

FY 2021 Adopted Budget & Capital and Special Projects Plan



July 1, 2020 – June 30, 2021





GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

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**City of Danville
Virginia**

For the Fiscal Year Beginning

July 1, 2019

Christopher P. Morill

Executive Director

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The City of Danville was founded in 1793, chartered in 1830, and is located on the Dan River in the south-central Piedmont region of Virginia. The North Carolina state line forms the city's southern boundary. The city is surrounded on the west, north, and east by Pittsylvania County.

Danville is but a day's drive to almost two-thirds of the nation's population. Danville is located 143 miles southwest of the state capital in Richmond; 80 miles southeast of Roanoke; and 45 miles north of Greensboro, North Carolina. The City covers an area of approximately 44 square miles and has a population of approximately 40,044. According to the consumer price index, Danville and the southern region of Virginia have a lower cost of living compared to other regions in the United States.

The City operates under the council-manager form of government. Policymaking and legislative authority is vested in the City Council, which consists of nine members including a mayor and vice mayor. Council members are elected at large on a nonpartisan basis to serve four-year terms. The elections are held biennially with five members being elected in one biennium and four in the next. Members of the council elect the Mayor and Vice-Mayor from its membership. The City Council is responsible for passing ordinances, adopting the budget, appointing committee and board members, and hiring the City Manager and City Attorney. The City Manager is the chief executive and is responsible for carrying out the policies and ordinances of City Council, overseeing the day-to-day operations of the City, and appointing department heads.



Built in 1926-27, the Danville Municipal Building is listed on both the Virginia Historic Register and the National Register of Historic Places.

The City provides a full range of services including police and fire protection; sanitation services; the construction and maintenance of streets and infrastructure; recreational activities; and cultural events. In addition to the general government activities, the City provides mass transit, water and wastewater treatment, gas, fiber network, and electric services.

The City boasts an abundance of historical landmarks, an excellent variety of recreational and housing opportunities and beautiful, rolling countryside. Rated among the best in affordability and the lowest in housing costs, Danville has received national recognition for adopting innovative strategies in business development.

But history and surroundings are not the only assets Danville has to offer. Believing that a vibrant downtown is vital to the well-being of a community, Danville supports an economically viable commercial district with unique businesses, attractions, restaurants and residential sites to serve and attract citizens and visitors. The River District Redevelopment Project is entering its fifth year and continues to build on the River District's strengths, implement public improvements that will stimulate private investment, support transformational commercial projects, achieve the right mix of land uses and activities, and support the preservation of the district's unique character.



Main Street in the River District

In addition to a strong K-12 public school system and private school options, Danville's education community includes Averett University, Danville Community College and the Institute for Advanced Learning and Research. Recently, the Capstone Integrated Machining Technology program is receiving recognition for its multidisciplinary training for precision machining. The program is a joint venture between the Institute for Advanced Learning and Research and Danville Community College is a vital for both workforce development program and education.



Mountain biking attracts riders from outside the community.

Danville has been recognized nationally as a Playful City. The City is committed to recreation and providing opportunities for play. The Riverwalk Trail takes advantage of Danville's location along the Dan River to give residents an opportunity to interact with the river while using the 9 miles of trail to walk, run, bike, or commute.

One of the longest single track mountain bike trails in the region is located in Danville. Built through a partnership between Southern Virginia Mountain Bike Association and Danville Parks and Recreation, the system offers a variety of trails for multiple experience levels. With twists and turns, climbs and descents, the Angler's Ridge mountain bike trail system and its 35 miles of stacked-loop single-track trails is ranked No. 1 in Virginia and 32nd in the world. Along the trails are plenty of gravity drops, log pyramids, tight switchbacks, moguls, rock gardens and 40 bridges to challenge you as you travel through beautiful woodlands complete with creeks and wildlife.

Danville's diverse neighborhoods represent a unique blend of the best of rural and metropolitan lifestyles. Communities of comparable size seldom offer such a wide variety of housing. Homes in the Danville area ranges from turn-of-the-century Victorian and Edwardian architecture to suburban Williamsburg style homes, country club developments, urban lofts, apartments, and rural farm settings. Danville has small-town charm as well as the assets of a city ready to burst with excitement. It truly is a great place to live, work, and play!



The City Seal was designed by Gloria Nix, a student at George Washington High School, and adopted in 1957. The circular seal is divided into four quadrants representing different aspects of the city. The lamp and books reflect the importance of education. The train, bus, and airplane represent Danville's position as a regional hub. The textile mill and cotton fields in the top quadrant and the tobacco fields on the bottom quadrant show the two traditional foundations of Danville's economy: textiles and tobacco. The dates on the seal reflect the date of the founding and the date of incorporation.

Date Settled	1793
Date Incorporated	1830
Area (sq. miles)	44
Form of Government	Council-Manager
Number of Employees (July 2019)	1250

Demographics

Population	40,044
Unemployment Rate (6/2020)	12.7%
Number of Registered Voters (7/2020)	27,631
Median household income	\$36,301
Median home value (owner-occupied)	\$91,100

data.virginialmi.com, Census, Danville Registrar

Largest Employers

The Goodyear Tire & Rubber Company
Danville City Public Schools
City of Danville
SOVAH Health Center
Wal-Mart
Averett University
Nestle USA, Inc.
Roman Eagle Memorial Home
Gretna Health Care Center
Danville – Pittsylvania Community Services Board

data.virginialmi.com

Local Taxes

Real Estate	\$0.84 per \$100 of assessed value
Personal Property	\$3.60 per \$100 of assessed value
Business Personal Property	\$3.60 per \$100 of assessed value
Machinery and Tools	\$1.50 per \$100 of assessed value
Aircraft	\$0.30 per \$100 of assessed value
Mobile Homes	\$0.84 per \$100 of assessed value
Meals Tax	6.5%
Transient Lodge Tax	8% + \$2 per night
Short Term Rental Tax	1%

Bond Ratings

Moody's	Aa3
Standard and Poor's	AA-
Fitch	AA-

As of July 2018

Facilities and Services

Miles of streets (approx.)	732
Number of recreation centers	7
Number of parks	14
Number of skate parks	1
Riverwalk Trail distance (miles)	11
Mountain biking trail distance (miles)	35
Number of libraries	2

Public Safety

Number of Fire stations	7
ISO Rating (Fire)	1
Number of Police stations	1

Hospitals

Number of hospitals	1
Number of patient beds	250

Danville Public Schools

Number of Pre-K Centers	2
Number of Elementary Schools	6
Number of Middle Schools	2
Number of High Schools	2
Number of Intermediate Schools	1
Number of Special Program Centers	4

Public Utilities

Sanitary Sewer - Department of Public Works

Miles of sanitary sewer (approx.)	380
Number of Service Connections ¹	16,481

Water - Danville Utilities

Miles of water mains (approx.)	330.6
Number of service connections ¹	16,076
Number of treatment plants (potable)	1
Number of treatment plants (industrial)	1
Daily average consumption in gallons (potable)	4.66 million gallons
Daily average consumption in gallons (industrial)	0.423 million gallons
Maximum Daily Capacity of plant (potable)	18 million gallons
Maximum Daily Capacity of plant (industrial)	3 million gallons
Reservoir Capacity (potable)	16.55 million gallons
Reservoir Capacity (industrial)	45 million gallons

Natural Gas - Danville Utilities

Number of service connections ¹	16,452
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Power and Light - Danville Utilities

Service Territory Area (sq. miles)	535
Number of service connections ¹	42,071

¹Number of service connections may fluctuate on a daily basis.

Accrual Basis of Accounting

Funds that focus on total economic resources employ the accrual basis of accounting, which recognizes increases and decreases in economic resources as soon as the underlying event or transaction occurs. Revenues are recognized as soon as they are earned and expenses are recognized as soon as a liability is incurred, regardless of the timing of the related cash inflows and outflows.

Appropriation

The legal authority granted by the City Council to expend funds for a specific purpose.

Assessment

The official valuation of property for the purposes of taxation.

Assessed Value

A valuation set upon real or personal property by the City Assessor as a basis for levying taxes.

Audit

Conduct an official financial examination of an organization's accounts.

Basis of Accounting

A term used to indicate when revenues, expenditures, expenses and transfers, as well as the related assets and liabilities are recognized in the accounts and reported in the financial statements.

Balanced Budget

Occurs when the total revenues match the total expenditures for a fiscal year.

Bond

A written promise to pay a specified sum of money (the "principal") at a specified date in the future, together with a periodic interest at a specified rate. The payments on a bond are referred to as "debt service".

Budget

The plan for the acquisition and allocation of resources for a specified purpose.

Budget Message

A general discussion of the proposed budget presented to City Council by the City Manager as a part of or supplement to the budget document. The budget message explains principal budget issues against the background of financial experience in recent years, and presents recommendations made by the City Manager.

Capital and Special Projects Program (CSP)

A five-year plan for completing public capital projects on an annual basis, with tentative beginning and ending dates for each, anticipated costs, and options for financing.

Capital Outlay

Category of expenditures that includes machinery/equipment purchases, furniture/fixtures purchases, communications purchases, motor vehicles and equipment, software purchases, or certain expenditures classified as improvements.

Capital Projects

Large one-time construction/maintenance projects or purchases that are expected to provide services for citizens over a period of time.

Contingency

An estimated amount of funds needed for deficiency, contingent or emergency purposes.

Contribution Other Entity

Category of expenditures that includes contributions to outside organizations.

Cost Allocation

Cost allocation distributes accumulated indirect costs to the programs that benefit from the accumulated cost on the basis of percentages that represent a reasonable and equitable allocation base. A cost allocation plan allows the General fund to recover administrative costs from Enterprise Funds, grants, and other participants (Juvenile Detention).

Current Financial Resources

A measurement that focuses on changes in current financial resources. Here the goal of the operating statement is to answer the question, "What are the transactions or events of the period that have increased or decreased the resources available for spending in the near future?" This is the focus of governmental type funds (the General Fund) and is the reason the modified accrual basis of accounting is used.

Danville-Pittsylvania Regional Industrial Facility Authority (RIFA)

A regional partnership between the City of Danville and Pittsylvania County for the purpose of engaging in joint economic development efforts.

Debt Service

Repayment of City debt, including interest.

Department

An entity with the City organization, established either by State Code or identified need, for the administration of specifically related duties or responsibilities. A Department Head is responsible for the activities or expenditures within that department.

Depreciation

The process for estimating and recording the lost usefulness, expired useful life, or diminishment of a fixed asset that cannot or will not be restored by repairs and must be replaced. The cost of the fixed asset's lost usefulness is the depreciation or the cost to replace the item at the end of its useful life.

Disbursement

A cash payment to an outside party, or a transfer of funds to another accounting entity within the City's financial structure.

Division

For manageability and accounting purposes, some departments are further divided into divisions, which are small units of control in a given service area.

Economic Resources

A measurement focus used to describe the types of transactions and events that are reported in a fund's operating statement. The goal of the economic resources measurement focus is to answer the question, "What transactions and events have increased or decreased the fund's *total economic resources* during the period?" This is the goal of enterprise funds, and hence is the reason they use the accrual basis of accounting.

Employee Benefits

Category of expenditures that include indirect and non-cash compensation paid to an employee such as contributions to FICA, retirement (ERS and VRS), worker's compensation, and expenditures classified as employee services.

Encumbrance

A reservation of funds for an anticipated expenditure prior to an actual payment for an item. Funds are usually encumbered or reserved once a contracted obligation has been entered into for an item, but prior to the cash payment actually being disbursed.

Enterprise Fund

These self-supported funds for city-owned entities are entirely or predominantly financed by user fees. The operation of these self-sustaining funds is accounted for in such a way as to show gains or losses, similar to that of a private enterprise.

Expenditure

The authorized payment of City funds for goods or services. This includes payment for operating expenses, capital improvements, and debt service.

Fiduciary Fund

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and cannot be used to support the government's own programs.

Fiscal Year (FY)

A year long accounting period. For the City of Danville, the fiscal year runs from July 1 to June 30 of the following year.

Full-Time Equivalent (FTE)

Full-time equivalents; the total count of full-time and part-time classified as well as hourly personnel in a department or sub-department. Part-time classified and temporary personnel are shown as a percentage of a full-time position.

Fund

A fiscal and accounting entity with a self-balancing set of accounts, which is segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

Fund Balance (FB)

Resources, which at year's end, have exceeded requirements and have not been designated for any specific purpose.

General Fund

The general fund accounts for the majority of day-to-day City operations and finances by taxes and revenue.

Geographic Information Systems (GIS)

A geographic information system is a system designed to capture, store, manipulate, analyze, manage, and present spatial or geographic data. GIS applications are tools that allow users to create interactive queries, analyze spatial information, edit data in maps, and present the results of all these operations.

Governmental Fund

Funds generally used to account for tax-supported activities. There are five different types of governmental funds: the general fund, special revenue funds, debt service funds, capital projects funds, and permanent funds.

Grant

A contribution of assets by one governmental unit or other organization to another. Typically, these contributions are made to local governments from the state and federal governments. Grant moneys are usually dedicated for specific purposes.

Intergovernmental Revenues

Revenues from other governments, such as the State and Federal government in the form of grants, entitlements, shared revenues or payments in lieu of taxes.

Internal Services

A category of internal service funds that centralize the services for the general government motor pool, print shop, and insurance. These services are provided on a cost-reimbursement basis to the departments utilizing the services.

Internal Services Fund

The internal services fund accounts for the financing of goods and services provided by one fund to another fund on a cost reimbursement basis.

Labor Expense Cross

The cost of public works labor charged to another department.

Maturities

The dates on which the principal or stated values of investments or debt obligations become due and/or may be reclaimed.

Modified Accrual Basis of Accounting

Method under which revenues are recognized when earned, only to the extent they are collectible within the period or soon enough afterwards to be used to pay liabilities of the current period. Similarly, debt service payments and specific accrued liabilities are only recognized as expenditures when payment is due because it is only at that time that they normally are liquidated with expendable available financial resources. Funds that focus on the current financial resources (governmental funds) use the modified accrual basis of accounting.

Non-Categorical Aid: 599 Funds

Funding earmarked for public safety from the State of Virginia for localities with Police Departments.

Other Operating Expenses

A category of expenditures that includes travel and training, general liability insurance, dues and memberships, telephone/internet, office supplies, books and subscriptions, postal service, uniforms, and other materials and supplies.

Operating Expenses

The portion of the budget pertaining to the daily operations that provides basic governmental services.

Personnel Services

A category of expenditures that includes the salaries and wages for employees.

Position

A specified group of duties and responsibilities to be performed by a person employed by the City.

Proprietary Funds

Funds that rely on operating income, changes in net assets or cost recovery, financial positions, and cash flows.

Public Assistance

A category of expenditures that includes Social Service programs.

Purchased Services

A category of expenditures that include services performed by non-city entities for the functionality of a department or division. This can include payments for maintenance service contracts, repair work done by non-city firms, or accounting/auditing services.

Reserve

Funds that have been set aside for a specific purpose or future use.

Revenue

Government income, including, but not limited to, funding from sources such as taxes, permits, fees, licenses, fines, and grants.

Tax Base

The aggregate value of all items being taxed.

Tax Rate

The level of taxation stated in terms of a dollar amount (i.e \$0.84 per \$100 of assessed value) or a percentage of the value of the tax base (5% sales tax).

Transfer Out

General Fund support of other operations.

Unencumbered Balance

The amount of an appropriation that is neither expended nor encumbered. It is essentially the amount of money still available for expenditures.

Virginia Department of Transportation (VDOT)

The Virginia Department of Transportation is the agency of the state government responsible for transportation in the Commonwealth of Virginia. This includes pass-through funding for local projects related to transportation.

Voice Over Internet Protocol (VoIP)

Voice over Internet Protocol, also called IP telephony, is a method and group of technologies for the delivery of voice communications and multimedia sessions over Internet Protocol networks, such as the Internet. The City has transitioned to this technology in many departments, which has realized cost savings.



City of Danville

City Manager's Office

July 1, 2020

Honorable Mayor and Members of Council:

I am pleased to present to you the Adopted FY 2021 Budget. I wish to thank you for the hard work, diligence, and direction given throughout the budgeting process.

This adopted budget provides the resources necessary to continue basic municipal services while also making additional investments in the focus areas previously identified by City Council:

- Reduce Crime
- Improve Education
- Grow Danville

As the recovery from the COVID-19 pandemic continues, the administration will monitor expenditures in relation to revenues. The Pay-for-Performance salary increase will be postponed until the impact of revenue receipts is determined. Capital projects will be evaluated based on urgency of specific projects and will be delayed as needed. In addition, the CSP includes bond funding in the amount of \$12,812,770 of which \$5.8 million is for Electric Fund projects. The bond issuance will be delayed until later in the fiscal year at which time each project will be evaluated.

The Adopted FY 2021 General Fund Budget is \$115,651,300, which is 2.7% higher than the previous fiscal year. This includes the City's support of Danville Public Schools at \$22,812,500, an increase of \$150,000. The Utility budgets include expenditures (less depreciation) of approximately \$165 million in the Wastewater, Water, Gas, Electric and Telecommunications Funds and 20.5 million for affiliated capital projects of which \$5.8 million to be funded with bonds, \$2.8 million from Contribution-in-Aid, \$1.0 million of reprogrammed funds, and a \$1.25 million loan from the Gas Fund to the Telecommunications Fund.

It is anticipated that there will be additional revenue growth in meals tax of \$245,000. The City anticipates \$180,000 additional revenue from real estate taxes based on the reassessment, \$150,000 additional revenue in Personal Property Tax based on the receipt of the second half of the 2020 tax increase, \$164,520 additional delinquent personal property taxes, and \$160,000 from Machinery and Tools Tax. The building

Honorable Mayor and Members of Council

July 1, 2020

Page 2

permits, inspection fees, charges for services and overall State revenues are estimated to be flat. Transfers from fund balance in addition to those listed below, includes \$1,660,950 from the General Fund for Economic Development Incentives. The transfer from the unreserved fund balance is \$3,957,610 which is an increase of \$1,907,610 over the previous fiscal year.

Accompanying this document is the City's five-year Capital & Special Projects Plan (CSP). Fiscal Year 2021 provides funding for all funds in the amount of \$19,495,032. Funding sources include current revenues, reprogrammed funds, and contributions from other funds. Also included in the CSP are projects funded with grants and bond funds and projects with funding to be determined. Appropriations for these projects will be recorded when funding is approved by separate appropriation ordinances.

I would like to express my appreciation to our Budget Team and to our Department Directors for a job well done.

Respectfully,

A handwritten signature in black ink that reads "Ken Larking". The signature is written in a cursive, flowing style.

Ken Larking
City Manager

Changes for the Introductory Budget

REVENUES:		Budget
Total Revenues - Proposed Budget		\$116,049,600
Federal -CARES Act - Airport		69,000
Less Reduction to Rental - Airport (CARES Act reduces the income from fuel sales)		(12,000)
Reduction to Transfer In From Fund Balance as detailed below:		(455,300)
Reduction based on additional revenues for Airport from CARES Act less reduction of revenue from fuel sales	57,000	
Additional State Revenues for Transportation reduced the needed Transfer to Transportation - less the elimination	76,507	
Elimination of proposed fee increases for Transportation	(45,160)	
Elimination of Transfer to Transportation based on anticipated revenues from CARES Act for Mass Transit	366,953	
Total Revenue - Introductory Budget		\$115,651,300
EXPENDITURES:		
Total Expenditures - Proposed Budget		\$116,049,600
Elimination of Transfer to Transportation as detailed below:		(398,300)
Additional State Revenues for Transportation reduced the needed Transfer to Transportation	76,507	
Elimination of proposed fee increased Transfer to Transportation	(45,160)	
Elimination of Transfer to Transportation based on anticipated revenues from CARES Act for Transportation	366,953	
Total Expenditures - Introductory Budget		\$115,651,300



FY 2020-21 City Manager's Proposed Budget

Honorable Mayor and Members of Council:

Pursuant to Chapter 8, Section 8-6 of the City Charter, I am pleased to present this proposed Fiscal Year 2021 Budget for your review and consideration.

This recommended budget provides a financial plan for the ensuing fiscal year and was developed in accordance with sound fiscal policies. Our budgeting process requires that municipal departments justify every line item and propose not more, or less, than is needed to serve the public at Council-authorized levels. The principles used to develop this budget are:

- Basic City services are continued with funding at adequate levels.
- Revenue projections are estimated at realistic, projected levels.

This year's budget includes recommendations on initiatives that will allow continued investment in the City Council's identified focus areas and move toward closing the long-term structural deficit.

Major Fund Highlights

The total proposed budget for FY 2021 is \$291,453,710 for operations, capital and debt service, which includes all funds minus inter-fund transfers. This is \$10,182,200 more than the current budget of \$281,271,510 – a 3.6% increase.

Utility Funds

The total Utility Department budget, which includes electric, gas, water, sewer and broadband, is \$177,633,330. This is \$6,276,330 more than the current budget of \$171,357,000. ***No rate increases are proposed for the upcoming fiscal year.*** A biennial rate study will be conducted in the summer, which will determine whether rate changes are needed in subsequent years. In the past, that has either led to both decreases and increases in rates. While we are not certain of the outcome of the study, we know there are potentially significant cost savings associated with the expiration of a multi-year block of energy in December 2020. Far cheaper energy sources will replace the block. Also, in March 2021, a multi-year purchase of natural gas will expire and will likely be replaced by gas purchases at a much lower rate. It is our intention to pass any cost savings associated with the purchase of cheaper electricity and gas on to our customers.

General Fund

This year's proposed General Fund Budget is \$116,049,600 which is \$3,407,020 more than the current budget of \$112,642,580. **No tax or rate increases are proposed in this budget.** Nearly half of the increase to the General Fund is associated with a \$960,950 increase to economic development incentives for announced and unannounced new businesses and industry and an \$863,430 increase in funds to pay for various capital projects. Other increases include an additional \$502,090 in debt service payments for City of Danville and Danville Public Schools capital projects. The budget also includes a \$150,000 increase to Danville Public Schools for its operational budget.

In the current year, the City conducted an update on its pay plan in order to make sure that we are fairly compensating employees compared to the market for comparable localities and for those employers that we compete with for workers. The budget includes \$480,000 in the General Fund to pay for the cost to bring employees up to the minimum of the new recommended pay ranges. There is also \$580,000 budgeted to continue the City's pay-for-performance system with average increases of 2% for employees, depending on performance.

To pay for these increases, we anticipate a \$236,250 increase in current and delinquent real estate tax collection and a \$274,250 increase in personal property tax collection, which is primarily associated with a rate increase last year. The City is also expecting a nearly \$500,000 increase in economic development-related revenues thanks to the improving business climate in Danville. Of this, \$155,500 is from increased machinery and tools tax, \$245,000 is associated with increases in meals tax collection, and \$85,750 is from additional hotel/motel tax revenue.

There is also included a \$2,362,910 increase in the use of unreserved fund balance. The total budgeted transfer from unreserved fund balance is \$4,412,910, which will be used for one-time expenditures like capital projects and economic development activities. Based on experience from previous years, it is not anticipated that the full amount will be deducted from fund balance. As an example, in FY 2019, the City budgeted \$2,759,650 to be used from fund balance and actually added \$928,205 to fund balance.

Multi-Year Financial Forecasting

Last year, the City Council adopted a change in its financial policies that required the use of multi-year financial forecasting when developing the budget.

The goal of multi-year financial forecasting is to help Council make wise and strategic decisions that will put Danville on a sustainable fiscal path. In order to attract middle-class families to our community, Danville must be able to deliver government services as efficiently as possible while making strategic investments in the long-term sustainability of the community. These include investments in the three Council-identified priority areas of creating a safe community, improving public education, and growing the economy.

People do not make choices about which community to live in based solely on having the lowest tax rates and having balanced budgets. New residents mainly choose to live in a community because there are economic opportunities and quality of life amenities that make it attractive.

Recent economic development announcements and continued interest in existing industrial parks, including the Southern Virginia Mega Site at Berry Hill, will help propel the local economy and provide new and better opportunities to Danville residents. It will also help the City to achieve the goal of at least 3-4% annual growth in local tax revenue base, which enables the City to keep up with the growing cost of providing services with less pressure to raise rates.

However, even with the promise of new growth, it is imperative that the City take steps to reduce the cost of government services and be prudent users of limited resources.

Last year, several steps were taken to reduce operational costs and increase revenues, including:

- Health insurance plan design changes, a dependent eligibility audit, and implementation of an employee health clinic, which held costs in check. It is typical to see health insurance costs increase well above the consumer price index, and it is not unusual to see a double-digit increase, so holding costs is a significant accomplishment.
- Implementation of an enhanced retirement for Public Safety led to several retirements, and the subsequent reorganization in the Police Department and reduction of positions in the Fire Department resulted in substantial savings.
- The creation of a tiered retirement system, which requires new employees to contribute toward their participation in the Employee Retirement System will result in annual savings that will improve every year for the next 3-4 decades.

This year, the City plans to study further whether combining the Adult Detention Center with the Jail would provide sensible cost savings. If it happens, it will be a phased-in approach that could, ultimately, save about \$1 million per year when fully implemented.

Focus Areas – Investing in Danville’s Future

The City Council Focus Areas continue to be as follows:

- Reduce violent crime
- Improve education in Danville Public Schools
- Grow Danville

Reducing Violent Crime

Over the past several months, the City has taken several steps to reduce crime, and we intend to continue to push new initiatives with the goal of making Danville a family-friendly community. These initiatives include:

- Establishment of an office of gang prevention staffed by the Youth and Gang Prevention Coordinator and implementation of the Office of Juvenile Justice and Delinquency Prevention's Comprehensive Gang Model. The City has received nearly \$200,000 in grants to help fund this effort over the past few years.
- Efforts in the Police Department to connect with youth of all ages through dedicated youth engagement officers.
- Increased focus on community policing through neighborhood walks, coffee with a cop, added presence in schools, among other activities.

This recommended budget includes \$1,553,125 to pay for additional initiatives:

- \$75,000 for the expansion of the closed-circuit television camera system, which improves security and helps identify and locate suspects.
- \$196,952 to pay for upgrades to police equipment, including:
 - TASER and Body-Worn Camera Upgrades /Replacement
 - Police equipment upgrades and replacement.
- \$803,145 for fire apparatus and equipment replacement.

Also, the City is exploring options for developing a stand-alone Police headquarters to get the department out of cramped spaces throughout City Hall and improve service delivery. The headquarters will also provide the department with enhanced opportunities for community and youth engagement.

Improving Danville Public Schools

Last year, City Council approved over \$2 million in funding to provide for ongoing revenues to Danville Public Schools to continue a teacher pay increase implemented the previous year with one-time funds. The impact of this investment included increasing the number of licensed teachers in the classroom from about 89% to 97.2%. As a result, students are receiving higher-quality instruction and have a better chance of success during their schooling and upon graduation. This investment is critical and will play a key role in improving school performance and accreditation.

While the state has not yet adopted its budget for the following year, all signs are pointing toward increased funding to help school systems with high poverty. For that reason, this recommended budget includes a modest increase of \$150,000 in funding for schools, bringing the total to \$22,812,500. The budget also includes a provision to allow Danville Public Schools to retain any unspent funds at the end of the current fiscal year to use toward expenses next year.

The proposed budget also includes \$2 million in bond proceeds to be used by Danville Public Schools to pay for capital expenses like roof and HVAC equipment replacements and other building repairs. Voters may also have a chance to vote on a proposed 1% local option sales tax for school renovation and construction by referendum in November.

Grow Danville

For several years, the City has taken bold action to attract businesses and industry to our community and region. We have invested in industrial recruitment, retention and expansion through incentives, and workforce development. We have made efforts to revitalize neighborhoods and focused on our award-winning River District, which has made Danville attractive to residents, businesses and visitors alike.

Danville has an award-winning River District thanks to targeted investments aimed at improving downtown and encouraging private investment. An aggressive industrial recruitment program has brought in large employers to our city and region. Continued investments in the Riverwalk Trail and parks and public spaces in the River District, like the Crossing at the Dan, Main Street Plaza and streetscapes, have improved quality of life for residents and visitors to our city.

The present and past leaders of our city deserve to be congratulated for all the effort put forth, which led to these successes. However, more must be done to sustain this success and restore Danville's status as a great place to raise a family and grow a business.

To sustain this success, the proposed budget includes:

- \$1,980,000 for River District projects.
- \$945,518 for streetscape improvements, matching state dollars.
- \$100,000 for international recruitment of industrial prospects.
- \$400,000 to continue the City's comprehensive blight removal program.
- \$1,480,000 for park improvements, including the installation of two splash pads – one in the southern half of the City and one in the northern half of the City.
- \$100,000 in funding to renovate the bathrooms at the Welcome Center, which is expected to come from a one-time increase in state funds.

Budget Challenges

In the coming months, Danville is poised to experience significant growth that will have a positive impact on local revenues. However, much of that is unknown at this time.

Last November, the citizens of Danville voted to approve pari-mutuel wagering, or off-site historical horse racing (HHR). While Colonial Downs has not established a location in Danville, it's likely to happen in some form in the near future. Also, the General Assembly is considering allowing Danville to hold a referendum this November on whether to allow casino gaming in the City. Since HHR is already allowed, by November of this year, there will be clarity on what gaming will look like in Danville. Either way, it would involve an increase in local revenues, which will reduce pressure to adjust rates to continue current levels of service delivery.

However, the challenge of this new opportunity is that we don't know precisely what form it will take and how much new revenue it will bring in. This proposed budget does not

include any additional funds related to this new potential revenue source and the positive impact it will have on other revenue sources.

As was mentioned earlier, the City is not pausing its efforts to make improvements in the three identified focus areas. There is an over \$2 million increase in the use of fund balance to pay for one-time costs associated with these investments instead of finding a new sustainable revenue source. By the end of this year, the City will know more about potential new revenues from either HHR or casino gaming.

In addition to that new potential revenue source, the City and Pittsylvania County's joint efforts to improve industrial recruitment have started to pick up steam. Morgan Olson recently announced that it plans to eventually hire about 1,000 people at the plant it will open in the former IKEA building in June. Also, efforts to get the Southern Virginia Mega Site at Berry Hill and the Southern Virginia Multimodal Park in Hurt ready for new prospects are poised for additional significant industrial expansion.

The possibility of new revenue sources will enable the City to address many projects that have been delayed due to a lack of funding. The five-year capital improvement plan identifies a number of projects that have no known sustainable funding source. The projects include:

- Renovations to existing schools to better serve our students.
- A new Police headquarters.
- Parking facilities in the River District to help continue the expansion of businesses and residences downtown.
- Rehabilitation of the crosswind runway at the Danville Regional Airport to improve services to the flying public and local businesses.
- A track and field venue, which currently does not exist, for Danville Public Schools.
- Design and construction of a regional baseball complex that would enable Danville to host baseball tournaments and provide new recreational opportunities for our youth, as was recommended in a recent study on sports tourism.
- Renovation of the City Armory, which is where Parks and Recreation is currently located.
- Increased investment in blight reduction and neighborhood revitalization.
- Increased funding for blighted industrial and commercial sites.

In addition, it would be financially prudent to consider using any new revenues to provide for the following:

- An ongoing source of revenue for routine capital improvement projects like HVAC and roof replacements and general building repairs.
- An ongoing source of revenue for economic development projects and incentives.
- Elimination of debt service and establishment of a capital reserve fund for future projects.
- An increase in the budget stabilization fund to help during economic downturns.

Should the City not realize any significant increase in revenue related to HHR, casino gaming, or new industrial recruitment, tough decisions will need to be made on how to continue our push to create a desirable place for people to live, work, visit, and open a business.

Budget Highlights

The following sections are highlights of the FY 2021 Budget.

General Fund

The total proposed FY 2021 General Fund budget is \$116,049,600. This is \$3,407,020 (3.02% more than the FY 2020 budget).

FY 2021 General Fund Revenues – Major Changes

	FY 2020 Adopted Budget	FY 2021 Proposed Budget	Increase (Decrease)
General Property Taxes			
Real Estate Taxes (Current & Delinquent)	\$ 18,713,750	\$ 18,950,000	\$ 236,250
Personal Property Taxes (Current & Delinquent)	11,975,480	12,290,000	314,520
Machinery & Tools (Current & Delinquent)	1,606,000	1,761,500	155,500
All Other General Property Taxes	1,593,720	1,762,920	169,200
Other Local Taxes:			
Local Sales Taxes	9,150,000	9,150,000	-
Business & Occupational Licenses	5,200,000	5,250,000	50,000
Prepared Meals Taxes	8,400,000	8,645,000	245,000
Hotel & Motel Room Taxes	1,514,250	1,600,000	85,750
All Other Local Taxes	3,228,400	3,227,000	(1,400)
Revenue From Use of Money/Property	1,292,850	1,170,590	(122,260)
Recovered Cost	8,008,160	7,958,250	(49,910)
Charges for Detention	2,853,580	2,768,260	(85,320)
Social Service Programs/Administrative Reimb	7,511,600	7,399,750	(111,850)
Other Revenue Areas	29,544,790	29,703,420	158,630
Total Revenues	\$ 110,592,580	\$ 111,636,690	\$ 1,044,110
Transfer From Unreserved Fund Balance	2,050,000	4,412,910	2,362,910
Total Revenues and Transfer from Fund Balance	\$ 112,642,580	\$ 116,049,600	\$ 3,407,020

Revenues

Following is a description of increases or decreases in each major source:

- **Real Estate Taxes** - There is no increase in real estate taxes proposed; however, the reassessment indicates a possible 1% increase in valuation. Therefore, this budget proposes an increase of \$180,000 in this revenue. The delinquent real estate line item also reflects an increase in the amount of \$56,250.

- **Personal Property Tax** – This tax was increased in the FY 2020 budget by \$0.10 (\$3.50 to \$3.60 per \$100 valuation) effective January 1, 2020. The budget reflects the collection of the second half of that tax. Delinquent personal property tax also reflects an increase in the amount of \$264,520.
- **Machinery & Tools Tax** – This revenue reflects natural growth in the amount of \$160,000 with a slight decrease in delinquent Machinery & Tools tax.
- **Other Local Taxes** - Sales tax is proposed to remain flat with the FY 2020 Budget due to lower projected revenues. Meals tax, BPOL, and Hotel/Motel tax are projected to increase by \$245,000, \$50,000, and \$85,750 respectively.
- **Revenue from the use of Money/Property** – Interest rates have fallen and this revenue category reflects that trend.
- **Recovered Costs & Charges for Detention** - These two categories also reflect a reduction in anticipated revenues.
- **State Aid – Categorical** – A reduction in this revenue item is a result of reduction in Social Service programs which is also reflected in expenditures.
- **Transfer from Unreserved Fund Balance** – This line item reflects an increase in the amount of \$2,362,910. In the past, the administration has limited the transfer from fund balance to Economic Development incentives and projects. There is an increase in the incentives and projects as well as proposed funding of other capital projects. The justification for this is to avoid proposing any tax increases. This is not sustainable and will need to be considered in future budgets.

Expenditures – Changes in major expenditure are as summarized as follows (Chart on next page):

- **Health Clinic** – This increase is actually a reclassification of an expenditure from Human Resources Administration to the Health Clinic.
- **Worker's Compensation** – Based on prior expenditures over the past several years, the administration reduces this line item.
- **Line of Duty** – As with Worker's Compensation, based on prior expenditures over the past several years, the administration reduces this line item.
- **General Liability Insurance** – This line item is a reflection of continued increases in insurance costs.
- **Repairs & Maintenance-Building** – Major increases include: Jail – Replace sliding bar door; Fire – Remodel Station 2 bathroom & kitchen counter tops and

paint outside of Station 7; Social Services – Replace carpet in offices and paint and renovations to the former Registrar Office.

	FY 2020	FY 2021	Increase
	Adopted Budget	Proposed Budget	(Decrease)
Salaries & Benefits:			
Salaries & Wages (FT, OT & PT)& FICA	\$ 42,021,930	\$ 42,422,070	\$ 400,140
Salaries & Wages - Adjustments	694,490	998,400	303,910
Salaries & Wages-Attrition	(934,570)	(1,200,000)	(265,430)
Employees Retirement System	3,036,400	3,072,740	36,340
Virginia Retirement System	695,960	653,310	(42,650)
Health Clinic	595,000	693,260	98,260
Workers Compensation	860,000	800,000	(60,000)
Other Operating Expenditures:			
Line of Duty	400,000	300,000	(100,000)
General Liability Insurance	644,340	721,050	76,710
IT Technology	483,900	561,690	77,790
Repairs & Maintenance-Bldgs	386,060	502,420	116,360
Maintenance Service Contracts	2,113,210	2,288,180	174,970
Travel & Training	496,360	585,090	88,730
Credit Card Charges	155,000	265,000	110,000
Contributions-Other Entities	2,045,210	2,185,310	140,100
Uniforms & Apparel	238,040	402,500	164,460
Cost Allocation	1,537,440	1,413,580	(123,860)
Machinery & Equipment	661,580	764,970	103,390
Motor Vehicles & Equipment	433,000	232,010	(200,990)
Debt Service	5,200,190	5,628,360	428,170
Contingency Appropriation	297,270	156,760	(140,510)
Social Service Programs	2,588,080	2,426,900	(161,180)
Transfers To/From Other Funds:			
Support of Capital Projects	2,694,960	3,655,040	960,080
Transfer to RIFA	422,490	255,810	(166,680)
Economic Development Incentives	700,000	1,660,950	960,950
Support of Schools	22,662,500	22,812,500	150,000
Transfer Out to Transportation Fund	264,630	398,300	133,670
Refunds	-	43,340	43,340
All Other Expenditures	21,249,110	21,350,060	100,950
	\$ 112,642,580	\$ 116,049,600	\$ 3,407,020

- **Travel & Training** – The increase in this line item is mostly for Police (increase in training academy costs, supervisory leadership training, forensic academy, and officers attending the VA Gang Conference), Fire (chief requesting additional funds to provide “Train the Trainer” courses), Adult Detention (Basic Jailers School).
- **Credit Card Charges** – This is a reflection of increased cost associated with the use of credit cards in Customer Accounting. This cost increase is also reflected in the increased recovery from Utilities.

- **Contribution to Other Entities** – The Humane Society requested \$10,000 additional support as well as Danville Pittsylvania Community Services request for an additional \$100,400.
- **Uniforms & Apparel** – Police Department requests additional funding to cover costs: Police Equipment Replacement and Upgrades of the following: Class "A" Uniforms, Police Badges, Police Hats and Hat Badges, Police Jackets, Police Rain Coats. The Fire Department requests additional funding to purchase Honor Guard Uniforms.
- **Machinery & Equipment** – The majority of this increase is related to Information Technology to replace desktops and monitors, and the cost for the Police Department to continue to switch to Tahoes.
- **Motor Vehicles** – The Police Department in the past several years increased the amount requested for vehicle replacement due to switch to Tahoes which are more expensive. These vehicles have a longer life span and the City is now realizing the savings associated with the decision to switch.
- **Contingency** – This line item is reduced in order to avoid proposing any tax increase.
- **Support of Capital Projects & Economic Development Incentives** – Both of these two line items reflect an increase which will be discussed during Budget Work Sessions (some in closed session for unannounced projects).
- **Support of Schools** – The City is proposing an increase to Schools in the amount of \$150,000.
- **Transfers Out to Transportation Fund** – The pay study plan highlighted the impact of below market salaries for the Transportation Fund. This increase is a reflection of the increased cost needed to bring transit drivers salaries up to market.
- **Refunds** – This is a refund to the Tobacco Revitalization Commission for North American Mold Technology.
- **Employee Retirement System** – See “All Funds” Section
- **Pay-for-Performance Salary Increase** – See “All Funds” Section
- **Pay Study Plan** - See “All Funds” Section
- **Debt Service** - See “All Funds” Section

All Funds

Capital & Special Projects - Below is a chart showing the City's Proposed Capital & Special Projects for FY 2021.

Capital & Special Projects - All Funds

Funding included in the Budget Appropriation Ordinance	\$ 15,355,032
Reprogrammed Funds	3,190,000
Contribution-in-Aid	2,500,000
Loan from Gas Fund to Telecommunication Fund	1,250,000
Funding authorized through separate actions	29,296,197
General Obligation Bonds for General Fund & Electric Fund	10,801,769
Total Capital Projects - All Funds	\$ 62,392,998

Pay-for-Performance Salary Increase – This budget provides for continued funding of the Pay-for-Performance salary increases. At the end of the current fiscal year, employees will be evaluated against established standards and given pay increases based on their performance. Employee on probation or with less than one year of service to the City are not eligible for a performance increase. The Proposed FY 2021 Budget includes funding for an average 2% pay-for-performance salary increase pending City Council approval of the budget. Each fund will be impacted as shown on the chart below.

Fund	Amount Budgeted
General Fund	\$ 580,000
Less:	
Social Services State Funding & JDF Partners Reimbursement	(120,000)
Net To General Fund	\$ 460,000
VDOT	56,900
Central Collections	2,370
Motorized Equipment	17,090
Mass Transit	7,980
Sanitation	22,410
Cemeteries	7,600
Wastewater	18,070
Water	28,160
Gas	25,200
Electric	96,780
Telecommunications	2,950
Totals	\$ 745,510

Pay Study Plan - The last pay study was completed 2012 and implemented in FY 2013. Consultants recommend a pay study every 3-5 years in order to maintain salary ranges within the market. Below is a chart showing the cost to implement the pay study in FY 2021.

Pay Study Increases

Fund	
General Fund	\$ 480,000
VDOT	43,500
Central Collections	1,700
Motorized Equipment	19,400
Mass Transit	159,030
Sanitation	13,270
Cemeteries	35,850
Wastewater	10,690
Water	32,610
Gas	7,220
Electric	37,930
Telecommunications	-
Totals	\$ 841,200

Retirement - The City reduced the retirement rate for FY 2020 based on the expectation of reduced cost to be achieved with employees participating ½ of the cost up to 5%. However, the actuary is recommending an increase in the rate for FY 2021. We anticipate achieving savings in the future as new employees join the workforce and existing employees retire or leave City employment.

Fund

General Fund	\$ 102,420
VDOT	36,380
Central Services	1,600
Motorized Equipment	11,550
Transportation	15,930
Sanitation	15,130
Cemetery	4,950
Wastewater	10,610
Water	18,960
Gas	16,980
Electric	64,850
Telecommunication	2,000
Total	\$ 301,360

Debt Service – The chart below shows the changes in Debt Service for FY 2021.

Description	FY 2020 Adopted	FY 2021 Proposed	Incr (Decr)
General Fund			
General Government Bonds (Principal & Interest)	\$ 2,608,000	\$ 2,852,880	\$ 244,880
Juvenile Detention Bonds	291,360	190,700	(100,660)
Social Service Building Bonds	49,150	49,010	(140)
School Bonds (Principal & Interest)	2,246,680	2,498,770	252,090
City Share of RIFA Bonds	247,488	255,801	8,313
IDA Bonds	647,255	647,590	335
Reimbursable Agreements	-	31,250	31,250
Fiscal Agent Fees	5,000	5,750	750
General Fund Total	\$ 6,094,933	\$ 6,531,751	\$ 436,818
Utilities			
Wastewater Fund			
Bonds	\$ 854,410	\$ 411,590	\$ (442,820)
Water Fund	931,230	422,970	(508,260)
Gas Fund	268,730	161,340	(107,390)
Electric Fund	4,490,960	4,733,380	242,420
Utilities Total	\$ 6,545,330	\$ 5,729,280	\$ (816,050)
Other Funds - Bonds			
Mass Transit Fund	\$ 120	\$ 50	\$ (70)
Motorized Equipment Fund	3,540	1,120	(2,420)
Sanitation Fund	81,730	109,780	28,050
Other Funds Total	\$ 85,390	\$ 110,950	\$ 25,560
Total All Funds	\$ 12,725,653	\$ 12,371,981	\$ (353,672)

The preparation of the City Manager's Proposed Budget is complete. I, along with the Department Directors, will now work with you, the City Council, to review what we have developed, and mold it into a City Council Proposed Budget, which is scheduled to be shared with the public by April 30. Public input will be actively encouraged in May and June before a final budget is adopted and associated funds appropriated by June 30th.

I am grateful to our budget team for its hard work getting to this point. City staff stands ready to assist the Council throughout the remainder of the budget process. We are all ultimately accountable to the citizens in providing needed municipal services and facilities effectively and efficiently.

Respectfully,



Ken F. Larking
City Manager



CITY OF DANVILLE, VIRGINIA

CITY COUNCIL

Alonzo L. Jones – Mayor
Gary P. Miller, MD – Vice Mayor

James B. Buckner
L.G. “Larry” Campbell Jr.
Samuel Kushner
Barry P. Mayo

Sherman M. Saunders
J. Lee Vogler
Madison R. Whittle

LEGISLATIVE STAFF

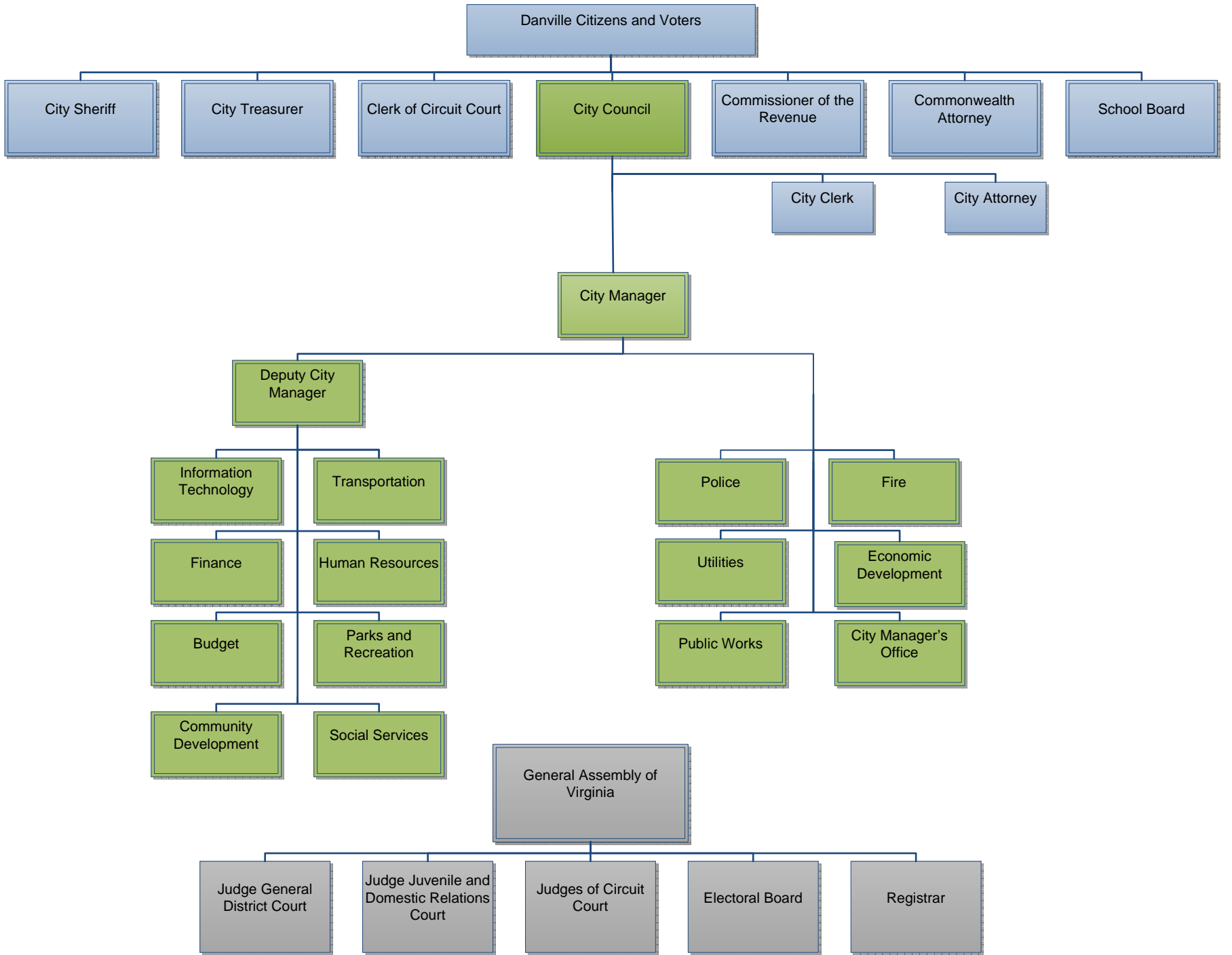
W. Clarke Whitfield, Jr.City Attorney
Susan M. DeMasiCity Clerk

CITY LEADERSHIP

Kenneth F. LarkingCity Manager
Earl B. Reynolds Jr.....Deputy City Manager
Marc D. Adelman.....Director of Transportation Services
Michael Adkins.....Director of Finance
Scott C. Booth... ..Chief of Police
Richard I. Drazenovich..... Director of Public Works
David W. Coffey..... Fire Chief
Jason C. Grey..... Director of Utilities
Kenneth C. Gillie Jr.....Director of Community Development
John L. Moody..... Director of Social Services
Inez J. RodenburgDirector of Information Technology
William O. SgriniaDirector of Parks and Recreation
Corrie Teague Bobe.....Director of Economic Development
Sara B. WellerDirector of Human Resources
Cynthia L. ThomassonBudget Director

CONSTITUTIONAL OFFICERS

Michael S. Mondul.....City Sheriff
Michael J. Newman.....Commonwealth Attorney
Gerald A. Gibson..... Clerk of Circuit Court
James M. Gillie..... Commissioner of the Revenue
Sheila Williamson-Branch.....City Treasurer





City Council Focus Areas

During a City Council Retreat in October 2016, the City Council developed three focus areas that require immediate attention by City Council, staff and community partners in order to transform Danville into a safe, strong and thriving community with opportunities for residents to achieve economic success and personal fulfillment. The focus areas are as follows:

1. Implement Long and Short Term Strategies to Reduce Violent Crime.
2. Strengthen the working relationship with the School Board for the purpose of improving education in City Schools.
3. Grow Danville.

Focus Area #1 - Implement long and short term strategies to reduce violent crime.

Police-Focused Efforts

- Establish a Gang Task Force consisting of representatives from the Danville Police Department, Danville Commonwealth Attorney's Office, Danville Sheriff's Office, W.W. Moore Juvenile Detention Home, Probation and Parole Office, Danville Adult Detention and Danville Public Schools. The Task Force will be expected to share information, implement strategies and coordinate efforts designed to curb the growth and activity of gangs.
- Increase funding support to the Danville Police Department's informant fund to adequately compensate individuals who wish to share critical violent crime information.
- In addition to continuing existing community policing efforts, the Danville Police Department will implement additional evidence-based community policing strategies and techniques that are applicable to our community and that will have both long and short term impact on crime reduction.
 - Develop a housing incentive program available to police officers who choose to live in targeted neighborhoods.

- Expand beyond the Green Street precinct to develop a fixed presence in at least two at risk neighborhoods.
 - Improve police visibility by incorporating highly visible patrols in targeted areas to include foot beat, bicycle, motorcycle and automobile patrol.
 - Develop a public advertising campaign about the need for responsible firearm ownership to reduce the number of stolen firearms.
- Expand the use of technology to enhance the effectiveness of crime detection and suppression.
 - Enhance the Community Crime Map for further transparency.
 - Fund the civilian position of Crime Analyst when grant funds expire and consider the addition of a second crime analyst.
 - Fund a civilian position of Property and Evidence technician to more effectively manage all firearm related evidence to enhance prosecution possibilities.
 - Expand use of fixed video surveillance in key intersections and high crime areas.
 - Fund the acquisition of a gunshot detection system in high crime areas.
- Implement an alarm reduction program to reduce the amount of time officers spend handling false alarms in order to focus attention on crime prevention and suppression. This can be accomplished either by privately contracting the program or funding a civilian position to manage it internally.
- Provide funding for additional, fully equipped patrol vehicles which would be utilized to provide increased patrol when necessary to protect public safety.

Other Efforts

- Immediately develop a Youth Services Task Force consisting of professionals from local youth-serving agencies, Social Services, Danville Public Schools, and citizens to create recommendations for serving at-risk youth before they get involved in criminal activity.
- Continue working to eradicate devastating property blight, deterioration, decline, and abandonment that are undermining Danville's neighborhoods.
 - Proactively enforce the City's property maintenance code, including effective response to public complaints and rigorous implementation of provisions relating to vacant and blighted structures, graffiti, accumulated trash, overgrowth and weeds, inoperative vehicles, right of way encroachment, hazardous trees, and automobile graveyards and junkyards.
 - In order to promote compliance with health and safety standards and reduce substandard conditions in rental housing for low-income residents, continue the Rental Housing Inspection Program within the three existing districts and consider expansion, where allowed by state law.
 - Support the newly-established non-profit Community Development Corporation through an annual appropriation and staff support.
- Partner with other city departments and the school system to implement new Parks and Recreation Programs targeting at-risk children and youth.
 - Initiate short term intensive programming focused on the relationships between self-development, character building and community resources.

- Develop community-based programming in order to bring structured activities to children in their communities.
 - Develop programming focused on developing youth leaders.
 - Develop outreach efforts for the Danville Public Library to take materials and programs into at risk neighborhoods.
- Explore development of a Community Wealth Building Task Force charged with developing strategies to reduce poverty.
 - Work cooperatively with the Danville Public Schools, West Piedmont Workforce Investment Board, Danville Community College, Averett University, the Commonwealth, and other partners to build and sustain a well-trained workforce.
 - Consider a multi-generational approach to combatting poverty by developing incentive programs for parents to participate in programs that would help their families improve their economic condition.

Focus Area #2 – Strengthen the working relationship with the School Board for the purpose of improving education in City Schools.

- Work with the School Board to help create the best environment for our children to achieve success by ensuring that both the physical condition of the schools and the learning environment inside the classroom.
- Regularly meet with the Danville School Board and administration to maintain a good understanding of public education system operations and budget requirements.
- Hold a joint City Council/School Board retreat in early 2017 in order to better understand each other's perspectives.
- Shift to funding schools by purpose of allocation, as allowed by law.

Focus Area #3 – Grow Danville.

Business Recruitment

- Continue to aggressively recruit new businesses and industries to the area that will diversify the economy, increase overall average wage rates, and strengthen the tax base.
- Continue the aggressive redevelopment of the River District (including the riverfront) which is a major attraction tool for millennials, tourists, and citizens.
- Continue to support retention and expansion of existing businesses through visitation, regular contacts, and provision of needed assistance.
- Determine unmet market demand throughout the City for retail, service, and restaurant businesses and utilize recruitment firms that can best meet those demands.

Business-Friendly Permitting

- Develop and implement a program to make Danville the most “business friendly” city in the Virginia-North Carolina region.
 - Conduct a review of the City's land use development ordinances to ensure that it is easy to do business in Danville through a reasonable, predictable, effective, and efficient permitting process.
 - Create a process for developers to submit plans in a digital format in order to streamline the review process, which would reduce costs and time for the customer.
 - Explore implementation of a credit card system for acceptance of payment for permits and plan reviews.
 - Within constraints posed by Virginia law, maximize purchase of goods and services from Danville businesses.
- Conduct a city specific floodway and floodplain study to help facilitate development of the Dan River riverfront in order to improve access and utilization of the River.

Quality of Life –Resident and Visitor Attraction

- Ensure that all of Danville's neighborhoods are attractive, desirable places to live to ensure that newcomers choose to live in the City.
 - Continue to expand the nDanville network into additional residential neighborhoods.
 - Use the “Danter” housing market study to recruit developers for housing projects that fulfill an identified unmet need on the housing ladder.
- Develop Gateway Corridor Plans to improve the appearance of the main transportation arteries leading into the city.
- Generate Small Area Plans for the redevelopment of the Schoolfield and Edgewood areas to support Economic Development efforts to develop the old Dan River Mills Schoolfield complex.
- Develop a master plan for expanding the RiverWalk Trail to include connectivity to regional trails.
- Evaluate the development of a “Creative District” in order to increase cultural and arts opportunities within the City.

Legislative Action

- Advocate for state legislation that would have a direct impact on improving housing in the City of Danville. Efforts include:
 - Support the retention of State Historic Tax Credits.
 - Support expansion of authority to implement rental inspection districts into additional areas of the City.
 - Support the “Tax Certification” bill HB 636, which would help to ensure that delinquent taxes are settled prior to transfer of property.

Starting in 2017 with an initial grant application, the City of Danville took part in a multi-year financial planning process. Danville City Council received a presentation on a multi-year financial forecasting model developed by the National Resource Network, which is a federally funded consortium of urban experts from private, nonprofit and academic sectors. Launched under the auspices of the White House Council on Strong Cities, Strong Communities and backed by the Department of Housing and Urban Development, the National Resource Network is the only federal program that provides comprehensive technical assistance to cities, including guidance on fiscal management.

The goal of multi-year financial forecasting is to help Council make wise and strategic decisions that will put Danville on a sustainable fiscal path. In order to attract middle class families to our community, Danville must be able to deliver government services as efficiently as possible while making strategic investments in the long-term sustainability of the community. These include investments in the three Council-identified priority areas of creating a safe community, improving public education, and growing the economy.

This process which led to the development of the model included city departments and constitutional offices meeting with consultants to understand their organization, current and future issues, and trends within their area. The consultants also look across the state to see look for potential best practices or opportunities for budget savings that could be applied locally, as well creating baseline comparisons with peer municipalities. During this time, an advisory board – the Multi-Year Financing Committee – consisting of residents, business leaders, City Council members, and staff met to review the basis for the model and the viability of options suggested. The final report, included in the Appendix in full, was presented to City Council along with a demonstration of the model. This baseline projection that showed Danville has a structural budget deficit that is only going to worsen over the next five years unless changes are made. Plans are in place to create an interactive budget model for the public to utilize.

