



DANVILLE CITY COUNCIL WORK SESSION AGENDA

MUNICIPAL BUILDING

October 17, 2017

7:30 P.M.

MEETING CALLED TO ORDER

MINUTES

- A. Consideration of Approval of Minutes from Special Joint Work Session held on September 11, 2017, and Regular Work Session held on September 19, 2017.
Council Letter Number CL - 1776

WORK SESSION ITEMS

- A. Consideration of Appointments to the following Board.
Council Letter Number CL - 1773
 - 1. Industrial Development Authority.
- B. An Update on General Fund Financials through September 30, 2017.
Council Letter Number CL - 1775
- C. Discussion of Storm Water Regulations.
Council Letter Number CL - 1784
- D. Report of Mayor's FBO Committee.
Council Letter Number CL - 1779

PROGRAM UPDATE

COMMUNICATIONS FROM

- A. City Manager
- B. Deputy City Manager
- C. City Attorney
- D. City Clerk
- E. Roll Call

ADJOURNMENT

Council Letter

City of Danville, Virginia



CL-1776

Meeting Minutes Item #: A.

Work Session Meeting

Meeting Date: 10/17/2017

Subject: Consideration of Approval of Minutes

From: Susan M. DeMasi, Clerk of Council

COUNCIL ACTION

Work Session: 10/17/2017

SUMMARY

Consideration of Approval of Minutes from Special Joint Work Session held on September 11, 2017 and Regular Work Session held on September 19, 2017.

Council Letter Number CL - 1776

Attachments

Meeting Minutes

Meeting Minutes

September 11, 2017s

A Special Joint Work Session of the Danville City Council and the Danville School Board convened on September 11, 2017 at 5:30 p.m. in the Galileo Magnet School, 230 South Ridge Street, Danville, Virginia. Council Members present were: James B. Buckner, L. G. "Larry" Campbell Jr., Mayor John B. Gilstrap, Vice Mayor Alonzo L. Jones, Dr. Gary P. Miller, Fred O. Shanks, III, J. Lee Vogler and Madison J.R. Whittle (8). Sherman M. Saunders was absent (1). School Board Members present were Sharon Dones, Steven Gould, Terry Hall, Jeffrey Hubbard, Renee Hughes, Dr. Ed Polhamus and Dr. Philip Campbell.

Staff Members present were: City Manager Ken Larking, Deputy City Manager Earl Reynolds, City Attorney W. Clarke Whitfield Jr., Assistant City Attorney Alan Spencer and City Clerk Susan M. DeMasi.

Also present were: John P. Thomas of DecideSmart and A. Tyler St. Clair.

Mayor Gilstrap noted the target areas for the City are Crime, Grow Danville and Education. After a Joint Retreat with the School Board, they identified goals and items they wanted to address; they also wanted to get a strategic plan and noted that is where they are going tonight. School Board Chair Renee Hughes echoed what Mayor Gilstrap said, the School Board is glad to meet again with the Council, believes it is going to be a very productive meeting, and is looking at the next steps.

Mayor Gilstrap noted Sherman Saunders is still having a few health problems and thought he would be released to come home today, but they decided to keep him one more night.

Mr. John Thomas noted in a past meeting with community leaders, his opinion was this area is poised for the future, but it can't get there with its current culture around education. If that culture can't be changed, there is no way for this community to compete with the neighbors to the south or to the northwest. Ms. St. Clair reviewed what was done at the joint retreat in February. The goal of the retreat was that the two bodies would be brought together to create a joint vision for public education in the City and to come up with some strategies to work on it together. Ms. St. Clair explained they also wanted to achieve agreement on partnership roles and some steps for moving forward with it.

Ms. St. Clair reviewed her PowerPoint *Danville City Council and School Board Joint Retreat Purpose* (a copy of which has been retained in Laserfiche in the City Clerk's folder *Presentations to Council*) and noted after the group had a conversation about what vision the City needs to have for public education, to make sure to accommodate the changes the City is experiencing, but propel the City successfully to achieve that future. Ms. St. Clair noted a vision statement needs to be inspiring, and the group was asked to create a transformational vision for Danville public education, think about where the City has been, the opportunities it has and come up with some phrases and sentences that describe the way they want their public education to be. The Danville Public Education Vision is "A Destination School System." If Danville Public Schools is a Destination School system, it has education that prepares students to succeed in a knowledge-based economy; a mindset that education is an asset that enables individuals to move beyond where they are today; education that enables Danville to be a great place to raise a family (again), keep the children in Danville and have well-educated children here; the schools and businesses need to work together to have a workforce that is ready to work in this community in the way that it is evolving. The business community needs to work together with the schools so they are mutually prepared for the

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opportunities it has. The group also said the school system needs to be strong at its core and it needs to be able to survive and thrive in change.

Dr. Miller noted he did not remember the 2037 part of the vision, that is twenty years, Danville has to do better than that. Ms. St. Clair noted it came from how they did the exercise at the joint retreat, participants were told to think twenty years out, past being elected, and imagine it as if it were there. Ms. St. Clair noted with the elements of the vision identified at the retreat, they worked together as a body to identify what it is they are going to need to do and change in order to achieve that. The group had a brainstorming effort to try to identify all the issues that were associated with that vision. From that, they identified target areas to work on that might be a part of that vision including facilities, human capital and engagement, student development, funding, positive perception of the Danville Public Schools, academic programming and performance, and strong Council/School Board relationship.

They talked about the working relationship, what kind of strategies should they use about their relationships, and what do they need to remember as they move forward with the education vision. The next piece, what bold steps will move that vision forward, is where the group starts to take it more to strategic planning, figure out the targets, what are the clear outcomes, what kind of goals fall there, and what kind of action plan goes with those goals. The School Board, as the top policy body as it relates to public education, has the responsibility to set the framework in place with the desired direction, the policy issues that are associated with that, identifying the top goals and making sure about those outcomes and clear about where they need to go. The staff has the background in education and the expertise to bring together a good plan to achieve the outcomes that are hoped for and also to help refine those. There are other key stakeholders, people in the community, businesses, parents, other people that care about public education that perhaps need to be involved at the right place. What is the role of the City Council and School Board together; they need the entire plan to be endorsed and owned by the School Board, need for City Council to see it and both bodies to say, yes, this is where they want to go going forward.

Ms. St. Clair reviewed the Highlights of the Master Planning Steps:

Step 1. Public Education Master Planning Assessment. Conduct individual interview with School Board Members to gain strategic direction on needs/issues; gain understanding of desired direction of school system and policy issues to be addressed to achieve it; and identify overall direction, needs, goals and agendas for Steps 2-4.

Step 2. School Board Master Planning Session. Conduct master planning session with School Board to develop collective Master Plan policy framework; develop outcomes, needs/issues/solutions to achieve outcomes, relationships needed to foster success; develop Master Plan framework for future strategic efforts of school staff members and other key leaders that are to be engaged in further defining goals/action plans /accountability.

