the proposal. Each speaker must clearly state his or her name and address. There shall be a time limit of three (3) minutes for each individual speaker. If the speaker represents a group, there shall be a time limit of five (5) minutes. A speaker representing a group shall identify the group at the beginning of his or her remarks. A group may have no more than one spokesperson. The presiding officer may limit or preclude comment which is repetitive, redundant, cumulative, or irrelevant to the subject of the public hearing. After public comments have been received, in a land use case, the applicant or the representative of the applicant, at his or her discretion, may respond with a rebuttal. There shall be a five (5) minute time limit for rebuttal.

MEETING CALLED TO ORDER

ROLL CALL

INVOCATION - J. LEE VOGLER, JR.

PLEDGE OF ALLEGIANCE TO THE FLAG

ANNOUNCEMENTS AND SPECIAL RECOGNITION

A. Presentation: Update on 4-H Club
Presented by: Terrance Draper, 4-H Extension Agent

CONSENT AGENDA

All matters listed under the Consent Agenda are considered to be routine, have previously been discussed by City Council and/or introduced for First Reading. There will be no separate discussion on these items and they will be enacted by one motion. If discussion is desired by a Council Member or a citizen, the item(s) will be removed from the consent process and considered separately.

PUBLIC HEARING

A. Consideration of Approval of Minutes from Regular Council Meeting held on May 20, 2025.
Council Letter Number CL - 2152.

Approval of Meeting Minutes from May 20, 2025 Regular Council Meeting.

B. Consideration of Amending the Fiscal Year 2025 Budget Appropriation Ordinance by Increasing Revenues from Casino Gaming Taxes to Fund Reimbursement to Danville Utilities.
Council Letter Number CL - 2103.

An Ordinance Amending the Fiscal Year 2025 Budget Appropriation Ordinance by Increasing Revenues from the Casino Gaming Taxes to Fund a Reimbursement to Danville Utilities an Appropriation in the Amount of $5,250,000 and Appropriating the Same.
Final Adoption

C. Consideration of Amending the Fiscal Year 2025 Budget Appropriation Ordinance for Land and Water Conservation Grant.
Council Letter Number CL - 2051.

An Ordinance Amending the Fiscal Year 2025 Budget Appropriation Ordinance by Increasing Revenue from Virginia Department of Conservation and Recreation – Land and Water Conservation Fund in the Amount of $625,964 and to Provide for the Local Share in the Amount of $625,964 for a Total of $1,251,928 and Appropriating the Same.
Final Adoption

OLD BUSINESS

A. Consideration of the City of Danville Budget, Capital and Special Projects Plan, and Budget Appropriation Ordinance.
Council Letter Number CL - 1976.

1. A Resolution Approving the Budgets of the Various Funds of the City of Danville for the Fiscal Year Ending June 30, 2026.
Final Adoption

2. A Resolution Approving the Fiscal Year 2026 Capital and Special Projects Plan for the City of Danville, Virginia.
Final Adoption

3. Budget Appropriation Ordinance for Fiscal Year 2026
Final Adoption

NEW BUSINESS

A. Review of General Fund Financials as of May 31, 2025.
Council Letter Number CL - 2055.

Review of General Fund Financials as of May 31, 2025. Financial Statements are included.

B. Consideration of Fiscal Year 2026 Public Transportation Funding.
Council Letter Number CL - 2108.

1. Public Hearing

2. A Resolution Authorizing an Application by the City to the Virginia Department of Rail and Public Transportation for Grants for Operating and Capital Costs for Public Transportation for Fiscal Year 2026.

C. Consideration of the Authorization of a Grant Application to the Virginia Department of Housing and Community Development Industrial Revitalization Fund for $1,000,000.
Council Letter Number CL - 2132.

A Resolution Approving and Authorizing the Submission of a Grant Application by the City of Danville Department of Community Development – Planning Division to the Virginia Department of Housing and Community Development, Industrial Revitalization Fund and the City to Match the Balance of the “Five Forks Project” to Eliminate Blight.

D. Consideration of the Issuance of Danville IDA Lease Revenue Bonds
Council Letter Number CL - 2147.

Resolution Approving a Plan to Finance Certain Economic Development Projects Through the Issuance of Lease Revenue Notes by The Industrial Development Authority of Danville, Virginia.

E. Consideration of Amending the Fiscal Year 2025 Budget Appropriation Ordinance for a Grant from the Virginia Tourism Corporation Marketing Leverage Program.
Council Letter Number CL - 2115.

An Ordinance Amending the Fiscal Year 2025 Budget Appropriation Ordinance to Provide for a Virginia Tourism Corporation Marketing Leverage Program Grant in the Amount of $30,000, and to Provide for the Local Share in the Amount of $60,000 for a Total Grant of $90,000 and Appropriating the Same.
First Reading

COMMUNICATIONS FROM VISITORS

Communication from Visitors is an opportunity for citizens, who have signed up to speak at www.danvilleva.gov/council or by contacting the Office of the City Clerk, to address Council on matters not on the agenda. Citizens who desire to speak on agenda items will be heard when the agenda item is considered. Each speaker shall clearly state his or her name and address. Each individual speaker shall have three uninterrupted minutes. A representative of a group may have up to five uninterrupted minutes to make a presentation. The representative shall identify the group and a group may have no more than one spokesperson. Time will be kept using the electronic timer on the podium.

COMMUNICATIONS

A. City Manager

B. Deputy City Manager

C. City Attorney

D. City Clerk

E. Roll Call

ADJOURNMENT

Council Letter
City of Danville, Virginia

CL - 2152 **CONSENT AGENDA A.**

City Council REGULAR MEETING

Meeting Date: June 17, 2025

Subject: Approval of Meeting Minutes.

From: Susan DeMasi, City Clerk

COUNCIL ACTION

Approval of Meeting Minutes from May 20, 2025 Regular Council Meeting.

Attachments

1. Meeting Minutes

May 20, 2025

The Second Regular May meeting of the Danville City Council was held on May 20, 2025, at 7:00 p.m. in the Council Chambers located on the Fourth Floor of the Municipal Building. The following Council Members were present: James B. Buckner, L.G. "Larry" Campbell Jr., Bryant Hood, Mayor Alonzo L. Jones, Barry P. Mayo, Dr. Gary P. Miller, Sherman M. Saunders, J. Lee Vogler, Jr., and Madison J.R. Whittle (9).

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

Vice Mayor James B. Buckner gave the Invocation followed by Abigail Crisfield, an Outstanding Seventh Grader from Westwood Middle School, who led the Pledge of Allegiance.

CONSENT AGENDA

Mayor Jones opened the floor for a Public Hearing regarding Budget Items on the Consent Agenda. Notice of the Public Hearing was published in the *Danville Register & Bee* on May 13, 2025. No one present desired to be heard and the Public Hearing was closed.

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

Consideration of Approval of Minutes from Regular Council Meeting held on April 15, 2025.

Consideration of Amending the Fiscal Year 2025 Budget Appropriation Ordinance for the Comprehensive Services Act

Ordinance No. 2025-05.07**,** an Ordinance Amending the Fiscal Year 2025 Budget Appropriation Ordinance by Appropriating Comprehensive Services Act Funds and Providing Local Matching Funds for a Total Amount of $5,709,442 and Appropriating Same.

Consideration of Amending the Fiscal Year 2025 Budget Appropriation Ordinance for the Victim Witness Grant Program

Ordinance No. 2025-05.08, an Ordinance Amending the Fiscal Year 2025 Budget Appropriation Ordinance to Provide for a Grant from the State for a Victim Witness Program in the Amount of $177,083, with a Local Match of $1,250 for a total of $178,333 and Appropriating Same.

Consideration of Amending the Fiscal Year 2025 Budget Appropriation Ordinance for a Shield Grant in the Amount of $15,381

Ordinance No. 2025-05.09, an Ordinance Amending the Fiscal Year 2025 Budget Appropriation Ordinance by Increasing Revenue from Virginia Department of Criminal Justice Services–BJA Fiscal Year 2024 Byrne/JAG Program Ballistic Shield Grant in the Amount of $15,381 and Appropriating the Same.

Consideration of Amending the Fiscal Year 2025 Budget Appropriation Ordinance for a CIT Marcus Alert Co-Response Grant in the Amount of $100,000

Ordinance No. 2025-05.10, An Ordinance Amending the Fiscal Year 2025 Budget Appropriation Ordinance by Increasing Revenue from Virginia Department Criminal Justice Services – FY 2025 CIT/Marcus Alert Grant Program in the Amount of $100,000 and Appropriating Same.

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

VOTE: 9-0
AYE: Buckner, Campbell, Hood, Jones, Mayo, Miller, Saunders, Vogler, and Whittle (9)
NAY: None (0)

OLD BUSINESS

Consideration of the Fiscal Year 2026 Danville Public Schools Budget

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

RESOLUTION NO. 2025-05.10

A RESOLUTION APPROVING THE BUDGET OF THE SCHOOL BOARD OF THE CITY OF DANVILLE FOR THE FISCAL YEAR ENDING JUNE 30, 2026.

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

VOTE: 9-0
AYE: Buckner, Campbell, Hood, Jones, Mayo, Miller, Saunders, Vogler, and Whittle (9)
NAY: None (0)

Consideration of Fee Changes Effective July 1, 2025

Vice Mayor Buckner **moved** for adoption of an Ordinance entitled:

ORDINANCE NO. 2025-05.05

AN ORDINANCE AMENDING AND ESTABLISHING AND INCREASING CERTAIN FEES OF THE CITY OF DANVILLE EFFECTIVE JULY 1, 2025.

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

VOTE: 9-0
AYE: Buckner, Campbell, Hood, Jones, Mayo, Miller, Saunders, and Whittle (8)
NAY: Vogler (1)

NEW BUSINESS

REVIEW OF THE GENERAL FUND FINANCIALS AS OF APRIL 30, 2025.

Michael Adkins, Chief Financial Officer for the City of Danville, gave a brief overview of the General Fund financials as of April 30, 2025; that was ten months of the fiscal year or 83%

complete. Total Revenues were just over $124M, or 76% of budget. The reason the City was not at 83% of the budget was because Personal Property and Real Estate taxes were not received evenly throughout the year. Those bills went out earlier this month and they will see that revenue coming during May and June. Also, state casino taxes were paid quarterly and there was a lag between when it was earned and when it shows in the financials. Sales tax was $11.5M or 88.5% of budget; they had seen a small dip in Sales tax collections for April and May, about $100,000 less than those months last year; they should still exceed the budget by about $500,000 by the end of June. Business Licenses have done well this year, collecting $8M so far, that was 106% of budget, and anticipates they will exceed budget by about $650,000 at the end of this year. Mr. Adkins noted the number of licenses was about the same as last year, around 2,500 at the end of April, for the first ten months of the year. Meals tax was also doing well, they have received $10.8M or 89.5% of budget and should exceed budget by about $700,000 at the end of June. Casino tax, both the direct payment and the state tax looks like it will exceed budget as well; the current budget was $25.7M and as of April they have earned $23.6M. Mr. Adkins noted items that were under budget or close to budget included Lodging tax which was at $2.9M at the end of April, that was 83.4% of budget and on target for the fiscal year. May and June were typically the City's strong months and hoped that will hold true for this year. One line item Mr. Adkins noted he knew would be under budget was bank stock tax; this was a tax collected from the local banks based on the amount of deposits they have throughout the year. The City has not collected that revenue but have billed it. The budget was $1.1M and it looked like they will collect about $950,000, about $150,000 or so under budget; this will be offset by the other items mentioned earlier. Other local, state and federal incomes were coming in as anticipated and he had no concerns at this point.

On the Expenditure side, Departmental Spending at the end of April was at 76% of budget. Non Departmental Expenses, primarily debt service and group health insurance were something they know ahead of time and budget that accurately; that was fully spent at this point and at 100% of budget. Group health insurance was still trending under budget, currently at 80% expended at the end of April. Mr. Adkins noted looking at fund balance, the City started the year with about $51M in the Unassigned Fund Balance, and they appropriated about $7.6M for a few significant development projects. That brought it down to $43.4M to start off the year. For fiscal year 2026, the recommended budget was going to require a minimum of $46M in fund balance, so there were some gains to be made there. There were several revenue streams that were going to come in over budget and believed Departmental Spending will still be under budget at the end of June; that will help contribute enough to meet that minimum and hopefully provide a little buffer over the minimum they need going into the next fiscal year.

COMMUNICATIONS FROM VISITORS

Laura Horton, 158 Smith Street, spoke to Council about the sanitation refuge collection fee increase. Specifically asked if the City has ever completed a time loss study on the amount of unproductive or lost time on empty containers left on the street.

COMMUNICATIONS

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

Council Member Mayo commented that it was great to see everyone in chambers and congratulations to Dr. Hairston and her staff on a great budget. Speaking of the next school year, Mr. Mayo stated he would like to see how they may be able to help parents who were struggling with getting their children to school, and make a better school year for all.

Council Member Miller stated the school board and superintendent did an outstanding job and encouraged them to keep up the good work. Dr. Miller noted Lisa Merriweather sent hats to Council for the mobile museum set up at the Sutherlin Museum; it celebrates Virginians and the nation over the last 250 years, and this Friday the Ballou Park splash pad will open.

Council Member Vogler wished the City Attorney a Happy Birthday and congratulated all the students, teachers, and staff who just went through SOL's in the past week. Mr. Vogler invited everyone to Bonner Middle School Thursday through Saturday for the Jodie Carroll dance recital.

Council Member Whittle stated to the school board how important it was for the trade school agenda to get pushed so that young people can get into advanced manufacturing. Mr. Whittle asked about a tipping fee and the City Manager stated that it went to all refuge fees.

Vice Mayor Buckner wished the City Attorney a Happy Birthday.

Council Member Campbell wished the City Attorney a Happy Birthday and noted that Festival in the Park was an outstanding event.

Council Member Hood gave a shout out to the school board for a great budget. The excitement that was going into learning was amazing. Congratulations to the college students that have graduated, and to the DPS students who will be graduating soon. Mr. Hood commented on the Accelerated Training for Defense Manufacturing oversite hearing that was online from the Navy that praised Danville on their program.

Mayor Jones invited Dr. Powell, the new president of Averett University, to come to the podium. Dr. Powell briefly spoke about how impressed he and his wife were on their initial visit to Danville, all the business and industry, what was being done near the river and all the people they met could not be more welcoming.

The meeting was adjourned at 7:27 pm.

APPROVED:

____
MAYOR

ATTEST:

____
CITY CLERK

Council Letter
City of Danville, Virginia

CL - 2103 **CONSENT AGENDA B.**

City Council REGULAR MEETING

Meeting Date: June 17, 2025

Subject: Consideration of Amending the Fiscal Year 2025 Budget Appropriation Ordinance by Increasing Revenues from Casino Gaming Taxes to Fund Reimbursement to Danville Utilities.

From: Henrietta Weaver, Budget Director

COUNCIL ACTION

An Ordinance Amending the Fiscal Year 2025 Budget Appropriation Ordinance by Increasing Revenues from the Casino Gaming Taxes to Fund a Reimbursement to Danville Utilities an Appropriation in the Amount of $5,250,000 and Appropriating the Same.

Final Adoption

SUMMARY

Revenues from casino gaming taxes are anticipated to exceed previously budgeted amounts. The additional revenues will be used to fund a reimbursement to the Danville Utilities. The reimbursement will be made to the Gas Fund and Electric Fund as a repayment of funds provided in prior years for economic development efforts.

BACKGROUND

The City's Fiscal Year 2025 Budget Appropriation Ordinance includes estimates for casino gaming taxes using the best available information. Casino gaming taxes are on trend to exceed fiscal year estimates. The use of the increased revenues is a one-time type of expenditure, since the revenue derived from this funding source is highly contingent on the state of the economy.

RECOMMENDATION

It is recommended that the City Council adopt the attached ordinance amending the Fiscal Year 2025 Budget Appropriation Ordinance.

Attachments

1. Ordinance

PRESENTED: ____________________

ADOPTED: ______________________

ORDINANCE NO. 2025 -____.____

AN ORDINANCE AMENDING THE FISCAL YEAR 2025 BUDGET APPROPRIATION ORDINANCE BY INCREASING REVENUES FROM THE CASINO GAMING TAXES TO FUND A REIMBURSEMENT TO DANVILLE UTILITIES AN APPROPRIATION IN THE AMOUNT OF $5,250,000 AND APPROPRIATING THE SAME.

WHEREAS, the City anticipates receiving excess revenues from casino gaming operations exceeding the original budget estimate for Fiscal Year 2025; and

WHERAS, the excess casino revenues will be used to fund a reimbursement to Danville Utilities in Fiscal Year 2026; and

WHERAS, the reimbursement will be made to the Gas Fund and Electric Fund as repayment for funds provided to assist with economic development efforts in prior years.

NOW THEREFORE, BE IT ORDAINED, by the Council of the City of Danville, Virginia, that the Fiscal Year 2025 Budget Appropriation Ordinance be, and the same hereby is, amended, by increasing revenues in the General Fund and appropriating same to be as follows:

ANTICIPATED REVENUES

Description	Account No.	Amount
Caesar’s Minimum Gaming Fee	0100000-40580	$2,625,000
Casino Gaming Tax Local Share	0100000-40585	$2,625,000
Total		**$5,250,000**

ANTICIPATED EXPENDITURES

Description	Account No.	Amount
Support of/Transfer to/Utility Funds:		
Transfer Out to Gas Fund	0199509-6053	$1,125,000
Transfer Out to Electric Fund	0199509-6054	$4,125,000
Total		**$5,250,000**

AND BE IT FURTHER ORDAINED, that all other accounts and provisions of the Fiscal Year 2025 Budget Appropriation Ordinance, as amended, not hereby amended, shall continue in full force and effect unless and until hereafter further amended or repealed.

Approved:

Mayor

Attest:

City Clerk

Approved as to
Form and Legal Sufficiency:

City Attorney

Council Letter
City of Danville, Virginia

CL - 2051 **CONSENT AGENDA C.**

City Council REGULAR MEETING

Meeting Date: June 17, 2025

Subject: Consideration of Amending the Fiscal Year 2025 Budget Appropriation Ordinance for Land and Water Conservation Grant.

From: Andrew Hall, Facilities and Services Planner

COUNCIL ACTION

An Ordinance Amending the Fiscal Year 2025 Budget Appropriation Ordinance by Increasing Revenue from Virginia Department of Conservation and Recreation – Land and Water Conservation Fund in the Amount of $625,964 and to Provide for the Local Share in the Amount of $625,964 for a Total of $1,251,928 and Appropriating the Same.

Final Adoption

SUMMARY

The City of Danville has been awarded a grant from the Virginia Department of Conservation and Recreation - Land and Water Conservation Fund in the amount of $625,964 with a local match required of $625,964 for a total amount of $1,251,928.

BACKGROUND

The funding will be used towards the Pumpkin Creek Park Improvements project. This project is part of the Neighborhood Park Plan. The improvements were recommended by the members of the community during the neighborhood park planning process.

RECOMMENDATION

Department staff recommends adoption of this ordinance to continue the Neighborhood Park Plan.

Attachments

1. Ordinance
2. Pumpkin Creek Conceptual Plan

PRESENTED:________________________

ADOPTED:__________________________

ORDINANCE NO. 2025-____._____

AN ORDINANCE AMENDING THE FISCAL YEAR 2025 BUDGET APPROPRIATION ORDINANCE BY INCREASING REVENUE FROM VIRGINIA DEPARTMENT OF CONSERVATION AND RECREATION – LAND AND WATER CONSERVATION FUND IN THE AMOUNT OF $625,964 AND TO PROVIDE FOR THE LOCAL SHARE IN THE AMOUNT OF $625,964 FOR A TOTAL OF $1,251,928 AND APPROPRIATING THE SAME.

WHEREAS the City of Danville has been awarded a grant from the Virginia Department of Conservation and Recreation – Land and Water Conservation Fund; and

WHEREAS the funding will be used for the redevelopment of Pumpkin Creek Park.

NOW THEREFORE, BE IT ORDAINED, by the Council of the City of Danville, Virginia, that the Fiscal Year 2025 Budget Appropriation Ordinance be, and the same is hereby, amended by increasing revenue for a grant from the Virginia Department of Conservation and Recreation, such funds to be appropriated in the Capital Projects Fund and appropriating the same as follows:

ANTICIPATED REVENUES

Description	Account No.	Amount
LWCF Pumpkin Creek Park Improvements Categorical Aid Federal – Recreation	62005000-48142	$ 625,964

ANTICIPATED EXPENDITURES

Description	Account No.	Amount
LWCF Pumpkin Creek Park Improvements	62005999-50	$ 625,964

AND BE IT FURTHER ORDAINED, that a transfer from the Capital Projects Funds revenue and appropriation in the PRT – Park Improvements project is hereby authorized to cover the local share as follows:

TRANSFER FROM

Description	Account No.	Amount
PRT – Park Improvements		
Transfer In from General Fund – Casino Revenues	60902000-6111	($ 625,964)
Project Expenditures	60902999-50	($ 625,964)

AND BE IT FURTHER ORDAINED, that this appropriation shall be a continuing appropriation and shall carry forward from year to year until expended for the purpose for which appropriated; and

BE IT FINALLY ORDAINED, that all other accounts and provisions of the Fiscal Year 2025 Budget Appropriation Ordinance, as amended, not hereby amended, shall continue in full force and effect unless and until hereafter further amended or repealed.

