

April 21, 2026

A Regular Work Session of the Danville City Council convened on April 21, 2026, at 7:46 p.m. in the City Council Conference Room 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, Barry Mayo, Dr. Gary P. Miller, Sherman M. Saunders, and J. Lee Vogler, Jr. (7). L.G. "Larry" Campbell Jr., and Bryant Hood were absent (2). Mr. Mayo entered the meeting at 9:15 pm.

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

Mayor Jones presided

WORK SESSION ITEMS

Meeting Minutes

Upon **Motion** by Vice Mayor Buckner and **second** by Council Member Marshall, Minutes of the Regular Work Session held on March 17, 2026, were approved as presented. Draft copies were distributed to Council Members prior to the Meeting.

WORK SESSION ITEMS

Fiscal Year 2027 Budget Discussion

Mayor Jones noted concerns have been made regarding the City's Utilities increase. The City Manager was going to present some options, he would be taking a straw poll regarding an increase in utilities, and he had sent the City Manager two ideas from the list provided. Mayor Jones noted he was opposed to the utilities increase and suggested the item be removed from the next meeting agenda. One item he discussed with the City Manager was the surplus in casino gaming revenues of \$4,700,000 to offset a percentage of the \$6M. The other item was the Fire Department Succession plan which was \$443,180. City Manager Ken Larking noted he provided a handout for Council with alternatives.

Mayor Jones asked Council about using the excess casino gaming revenues of \$4,700,000. Mr. Vogler noted his agreement. Dr. Miller noted his disagreement in part, that they told citizens they were not going to use casino money for ongoing expenses, but last year they did, to help less fortunate people on utilities. He thinks they need to continue to do that and would be appropriate to use that money again this year. Mr. Marshall asked if the utilities increase was for residential only or commercial as well and Mr. Larking stated it covered everything, in the City and outside the City. Mr. Saunders noted he was in favor of using casino funds. Vice Mayor Buckner stated he has long been in favor of having an emergency fund established with excess casino dollars to build a future for the City for financial security. Using these funds was a worthy cause.

Mr. Larking discussed the purpose of a balanced budget, and understood that members of the community were concerned about utility rates; Council has asked that he look at ways to minimize or eliminate that burden on the ratepayers. Mr. Larking reviewed the amounts that would be generated by the utility rate increases, and reviewed various options to make up the deficit if the utility rates were not increased. They included reducing the transfer to the General Fund by \$6.2M and replace that with an 18.5 cent real estate tax increase; that would mean the General Fund was self-supporting. Another option was to eliminate a General Fund service that was not

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required or mandated. Mr. Larking stated they could choose not do the entire rate increase and do a smaller rate increase, or they could use estimated surplus casino revenue from the end of this current fiscal year. They could use retained earnings from the Water Fund to absorb an increase, like last year, and keep things the way they were. This would reduce their ability to have a savings account for needs that arise in the Water Fund; they could do the same thing in the Wastewater fund. They can also increase vacancy savings; the City has 1,000 employees in the City, and never have all 1,000 positions filled. They budget fully for each position as if they were filled but they also budget a vacancy savings. It allows the City to balance the budget because they know there will be a certain amount of vacancies every year, and feel comfortable that it could be increased. Another measure would be to eliminate the pay for performance increase for city employees, or remove the Fire Department Career Succession Plan. The Plan was developed by the Fire Department leadership and firefighters, vetted by Human Resources and the City Manager's office, and determined to be a valid way to help the firefighters have career progression within the service. Staff feels it would be a good morale boost and did recommend that in the budget. They could eliminate the recommended employee increase to the Employee Retirement System.

Mr. Larking explained they can charge customers to use credit cards to pay for the utility bills, that costs the City \$630,800 per year; it was a convenience to the customers but it costs more for the utility to provide that service. The City can charge 2% on each transaction for a credit card payment, that will reduce the costs and help balance the budget. Under the School System, they could remove funding for the 2% salary increase for non-Standards of Quality positions at \$961,757; the City was not required to do that. They could remove the request for \$306,000 from the School System to implement the compensation study for non-instructional positions and remove the school funding for the increase in health insurance costs at \$841,851. The final option was to use available General Fund Balance. Mr. Larking noted none of those were recommended by him.

