

May 17, 2022

The Second Regular May meeting of the Danville City Council was held on May 17, 2022, 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 Mayo, Dr. Gary P. Miller, J. Lee Vogler, Jr., and Madison J.R. Whittle (8). Sherman Saunders was absent (1).

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

Mayor Jones presided.

INVOCATION AND PLEDGE OF ALLEGIANCE

Mayor Jones welcomed everyone and stated that hearts were a little heavy tonight. Councilman Saunders was not there because he was visiting with a dear friend who lost his son today in the shooting at Purdum Woods. Mayor Jones sent a plea to the community to continue to work with them. There have been two incidents of murder just a few weeks ago, and this morning he received a message from the City Manager and Police Department of another one. Often times people ask what Council can do, and each and every time this Council comes together, they worked for the betterment of the community.

The Invocation was given by Council Member J. Lee Vogler, Jr., followed by the Pledge of Allegiance to the Flag.

ANNOUNCEMENTS AND SPECIAL PRESENTATIONS

Mayor Jones recognized Dr. Jackson, Dean Terry, and Mrs. Sheena Johnson; Dr. Jackson thanked Council for what Danville has done. Dr. Jackson discussed opportunities for employment at Tyson's Products and Walraven USA; DCC was currently hosting training opportunities for both companies, at no cost. Ms. Johnson explained that the Fastforward Grant allows individuals to take short term training for gainful employment at no cost, and training for Tyson will start within the next couple of weeks; this was a 16-week training program. Interested individuals should contact Chad Younger at RCATT; his number was 434-797-8573. Mayor Jones encouraged citizens to sign up for the training programs, and asked the City Manager to get this information on the City's site. City Manager Ken Larking stated the office of Economic Development was aware of the opportunities and that the information should be available for the public.

COMMUNICATIONS FROM VISITORS

Mayor Jones recognized Marvin Warner of 85 Bishop Avenue who spoke on behalf of the Ministerial Alliance of Danville. He thanked the elected officials and discussed the recent murders, unemployment, blight, and the transformation of the City. Mr. Warner discussed the casino and how the contracted workers do not represent Danville.

Mayor Jones recognized Reverend George Lovelace of 379 Updike Place, who noted he had two issues to bring before Council. He asked that SOVAH Health be looked into due to the 1.6 rating and poor service. The second issue was the youth that were being sent to W.W. Moore; there needs to be a better avenue for these children.

Mayor Jones recognized Steve Barrow of 1131 Stokes Street, owner of Hammer Hill Computers on Franklin Turnpike, who spoke in regard to a mentorship program he was currently running.

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Children needed opportunities to learn and see different things, and introduced Joe, one of the children being mentored. Joe spoke about how much he has learned from Mr. Barrow and how much it has helped him.

Mayor Jones recognized Natalie Hodge of 30 West Main Street, Martinsville, VA, founder of Rudy's Girl Medium, and creator and producer of the television series *Hometown Hustle*. Ms. Hodge informed Council that the pilot series featured six entrepreneurs from Martinsville and Henry County; this season they were including Danville in the program. Ms. Hodge introduced Amber David, a junior at Galileo who was mentoring with Ms. Hodge. Ms. David spoke about the importance of creative arts, and ReAsia Jones, another Galileo student, spoke about her interest in creative arts and how important creative arts were to the community.

Mayor Jones recognized Anthony Jones, 1034 Dibrell Alley who came to share a message in the name of Jesus for all preachers to read the word of God in church.

Mayor Jones recognized Charlie Harris of 304 Wendell Scott Drive, who spoke on behalf of citizens and the areas where not much infrastructure has been done. He believes that children with low self-esteem were committing the most crime and the City needed to address these areas.

Mayor Jones recognized Mr. Gerard Harris' assistant at Master Touch Floors and Painting at 1218 North Main Street who spoke about their services. This business was also mentoring students.

Mayor Jones recognized ReAsia Jones who spoke about Progression Over Perfection "POP" a mental health club being held at Galileo Magnet School.