Approved:

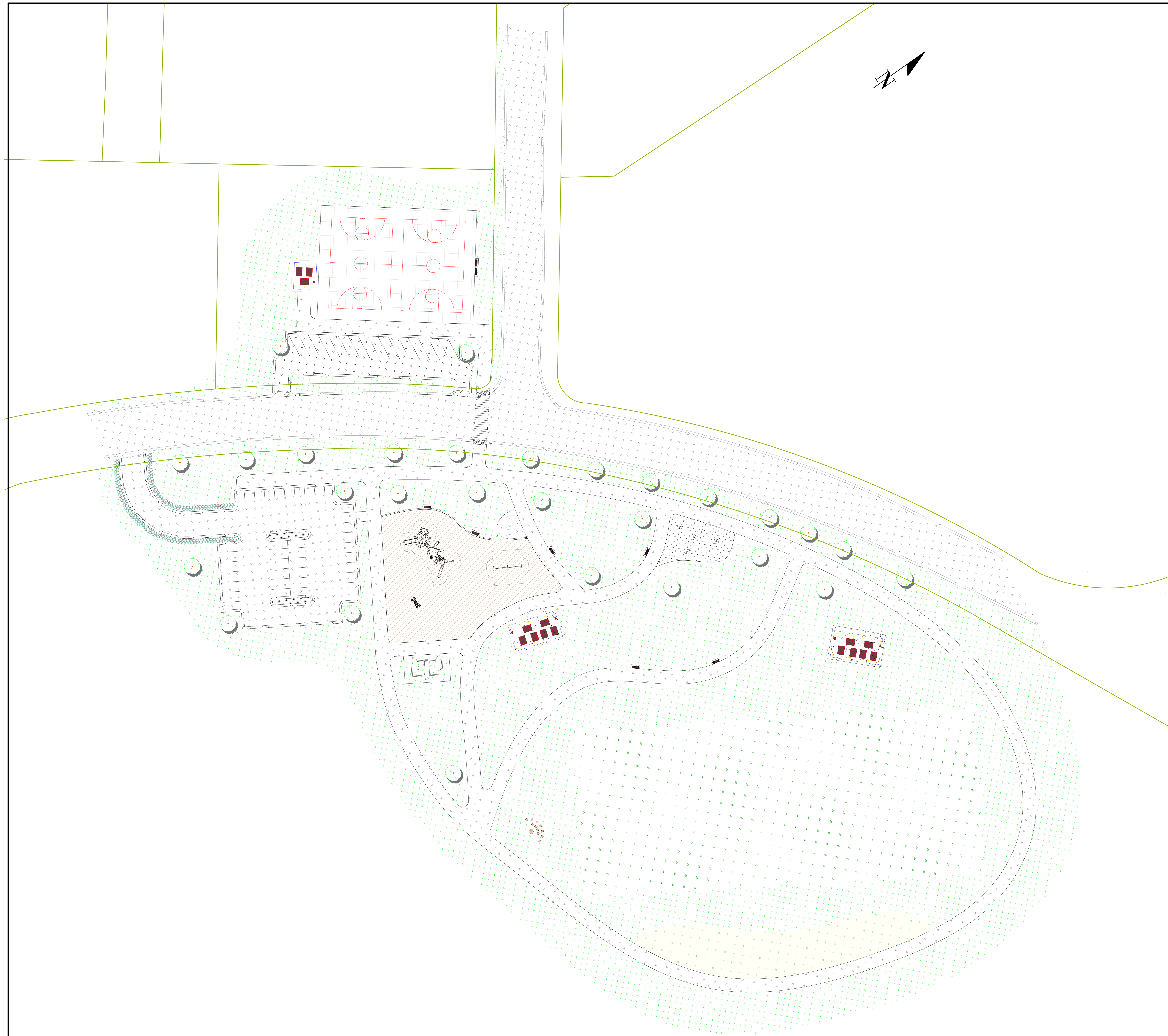
____
Mayor

Attest:

____
City Clerk

Approved as to
Form and Legal Sufficiency:

____
City Attorney



LEGEND	
	PICNIC TABLE
	BENCH
	TRASH RECEPTICAL
	GRASS
	WILDFLOWER GARDEN
	MULTI-USE FIELD
	ASPHALT PAVING
	CONCRETE PAVING
	ENGINEERED WOOD FIBER MULCH

0 100 200 Feet

CITY OF DANVILLE, VIRGINIA
PARKS AND RECREATION

PUMPKIN CREEK PARK

REVISIONS	BY	DATE
PRELIMINARY	AKH	04/05/24

OVERVIEW

SCALE 1"=50'

IFB XX-XX-XXX

SHEET 01 OF 03 SHEETS

CITY OF DANVILLE, VIRGINIA
PARKS AND RECREATION

PUMPKIN CREEK PARK

REVISIONS	BY	DATE
PRELIMINARY	AKH	04/05/24

OVERVIEW

SCALE 1"=30'

IFB XX-XX-XXX

SHEET 01 OF 03 SHEETS

CITY OF DANVILLE, VIRGINIA
PARKS AND RECREATION

PUMPKIN CREEK PARK

REVISIONS	BY	DATE
PRELIMINARY	AKH	04/05/24

OVERVIEW

SCALE 1"=15'

IFB XX-XX-XXX

SHEET 01 OF 03 SHEETS

Council Letter
City of Danville, Virginia

CL - 1976 **OLD BUSINESS A.**

City Council REGULAR MEETING

Meeting Date: June 17, 2025

Subject: City of Danville Budget, CSP, and Budget Appropriation Ordinance.

From: Henrietta Weaver, Budget Director

COUNCIL ACTION

1. A Resolution Approving the Budgets of the Various Funds of the City of Danville for the Fiscal Year Ending June 30, 2026.
   Final Adoption

2. A Resolution Approving the Fiscal Year 2026 Capital and Special Projects Plan for the City of Danville, Virginia.
   Final Adoption

3. Budget Appropriation Ordinance for Fiscal Year 2026
   Final Adoption

SUMMARY

The Public Hearing for the Budget of the City of Danville and Capital and Special Projects (CSP) was held on June 3, 2025.

BACKGROUND

The City Manager presented the Fiscal Year 2026 Proposed Budget in March 2025. City Council held meetings with City staff in April to review and make modifications to the proposed budget. City Council's Introductory Budget was presented for public review on April 30, 2025; a public hearing was held on June 3, 2025.

A public hearing was held May 6, 2025 for proposed rate and fee increases in the following areas: new large event street closure permit fees in Public Works and refuse collection rate changes in Sanitation.

The schedule of authorized full-time positions is included.

RECOMMENDATION

It is recommended that City Council adopt the attached Resolutions approving the City and CSP Budgets, and the Budget Appropriation Ordinance to appropriate the budget to the various funds for Fiscal Year 2026.

Attachments

1. Resolution - Capital and Special Projects

2. Resolution - Budget Various Funds
3. Ordinance - Budget Appropriation Ordinance
4. FY26 Authorized Positions

PRESENTED: ______________________

ADOPTED: _________________________

RESOLUTION NO. 2025____.____

A RESOLUTION APPROVING THE FISCAL YEAR 2026 CAPITAL AND SPECIAL PROJECTS PLAN FOR THE CITY OF DANVILLE, VIRGINIA.

WHEREAS, the City Manager of the City of Danville has proposed, and the City Council has reviewed a plan prioritizing, scheduling, and funding capital and special projects; and

WHEREAS, this plan has been updated to assist with the City in the planning, acquisition, construction, and improvement of various public facilities that promote the development of the City; and

WHEREAS, the plan provides an expedient process for the City of Danville to acquire, construct, extend, renovate, and improve its utility systems in an orderly and coordinated fashion to promote the public welfare of the City and to comply with Federal and State environmental protection regulations; and

WHEREAS, projects proposed to be funded with proceeds from bonds and bond anticipation notes are contingent upon City Council's approval of the issuance of such bonds; and

WHEREAS, such approval shall be by resolution and appropriation by ordinance; and

WHEREAS, it should be recognized that the plan beyond Fiscal Year 2026 is for planning purposes and does not obligate or commit the City to projects included in the plan beyond Fiscal Year 2026.

NOW THEREFORE, BE IT RESOLVED, by the Council of the City of Danville, Virginia that the Fiscal Year 2026 Capital and Special Projects Plan referred to above and incorporated herein and made a part hereof by reference be, and the same is hereby approved.

Approved:

____
Mayor

Attest:

____
Clerk

Approved as to
Form and Legal Sufficiency:

____
City Attorney

PRESENTED: ________________________

ADOPTED: __________________________

RESOLUTION NO. 2025-____.____

A RESOLUTION APPROVING THE BUDGETS OF THE VARIOUS FUNDS OF THE CITY OF DANVILLE FOR THE FISCAL YEAR ENDING JUNE 30, 2026.

WHEREAS, the Budget of and for the City of Danville for Fiscal year 2026 has been prepared and introduced by the City Manager and received and considered by the Council, including the Budgets for the following funds:

Fund	Proposed Expenditure	Contribution/ Transfer to (from) General Fund
General Fund	$ 189,801,610	$
VDOT Special Revenue Fund	15,333,570	
Wastewater	11,919,840	707,760
Water	11,990,280	985,300
Gas	23,248,080	3,199,330
Power & Light	155,989,460	10,710,610
Telecommunications	1,266,580	81,000
Transportation	6,853,980	
Central Services	360,820	
Motorized Equipment	6,882,880	
Insurance Fund	4,695,600	
Sanitation Fund	6,355,730	
Cemetery Fund	1,310,360	

AND WHEREAS, a brief synopsis of said Budget has been duly published and a public hearing with respect thereto has been conducted by the Council, after due public notice thereof, and upon consideration of which it is now necessary and desirable to approve the same as prescribed by law.

NOW THEREFORE, BE IT RESOLVED, by the Council of the City of Danville, Virginia, that the attached Budgets for the City of Danville for the Fiscal Year Ending June 30, 2026 representing the General Fund, VDOT Special Revenue, Water, Wastewater, Gas, Power & Light, Telecommunications, Transportation, Central Services, Motorized Equipment, Insurance, Sanitation, and Cemetery Funds, be, and the same are hereby, approved for informative and fiscal planning purposes pursuant to the City Charter and Sections 15.2-2503 through 15.2-2506 of the Code of Virginia, 1950, as amended.

Approved:

____

Mayor

Attest:

____

Clerk

Approved as to
Form and Legal Sufficiency:

____

City Attorney

PRESENTED: ____________________

ADOPTED: ______________________

ORDINANCE NO. 2025____.____

BUDGET APPROPRIATION ORDINANCE
FOR FISCAL YEAR 2026

WHEREAS, the Budget of and for the City of Danville for Fiscal Year 2026 has been prepared by the City Manager and, after collaboration with the Council, completed and introduced and a brief synopsis thereof was duly published once in the newspaper having general circulation within the City and due notice given of a public hearing which was held on June 3, 2025 at 7:00 P.M., in the Council Chambers, at which any citizen of the City had a right and opportunity to attend and to state his views with regard to such Budget, and such public hearing having been held as advertised, all pursuant to the requirements and provisions of Sections 8-6 and 8-7 of the Charter of the City of Danville, Virginia, 1986, as amended, and of Chapter 25 of Title 15.2 of the Code of Virginia, 1950, as amended; and

WHEREAS, the Council, after having duly considered all views and opinions expressed at such public hearing, approved such budget and does now desire to appropriate funds necessary and available to finance the Budget for the operations of the City for Fiscal Year 2026.

NOW THEREFORE, BE IT ORDAINED, by the Council of the City of Danville, Virginia, that:

1. The Estimated Revenues and Revenue Contributions and the appropriation of funds to finance the Budgets of and for the City of Danville, Virginia, for the period beginning July 1, 2025 and ending June 30, 2026, be, and the same hereby are, as follows:

I. GENERAL FUND

Estimated Revenue FY 2026	$ 189,801,610
Appropriations	189,801,610
Unappropriated	-0-

II. VDOT STREET MAINTENANCE FUND

Estimated Revenue FY 2026	$ 15,333,570
Appropriations	15,333,570
Unappropriated	-0-

III. UTILITY FUNDS

		Wastewater	Water	Gas	Electric	Telecommunications
Operating Revenues	$	9,547,770	10,123,670	21,595,370	147,747,290	866,970
Expenditures		11,212,080	11,004,980	20,048,750	145,278,850	1,185,580
Excess Revenues Over (Under) Expenditures		(1,664,310)	(881,310)	1,546,620	2,468,440	(318,610)
Add: Depreciation		1,670,190	1,442,130	1,589,130	8,150,650	445,170
Contribution/Transfer (To)/From General Fund		(705,760)	(985,300)	(3,199,330)	(10,710,610)	(81,000)
Increase (Decrease) In Fund Balance	**$**	**(701,880)**	**(424,480)**	**(63,580)**	**(91,520)**	**45,560**

IV. OTHER FUNDS

		Transportation	Central Services	Motorized Equipment	Insurance	Sanitation	Cemetery
Operating Revenues	$	5,967,100	351,000	5,283,340	4,724,200	4,886,580	1,402,260
Expenditures		6,853,980	360,820	6,882,880	4,695,600	6,355,730	1,310,360
Excess Revenues Over (Under) Expenditures		(886,880)	(9,820)	(1,599,540)	28,600	(1,469,150)	91,900
Add: Depreciation		339,560	4,960	903,190	-0-	391,710	-0-
Contribution/Transfer (To)/From General Fund							
Increase (Decrease) In Fund Balance	**$**	**(547,320)**	**(4,860)**	**(696,350)**	**28,600**	**(1,077,440)**	**91,900**

2. Flexible budgets are hereby authorized whereby appropriations may be increased to the extent that actual revenues exceed the original revenue budget amount. This provision shall apply to the following:

Appropriation	Revenue
Purchased Power	Electric Revenues
Natural Gas Purchases	Natural Gas Revenues
Cast Iron Main Replacement	Gas Refunds
Electric Capital Reserve	Electric Refunds
DMV Fees	DMV Fees-P/Taxes
Landscape Projects	Donations - Grant Fund
Capital Expenditures from Grants-in-Aid	Utility Grants-in-Aid of Construction
P/W Street Maintenance	VDOT Street & Hwy Maintenance
Social Services	State Categorical Aid – Department of Social Services
Mass Transit Fund	State & Federal Categorical Aid – Transportation
Police/Fire/PRT Departments Extra Pay	Recoveries – Extra Pay
Police Department	Federal & State Forfeiture Funds
Police Department Investigation Expense	Interest Earned – Unexpended Federal & State Forfeiture Funds
Commonwealth Attorney Prosecution Expense – State	Forfeited Funds and Interest Earned on Forfeited Funds
HAZMAT Reimbursable Expenditures	Emergency Services Funds
Older Americans Title IIIB	Program Income
Older Americans Title IIID	Program Income
Economic Development Projects	Proceeds from Sale of Buildings or Property

Appropriation	Revenue
Human Resources Wellness Program Expenditures	Wellness Recovery Funds
Grant Funds	State/Federal Funding & Private Donations
Clerk of Court – Index/Records	Virginia Supreme Court – Technology Trust Fund
Community Development Fund CDBG-Rehab-Private Property HOME-Rehab-Private Property	Program Income
All Funds Repairs/Replacement from Insurance/Accident Claims	Recoveries – Accident Claims

3. For the operation of the several city departments, as set forth in the "Intra-governmental Service Fund" Budgets, the Council hereby authorizes transfers from the General Fund for cash deficits resulting from internal charges and credits for the Year Ended June 30, 2025.

4. The accounting for funds designated within all funds as unanticipated grants/donations not exceeding $100,000 and requiring no local funding are authorized for expenditure/assignment within the appropriate fund ***unless council action is required by the Grantor***. Unanticipated grants/donations more than $100,000 to be submitted as an additional appropriation ordinance for City Council approval and adoption.

5. Transfers of funds from the General Fund to the accounts in the "Special Grants Fund" of the City for the purpose of making temporary advances to the Special Grants Fund pending receipt of reimbursements of such grant funds and for the purpose of adjusting any cash deficits in such Special Grants Funds for the Fiscal Year Ending June 30, 2025, be, and the same are hereby, authorized.

6. Any deficit resulting from the operations of the Cemetery Enterprise Fund, Motorized Equipment Fund, and Solid Waste Fund shall be financed by a transfer from the General Fund.

7. Authorization to transfer up to ½ the increase in Unassigned Fund Balance to the Budget Stabilization Fund at June 30, 2025 up to the maximum balance as prescribed by City Council's Financial Policy.

8. Authorization to transfer unexpended funds for the Line of Duty Act (LODA), General Liability Insurance, and Worker's Compensation to the Insurance Fund to be held in reserve for future expenses unless such transfer reduces unassigned Fund Balance/Retained Earnings in respective funds.

9. The FY 2026 Personnel Budget setting forth the Personal Services Detail showing approved as to the total number of authorized full-time positions is attached. The City Manager be, and he is hereby, authorized to allocate positions within similar occupational groupings as he may deem necessary and appropriate for the operation of the City, provided that the total number of positions and the total expenditures therefore do not exceed the authorized numbers and amounts set forth in the Budget.

10. The Chief Financial Officer be, and he is hereby, authorized and directed to record the budget appropriations made hereby and the expenditures thereof in such manner and in such detail as may be appropriate for management and financial reporting purposes.

11. A sum of sufficient amount be, and the same is hereby, appropriated for the purchase of inventories of materials and supplies, and/or equipment and vehicle parts to maintain adequate operating inventories for City departments, provided cash funds are available for payment of said purchases.

12. The funds appropriated in Fiscal Year 2025 and in prior years for the City or School System which were encumbered by purchase order or contract as of June 30, 2025,

be, and the same are hereby, reappropriated for the purpose of liquidating said outstanding encumbrances.

13. Appropriations for the following are deemed to be on a continuing basis and will continue in effect until the purposes have been achieved or said funds expended whichever comes first:

Police Department - Investigation Expense

Commonwealth Attorney - Prosecution Expense - State Funds

Appropriations for Grants Funds - Federal, State, Local Share

Law Library

Unexpended Tuition Reimbursement Funds – To the extent funding has been committed and approved prior to June 30

Capital Improvement Projects (unless transferred or cancelled by the City Manager and/or City Council)

Sheriff's Office – Jail R&B Fee

Parks, Recreation & Tourism – Scholarship Funds & Revolving Accounts

Recoveries/Appropriations - Accident/Insurance Claims

Economic Development – Visitor Center State Funds

14. Appropriations designated as transfers to Capital Improvements, other than projects funded by grant or the issuance of bonds, are hereby authorized as appropriations in the receiving fund in accordance with the Capital Improvements Plan approved by City Council.

15. Transfers from the Casino holding account are authorized to be posted to projects and operations as approved by City Council Resolution.

16. At the discretion of the City Manager or the Budget Director in collaboration with the Chief Financial Officer, expenditures in excess of the amount budgeted for Group Health Insurance, in part or in whole, can be financed by a transfer from the Insurance Fund, if sufficient reserves are available in the Insurance Fund.

17. Authorization for appropriation of Law Library Revenues reserved from prior fiscal years in Advance Collections.

18. Authorization for appropriation of Children's Services Act (CSA) Revenues reserved from prior fiscal year in Special Revenue Fund - Undesignated. Authorization to finance any deficit in locally required funding by a transfer from the General Fund.

19. Authorization to carry forward unexpended appropriation for Regional Industrial Facilities Authority Debt Service including interest earned and to designate as reserved funding to be used for the purpose for which it was appropriated.

20. Authorization to carry forward unencumbered appropriation for Support of Public Schools as of June 30, 2025.

21. Authorization for the City to transfer any unencumbered funds for Support of Public Schools from Schools Operations account to School Capital Projects in the Capital Projects Fund as requested by Schools.

22. Authorization for appropriation in the Capital Projects Fund of Support of and Debt Service requirements for the Regional Industrial Facilities Authority as provided in the General Fund Budget.

23. Subject to the provisions herein, departments are authorized to transfer budget between line items within the department within the same fund with the following limitations:

- No transfers allowed to or from salary/benefit line items to operating line items unless approved by City Manager, Deputy City Manager, or Budget Director.
- No transfers allowed from fixed line items (General Liability Insurance, Worker's Compensation, Depreciation, Debt Service Principal/Interest, Motorpool Rental) to operating or salary/benefit line items unless approved by City Manager, Deputy City Manager, or Budget Director.

- All transfers must be approved by Department Director or designee.

24. The City Manager or designee is authorized to transfer budget from contingency within the same fund.

25. City Manager, Deputy City Manager, or Budget Director authorized to transfer funds between departments within the same fund at year-end to cover over-expenditures and during the fiscal year for special one-time purposes.

26. Budget Adjustments are hereby authorized for Bond Refundings as approved by City Council.

27. Transfers of funds from the General Fund to the Economic Development Fund are available for transfer to the Industrial Development Authority for payments of economic development projects.

28. This Ordinance shall become and be effective on and as of July 1, 2025.

AND BE IT FINALLY ORDAINED, that a transfer from the Budget Stabilization Fund up to $3,000,000 is hereby authorized to cover various revenue shortfalls per the guidelines of the Budget Stabilization Fund Policy.

