

April 21, 2026

The Second April meeting of the Danville City Council was held on April 21, 2026, at 7:00 p.m. in the Council Chambers located on the Fourth Floor of the Municipal Building, 427 Patton Street, Danville, Virginia. The following Council Members were present: Vice Mayor James B. Buckner, Mayor Alonzo L. Jones, Daniel W. Marshall, Gary P. Miller, Sherman M. Saunders, and J. Lee Vogler, Jr. (7). L.G. "Larry" Campbell Jr., Bryant Hood, Barry P. Mayo were absent (3).

Staff Members present were: City Manager Ken Larking, Deputy City Manager Earl B. Reynolds, Jr., Assistant City Manager/CFO Michael Adkins, Assistant City Manager Briana Evans, City Attorney W. Clarke Whitfield, Jr., and City Clerk Susan M. DeMasi.

Mayor Jones presided.

INVOCATION AND PLEDGE OF ALLEGIANCE

Council Member J. Lee Vogler, Jr., gave the Invocation followed by the Pledge of Allegiance.

ANNOUNCEMENTS AND SPECIAL RECOGNITIONS

Proclamation: Make Danville Shine Month

Presented to: Dana Kerns, City of Danville, Community Development.

Ms. Kerns thanked Mayor Jones, Council Members and citizens of Danville, noting their partnership with organizations and neighborhood partners were important and they appreciated their continued support. They look forward to making this May the fourteenth year of Make Danville Shine.

City Manager Ken Larking introduced the Interim Economic Development Director Mike Legg; he recently retired as City Manager of Kannapolis, North Carolina. He was heavily involved in Economic Development activities in Kannapolis and has seen a lot of great success there. Mr. Legg noted he was thrilled to be here, and Council should be proud of where things were heading in Danville. Mr. Legg stated he hoped he could help for the next few months.

MEETING MINUTES

Upon **Motion** by Vice Mayor Buckner and **second** by Council Member Saunders, Minutes from the Regular Council Meeting held on March 17, 2026, were approved as presented. Draft copies of the minutes had been distributed prior to the meeting.

NEW BUSINESS

REVIEW OF GENERAL FUND FINANCIALS AS OF MARCH 31, 2026

Assistant City Manager/Chief Financial Officer Michael Adkins gave the Financial Report through the end of March, nine months or 75% of the fiscal year complete. Total Revenues collected as of the end of March were just over \$120M, representing 65% of budget and exactly where the City was last year at this time. The spring bills for Property Taxes have been prepared for mailing the first week of May, and more information will be coming on that. The City was entering the spring billing collection season with just over 52% of property taxes collected; Mr. Adkins noted he does not have any concerns about meeting budget in those areas this year. Delinquent Real Estate collections were still going well, nearly at budget with 93% collected with three months

April 21, 2026

remaining in the fiscal year, and only \$82,000 left to collect to meet the \$1.1M budget. Regarding local taxes, as mentioned in the past, Sales Tax has been sluggish this year; they see that post-holiday and in the winter, retail slows down a bit during this period. At the end of March they were at 70% of budget, or \$9.8M collected; they were short about \$695,000 at this point, and were still forecasting that they will probably miss budget by close to \$1M at the end of the year. Most Business Licenses were due by the end of March; they do have several companies that qualify and apply to pay quarterly so more business license revenue would be collected through the end of the year. Currently, they were at 77% of budget, \$6.6M collected; typically that was higher. Mr. Adkins explained he looked at why it was down and found they do have one large corporate entity that last year paid in March, this year they will be paying in April, about \$1M, and believed that will close the gap once they get that payment in. Meals tax was currently at 73% of budget, almost at 75%, with \$10.2M collected. There was growth both in meals tax and lodging tax; meals tax was about \$585,000 over last year, but not quite at budget yet. The City feels that slow down during the winter months especially with the snow storms this year; spring should see a little rebound in retail activity. Lodging Taxes were also at 73% of budget, \$2.7M collected so far. Mr. Adkins believed it would rebound in the spring; it was also higher than last year, and not to mask the economic growth the City was seeing, a small increase of about \$40,000 over last year. Regarding Casino based taxes, if the direct payment the City received from Caesars was combined with the state tax, the City has earned \$30.6M so far of the \$37M budget; that was 83% collected so far. He does continue to expect this line item to go over budget by about \$4.7M at the end of the year. The City has received \$2.4M, or 110% of budget for interest and investment income, already exceeding budget for this year. Mr. Adkins noted he was expecting this to be about \$1M over budget. When they put this budget together this year, they were forecasting returns of around 3%, they have been able to capture about 4% this year, which was the reason it was going to be over budget. State and Federal revenues were coming on track with budget and he has no concerns there.