Short Term Plan

The final report outlines short term strategies to limit spending. These strategies would include potential service reductions, changes in staffing, managed competition, shared services and consolidation, and increases in revenues without inhibiting economic competitiveness. Many of these short term strategies are included in the FY2021 Adopted Budget, including:

- Plans to study further whether combining the Adult Detention Center with the Jail would provide sensible cost savings.

Long Term Plan

The report provides long term strategies to grow the tax base. This includes potential tax rate and fee changes that would allow for additional revenue while still being competitive. Additionally, plans for investing in the future of the City through public school funding, crime prevention initiatives, and job creation are outlined.

Additional information, including videos of the presentations and copied of the documents can be found at www.danvilleva.gov/MultiYearPlan.

The City of Danville's annual budget serves as the foundation for financial planning and control. The object of these controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City Council. Departments are required to submit requests for appropriations to the Budget Director by mid-December of each year. The Budget Director uses these requests as a starting point for developing a work budget. The City Manager, in conjunction with the budget team, reviews departmental requests along with mandated costs and expected revenues. Primary revenue sources for the City's General Fund are property taxes, sales taxes, business and occupational licenses, meals taxes, state revenues, and contributions from the City's Utility Departments. In establishing the budget, historical and trend data are analyzed. In addition to analyzing historical data, economic indicators and the impact the economy will have on the historical data is taken into consideration.

Once a complete budget is developed, it is presented as a recommended budget to the City Council by April 1 for review and deliberation. After City Council's approval, an introductory budget is released by April 30. The City Council Introductory Budget contains all changes and amendments made by the City Council during its budget review. It is the City Council Introductory Budget that is submitted for public hearing. City Council is required to adopt a final budget by June 30 each year. The City Charter requires the affirmative votes of two-thirds of all the members of the City Council for all ordinances imposing taxes, authorizing the borrowing of money or appropriating money exceeding the sum of \$10,000.

The Adopted Budget takes the form of: 1) an ordinance, authorizing expenditures and the raising of revenues during the coming budget year, and 2) resolutions authorizing fees, charges and related actions.

Once the budget is adopted by the City Council, it becomes the shared responsibility of the city manager, finance director, budget director and department heads to oversee the implementation of the budgeted programs and to continually monitor expenditure and revenue levels throughout the year. Full implementation of the FY 2021 budget begins on July 1, 2020.

Amending the Budget

The City Manager is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total budget amounts and/or appropriations of any fund require an amendment to the budget. The Code of Virginia requires that City Council approve any amendment. If the total of the proposed amendment exceeds one percent of the total expenditures shown in the currently adopted budget or \$500,000, the proposed amendment must be advertised and a public hearing must be held before City Council can act. After the public hearing, City Council can act on the proposed amendment.

DESCRIPTION OF MUNICIPAL BUDGET FUNDS

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Danville, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with legal requirements. The City of Danville has three types of funds:

Governmental Funds

The Governmental Funds report essentially the same functions as the governmental activities in the government-wide financial statements. The governmental fund financial statements focus on the near-term cash inflows and outflows and the amount of spendable resources available at the end of the fiscal year. This information is useful when evaluating the City's near-term financing needs.

The City of Danville maintains seven individual governmental funds. These funds are considered major funds. The Special Revenue Fund, Virginia Department of Transportation (VDOT) Fund, Economic Development Fund, and the Cemetery Maintenance Fund are considered nonmajor funds.

Proprietary Funds

The City of Danville maintains two types of proprietary funds: (a) utility enterprise funds and (b) internal service funds. Enterprise funds are used to report the same functions as the business-type activities in the government-wide financial statements. Wastewater, Water, Gas, and Electric are presented on the statements individually as major funds. Telecommunications, Transportation, Sanitation, and Cemetery Operations are combined as nonmajor funds. Enterprise funds are used to account for operations: (1) that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is the cost of providing goods or services to the general public on a continuing basis to be financed or recovered primarily through user charges or (2) where the governing body has decided that periodic determination of net income is appropriate for accountability purposes.

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, or to other governments on a cost reimbursement basis. The City of Danville has three internal service funds providing services to other City departments as follows:

1. Motorized Equipment – acquires and maintains all vehicles used by the various departments of the City. The Fire Department purchases and maintains large equipment independent of motorized equipment.
2. Central Services – provides office supplies and printing services for all of the City's departments.
3. Insurance – provides general insurance coverage to all City departments, including areas such as workers' compensation where the City is completely self-insured, and insurance coverage purchased from outside insurance companies.

Fiduciary Funds

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and cannot be used to support the government's own programs. The City of Danville maintains two fiduciary funds: a Pension Trust Fund; and an Agency fund, the Veterans Memorial Fund.

The Employees' Retirement System of the City of Danville functions as an investment and administrative agent for the City's retirement plan. These activities are excluded from the government-wide financial statements because the City cannot use these assets to finance its operations.

The Veterans Memorial Fund accounts for money held in trust to complete a memorial to our local veterans. This activity is also excluded from the government-wide financial statements because the City cannot use these assets to finance its operations.

All the City's funds that are shown in this document are described in more detail below.

GOVERNMENTAL: OPERATING FUND

The General Fund

The General Fund is the primary operating fund for governmental-type activities. This fund accounts for all financial resources of the City, except for those resources required (by general accepted accounting principles) to be accounted for in another fund. The most significant sources of funding are general property taxes, other local taxes and transfers from the various utility funds. The most significant expenditures from this fund are for public safety, public works programs including infrastructure maintenance, health and welfare programs and contributions to other funds for education and capital improvements. The budget and accounting records are maintained on a modified accrual basis.

PROPRIETARY: INTERNAL SERVICE FUNDS

The Insurance Fund

This fund provides accountability for all City costs relating to workers compensation on a self-insured basis, general insurance provided by outside insurance carriers- excluding group health and life, risks covered by statewide pools and risks other than workers compensation on a self-insured basis. The fund is supported by charges to the user departments on a cost-reimbursement basis and is on a modified accrual basis of accounting for both the budget and the accounting records.

The Central Services Fund

This fund provides accountability for the acquisition of office supplies, the cost of interoffice mail, central mailroom and printing services, which are provided to the various departments of the City. The fund is supported by charges to the user departments on a cost-reimbursement basis and is on a modified accrual basis of accounting for both the budget and the accounting records.

The Motorized Equipment Fund

This fund provides accountability for the acquisition and maintenance of motorized vehicles for various departments of the City. The fund is supported by charges to the user departments on a cost-reimbursement basis and is on a modified accrual basis for both the budget and the accounting record.

PROPRIETARY: ENTERPRISE FUNDS

The Transportation Fund

This fund provides for activities relating to mass transit bus services. The fund is on an accrual basis of accounting for both the budget and the accounting records. However, the fund is not self-supporting. Operation and maintenance costs are paid by user fees from passengers of the bus service, local, federal, and state grants and transfers from the General Fund.

The Sanitation Fund

This fund provides for activities relating to the collection and disposal of solid waste. The fund is self-supporting with user fees, which cover the operating and maintenance cost. The fund is on an accrual basis of accounting for both the budget and the accounting records.

The Cemetery Fund

The Cemetery Fund provides for funeral services, sale of lots and record keeping. The staff provides services to local funeral homes and can assist residents and non-residents who are interested in purchasing at-need and pre-need burial lots. Additionally, this fund provides for the maintenance of the eight municipally owned cemeteries. The fund is on an accrual basis of accounting for both the budget and the accounting records.

The Wastewater Fund

This fund provides for activities related to the treatment of household, commercial and industrial waste as well as the operations and maintenance of the treatment facilities, pumping stations, and collection lines. The fund is self-supporting with user fees, which cover the expenses for the collection system and treatment facilities and a contribution to the General Fund in lieu of taxes and to represent a return on investment. An accrual basis of accounting is used for this fund for both the budget and the accounting records.

The Water Fund

This fund provides for reliable high quality drinking and industrial process water at the lowest cost possible while complying with all local, state, and federal laws, regulations and standards. The fund is self-supporting with user fees, which cover the operating, and maintenance cost for water treatment plant and the distribution lines and a contribution to the General Fund in lieu of taxes and to represent a return on investment. An accrual basis of accounting is used for this fund for both the budget and the accounting records.

The Gas Fund

This fund provides for activities relating to the purchase and distribution of natural gas to customers. The fund is self-supporting with user fees, which cover the purchased cost of natural gas, operation and maintenance of the distribution system and a contribution to the General Fund in lieu of taxes and to represent a return on investment. An accrual basis of accounting is used for both the budget and the accounting records.

The Electric Fund

This fund provides for activities relating to the purchase of electricity, production of electricity, and operating and maintenance costs. The operating and maintenance costs cover the hydro-electric facilities, transmission system, and the distribution system. The fund is self-supporting

with user fees, which cover all costs and provide a contribution to the General Fund in lieu of taxes and to represent a return on investment. An accrual basis of accounting is used for both the budget and the accounting records.

The Telecommunications Fund

The Telecommunications Fund is an e-rate service provider to the Danville Public Schools and the Pittsylvania County Schools and maintains and operates nDanville, a high-tech fiber optic network. The fund is self-supporting with user fees, which cover all costs and provide a contribution to the General Fund in lieu of taxes and to represent a return on investment. An accrual basis of accounting is used for both the budget and the accounting records.

GOVERNMENTAL: SPECIAL FUNDS

The Capital and Special Projects Fund

This fund provides accountability for financial resources used for major construction projects relating to general government use. Funding resources include proceeds from the sale of bonds, federal and state grants and transfers from the General Fund. The fund operates on a modified accrual basis of accounting for both the budget and the accounting records. Information regarding these projects can be found in the department summaries.

Virginia Department of Transportation Fund

In accordance with Section 33.1-41.1 of the Code of Virginia, the Commonwealth Transportation Board authorizes payments to municipalities for maintenance, construction, or reconstruction of eligible roads and highways. The maintenance payments are based on lane miles of principal, collector, or local streets within the city limits. The rates are adjusted annually. This fund will more clearly identify the Virginia Department of Transportation maintenance fund expenditures. The funds are reimbursed to the city on a quarterly basis.

March 17	Regular Council Meeting/ Work Session City Manager's Proposed Budget, CSP & Fee Schedule Presented to City Council (VA Code Section 15.2-2503 and City Charter Section 8-6)
April 7	Regular Council Meeting and Work Session
April 21	Regular Council Meeting and Work Session
April 30	City Council's Introductory Budget posted (per City Charter Section 8-6)
May 7	Regular Council Meeting Public Hearing and 1 st Reading School Budget Resolution
May 21	Regular Council Meeting Final Adoption: School Budget Resolution Public Hearing & 1 st Reading All Tax Increases
June 2	Regular Council Meeting Final Adoption All Tax Increases Public Hearing – City Budget – 1 st Reading Resolutions 1 st Reading- Budget Approp Ordinance City & CSP Budget
June 16	Regular Council Meeting Final Adoption of Resolutions approving City & CSP Budgets Final Adoption – Budget Appropriation Ordinance
July 1	Begin New Fiscal Year

LEGAL REQUIREMENTS:

Utility Rates and other Fee Increases: Advertise 2 successive weeks with 2nd publication no sooner than 1 week after the first publication. Fourteen days must elapse between the last publication date and the passage of the ordinance.

Reassessment years when reassessment produces tax levy in excess 101% of current levy - Notice of Public Hearing for Real Estate Tax Rate at least 30 days prior to Public Hearing. The Public Hearing for the R/E Tax Increase CANNOT be held at the same time of the Public Hearing on the Budget.

Non-reassessment years for Real Estate Taxes and all other local taxes – notice of proposed increase must be published in a newspaper at least seven days before Public Hearing. Ten days must elapse between Public Hearing and passage of ordinance.

Advertise Summary of School Budgets once at least 7 days prior to Public Hearing. School Budget must be approved by May 15 or within 30 days of receipt of State Revenue Estimated whichever occurs later.

Advertise Summary of City & CIP Budgets once at least 7 days prior to Public Hearing.

Budget Appropriation Ordinance not to be passed until 10 days after introduction.

FY 2021 Adopted Budget
Budget Summary
All Funds Summary

<u>Revenues</u>	<u>Adopted Budget FY 2021</u>	<u>Adopted Budget FY 2020</u>
General Fund	\$ 111,693,690	\$ 110,592,580
Transfer From Fund Balance	3,957,610	2,050,000
VDOT Street Maintenance Fund	11,369,690	11,373,490
Wastewater Fund	9,322,740	9,358,110
Transfer From Fund Balance	1,507,190	
Water Fund	11,292,890	9,023,610
Transfer From Fund Balance	496,380	-
Gas Fund	22,857,550	21,935,040
Transfer From Fund Balance	1,247,980	594,880
Electric Fund	130,044,100	129,363,920
Transfer From Fund Balance	-	225,650
Telecommunications Fund	655,770	610,630
Transfer From Fund Balance	208,730	245,160
Transportation Fund	3,831,050	3,579,210
Transfer From Fund Balance	366,950	-
Sanitation Fund	3,779,350	3,768,060
Transfer From Fund Balance	116,050	
Cemetery Fund	983,420	996,280
Transfer From Fund Balance	39,560	
Insurance Fund	3,530,350	3,360,200
Central Services Fund	257,400	257,400
Transfer From Fund Balance	73,330	80,720
Motorized Equipment Fund	3,551,780	3,408,210
Transfer From Fund Balance	71,510	128,150
Total	\$ 321,255,070	\$ 310,951,300
Less Interfund Charges	(8,088,490)	(8,040,870)
Less Interfund Transfers	(15,353,000)	(15,353,000)
Less Interfund Recoveries	(6,359,870)	(6,285,920)
Total Budget	\$ 291,453,710	\$ 281,271,510

FY 2021 Adopted Budget
Budget Summary
All Funds Summary

<u>Revenues</u>	<u>Adopted Budget FY 2021</u>	<u>Adopted Budget FY 2020</u>
General Fund	\$ 115,651,300	\$ 112,642,580
VDOT Street Maintenance Fund	11,369,690	11,373,490
Wastewater Fund	10,829,930	8,786,250
Transfer To Fund Balance	-	571,860
Water Fund	11,789,270	9,004,730
Transfer To Fund Balance	-	18,880
Gas Fund	24,105,530	22,529,920
Transfer To Fund Balance	-	-
Electric Fund	129,892,150	129,589,570
Transfer To Fund Balance	151,950	-
Telecommunications Fund	864,500	855,790
Transfer To Fund Balance	-	-
Transportation Fund	4,198,000	3,579,210
Sanitation Fund	3,895,400	3,724,480
Transfer To Fund Balance	-	43,580
Cemetery Fund	1,022,980	931,000
Transfer To Fund Balance	-	65,280
Insurance Fund	3,491,950	3,301,340
Transfer To Fund Balance	38,400	58,860
Central Services Fund	330,730	338,120
Transfer To Fund Balance	-	-
Motorized Equipment Fund	<u>3,623,290</u>	<u>3,536,360</u>
Total	\$ 321,255,070	\$ 310,951,300
Less Interfund Charges	(8,088,490)	(8,040,870)
Less Interfund Transfers	(15,353,000)	(15,353,000)
Less Interfund Recoveries	<u>(6,359,870)</u>	<u>(6,285,920)</u>
Total Budget	<u>\$ 291,453,710</u>	<u>\$ 281,271,510</u>

Reference: City of Danville Financial Policies, Section 4 – Fund Balance, amended May 2015

Sufficient reserves must be retained by the City at all times to provide financial stability. A properly sized and configured fund balance in each operating fund is essential in accomplishing this. The Governmental Accounting Standards Board requires that General Fund balance elements be structured in five categories that span a continuum of use constraints that classify a fund's net resources from those that have the most constraints placed on their use to the least. What was formally accounted for as the "unrestricted" fund balance is now separated into "assigned" and "unassigned" fund balance accounts.*

- Nonspendable Fund Balance -- amounts that cannot be spent because of form (such as inventory) or because of legally or contractual requirements (such as the principal of an endowment fund, pre-paid items, or long-term receivables).
- Restricted Fund Balance -- amounts that are constrained to being used for a specific purpose by external parties (such as grantors, bondholders, or the state or federal governments), through constitutional provisions, or by enabling legislation. Such restrictions normally cannot be removed by City Council.
- Committed Fund Balance -- amounts committed by ordinance for specific purposes by the City Council itself. Council can likewise remove such constraints through an amending ordinance. These relate to expenditures that are not expected to occur routinely. Examples include reserves established by Council to construct a new facility or to purchase property for an industrial park.
- Assigned Fund Balance -- amounts that Council sets aside for specific purposes, but with fewer restrictions than intended with restricted or committed fund balance amounts. Examples include the City's special revenue, capital project, debt service, and budget or rate stabilization funds.
- Unassigned Fund Balance -- amounts that have not been restricted, committed, or assigned and are therefore available for any Council-authorized purpose.

In the case of municipal funds other than the General Fund (for example, utility and enterprise funds) assigned and unassigned fund balances remain combined in "unrestricted" fund balance accounts.

* GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions," effective for fiscal periods beginning after June 15, 2010.

FY 2021 Adopted Budget
Budget Summary
Fund Balance

Changes in Fund Balance – General Fund

	ACTUAL 2016-17	ACTUAL 2017-18	ACTUAL 2018-19	PROJECTED 2019-20	ADOPTED 2020-21
Revenues					
Property taxes	\$28,596,301	\$31,117,992	\$33,310,771	\$34,153,100	\$34,764,420
Local taxes	25,692,229	26,108,521	27,198,315	27,101,366	27,872,000
Fines and forfeitures	362,431	353,857	386,050	312,063	410,550
Permits, privilege fees, and regulatory licenses	252,914	225,545	210,412	245,570	258,350
Revenue from use of money and property	431,229	495,970	1,605,235	1,853,251	1,158,590
Charges for services	3,972,083	3,839,592	3,794,107	3,081,426	3,328,360
Miscellaneous & Contributions	87,624	63,935	72,885	70,734	125,400
Recovered costs	4,004,748	4,050,183	4,523,323	6,034,723	7,958,250
Intergovernmental ⁽¹⁾	19,642,484	19,306,928	19,251,439	19,601,524	20,464,770
Total revenues	<u>83,042,043</u>	<u>85,562,523</u>	<u>90,352,537</u>	<u>92,453,757</u>	<u>96,340,690</u>
Expenditures					
General government	7,934,783	8,236,640	8,508,828	8,488,687	10,886,940
Judicial administration	6,478,626	6,747,429	6,683,011	7,111,997	7,189,000
Public safety	28,354,090	27,525,523	28,697,885	29,970,286	30,666,050
Public Works	4,214,138	3,481,295	3,418,421	4,150,514	4,401,510
Health and welfare	8,883,746	9,062,591	9,129,170	7,117,560	8,921,430
Education	17,371,819	18,907,327	21,096,331	20,974,657	22,812,558
Parks, recreation, and cultural	4,698,731	4,672,626	4,510,886	4,464,760	5,187,540
Community development	3,305,842	2,770,748	2,540,157	2,133,300	1,925,950
Nondepartmental	8,955,634	6,978,650	7,359,156	8,385,168	9,531,230
Debt service					
Principal	3,083,791	3,077,253	3,363,625	3,668,128	3,946,077
Interest	1,654,888	1,594,610	1,552,372	1,581,431	1,627,465
Total expenditures	<u>94,936,088</u>	<u>93,054,692</u>	<u>96,859,842</u>	<u>98,046,488</u>	<u>107,095,750</u>
Excess of revenues over (under) expenditures	(11,894,045)	(7,492,169)	(6,507,305)	(5,592,731)	(10,755,060)
Other financing sources (uses)					
Transfers in	16,330,000	15,069,000	14,848,000	15,353,000	15,353,000
Transfers out	(11,216,315)	(11,273,371)	(8,039,609)	(6,484,256)	(8,555,550)
Bonds issued, including premium/discount	703,030	1,843,165	120,859	-	-
Refunding bonds issued	6,974,012	-	-	-	-
Payments to refunded bond escrow agent	(6,914,203)	(1,603,440)	-	-	-
Total other financing sources (uses)	<u>5,876,524</u>	<u>4,035,354</u>	<u>6,929,250</u>	<u>8,868,744</u>	<u>6,797,450</u>
Net change in fund balances	\$ (6,017,521)	\$ (3,456,815)	\$ 421,945	\$ 3,276,013	\$ (3,957,610)
Beginning Fund Balance	<u>\$48,992,905</u>	<u>\$42,975,384</u>	<u>\$39,518,569</u>	<u>\$39,940,514</u>	<u>\$43,216,527</u>
Ending Fund Balance	\$42,975,384	\$39,518,569	\$39,940,514	\$43,216,527	\$39,258,917

City recognizes the primary purpose of facilities and equipment is to support provision of public services. Using debt financing to meet the capital needs of the community, the City must balance between debt financing and "pay-as-you-go" methods. The City realizes failure to meet the demands of growth may inhibit its continued economic viability but also realizes too much debt may have detrimental effects.

Tax Supported Debt Outstanding, 6/30/2020

General Fund	\$	29,815,841
Schools	\$	16,078,889
Total	\$	45,894,730

Current Tax-Supported Debt Obligations

FY	Principal	Interest	Total	Payout Ratio
TOTAL	\$ 45,894,730	\$ 11,544,643	\$ 57,439,373	
2021	3,952,339	1,580,295	5,532,634	8.6%
2022	4,058,084	1,429,745	5,487,830	17.5%
2023	3,249,301	1,277,511	4,526,812	24.5%
2024	3,396,253	1,159,497	4,555,750	31.9%
2025	3,540,247	1,020,580	4,560,827	39.6%
2026	3,686,141	876,029	4,562,170	47.7%
2027	2,183,402	727,194	2,910,596	52.4%
2028	2,170,661	638,137	2,808,798	57.2%
2029	2,257,153	561,892	2,819,045	62.1%
2030	2,054,238	491,103	2,545,341	66.6%
2031	2,105,102	430,363	2,535,465	71.1%
2032	2,169,256	368,691	2,537,947	75.9%
2033	2,129,289	304,433	2,433,722	80.5%
2034	2,193,483	242,658	2,436,141	85.3%
2035	1,973,698	179,764	2,153,462	89.6%
2036	1,856,001	121,925	1,977,927	93.6%
2037	1,145,553	73,581	1,219,134	96.1%
2038	857,741	39,752	897,493	98.0%
2039	609,700	17,653	627,353	99.3%
2040	307,090	3,839	310,928	100.0%

Debt Policy

General Authority

The Constitution of Virginia and State Code authorizes localities to issue debt within certain limitations. The Constitution restricts the amount of General Obligation debt – that is, debt payable from general municipal revenues and backed by the full faith and credit of a city – to 10% of the assessed valuation of real property in the jurisdiction plus any applicable limitations set forth in the city's charter. In determining the debt applicable to the 10% legal debt limit, the following types of debt are excluded:

- Notes issued in anticipation of the collection of revenue and maturing within 12 months;
- Bonds secured by the full faith and credit of the municipality, for which the principal and interest payments are made with revenues earned by the utility or facility (double-barrel bonds);
- Bonds of the municipality, the principal and interest on which are payable exclusively from the revenues and receipts of a utility system or other specific undertaking from which a city may derive a revenue (revenue bonds); and
- Financial instruments on which the debt service payments are contingent upon annual appropriations by the governing body (lease purchase agreements and reimbursable agreements).

With the following exceptions, the City Charter is more restrictive in providing that no debt shall be issued until approved by a majority of the qualified voters at an election. Issuance of the following may be authorized by City Council without voters' approval:

- Up to \$6 million of bonds in any one fiscal year to finance capital expenditures, excluding capital improvements related to water, sewer, gas, and/or electric improvements.
- Up to \$10 million of bonds in any one fiscal year to finance capital expenditures relating to the City's water, sewer, gas, or electric systems or other undertaking from which the City may derive a revenue.
- Up to \$25 million of bonds or notes in any one fiscal year for capital expenditures relating to the City's water treatment, wastewater treatment, stormwater treatment, solid waste disposal, or recycling facilities, and any extraordinary maintenance improvements or expansions of transmission, and distribution infrastructure for the electric or gas systems.
- Bonds of any amount necessary to pay costs or expenditures related to annexation.
- Refunding bonds issued to refinance existing debt.
- Notes issued in anticipation of revenue not to exceed \$500,000 with a maximum maturity of 24 months.
- Contractual obligations other than bonds and notes, such as lease-purchase contracts.

City of Danville Standards

The City will maintain the following standards to ensure a higher level of financial security than that afforded by meeting minimum State standards:

- **Debt to Assessed Value:** Debt supported by General Fund tax revenue will not exceed 3.0% of total taxable assessed value of property within City limits. For the purposes of calculating this ratio, assessed value shall include real property and personal property.

Fiscal Year	Assessed Value	Tax-Supported Debt	Debt to Assessed Value
2018	\$2,783,286,689	\$ 45,467,449	1.6%
2019	\$2,796,386,781	\$ 45,379,138	1.6%
2020	\$2,797,711,046	\$ 45,894,730	1.6%

- **Debt Service to Expenditures:** Debt service paid from general tax revenue will not exceed 10% of total General Fund Expenditures, including transfers out.

Fiscal Year	Tax Supported Debt Service	General Fund Expenditures	General Fund Expenditures
2018	\$ 4,671,863	\$ 93,054,692	5.02%
2019	\$ 5,018,545	\$ 96,859,842	5.18%
2020*	\$ 5,313,968	\$ 98,046,488	5.42%

*projected expenditures - unaudited

Fiscal Year	Tax Supported Debt Service	General Fund Expenditures	General Fund Expenditures
2017	\$ 4,543,213	\$ 94,936,088	4.79%
2018	\$ 4,671,863	\$ 93,054,692	5.02%
2019*	\$ 5,018,545	\$ 94,089,057	5.33%
*projected expenditures - unaudited			

- Debt Payout Ratio: The City will structure its bond issues to maintain an overall 10-year payout ratio (the amount of principal retired within 10 years) of not less than 60%.
- Derivatives: The City will not use interest rate exchange agreements, swaps, or other derivatives in managing its debt portfolio.

Other standards adhered to by the City of Danville include the following:

- No debt will be issued until an ordinance has been adopted by Council by affirmative vote of two-thirds (six of nine) of its members.
- Long-term borrowing for capital improvements will be confined to such improvements and projects that cannot be reasonably financed from current revenues.
- In consideration of bond issue cost, bond issues shall be appropriately sized, preferably not less than \$3 million. Several projects may be grouped together in a single bond issue. However, no single project element should cost less than \$100,000, as lower level expenditures will be included in operating budgets and financed with current revenues.
- Capital improvements that are financed by issuing general obligation bonds, revenue bonds, or other long-term debt, including lease-purchase obligations, will be repaid within a period not to exceed the expected useful life of the improvement.
- Unless required to be credited to a trustee held account by requirements of a trust indenture, it is the accounting policy of the City to recognize temporary investment earnings on bond proceeds in the General Fund in order to match transfers out to the Debt Service Fund for bond interest expenditures.
- To maintain a predictable debt service burden, the City will give preference to debt that carries a fixed interest rate. However, consideration may be given to variable rate debt. Conservative estimates will be used in budgeting variable rate debt service interest expenses. Variable rate debt will be limited to no more than 20% of total outstanding debt.

Long & Medium-Term Debt

The City makes use of general obligation and revenue bonds for debt financing normally extending over 20 to 30 years and lease-purchase financing for debt paid over five to 10 years.

- General Obligation Bonds -- General obligation bonds will be used for public improvement projects that have a direct benefit to the citizens of Danville. General obligation bonds may be used to finance utility projects if doing so is more cost effective than using revenue bonds.
- Revenue Bonds -- The City uses revenue bonds to finance utility projects when general obligation bonds are not feasible or cost effective.
- Lease-Purchases -- Lease-purchase obligations, bonds, or other debt instruments may be used as a medium-term (4 to 10 years) method of borrowing for the financing of vehicles, specialized equipment, or capital improvements. Assets with a longer

useful life may be lease financed if it is determined it is in the City's best interest. The equipment or improvement must have an expected life of more than five years and cost in excess of \$100,000. Such debt will be paid before expiration of the expected life of the equipment or improvement acquired.

Short-Term Debt

The City's policies regarding fund balance and unrestricted cash reserves are designed to eliminate the need to borrow to meet operating cash flow requirements. However, from time to time, as part of an overall plan to stabilize utility rates and manage its utility business over a multi-year planning period, the City may borrow on a short-term basis through the issuance of short-term notes or through the procurement of a line of credit. Security for the notes or line of credit may include a pledge of utility revenues on a gross or net basis or the general obligation pledge of the City. Bond Anticipation Notes (BANs) may be issued for capital related cash purposes to reduce the debt service during the construction period of a project or to provide interim financing. BAN financing is limited to five years or less.

Reference: City of Danville Financial Policies, Section 9 - Debt, amended May 2015

CAPITAL & SPECIAL PROJECTS HIGHLIGHTS

The City of Danville's Capital & Special Projects Plan (CSP) is a five-year presentation of proposed major capital and special projects for all municipal funds. Included are projects with provisions for blight removal, economic development, River District renovation, construction, replacement or rehabilitation of public facilities, technology infrastructure, major street improvements, equipment replacement, and utility infrastructure. Careful consideration is given annually to developing a CSP that is economically feasible and prudent, and will provide long-term benefits for the safety and well-being of the community.

The CSP is categorized into General Fund and Utility Fund projects. The proposed 2021-25 Five-Year CSP provides for total revenues and expenditures of \$230,454,982 of which FY 2021 projects total \$59,592,998. There are Unfunded/Unscheduled projects for years beyond FY 2025 in the amount of \$55,014,367.

FUNDING

Bonds

This CSP includes the issuance of \$12,801,769 in General Obligation Bonds during FY 2021 to fund projects in the Electric Fund and General Fund departments, including fire, parks & recreation, public works buildings and grounds, Transportation, Schools, police and streets. This represents approximately 21.48% of FY 2021 funding sources. Projects funded with bonds are not included in the Budget Appropriation Ordinance. These projects are appropriated by a separate Bond Appropriation Ordinance. Unused bond authorization from the prior fiscal year will be used due to General Fund projects exceeding the authorized amount of bonds for one fiscal year.

Pursuant to Chapter 9, Section 9.7 (A), (D), (E), and (F) of the City Charter, issuance of the following may be authorized by City Council without voter's approval:

- Up to \$6 million of bonds in any one fiscal year to finance capital expenditures excluding capital improvements related to water, sewer, gas, or electric improvements.
- Up to \$10 million of bonds in any one fiscal year to finance capital expenditures relating to the City's water, sewer, gas, electric systems, or other undertaking from which the City may derive a revenue.
- Up to \$25 million of bonds or notes in any one fiscal year for capital expenditures relating to the City's water treatment, wastewater treatment, stormwater treatment, solid waste disposal, recycling facilities, and any extraordinary maintenance improvements or expansions of transmission and/or distribution infrastructure for the electric or gas systems.
- Refunding bonds issued to refinance existing debt.

State and Federal Funding

State grants from the Virginia Department of Transportation (VDOT) Revenue Sharing program provide funding for Public Works street projects. Other State grants provide funding for various airport projects. FY 2021 proposes funding in the amount of \$5,796,197, approximately 9.73% of FY 2021 project funding.

State Aid to Localities

Virginia Fire Service Program provides funding for qualified projects. These projects are required to fund purchases not included in the Fire Department's operating budget. With the 1987 annexation, the City used these funds in combination with General Fund current revenues to pay debt service for lease-purchases of fire apparatus equipment. In FY 2004, a Fire Apparatus Replacement Program was instituted to provide pay-as-you-go funding of new fire trucks and equipment. Fire pumper trucks have an average life of 15 years and ladder trucks 20 years. The FY 2021 CSP includes \$803,145 toward the Apparatus/Equipment Plan with estimated State funding in the amount of \$120,000.

Current Revenues

This category provides total FY 2021 funding in the amount \$7,678,362, representing 12.88% of FY 2021 funding sources. Utility revenues provide \$6,439,990 while the General Fund provides support of \$1,238,372.

Unreserved Fund Balance

Transfers from the unreserved fund balance includes \$2,296,660 from the General Fund, \$1,507,190 from the Wastewater Fund, \$496,380 from the Water Fund \$1,247,710 from the Gas Fund, and \$ 208,730 from the Telecommunications Fund for a total of \$5,756,670 from the various funds and represents 9.7% of project funding.

Reprogrammed Funds

This funding source represents project funding appropriated prior to July 1, 2020. These funds result when a project is completed under budget and unexpended funds are transferred to the unallocated account. The funds remain in the capital fund and are available for project overruns or new project request as included in the FY 2021 capital request. This CSP has funding from this source in the amount of \$140,000 from the General Fund and \$1,000,000 from the Water Fund. The total reprogrammed funds of \$1,140,000 and is approximately 2.0% of FY 2021 project funding. The reprogrammed funding for the General Fund is for Economic Development projects. The transfer from Water Fund balance is for the Berry Hill Industrial Park infrastructure.

Contribution-in-Aid

The General Fund project for Gateway Corridor Landscaping Improvements utilizes \$50,000 from the Special Revenue Fund's DIG project which receives funds from area businesses and other organizations for maintenance of Danville's Interchanges. The Water Fund includes \$2,500,000 from Pittsylvania County Service Authority for the Berry Hill Industrial Park Water Infrastructure. This source represents 4.3% of total revenue sources.

Other Funding Sources

Included in the FY 2021 CSP are four projects: \$2,500,000 of funding to be determined for phase I of the Riverfront Park, use of \$1,000,000 from the VDOT Street Maintenance Fund to provide the local match for repairs to the MLK Bridge using State of Good Repair State funding, \$19,000,000 for the purchase of land and construction of a new police department with funding to be determined/lease purchase agreement, and a loan of \$1,250,000 from the Gas Fund to the Telecommunications Fund for the expansion of the Fiber to the Home project.

PROJECTS

General Fund

Community Development – The Blight Removal Project benefits the City by eliminating derelict structures and repairing owner-occupied structures. Reduction in property blight should stimulate improvement in the housing market and reduce demands on municipal services. The City's image as a great place to live, work, and raise a family will be enhanced.

Economic Development – This category includes the International Recruitment Implementation, River District Purchase and Improvement Plan and Industrial Site Development. Funding for these projects is provided by a transfer from Unreserved Fund Balance.

Fire Department – This category provides for the Fire Apparatus/Equipment Replacement Plan. The Fire projects use State Aid to Localities in the amount of approximately \$120,000. This is an annual revenue and has to be used for capital expenditures not included in the department's operating budget.

Information Technology – Technology continues to change and the City needs to stay current with the latest infrastructure, end-of-life replacements of hardware and enhancements that will make the organization more efficient and effective. Projects in this category include the Computer Plan providing for infrastructure needs, Enterprise Resource Planning providing upgrades and enhancements to the City's financial and human resource management systems, and geographic information system upgrades.

Parks and Recreation – Projects in this category include park facilities and improvements, Riverwalk Trail maintenance, City auditorium improvements, the Riverfront Park, Welcome Center improvements, Splash Pads, equipment acquisition, and park paving projects. Maintaining modern recreational facilities is important to maintaining Danville’s favorable quality of life.

Police –Projects in the Police Dept include the continued expansion of closed-circuit television system, year four of five for the continued replacement of body-worn cameras and tasers for all police officers, police equipment upgrades, and construction of a new police station . The Adult Detention facility improvements includes the purchase of a new washer and dryer in FY 2022. This is a multi-faceted and comprehensive approach to renovating the facility.

Public Works – General maintenance of Buildings and Grounds provides for major repairs and maintenance of city-owned buildings, elevator, roof, and HVAC replacements, resurfacing of City-owned parking lots, purchase of emergency generators, and interior and exterior painting of city buildings. Engineering and Street projects include River District street improvements and landscaping, stormwater improvements, general street improvements, city-wide wayfinding (signage), gateway corridor landscaping, and various street improvements, many of which include VDOT revenue sharing. Also included in Public Works projects are a number of projects shown in year five but actually fall outside of the five-year plan and Unscheduled/Unfunded. These projects are listed in order for City Council to be aware of many high-dollar projects which are needed.

Public Schools – The Schools projects include improvements for several schools over the next five years. A referendum is scheduled for the November election which if passed will provide significant bond funding which will take the place of the projects shown in the CSP.

Transportation Department – Airport projects include rehab of Runway 13/31, construction of additional airplane hangars, roof repairs, and widening of Taxiway H.

Utility Funds

Sewer/Wastewater - Public Works sewer projects include annual funding for sewer line reconstruction and new sewer lines/inflow and infiltration reduction. Other major sewer projects scheduled include replacement of Apple Branch Sewer lines (FY 2023), Fall Creek Sewer Reconstruction (FY 2023 & FY 2024), and Luna Lake Sewer lines (FY 2025). There are no Wastewater Treatment Plant projects included.

Water – Many of the City’s water mains and service lines are old, deteriorating, and have outlived their life expectancies. The Water Line Reconstruction project is a multi-year effort to address the replacement of pipelines causing continuous problems. Also included is the Berry Hill Industrial Park water infrastructure.

Gas – The Cast Iron Main Replacement Project began in 1994 to replace old cast iron and steel pipelines that have deteriorated and can present a safety hazard. Also included in the expansion of natural gas service in Pittsylvania County.

Electric – Distribution, Substation, and Transmission projects are included over the next five years. Projects include line rebuilds, substation upgrades and AEP fourth delivery point.

Telecommunications – nDanville has gradually extended its service to residential neighborhoods on a pay-as-you-go basis. The deployment will continue to expand nDanville into residential neighborhoods. A portion of the FY 2021 funding is proposed from Current Revenues, Telecommunications fund balance and a loan from the Gas Fund.

PROJECT SUMMARIES

On the following pages are five-year CSP summary tables listing all capital projects by Fund/Department. Additionally, FY 2021 project funding sources for each fund are included. Section 2 contains 5-year summaries for each fund. Section 3 contains project details.

ALL FUNDS CITY COUNCIL'S ADOPTED BUDGET - CAPITAL & SPECIAL PROJECTS - FY 2021 - 2025

Fund/Department	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	5 Yr Total
<u>General Fund</u>						
Community Development	400,000	600,000	600,000	500,000	500,000	2,600,000
Economic Development	2,080,000	3,850,000	3,350,000	3,100,000	4,350,000	16,730,000
Fire Department	803,145	575,271	598,280	622,213	647,100	3,246,009
Information Technology	566,500	1,412,500	610,000	600,000	550,000	3,739,000
Parks & Recreation	3,980,000	4,295,000	1,570,000	545,000	170,000	10,560,000
Police Department - Admin	19,271,952	236,952	75,000	75,000	-	19,658,904
Police Department - Adult Detention	-	70,000	-	-	-	70,000
P/W - Building & Grounds	1,410,000	1,475,000	1,430,000	1,125,000	2,700,000	8,140,000
P/W Engineering & Street	7,476,015	4,418,100	3,900,000	6,453,896	57,914,367	80,162,378
Public Schools	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	10,000,000
Transportation Services	1,155,386	6,330,305	1,700,000	1,500,000	213,000	10,898,691
General Fund Total	\$ 39,142,998	\$ 25,263,128	\$ 15,833,280	\$ 16,521,109	\$ 69,044,467	\$ 165,804,982
<u>Wastewater Fund</u>						
Sewers	\$ 4,150,000	\$ 1,350,000	\$ 1,350,000	\$ 1,350,000	\$ 1,350,000	\$ 9,550,000
Wastewater Fund Total	\$ 4,150,000	\$ 1,350,000	\$ 1,350,000	\$ 1,350,000	\$ 1,350,000	\$ 9,550,000

ALL FUNDS
CITY COUNCIL'S ADOPTED BUDGET - CAPITAL & SPECIAL PROJECTS - FY 2021 - 2025

Fund/Department	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	5 Yr Total
<u><i>Water Fund</i></u>						
Distribution	\$ 5,500,000	\$ 5,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 13,500,000
Water Treatment	-	-	-	-	-	-
<i>Water Fund Total</i>	\$ 5,500,000	\$ 5,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 13,500,000
<u><i>Gas Fund</i></u>						
Distribution	\$ 3,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 9,500,000
<i>Gas Fund Total</i>	\$ 3,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 9,500,000
<u><i>Electric Fund</i></u>						
Distribution	\$ 1,800,000	\$ 1,600,000	\$ 1,600,000	\$ 1,600,000	\$ 1,500,000	\$ 8,100,000
Sub-Stations	4,000,000	3,000,000	3,000,000	3,000,000	3,000,000	16,000,000
Loan Management	-	4,000,000	-	-	-	4,000,000
<i>Electric Fund Total</i>	\$ 5,800,000	\$ 8,600,000	\$ 4,600,000	\$ 4,600,000	\$ 4,500,000	\$ 28,100,000
<u><i>Telecommunications</i></u>						
Distribution	\$ 1,500,000	\$ 600,000	\$ 300,000	\$ 300,000	\$ 1,300,000	\$ 4,000,000
<i>Telecommunications Total</i>	\$ 1,500,000	\$ 600,000	\$ 300,000	\$ 300,000	\$ 1,300,000	\$ 4,000,000
	<u>\$ 59,592,998</u>	<u>\$ 42,313,128</u>	<u>\$ 24,583,280</u>	<u>\$ 25,271,109</u>	<u>\$ 78,694,467</u>	<u>\$ 230,454,982</u>
Funding:						
General Fund Revenues	\$ 1,238,372	\$ 17,442,368	\$ 11,858,280	\$ 9,592,213	\$ 10,346,360	\$ 50,477,593
Fund Balance	5,756,670	300,000	-	-	-	6,056,670
Aid to Localities-VA Fire Program	120,000	120,000	120,000	120,000	120,000	600,000
Utility Fund Revenues	6,439,990	4,150,000	4,150,000	4,150,000	4,150,000	23,039,990
To Be Determined	21,500,000	4,500,000	2,000,000	5,453,896	58,014,367	91,468,263
State/Federal Grants	5,796,197	3,150,760	1,805,000	1,305,000	1,513,740	13,570,697
Reprogrammed Funds	1,140,000	-	-	-	-	1,140,000
Other	2,250,000	-	-	-	-	2,250,000
Contribution in Aid	2,550,000	50,000	50,000	50,000	50,000	2,750,000
Bonds	12,801,769	12,600,000	4,600,000	4,600,000	4,500,000	39,101,769
Total Funding-All Funds:	<u>\$ 59,592,998</u>	<u>\$ 42,313,128</u>	<u>\$ 24,583,280</u>	<u>\$ 25,271,109</u>	<u>\$ 78,694,467</u>	<u>\$ 230,454,982</u>

The next spreadsheets present the FY 2021 projects for each fund by funding source.

**GENERAL FUND
ADOPTED BUDGET - CAPITAL & SPECIAL PROJECTS - FY 2021
FUNDING SOURCES**

	Current Revenues	Fund Balance	Debt Financing	Grants/CIA	Other	Project Total
<u>Community Development</u>						
Comprehensive Blight Removal	\$ 293,340	\$ 106,660	\$ -	\$ -	\$ -	\$ 400,000
Total Community Development	\$ 293,340	\$ 106,660	\$ -	\$ -	\$ -	\$ 400,000

Economic Development

River District Property Purchase & Improvement Plan	\$ -	\$ 1,840,000	\$ -	\$ -	\$ 140,000 (1)	\$ 1,980,000
International Recruitment Implementation	-	100,000	-	-	-	100,000
Total Economic Development	\$ -	\$ 1,940,000	\$ -	\$ -	\$ 140,000	\$ 2,080,000

(1) Reprogrammed

Information Technology

Computer plan	\$ 373,000	\$ -	\$ -	\$ -	\$ -	\$ 373,000
Enterprise Resource Planning Enhancements & Upgrades	193,500	-	-	-	-	193,500
Total Information Technology	\$ 566,500	\$ -	\$ -	\$ -	\$ -	\$ 566,500

Police

Tasers & BWCs (5-yr Contract)	\$ 161,952	\$ -	\$ -	\$ -	\$ -	\$ 161,952
Close Circuit Television System Expansion	-	-	75,000	-	-	75,000
Police Equipment Replacement	-	-	35,000	-	-	35,000
New Police Station	-	-	-	-	19,000,000 (2)	19,000,000
Total Police	\$ 161,952	\$ -	\$ 110,000	\$ -	\$ 19,000,000	\$ 19,271,952

(2) To Be Determined - Lease Purchase Plan

Fire

Fire Apparatus and Equipment Replacement Plan	\$ 250,000 (3)	\$ -	\$ 553,145	\$ -	\$ -	\$ 803,145
Total Fire	\$ 250,000	\$ -	\$ 553,145	\$ -	\$ -	\$ 803,145

(3) Aid to Localities = \$120,000

GENERAL FUND
ADOPTED BUDGET - CAPITAL & SPECIAL PROJECTS - FY 2021

	Current Revenues	Fund Balance	Debt Financing	Grants/CIA	Other	Project Total
<u><i>Public Works - Engineering & Streets</i></u>						
General Street Improvements	\$ 61,580	\$ -	\$ 138,420	\$ -	\$ -	\$ 200,000
River Distric Street Improvements	-	-	222,518	723,000	-	945,518
Stormwater Improvements	-	-	200,000	-	-	200,000
Gateway Corridor Landscaping Imprv	-	-	-	-	50,000 (4)	50,000
State of Good Repair-MLK Bridge NBL	-	-	-	3,963,097	1,000,000 (5)	4,963,097
New Signal At South Main & Updike Pl	-	-	400,000	-	-	400,000
Pedestrian Improvements at Riverside Drive & Piney Forest Rd	-	-	140,200	140,200	-	280,400
New Sidewalk - Kempper Rd	-	-	87,400	349,600	-	437,000
Total Public Works-Engineering & St	\$ 61,580	\$ -	\$ 1,188,538	\$ 5,175,897	\$ 1,050,000	\$ 7,476,015

(4) DIG Funds (Special Revenue Fund)

(5) VDOT St Maint Funds (Fund 15)

Public Works - Buildings

Elevator Replacement	\$ -	\$ -	\$ 275,000	\$ -	\$ -	\$ 275,000
Emergency Generators	-	-	160,000	-	-	160,000
General Maintenance of Buildings & Grounds	-	150,000	-	-	-	150,000
HVAC Replacement	-	-	275,000	-	-	275,000
Roof Replacement - City Buildings	-	-	250,000	-	-	250,000
City-Owned Parking Lots	-	-	100,000	-	-	100,000
Interior Paint-City-Owned Buildings	-	100,000	-	-	-	100,000
Exterior Painting-City-Owned Buildings	-	-	100,000	-	-	100,000
Total Public Works-Buildings	\$ -	\$ 250,000	\$ 1,160,000	\$ -	\$ -	\$ 1,410,000

(3) Transfer from Special Grants (DIG)

GENERAL FUND
ADOPTED BUDGET - CAPITAL & SPECIAL PROJECTS - FY 2021

	Current Revenues	Fund Balance	Debt Financing	Grants/CIA	Other	Project Total
<u><i>Parks Recreation Tourism</i></u>						
Facility Improvements	\$ -	\$ -	\$ 65,000	\$ -	\$ -	\$ 65,000
Park Improvements	-	-	50,000	-	-	50,000
Parks Paving Projects	-	-	50,000	-	-	50,000
Parks & Recreation Equipment Acquisition	-	-	55,000	-	-	55,000
Riverwalk Trail	25,000	-	-	-	-	25,000
Welcome Center Renovations	-	-	-	100,000	-	100,000
Splash Pads	-	-	635,000	-	-	635,000
City Auditorium Improvements	-	-	500,000	-	-	500,000
Riverfront Park	-	-	-	-	2,500,000 (2)	2,500,000
Total Parks & Recreation	\$ 25,000	\$ -	\$ 1,355,000	\$ 100,000	\$ 2,500,000	\$ 3,980,000
(2) To Be Determined						
<u><i>Transportation Services</i></u>						
Rehab Runway 13/31 & Narrow by 60'	\$ -	\$ -	\$ 210,011	\$ -	\$ -	\$ 210,011
Northwest Apron Site Prep	-	-	250,000	-	-	250,000
Aircraft Shelter & Pad	-	-	45,000	-	-	45,000
Site Prep & Taxiway Construction for Unit T-Hangar	6-	-	130,075	520,300	-	650,375
Total Transportation Services	\$ -	\$ -	\$ 635,086	\$ 520,300	\$ -	\$ 1,155,386
<u><i>Support of Public Schools</i></u>						
School Improvements	\$ -	\$ -	\$ 2,000,000	\$ -	-	\$ 2,000,000
Total Public Schools	\$ -	\$ -	\$ 2,000,000	\$ -	\$ -	\$ 2,000,000
(2) To Be Determined						
Total Projects:	\$ 1,358,372	\$ 2,296,660	\$ 7,001,769	\$ 5,796,197	\$ 22,690,000	\$ 39,142,998

WASTEWATER FUND
ADOPTED BUDGET - CAPITAL & SPECIAL PROJECTS - FY 2021
FUNDING SOURCES

	Current Revenues	Fund Balance	Debt Financing	Grants/CIA	Other	Project Total
<u>Public Works Sewers</u>						
Sewer Line Reconstruction	\$ 300,000	\$ -	\$ -	\$ -	\$ -	\$ 300,000
New Sewer Lines/Inflow Infiltration Red	250,000					250,000
SOVA Megasite Sewer Line Improvement	2,092,810	1,507,190	-	-	-	3,600,000
Total Water Distribution	\$ 2,642,810	\$ 1,507,190	\$ -	\$ -	\$ -	\$ 4,150,000
 Total Projects:	 \$ 2,642,810	 \$ 1,507,190	 \$ -	 \$ -	 \$ -	 \$ 4,150,000

WATER FUND
ADOPTED BUDGET - CAPITAL & SPECIAL PROJECTS - FY 2021
FUNDING SOURCES

	Current Revenues	Fund Balance	Debt Financing	Grants/CIA	Other	Project Total
<u>Water Distribution</u>						
Water Line Reconstruction	\$ 1,000,000					\$ 1,000,000
Berry Hill Industrial Park Water Infrastructure	503,620	496,380			3,500,000 (1,2)	4,500,000
Total Projects:	\$ 1,503,620	\$ 496,380	\$ -	\$ -	\$ 3,500,000	\$ 5,500,000

(1) Contribution in Aid (\$2,500,000)

(2) Reprogrammed Funds (1,000,000)

GAS FUND
ADOPTED BUDGET - CAPITAL & SPECIAL PROJECTS - FY 2021
FUNDING SOURCES

	Current Revenues	Fund Balance	Debt Financing	Grants/CIA	Other	Project Total
<u>Gas Distribution</u>						
Cast Iron Main Replacement	\$ 500,000	\$ -	\$ -	\$ -	\$ -	\$ 500,000
Pittsylvania County Natural Gas Expansion	\$ 1,752,290	\$ 1,247,710	\$ -	\$ -	\$ -	\$ 3,000,000
Total Gas Distribution	\$ 2,252,290	\$ 1,247,710	\$ -	\$ -	\$ -	\$ 3,500,000

**ELECTRIC FUND
ADOPTED BUDGET - CAPITAL & SPECIAL PROJECTS - FY 2021
FUNDING SOURCES**

	Current Revenues	Fund Balance	Debt Financing	Grants/CIA	Other	Project Total
<u>Distribution</u>						
Line Rebuilds/25kV Conversion	\$ -	\$ -	\$ 1,800,000	\$ -	\$ -	\$ 1,800,000
Total Distribution	\$ -	\$ -	\$ 1,800,000	\$ -	\$ -	\$ 1,800,000
<u>Substations</u>						
Substation Upgrades	\$ -	\$ -	\$ 4,000,000	\$ -	\$ -	\$ 4,000,000
Total Substations	\$ -	\$ -	\$ 4,000,000	\$ -	\$ -	\$ 4,000,000
Total Projects:	\$ -	\$ -	\$ 5,800,000	\$ -	\$ -	\$ 5,800,000

**TELECOMMUNICATIONS FUND
ADOPTED BUDGET - CAPITAL & SPECIAL PROJECTS - FY 2021
FUNDING SOURCES**

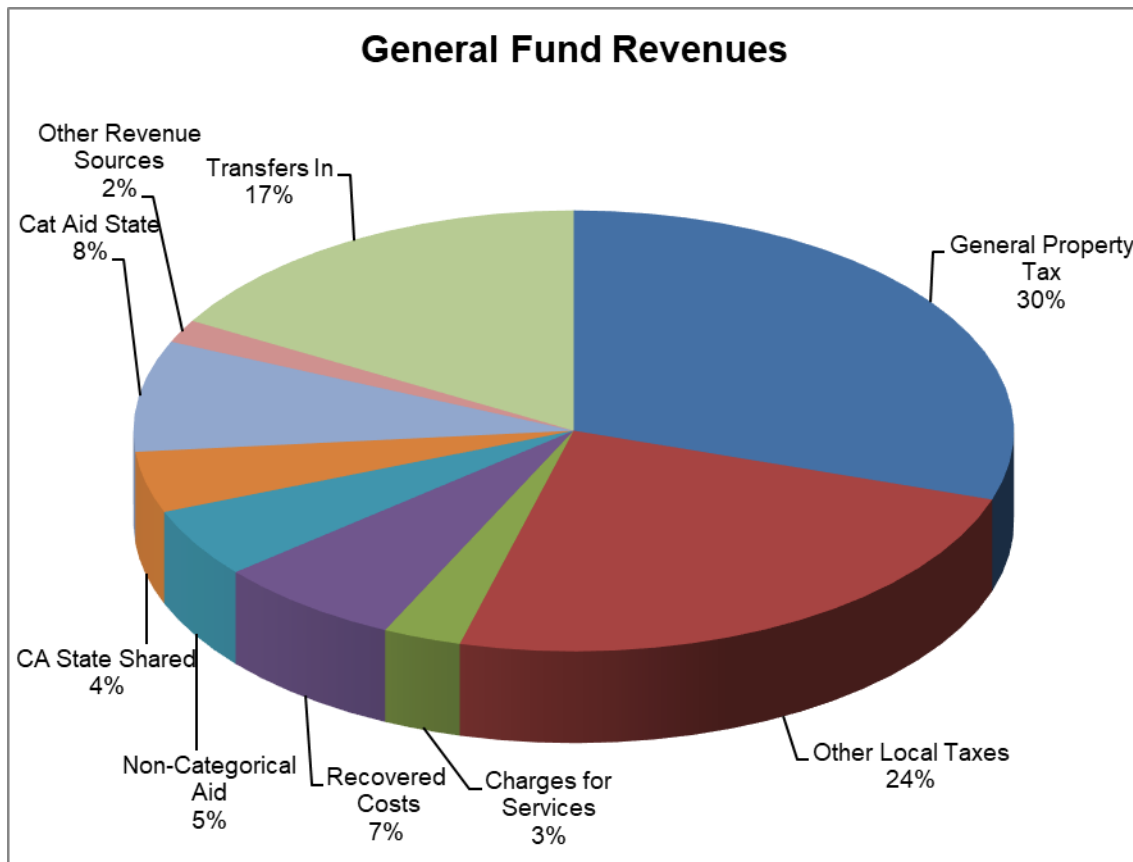
	Current Revenues	Fund Balance	Debt Financing	Grants/CIA	Other	Project Total
<u>n Danville</u>						
Fiber to the Home	\$ 41,270	\$ 208,730	\$ -	\$ -	\$ 1,250,000 (1)	\$ 1,500,000
Total n Danville	\$ 41,270	\$ 208,730	\$ -	\$ -	\$ 1,250,000	\$ 1,500,000
Total Projects:	\$ 41,270	\$ 208,730	\$ -	\$ -	\$ 1,250,000	\$ 1,500,000

(1) Loan From Gas Fund

The General Fund provides for the basic services extended to all residents of the City, including public safety, streets and highways, environmental protection, recreation, library, social services, and general administration. It also includes significant contributions to the operation of the Danville Public School System, constitutional offices, and other agencies and boards. Most General Fund services are non-revenue producing, thereby requiring the use of the ad valorem property taxes and other General Fund related revenue sources to provide funding. The Utility Funds provide significant support of General Fund operations through interfund transfers. The following pages include information on General Fund revenues and expenditures in summary form.