Approved:

____
Mayor

Attest:

____
City Clerk

Approved as to
Form and Legal Sufficiency:

____
City Attorney

CITY OF DANVILLE, VIRGINIA
FY 2026 AUTHORIZED FULL-TIME POSITIONS

FY 2025	Changes	FY 2026	POSITION TITLE
			City Manager's Office (01100)
1		1	City Manager
1		1	Deputy City Manager
1		1	Assistant to the City Manager
1		1	Clerk of Council
1		1	Multimedia Manager
1		1	Public Information Officer (funded by Utilities)
1		1	Economic Mobility & Opportunity Manager
1		1	Executive Secretary
8		**8**	**Sub-total**
			Gang & Violence Prevention (01100)
1		1	Violence Prevention Manager
1		1	Assistant Violence Prevention Manager
5		5	Violence Prevention Outreach Worker
1		1	Community Liaison
8		**8**	**Sub-total**
16		**16**	**TOTAL CITY MANAGER'S OFFICE**
			City Attorney's Office (01105)
1		1	City Attorney
1		1	Assistant City Attorney I (50% funded by Utilities)
1		1	Deputy City Attorney
1		1	Legal Assistant
1		1	Legal Secretary
5		**5**	**TOTAL CITY ATTORNEY'S OFFICE**
			COMMUNITY DEVELOPMENT DEPARTMENT
			Community Development Block Grant Fund (12110)
1		1	Housing and Redevelopment Specialist (grant funded)
1		1	Housing and Development Division Director
2		2	Cost Estimator/Inspector (grant funded)
1		1	LEAD Safe Program Manager (grant funded)
1		1	LEAD Safe Prog Cost Estimator/Inspector (grant funded)
	1	1	Housing Grant Coordinator
1		1	Housing Grant & Environmental Review Specialist (grant funded)
1		1	Senior Account Clerk (grant funded)
1		1	Secretary (partially grant funded)
9	**1**	**10**	**Sub-total**
			Director of Community Development (01700)
1		1	Director of Community Development
1		1	Accountant II
1		1	Senior Secretary
3		**3**	**Sub-total**

CITY OF DANVILLE, VIRGINIA
FY 2026 AUTHORIZED FULL-TIME POSITIONS

FY 2025	Changes	FY 2026	POSITION TITLE
			Inspections Office (01710)
1		1	Division Director of Inspections
1		1	Inspections Supervisor
	1	1	Plans Examiner
1		1	Plumbing/Cross Connection Inspector
1		1	Mechanical Inspector
2		2	Electrical Inspector
2		2	Building Inspector
6		6	Property Maintenance Inspector
1		1	Property Maintenance Code Supervisor
1		1	Permit Technician
16	**1**	**17**	**Sub-total**
			Planning Office (01715)
1		1	Division Director of Planning
1		1	Short Term Rental Technician
	1	1	Long Range and Neighborhood Planner
3		3	***Combination of:***
			Senior Planner
			Associate Planner
			Planning Technician
5	**1**	**6**	**Sub-total**
33	**3**	**36**	**TOTAL COMMUNITY DEVELOPMENT DEPARTMENT**

FY 2025	Changes	FY 2026	POSITION TITLE
			SOCIAL SERVICES DEPARTMENT
			Social Services (01520)
1		1	Director of Social Services
1		1	Division Director of Training and Operations
1		1	Accountant II
1		1	CSA Coordinator (grant funded)
1		1	Family Services Manager
3		3	Family Services Supervisor
1		1	Senior Family Services Specialist
16		16	Family Services Specialist
1		1	Eligibility Services Manager
3	1	4	Eligibility Supervisor
4	(1)	3	Senior Eligibility Worker
36	1	37	Eligibility Worker
5		5	Child Protective Service Worker
1		1	Fraud Investigator
1		1	Employment Service Supervisor
2		2	Sr Employment Services Worker
7		7	Employment Service Worker
1		1	Employment Service Aide
1		1	Senior Administrative Assistant
2		2	Administrative Assistant
			Senior Secretary
2		2	Secretary
1		1	Senior Account Clerk
12		12	Senior Administrative Specialist

CITY OF DANVILLE, VIRGINIA
FY 2026 AUTHORIZED FULL-TIME POSITIONS

FY 2025	Changes	FY 2026	POSITION TITLE
			Administrative Specialist
1		1	Social Service Aide
105	**1**	**106**	**TOTAL SOCIAL SERVICES DEPARTMENT**
			ECONOMIC DEVELOPMENT & TOURISM DEPARTMENT
			Economic Development (01180)
1		1	Director of Economic Development & Tourism
1		1	Assistant Director of Economic Development & Tourism
1		1	Marketing and Communications Specialist
1		1	Economic Development Project Manager
1		1	Economic Development Real Estate Manager
1		1	Marketing, Communications, and Research Manager
1		1	Special Project Manager
1		1	Senior Secretary
8		**8**	**Sub-total**
			Tourism (01181)
1		1	Tourism Sales Coordinator
1		1	Tourism Manager
2		**2**	**Sub-total**
			Visitor Center (01182)
1		1	Visitor Center Manager
1		**1**	**Sub-total**
11		**11**	**TOTAL ECONOMIC DEVELOPMENT & TOURISM DEPARTMENT**
			FINANCE DEPARTMENT
			Customer Accounts (01226)
1		1	Division Director of Customer Accounts
1		1	Service and Billing Customer Account Manager
1		1	Collections Customer Account Manager
1		1	Delinquent Collections Coordinator
2		2	Senior Collections Clerk
12		12	Customer Account Representative
5		5	Cashier
1		1	Senior Customer Account Training Representative
6		6	***Combination of:***
			Senior Utility Billing Clerk
			Utility Special Billing Clerk
			Utility Billing Clerk
30		**30**	**Sub-total**

CITY OF DANVILLE, VIRGINIA
FY 2026 AUTHORIZED FULL-TIME POSITIONS

FY 2025	Changes	FY 2026	POSITION TITLE
			Central Services Fund (42110)
1		1	Print Shop Supervisor
3		3	***Combination of:***
			Senior Printer
			Printer
4		**4**	**Sub-total**
			Director of Finance (01200)
1		1	Chief Financial Officer
1		1	Grant Administrator
1		1	Administrative Assistant
3		**3**	**Sub-total**
			Accounting (01205)
1		1	Assistant Director of Finance
1		1	Business Systems Accountant
	1	1	Accounting Supervisor
4		4	***Combination of:***
			Accountant I
			Accountant II
			Accountant III
1		1	Payroll Administrator
1		1	Accounting Technician
2		2	***Combination of:***
			Account Clerk
			Senior Account Clerk
10	**1**	**11**	**Sub-total**
			Internal Audit (01208)
1		1	Senior Internal Auditor/Cash & Risk Manager
1		**1**	**Sub-total**
			Budget (01210)
1		1	Director of Budget
1		1	Budget Analyst
2		**2**	**Sub-total**
			Purchasing (01215)
1		1	Division Director of Purchasing
1		1	Procurement Officer
1		1	Purchasing Support Specialist
1		1	Vendor Relationship Coordinator
4		**4**	**Sub-total**

FY 2025	Changes	FY 2026	POSITION TITLE
			Real Estate (01220)
1		1	Division Director of Real Estate Assessment
3		3	***Combination of:***
			Real Estate Appraiser III
			Real Estate Appraiser II
			Real Estate Appraiser I
1		1	***Combination of:***
			Senior Real Estate Assessment Clerk
			Real Estate Assessment Clerk
5		**5**	**Sub-total**
59	**1**	**60**	**TOTAL FINANCE DEPARTMENT**
			FIRE DEPARTMENT
			Emergency Communications (01330)
1		1	Emergency Communications Manager
4		4	Emergency Telecommunications Supervisor
			CERT Coordinator
16		16	***Combination of:***
			Emergency Telecommunicator I
			Emergency Telecommunicator II
21		**21**	**Sub-total**
			Fire (01320)
1		1	Fire Chief
2		2	Deputy Fire Chief
3		3	Fire Battalion Chief
1		1	Division Chief Training & Safety
1		1	Division Chief Fire Marshal
1		1	Division Chief Community Risk Reduction Specialist/Educator
			Fire Marshal
27		27	***Combination of:***
			Fire Captain
			Fire Lt./Asst. Training Officer
1	1	2	Assistant Fire Marshal
24		24	Fire Fighter/Engineer
1		1	Fire Support Administrator
60		60	Fire Fighter
1		1	Fire Logistics Officer
1		1	Administrative Assistant
1		1	Senior Secretary
125	**1**	**126**	**Sub-total**
146	**1**	**147**	**TOTAL FIRE DEPARTMENT**

CITY OF DANVILLE, VIRGINIA
FY 2026 AUTHORIZED FULL-TIME POSITIONS

FY 2025	Changes	FY 2026	POSITION TITLE
			GENERAL ASSEMBLY
			Circuit Court (01155)
1		1	Law Clerk
1		1	Judicial Assistant I
1		1	Judicial Assistant II
1		1	Senior Court Reporter
4		**4**	**TOTAL CIRCUIT COURT**
			Registrar (01150)
1		1	Registrar
1		1	Deputy Registrar
2		**2**	**TOTAL REGISTRAR**
			HUMAN RESOURCES DEPARTMENT
			Human Resources (01110)
1		1	Director of Human Resources
	1	1	Assistant Director of Human Resources
1	(1)		HR Training & Business Systems Manager
3		3	***Combination of:***
			Organization Development Consultant
			HR Business Partner I
			HR Business Partner II
2		2	***Combination of:***
			Human Resources Coordinator I
			Human Resources Coordinator II
1		1	Human Resource Assistant
8		**8**	**TOTAL HUMAN RESOURCES DEPARTMENT**
			INFORMATION TECHNOLOGY DEPARTMENT
			Information Technology (01250)
1		1	Chief Information Officer
24		24	***Combination of:***
			Deputy Chief Information Officer
			Division Director of Application Solutions
			Division Director of Client & Administrative Services
			IT Project Manager
			Senior Business Intelligence Analyst
			Client Solutions Specialist III
			Network Engineer
			Network Administrator I
			Network Administrator III
			System Administrator I
			System Administrator II
			System Administrator III
			System Administrator IV
			Technical Support Manager
			Technical Support Specialist I
			Technical Support Specialist II
			Technical Support Specialist III

CITY OF DANVILLE, VIRGINIA
FY 2026 AUTHORIZED FULL-TIME POSITIONS

FY 2025	Changes	FY 2026	POSITION TITLE
			Technical Support Specialist IV
			Business & Data Analyst I
			Business & Data Analyst II
			Business & Data Analyst III
			Business & Data Analyst IV
			GIS Coordinator
			Solutions Integration Specialist
			Solutions Integration Developer
			Application Specialist I
			Application Specialist II
			Application Specialist III
			Applications Specialist IV
			Programmer I
			Programmer II
			Programmer III
			GIS Specialist I
			GIS Specialist II
			GIS Specialist III
			GIS Analyst
			Administrative Technical Analyst I
25		**25**	**TOTAL INFORMATION TECHNOLOGY DEPARTMENT**
			POLICE DEPARTMENT
			Adult Detention Facility (01515)
1		1	Division Director of Adult Detention
1		1	Chief Correctional Officer
1		1	Service Program Coordinator
1		1	Administrative Lieutenant
1		1	Work Program Coordinator
2		2	Correctional Health Assistant
4		4	Correctional Captain
6		6	Correctional Lieutenant
19		19	***Combination of:***
			Correctional Officer I
			Correctional Officer II
1		1	Senior Account Clerk
1		1	Administrative Assistant
38		**38**	**Sub-total**
			Juvenile Detention Facility (01510)
1		1	Division Director of Juvenile Detention
1		1	Assistant Division Director of Juvenile Detention
1		1	Juvenile Program Coordinator
1		1	Nurse
4		4	Shift Supervisor
1		1	Building Maintenance Mechanic I
1		1	Post Dispositional Coordinator
4		4	Senior Youth Care Worker
1		1	Juvenile Training Coordinator
2		2	Alternative Detention Case Worker (grant funded)
			Youth Care Worker

FY 2025	Changes	FY 2026	POSITION TITLE
30		30	***Combination of:***
			Youth Care Worker I
			Youth Care Worker II
			Youth Care Worker III
1		1	Senior Account Clerk
2		2	Secretary
1		1	Custodian
51		**51**	**Sub-total**
			Police (01310)
1		1	Police Chief
1		1	Police Deputy Chief
2		2	Police Assistant Chief
4		4	Police Captain
10	1	11	Police Lieutenant
12		12	Police Sergeant
17		17	Police Corporal
83	(1)	82	***Combination of:***
			Police Officer
			Community Engagement Specialist
2		2	School Resource Officer / Police Officer (grant funded)
2		2	CITAC Officer / Police Officer (funded by DPCS)
1		1	Accreditation Manager
1		1	Community Relations Liaison
1		1	Police Public Relations Specialist
1		1	Quarter Master
1		1	Police Records & Technology Manager
1		1	Police Video Technician
1		1	Police Property & Evidence Technician
1		1	Senior Administrative Assistant
	1	1	Administrative Assistant
2		2	Animal Control Officer
2	(1)	1	Secretary
1		1	Senior Secretary
4		4	Police Records Clerk
1		1	Crime Analyst
2		2	Custodian
154		**154**	**Sub-total**
243		**243**	**TOTAL POLICE DEPARTMENT**
			PARKS & RECREATION DEPARTMENT
			Parks & Recreation - Administration (01600)
1		1	Director of Parks & Recreation
1		1	Division Director of Parks & Recreation Administration
1		1	P&R Project Manager
	1	1	Cultural Arts Manager
1		1	P&R Public Relations Specialist
1		1	Program Coordinator
1		1	Facilities & Services Planning Specialist
1		1	P&R Facilities Manager

CITY OF DANVILLE, VIRGINIA
FY 2026 AUTHORIZED FULL-TIME POSITIONS

FY 2025	Changes	FY 2026	POSITION TITLE
1		1	Administrative Assistant
1		1	Senior Secretary
1		1	Secretary
2		2	Custodian
1		1	Outdoor Recreation Program Supervisor
13	**1**	**14**	**Sub-total**
			Athletics (01620)
1		1	Division Director of Athletics
2		2	Program Coordinator
1		1	Senior Administrative Specialist
4		**4**	**Sub-total**
			Community Recreation (01605)
1		1	Division Director of Community Recreation
3		3	Program Coordinator
1	(1)		Recreation Grants Specialist (Grant Funded)
1		1	Senior Administrative Specialist
6	**(1)**	**5**	**Sub-total**
			Park Maintenance (01630)
1		1	Division Director of Parks Maintenance
3		3	Parks Supervisor
12		12	***Combination of:***
			Park Maintenance Technician
			Parks Groundskeeper II
			Parks Groundskeeper I
			Motor Equipment Operator I
1		1	Public Service Worker/Operator
17		**17**	**Sub-total**
			Special Recreation (01610)
1		1	Division Director of Special Recreation
4		4	Program Coordinator
1		1	Special Population Assistant
1		1	Custodian
3		3	Recreation Program Supervisor
10		**10**	**Sub-total**

CITY OF DANVILLE, VIRGINIA
FY 2026 AUTHORIZED FULL-TIME POSITIONS

FY 2025	Changes	FY 2026	POSITION TITLE
			Public Library (01540)
1		1	Division Director of Library
1		1	Adult Services Coordinator
1		1	Children's Librarian
1		1	Circulation Supervisor
1		1	Circulation Specialist
1		1	Technical Services Librarian
3		3	Library Services Specialist
3		3	Information Specialist
1		1	Public Safety Facility Monitor
1		1	Library Technology Specialist
14		**14**	**Sub-total**
64		**64**	**TOTAL PARKS & RECREATION**
			PUBLIC WORKS DEPARTMENT
			Cemetery Maintenance (fund 59) (59110)
1		1	General Supervisor
2		2	Cemetery Supervisor
10		10	***Combination of:***
			Motor Equipment Operator I
			Groundskeeper
			Public Service Worker
			Public Service Worker/Operator
13		**13**	**Sub-total**
			Public Works Administration (01253) (01400)
1		1	Director of Public Works
1		1	Division Director Public Works Administration
1		1	Public Works Administrative Manager
6		6	***Combination of:***
			Senior Administrative Assistant
			Administrative Assistant
			Dispatcher
			Senior Account Clerk
			Senior Secretary
			Account Clerk
9		**9**	**Sub-total**
			Building Maintenance (01250) (01440)
1		1	Division Director of Building & Grounds
1		1	General Supervisor
1		1	Custodian Supervisor
7		7	***Combination of:***
			Building Maintenance Mechanic III
			Building Maintenance Mechanic II
			Building Maintenance Mechanic I
9		9	***Combination of:***
			Senior Custodian
			Custodian
19		**19**	**Sub-total**

CITY OF DANVILLE, VIRGINIA
FY 2026 AUTHORIZED FULL-TIME POSITIONS

FY 2025	Changes	FY 2026	POSITION TITLE
			Motorized Equipment (Fund 44) (44110)
2		2	Equipment Maintenance Supervisor
17		17	***Combination of:***
			Heavy Equipment Mechanic
			Transit Mechanic
			Automotive Equipment Mechanic I
			Automotive Equipment Mechanic II
			Automotive Equipment Mechanic III
			Automotive Service Technician
			Automotive Service Attendant
			Welder
19		**19**	**Sub-total**
			Motorized Equipment-Communications (Fund 44) (44120)
1		1	Communications Systems Manager
1		**1**	**Sub-total**
			Motorized Equipment-Warehouse (Fund 44) (44130)
2		2	Public Works Warehouse Clerk
2		**2**	**Sub-total**
			Sewer Maintenance (Fund 51) (51210)
1		1	General Supervisor
1		1	P/W Crew Supervisor
1		1	CCTV Technician
8		8	***Combination of:***
			Heavy Equipment Operator
			Motor Equipment Operator I
			Motor Equipment Operator II
			Motor Equipment Operator III
			Public Service Worker
			Public Service Worker/ Operator
11		**11**	**Sub-total**
			Sanitation - Code Enforcement (Fund 58) (58150)
2		2	Code Enforcement Inspector
2		**2**	**Sub-total**
			Sanitation - Composting (Fund 58) (58120)
2		2	***Combination of:***
			Weighmaster
			Sanitation Operator I
			Sanitation Operator II
2		**2**	**Sub-total**

CITY OF DANVILLE, VIRGINIA
FY 2026 AUTHORIZED FULL-TIME POSITIONS

FY 2025	Changes	FY 2026	POSITION TITLE
			Sanitation - Recycling (Fund 58) (58140)
1		1	Recycling Center Operator
4		4	***Combination of:***
			Sanitation Operator I
			Sanitation Operator II
			Public Service Worker
			Public Service Worker/Operator
5		**5**	**Sub-total**
			Sanitation - Refuse Collection (Fund 58) (58110)
1		1	Division Director of Sanitation
1		1	General Supervisor
11		11	***Combination of:***
			Sanitation Operator II
			Sanitation Operator I
			PW Crew Supervisor
			Public Service Worker
			Public Service Worker/Operator
			Solid Waste Collector
13		**13**	**Sub-total**
			Sanitation - Yardwaste (Fund 58) (58130)
10		10	***Combination of:***
			PW Crew Supervisor
			Sanitation Operator I
			Sanitation Operator II
			Public Service Worker
			Public Service Worker/Operator
10		**10**	**Sub-total**
			VDOT - Engineering (Fund 15) (15110)
1		1	Assistant Director of P/W - City Engineer
4	1	5	***Combination of:***
			Public Works Chief Engineer
			PW Senior Project Manager
			PW Project Manager
8		8	***Combination of:***
			Construction Inspections Supervisor
			Survey Party Supervisor
			Public Works GIS/CAD Engineering Technician
			Public Works Project Engineer
			Construction Inspector
			Sr Engineering Technician
			Engineering Aide
			Engineering Technician
13	**1**	**14**	**Sub-total**

CITY OF DANVILLE, VIRGINIA
FY 2026 AUTHORIZED FULL-TIME POSITIONS

FY 2025	Changes	FY 2026	POSITION TITLE
			VDOT - Grounds Maintenance (Fund 15) (15130)
1		1	General Supervisor
1		1	P/W Crew Supervisor
15		15	***Combination of:***
			Horticulturist
			Motor Equipment Operator III
			Motor Equipment Operator II
			Motor Equipment Operator I
			Public Service Worker
			Public Service Worker/ Operator
			Groundskeeper
17		**17**	**Sub-total**
			VDOT - Street Cleaning (Fund 15) (15125)
7		7	***Combination of:***
			Public Service Worker
			Public Service Worker/ Operator
			Motor Equipment Operator III
			Motor Equipment Operator II
			Motor Equipment Operator I
7		**7**	**Sub-total**
			VDOT - Street Maintenance (Fund 15) (15120)
1		1	Division Director of Streets
1		1	Training & Safety Manager
2		2	General Supervisor
3		3	P/W Crew Supervisor
1		1	Code Enforcement Inspector
1		1	Application Specialist I
26	2	28	***Combination of:***
			Heavy Equipment Operator
			Construction Inspector
			Motor Equipment Operator III
			Motor Equipment Operator II
			Motor Equipment Operator I
			Public Service Worker
			Public Service Worker/ Operator
			Groundskeeper
35	**2**	**37**	**Sub-total**

CITY OF DANVILLE, VIRGINIA
FY 2026 AUTHORIZED FULL-TIME POSITIONS

FY 2025	Changes	FY 2026	POSITION TITLE
			VDOT - Traffic Control (Fund 15) (15115)
1		1	General Supervisor
1		1	Traffic Control Crew Supervisor
1		1	Sign Technician
6		6	***Combination of:***
			Senior Traffic Signal Technician
			Traffic Signal Technician
			Motor Equipment Operator I
			Motor Equipment Operator II
			Motor Equipment Operator III
			Public Service Worker
			Public Service Worker/ Operator
9		**9**	**Sub-total**
187	**3**	**190**	**TOTAL PUBLIC WORKS DEPARTMENT**
			TRANSPORTATION DEPARTMENT
			Airport (01350)
1		1	Senior Administrative Assistant
1		1	Transportation Building & Grounds Superintendent
3		3	***Combination of:***
			Airport Maintenance Security Tech II
			Airport Maintenance Security Tech I
5		**5**	**Sub-total**
			Mass Transit (Fund 56) (56110)
1		1	Director of Transportation Services
3		3	Transportation Supervisor
1		1	Senior Administrative Assistant
2		2	Transportation Dispatcher
1		1	Senior Account Clerk
1		1	Transportation Grants Specialist
1	(1)		Transportation Grant Assistant (grant funded)
30		30	***Combination of:***
			Transit Driver I
			Transit Driver II
2		2	Account Clerk
42	**(1)**	**41**	**Sub-total**
47	**(1)**	**46**	**TOTAL TRANSPORTATION DEPARTMENT**

CITY OF DANVILLE, VIRGINIA
FY 2026 AUTHORIZED FULL-TIME POSITIONS

FY 2025	Changes	FY 2026	POSITION TITLE
			UTILITIES DEPARTMENT
			Utilities Administration (Fund 54) (50100)
1		1	Director of Utilities
1		1	Assistant Director of Utilities
1		1	Key Accounts Manager
1		1	IT Scada Systems Analyst
1	(1)		Utilities Energy Advisor
	1	1	Data Scientist
5		**5**	**Sub-total**
			Utilities - Fiscal Services (Fund 54) (50110)
1		1	Division Director of Support Services
1		1	Senior Secretary
1	(1)		Accountant II
1		1	Training & Safety Manager
1		1	Facilities & Fleet Manager
1		1	Utilities Warehouse Manager
1		1	Custodian
2		2	Senior Account Clerk
3		3	***Combination of:***
			Warehouse Stock Clerk
			Senior Warehouse Stock Clerk
12	**(1)**	**11**	**Sub-total**
			Water Treatment Administration (Fund 52) (52100)
1		1	Division Director of Water/Wastewater Treatment
1		1	Senior Secretary
2		**2**	**Sub-total**
			Water Treatment (Fund 52) (52130)
1		1	Water Treatment Manager
1		1	Water Chemist
3		3	***Combination of:***
			Bldg Maintenance Superintendent
			Senior Industrial Mechanic
			Industrial Mechanic
9		9	***Combination of:***
			Water Treatment Plant Operator Supervisor
			Water Treatment Plant Operator I
			Water Treatment Plant Operator II
			Water Treatment Plant Operator III
			Water Treatment Plant Operator Trainee
14		**14**	**Sub-total**
			Gas Administration (Fund 53) (53100)
1		1	Division Director of Water & Gas
1		**1**	**Sub-total**

CITY OF DANVILLE, VIRGINIA
FY 2026 AUTHORIZED FULL-TIME POSITIONS

FY 2025	Changes	FY 2026	POSITION TITLE
			Gas Control (Fund 53) (53130)
1		1	Gas Supply Analyst
2		2	Gas Control Technician
3		**3**	**Sub-total**
			Water & Gas Distribution (Fund 53) (53220)
1		1	Water and Gas Distribution Superintendent
			Water and Gas Distribution Supervisor
6		6	***Combination of:***
			Water and Gas Crew Supervisor
			W&G Construction Crew Supervisor
			Water and Gas Corrosion/Welder Supervisor
15		15	***Combination of:***
			Heavy Equipment Operator
			Motor Equipment Operator II
			Motor Equipment Operator III
			Utilities Pipeline Technician III
			Utilities Pipeline Technician II
			Utilities Pipeline Technician I
			Construction Worker
22		**22**	**Sub-total**
			Water & Gas Engineering (Fund 53) (53210)
1		1	W&G Chief Engineer
2		2	Water and Gas Senior Engineer Tech.
1		1	Water and Gas Compliance Coordinator
1		1	Construction Inspector
2		2	***Combination of:***
			Water and Gas GIS Engineer Tech.
			Water and Gas Senior GIS/CAD Technician
7		**7**	**Sub-total**
			Water & Gas Meters & Regulators (Fund 53) (53240)
1		1	Water & Gas Systems Control Superintendent
2		2	Water and Gas Meter Tech.
3		**3**	**Sub-total**
			Water & Gas Service (Fund 53) (53230)
7		7	Water and Gas Service Tech.
1		1	Dispatcher
8		**8**	**Sub-total**
			Electric Administration (Fund 54) (54100)
1		1	Division Director of Power & Light
1		**1**	**Sub-total**