Step 3. School Staff Master Planning Session. Convene school staff in master planning session to develop comprehensive Public Education Master Plan; work from School Board's outcomes and direction; use professional knowledge and expertise in crafting more detailed action plans to achieve vision; action plans to include specific steps/responsibilities/timetable to ensure accountability; works groups may be used to complete actions plans in areas where further information or involvement of others is needed.

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Step 4. Review and Implementation. Superintendent provides proposed Danville Public Education Master Plan to School Board and City Council for appropriate reviews and endorsement; School Board, school staff, and stakeholders who have accountability of results will implement Master Plan, to include monitoring and reporting of progress.

Mr. Thomas noted Danville is on the cusp of an opportunity to do something significant, and what they have done is extremely considerable and complementary work; where it goes from here is entirely dependent on the School Board and Council. If the culture in this community about education is going to change, the School Board and Council are the change agents. They have to reach the constituents who may care about education but don't come out to vote; elected officials have to stay connected to those people.

Mayor Gilstrap noted education is very important to him, it is also important to him for the two bodies to develop a strategic plan, develop targets and how they are going to get there. It is important for the School Board to develop this plan and City Council buy into this plan; to get behind it and say they are changing Danville.

Council Member Shanks noted he thinks it is critical timing with the City going to do the budget the way they proposed to do it, prioritize the City's expenses so things like Public Safety and Public Schools can go in a higher priority and look somewhere else to lower the other priorities. Mr. Shanks noted he thinks they are in a critical place in the process, where they could help generate a document like this. But the budget has to be built on the next six months and not the following three months.

Ms. Hughes noted they talked about a time frame, how did Mr. Thomas see the School Board doing this strategic or master planning. Mr. Thomas noted the first step is he and Ms. St. Clair would like to do individual conversations with the members; they will work with Dr. Jones and set a schedule with at least an hour with each member. The faster they can do that, the faster they can put together the agenda they would have as a group. Mayor Gilstrap questioned if the School Board had approved the concept and Ms. Hughes noted they are in agreement that they need one, but as far as steps for scheduling these meetings, they have not done that as yet; that is where they are going from here. Mr. Gould noted they view tonight as a jumping off point.

Mayor Gilstrap questioned how long a master planning schedule is going to take; the City is going to have a really difficult budget year without some plan in place. Mr. Thomas noted he believed they could get the conversation around the key elements and some of those can have tangible numbers to go with them. Ms. Hall noted her agreement with the budget process, not just for Council but for the School Board in developing their budget. It is important they have their strategic plan in place or have some priorities where they want to put the focus. Mr. Thomas noted the first step is to figure out which needs are the most critical and immediately can be attacked; what are the things they want to do and show some successes in the community.

Vice Mayor Jones asked what Mr. Thomas' suggestion was for City Council while the School Board is creating a master plan; Council wants to make sure they are involved and a part of what they doing. Mr. Thomas noted Council, like the School Board, are heard in the community, they can talk about the fundamental changes they are doing and where education fits in the community.

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Ms. Hughes stated what puzzles her a bit that the expectation is that the School Board does the master plan and then the last step talks to stakeholders; in theory she would think that getting stakeholder input at the beginning of the process might make for less reworking. Mr. Thomas noted their experience is that the group has to have a pretty clear perception of what they want to do, then bring in the stakeholders and ask them if they think the School Board has this right, are they missing something; it does allow them some buy-in.

Dr. Jones asked if it was fair to say that the buy in has to be set at the top of the organization, by the governing body and Mr. Thomas explained if the School Board can't come to grips with this, then just set it aside, if they can't go to the community with a bold statement that this is what they want to do in the community and are committed to it. Mr. Thomas noted there is agreement that what they have been doing doesn't work, and the question is, where do they go from here.

Mayor Gilstrap questioned, can they all agree that change is needed and Dr. Miller noted it is critical. Mayor Gilstrap noted if both bodies can agree to that, then what they need to agree to is how do they get there, what does that change look like; they have pretty much defined what they want it to look like. The next step is a plan to do it, and that come from the School Board. Mayor Gilstrap noted three things jump out at him from the review, Trust, Commitment and Working Together, and it is pretty simple what they have to do.

Council Member Campbell moved to adjourn; Council Member Vogler seconded the motion and the motion was carried unanimously.

MEETING ADJOURNED AT 7:25 P.M.

APPROVED:

MAYOR

ATTEST:

CITY CLERK

September 19, 2017

A Regular Work Session of the Danville City Council convened on September 19, 2017 at 7:46 p.m. in the Fourth Floor Conference Room of the Municipal Building. Council Members present were: James B. Buckner, L. G. "Larry" Campbell Jr., Mayor John B. Gilstrap, Vice Mayor Alonzo L. Jones, Dr. Gary P. Miller, J. Lee Vogler, Fred O. Shanks, III and Madison J.R. Whittle (8). Sherman M. Saunders was absent (1).

Staff Members present were: City Manager Ken Larking, Deputy City Manager Earl Reynolds, City Attorney W. Clarke Whitfield Jr., and City Clerk Susan M. DeMasi.

Mayor Gilstrap presided.

MINUTES

Upon **Motion** by Council Member Campbell and **second** by Council Member Whittle, Minutes of the Special Called Work Session held on August 14, 2017 and Regular Work Session held on August 15, 2017, were approved as presented. Draft copies were distributed to Council Members prior to the Meeting.

WORK SESSION ITEMS

CONSIDERATION – APPOINTMENTS TO BOARDS AND COMMISSIONS

Vice Mayor Jones noted the Committee on Appointments met earlier and recommend the following appointments:

Danville Redevelopment and Housing Authority:	Reappoint:	Alonzo Jones
	Appoint:	Amanda Oakes
River District Design Commission:	Reappoint:	George Davis

There were no objections from Council.

GENERAL FUND FINANCIAL UPDATE

Director of Finance Michael Adkins noted the August 31st results of the General Fund are included in the Agenda packet, is two months into the new fiscal year or about 17%. In Revenues, the City is just over \$11M which is almost exactly where it was last year at this time; roughly 11% of the budgeted revenues have been received. Delinquent Real Estate collections are at \$147,000 at the end of August which is 15% of budget and very good considering the City isn't a collection mode at this time; that starts November 5th through December 5th. Local tax revenues, the three main barometers, sales tax, meals tax and lodging are all showing slight increases over last year after two months. Sales tax is at \$1.5M and 17% of budget, \$34,000 more than last year at this time. Meals tax is \$1.26M, roughly 17% as well and is \$15,000 over last year; lodging tax is at \$157,000, just at 16%, and \$7,000 over last year. All three are still showing an upward trend compared to the prior year; the other Revenue categories are in line with historic levels.