Mr. Larking stated that he believed that the citizens of Danville, if they were getting a service, they should pay for it through the traditional taxing and rate authority that was available to the City, to provide those services. Danville was one of five cities that have a casino in Virginia. Not every city has that magic bullet that they can use to balance their budget. Mr. Larking stated he believed the purpose of the casino funds was to help invest in things that would enable the community to grow and be able to have sustainable revenue sources to keep the rates as low and competitive as possible. Danville has a very low tax, among the lowest in the state for cities. The electric rates were average, gas rates were very low, water rates and sewer rates were very low. Everything about them was very competitive and they were done reliably and well for the community. Mr. Larking noted he does know that people were suffering; members of the community do not want a utility increase and the City was doing everything it could as a utility to try to educate the customers. A lot of the challenge was utilization: inefficient homes, maybe not understanding how their HVAC systems work, and thermostats that were bad. Danville Utilities was doing everything they can to educate the community about what they can do to keep their costs as low as possible. They will continue that outreach and help people keep their bills down; the rates were already low, it was the use that was high. If they work with their customers to reduce their use, then their bills will go down.

Mayor Jones noted the City Manager has done his job well and Council has heard what the citizens asked them; they have to do a better job of getting the information on usage out to the citizens. Mayor Jones noted he would advise the City Manager to look at the surplus casino gaming revenue, use available General Fund balance and then Council come back and have a

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work session, after the budget process, and figure out a way to help the budget team to figure out what they need to do about the utilities; and this has been the hot topic for the citizens in Danville.

Mr. Vogler noted he appreciated the different options and heard what was said about the casino funds to balance the budget; what the Mayor suggested was appropriate, using the \$4.7M. Council needed to strike a balance between investing in projects that will move the community forward while looking out for citizens. That, with available fund balance, should take care of that. Dr. Miller noted his agreement, the City needed to redouble their efforts to educate people, what they need to do, and how the City can help them. The City was putting itself at a disadvantage by not charging to use credit cards to pay utility bills, it was \$630,000; if they pay by credit card they pay more. Dr. Miller stated they should also look at services that were not required. Mr. Marshall noted other localities were not doing as well as Danville's casino; the revenue this casino brought in month by month, it has outpaced the other four.

Mr. Marshall questioned whether they should look at just no increase for city residential, or city and county residential, and raise commercial fees. Mr. Saunders noted the City was seeing growth, with new companies coming into the city increasing the City's income. The City also needs to make sure they continue to have a good reserve. Mr. Saunders noted there were different items to look at, discuss and make some tough decisions.

Mayor Jones noted his straw poll to Council was how many were in favor of eliminating the increase in utility fees; a majority of Council indicated they wanted the utility rate increase item removed from the next business agenda.

Mr. Larking noted he assumed Council would like to have an option that reduces the impact on the service delivery that the residents were accustomed to receiving, and stated he agreed the \$4.7M was the first item to help with that. In speaking with Chief Financial Officer Michael Adkins, they believe they can hold back on the water and wastewater fund increase and use retained earnings to hold it for one more year; that was about \$1M. The remaining would be to increase vacancy savings to whatever creates that delta to close the gap.

Presentation on Danville Regional Airport Improvements from the Airport Commission

Mr. Larking noted they had Philip Hall from the Airport Commission who will be leading the presentation, as well as other members of the Commission and the Director of Transportation, Marc Adelman. Mr. Hall noted the reason they were there tonight was to give Council an update on the \$11M they were spending. Mr. Hall reviewed the projects that Council has approved and their status in 2026, their progress and finish date. The growth and maintenance of the aviation infrastructure was the most important responsibility of the Commission appointed by Council. The airfield was a beautiful asset for Danville, they have an excellent facility that was well managed, well run and the FBO was working out well. Danville has a tower, which was unique for a small airport, especially for general aviation. It has grown to become an asset that touches every part of the community from education, public safety to economic development. The Airport is often the front door to the community; landing at the airport was a first impression for companies, investors and visitors considering Danville as a place to build a business, to work and to call home.

Mr. Hall noted he had provided a summary of Airport Improvement projects and the biggest ones were the Aviation Training Facility Building which hopefully will be completed in less than a year. Another project was the modular building; these buildings will be located on Airport Drive, near the fire station. Mr. Hall noted the infrastructure was growing, being maintained and protected.

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They had 600' of stormwater pipe that was excavated and replaced to mitigate erosion issues. The economic and infrastructure development was really important when it comes to the infrastructure offering business opportunities and economic advancement for the community and city. On the south part of the airport, the southside of the airfield, there was a possibility to support community health objectives through Air Ambulance. There were educational and business aviation interests, some of which have been expressed, if there was space or hangers available. Mr. Hall reviewed the site prep for a T Hangar at the south end of the runway, with parking for aircraft, future hangar development behind the T Hangars, and box hangars planned. The south ramp was a pad that has been there for a long time; it has decayed, and needed to be refurbished. It was an excellent place to park airplanes during local events and a great business environment as a business could locate next to the south ramp, which many businesses want to do.