On the Expenditure side, Departmental Expenses were 69% of budget, well contained under budget. Non-Departmental Expenses were primarily debt service and group health insurance. Debt service has been completely paid this year, and it was at 100% of budget. Group Health Insurance had ticked up a little higher than budget earlier but was back down at 73%, a good sign for that line item. Mr. Adkins noted he has no concerns at this point other than those mentioned.

CONSIDERATION OF THE FINANCIAL POLICIES UPDATE

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

RESOLUTION NO. 2026-04.01

A RESOLUTION OF THE COUNCIL OF THE CITY OF DANVILLE, VIRGINIA APPROVING AND AMENDING THE CITY OF DANVILLE FINANCIAL POLICIES TO CHANGE ITEM 4.2 ENTITLED "GENERAL FUND BUDGET STABILIZATION RESERVE" TO "GENERAL FUND CAPITAL EXPENDITURE RESERVE", ESTABLISH GUIDELINES ON APPLYING SURPLUS REVENUES TO SAID RESERVE, AND CHANGING THE CAPITALIZATION THRESHOLD IN ITEM 10 ENTITLED "CAPITALIZATION" FROM \$5,000 TO \$10,000.

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

Council Member Marshall asked for an explanation of this item and Mr. Adkins noted for the first change, the City has had a budget stabilization fund for almost ten years, in addition to the rainy day fund. Around 2008-2009, state revenues were curtailed which impacted local budgets; at that

April 21, 2026

time the City created a Budget Stabilization Fund of about \$3M. If that ever happened again, the City had funds to make up revenues. The City has never used it, the Fund Balance has become robust, and they have increased their minimum fund balance policy so if that should happen again, they have enough in their rainy-day fund to make those shortfalls whole. Their advisors at Davenport, concerning the casino revenues, advised the City to consider having a capital reserve fund. The action of adopting this policy would move the \$3M the City currently had in its budget stabilization fund to a capital reserve fund. The policy also says that at the end of a fiscal year, if they have any excess casino revenues that have not been budgeted for any other purposes by City Council, those would immediately drop into the Capital Reserve Fund as well. That fund would build over the years, it can be used as little or as much as Council deems necessary. The idea was that this would be a pool of money used for capital expenditures that were needed in the future. It could be used to amass a large amount if a large capital project was needed.

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

VOTE: 6-0-3
AYE: Buckner, Jones, Marshall
Miller, Saunders and Vogler (6)
NAY: None (0)
ABSENT: Campbell, Hood, Mayo (3)

CONSIDERATION OF AUTHORIZING AND APPROVING THE CITY'S PARTICIPATION IN THE PROPOSED SETTLEMENT OF OPIOID-RELATED CLAIMS

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

RESOLUTION NO. 2026-04.02

A RESOLUTION OF THE COUNCIL OF THE CITY OF DANVILLE, VIRGINIA AUTHORIZING AND APPROVING OF THE CITY'S PARTICIPATION IN THE PROPOSED SETTLEMENT OF OPIOID-RELATED CLAIMS AGAINST SIX REMNANT DEFENDANTS, AND DIRECTING THE CITY ATTORNEY AND/OR THE CITY'S OUTSIDE COUNSEL TO EXECUTE THE DOCUMENTS NECESSARY TO EFFECTUATE THE CITY'S PARTICIPATION IN THE SETTLEMENT.

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

VOTE: 6-0-3
AYE: Buckner, Jones, Marshall
Miller, Saunders and Vogler (6)
NAY: None (0)
ABSENT: Campbell, Hood, Mayo (3)

CONSIDERATION OF AUTHORIZING UTILIZATION OF THE VIRGINIA WATER SUPPLY REVOLVING FUND THROUGH THE VIRGINIA DEPARTMENT OF HEALTH FOR WATER MAIN REPLACEMENTS AND THE LEAD SERVICE LINE REPLACEMENT PROJECT

Mayor Jones opened the floor for a Public Hearing regarding Virginia Water Supply Revolving Fund. Notice of the Public Hearing was published in the *Danville Register & Bee* on April 4, 2026 and April 14, 2026. No one present desired to be heard and the Public Hearing was closed.