On the Expenditure side, Departmental Spending was at 15% of budget, slightly below where the City would normally be after two months. Looking at any increases compared to last year, the only two that stuck out were Public Safety at \$300,000 over last year, and that is a timing

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difference when they purchase their vehicles; this current fiscal year they were purchased in July, last year they were purchased in December. Also, the General Governmental Expenses are about \$100,000 above last year and that is mainly a timing difference with the IT maintenance service contracts; they were paid a little earlier this year than last year. The Transfers to Schools bounces back and forth through the year, currently showing at about \$3.9M over last year, most of that is just timing of when the City receives state funds. Everything looks appropriate for this point in the fiscal year.

Mayor Gilstrap asked Mr. Adkins if he had an amount that was budgeted in the 2016-17 fiscal year that was not spent and Mr. Adkins noted the City had a little over \$1M that was appropriated but not spent.

Mr. Adkins explained the FY18 bond issue is being scheduled and staff is working through those documents now. At the next Council meeting on October 5, 2017, there will be a Resolution for reimbursement; the Resolution for Reimbursement gives the City the ability to reimburse bond fund projects with bond proceeds. For instance, if the Fire Department is getting ready to purchase their equipment this year that is funded by bonds, they can go ahead and purchase that now; once the bonds are issued, the City can reimburse with bond funds. The Ordinance to issue bonds will have a first reading on November 9, 2017 with a public hearing, and the adoption of the Ordinance is scheduled for November 21st.

Mr. Shanks asked for clarification of the *Composition of Fund Balance* part of the Financial Report and Mr. Adkins explained, Beginning Total Fund Balance is the total fund balance, unrestricted and restricted. The next line, General Fund Revenues, at this point through the end of August, that is two months of revenues. The General Fund Expenditures, \$20M, is two months of expenditures. Right now, the City's total fund balance, Unreserved plus Reserved is \$33.8M. Mr. Shanks questioned if there is concern with General Fund expenditures that are so far ahead, is that just timing and Mr. Adkins noted it was timing of Transfers to Schools; the City has a large collection of revenue between November 5th and December 5th which would make up a lot of the difference.

CONSIDERATION – REVISING RENTAL RATES FOR HANGARS AT THE DANVILLE REGIONAL AIRPORT

Director of Transportation Marc Adelman asked Council to consider an increase to the hangar rental fees for thirty-five hangars, of \$25.00 per month. The Airport staff surveyed multiple airports in the area; attachments in the Council letter show a \$25 per month increase would still put Danville's total fees charged to tenants at the lowest level compared to all other nearby airports. The increase would generate an additional \$10,000 in income to offset maintenance expenses that are being incurred as a result of the buildings getting older. This past year the City spent over \$100,000 rehabbing twenty of the oldest T-hangar units; because of the age of the other hangars, additional expenses will be incurred in a significant amount over the next ten years.

Dr. Miller questioned how many airplanes at any given time are renting hangars and Mr. Adelman noted they are fully occupied, all thirty-five. They have forty aircraft based, if you factor in Averett University's aircraft. This fee increase would not impact commercial leases such as General Aviation or Averett University.

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Mr. Vogler noted the increase in revenue these fees bring in, that stays completely within the department, and Mr. Adelman stated it is a General Fund revenue. Mr. Larking stated the General Fund supports the operation of the Airport because it is not a self-sufficient operation. If the fees are increased, it helps the Airport to be a little more self-sufficient.

Mr. Shanks questioned the fee charts for the monthly rental fee combined with the personal property tax rate and Mr. Adelman explained the more expensive or greater the value of the aircraft, the more savings is realized by the tenant. Mr. Shanks noted on a \$1,000,000 aircraft, the personal property tax collected in Danville is \$3,000, in Martinsville it is \$12,000, in Shiloh it would be \$7,060 and in South Boston the personal property tax is \$28,800, and asked Mr. Adelman how he would summarize those numbers. Mr. Adelman stated it says the personal property tax on aircraft in Danville is extremely competitive, extremely low.

Mayor Gilstrap noted those that are presently paying \$125 are going to have a 20% increase, and those that are paying \$1,015 are going to have a 2% increase and Mr. Adelman noted that was correct. Mayor Gilstrap noted it was hard for him to justify 20% on the lower end and 2% on the upper end. Mayor Gilstrap questioned why the Airport Commission recommended these changes to Council and Mr. Adelman noted they recognized that the City's fees were very, very low compared to other airports. Staff brought this to their attention in February or March and made them aware, as they do every few years, what their rates are compared to other airports. It has been nine years since hangar rental fees were raised. City Council was evaluating fees for the Airport, so it was tied to that discussion. In response to Mayor Gilstrap, Mr. Adelman noted the increased revenue will go towards building maintenance.

After further discussion, Council agreed to put this on an upcoming Business Meeting.

COMMUNICATIONS

Mr. Vogler noted he has requested information about the zip codes of people using the Bike Share program but there was a problem with the program. What data they did have showed that a lot of the people are non-City residents who are using the program.

MEETING ADJOURNED AT 8:14 P.M.

APPROVED:

MAYOR

ATTEST:

CITY CLERK

Council Letter

City of Danville, Virginia



CL-1773

Work Session Item #: A.

Work Session Meeting

Meeting Date: 10/17/2017

Subject: Consideration of Appointments to Boards and Commissions

From: Susan M. DeMasi, Clerk of Council

COUNCIL ACTION

Work Session: 10/17/17

SUMMARY

Consideration of Appointments to the following Board.

Council Letter Number CL - 1773

1. Industrial Development Authority.

Attachments

No file(s) attached.

**Council Letter
City of Danville, Virginia**



CL-1775

Work Session Item #: B.

Work Session Meeting

Meeting Date: 10/17/2017

Subject: Review of General Fund Financial Results

From: Michael Adkins, Director of Finance

COUNCIL ACTION

Work Session: 10/17/2017

SUMMARY

A brief review of the General Fund financial results through September 30, 2017 will be given. Financial statements are included.

Attachments

[Financial Statements](#)



To: Ken F. Larking, City Manager

From: Michael L. Adkins, Director of Finance

Date: October 6, 2017

Subject: Summary of Preliminary General Fund Financial Results for September 30, 2017

After completing the first quarter of the new fiscal year, revenues are comparable to the previous year. As of September 30, General Fund revenues were \$17,058,646. This represents 16.7% of our FY 2018 budget. Last year, at this time, we had collected \$17,377,647, or 17.7% of budget. The decrease in revenues is primarily due to a timing difference in state funding for W. W. Moore. The second quarter funding of \$333,000 was received early last year, in September, and will not be received until October this year.