CITY OF DANVILLE, VIRGINIA
FY 2026 AUTHORIZED FULL-TIME POSITIONS

FY 2025	Changes	FY 2026	POSITION TITLE
			Electric Distribution (Fund 54) (54120)
1		1	Electric Distribution Superintendent
3		3	Electric Line Crew Supervisor
2		2	Inspector-Contractor Manager
			Electric Vegetation Right of Way Supervisor
18		18	***Combination of:***
			Electric Line Technician III
			Electric Line Technician II
			Electric Line Technician I
			Electric Ground Worker
			Electric OH/UG Equipment Operator
3		3	Electric Right of Way Trimmer
1		1	Dispatcher
28		**28**	**Sub-total**
			Electric Engineering (Fund 54) (54110)
1		1	Electric Engineering Tech Manager
			Electric Engineering Technician/Compliance Coordinator
1		1	Senior Electric GIS/CAD Technician
5		5	***Combination of:***
			Electric Senior Engineering Technician
			Electric Engineering Technician
			Electric Engineering Aide
1		1	Senior Electric Engineer
			Electric Engineer
1		1	Senior Secretary
9		**9**	**Sub-total**
			Electric Meters (Fund 54) (54140)
1		1	Electric Meter Supervisor
1		1	AMI Support Technician
3		3	***Combination of:***
			Electric Meter Technician I
			Electric Meter Technician II
			Electric Meter Technician III
5		**5**	**Sub-total**
			Electric Substations (Fund 54) (54130)
1		1	Electric Substation Supervisor
1		1	Utility Operations Supervisor
11		11	***Combination of:***
			Utility Operator
			Electric Substation Technician
13		**13**	**Sub-total**
			Telecommunications (Fund 55) (55110)
1		1	Division Director of Telecommunications
1		1	Broadband Network Engineering Technician
2		**2**	**Sub-total**
135	**(1)**	**134**	**TOTAL UTILITIES DEPARTMENT**

CITY OF DANVILLE, VIRGINIA
FY 2026 AUTHORIZED FULL-TIME POSITIONS

FY 2025	Changes	FY 2026	POSITION TITLE
1,090	**7**	**1,097**	**TOTAL CITY FULL-TIME POSITIONS**
			CONSTITUTIONAL OFFICES (partially funded by City)
13		13	Commissioner of the Revenue (01120)
5		5	City Treasurer (01125)
16		16	Clerk of Circuit Court (01156)
87		87	Sheriff's Office (2 funded by DPCS) (01140)
22		22	Commonwealth Attorney (3 grant funded) (01130, 01131)
143		**143**	**TOTAL CONSTITUTIONAL OFFICES**
1,233	**7**	**1,240**	**GRAND TOTAL**

FULL-TIME POSITIONS BY FUND

FY 2025	Changes	FY 2026	POSITION TITLE
741	5	746	General Fund (*Constitutional Offices not included, see below*)
81	3	84	VDOT Fund
4		4	Central Services
22		22	Motorized Equipment
42	(1)	41	Transportation Fund
32		32	Sanitation Fund
13		13	Cemetery Fund
11		11	Wastewater (Sewer) Fund
16		16	Water Fund
44		44	Gas Fund
73	(1)	72	Electric Fund
2		2	Telecommunications Fund
1,081	6	1,087	**Sub-total**
9	1	10	CDBG Fund
143		143	Constitutional Offices
1,233	**7**	**1,240**	**GRAND TOTAL**

Council Letter
City of Danville, Virginia

CL - 2055 **NEW BUSINESS A.**

City Council REGULAR MEETING

Meeting Date: June 17, 2025

Subject: Review of General Fund Financials as of May 31, 2025.

From: Michael Adkins, Chief Financial Officer

COUNCIL ACTION

Review of General Fund Financials as of May 31, 2025. Financial Statements are included.

Attachments

1. Financial Statements

To: **Ken F. Larking, City Manager**

From: **Michael L. Adkins, Chief Financial Officer**

Date: **June 9, 2025**

Subject: Summary of Preliminary General Fund Financial Results for May 31, 2025

After completing eleven months of the fiscal year, revenues are tracking well with budget and are ahead of the prior year. As of May 31, General Fund revenues were $152,056,658, which represents 92% of the FY 2025 budget. This is an increase of $17.2 million over May 31, 2025. Apart from small decreases in License Permits and Privilege Fees, Revenue from the Use of Money and Property, and Miscellaneous Revenue, all major revenue categories are ahead of the prior year. This increase in realized revenue is primarily from growth in local taxes along with an increase in Casino gaming tax.

General Property Tax collections continue to perform well with 79% of the budgeted property tax realized at the end of May. More specifically, real estate tax collections through the end of May amounted to $17,729,123 or 84% of the budgeted real estate tax revenue. This is an increase of $1.2 million over the prior year. We continue to see steady performance in the collection of delinquent real estate taxes with $921,854 realized in the first eleven months of this fiscal year. This accounts for 81% of the current year budget.

Local taxes collected through May 31, were $47,423,299, or 96% of budget. This exceeds FY 2024 collections by nearly $5.2 million. Sales tax collections through May amounted to $12,654,430, or 97% of budget, an increase of $625,000 from last year. Meals taxes collected for the first eleven months of the fiscal year amounted to $11,895,818 or 98% of budget, an increase of $645,000 from last year. Business Licenses realized at the end of May were $8,369,537, or 110% of budget, an increase of $706,000 over the prior year. Lodging taxes received as of May 31 were $3,247,421 or 92% of budget, an increase of $357,000 from the prior year. Ceasars Minimum Fee as of May 31 was $8,119,150, or 89% of budget, an increase of $3.3 million over the prior year. All other revenue categories are tracking well with budget at this point.

Expenditures through May 31 were $159,094,658 or 89% of budget. This is an overall increase of $24 million when compared to May 31, 2024. Departmental spending for the first eleven months of the fiscal year amounted to $84 million or 83% of budget, an increase of $6.6 million over the prior year. The increase in departmental spending is primarily attributed to an increase in salaries and benefits over the prior year along with the debt service for the police headquarters. This increase in departmental spending is coupled with an increase in transfers to Danville Public Schools of $3.4 million primarily for cash advances made for capital related grants and an increase of $15 million in transfers to capital projects primarily related to budgeted increases for capital projects and economic development incentives.

General Fund expenditures exceeded revenues by $7,038,000, an improvement of $16.3 million from April 30, 2025. This is typical for much of the fiscal year in the General Fund due to the timing of revenue recognition not being matched to expenditures. At this point, the General Fund is performing as expected compared to the current budget with several revenues exceeding budgeted expectations and departmental expenditures trailing the budget. Year-end closing procedures will begin in July and a preliminary financial report for June 30, 2025, will be prepared and communicated in August.

CITY OF DANVILLE, VIRGINIA
GENERAL FUND REPORT
92% OF YEAR LAPSED AS OF MAY 31, 2025
PRE-CLOSING FIGURES - SUBJECT TO CHANGE - UNAUDITED

	Budgets & Appropriations For Current Year	Actual Revenues & Expenditures For Year-to-Date	Percent Realized/Expended This Year	Encumbrances	Balance to be Realized/Expended	Actual Revenues & Expenditures At This Date Last Year
REVENUES:						
Property Taxes	$ 43,200,280	$ 33,888,530	78.45%		$ 9,311,750	$ 32,636,593
Other Local Taxes	49,377,800	47,423,299	96.04%		1,954,501	42,244,180
License Permits & Privilege Fees	571,060	454,760	79.63%		116,300	633,128
Fines & Forfeitures	213,000	207,292	97.32%		5,709	184,996
Revenue From Use Money & Property	4,097,605	3,845,837	93.86%		251,768	5,024,412
Charges For Services	3,478,715	3,363,550	96.69%		115,165	2,304,935
Miscellaneous Revenue	25,100	188,060	749.24%		(162,960)	249,603
Recovered Cost	9,984,454	9,378,259	93.93%		606,195	8,060,938
Intergovernmental	38,834,490	39,018,072	100.47%		(183,582)	29,213,637
Transfers From Utilities	15,588,000	14,289,000	91.67%		1,299,000	14,289,000
TOTAL REVENUES	**$ 165,370,504**	**$ 152,056,658**	**91.95%**		**$ 13,313,846**	**$ 134,841,422**
EXPENDITURES:						
General Government Administration	$ 16,532,956	$ 13,761,124	83.23%	$ 341,774	$ 2,430,058	$ 12,905,704
Judicial Administration	10,112,793	8,259,312	81.67%	71,547	1,781,934	7,937,956
Public Safety	45,209,021	37,989,931	84.03%	594,812	6,624,278	35,567,198
Public Works	6,109,775	4,982,937	81.56%	76,921	1,049,916	4,467,567
Health and Welfare	11,234,911	9,838,228	87.57%	24,896	1,371,786	7,501,876
Parks, Recreation & Cultural	7,593,750	5,754,472	75.78%	55,375	1,783,902	5,328,446
Community Development	4,834,125	3,796,007	78.53%	171,306	866,812	4,048,008
Non-Departmental	16,979,509	16,611,081	97.83%	-	368,428	16,210,473
Education	32,703,490	31,137,334	95.21%	-	1,566,156	27,730,468
Transfer to Capital Projects	24,434,753	24,434,751	100.00%	-	2	9,372,491
Transfer to Other Funds	2,713,650	2,529,480	93.21%	-	184,170	3,561,193
TOTAL EXPENDITURES	**$ 178,458,732**	**$ 159,094,658**	**89.15%**	**$ 1,336,633**	**$ 18,027,441**	**$ 134,631,379**
Revenue over(under) Expenditures		$ (7,038,000)				$ 210,043
FUND BALANCE:						
Beginning Fund Balance 07/01/2024		$ 63,543,749				$ 55,069,404
Revenue over(under) Expenditures		(7,038,000)				210,043
Ending Fund Balance 5/31/25		**$ 56,505,749**				**$ 55,279,447**
Composition of Fund Balance:						
Reserved for Encumbrances/Designated Funds		$ 9,412,418				$ 11,014,744
Unassigned		47,093,331				44,264,702
TOTAL FUND BALANCE 5/31/25		**$ 56,505,749**				**$ 55,279,447**

CITY OF DANVILLE, VIRGINIA
GENERAL FUND
COMPOSITION OF FUND BALANCE
PRELIMINARY - AS OF MAY 31, 2025

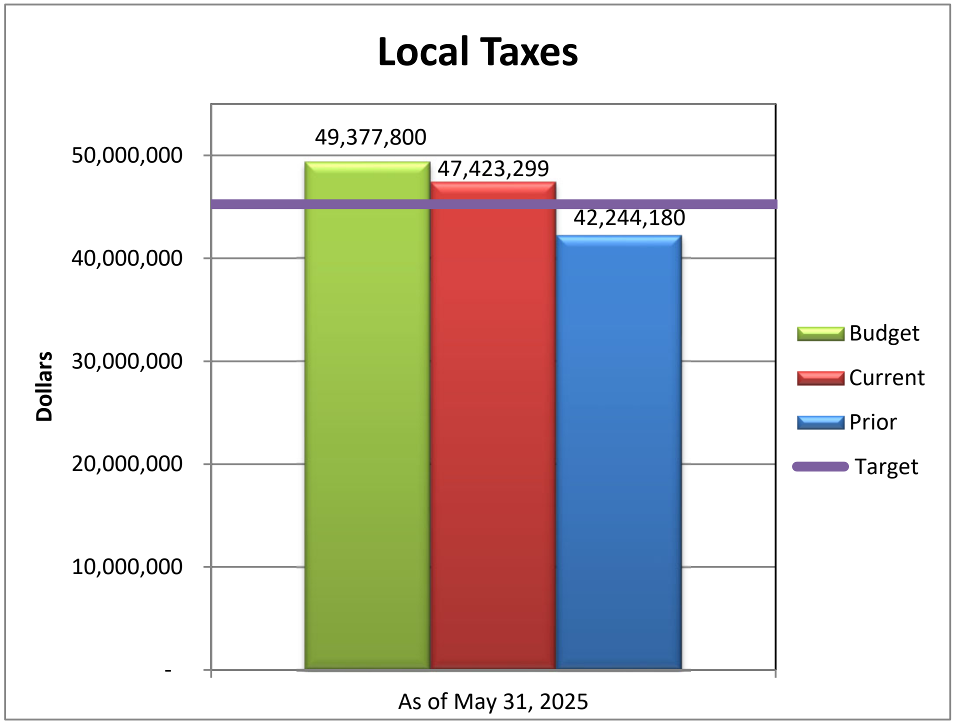
Beginning Total Fund Balance, July 1, 2024	63,543,748.50
Add: General Fund Revenues	152,056,658.16
Deduct: General Fund Expenditures	(159,094,657.77)
Ending Total Fund Balance, June 30, 2025	56,505,748.89

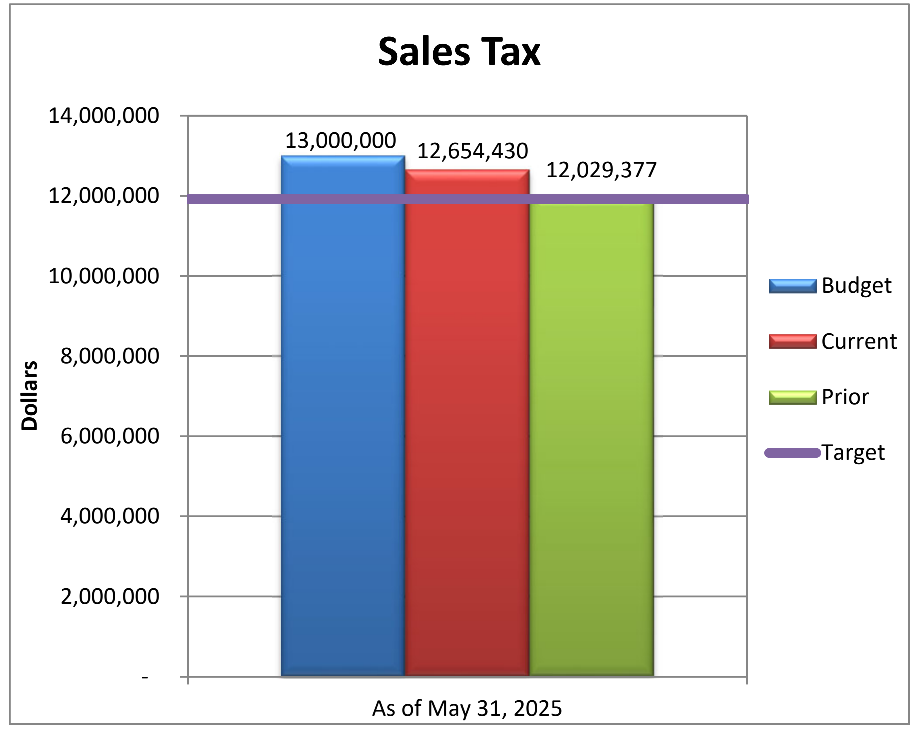
Composition of Fund Balance:	
Restricted for Commonwealth Attorney	115,900.54
Restricted for Police Department	97,908.76
Restricted for Fire Department	175,992.41
Committed for Sheriff's Department	13,081.70
Committed to Schools	-
Committed to Budget Stabilization	3,000,000.00
Assigned to Sheriff's Department	15,575.55
Assigned to Community Development	179,183.34
Assigned for Encumbrances	1,336,633.03
Assigned Casino Revenue	4,000,000.00
Nonspendable (Inventory and Prepaids)	478,142.88
UNASSIGNED	**47,093,330.68**
Total Fund Balance, June 30, 2025	56,505,748.89
	-

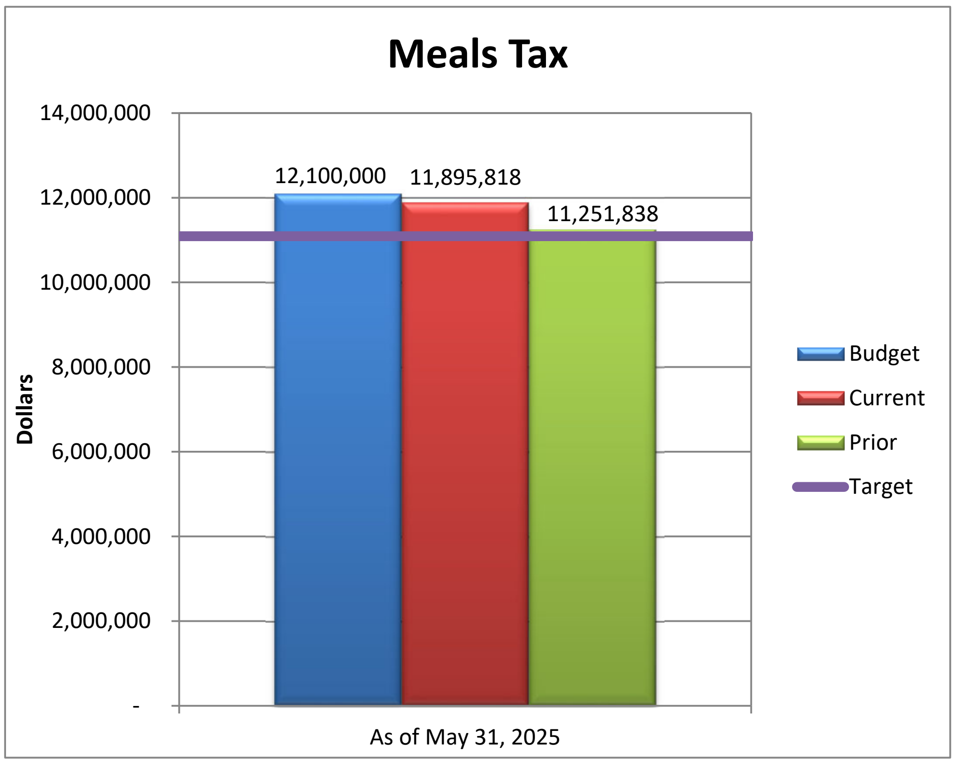
Unassigned fund balance from above	47,093,330.68
Unassigned Minimum per policy (25% of General Fund Operating Revenues) based on FY 2025 budget	41,342,626.04
Current surplus (deficit) over (under) minimum	5,750,704.64

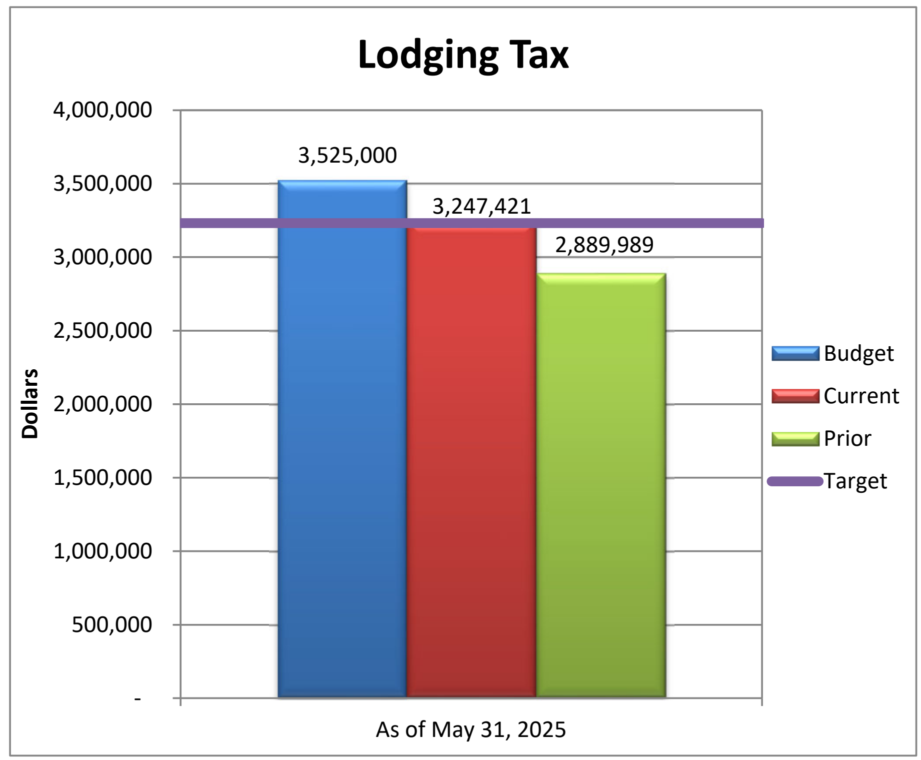
City of Danville, Virginia
Summary of Other Local Tax Revenues - PRE-CLOSING - UNAUDITED
For the period ending May 31, 2025

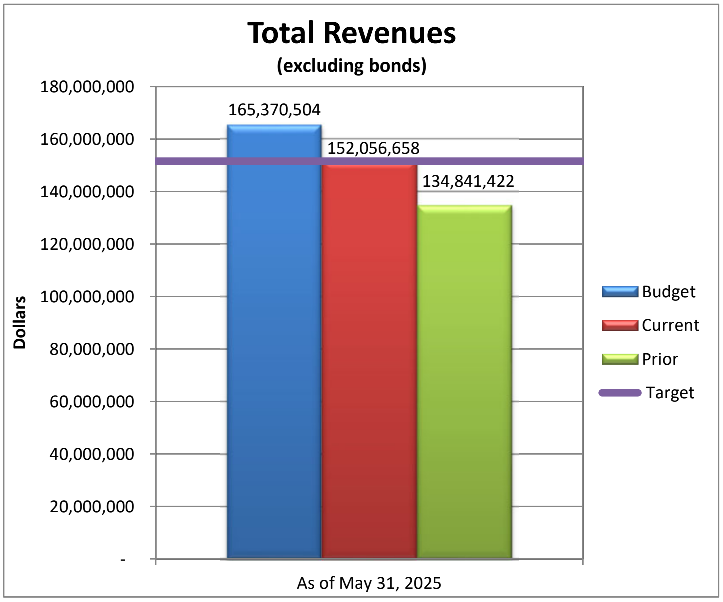
Description	Current Budget	Revenue Realized	Percentage Realized	Prior Year Budget	Prior Year Realized	Percentage Prior Year
Sales Tax	$ 13,000,000	$ 12,654,430	97.34%	$ 11,900,000	$ 12,029,377	101.09%
Business Licenses	7,642,000	8,369,537	109.52%	7,400,000	7,663,524	103.56%
Meals Tax	12,100,000	11,895,818	98.31%	11,367,220	11,251,838	98.98%
Utility Taxes	930,000	815,045	87.64%	930,000	875,925	94.19%
Vehicle License Fees	1,025,000	747,171	72.89%	1,000,000	735,839	73.58%
Bank Stock Tax	1,100,000	796,879	72.44%	1,000,000	1,136,651	113.67%
Recordation Tax	370,000	318,195	86.00%	270,000	413,335	153.09%
Hotel Motel Tax	3,525,000	3,247,421	92.13%	2,467,230	2,889,989	117.13%
Daily Property Rental Tax	20,800	47,834	229.97%	15,980	20,547	128.58%
Motor Vehicle Tax	240,000	186,142	77.56%	200,000	229,998	115.00%
DMV Fees	275,000	225,676	82.06%	280,000	220,560	78.77%
Ceasars Min Fee	9,150,000	8,119,150	88.73%	5,000,000	4,776,598	95.53%
TOTAL	$ 49,377,800	$ 47,423,299	96.04%	$ 41,830,430	$ 42,244,180	100.99%