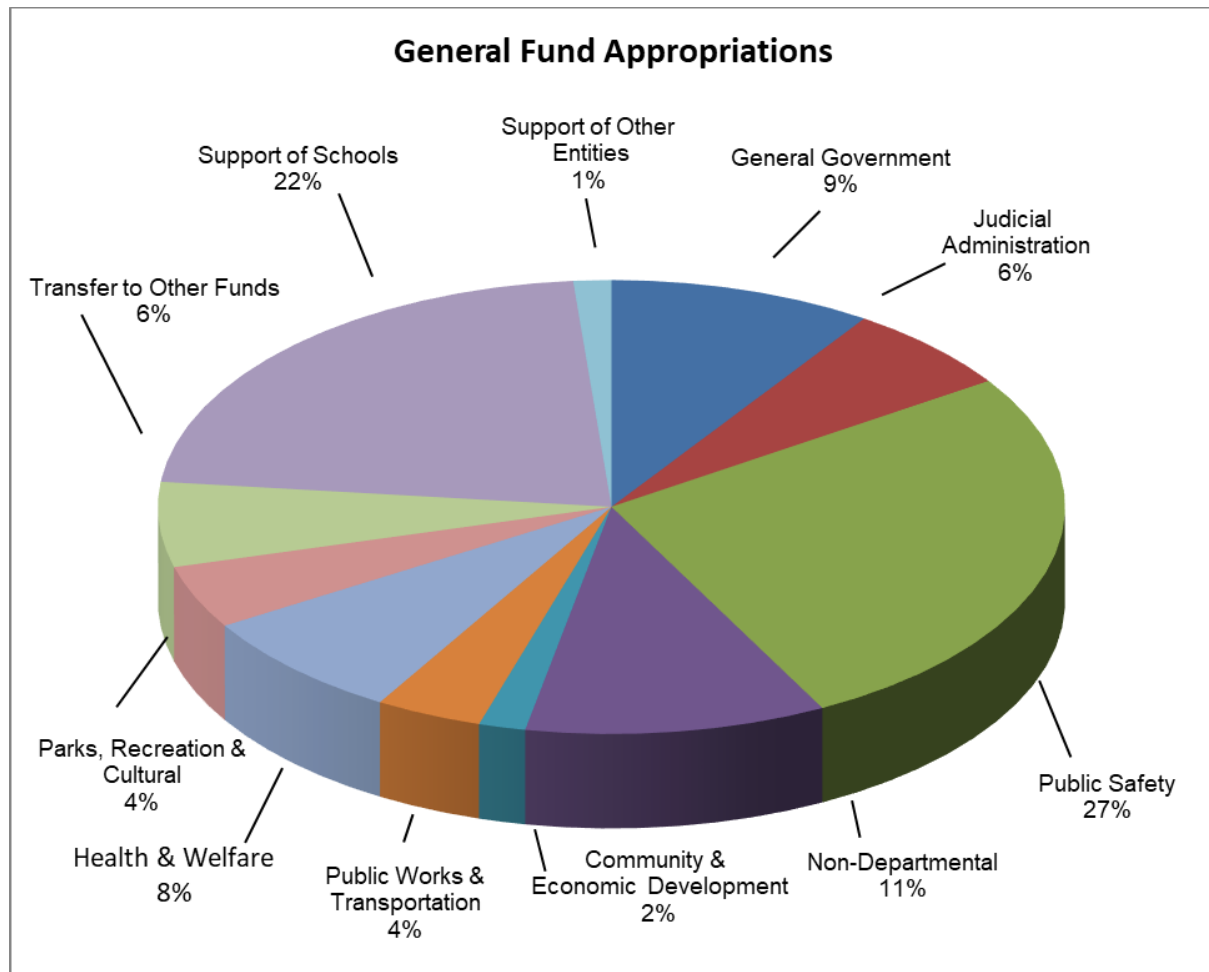
Summary of Revenues

Revenue	Adopted Budget
General Property Tax	\$ 34,764,420
Other Local Taxes	\$ 27,872,000
Charges for Services	\$ 3,328,360
Recovered Cost	\$ 7,958,250
Non-Cat Aid State	\$ 5,865,000
CA State Shared	\$ 5,174,940
Cat Aid State/Federal	\$ 9,424,830
Other Revenue Sources	\$ 1,952,890
Tranfers In	\$ 19,310,610
Total Revenues	\$ 115,651,300



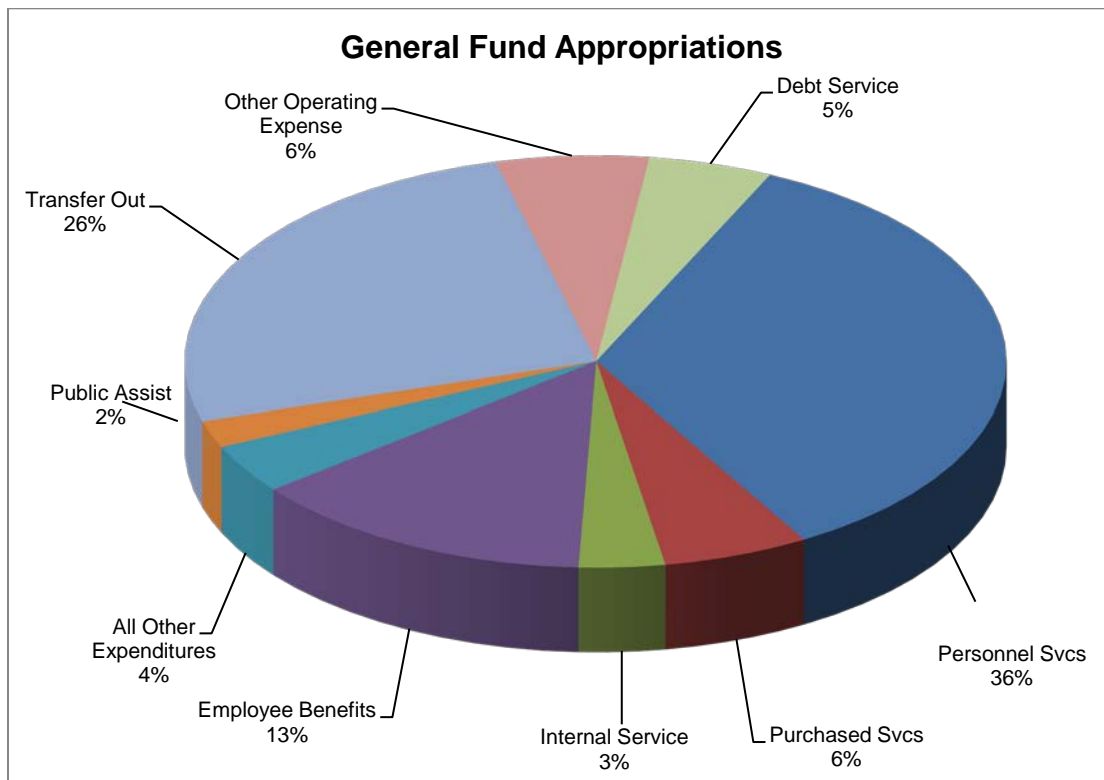
Summary of Expenditures by Function

	Adopted Budget
General Government	\$ 10,886,940
Judicial Administration	\$ 7,189,000
Public Safety	\$ 30,856,750
Non-Departmental	\$ 12,415,360
Community & Economic Development	\$ 1,925,950
Public Works & Transportation	\$ 4,401,510
Health and Welfare	\$ 8,921,430
Parks, Recreation, & Cultural	\$ 5,187,540
Transfer to Other Funds	\$ 6,991,800
Support of Schools	\$ 25,311,270
Support of Other Entities	\$ 1,563,750
FUND TOTAL	\$ 115,651,300



Summary of Expenditures by Activity

	Adopted Budget
Personnel Services	\$ 40,067,270
Purchased Services	\$ 6,619,810
Internal Service	\$ 3,904,230
Employee Benefits	\$ 15,776,830
All Other Expenditures	\$ 4,467,420
Public Assistance	\$ 2,426,900
Transfer Out	\$ 29,804,300
Other Operating Expense	\$ 6,940,680
Debt Service	\$ 5,643,860
FUND TOTAL	\$ 115,651,300



The property tax is one of the major revenue sources for the General Fund. It provides 28.9% of the General Fund's revenues.

Real Estate Tax: The tax rate is 84 cents per hundred dollar valuation. The City reassesses all property bi-annually. This budget estimates a 1% increase in assessed values providing an additional \$180,000 in revenue. The difference in the increase is based on new construction and estimated collections.

Personal Property Tax: The tax rate is \$3.60 per hundred dollar valuation. The FY 2020 Budget included a \$0.10 increase per hundred dollar valuation effective January 1, 2020. The second half of the increased will be realized in the FY 2021 Budget and that increase is reflected below as well as natural growth.

Machine and Tolls Tax: This tax is set at \$1.50 per hundred dollar valuation and is imposed upon industry.

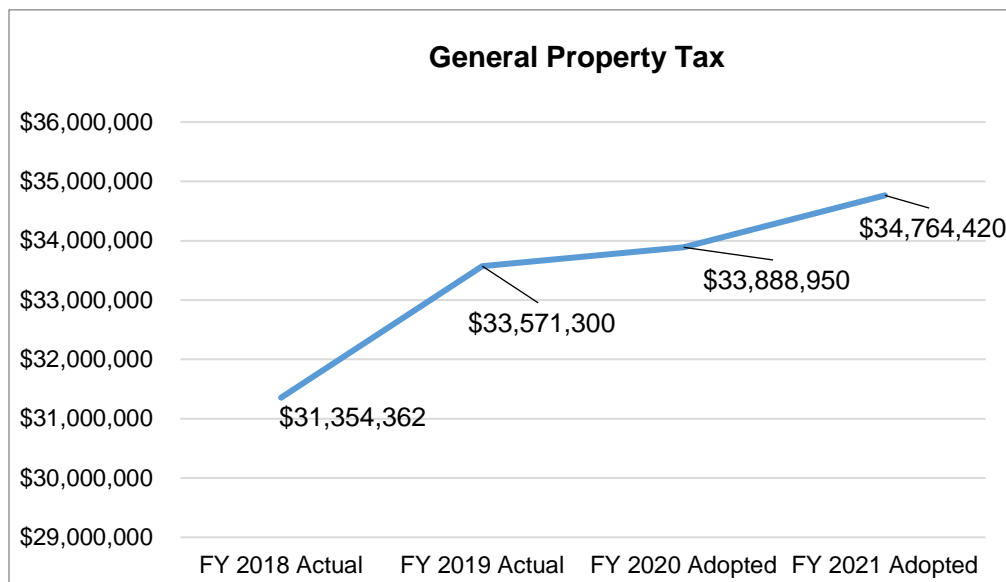
Public Service Tax: The revenues for this group are set by the State Corporation Commission and represent taxable utility property within the City limits.

Regional Partnership Shared Tax: The City and Pittsylvania through the Regional Industrial Facility Authority owns two industrial parks, one in the City (Cyber Park) and one located in the county (Cane Creek Industrial Park). This revenue source reflects the shared revenue from the Cane Creek Industrial Park.

Other: This group includes Aircraft, and Mobile Homes taxes as well as penalties and interest on delinquent taxes.

FY 2021 Adopted Budget
General Fund
Revenues – General Property Tax

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Revenues:					
Real Estate Tax	\$ 17,642,927	\$ 18,094,098	\$ 18,713,750	\$ 18,950,000	\$ 236,250
Personal Property Tax	10,476,561	12,011,548	11,975,480	12,290,000	314,520
Machine & Tools Tax	1,602,558	1,644,796	1,606,000	1,761,500	155,500
Public Service Taxes	377,172	427,543	373,000	426,000	53,000
Regional Partnership	299,999	303,981	300,000	300,000	-
Penalties & Interest	671,372	791,337	650,000	750,000	100,000
Other	283,773	297,997	270,720	286,920	16,200
Totals	\$ 31,354,362	\$ 33,571,300	\$ 33,888,950	\$ 34,764,420	\$ 875,470



Other Local Taxes is comprised of seven major revenues and represents 24.7% of General Fund Revenues.

Local Sales Tax: A 1% local origin sales tax generates an anticipated \$9,150,000 for the new year.

Business Tax: The Business and Professional License Tax is levied on businesses operating within the City. The rate is based on the business class (whole merchants, retail merchants, professional occupations, services, etc.).

Meals Tax: The tax rate is 7%.

Hotel/Motel Tax: This tax rate was increased effective July 1, 2019 from 7% to 8%. In addition a \$2.00 per day tax was adopted to support the increased support for the Danville Life Saving Crew.

Auto License Registration: Vehicles registered in the City are required to pay a registration fee based on the weight of the vehicle (\$25 for vehicles up to one ton and \$175 for vehicles 3.5 ton and over). This revenue reflects a flat revenue stream.

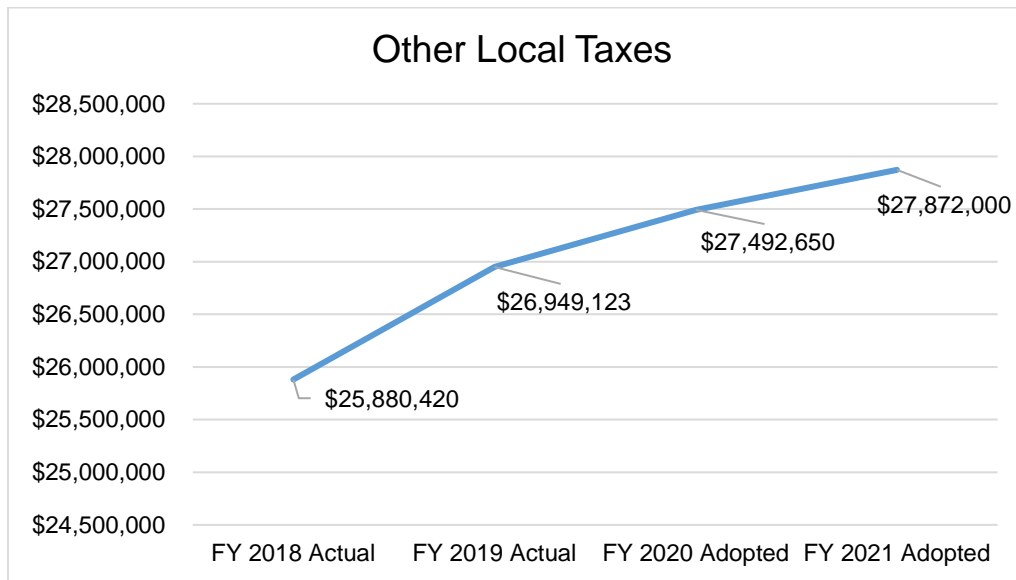
Bank Stock Tax: This revenue reflects Bank Franchise Tax of the net capital of banks located within the City. The rate is \$0.40 on each \$100 of taxable value.

Utility Taxes: There are two categories for this revenue: Utility Consumption Tax (tax on consumers of utility electric services and based on kilowatts consumed), Consumer Utility Tax (monthly tax imposed on each purchase of electricity delivered to consumers by a services provider).

Other: Included in this category are Recordation Taxes, Daily Property Rental Tax, and Motor Vehicle Tax.

FY 2021 Adopted Budget
General Fund
Revenues – Other Local Taxes

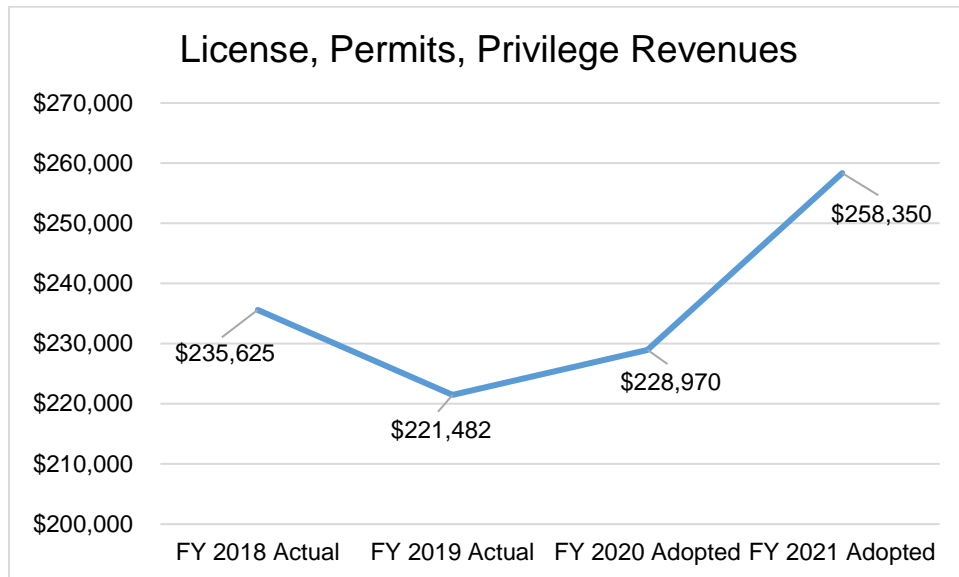
	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Revenues:					
Local Sales Tax	\$ 8,888,192	\$ 8,930,854	\$ 9,150,000	\$ 9,150,000	\$ -
Bus & Occup License	5,044,176	5,242,488	5,200,000	5,250,000	50,000
Prepared Meals Tax	7,721,153	8,483,880	8,400,000	8,645,000	245,000
Utility Consumption Tax	191,752	191,070	193,000	192,000	(1,000)
Consumer Utility Tax	785,572	769,173	782,000	775,000	(7,000)
Hotel/Motel Tax	1,016,889	1,107,335	1,514,250	1,600,000	85,750
Auto License Registration	957,982	973,801	990,000	990,000	-
Bank Stock Tax	924,322	904,043	900,000	900,000	-
Other	350,382	346,479	363,400	370,000	6,600
Totals	\$ 25,880,420	\$ 26,949,123	\$ 27,492,650	\$ 27,872,000	\$ 379,350



FY 2021 Adopted Budget
General Fund
Revenues – License, Permits, Privilege

This group of revenues is directly linked to the local economy and reflects growth within the community. The FY 2021 Budget reflects moderate increases in category.

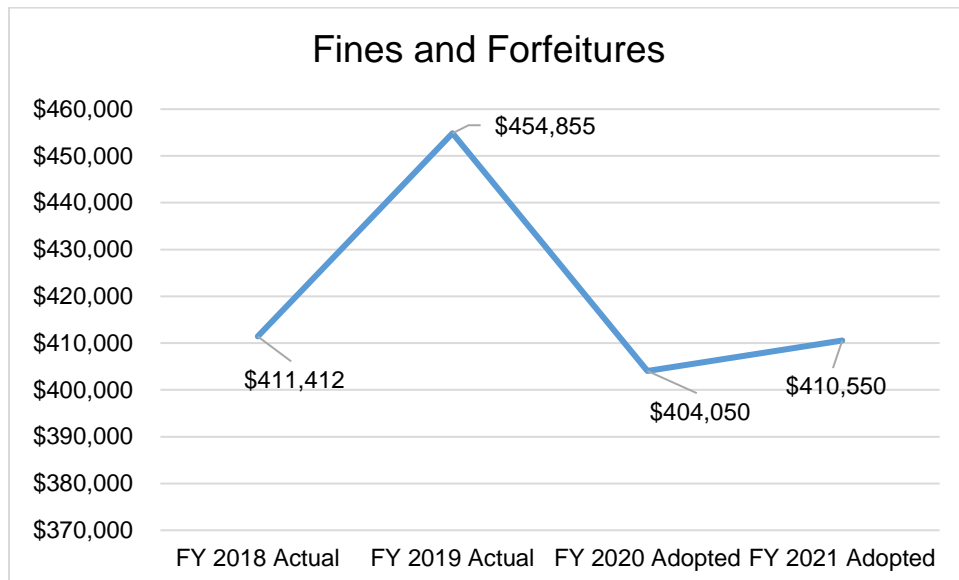
	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Revenues:					
Inspection Fees	\$ 169,026	\$ 161,808	\$ 156,760	\$ 182,940	\$ 26,180
Concealed Weapon Permits	21,081	16,126	20,000	20,000	-
Dog Tags	16,412	16,612	16,400	16,600	200
Stormwater Mgt Permit Fee	10,224	6,589	13,700	12,500	(1,200)
Planning Commission Fees	5,250	1,070	7,200	10,800	3,600
Other	13,632	19,277	14,910	15,510	600
Totals	\$ 235,625	\$ 221,482	\$ 228,970	\$ 258,350	\$ 29,380



FY 2021 Adopted Budget
General Fund
Revenues – Fines and Forfeitures

The main category is General District Court fines and fees and reflects a mixed trend of ups and downs.

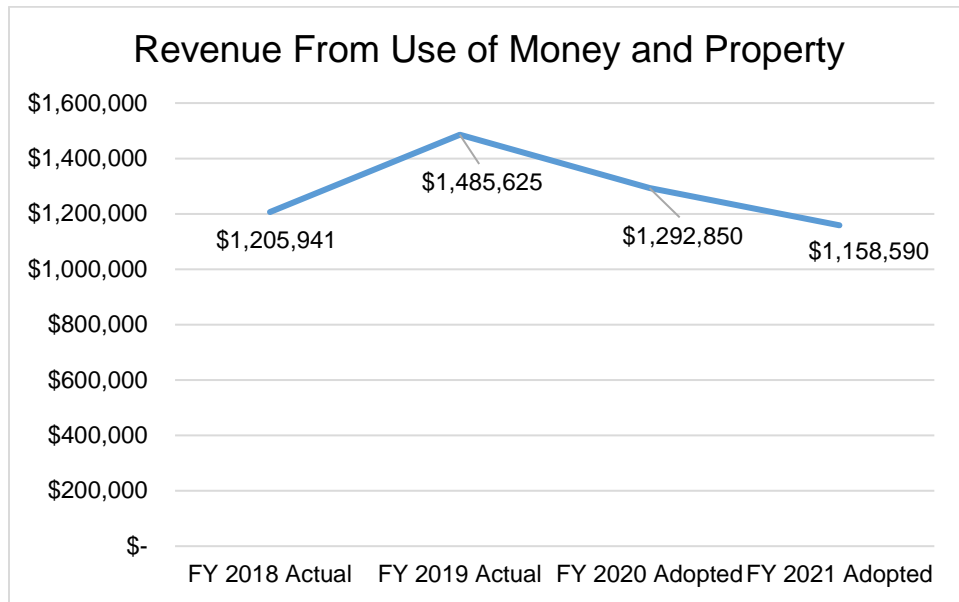
	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Revenues:					
General District Court	\$ 218,916	\$ 253,366	\$ 250,000	\$ 250,000	\$ -
Circuit Court	12,334	14,786	15,000	15,000	-
Courthouse Security	48,520	59,692	50,000	55,000	5,000
Court Cost-Bldg Maint	20,266	21,323	20,000	20,000	-
Court Cost Law Library	30,721	22,529	25,000	25,000	-
Parking Tickets	16,700	19,605	16,500	18,000	1,500
Other	63,955	63,554	27,550	27,550	-
Totals	\$ 411,412	\$ 454,855	\$ 404,050	\$ 410,550	\$ 6,500



FY 2021 Adopted Budget
General Fund
Revenues – Revenue From Use of Money and Property

This group of revenues provides approximately 1.00% of General Fund revenues and is comprised of two main categories as follows: **Interest on Investments:** All of the City's funds are invested in secured accounts in an attempt to earn the highest possible return. Investment earnings are a function of the money marketplace and swings in the revenues reflect higher or lower interest rates. **Facility Rentals and Concessions:** The revenue group reflects the rental of recreational facilities and other municipal properties.

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Revenues:					
Investments-Interest	\$ 798,339	\$ 1,025,669	\$ 872,760	\$ 734,500	\$ (138,260)
Rental Income	307,561	348,675	324,320	324,660	340
Concession Rentals	85,776	97,947	85,770	89,430	3,660
Sale-Salvage & Surplus	14,265	13,334	10,000	10,000	-
Totals	\$ 1,205,941	\$ 1,485,625	\$ 1,292,850	\$ 1,158,590	\$ (134,260)

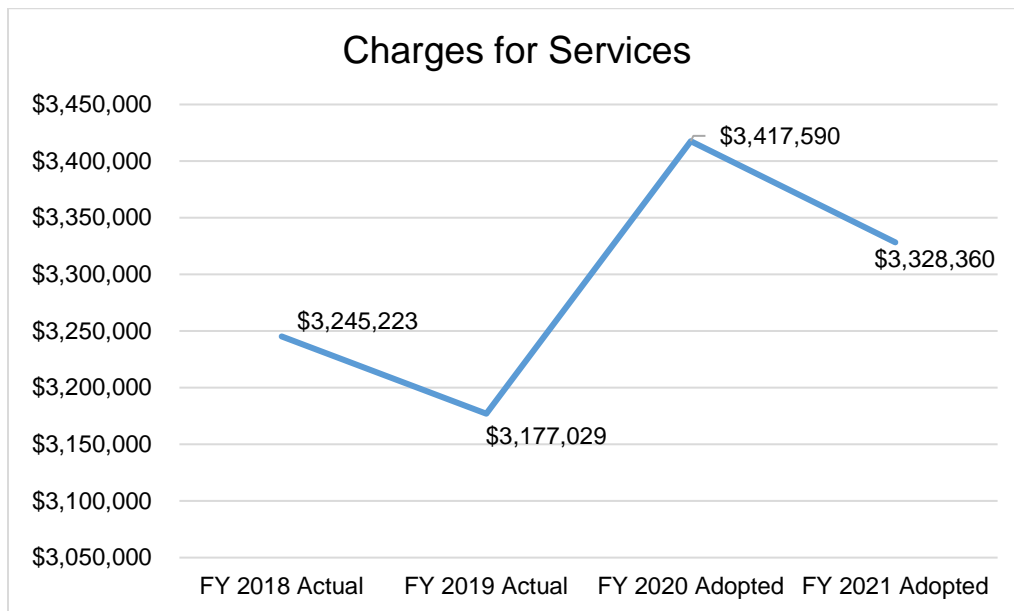


This group of revenues provides approximately 2.9% of General Fund revenues and is comprised of two main categories as follows:

Charges for Detention: The City receives per diem from the Commonwealth of Virginia for state inmates at the City Jail and at the adult detention facility. The W.W. Moore Juvenile Detention Facility provides for detention of juveniles. The Detention Home serves the cities of Danville and Martinsville, the town of South Boston, and the counties of Pittsylvania, Henry, Patrick, Halifax, and Mecklenburg. The partner localities are charged per diem based on actual cost of operation.

Fines and Fees: This category consists of recreation fees for a variety of programs to citizens and non-citizens.

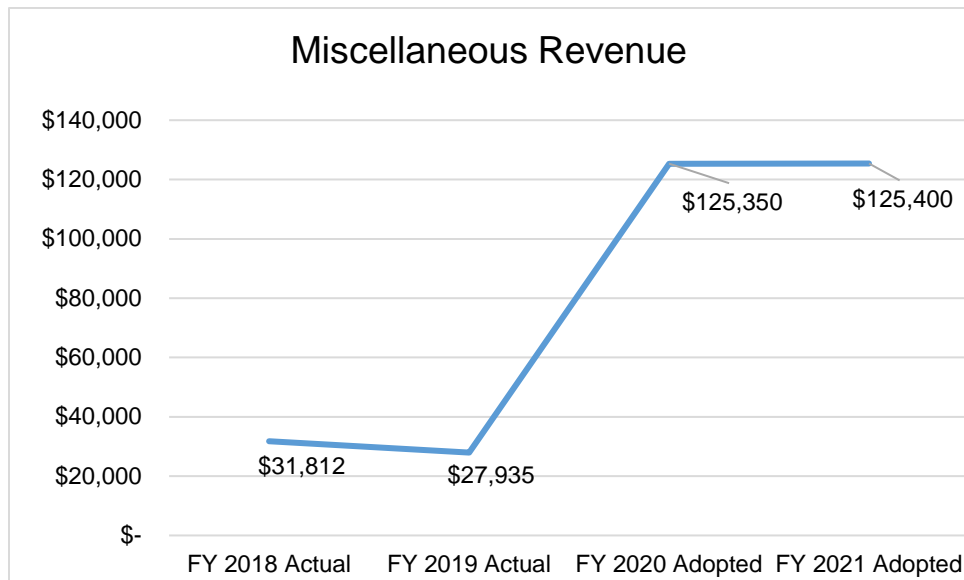
	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Revenues:					
Court Fees	\$ 25,144	\$ 29,917	\$ 27,000	\$ 28,300	\$ 1,300
Charges for Detention	2,692,344	2,679,242	2,853,580	2,768,260	(85,320)
Charges for Collection	144,322	148,292	150,000	150,000	-
Recreation Fees	372,428	311,335	371,690	367,180	(4,510)
Fire Dept Fees	6,273	4,020	5,800	5,800	-
Other	4,712	4,223	9,520	8,820	(700)
Totals	\$ 3,245,223	\$ 3,177,029	\$ 3,417,590	\$ 3,328,360	\$ (89,230)



This group of revenues as the title suggests provides for miscellaneous revenues including gain on disposal of property. This revenue is not dependable and fluctuates annually.

Unanticipated Grants: This revenue is a contra account with a matching appropriation in the Non-Departmental section of the budget. This provides the Administration a method of posting revenue budget for unanticipated grants and donations less than \$20,000 without an additional appropriation ordinance.

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Revenues:					
Gain on Disposal of Prop	\$ 19	\$ 1,172	\$ -	\$ -	\$ -
Unanticipated Grants	-	-	100,000	100,000	
Other	31,793	26,763	25,350	25,400	50
Totals	\$ 31,812	\$ 27,935	\$ 125,350	\$ 125,400	\$ 50



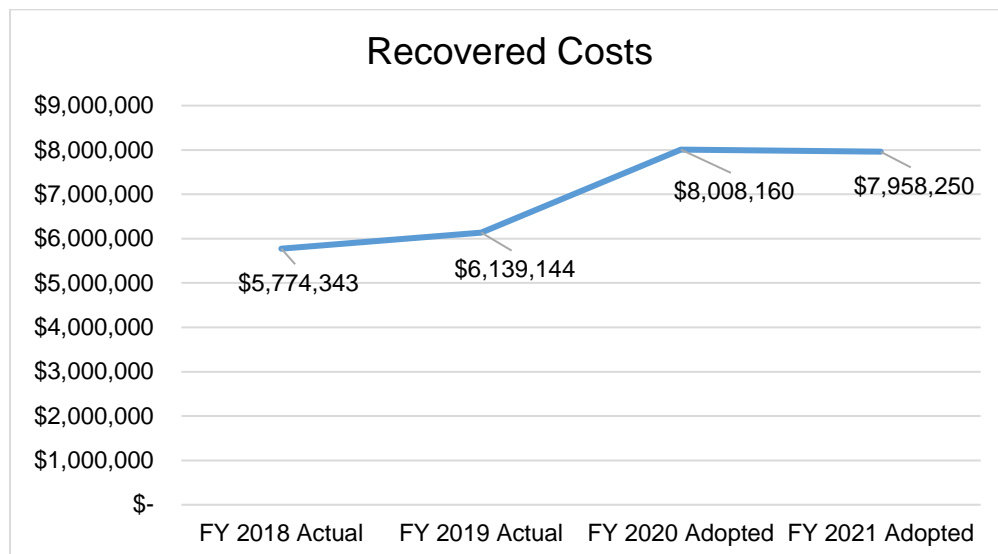
This major revenue group provides approximately 5.47% of General Fund revenue and reflects estimated 5% growth.

Enterprise Funds: These revenues represent recovery of administrative costs from the City's five utility funds and the Sanitation Fund. The Cost Allocation Plan is performed annually with this revenue based on the Plan on expenditures from three prior fiscal years (the FY 2021 Recoveries are based on expenditures from FY 2018 with 5-10% added to compensate for increases).

The Utility's activity, Customer Services, has been transferred to the General Fund, Finance Department. However, the Electric Fund transfers to the General Fund the cost of this activity since it handles Utility customer accounts. The amount of this budgeted transfer for FY 2020 is \$1,327,670. Also there is a transfer to the General Fund to cover a portion of the cost for the General Fund's River City TV activity in the amount of \$50,000.

Other: This category of recoveries represent contra revenues for Social Services and Juvenile Detention which also include Cost Allocation appropriations. These revenues are shown in order to receive funding for administrative costs from the State for Social Services and the Library, and from the City's Juvenile Detention partner localities. Also included is the recovery of Customer Accounts from Utilities which in the past was an expenditure activity in Utilities. Other recoveries reflect various recoveries and cannot be planned on as a stable revenue source on a year to year basis.

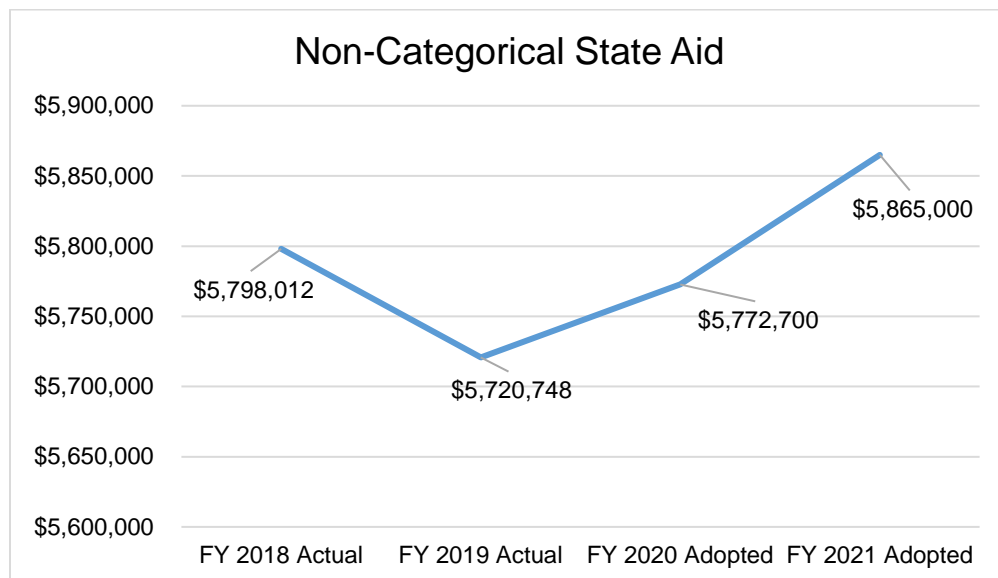
	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Revenues:					
Enterprise Funds	\$ 3,969,040	\$ 4,427,980	\$ 6,335,920	\$ 4,781,430	\$ (1,554,490)
Recoveries & Rebates	1,805,303	1,711,164	1,672,240	3,176,820	1,504,580
Totals	\$ 5,774,343	\$ 6,139,144	\$ 8,008,160	\$ 7,958,250	\$ (49,910)



FY 2021 Adopted Budget
General Fund
Revenues – Non-Categorical Aid State

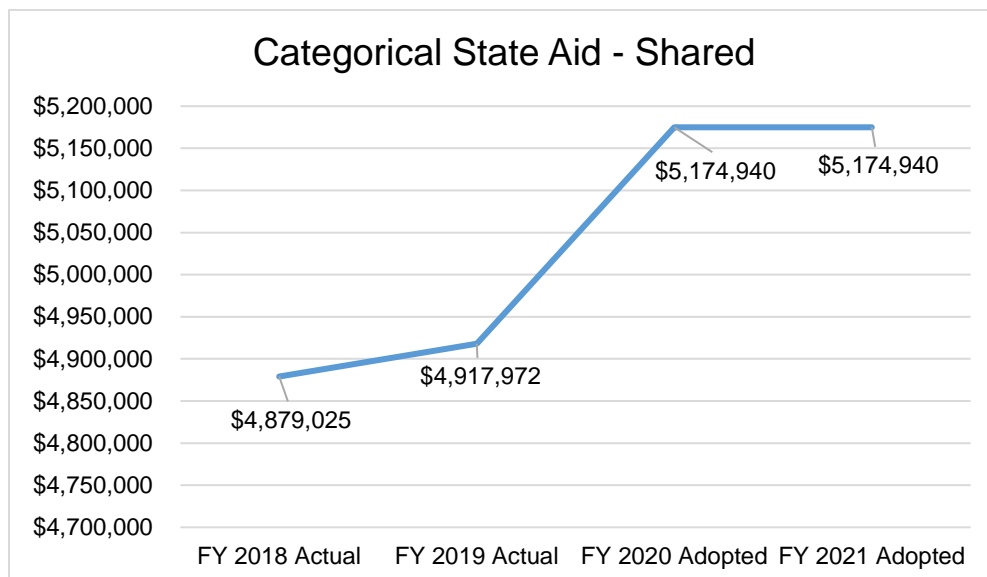
This major revenue group provides approximately 5.47% of General Fund revenue and reflects and overall decrease. There are two majority categories as follows: **State Aid to Localities-599:** This state revenue is provided to localities with paid public safety departments. The State has indicated an intent to increase this revenue; therefore, this line item has been increased. **State Telecommunications Tax:** This was previously a local tax levied on telephone, cell phone, and cable television companies. A number of years ago these companies lobbied the State to take over collection and levy a flat fee for all companies. The State collects the proceeds and distributes to localities based on the number of customers each company has in the locality. This revenue has experienced a reduction due to consumers disconnecting their land lines in lieu of cell phones and decreased costs related to cell phones. **Other:** The other revenues include Motor Vehicle Carriers Tax, Mobile Home Titling Tax, and Recordation Tax – State and reflects moderate growth. The State provides \$100,000 annually toward the operation and maintenance of the Welcome Center.

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Revenues:					
Motor Vehicle Carriers Tax	\$ 42,596	\$ 67,319	\$ 42,500	\$ 50,000	\$ 7,500
Mobile Home Titling Tax	4,331	7,564	4,000	5,000	1,000
Recordation Tax-State	101,206	100,317	120,000	100,000	(20,000)
State Aid to Localities 599	2,606,200	2,702,628	2,606,200	2,860,000	253,800
State Telecommunications	2,943,679	2,742,920	2,900,000	2,750,000	(150,000)
Welcome Center-State Aid	100,000	100,000	100,000	100,000	-
Totals	\$ 5,798,012	\$ 5,720,748	\$ 5,772,700	\$ 5,865,000	\$ 92,300



This revenue group provides approximately 4.5% of General Fund revenue. This category provides for reimbursement of a portion of the salary and benefits of Constitutional Officers. The State does not provide for operating costs of these offices. Each office is reimbursed based on a formula as set by the State Compensation Board. For example, the State reimburses 100% of Sheriff Deputies salaries, but only 2/3 of the salary for Sheriff's Office nurses. The reimbursement for the Commissioner of the Revenue and the City Treasurer is less than 50% of salaries and the City also provides a supplement for most of the personnel in the Commissioner of the Revenue. Most of the employees in the Commonwealth Attorney's Office are funded at 100% of Compensation Board approved salaries. However, the City provides supplemental funding which is distributed at the discretion of the Commonwealth Attorney. The City also provides a supplement of \$1,000 for each employee in the Sheriff's Office. This is a standard practice for localities throughout the State. The Clerk of Circuit Court receives 100% State funding based on Compensation Board approved salaries.

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Revenues:					
Commonwealth Atty	\$ 953,141	\$ 935,539	\$ 972,380	\$ 972,380	\$ -
Sheriff's Office	3,136,371	3,193,306	3,404,900	3,404,900	-
Commissioner of Rev	147,760	148,018	150,180	150,180	-
Treasurer	120,677	120,911	123,650	123,650	-
Clerk of Circuit Court	478,755	477,762	481,830	481,830	-
Registrar/Electoral Brd	42,321	42,436	42,000	42,000	-
Other	-	-	-	-	-
Totals	\$ 4,879,025	\$ 4,917,972	\$ 5,174,940	\$ 5,174,940	\$ -



FY 2021 Adopted Budget
General Fund
Revenues – Categorical Aid State/Federal

This revenue group provides approximately 8.6% of General Fund revenue and provides funding for a variety of functions. There two majority categories as follows:

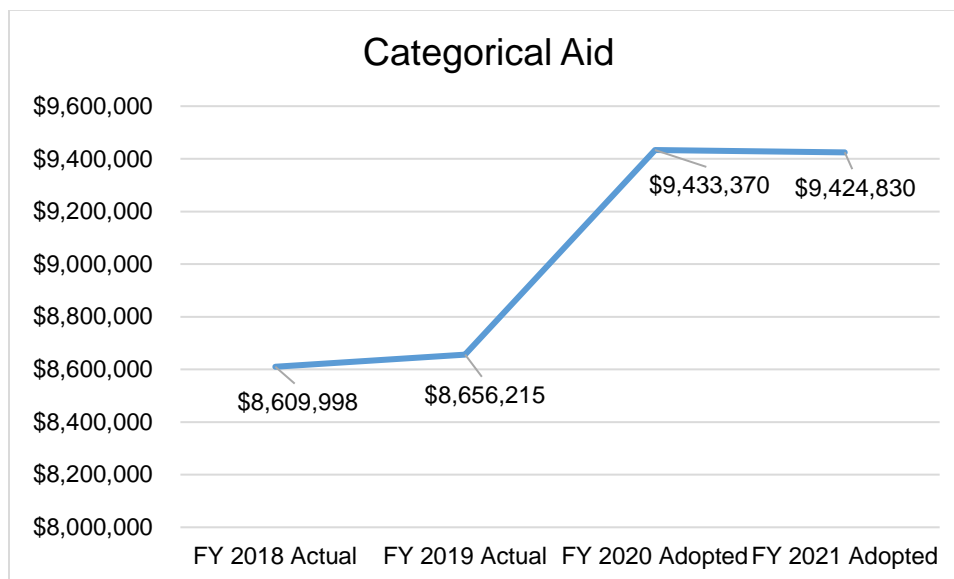
Welfare: This revenue source provides approximately 80% of the operating cost for the Social Services office.

Dept of Juvenile Justice Block Grant: This revenue provides funding for the W.W. Moore Juvenile Detention Facility and is dependent on State funding.

Other: Various funding includes grants for Emergency Services, Fire Service, and support of the Library.

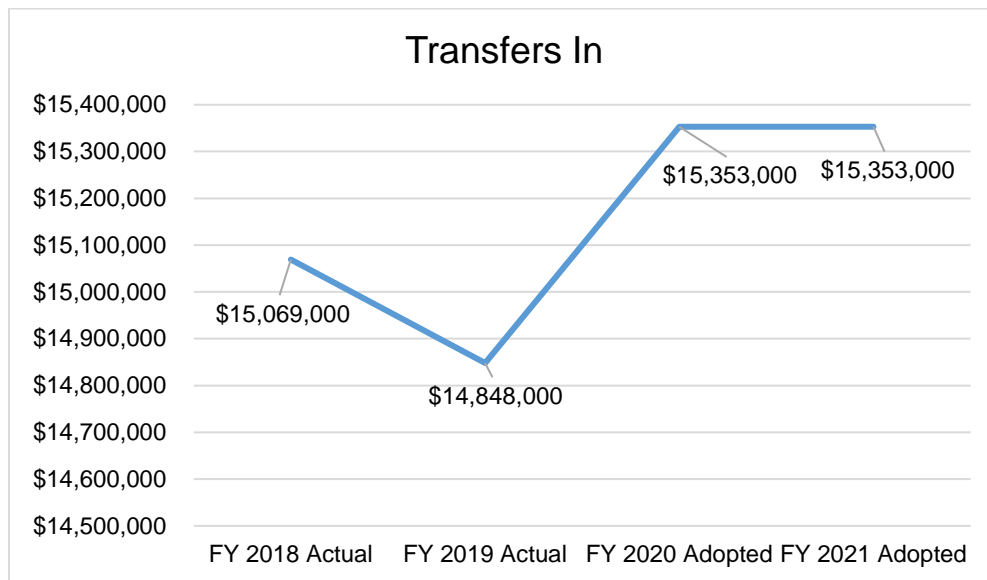
Federal: In addition, the Adopted Budget includes federal funding for the Airport from the CARES Act based on legislation in Congress for the COVID-19 impact on localities.

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Revenues: Categorical Aid - State					
Social Service	\$ 6,692,685	\$ 6,635,635	\$ 7,511,600	\$ 7,399,750	\$ (111,850)
Fire Service Grant	143,939	149,026	140,000	149,000	9,000
Wireless E911 State Funds	173,519	238,473	174,000	174,000	-
Emergency Response Prog	30,000	30,000	30,000	30,000	-
Emergency Medical Svc	34,254	34,076	34,260	34,260	-
Emergency Svcs Grant	27,013	27,013	27,020	27,020	-
Dept of Justice Block Grnt	1,340,990	1,369,307	1,340,990	1,369,300	28,310
Juvenile & Domestic Rel	5,513	7,336	6,000	6,500	500
Library	149,495	151,058	149,500	151,000	1,500
National Guard Maint	12,590	14,291	20,000	15,000	(5,000)
Totals	\$ 8,609,998	\$ 8,656,215	\$ 9,433,370	\$ 9,355,830	\$ (77,540)
Revenues: Categorical Aid - Federal					
Federal Aid - CARES Act	\$ -	\$ -	\$ -	\$ 69,000	\$ 69,000
Totals	\$ -	\$ -	\$ -	\$ 69,000	\$ 69,000



This interfund transfers from the five Utility Funds represent 13.2% of General Fund Revenues and is a major source of income for the General Fund. The City Utilities shares its profits with the owners, the taxpayers, thereby affording a lower real property tax rate and enhanced local services. The transfer is determined by a council approved policy and is reviewed bi-annually along with the Utility Rate Study.

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Revenues:					
Transfer In Wastewater	\$ 693,760	\$ 693,760	\$ 705,760	\$ 705,760	\$ -
Transfer In Water	942,300	942,300	950,300	950,300	-
Transfer In Gas	3,059,330	3,059,330	3,186,330	3,186,330	-
Transfer In Electric	10,071,610	10,071,610	10,429,610	10,429,610	-
Transfer In Telecommun	302,000	81,000	81,000	81,000	-
Totals	\$ 15,069,000	\$ 14,848,000	\$ 15,353,000	\$ 15,353,000	\$ -



FY 2021 Adopted Budget
General Fund
Revenues – Transfer From Fund Balance

The transfer from Unreserved Fund Balance is limited to one-time expenditures such as Economic Development Incentives and capital projects. Use of fund balance is not recommended to fund recurring expenditures. Transfer from Reserved Fund Balance in FY 2018 was used to repay the Virginia Tobacco Indemnification and Community Revitalization Commission for grants made to companies who failed to meet the required investment per the grant award. The increase proposed for the FY 2021 Budget reflects an increase for Economic Development Incentives and Economic Development projects and other General Fund capital projects. The use of Unreserved Fund Balance for Capital Projects has been proposed for FY 2021 in order to avoid other tax increases. This has the impact of a significant decrease in current revenue supported capital projects.

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Revenues:					
Transfer From Reserved FD	\$ 386,250	\$ -	\$ -	\$ -	\$ -
Transfer From Unreserved FB	2,759,650	-	2,050,000	3,957,610	1,907,610
Totals	\$ 3,145,900	\$ -	\$ 2,050,000	\$ 3,957,610	\$ 1,907,610

GENERAL FUND
ADOPTED BUDGET - CAPITAL & SPECIAL PROJECTS - FY 2021-2025

Project/Source	PL#	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	5 Yr Total
Community Development							
Comprehensive Blight Removal	60806	\$ 400,000	\$ 600,000	\$ 600,000	\$ 500,000	\$ 500,000	\$ 2,600,000
Community Development Total		\$ 400,000	\$ 600,000	\$ 600,000	\$ 500,000	\$ 500,000	\$ 2,600,000
Economic Development							
International Recruitment Implementation		\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 500,000
River District Property Purchase & Improvement Plan	60921	1,980,000	2,250,000	2,000,000	2,000,000	2,000,000	10,230,000
E/D Industrial Site Development	608*	-	1,500,000	1,250,000	1,000,000	2,250,000	6,000,000
Economic Development Total		\$ 2,080,000	\$ 3,850,000	\$ 3,350,000	\$ 3,100,000	\$ 4,350,000	\$ 16,730,000
Fire							
Fire Apparatus and Equipment Replacement Plan	60184	\$ 803,145	\$ 575,271	\$ 598,280	\$ 622,213	\$ 647,100	\$ 3,246,009
Fire Total		\$ 803,145	\$ 575,271	\$ 598,280	\$ 622,213	\$ 647,100	\$ 3,246,009
Information Technology							
Computer Plan	60016	\$ 373,000	\$ 342,500	\$ 300,000	\$ 300,000	\$ 250,000	\$ 1,565,500
Enterprise Resource Planning Enhancements & Upgrades	60016	193,500	1,010,000	250,000	250,000	250,000	1,953,500
GIS	60001	-	60,000	60,000	50,000	50,000	220,000
Information Technology Total		\$ 566,500	\$ 1,412,500	\$ 610,000	\$ 600,000	\$ 550,000	\$ 3,739,000
Parks Recreation Tourism							
Facility Improvements	60901	\$ 65,000	\$ 65,000	\$ 45,000	\$ 20,000	\$ 20,000	\$ 215,000
Park Improvements	60902	50,000	150,000	50,000	50,000	50,000	350,000
Parks Paving Projects	61076	50,000	100,000	50,000	50,000	50,000	300,000
Riverwalk Trail	61075	25,000	25,000	25,000	25,000	25,000	125,000
Welcome Center Renovations		100,000	25,000	25,000	25,000	25,000	200,000
Splash Pads		635,000	480,000	600,000	375,000	-	2,090,000
City Auditorium Renovations		500,000	950,000	775,000	-	-	2,225,000
Riverfront Park		2,500,000	2,500,000	-	-	-	5,000,000
Equipment Acquisition		55,000	-	-	-	-	55,000
Parks Recreation Tourism Total		\$ 3,980,000	\$ 4,295,000	\$ 1,570,000	\$ 545,000	\$ 170,000	\$ 10,560,000
Police Administration							
CCTV Expansion		\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ -	\$ 300,000
Tasers & BWCs		161,952	161,952	-	-	-	323,904
Police Equipment Replacement & Upgrades		35,000	-	-	-	-	35,000
Construction of a New Police Station		19,000,000	-	-	-	-	19,000,000
Police Administration Total		\$ 19,271,952	\$ 236,952	\$ 75,000	\$ 75,000	\$ -	\$ 19,658,904
Police - Adult Detention Facility							
ADF-Replacement of Washer and Dryer	60005	\$ -	\$ 70,000	\$ -	\$ -	\$ -	\$ 70,000
Police - Adult Detention Facility Total		\$ -	\$ 70,000	\$ -	\$ -	\$ -	\$ 70,000

GENERAL FUND
ADOPTED BUDGET - CAPITAL & SPECIAL PROJECTS - FY 2021-2025

Project/Source	PL#	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	5 Yr Total
Public Works - Engineering							
General Street Improvements	60000067	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 1,000,000
River District Street Improvements	61281	945,518	1,000,000	1,000,000	1,000,000	1,000,000	4,945,518
Stormwater Improvements	60022	200,000	200,000	200,000	200,000	200,000	1,000,000
Gateway Corridor Landscaping Improvements	61369	50,000	50,000	50,000	50,000	50,000	250,000
State of Good Repair-MLK Northbound		4,963,097	-	-	-	-	4,963,097
Signal at South Main Street & Updike Place		400,000	-	-	-	-	400,000
Pedestrian Improvements at Riverside Dr & Piney Forest Rd		280,400	-	-	-	-	280,400
New Sidewalk - Kemper Road		437,000	-	-	-	-	437,000
Riverside Drive Reconstruction	61282	-	1,650,000	1,000,000	1,000,000	1,000,000	4,650,000
River District Street Landscaping - Non VDOT	60906	-	100,000	100,000	100,000	100,000	400,000
City-wide Wayfinding Signage	61169	-	100,000	-	100,000	-	200,000
New Sidewalk - Audubon Drive		-	394,100	-	-	-	394,100
Intersection Improvements at S Main St & Stokes St			724,000	-	-	-	724,000
Riverwalk Multi-Use Trail Extension		-	-	350,000	350,000	350,000	1,050,000
Old West End Rental District Street Improvements		-	-	1,000,000	-	-	1,000,000
Route 58 WBL Kentuck Rd- Airport Drive					3,453,896	-	3,453,896
Public Works Engineering Total		\$ 7,476,015	\$ 4,418,100	\$ 3,900,000	\$ 6,453,896	\$ 2,900,000	\$ 25,148,011
Public Works Engineering Projects Unscheduled/Unfunded						Beyond FY 2024	Unfunded Unscheduled
Kentuck Road Improvements						7,491,433	7,491,433
Main Street Parking Deck						23,600,000	23,600,000
Elizabeth St Interchange at Danville Bypass						11,125,000	11,125,000
Roundabout at Mt Cross Rd & Dimon Drive						7,000,000	7,000,000
Piedmont Drive Pedestrian Accessibility Impr						5,797,934	5,797,934
Total Unscheduled/Unfunded		-	-	-	-	55,014,367	55,014,367
Public Works Building & Grounds							
Elevator Upgrade - City Buildings	60000437	275,000	275,000	275,000	275,000	275,000	\$ 1,375,000
Emergency Generators - City Buildings		160,000	250,000	230,000	250,000	50,000	940,000
General Maintenance of Buildings	60027	150,000	150,000	150,000	150,000	150,000	750,000
HVAC Replacement - City Buildings		275,000	100,000	275,000	-	275,000	925,000
Roof Replacement - City Buildings	60000119	250,000	400,000	250,000	200,000	1,000,000	2,100,000
City-Owned Parking Lots		100,000	100,000	100,000	100,000	800,000	1,200,000
Interior Painting of City Buildings		100,000	100,000	50,000	50,000	50,000	350,000
Exterior Painting of City Buildings		100,000	100,000	100,000	100,000	100,000	500,000
Public Works Buildings & Grounds Total		\$ 1,410,000	\$ 1,475,000	\$ 1,430,000	\$ 1,125,000	\$ 2,700,000	\$ 8,140,000
Transfer Out/Support Of							
City School Improvements		\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 10,000,000
Transfer Out/Support Of Total		\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 10,000,000

GENERAL FUND

ADOPTED BUDGET - CAPITAL & SPECIAL PROJECTS - FY 2021-2025

Project/Source	PL#	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	5 Yr Total
Transportation Services							
Rehab Runway 13/31 and Narrow to 60' Side		210,011	3,500,000	-	-	-	\$ 3,710,011
Northeast Site Prep, Utility Access, Design & Construction for 15,000 square foot hangar		250,000	1,300,000	1,400,000	1,500,000	-	4,450,000
Aircraft Shelter 52' x 40' and Pad		45,000		-	-	-	45,000
Site Prep and Taxilane Construction - 6-Unit T-Hangar (State Only)/ hangar construction FY22		650,375	325,000	-	-	-	975,375
Widen Taxiway H - Construction federal eligible		-	1,205,305	-	-	-	1,205,305
T-Hangar Rood Repairs		-	-	300,000	-	-	300,000
Rehab South Ramp-Design Services		-	-	-	-	213,000	213,000
Transportation Services Total		\$ 1,155,386	\$ 6,330,305	\$ 1,700,000	\$ 1,500,000	\$ 213,000	\$ 10,898,691
Total Projects:		\$ 39,142,998	\$ 25,263,128	\$ 15,833,280	\$ 16,521,109	\$ 69,044,467	\$ 165,804,982
Funding Source:							
General Fund Revenues		\$ 1,238,372	\$ 17,442,368	\$ 11,858,280	\$ 9,592,213	\$ 10,346,360	\$ 50,477,593
General Fund Balance		2,296,660					2,296,660
Fund 15-VDOT Street Maint		1,000,000	-	-	-	-	1,000,000
Aid to Localities-VA Fire Program		120,000	120,000	120,000	120,000	120,000	600,000
Bonds		7,001,769	-	-	-	-	7,001,769
State Grants		5,446,597	2,039,301	1,525,000	1,025,000	1,042,040	11,077,938
Federal Grants		349,600	1,111,459	280,000	280,000	471,700	2,492,759
To Be Determined		21,500,000	4,500,000	2,000,000	5,453,896	57,014,367	90,468,263
Contribution in Aid		50,000	50,000	50,000	50,000	50,000	250,000
Reprogrammed Funds		140,000	-	-	-	-	140,000
Total Funding		\$ 39,142,998	\$ 25,263,128	\$ 15,833,280	\$ 16,521,109	\$ 69,044,467	\$ 165,804,982

Description

The Danville City Council is the governing body of the City of Danville, Virginia. The City Council is empowered to adopt and enforce ordinances, policies, and rules and regulations to conduct the public's business and to provide for the protection of general health, safety, and welfare to the public. All ordinances are codified and are available for public inspection in the Office of the City Clerk. The City Council has the power to appoint the city manager, the city attorney, and the city clerk. The city manager, the city attorney, and the city clerk serve at the pleasure of the City Council.

The City Council consists of nine members, elected to four-year staggered terms, with elections every two years. City Council conducts its monthly business meetings on the first and third Tuesday at 7:00 p.m. in City Council Chambers, 4th floor, Municipal Building, 427 Patton Street, in downtown Danville. The business meetings are televised by the local cable provider and may be seen on River City TV.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ 80,000	\$ 80,000	\$ 80,000	\$ 80,000	\$ -
Employee Benefits	6,120	6,120	6,120	6,120	-
Purchased Services	4,075	3,284	4,000	69,000	65,000
Internal Service	24	59	70	3,000	2,930
Other Operating Expenses	124,290	117,910	157,050	95,530	(61,520)
Capital Outlay	1,089	637	-	-	-
Totals	\$215,598	\$208,010	\$247,240	\$ 253,650	\$ 6,410

Personnel

There are eight council members who receive \$10,000 annually for their services.

Description

The mayor serves as the president of the City Council, presides at all meetings of the City Council, and performs other duties consistent with the office as may be imposed by the City Council. The mayor is entitled to vote and speak on the issues as is afforded other members of the City Council; however, they are not granted any veto power. The mayor is recognized as the head of the City government for all ceremonial purposes, the purposes of military law, and the service of the civil process.

The Office of the Mayor also represents the City at various functions, both public and private. The mayor issues proclamations, signs all ordinances and resolutions adopted by the City Council, and has the authority to call special meetings of the City Council.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$12,000	\$ 12,000	\$12,000	\$ 12,000	\$ -
Employee Benefits	918	918	920	920	-
Internal Service	1,185	3,330	3,670	50	(3,620)
Other Operating Expenses	2,648	2,169	3,580	2,590	(990)
Totals	\$16,751	\$ 18,417	\$20,170	\$ 15,560	\$ (4,610)

Personnel

The Mayor's position is part-time and receives an annual salary of \$12,000.

Description

The City of Danville converted to the council-manager form of government in 1951. This provides for professional, non-partisan management of municipal affairs.