CONSENT AGENDA

Mayor Jones opened the floor for a Public Hearing regarding the Budget Amendment on the Consent Agenda. Notice of the Public Hearing was published in the *Danville Register & Bee* on May 10, 2022. No one present desired to be heard and the Public Hearing was closed.

Council Member Campbell **moved** for adoption of the following Consent Agenda items:

Minutes from the Regular Council Meeting held on April 19, 2022. Draft copies of the minutes had been distributed prior to the meeting.

Budget Amendment – Amending the Fiscal Year 2022 Budget Appropriation Ordinance for School Bonds

An Ordinance entitled, Ordinance No. 2022-05.08, Amending the Fiscal Year 2022 Budget Appropriation Ordinance by Anticipating the Proceeds from the Issuance of General Obligation Bonds and Appropriating Same for Anticipated Expenditures.

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

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

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OLD BUSINESS

CONSIDERATION OF AMENDING DANVILLE CITY CODE REGARDING REAL ESTATE TAX EXEMPTION AND DEFERRAL FOR CERTAIN ELDERLY AND DISABLED PERSONS

Council Member Vogler **moved** for adoption of an Ordinance entitled:

ORDINANCE NO. 2022-05.01

An Ordinance Amending and Reordaining Section 37-62, Entitled "General Restrictions, Conditions and Qualifications" and Section 37-66, Entitled "Amount of Exemption and/or Deferral" of Article IV, Entitled "Real Estate and Mobile Home Tax Exemption and Deferral for Certain Elderly and Disabled Persons," of Chapter 37, Entitled "Taxation," of the Code of the City of Danville, 1986, As Amended

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

Vice Mayor Miller questioned if the City knew what the implications of this would be and how many people it would affect overall, and Mr. Larking stated staff did not have the data to determine those numbers or the impact it will have on the City, revenue wise. Danville Chief Financial Officer, Michael Adkins stated that there was no way to pinpoint how many people were not applying now because they fall above their current income levels; the City did not have that data. A budget was already in place for this tax relief, and it has never been fully expended, so the current budget will take care of the growth in this program. Vice Mayor Miller stated that Council was being asked to vote on something when they have no idea the effect it was going to have. Mr. Adkins noted, as best as he could project, it should not have a major budget effect; that was the purpose for the incremental approach.

Council Member Vogler stated he was glad Council was voting on something brought to them by the citizens, and discussed inflation and the impact that it has had on the elderly.

Council Member Whittle asked if it was correct that if a citizen was in a nursing home there would be a tax lien on the property, and Mr. Adkins stated that prior to this change the taxpayer could either apply for an exemption or if their income was over a certain level they could apply for a deferral, which means that they did not have to pay but if that property was sold or inherited then the back taxes were owed by the new owner. The City was proposing to do away with the deferral plan and just do exemptions.

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

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

CONSIDERATION OF APPROVING THE FISCAL YEAR 2023 SCHOOL BOARD BUDGET

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

RESOLUTION NO. 2022-05.01

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A Resolution Approving the Budget of the School Board of the City of Danville for the Fiscal Year Ending June 30, 2023.

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

Vice Mayor Miller asked Dr. Angela Hairston, Superintendent of Danville Public Schools about the decrease in school age children last year, and Dr. Hairston stated that the school district was actually up in regard to enrollment last year and their analysis indicated that was due to new people moving into the community and homeschool students returning to the virtual academy. An increase in numbers was important to help get more funding per pupil from the State.

Vice Mayor Miller stated that several teachers had approached him with regard to their contracts not having a fixed amount and they were reluctant to sign those. He asked why that was done this year and not in previous years, and Dr. Hairston explained there was an anticipated salary on all contracts which was a 5% pay increase; that included a STEP increase. There was a clause that indicates that may be adjusted depending on the State budget. The State has not approved the schools' budget and that makes it hard for them to nail down exactly what those salaries will look like; this was true for every district in the state of Virginia. They were hoping that the legislators will come together and pass that budget very soon.

Council Member Vogler stated that he and his son attended the S.T.E.M. event last night and it was wonderful. He gave a quick shout out to Mrs. Haymes and Mrs. Green at Forest Hills.

Dr. Hairston thanked Council for all of their help with various programs and funding over the years, and Mayor Jones thanked everyone who worked for the Danville City Public School system for all that they do and continue to do for the children.