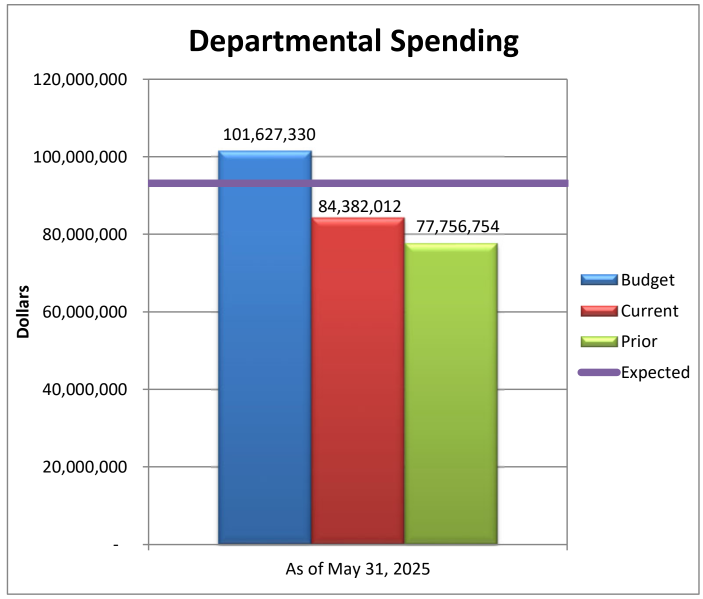

Local Taxes
49,377,800
47,423,299
42,244,180
50,000,000
40,000,000
30,000,000
20,000,000
10,000,000
-
Dollars
Budget
Current
Prior
Target
As of May 31, 2025

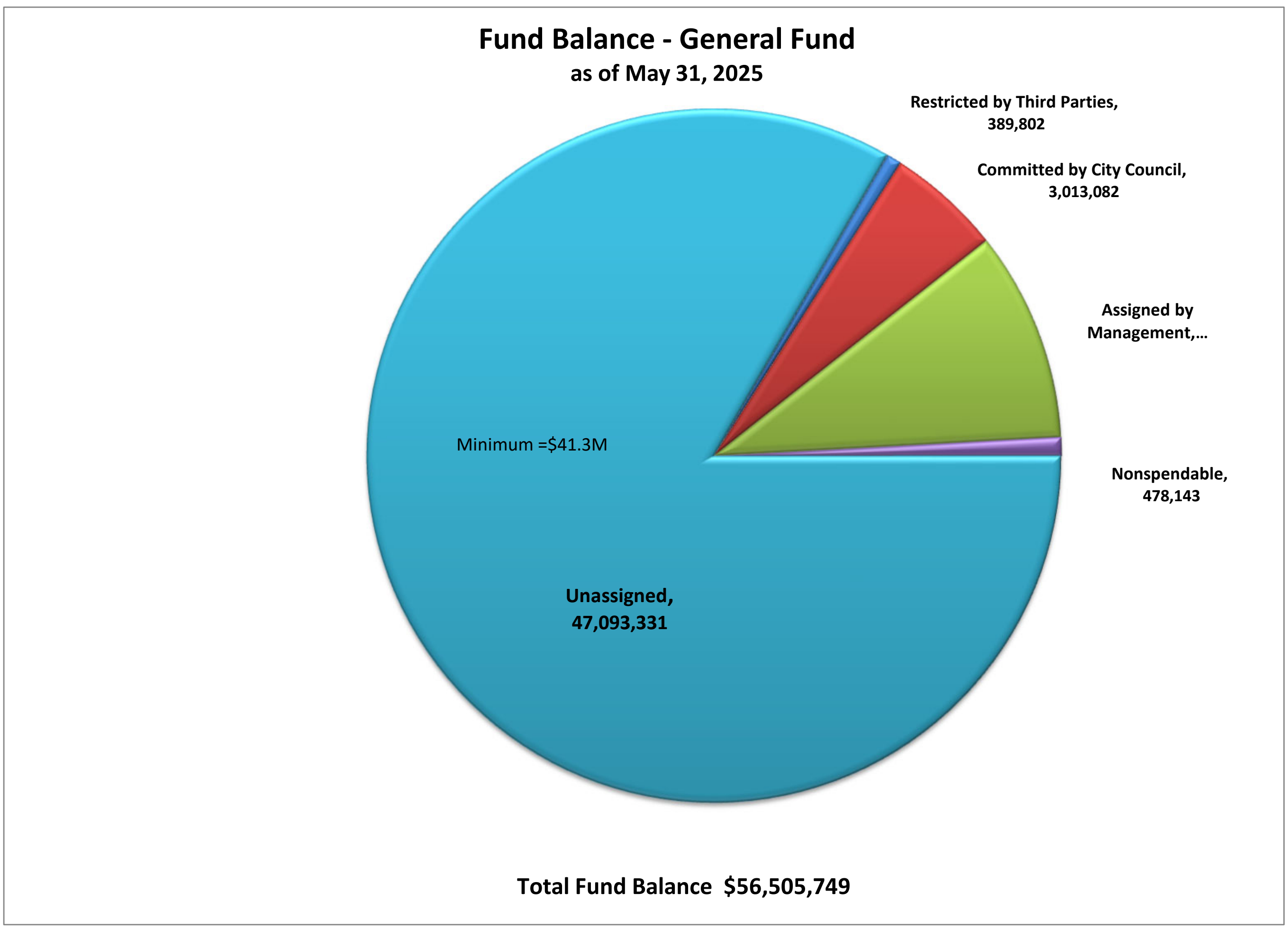

Sales Tax
13,000,000
12,654,430
12,029,377
14,000,000
12,000,000
10,000,000
8,000,000
6,000,000
4,000,000
2,000,000
-
Dollars
Budget
Current
Prior
Target
As of May 31, 2025


Meals Tax
12,100,000
11,895,818
11,251,838
14,000,000
12,000,000
10,000,000
8,000,000
6,000,000
4,000,000
2,000,000
-
Dollars
Budget
Current
Prior
Target
As of May 31, 2025


Lodging Tax
3,525,000
3,247,421
2,889,989
4,000,000
3,500,000
3,000,000
2,500,000
2,000,000
1,500,000
1,000,000
500,000
-
Dollars
Budget
Current
Prior
Target
As of May 31, 2025


Total Revenues
(excluding bonds)
180,000,000
160,000,000
140,000,000
120,000,000
100,000,000
80,000,000
60,000,000
40,000,000
20,000,000
-
Dollars
165,370,504
152,056,658
134,841,422
Budget
Current
Prior
Target
As of May 31, 2025


Departmental Spending
120,000,000
100,000,000
80,000,000
60,000,000
40,000,000
20,000,000
-
Dollars
101,627,330
84,382,012
77,756,754
Budget
Current
Prior
Expected
As of May 31, 2025


Fund Balance - General Fund
as of May 31, 2025
Restricted by Third Parties, 389,802
Committed by City Council, 3,013,082
Assigned by Management,...
Nonspendable, 478,143
Minimum =$41.3M
Unassigned, 47,093,331
Total Fund Balance $56,505,749

Council Letter
City of Danville, Virginia

CL - 2108 **NEW BUSINESS B.**

City Council REGULAR MEETING

Meeting Date: June 17, 2025

Subject: Fiscal Year 2026 Public Transportation Funding.

From: Marc Adelman, Director of Transportation Services

COUNCIL ACTION

1. Public Hearing

2. A Resolution Authorizing an Application by the City to the Virginia Department of Rail and Public Transportation for Grants for Operating and Capital Costs for Public Transportation for Fiscal Year 2026.

SUMMARY

The City of Danville submits grant applications annually to the Virginia Department of Rail and Public Transportation. This agency administers and allocates federal and state operating aid and capital assistance for rural transit systems in Virginia. State operating and capital funding levels can vary and are approved in June by the Commonwealth Transportation Board. All operating expenses are eligible for federal operating aid except depreciation and interest charges. The Federal Transit Administration provides financial operating assistance based on the anticipated operating deficit. Federal capital assistance is typically based on eighty percent of the project cost and the state typically finances sixteen percent of the total project cost. However, for Fiscal Year 2026, capital assistance funding levels were changed by the Virginia Department of Rail and Public Transportation. For next fiscal year, Danville Transit is expected to receive sixty-eight percent funding from the state for capital projects and federal funding will cover twenty-eight percent of the cost for capital projects.

BACKGROUND

For Fiscal Year 2026, the Virginia Department of Rail and Public Transportation identified that a total of $2,112,050 in federal operating aid is available to subsidize operating expenses for Danville Transit and $758,875 in state operating aid will be allocated to finance operating costs. The state also recommended federal and state capital aid for the following projects: the replacement of five 14-passenger buses and three 28-passenger buses, roof repairs for the mass transit administrative and maintenance facility, and crack sealing and seal coating the mass transit parking lot areas. The estimated cost for all capital projects is $1,972,415. Federal and state capital aid funding will finance ninety-six percent of the total cost. Therefore, the estimated local match requirement for all capital projects is $78,897.

RECOMMENDATION

It is recommended that City Council adopt the attached Resolution authorizing an application to the Virginia Department of Rail and Public Transportation for Fiscal Year 2026.

Attachments

1. Resolution

PRESENTED:________________________

ADOPTED:__________________________

RESOLUTION NO. 2025____.____

A RESOLUTION AUTHORIZING AN APPLICATION BY THE CITY TO THE VIRGINIA DEPARTMENT OF RAIL AND PUBLIC TRANSPORTATION FOR GRANTS FOR OPERATING AND CAPITAL COSTS FOR PUBLIC TRANSPORTATION FOR FISCAL YEAR 2026.

NOW THEREFORE, BE IT RESOLVED, by the Council of the City of Danville, Virginia, that City Manager, Kenneth F. Larking, be, and he is hereby, authorized to execute and file on behalf of the City an application to the Virginia Department of Rail and Public Transportation for grants of Transportation Special Revenues, as provided by the Federal Transit Administration and the General Assembly of Virginia State Aid for Public Transportation, for operating and capital costs of the City for public transportation during Fiscal Year 2026 for which purpose the Council does hereby certify that:

1. The requested funds, if granted, shall be used in accordance with the requirements of Sections 33.2-1524 through 33.2-1529.1 of the Code of Virginia; and

2. The City of Danville shall provide for the payment of its share of said operating and capital costs as required by such Act; and

3. The records of the receipts and expenditures of such funds as are granted to the City of Danville shall be subject to audit by the Virginia Department of Rail and Public Transportation and the Auditor of Public Accounts; and

4. The funds granted to the City of Danville to defray its public transportation fuel, tires and maintenance costs, administrative costs and capital costs shall be used by the City only for the purposes authorized by the Acts of the General Assembly of Virginia; and

5. The applicant assures that it will comply with Title VI of the Civil Rights Act of 1964 and the US Department of Transportation requirements; and

6. It is the goal of the applicant that disadvantaged business enterprises be utilized to the fullest extent permitted by law, and when possible in connection with this project and that definite procedures shall be established

and administered to ensure that disadvantaged businesses shall have the maximum construction contracts, supplies, equipment contracts or consultant and other services; and

7. That the City Manager, Kenneth F. Larking, be and he is hereby, authorized to accept, receive, and expend the aforesaid grants of funds in the amount and for the purposes that the same are awarded and to execute such documents as may be necessary therefore and to furnish to the Virginia Department of Rail and Public Transportation such information and documents as it may require with regard to such application and grants.

Approved:

____

Mayor

Attest:

____

City Clerk

Approved as to
Form and Legal Sufficiency:

____

City Attorney

Council Letter
City of Danville, Virginia

CL - 2132 **NEW BUSINESS C.**

City Council REGULAR MEETING

Meeting Date: June 17, 2025

Subject: Authorization of a Grant Application to the Virginia Department of Housing and Community Development.

From: Aisha Gwynn, Grant Administrator

COUNCIL ACTION

A Resolution Approving and Authorizing the Submission of a Grant Application by the City of Danville Department of Community Development – Planning Division to the Virginia Department of Housing and Community Development, Industrial Revitalization Fund and the City to Match the Balance of the "Five Forks Project" to Eliminate Blight.

SUMMARY

The City of Danville Department of Community Development – Planning Division is seeking a $1,000,000 grant from the Virginia Department of Housing and Community Development to address blighted properties through the Industrial Revitalization Fund. This funding is crucial to support the Five Forks Project in the Old West End. Upon completion, the 400 Block of Jefferson Street will feature over 9,000 square feet of versatile mixed-use space, including commercial areas for a restaurant, office spaces, and residential units.

BACKGROUND

The Industrial Revitalization Fund Grant Program, administered by the Virginia Department of Housing and Community Development, focuses on funding shovel-ready projects that can drive private investment and create jobs in distressed areas. These areas are chosen as part of broader economic development or community revitalization strategies. The Five Forks Project aims to transform the 400 Block of Jefferson Street in the Old West End Neighborhood which is adjacent to the River District and heavily affected by blight. This initiative will rehabilitate and repurpose the space into a versatile mixed-use development featuring dining establishments, office spaces, and residential units.

RECOMMENDATION

The recommendation is to approve the resolution authorizing the submission of a $1,000,000 grant application to the Industrial Revitalization Fund, managed by the Virginia Department of Housing and Community Development, to support the Five Forks Project in the historic Old West End neighborhood.

Attachments

1. Resolution

PRESENTED: ________________

ADOPTED: __________________

RESOLUTION NO. 2025 - ___.___

A RESOLUTION APPROVING AND AUTHORIZING THE SUBMISSION OF A GRANT APPLICATION BY THE CITY OF DANVILLE DEPARTMENT OF COMMUNITY DEVELOPMENT – PLANNING DIVISION TO THE VIRGINIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT, INDUSTRIAL REVITLIZATION FUND AND THE CITY TO MATCH THE BALANCE OF THE “FIVE FORKS PROJECT” TO ELMINATE BLIGHT.

WHEREAS, the City of Danville Virginia is requesting to make an application to the Virginia Department of Housing and Community Development for the Industrial Revitalization Fund Grant in the amount of One Million Dollars ($1,000,000) to assist in the renovation, stabilization, and construction of the Five Forks Project in the Historically Designated Neighborhood of the Old West End. This project will create 9,000 square feet of mixed-use space, complete with restaurant commercial space, commercial space and 5 new residential units, with One Million One Hundred Twenty-four Thousand Four Hundred Nineteen Dollars and Eleven cents ($1,124,419.11) available for match and will eliminate blight in the Old West End.

NOW THEREFORE, BE IT RESOLVED, by the Council of the City of Danville, Virginia, that it does hereby approve and authorize the request of the Department of Community Development – Planning Division, to submit a grant application to the Viriginia Department of Housing and Community Development Industrial Revitalization Fund Grant in the amount of $1,000,000 to assist in the redevelopment of the Five Forks Project that will create 9,000 square feet of mixed use space , complete with restaurant commercial space, commercial space and 5 new residential units, with One Million One Hundred Twenty-four Thousand Four Hundred Nineteen Dollars and Eleven cents ($1,124,419.11) available for match and will eliminate blight in the Old West End; and

BE IT FINALLY RESOLVED that the City Manager, Kenneth Larking, be, and he is hereby authorized to execute any and all documents pertaining to said grant application.

Approved:

____
Mayor

Attest:

____
Clerk

Approved as to
Form and Legal Sufficiency:

____
City Attorney

Council Letter
City of Danville, Virginia

CL - 2147 **NEW BUSINESS D.**

City Council REGULAR MEETING

Meeting Date: June 17, 2025

Subject: Consideration of the Issuance of Danville IDA Lease Revenue Bonds

From: Michael Adkins, Chief Financial Officer

COUNCIL ACTION

Resolution Approving a Plan to Finance Certain Economic Development Projects Through the Issuance of Lease Revenue Notes by The Industrial Development Authority of Danville, Virginia.

SUMMARY

The Industrial Development Authority of the City of Danville, Virginia (IDA) is evaluating responses from a recent request for proposals to secure financing through the Master Lease Program for up to $19,000,000 to acquire parcel 20432, located at the corner of North Union Street and Spring Street, and to redevelop the parcel for public and commercial and other economic purposes, which will primarily include parking spaces for approximately 434 vehicles. This financing through the Master Lease Program will be an issuance of federally tax-exempt lease revenue bonds not to exceed $8,500,000 and federally taxable lease revenue bonds not to exceed $10,500,000, both supported by an annual appropriation of lease payments from the City to the IDA. The bonds will mature no later than December 31, 2030, and will carry an interest rate not to exceed 5.0% per year for tax-exempt bonds and 6.5% per year for taxable bonds. Prepayment without penalty has been requested.

BACKGROUND

The IDA engaged Davenport Public Finance, the City's financial advisor, to issue a request for proposals (RFP) to finance the cost of developing a parking structure at the corner of North Union Street and Spring Street with an issuance of revenue bonds under the Master Lease Program between the City and IDA. Using the Master Lease Program preserves the City's borrowing capacity. Because lease revenue bonds are supported by an annual appropriation of lease payments to the IDA, this debt is excluded from the City's borrowing capacity of general obligation bonds. Davenport issued the RFP in early May with a due date of May 31. The RFP was distributed to financing agencies around the country, including local banks. A total of six proposals have been received from Atlantic Union Public Finance, Capital One, Crews & Associates, Pinnacle Financial, Ridge View Bank, and Truist. Davenport is now in the process of reviewing the proposals, clarifying details, and summarizing the offers for evaluation by City staff. The attached Resolution will grant the City Manager the ability to approve the best proposal and then proceed with completing the financing of this project.

RECOMMENDATION

Staff recommends approval of the Resolution to approve this plan of financing through the issuance of a lease revenue bond by the Industrial Development Authority of the City of Danville, Virginia.

Attachments

1. Resolution

---

2. Danville IDA - Third Supplemental Deed and Agreement of Financing Lease
3. Danville IDA - Fourth Supplemental Agreement of Trust

PRESENTED: ________________

ADOPTED: ___________________

RESOLUTION NO. 2025- _____._____

RESOLUTION APPROVING A PLAN TO FINANCE CERTAIN ECONOMIC DEVELOPMENT PROJECTS THROUGH THE ISSUANCE OF LEASE REVENUE NOTES BY THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA

WHEREAS, the City of Danville, Virginia (the "City"), has created the Industrial Development Authority of Danville, Virginia, a political subdivision of the Commonwealth of Virginia (the "Authority"), pursuant to the provisions of the Industrial Development and Revenue Bond Act (the "Act"), Chapter 49, Title 15.2, Code of Virginia of 1950, as amended (the "Virginia Code"), and has empowered the Authority with all of the public and corporate powers set forth in the Act, including, among other things, the power to make loans to, among others, the City in furtherance of the Act; to finance or refinance and lease facilities for use by, among others, the City; to enter into financing arrangements by which the Authority may accept contributions, grants and other financial assistance from any political subdivision of the Commonwealth of Virginia, including the City; to purchase real property in furtherance of the purposes of promoting economic development; to issue revenue bonds, notes and other obligations from time to time for such purposes and to pledge all or any part of its revenues and receipts derived from payments received by the Authority in connection with its loans, leasing or other financial arrangements or from any source as security for the payment of principal of and premium, if any, and interest on any such obligations; and

WHEREAS, at the request of the City, the Authority has proposed to acquire approximately 0.62 acres of property in the downtown area of the City on the southeast corner of the intersection of North Union Street and Spring Street (parcel number 20432) (the "Parcel") and to redevelop the Parcel for public and commercial and other economic purposes, which will primarily include parking spaces for approximately 434 vehicles (collectively, the "Series 2025 Project");and

WHEREAS, the Authority has proposed to issue revenue notes in one or more series (as hereinafter described, the "Series 2025 Notes") and use the proceeds thereof to finance costs of the Series 2025 Project and pay related costs of issuance; and

WHEREAS, the Authority has proposed to issue the Series 2025 Notes as additional obligations under an existing financing structure with the City that is secured by certain rental payments appropriated from time to time by the Council of the City (the "Council") and payable to the Authority in accordance with the terms of the Financing Lease (as hereinafter defined); and

WHEREAS**,** the City's financial advisor, Davenport & Company LLC (the "Financial Advisor"), has solicited bids, on behalf of the City and the Authority, from financial institutions for loans to the Authority, to be evidenced by the Series 2025 Notes; and

WHEREAS**,** the Council desires to delegate to the City Manager (the "City Manager," which term as used herein shall include any Assistant or Deputy City Manager), in collaboration with the Authority and the Financial Advisor, authority to award the sale of the Series 2025 Notes to one or more of the bidders and to determine the final pricing terms of the Series 2025 Notes within certain parameters set forth below; and

WHEREAS**,** there have been made available at this meeting drafts of the following documents (collectively, the "Documents"), proposed in connection with the issuance and sale of the Series 2025 Notes:

(a) a Fourth Supplemental Agreement of Trust, supplementing an Agreement of Trust dated as of March 1, 2017, as previously supplemented (collectively, the

"Trust Agreement"), all between the Authority and U.S. Bank Trust Company, National Association, as successor trustee (the "Trustee"), pursuant to which the Authority may issue Bonds (as defined therein) from time to time, including the Series 2025 Notes, and which is to be acknowledged and consented to by the City; and

(b) a Third Supplemental Deed and Agreement of Financing Lease (the "Supplemental Financing Lease"), supplementing a Deed and Agreement of Financing Lease dated as of March 1, 2017, as previously supplemented (collectively, the "Financing Lease"), between the Authority and the City, pursuant to which the Authority has conveyed a subleasehold interest in the Property (as defined in the Financing Lease) to the City and agreed to finance various Projects (as described therein), and, in exchange, the City will undertake to make rental payments in amounts sufficient to pay the principal of and premium, if any, and interest on all outstanding Bonds under the Trust Agreement (including the Series 2025 Notes), subject to appropriation by the Council from time to time of sufficient amounts for such purposes;

NOW BE IT RESOLVED by the Council of the city of Danville, Virginia**:**

1. The Council hereby approves the following plan of financing of the Series 2025 Project. The Authority will issue a tax-exempt lease revenue note in a principal amount not to exceed $8,500,000 (the "Series 2025B Note"), and a federally taxable lease revenue note in a principal amount not to exceed $10,500,000 (the "Series 2025C Note" and, together with the Series 2025B Note, the "Series 2025 Notes"). The Authority will use the proceeds of the Series 2025 Notes to finance the costs of the Series 2025 Project, to pay as desired interest on the Series 2025 Notes for up to one year following completion of the Series 2025 Project, to fund

as desired reserve funds for the Series 2025 Notes, and to pay related costs of issuance. Pursuant to the terms of the Financing Lease, the Authority will continue to lease the Property to the City and the City will undertake to make certain rental payments to the Authority in amounts sufficient to pay the principal of and premium, if any, and interest on all outstanding Bonds issued under the Trust Agreement (including the Series 2025 Notes), to pay the fees or expenses of the Authority and the Trustee, and to pay certain other related costs. The obligation of the Authority to pay principal of and premium, if any, and interest on the Bonds (including the Series 2025 Notes) will be limited to the rental payments received from the City. The Bonds (including the Series 2025 Notes) will be secured by an assignment of such rental payments to the Trustee for the benefit of the holders of all outstanding Bonds (including the Series 2025 Notes). The undertaking by the City to make such rental payments will be subject to the appropriation by the Council from time to time of sufficient amounts for such purposes. The plan of financing of the Series 2025 Project shall contain such additional requirements and provisions as may be approved by the City Manager and the Chairman or Vice Chairman of the Authority.