We continue to see steady performance in the collection of delinquent real estate taxes this year with \$209,141 realized in the first three months of this fiscal year. This accounts for 21% of the current year budget. Tax bills for FY 2018 will be mailed next month and we will begin to see collection activity in current real estate and personal property taxes at that time. Local taxes collected through September 30, were \$5,192,823, or 20% of budget. This is very similar to FY 2017, showing an increase of \$81,497 over last year. Sales tax collections through September amounted to \$2,185,258, or 25% of budget, an increase of \$45,328 over last year. Meals taxes collected for the first quarter of the fiscal year amounted to \$1,910,020, or 25.5% of budget, an increase of \$4,186 over last year. Business Licenses realized at the end of the first quarter were \$375,659, a decrease of \$1,132 from the prior year. Lodging taxes received as of September 30, were \$266,594, or 27% of budget, an increase of \$20,627 over the prior year. All other revenue categories are performing well at this point.

Expenditures at September 30 were \$29,327,472, or 25.8% of budget. This is an increase of \$1.8 million compared to September 30, 2016, primarily resulting from the timing of budgeted transfers to Danville City Schools and other City funds. Departmental expenditures at the end of September were 23% of budget and show an increase of about \$168,000 over last year in total, but this net change is a combination of several large items.

The timing of police vehicle purchases created an increase of \$300,000 in public safety spending. Police vehicles were purchased in December last fiscal year, but in July this fiscal year. Community Development shows a decrease of \$588,000. This is a timing difference related to debt service for the IDA bonds, which is not due until November this year. General Government expenditures increased about \$270,000 due to the timing of software maintenance contracts in the Information Technology Department.

Total General Fund expenditures exceeded revenues by \$12,268,826. This is typical for the start of the fiscal year in the General Fund because the timing of the revenue recognition is not matched to expenditures. This gap will begin to close with tax collections in November and the beginning of December and will help to restore the fund balance in the General Fund. Last September, the deficit was \$10,144,101. For now, the General Fund is performing as expected.

CITY OF DANVILLE, VIRGINIA
GENERAL FUND REPORT
25% OF YEAR LAPSED AS OF SEPTEMBER 30, 2017
****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	\$ 30,721,540	\$ 1,584,920	5.16%		\$ 29,136,620	\$ 1,641,695
Other Local Taxes	25,655,000	5,192,823	20.24%		20,462,177	5,111,326
License Permits & Privilege Fees	229,890	52,543	22.86%		177,347	62,840
Fines & Forfeitures	447,450	76,595	17.12%		370,855	95,421
Revenue From Use Money & Property	1,182,410	230,847	19.52%		951,563	257,418
Charges For Services	3,558,570	863,857	24.28%		2,694,713	672,164
Miscellaneous Revenue	125,000	35,137	28.11%		89,863	13,951
Recovered Cost	5,288,330	1,051,484	19.88%		4,236,846	1,044,009
Non-Categorical Aid	6,092,720	1,458,159	23.93%		4,634,561	1,480,975
Shared Expenses (Categ. Aid State)	4,873,810	1,123,139	23.04%		3,750,671	1,109,763
Categorical Aid (State)	9,234,440	1,634,392	17.70%		7,600,048	2,180,585
Emergency Services (Federal)	-	-			-	-
Categorical Aid (Federal)	27,020	-	0.00%		27,020	-
Transfers From Utilities	15,019,000	3,754,750	25.00%		11,264,250	3,707,500
Transfers From Other	-	-			-	-
TOTAL REVENUES	\$ 102,455,180	\$ 17,058,646	16.65%		\$ 85,396,534	\$ 17,377,647
EXPENDITURES:						
General Government Administration	\$ 8,686,523	\$ 2,483,112	28.59%	\$ 228,535	\$ 5,974,875	\$ 2,211,998
Judicial Administration	6,580,418	1,704,475	25.90%	13,632	4,862,311	1,625,083
Public Safety	29,296,421	6,897,326	23.54%	249,486	22,149,609	6,319,121
Public Works	4,644,110	996,729	21.46%	308,322	3,339,059	971,299
Health, Education, Welfare & Soc. Svc.	9,172,600	1,720,426	18.76%	22,033	7,430,141	1,911,521
Parks, Recreation & Cultural	5,160,480	1,091,498	21.15%	56,158	4,012,824	1,098,598
Community Development	2,288,765	377,291	16.48%	111,962	1,799,512	965,411
Non-Departmental	11,918,410	3,359,834	28.19%	5,000	8,553,576	3,332,539
Transfer to Schools - Operating	26,299,534	10,312,308	39.21%	2,863,521	13,123,705	7,075,479
Transfer to Capital Projects	5,466,450	-	0.00%	-	5,466,450	-
Transfer to Other Funds	4,145,390	384,474	9.27%	-	3,760,916	2,010,699
TOTAL EXPENDITURES	\$ 113,659,101	\$ 29,327,472	25.80%	\$ 3,858,650	\$ 80,472,980	\$ 27,521,748
Revenue over(under) Expenditures		\$ (12,268,826)				\$ (10,144,101)
FUND BALANCE:						
Beginning Fund Balance 07/01/2017		\$ 42,975,385				\$ 48,992,907
Revenue over(under) Expenditures		(12,268,826)				(10,144,101)
Ending Fund Balance 09/30/2017		\$ 30,706,559				\$ 38,848,806
Composition of Fund Balance:						
Reserved for Encumbrances/Designated Funds		\$ 14,370,590				\$ 15,537,471
Unassigned		16,335,969				23,311,335
TOTAL FUND BALANCE 09/30/2017		\$ 30,706,559				\$ 38,848,806

City of Danville, Virginia
Summary of Other Local Tax Revenues - PRE-CLOSING - UNAUDITED
For the period ending September 30, 2017 (year to date)

<u>Description</u>	<u>Current Budget</u>	<u>Revenue Realized</u>	<u>Percentage Realized</u>	<u>Prior Year Budget</u>	<u>Prior Year Realized</u>	<u>Percentage Prior Year</u>
Sales Tax	\$ 8,750,000	\$ 2,185,258	24.97%	\$ 8,500,000	\$ 2,139,930	25.18%
Business Licenses	5,100,000	375,659	7.37%	5,000,000	376,791	7.54%
Meals Tax	7,500,000	1,910,020	25.47%	7,200,000	1,905,834	26.47%
Utility Taxes	978,000	232,661	23.79%	986,000	183,450	18.61%
Vehicle License Fees	1,000,000	107,143	10.71%	980,000	126,674	12.93%
Bank Stock Tax	790,000	-	0.00%	750,000	-	0.00%
Recordation Tax	180,000	44,545	24.75%	160,000	43,205	27.00%
Hotel Motel Tax	990,000	266,594	26.93%	840,000	245,967	29.28%
Daily Property Rental Tax	17,000	5,147	30.28%	15,000	5,135	34.23%
Motor Vehicle Tax	135,000	39,818	29.49%	126,000	50,093	39.76%
DMV Fees	215,000	25,978	12.08%	200,000	34,247	17.12%
TOTAL	<u>\$ 25,655,000</u>	<u>\$ 5,192,823</u>	<u>20.24%</u>	<u>\$ 24,757,000</u>	<u>\$ 5,111,326</u>	<u>20.65%</u>