The city manager is the chief executive officer of the City and is responsible to the City Council for the proper administration of the City government. The City Manager has the responsibility to see that all laws and ordinances are enforced; exercise supervision and control over all administrative departments and divisions of the City; attend all regular meetings of the City Council, with the right to take part in discussion, but having no vote; recommend to the City Council, for adoption, such measures as they deem necessary or expedient; make and execute all contracts on behalf of the City, except as may be otherwise provided by the City Charter or by ordinance passed by the City Council; prepare and submit the annual budget; keep City Council fully advised at all times as to the present and future physical needs of the City; perform other duties as may be prescribed by the City Charter or the City Council; and be responsible for the appointment and removal of all officers and employees of the City.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures					
Personnel Services	\$436,687	\$ 479,246	\$466,800	\$ 480,780	\$ 13,980
Employee Benefits	62,122	69,596	68,810	58,580	(10,230)
Purchased Services	93,942	93,270	3,000	1,500	(1,500)
Internal Service	11,300	13,749	15,820	12,430	(3,390)
Contribution to Other Entities	-	1,100	-	-	-
Other Operating Expenses	24,503	27,555	28,370	29,400	1,030
Capital Outlay	395	106	-	-	-
Totals	\$628,949	\$ 684,622	\$582,800	\$ 582,690	\$ (110)

Personnel

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
CITY MANAGER	1.000	1.000	1.000
EXECUTIVE SECRETARY	1.000	1.000	1.000
EXECUTIVE ASSISTANT	1.000	1.000	1.000
ASSISTANT TO THE CITY MANAGER	1.000	1.000	1.000
DEPUTY CITY MANAGER	1.000	1.000	1.000
Total	5.000	5.000	5.000

Description

The City Clerk/Clerk of Council is appointed by the Danville City Council. The Clerk records all minutes, ordinances, resolutions, and contracts approved by City Council and is responsible for the codification of the City Code and its distribution. This office also maintains historical files, City Council records, and official contracts/agreements approved by City Council. For budgeting, it is a sub-activity of the City Manager's Office.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$47,240	\$ 49,011	\$ 49,020	\$ 50,850	\$ 1,830
Employee Benefits	6,855	7,298	7,560	6,600	(960)
Purchased Services	23,075	16,720	23,200	22,500	(700)
Internal Service	2,114	3,782	4,080	4,660	580
Other Operating Expenses	9,110	13,401	17,800	62,500	44,700
Capital Outlay	-	895	-	-	-
Totals	\$88,394	\$ 91,107	\$ 101,660	\$ 147,110	\$ 45,450

Personnel

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
CLERK OF COUNCIL	1.000	1.000	1.000
Total	1.000	1.000	1.000

Description

River City TV serves as the City of Danville's government-educational access channel. The mission of River City TV is to keep the citizens of Danville well-informed of the functions of local government and the Danville Public School System.

The channel is managed and operated by the City of Danville's Multimedia Media Design Manager through the City's cable franchise agreement.

Expenditures

The Electric Fund provides a portion of the cost for this operation as reflected in the Recovery line below.

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Revenues:					
Recoveries	\$ -	\$ 50,000	\$ 50,000	\$ 50,000	\$ -
Expenditures:					
Personnel Services	\$ 66,447	\$ 68,772	\$ 68,780	\$ 71,530	\$ 2,750
Employee Benefits	10,082	10,466	10,610	9,290	(1,320)
Purchased Services	2,521	1,997	7,500	7,500	-
Internal Service	7,286	6,794	5,710	9,400	3,690
Other Operating Expenses	1,287	2,023	3,220	3,330	110
Capital Outlay	6,061	3,844	10,000	10,000	-
Totals	\$ 93,684	\$ 93,896	\$ 105,820	\$ 111,050	\$ 5,230
Net Cost to General Fund	\$ 93,684	\$ 43,896	\$ 55,820	\$ 61,050	\$ 5,230

Personnel

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
MULTIMEDIA MANAGER	1.000	1.000	1.000
Total	1.000	1.000	1.000

Description

The City Attorney's Office, located on the fourth floor of the Municipal Building, by City Charter, provides the following services: serves as legal counsel/advisor to the City Council, City Administration, the Danville City School Board, and other various boards and agencies of the City to ensure that the activities of the City are conducted in accordance with the requirements of the law, both substantively and procedurally; prepares ordinances and resolutions for consideration and passage by City Council designed to enhance the health, safety and welfare of the citizens of Danville, including researching applicable State and Federal Statutes necessary for legal compliance of same; drafts legal documents such as deeds, pleadings, performance agreements, and contracts as required and requested, also we oversee the preparation of contracts by others involving the City; institutes and prosecutes legal proceedings as needed; attends City Council and other meetings as appropriate; and manages and controls the law business of the City.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$283,577	\$ 296,606	\$298,710	\$ 312,330	\$ 13,620
Employee Benefits	41,814	49,007	54,200	40,140	(14,060)
Purchased Services	665	22,853	15,450	15,450	-
Internal Service	5,134	5,246	3,530	4,480	950
Other Operating Expenses	29,006	25,937	34,970	35,820	850
Capital Outlay	-	-	200	200	-
Totals	\$ 360,196	\$ 399,649	\$ 407,060	\$ 408,420	\$ 1,360

Personnel

In addition to personnel listed below, an Assistant City Attorney is authorized and funded by the City's Blight Program.

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
CITY ATTORNEY	1.000	1.000	1.000
LEGAL SECRETARY	1.000	1.000	1.000
LEGAL ASSISTANT	1.000	1.000	1.000
ASSISTANT CITY ATTORNEY II	1.000	1.000	1.000
Total	4.000	4.000	4.000

Description

The Budget Office is responsible for the development of operating and capital budgets of the City. This office performs long-range fiscal planning, revenues and expenditures forecasting, and examination of agency operations and procedures. The Budget Office also maintains corporate financial control throughout the year and provides professional management and research assistance on issues related to financial management, productivity, and the effective and efficient use of city funds.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ 95,553	\$ 103,592	\$103,600	\$ 107,220	\$ 3,620
Employee Benefits	14,381	15,932	15,970	13,910	(2,060)
Purchased Services	566	764	600	800	200
Internal Service	4,844	2,851	5,390	3,140	(2,250)
Other Operating Expenses	1,268	1,279	1,450	830	(620)
Capital Outlay	2,691	-	-	-	-
Totals	\$ 119,303	\$ 124,418	\$ 127,010	\$ 125,900	\$ (1,110)

Personnel

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
DIRECTOR OF BUDGET	1.000	1.000	1.000
Total	1.000	1.000	1.000

Description

Legislative Affairs develops and coordinates the City's legislative program, serving as the liaison between city and elected officials. Funding will go towards representing the City's interest at the General Assembly and may represent the City at meetings of appointed officials that may impact the Danville area.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Purchased Services	\$50,234	\$ 50,437	\$53,000	\$ 53,000	\$ -
Other Operating Expenses	15,020	15,313	15,000	15,000	-
Totals	\$65,254	\$ 65,750	\$68,000	\$ 68,000	\$ -

Description

The Community Development Department for the City of Danville includes the Office of the Department Director, Planning Division, Inspections Division, Housing and Development Division and programs and projects related to Community and Economic Development. The Office of the Director is responsible for the operations of the Department that include the Neighborhood Revitalization/Building Blocks Program, Development Assistance/Commercial Development Review, Code Enforcement (Zoning and Building), Virginia Maintenance Code Enforcement, Economic Development Support, Rental Inspection Program, CDBG Entitlement Program, Home Entitlement Program, Comprehensive Plan Development, and update Capital Project Coordination and Grantsmanship.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ 147,315	\$ 153,937	\$ 153,940	\$ 157,760	\$ 3,820
Employee Benefits	21,955	22,984	23,720	20,460	(3,260)
Purchased Services	454	402	3,040	3,040	-
Internal Service	2,494	1,806	4,010	2,240	(1,770)
Other Operating Expenses	22,068	14,146	16,860	17,480	620
Capital Outlay	-	-	320	320	-
Totals	\$ 194,286	\$ 193,275	\$ 201,890	\$ 201,300	\$ (590)

Personnel

The Accountant II position is partially funded by this account, Public Works and Community Development Block Grant (CDBG) funds.

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
SENIOR SECRETARY	1.000	1.000	1.000
ACCOUNTANT II	0.400	0.400	0.400
DIRECTOR OF COMMUNITY DEV	1.000	1.000	1.000
Total	2.400	2.400	2.400

Description

The Community Development Department's Inspections Division is responsible for administering the Virginia Uniform Statewide Building and Maintenance Code. As part of the City's "Building Blocks" Program, the Inspections Division also oversees the administration of the Rental Housing Inspection Program (RHIP). The specific tasks of the Division on a daily basis include doing plan reviews and issuing various construction permits such as: building, electrical, mechanical, plumbing, amusement device, and sign permits. In addition to issuing such permits, the inspectors perform inspections on work completed during the construction process. The Maintenance Code/RHIP process involves inspecting existing properties to verify their compliance with Virginia Uniform Statewide Building and Maintenance Codes and City Ordinances.

Revenues/Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Revenues:					
Building Permits	\$ 100,014	\$ 84,549	\$ 84,700	\$ 100,240	\$ 15,540
Electrical Permits & Inspection	15,084	21,025	18,150	20,160	2,010
Mechanical Permits & Inspection	29,290	27,529	28,260	34,320	6,060
Rental Housing Inspection Fees	12,293	16,808	15,600	16,120	520
Plumbing Inspection Fees	12,345	11,897	10,050	12,100	2,050
Amusement Device Permit/Inspect	238	192	340	340	-
Sign Permits & Inspection	4,045	3,939	4,610	4,400	(210)
Misc Revenue	-	-	-	-	-
Totals	173,309	165,939	161,710	187,680	25,970
Expenditures:					
Personnel Services	\$ 499,621	\$ 459,397	\$ 520,390	\$ 592,630	\$ 72,240
Employee Benefits	73,223	67,695	80,170	74,680	(5,490)
Purchased Services	30,391	32,626	36,220	34,890	(1,330)
Internal Service	53,632	51,134	48,570	52,160	3,590
Other Operating Expenses	188,488	361,611	271,790	275,630	3,840
Capital Outlay	-	1,478	1,140	880	(260)
Totals	\$ 845,355	\$ 973,941	\$ 958,280	\$ 1,030,870	\$ 72,590
Net Cost to City	\$ 672,046	\$ 808,002	\$ 796,570	\$ 843,190	\$ 46,620

Personnel

The Plumbing/Cross Connection Inspector is funded .5 from General Fund and .5 from Water Treatment fund as the positions duties include inspection of plumbing systems, and backflow prevention to the City's potable water system.

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
PERMIT TECHNICIAN	1.000	1.000	1.000
PROP MAINT CODE COORDINATOR	1.000	1.000	1.000
PROPERTY MAINTENANCE INSPECTOR	2.000	2.000	2.000
BUILDING INSPECTOR	2.000	2.000	2.000
ELECTRICAL INSPECTOR	1.000	1.000	1.000
MECHANICAL INSPECTOR	1.000	1.000	1.000
PLUMBING/CROSS CNCTN INSPECTOR	0.500	0.500	0.500
INSPECTIONS SUPERVISOR	1.000	1.000	1.000
DIVISION DIR OF INSPECTIONS	1.000	1.000	1.000
Total	10.500	10.500	10.500

Description

The Housing & Development program fund is used to support efforts to promote the rehabilitation of properties that are not subject to other blight funding.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Purchased Services	\$ 12,327	\$ 10,073	\$ 25,000	\$ 25,000	\$ -
Internal Service	-	87			
Other Operating Expenses	1,239	2,130	1,060	5,050	3,990
Totals	\$ 13,566	\$ 12,290	\$ 26,060	\$ 30,050	\$ 3,990

Description

This funding is used to purchase services needed for Comprehensive Blight removal. Items such as advertising, title research, and other costs associated with blighted properties comes from this account.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures					
Purchased Services	\$68,533	\$ 95,626	\$75,000	\$ 75,000	\$ -
Internal Service	-	-	-	-	-
Other Operating Expenses	1,316	1,136	-	-	-
Totals	\$69,849	\$ 96,762	\$75,000	\$ 75,000	\$ -

Description

This is the annual program in the month of May that promotes City residents to Clean-up/Fix-up their properties to try to improve the appearance of houses. Items are provided to residents and neighborhoods to clean properties, paint, plant, etc.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Purchased Services	\$32,859	\$ 49,722	\$25,000	\$ 30,000	\$ 5,000
Internal Service	78	76	-	-	-
Other Operating Expenses	7,067	10,275	25,000	20,000	(5,000)
Totals	\$40,004	\$ 60,073	\$50,000	\$ 50,000	\$ -

Description

The Planning Office is a division of the Community Development Department and is responsible for coordinating the City of Danville's current and long-range planning activities. The Planning Office is responsible for coordinating Zoning Code administration, local enactment and enforcement of community and statewide development regulations, informing prospective developers and builders about development review regulation and processes, consulting with other City agencies concerning the Zoning Code. The Office also is charged with coordinating and executing planning studies, and providing staff support and planning recommendations to the City Manager, Planning Commission, City Council, Board of Zoning Appeals, Commission of Architectural Review, River District Design Commission and the citizens of Danville.

Revenues/Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Revenues:					
Zoning Appeal Fees	\$ -	\$ 206	\$ -	\$ -	\$ -
Zoning Clearance Fees	3,080	9,795	2,530	3,300	770
Comm of Arch Review Fees	225	182	260	260	-
Totals	\$ 3,305	\$ 10,183	\$ 2,790	\$ 3,560	\$ 770
Expenditures:					
Personnel Services	\$ 29,012	\$ 62,667	\$ 76,900	\$ 84,360	\$ 7,460
Employee Benefits	2,869	9,455	11,860	8,710	(3,150)
Purchased Services	24,043	46,684	26,550	1,420	(25,130)
Internal Service	8,158	10,563	13,560	13,240	(320)
Other Operating Expenses	4,511	3,563	6,540	6,780	240
Capital Outlay	-	2,682	820	300	(520)
Totals	\$ 68,593	\$ 135,614	\$ 136,230	\$ 114,810	\$ (21,420)
Net Cost to City	\$ 65,288	\$ 125,431	\$ 133,440	\$ 111,250	\$ (22,190)

Personnel

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
PLANNING TECHNICIAN	1.000	1.000	1.000
SENIOR PLANNER	1.000	1.000	1.000
Total	2.000	2.000	2.000

Description

The City Planning Commission is comprised of seven members appointed by the City Council. The major responsibilities of the Commission are to advise City Council on growth and development issues, make recommendation to the City Council on rezoning, special use permit applications, and subdivision plats, and to review and make recommendations to the City Council on amendments to the Zoning Code and the Comprehensive Plan.

Revenues/Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Revenues:					
Planning Commission Fees	\$ 6,300	\$ 1,070	\$ 7,200	\$ 10,360	\$ 3,160
Totals	\$ 6,300	\$ 1,070	\$ 7,200	\$ 10,360	\$ 3,160
Expenditures:					
Purchased Services	\$ 3,764	\$ 3,768	\$ 6,240	\$ 6,840	\$ 600
Internal Service	213	-	360	360	-
Other Operating Expenses	147	1,419	2,500	2,500	-
Totals	\$ 4,124	\$ 5,187	\$ 9,100	\$ 9,700	\$ 600
Net Cost to City	\$ (2,176)	\$ 4,117	\$ 1,900	\$ (660)	\$ (2,560)

Description

The Board of Zoning Appeals is a seven member Court appointed body that hears and rules on appeals of the Zoning Administrator's decision, applications for variances from the Zoning Code, and applications for interpretations of the zoning district maps.

Revenues/Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Revenues:					
Zoning Appeal Fees	\$ 600	\$ -	\$ 630	\$ 2,060	\$ 1,430
Totals	\$ 600	\$ -	\$ 630	\$ 2,060	\$ 1,430
Expenditures:					
Personnel Services	\$ 240	\$ -	\$ 420	\$ 530	\$ 110
Employee Benefits	18	-	50	-	(50)
Purchased Services	980	745	1,140	1,440	300
Internal Service	-	-	60	60	-
Other Operating Expenses	926	-	470	470	-
Totals	\$ 2,164	\$ 745	\$ 2,140	\$ 2,500	\$ 360
Net Cost to City	\$ 1,564	\$ 745	\$ 1,510	\$ 440	\$ (1,070)

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN
PROJECT DESCRIPTION

Project Title: Comprehensive Blight Removal
Project No: 60806

Department: Community Development
Division: Housing
Section: N/A

Description:

This project continues the City's efforts to improve housing and eliminate blight by implementing the strategies recommended in the comprehensive housing study conducted by CZB in 2014. It includes funds for demolition of valueless property, stabilization of important historically significant properties, enhanced code enforcement, establishment of a non-profit community development entity, establishment of a loan loss reserve fund, and redevelopment of the Five Forks commercial area.

Justification:

The City's 2014 Comprehensive Housing Market analysis demonstrated that much is needed to be done in order to make Danville a community of choice for individuals and families locating to our area. The City of Danville is experiencing four issues that impact the quality of housing and each requires attention to make any kind of significant improvement: excess supply, geographic isolation from larger markets, declining incomes and a large inventory of unappealing housing stocks. The CZB housing study made several recommendations to improve the market conditions and reverse the trend that is creating blight and further devaluation of properties. If nothing is done to reverse the trend, the City's housing market will continue to decline and affect every neighborhood. The strategies recommended in the plan are proven and documented by industry professionals to have a positive impact on the communities where implemented.

Comments: Due to budgetary limitations, funding for this project was reduced for the FY 2019 & 2020 budgets.
N/A

Funding Sources:		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
General Fund Revenues		293,340	600,000	600,000	500,000	500,000	2,493,340
General Fund Balance		106,660	-	-	-	-	106,660
Total Funding Sources		400,000	600,000	600,000	500,000	500,000	2,600,000

Goals/Milestones:

FY 2021	Demolition of 50 derelict and unsafe structures; purchase and stabilize one vacant derelict structure with OWE/West Main/Grove Street areas;;maintain the OW Rental Inspection Program Inspector and Assistant City Attorney positions; continue initiative of receiving matching funds from private sector and other sources.
FY 2022	Demolition of 50 derelict and unsafe structures; continue support of OWE Rental Inspector and Assistant City Attorney positions; continue partial funding of CDC/Land Bank
FY 2023	Demolition of 50 derelict and unsafe structures; continue support of OWE Rental Inspector and Assistant City Attorney positions; continue partial funding of CDC/Land Bank
FY 2024	Demolition of 50 derelict and unsafe structures; continue support of OWE Rental Inspector and Assistant City Attorney positions; continue partial funding of CDC/Land Bank
FY 2025	Demolition of 50 derelict and unsafe structures; continue support for OWE Rental Inspector and Assistant City Attorney positions; continue partial funding of CDC/Land Bank

Description

The City Treasurer is an elected official whose primary responsibilities include collecting and accounting for revenues for the City of Danville and for the State of Virginia. The City Treasurer's office is dedicated to serving our citizen's in a professional, courteous, and efficient manner.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Revenues:					
Treasurer-State Share	\$ 120,677	\$ 120,911	\$ 123,650	\$ 123,650	\$ -
Totals	\$ 120,677	\$ 120,911	\$ 123,650	\$ 123,650	\$ -
Expenditures					
Personnel Services	\$ 166,765	\$ 167,038	\$ 174,480	\$ 178,480	\$ 4,000
Employee Benefits	30,149	29,673	34,770	34,570	(200)
Purchased Services	362	915	650	650	-
Internal Service	7,964	7,893	6,130	7,660	1,530
Other Operating Expenses	10,512	10,410	10,150	10,250	100
Capital Outlay	-				-
Totals	\$ 215,752	\$ 215,929	\$ 226,180	\$ 231,610	\$ 5,430
Net Cost to City	\$ 95,075	\$ 95,018	\$ 102,530	\$ 107,960	\$ 5,430

Personnel

The State Compensation Board provides personnel funding based on a formula with the funding split between the Comp Board and the City. Each Constitutional Office has a separate formula.

Position Title	FY 2019 Total FTEs	FY 2020 Total FTEs	FY 2021 Total FTEs
TREASURER	1.00	1.00	1.00
CHIEF DEPUTY	1.00	1.00	1.00
DEPUTY II, III	2.00	2.00	2.00
	4.00	4.00	4.00

Description

The Office of the Commissioner of Revenue is located in the Charles H. Harris Financial Services Center. The Commissioner of Revenue is an elected position with a four-year term as provided for by the Constitution of the Commonwealth of Virginia. The office assesses and processes taxes that generate revenue for the City of Danville and the Commonwealth of Virginia. The Commissioner of the Revenue's office also works closely with the Division of Central Collections in the delinquent collection process.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Revenues:					
Commissioner of Rev-State	\$ 147,760	\$ 148,018	\$ 150,180	\$ 150,180	\$ -
Totals	\$ 147,760	\$ 148,018	\$ 150,180	\$ 150,180	\$ -
Expenditures:					
Personnel Services	\$ 416,039	\$ 417,047	\$ 433,460	\$ 433,460	\$ -
Employee Benefits	71,036	70,126	79,330	77,530	(1,800)
Purchased Services	6,185	6,199	6,500	8,400	1,900
Internal Service	14,265	14,585	9,830	13,130	3,300
Other Operating Expenses	14,958	13,897	18,640	20,640	
Totals	\$ 522,483	\$ 521,854	\$ 547,760	\$ 553,160	\$ 3,400
Net Cost to City	\$ 374,723	\$ 373,836	\$ 397,580	\$ 402,980	\$ 3,400

Personnel

The State Compensation Board provides personnel funding based on a formula with the funding split between the Comp Board and the City. Each Constitutional Office has a separate formula.

The City funds two full-time positions :

General Clerk – Business Meals Tax Inspector – This position is responsible for the collection and processing of food tax, and other duties.

Personal Property Clerk – This position is responsible for the processing of personal property billing.

The City also funds three part-time positions that work an average of 23 hrs. per week:

One Personal Property Clerk

Two Auditors – These positions perform audits of local business for license and personal property compliance.

Position Title	FY 2019 Total FTEs	FY 2020 Total FTEs	FY 2020 Total FTEs
COMMISSIONER OF THE REVENUE	1.00	1.00	1.00
CHIEF DEPUTY	1.00	1.00	1.00
DEPUTY I, II, III	5.00	5.00	5.00
MEALS TAX INSPECTOR	1.00	1.00	1.00
GENERAL CLERK	1.50	1.50	1.50
AUDITOR	1.00	1.00	1.00
	10.50	10.50	10.50

Description

The Clerk of Circuit Court and staff issue marriage licenses, record deeds and all associated documents, record financing statements, record military discharges, docket judgments, and index and store the records in a manner that the public may have access to them. The Clerk has concurrent jurisdiction with the Judge of the Circuit Court in the probating of wills. The Clerk is the administrative arm of the Circuit Court and is responsible for maintaining and publishing the court docket, issuing all court orders and service requests, and maintaining permanent records of all court cases, including criminal and civil cases, as well as maintaining a staff member in the courtroom during all cases.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Revenues:					
Sale of Maps, Surveys, etc	\$ -	\$ -	\$ 5,000	\$ 5,000	\$ -
Circuit Court Clerk-State	473,126	473,990	481,830	481,830	-
Totals	\$ 473,126	\$ 473,990	\$ 486,830	\$ 486,830	\$ -
Expenditures					
Personnel Services	\$ 598,085	\$ 617,542	\$ 623,890	\$ 623,890	\$ -
Employee Benefits	109,617	112,041	129,440	129,440	-
Purchased Services	18,615	17,069	38,160	38,670	510
Internal Service	10,885	10,304	8,250	9,280	1,030
Other Operating Expenses	21,756	23,246	21,250	21,250	-
Capital Outlay	740	865	1,500	1,500	-
Totals	\$ 759,698	\$ 781,067	\$ 822,490	\$ 824,030	\$ 1,540
Net Cost to City	\$ 286,572	\$ 307,077	\$ 335,660	\$ 337,200	\$ 1,540

Personnel

The Virginia Compensation Board provides 100% funding for salaries with the exception of two partially funded positions and four positions fully funded by the City.

Position Title	FY 2019 Total FTEs	FY 2020 Total FTEs	FY 2021 Total FTEs
CLERK OF CIRCUIT COURT	1.00	1.00	1.00
ASSISTANT CHIEF DEPUTY	1.00	1.00	1.00
DEPUTY CLERK I, II, III, IV	14.00	14.00	14.00
	16.00	16.00	16.00

Accomplishments

- A large volume of older deed books has been digitized and added to our Records Management system providing beneficial data for remote access to land records.
- Our office utilizes case imaging in our Civil and Criminal divisions. All case files are managed and accessed digitally.

Initiatives

- Our office is continuing backscanning of all undigitized deed books and indexes which provides improved remote access and title search capabilities. This initiative requires a span of years for completion and is subject to availability of funding. Ultimately, this office plans to have these records backscanned to 1841.

Description

The Danville Sheriff's Office operates the Danville City Jail, which is a maximum security facility and is located in the Courts and Jail Building. The Sheriff's Office is also responsible for providing security for the Courts and Jail Building, which includes security for the Circuit, General District, and Juvenile and Domestic Relations District Courts. The Civil Process unit is responsible for the service of all court documents generated by these courts, as well as documents from courts outside of our jurisdiction.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Revenues:					
Sheriffs Office - State	\$ 3,136,371	\$ 3,193,306	\$ 3,404,900	\$ 3,404,900	\$ -
Totals	\$ 3,136,371	\$ 3,193,306	\$ 3,404,900	\$ 3,404,900	\$ -
Expenditures:					
Personnel Services	\$ 3,165,323	\$ 3,233,636	\$ 3,428,340	\$ 3,404,000	\$ (24,340)
Employee Benefits	777,652	644,618	752,350	752,610	260
Purchased Services	30,882	32,313	42,490	42,150	(340)
Internal Service	148,653	164,608	168,670	195,490	26,820
Other Operating Expenses	88,006	85,358	88,760	94,430	5,670
Capital Outlay	5,838	29,988	5,850	5,850	-
Totals	\$ 4,216,354	\$ 4,190,521	\$ 4,486,460	\$ 4,494,530	\$ 8,070
Net Cost to City	\$ 1,079,983	\$ 997,215	\$ 1,081,560	\$ 1,089,630	\$ 8,070

Personnel

The State Compensation Board provides personnel funding based on a formula with the funding split between the Comp Board and the City. Each Constitutional Office has a separate formula.

The City funds 3 Deputy positions.

Position Title	FY 2019 Total FTEs	FY 2020 Total FTEs	FY 2020 Total FTEs
SHERIFF	1.00	1.00	1.00
LT. COLONEL	1.00	1.00	1.00
DEPUTIES-VARIOUS RANKS	72.00	72.00	72.00
ADMINISTRATIVE SECRETARY	4.00	4.00	4.00
LIDS TECH	1.00	1.00	1.00
NURSE	4.00	4.00	4.00
	83.00	83.00	83.00

Description

The Danville City Jail is a major, maximum-security jail located on the first floor of the Courts and Jail Building. The Jail Annex is located at 1000 South Boston Road, and is part of the building which also houses the Danville Adult Detention Facility. The Annex houses female inmates. The jail and jail annex house approximately 247 inmates. The facility is rated to house 213 inmates. The Danville City Jail provides both educational, religious, and substance abuse programs for the benefit of those incarcerated.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Revenues:					
Concession Rentals-Det Fac	\$ 52,559	\$ 64,932	\$ 52,000	\$ 55,000	\$ 3,000
Charges for Detention	585,664	568,339	585,660	568,340	(17,320)
Totals	\$ 638,223	\$ 633,271	\$ 637,660	\$ 623,340	\$ (14,320)
Expenditures:					
Personnel Services	\$ 66,954	\$ 67,574	\$ 42,000	\$ 42,000	\$ -
Employee Benefits	5,056	5,169	3,220	3,220	-
Purchased Services	191,862	168,924	214,890	253,550	38,660
Internal Service	327,199	337,518	356,090	356,090	-
Other Operating Expenses	1,343,210	992,982	961,950	963,950	2,000
Capital Outlay	70,360	41,906	77,770	77,770	-
Totals	\$ 2,004,641	\$ 1,614,073	\$ 1,655,920	\$ 1,696,580	\$ 40,660
Net Cost to City	\$ 1,366,418	\$ 980,802	\$ 1,018,260	\$ 1,073,240	\$ 54,980

Personnel

The Personnel Services and Employee Benefits covers to cost associated with Physician services charged on an as needed basis. The City contracts these services for the City Jail, Adult Detention Facility, and Juvenile Detention Facility.

Description

The Collections Department of the Commonwealth Attorney's Office collects delinquent fines, costs and restitution for the Circuit Court, General District Court and Juvenile and Domestic Relations District Court. A Community Service Program is available for those who owe fines and costs to Circuit and General District Courts. For Circuit Court, these individuals may work for God's Storehouse and/or Crossroads. For General District Court, they may work for Gods Storehouse. They earn an hourly credit of \$7.25. Each participant is required to turn in his or her own hours worked to the Collections Department on a special receipt which was created by Petra Haskins and Benjamin White of the Commonwealth's Attorney's Office.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Revenues:					
Charges for Collection	\$ 144,322	\$ 148,292	\$ 150,000	\$ 150,000	\$ -
Totals	\$ 144,322	\$ 148,292	\$ 150,000	\$ 150,000	\$ -
Expenditures:					
Personnel Services	\$ 80,414	\$ 80,435	\$ 84,270	\$ 84,270	\$ -
Employee Benefits	14,455	14,556	15,890	16,220	330
Internal Service	6,556	6,635	6,330	8,140	1,810
Other Operating Expenses	8,531	7,052	9,570	7,920	(1,650)
Capital Outlay	469	-	800	700	(100)
Totals	\$ 110,425	\$ 108,678	\$ 116,860	\$ 117,250	\$ 390
Net Cost to City	\$ (33,897)	\$ (39,614)	\$ (33,140)	\$ (32,750)	\$ 390

Personnel

Position Title	FY 2019 Total FTEs	FY 2020 Total FTEs	FY 2021 Total FTEs
COLLECTION CLERK	3.00	3.00	3.00
	3.00	3.00	3.00

Description

The primary duty of the Commonwealth Attorney is the prosecution of criminal cases. Unlike most jurisdictions, a Danville City Charter provision requires the Commonwealth Attorney to prosecute all misdemeanor cases brought on City warrants in the General District Court. State law only requires the Commonwealth Attorney to appear for felony cases. The office also prosecutes all felonies and some misdemeanors in the Juvenile and Domestic Relations District Court. The Commonwealth's Attorney is responsible for the prosecution of all cases in the Circuit Court. The Commonwealth's Attorney is also required to represent some state agencies in civil matters and render conflict of interest opinions.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Revenues:					
Commonwlth Atty-State Share	\$ 953,141	\$ 935,539	\$ 972,380	\$ 972,380	\$ -
Totals	\$ 953,141	\$ 935,539	\$ 972,380	\$ 972,380	\$ -
Expenditures:					
Personnel Services	\$ 988,865	\$ 970,834	\$ 1,068,600	\$ 1,071,230	\$ 2,630
Employee Benefits	182,259	174,782	215,960	203,080	(12,880)
Purchased Services	1,954	1,859	2,850	3,890	1,040
Internal Service	23,801	24,980	19,490	23,350	3,860
Other Operating Expenses	106,081	107,436	112,600	110,080	(2,520)
Totals	\$ 1,302,960	\$ 1,279,891	\$ 1,419,500	\$ 1,411,630	\$ (7,870)
Net Cost to City	\$ 349,819	\$ 344,352	\$ 447,120	\$ 439,250	\$ (7,870)

Personnel

The Virginia Compensation Board provides funding for most positions; however, several positions include City-funded supplements. The City funds one Assistant Commonwealth Attorney at 100%. This position was added several years ago at the request of the Commonwealth Attorney to provide additional personnel needed due to the increased evidence provided by police body-worn-cameras. Based on State legislation and the number of public safety positions, the Commonwealth Attorney's office receives two separate city funded supplements in lieu of additional positions.

The Commonwealth Attorney's Office also has four additional positions which are funded by two separate grants and therefore, are not reflected below.

Position Title	FY 2019 Total FTEs	FY 2020 Total FTEs	FY 2021 Total FTEs
COMMONWEALTH ATTORNEY	1.00	1.00	1.00
ADMINISTRATIVE ASSISTANT	1.00	1.00	1.00
SECRETARY	5.00	5.00	5.00
ASSISTANT COMMONWEALTH ATTORNEY I, II, III, IV	10.00	10.00	10.00
	17.00	17.00	17.00

Description

The primary mission of the Office of Economic Development is to create an environment conducive for job creation, wealth creation, and quality of life improvement in the City of Danville.

The Office of Economic Development achieves these goals through new business recruitment, business retention and expansion, and the facilitation of entrepreneurial endeavors, which all come together to enhance the economic wellbeing of the community.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ 345,026	\$ 369,314	\$ 369,320	\$ 382,190	\$ 12,870
Employee Benefits	51,594	55,463	56,910	49,530	(7,380)
Purchased Services	240,219	324,132	247,190	261,890	14,700
Internal Service	21,155	19,703	35,020	18,990	(16,030)
Contribution-Other Entities	7,775	574	-	-	-
Other Operating Expenses	49,967	98,462	78,680	82,400	3,720
Capital Outlay	39	111	-	-	-
Totals	\$ 715,775	\$ 867,759	\$ 787,120	\$ 795,000	\$ 7,880

Personnel

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
SPECIAL PROJECT MGR	1.000	1.000	-
ECONOMIC DEVELOPMENT SPECIALIST	-	-	1.000
MARKETING AND RESEARCH MANAGER	1.000	1.000	1.000
ASST DIR OF ECONOMIC DEVELOPMT	1.000	1.000	1.000
ECONOMIC DEV PROJECT MANAGER	1.000	1.000	1.000
DIRECTOR OF ECONOMIC DEV	1.000	1.000	1.000
Total	5.000	5.000	5.000

GENERAL FUND
CITY COUNCIL ADOPTED BUDGET - CAPITAL & SPECIAL PROJECTS - FY 2021-2025

Project/Source	PL#	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	5 Yr Total
Economic Development							
International Recruitment		\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 500,000
River District Property Purchase and Improvement Plan		1,980,000	2,250,000	2,000,000	2,000,000	2,000,000	10,230,000
E/D Industrial Site Development		-	1,500,000	1,250,000	1,000,000	2,250,000	6,000,000
Information Technology Total		\$ 2,080,000	\$ 3,850,000	\$ 3,350,000	\$ 3,100,000	\$ 4,350,000	\$ 16,730,000

**GENERAL FUND
CITY COUNCIL ADOPTED BUDGET - CAPITAL & SPECIAL PROJECTS - FY 2021
FUNDING SOURCES**

	Current Revenues	Fund Balance	Debt Financing	Grants/CIA	Other	Project Total
<u><i>Economic Development</i></u>						
International Recruitment	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ 100,000
River District Property Purchase and Improvement Plan	-	1,840,000	-	-	140,000 (1)	1,980,000
Total	-	1,940,000	-	-	140,000	2,080,000

(1) Reprogrammed

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN
PROJECT DESCRIPTION

Project Title: International Recruitment Implementation

Department: Economic Development

Project No:

Division: N/A

Section: N/A

Description:

International recruitment allows the OED great flexibility to recruitment in areas with vibrant economies such as the European Market which is currently showing lots of activity and interest for capital investment and job creation in the U.S and specifically, Danville. This request includes funds that covers the costs of staff to travel internationally if necessary to close deals. This also covers the cost of the consulting contract with The Spectrum Group to assist with recruitment and ED strategy.

Justification:

This CSP request directly supports the recruitment of new international industry to the region which provides jobs and tax dollars to the City of Danville. In 2019 there was one new international industry announced that will be locating in the City of Danville and one expansion as a direct result of this initiative. There are 2-3 active prospects that could be announced prior to the end of the calendar year.

Comments:

N/A

Funding		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
General Fund Revenues		-	100,000	100,000	100,000	100,000	400,000
Fund Balance		100,000	-	-	-	-	100,000
Total Funding Sources		100,000	100,000	100,000	100,000	100,000	500,000

Goals/Milestones:

FY 2021	Support International Consulting and Travel
FY 2022	Support International Consulting and Travel
FY 2023	Support International Consulting and Travel
FY 2024	Support International Consulting and Travel
FY 2025	Support International Consulting and Travel

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN
PROJECT DESCRIPTION

Project Title: River District Property Purchase & Improvement Plan
Project No: 60921

Department: Economic Development
Division: N/A
Section: N/A

Description:

The requested funds are to be used for redeveloping key properties in the River District. Through the vehicle of the Industrial Development Authority, the funds are used to purchase derelict downtown property, redevelop properties, partner with private sector developers for renovation projects, and assist economic development projects that want to locate in the River District.

Justification:

Buildings and properties have deteriorated in the River District for the last four decades to the point that many of the buildings are beyond any level of economic feasibility for renovating. Danville has a lack of private sector development dollars to turn the tide against blight. To spur private sector development, we are using CIP funds to purchase key properties and renovate them with the hopes that the private sector will step in

Comments:

Details of projects to be provided in a closed session

Funding		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
General Fund Balance		1,840,000					1,840,000
Reprogrammed Funds		140,000					140,000
General Fund Revenue		-	2,250,000	2,000,000	2,000,000	2,000,000	8,250,000
Total Funding Sources		1,980,000	2,250,000	2,000,000	2,000,000	2,000,000	10,230,000

Goals/Milestones:

FY 2021	List to be provided to City Council in Closed Session
FY 2022	List to be provided to City Council in Closed Session
FY 2023	List to be provided to City Council in Closed Session
FY 2024	List to be provided to City Council in Closed Session
FY 2025	List to be provided to City Council in Closed Session

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN
PROJECT DESCRIPTION

Project Title: E/D Industrial Site Development
Project No: 608*

Department: Economic Development
Division: N/A
Section: N/A

Description:

To ensure our future economic competitiveness and continue to build the tax base, the Office of Economic Development recommends the Industrial Development Authority, through funding from the City of Danville, purchase property to develop industrial sites within the city limits for prospective businesses.

Justification:

Due to the relative success of Danville's economic development efforts the past ten years, we have limit usable industrial park property within the city limits. Two properties have been identified and purchased for future industrial development. In order to proactively develop both the Coleman Site (100 acres) and redevelop schoolfield (90 acres) the City will need to plan to invest resources in these areas.

Comments:

N/A

Funding		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
General Fund Revenues		-	1,500,000	1,250,000	1,000,000	2,250,000	6,000,000
							-
Total Funding Sources		-	1,500,000	1,250,000	1,000,000	2,250,000	6,000,000

Goals/Milestones:

FY 2021	N/A
FY 2022	List to be provided to City Council in Closed Session
FY 2023	List to be provided to City Council in Closed Session
FY 2024	List to be provided to City Council in Closed Session
FY 2025	List to be provided to City Council in Closed Session

Description

The Director of Finance is charged with overseeing the fiscal needs of the City of Danville. The functions of this Division within the Finance Department include the accounting for and supervision of all encumbrances, expenditures and disbursements to ensure the budget appropriations are not exceeded. This division also provides oversight and review of the preparation of the City's monthly and annual financial Statements. The Director provides administrative oversight to Customer Accounts, Purchasing, Central Services, the Employees Retirement System, Internal Audit, and Real Estate Assessment divisions. In addition, the Director serves as Treasurer of the Danville-Pittsylvania Regional Industrial Facility Authority and also serves as the Finance Director for the Industrial Development Authority and the City's Community Development Entity.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ 144,224	\$ 143,733	\$ 149,180	\$ 147,200	\$ (1,980)
Employee Benefits	20,969	21,087	22,990	19,090	(3,900)
Professional Services	2,145	91	-	-	-
Internal Service	3,092	1,749	1,660	2,380	720
Other Operating Exp	11,853	13,206	14,700	15,190	490
Capital Outlay	-	535	-	-	-
Totals	\$ 182,283	\$ 180,401	\$ 188,530	\$ 183,860	\$ (4,670)

Personnel

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
SENIOR SECRETARY	1.000	1.000	1.000
DIR OF FINANCE	1.000	1.000	1.000
Total	2.000	2.000	2.000

Description

The Division of Real Estate Assessment is a division of the Finance Department provides mass appraisal services of real property for tax purposes. With offices located on the third floor of the Municipal Building, the Division of Real Estate Assessment is responsible for the discovery, listing and appraisal of all real property in the City; maintaining current ownership and mailing address information; maintaining current parcel maps for GIS system; providing special assessments for land use; defending the City's assessments at Board of Equalization hearings; and the preparation of appraisal reports and testifying in court in defense of assessments, and administers the Veterans Real Estate Tax Relief program for veterans rated as 100% permanently and totally disabled due to a service-connect disability. Additionally the Division of Real Estate Assessment shares in the administration of the Tax Abatement of Rehabilitated Buildings Program; the Residential Subdivision Reimbursement Program; the Property Tax Exemption or Deferral and Reduced Residential Refuse Fee for the elderly or person found to be permanently and totally disabled program.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ 262,859	\$ 243,913	\$ 265,540	\$ 260,760	\$ (4,780)
Employee Benefits	38,602	36,033	40,920	32,950	(7,970)
Purchased Services	1,428	1,038	1,570	810	(760)
Internal Service	17,488	18,501	15,860	19,200	3,340
Other Operating Exp	7,505	15,358	10,900	19,540	8,640
Capital Outlay	354	-	-	-	-
Totals	\$ 328,236	\$ 314,843	\$ 334,790	\$ 333,260	\$ (1,530)

Personnel

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
SR REAL ESTATE ASSSSMNT CLRK	1.000	1.000	1.000
REAL ESTATE APPRAISER II	2.000	2.000	2.000
REAL ESTATE APPRAISER III	1.000	1.000	1.000
DIVISN DIR OF REAL ESTATE ASSE	1.000	1.000	1.000
Total	5.000	5.000	5.000

Description

The Real Estate and Mobile Home Tax Exemption and Deferral for Certain Elderly or Disabled Persons program, administered by the City's Tax Relief Official currently assigned to the Parks, Recreation & Tourism Department's Seniors Division with assistance of the Division of Real Estate Assessment, provides for reduced real estate and mobile home tax payments and reduced refuse fees for qualifying elderly or disabled, low-income property owners.

Through permissive legislation, City Council adopted the property tax relief program in 1974. Originally, the tax relief was limited to real estate only. In 1988, the program was amended to include mobile homes. In 2001, the program was amended to include disabled persons. In 2007, the program was amended to include reduced residential solid waste fee for certain elderly and disabled persons.

Through permissive legislation, On October 6, 2011 the City Council adopted the exemption from taxes on property for qualified disabled veterans rated by the U.S. Department of Veterans Affairs as 100% permanent and totally disabled due to a service-connected disability. All applications are filed and processed in the Division of Real Estate Assessment office.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Other Operating Expenses	\$ 106,684	\$ 125,586	\$ 137,000	\$ 152,000	\$ 15,000
Totals	\$ 106,684	\$ 125,586	\$ 137,000	\$ 152,000	\$ 15,000

Description

The Real Estate Board of Equalization provides property owners an opportunity to appeal their real estate assessment values. State law requires the City to have a Board of Equalization each reassessment year. Currently the City is on even year biennial reassessment cycle.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ -	\$ 910	\$ -	\$ 1,350	\$ 1,350
Employee Benefits	-	62	-	110	110
Purchased Services	-	296	-	350	350
Totals	\$ -	\$ 1,268	\$ -	\$ 1,810	\$ 1,810

Personnel

By law, the Board is composed of not less than three nor more than five members. Board members must be compensated with a wage for each hour spent in training and during Board hearings.

Description

The Independent Auditor activity includes the examination of the accounts and records of the City and related City organizations involved in the handling of City funds in accordance with generally accepted auditing standards. The auditor's contract requires an independent examination by a Certified Public Accountant who provides an opinion regarding conformance of the financial statements to generally accepted principles. The audit is also conducted in accordance with generally accepted auditing standards, governmental auditing standards issued by the Comptroller General of the United States, and requirements of the Auditor of Public Accounts of the Commonwealth of Virginia. As a recipient of federal and state grants, the City's audit is subject to the requirements of the Comptroller General and the Auditor of Public Accounts. Other outside entities, including bond rating agencies and banking institutions, request the City's annual audit report in order to establish the City's credit worthiness.

For many years, Dixon Hughes Goodman LLP served as the City's independent auditor. Beginning with the fiscal year 2014 audit, Brown, Edwards, & Company, LLP was selected to perform this service. It is best practice to issue an RFP for independent audit services every five years. The City will be issuing an RFP, reviewing submissions from respondents, and awarding the next annual audit towards the end of fiscal year 2020.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures					
Purchased Services	\$ 130,505	\$ 127,507	\$ 135,000	\$ 140,000	\$ 5,000
Totals	\$ 130,505	\$ 127,507	\$ 135,000	\$ 140,000	\$ 5,000

Description

The Customer Accounts Division of the Finance Department provides a full range of billing and collection services. The offices are located in the Charles H. Harris Financial Service Center, 311 Memorial Drive. The Division is responsible for properly establishing and maintaining customer utility accounts, ensuring proper and timely billing of accounts and resolving billing and service issues, as well as processing and maintaining records of all billings and payments for utilities, property taxes, other local taxes, licenses and miscellaneous charges.

Customer Accounts is also the point of contact should a citizen need information about account balances and payments with regard to utility and tax accounts.

The Customer Accounts Division budget consists of four functions: administration, customer care, billing, and collections. The administrative division accounts for administrative salaries and benefits, interest on customer deposits, and contractual expenses. The customer care function initiates and terminates service accounts, enrolls customers in the Equal Pay and Bank Draft plans, responds to customer inquiries and assists with information requests. The billing function imports readings from approximately 81,000 AMI electric, water and natural gas meters, and processes monthly billing statements for approximately 48,000 accounts. Bills are printed and mailed in-house daily. The collections function accepts payments from customers, posts all customer payments, issues non-pay disconnect orders for past due utility accounts. It also administers a number of programs, including: Fuel Assistance, Debt Set-Off, Vehicle Registration Withholding, and the collection of delinquent accounts by using other appropriate collection methods, such as court proceedings, distress warrants, tax liens, and third-party collections agencies.

In fiscal year 2020, this division assumed the billing and customer service functions that had previously existed in the Utility Department. As a result, 16 positions were transferred from the Utility Department to the Finance Department. The associated expenses are being covered by recovery revenue from the utility funds, eliminating the budgetary impact to the General Fund,

Expenditures

For fiscal year 2021, the budget for credit card fees on utility payments was increased by \$110,000. The effects of this can be seen in the Other Operating Expense line item.

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Revenues:					
Recoveries	14,013	15,446	1,327,670	1,578,440	250,770
Total	\$ 14,013	\$ 15,446	\$ 1,327,670	\$ 1,578,440	\$ 250,770
	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Proposed	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ 380,875	\$ 437,453	\$ 985,760	\$ 1,052,230	\$ 66,470
Employee Benefits	56,000	64,808	151,880	131,220	(20,660)
Purchased Services	81,566	69,979	244,830	293,680	48,850
Internal Service	29,183	23,438	31,120	49,330	18,210
Other Operating Exp	168,594	169,040	763,670	886,570	122,900
Capital Outlay	332	-	6,500	3,000	(3,500)
Debt Service	-	-	3,630	15,500	11,870
Totals	\$ 716,550	\$ 764,718	\$ 2,187,390	\$ 2,431,530	\$ 244,140
Net Cost to City	\$ 702,537	\$ 749,272	\$ 859,720	\$ 853,090	\$ (6,630)

Personnel

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
CASHIER	5.000	5.000	5.000
SENIOR CASHIER	1.000	-	-
COLLECTIONS CLERK II	3.000	4.000	-
SENIOR COLLECTIONS CLERK	2.000	2.000	2.000
CUSTOMER ACCOUNT REPRESENTATIV	-	-	12.000
DELINQUENT COLLECTIONS CORDNTR	1.000	1.000	1.000
DIV DIR OF CUSTOMER ACCOUNTS	1.000	1.000	1.000
CUSTOMER ACCTS MANAGER	1.000	1.000	2.000
CUSTOMER SERVICE REPRESENTATIV	-	8.000	-
UTILITY BILLING CLERK	-	3.000	3.000
UTILITY SPECIAL BILLING CLERK	-	2.000	2.000
SENIOR UTILITY BILLING CLERK	-	1.000	1.000
SR CUS SERVICE/TRAINING REP	-	1.000	1.000
DIVSN DIR OF CUSTOMER SERVICE	-	1.000	-
Total	14.000	30.000	30.000

Description

The Accounting Division of the Finance Department works to provide sound fiscal management, timely and accurate financial reporting, and safeguarding of the City's assets through proper internal controls. This includes oversight of the City's accounting, payroll, fixed assets, accounts payable, grant reporting, and inventory management systems. This division is also responsible for interfaces between the general ledger and the utility and collection software systems. Additional functions and responsibilities include: centralized accounts payable processing, weekly and monthly payroll processing, timely processing and reporting of payroll taxes and other payroll deductions, debt service administration, grant management, cash management, administration of the City's property and liability insurance, and the administration of cash, investment, and payroll operations of the City's Retirement System. The accounting and financial reporting for the Regional Industrial Facility Authority is also a function of this division, as well as the coordination of the related audits with independent auditors.

The Accounting Division prepares Consolidated Annual Financial Reports (CAFRs) for both the City and the Employees' Retirement System and coordinates the audit of these reports with the City's independent auditors. The City submits both CAFRs to the Government Finance Officers Association for the Certificate of Achievement for Excellence in Financial Reporting Award. The City has received this award for thirty-two consecutive years. It is the responsibility of this division to ensure the City's financial reporting continues to receive this prestigious award and to continually seek to improve the City's financial reporting.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ 522,954	\$ 534,052	\$ 570,140	\$ 568,090	\$ (2,050)
Employee Benefits	77,749	79,686	83,250	72,660	(10,590)
Purchased Services	11,774	11,721	21,730	22,000	270
Internal Service	12,716	14,491	13,240	16,230	2,990
Other Operating Exp	24,305	18,935	26,060	26,460	400
Capital Outlay	-	327	2,000	2,000	-
Totals	\$ 649,498	\$ 659,212	\$ 716,420	\$ 707,440	\$ (8,980)

Personnel

The City's Internal Auditor, who also provides cash and risk management services, is split 50/50 between the Internal Audit function and Accounting. Also, there is one Accountant allocated approximately 40% to the Employee Retirement System, 30% to RIFA, and 30% to Accounting.

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
ACCOUNT CLERK	2.000	2.000	-
SENIOR ACCOUNT CLERK	1.000	1.000	4.000
PAYROLL TECHNICIAN	1.000	1.000	1.000
ACCOUNTANT III	0.590	1.590	0.590
ACCOUNTANT II	3.000	2.000	2.000
BUSINESS SYSTEMS ACCOUNTANT	1.000	1.000	1.000
ASSISTANT DIRECTOR OF FINANCE	1.000	1.000	1.000
SENIOR INTERNAL AUDITOR	0.500	0.500	0.500
Total	10.090	10.090	10.090

Description

The Purchasing Division of the Finance Department is the center of the centralized purchasing operations for the City of Danville. While following statutory guidelines, this department aims to secure high quality products and services at the best possible cost for all of the departments of the City. Additionally, the Purchasing Division oversees the negotiating of professional contracts, monitoring vendor performance, manages the use of procurement cards, oversees the City's liability insurance programs, and administers surplus property disposal. The Purchasing Division also provides administrative oversight for Central Services, the City's centralized producer of printed materials, utility and tax bill printing. Current annual billing volumes include approximately 650,000 utility bills, 100,000 tax bills, 3,200 business licences, and all related notices. The Central Services staff also provides postal services and management of office supplies for all City

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ 241,934	\$ 255,811	\$ 253,760	\$ 257,740	\$ 3,980
Employee Benefits	35,998	38,220	39,110	33,440	(5,670)
Purchased Services	88,637	92,019	78,200	78,200	-
Internal Service	12,497	7,707	3,460	6,820	3,360
Other Operating Exp	6,933	7,633	19,390	18,920	(470)
Capital Outlay	2,150	107	12,200	12,000	(200)
Totals	\$ 388,149	\$ 401,497	\$ 406,120	\$ 407,120	\$ 1,000

Personnel

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
PURCHASING CLERK	1.000	1.000	1.000
SENIOR PURCHASING CLERK	1.000	1.000	1.000
BUYER	1.000	1.000	1.000
DIVISION DIR OF PURCHASING	1.000	1.000	1.000
SENIOR PRINTER	1.000	1.000	1.000
PRINT SHOP SUPERVISOR	0.100	0.100	0.100
Total	5.100	5.100	5.100

Description

The Internal Audit function in the Finance Department ensures integrity and reliability of financial reporting and protection against fraud. The Internal Auditor also ensures that a minimum acceptable set of control activities are in place in each of the business units and functions. Internal control procedures are regularly reviewed to identify weaknesses and/or gaps. When necessary, internal control improvements are recommended with the goal of mitigating risk, increasing productivity, and streamlining business processes. Additionally, this function routinely reviews the City's financial policies and procedures manuals, monitor compliance, and establish a process to adopt policies and procedures to changing business requirements.

Staff in this division serve multiple roles and currently also manage the City's cash flow, accounting for investments, as well as risk management. Duties also include managing the City's Insurance Fund, as well as preparing allocations for the City's self-insured workers' compensation expenses.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ 44,130	\$ 48,413	\$ 46,980	\$ 48,740	\$ 1,760
Employee Benefits	6,678	7,299	7,250	6,320	(930)
Internal Service	720	658	420	750	330
Other Operating Exp	1,066	1,180	3,270	3,540	270
Totals	\$ 52,594	\$ 57,550	\$ 57,920	\$ 59,350	\$ 1,430

Personnel

Because the City's Internal Auditor is also currently tasked with cash and risk management for the City, funding for this position is split between Finance: Internal Auditor (50%) and Finance: Accounting (50%).

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
SENIOR INTERNAL AUDITOR	0.500	0.500	0.500
Total	0.500	0.500	0.500

Description

The Danville and Pittsylvania County Regional Fire Training Center is located at 658 Stinson Drive, Danville, VA. The center meets the requirements of the National Fire Protection Association (NFPA) 1403 standard and as well as the Virginia Department of Fire Program's standards for conducting live fire training evolutions. In addition to conducting live fire training, this facility is capable of offering a myriad of other fire and rescue training opportunities. The center is utilized for training the 121 uniformed personnel of the Danville Fire Department and the more than 680 members of the 21 volunteer fire departments located throughout Pittsylvania County. The facility has hosted regional fire training schools, certification training, and has been used by Danville Utilities, Progress Energy, Goodyear Tire and Rubber Company, and other local industries. The Danville Fire Department manages and serves as fiduciary and the City and County share the operational costs equally. The DFD received a grant from the Virginia Department of Fire Programs in the amount of \$45,381.00. This funding will be used to meet the recommendations from the 5-year site inspection to maintain the burn buildings NFPA 1403 certification.

Revenues/Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Revenues:					
Rental Income	\$ -	\$ -	\$ -	\$ -	\$ -
Recoveries-Pittsly County	1,995	7,038	9,500	9,500	-
Totals	\$ 1,995	\$ 7,038	\$ 9,500	\$ 9,500	\$ -
Expenditures:					
Purchased Services	\$ 4,894	\$ 21,706	\$ 15,000	\$ 15,000	\$ -
Internal Service	2,888	2,255	3,000	3,000	-
Other Operating Exp	807	884	1,000	800	(200)
Totals	\$ 8,589	\$ 24,845	\$ 19,000	\$ 18,800	\$ (200)
Net Cost to City	\$ 6,594	\$ 17,807	\$ 9,500	\$ 9,300	\$ (200)

Description

The Danville Fire Department is an internationally accredited, full service career fire department that is International Accredited with the Center for Public Safety Excellence and holds a public protection class 1 rating, from the Insurance Services Office. Our mission is to strive to protect life, property, and environment through prevention, mitigation, response, recovery, education and communication in order to promote the entire community's health, safety, and well-being. With 10 day-staff personnel and 114 fire suppression personnel assigned to one of three 24-hours shifts among 7 stations, strategically located throughout the 44 square miles of Danville, the department provides a rapid response to all types of fire, rescue, and medical emergencies. Additionally, the department offers fire and injury prevention, fire and maintenance code enforcement, fire investigations, and supports two special operations teams: a Regional Hazardous Materials Response Team and a Technical Rescue Team.

Revenues/Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Revenues:					
Fire Permits	\$ 1,580	\$ 2,603	\$ 1,300	\$ 1,300	\$ -
Fire False Alarms	5,200	3,375	10,000	10,000	-
Sale/Salvage-Vehicles	-		-		-
Fire Compliance Inspections	4,503	3,330	4,500	4,500	-
Fire Routine Inspections	800	-	500	500	-
Fire Plan Reviews	970	660	800	8	(792)
Emergency Response Prog	30,000	30,000	30,000	30,000	-
Emergency Medical Serv	17,127	17,038	17,130	17,130	-
Emergency Services Grant	27,013	27,013	27,020	27,020	-
Totals	\$ 87,193	\$ 84,019	\$ 91,250	\$ 90,458	\$ (792)
Expenditures:					
Personnel Services	\$ 6,258,170	\$ 6,371,471	\$ 6,416,800	\$ 6,453,590	\$ 36,790
Employee Benefits	782,548	1,405,012	1,663,750	1,409,330	(254,420)
Purchased Services	217,237	223,086	231,220	301,110	69,890
Internal Service	296,052	315,187	316,920	316,870	(50)
Other Operating Exp	239,239	274,382	261,950	313,310	51,360
Capital Outlay	26,835	62,591	30,000	40,000	10,000
Totals	\$ 7,820,081	\$ 8,651,729	\$ 8,920,640	\$ 8,834,210	\$ (86,430)
Net Cost to City	\$ 7,732,888	\$ 8,567,710	\$ 8,829,390	\$ 8,743,752	\$ (85,638)

Personnel

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
SENIOR SECRETARY	1.000	1.000	1.000
ADMINISTRATIVE ASSISTANT	1.000	1.000	1.000
FIREFIGHTER	60.000	60.000	60.000
FIRE FIGHTER/ENGINEER	24.000	24.000	24.000
FIRE SUPPORT ANALYST	1.000	1.000	1.000
FIRE LIET/ASST TRAINING OFFICER	6.000	6.000	6.000
FIRE CODE INSPECTOR	1.000	1.000	1.000
FIRE CAPTAIN	21.000	21.000	21.000
ASSISTANT FIRE MARSHAL	1.000	1.000	1.000
FIRE MARSHAL	1.000	1.000	1.000
BATTALION CHIEF	4.000	4.000	4.000
DEPUTY FIRE CHIEF	2.000	2.000	2.000
FIRE CHIEF	1.000	1.000	1.000
Total	124.000	124.000	124.000

Accomplishments

International Accredited with the Center for Public Safety Excellence for the second time. We still maintain our ISO class 1 rating. The DFD is 1 of 87 departments in North America that hold both certifications.