2. The Council, while recognizing that it is not empowered to make any binding commitment to make appropriations beyond the current fiscal year, hereby states its intent to make appropriations in future fiscal years in amounts sufficient to make all payments due under the Financing Lease and hereby recommends that future Councils do likewise during the term of the Financing Lease. The Council hereby confirms that the components of the Series 2025 Project are important to the welfare of the City by promoting economic development, and the Council anticipates that such components will continue to be so during the term of the Financing Lease.

3. The Mayor and the City Manager, either of whom may act, are hereby authorized and directed to execute, or acknowledge and consent to, the Documents to which

the City is a signatory, which shall be in substantially the forms made available at this meeting. Such forms of the Documents are hereby approved, with such completions, omissions, insertions and changes not inconsistent with this Resolution as may be approved by the officer signing such Documents. Such officer's execution and delivery thereof shall constitute conclusive evidence of such officer's approval of any such completions, omissions, insertions and changes.

4. In making completions to the Supplemental Financing Lease, the City Manager, in collaboration with the Financial Advisor and the Authority, shall provide for payments of Basic Rent and Additional Rent (as each is defined in the Financing Lease) in amounts equivalent to the payments on all outstanding Bonds (including the Series 2025 Notes).

The Series 2025B Note shall be sold to the purchaser thereof on terms as shall be satisfactory to the City Manager; provided that the Series 2025B Note shall (a) be issued in a principal amount (or in aggregate principal advances) not to exceed the amount set forth in Section 1, (b) mature no later than December 31, 2030, (c) have an initial interest rate not to exceed 5.0% per year subject to adjustment pursuant to terms of the winning bid as may be approved by the City Manager, (d) be subject to prepayment terms in accordance with the winning bid, and (e) be sold to the purchaser at a price not less than 100% of the principal amount thereof.

The Series 2025C Note shall be sold to the purchaser thereof on terms as shall be satisfactory to the City Manager; provided that the Series 2025C Note shall (a) be issued in a principal amount (or in aggregate principal advances) not to exceed the amount set forth in Section 1, (b) mature no later than December 31, 2030, (c) have an initial interest rate not to exceed 6.5% per year subject to adjustment pursuant to terms of the winning bid as may be approved by the City Manager, (d) be subject to prepayment terms in accordance with the winning bid, and (e) be sold to the purchaser at a price not less than 100% of the principal amount thereof.

Subject to the foregoing limitations, the City Manager is also hereby authorized to approve, in collaboration with the Chairman or Vice Chairman of the Authority, the final terms of the Series 2025 Notes, all as the City Manager and such officers shall determine to be in the best interests of the City and the Authority. Following the sale of the Series 2025 Notes, the City Manager shall file a certificate with the records of the Council setting forth the final terms of the Series 2025 Notes and the Supplemental Financing Lease. The actions of the City Manager in approving the terms of the Series 2025 Notes and the Supplemental Financing Lease shall be conclusive, and no further action shall be necessary on the part of the City.

5. Subject to the pricing parameters of the Series 2025 Notes described above, the Council hereby authorizes the City Manager, in consultation with the Financial Advisor and in collaboration with the Chairman or Vice Chairman of the Authority, to review the bids received for the loans and related purchase of the Series 2025 Notes and to select the bid(s) that such officers determine to be in the best interests of the City and the Authority. The banking or other financial institution(s) submitting such winning bid(s) shall be selected to make the loans and purchase the Series 2025 Notes.

6. All costs and expenses in connection with the financing of the Series 2025 Project and the issuance of the Series 2025 Notes, including the Authority's fees and expenses and the related fees and expenses of bond counsel, counsel for the Authority, the Financial Advisor, the purchaser(s) and their counsel(s), and the Trustee and its counsel, shall be paid from the proceeds of the Series 2025 Notes or other legally available funds of the City. If for any reason the Series 2025 Notes are not issued, it is understood that all such fees and

expenses shall be paid by the City from its legally available funds and that the Authority shall have no responsibility therefor.

7. The officers of the City are hereby authorized and directed to execute, deliver and file all certificates and documents and to take all such further action as they may consider necessary or desirable in connection with the issuance and sale of the Series 2025 Notes and the financing of the Series 2025 Project.

8. Any authorization herein to execute a document shall include authorization to deliver it to the other parties thereto and, if applicable, to record such document.

9. All other acts of the City Manager and other officers of the City that are in conformity with the purposes and intent of this Resolution and in furtherance of the issuance and sale of the Series 2025 Notes and the financing of the Series 2025 Project are hereby approved and ratified.

10. This Resolution shall take effect immediately.

Approved:

____
Mayor

Attest:

____
City Clerk

Approved as to
Form and Legal Sufficiency:

____
City Attorney

This document has been prepared by
and, after recording, please return to:

DRAFT 6/3/2025

W. Clarke Whitfield, Jr., Esq.
City of Danville
P.O. Box 3300
Danville, Virginia 24543

Tax Parcel Numbers: 24143 and 26472

RECORDER'S NOTE: THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA, AND THE CITY OF DANVILLE, VIRGINIA, ARE EXEMPT FROM RECORDATION TAXES PURSUANT TO SECTION 58.1-811(E) OF THE CODE OF VIRGINIA OF 1950, AS AMENDED, AND CLERK'S FEES PURSUANT TO SECTION 17.1-266 OF THE CODE OF VIRGINIA OF 1950, AS AMENDED.

THIRD SUPPLEMENTAL DEED AND AGREEMENT OF FINANCING LEASE

between

**INDUSTRIAL DEVELOPMENT AUTHORITY
OF DANVILLE, VIRGINIA,**

as Grantor

and

CITY OF DANVILLE, VIRGINIA,

as Grantee

Dated as of June 1, 2025

ALL RENTALS PAYABLE UNDER THIS LEASE HAVE BEEN ABSOLUTELY ASSIGNED TO, AND ARE SUBJECT TO A SECURITY INTEREST IN FAVOR OF U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, AS SUCCESSOR TRUSTEE (THE "TRUSTEE"), UNDER AN ASSIGNMENT AGREEMENT WITH THE AUTHORITY DATED AS OF MARCH 1, 2017, AS AMENDED OR SUPPLEMENTED FROM TIME TO TIME (THE "ASSIGNMENT"). INFORMATION CONCERNING SUCH ASSIGNMENT AND SECURITY INTEREST MAY BE OBTAINED FROM THE TRUSTEE IN RICHMOND, VIRGINIA.

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THIS **THIRD SUPPLEMENTAL DEED AND AGREEMENT OF FINANCING LEASE** dated as of June 1, 2025, by and between the **INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA**, a political subdivision of the Commonwealth of Virginia (the "Authority"), and the **CITY OF DANVILLE, VIRGINIA**, a political subdivision of the Commonwealth of Virginia (the "City"), provides:

W I T N E S S E T H:

WHEREAS, the Authority is a political subdivision of the Commonwealth of Virginia duly created under the Industrial Development and Revenue Bond Act, Chapter 49, Title 15.2, Code of Virginia of 1950, as amended (the "Act");

WHEREAS, the Authority is authorized to exercise all the powers set forth in the Act, which include, among other things, the power to make loans to, among others, the City in furtherance of the purposes of the Act (including but not limited to promoting economic development), to finance or refinance and lease facilities for use by, among others, the City, to enter into financing arrangements by which the Authority may accept contributions, grants and other financial assistance from any political subdivision of the Commonwealth of Virginia, including the City; to purchase real property in furtherance of the purposes of promoting economic development; to issue revenue bonds, notes and other obligations from time to time for such purposes and to pledge all or any part of its revenues and receipts derived from payments received by the Authority in connection with its loans, leasing or other financial arrangements or from any source as security for the payment of principal of and premium, if any, and interest on any such obligations;

WHEREAS, in furtherance of the purposes of the Act, the City has requested the Authority to undertake one or more Projects (which has the meaning given in the hereinafter defined Master Financing Lease), and the Authority has determined to issue from time to time pursuant to the terms of an Agreement of Trust dated as of March 1, 2017, between the Authority and U.S. Bank Trust Company, National Association, Richmond, Virginia, as successor trustee (the "Trustee"), as previously supplemented and as further supplemented by a Fourth Supplemental Agreement of Trust dated as of June 1, 2025, between the Authority and the Trustee (collectively, the "Agreement of Trust"), to issue its lease revenue obligations and to make the proceeds available to finance costs incurred in connection with such Projects and costs of issuing such obligations;

WHEREAS, in furtherance of the purposes of the Act, the Authority and the City have entered into a Deed and Agreement of Financing Lease dated as of March 1, 2017, as previously supplemented (the "Master Financing Lease"), pursuant to which the Authority has agreed to lease the Property (as defined in the Master Financing Lease) to the City and agreed to finance Projects, and, in exchange, the City has agreed to make rental payments in amounts sufficient to pay the principal of and premium, if any, and interest on such obligations, subject to appropriation by the City Council from time to time of sufficient amounts for such purposes;

WHEREAS, within the limitations and in compliance with the Agreement of Trust, the City has requested the Authority to issue (1) a series of tax-exempt Bonds (the "Series 2025B Note") and to use the proceeds thereof to finance costs of the Series 2025B Project (as hereinafter defined) and to pay the related costs of issuance and (2) a series of federally taxable Bonds (the

"Series 2025C Note") and to use the proceeds thereof to finance costs of the Series 2025C Project (as hereinafter defined) and to pay the related costs of issuance; and

WHEREAS, all acts, conditions and things required by law to happen, exist and be performed precedent to and in connection with the execution of and entering into this Third Supplemental Financing Lease have happened, exist and have been performed in regular and due time and in form and manner as required by law, and the parties hereto are now duly empowered to execute and enter into this Third Supplemental Financing Lease;

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter contained and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto covenant and agree as follows:

ARTICLE I

DEFINITIONS AND RULES OF CONSTRUCTION

Section 1.1 Definitions.

Unless otherwise defined in this Third Supplemental Financing Lease, all capitalized terms used herein shall have the meanings assigned to such terms in the Agreement of Trust or the Master Financing Lease. The following capitalized terms as used in this Third Supplemental Financing Lease shall have the following meanings unless a different meaning clearly appears from the context:

"Financing Lease" shall mean the Master Financing Lease, as previously supplemented and as further supplemented by this Third Supplemental Financing Lease.

"Fourth Supplemental Agreement of Trust" shall mean the Fourth Supplemental Agreement of Trust dated as of June 1, 2025, between the Authority and the Trustee, which supplements the Master Trust Agreement.

"Master Financing Lease" shall mean the Deed and Agreement of Financing Lease dated as of March 1, 2017, between the Authority and the City.

"Series 2025 Agreements" shall mean, collectively, the Fourth Supplemental Agreement of Trust and this Third Supplemental Financing Lease.

"Series 2025 Notes" shall mean the Series 2025B Note and the Series 2025C Note.

"Series 2025 Project" shall mean the Series 2025B Project and the Series 2025C Project.

"Series 2025B Note" shall mean the Authority's $_______ Lease Revenue Note, Series 2025B (Tax-Exempt), authorized to be issued pursuant to the Fourth Supplemental Agreement of Trust.

"Series 2025B Project" shall mean _________.

"Series 2025B Purchaser" shall mean ______, as purchaser of the Series 2025B Note, and any of its successors and assigns.

"Series 2025C Note" shall mean the Authority's $_______ Lease Revenue Note, Series 2025C (Federally Taxable), authorized to be issued pursuant to the Fourth Supplemental Agreement of Trust.

"Series 2025C Project" shall mean _________.

"Series 2025C Purchaser" shall mean ______, as purchaser of the Series 2025C Note, and any of its successors and assigns.

"Third Supplemental Financing Lease" shall mean this Third Supplemental Deed and Agreement of Financing Lease dated as of June 1, 2025, between the Authority and the City, which supplements the Master Financing Lease.

Section 1.2 Rules of Construction.

The following rules shall apply to the construction of this Third Supplemental Financing Lease unless the context otherwise requires:

(a) Words importing the singular number shall include the plural number and vice versa.

(b) Words importing the redemption or calling for redemption of the Series 2025 Notes shall not be deemed to refer to or connote the payment of the Series 2025 Notes at its stated maturity.

(c) Unless otherwise indicated, all references herein to particular Articles or Sections are references to Articles or Sections of this Third Supplemental Financing Lease.

(d) The headings herein and the Table of Contents herein are solely for convenience of reference and shall not constitute a part of this Third Supplemental Financing Lease and shall not affect its meaning, construction or effect.

(e) All references herein to payment of the Series 2025 Notes are references to payment of principal of and interest on the Series 2025 Notes.

ARTICLE II

REPRESENTATIONS

Section 2.1 Representations by Authority.

The Authority makes the following representations:

(a) The Authority is a political subdivision of the Commonwealth of Virginia duly created under the Act;

(b) The Authority is the owner of a leasehold estate in the Property granted by the Prime Lease free and clear of any mortgages and any other liens and encumbrances that would have a materially adverse effect on the use of the Property for its intended purposes under the Prime Lease and the Financing Lease;

(c) The Agreement of Trust, the Series 2025 Notes, the Financing Lease and the Prime Lease are legal, valid and binding obligations of the Authority enforceable against the Authority in accordance with their respective terms;

(d) The undertaking by the Authority to lease the Property to the City has been authorized, as required by the Act, by the affirmative vote of a majority of the members of the Authority present at a meeting at which a quorum was present and acting throughout;

(e) Pursuant to the Act, the Authority has full power and authority to enter into the Series 2025 Agreements and to perform the transactions contemplated thereby and to carry out its obligations thereunder and by proper action has duly authorized, executed and delivered the Series 2025 Agreements;

(f) The execution and delivery by the Authority of the Series 2025 Agreements, and compliance by the Authority with the terms and conditions thereof, will not conflict with or constitute or result in a default under or violation of (i) any existing law, rule or regulation applicable to the Authority or (ii) any trust agreement, mortgage, deed of trust, lien, lease, contract, note, order, judgment, decree or other agreement, instrument or other restriction of any kind to which the Authority or any of its assets is subject;

(g) No further approval, consent or withholding of objection on the part of any regulatory body or any official, federal, state or local, is required in connection with the execution or delivery of or compliance by the Authority with the terms and conditions of the Series 2025 Agreements, except that no representation is made as to the applicability of any federal or state securities laws; and

(h) There is no litigation at law or in equity or any proceeding before any governmental agency involving the Authority pending or, to the knowledge of the Authority, threatened against the Authority with respect to (i) the creation and existence of the Authority, (ii) the authority of the Authority to execute and deliver the Series 2025 Agreements, (iii) the validity or enforceability of the Series 2025 Agreements or the performance of the Authority’s obligations thereunder, (iv) the title of any officer of the Authority executing the Series 2025 Agreements or the Series 2025 Notes, (v) the ability of the Authority to issue and sell the Series 2025 Notes, or (vi) the power of the Authority to lease the Property to the City.

Section 2.2 Representations by City.

The City makes the following representations:

(a) The City is a political subdivision of the Commonwealth of Virginia;

(b) The Property comprises facilities that are essential to the proper, efficient and economic operation of the City and to the health and welfare of its residents;

(c) (i) The City owns the Property free and clear of any mortgages and any other liens and encumbrances that would have a materially adverse effect on the use of the Property for its intended purposes under the Prime Lease and the Financing Lease, and (ii) the leasehold estate of the City created by the Financing Lease is owned by the City free and clear of all liens and encumbrances (including any mortgages);

(d) The City has full power and authority to enter into this Third Supplemental Financing Lease and to perform the transactions contemplated hereby and to carry out its obligations hereunder and by proper action has duly authorized, executed and delivered this Third Supplemental Financing Lease;

(e) The Financing Lease and the Prime Lease are legal, valid and binding obligations of the City enforceable against the City in accordance with their respective terms;

(f) The City is not in default in and has not failed to appropriate sufficient amounts to provide for the payment of the principal of or interest on any of its indebtedness for borrowed money (including any subject-to-appropriation lease obligations) and is not in default and no event of non-appropriation has occurred under any instrument under or subject to which any indebtedness for borrowed money has been incurred (including any subject-to-appropriation lease obligations), and no event has occurred and is continuing that with the lapse of time or the giving of notice, or both, would constitute or result in an event of default or an event of non-appropriation thereunder;

(g) The City is not in default under or in violation of, and the execution and delivery by the City of this Third Supplemental Financing Lease, and the compliance by the City with the terms and conditions hereof, will not conflict with or constitute or result in a default under or violation of (i) any existing law, rule or regulation applicable to the City or (ii) any trust agreement, mortgage, deed of trust, lien, lease, contract, note, order, judgment, decree or other agreement, instrument or restriction of any kind to which the City or any of its assets is subject, and no event has occurred and is continuing that with the lapse of time or the giving of notice, or both, would constitute or result in such a default or violation;

(h) No further approval, consent or withholding of objection on the part of any regulatory body or any official, federal, state or local, is required in connection with the execution or delivery of or compliance by the City with the terms and conditions of this Third Supplemental Financing Lease;

(i) The City has appropriated sufficient funds in its current fiscal year to make all payments of Basic Rent and Additional Rent due and owing during such fiscal year; and

(j) There is no litigation at law or in equity or any proceeding before any governmental agency involving the City pending or, to the knowledge of the City, threatened against the City with respect to (i) the authority of the City to execute and deliver this Third Supplemental Financing Lease, (ii) the validity or enforceability of this Third Supplemental Financing Lease or the performance of the City's obligations hereunder, (iii) the title of any officer of the City executing this Third Supplemental Financing Lease, (iv) the undertaking of the Series 2025 Project, and (v) the power of the City to lease the Property from the Authority.

ARTICLE III

AGREEMENT TO MAKE LOANS AND ISSUE SERIES 2025 NOTES

Section 3.1 Agreement to Make Loans to Finance the Series 2025 Project.

(a) The Authority hereby agrees to make, but solely from the proceeds of the Series 2025B Note, and the City hereby agrees to accept, a loan to finance the Costs of the Series 2025B Project.

(b) The Authority hereby agrees to make, but solely from the proceeds of the Series 2025C Note, and the City hereby agrees to accept, a loan to finance the Costs of the Series 2025C Project.

(c) Subject to the limitation of Section 5.3 of the Master Financing Lease, the City agrees to make all payments of Basic Rent and Additional Rent when and as the same shall become due and payable to repay such loans.

Section 3.2 Agreement to Issue Series 2025 Notes.

In order to provide funds for making the loan described in Section 3.1, the Authority shall contemporaneously with the execution and delivery hereof proceed with the issuance and sale of the Series 2025 Notes bearing interest, maturing and having the other terms and provisions set forth in the Agreement of Trust.

ARTICLE IV

LEASE TERMS; PAYMENT OF RENT

Section 4.1 Lease Terms.

Except as otherwise specifically provided herein, the terms of the Master Financing Lease remain in full force and effect.

Section 4.2 Basic Rent Payable.

The Master Financing Lease is hereby amended to replace in its entirety the Exhibit A attached thereto with the new schedule of Basic Rent payments attached hereto as Exhibit A. Pursuant to Article V of the Master Financing Lease and subject specifically to the limitation of Section 5.3 thereof, the City shall pay to the Trustee (as assignee of the Authority) (a) the Basic Rent allocable to the Series 2021A Note on or before the third Business Day of each month in which a payment is due on the Series 2021A Note and in the amounts set forth on Exhibit A attached hereto, (b) the Basic Rent allocable to the Series 2021B Bond on or before each May 15 and November 15 in the years and in the amounts set forth on Exhibit A attached hereto, (c) the Basic Rent allocable to the Series 2025A Bond on or before each March 15 and September 15 in the years and amounts set forth on Exhibit A attached hereto, (d) the Basic Rent allocable to the Series 2025B Note on or before each ____ and ____ in the years and amounts set forth on Exhibit A attached hereto, and (e) the Basic Rent allocable to the Series 2025C Note on or before each ____ and ____ in the years and amounts set forth on Exhibit A attached hereto. Payments of Basic Rent shall be payable without notice or demand at the designated corporate trust office of the Trustee in Richmond, Virginia.

Section 4.3 No Series Debt Service Reserve Account.

There shall be no Series Debt Service Reserve Account established for the Series 2025 Notes.

ARTICLE V

PREPAYMENT AND REDEMPTION

Section 5.1 Prepayment and Redemption.

(a) The City shall have the option to prepay all or a portion of the Basic Rent upon damage to, destruction of, condemnation of or loss of title to the Property as set forth in Article VII of the Master Financing Lease, and the Authority shall cause the Trustee to redeem a corresponding portion of the Series 2025 Notes in accordance with the provisions of Article VII of the Master Financing Lease and Article III of the Fourth Supplemental Agreement of Trust.

(b) [The City shall have the option to prepay all (but not a portion) of the Basic Rent at the time and in the amount as necessary to enable the Authority to exercise its option to cause the Series 2025 Notes to be redeemed according to the provisions set forth in the Series 2025 Notes and the Fourth Supplemental Agreement of Trust. Such prepayment of Basic Rent shall be made at the times and in the amounts as necessary to accomplish the optional redemption of the Series 2025 Notes as set forth in the Series 2025 Notes and the Fourth Supplemental Agreement of Trust. Upon the exercise of such option, the City shall also pay as Additional Rent, the amounts necessary to pay the premium, if any, due on the Series 2025 Notes on the dates fixed for their redemption.]