Mr. Hall explained Hangar 100 will be for the DCC program; it was currently being utilized by Averett and will be turned over to DCC; there were modifications that need to take place for their program. The Hangar below the Hangar for Averett's program, was the new box hangar being built; the footing has already been created for the Aviation Maintenance and Extended Flight Instruction Training Facility Project. It was probably February or March for completion and hopefully having a ribbon cutting ceremony in February/March 2027.

Mr. Hall stated they were bringing education to the forefront of the airport; the Mechanics Program will help put people into mechanics certification so that they can pursue aviation opportunities for those certifications; they were certified mechanics and they have applications beyond aviation.

Mr. Hall recognized Dr. Angela Hairston DPS, Dr. Gwyn Stone, Cecelia Diego Garcia, from DCC Dean Melissa Mann, Will Robinson, and Marcio Couto, DCC's Program Manager for Aviation Maintenance Technology, and from Averett, Provost Julie Brown and Travis Williams. These people were the leaders in the community along with Mr. Adelman and were responsible for a concept, the vision of the Big Three. They were reaching out to those students with an opportunity to have awareness, ownership in a program they have pulled together, and was still under construction, but underway. This concept will enrich the aviation space for these students in ways unlike those ever done in a community like Danville. There was the public school system, a community college and a University, teaching mechanics, how to fly and other avenues of aviation they can go into. They can learn here, earn here and stay here. Mr. Hall recognized Cathy Gore from the United Way who organized a 5K Run on the Runway with Goodyear supporting United Way and showcases the airport. The Airport also has Fly Free Days for students that have been very successful.

As a Commission, they were committed to stewarding this airport responsibly and collaboratively. They look forward to continuing their efforts and remaining in partnership with Council. Mr. Hall noted Todd Pinekenstein, who was not there that night, figures large in the daily operation of the airport and will be glad to give any Council Member a tour to see some of these projects. Mr. Hall also recognized the work Mark Adelman has done in getting these projects done and obtaining grant funding for them.

Mayor Jones thanked Mr. Hall for the presentation, the Airport Commission and Mr. Adelman for their work.

ECONOMIC DEVELOPMENT UPDATES

Assistant Director of Economic Development Kelvin Perry noted the Hyatt Studio Groundbreaking was May 5th at noon, and they have sent out invitations.

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Mr. Perry noted Economic Development was sending out a monthly newsletter from the Tourism Department and encouraged Council Members to check their email.

CLOSED MEETING

At 8:45 p.m., Vice Mayor Buckner **moved** that this meeting of the City Council of the City of Danville, Virginia be recessed and that Council immediately reconvene in a Closed Meeting for the following purposes: discussion or consideration of the acquisition or disposition of real property for a public purpose where discussion in an open meeting would adversely impact the bargaining position of the City as permitted by Subsection (A)(3) of Section 2.2-3711 of the Code of Virginia, 1950, as amended and more specifically to consider discussion regarding the sale and/or potential purchase of a specific parcel of property for use by the City of Danville and/or specific parcels of property for prospective recreational, industrial, commercial, and mixed use projects looking to locate to the City and parking facilities, and an Economic Development discussion and update concerning prospective businesses or industries where no previous announcement has been made and/or the expansion of an existing business or industry where no previous announcement has been made as permitted by Subsection (A)(5) of Section 2.2-3711 of the Code of Virginia, 1950, as amended and more specifically to consider an update on multiple prospective commercial, mixed use, hospitality, and industrial projects considering locating within the City and/or locating within the region in cooperation with the City's regional partners.

The Motion was **seconded** by Council Member Vogler 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)

Upon unanimous vote at 9:26 p.m., Council reconvened in open session and Vice Mayor Buckner **moved** for adoption of the following Resolution:

CERTIFICATE OF CLOSED MEETING

WHEREAS, the Council convened in Closed Meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of the Freedom of Information Act; and

WHEREAS, Section 2.1-344.1 of the Code of Virginia, 1950, as amended, requires a Certification by the Council that such Closed Meeting was conducted in conformity with Virginia Law;

NOW, THEREFORE, BE IT RESOLVED that the Council hereby certifies that, to the best of each Member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements of Virginia Law under Section 2.2-3711 were heard, discussed or considered, and (ii) only such public business matters as were identified in the Motion by which the Closed Meeting was convened were heard, discussed or considered by the Committee.

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

VOTE: 7-0-2
AYE: Buckner, Jones, Mayo, Marshall,
Miller, Saunders and Vogler (7)

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NAY: None (0)
ABSENT: Campbell, Hood (2)

MEETING ADJOURNED AT 9:27 P.M.

APPROVED:

s/Alonzo L. Jones
MAYOR

ATTEST:

s/Susan M. DeMasi, CMC
CITY CLERK