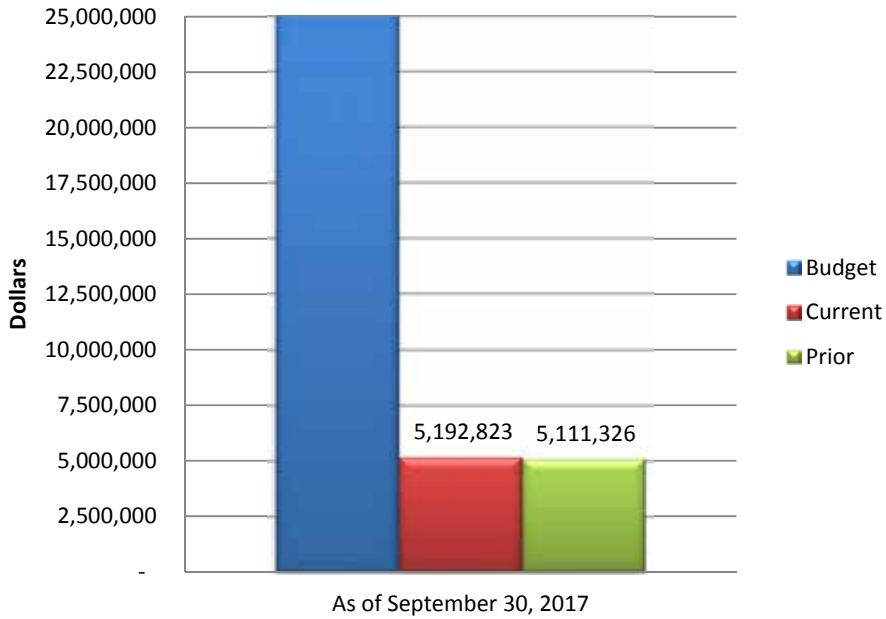
**CITY OF DANVILLE, VIRGINIA
GENERAL FUND
COMPOSITION OF FUND BALANCE
PRELIMINARY - AS OF SEPTEMBER 30, 2017**

Beginning Total Fund Balance, July 1, 2017	\$ 42,975,385.04
Add: General Fund Revenues	17,058,645.72
Deduct: General Fund Expenditures	<u>(29,327,471.70)</u>
Ending Total Fund Balance, September 30, 2017	<u><u>\$ 30,706,559.06</u></u>

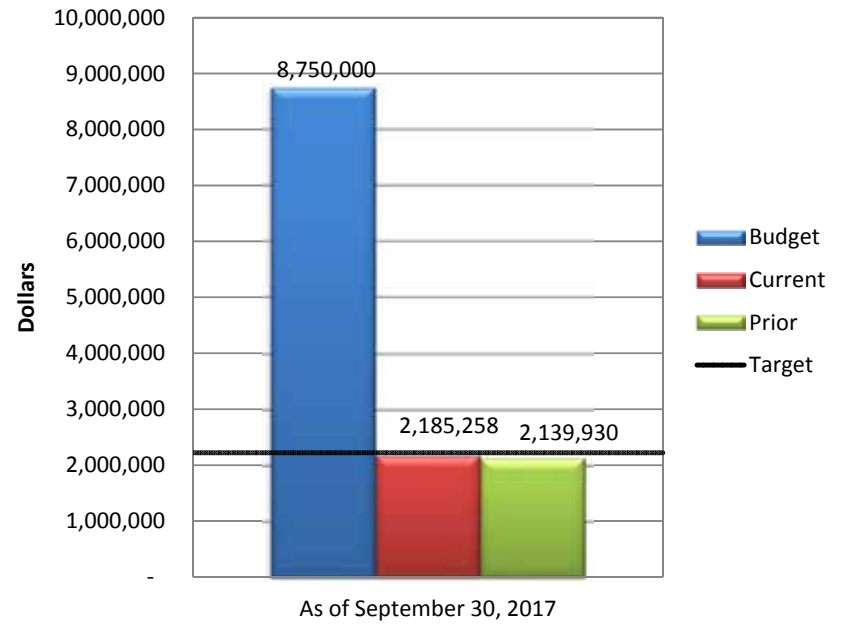
<u>Composition of Fund Balance:</u>	
Restricted for Commonwealth Attorney	\$ 92,874.19
Restricted for Police Department	67,434.66
Restricted for Fire Department	79,284.45
Committed for Sheriff's Department	2,230.71
Committed to Schools	922,053.29
Committed to Budget Stabilization	3,000,000.00
Committed for GWHS Stadium	1,300,000.00
Committed transfer of Fund Balance FY2018	3,891,240.00
Assigned to Sheriff's Department	18,559.60
Assigned to Community Development Dept.	12,841.03
Assigned for Encumbrances	3,858,649.22
Assigned for Tobacco Repayments	886,250.00
Nonspendable (Inventory and Prepaids)	239,173.28
UNASSIGNED	<u>16,335,968.63</u>
Total Fund Balance, September 30, 2017	<u><u>\$ 30,706,559.06</u></u>

Unassigned fund balance from above	\$ 16,335,968.63
Unassigned Minimum per policy (20% of General Fund Operating Revenues) based on FY 2018 budget	<u>20,491,036.00</u>
Current surplus (deficit) over (under) minimum	\$ (4,155,067.37)