The DFD training division successfully completed the second largest recruit academy of 15-firefighters this year.

The DFD recertified the departments EMS Agency License for another two years.

Goals

The Danville Fire Department will continue to explore and implement programs that are consistent with the Community Risk Reduction program as outlined in the Center for Public Safety Excellence accreditation standards.

Description

Emergency Management is a division of the Fire Department, and provides interagency coordination, communications and support at emergency incidents as well as large special events. The department manages the Emergency Operations Center (EOC), mobile EOC, and works with local, state, federal, and nongovernmental agencies to provide resources and expertise in four major areas: preparedness, response, recovery, and mitigation.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ 5,584	\$ 6,515	\$ 15,540	\$ 15,540	\$ -
Employee Benefits	427	498	1,190	1,190	-
Purchased Services	28,552	29,060	24,600	24,600	-
Internal Service	18,306	22,467	23,770	19,600	(4,170)
Other Operating Exp	16,904	19,361	21,840	24,620	2,780
Capital Outlay	-	5,349	500	1,500	1,000
Totals	\$ 69,773	\$ 83,250	\$ 87,440	\$ 87,050	\$ (390)

Personnel

The Community Emergency Response Team (CERT) program educates volunteers about disaster preparedness for the hazards that may impact their area and trains them in basic disaster response skills, such as fire safety, light search and rescue, team organization, and disaster medical operations. CERT offers a consistent, nationwide approach to volunteer training and organization that professional responders can rely on during disaster situations. Through CERT and its coordinator, the community is more resilient and capable to prepare for, respond to and recover from disasters.

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
CERT COORDINATOR	0.500	0.500	0.500
TOTAL	0.500	0.500	0.500

Accomplishments

During the past budget year Emergency Management has been supporting the recovery efforts from tropical storm Michael. We have also worked with Red Cross to improve the emergency shelter process in the city. We have added a supply container at the city's main shelter to help make his process more efficient. Emergency Management has also worked very hard to add a Swift water rescue team to Danville Fire Department. Based on risk we see this as a need for Danville, this team will also support the surrounding areas as part of the state regional system. Danville also turned on a new alerting system Civic Ready, this system will allow us to alert the public about events in the city and will automatically alert the public for weather events.

Goals

The goals for Emergency Management for FY 2021 is to update the city's Emergency Operation Plan and to improve cross department training for large events. This will include any department that may responded or help with large scale events, or events that have a major impact on the city. Emergency Management also plans to work with the community to make sure the citizens are prepared.

Emergency Management is also working to improve the mobile command unit. The current unit does not meet the needs of the Fire Department or the Police Department. The goal is to replace this unit with the newer one that can meet both departments' needs and serve as a backup communication center.

Description

The Emergency Communications Center (ECC) is the main Public Safety Answering Point for the City of Danville. The ECC provides staffing 24 hours a day and is responsible for answering all 9-1-1 emergency calls for police, fire, and ambulance services as well as answering nonemergency calls and directing the caller to the appropriate agency. Our telecommunicators receive national certification to be the first point of contact for those dialing 9-1-1 and to identify and dispatch the appropriate emergency resource, provide support to responders, and give pre-arrival instruction to their callers before emergency personnel arrive. Our ECC provides enhanced 911 services including caller location capability, text to 911, and the ability to send out mass alerts during emergencies.

Revenues/Expenditures

Activity	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Introductory	Increase/ (Decrease)
Revenues:					
Concess Rentals & Comm	\$ 41	\$ 30	\$ -	\$ -	\$ -
Wireless E911 State Funds	173,519	238,473	174,000	174,000	-
Totals	\$ 173,560	\$ 238,503	\$ 174,000	\$ 174,000	\$ -
Expenditures:					
Personnel Services	\$ 697,518	\$ 717,165	\$ 787,800	\$ 797,650	\$ 9,850
Employee Benefits	101,046	104,386	117,490	99,970	(17,520)
Purchased Services	72,303	36,920	84,020	85,320	1,300
Internal Service	7,557	8,557	3,380	8,500	5,120
Other Operating Exp	49,855	58,279	59,250	62,700	3,450
Capital Outlay	1,565	7,583	13,800	13,800	-
Totals	\$ 929,844	\$ 932,890	\$ 1,065,740	\$ 1,067,940	\$ 2,200
Net Cost to City	\$ 756,284	\$ 694,387	\$ 891,740	\$ 893,940	\$ 2,200

Personnel

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
EMERGENCY COMMUNICATIONS TELECOM	16.000	16.000	16.000
EMERGENCY COMMUNICATIONS TLMNTR SPR	4.000	4.000	4.000
911 EMERGENCY COMMUNICATIONS MGR	1.000	1.000	1.000
Total	21.000	21.000	21.000

Accomplishments

Over the past year the 911 center has processed 43,790 911 calls and 54,250 administrative calls. The Center also had 36,006 outgoing administrative calls.

The Danville 911 center is a part of the Danville-Pittsylvania County Critical Incident Stress Management Team members Kasey White, Brian Cochran and Heather Eakin have been instrumental in assisting our own department as well as surrounding agencies with debriefings as needed. The entire CISM team participated in 25 “one-on-ones” and one (1) debriefing. The dispatch-only portion of the team had four (4) “one-on-ones” and one (1) debriefing.

All four (4) Emergency Communications Telecommunicator Supervisors completed ICS 300 – Intermediate ICS for Expanding Incidents in November 2019.

Goals

During the next year the 911 center will be preparing for the next generation 911 system that is being implemented throughout Virginia in stages. Danville is scheduled for the upgrade in the first quarter of 2021. This will also require more updates on the current CAD system.

The department will be reviewing items to support retention of employees.

To support the city departments we serve in the most efficient way possible.

To add a VCIN coordinator to support this work load in the communication center. This will not only support the 911 center but also support the police department.

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN
PROJECT DESCRIPTION

Project Title: Fire Apparatus & Equipment Replacement Plan
Project No: 60184

Department: Fire
Division: Fire Administration
Section: N/A

Description:

This project provides for the replacement of fire apparatus at the end of its useful life and the replacement of necessary firefighting equipment, personal protective gear, radios, and so forth.

Justification:

Each year the City receives funds from the Virginia Dept of Fire Programs. These funds are estimated each year as a General Fund revenue, and must be used for select capital and special equipment purchases. The Fire Apparatus and Equipment Replacement Plan is a qualified purchase to continue receiving these funds from the State.

Comments:

N/A

Funding		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
General Fund Revenues		130,000	455,271	478,280	502,213	527,100	2,092,864
General Fund-Aid to Localities-VA Fire Prog		120,000	120,000	120,000	120,000	120,000	600,000
Bonds		553,145	-	-	-	-	553,145
Total Funding Sources		803,145	575,271	598,280	622,213	647,100	3,246,009

Goals/Milestones:

FY 2020	Replacement of a second 2001 fire truck and required replacement of outdated turnout gear
FY 2021	Replacement of 2001 fire truck - Year two of funding
FY 2022	Replacement of a second 2004 fire truck - Year one of funding
FY 2023	Replacement of a second 2004 fire truck - Year two of funding
FY 2024	Replacement of a second 2006 fire truck

Description

This Office provides for the oversight and conduct of all elections in the City to include federal, state, and local elections. Elections can run the gamut from one to four elections in one year. The Board has the responsibility to insure the uniformity, legality, and purity of each election. The Electoral Board consists of a secretary of the Electoral Board and two board members, all which are appointed by the judge of the Circuit Court. The Board provides for the appointment of the city general registrar and all officers of elections. The board is responsible for overseeing the training of officers of elections.

The office receives, reviews, and maintains campaign finance reports for all local candidates. It is responsible for the distribution of voting machines and all related election materials and for securing polling places. The Board conducts the canvass after each election and certifies election results for the City of Danville.

State law mandates this Office. At least one member of the Board is required to attend seminars and training conducted by the Virginia Department of Elections.

Revenues/Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Revenues:					
Electoral Board-State	\$ 6,978	\$ 6,995	\$ 7,000	\$ 7,000	\$ -
Totals	\$ 6,978	\$ 6,995	\$ 7,000	\$ 7,000	\$ -
Expenditures:					
Personnel Services	\$ 53,713	\$ 27,182	\$ 94,000	\$ 64,800	\$ (29,200)
Employee Benefits	672	657	800	900	100
Purchased Services	2,581	1,771	2,650	2,660	10
Internal Service	7,418	3,720	17,500	11,350	(6,150)
Other Operating Expenses	51,580	47,209	137,010	100,990	(36,020)
Totals	\$ 115,964	\$ 80,539	\$ 251,960	\$ 180,700	\$ (71,260)
Net Cost to City	\$ 108,986	\$ 73,544	\$ 244,960	\$ 173,700	\$ (71,260)

Personnel

State law mandates the three member Electoral Board. Salary is set by State Compensation Board.

Description

The Office of the Registrar is located at 530 Main Street, Suite 100, in downtown Danville. This office is responsible for the administration of voter registration, assessing the needs of the citizens, and establishing a schedule to meet those needs. The Registrar's Office is also responsible for communicating the requirements of law clearly and courteously to all citizens so that they understand their responsibilities as well as their rights.

The office is responsible for handling requests for absentee ballots for all elections, including absentee voting by mail and voting absentee in person at the office. The office handles local candidate filings. The Registrar assists the Electoral Board with election management. The Electoral Board has designated the Registrar's Office to be the custodian of the voting machines, and developing the training program for officers of election. The Registrar's Office works closely with the Electoral Board office to assure an error-free election. The office is responsible for overseeing the coding and formatting of election and candidate information by the vendor, and the programming of all voting machines for each election. The office handles security, maintenance, and logistic and accuracy testing for all the voting equipment. The office has instituted the use of electronic poll books on Election Day to improve the voters experience at check in.

This office is responsible for all elections and registration records that are open for public inspection. State law mandates this office. Its employees are required to attend seminars and training sessions to keep abreast of legislation that may affect their workload.

Revenues/Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Revenues:					
Registrar - State	\$ 35,343	\$ 35,441	\$ 35,000	\$ 35,000	\$ -
Totals	\$ 35,343	\$ 35,441	\$ 35,000	\$ 35,000	\$ -
Expenditures:					
Personnel Services	\$ 101,159	\$ 98,017	\$ 108,700	\$ 113,360	\$ 4,660
Employee Benefits	14,266	14,189	9,010	13,650	4,640
Purchased Services	1,342	346	1,980	1,680	(300)
Internal Service	5,119	4,072	6,900	14,810	7,910
Other Operating Expenses	51,511	54,052	71,450	97,760	26,310
Capital Outlay	8,628	-	-	-	-
Totals	\$ 182,025	\$ 170,676	\$ 198,040	\$ 241,260	\$ 43,220
Net Cost to City	\$ 146,682	\$ 135,235	\$ 163,040	\$ 206,260	\$ 43,220

Personnel

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
DEPUTY REGISTRAR	1.000	1.000	1.000
REGISTRAR	1.000	1.000	1.000
Total	2.000	2.000	2.000

Description

The Circuit Court of Danville is the trial court of general jurisdiction with the authority to try civil and criminal cases. Additionally, the Circuit Court has jurisdiction for any case for which jurisdiction is not specified in the Code of Virginia and has the authority to impanel regular and special grand juries.

In criminal cases, the Circuit Court has jurisdiction over the trial of all felonies and misdemeanors originating from grand jury indictments. The Circuit Court also has jurisdiction over juveniles who are charged with felonies and whose cases are certified for trial by the judge of the Juvenile and Domestic Relations District Court. In civil cases, the Circuit Court has concurrent jurisdiction with the General District Court over claims of \$4,500 to \$15,000. The Circuit Court has original jurisdiction over monetary claims exceeding \$15,000. Additionally, the Circuit Court has jurisdiction over issues concerning the validity of municipal ordinances or corporate bylaws. The Circuit Court has appellate jurisdiction over appeals from the General District Court and from the Juvenile and Domestic Relations District Court. Appeals from administrative agencies are also heard in the court.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ 159,665	\$ 144,510	\$ 137,380	\$ 140,900	\$ 3,520
Employee Benefits	19,467	19,203	21,170	18,270	(2,900)
Purchased Services	4,052	3,949	4,450	5,650	1,200
Internal Service	2,767	2,630	1,480	2,860	1,380
Other Operating Expenses	13,773	18,534	14,400	13,900	(500)
Capital Outlay	-	3,102	7,000	-	(7,000)
Totals	\$ 199,724	\$ 191,928	\$ 185,880	\$ 181,580	\$ (4,300)

Personnel

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
LEGAL SECRETARY	1.000	1.000	1.000
JUDICIAL ASSISTANT	1.000	1.000	1.000
LAW CLERK	1.000	1.000	1.000
Total	3.000	3.000	3.000

Description

General District Court is located on Patton Street in the Courts and Jail Building on the third floor. Court commences at 8:30am, five days a week for Traffic and Criminal Cases; civil cases are held on Tuesday beginning at 10:00am. Small Claims Court is held on the second Tuesday of every month at 12:00 noon. One must call to reserve time on the Civil Docket.

The General District Court handles all traffic and criminal misdemeanor cases, felony preliminary hearings, civil small claims court involving \$5,000 or less, and civil cases up to \$25,000.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Revenues:					
Recoveries-Circuit Court	\$ 5,686	\$ 6,410	\$ 8,000	\$ 8,000	\$ -
Totals	\$ 5,686	\$ 6,410	\$ 8,000	\$ 8,000	\$ -
Expenditures:					
Purchased Services	\$ 27,684	\$ 23,870	\$ 28,000	\$ 26,500	\$ (1,500)
Internal Service	694	737	700	700	-
Other Operating Expenses	12,381	13,529	12,670	12,860	190
Capital Outlay	1,133	9,448	-	-	-
Totals	\$ 41,892	\$ 47,584	\$ 41,370	\$ 40,060	\$ (1,310)

Description

The principal function of the magistrate is to provide an independent, unbiased review of complaints brought to the office by law enforcement officers and citizens. Although they do serve as conservators of the peace, magistrates are not connected with law enforcement. Instead, magistrates serve as a buffer between law enforcement and society. In addition, magistrates assist the public by providing general information on civil and criminal processes and procedures.

Magistrates have the following statutorily prescribed powers: to act as conservators of the peace, to administer oaths and take acknowledgements, to issue arrest warrants, to issue search warrants, to admit to bail or commit to jail, to issue summonses and subpoenas, to issue civil warrants and pre-trial levies and seizures, to accept prepayment for certain traffic and misdemeanor offenses, to issue mental and medical emergency custody orders, to issue temporary mental detention orders, to issue medical temporary detention orders, to issue emergency protective orders, and to issue out of service orders to commercial vehicle drivers.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Internal Service	\$ 15	\$ 61	\$ 50	\$ 50	\$ -
Other Operating Expenses	1,172	527	1,000	750	(250)
Capital Outlay	188	-	300	300	-
Totals	\$ 1,375	\$ 588	\$ 1,350	\$ 1,100	\$ (250)

Description

The Danville Office of the 22nd Court Service unit is administered by the Virginia Department of Juvenile Justice. The Unit provides a continuum of services to juveniles and families having contact with the Juvenile and Domestic Relations court. Services as ordered by the court or provided at the Unit's intake would include but not be limited to receiving, processing, and when applicable, diverting intake complaints, completing court ordered investigations, reports, reviews, and addendums, providing probation and intensive supervision services, parole and intensive parole services including institutional visitation and community supervision, community work services, and substance abuse evaluation and drug testing.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Internal Service	\$ 263	\$ 231	\$ 300	\$ 300	\$ -
Other Operating Expense	4,727	4,895	4,700	4,850	150
Totals	\$ 4,990	\$ 5,126	\$ 5,000	\$ 5,150	\$ 150

Description

The Intake Diversion Program offers a service alternative to the Juvenile and Domestic Relations Circuit Court that can assist in diverting a youth from formal action before the court system. Since the services rendered are by an employee assigned to the Court Service Unit, supportive services rendered may include, but are not limited to, mentoring, anger management, substance abuse, and counseling with child and parent, etc. The Intake Diversion Program offers a service alternative to the Juvenile and Domestic Relations Circuit Court that can assist in diverting a youth from formal action before the court system. Since the services rendered are by an employee assigned to the Court Service Unit, supportive services rendered may include, but are not limited to, mentoring, anger management, substance abuse, and counseling with child and parent, etc.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ 40,772	\$ 41,995	\$ 41,200	\$ 43,570	\$ 2,370
Employee Benefits	5,602	5,919	3,260	5,660	2,400
Purchased Services	-		-		-
Totals	\$ 46,374	\$ 47,914	\$ 44,460	\$ 49,230	\$ 4,770

Personnel

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
INTAKE DIVERSION SPECIALIST	1.000	1.000	1.000
Total	1.000	1.000	1.000

Description

The Juvenile and Domestic Relations District Courts have jurisdiction over all cases, matters, and proceedings involving the following: delinquents; juveniles accused of traffic infractions and violations; juveniles who are status offenders; children in need of services and/or supervision; children who have been subjected to abandonment; escapees from residential care facilities; adults accused of child abuse, neglect, or of offenses against any child or in which members of their families are victims; court ordered rehabilitative services; emancipation of minors; adults accused of abuse of a spouse, ex-spouse, person with whom they have a child in common, or family, or household member; adults involved in disputes concerning the support, visitation, or custody of a child and parentage determinations; foster care and entrustment agreements; commitment of mentally ill children and certification of mentally retarded children; court consent for certain medical treatments; and issuance of juvenile operator's licenses.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ 11,290	\$ 10,718	\$ 8,000	\$ 10,000	\$ 2,000
Employee Benefits	864	820	620	620	-
Purchased Services	4,899	4,276	10,430	22,000	11,570
Internal Service	-	-	-	-	-
Other Operating Expenses	24,162	23,577	25,700	21,820	(3,880)
Capital Outlay	1,712	8,060		10,000	10,000
Totals	\$ 42,927	\$ 47,451	\$ 44,750	\$ 64,440	\$ 19,690

Description

The Department of Human Resources strives to serve as an innovative and proactive business partner supporting the mission and values of the City of Danville while striving to make the City an employer of choice. This is done by providing consistent and professional support to City staff through efficient and strategic recruitment, development, and retention of a diversified and competent workforce.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ 397,373	\$ 381,931	\$ 385,790	\$ 388,590	\$ 2,800
Employee Benefits	64,045	66,266	70,900	66,990	(3,910)
Purchased Services	272,872	268,378	531,650	421,650	(110,000)
Internal Service	16,207	22,381	12,520	16,010	3,490
Other Operating Expenses	25,396	25,028	30,580	30,980	400
Capital Outlay	1,807	8,325	-	7,500	7,500
Totals	\$ 777,700	\$ 772,309	\$ 1,031,440	\$ 931,720	\$ (99,720)

Personnel

One HR Consultant position's salary is shared between the Human Resources salaries account and the Retirement fund. This is because, in addition to the regular HR Consultant responsibilities, half of this position's responsibilities includes managing and administering the Human Resources' retirement responsibilities.

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
SENIOR SECRETARY	1.000	1.000	1.000
HUMAN RESOURCE TECHNICIAN	1.000	1.000	1.000
HR CONSULTANT	3.500	3.500	3.500
DIRECTOR OF HUMAN RESOURCES	1.000	1.000	1.000
Total	6.500	6.500	6.500

Description

The Information Technology Department provides support for four (4) core areas, Infrastructure Support, Application Solutions, Client Solutions, and Administrative Operations. Infrastructure Support provides oversight for the management of the City's computer infrastructure including networking, VoIP, wireless, security, server operations, and disaster and cyber-incident response. Also included with Infrastructure Support is PC Support. Application Solutions provides comprehensive services in multiple areas including but not limited to; financial, human resources, utility billing/collections, tax billing/collections, inspections/permitting, work order management, and the City's intranet applications. Client Solutions provides comprehensive service desk support, research and development, training, end-user communication, and oversight for user policies and procedures. Administration provides direction, coordination, and administrative oversight of all information and communication systems, functions, and product acquisitions for the customer. Core services include security, strategic resource management, business relationship management, project management, and management of service level agreements.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ 1,396,453	\$ 1,444,933	\$ 1,451,320	\$ 1,446,330	\$ (4,990)
Employee Benefits	205,685	213,980	222,820	186,250	(36,570)
Purchased Services	1,038,815	736,687	1,135,760	1,252,210	116,450
Internal Service	44,312	37,238	45,270	67,110	21,840
Other Operating Expenses	38,263	39,898	111,300	139,790	28,490
Capital Outlay	369,191	354,809	330,440	362,920	32,480
Reimbursement	(613,660)	(584,990)	(641,590)	(682,920)	(41,330)
Totals	\$ 2,479,059	\$ 2,242,555	\$ 2,655,320	\$ 2,771,690	\$ 116,370

Personnel

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
SYSTEMS ANALYST	-	-	0.500
ADMINISTRATIVE ASSISTANT	1.000	1.000	1.000
IT APPLICATIONS SUPPORT SPEC	1.000	1.000	1.000
IT SOLUTIONS ARCHITECT MANAGER	1.000	1.000	1.000
SR IT SUPPORT TECHNICIAN	2.000	2.000	2.000
IT BUSINESS RELATIONSHIP MGR	1.000	1.000	1.000
IT SUPPORT TECHNICIAN	1.000	1.000	1.000
HELP DESK MANAGER	1.000	1.000	1.000
PROGRAMMER/ANALYST	1.000	1.000	1.000
GIS PROGRAMMER ANALYST	1.000	1.000	1.000
SR APPLICATION SUPPORT SPEC/LST	3.000	2.500	2.000
NETWORK ANALYST	1.000	1.000	1.000
PC ADMINISTRATOR	1.000	1.000	1.000
DIVN DIR OF INFRASTRUCTURE & OPERATIONS	1.000	1.000	1.000
SYSTEM ADMINISTRATOR	1.000	1.000	1.000
NETWORK SYSTEMS ENGINEER	1.000	1.000	1.000
ASST DIRECTOR OF INFORMATION TECH	1.000	1.000	1.000
DIRECTOR OF INFORMATION TECHGY	1.000	1.000	1.000
GIS COORDINATOR	1.000	1.000	1.000
Total	21.000	20.500	20.500

Accomplishments

During the past year, IT has focused on three core areas, (1) security, (2) application enhancements and (3) new solution opportunities. Local governments continue to be at risk for cyber-incident threats. IT continues to make changes to our infrastructure foundation to help mitigate these risks and plan for potential cyber-threats. Mitigation is focused on three primary areas, (1) information security training, (2) system updates, and (3) securing core infrastructure. Significant improvements have been made to application solutions in the areas of GIS, payment collection, work flow automation, public safety, and VoIP.

Goals

Security continues to be IT's primary focus. State mandates as well as recommendations from MS-ISAC and IT's risk assessment will continue to shape IT's security posture for the coming years. Additional goals will focus on meeting HB2178 ELECT state mandates, IT Governance, strategic planning to allow IT to focus on essential projects within resource constraints, enhancements to enterprise asset management tracking to leverage analytics and to allow for more enhanced work flows, a new remittance processor for processing bills and payments, enhancements to the utility pay experience, an upgrade to the finance/HR ERP solution to meet upgrade compliance, Next Generation Text to 911 as mandated by the state, continued planning for Office 365, continued enhancements for in-house developed automated work flows, and core system enhancements and upgrades.

GENERAL FUND

CITY COUNCIL ADOPTED BUDGET - CAPITAL & SPECIAL PROJECTS - FY 2021-2025

Project/Source	PL#	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	5 Yr Total
<hr/>							
Information Technology							
Computer Plan	60016	\$ 373,000	\$ 342,500	\$ 300,000	\$ 300,000	\$ 250,000	\$ 1,565,500
Enterprise Resource Planning Enhancements & Upgrades	60016	193,500	1,010,000	250,000	250,000	250,000	1,953,500
GIS	60001	-	60,000	60,000	50,000	50,000	220,000
Information Technology Total		\$ 566,500	\$ 1,412,500	\$ 610,000	\$ 600,000	\$ 550,000	\$ 3,739,000

**GENERAL FUND
CITY COUNCIL ADOPTED BUDGET - CAPITAL & SPECIAL PROJECTS - FY 2021
FUNDING SOURCES**

	Current Revenues	Fund Balance	Debt Financing	Grants/CIA	Other	Project Total
<i><u>Information Technology</u></i>						
Computer plan	\$ 373,000	\$ -	\$ -	\$ -	\$ -	\$ 373,000
Enterprise Resource Planning Enhancements & Upgrades	193,500	-	-	-	-	193,500
Total Information Technology	\$ 566,500	\$ -	\$ -	\$ -	\$ -	\$ 566,500

(1) Reprogrammed

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN
PROJECT DESCRIPTION

Project Title: Computer Plan
Project No: 60016

Department: Information Technology
Division: N/A
Section: N/A

Description:

This project contributes funds for replacing IT infrastructure with new emerging IT Technologies that are required to keep critical systems functioning. As technology continues to change, we need to stay current with infrastructure needs, end-of-life replacement hardware and enhancements that will make the organization more efficient and effective.

Justification:

Requested funds will allow for core technology upgrades

Comments:

Funding		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
General Fund Revenues		373,000	342,500	300,000	300,000	250,000	1,565,500
Reprogrammed Funds		-	-	-	-	-	-
Total Funding Sources		373,000	342,500	300,000	300,000	250,000	1,565,500

Goals/Milestones:

FY 2021	Replacement of Dell Compellent Storage/Backup solution and purchase of Dell Cyber Recovery Air Gap System
FY 2022	Technology upgrades for core infrastructure to be determined
FY 2023	Technology upgrades for core infrastructure to be determined
FY 2024	Technology upgrades for core infrastructure to be determined
FY 2025	Technology upgrades for core infrastructure to be determined

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN
PROJECT DESCRIPTION

Project Title: Enterprise Resource Planning Enhancements & Upgrades
Project No: 60016

Department: Information Technology
Division: N/A
Section: N/A

Description:

Funding for this project will be used to purchase hardware and software, and to pay for project management, implementation, and conversion costs related to system-wide software enhancements.

Justification:

Upgrades are necessary in order to maintain and enhance performance of systems

Comments:

Funding		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
General Fund Revenue		193,500	1,010,000	250,000	250,000	250,000	1,953,500
Reprogrammed Funds			-	-	-	-	-
Total Funding Sources		193,500	1,010,000	250,000	250,000	250,000	1,953,500

Goals/Milestones:

FY 2021	Enhancements and upgrades the City's ERP system Funding will be used to purchase hardware and software, and to pay for project management, implementation, and conversion costs
FY 2022	Enhancements and upgrades the City's ERP system Funding will be used to purchase hardware and software, and to pay for project management, implementation, and conversion costs
FY 2023	Enhancements and upgrades to the City's ERP system. Funding will be used to purchase hardware and software, and to pay for project management, implementation, and conversion costs
FY 2024	Enhancements and upgrades the City's ERP system Funding will be used to purchase hardware and software, and to pay for project management, implementation, and conversion costs
FY 2025	Enhancements and upgrades the City's ERP system Funding will be used to purchase hardware and software, and to pay for project management, implementation, and conversion costs

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN
PROJECT DESCRIPTION

Project Title: Geographic Information System
Project No: 60001

Department: Information Technology
Division: N/A
Section: N/A

Description:

This project is necessary to upgrade hardware/software and enhance/maintain current GIS data layers, and add new orthophotography to selected locations in Danville.

Justification:

The purpose of this project is to 1) support the current systems with changing technology, 2) maintain and enhance current databases, and 3) increase opportunities for information transparency, e-services and community outreach.

Comments:

Funding		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
General Fund Revenues		-	60,000	60,000	50,000	50,000	220,000
							-
Total Funding Sources		-	60,000	60,000	50,000	50,000	220,000

Goals/Milestones:

50	N/A
FY 2022	Upgrade hardware/software and enhance/maintain current GIS data layers, and add new orthophotography to selected locations in Danville.
FY 2023	Upgrade hardware/software and enhance/maintain current GIS data layers, and add new orthophotography to selected locations in Danville.
FY 2024	Upgrade hardware/software and enhance/maintain current GIS data layers, and add new orthophotography to selected locations in Danville.
FY 2025	Upgrade hardware/software and enhance/maintain current GIS data layers, and add new orthophotography to selected locations in Danville.

Description

The Admin Revolving Account is for special programs and events held at the Crossing at the Dan which are revenue generating such as Holiday Bazaar, Holiday Market, Spring Yard Sale, etc.

Revenues/Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Revenues:					
After School Instruction	\$ 6,554	\$ 4,351	\$ 7,500	\$ 7,500	\$ -
Totals	\$ 6,554	\$ 4,351	\$ 7,500	\$ 7,500	\$ -
Expenditures:					
Personnel Services	\$ 4,991	\$ 1,837	\$ 3,450	\$ 3,450	\$ -
Employee Benefits	382	140	270	270	-
Purchased Services	893	304	2,500	2,500	-
Other Operating Expenses	109	-	500	500	-
Totals	\$ 6,375	\$ 2,281	\$ 6,720	\$ 6,720	\$ -
Net Cost to City	\$ (179)	\$ (2,070)	\$ (780)	\$ (780)	\$ -

Personnel

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
RECREATION PROGRAM SUPERVISOR	0.100	0.130	0.130
Total	0.100	0.130	0.130

Description

The Administration Division provides administrative operations and oversight for the entire Parks and Recreation Department. Within this division are functions that support the entire department such as communications, facilities and services planning, purchasing and human resources functions. This division also oversees the operation and management of the Crossing at the Dan services and facilities.

Revenues/Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Revenues:					
Rental Income/Concession Commission	\$ 28,387	\$ 30,908	\$ 35,000	\$ 32,000	\$ (3,000)
Concession Commission					\$ -
Fees	22,181	21,013	22,000	22,000	\$ -
Gain on Disposal of Property	19	1,172	-	-	\$ -
Recoveries	367	458	500	500	\$ -
Totals	\$ 50,954	\$ 53,551	\$ 57,500	\$ 54,500	\$ (3,000)
Expenditures:					
Personnel Services	\$ 459,685	\$ 488,301	\$ 512,700	\$ 524,770	\$ 12,070
Employee Benefits	127,267	86,801	76,370	66,260	(10,110)
Purchased Services	163,221	167,102	179,660	179,730	70
Internal Service	57,698	60,770	55,370	57,650	2,280
Contribution-Other Entities	10,000	-	-	-	-
Other Operating Expenses	83,096	92,442	102,730	98,430	(4,300)
Capital Outlay	20,343	13,236	25,000	25,000	-
Totals	\$ 921,310	\$ 908,652	\$ 951,830	\$ 951,840	\$ 10
Net Cost to City	\$ 870,356	\$ 855,101	\$ 894,330	\$ 897,340	\$ 3,010

Personnel

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
ADMINISTRATIVE SPECIALIST	0.500	0.500	0.500
SECRETARY	1.000	1.000	-
ADMINISTRATIVE ASSISTANT	-	-	1.000
SENIOR SECRETARY	1.000	1.000	1.000
INTERN	-	0.150	0.150
CUSTODIAN	2.000	2.000	2.000
RECREATION PROGRAM SUPERVISOR	0.870	0.810	0.720
RECREATION FACILITY OPERATOR	0.330	0.330	0.150
PROGRAM COORDINATOR	1.000	1.000	1.000
P&R COMMUNICATIONS SPECIALIST	1.000	1.000	1.000
P&R FACILITIES & SERVICES PLAN	1.000	1.000	1.000
OUTDOOR REC PROGRAM SUPERVISOR	1.000	1.000	1.000
DIV DIR OF P&R ADMINISTRATION	1.000	1.000	1.000
DIRECTOR OF PARKS & RECREATION	1.000	1.000	1.000
Total	11.700	11.790	11.520

Description

The Community Recreation Division supports services in the following areas: Health and Wellness, Community Programs and Events, Facility Management, Outdoor Programs and Out of School Programs. Over the past three years, the division has shifted and changed services to meet the needs of the community and focus on services that take them directly into neighborhoods where citizens live. Examples of these services include the new neighborhood initiative “Rec Mobile” that visited 18 sites each week for a three-month period during the summer reaching over 4,000 participants. Elementary and middle school age students access Stonewall Recreation Center without charge year round for afterschool and summer camp services. The Community Recreation division provides multiple community events such as Barktoberfest, Yappy Hour and Bark the Halls throughout the year and supports large department events and partner events such as Festival in the Park, Children’s Festival, Holiday Light Show, Fourth of July, Monster Market Mash, and more. Fit Mobile is a service that offers free fitness classes at various locations throughout the city during year but mainly in the summer. The division also offers seasonal boat rentals at Abreu-Grogan Park allowing the public to access the river during the spring, summer and fall. Community Recreation also manages facility rentals at Coates, Glenwood and the City Auditorium with over 11,000 people served. Building and boat rental revenue is deposited into this General Fund account.

Revenues/Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Revenues:					
Rental Income	\$ 9,377	\$ 7,468	\$ 9,020	\$ 9,360	\$ 340
Fees	110	-	-	-	-
Totals	\$ 9,487	\$ 7,468	\$ 9,020	\$ 9,360	\$ 340
Expenditures:					
Personnel Services	\$ 301,135	\$ 283,604	\$ 357,460	\$ 375,180	\$ 17,720
Employee Benefits	39,522	37,384	47,240	42,390	(4,850)
Purchased Services	9,962	11,525	19,430	21,910	2,480
Internal Service	30,491	33,265	32,210	34,640	2,430
Other Operating Expenses	29,957	28,015	39,700	43,820	4,120
Capital Outlay	601	530	2,200	1,200	(1,000)
Totals	\$ 411,668	\$ 394,323	\$ 498,240	\$ 519,140	\$ 20,900
Net Cost to City	\$ 402,181	\$ 386,855	\$ 489,220	\$ 509,780	\$ 20,560

Personnel

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
ADMINISTRATIVE SPECIALIST	1.000	1.000	1.000
CUSTODIAN	0.870	0.870	0.870
RECREATION AIDE	0.290	0.290	0.290
RECREATION LEADER	0.900	0.900	1.530
RECREATION PROGRAM SUPERVISOR	-	-	
RECREATION FACILITY OPERATOR	0.590	0.590	0.450
RECREATION SITE SUPERVISOR	0.560	0.560	0.320
RECREATION PROGRAM SUPERVISOR	2.260	2.260	1.000
DIV DIR OF COMMUNITY RECREATIN	1.000	1.000	4.000
PROGRAM COORDINATOR	4.000	4.000	1.000
Total	11.470	11.470	10.460

Description

The Community Recreation Division supports services in the following areas: Health and Wellness, Community Programs and Events, Outdoor programs and Out of School Programs. Currently all programs and services that are provided to the community with a cost associated to operate them run out of this Revolving account. Programs and services include trail races, running events, community events, after school, summer camp, outdoor adventure programs, instructional classes, fitness classes. The division has seen a reduction in projected revenues over the past three years as services have shifted based on community need toward mobile programming and services without cost. The division has shifted to support large community initiatives which has had an impact on revenue generating programs.

Revenues/Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Revenues:					
Rental Income	\$ -	\$ -	\$ -	\$ -	\$ -
Fees	-	-	-	-	-
After School Instruction	126,240	92,318	143,450	127,680	(15,770)
Totals	\$ 126,240	\$ 92,318	\$ 143,450	\$ 127,680	\$ (15,770)
Expenditures:					
Personnel Services	\$ 76,623	\$ 59,140	\$ 103,790	\$ 83,310	\$ (20,480)
Employee Benefits	5,861	4,524	7,660	6,400	(1,260)
Purchased Services	22,455	8,912	9,900	7,670	(2,230)
Internal Service	115	41	-	-	-
Other Operating Expenses	14,349	13,588	19,750	14,500	(5,250)
Capital Outlay	878	-	-	-	-
Totals	\$ 120,281	\$ 86,205	\$ 141,100	\$ 111,880	\$ (29,220)
Net Cost to City	\$ (5,959)	\$ (6,113)	\$ (2,350)	\$ (15,800)	\$ (13,450)

Personnel

Positions in this account are fully covered by the revenues produced through services and programs provided and are all part time (roughly 25-30 positions year round).

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
RECREATION INSTRUCTOR	0.100	0.100	0.100
RECREATION FACILITY OPERATOR	0.250	0.330	0.270
RECREATION SITE SUPERVISOR	-	-	1.560
RECREATION SUPERVISOR	1.490	1.560	0.220
RECREATION AIDE	1.380	1.380	0.250
RECREATION LEADER	0.920	1.570	1.330
Total	4.140	4.940	3.730

Description

The Special Recreation Division provides a wide variety of recreational opportunities to enrich the lives of citizens. Special Recreation Division includes Therapeutic Recreation, Senior programs, operation of the Welcome Center and Special Events. Many of the programs and services are offered at Stonewall Therapeutic Recreation Center and Ballou Recreation Center. Special Events are large city wide events that include the Music on Main Concert Series, Fourth of July Celebration, The Children's Festival, Market Monster Mash and the Holiday Light Show. Last year over 100,000 people attended programs, special events or other activities in Special Recreation Division.

Revenues/Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Revenues:					
Rental Income	\$ 4,767	\$ 5,634	\$ 5,400	\$ 4,500	\$ (900)
Fees	-	-	-	900	900
After School Instruction	-	-	-		-
Totals	\$ 4,767	\$ 5,634	\$ 5,400	\$ 5,400	\$ -
Expenditures:					
Personnel Services	\$ 383,587	\$ 329,534	\$ 395,740	\$ 405,550	\$ 9,810
Employee Benefits	52,277	44,353	52,790	43,900	(8,890)
Purchased Services	18,402	41,152	51,620	52,470	850
Internal Service	20,617	20,228	18,220	22,690	4,470
Other Operating Expenses	32,191	31,691	40,260	39,010	(1,250)
Capital Outlay	1,134	1,550	2,220	1,550	(670)
Totals	\$ 508,208	\$ 468,508	\$ 560,850	\$ 565,170	\$ 4,320
Net Cost to City	\$ 503,441	\$ 462,874	\$ 555,450	\$ 559,770	\$ 4,320

Personnel

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
ACCOUNT CLERK	1.000	1.300	-
SENIOR ACCOUNT CLERK	-	-	1.000
OFFICE ASSISTANT	1.440	1.440	1.440
CUSTODIAN	1.450	1.450	1.450
RECREATION AIDE	0.260	0.260	0.260
RECREATION LEADER	0.920	0.910	0.910
RECREATION GRANTS SPECIALIST	1.000	-	-
RECREATION PROGRAM SUPERVISOR	2.660	3.660	3.660
PROGRAM COORDINATOR	2.000	2.000	2.000
SPECIAL POPULATION ASSISTANT	1.000	1.000	1.000
DIV DIR OF SPECIAL RECREATION	1.000	1.000	1.000
Total	12.730	13.020	12.720

Description

The majority of the programs at Ballou and Stonewall are now in the instructional (revolving) program account. The revolving account allows staff at both facilities to use funds that are being generated from program fees to cover the direct cost of the program which includes the staff cost, purchasing of materials and supplies and outside services that are needed for a specific program.

Revenues/Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Revenues:					
Fees	\$ -		\$ -		\$ -
After School Instruction	153,799	129,711	130,000	138,000	8,000
Totals	\$ 153,799	\$ 129,711	\$ 130,000	\$ 138,000	\$ 8,000
Expenditures:					
Personnel Services	\$ 15,589	\$ 35,425	\$ 48,630	\$ 51,870	\$ 3,240
Employee Benefits	1,200	2,714	3,730	3,970	240
Purchased Services	95,352	79,812	60,000	60,000	-
Other Operating Expenses	14,553	16,935	8,300	8,300	-
Totals	\$ 126,694	\$ 134,886	\$ 120,660	\$ 124,140	\$ 3,480
Net Cost to City	\$ (27,105)	\$ 5,175	\$ (9,340)	\$ (13,860)	\$ (4,520)

Personnel

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
VAN DRIVER	0.480	0.480	0.480
RECREATION PROGRAM SUPERVISOR	1.050	1.050	1.050
RECREATION LEADER	0.110	0.110	0.110
RECREATION INSTRUCTOR	0.340	0.340	0.150
Total	1.980	1.980	1.790

Description

The Sports and Athletics Division operates the youth athletic programs at a rate of 50% funding from the youth revolving account and 50% from the General Fund request. The adult athletic programs operate using 100% of the revenue generated program fees.

Revenues/Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Revenues:					
Fees	\$ -	\$ -	\$ -	\$ -	\$ -
After School Instrsruction	33,135	33,259	42,990	44,200	1,210
Totals	\$ 33,135	\$ 33,259	\$ 42,990	\$ 44,200	\$ 1,210
Expenditures:					
Personnel Services	\$ 20,329	\$ 20,349	\$ 32,970	\$ 34,140	\$ 1,170
Employee Benefits	1,555	1,557	2,530	2,620	90
Purchased Services	1,400	1,260	-	-	-
Other Operating Expenses	4,679	4,430	4,000	4,000	-
Totals	\$ 27,963	\$ 27,596	\$ 39,500	\$ 40,760	\$ 1,260
Net Cost to City	\$ (5,172)	\$ (5,663)	\$ (3,490)	\$ (3,440)	\$ 50

Personnel

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
RECREATION SUPERVISOR	0.910	0.150	0.150
CUSTODIAN	0.500	-	-
RECREATION SPORTS OFFICIAL	0.290	0.420	0.290
RECREATION FACILITY OPERATOR	0.310	0.400	0.530
Total	2.010	0.970	0.970

Description

The Division primarily operates two areas of programming; Youth and Adult activities. Youth athletic programs include basketball, cheerleading, football (tackle and flag), soccer and tennis. Activities are provided to several appropriate age divisions of each program in an effort to enhance skill building and competitiveness. Adult athletic programs include baseball, kickball and softball. The softball program operates two separate seasons during the year, Spring/Summer and Fall.

The Sports and Athletics Division also coordinates the usage of American Legion Post 325 Memorial Stadium for outside groups such as, but not limited to, Danville Public Schools, and outside groups who express an interest in conducting tournaments (National Collegiate Athletic Association) and High School Districts.

Revenues/Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Revenues:					
Rental Income	\$ 7,997	\$ 666	\$ 3,000	\$ 3,000	\$ -
Concession Commission	41	128	500	500	-
Fees	-	-	-	-	-
After School Instruction	-	-	-	-	-
Totals	\$ 8,038	\$ 794	\$ 3,500	\$ 3,500	\$ -
Expenditures:					
Personnel Services	\$ 176,253	\$ 151,400	\$ 194,410	\$ 203,460	\$ 9,050
Employee Benefits	22,377	18,678	23,920	20,830	(3,090)
Purchased Services	643	212	4,100	4,100	-
Internal Service	5,128	5,610	6,050	7,630	1,580
Other Operating Expenses	19,451	27,197	34,410	32,220	(2,190)
Capital Outlay	-	-	1,150	1,150	-
Totals	\$ 223,852	\$ 203,097	\$ 264,040	\$ 269,390	\$ 5,350
Net Cost to City	\$ 215,814	\$ 202,303	\$ 260,540	\$ 265,890	\$ 5,350

Personnel

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
OFFICE ASSISTANT	0.620	0.620	0.620
CUSTODIAN	-	0.500	0.500
RECREATION SUPERVISOR	-	0.760	0.760
RECREATION SPORTS OFFICIAL	0.240	0.240	0.240
RECREATION FACILITY OPERATOR	0.730	0.480	1.040
PROGRAM COORDINATOR	1.000	1.000	1.000
DIVISION DIRECTOR OF ATHLETICS	1.000	1.000	1.000
Total	3.590	4.600	5.160

Description

The Welcome Center provides information, bathroom facilities, a dog run, hotel reservations, brochures for Virginia as well as surrounding states, vending machines and tickets to local attractions and concerts. The gift shop is open every day of the year with the exception of Thanksgiving Day, Christmas Day and New Year's Day. The gift shop located inside the Welcome Center features Virginia made products and serves as a small museum showing the history of the tobacco industry in Danville. Over 40,000 travelers visit the Welcome Center annually. The Welcome Center also houses the offices of several of the staff of the Special Recreation Division. The operation of the Welcome Center is offset by an annual \$100,000 contribution by the State.

Revenues/Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Revenues:					
Concession Commission	\$ 1,765	\$ 1,481	\$ 1,800	\$ 1,600	\$ (200)
State Support	100,000	100,000	100,000	100,000	-
Totals	\$ 101,765	\$ 101,481	\$ 101,800	\$ 101,600	\$ (200)
Expenditures:					
Personnel Services	\$ 33,403	\$ 32,560	\$ 34,120	\$ 38,250	\$ 4,130
Employee Benefits	2,555	2,491	2,610	2,930	320
Purchased Services	25,048	21,813	29,170	29,170	-
Internal Service	24,445	23,348	21,780	22,500	720
Other Operating Expenses	5,249	4,980	6,710	7,630	920
Totals	\$ 90,700	\$ 85,192	\$ 94,390	\$ 100,480	\$ 6,090
Net Cost to City	\$ (11,065)	\$ (16,289)	\$ (7,410)	\$ (1,120)	\$ 6,290

Personnel

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
RECREATION PROGRAM SUPERVISOR	0.480	0.480	0.430
RECREATION LEADER	1.050	1.050	1.040
Total	1.530	1.530	1.470

Description

The City of Danville Parks Maintenance Division is responsible for the grounds maintenance for all City Parks, Outdoor Facilities and set-up for City Special events. Included in the list of outdoor facilities are, Carrington Pavilion, Riverwalk Trail (11.5 miles), Athletic Fields, two boat ramps, Skate Park, Crossing at the Dan Facilities including Science Center landscaping as well as active areas on certain school properties. Also on the list are, Playgrounds and all the amenities in parks such as picnic shelters, water fountains and restrooms. The Division engages in a mixture of routine grounds maintenance such as mowing and technical maintenance such as the care of the American Legion Stadium field and landscaping. In addition to maintenance, the Parks Division is also the primary labor for the set-up of nearly all City Sponsored and some partner group Special Events including: Fourth of July, Harvest Jubilee Concerts, Music on Main concerts, the Light Show, Halloween, Children's Festival, Shrimp Fest, Brewfest, Festival in the Park and many smaller events. Park Maintenance also sets up for Economic Development Events. Unexpected maintenance such as storm clean up can have a large impact on the workload and resources of this division as in 2018, 2019 and 2020.

Revenues/Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Personnel Services	\$ 476,278	\$ 517,319	\$ 574,120	\$ 580,710	\$ 6,590
Employee Benefits	64,779	70,447	80,870	68,100	(12,770)
Purchased Services	96,159	79,138	97,100	99,500	2,400
Internal Service	401,557	384,060	388,520	404,140	15,620
Other Operating Expenses	89,182	93,825	102,700	96,800	(5,900)
Capital Outlay	26,359	22,696	27,300	29,300	2,000
Totals	\$ 1,154,314	\$ 1,167,485	\$ 1,270,610	\$ 1,278,550	\$ 7,940

Personnel

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
ADMINISTRATIVE SPECIALIST	0.500	0.500	0.500
PUBLIC SERVICE WORKER	3.770	3.770	2.770
PUBLIC SERVICE WORKER/OPERATOR			1.000
CREW SUPERVISOR	1.000	1.000	1.000
DIV DIR OF PARKS MAINTENANCE	1.000	1.000	1.000
PARKS SUPERVISOR	1.000	1.000	1.000
PARKS GROUNDSKEEPER I	4.000	4.000	6.000
PARKS GROUNDSKEEPER II	4.000	4.000	2.000
PARK MAINTENANCE TECHNICIAN	3.000	3.000	3.000
Total	18.270	18.270	18.270

Description

The Danville Public Library's purpose is to empower and engage the community through access to free resources and services that enable creative thinking and lifelong learning. The Library offers access to a wide variety resources and services for research and entertainment.

Membership is free to anyone living within a 50-mile radius of the Main Library. Borrowers gain access to new bestsellers, movies, tens of thousands of print books, eBooks, audiobooks, and more.

Programs and events are offered on a regular basis that is designed to meet the evolving needs and interests of members of the community including, book talks, crafting, and learning.

For Children, the Library offers story times, activity centers, computer lab, teen area, quiet seating, and tutoring space.

Public computer workstations are available for browsing the internet or creating documents. For a nominal fee, the Danville Public Library also provides photocopying, faxing, and notary service. All of the areas of the Library have access to free Wi-Fi.

Revenues/Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Revenues:					
Court Cost-Law Library	\$ 30,721	\$ 22,529	\$ 25,000	\$ 25,000	\$ -
Rental Income	672	665	-	-	-
Fines & Fees	30,181	30,683	25,500	27,800	2,300
After School Instruction	229	-	-	-	-
Recoveries	72,630	79,900	83,900	88,100	4,200
Categorical Aid-Library	149,495	151,058	149,500	151,000	1,500
Totals	\$ 283,928	\$ 284,835	\$ 283,900	\$ 291,900	\$ 8,000
Expenditures:					
Personnel Services	\$ 520,542	\$ 484,980	\$ 647,550	\$ 614,900	\$ (32,650)
Employee Benefits	71,209	65,551	88,250	65,030	(23,220)
Purchased Services	27,341	28,197	36,570	37,400	830
Internal Service	126,296	117,652	128,810	130,410	1,600
Other Operating Expenses	280,205	243,102	273,330	274,830	1,500
Cost Allocation	72,630	79,900	83,900	88,100	4,200
Capital Outlay	5,423	9,298	9,000	9,000	-
Totals	\$ 1,103,646	\$ 1,028,680	\$ 1,267,410	\$ 1,219,670	\$ (47,740)
Net Cost to City	\$ 819,718	\$ 743,845	\$ 983,510	\$ 927,770	\$ (55,740)

Personnel

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
SENIOR ADMINISTRATIVE SPECLT	1.000	1.000	1.000
INFORMATION SPECIALIST	9.210	9.040	9.280
CIRCULATION SPECIALIST	1.000	1.000	1.000
LIBRARY SERVICES SPECIALIST	2.000	2.000	2.000
LAW INFORMATION SPECIALIST	0.220	0.720	0.470
LIBRARY TECHNOLOGY SPECIALIST	1.000	1.000	1.000
TECHNICAL SERVICES LIBRARIAN	1.000	1.000	1.000
CHILDRENS LIBRARIAN	1.000	1.000	1.000
CIRCULATION SUPERVISOR	1.000	1.000	1.000
ADULT SERVICES LIBRARIAN	1.000	1.000	1.000
DIVISION DIRECTOR OF LIBRARY	1.000	1.000	1.000
Total	19.430	19.760	19.750

GENERAL FUND
CITY COUNCIL ADOPTED BUDGET - CAPITAL & SPECIAL PROJECTS - FY 2021-2025

Project/Source	PL#	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	5 Yr Total
Parks & Recreation							
Facility Improvements	60901	\$ 65,000	\$ 65,000	\$ 45,000	\$ 20,000	\$ 20,000	\$ 215,000
Park Improvements	60902	50,000	150,000	50,000	50,000	50,000	350,000
Parks Paving Projects	61076	50,000	100,000	50,000	50,000	50,000	300,000
Riverwalk Trail	61075	25,000	25,000	25,000	25,000	25,000	125,000
Welcome Center Improvements		100,000	25,000	25,000	25,000	25,000	200,000
Splash Pads		635,000	480,000	600,000	375,000	-	2,090,000
City Auditorium Renovations		500,000	950,000	775,000	-	-	2,225,000
Riverfront Park		2,500,000	2,500,000	-	-	-	5,000,000
Equipment Acquisition		55,000	-	-	-	-	55,000
Parks & Recreation Total		\$ 3,980,000	\$ 4,295,000	\$ 1,570,000	\$ 545,000	\$ 170,000	\$ 10,560,000

**GENERAL FUND
CITY COUNCIL ADOPTED BUDGET - CAPITAL & SPECIAL PROJECTS - FY 2021**

1

	Current Revenues	Fund Balance	Debt Financing	Grants/CIA	Other	Project Total
<u><i>Parks Recreation Tourism</i></u>						
Facility Improvements			\$ 65,000			\$ 65,000
Park Improvements			50,000			50,000
Parks Paving Projects			50,000			50,000
Riverfront Park					2,500,000 (1)	2,500,000
Welcome Center Improvements				100,000		100,000
Splash Pads			635,000			635,000
City Auditorium Improvements			500,000			500,000
Riverwalk Trail	25,000					25,000
Equipment Acquisition			55,000			55,000
Total Parks & Recreation	\$ 25,000	\$ -	\$ 1,355,000	\$ 100,000	\$ 2,500,000	\$ 3,980,000

(1) To Be Determined

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN
PROJECT DESCRIPTION

Project Title: Facility Improvements
Project No: 60901

Department: Parks & Recreation
Division: N/A
Section: N/A

Description:
This project is for maintenance and upgrades to various indoor facilities.

Justification:
Due to the amount of usage and age of our facilities, maintenance is required to keep the facilities safe, appealing to the public and functional for programming

Comments:

Funding		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
General Fund Revenue		-	65,000	45,000	20,000	20,000	150,000
Bonds		65,000	-	-	-	-	65,000
Total Funding Sources		65,000	65,000	45,000	20,000	20,000	215,000

Goals/Milestones:

FY 2021	Creation of an outdoor programming space at Main Library - \$45,000. Improvements to Dan Daniel Maintenance Shop - \$20,000
FY 2022	Additional restrooms at Stonewall Therapeutic Recreation Center
FY 2023	Upgrades, renovations and additions to Indoor Recreation and Park Facilities as needed.
FY 2024	Upgrades, renovations and additions to Indoor Recreation and Park Facilities as needed.
FY 2025	Upgrades, renovations and additions to Indoor Recreation and Park Facilities as needed.

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN
PROJECT DESCRIPTION

Project Title: Park Improvements
Project No: 60902

Department: Parks & Recreation
Division: Administration
Section: N/A

Description:

This project provides for upgrades, renovations and additions to Parks and Recreation facilities.

Justification:

Outdoor public facilities take continuous maintenance and require capital expenditures to keep them in good repair and in safe working order.

Comments:

N/A

Funding		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
General Fund Revenues		-	150,000	50,000	50,000	50,000	300,000
Bonds		50,000	-	-	-	-	50,000
Total Funding Sources		50,000	150,000	50,000	50,000	50,000	350,000

Goals/Milestones:

FY 2021	Playground replacement per replacement schedule
FY 2022	Total replacement of Ballou Park playground which is heavily used.
FY 2023	Playground replacement \$50,000 per replacement schedule
FY 2024	Upgrades, renovations and additions to Parks and Recreation park facilities as needed.
FY 2025	Upgrades, renovations and additions to Parks and Recreation park facilities as needed.

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN

PROJECT DESCRIPTION

Project Title: Parks Paving Projects
Project No: TBD

Department: Parks & Recreation
Division: Administration
Section: N/A

Description:

This CSP request is to support general paving and repairs to paving. All parks have roadways and paved facilities that, due to age and wear, require renovations and repairs. These facilities include tennis courts, roadways, basketball courts, hard play surfaces, parking lots and trails.

Justification:

All parks have roadways and paved facilities that, due to age and wear, require renovations and repairs.

Comments:

N/A

Funding	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
General Fund Revenues	-	100,000	50,000	50,000	50,000	250,000
Bonds	50,000	-	-	-	-	50,000
Total Funding Sources	50,000	100,000	50,000	50,000	50,000	300,000

FY 2021	Repair additional sections of park roads as needed
FY 2022	Anglers Park - road / parking lot repairs and resurfacing
FY 2023	Repair additional sections of park roads as needed
FY 2024	Repair additional sections of park roads as needed
FY 2025	Repair additional sections of park roads as needed

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN
PROJECT DESCRIPTION

Project Title: Riverfront Park
Project No: TBD

Department: Parks & Recreation
Division: Administration
Section: N/A

Description:

This project would start construction of the "Riverfront Park" at the 4.5 acre property along the Dan River between the White Mill and MLK Bridge. The first step was to develop a conceptual master plan which was completed in 2017. This project would start construction of the "Riverfront Park" at the 4.5 acre property along the Dan River between the White Mill and MLK Bridge. The first step was to develop a conceptual master plan which was completed in 2017. The estimated expense for construction is \$10 million. Fundraising has begun (2018) by making applications to local foundations and by developing a fundraising strategy. The hope is to raise the majority of the total construction cost within the next year.

Justification:

The proposed park was recommended in the River District Master Plan as a key public investment in recreation amenities for the River District. The purpose of this park would be to create an amenity that attracts visitors to the River District and increases economic activity. The River District Master Plan suggests that development of a park on this property would lead to additional private investment.

Comments:

The City does own this property. The Master Plan was created with significant public input. Duke Energy Funds are available to be used as local match for grants for which the City will be applying.