Council Member Whittle questioned the anticipated revenue of \$127M and \$11M in premiums on the bonds. Mr. Adkins explained that a premium on the bond means that the person who purchased the bonds was willing to pay more than the face value. Because the bonds were tax exempt they can often be sold for more than their face value. Council Member Whittle asked about the \$1.2M cost and Mr. Adkins explained that it cost \$1.2M to get the bonds and that cost will come out of the premiums received from selling them.

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

VOTE: 7-0-1-1
AYE: Buckner, Campbell, Hood, Jones,
Miller, Vogler and Whittle (7)
NAY: None
ABSENT: Saunders (1)
ABSTAIN: Mayo (1)

NEW BUSINESS

REVIEW OF GENERAL FUND FINANCIALS AS OF APRIL 30, 2022

Chief Financial Officer Michael Adkins stated at this point, 83% of the fiscal year was complete. Revenues were at approximately \$85M, about \$4M more than last year. The overages were spread about with about \$1M in general property tax, \$2.5M in local consumer driven taxes, and

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about \$500,000 in interest income and other state revenues. In regard to general property taxes, one driving force was the additional business property taxes that the City was receiving from their shared tax revenues with Pittsylvania County, representing those companies in the jointly owned industrial parks. On the local consumer driven taxes, this was the City's main driver for budget variance that was going to be seen this year. In Sales Tax, the City has collected just under \$9M which was 88% of budget and \$670,000 more than last year. The May installment of Sales Tax was received this week and was just over \$1M; that was almost the second highest received. To complete the budget this year only \$150,000 more in Sales Tax revenue was needed, the average has been about \$900,000 a month, and at the end of the year, the City should be over budget in Sales Tax. In Meals Tax, the City collected \$2M, which was 100% of the original budget and 89% of the revised budget; this was \$1.1M more than last year. To meet budget for this year the City will need to collect about \$1.2M; they should collect around \$2M in the next few months, so this area will be over budget. Lodging taxes were at \$1.7M which was 110% of the original budget, 92% of the revised budget, and about \$480,000 more than last year. To meet this year's budget, \$146,000 more needs to be collected; in the next two months the City should collect about \$300,000 and this will be another area over budget. The only line item that will be short was Telecommunication tax, the City will be about \$350,000 dollars short; the previous mentioned overages more than cover this shortage. Adjustments have been made to next year's budget reducing the telecommunications tax line. Mr. Adkins noted there was nothing new to report on the expenditure side; at the end of April, they were at 77% of budget, and the departments alone were at 75% of budget. Real estate and personal property bills went out last week; next month comments can be made on collections.

Council Member Campbell asked if the City's reserves were going to be bigger, and Mr. Adkins noted that if the City stayed on the same financial path, they should have a surplus. Reverend Campbell stated that at one time it was discussed to increase the reserve account but that has not been determined yet, and Mr. Adkins stated that was correct. As the budget increases so does the minimum threshold for fund balance. Mr. Adkins stated that as the City increases the fund balance policy, that sends a message to their bond rating and credit rating agencies that the City was going to keep more than sufficient funds in their savings account for any downturn in the economy, any unexpected events such as a storm, or something where the City has to front the funds to complete the repairs. Mr. Adkins stated he believed an increase to \$25M would be a good step to take but before that was done, they need to see how future revenues look because as they increase revenues, that minimum threshold automatically increases without any action.

CONSIDERATION OF MAINTAINING THE CURRENT REAL ESTATE TAX RATE

Mayor Jones opened the floor for a Public Hearing regarding Maintaining the Current Real Estate Tax Rate. Notice of the Public Hearing was published in the *Danville Register & Bee* on April 12, 2022. No one present desired to be heard and the Public Hearing was closed.

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

ORDINANCE NO. 2022-05.09

An Ordinance Affirming the Real Estate Tax Rate of \$0.84 on Every One-Hundred Dollars (\$100.00) of Assessed Value.