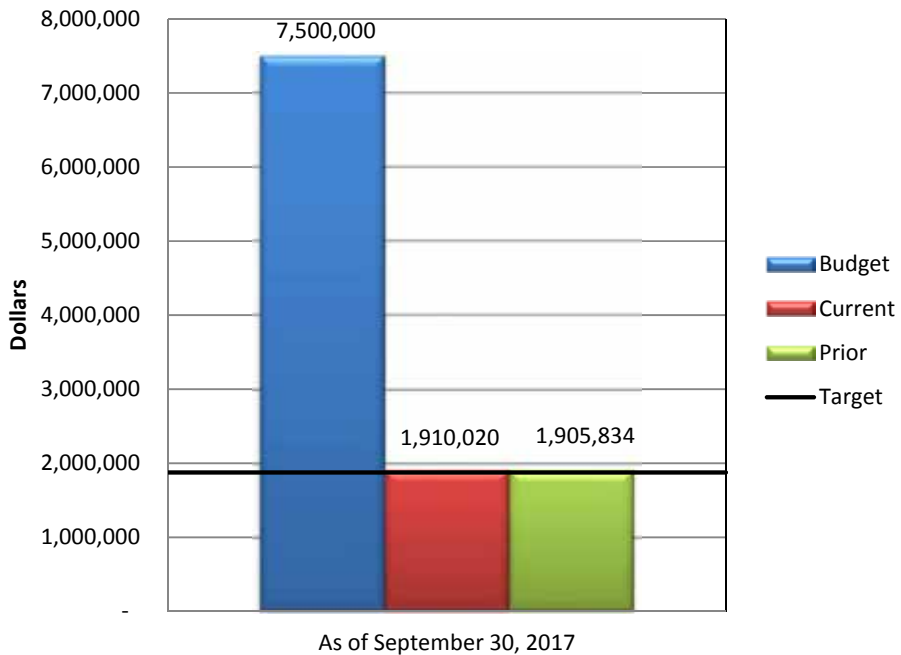
Local Taxes



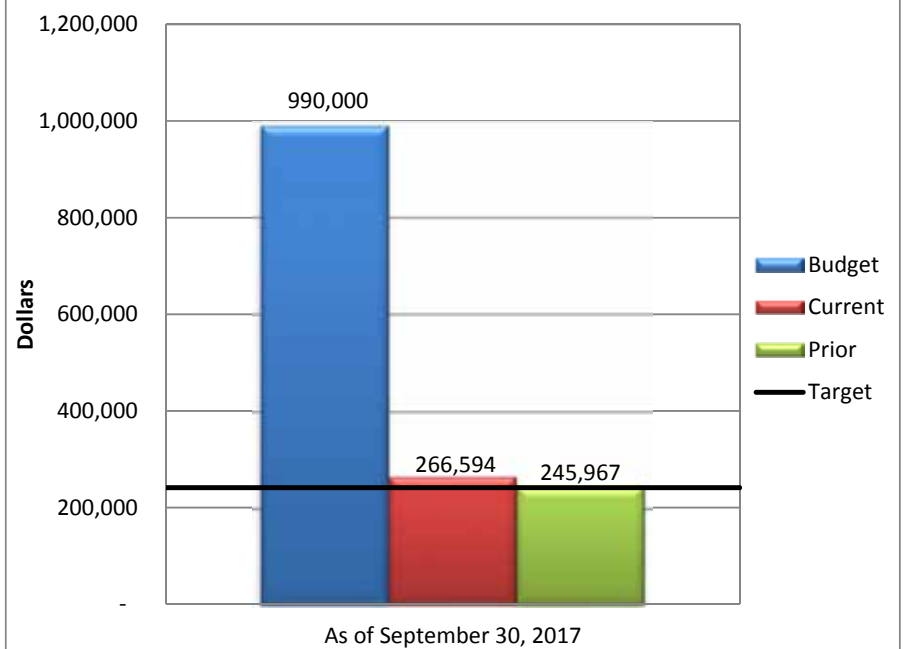
Sales Tax

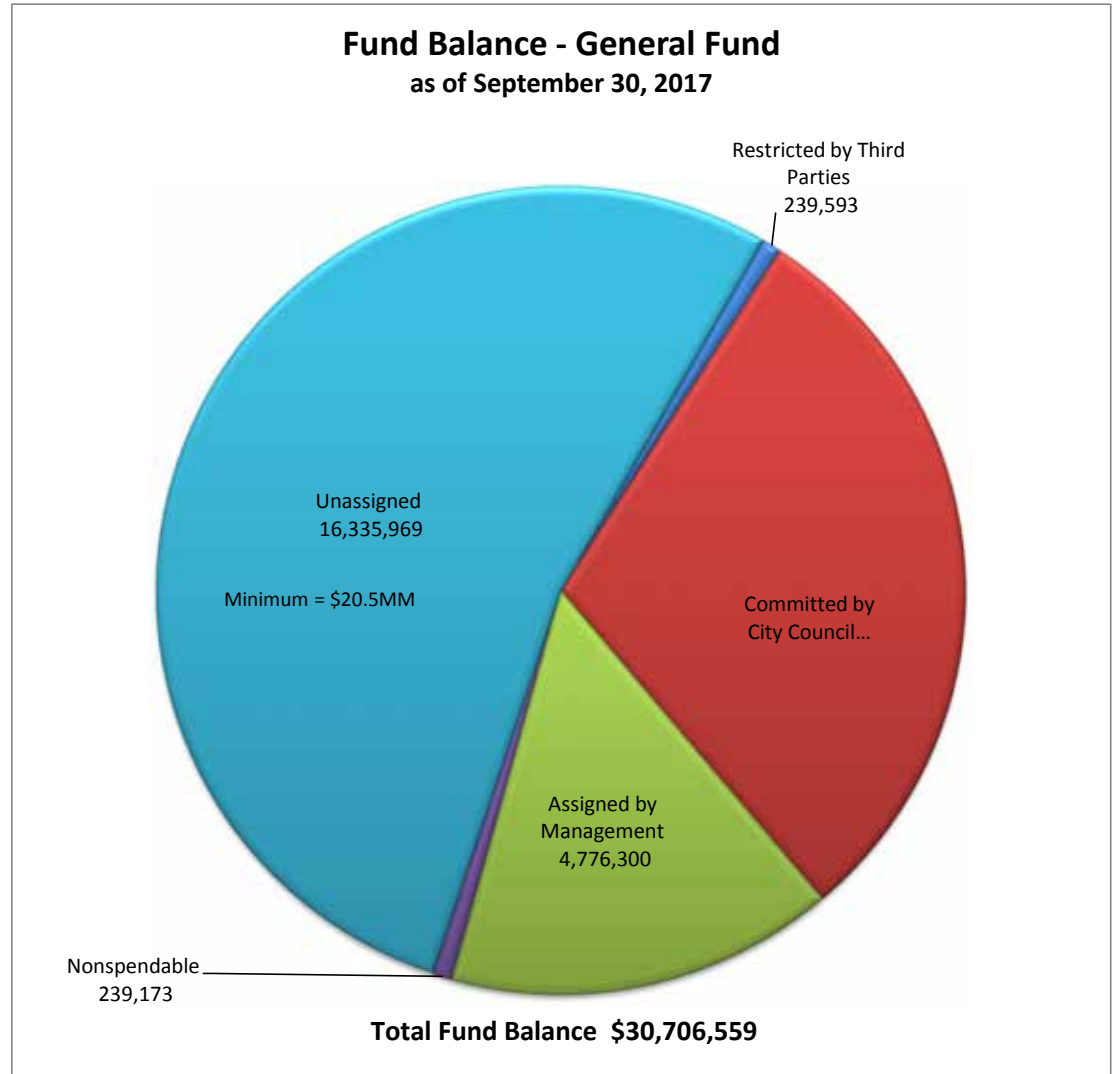
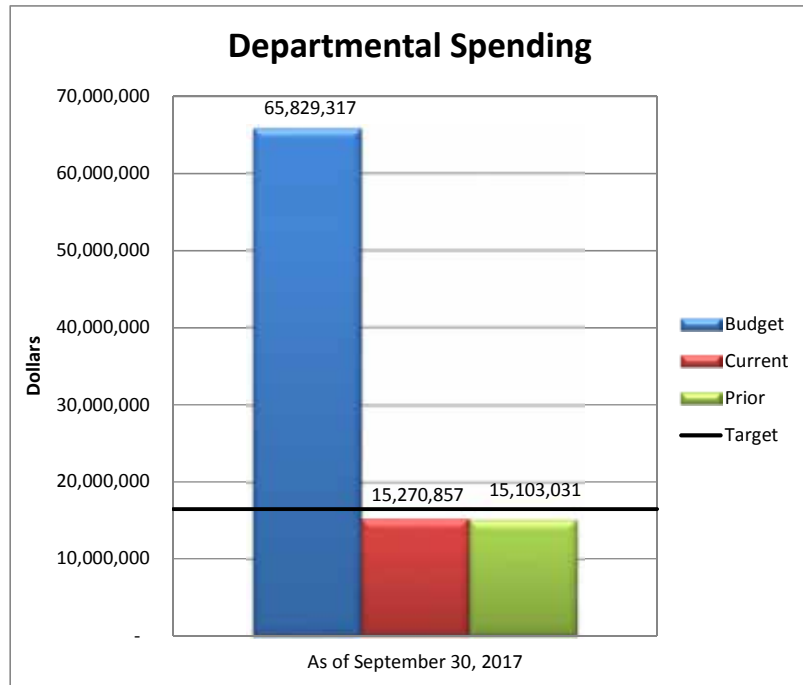
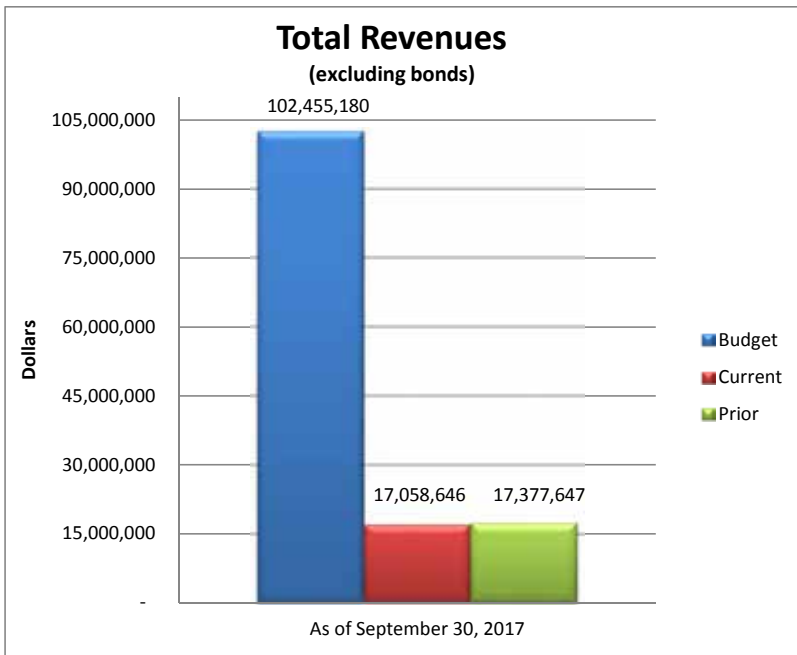