April 21, 2026

Upon **Motion** by Vice Mayor Buckner and **second** by Council Member Saunders, an Ordinance entitled:

ORDINANCE NO. 2026-04.06

AN ORDINANCE OF THE COUNCIL OF THE CITY OF DANVILLE, VIRGINIA AUTHORIZING THE ISSUANCE OF UTILITY SYSTEM REVENUE BONDS OF THE CITY OF DANVILLE, VIRGINIA IN THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF \$6,700,000.00 TO FINANCE VARIOUS EXPENDITURES FOR ITS WATER, SEWER, ELECTRIC, AND GAS UTILITY SYSTEMS.

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

CONSIDERATION OF AMENDING THE FISCAL YEAR 2026 BUDGET APPROPRIATION ORDINANCE BY ANTICIPATING THE PROCEEDS FROM THE ISSUANCE OF UTILITY REVENUE BONDS

Upon **Motion** by Vice Mayor Buckner and **second** by Council Member Saunders, an Ordinance entitled:

ORDINANCE NO. 2026-04.07

AN ORDINANCE AMENDING THE FISCAL YEAR 2026 BUDGET APPROPRIATION ORDINANCE TO PROVIDE FOR THE PROCEEDS FROM THE SALE OF UTILITY REVENUE BONDS AND APPROPRIATING SAME

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

COMMUNICATIONS FROM VISITORS

Mayor Jones recognized Barry Koplen, who spoke to Council about two concerns on North Union Street. The first was the dirt, rocks and debris left behind from snow removal, and would like to talk to someone about what still needs to be done to clean those up. Mr. Koplen noted another concern was there were too many benches on North Union Street. The City had originally allocated for two benches and there were now five. He had asked to have one removed but was told it could not be removed.

Mayor Jones recognized Marvin Warner who addressed Council regarding his concerns with the legalization of cannabis; they were advocating for the safety of this product, and that the income from the sale of cannabis should go back to marginalized neighborhoods and those negatively impacted. Rev Warner noted another issue was the vape shops selling illegal products that were dangerous, and selling those products to children.

COMMUNICATIONS

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

Council Member Marshall noted April was National Donate Life Month. When a person's organs were damaged or destroyed by disease, accident or pre-existing conditions, a transplant was often their only option. Lifesaving organs were in high demand, but often the supply was not

April 21, 2026

available. Citizens can sign up to be an organ donor at the DMV on-line or DMV locations; Mr. Marshall encouraged citizens to sign up.

Council Member Miller noted May was Clean Up Fix Up Month in Danville and encouraged citizens to clean up and take advantage of city services to dispose of large items.

Council Member Saunders recognized TC Miller in the Chambers and John Townes and noted he and John joined the Army the same day and had basic training together. Mr. Saunders thanked the Public Safety officers for what they do every day.

Council Member Vogler noted his concerns with the utility situation and that Council will be discussing the budget and utilities in the work session following the business meeting. Mr. Vogler also noted he has heard concerns about parking downtown and stated he had concerns as well.

Vice Mayor Buckner noted Donate Life was very important to him and encouraged citizens to sign up to donate. Mr. Buckner stated there was a ribbon cutting the day before at the HOME park where the Gabriella Garden Club had planted flowers and shrubs. Thursday, April 23rd was the Historic Garden Week Tour in Danville and Chatham; tickets were available online, and Porchfest was Saturday from 1 p.m. to 6 p.m. on Chestnut Street.

Mayor Jones asked parents, after the incident this past weekend, to let Council know how they can assist them, and asked parents to talk to their children. If they need some help, the City of Danville, and Danville Public Schools have resources to help people. Mayor Jones asked citizens to reach out to neighbors and friends to see how they were doing.

MEETING ADJOURNED AT 7:38 P.M.

APPROVED:

s/Alonzo L. Jones
MAYOR

ATTEST:

s/Susan M. DeMasi, CMC
CITY CLERK