(c) [The City shall, on behalf of the Authority, send to the Trustee notice of any redemption of the Series 2025 Notes at least five days prior to the latest date that notice of redemption may be given pursuant to Section 4.303 of the Fourth Supplemental Agreement of Trust, and such notice shall specify the date fixed for redemption, the principal amount of the Series 2025B Note or Series 2025C Note, as applicable, to be redeemed, the premium, if any, and the section of the Fourth Supplemental Agreement of Trust pursuant to which such redemption is to be made.]

ARTICLE VI

ARBITRAGE REBATE FUND

Section 6.1 Arbitrage Rebate Fund.

There is hereby established the "Series 2025B Arbitrage Rebate Fund" to be held by the Authority. The Authority shall deposit into the Series 2025B Arbitrage Rebate Fund from time to time interest earnings from the Series 2025B Project Account and monies received from the City hereunder for payment of the rebate obligations due under the Code with respect to the Series

2025B Note (the "Rebate Amount"). The Authority may establish separate accounts in the Series 2025B Arbitrage Rebate Fund for such payments.

Section 6.2 Rebate Requirement.

The Authority covenants that (i) all actions with respect to the Series 2025B Note required by Section 148(f) of the Code shall be taken, (ii) it shall at its sole expense (from legally available funds) make the rebate determinations required under the Code with respect to the Series 2025B Note and promptly notify the Trustee of the same, together with supporting calculations, and deposit in the Series 2025B Arbitrage Rebate Fund such amounts as are shown to be due by such calculations, and (iii) it shall within forty-five (45) days after the final payment, whether upon redemption in whole or at maturity, of the Series 2025B Note, file with the Trustee, and, at the request of the City, with the City, a statement signed by the Authority to the effect that the Authority is then in compliance with its covenants contained in clauses (i) and (ii) of this section, together with supporting calculations; provided, however, that if the Authority shall furnish an opinion of Bond Counsel to the Trustee to the effect that no further action by the Authority is required for such compliance with respect to the Series 2025B Note, the Authority shall not thereafter be required to deliver any such statements or calculations.

Section 6.3 Payment of Rebate Amount.

(a) Not later than 30 days after each fifth anniversary of the date of issuance of the Series 2025B Note, the Authority shall obtain a certificate (a "Rebate Amount Certificate") prepared at the expense of the Authority by independent certified public accountants of recognized standing, setting forth the "Rebate Amount" determined to be due to the United States of America as of such fifth anniversary date under the Treasury Regulations with respect to the Series 2025B Note and the computation thereof, and the Authority shall pay from legally available funds to the United States of America an amount equal to not less than 90% of the Rebate Amount set forth in such Rebate Amount Certificate.

(b) Not later than 45 days after final payment of the Series 2025B Note, the Authority shall deliver to the Trustee, and, at the request of the City, to the City, a Rebate Amount Certificate setting forth the Rebate Amount due to the United States of America upon payment of the Series 2025B Note, and the Authority shall pay from legally available funds to the United States of America the amount, if any, by which 100% of the Rebate Amount set forth in such Rebate Amount Certificate exceeds the aggregate of all payments theretofore made pursuant to subsection (a).

(c) The Authority covenants that it shall execute any form required to be signed by an issuer of tax-exempt bonds in connection with the payment of any Rebate Amount (including Internal Revenue Service Form 8038-T).

Section 6.4 Disposition of Balance in Series 2025B Arbitrage Rebate Fund.

After each payment required in Section 6.3 is made and any additional amount necessary to pay the full rebate obligation is retained, the remaining amount in the Series 2025B Arbitrage Rebate Fund shall be returned to the City and used for any lawful purpose.

ARTICLE VII

MISCELLANEOUS

Section 7.1 Severability.

If any provision of this Third Supplemental Financing Lease shall be held invalid by any court of competent jurisdiction, such holding shall not invalidate any other provision hereof.

Section 7.2 Successors and Assigns.

This Third Supplemental Financing Lease shall be binding upon, inure to the benefit of and be enforceable by the parties and their respective successors and assigns.

Section 7.3 Counterparts.

This Third Supplemental Financing Lease may be executed in any number of counterparts, each of which shall be an original and all of which together shall constitute but one and the same instrument.

Section 7.4 Governing Law.

This Third Supplemental Financing Lease shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia.

Section 7.5 Reporting Requirements.

So long as the Series 2025 Notes are Outstanding, the City shall provide to the Series 2025B Purchaser and the Series 2025C Purchaser or otherwise make available on the Municipal Securities Rulemaking Board's Electronic Municipal Market Access System a copy of its annual financial statements (including operating statistics) for each fiscal year within 270 days after the applicable fiscal year end. If the audit has not been completed within 270 days after the applicable fiscal year end, the City will promptly provide a copy of its unaudited annual financial statements and subsequently provide its annual audited financial statements within 30 days of their release.

Section 7.6 Requirements Relating to Master Financing Lease.

The following provisions shall apply for the benefit of the Series 2025B Purchaser and the Series 2025C Purchaser only so long as the respective Series 2025 Notes are Outstanding:

(a) Prior to the disposition of any Property pursuant to Section 5.9 of the Master Financing Lease, the City shall obtain the written consent of the Series 2025B Purchaser and the Series 2025C Purchaser, as applicable, which consent shall not be unreasonably withheld.

(b) In no event shall the Authority or the City voluntarily settle, or consent to the settlement of, any prospective or pending condemnation proceedings, or proceedings as to the title with respect to the Property or any portion thereof, without the prior written consent of the Series

2025B Purchaser and the Series 2025C Purchaser, as applicable, which consent shall not be unreasonably withheld.

(c) The following shall constitute additional Events of Default under Section 9.1(a) of the Master Financing Lease: (i) any representation or warranty of the City or the Authority under any Basic Agreement shall be deemed untrue or incorrect in any material respect or (ii) the occurrence of any Event of Default under the Agreement of Trust or the Prime Lease.

(d) Notwithstanding Section 12.4 of the Master Financing Lease, for purposes of federal bankruptcy law, the Financing Agreement is intended to be a "true lease" and not a "financing lease."

Section 7.7 No Consent or Waiver.

No consent to or waiver of (either express or implied) any breach or default in the performance of any obligation under the Financing Lease shall constitute a consent to or waiver of any other breach or default in the performance of the same or any other obligation.

Section 7.8 Federally Required Information.

To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account. For a non-individual person such as a business entity, a charity, a trust or other legal entity, the Trustee is required to request documentation to verify its formation and existence as a legal entity. The Trustee may also request financial statements, licenses, identification and authorization documents from individuals claiming authority to represent the entity or other relevant documentation.

Section 7.9 Trustee as Third-Party Beneficiary.

If and to the extent that the Trustee is requested or required to enforce remedies in its capacity as Trustee under the Agreement of Trust, the Trustee shall be a third-party beneficiary of this Third Supplemental Financing Lease for all such intents and purposes.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties have caused this Third Supplemental Deed and Agreement of Financing Lease to be duly executed and effective as of June 1, 2025, by their duly authorized representatives.

INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA

By:____
T. Neal Morris, Chairman

COMMONWEALTH OF VIRGINIA)
)
CITY OF DANVILLE)

The foregoing instrument was acknowledged before me in the City of Danville, Virginia, this ____ day of June, 2025, by T. Neal Morris, Chairman, Industrial Development Authority of Danville, Virginia.

My commission expires:______________________

My Registration Number is:___________________

____
Notary Public

[Signature Page to Third Supplemental Financing Lease]

CITY OF DANVILLE, VIRGINIA

By:____
Kenneth F. Larking, City Manager

Approved as to form:

By:____
W. Clarke Whitfield, City Attorney

COMMONWEALTH OF VIRGINIA)
)
CITY OF DANVILLE)

The foregoing instrument was acknowledged before me in the City of Danville, Virginia, this ____ day of June, 2025, by Kenneth F. Larking, City Manager, City of Danville, Virginia.

My commission expires:______________________

My Registration Number is:___________________

____
Notary Public

[Signature Page to Third Supplemental Financing Lease]

RECEIPT OF TRUSTEE

Receipt of the foregoing original counterpart of the Third Supplemental Deed and Agreement of Financing Lease dated as of June 1, 2025, between the Industrial Development Authority of Danville, Virginia, and the City of Danville, Virginia, is hereby acknowledged.

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, as Trustee

By:______________________________________
William F. Michie, III, Assistant Vice President

[Receipt of Trustee to Third Supplemental Financing Lease]

EXHIBIT A

SCHEDULE OF BASIC RENT PAYMENTS

Series 2021A Note			
Payment Date(1)	**Principal Component**	**Interest Component**	**Total Payment**
05/18/2025		$13,666.67	$13,666.67
06/18/2025		13,666.67	13,666.67
07/18/2025		13,666.67	13,666.67
08/18/2025		13,666.67	13,666.67
09/18/2025		13,666.67	13,666.67
10/18/2025		13,666.67	13,666.67
11/18/2025		13,666.67	13,666.67
12/18/2025		13,666.67	13,666.67
01/18/2026		13,666.67	13,666.67
02/18/2026		13,666.67	13,666.67
03/18/2026		13,666.67	13,666.67
04/18/2026		13,666.67	13,666.67
05/18/2026	$10,000,000	13,666.67	10,013,666.67
	$10,000,000	$177,666.71	$10,177,666.71

Payments by the City will be made on or before the third Business Day of each month in which a payment is due on the Series 2021A Note.

Series 2021B Bond			
Payment Date[(1)]	Principal Component	Interest Component	Total Payment
06/1/2025	$294,000	$15,749.30	$309,749.30
12/1/2025	299,000	13,559.00	312,559.00
06/1/2026	298,000	11,331.45	309,331.45
12/1/2026	303,000	9,111.35	312,111.35
06/1/2027	303,000	6,854.00	309,854.00
12/1/2027	617,000	4,596.65	621,596.65
	$2,114,000	$61,201.75	$2,175,201.75

(1) Payments by the City will be made on or before each May 15 and November 15 preceding each Bond Payment Date for the Series 2021B Bond.

Series 2025A Bond			
Payment Date[1]	**Principal Component**	**Interest Component**	**Total Payment**
10/1/2025		$51,362.67	$51,362.67
4/1/2026	$217,198	72,228.75	289,426.75
10/1/2026		66,136.35	66,136.35
4/1/2027	208,517	66,136.35	274,653.35
10/1/2027		60,287.44	60,287.44
4/1/2028	220,214	60,287.44	280,501.44
10/1/2028		54,110.44	54,110.44
4/1/2029	232,568	54,110.44	286,678.44
10/1/2029		47,586.91	47,586.91
4/1/2030	245,615	47,586.91	293,201.91
10/1/2030		40,697.41	40,697.41
4/1/2031	259,394	40,697.41	300,091.41
10/1/2031		33,421.41	33,421.41
4/1/2032	273,947	33,421.41	307,368.41
10/1/2032		25,737.19	25,737.19
4/1/2033	289,315	25,737.19	315,052.19
10/1/2033		17,621.91	17,621.91
4/1/2034	305,545	17,621.91	323,166.91
10/1/2034		9,051.37	9,051.37
4/1/2035	322,687	9,051.37	331,738.37
	$2,575,000	$832,892.28	$3,407,892.28

(2) Payments by the City will be made on or before each March 15 and September 15 preceding each Bond Payment Date for the Series 2025A Bond.

[ADD 2025B AND 2025C NOTES]

FOURTH SUPPLEMENTAL AGREEMENT OF TRUST

between

INDUSTRIAL DEVELOPMENT AUTHORITY
OF DANVILLE, VIRGINIA

and

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,
as successor Trustee

Dated as of June 1, 2025

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Exhibit A - Form of Series 2025 Notes A-1

THIS FOURTH SUPPLEMENTAL AGREEMENT OF TRUST dated as of June 1, 2025 (this "Fourth Supplemental Agreement"), by and between the **INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA**, a political subdivision of the Commonwealth of Virginia (the "Authority"), and **U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION**, a national banking association having a corporate trust office in Richmond, Virginia, as successor trustee (in such capacity, together with any successor in such capacity, herein called the "Trustee"), provides:

WHEREAS, the Authority and the Trustee have entered into an Agreement of Trust dated as of March 1, 2017 (the "Master Trust Agreement"), pursuant to which the Authority has agreed to issue from time to time lease revenue bonds or notes and use the proceeds thereof to finance costs incurred in connection with certain Projects (which has the meaning given in the hereinafter defined Financing Lease) for the benefit of the City of Danville, Virginia (the "City");

WHEREAS, U.S. Bank National Association transferred all or substantially all of its corporate trust business to the Trustee, and by operation of the provisions of Section 1104 of the Master Trust Agreement, the Trustee succeeded U.S. Bank National Association as Trustee under the Trust Agreement;

WHEREAS, within the limitations of and in compliance with the Master Trust Agreement, the City has requested the Authority to issue (a) a tax-exempt lease revenue note in the principal amount of $_______ (the "Series 2025B Note"), to finance the costs of the Series 2025B Project, and (b) a federally taxable lease revenue note in the principal amount of $_______ (the "Series 2025C Note" and, together with the Series 2025B Note, the "Series 2025 Notes") to finance the costs of the Series 2025C Project (as hereinafter defined) and pay related costs of issuance;

WHEREAS, the Authority has agreed to issue the Series 2025 Notes, secured by a pledge of the revenues and receipts derived from a Deed and Agreement of Financing Lease dated as of March 1, 2017, as previously supplemented and as further supplemented by a Third Supplemental Deed and Agreement of Financing Lease dated as of June 1, 2025 (collectively, the "Financing Lease"), all between the Authority and the City, and the City has undertaken, subject to the appropriation by the City Council of the City from time to time of sufficient amounts for such purposes, to make certain rental payments that will be sufficient to pay the principal of and premium, if any, and interest on the outstanding Bonds issued under the Master Trust Agreement (including the Series 2025 Notes) as the same shall become due; and

WHEREAS, the Authority has taken all necessary action to make the Series 2025 Notes, when authenticated by the Trustee and issued by the Authority, valid and binding limited obligations of the Authority and to constitute this Fourth Supplemental Agreement a valid and binding agreement authorizing and providing for the details of the Series 2025 Notes;

NOW THEREFORE, in consideration of the premises and the mutual covenants and agreements hereinafter contained, the parties hereto agree as follows:

ARTICLE I

FOURTH SUPPLEMENTAL AGREEMENT

Section 4.101 Authorization of Fourth Supplemental Agreement.

This Fourth Supplemental Agreement is authorized and executed by the Authority and delivered to the Trustee pursuant to and in accordance with Articles III and X of the Master Trust Agreement. All terms, covenants, conditions and agreements of the Master Trust Agreement shall apply with full force and effect to the Series 2025 Notes and to the holders thereof, except as otherwise provided in this Fourth Supplemental Agreement.

Section 4.102 Definitions.

Except as otherwise defined in this Fourth Supplemental Agreement (including the Recitals), words defined in the Master Trust Agreement are used in this Fourth Supplemental Agreement with the meanings assigned to them in the Master Trust Agreement. In addition, the following capitalized terms shall have the following meanings unless a different meaning clearly appears from the context:

"Fourth Supplemental Agreement" shall mean this Fourth Supplemental Agreement of Trust between the Authority and the Trustee, which supplements the Master Trust Agreement.

"Master Financing Lease" shall mean the Deed and Agreement of Financing Lease dated as of March 1, 2017, between the Authority and the City, as previously supplemented.

"Series 2025 Notes" shall mean the Series 2025B Note and the Series 2025C Note.

"Series 2025B Note" shall mean the Authority's $_______ Lease Revenue Note, Series 2025B (Tax-Exempt), authorized to be issued pursuant to this Fourth Supplemental Agreement of Trust.

"Series 2025B Project" shall have the meaning set forth in the Third Supplemental Financing Lease.

"Series 2025B Project Account" shall mean the Series 2025B Project Account established in Section 4.401(a) of this Fourth Supplemental Agreement.

"Series 2025B Purchaser" shall mean _________, as purchaser of the Series 2025B Note, and any of its successors and assigns.

"Series 2025C Note" shall mean the Authority's $_______ Lease Revenue Note, Series 2025C (Federally Taxable), authorized to be issued pursuant to this Fourth Supplemental Agreement of Trust.

"Series 2025C Project" shall have the meaning set forth in the Third Supplemental Financing Lease.

"Series 2025C Project Account" shall mean the Series 2025C Project Account established in Section 4.401(b) of this Fourth Supplemental Agreement.

"Series 2025C Purchaser" shall mean __________, as purchaser of the Series 2025C Note, and any of its successors and assigns.

"Third Supplemental Financing Lease" shall mean the Third Supplemental Deed and Agreement of Financing Lease dated as of June 1, 2025, between the Authority and the City, which supplements the Master Financing Lease.

Section 4.103 Rules of Construction.

The following rules shall apply to the construction of this Fourth Supplemental Agreement unless the context otherwise requires:

(a) Words importing the singular number shall include the plural number and vice versa.

(b) Words importing the redemption or calling for redemption of the Series 2025 Notes shall not be deemed to refer to or connote the payment of the Series 2025 Notes at their stated maturity.

(c) Unless otherwise indicated, all references herein to particular Articles or Sections are references to Articles or Sections of this Fourth Supplemental Agreement.

(d) The headings herein and Table of Contents to this Fourth Supplemental Agreement herein are solely for convenience of reference and shall neither constitute a part of this Fourth Supplemental Agreement nor affect its meaning, construction or effect.

(e) All references herein to payment of the Series 2025 Notes are references to payment of principal of and premium, if any, and interest on the Series 2025 Notes.

ARTICLE II

AUTHORIZATION, DETAILS AND FORM OF SERIES 2025 NOTES

Section 4.201 Authorization of Series 2025 Notes.

(a) Pursuant to Article III of the Master Trust Agreement, there is hereby authorized to be issued the Series 2025B Note in the original principal amount of $______ to finance the Costs of the Series 2025B Project and pay related costs of issuance.

(b) Pursuant to Article III of the Master Trust Agreement, there is hereby authorized to be issued the Series 2025C Note in the original principal amount of $______ to finance the Costs of the Series 2025C Project and pay related costs of issuance.

Section 4.202 Details of Series 2025 Notes.

(a) The Series 2025B Note shall be designated "Lease Revenue Note, Series 2025B (Tax-Exempt)," shall be dated June ___, 2025, shall be issued as a single, registered note and shall be numbered RB-1. The Series 2025B Note shall bear interest at an annual rate of ____%, calculated on the basis of a 360-day year of twelve 30-day months, payable semiannually on each _____ and _______, beginning _______, ____, and shall mature in annual principal installments on each _______ in years and amounts, as follows:

Principal Installment Date	Amount	Principal Installment Date	Amount

(b) The Series 2025C Note shall be designated "Lease Revenue Note, Series 2025C (Federally Taxable)," shall be dated June ___, 2025, shall be issued as a single, registered note and shall be numbered RC-1. The Series 2025C Note shall bear interest at an annual rate of ____%, calculated on the basis of a 360-day year of twelve 30-day months, payable semiannually on each _____ and _______, beginning _______, ____, and shall mature in annual principal installments on each _______ in years and amounts, as follows:

Principal Installment Date	Amount	Principal Installment Date	Amount

(c) Principal, premium, if any, and interest shall be payable in lawful money of the United States by the Trustee, at the option of the registered owner, (i) by check or draft mailed to the registered owner at its address as it appears on the registration books kept for that purpose by the Trustee on the 15th day of the month preceding each payment date or (ii) by wire transfer pursuant to the most recent wire instructions received by the Trustee from such registered owner.

(d) Except as otherwise provided herein, the Series 2025 Notes shall be payable, executed, authenticated, registrable, exchangeable and secured as set forth in the Master Trust Agreement.

Section 4.203 Form of Series 2025 Notes.

The Series 2025B Note and the Series 2025C Note shall be in substantially the form set forth in <u>Exhibit A,</u> with such appropriate variations, omissions and insertions as are permitted or required by the Master Trust Agreement and this Fourth Supplemental Agreement.

Section 4.204 Delivery of Series 2025 Notes.

The Trustee shall authenticate and deliver the Series 2025 Notes when there have been filed with or delivered to it all items required by Section 303 of the Master Trust Agreement.

ARTICLE III

REDEMPTION OF SERIES 2025 NOTES

Section 4.301 Extraordinary Optional Redemption of Series 2025 Notes.

If the City exercises its option to prepay all or a portion of the Basic Rent upon damage to, destruction of, condemnation of or loss of title to the Property as provided in Article VII of the Master Financing Lease, a corresponding portion of the outstanding principal of the Series 2025 Notes shall be redeemed upon payment of 100% of the principal amount thereof to be redeemed plus interest accrued to the date fixed for redemption.

Section 4.302 Optional Redemption of Series 2025 Notes.

(a) [The Series 2025B Note shall be subject to redemption prior to maturity at the option of the Authority (at the direction of the City) in whole (but not in part) at any time at a redemption price equal to 100% of the principal amount thereof, plus interest accrued and unpaid to the date fixed for redemption.]

(b) [The Series 2025C Note shall be subject to redemption prior to maturity at the option of the Authority (at the direction of the City) in whole (but not in part) at any time at a redemption price equal to 100% of the principal amount thereof, plus interest accrued and unpaid to the date fixed for redemption.]

Section 4.303 Notice of Redemption of Series 2025 Notes.

(a) Notwithstanding the provisions of Section 402(a) of the Master Trust Agreement, notice of redemption of either or both Series 2025 Notes shall be given by facsimile or electronic transmission, registered or certified mail or overnight express delivery, to (i) the Trustee at 1051 East Cary Street, Suite 600, Richmond, Virginia 23219 (Attention: William F. Michie, III), (ii) the Series 2025B Purchaser, as holder of the Series 2025B Note, at _________, and (iii) the Series 2025C Purchaser, as holder of the Series 2025C Note, at _________.

(b) [To exercise either of the options under Section 4.301 or Section 4.302, the City, on behalf of the Authority, shall give written notice to the holder of the applicable Series 2025 Note specifying (i) the date fixed for redemption of such Series 2025 Note, which shall not be less than two Business Days from the date such notice is sent, (ii) the principal amount of such Series

2025 Note to be redeemed, (iii) the redemption premium, if any, on such Series 2025 Note and (iv) the section of this Fourth Supplemental Agreement pursuant to which such redemption is to be made.]

ARTICLE IV

PROCEEDS OF SERIES 2025 NOTES; ESTABLISHMENT OF FUNDS AND ACCOUNTS

Section 4.401 Establishment of Fund and Accounts.

(a) Series 2025B Project Account: There shall be established within the Project Fund a special account entitled "Series 2025B Project Account." The proceeds of the Series 2025B Note shall be deposited in the Series 2025B Project Account as described below. Money in the Series 2025B Project Account shall be used in accordance with the provisions of Sections 502 and 503 of the Master Trust Agreement (based upon requisitions in the form described in the Master Trust Agreement) to pay Costs of the Series 2025B Project and to pay the costs of issuing the Series 2025B Note.