Funding		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
Donation/Other		-	-	-	-	-	-
To Be Determines		2,500,000	2,500,000				5,000,000
Total Funding Sources		2,500,000	2,500,000	-	-	-	5,000,000

Goals/Milestones:

FY 2021	Construction of Riverfront Park
FY 2022	Continued construction of Riverfront Park
FY 2023	N/A
FY 2024	N/A
FY 2025	N/A

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN
PROJECT DESCRIPTION

Project Title: Welcome Center Improvements
Project No: 61562

Department: Parks & Recreation
Division: N/A
Section: N/A

Description:

Renovations to the Danville Welcome Center to include parking lot upgrades and building and landscape improvements.

Justification:

The Welcome Center has approximately 25,000 visitors per year thru the facility and the complex has never had any major renovations since it was built.

Comments:

Funding		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
State Revenues		100,000	25,000	25,000	25,000	25,000	200,000
Total Funding Sources		100,000	25,000	25,000	25,000	25,000	200,000

Goals/Milestones:

FY 2021	Renovations to Welcome Center
FY 2022	Renovations to Welcome Center
FY 2023	Renovations to Welcome Center
FY 2024	Renovations to Welcome Center
FY 2025	Renovations to Welcome Center

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN
PROJECT DESCRIPTION

Project Title: Splash Pads
Project No: TBD

Department: Parks & Recreation
Division: Administration
Section: N/A

Description:

To construct new splash pads in North and South Danville over the next four years. Each to be completed in two phases. The actual splash pad would be operational after phase one is complete at each location. The proposed location of North Danville is Third Avenue, the proposed location of South Danville is Grove Park.

Justification:

At the request of City Council.

To add neighborhood water recreation on a small scale which would be free and open to the public.

Comments:

Funding		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
Bonds		635,000	-	-	-	-	635,000
General Fund Revenues			480,000	600,000	375,000		1,455,000
Total Funding Sources		635,000	480,000	600,000	375,000	-	2,090,000

Goals/Milestones:

FY 2021	Phase one of splash pad at Third Ave.
FY 2022	Phase two of splash pad at Third Ave.
FY 2023	Phase one of splash pad at Grove Park
FY 2024	Phase two of splash pad at Grove Park
FY 2025	N/A

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN
PROJECT DESCRIPTION

Project Title: City Auditorium Renovations
Project No: TBD

Department: Parks & Recreation
Division: Administration
Section: N/A

Description:

The Master Plan for the City Auditorium described a phased approach plan to renovation of the building. Phase I of the electrical upgrade has been completed. Phase II renovations are to the HVAC systems. Completion of Phase II will allow the ability for heat and air as other sections are renovated. In addition to the HVAC system, the exterior windows are in great need of replacement.

Justification:

This building has been in continuous use since 1932. It continues to see heavy traffic as Administrative Offices and for recreation programming. As the revitalization of downtown continues, this building could become a vital spot for theatre style performances, musical events, lectures and an expanded recreational programming area

Comments:

N/A

Funding		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
General Fund Revenues		-	950,000	775,000	-	-	1,725,000
Bonds		500,000					500,000
Total Funding Sources		500,000	950,000	775,000	-	-	2,225,000

Goals/Milestones:

FY 2021	Refurbish/replace windows
FY 2022	Phase I of HVAC
FY 2023	Phase II of HVAC and roof replacement
FY 2024	N/A
FY 2025	N/A

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN
PROJECT DESCRIPTION

Project Title: Riverwalk Trail
Project No: 61075

Department: Parks & Recreation
Division: Administration
Section: N/A

Description:

This project is for repairs and maintenance to the Riverwalk Trail and includes repaving, storm damage and erosion issues.

Justification:

Riverwalk Trail is one of the most used and visible recreational amenities in the region, serving thousands of people per year. Currently the trail is over 8.5 miles in distance. The trail has been built using state grant monies of which we apply for annually. The fact that the trail is built mainly in a flood plain along a river adds to the level of required maintenance.

Comments:

N/A

Funding		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
General Fund Revenues		25,000	25,000	25,000	25,000	25,000	125,000
							-
Total Funding Sources		25,000	25,000	25,000	25,000	25,000	125,000

Goals/Milestones:

FY 2021	Repairs/maintenance to include re-paving, storm damage and erosion issues on the Riverwalk;
FY 2022	Repairs/maintenance to include re-paving, storm damage and erosion issues on the Riverwalk;
FY 2023	Repairs/maintenance to include re-paving, storm damage and erosion issues on the Riverwalk.
FY 2024	Repairs/maintenance to include re-paving, storm damage and erosion issues on the Riverwalk.
FY 2025	Repairs/maintenance to include re-paving, storm damage and erosion issues on the Riverwalk.

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN
PROJECT DESCRIPTION

Project Title: Parks & Recreation Equipment Acquisition
Project No: TBD

Department: Parks & Recreation
Division: Administration
Section: N/A

Description:

Purchase of an 8000 lb skid steer with tracks, open cab to support light construction, clean up of parks and trails.

Justification:

To be used for major clean up from floods and storms and light construction on the Riverwalk and in all City parks

Comments:

Funding		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
Bonds		55,000	-	-	-	-	55,000
							-
Total Funding Sources		55,000	-	-	-	-	55,000

Goals/Milestones:

FY 2021	Purchase of an 8000 lb skid steer with tracks
FY 2022	N/A
FY 2023	N/A
FY 2024	N/A
FY 2025	N/A

Description

The Danville Police Department commits every member to providing quality service to the community through a process of continuous improvement and to maintaining a safe environment for all by protecting life, individual liberty and property through partnerships with citizens and businesses that reflect the values of all community members. The Danville Police Department accomplishes its mission by actively engaging the community and through the application of evidence-based policing practices. The Department utilizes a sector policing strategy dividing the city into two sectors, North and South. Internally, the department is divided into multiple divisions. The Operations Division is the section of the department responsible for routine day-to-day and emergency tactical execution of law enforcement responses in the city of Danville. The Patrol, Investigations, and Street Crimes units perform these functions utilizing crime analysis. The Services Division has the responsibility to support other divisions and units of the Department. It is comprised of support units including Records, Crime Scene, Crime Prevention, School Resource Officers, Animal Control, Parking Enforcement, Property & Evidence, School Crossing Guards, Training, Quartermaster, Video Technician, Recruitment, Community Engagement and Accreditation. The Professional Standards Division provides policy oversight and inspection criteria necessary to maintain a professional organization with exceptional standards and capabilities. This Unit is primarily responsible for internal affairs investigations, use of force investigations, formal and informal citizen complaints, and employment background investigations.

Also, included within this service area is the Medical Examiner. Funding is allocated to permit the City to make payments to medical examiners when their services are required. The Code of Virginia requires a medical examiner for any homicide, suspicious death or case where a person has no physician. The medical examiner is the one to determine cause of death and sign the death certificate. The State reimburses the City for one-half of the cost of the services for medical examiners.

Revenues/Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Budget	Increase/ (Decrease)
Revenues:					
Conceal Weapons Permits	\$ 21,081	\$ 16,126	\$ 20,000	\$ 20,000	\$ -
Private Gifts & Donations	-	2,010	-	-	-
Medical Examiner	-	-	-	-	-
Totals	21,081	18,136	20,000	20,000	-
Expenditures:					
Personnel Services	\$ 7,452,368	\$ 7,594,987	\$ 7,327,230	\$ 7,575,240	\$ 248,010
Employee Benefits	816,451	1,499,231	1,547,880	1,401,280	(146,600)
Purchased Services	313,147	349,248	318,020	342,710	24,690
Internal Service	164,298	140,886	195,700	222,190	26,490
Contribution - Other Entities	-	13,738	-	-	-
Other Operating Expenses	589,752	780,763	649,620	813,950	164,330
Capital Outlay	811,823	288,370	599,420	422,340	(177,080)
Totals	\$ 10,147,839	\$ 10,667,223	\$ 10,637,870	\$ 10,777,710	\$ 139,840
Cost to City	\$ 10,126,758	\$ 10,649,087	\$ 10,617,870	\$ 10,757,710	\$ 139,840

Personnel

Ten Part-time School Crossing Guard positions equal to 2.01 Full-time positions are also reflected in the current list of authorized positions. The Police Department has implemented a Stratified Policing Strategy that uses statistical data analysis to focus resources on repeat-call locations and identified problem-causing individuals through the services of a civilian crime analyst. One Animal Control Officer was added to provide for evening animal control calls. Additionally, this budget proposes the conversion of Police Crime Prevention Officer from a sworn to a civilian position.

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
SECRETARY	2.000	2.000	2.000
SENIOR SECRETARY	1.000	1.000	1.000
ADMINISTRATIVE ASSISTANT	1.000	1.000	1.000
PC RECORDS OFFICE MANAGER	1.000	1.000	1.000
POLICE RECORDS CLERK	3.000	3.000	3.000
QUARTERMASTER	1.000	1.000	1.000
POLICE VIDEO TECHNICIAN	1.000	1.000	1.000
POLICE PROP & EVID TECH	1.000	1.000	1.000
PARKING ATTENDANT	0.620	0.620	0.620
SCHOOL CROSSING GUARD	2.010	2.010	2.010
ANIMAL CONTROL OFFICER	1.000	2.000	2.000
POLICE OFFICER	85.000	85.000	84.000
CORPORAL	16.000	17.000	17.000
SERGEANT	8.000	12.000	12.000
SENIOR INVESTIGATORS	1.000	-	-
POLICE CRIME ANALYST	1.000	1.000	1.000
CRIME PREVENTION/COMM ENGAGEMENT SPEC	-	-	1.000
LIEUTENANT	10.000	9.000	9.000
POLICE CAPTAIN	7.000	4.000	4.000
MAJOR	2.000	2.000	2.000
LIEUTENANT COLONEL	1.000	1.000	1.000
POLICE CHIEF	1.000	1.000	1.000
Total	146.630	147.630	147.630

Description

The mission of the W.W. Moore, Jr. Juvenile Detention Home is to provide for the public safety of the communities served while providing for the needs of the juveniles in the care and custody of the facility, and to initiate the foundation of their self-esteem and personal growth through creating a positive, secure, safe, and caring environment. The scope of services includes behavior management, education and academic programming, post-dispositional detention, nutrition, recreation, counseling, and medical services.

The Detention Home serves the cities of Danville and Martinsville, the town of South Boston, and the counties of Pittsylvania, Henry, Patrick, Halifax, and Mecklenburg. Occasionally, the facility does receive youth from non-participating jurisdictions. Youth at this facility are both male and female, ages 10-18, and are ordered to be detained by a court of competent jurisdiction as a result of misdemeanor or felony charges. The Courts are solely responsible for the release of children detained at the home.

Revenues/Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Budget	Increase/ (Decrease)
Revenues:					
Concession Rentals & Comm	\$ 2,863	\$ 2,044	\$ 4,270	\$ 3,630	\$ (640)
Charges for Detention	1,339,958	1,292,076	1,484,320	1,399,920	(84,400)
Recoveries	417,930	555,630	658,740	571,260	(87,480)
Categorial Aid-State	1,340,990	1,369,307	1,340,990	1,369,300	28,310
Totals	3,101,741	3,219,057	3,488,320	3,344,110	(144,210)
Expenditures:					
Personnel Services	\$ 1,730,237	\$ 1,806,426	\$ 1,958,440	\$ 1,948,880	\$ (9,560)
Employee Benefits	253,353	317,003	282,240	250,860	(31,380)
Purchased Services	127,762	128,857	158,930	177,670	18,740
Internal Service	178,427	177,338	199,070	202,510	3,440
Other Operating Expenses	346,722	318,019	422,800	431,590	8,790
Cost Allocation	417,930	555,630	658,740	571,260	(87,480)
Capital Outlay	15,001	3,277	24,100	32,100	8,000
Debt Service	562,706	563,509	291,360	190,700	(100,660)
Totals	\$ 3,632,138	\$ 3,870,059	\$ 3,995,680	\$ 3,805,570	\$ (190,110)
Cost to City	\$ 530,397	\$ 651,002	\$ 507,360	\$ 461,460	\$ (45,900)

Personnel

The Licensed Physician position is a Part-Time position. The doctor serves the Juvenile Detention Division, Adult Detention Division, and the City Jail on a Part-Time basis.

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
SECRETARY	2.000	2.000	2.000
SENIOR ACCOUNT CLERK	1.000	1.000	1.000
CUSTODIAN	1.000	1.000	1.000
BUILDING MAINTENANCE MCHNC I	1.000	1.000	1.000
YOUTH CARE WORKER	30.890	30.210	29.800
SENIOR YOUTH CARE WKR	4.000	4.000	4.000
SHIFT SUPERVISOR	4.000	4.000	4.000
JUVENILE PROGRAM COORDINATOR	1.000	1.000	1.000
POST DISPOSITIONAL COORDINATOR	1.000	1.000	1.000
NURSE	1.000	1.000	1.000
ASST DIV DIR OF JUVENILE DETEN	1.000	1.000	1.000
DIVN DIR OF JUVENILE DETENTION	1.000	1.000	1.000
LICENSED PHYSICIAN	0.070	0.070	0.070
Total	48.960	48.280	47.870

Accomplishments

Although not budget related, it is well worth mentioning the fact that the detention home has produced seven GED graduates during the present school year. There are three residents that are preparing to test or will be testing within the remainder of the school year. This is a collaborative effort of the Detention Home and Danville Public Schools.

Goals

The W. W. Moore, Jr. Detention Home has had numerous Youth Care Worker vacancies during the past year. The number of vacancies have been reduced from eleven to five presently. The detention home participated in the city's salary study, promoted and held a Job Fair, and presently all employees are developing ideas for successful recruitment and retention related to their performance goals. In addition, the detention home administrative team is working on developing a consistent and streamlined approach to the orientation and ongoing training program. Successful recruitment and retention of employees will reduce the need for Overtime and Part-Time compensation. The W. W. Moore, Jr. Detention Home's goal for FY 2021 is to fill all Youth Care Worker vacancies and become fully staffed. Safety and security of the facility and its residents and employees are a priority, and this will serve us as we move forward and are asked to provide more with fewer resources.

Description

By law the primary mission of Adult Detention is public safety, as well as staff and prisoner safety by providing a secure and effectively managed facility, and properly supervising the prisoners. The secondary mission of Adult Detention is to provide inmate labor for City operations, enabling such prisoners to pay back part of their debt to society while at the same time saving the City taxpayers a substantial amount of money.

Adult Detention also provides sentencing alternatives to city courts by providing weekender, and work and school release programs. Sentencing alternatives to state prisons is provided by giving minimum custody inmates an opportunity to stay in close proximity to their family and relatives, and providing a work and occupational training program for productive transition back into the community, while still having access to support programs and services such as counseling, GED programs, religious services, and drug and alcohol programs.

Revenues/Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Budget	Increase/ (Decrease)
Revenues:					
Concession Rentals & Comm	\$ 24,037	\$ 24,366	\$ 24,000	\$ 25,000	\$ 1,000
Charges for Detention	766,722	818,827	783,600	800,000	16,400
Totals	\$ 790,759	\$ 843,193	\$ 807,600	\$ 825,000	\$ 17,400
Expenditures:					
Personnel Services	\$ 1,590,465	\$ 1,630,410	\$ 1,849,350	\$ 1,898,570	\$ 49,220
Employee Benefits	221,064	225,887	267,300	225,330	(41,970)
Purchased Services	361,239	223,867	347,150	343,730	(3,420)
Internal Service	222,876	224,264	210,660	223,210	12,550
Other Operating Expenses	386,720	413,904	429,560	450,720	21,160
Capital Outlay	951	6,045	7,600	800	(6,800)
Totals	\$ 2,783,315	\$ 2,724,377	\$ 3,111,620	\$ 3,142,360	\$ 30,740
Cost to City	\$ 1,992,556	\$ 1,881,184	\$ 2,304,020	\$ 2,317,360	\$ 13,340

Personnel

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
SENIOR ACCOUNT CLERK	2.000	2.000	2.000
CORRECTIONAL OFFICER I	11.130	15.130	15.140
CORRECTIONAL OFFICER II	9.000	6.000	5.000
CORRECTIONAL LIEUTENANT	5.000	5.000	6.000
ADMINISTRATIVE LIEUTENANT	1.000	1.000	1.000
CORRECTIONAL CAPTAIN	4.000	4.000	4.000
CHIEF CORRECTIONAL OFFICER	1.000	1.000	1.000
CORRECTIONAL HEALTH ASSISTANT	2.000	2.000	2.000
SAFETY SUPPLY OFFICER	1.000	-	-
WORK PROGRAM COORDINATOR	0.750	-	0.250
SERVICE PROGRAM COORDINATOR	1.000	1.000	1.000
DIVISION DIR OF ADULT DETENTION	1.000	1.000	1.000
LICENSED PHYSICIAN	0.070	0.070	0.070
Total	38.950	38.200	38.460

GENERAL FUND

CITY COUNCIL ADOPTED BUDGET - CAPITAL & SPECIAL PROJECTS - FY 2021-2025

Project/Source	PL#	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	5 Yr Total
<hr/>							
Police Administration							
CCTV Expansion		\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ -	\$ 300,000
Tasers & BWCs		161,952	161,952	-	-	-	323,904
Police Equipment Replacement & Upgrades		35,000	-	-	-	-	35,000
Construction of a New Police Station		19,000,000	-	-	-	-	19,000,000
Police Administration Total		\$ 19,271,952	\$ 236,952	\$ 75,000	\$ 75,000	\$ -	\$ 19,658,904
Police - Adult Detention Facility							
ADF-Replacement of Washer and Dryer	60005	\$ -	\$ 70,000	\$ -	\$ -	\$ -	\$ 70,000
Police - Adult Detention Facility Total		\$ -	\$ 70,000	\$ -	\$ -	\$ -	\$ 70,000

**GENERAL FUND
CITY COUNCIL ADOPTED BUDGET - CAPITAL & SPECIAL PROJECTS - FY 2021
FUNDING SOURCES**

	Current Revenues	Fund Balance	Debt Financing	Grants/CIA	Other	Project Total
<i><u>Police</u></i>						
Close Circuit Television System Expansion	\$ -	\$ -	\$ 75,000	\$ -	\$ -	\$ 75,000
Tasers & BWCs (5-yr Contract)	161,952	-	-	-	-	161,952
Police Equipment Replacement	-	-	35,000	-	-	35,000
Construction of New Police Station	-	-	-	-	19,000,000 (1)	19,000,000
Total Police	\$ 161,952	\$ -	\$ 110,000	\$ -	\$ 19,000,000	\$ 19,271,952

(1) To Be Determined (Lease Purchase Plan)

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN
PROJECT DESCRIPTION

Project Title: Close Circuit Television System Expansion Ph III
Project No: TBD

Department: Police
Division: Administration
Section: N/A

Description:

The proposed funding will be used to expand the existing CCTV network to increase public safety and monitor city assets. Activities include adding additional camera sites, relocating existing cameras that have been obstructed by landscaping or new construction, and adding decoy cameras. CCTV Expansion to include: Ingestion of other City cameras, Ingestion of school cameras, Adding (real) cameras along the trail, Ingestion of commercial cameras in shopping centers, Adding cameras to strategically positioned intersections

Justification:

The CCTV Network has facilitated and been instrumental in the resolution of a number of major and minor crimes within the network by capturing critical footage of individual and vehicles involved in criminal activity within the network. The Department is requesting to expand the network to other parts of the city in order to extend this capability to other areas. The expansion of the CCTV Network is a key part of the Department's crime reduction strategy moving forward.

Comments: The CCTV Network will eventually be the backbone for the establishment of a real-time crime center. Officers will be able to proactively monitor areas of the city with higher incidence of crime and allocate resources to prevent and address crime in real-time. The CCTV Network has already paid dividends in the River District and especially at SOVAH Health in identifying homicide and other violent crime participants by capturing vehicle tags and individual dropping victims off and fleeing.

N/A

Funding		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
General Fund Revenues		-	75,000	75,000	75,000	-	225,000
Bonds		75,000	-	-	-		75,000
Total Funding Sources		75,000	75,000	75,000	75,000	-	300,000

Goals/Milestones:

FY 2021	Acquire and install additional cameras
FY 2022	Acquire and install additional cameras
FY 2023	Acquire and install additional cameras
FY 2024	Acquire and install additional cameras
FY 2025	N/A

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN
PROJECT DESCRIPTION

Project Title: Tasers & Body-worn Cameras
Project No: TBD

Department: Police
Division: Administration
Section: N/A

Description:

Maintenance and replacement contract for police body worn cameras (BWC) and Taser stun devices (CEW).

Justification:

The department has outfitted the majority of officers with individual body worn cameras and Taser devices. These units will soon reach the end-of-life cycle and will need to be replaced. The contract provides for upgrades and replacement of a scheduled plan and avoids the expenditure of funds for replacing and upgrading each device piece-mill and saves cost over the long-term.

Comments:

This program allows agencies to spread the replacement cost out over a five-year period as opposed to having to pay out large sums of money in one budget year. The program includes new BWCs for everyone at the start of the contract, year 2.5 and year 5. New CEWs for everyone year one and year five; docks, full coverage, accessories, E.com subscription. We have submitted this project for a "Smart Policing" grant for \$700,000 to fund the project over a three-year period.

Additional Comments: Due to budgetary challenges, departments were asked to evaluate current projects for unexpended funds available for reprogramming to FY20 projects. Projects with funding that have not started were evaluated and in several instances these projects were determined not ready to commence. Funding for these projects are also proposed for reprogramming to FY20 projects. At the time the former projects are deemed ready to proceed, new funding will be required in future CSPs. This project is proposed to use reprogrammed Adult Detention Facility Project Funds.

Funding		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
General Fund Revenues		161,952	161,952	-	-	-	323,904
General Fund Balance		-	-	-	-	-	-
Total Funding Sources		161,952	161,952	-	-	-	323,904

Goals/Milestones:

FY 2021	Aquire replacement BWCs and CEWs, Docks, full coverage, accessories, E.com subscription for all sworn officers
FY 2022	Maintain BWC and CEW devices under the existing contract
FY 2023	N/A
FY 2024	N/A
FY 2025	N/A

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN
PROJECT DESCRIPTION

Project Title: Police Equipment Replacement & Upgrades
Project No: TBD

Department: Police
Division: Administration
Section: N/A

Description:
Police Equipment Replacement and Upgrades of the following: Firearms

Justification:
Department issued firearms are reaching their end-of-life-cycle and need to be replaced based on spring and night vision sight failure potential.

Comments:

**Additional
Comments:**

Funding		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
Bonds		35,000	-	-	-	-	35,000
Total Funding Sources		35,000	-	-	-	-	35,000

Goals/Milestones:

FY 2021	Firearms replacement
FY 2022	N/A
FY 2023	N/A
FY 2024	N/A
FY 2025	N/A

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN
PROJECT DESCRIPTION

Project Title: Construction of New Police Station
Project No: TBD

Department: Police
Division: Administration
Section: N/A

Description:
This project is to construct a new facility to serve as the headquarters for the police department

Justification:
The police department has outgrown its current location. The department was remodeled in 1999 to accommodate the need for more space. Storage and personal spaces were converted to administrative space. The department is currently spread out over three facilities (Municipal Bldg., Green Street Precinct, and Public Library's bay and archives) utilizing approximately 12,000 square feet of space. The increased demand for police services and the implementation of new systems and equipment to keep pace with demand has fueled the department's growth. The current facility is dangerously unsecure and lacks any training, garage, maintenance, lounge, shower, dressing, dining, or food prep areas and is woefully lacking in short or long-term storage space, interview rooms, officer workspace, and armory facilities. The current layout is inefficient and creates serious personnel safety issues. For example, the quartermaster office is located in an administrative area, which creates an unsafe environment due to the necessity of handling firearms. Based on the results of a police department architectural study by Stewart-Cooper-Newell Architects (the same architects for the Fire Department), which evaluated the department's current and future needs based on industry space standards, the following recommendation was submitted. The study showed that a police department of our size should be housed in a facility with a net (programmed or usable) square footage of 40,708 SF and a gross square footage (total building size) of 56,991 SF.

Comments:
The current estimated cost does not include land acquisition and site prep cost

Funding		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
General Fund Revenues		-	-	-	-	-	-
To Be Determined (Lease Purchase Plan)		19,000,000		-	-	-	19,000,000
Total Funding Sources		19,000,000	-	-	-	-	19,000,000

Goals/Milestones:

FY 2021	Break ground; Complete construction
FY 2022	N/A
FY 2023	N/A
FY 2024	N/A
FY 2025	N/A

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN
PROJECT DESCRIPTION

Project Title: ADF-Replacement of Washer & Dryer
Project No: 60005

Department: Police
Division: Adult Detention Facility
Section: N/A

Description:

This project provides for the replacement of the washer and dryer units at the Adult Detention Center.

Justification:

The current ADC washer and dryer units were installed in 2001. These units currently support the ADC population, which averages 175 inmates, plus the female inmates housed at ADC for the city jail. They are also the principal back-up units for the city jail when the city jail units are unavailable. ADC plans to also start cleaning the clothing of the work release inmates as a way of eliminating those individuals from having to bring additional clothing into the facility. This will reduce the opportunity for those individuals to bring contraband into the facility hidden inside their additional clothing. The current units are beginning to experience increased repair costs on parts that are wearing out because of use. The units will be almost 18 years old by the time we plan to replace them. At that time the repair costs will likely be high, making the units operationally inefficient.

Comments:

The units are currently working as designed and replacement can be pushed back to the next budget year for consideration.

Funding		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
General Fund Revenues		-	70,000	-	-	-	70,000
							-
Total Funding Sources		-	70,000	-	-	-	70,000

Goals/Milestones:

FY 2021	N/A
FY 2022	Seek quotes on washer and dryer, issue P.O., have washer and dryer delivered and installed
FY 2023	N/A
FY 2024	N/A
FY 2025	N/A

Description

The Administration Division of Public Works is comprised of the Public Works office staff which provides clerical support such as budgeting, personnel, typing, billing, records keeping, and invoicing for functions in all five divisions of Public Works. The Administrative Division Director oversees the Code Enforcement Section which enforces overgrowth, hazardous trees, illegal accumulation/dumping, junkyards, and inoperable vehicle ordinances; the Communications Section which maintains the City's radio and telephone network; the Motorized Equipment Fund which provides maintenance and repair to 750 vehicles and equipment; and the Cemetery operations which is an enterprise fund.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ 506,024	\$ 458,469	\$ 424,650	\$ 440,760	\$ 16,110
Employee Benefits	74,794	67,989	64,730	56,450	(8,280)
Purchased Services	36,578	30,034	28,170	25,860	(2,310)
Internal Service	78,819	66,303	60,720	72,830	12,110
Other Operating Expenses	23,776	22,662	24,240	24,350	110
Totals	\$ 719,991	\$ 645,457	\$ 602,510	\$ 620,250	\$ 17,740

Personnel

The Public Works Administration operations are supported by the General Fund and portions of the administrative staff are allocated to the VDOT Fund.

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
SENIOR SECRETARY	0.700	0.700	0.700
ADMINISTRATIVE ASSISTANT	0.700	0.700	0.700
SR ADMINISTRATIVE ASSISTANT	0.700	0.700	0.700
ACCOUNT CLERK	2.700	2.100	2.100
SENIOR ACCOUNT CLERK	0.700	0.700	0.700
DIV DIR OF PW ADMINISTRATION	1.000	1.000	1.000
DIRECTOR OF PUBLIC WORKS	1.000	1.000	1.000
Total	7.500	6.900	6.900

Description

The Engineering Division of Public Works provides support to contractors, developers, and other City departments consistent with codes, ordinances, VDOT regulations, erosion control measures, stormwater practices related to City projects. Design of many capital projects are done in-house. These projects include sanitary sewer, storm sewer, pedestrian access, transportation, and street right-of-way maintenance and construction projects.

The Engineering Division issues and manages Excavation Permits, Curb Cut Permits, Storm Drain Permits, Land Disturbance Permits, and Virginia Stormwater Management Program Permits. This Division also manages the City's Municipal Separate Storm Sewer (MS4) stormwater program and coordinates right-of-way vacate requests. Engineering staff works closely with VDOT Local Assistance Office on state and federal funded local transportation projects.

Engineering staff manages project consultants concerning engineering studies, designs, right-of-way acquisitions, construction, and inspections. Staff prepares and submits applications to VDOT for various funding programs; Resolutions and Ordinances to City Council; and reports to various state agencies as required.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ 232,859	\$ 281,954	\$ 319,280	\$ 250,870	\$ (68,410)
Employee Benefits	36,422	41,666	49,200	31,820	(17,380)
Purchased Services	2,322	6,956	1,740	1,800	60
Internal Service	7,791	6,937	5,480	6,020	540
Other Operating Expenses	7,905	6,931	6,530	6,720	190
Capital Outlay	-	1,231	1,490	1,450	(40)
Totals	\$ 287,299	\$ 345,675	\$ 383,720	\$ 298,680	\$ (85,040)

Personnel

Engineering is funded primarily from the State Highway Maintenance Funds, General Fund, and Capital Improvement Projects. The majority of projects are funded by the Capital Improvements Program and/or federal and state funding provided from special grant projects.

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
ENGINEERING TECHNICIAN	-	-	0.500
SR GIS/CAD ENGINEERING TECHNICIAN	0.500	0.500	0.250
SURVEY PARTY SUPERVISOR	-	-	0.500
PUBLIC WORKS PROJECT ENGINEER	1.500	2.000	1.000
PUBLIC WORKS CHIEF ENGINEER	0.500	1.000	0.750
PW PROJECT MANAGER	0.500	0.500	0.500
ASST DIR OF PUBLIC WRKS/CTY ENG	0.500	0.500	0.250
ACCOUNTANT II	0.100	0.100	0.100
SECRETARY	0.400	0.400	0.400
Total	4.000	5.000	3.750

escription

The Street Maintenance Division of Public Works provides maintenance and repair support to other departments as required. Streets and grounds maintenance crews maintain City properties such as trails, parking lots, landscaping, landfill, compost site, alleys, and other City property. Since the Street Maintenance Division has construction capability, it also installs storm drains as required and makes repairs to sewer lines as needed.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ 118,700	\$ 86,013	\$ 312,140	\$ 296,280	\$ (15,860)
Employee Benefits	19,076	15,793	46,590	37,080	(9,510)
Purchased Services	37,108	54,284	44,460	42,180	(2,280)
Internal Service	68,303	27,753	128,650	129,460	810
Other Operating Expenses	41,371	48,054	49,470	49,500	30
Capital Outlay	-		490	400	(90)
Totals	\$ 284,558	\$ 231,897	\$ 581,800	\$ 554,900	\$ (26,900)

Personnel

The Streets Maintenance Division's primary responsibility is the public right-of-way; however the Division is also supported by the General Fund for non-VDOT services including seasonal lighting, city buildings grounds maintenance, trails, parking lots, non-VDOT stormdrains/alleys, and other maintenance on City property.

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
TRAINING & SAFETY MANAGER	0.150	0.155	0.150
PUBLIC SERVICE WORKER/OPERATOR	1.980	3.555	2.460
GROUNDSKEEPER	0.360	0.360	0.360
MOTOR EQUIPMENT OPERATOR I	1.920	1.265	1.620
MOTOR EQUIPMENT OPERATOR II	1.710	1.265	1.410
MOTOR EQUIPMENT OPERATOR III	0.450	0.620	0.150
HEAVY EQUIPMENT OPERATOR	-	-	0.600
CREW SUPERVISOR	0.600	0.645	0.630
GENERAL SUPERVISOR	0.480	0.490	0.690
DIVISION DIRECTOR OF STREETS	0.150	0.155	0.150
BUSINESS ANALYST			0.105
Total	7.800	8.510	8.220

Description

The Building Maintenance Division of Public Works provides maintenance for public buildings and includes general building repair such as painting, electrical, plumbing, carpentry, furniture/office moving, snow removal of parking lots and sidewalks, JTI Fountain maintenance, mechanical equipment, heating and air conditioning, pest control, emergency generator maintenance, fire sprinkler maintenance, fire/security alarm maintenance/monitoring, elevator maintenance and inspection, and custodial. Utilities, insurance, and service maintenance contracts are also paid from Building Maintenance funds.

Custodial services are provided by contractor and in-house staff for numerous city occupied buildings. Building Maintenance Division also provides maintenance services for IDA buildings and properties including weekly building checks, building repair, electrical, plumbing, and carpentry as needed.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ 664,179	\$ 640,375	\$ 760,200	\$ 780,650	\$ 20,450
Employee Benefits	107,707	116,626	114,150	99,120	(15,030)
Purchased Services	599,933	532,060	450,260	497,430	47,170
Internal Service	829,556	859,660	836,660	813,700	(22,960)
Other Operating Expenses	113,749	132,446	118,330	120,140	1,810
Capital Outlay	572	6,207	1,300	1,300	-
Reimbursement	(44,625)	(40,212)	(11,660)	(30,530)	(18,870)
Totals	\$ 2,271,071	\$ 2,247,162	\$ 2,269,240	\$ 2,281,810	\$ 12,570

Personnel

Building maintenance staff are funded by the General Fund or Capital Improvement Projects for major repairs and renovations. Budgeted salary is distributed among the General Fund accounts based on actual data reporting in past years. Custodial staff for all buildings are funded in one General Fund account.

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
CUSTODIAN	8.000	8.000	8.000
SENIOR CUSTODIAN	1.000	1.000	1.000
CUSTODIAN SUPERVISOR	1.000	1.000	1.000
GENERAL SUPERVISOR	1.000	1.000	1.000
BUILDING MAINTENANCE MECH II	7.070	7.000	7.000
DIVISION DIRECTOR OF BUILDINGS	1.000	1.000	1.000
Total	19.070	19.000	19.000

GENERAL FUND

CITY COUNCIL INTRODUCTORY BUDGET - CAPITAL & SPECIAL PROJECTS - FY 2021-2025

Project/Source	PL#	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	5 Yr Total
Public Works - Engineering							
General Street Improvements	60000067	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	1,000,000
River District Street Improvements	61281	945,518	1,000,000	1,000,000	1,000,000	1,000,000	4,945,518
Stormwater Improvements	60022	200,000	200,000	200,000	200,000	200,000	1,000,000
Gateway Corridor Landscaping Improvements	61369	50,000	50,000	50,000	50,000	50,000	250,000
State of Good Repair-MLK Northbound		4,963,097	-	-	-	-	4,963,097
Signal at South Main St and Updike Place		400,000	-	-	-	-	400,000
Pedestrian Improvements at Riverside Dr and Piney Forest Rd		280,400	-	-	-	-	280,400
New Sidewalk -Kemper Road		437,000	-	-	-	-	437,000
Riverside Drive Reconstruction	61282	-	1,650,000	1,000,000	1,000,000	1,000,000	4,650,000
River District Street Landscaping - Non VDOT	60906	-	100,000	100,000	100,000	100,000	400,000
City-wide Wayfinding Signage	61169	-	100,000	-	100,000	-	200,000
New Sidewalk-Audubon Drive		-	394,100	-	-	-	394,100
Intersection Improvements at S. Main and Stokes St		-	724,000	-	-	-	724,000
Riverwalk Multi-Use Trail Extension	61281	-	-	350,000	350,000	350,000	1,050,000
Old West End Rental District Street Improvements	60906	-	-	1,000,000	-	-	1,000,000
Route 58 WBL Kentuck Rd- Airport Drive		-	-	-	3,453,896	-	3,453,896
Public Works Engineering Total		\$ 7,476,015	\$ 4,418,100	\$ 3,900,000	\$ 3,000,000	\$ 2,900,000	\$ 21,694,115

Public Works Engineering Projects Unscheduled/Unfunded	Beyond FY 2024	Beyond FY 2024
Kentuck Road Improvements	7,491,433	7,491,433
Main Street Parking Deck	23,600,000	23,600,000
Elizabeth St Interchange at Danville Bypass	11,125,000	11,125,000
Roundabout at Mt Cross Rd & Dimon Drive	7,000,000	7,000,000
Piedmont Drive Pedestrian Accessibility Impr	5,797,934	5,797,934
Total Unscheduled/Unfunded	55,014,367	55,014,367

Public Works Building & Grounds							
Elevator Upgrade - City Buildings	60000437	275,000	275,000	275,000	275,000	275,000	\$ 1,375,000
Emergency Generators - City Buildings		160,000	250,000	250,000	250,000	50,000	960,000
General Maintenance of Buildings	60027	150,000	150,000	150,000	150,000	150,000	750,000
HVAC Replacement - City Buildings		275,000	100,000	275,000	-	275,000	925,000
Roof Replacement - City Buildings	60000119	250,000	400,000	250,000	200,000	1,000,000	2,100,000
City-Owned Parking Lots		100,000	100,000	100,000	100,000	800,000	1,200,000
Interior Painting of City Buildings		100,000	100,000	50,000	50,000	50,000	350,000
Exterior Painting of City Buildings		100,000	100,000	100,000	100,000	100,000	500,000
Public Works Buildings & Grounds Total		\$ 1,410,000	\$ 1,475,000	\$ 1,450,000	\$ 1,125,000	\$ 2,700,000	\$ 8,160,000

**GENERAL FUND
CITY INTRODUCTORY BUDGET - CAPITAL & SPECIAL PROJECTS - FY 2021
FUNDING SOURCES**

	Current Revenues	Fund Balance	Debt Financing	Grants/CIA	Other	Project Total
<u>Public Works - Engineering & Streets</u>						
General Street Improvements	\$ 61,580		\$ 138,420			\$ 200,000
River District Street Improvements			222,518	723,000		945,518
Stormwater Improvements	-	-	200,000			200,000
Gateway Corridor Landscaping Imprv					50,000 (1)	50,000
State of Good Repair-MLK Bridge NBL				3,963,097	1,000,000 (2)	4,963,097
New Signal at South Maint & Updike Place			400,000			400,000
Pedestrian Improvements at Riverside Dr & Piney Forest Rd.			140,200	140,200		280,400
New Sidewalk - Kemper Rd			87,400	349,600		437,000
Total Public Works-Engineering & St	\$ 61,580	\$ -	\$ 1,188,538	\$ 5,175,897	\$ 1,050,000	\$ 7,476,015

(1) DIG Funds (Special Revenue Fund) 50,000

(2) VDOT St Maint Funds (Fund 14) 1,000,000

Public Works - Buildings

Elevator Replacement			\$ 275,000			\$ 275,000
Emergency Generators			160,000			160,000
General Maintenance of Buildings & Grounds		150,000				150,000
HVAC Replacement			275,000			275,000
Roof Replacement - City Buildings			250,000			250,000
City-Owned Parking Lots			100,000			100,000
Interior Painting-City-Owned Buildings		100,000				100,000
Exterior Painting-City-Owned Buildings			100,000			100,000
Total Public Works-Buildings	\$ -	\$ 250,000	\$ 1,160,000	\$ -	\$ -	\$ 1,410,000

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN
PROJECT DESCRIPTION

Project Title: General Street Improvements
Project No: 60000067

Department: Public Works
Division: Engineering
Section: N/A

Description:
Construct curb and gutter, additional lanes, cul-de-sacs, and traffic signals as identified.

Justification:
Funds are used to pave previously non-maintained roads where houses now exist to bring them up to VDOT Maintenance Pavement Standards. Priorities will be adjusted, as necessary, depending upon our ability to move forward with projects. The funds will improve street safety and level of service. Funds are also used to make changes recommended by MPO studies such as lane widening and installing curb and gutter. When possible, funds are used to match VDOT Safety Grants and public/private partnerships with developers.

Comments:
Some general street improvement projects such as cul-de-sacs, new street construction, and Economic Development projects may not be eligible for VDOT funding.

Funding		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
General Fund Revenue		61,580	200,000	200,000	200,000	200,000	861,580
Bonds		138,420					138,420
Total Funding Sources		200,000	200,000	200,000	200,000	200,000	1,000,000

Goals/Milestones:

FY 2021	Curb and gutter, drainage, and widening for Hairston Street at Piney Forest Road.
FY 2022	Curb and gutter, drainage, and turn-lane widening of Ferry Road from West Main Street to West City limits.
FY 2023	Curb and gutter, additional lanes, cul-de-sacs, and traffic signals as identified.
FY 2024	Curb and gutter, additional lanes, cul-de-sacs, and traffic signals as identified.
FY 2025	Curb and gutter, additional lanes, cul-de-sacs, and traffic signals as identified.

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN
PROJECT DESCRIPTION

Project Title: River District Street Improvements
Project No: 60906

Department: Public Works
Division: Engineering
Section: N/A

Description:

Provide improved sidewalks, lighting, drainage, and roadway improvements in the River District.

Justification:

This project follows River District Guidelines and is a continuation of the Downtown Revitalization Plan recommended by BBP Consultants.

Comments:

FY 2021: State Grant (\$723,000) to match anticipated local funding.

FY 2021: General Fund (\$622,518) needed to match State Grant. (\$100,482 re-appropriation from Craghead St project)

Phases/Funding:

Phase I - Main Street (Completed in 2013)

Phase II - Main Street Plaza (Completed in 2014)

Phase III - Craghead Street from Loyal St. to Newton St. (Completed in 2017)

Phase IV - Craghead Street from Newton St. to Train Station overpass (Completed in 2018).

Phase V - North Union Street and Spring Street area from Spring Street to Memorial Drive (Completed in 2019).

Phase VI - Main St. between Floyd St. and Ridge St. and South Union St. between Main and Patton (Completed in 2020).

Phase VII - Wilson Street between Bridge Street and Lynn Street (VDOT Revenue Sharing approved for FY 2020 funding).

Phase VIII - Memorial Drive adjacent to proposed New River Park. (VDOT Revenue Sharing application submitted Oct. 2019).

Phase IX - Loyal Street from Bridge St to Ridge St (VDOT Revenue Sharing)

Funding		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
State Grants		723,000	500,000	500,000	500,000	500,000	2,723,000
General Funds Revenues		-	500,000	500,000	500,000	500,000	2,000,000
Bonds		222,518	-	-	-	-	222,518
Total Funding Sources		945,518	1,000,000	1,000,000	1,000,000	1,000,000	4,945,518

Goals/Milestones:

FY 2021	Improvements on Memorial Dr between Patton Street and Union Street Bridge Road/Poplar Street in anticipation of the proposed White Mill development and new River Front Park. Project includes access management, pedestrian crossing, new signal, and addition of turn lanes.
FY 2022	Loyal St between Bridge St and Ridge St.
FY 2023	Spring Street from Memorial Drive to Ridge Street.
FY 2024	Improvements in the River District to be determined by Economic Development investment.
FY 2025	Improvements in the River District to be determined by Economic Development investment.

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN
PROJECT DESCRIPTION

Project Title: Stormwater Improvements
Project No: 60022

Department: Public Works
Division: Engineering
Section: N/A

Description:

This project is for installation of new storm drainage facilities or replacement of old deteriorating storm drainage facilities in order to reduce residential and street flooding as a result of increased development and undersized drains. Project requests are evaluated based on the city's storm water management policy and prioritized as funds become available and as drainage assistance requests are made by residents. Funds are used to assist residents with flooding and erosion problems in accordance with the stormwater management policy.

Justification:

This project is for the efficient management of stormwater collection and discharge within the City.

Comments:

This project is for the efficient management of stormwater collection and discharge within the City.

Funding		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
General Fund Revenues		-	200,000	200,000	200,000	200,000	800,000
Bonds		200,000					200,000
Reprogrammed Funds		-	-	-	-	-	-
Total Funding Sources		200,000	200,000	200,000	200,000	200,000	1,000,000

Goals/Milestones:

FY 2021	Reconstruct stormwater drainage at Wheatley Road and Dean Street. Install/Repair/Replace other stormwater culverts city-wide as needed.
FY 2022	Install/Repair/replace stormwater culverts city-wide as needed.
FY 2023	Install/Repair/replace stormwater culverts city-wide as needed.
FY 2024	Install/Repair/replace stormwater culverts city-wide as needed.
FY 2025	Install/Repair/replace stormwater culverts city-wide as needed.

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN
PROJECT DESCRIPTION

Project Title: Gateway Corridor Landscaping Improvements
Project No: TBD

Department: Public Works
Division: Engineering
Section: N/A

Description:

This project is a program to improve one city entrance corridor per year. The project includes landscaping and beautification

Justification:

This project is In support of Economic Development and to improve first impressions of the city

Comments:

FY2018: Completed Gateway improvements at interchange at Goodyear Blvd. and Danville Expressway.
FY2019: Completed Gateway improvements at West Main St. and Corning Dr.
FY2019: Completed Gateway improvements at West Main St. and Hunter St.
FY2020: Completed Gateway improvements at N. Main St. and Piney Forest Rd.
FY2020: Completed Gateway improvements at Memorial Drive and Central Blvd. median.

Funding		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
Special Grants - DIG Program		50,000	50,000	50,000	50,000	50,000	250,000
Total Funding Sources		50,000	50,000	50,000	50,000	50,000	250,000

Goals/Milestones:

FY 2021	East Franklin Turnpike at North Main Street.
FY 2022	South Boston Road at east city-limits.
FY 2023	Riverside Drive at west city-limits.
FY 2024	Piney Forest Road at north city-limits.
FY 2025	Landscape sites to be determined

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN
PROJECT DESCRIPTION

Project Title: State of Good Repair-MLK Bridge NBL
Project No: TBD

Department: Public Works
Division: Engineering
Section: N/A

Description:

MLK Bridge (Structure #1811): Repair of identified deficiencies at column/floor beam connections. Repair other concrete spalls and delaminations and other noted deficiencies on the bridge.

Justification:

The bridge was reconstructed by VDOT and opened in 2005. Recent inspections have indicated deficiencies at some of the column connections to the floor beams due to thermal stress likely as a result of the bridge design. The condition rating of the superstructure is now rated as poor and the deficiencies need to be corrected. The resulting condition rating qualifies the structure for State of Good Repair funding.

Comments:

State of Good Repair (SGR) Bridge Form was submitted on January 7, 2019. VDOT decided not to review or fund any of the submitted applications and asked for resubmissions in December 2019. Resubmitted application on December 13, 2019. Funding to be determined by VDOT and announced in July 2020. SGR Funds Requested in the amount of \$3,963,097.

\$1,000,000 will be used from VDOT Maintenance Funds.

FY2020 - FY2021: Complete engineering phase

FY2021 - FY2023: Complete construction phase

Funding		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
State Grant		3,963,097	-	-	-	-	3,963,097
VDOT St Maint-Fund 15		1,000,000	-	-	-	-	1,000,000
Total Funding Sources		4,963,097	-	-	-	-	4,963,097

Goals/Milestones:

FY 2021	Preliminary Engineering Phase (FY20-21). Construction Phase (FY2021 - 2023)
FY 2022	N/A
FY 2023	N/A
FY 2024	N/A
FY 2025	N/A

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN
PROJECT DESCRIPTION

Project Title: New Signal At Updike Place

Department: Public Works

Project No:

Division: Engineering

Section: N/A

Description:

The project includes the installation of a traffic signal at the intersection of South Main Street and Updike Place. The work will include design and construction of the signal system, any required new signs, new pavement markings, and extension of concrete median.

Justification:

EPR, P.C. performed a Signal Warrant Study and found that the recommendation for a signal at this intersection is justified based on the future occupation of vacant 10,000 square foot space at the Southwyck Plaza Shopping Center which is adjacent to this intersection.

Comments:

Funding		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	5 yr Total
Bonds		400,000	-	-	-	-	400,000
Total Funding Sources		400,000	-	-	-	-	400,000

Goals/Milestones:

FY 2021	Design and install traffic signal at South Main Street and Updike Place
FY 2022	N/A
FY 2023	N/A
FY 2024	N/A
FY 2025	N/A

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN
PROJECT DESCRIPTION

Project Title: Peesetrian Improvements at Riverside Drive & Piney Forest Rd
Project No:

Department: Public Works
Division: Engineering
Section: N/A

Description:

Install crosswalk system at Riverside Drive and Piney Forest Road intersection. Work includes sidewalk, handicap ramps, pavement markings, pedestrian signals, signage. Revenue Application submitted to VDOT in October 2019 for FY21 funding.

Justification:

There is a Danville Transit stop on the south side of Riverside Drive across from Piney Forest Road, but no pedestrian crossing to get to the north side of the road.

Comments:

Funding		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
State Grants		140,200	-	-	-	-	140,200
Bonds		140,200	-	-	-	-	140,200
Total Funding Sources		280,400	-	-	-	-	280,400

Goals/Milestones:

FY 2021	Install crosswalk system at Riverside Rd & Piney Forest Rd. (Engineering and Construction)
FY 2022	N/A
FY 2023	N/A
FY 2024	N/A
FY 2025	N/A

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN
PROJECT DESCRIPTION

Project Title: New Sidewalk - Kemper Road

Department: Public Works

Project No:

Division: Engineering

Section: N/A

Description:

Construct new sidewalk on Kemper Road from South Main Street to Edmonds Street.

Justification:

Pedestrians have been observed walking in the street along corridor. Some walk in the street because there is no sidewalk. Project will provide connection to existing sidewalks and will provide better pedestrian access and safety.

Comments:

The VDOT TAP (Transportation Alternative Program) application was submitted in October 2019.

Funding		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	5 yr Total
Federal Grants		349,600	-	-	-	-	349,600
Bonds		87,400	-	-	-	-	87,400
Total Funding Sources		437,000	-	-	-	-	437,000

Goals/Milestones:

FY 2021	Install new sidewalk on Kemper Road. Preliminary Engineering (FY2021), Construction (FY2022).
FY 2022	N/A
FY 2023	N/A
FY 2024	N/A
FY 2025	N/A

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN
PROJECT DESCRIPTION

Project Title: Riverside Drive Reconstruction
Project No: 61282

Department: Public Works
Division: Engineering
Section: N/A

Description:

Remove concrete roadbase and replace with stone and asphalt base from Locust Lane to Barrett Street. The project requires numerous phases.

Justification:

Riverside Drive is constructed with concrete roadbase. The concrete roadbase has begun to shift and move. The effects of the roadbase movement, expansion, and contraction creates large cracks in the asphalt and surface. The surface cannot be repaired without removing the concrete base and replacing it with stone aggregate and asphalt base. The project requires numerous phases over a period of years. Phase I, II, and III were completed in 2006, 2007, and 2016 using VDOT maintenance funds. This project will significantly improve the durability and rideability of the road surface.

Comments:

Phase I - Riverside Dr. from Keen St. to Locust Ln., eastbound and westbound lanes. (Completed in FY 2006)
Phase II - River St. from Main St. to Fall Creek, eastbound and westbound lanes (Completed in FY 2007)
Phase III - Riverside Dr. from Sandy Creek to Sandy River, eastbound lanes. (Completed in FY 2016)
Phase IV - Riverside Dr. from Sandy Creek to Audubon Drive, eastbound lanes. (Completed in FY 2018)
Phase V - Riverside Dr. from Audubon Dr. to Arnett Blvd., eastbound lanes, to be constructed in FY 2019.

Funding		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	5 Yr Total
General Fund Revenues		-	825,000	500,000	500,000	500,000	2,325,000
State Grants		-	825,000	500,000	500,000	500,000	2,325,000
Bonds		-	-	-	-	-	-
Total Funding Sources		-	1,650,000	1,000,000	1,000,000	1,000,000	4,650,000

Goals/Milestones:

FY 2021	N/A
FY 2022	Phase VII - Arnett Blvd to Audubon Blvd (Westbound lanes). Demolition, new road section, concrete curb and gutter.
FY 2023	Phase VIII - Audubon Blvd. to Sandy Creek (Westbound lanes) w/concrete curb and gutter where needed
FY 2024	Continued in future CIP years - Phases to be determined between Sandy Creek and Barrett Street (Eastbound and westbound lanes)
FY 2025	Continued in future CIP years - Phases to be determined between Sandy Creek and Barrett Street (Eastbound and westbound lanes)

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN
PROJECT DESCRIPTION

Project Title: River District Street Landscaping - Non-VDOT
Project No: 60906

Department: Public Works
Division: Engineering
Section: N/A

Description:

Provide streetscape landscaping, furnishings, and other improvements to Union Street, Craghead Street, Main Street, Bridge Street, Loyal Street, Colquhoun Street and other locations as identified in the phasing of the River District Reconstruction Project. The \$100,000 will be used for non-VDOT grant eligible work.

Justification:

Amenities such as trees, tree grates, benches, bricks, decorative lighting, trash receptacles, and so forth, are not eligible for VDOT Revenue Sharing Funds, but are needed to make the area attractive and inviting.

Comments:

Funding		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
General Fund Revenues		-	100,000	100,000	100,000	100,000	400,000
Reprogrammed Funds		-					-
Total Funding Sources		-	100,000	100,000	100,000	100,000	400,000

Goals/Milestones:

FY 2021	N/A
FY 2022	Install amenities in the River District area as identified in the phasing of the River District Reconstruction Project.
FY 2023	Install amenities in the River District area as identified in the phasing of the River District Reconstruction Project.
FY 2024	Install amenities in the River District area as identified in the phasing of the River District Reconstruction Project.
FY 2025	Install amenities in the River District area as identified in the phasing of the River District Reconstruction Project.

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN
PROJECT DESCRIPTION

Project Title: City-wide Wayfinding & Signage
Project No: 61169

Department: Public Works
Division: Engineering
Section: N/A

Description:

This project will implement the way-finding study recommendations for planning, design and construction of way-finding and gateway signage city-wide with a focus on business districts and historically significant areas.

Justification:

A unified signage program is an effective way to increase both residents' and visitors' sense of awareness, comfort, and security to explore and enjoy historical, cultural, recreational, commercial, and natural resources in the city.

Comments:

FY2021: Planning for a gateway sign at the south entrance into Danville on West Main Street at Corning Drive.

Funding		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
General Fund Revenues		-	100,000	-	100,000	-	200,000
							-
Total Funding Sources		-	100,000	-	100,000	-	200,000

Goals/Milestones:

FY 2021	N/A
FY 2022	Installation of a gateway sign/additional wayfinding signage in a location to be determined
FY 2023	N/A
FY 2024	Installation of a gateway sign/additional wayfinding signage in a location to be determined
FY 2025	N/A

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN
PROJECT DESCRIPTION

Project Title: New Sidewalk - Audubon Drive

Department: Public Works

Project No:

Division: Engineering

Section: N/A

Description:

Construct new sidewalk on Audubon Drive from Apollo Avenue to Woodview Drive. This includes bike sharrows on Audubon Drive and a crosswalk at Woodview Drive.

Justification:

Pedestrians have been observed walking in the street along corridor. This project will provide connection at Apollo Avenue to sidewalk at Woodview Drive. It will provide better pedestrian access and pedestrian safety.

Comments:

The VDOT TAP (Transportation Alternative Program) application was submitted in October 2019.

Funding		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	5 yr Total
Federal Grants		-	315,280	-	-	-	315,280
General Fund Revenues		-	78,820	-	-	-	78,820
Total Funding Sources		-	394,100	-	-	-	394,100

Goals/Milestones:

FY 2021	N/A
FY 2022	Install new sidewalk on Audubon Drive. Preliminary Engineering (FY2022), Construction (FY2023).
FY 2023	N/A
FY 2024	N/A
FY 2025	N/A

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN
PROJECT DESCRIPTION

Project Title: Intersection Improvements at South Main and Stokes St
Project No: TBD

Department: Public Works
Division: Engineering
Section: N/A

Description:

Improve the intersection at South Main Street and Stokes Street. Demolition, turn lane on South Main Street, widen intersection, add curb and gutter, modify drainage system, move utility pole, add sidewalk, add pedestrian crossing, buy right-of-way.

Justification:

The current configuration can be confusing to drivers and has received complaints from citizens and City Council. This intersection gets congested at times and is a major route for rescue vehicles heading to the emergency room. Pedestrians also do not have a designated place to cross the street.

Comments:

Funding		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
State Grant		-	362,000	-	-	-	362,000
General Fund Revenues			362,000	-	-	-	362,000
Total Funding Sources		-	724,000	-	-	-	724,000

Goals/Milestones:

FY 2021	N/A
FY 2022	Preliminary Engineering and Right-of-Way (FY2022), Construction (FY2023)
FY 2023	N/A
FY 2024	N/A
FY 2025	N/A

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN
PROJECT DESCRIPTION

Project Title: Riverwalk/Multiuse Trail Extension
Project No: TBD

Department: Public Works
Division: Engineering
Section: N/A

Description:
Various trail extension projects for segments as identified in the master plan.

Justification:
The continued extension of the Riverwalk / Multiuse Trail is essential to provide access to additional recreational amenities and opportunities throughout the City of Danville.

Comments:
Local match needed in FY2021 (\$89,420) reappropriated from other projects in FY2020.
VDOT funding appropriated in FY2020 (\$280,000).
Riverwalk Master Plan to be finalized in FY2020.

Funding		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
General Fund Revenues		-	-	70,000	70,000	70,000	210,000
Federal Grant		-	-	280,000	280,000	280,000	840,000
Total Funding Sources		-	-	350,000	350,000	350,000	1,050,000

Goals/Milestones:

FY 2021	N/A
FY 2022	N/A
FY 2023	Construct new segment of trail as identified in Riverwalk Master Plan, finalized in 2020
FY 2024	Construct new segment of trail as identified in Riverwalk Master Plan, finalized in 2020
FY 2025	Construct new segment of trail as identified in Riverwalk Master Plan, finalized in 2020

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN
PROJECT DESCRIPTION

Project Title: Old West End Rental District Street Improvements
Project No: TBD

Department: Public Works
Division: Engineering
Section: N/A

Description:

This project is for closing one block of Jefferson Avenue at Jefferson Street to create an urban park. Jefferson Avenue and Pine Street near Jefferson Street would be streetscaped as part of the Old West End Rental District Revitalization Project.