Meals Tax



Lodging Tax





Council Letter

City of Danville, Virginia



CL-1784

Work Session Item #: C.

Work Session Meeting

Meeting Date: 10/17/2017

Subject: Recommended Change to VSMP State Code

From: Susan M. DeMasi, Clerk of Council

COUNCIL ACTION

Work Session: 10/17/17

SUMMARY

This proposed change to the Virginia State Code for the Virginia Stormwater Management Program (VSMP) would more clearly allow the Virginia Department of Environmental Quality (DEQ) to delegate their VSMP responsibilities to adjacent localities. This change would enable DEQ to delegate responsibilities of plan review and site inspections to the City of Danville for projects in Pittsylvania County developed by the Danville-Pittsylvania Regional Industrial Facility Authority (RIFA), Industrial Development Authority (IDA), and the Danville Development Authority (DDA).

BACKGROUND

As part of the VSMP in the Virginia State Code, Pittsylvania County had the option to decide if they wanted to become a VSMP authority. They chose not to become a VSMP authority, therefore in accordance with the current state code, DEQ carries out the responsibilities of the VSMP authority for Pittsylvania County. The City of Danville serves as the authority within the Danville corporate limits.

Section 62.1-44.15:27 - H of the Virginia State Code states that "***A VSMP authority may enter into agreements or contracts with soil and water conservation districts, adjacent localities, or other public or private entities to carry out or assist with the responsibilities of this article...***"

It is unclear if the VSMP authority mentioned here includes DEQ when they are carrying out the VSMP responsibilities. This requested State code change would clearly include DEQ in section "H". The City could then request DEQ to delegate VSMP responsibilities to the City of Danville for RIFA, IDA and DDA projects in Pittsylvania County. This action should help reduce plan review times for these projects, reduce the workload for DEQ while improving project oversight during construction.

RECOMMENDATION

It is recommended that City Council support the attached Resolution requesting this change to the VSMP in the Virginia State Code.

Attachments

[Resolution](#)

PRESENTED: _____

ADOPTED: _____

RESOLUTION NO. 20017-____.____

A RESOLUTION REQUESTING THAT THE GENERAL ASSEMBLY AMEND VIRGINIA CODE SECTION 62.1-44.15:27 ENTITLED ESTABLISHMENT OF VIRGINIA STORMWATER MANAGEMENT PROGRAMS.

WHEREAS, the City of Danville, Virginia is requesting the General Assembly amend Section 62.1-44.15:27 and more particularly subsection "H" of the Code of Virginia, 1950, as amended, for the purpose of allowing localities to review the stormwater plans, issue the Virginia Stormwater Management permit, and perform the required Virginia Stormwater Management Program inspections for projects in soil and water conservation districts, adjacent localities, or other public or private entities; and

WHEREAS, this amendment would decrease the Department of Environmental Quality's workload, allow for faster plan reviews at the local level which could help incentivize economic development projects, and provide experienced inspectors closer to the project sites.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Danville, Virginia, that it is hereby determined to be in the best interest of the City and other localities to request the General Assembly amend Virginia Code Section 62.1-44.15:27 and more particularly subsection "H" in the following Manner:

§ 62.1-44.15:27. Establishment of Virginia Stormwater Management Programs.

A. Any locality that operates a regulated MS4 or that notifies the Department of its decision to participate in the establishment of a VSMP shall be required to adopt a VSMP for land-disturbing activities consistent with the provisions of this article according to a schedule set by the Department. Such schedule shall require implementation no later than July 1, 2014. Thereafter, the Department shall provide an annual schedule by which localities can submit applications to implement a VSMP. Localities subject to this subsection are authorized to coordinate plan review and inspections with other entities in

accordance with subsection H. The Department shall operate a VSMP on behalf of any locality that does not operate a regulated MS4 and that does not notify the Department, according to a schedule set by the Department, of its decision to participate in the establishment of a VSMP. A locality that decides not to establish a VSMP shall still comply with the requirements set forth in this article and attendant regulations as required to satisfy the stormwater flow rate capacity and velocity requirements set forth in the Erosion and Sediment Control Law (§ 62.1-44.15:51 et seq.). A locality that is subject to the provisions of the Chesapeake Bay Preservation Act (§ 62.1-44.15:67 et seq.) also shall adopt requirements set forth in this article and attendant regulations as required to regulate Chesapeake Bay Preservation Act land-disturbing activities in accordance with § 62.1-44.15:28.