(b) Series 2025C Project Account: There shall be established within the Project Fund a special account entitled "Series 2025C Project Account." The proceeds of the Series 2025C Note shall be deposited in the Series 2025C Project Account as described below. Money in the Series 2025C Project Account shall be used in accordance with the provisions of Sections 502 and 503 of the Master Trust Agreement (based upon requisitions in the form described in the Master Trust Agreement) to pay Costs of the Series 2025C Project and to pay the costs of issuing the Series 2025C Note.

(c) No Series Debt Service Reserve Account: No Series Debt Service Reserve Account will be established within the Debt Service Reserve Fund for purposes of the Series 2025 Notes. No funds on deposit in, or for the account of, the Debt Service Reserve Fund shall secure the Series 2025 Notes.

Section 4.402 Application of Proceeds of Series 2025 Notes.

(a) The Series 2025B Purchaser shall transfer the proceeds of the Series 2025B Note ($______) to the Trustee to be deposited in the Series 2025B Project Account.

(b) The Series 2025C Purchaser shall transfer the proceeds of the Series 2025C Note ($______) to the Trustee to be deposited in the Series 2025C Project Account.

ARTICLE V

SECURITY FOR SERIES 2025 NOTES

Section 4.501 Security for Series 2025 Notes.

The Series 2025 Notes shall be equally and ratably secured under the Master Trust Agreement with any other series of Bonds issued pursuant to Article III of the Master Trust

Agreement, without preference, priority or distinction of any Bonds (including the Series 2025 Notes) over any other Bonds, except as provided in the Master Trust Agreement. As described in Section 4.401(c), the Debt Service Reserve Fund shall not secure the Series 2025 Notes, and no debt service reserve fund or account is currently established or funded in connection with the issuance of the Series 2025 Notes.

ARTICLE VI

MISCELLANEOUS

Section 4.601 Limitations on Use of Proceeds.

The Authority intends that interest on the Series 2025B Note shall be excluded from gross income for Federal income tax purposes. The Authority covenants with the holders of the Series 2025B Note not to take any action that would adversely affect, and to take all action within its power necessary to maintain, the exclusion of interest on the Series 2025B Note from gross income for Federal income tax purposes.

Section 4.602 Reports by Trustee.

The Trustee shall provide the Authority within 30 days after each _____ and within 30 days after the final payment of the Series 2025B Note with standard account transaction statements showing information with respect to earnings of amounts held under this Fourth Supplemental Agreement with respect to the Series 2025B Note. The Trustee shall not be responsible for the accuracy of any Rebate Amount Certificate or for monitoring the payment of any Rebate Amount (as such terms are defined in the Third Supplemental Financing Lease).

Section 4.603 Limitation of Rights.

With the exception of rights herein expressly conferred, nothing expressed or mentioned in or to be implied from this Fourth Supplemental Agreement or the Series 2025 Notes is intended or shall be construed to give to any person other than the parties hereto and the holders of the Series 2025 Notes any legal or equitable right, remedy or claim under or in respect to this Fourth Supplemental Agreement or any covenants, conditions and agreements herein contained as this Fourth Supplemental Agreement and all of the covenants, conditions and agreements hereof are intended to be and are for the sole and exclusive benefit of the parties hereto and the holders of Bonds as herein provided.

Section 4.604 Severability.

If any provision of this Fourth Supplemental Agreement shall be held invalid by any court of competent jurisdiction, such holding shall not invalidate any other provision hereof and this Fourth Supplemental Agreement shall be construed and enforced as if such illegal provision had not been contained herein.

Section 4.605 Successors and Assigns.

This Fourth Supplemental Agreement shall be binding upon, inure to the benefit of and be enforceable by the parties and their respective successors and assigns.

Section 4.606 Applicable Law.

This Fourth Supplemental Agreement shall be governed by and construed and enforced in accordance with the applicable laws of the Commonwealth of Virginia, without regard to its conflict of law principles.

Section 4.607 Notices.

Unless otherwise provided herein, all demands, notices, approvals, consents, requests, opinions and other communications hereunder shall be in writing and shall be deemed to have been given when delivered in person or mailed by first class registered or certified mail, postage prepaid, addressed (a) if to the City, at 427 Patton Street, Municipal Building, P.O. Box 3300, Danville, Virginia 24543 (Attention: City Manager); (b) if to the Authority, c/o of the City Attorney's Office, at 427 Patton Street, Municipal Building, P.O. Box 3300, Danville, Virginia 24543 (Attention: Chairman); (c) if to the initial holder of the Series 2025B Note, at ________; (d) if to the initial holder of the Series 2025C Note, at ________; and (e) if to the Trustee, at 1051 East Cary Street, Suite 600, Richmond, Virginia 23219 (Attention: William F. Michie, III).

Section 4.608 Counterparts.

This Fourth Supplemental Agreement may be executed in several counterparts, each of which shall be an original and all of which together shall constitute but one and the same instrument.

Section 4.609 Federally Required Information.

To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account. For a non-individual person such as a business entity, a charity, a trust or other legal entity, the Trustee is required to request documentation to verify its formation and existence as a legal entity. The Trustee may also request financial statements, licenses, identification and authorization documents from individuals claiming authority to represent the entity or other relevant documentation.

Section 4.610 Digital Signatures.

With respect to the Series 2025 Notes, the proceeds thereof and the funds and accounts established pursuant to this Fourth Supplemental Agreement, the City, the Authority, and the Trustee may also provide, and the Trustee shall have the right to accept and act upon, notices or directions ("Instructions") under the Trust Agreement or any other Basic Agreement by unsecured e-mail, facsimile transmission, portable data format (.pdf), or other similar unsecured electronic means (herein, "Electronic Means"); provided, however, that (1) the Trustee shall have received an incumbency or other certification from the City and/or the Authority listing the persons entitled to provide any such Instructions and containing specimen signatures of such persons (each, an "Authorized Officer"), which incumbency certificate shall be amended by the City or the Authority, as applicable, whenever a person is to be added or deleted from the listing; and (2) any communication sent to the Trustee hereunder must be in the form of a document signed manually. If the City and/or the Authority, as applicable, elects to give the Trustee Instructions using Electronic Means and the Trustee in its discretion elects to act upon such Instructions, the Trustee's understanding of such Instructions shall be deemed controlling. The City and the Authority understand and agree that the Trustee cannot determine the identity of the actual sender of such Instructions and that the Trustee shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the most recent incumbency certificate provided to the Trustee have been sent by such Authorized Officer. The City and the Authority shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Trustee. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such Instructions notwithstanding whether such directions conflict or are inconsistent with a subsequent written instruction.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Authority and the Trustee have caused this Fourth Supplemental Agreement to be executed in their respective corporate names as of the date first above written.

INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA

By:____
T. Neal Morris, Chairman

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, as Trustee

By:____
William F. Michie, III, Assistant Vice President

Acknowledged and Consented To:

CITY OF DANVILLE, VIRGINIA

By:___________________________________
Kenneth F. Larking, City Manager

[Signature Page to Fourth Supplemental Agreement of Trust]

EXHIBIT A

REGISTERED **REGISTERED**

R[B][C]-1 **______, 2025**

UNITED STATES OF AMERICA

COMMONWEALTH OF VIRGINIA

INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA

Lease Revenue Note
Series 2025[B][C] [(Tax-Exempt)][(Federally Taxable)]

The Industrial Development Authority of Danville, Virginia, a political subdivision of the Commonwealth of Virginia (the "Authority"), for value received, hereby acknowledges itself indebted and promises to pay to _______, or its registered assigns or legal representatives, the principal sum of **___________ AND 00/100 DOLLARS ($______)**. Principal of this note shall be payable in annual installments in the amounts and on the dates set forth in Schedule I attached hereto (subject to optional redemption as provided herein). Interest on this note shall be payable on the unpaid principal at the annual rate of ___%, calculated on the basis of a 360-day year of twelve 30-day months, on each _____ and _____, commencing _______. Principal and interest shall be payable in lawful money of the United States by the Trustee (as hereinafter defined), at the option of the registered owner hereof, (i) by check or draft mailed to the registered owner at its address as it appears on the registration books kept for that purpose by the Trustee on the ___ day of the month preceding each payment date or (ii) by wire transfer pursuant to the most recent wire instructions received by the Trustee from such registered owner.

This note is authorized and issued pursuant to the Industrial Development and Revenue Bond Act, Chapter 49, Title 15.2, Code of Virginia of 1950, as amended. This note is also issued under and secured by an Agreement of Trust dated as of March 1, 2017 (the "Master Trust Agreement"), between the Authority and U.S. Bank Trust Company, National Association, Richmond, Virginia, as successor trustee (the "Trustee"), as previously supplemented and as further supplemented by a Fourth Supplemental Agreement of Trust dated as of June 1, 2025 (the "Fourth Supplemental Agreement of Trust" and, together with the Master Trust Agreement, the "Agreement of Trust"). This note will be secured on parity with the Authority's $10,000,000 Public Facility Lease Revenue Note, Series 2021A (Federally Taxable) (the "Series 2021A Note"), its $4,184,000 Public Facility Lease Revenue Refunding Bond, Series 2021B (Federally Taxable) (the "Series 2021B Bond"), its $2,575,000 Lease Revenue Bond, Series 2025A (Federally Taxable) (the "Series 2025A Bond"), its [$_______ Lease Revenue Note, Series 2025B (Tax-Exempt)][$_______ Lease Revenue Note, Series 2025C (Federally Taxable)], and any other Bonds hereafter issued under the Master Trust Agreement. The Agreement of Trust, together with an Assignment Agreement dated as of March 1, 2017, between the Authority and the Trustee, assigns to the Trustee, as security for this note, the Series 2021A Note, the Series 2021B Bond, the Series 2025A Bond, the [Series 2025B Note][the Series 2025C Note] and all other Bonds hereafter issued thereunder, (a) certain rental payments derived from a Deed and Agreement of

Financing Lease dated as of March 1, 2017 (the "Master Financing Lease"), as previously supplemented and as further supplemented by the Third Supplemental Deed and Agreement of Financing Lease dated as of June 1, 2025 (collectively, the "Financing Lease"), between the Authority and the City of Danville, Virginia (the "City"), and (b) the Authority's rights under the Financing Lease and the related Deed and Agreement of Prime Lease dated as of March 1, 2017, between the Authority and the City (except for the Authority's rights under the Financing Lease to the payment of certain fees and expenses and to receive notices).

Reference is hereby made to the Agreement of Trust for a description of the provisions, among others, with respect to the nature and extent of the security, the rights, duties and obligations of the Authority and the Trustee, the rights of the holders of this note and the terms upon which this note is issued and secured. Additional Bonds secured by a pledge of revenues and receipts derived from the City under the Financing Lease on parity with this note, the Series 2021A Note, the Series 2021B Bond, the Series 2025A Bond and the [Series 2025B Note][Series 2025C Note] may be issued under the terms and conditions set forth in the Agreement of Trust. Capitalized terms not otherwise defined herein shall have the meanings assigned such terms in the Agreement of Trust.

Notwithstanding any provision of the Agreement of Trust to the contrary, presentment or surrender of this note shall not be required for payment of principal hereof or interest hereon.

This note is issued to finance the acquisition of approximately 0.62 acres of property in the downtown area of the City on the southeast corner of the intersection of North Union Street and Spring Street (parcel number 20432) (the "Parcel") and to redevelop the Parcel for public and commercial and other economic purposes, which will primarily include parking spaces for approximately 434 vehicles, and to pay related costs of issuance. Pursuant to the Financing Lease, the City has undertaken to make payments that will be sufficient to pay the principal of and premium, if any, and interest on the Bonds outstanding under the Agreement of Trust (including this note), as the same shall become due in accordance with its terms and the provisions and the terms of the Agreement of Trust; provided, however, that the undertaking by the City to make such payments constitutes a current expense of the City that is subject to appropriation by the City Council of the City from time to time of sufficient moneys for such purposes. The undertaking by the City to make payments under the Financing Lease does not constitute a debt of the City within the meaning of any constitutional or statutory limitation nor a liability of or a lien or charge upon funds or property of the City beyond any fiscal year for which the City has appropriated moneys to make such payments.

THIS NOTE AND THE PREMIUM, IF ANY, AND INTEREST THEREON ARE LIMITED OBLIGATIONS OF THE AUTHORITY PAYABLE SOLELY FROM REVENUES AND RECEIPTS DERIVED FROM THE CITY RECEIVED BY THE AUTHORITY UNDER THE FINANCING LEASE, AND FROM CERTAIN FUNDS, AND THE INVESTMENT INCOME THEREON, HELD UNDER THE AGREEMENT OF TRUST, WHICH REVENUES, RECEIPTS AND FUNDS HAVE BEEN PLEDGED AND ASSIGNED TO SECURE PAYMENT HEREOF. THIS NOTE AND THE PREMIUM, IF ANY, AND THE INTEREST HEREON SHALL NOT BE DEEMED TO CONSTITUTE A GENERAL OBLIGATION DEBT OR A PLEDGE OF THE FAITH AND CREDIT OF THE COMMONWEALTH OF VIRGINIA OR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE AUTHORITY AND THE

CITY. NEITHER THE COMMONWEALTH OF VIRGINIA NOR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE AUTHORITY AND THE CITY, SHALL BE OBLIGATED TO PAY THE PRINCIPAL OF OR PREMIUM, IF ANY, OR INTEREST ON THIS NOTE OR OTHER COSTS INCIDENT THERETO EXCEPT FROM THE REVENUES AND RECEIPTS PLEDGED AND ASSIGNED THEREFOR, AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE COMMONWEALTH OF VIRGINIA OR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE AUTHORITY AND THE CITY, IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR PREMIUM, IF ANY, OR INTEREST ON THIS NOTE OR OTHER COSTS INCIDENT THERETO. THE AUTHORITY HAS NO TAXING POWER.

No covenant, condition or agreement contained herein shall be deemed to be a covenant, agreement or obligation of any present or future director, officer, employee or agent of the Authority in his individual capacity, and neither the Chairman nor Vice Chairman of the Authority nor any officer thereof executing this note shall be liable personally on this note or be subject to any personal liability or accountability by reason of the issuance hereof.

If the City exercises its option to prepay all or a portion of the Basic Rent upon damage to, destruction of, condemnation of or loss of title to the Property as provided in Article VII of the Master Financing Lease, a corresponding portion of the principal of this note shall be redeemed upon payment of 100% of the principal amount hereof to be redeemed plus interest accrued to the date fixed for redemption.

This note shall be subject to redemption prior to maturity at the option of the Authority (at the direction of the City) in whole (but not in part) at any time at a redemption price equal to 100% of the principal amount hereof to be redeemed, plus interest accrued and unpaid to the date fixed for redemption.

To exercise either of the options under the two preceding paragraphs, the City, on behalf of the Authority, shall give written notice to the holder of this note specifying (a) the date fixed for redemption of this note, which shall not be less than thirty (30) days from the date such notice is sent, (b) the principal amount of this note to be redeemed, (c) the redemption premium, if any, hereon and (d) the section of the Fourth Supplemental Agreement of Trust pursuant to which such redemption is to be made.

This note is issued as a registered note and may be transferred only in accordance with the provisions with respect thereto as provided in the Agreement of Trust.

The registered owner of this note shall have no right to enforce the provisions of the Agreement of Trust or to institute any action to enforce the covenants therein or to take any action with respect to any Event of Default under the Agreement of Trust or to institute, appear in or defend any suit or other proceedings with respect thereto, except as provided in the Agreement of Trust. Modifications or alterations of the Agreement of Trust, the Financing Lease or the other Basic Agreements, or of any supplement or amendment thereto, may be made only to the extent and in the circumstances permitted by the Basic Agreements.

Upon surrender for transfer or exchange of this note at the designated corporate trust office of the Trustee in St. Paul, Minnesota, together with an assignment duly executed by the registered owner or its duly authorized attorney or legal representative in such form as shall be satisfactory to the Trustee, the Authority shall execute, and the Trustee shall authenticate and deliver in exchange, a new note or notes in the manner and subject to the limitations and conditions provided in the Agreement of Trust, having an equal aggregate principal amount, in authorized denominations, of the same series, form and maturity, bearing interest at the same rate and registered in the name or names as requested by the then registered owner hereof or its duly authorized attorney or legal representative. Any such exchange shall be at the expense of the Authority, except that the Trustee may charge the person requesting such exchange the amount of any tax or other governmental charge required to be paid with respect thereto.

The Trustee shall treat the registered owner as the person exclusively entitled to payment of principal, premium, if any, and interest and the exercise of all other rights and powers of the holder on the registration books, except that interest payments shall be made to the person shown as holder on the registration books on the date fifteen days preceding each payment date.

All acts, conditions and things required to happen, exist or be performed precedent to and in connection with the issuance of this note have happened, exist and have been performed.

This note shall not become obligatory for any purpose or be entitled to any security or benefit under the Agreement of Trust or be valid until the Trustee shall have executed the Certificate of Authentication appearing hereon and inserted the date of authentication hereon.

IN WITNESS WHEREOF, the Industrial Development Authority of Danville, Virginia, has caused this note to be signed by its Chairman or Vice Chairman, its seal to be imprinted hereon and attested by its Secretary, and this note to be dated the date first written above.

INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA

(SEAL)

By______________________________________
Chairman

Attest:

____
Secretary

CERTIFICATE OF AUTHENTICATION

Date Authenticated: _______________

This note is the Series [2025B][2025C] Note described in the within mentioned Agreement of Trust.

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, as Trustee

By___________________________________
Authorized Representative

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sell(s), assign(s) and transfer(s) unto
____
____
(please print or typewrite name and address, including zip code, of Transferee)

PLEASE INSERT SOCIAL SECURITY OR OTHER
IDENTIFYING NUMBER OF TRANSFEREE

____
: :
: :
:_________________________________:

the within bond and all rights thereunder, hereby irrevocably constituting and appointing
____
____________, Attorney, to transfer said bond on the books kept for the registration thereof, with full power of substitution in the premises.

Dated: ________________________

Signature Guaranteed

____
NOTICE: Signature(s) must be guaranteed by an Eligible Guarantor Institution such as a Commercial Bank, Trust Company, Securities Broker/Dealer, Credit Union, or Savings Association who is a member of a medallion program approved by The Securities Transfer Association, Inc.

____
(Signature of Registered Owner

NOTICE: The signature above must correspond with the name of the registered owner as it appears on the front of this note in every particular, without alteration or enlargement or any change whatsoever.

SCHEDULE I

Principal Installment Date	Amount	Principal Installment Date	Amount

Council Letter
City of Danville, Virginia

CL - 2115 **NEW BUSINESS E.**

City Council REGULAR MEETING

Meeting Date: June 17, 2025

Subject: Budget Appropriation Ordinance for a Grant from the Virginia Tourism Corporation Marketing Leverage Program.

From: Lisa Meriwether, Tourism Manager

COUNCIL ACTION

An Ordinance Amending the Fiscal Year 2025 Budget Appropriation Ordinance to Provide for a Virginia Tourism Corporation Marketing Leverage Program Grant in the Amount of $30,000, and to Provide for the Local Share in the Amount of $60,000 for a Total Grant of $90,000 and Appropriating the Same.

First Reading

SUMMARY

Staff applied for a Marketing Leverage Grant from the Virginia Tourism Corporation and were awarded $30,000 with a local match required of $60,000 for a total appropriation of $90,000 to be used to create a marketing campaign to drive cross-border visitation from Northern North Carolina's key metropolitan areas - Raleigh, Greensboro, and Durham - into the Visit SoSi region of Danville and Pittsylvania County, VA.

BACKGROUND

The Virginia Tourism Corporation is offering these grant funds to spur economic activity and overnight travel across the Commonwealth. This program is designed to create public-private partnerships and leverage matching marketing dollars to promote Virginia as a vibrant destination with robust visitor experiences. All funded programs must use the Virginia is for Lovers logo on advertising and marketing materials. Funding will be used to create a marketing campaign to drive cross-border visitation from Northern North Carolina's key metropolitan areas - Raleigh, Greensboro, and Durham - into the Visit SoSi region of Danville and Pittsylvania County, VA.

RECOMMENDATION

Staff recommends adoption of this ordinance to appropriate the grant funds.

Attachments

1. Ordinance

PRESENTED:________________________

ADOPTED:__________________________

ORDINANCE NO. 2025-__________.___________

AN ORDINANCE AMENDING THE FISCAL YEAR 2025 BUDGET APPROPRIATION ORDINANCE TO PROVIDE FOR A VIRGINIA TOURISM CORPORATION MARKETING LEVERAGE PROGRAM GRANT IN THE AMOUNT OF $30,000, AND TO PROVIDE FOR THE LOCAL SHARE IN THE AMOUNT OF $60,000 FOR A TOTAL GRANT OF $90,000 AND APPROPRIATING THE SAME.

WHEREAS the City of Danville has been awarded a grant from the Virginia Tourism Corporation Marketing Leverage Program; and

WHEREAS, the funding will be used to create a campaign to drive cross-border visitation from Northern North Carolina's key metropolitan areas- Raleigh, Greensboro, and Durham – into the Visit SoSi region of Danville and Pittsylvania County, VA. Through enhanced storytelling, increased exposure curated itineraries, targeted messaging, and strategic calls to action, this campaign will advance the goals outlined in both the region's economic development strategy and the region's 5-year community-led, data-backed, tourism master plan which was published in May of 2023 and was designed to drive increased interest, engagement, and out-of-state bookings and spending across the region.

NOW THEREFORE, BE IT ORDAINED by the Council of the City of Danville, Virginia, that the Fiscal Year 2025 Budget Appropriation Ordinance be, and the same is hereby, amended by increasing revenues for a grant in the amount of $30,000 from the Virginia Tourism Corporation Marketing Leverage Program, and the local share of the grant in the amount of $60,000, such funds to be appropriated in the Special Grants fund and to be as follows:

ANTICIPATED REVENUES

Description	Account No.	Amount
VTC "See You in SoSi" Tourism Marketing Campaign		
Categorical Aid – State - Other	62006000-47670	$ 30,000
Local Share		
Transfer from General Fund	62006000-6101	60,000
	TOTAL	$ 90,000

ANTICIPATED EXPENDITURES

Description	Account No.	Amount
VTC "See You in SoSi" Tourism Marketing Campaign	62006999-50	$ 90,000

AND BE IT FINALLY ORDAINED that all other accounts and provisions of the Fiscal Year 2025 Budget Appropriation Ordinance, as amended, not hereby amended, shall continue in full force and effect unless and until hereafter further amended or repealed.

APPROVED:

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Mayor

Attest:

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Clerk

Approved as to
Form and Legal Sufficiency:

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City Attorney