Justification:

Old West End Rental District Study by Allison Platt & Associates CJMW Architecture

Comments:

N/A

Funding		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
General Fund Revenues		-	-	500,000	-	-	500,000
State Grants		-	-	500,000	-	-	500,000
Total Funding Sources		-	-	1,000,000	-	-	1,000,000

Goals/Milestones:

FY 2021	N/A
FY 2022	N/A
FY 2023	Create an urban park as identified to be part of the Old West End Rental District Revitalization Project.
FY 2024	N/A
FY 2025	N/A

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN
PROJECT DESCRIPTION

Project Title: Route 58 WBL Kentuck Road to Airport Drive
Project No: TBD

Department: Public Works
Division: Engineering
Section: N/A

Description:
 Install third westbound lane from Kentuck Road to Airport Drive.

Justification:
 In 2018, a project was completed which added a third westbound lane from Airport Drive to the Danville Expressway. Lack of funding prevented the extension to Kentuck Road.

Comments:
 A Smart Scale application was submitted in August 2018 for funding and funding as approved in June 2019. The exact fiscal year to start receiving funds is a few years out.

Funding		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
To Be Determined		-	-	-	3,453,896	-	3,453,896
		-	-	-	-	-	-
Total Funding Sources		-	-	-	3,453,896	-	3,453,896

Goals/Milestones:

FY 2021	N/A
FY 2022	N/A
FY 2023	N/A
FY 2024	Install third westbound lane from Kentuck Rd to Airport Dr.
FY 2025	N/A

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN

PROJECT DESCRIPTION

THIS IS AN UNFUNDED/UNSCHEDULES PROJECT SLATED BEYOND FY 2025

Project Title: Kentuck Road Improvements

Department: Public Works

Project No: TBD

Division: Engineering

Section: N/A

Description:

Proposed improvements along Kentuck Road to include a roundabout at Halifax Road, intersection improvement at Eagle Springs Road widening just north of Bright Leaf Road.

Justification:

An MPO study suggested most of these improvements. Project will provide spot improvements along Kentuck Road for improved safety, traffic flow, and industrial access.

Comments:

Submitted as a Smart Scale Project in 2016. Project was not funded.
2016 Cost estimate: \$7,491,433

Funding		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
To Be Determined		-	-	-	-	7,491,433	7,491,433
		-	-	-	-	-	-
Total Funding Sources		-	-	-	-	7,491,433	7,491,433

Goals/Milestones:

FY 2021	N/A
FY 2022	N/A
FY 2023	N/A
FY 2024	N/A
FY 2025+	Proposed improvements along Kentuck Road to include a roundabout at Halifax Road, intersection improvement at Eagle Springs Road widening just north of Bright Leaf Road.

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN

PROJECT DESCRIPTION

THIS IS AN UNFUNDED/UNSCHEDULED PROJECT SLATED BEYOND FY 2025

Project Title: Main Street Parking Deck

Department: Public Works

Project No: TBD

Division: Engineering

Section: N/A

Description:

Construct a parking deck at the intersection of Main Street and North Union Street to include 617 parking spaces on six levels and a potential retail facility.

Justification:

Convenient parking is needed for the public and future economic development growth in the Downtown River District area. Timing of construction will depend on future development of River District buildings (Masonic building).

Comments:

Project based on Schematic Design Manual by SKA Consulting Engineers, dated 8/7/15. Funding to be determined.

2015 Cost estimate: \$23,600,000

Funding		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
To Be Determined		-	-	-	-	23,600,000	23,600,000
		-	-	-	-	-	-
Total Funding Sources		-	-	-	-	23,600,000	23,600,000

Goals/Milestones:

FY 2021	N/A
FY 2022	N/A
FY 2023	N/A
FY 2024	N/A
FY 2025+	Construct a parking deck at the intersection of Main Street and North Union Street to include 617 parking spaces on six levels and a potential retail facility.

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN

PROJECT DESCRIPTION

THIS IS AN UNFUNDED/UNSCHEDULED PROJECT SLATED BEYOND FY 2025

Project Title: Elizabeth Street Interchange at Danville ByPass

Department: Public Works

Project No: TBD

Division: Engineering

Section: N/A

Description:

Construction of bridge and full interchange at Elizabeth Street and Danville Bypass (Route 29) per 2017 Construction Concept Design and Cost Estimate Study by AECOM.

Justification:

US Route 29 serves as a vital link connecting the Piedmont Triad area in North Carolina to the Danville regional area. Route 29 is a limited access bypass expressway around the City of Danville and the Elizabeth Street connection is the only at-grade access. Right-of-way has been purchased and preliminary engineering plans have been developed. Construction at the interchange will reduce travel time for surrounding residents and improve the safety of the highway system.

Comments:

This at-grade intersection was the location of multiple fatalities in the mid-90s.
2017 Cost estimate: \$11,125,000

Funding		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
To Be Determined		-	-	-	-	11,125,000	11,125,000
		-	-	-	-	-	-
Total Funding Sources		-	-	-	-	11,125,000	11,125,000

Goals/Milestones:

FY 2021	N/A
FY 2022	N/A
FY 2023	N/A
FY 2024	N/A
FY 2025+	Construction of bridge and full interchange at Elizabeth Street and Danville Bypass (Route 29) per 2017 Construction Concept Design and Cost Estimate Study by AECOM.

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN

PROJECT DESCRIPTION

THIS IS AN UNFUNDED/UNSCHEDULES PROJECT SLATED BEYOND FY 2025

Project Title: Roundabout at Mt Cross Road & Dimon Drive

Department: Public Works

Project No: TBD

Division: Engineering

Section: N/A

Description:

Construct roundabout at Mt. Cross Road and Dimon Drive

Justification:

Improve efficiency and safety at the intersection

Comments:

Smart Scale Application was submitted in August 2018. Project was scored in January 2019 and did not score well enough to receive funding. Cost of the project is estimated by VDOT to be \$7,000,000.

Funding		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
To Be Determined		-	-	-	-	7,000,000	7,000,000
		-	-	-	-	-	-
Total Funding Sources		-	-	-	-	7,000,000	7,000,000

Goals/Milestones:

FY 2021	N/A
FY 2022	N/A
FY 2023	N/A
FY 2024	N/A
FY 2025+	Construct a roundabout at Mt. Cross Road and Dimon Drive.

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN

PROJECT DESCRIPTION

THIS IS AN UNFUNDED/UNSCHEDULED PROJECT SLATED BEYOND FY 2025

Project Title: Piedmont Drive Pedestrian Accessibility Improvements

Department: Public Works

Project No: TBD

Division: Engineering

Section: N/A

Description:

Install sidewalk on Holt Garrison Parkway, Lowes Drive, Piedmont Drive, Mt Cross Road. Install pedestrian crosswalks on Piedmont Drive and Mt Cross Road.

Justification:

Sidewalk on Piney Forest Road stops at Holt Garrison Parkway. Future sidewalk to be installed on Mt Cross from Averett North Campus to Walmart (across from Lowes Drive). This project would connect these two sidewalk segments as well as provide a connection to the Danville Mall property and to a transit stop adjacent to the mall.

Comments:

A Smart Scale application was submitted in August 2018 for funding. In January 2019, scoring information was published and the project score was not enough to receive funding. A future application will be considered. Estimated project cost in 2018 was \$5.8 million.

Funding		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
To Be Determined		-	-	-	-	5,797,934	5,797,934
		-	-	-	-	-	-
Total Funding Sources		-	-	-	-	5,797,934	5,797,934

Goals/Milestones:

FY 2021	N/A
FY 2022	N/A
FY 2023	N/A
FY 2024	N/A
FY 2025+	Install sidewalk on Holt Garrison Parkway, Lowes Drive, Piedmont Drive, Mt Cross Road. Install pedestrian crosswalks on Piedmont Drive and Mt Cross Road.

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN

PROJECT DESCRIPTION

Project Title: Elevator Upgrade - City Buildings
Project No: 60000437

Department: Public Works
Division: Building Maintenance
Section: N/A

Description:
 This project replaces elevator controls and hoist equipment at various City-owned buildings.

Justification:
 Existing elevator equipment is nearing end of life and experiencing major repairs. All traction elevators are using rebuilt electrical motors and generators. Generators are out of production and operators and controls are outdated. Replacements are becoming more difficult to find. Any replacement requires electronic solid state boards.

Comments:
 City buildings with elevators include: Municipal Building; Courts Building; Social Services (L. Herman Building); City Armory; Public Library; Financial Service Center (Charles Harris Building). See goals for details.
 - Municipal Building (Completed in 2017)

Funding		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
General Fund Revenues		-	275,000	275,000	275,000	275,000	1,100,000
Bonds		275,000	-	-	-	-	275,000
Total Funding Sources		275,000	275,000	275,000	275,000	275,000	1,375,000

Goals/Milestones:

FY 2021	City Armory - One traction elevator (Year installed: 1936 Updated: 1966) Five (5) floors in building. Update generators, cable, controls, operators, electrical, and fire alarm components.
FY 2022	Courts Building - (First half of funding) Two traction elevators (Year installed: 1972). Stonewall Recreation Center - One hydraulic elevator (Year installed: 1978) Code requires complete change out to update pump, jack, controls, operators, and fire alarm components.
FY 2023	Courts Building - (Second half of funding) Two traction elevators (Year installed: 1972) Update generators, cables, controls, operators, electrical, and fire alarm components. (Remaining three hydraulic elevators to be completed in 2026).
FY 2024	Public Library - One hydraulic elevator (Year installed: 1972) Code requires complete change out. Update pump, jack, controls, operators, and fire alarm components.out. Update pump, jack, controls, operators, and fire alarm components. Financial Service Center - One hydraulic elevator (Year installed: 1986) Code requires complete change out. Update pump, jack, controls, operators, and fire alarm components. Financial Service Center - One hydraulic elevator (Year installed: 1986) Code requires complete change out. Update pump, jack, controls, operators, and fire alarm components.
FY 2025	Health Department - One hydraulic elevator (Year installed: 1977). Code requires complete change out to update pump, jack, controls, operators, and fire alarm components.

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN
PROJECT DESCRIPTION

Project Title: Emergency Generators - City Buildings
Project No: TBD

Department: Public Works
Division: Building Maintenance
Section: N/A

Description:

This project installs new emergency generators at various City buildings and locations. It also replaces the existing generator at the Municipal building

Justification:

The installation of new emergency generators in additional City buildings will allow those building to continue to function during power outages. The generator at the Municipal Building is nearing the end of its reliable life and there is a need to increase the capacity. The installation of a new generator at the Mass Transit Fuel Site would allow fuel to be distributed during power outages.

Comments:

Completed emergency generator project includes the following locations:

1. Public Works Administration (Completed in 2015)
2. Charles Harris Financial Services Center (Completed in 2018)
3. Municipal Building (Replacement completed in 2019)
4. City Garage/Warehouse (Old Mun. Bldg. generator set on pad in 2019) (To be connected in 2021)
5. Mass Transit Fuel Site (Completed in 2020)

Funding		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
General Fund Revenues		-	250,000	250,000	250,000	50,000	800,000
Bonds		160,000	-	-	-	-	160,000
Total Funding Sources		160,000	250,000	250,000	250,000	50,000	960,000

Goals/Milestones:

FY 2021	Mass Transit Fuel Site/Garage
FY 2022	City Garage / Warehouse (Connecting old Mun. Bldg. generator)
FY 2023	Mass Transit Garage and office building
FY 2024	Emergency Shelters (Glenwood, Coates, or Bonner)
FY 2025	To be Determined

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN
PROJECT DESCRIPTION

Project Title: General Maintenance of Buildings
Project No: 60027

Department: Public Works
Division: Building Maint
Section: N/A

Description:

This project includes major repairs/maintenance of City-owned buildings and facilities. Funding for these general capital maintenance items are not funded/included in the operating budget

Justification:

This project will provide well-maintained buildings and facilities

Comments:

The goals reflect current priorities for facility improvements. However, projects will be adjusted as necessary according to ability to move forward with the projects and subject to critical needs that may arise and require timing adjustments.

Funding		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
General Fund Revenues		-	150,000	150,000	150,000	150,000	600,000
General Fund Balance		150,000					150,000
Total Funding Sources		150,000	150,000	150,000	150,000	150,000	750,000

Goals/Milestones:

FY 2021	City buildings to be determined.
FY 2022	City buildings to be determined.
FY 2023	City buildings to be determined.
FY 2024	City buildings to be determined.
FY 2025	City buildings to be determined.

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN
PROJECT DESCRIPTION

Project Title: HVAC Replacement - City Buildings

Department: Public Works

Project No:

Division: Building Maint

Section: N/A

Description:

This is a programmed HVAC system replacement of various City buildings. Replacement will include various components, such as, outside compressor, evaporator unit, air handler unit, and update existing DDC controls.

Justification:

Many HVAC systems are nearing end of life, experiencing major repairs, and parts are becoming harder to find. Also, many existing DDC controls are limited and need updating to the new Building Maintenance Control System.

Comments:

Utility cost savings will occur over time with replacements.

HVAC systems replaced at:

- Public Library (511 Patton St) Completed in 2011
- Municipal Building (3rd Floor) (427 Patton St) Completed in 2016
- L. Herman (Social Services) (510 Patton St) Completed in 2018
- Courthouse (401 Patton St) Chiller and #1 Cooling Tower to be completed in 2020

Funding		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
General Fund Revenue		-	100,000	275,000	-	275,000	650,000
Bonds		275,000	-	-	-	-	275,000
Total Funding Sources		275,000	100,000	275,000	-	275,000	925,000

Goals/Milestones:

FY 2021	Pepsi Building, AHU in Police Dept. Roll Call Room, WW Moore.
FY 2022	pgrade HVAC building controls at City Hall, Courthouse, Stonewall Recreation, Senior Citizens.
FY 2023	City Jail Boiler (\$105,000), Stonewall Recreation (\$20,000), other P&R HVAC needs
FY 2024	N/A
FY 2025	Courthouse - 2nd cooling tower.

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN
PROJECT DESCRIPTION

Project Title: Roof Replacement - City Buildings
Project No: 60000119

Department: Public Works
Division: Building Maintenance
Section: N/A

Description:
This project is a programmed roof replacement on various City buildings

Justification:
The roofs on many City buildings are nearing end of life and experiencing major repairs and leaks. A phased replacement accomplished over five or more years is recommended to avoid a large outlay of funds in any one year.

Comments:
The EPDM (ethylene propylene diene terpolymer) rubber roofing membrane has been available for low-slope commercial roofs for over 40 years. EPDM is a top choice of architects, roof consultants and contractors for both new construction and replacement roofing projects.

- Municipal Building (427 Patton St) Completed in 2016
- Courthouse (401 Patton St) Completed in 2017
- Social Services (510 Patton St) Completed in 2017
- Stonewall Recreation Center (1600 N Main St) Completed in 2018
- Public Library (511 Patton St) Completed in 2018
- City Armory (125 Floyd St) Completed in 2019
- Financial Service Center (311 Memorial Dr) Completed in 2020
- Carrington Pavilion (667 Craghead St) Completed in 2020

Funding		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
General Fund Revenues		-	400,000	250,000	200,000	1,000,000	1,850,000
Bonds		250,000	-	-	-	-	250,000
Total Funding Sources		250,000	400,000	250,000	200,000	1,000,000	2,100,000

Goals/Milestones:

FY 2021	Dan Daniel Memorial Park (302 River Park Dr) (3 buildings - 8,629 sq. ft.) - roof last replaced in 1993. Green Street Police Precinct (827 Green St) (2,890 sq. ft.) - roof last replaced in 1991. Public Works Garage & Canopy (998 South Boston Rd) (4,521 sq. ft.) - roof last replaced in 1995.
FY 2022	W. W. Moore Building (603 Colquhoun St) (40,500 sq. ft.) - roof last replaced in 2000.
FY 2023	Animal Shelter (Humane Society) (996 South Boston Rd) (2,100 sq ft) - roof last replaced in 2006. Traffic Shop (310 Industrial Ave). Public Works Crew Hall (998-B South Boston Rd) (6,800 sq. ft.) - roof last replaced in 1996.
FY 2024	Danville Science Center (657 Craghead St) (26,220 sq. ft.) - roof last replaced in 2004.
FY 2025	Galileo School (230 S Ridge St) (Funding may be phased)

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN
PROJECT DESCRIPTION

Project Title: City-Owned Parking Lots

Department: Public Works

Project No:

Division: Building Maint

Section: N/A

Description:

This project is established to manage repairs and resurfacing of various City parking lots.

Justification:

There are numerous city-owned parking lots that are deteriorating and need repair work.

Comments:

Parking lots recently completed include:
 Courthouse entry road (2016)
 Abe Koplen parking lot (2017)
 Social Services parking lot
 Animal Shelter

Funding		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
General Fund Revenues		-	100,000	100,000	100,000	800,000	1,100,000
Bonds		100,000					100,000
Total Funding Sources		100,000	100,000	100,000	100,000	800,000	1,200,000

Goals/Milestones:

FY 2021	Financial Service Center (Two lots - Customer and Employee)
FY 2022	Parking Lot - City Hall Lot at Lynn St and Court St (Old Dutch Lot)
FY 2023	Parking Lot - Library (Four locations - Upper Lot, Strip behind Library, Police Lower Lot, and Dock under Library)
FY 2024	Parking Lot - Social Services
FY 2025	Galileo School (Old Sears Building)

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN
PROJECT DESCRIPTION

Project Title: Interior Painting of City Buildings
Project No:

Department: Public Works
Division: Building Maint
Section: N/A

Description:

The interior of large City buildings, such as the Courthouse, City Jail, and Municipal building, have not been painted since the last major renovations in the 1990s. A scheduled / phased approach is recommended.

Justification:

Painting one office at a time is not enough to keep the large buildings up to the City's standards. This project will provide an improved work environment and a better appearance to the City's customers.

Comments:

Funding		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
General Fund Revenues		-	100,000	50,000	50,000	50,000	250,000
General Fund Balance		100,000	-	-	-	-	100,000
Total Funding Sources		100,000	100,000	50,000	50,000	50,000	350,000

Goals/Milestones:

FY 2021	Interior Painting - City Hall Municipal Building (All floors) 427 Patton St
FY 2022	Interior Painting - Courthouse (All floors) 401 Patton St. (Phase I)
FY 2023	Interior Painting - Courthouse (All floors) 401 Patton St. (Phase II), Interior Painting - Social Services (All floors) 510 Patton St
FY 2024	Interior Painting - Financial Service Center (Charles Harris Bldg) 311 Memorial Dr
FY 2025	Interior Painting - To Be Determined.

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN
PROJECT DESCRIPTION

Project Title: Exterior Painting of City Buildings
Project No:

Department: Public Works
Division: Building Maint
Section: N/A

Description:

It has been many years since there has been enough building maintenance funds allocated to accomplish painting of the City's larger buildings. A scheduled / phased approach is recommended.

Justification:

The exterior of the buildings selected for the first five (5) years of this project are showing their age and becoming unsightly. The City's overall appearance has been a goal and it is time to begin painting buildings.

Comments:

The caulking and sealing will be inspected and repaired or reworked as needed during this painting project.

Funding		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
General Fund Revenues		-	100,000	100,000	100,000	100,000	400,000
Bonds		100,000	-	-	-	-	100,000
Total Funding Sources		100,000	100,000	100,000	100,000	100,000	500,000

Goals/Milestones:

FY 2021	Exterior painting - Train Station (677 Craghead St) / Danville Science Center (657 Craghead St)
FY 2022	Exterior painting - Social Services (510 Patton St)
FY 2023	Exterior painting - Sutherlin Mansion Annex (Holbrook Ave) and Research Building (526 Sutherlin Ave)
FY 2024	Exterior painting - Sutherlin Mansion windows and cupola (Main building - 975 Main St)
FY 2025	Exterior painting - Recreation Buildings, City Garage

Description

It is the mission of the Danville Division of Social Services to promote self-reliance and provide protection for the citizens of Danville through community-based and customer-oriented services.

Major benefit programs include Medicaid and FAMIS, State/Local Hospitalization, Auxiliary Grants, Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance for Needy Families (TANF), General Relief, and Energy Assistance.

Major service programs include Adult Services (Adult Protective Services, Adult Services, and Long-Term Care Screenings). Children's Services (Child Protective Services Family Assessments/Investigations, Ongoing Child Protective Services, Service Intake). Employment Services (VIEW and SNAPET), and Child Welfare (Foster Care, Preventive Foster Care, Adoption, Independent Living, Resource Family Recruitment and Training, Court Ordered Home Studies, Court Ordered Supervision, and Adult Adoptee Services).

Revenues/Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Revenues:					
Gain on Disposal of Property	\$ 755	\$ 3,005	\$ -	\$ -	\$ -
Recoveries and Rebates	722,540	694,864	794,800	754,220	(40,580)
Welfare Admin-Services/Elig	4,572,892	4,634,326	4,939,800	4,992,650	52,850
Public Assistance	2,119,793	2,001,309	2,571,800	2,407,100	(164,700)
Totals	\$ 7,415,980	\$ 7,333,504	\$ 8,306,400	\$ 8,153,970	\$ (152,430)
Personnel Services	\$ 3,720,779	\$ 3,693,008	\$ 4,127,150	\$ 3,973,340	\$ (153,810)
Employee Benefits	1,089,169	1,087,333	1,139,850	1,007,930	(131,920)
Purchased Services	54,384	80,331	158,240	200,960	42,720
Internal Service	121,169	107,959	129,690	130,520	830
Public Assistance	2,165,274	2,080,524	2,588,080	2,426,900	(161,180)
Other Operating Expenses	121,564	135,690	188,180	182,550	(5,630)
Cost Allocation	722,540	694,864	794,800	754,220	(40,580)
Capital Outlay	389	21,713	37,000	44,000	7,000
Debt Service	50,702	41,837	49,150	49,010	(140)
Totals	\$ 8,045,970	\$ 7,943,259	\$ 9,212,140	\$ 8,769,430	\$ (442,710)
Net Cost to City	\$ 629,990	\$ 609,755	\$ 905,740	\$ 615,460	\$ (290,280)

Personnel

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
ADMINISTRATIVE SPECIALIST	9.000	8.610	8.630
SENIOR ADMINISTRATIVE SPECLT	4.000	4.000	4.000
SENIOR SECRETARY	1.000	1.000	1.000
ADMINISTRATIVE ASSISTANT	2.000	3.000	1.000
SENIOR ACCOUNT CLERK	1.000	1.000	1.000
ACCOUNTANT II	1.000	1.000	1.000
ELIGIBILITY WORKER	35.000	35.840	33.900
SENIOR ELIGIBILITY WORKER	3.000	4.000	4.000
ELIGIBILITY SUPERVISOR	3.000	3.000	3.000
FRAUD INVESTIGATOR	2.000	1.000	1.000
ELIGIBILITY SERVICES MANAGER	1.000	1.000	1.000
EMPLOYMENT SERVICE AIDE	1.000	1.000	1.000
EMPLOYMENT SERVICE WORKER	8.000	7.000	7.000
SR FAMILY SERVICES WORKER	-	-	1.000
EMPLOYMENT SERVICE SUPERVISOR	1.000	1.000	1.000
SOCIAL SERVICE AIDE	1.000	1.000	1.000
FAMILY SERVICES SPECIALIST	15.000	15.000	15.000
SR FAMILY SERVICE SPECIALIST	3.000	3.000	2.000
SR FAMILY SERVICE SPECIALIST SUPERVISOR	-	1.000	-
CHILD PROTECTIVE SERVICE WRKR	5.000	5.000	5.000
FAMILY SERVICES SUPERVISOR	3.000	3.000	3.000
FAMILY SERVICES MANAGER	1.000	1.000	1.000
SNAPET COORDINATOR	1.000	-	-
DIR OF SOCIAL SERVICES	1.000	1.000	1.000
Total	102.000	102.450	97.530

Danville Community College (01-11502)

Danville Community College is a fully accredited two-year college providing a wide variety of educational and technical training for the community. It is located on South Main Street at Kemper Road and provides services to the citizens of Danville and surrounding Pittsylvania County, Virginia and Caswell County, North Carolina.

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Contribution - Other Entities	\$ 10,854	\$ 10,771	\$ 10,780	\$ 12,030	\$ 1,250
Totals	\$ 10,854	\$ 10,771	\$ 10,780	\$ 12,030	\$ 1,250

Danville Health Department (01-11503)

The Danville Health Department is charged with protecting the health of the community by providing prenatal clinics, obstetrics, family planning services, dental care, personal care, care of sexually transmitted diseases, communicable disease prevention and control, anonymous HIV testing and counseling, immunization, and environmental programs including restaurant inspections and nutrition services. Funding for this operation comes from both the State and the General Fund, while some programs are grant funded.

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Contribution - Other Entities	\$ 601,970	\$ 611,970	\$ 619,970	\$ 619,970	\$ -
Totals	\$ 601,970	\$ 611,970	\$ 619,970	\$ 619,970	\$ -

Danville Area Humane Society (01-19003)

The Danville Area Humane Society promotes the welfare and humane treatment of all animals and the prevention of cruelty towards all animals. This organization provides for the rescue and temporary maintenance of lost, strayed, abandoned animals and the dissemination of the principles of humaneness through educational programs.

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Purchased Services	\$ 5,681	\$ 4,960	\$ 5,680	\$ 5,680	\$ -
Internal Service	925	459	-	-	-
Contribution - Other Entities	155,842	164,850	164,850	174,850	10,000
Other Operating Expenses	852	950	1,000	1,000	-
Totals	\$ 163,300	\$ 171,219	\$ 171,530	\$ 181,530	\$ 10,000

Danville-Pittsylvania Community Services Board (01-11504)

The Danville-Pittsylvania Community Services acts as the agent of the City of Danville and the County of Pittsylvania in the operation of community mental health, intellectual disability, and substance abuse and prevention programs and services as provided in Chapter 5 of Title 37.2 of the Code of Virginia as amended. Some of the available services include Mental Health – emergency, outpatient, case management, psychosocial, rehabilitation, supportive living, psychiatric; Intellectual Disability – case management, infant development, intensive residential services, adult day services, summer respite, family support; Substance Abuse – outpatient, outreach, case management, supervised residential, med/social detox referrals; and Prevention – youth skill building, substance abuse and violence prevention programs, parenting, anger management, child abuse prevention, youth tobacco use prevention, life skills, mediation, strengthening families programs.

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Contribution - Other Entities	\$ 361,050	\$ 397,153	\$ 397,160	\$ 497,560	\$ 100,400
Totals	\$ 361,050	\$ 397,153	\$ 397,160	\$ 497,560	\$ 100,400

Western Virginia EMS Council (01-19907)

The Western Virginia EMS Council's mission is to facilitate regional cooperation, planning and implementation of an integrated emergency medical services delivery system. The formation of Regional EMS Councils is authorized by Code of Virginia § 32.1-111.11.

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Contribution - Other Entities	\$ 8,528	\$ 8,528	\$ 8,530	\$ 8,530	\$ -
Totals	\$ 8,528	\$ 8,528	\$ 8,530	\$ 8,530	\$ -

Support of Ambulance & Rescue Services (01-19906)

Ambulance and Rescue provides municipal financial support to the Danville Life Saving Crew, an all-volunteer unit, whose objective is to provide pre-hospital emergency medical assistance and transportation to the citizens of Danville.

Additionally, this also includes Four-for-Life funding which provides funding for training of volunteer or salaried emergency medical service personnel of licensed, nonprofit emergency medical services agencies and for the purchase of necessary equipment and supplies for use in such locality for licensed, non-profit emergency medical and rescue services. These funds are received from the State through a vehicle registration add-on fee.

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Revenue:					
Emergency Medical Services	\$ 17,127	\$ 17,038	\$ 17,130	\$ 17,130	\$ -
Expenditures:					
Contribution - Other Entities	\$ 97,127	\$ 97,038	\$ 377,130	\$ 377,130	\$ -
Net Cost to City	\$ 80,000	\$ 80,000	\$ 360,000	\$ 360,000	\$ -

Virginia Cooperative Extension (01-20203)

The Virginia Cooperative Extension Danville Office provides programs and educational assistance to the citizens of Danville in the areas of horticulture, community resource development, environmental responsibilities, and family and youth issues. The Extension helps local people participate in the design, implementation, and evaluation of needs-driven educational programming.

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Personnel Svcs	\$ -	\$ -	\$ -	\$ -	\$ -
Employee Benefits	-	-	-	-	-
Purchased Services	-	-	2,500	2,700	200
Internal Service	49	-	100	100	-
Contribution - Other Entities	59,089	62,397	64,250	57,370	(6,880)
Other Operating Expense	479	628	1,200	1,200	-
Totals	\$ 59,617	\$ 63,025	\$ 68,050	\$ 61,370	\$ (6,680)

Southern Area Agency on Aging (01-31901)

Southern Area Agency on Aging is a private, not for profit organization which receives federal, state and local funding, as well as fees and contributions from the individuals who receive services. This program promotes independence and well-being for older adults and provides services such as recreation, socialization, and transportation to senior citizens in Danville.

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Contribution - Other Entities	\$ 5,459	\$ 5,459	\$ 5,460	\$ 5,460	\$ -
Totals	\$ 5,459	\$ 5,459	\$ 5,460	\$ 5,460	\$ -

Support of Business Development Agencies (01-32802)

The Dan River Business Development Center (DRBDC) is a 501(c)3 non-profit corporation established by the City of Danville and Pittsylvania County as an incubator that creates an environment to enable entrepreneurs to succeed in establishing businesses and creating jobs in the Danville MSA. The DRBDC hosts offices and light industrial/research space for tenants who benefit by instant access to broadband, telephone service, and common work areas such as conference, training, mail room, kitchen, and a library of computerized and print entrepreneurial resources. Counseling is provided to internal and affiliate tenants who do not need the building's infrastructure support but benefit from marketing and networking as well as coaching, mentoring, and specialized business development support; new economic development projects for the region also benefit from having strong infrastructure and network support during their transition into the region.

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Contribution - Other Entities	\$ 65,000	\$ 65,000	\$ 65,000	\$ 100,000	\$ 35,000
Totals	\$ 65,000	\$ 65,000	\$ 65,000	\$ 100,000	\$ 35,000

Support of IDA (01-32803)

The Industrial Development Authority works in cooperation with the City and its Economic Development Office to promote and facilitate redevelopment activities in the River District by the purchase, renovation, and subsequent lease or sale of real estate site throughout the District. The IDA also provides significant opportunities for industrial and commercial development in the City and in Danville-Pittsylvania County Regional Industrial Facility Authority owned parks by providing competitively priced lease/purchase arrangements with companies locating in the Danville region.

The IDA issues tax-exempt bonds to provide long-term financing to promote industry and develop trade by inducing manufacturing, industrial, governmental and commercial enterprises and institutions of higher education to locate in and remain in the Commonwealth and in the City and further the use of Virginia's agricultural products and natural resources, either through the increase of commerce, or through the promotion of safety, health, welfare, convenience or prosperity.

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Contribution - Other Entities	\$ 648,198	\$ 347,363	\$ 647,260	\$ 647,590	\$ 330
Totals	\$ 648,198	\$ 347,363	\$ 647,260	\$ 647,590	\$ 330

Support of Downtown Danville Association (01-32804)

The Downtown Danville Association (DDA) includes representatives from Downtown merchants, the City of Danville, Downtown property owners, banks, Danville Public Schools, Danville Science Center and the Danville Historical Society. The DDA encourages public/private partnerships, the restoration and revitalization of Downtown Danville, and focuses on economic development, physical design, organization and promotional events.

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Contribution - Other Entities	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ -
Totals	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ -

Support of West Piedmont Planning (01-34001)

The West Piedmont Planning District promotes the orderly and efficient development of the physical, social, and economic elements of the district by planning, and encouraging, and assisting localities to plan for the future through cooperation with other district localities.

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Contribution - Other Entities	\$ 23,680	\$ 23,680	\$ 23,680	\$ 23,680	\$ -
Other Operating Expenses	-	-	200	200	-
Totals	\$ 23,680	\$ 23,680	\$ 23,880	\$ 23,880	\$ -

Support of Metro Planning Organization (01-34002)

The Danville Metropolitan Planning Organization is an entity encouraged by federal legislation whose mandate is to help ensure that current and future expenditures for transportation programs and projects have a basis or foundation in a continuing, cooperative, and comprehensive planning. The MPO develops plans and programs that are subject to approval by federal transportation agencies in order for federal-aid to transportation funding to flow to the region.

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Contribution - Other Entities	\$ 5,676	\$ 3,605	\$ 11,950	\$ 11,950	\$ -
Totals	\$ 5,676	\$ 3,605	\$ 11,950	\$ 11,950	\$ -

Description

Employee benefits are paid from this account. This includes health insurance, benefit administration fees, unemployment claims, Line of Duty, and tuition reimbursement.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Employee Benefits	\$ 7,173,590	\$ 7,557,193	\$ 8,599,300	\$ 8,499,300	\$ (100,000)
Purchased Services	(3,356)	9,538	1,500	11,500	10,000
Totals	\$ 7,170,234	\$ 7,566,731	\$ 8,600,800	\$ 8,510,800	\$ (90,000)

Description

This account is used to fund the employee annual service awards and retiree expense. Employees are recognized for years of service in five year increments; traditional recognition is a plaque, gift card, and a departmental activity. Retiree costs include printing and mailing retiree information.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Employee Benefits	\$ 264	\$ 314	\$ 1,000	\$ -	\$ (1,000)
Purchased Services	3,752	5,219	14,500	12,000	(2,500)
Internal Service	2,555	11	-	2,000	2,000
Other Operating Exp	670	-	-	1,500	
Totals	\$ 7,241	\$ 5,544	\$ 15,500	\$ 15,500	\$ (1,500)

Description

Proper onboarding and educational opportunities are necessary to meet legal standards and to increase employee morale and retention. Monies from this account are used for onboarding materials and internal and external training managed by Human Resources.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Purchased Services	\$ 4,650	\$ 5,545	\$ 10,000	\$ 10,000	\$ -
Other Operating Expenses	474	20	15,000	15,000	-
Totals	\$ 5,124	\$ 5,565	\$ 25,000	\$ 25,000	\$ -

Description

The City opened an employee health and wellness center in the last quarter of FY19. The center is available to all full-time active employees and any dependents (over age 6) on the City's health insurance plan. Services include primary and urgent care, common labs, chronic disease management, and health and wellness coaching. The operational costs for FY21 include administration and operational fees, rent for the facility location, and utilities. The budget request is an estimate based on contract rates and assumed utilization of the center.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Purchased Services	\$ -	\$ 132,636	\$ 550,000	\$ 656,960	\$ 106,960
Internal Services	-	242	-	6,300	
Other Operating Expenses	-	13,998	45,000	30,000	(15,000)
Totals	\$ -	\$ 146,876	\$ 595,000	\$ 693,260	\$ 91,960

Description

This activity provides funding for the payment of principal and interest on the City's bonded debt as well as fiscal agent fees.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Debt Service	\$ 2,198,571	\$ 2,434,660	\$ 2,613,000	\$ 2,889,880	\$ 276,880
Totals	\$ 2,198,571	\$ 2,434,660	\$ 2,613,000	\$ 2,889,880	\$ 276,880

Description

This is the cost center for the administration of the City's Employee Retirement System (ERS). The personnel and other administrative costs related to ERS are captured here, then each quarter these costs are charged to the ERS - in effect the ERS reimburses the City.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Introductory	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ 26,065	\$ 43,996	\$ 52,660	\$ 54,370	\$ 1,710
Employee Benefits	3,945	6,723	8,120	7,050	(1,070)
Purchased Services	-	210	-	-	-
Internal Service	-	-	3,000	3,000	
Other Operating Expenses	-	-	28,700	31,300	2,600
Reimbursement	(30,010)	(50,720)	(92,480)	(95,720)	(3,240)
Totals	\$ -	\$ 209	\$ -	\$ -	\$ -

Personnel

There is approximately one full-time equivalent allocated to ERS. This is comprised of a 50% allocation of one Human Resource Consultant and 40% of one Accountant from the Accounting Division.

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
HR CONSULTANT	0.500	0.500	0.500
ACCOUNTANT III	0.410	0.410	0.410
	0.910	0.910	0.910

Description

This cost center provides for Pay-for-Performance and retirement contribution increases(decreases) for the General Fund, refunds to the Virginia Tobacco Indemnification and Community Revitalization Commission, Contingency Appropriation, and various other non-department payments as needed. The Pay-for-Performance and retirement contribution increases (decreases) are not distributed to departments until the budget has been adopted and employee evaluations have been completed which does not occur until July 1.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ -	\$ -	\$ (348,910)	\$ (321,600)	\$ 27,310
Employee Benefits	-	-	(649,850)	202,420	852,270
Purchased Services	19,339	-	-	-	-
Other Operating Expenses	886,250	386,250	200,000	243,340	43,340
Contingency Appropriation	-	-	297,270	156,760	(140,510)
Totals	\$ 905,589	\$ 386,250	\$ (501,490)	\$ 280,920	\$ 782,410

Personnel Services: This activity includes:

Average 2% Pay-for-Performance	\$577,150	
Less Social Services	-70,000	
Less Juvenile Detention	<u>-50,000</u>	
Net Increase		\$ 451,150
Increases per Pay Study		486,970
Salaries & Wages Attrition		<u>(1,200,000)</u>
Total Personnel Services		\$(321,600)

Employee Benefits: The FY 2020 Budget included a reduction to retirement in the amount of \$749,420, and Worker's Compensation for FY 2020 was flat at \$100,000 for a net decrease of \$649,850. The FY 2021 Budget reflects an increase in retirement of \$102,420.

Other Operating Expense: This activity includes a refund for N. American Mold Tech in the amount of \$43,340.

Transfer to Capital Projects Fund (01-99501)

This activity reflects support of Capital and Special Projects. Funding includes current revenues and transfers from Unreserved Fund Balance. Other projects included in the Capital and Special Projects Plan are funded by reprogrammed funds within the Capital Projects Fund and grant and bonds which are appropriated by a separate ordinance at the time of award or issuance.

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Budget	Increase/ (Decrease)
Expenditures:					
Transfer Out	\$ 9,081,466	\$ 5,695,410	\$ 3,374,930	\$ 5,315,990	\$ 1,941,060
Totals	\$ 9,081,466	\$ 5,695,410	\$ 3,374,930	\$ 5,315,990	\$ 1,941,060

Transfer to Special Grants Fund (01-99502)

Transfers to Special Grants cover the local required share of grants.

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Budget	Increase/ (Decrease)
Expenditures:					
Transfer Out	\$ 1,295,878	\$ 1,420,000	\$ 1,420,000	\$ 1,420,000	\$ -
Totals	\$ 1,295,878	\$ 1,420,000	\$ 1,420,000	\$ 1,420,000	\$ -

Transfer To/Support of Schools (01-99503)

This activity reflects the City' support of Public Schools. The City also provides funding for school debt.

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Budget	Increase/ (Decrease)
Expenditures:					
Debt Service	\$ 1,883,409	\$ 2,038,685	\$ 2,246,680	\$ 2,498,770	\$ 252,090
Transfer Out	\$ 18,896,474	\$ 21,085,710	\$ 22,662,500	\$ 22,812,500	\$ 150,000
Totals	\$ 20,779,883	\$ 23,124,395	\$ 24,909,180	\$ 25,311,270	\$ 402,090

Transfer to Transportation Fund (01-99505)

This activity reflects the City's support for the Transportation Fund. The Transportation Fund is anticipating significant revenues from the CARES Act for FY 2021, therefore, the need for General Fund support is eliminated until the revenues from the CARES Act is exhausted.

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Budget	Increase/ (Decrease)
Expenditures:					
Transfer Out	\$ 230,660	\$ 282,900	\$ 264,830	\$ -	\$ (264,830)
Totals	\$ 230,660	\$ 282,900	\$ 264,830	\$ -	\$ (264,830)

Transfer to RIFA (01-99507)

The City and Pittsylvania provide operating and debt service for RIFA. This reflects the City portion of that support.

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Budget	Increase/ (Decrease)
Expenditures:					
Transfer Out	\$ 440,450	\$ 308,690	\$ 422,490	\$ 255,810	\$ (166,680)
Totals	\$ 440,450	\$ 308,690	\$ 422,490	\$ 255,810	\$ (166,680)

Transfer to Cemetery Maintenance Fund (01-99510)

For the years the Cemetery Fund's revenue does not covered expenditures, the City Code requires the General Fund to transfer funds to cover the deficit. The Cemetery Fund, has in the past several years, accumulated a small fund balance and when fund balance is adequate to cover any deficit, the General Fund will not have to transfer funds to the Cemetery Fund.

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Budget	Increase/ (Decrease)
Expenditures:					
Transfer Out	\$ 33,830	\$ -	\$ -	\$ -	\$ -
Totals	\$ 33,830	\$ -	\$ -	\$ -	\$ -

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN
PROJECT DESCRIPTION

Project No: City School Improvements

Division: Transfers To/Support Of

Section: N/A

Description:

Capital Improvements to City Schools including replacements of roofs, boilers, elevators, hand/guard rails, bathroom fixtures, carpet, chiller/compressors; installation of gutters, water mains, playground equipment; upgrades to drinking fountains; addition of classrooms

Justification:

Many of the Public have major capital and maintenance needs.

Comments:

N/A

Funding		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
To Be Determined		-	2,000,000	2,000,000	2,000,000	2,000,000	8,000,000
Bonds		2,000,000	-	-	-	-	2,000,000
Total Funding Sources		2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	10,000,000

Goals/Milestones:

FY 2021	To Be Determined
FY 2022	To Be Determined
FY 2023	To Be Determined
FY 2024	To Be Determined
FY 2025	To Be Determined

Description

The Transportation Services Department completes monthly ridership reports for Amtrak operations and oversees the security contract of the Amtrak facility at the Crossing at the Dan, including the Amtrak Lobby, all buildings of the Danville Science Center, Passenger Loading Platforms, the grounds and pedestrian bridge, the Community Market, Pepsi Building, and other facilities at the complex. This provides a uniformed, unarmed security officer for the hours between 12:00 am and 2:45 am and 4:15 am and 8:15 am, seven days a week. Amtrak provides a partial reimbursement in the amount of \$8400 to the City for their share of the service. Contractual expenses can vary annually based on overtime incurred associated with Amtrak arrival times.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Purchased Services	\$ 41,011	\$ 39,278	\$ 41,000	\$ 41,000	\$ -
Totals	\$ 41,011	\$ 39,278	\$ 41,000	\$ 41,000	\$ -

Description

The Transportation Services Department aims to facilitate safe, reliable, convenient and economical operations that support general aviation and business aviation activity. The Airport Division supports the provision of safe, reliable operations and the advancement of the airport to stimulate aviation interest and development opportunities. Transportation services staff man the operations advisory tower and provide weather and traffic advisories to support airport operations. The Department is charged with ensuring operations are in compliance with federal and state regulations and developing service and facilities that support customer interests. Department personnel oversee building and grounds responsibilities for airport facilities which include the airport terminal, hangars and the airfield of the Danville Regional Airport. A decrease in the net operating cost to the city is expected for FY2021's proposed airport budget due in part to a reduction in utility charges (internal service fees) and increased revenues through the anticipated receipt of \$69,000 in CARES Act funds as identified by the Federal Aviation Administration.

Revenues/Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Revenues:					
Rental Income	\$ 125,310	\$ 148,799	\$ 145,000	\$ 143,000	\$ (2,000)
Caategorical Aid-Federal	-	-	-	69,000	69,000
Recoveries & Rebates	7,200	7,922	4,800	4,800	-
Totals	132,510	156,721	149,800	216,800	67,000
Expenditures:					
Personnel Services	\$ 279,451	\$ 262,183	\$ 269,260	\$ 274,570	\$ 5,310
Employee Benefits	34,912	33,013	35,250	31,260	(3,990)
Purchased Services	96,048	129,293	96,660	103,180	6,520
Internal Service	140,668	130,442	141,210	119,510	(21,700)
Other Operating Expenses	56,507	59,076	62,170	76,350	14,180
Capital Outlay	-	2,317	7,000	-	(7,000)
Totals	\$ 607,586	\$ 616,324	\$ 611,550	\$ 604,870	\$ (6,680)
Net Cost to City	\$ 475,076	\$ 459,603	\$ 461,750	\$ 388,070	\$ (73,680)

Personnel

Ten percent of the salaries and wages for three airport personnel is applied to the mass transit fund. These personnel assist with building and grounds activities for mass transit and aid in the transportation of vehicles to outside repair facilities.

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
SENIOR ADMINISTRATIVE ASSISTNT	0.430	0.430	0.430
AIRPORT MNTNC/SECURITY TCH I	3.960	3.960	3.960
AIRPORT MAINTEN/SECURTY TCH II	0.900	0.900	0.900
TRANSPORTATION BLD & GRDS SUPT	0.900	0.900	0.900
DIR OF TRANSPORTATION SRVCS	0.500	0.500	0.500
Total	6.690	6.690	6.690

GENERAL FUND

CITY COUNCIL ADOPTED BUDGET - CAPITAL & SPECIAL PROJECTS - FY 2021-2025

Project/Source	PL#	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	5 Yr Total
Transportation Services							
Rehab Runway 13/31 & Narrow to 60' Wide		210,011	3,500,000	-	-	-	\$ 3,710,011
Northeast Site Prep, Utility Access, Design & Construction for 15,000 square foot hangar		250,000	1,300,000	1,400,000	1,500,000	-	4,450,000
Aircraft Shelter 52' x 40' and Pad		45,000	-	-	-	-	45,000
Site Prep and Taxilane Construction - 6-Unit T-Hangar (State Only)/ hangar construction FY22		650,375	325,000	-	-	-	975,375
Widen Taxiway H - Construction federal eligible		-	1,205,305	-	-	-	1,205,305
T-Hangar Roof Repairs		-	-	300,000	-	-	300,000
Rehab South Ramp-Design Services		-	-	-	-	213,000	213,000
Transportation Services Total		\$ 1,155,386	\$ 6,330,305	\$ 1,700,000	\$ 1,500,000	\$ 213,000	\$ 10,898,691

GENERAL FUND
CITY COUNCIL ADOPTED BUDGET - CAPITAL & SPECIAL PROJECTS - FY 2021
FUNDING SOURCES

	Current Revenues	Fund Balance	Debt Financing	Grants/CIA	Other	Project Total
<u>Transportation Services</u>						
Rehab Runway 13/31 & Narrow to 60' Wide			\$ 210,011			\$ 210,011
Northeast Site Prep, Utility Access, Design & Bid for 15,000 square foot hangar			250,000			250,000
Aircraft Shelter & Pad			45,000			45,000
Site Prep & Taxilane Construction for 6-Unit T-Hangar Building			130,075	520,300		650,375
Total Transportation Services	\$ -	\$ -	\$ 635,086	\$ 520,300	\$ -	\$ 1,155,386

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN

PROJECT DESCRIPTION

Project Title: Rehab Runway 13/31 & Narrow to 60' Wide
Project No: TBD

Department: Transportation
Division: Airport
Section: N/A

Description:

The Danville Regional Airport maintains two active runways. The shorter runway (Runway 13/31) is 3910' long and 100' wide and is in need of full rehabilitation. Due the deteriorating condition of the pavement, airport staff must sweep the runway regularly because of the debris that is generated. Related design and construction work to rehabilitate the runway is not eligible for federal or state funds. Local funds are requested for an airport engineering firm to complete design and bidding services during FY21 to determine the construction cost. To reduce the estimated cost of the project, the Airport Commission approved to reduce the width of the runway from 100' to 60'. It is hoped that the runway could be rehabilitated during FY22.

Justification:

The purpose of this project is to rehabilitate Danville's shorter runway (Runway 13/31) to avoid the need to close the runway due to its present condition. This runway is presently used by Averett University's Flight school for thirty to forty percent of their total operations for training purposes. The runway is also used by other aircraft owners when prevailing winds do not support the airport's other runway, (Runway 2/20). Averett University's flight school is the primary user of the field and its program would be adversely affected if flight training could not be scheduled for students when wind conditions support using this runway. Averett University uses this runway for 30% of its total operations. This runway also support safety margins when wind conditions change quickly and pilots are unable to use the airport's other runway.

Comments:

Funding		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
Bonds		210,011	-	-	-	-	210,011
General Fund Revenues		-	3,500,000	-	-	-	3,500,000
Total Funding Sources		210,011	3,500,000	-	-	-	3,710,011

Goals/Milestones:

FY 2021	Design services to rehabilitate Runway 13/31
FY 2022	Rehabilitate Runway 13/31
FY 2023	N/A
FY 2024	N/A
FY 2025	N/A

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN

PROJECT DESCRIPTION

Project Title: Northeast 15,000 Sq. St. Hangar

Project No: TBD

Department: Transportation

Division: Airport

Section: N/A

Description:

Planned airport facility improvements call for the construction of new corporate hangars to support prospective demand for aircraft storage and aviation business development. This project would involve site prep design and architectural services activities, site prep construction and development of utility connections to the site located on the northeast side of the airport. Utility connections are planned to be completed during FY2021. During FY2022, FY2023 and FY2024 individual 15,000 square foot hangars would be constructed to support aviation business development objectives. Each hangar would be located on the northeast side of the airfield.

Justification:

The purpose of this project is to develop new 115' x 130' hangars that could support demand for aircraft storage for aviation business development.

Comments:

N/A

Funding		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
Bonds		250,000	-	-	-	-	250,000
General Fund Revenues		-	1,300,000	1,400,000	1,500,000	-	4,200,000
Total Funding Sources		250,000	1,300,000	1,400,000	1,500,000	-	4,450,000

Goals/Milestones:

FY 2021	Complete site prep design services for a new hangar. Complete site prep construction activities including utility connections.
FY 2022	Construct a new hangar to support demand for business development and aircraft storage.
FY 2023	Complete site prep and construct a new hangar to support demand for business development and aircraft storage.
FY 2024	Complete site prep and construct a new hangar to support demand for business development and aircraft storage.
FY 2025	N/A

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN

PROJECT DESCRIPTION

Project Title: Aircraft Shelter - 52' x 40' and Pad

Project No: TBD

Department: Transportation

Division: Airport

Section: N/A

Description:

The intent of this project is to develop an open aircraft shelter to meet demand from aircraft owners to store planes since all hangars are presently occupied.

Justification:

The purpose of this project is create additional areas where aircraft can be stored since all available hangars at the airport are occupied and the airport has maintained a waiting list for the past two years. In addition, Averett University plans to add one aircraft to their fleet each year over the next five years which contributes to the demand for additional hangar space. The need for this project is also related to the time needed to build a t-hangar building, which at the minimum is expected to take approximately two years since additional taxi-lanes must be developed. However an aircraft shelter could be erected on the airfield in a few months since the necessary pavement is already in place for taxiing purposes and only a pad is needed to support it.

Comments:

N/A

Funding		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
Bonds		45,000	-	-	-	-	45,000
Total Funding Sources		45,000	-	-	-	-	45,000

Goals/Milestones:

FY 2021	Build aircraft shelter
FY 2022	N/A
FY 2023	N/A
FY 2024	N/A
FY 2025	N/A

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN

PROJECT DESCRIPTION

Project Title:

Site Prep and Taxilane Construction - 6 Unit T-Hangar (State Only)

Project No:

TBD

Department:

Transportation

Division:

Airport

Section:

N/A

Description:

Funding is requested to complete site prep work to construct a 6-unit T-hangar building, a new taxi-lane to the hangar building and a ramp area for aircraft parking that would be located adjacent to the hangar building. This project would involve paving, grading the building site and completing drainage modifications.

Justification:

Presently, all hangars located at the Danville Regional Airport are leased and additional hangar space is needed to meet demand. A hangar waiting list has been maintained for the past two years and Averett University plans to add one aircraft per year to their fleet over the next five years. This project would develop the necessary infrastructure including taxi-lane development and site prep to support the construction of a six-unit t-hangar building. This need coupled with an existing hangar waiting list that has been maintained for the past two years supports the airport's interest to develop additional hangar space.

Comments:

Funding		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
State Grants		520,300	-	-	-	-	520,300
Bonds		130,075	-	-	-	-	130,075
General Fund Revenues		-	325,000	-	-	-	325,000
Total Funding Sources		650,375	325,000	-	-	-	975,375

Goals/Milestones:

FY 2021	Construct taxi-lane, ramp and site prep construction for six unit t-hangar building
FY 2022	Develop a hangar building to accommodate up to 6 small aircraft.
FY 2023	N/A
FY 2024	N/A
FY 2025	N/A

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN

PROJECT DESCRIPTION

Project Title: Widen Taxiway H-Construction and develop aircraft ramp
Project No: TBD

Department: Transportation
Division: Airport
Section: N/A

Description:

This project will support jet aircraft operations and facilitate hangar construction for multi-use facilities by widening Taxiway H and developing an aircraft parking area located near the t-hangar buildings. In order to meet FAA design standards for larger aircraft the taxiway center-line needs to be shifted to the south and the taxiway widened 25 feet. A ramp area would also be developed adjacent to Taxiway H to support aircraft parking for the possible development of three large box hangars to accomodate multi-use facility applications. Development of the aircraft parking area is eligible for state funds only. Federal and state funds are eligible to widen the taxiway.

Justification:

Presently, all hangars located at the Danville Regional Airport are leased and additional hangar space is needed to meet demand. The purpose of this project is to support large aircraft operations including regional jet aircraft by widening Taxiway H and developing an aircraft parking area for multi-use facilities.

Comments:

Funding		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
State Grants		-	327,301	-	-	-	327,301
Federal Grants		-	796,179	-	-	-	796,179
General Fund		-	81,825	-	-	-	81,825
Total Funding Sources		-	1,205,305	-	-	-	1,205,305

Goals/Milestones:

FY 2021	N/A
FY 2022	Widen Taxiway H and develop ramp area for parking aircraft near the existing T-hangar buildings.
FY 2023	N/A
FY 2024	N/A
FY 2025	N/A

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN

PROJECT DESCRIPTION

Project Title: T-Hangar Roof Repairs

Project No: TBD

Department: Transportation

Division: Airport

Section: N/A

Description:

Complete roof repairs for two hangar buildings that accommodate a total of twenty (20) t-hangar units. Apply a membrane and insulation to the roof areas to reduce condensation and improve the structural integrity of both buildings.

Justification:

The roofs for two t-hangar buildings that provide access for a total of twenty aircraft are in need of scheduled maintenance. The airport has previously completed preventive maintenance to the roof areas for both buildings, which are over 50 years old. All t-hangar units are presently occupied and it is recommended to complete additional roof repairs to enhance the structural integrity of both buildings.

Comments:

N/A

Funding		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
General Fund Revenues		-	-	300,000	-	-	300,000
Total Funding Sources		-	-	300,000	-	-	300,000

Goals/Milestones:

FY 2021	N/A
FY 2022	N/A
FY 2023	Complete roof repairs for two t-hangar buildings
FY 2024	N/A
FY 2025	N/A

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN

PROJECT DESCRIPTION

Project Title: Rehab South Ramp - Design Services

Project No: TBD

Department: Transportation

Division: Airport

Section: N/A

Description:

The ramp and taxiway connections to a concrete 510' x 425' ramp located on the south side of the airfield requires major rehabilitation work due to its present condition. This project involves rehabbing the 13 inch concrete ramp and completing major repairs to the taxiway connections to the ramp, which are presently buckling adjacent to the ramp.

Justification:

The purpose of this project is to rehabilitate the south ramp and taxiway connections to the ramp to support aircraft access and to support future development of airfield facilities at this site. Due to the existing condition of the taxiway connections to the ramp and the condition of the ramp itself access to the ramp is presently not possible. The concrete has been degraded due to an alkali-silica reaction. This reaction causes the expansion of the altered aggregate by the formation of a soluble gel of sodium silicate. The gel swells and increases in volume when absorbing water and exerts an expansive pressure inside the aggregate causing surface failure and loss of strength and serious cracking.

Comments:

N/A

Funding		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
Federal Grants		-	-	-	-	191,700	191,700
State Grants		-	-	-	-	17,040	17,040
General Fund Revenues		-	-	-	-	4,260	4,260
Total Funding Sources		-	-	-	-	213,000	213,000

Goals/Milestones:

FY 2021	N/A
FY 2022	N/A
FY 2023	N/A
FY 2024	N/A
FY 2025	Complete design services to rehabilitate the south ramp and taxiway connections

Adopted Budget - FY 2021

VDOT Special Revenue

Calculation of Contribution to(from) Fund Balance/General Fund

	Adopted Budget FY 2020	Adopted Budget FY 2021
Estimated Revenue		
License, Permits, Privilege	830	1,800
Rev-Use Money/Property	43,220	38,400
Cat Aid State	11,329,440	11,329,490
Total Estimated Revenue	11,373,490	11,369,690
Operating Expenses		
Public Safety	960,350	971,470
Public Works & Transportation	10,413,140	10,398,220
Total Operating Expenses	11,373,490	11,369,690
Net Operating Income (Loss)	0	0
Add:		
Depreciation	0	0
Deduct:		
Debt Service Principal	0	0
Capital Expenditures from Current Operating Funds	0	0
Calculation of Contribution to(from) Fund Balance/General Fund	(0)	(0)

The primary revenue source for the VDOT Fund is Categorical State Aid for Street & Highway Maintenance.

Other revenue sources include:

LICENSE, PERMITS, AND FEES: This group of revenues includes permits for excavation, curb cut permits for driveway entrances, storm water permits, and block party road closure permits.

REVENUE FROM USE OF MONEY AND PROPERTY: All of the City's funds are invested in secured accounts in an attempt to earn the highest possible return. Investment earnings are a function of the money marketplace and swings in the revenues reflect higher or lower interest rates.

MISC. REVENUES: This group of revenues are unanticipated reimbursements from special projects.