Notwithstanding any other provision of this subsection, any county that operates an MS4 that became a regulated MS4 on or after January 1, 2014 may elect, on a schedule set by the Department, to defer the implementation of the county's VSMP until no later than January 1, 2015. During this deferral period, when such county thus lacks the legal authority to operate a VSMP, the Department shall operate a VSMP on behalf of the county and address post-construction stormwater runoff and the required design criteria for stormwater runoff controls. Any such county electing to defer the establishment of its VSMP shall still comply with the requirements set forth in this article and attendant regulations as required to satisfy the stormwater flow rate capacity and velocity requirements set forth in the Erosion and Sediment Control Law (§ 62.1-44.15:51 et seq.).

B. Any town, including a town that operates a regulated MS4, lying within a county that has adopted a VSMP in accordance with subsection A may decide, but shall not be required, to become subject to the county's VSMP. Any town lying within a county that operates an MS4 that became a regulated MS4 on or after January 1, 2014 may elect to become subject to the county's VSMP according to the deferred schedule established in subsection A. During the county's deferral period, the Department shall operate a VSMP on behalf of the town and address post-construction stormwater runoff and the required design criteria for stormwater runoff controls for the town as provided in subsection A. If a town lies within the boundaries of more than one county, the town shall be considered to be wholly within the county in which the larger portion of the town lies. Towns shall inform the Department of their decision according to a schedule established by the Department. Thereafter, the Department shall provide an annual schedule by which towns can submit applications to adopt a VSMP.

C. In support of VSMP authorities, the Department shall:

1. Provide assistance grants to localities not currently operating a local stormwater management program to help the localities to establish their VSMP.

2. Provide technical assistance and training.

3. Provide qualified services in specified geographic areas to a VSMP to assist localities in the administration of components of their programs. The Department shall actively assist localities in the establishment of their programs and in the selection of a contractor or other entity that may provide support to the locality or regional support to several localities.

D. The Department shall develop a model ordinance for establishing a VSMP consistent with this article and its associated regulations, including the Virginia Stormwater Management Program (VSMP) General Permit for Discharges of Stormwater from Construction Activities.

E. Each locality that administers an approved VSMP shall, by ordinance, establish a VSMP that shall be administered in conjunction with a local MS4 program and a local erosion and sediment control program if required pursuant to the Erosion and Sediment Control Law (§ 62.1-44.15:51 et seq.), and which shall include the following:

1. Consistency with regulations adopted in accordance with provisions of this article;

2. Provisions for long-term responsibility for and maintenance of stormwater management control devices and other techniques specified to manage the quality and quantity of runoff; and

3. Provisions for the integration of the VSMP with local erosion and sediment control, flood insurance, flood plain management, and other programs requiring compliance prior to authorizing construction in order to make the submission and approval of plans, issuance of permits, payment of fees, and coordination of inspection and enforcement activities more convenient and efficient both for the local governments and those responsible for compliance with the programs.

F. The Board may approve a state entity, including the Department, federal entity, or, for linear projects subject to annual standards and specifications, electric, natural gas, and

telephone utility companies, interstate and intrastate natural gas pipeline companies, railroad companies, or authorities created pursuant to § 15.2-5102 to operate a Virginia Stormwater Management Program consistent with the requirements of this article and its associated regulations and the VSMP authority's Department-approved annual standards and specifications. For these programs, enforcement shall be administered by the Department and the Board where applicable in accordance with the provisions of this article.

G. The Board shall approve a VSMP when it deems a program consistent with this article and associated regulations, including the Virginia Stormwater Management Program (VSMP) General Permit for Discharges of Stormwater from Construction Activities.

H. A VSMP authority, or the Department acting as the authority or carrying out the responsibilities of this article, may enter into agreements or contracts with soil and water conservation districts, adjacent localities, or other public or private entities to carry out or assist with the responsibilities of this article. A VSMP authority may enter into contracts with third-party professionals who hold certificates of competence in the appropriate subject areas, as provided in subsection A of § 62.1-44.15:30, to carry out any or all of the responsibilities that this article requires of a VSMP authority, including plan review and inspection but not including enforcement.

I. If a locality establishes a VSMP, it shall issue a consolidated stormwater management and erosion and sediment control permit that is consistent with the provisions of the Erosion and Sediment Control Law (§ 62.1-44.15:51 et seq.). When available in accordance with subsection J, such permit, where applicable, shall also include a copy of or reference to state VSMP permit coverage authorization to discharge.

J. Upon the development of an online reporting system by the Department, but no later than July 1, 2014, a VSMP authority shall then be required to obtain evidence of state VSMP permit coverage where it is required prior to providing approval to begin land disturbance.

K. Any VSMP adopted pursuant to and consistent with this article shall be considered to meet the stormwater management requirements under the Chesapeake Bay Preservation Act (§ 62.1-44.15:67 et seq.) and attendant regulations, and effective July 1, 2014, shall not be subject to local program review under the stormwater management provisions of the Chesapeake Bay Preservation Act.

L. All VSMP authorities shall comply with the provisions of this article and the stormwater management provisions of the Erosion and Sediment Control Law (§ 62.1-44.15:51 et seq.) and related regulations. The VSMP authority responsible for regulating the land-disturbing activity shall require compliance with the issued permit, permit conditions, and plan specifications. The state shall enforce state permits. (1989, cc. 467, 499, § 10.1-603.3; 2004, c. 372; 2006, c. 171; 2009, c. 18; 2012, cc. 785, 819; 2013, cc. 756, 793; 2014, cc. 303, 598; 2017, c. 349.)

AND BE IT FURTHER RESOLVED that the City Manager be, and is hereby, directed to provide for the transmittal of two (2) certified copies of this resolution to one or more members of the General Assembly representing the City with the request that the General Assembly amend Virginia Code Section 62.1-44.15:27 subsection "H" as provided herein.

APPROVED:

MAYOR

ATTEST:

CLERK

Approved as to
Form and Legal Sufficiency:

City Attorney

Council Letter

City of Danville, Virginia



CL-1779

Work Session Item #: D.

Work Session Meeting

Meeting Date: 10/17/2017

Subject: Report to Council from Mayor's FBO Committee

From: Susan M. DeMasi, Clerk of Council

COUNCIL ACTION

Work Session: 10/17/2017

SUMMARY

The Mayor's Fixed Base Operator Committee was formed to review the recommendation of the Airport Commission to award the FBO to Averett University instead of General Aviation following responses to the City's RFP. The Committee will present their recommendation to City Council.

Attachments

No file(s) attached.