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

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Council Member Whittle asked since there was a reassessment, that increased 1% and that 1% automatically allowed the rate to stay at \$0.84 and taxes were still going up because the assessment was pushed in, and Mr. Larking explained that by state law in a year where reassessments were done, if the real estate values go higher than 1%, an effective tax rate increase must be advertised. The City was in the process of doing a reevaluation, in house; at this time, they do not know what that will be. The City advertised the possibility of it being as much as 5%, currently it was less than that. Typically, as they get through the assessment process the percentage increases and decreases. When the memo was written it was at 3.8% and it may be lower now; it could be anywhere between 1% and 3.8% by the time assessment was completed. Mr. Larking noted he recommend leaving the rate at \$0.84.

Council Member Vogler stated he wanted to make it clear that Council was not increasing anything, they were maintaining the tax rate as is. Vice Mayor Miller stated that several years ago the tax rate was cut down to \$0.80 and had to be increased back to \$0.84 because the economy bottomed. There were lots of improvements to be made to the City and communities.

ROLL CALL

Council Member Mayo stated it was good to see everyone tonight, would like to extend his condolences to the Gore family and asked that everyone keep them in their prayers. Mr. Mayo thanked Dr. Jackson and Ms. Johnson for mentioning the jobs; there were jobs out there that were hiring, and they want the citizens to take advantage of those jobs. Mr. Mayo noted they saluted the graduates from last week; high school graduations will be going on next week, all of Council congratulates them and hoped they have a prosperous future.

Vice Mayor Miller stated it was amazing to hear what Dr. Jackson said about teaching students the skills they need to know in order to do these jobs that were opening. Dr. Miller noted it was gut wrenching to hear about all the young children being shot or committing suicide, not just here but all over the country. People need to emphasize mental health more in young people. COVID cases were back on the rise; it was not over yet and encouraged citizens to get their vaccine.

Council Member Vogler noted there were 364 bus stops, and out of those 364 bus stops, only 41 have benches, and 18 were covered. There may be some right of way situations that keep all 364 from having benches and being covered, and asked that the City look into getting more benches to help citizens who use those bus stops. Mayor Jones stated that he had spoken with the City Manager about this issue due to a complaint regarding the bus stop on Riverside Drive at Biscuitville. The City Manager and staff were looking into this.

Council Member Whittle stated when it comes to infrastructure and things that have to be done within the City, it was not glamorous, but was an important part of what must be done. Mr. Whittle noted he felt like there was a recession on the way, and the only thing citizens can do was spend less.

Council Member Buckner stated it was great seeing everyone out at the Festival in the Park this past weekend, at the Community Market the weekend before for the Make Danville Shine event and the kickoff of the Farmer's Market. He and Mr. Saunders were there for several hours speaking with a gentleman who was a butler at the White House; Mr. Lipford was a real gem and a beloved citizen of Danville. Mr. Buckner stated he looked forward to seeing everyone June 4th at the Bridge Street Food Truck Rodeo.

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Council Member Campbell stated that at the last Council meeting he was able to speak at the podium following Mr. Livingston's update on Caesars. He was very thankful to the City Manager, Mayor, and City Council for seeing prosperity in the City and the prosperity that was coming in the future. Reverend Campbell stated from day one his concern with the City was to see that prosperity was shared to all areas of the community; that could be very challenging.

Council Member Hood acknowledged the citizens for their resilience. There were a lot of people working here and behind the scenes; those people were the backbone that a lot of things were built upon. It was wonderful to see people invested in this community, they believe in it. The Mayor speaks all the time about partnerships and collaborations and that was what they do.

Mayor Jones thanked Dr. Jackson and Ms. Johnson for letting everyone know about the job training opportunities. He asked all the ministers, school board members, and young people to stand, be recognized and thanked them again for all that they do. Mayor Jones noted the City was growing and there are wonderful things happening; he talks about partnerships all the time, but the City needs more. Councilman Saunders was not here because he was talking with the Gore family who just lost their son in the Purdum Woods shooting today, and Mayor Jones stated he would be joining him shortly. They were praying for the young man killed, and asked citizens to help guide these young people in the right direction; help show them a better way.

Meeting was adjourned at 8:50pm.

APPROVED:

MAYOR

ATTEST:

CITY CLERK