Revenues

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Revenues:					
License, Permits & Privelege	\$ 1,558	\$ 2,035	\$ 830	\$ 1,800	\$ 970
Revenue-Use of Money & Property	43,382	57,709	43,220	38,400	(4,820)
Misc Revenues	23,568	4,545	-	-	-
Categorial Aid	10,717,411	11,053,223	11,329,440	11,329,490	50
Totals	\$ 10,785,919	\$ 11,117,512	\$ 11,373,490	\$ 11,369,690	\$ (3,800)

Description

The VDOT Fund Engineering staff provides support to contractors, developers, and other city departments consistent with codes and ordinances, VDOT regulations, erosion control measures, stormwater practices related to projects for and by the City. Surveying and design of many capital projects are done in-house. These projects include sanitary sewer, storm sewer, pedestrian access, transportation, and street right-of-way maintenance projects.

VDOT Engineering issues and manages Excavation Permits, Curb Cut Permits, Storm Drain Permits, Land Disturbance Permits, and coordinates right-of-way vacate requests. Engineering staff works closely with VDOT Local Assistance with regards to local transportation projects that are state and federally funded.

Engineering staff manages project consultants with regards to engineering studies, designs, right-of-way acquisitions, construction, and inspections. Staff prepare and submit applications to VDOT for various funding programs; Resolutions and Ordinances to City Council; and reports to various state agencies as required.

The Traffic Control section within the Engineering Division maintains all traffic control devices throughout the City including signs, traffic signals, and pavement markings.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ 758,954	\$ 754,675	\$ 853,470	\$ 956,710	\$ 103,240
Employee Benefits	119,430	127,999	129,360	116,990	(12,370)
Purchased Services	38,537	44,418	16,480	25,830	9,350
Internal Service	198,778	201,354	196,690	215,310	18,620
Other Operating Exp	116,436	106,100	128,920	128,660	(260)
Capital Outlay	133,530	730,962	221,850	207,150	(14,700)
Totals	\$ 1,365,665	\$ 1,965,508	\$ 1,546,770	\$ 1,650,650	\$ 103,880

Personnel

Personnel in Public Works Engineering Division are allocated to the General Fund, VDOT Fund, Sewer Maintenance, and Capital Projects.

Engineering staff is funded primarily from the General Fund, Capital Improvement Projects, and VDOT State Highway Maintenance Funds. The majority of projects are funded by the Capital Improvements Program and/or federal and state funding provided from special grant projects.

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
PUBLIC SERVICE WORKER/OPERATOR	1.000	1.000	2.000
MOTOR EQUIPMENT OPERATOR II	3.000	3.000	2.000
SIGN TECHNICIAN	1.000	1.000	1.000
TRAFFIC SIGNAL TECHNICIAN	1.000	1.000	1.000
SR TRAFFIC SIGNAL TECHNICIAN	1.000	1.000	1.000
TRAFFIC CONTROL CREW SUPERVISR	1.000	1.000	1.000
TRAFFIC CONTROL SUPERINTENDENT	1.000	1.000	1.000
CONSTRUCTION INSPECTOR	2.000	2.000	2.000
CONSTRUCTION INSPCTNS SPRVSR	1.000	-	0.500
ENGINEERING TECHNICIAN	-	-	0.500
SR GIS/CAD ENGINEERING TECHNICIAN	0.500	0.500	0.500
SURVEY PARTY SUPERVISOR	-	-	1.000
PUBLIC WORKS PROJECT ENGINEER	2.500	2.000	1.500
PUBLIC WORKS CHIEF ENGINEER	1.500	2.000	0.500
PW PROJECT MANAGER	0.500	0.500	0.500
ASST DIR OF PUBLC WRKS/CTY ENG	0.500	0.500	0.500
	17.500	16.500	16.500

Description

The Street Maintenance staff provides maintenance of 732 lane miles of streets and roads throughout the City of Danville in accordance with mandates of the Virginia Department of Transportation (VDOT). Streets Division manages VDOT facilities such as sidewalks, curbs, gutters, traffic control, striping, street lighting and landscaping in the right-of-way. As a preventative measure, storm drains are cleared, inspected, and repaired as needed. Street sweeping is done 24 hours per day, five days per week. All street maintenance staff are subject to standby alert, assigned to snow removal, and any other emergency or storm related event. Typically there is at least one major bridge repair project done each year through the use of a design consultant and contractors. Annual contracts for activities such as resurfacing, guardrail, cobblestone, landscaping, and bridge washing are awarded.

Expenditures

The Streets Division receives funding from State Highway Maintenance Funds (VDOT Special Revenue Fund 15) for the maintenance of primary, collector, and residential streets.

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ 1,741,056	\$ 1,612,701	\$ 1,990,530	\$ 1,989,080	\$ (1,450)
Employee Benefits	288,273	299,475	298,490	298,440	(50)
Purchased Services	5,218,413	3,719,217	3,977,110	3,867,350	(109,760)
Internal Service	2,462,744	2,514,454	2,861,490	2,862,280	790
Other Operating Exp	400,388	472,353	579,460	547,190	(32,270)
Capital Outlay	89,056	72,525	32,500	57,560	25,060
Debt Service	81,695	81,356	87,140	97,140	10,000
Totals	\$ 10,281,625	\$ 8,772,081	\$ 9,826,720	\$ 9,719,040	\$ (107,680)

Personnel

Personnel in Streets Division are split among General Fund, VDOT, and Sewer Maintenance.

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
WORK PROGRAM COORDINATOR	0.250	1.000	0.750
TRAINING & SAFETY MANAGER	0.790	0.775	0.775
PUBLIC SERVICE WORKER/OPERATOR	11.660	18.815	13.020
GROUNDSKEEPER	2.640	2.640	2.640
MOTOR EQUIPMENT OPERATOR I	9.600	6.245	9.990
MOTOR EQUIPMENT OPERATOR II	13.750	11.245	10.350
MOTOR EQUIPMENT OPERATOR III	2.370	3.100	0.785
HEAVY EQUIPMENT OPERATOR	-	-	3.140
CREW SUPERVISOR	1.510	3.145	3.245
GENERAL SUPERVISOR	2.400	2.370	2.390
CODE ENFORCEMENT INSPECTOR	1.000	1.000	1.000
DIVISION DIRECTOR OF STREETS	0.790	0.775	0.780
SENIOR SECRETARY	0.300	0.300	0.300
ADMINISTRATIVE ASSISTANT	0.300	0.300	0.300
SR ADMINISTRATIVE ASSISTANT	0.300	0.300	0.300
ACCOUNT CLERK	0.900	0.900	0.900
SENIOR ACCOUNT CLERK	0.300	0.300	0.300
DIVISION DIR OF SANITATION	0.200	0.200	0.200
BUSINESS ANALYST	-	-	0.785
	49.060	53.410	51.165

Adopted Budget - FY 2021

Insurance Fund

Calculation of Contribution to(from) Fund Balance/General Fund

	Adopted Budget FY 2020	Adopted Budget FY 2021
Estimated Revenue		
Rev-Use Money/Property	58,860	38,400
Charges for Services	3,301,340	3,491,950
Total Estimated Revenue	3,360,200	3,530,350
Operating Expenses		
Workers Comp-Claims & Ser	1,733,000	1,739,000
Insurance Claims & Ser	1,568,340	1,752,950
Total Operating Expenses	3,301,340	3,491,950
Net Operating Income (Loss)	58,860	38,400
Add:		
Depreciation	0	0
Deduct:		
Debt Service Principal	0	0
Capital Expenditures from Current Operating Funds	0	0
Calculation of Contribution to(from) Fund Balance/General Fund	58,860	38,400

This fund has two major revenue categories:

Revenue –Use of Money/Property: All of the City's funds are invested in secured accounts in an attempt to earn the highest possible return. Investments earnings are a function of the money marketplace and swings in the revenues reflect higher or lower interest rates.

Charges For Services: This revenue represents the premiums or claims that are charged to the various departments and functional areas of the City. In turn, this revenue is used to pay the contracted premiums to the City's insurance providers, deductibles, and claims for self-insured items.

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Revenues:					
Rev-Use of Money & Property	\$ 47,774	\$ 65,302	\$ 58,860	\$ 38,400	\$ (20,460)
Charges for Services	\$ 2,256,649	\$ 2,344,038	\$ 3,301,340	\$ 3,491,950	\$ 190,610
Transfers In	254,467	332,609	-	-	-
Totals	\$ 2,558,890	\$ 2,741,949	\$ 3,360,200	\$ 3,530,350	\$ 170,150

Description

The Insurance Internal Service fund was established in order to provide overall management of the City's insurance program. The fund includes all of the City's insurance coverage with the exception of group health and life insurance, which are included in the General Fund budget. The cost of the insurance program is allocated to the various funds based upon the estimated cost of the applicable coverage provided. The insurance program includes the following major coverage with certain limitations on each coverage:

1. Property Insurance: all risk coverage with the City self-insuring the first \$10,000
2. Boiler and Machinery: all risk coverage with the City self-insuring the first \$5,000
3. Fleet Insurance: Liability
4. Fleet Insurance: Comprehensive and Collision – only for vehicles exceeding \$100,000 in cost and specially identified Mass Transit vehicles (\$5,000 deductible)
5. Comprehensive General Liability
6. Public Officials/Law Enforcement Liability
7. Bodily Injury and Property Damage: Airport
8. Fiduciary Liability: Employee's Retirement System
9. Employee's Security Bonds
10. Worker's Compensation: Fully Self Insured

The City contracts with a claims handling agency to handle worker's compensation claims. The City's fleet insurance, comprehensive general liability and public officials/law enforcement are covered through the Virginia Risk Sharing Association. Other coverages are with private carriers.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Employee Benefits	\$ 1,074,171	\$ 1,016,343	\$ 1,733,000	\$ 1,739,000	\$ 6,000
Other Operating Exp	1,182,479	1,327,695	1,568,340	1,752,950	184,610
Transfer Out	-	-	-	-	-
Totals	\$ 2,256,650	\$ 2,344,038	\$ 3,301,340	\$ 3,491,950	\$ 190,610

Adopted Budget - FY 2021

Central Services

Calculation of Contribution to(from) Fund Balance/General Fund

	Adopted Budget FY 2020	Adopted Budget FY 2021
Estimated Revenue		
Charges for Services	257,400	257,400
Total Estimated Revenue	257,400	257,400
Operating Expenses		
Printing	102,650	117,730
Mailing	196,370	196,290
Storeroom & General	18,550	18,520
Total Operating Expenses	317,570	332,540
Net Operating Income (Loss)	-60,170	-75,140
Add:		
Depreciation	14,450	21,810
Deduct:		
Debt Service Principal	0	0
Capital Expenditures from Current Operating Funds	35,000	20,000
Calculation of Contribution to(from) Fund Balance/General Fund	(80,720)	(73,330)

This Internal Service Fund derives most of its revenues from three major revenue sources.

Printing: This revenue source represents printing charges – composition, layout, offset printing, and binding – to produce reports, brochures, forms, and stationery for City departments and the School Board.

Material/Supply Sales: This revenue source reflects sales from a 2,000 item office supplies inventory maintained at the Print Shop. Although the Print Shop purchases in bulk to reduce costs, this trend is downward due to strong competition from mail-order companies and wholesale chains such as OfficeMax.

Postage: This revenue source reflects cost recovery for running and distributing US and interoffice mail.

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Revenues:					
Printing	\$ 47,942	\$ 44,286	\$ 49,000	\$ 49,000	\$ -
Materials & Supplies	20,235	20,312	20,400	20,400	-
Postage	177,704	183,223	188,000	188,000	-
Totals	\$ 245,881	\$ 247,821	\$ 257,400	\$ 257,400	\$ -

Description

Central Services, or the “Print Shop” as it is better known, provides printing services including letterhead, envelopes, booklets, business cards, flyers and receipt books and the acquisition of office supplies (including bulk purchases of paper) to all City Departments and the School Board more efficiently and at less cost than outside vendors. When print jobs exceed the capabilities of the Print Shop’s equipment, they are outsourced at a reduced cost. This division also operates the central mailroom and delivers interoffice mail throughout the City.

Envisioned as a self-supporting operation, Central Services receives only limited support directly from the General Fund (none has been required during the last decade). The Print Shop is located in the basement of the City Armory at the corner of Spring Street and Floyd Street.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ 84,891	\$ 78,131	\$ 102,440	\$ 110,510	\$ 8,070
Employee Benefits	12,470	11,543	15,740	13,610	(2,130)
Purchased Services	13,002	12,718	19,600	19,600	-
Internal Service	12,425	7,038	7,660	9,810	2,150
Other Operating Expenses	143,607	135,662	157,680	157,200	(480)
Capital Outlay	32,500	18,360	35,000	20,000	(15,000)
Depreciation	8,118	12,971	14,450	21,810	7,360
Totals	\$ 307,013	\$ 276,423	\$ 352,570	\$ 352,540	\$ (30)

Personnel

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
PRINTER	1.000	2.000	2.000
SENIOR PRINTER	1.000	-	-
PRINT SHOP SUPERVISOR	0.900	0.900	0.900
Total	2.900	2.900	2.900

Adopted Budget - FY 2021

Motorized Equipment

Calculation of Contribution to(from) Fund Balance/General Fund

	Adopted Budget FY 2020	Adopted Budget FY 2021
Estimated Revenue		
Rev-Use Money/Property	3,135,990	3,183,540
Charges for Services	272,220	368,240
Total Estimated Revenue	3,408,210	3,551,780
Operating Expenses		
Motorized Equipment	3,316,680	3,402,790
Communications	127,400	141,260
Total Operating Expenses	3,444,080	3,544,050
Net Operating Income (Loss)	-35,870	7,730
Add:		
Depreciation	831,750	832,420
Deduct:		
Debt Service Principal	3,280	1,010
Capital Expenditures from Current Operating Funds	920,750	910,650
Calculation of Contribution to(from) Fund Balance/General Fund	(128,150)	(71,510)

Revenues in the Motorized Equipment Fund are in two major categories:

REVENUE – USE OF MONEY/PROPERTY: This revenue includes rental income from vehicles and equipment on a monthly or hourly basis. It also includes auction sales of vehicles and equipment on govdeals.com. Tower leases are a source of revenue for the Communications Section of Motorized Equipment.

CHARGES FOR SERVICES: This revenue includes rental of portable/mobile radios, base stations, repeaters, and related equipment that provides for the maintenance of the communication system. Analog telephone lines are maintained by a monthly service charge. DRHA fuel use is billed to the Danville Redevelopment Housing Authority.

Revenues

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Revenues:					
Revenue from Use Money or Property	\$ 2,485,247	\$ 2,765,826	\$ 3,135,990	\$ 3,183,540	\$ 47,550
Charges for Services	264,712	265,448	272,220	368,240	96,020
Totals	\$ 2,749,959	\$ 3,031,274	\$ 3,408,210	\$ 3,551,780	\$ 143,570

Description

The Communications Section of the Motorized Equipment Fund provides for installation and maintenance of radios, communication tower sites, FCC license compliance, and the remaining analog telephones for all departments. The Communication Manager oversees the upgrades required by the FCC and supports the IT Department with field repairs to equipment installed in city vehicles including Police and Fire Departments.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ 66,989	\$ 69,006	\$ 69,010	\$ 71,600	\$ 2,590
Employee Benefits	10,190	10,565	10,640	9,290	(1,350)
Purchased Services	12,615	25,080	21,890	32,930	11,040
Internal Service	6,292	5,843	6,710	7,390	680
Other Operating Exp	15,773	17,999	19,150	20,050	900
Capital Outlay	330,634	132,780	196,000	165,000	(31,000)
Depreciation	-	-	85,750	56,650	(29,100)
Totals	\$ 442,493	\$ 261,273	\$ 409,150	\$ 362,910	\$ (46,240)

Personnel

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
COMMUNICATIONS SYSTEMS MANAGER	1.000	1.000	1.000
Total	1.000	1.000	1.000

Description

The Motorized Equipment Operations Section of the Motorized Equipment Special Internal Fund provides operational support, repairs, and maintenance for vehicles and equipment rented on a monthly or hourly basis. Rental Rates provide for maintenance, insurance, operation costs, and capital purchases for the rental fee. In addition, the Motorized Equipment staff provides repairs and maintenance for the Police, Fire, and Utility fleets which are charged directly to each division's vehicles for a city-wide total of 883 vehicles and equipment.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ 604,396	\$ 623,076	\$ 788,500	\$ 790,290	\$ 1,790
Employee Benefits	93,585	91,617	119,710	94,390	(25,320)
Purchased Services	835,719	786,327	682,790	707,420	24,630
Internal Service	129,358	142,340	118,170	112,240	(5,930)
Other Operating Exp	598,248	724,910	719,900	727,010	7,110
Capital Outlay	11,346	33,228	35,000	56,930	21,930
Depreciation	742,315	764,649	746,000	775,770	29,770
Debt Service	604	439	260	110	(150)
Totals	\$ 3,015,571	\$ 3,166,586	\$ 3,210,330	\$ 3,264,160	\$ 53,830

Personnel

Garage personnel work two shifts, from 6:30 AM to 3:00 PM and from 3:00 PM to 11:30 PM, to provide a high quality service.

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
AUTOMOTIVE EQUIPMENT MECH I	3.000	2.000	1.000
AUTOMOTIVE EQUIPMENT MECH II	5.000	6.000	8.000
TRANSIT MECHANIC	1.000	1.000	1.000
WELDER	2.000	2.000	2.000
AUTOMOTIVE EQUIPMENT MECH III	4.000	4.000	3.000
AUTOMOTIVE SERVICE TECHNICIAN	1.000	1.000	1.000
EQUIPMENT MAINT SUPERVISOR	2.000	2.000	2.000
Total	18.000	18.000	18.000

Description

This activity provides funding for principal payments on bonded debt.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Debt Service	\$ 2,943	\$ 3,105	\$ 3,280	\$ 1,010	\$ (2,270)
Totals	\$ 2,943	\$ 2,943	\$ 3,280	\$ 1,010	\$ (2,270)

Description

Funding for the capital purchase of replacement of rental fleet vehicles and equipment in the Motorized Equipment Special Revenue Fund, is provided by the rental rates paid by the users. Rental Rates provide for maintenance, insurance, operation costs, and capital purchases for the rental fleet.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Capital Outlay	\$ 544,532	\$ 565,203	\$ 600,000	\$ 650,000	\$ 50,000
Debt Service	38,994	38,994	39,000	39,000	-
Totals	\$ 583,526	\$ 604,197	\$ 639,000	\$ 689,000	\$ 50,000

Description

The Warehouse Section of the Motorized Equipment Internal Service Fund is responsible for purchasing and dispensing repair parts for vehicles and equipment. It also serves as a distribution center for general supplies. Materials such as custodial supplies, grass seed, cement, rakes, shovels, gloves, refuse carts, barricades, cones, and PPE are standard stock items and are available to any department in the City.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ 62,483	\$ 62,742	\$ 63,290	\$ 65,520	\$ 2,230
Employee Benefits	9,047	9,118	9,560	8,370	(1,190)
Purchased Services	3,899	2,485	2,690	3,260	570
Internal Service	21,913	25,806	23,700	23,740	40
Other Operating Exp	14,403	13,936	7,110	7,740	630
Capital Outlay	-	-	-	30,000	30,000
Totals	\$ 111,745	\$ 114,087	\$ 106,350	\$ 138,630	\$ 32,280

Position Notes

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
PW WAREHOUSE CLERK	2.000	2.000	2.000
Total	2.000	2.000	2.000

Adopted Budget - FY 2021

Transportation

Calculation of Contribution to(from) Fund Balance/General Fund

	Adopted Budget FY 2020	Adopted Budget FY 2021
Estimated Revenue		
Rev-Use Money/Property	16,000	15,500
Charges for Services	353,600	342,000
Miscellaneous Revenue	4,800	4,800
Non-Revenue Receipts	471,980	479,680
	0	0
Cat Aid State	632,200	687,990
Cat Aid Federal	1,836,000	2,015,630
Transfer from Fund Balance	0	366,950
Total Estimated Revenue	3,314,580	3,912,550
Operating Expenses		
Mass Transit Services	3,488,680	3,933,810
MASS TRANSIT DEMO GRANT	0	0
Total Operating Expenses	3,488,680	3,933,810
Net Operating Income (Loss)	-174,100	-21,260
Add:		
Depreciation	690,000	797,220
Deduct:		
Debt Service Principal	110	40
Capital Expenditures from Current Operating Funds	780,420	775,920
Calculation of Contribution to(from) Fund Balance/General Fund	(264,630)	(0)

REVENUE – USE OF MONEY/PROPERTY: This revenue provides for Interest on Investments and Rental Income. **CHARGES FOR SERVICES:** This revenue source is generated from the \$1 base fare and half fare for fixed route service, \$2 one-way trip fare for the Handivan service and \$4 one-way trip fare for the Reserve-a-Ride service. **NON-REVENUE RECEIPTS:** This is a contra-revenue which represents the cost allocation for administrative services. Since the Transportation Fund requires a General Fund subsidy, the allocation of administrative expenses are budgeted both as a revenue and as an expenditure. This provides a method to report and receive state and federal operating aid for these expenditures. **CATEGORIAL AID STATE:** This revenue stream represent the state share of operating and capital expenses for the transit system. **CATEGORIAL AID FEDERAL:** This revenue stream represent the federal share of operating and capital expenses for the transit system. **TRANSFER IN:** This revenue reflects the differential between cash fares, federal and state aid for the operation of the mass transit system. For fiscal years prior to FY 2021, this represents a Transfer In From General Fund. For FY 2021, the transfer is from Transportation Unreserved Fund Balance due to anticipated CARES Act funding. The appropriation will be approved prior to the end of FY 2020 and will cover expenditures beginning January 2020. The balance of unexpended funding will be carried forward to FY 2021 and used to cover expenditures until all CARES Act funding is expended. Since it is not known the amount of the carryforward and therefore Transportation Fund may not need General Fund support for FY 2021, the transfer from unreserved fund balance is replacing the Transfer In From General Fund. **OTHER:** This revenue includes advertising revenues and gain on disposal of property.

The amount of the transfer from Unreserved Fund Balance is higher than previous years' Transfer from the General Fund and is directly related to pay compensation study recommendations, the reassignment of the Parks and Recreation Grants Specialist position that previously administered the Senior Transportation Program to the Mass Transit Division and the loss of state Senior Transportation Assistance Program funds. Earlier this year the state informed all localities that senior transportation funding would be limited to a three-year period and because Danville received funds for the past three years, it could not receive additional aid.

The chart below does not include revenues related to the proposed Regional Bus Service. Revenues and expenditures are shown separately on page 9-9.

Revenues

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Revenues:					
Revenue Use Money & Property	\$ 15,460	\$ 17,026	\$ 16,000	\$ 15,500	\$ (500)
Charges for Services	364,247	355,916	353,600	342,000	(11,600)
Misc Revenue	(9,948)	6,278	4,800	4,800	-
Non-Revenue Receipts	259,350	379,730	471,980	479,680	7,700
Cat Aid State	433,110	593,341	632,200	687,990	55,790
Cat Aid Federal	609,543	2,007,389	1,836,000	2,015,630	179,630
Transfer In	230,660	282,900	264,630	366,950	102,320
Totals	\$ 1,902,422	\$ 3,642,580	\$ 3,579,210	\$ 3,912,550	\$ 333,340

Description

The Danville Transit System strives to provide safe, reliable, courteous public transportation through its fixed route and reservation based operations. During FY20 fixed route service was expanded to include the airport as part of the Averett Cougar Express operation and an assessment will be completed to evaluate the viability of linking certain bus routes to Southwyck Shopping Plaza. Also, during FY20 reservation based operational constraints increased greatly due to a driver shortage that created a two to three week delay in which transit staff could process reservations for service.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ 1,082,977	\$ 1,132,678	\$ 1,166,100	\$ 1,604,710	\$ 438,610
Employee Benefits	161,486	162,259	201,550	215,290	13,740
Purchased Services	201,585	248,097	252,230	282,920	30,690
Internal Service	119,331	113,007	131,190	144,410	13,220
Other Operating Exp	295,473	355,139	318,180	409,570	91,390
Cost Allocation	259,350	379,730	471,980	479,680	7,700
Depreciation	582,681	676,873	690,000	797,220	107,220
Debt Service	19	14	10	10	-
Totals	\$ 2,702,902	\$ 3,067,797	\$ 3,231,240	\$ 3,933,810	\$ 702,570

Personnel

Airport staff assist with mass transit grounds keeping duties such as maintaining bus shelters and bus stops, transporting vehicles to outside contractors for scheduled and unscheduled maintenance activities and completing bank deposits. The budget identifies that 10% of staff's time is dedicated to support these activities.

Salary for the Director of Transportation Services is allocated 50% to Airport operations in the General Fund. Also, Transit Drivers are used in the Expanded Paratransit operation.

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
SENIOR ADMINISTRATIVE ASSISTNT	0.570	0.570	0.570
AIRPORT MNTNC/SECURITY TCH I	0.100	0.100	0.100
AIRPORT MAINTEN/SECURTY TCH II	0.100	0.100	0.100
TRANSPORTATION BLD & GRDS SUPT	0.100	0.100	0.100
ACCOUNT CLERK	1.500	1.500	2.000
GRANTS SPECIALIST	-	0.700	-
SENIOR ACCOUNT CLERK	1.000	1.000	1.000
TRANSIT DRIVER II	30.240	32.200	35.500
TRANSPORTATION DISPATCHER	1.000	1.000	1.000
TRANSPORTATION SUPERVISOR	2.000	2.000	2.000
DIVISION DIR OF TRANS SERV	1.000	1.000	1.000
DIR OF TRANSPORTATION SRVCS	0.500	0.500	0.500
TRANSP GRANT SPECIALIST	-	-	1.000
Total	38.110	40.770	44.870

Description

For FY2020, Danville Transit intends to obtain federal and state capital aid to replace four vehicles used in reservation-based operations and replace two buses for fixed route service. In addition, federal and state funding is desired to replace the transit mechanic's 15 year old pickup truck and snow plow and flooring at the Transfer Center on Spring Street. Also, funding is requested to replace twelve tablets that are used in conjunction with the transit system's automated scheduling software and mobile dispatch functions.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ 8,439	\$ -	\$ -	\$ -	
Purchased Services	91,475	121,987	203,000	12,000	(191,000)
Internal Services	1,443	-	-	-	
Other Operating Exp	11,467	3,269	-	-	-
Capital Outlay	588,857	595,854	577,420	763,920	186,500
Totals	\$ 701,681	\$ 721,110	\$ 780,420	\$ 775,920	\$ (4,500)

Description

This operation provides for principal payments for Mass Transit debt.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Debt Service	\$ 91	\$ 96	\$ 110	\$ 40	\$ (70)
Totals	\$ 91	\$ 96	\$ 110	\$ 40	\$ (70)

Description

Since October 2012, Danville Transit has directly operated bus service for the city's Senior Transportation program. This operation is a coordinated effort with the Southern Area Agency on Aging due to shared resources including the use of vehicles and manpower. Federal transit funding levels for this service have remained consistent through FY2020, however state transit funding through the New Freedom grant program was reduced by \$46,000 during FY2018. In addition, the city is not eligible to obtain state Senior Transportation Assistance Program aid during FY2021 through the Virginia Department of Rail and Public Transportation since funding from this grant program was received for the past three years. The state also informed the city to include expenses related to the senior transportation service with other transit services as part of the FY2021 budget due to the loss of these funds..

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ 129,323	\$ 157,667	\$ 165,000	\$ -	\$ (165,000)
Employee Benefits	9,893	26,009	24,490	-	(24,490)
Purchased Services	-	26,846	30,000	-	(30,000)
Internal Service	10,915	8,575	9,950	-	(9,950)
Other Operating Exp	23,900	25,581	28,000	-	(28,000)
Totals	\$ 174,031	\$ 244,678	\$ 257,440	\$ -	\$ (257,440)

Personnel

Prior years personnel service expenditures related to driver wages and part-time staff who completed dispatch and administrative duties. Personnel as shown in Mass Transit Services were shared with the Expanded Paratransportation Service and charged based upon hours of service provided.

Adopted Budget - FY 2021

Solid Waste

Calculation of Contribution to(from) Fund Balance/General Fund

	Adopted Budget FY 2020	Adopted Budget FY 2021
Estimated Revenue		
Rev-Use Money/Property	117,560	128,800
Charges for Services	3,650,500	3,650,550
Total Estimated Revenue	3,768,060	3,779,350
Operating Expenses		
Refuse	2,223,840	2,399,550
Yardwaste	734,480	697,900
Leaf Collection	155,290	154,650
Landfill	13,160	0
Composting	394,830	463,010
Recycling	265,870	262,000
Total Operating Expenses	3,787,470	3,977,110
Net Operating Income (Loss)	-19,410	-197,760
Add:		
Depreciation	65,000	82,330
Deduct:		
Debt Service Principal	2,010	620
Capital Expenditures from Current Operating Funds	0	0
Calculation of Contribution to(from) Fund Balance/General Fund	43,580	(116,050)

There are two major revenue categories for the Sanitation Fund:

REVENUE – USE OF MONEY/PROPERTY: This revenue includes interest on investments; income from trailer rentals; and sale of refuse carts.

CHARGES FOR SERVICES: This revenue includes Code Enforcement Abatements; Appliance Disposal Charges; Curbside Recycling Service fee; Set-Out Service fee; Monthly Residential Waste fee and Monthly Multi-Family Residential and Commercial Waste fee, both included on utility bill; and sale of recyclables. See chart below for breakdown of fees based on FY 2018

Revenues

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Revenues:					
Revenue-Use of Money or Property	\$ 110,891	\$ 158,637	\$ 117,560	\$ 128,800	\$ 11,240
Charges for Services	\$ 3,552,947	\$ 3,535,866	\$ 3,650,500	\$ 3,650,550	\$ 50
Miscellaneous	2,100	-	-	-	\$ -
Totals	\$ 3,665,938	\$ 3,694,503	\$ 3,768,060	\$ 3,779,350	\$ 11,290

FY2021 Breakdown of Monthly Solid Waste Fee - \$16.50

Sanitation Service	Budget	Percent	Monthly Refuse Fee
Refuse Collection (Weekly)	1,070,210	26%	\$4.34
Disposal	774,000	19%	\$3.14
Cost Allocation/Administrative/Collections	813,910	20%	\$3.30
Yard Waste / Bulk Debris Collection (Weekly)	439,330	11%	\$1.78
Recycling	262,000	6%	\$1.06
Code Enforcement	207,430	5%	\$0.84
Composting - Firewood	255,580	6%	\$1.04
Loose Leaf Collection	154,650	4%	\$0.63
Landfill Post Closure*	90,000	2%	\$0.37
<i>*Includes Financial Assurance Reimbursement</i>			
Total Proposed 2020-2021 Budget	\$ 4,067,110	100%	\$16.50

Description

The Refuse Collection Section of the Sanitation Division is an Enterprise Fund responsible for residential refuse/debris collection and disposal. Curbside refuse and debris is collected weekly. This section also collects dead animals from street rights-of-way and rents bulk debris trailers to residents.

This service is funded through the \$16.50 per month fee that is placed on residential electric customer's monthly utility bill. The \$16.50 monthly sanitation fee has not been raised since 2005 and no fee increases are proposed for this fiscal year.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ 498,363	\$ 491,780	\$ 492,460	\$ 601,810	\$ 109,350
Employee Benefits	81,296	89,241	73,860	89,850	15,990
Purchased Services	728,225	762,890	808,070	790,640	(17,430)
Internal Service	192,270	214,617	235,880	222,260	(13,620)
Other Operating Exp	131,002	115,789	60,840	60,090	(750)
Cost Allocation	309,978	433,178	473,170	555,340	82,170
Debt Service	35,763	35,763	79,560	79,560	-
Totals	\$ 1,976,897	\$ 2,143,258	\$ 2,223,840	\$ 2,399,550	\$ 175,710

Personnel

Salary for the Division Director of Sanitation is allocated to Sanitation, VDOT, and Sewer Division of the Wastewater Funds.

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
SOLID WASTE COLLECTOR	3.000	2.000	2.000
SANITATION OPERATOR I	3.000	4.000	3.000
SANITATION OPERATOR II	5.000	5.000	6.000
GENERAL SUPERVISOR	1.000	1.000	1.000
DIVISION DIR OF SANITATION	0.500	0.500	0.500
Total	12.500	12.500	12.500

Description

The Yard Waste Section of the Sanitation Division is an Enterprise Fund responsible for the weekly curbside collection of residential yard waste. It consists of four (4) rearloader crews to collect yardwaste and two (2) grapple trucks to collect large tree trunks and bulk debris.

This service is funded through the \$16.50 per month fee that is placed on residential electric customers' monthly utility bill.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ 167,067	\$ 168,076	\$ 217,910	\$ 198,220	\$ (19,690)
Employee Benefits	27,568	31,371	32,840	30,210	(2,630)
Purchased Services	14,992	9,258	12,810	11,300	(1,510)
Internal Service	147,204	182,214	198,530	164,980	(33,550)
Other Operating Exp	41,859	28,370	35,340	34,620	(720)
Cost Allocation	153,320	224,410	237,050	258,570	21,520
Totals	\$ 552,010	\$ 643,699	\$ 734,480	\$ 697,900	\$ (36,580)

Personnel

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
PUBLIC SERVICE WORKER/OPERATOR	-	0.670	-
SANITATION OPERATOR I	0.670	6.030	5.360
SANITATION OPERATOR II	4.690	-	-
Total	5.360	6.700	5.360

Description

The Leaf Collection Section of the Sanitation Division is responsible for weekly loose-leaf collection during the fall of each year (October 1 – January 31).

This service is funded through the \$16.50 per month fee that is placed on residential electric customers and the \$2.00 per month fee on multi-family residential and commercial electric customers.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ 68,838	\$ 55,786	\$ 108,650	\$ 102,960	\$ (5,690)
Employee Benefits	10,976	9,816	16,290	14,830	(1,460)
Purchased Svcs	950	691	-	-	
Internal Service	36,816	27,820	29,950	36,460	6,510
Other Operating Exp	-	178	400	400	-
Totals	\$ 117,580	\$ 94,291	\$ 155,290	\$ 154,650	\$ (640)

Personnel

Personnel from Yardwaste and other divisions are utilized during loose-leaf collection season in order to provide quality efficient customer service.

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
PUBLIC SERVICE WORKER/OPERATOR	-	0.330	-
SANITATION OPERATOR I	0.330	2.970	2.640
SANITATION OPERATOR II	2.310	-	-
Total	2.640	3.300	2.640

Description

The Landfill Section of the Sanitation Division is an Enterprise Fund responsible for financial assurance, debt service, and post closure care of the closed landfill in accordance with the Virginia Solid Waste Management Regulations. Maintenance includes mowing, routine monitoring, testing, and reporting of groundwater wells and landfill gas wells, and maintaining proper certification of the facility.

This service is funded through the \$16.50 per month fee that is placed on residential electric customers and the \$2.00 per month fee on multi-family residential and commercial electric customers.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Purchased Services	\$ 120,260	\$ 95,047	\$ 100,000	\$ 86,930	\$ (13,070)
Internal Service	3,343	4,730	3,000	3,000	-
Debt Service	370	269	160	70	(90)
Reimbursement	(90,000)	(90,000)	(90,000)	(90,000)	-
Totals	\$ 33,973	\$ 10,046	\$ 13,160	\$ -	\$ (13,160)

Description

The Compost Section of the Sanitation Division is an Enterprise Fund responsible for maintenance and operation of the Compost Facility in accordance with DEQ regulations. Yard waste and loose leaves collected from local residents is ground into mulch/compost and made available free to the public. Large tree trunks and limbs are made available free to the public for firewood.

This service is funded through the \$16.50 per month fee that is placed on residential electric customers and the \$2.00 per month fee on multi-family residential and commercial electric customers.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ 50,605	\$ 56,183	\$ 40,850	\$ 42,350	\$ 1,500
Employee Benefits	8,369	10,045	6,260	7,440	1,180
Purchased Services	26,620	24,618	27,240	27,240	-
Internal Service	25,788	26,684	50,700	59,440	8,740
Other Operating Exp	8,999	15,327	7,250	7,250	-
Capital Outlay	99,500	36,900	-	-	-
Depreciation	54,522	62,003	65,000	82,330	17,330
Depreciation	-	29,526	-	29,530	29,530
Totals	\$ 274,403	\$ 261,286	\$ 197,300	\$ 255,580	\$ 58,280

Personnel

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
SANITATION OPERATOR I	1.000	1.000	1.000
Total	1.000	1.000	1.000

Description

The Recycling Section of the Sanitation Division is an Enterprise Fund responsible for collecting recyclables as well as operating and maintaining the Recycling Center located at the Public Works Complex at 998 South Boston Road. Recyclable materials are collected from drop-off centers, major city buildings, and select businesses. Recycling Center functions include sorting, separation, baling, and distribution of recycled materials, as well as transportation to market. The recycling rate for 2018 was 43.5%.

This service is funded through the \$16.50 per month fee that is placed on residential electric customers and the \$2.00 per month fee on multi-family residential and commercial electric customers.

Curbside recycling, white goods recycling, and tire recycling is available for an additional fee.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ 157,485	\$ 135,801	\$ 107,660	\$ 108,330	\$ 670
Employee Benefits	25,273	24,145	16,480	17,930	1,450
Purchased Services	17,001	9,624	19,650	9,890	(9,760)
Internal Service	44,338	47,037	45,400	49,650	4,250
Other Operating Exp	16,779	16,230	26,680	26,200	(480)
Capital Outlay	58,399	-	50,000	50,000	-
Totals	\$ 319,275	\$ 232,837	\$ 265,870	\$ 262,000	\$ (3,870)

Personnel

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
SANITATION OPERATOR I	2.000	2.000	2.000
RECYCLING CENTER OPERATOR	1.000	1.000	1.000
Total	3.000	3.000	3.000

Description

This operation shows principal payments on Sanitation Fund's debt.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Debt Service	\$ 1,801	\$ 1,901	\$ 2,010	\$ 620	\$ (1,390)
Totals	\$ 1,801	\$ 1,901	\$ 2,010	\$ 620	\$ (1,390)

Description

The Public Works Code Enforcement and Abatement Section of the Sanitation Division provides for the enforcement of the City's vegetation ordinances to ensure a healthy environment for the citizens of Danville. This program is also responsible for enforcement of the inoperable and abandoned vehicle ordinance, illegal dumping, and illegal accumulation. Public Works Code Enforcement Officers also investigate any other complaints under the provisions of applicable Public Works code sections.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ 77,850	\$ 73,076	\$ 79,870	\$ 76,840	\$ (3,030)
Employee Benefits	11,315	10,325	12,310	9,970	(2,340)
Purchased Services	103,851	120,022	72,840	81,890	9,050
Internal Service	10,489	11,331	11,090	12,210	1,120
Other Operating Exp	25,491	27,856	21,420	26,520	5,100
Totals	\$ 228,996	\$ 242,610	\$ 197,530	\$ 207,430	\$ 9,900

Personnel

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
CODE ENFORCEMENT INSPECTOR	2.000	2.000	2.000
Total	2.000	2.000	2.000

Adopted Budget - FY 2021

Cemetery Operations

Calculation of Contribution to(from) Fund Balance/General Fund

	Adopted Budget FY 2020	Adopted Budget FY 2021
Estimated Revenue		
License, Permits, Privilege	145,100	145,100
Rev-Use Money/Property	172,340	168,650
Charges for Services	400,390	400,390
Non-Revenue Receipts	278,450	269,280
Total Estimated Revenue	996,280	983,420
Operating Expenses		
Public Works & Transportation	931,000	1,022,980
Total Operating Expenses	931,000	1,022,980
Net Operating Income (Loss)	65,280	-39,560
Add:		
Depreciation	0	0
Deduct:		
Debt Service Principal	0	0
Capital Expenditures from Current Operating Funds	0	0
Calculation of Contribution to(from) Fund Balance/General Fund	65,280	(39,560)

The major revenue sources for this fund include:

LICENSES, PERMITS, PRIVELEGE: This revenue includes Cemetery permit fees for monuments and vaults.

REVENUE – USE OF MONEY/PROPERTY: This revenue includes interest on investments; sale of grave lots; and perpetual care not previously paid.

CHARGES FOR SERVICES: This revenue provides for opening/closing of grave fees.

NON-REVENUE RECEIPTS: This revenue is an offset of the Cost Allocation expense. The allocation provides a method of showing the administrative costs covered by the General Fund. The Cemetery Fund is an enterprise fund and as such these administrative cost need to be included in order to reflect the complete cost of Cemetery operations.

TRANSFERS IN: The Cemetery Fund is designed to provide revenues to cover all the costs of operation; however, when the Fund Balance is insufficient to cover cost overruns, a transfer from the General Fund is required.

Revenues

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Revenues:					
Licenses, Permits	\$ 130,250	\$ 114,505	\$ 145,100	\$ 145,100	\$ -
Revenue-Use of Money	160,163	162,897	172,340	168,650	(3,690)
Charges for Services	339,045	311,754	400,390	400,390	-
Non-Revenue Receipts	208,280	237,460	278,450	269,280	(9,170)
Transfers In	-	-	-	-	-
Totals	\$ 837,738	\$ 826,616	\$ 996,280	\$ 983,420	\$ (12,860)

Description

The Cemetery Maintenance Section of Public Works is an Enterprise Fund that provides for the maintenance of eight municipally owned cemeteries, sale of lots, recordkeeping, services to local funeral homes, and assists residents and non-residents who are interested in purchasing at-need and pre-need burial lots. Additionally, this fund also provides assistance with genealogy requests.

The eight (8) city-owned cemeteries are Freedmans, Green Hill, Grove Street, Highland Burial Park, Leemont, Mountain View, Oak Hill, Schoolfield.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ 292,241	\$ 286,393	\$ 263,830	\$ 324,570	\$ 60,740
Employee Benefits	46,409	61,224	38,730	50,360	11,630
Purchased Services	9,353	44,966	7,820	6,820	(1,000)
Internal Service	77,880	82,637	77,340	81,710	4,370
Other Operating Expenses	15,914	17,743	18,560	19,080	520
Cost Allocation	208,280	237,460	278,450	269,280	(9,170)
Capital Outlay	3,146	3,798	3,100	3,100	-
Totals	\$ 653,223	\$ 734,221	\$ 687,830	\$ 754,920	\$ 67,090

Personnel

Personnel are allocated to Cemetery Maintenance and Burials.

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
PUBLIC SERVICE WORKER/OPERATOR	4.800	4.800	4.800
GROUNDSKEEPER	1.200	1.200	1.200
GENERAL SUPERVISOR	0.600	0.600	0.600
CEMETERY SUPERVISOR	1.200	1.200	1.200
Total	7.800	7.800	7.800

Description

The Cemetery Burial Section of Public Works is an Enterprise Fund that provides for the opening and closing of graves and funeral services seven days a week. Tents, chairs and other accessories are available for rent. Staff also provides assistance with genealogy requests.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ 106,760	\$ 115,492	\$ 182,090	\$ 202,110	\$ 20,020
Employee Benefits	15,897	18,746	25,880	27,620	1,740
Purchased Services	2,825	2,280	3,300	3,300	-
Internal Service	25,734	27,648	28,220	26,200	(2,020)
Other Operating Expenses	46	2,523	600	2,600	2,000
Capital Outlay	4,134	8,738	6,280	6,230	(50)
Totals	\$ 155,396	\$ 175,427	\$ 246,370	\$ 268,060	\$ 21,690

Personnel

Personnel are allocated to Cemetery Maintenance and Burials.

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
PUBLIC SERVICE WORKER/OPERATOR	3.200	3.200	3.200
GROUNDSKEEPER	0.800	0.800	0.800
GENERAL SUPERVISOR	0.400	0.400	0.400
CEMETERY SUPERVISOR	0.800	0.800	0.800
Total	5.200	5.200	5.200

UTILITY FUNDS SUMMARY

Danville Utilities provides innovative, reliable, competitive, and safe utility services with a highly valued and qualified workforce, while helping drive economic development.

The City of Danville has been in the utility business since 1876. Danville is the only municipality in Virginia to operate all four essential utilities -- electricity, natural gas, water, and wastewater -- plus telecommunications services. Danville Utilities serves the City and adjoining residential neighborhoods with water and gas service. Electricity is distributed to 42,000 customer locations in a 500-square mile service area that includes Danville, most of Pittsylvania County's households, and small portions of Henry and Halifax Counties. Danville Utilities provides water, wastewater, and natural gas services to customers within a 50-square mile area consisting of the city adjacent suburban areas.

Danville Utilities values:

- Safety
- Customer Care
- Professionalism
- A valued workforce
- Stewardship

Danville Utilities fulfills community responsibilities by:

- Ensuring proper accountability to the City Manager, Utilities Commission, City Council, utility customers, and the community.
- Supporting the City's community and economic development efforts.
- Minimizing harmful impact on the service area's natural environment.
- Building and strengthening mutually beneficial relationships with other municipal departments, the school district, and outside organizations.
- Generating revenue to the City's General Fund to support continued provision of world class municipal and school services, thereby ensuring a positive return on utility owner investment.

Danville Utilities is organized into six operating divisions – Water & Wastewater Treatment, Water & Gas, Power & Light, Telecommunications, Support Services, and Administration across five funds.

The Proposed FY 2021 Budget includes operating expenditures (less depreciation and General Fund contributions) of \$150 million and \$23.25 million for affiliated capital projects. Included in the capital projects is bond funding in the amount of \$5,800,000, Contribution-in-Aid in the amount of \$2,500,000, Reprogrammed funds in the amount of \$3,000,000, and a loan from the Gas Fund to Telecommunications in the amount of \$1,250,000.

The budget is based on projected revenues using utility rates approved by City Council and includes no rate increases. The following factors affect all five Utility funds except as noted:

Salary Adjustments

The amount budgeted for FY 2021 for salaries and FICA are based on salary projections and include pay-for-performance increases and pay study increases to be effective in July 2020. Consistent with the FY 2020 budget, increases were not distributed to the respective salary and benefit accounts but included in the administrative division of each fund's budget in line item

UTILITY FUNDS SUMMARY

51417 “Salaries and Wages Adjustment”. There is an allowance of \$368,180 for salary adjustments included in this line item in combined Utility budgets for 2021 in anticipation of the continuation of the pay for performance increases.

Retirement Rates

The latest actuarial report reflects the funding status of the pension system has improved from 101.9% to 102.4%. This was accomplished through additional contributions and the recognition of investment gains. The report recommended an employer contribution of 6.846% of covered payroll for general employees in order to maintain a funded ratio of 100%. In FY 2019, City Council approved a change in City Code that requires employees hired on or after September 1, 2019, to pay half of the contribution to the retirement system. There is an adjustment of \$113,390 for increased funding for retirement included in line item 51417 “Salaries and Wages Adjustment” in combined Utility budgets for FY 2021.

Benefits Allocation

The City’s self-insured employee health insurance plan is accounted for within the Human Resources Department. Through line item 57100 “Employee Benefits/HR Allocation”, each utility division receives an allocation of the plan’s expenses and premiums based on the division’s specific number of employees. The allocation decreased an average of 43% per Utility fund with a decrease of \$429,050 in combined Utility budgets for 2021.

Revenue

Revenue will cover operating costs and ongoing system-related improvements to maintain the integrity and reliability of the utility infrastructure.

UTILITY FUNDS SUMMARY

Expenditures

This budget includes appropriations of \$15 million for contribution to the City's General Fund which is identical to the prior year contribution. Proposed FY 2021 capital improvements include \$22.45 million in projects that are necessary to meet environmental quality requirements, replace outdated infrastructure and facilities and to improve reliability and safety. Specific projects include:

Wastewater

- \$2 million for Northside Process Plant Modifications financed with reprogrammed funds.
- \$3.6 million for construction of SOVA Megasite Sewer Improvement Project financed with revenues and fund balance (Public Works).
- New Sewer Lines \$250,000 (Public Works)
- Sewer Line Reconstruction \$300,000 (Public Works)

Water

- \$1 million to replace aging waterlines and infrastructure in the distribution system financed with operating revenue
- \$4.5 million for engineering and construction of Berry Hill Industrial Park Water Infrastructure which will be financed with \$2.5 million contribution in aid, \$1 million from fund balance and \$1 million from reprogrammed funds.

Gas

- \$500,000 for the Cast Iron Gas Pipeline Replacement program financed with operating revenue.
- \$3 million for County Gas Expansion project financed with \$1.75 million in revenues and \$1.25 million from fund balance.

Electric

- \$4 million for substation upgrades and improvements (financed with debt)
- \$1.8 million for line rebuilds and 25 kV conversion (financed with debt)

Telecommunications

- Fiber to the Home is budgeted at \$1.5 million with \$50,000 from revenues, \$1.25 million from the Gas fund balance as a loan and \$200,000 from Telecommunications fund balance.

The proposed utility fund budgets will ensure continued delivery of reliable services at the lowest rates currently possible while supporting vital economic development activities.

CITY OF DANVILLE - UTILITIES DEPARTMENT
ADOPTED BUDGET FOR FY 2021
ALL UTILITY FUNDS BY FUNCTION

	Wastewater	Water	Gas	Electric	Telecomm	
Description	Fund - 51	Fund - 52	Fund - 53	Fund - 54	Fnd - 55	TOTAL
Revenue						
Rev-Use Money/Property	118,200	284,940	459,900	1,564,180	31,000	2,458,220
Charges for Services	9,118,040	8,408,480	22,389,840	128,343,950	624,770	168,885,080
Miscellaneous Revenue	86,500	2,581,490	7,810	130,000	0	2,805,800
Recovered Cost	0	17,980	0	5,970	0	23,950
Non-Revenue Receipts	0	0	0	0	0	0
Total -- Operating Revenue	9,322,740	11,292,890	22,857,550	130,044,100	655,770	174,173,050
Transfer from Fund Balance	0	0	0	0	0	0
Total Revenue	9,322,740	11,292,890	22,857,550	130,044,100	655,770	174,173,050
Operating Expenses						
Treatment Plants	3,088,200	0	0	0	0	3,088,200
Public Works	1,701,970	0	0	0	0	1,701,970
Laboratory	0	104,680	0	0	0	104,680
Operations-Main	0	1,302,370	0	0	0	1,302,370
Operations-Industrial	0	156,230	0	0	0	156,230
Treatment-Main	0	348,620	0	0	0	348,620
Administration Services	724,360	1,903,600	1,819,500	6,161,150	3,900	10,612,510
Engineering	0	309,270	398,510	1,044,490	0	1,752,270
Distribution	0	544,430	534,350	4,430,380	0	5,509,160
Service	0	242,590	251,540	0	0	494,130
Meters & Regulators	0	140,980	171,960	0	0	312,940
Meters	0	0	0	383,580	0	383,580
Gas Control	0	0	544,110	0	0	544,110
Substations	0	0	0	1,336,680	0	1,336,680
Hydro-Electric Plant	0	0	0	978,580	0	978,580
Transmissions	0	0	0	175,000	0	175,000
Generators	0	0	0	368,720	0	368,720
Customer Services	0	0	0	0	0	0
Utility Administrative Services	0	0	0	1,296,970	0	1,296,970
Support Services	0	0	0	338,100	0	338,100
Operations	0	0	0	0	447,600	447,600
Rivercity TV	0	0	0	0	0	0
Purchased Services	0	0	0	0	0	0
Debt Service	333,340	359,710	123,160	3,152,550	0	3,968,760
Capital Expenses	126,300	926,490	845,400	3,306,680	25,000	5,229,870
Subtotal -- Operating Expense	5,974,170	6,338,970	4,688,530	22,972,880	476,500	40,451,050
(Net of Source of Supply)						
Depreciation	2,145,750	1,752,540	1,542,230	8,871,610	482,230	14,794,360
Source of Supply	0	0	12,730,400	96,489,660	57,000	109,277,060

**CITY OF DANVILLE - UTILITIES DEPARTMENT
ADOPTED BUDGET FOR FY 2021
ALL UTILITY FUNDS BY FUNCTION**

Description	Wastewater Fund - 51	Water Fund - 52	Gas Fund - 53	Electric Fund - 54	Telecomm Fnd - 55	TOTAL
Total -- Operating Expense	8,119,920	8,091,510	18,961,160	128,334,150	1,015,730	164,522,470
Annual Contribution to General Fund	705,760	950,300	3,186,330	10,429,610	81,000	15,353,000
Total Expenditures	8,825,680	9,041,810	22,147,490	138,763,760	1,096,730	179,875,470
Add - Depreciation	2,145,750	1,752,540	1,542,230	8,871,610	482,230	14,794,360
Revenue in excess of Operating Expense	2,642,810	4,003,620	2,252,290	151,950	41,270	9,091,940
Capital Improvements						
Capital Projects	0	4,500,000	3,500,000	0	250,000	8,250,000
Sewer Capital Projects	4,150,000	0	0	0	0	4,150,000
Total -- Capital Improvements	4,150,000	4,500,000	3,500,000	0	250,000	12,400,000
Revenues Over(Under) Expenses	-1,507,190	-496,380	-1,247,710	151,950	-208,730	-3,308,060

CITY OF DANVILLE - UTILITIES DEPARTMENT
ADOPTED BUDGET FOR FY 2021
ALL UTILITY FUNDS BY ACTIVITY

Description	Wastewater Fund - 51	Water Fund - 52	Gas Fund - 53	Electric Fund - 54	Telecomm Fund - 55	TOTAL
Revenue						
Rev-Use Money/Property	118,200	284,940	459,900	1,564,180	31,000	2,458,220
Charges for Services	9,118,040	8,408,480	22,389,840	128,343,950	624,770	168,885,080
Miscellaneous Revenue	86,500	2,581,490	7,810	130,000	0	2,805,800
Recovered Cost	0	17,980	0	5,970	0	23,950
Non-Revenue Receipts	0	0	0	0	0	0
Total -- Operating Revenue	9,322,740	11,292,890	22,857,550	130,044,100	655,770	174,173,050
Transfer from Fund Balance	0	0	0	0	0	0
Total Revenue	9,322,740	11,292,890	22,857,550	130,044,100	655,770	174,173,050
Operating Expenses						
Personnel Svcs	783,840	1,762,990	1,529,000	5,597,560	135,680	9,809,070
Employee Benefits	107,010	225,820	197,580	810,080	21,900	1,362,390
Purchased Services	2,763,080	579,270	476,470	4,926,920	130,650	8,876,390
Internal Service	736,570	889,490	97,950	304,290	40,500	2,068,800
Other Operating Expense	226,380	822,370	785,460	3,697,850	16,370	5,548,430
Cost Allocation	785,700	1,129,110	1,268,920	2,356,340	131,400	5,671,470
Capital Outlay	160,000	492,770	151,810	223,930	0	1,028,510
Debt Service	411,590	437,150	181,340	5,005,910	0	6,035,990
Reimbursement	0	0	0	50,000	0	50,000
Subtotal -- Operating Expense	5,974,170	6,338,970	4,688,530	22,972,880	476,500	40,451,050
(Net of Source of Supply)						
Depreciation	2,145,750	1,752,540	1,542,230	8,871,610	482,230	14,794,360
Source of Supply	0	0	12,730,400	96,489,660	57,000	109,277,060
Total -- Operating Expense	8,119,920	8,091,510	18,961,160	128,334,150	1,015,730	164,522,470
Annual Contribution to General Fund	705,760	950,300	3,186,330	10,429,610	81,000	15,353,000
Total Expenditures	8,825,680	9,041,810	22,147,490	138,763,760	1,096,730	179,875,470
Add - Depreciation	2,145,750	1,752,540	1,542,230	8,871,610	482,230	14,794,360
Revenue in excess of Operating Expense	2,642,810	4,003,620	2,252,290	151,950	41,270	9,091,940
Capital Improvements						
Capital Projects	0	4,500,000	3,500,000	0	250,000	8,250,000
Sewer Capital Projects	4,150,000	0	0	0	0	4,150,000
Total -- Capital Improvements	4,150,000	4,500,000	3,500,000	0	250,000	12,400,000
Revenues Over(Under) Expenses	-1,507,190	-496,380	-1,247,710	151,950	-208,730	-3,308,060

Wastewater Fund Highlights

Revenue

Revenues are forecasted based upon the results of the 2019 biennial rate review which evaluated 2015 – 2017 statistics obtained from our customer information system and evaluation of FY 2019 realized revenue. Including the projected increase in gross revenue for FY 2021 of \$401,870, Charges for Services are within 4% of both Budget 2020 and Realized 2019 Charges for Services.

Wastewater expenditures

Treatment Plants: Increase of \$37,930 for heat, light and air expense (53000) of \$31,920 and contractor fee of \$5,000.

Public Works: Increase of \$160,370 for an increase in wages and salaries due to reclassification of several Motor Equipment Operators to Heavy Equipment Operators and a new incentive program for CDL and pesticide license.

Administration Services: Decrease of \$7,870 due to a decrease in bond interest.

Debt Service: Reflects retirement of general obligation bonds in FY 2021

Capital Expenses

Regular Capital

SCADA Upgrades	\$50,000
Engineering for treatment modifications	\$20,000
Building repairs at Treatment Plant	\$25,000

Projects

- We included \$3.6 million for CIPs from Public Works for the SOVA Megasite Sewer Improvement Project.
- The Wastewater Plant is requesting \$2 million in capital funding for fiscal 2021 to continue rehabilitation of the Northside Treatment facility.
- New Sewer Lines \$250,000 (Public Works)
- Sewer Line Reconstruction \$300,000 (Public Works)
- We expect to withdraw \$1.5 million from fund balance to fund the SOVA Megasite Sewer Improvement Project.

Adopted Budget - FY 2021

Wastewater

Calculation of Contribution to(from) Fund Balance/General Fund

	Adopted Budget FY 2020	Adopted Budget FY 2021
Estimated Revenue		
Rev-Use Money/Property	118,540	118,200
Charges for Services	9,158,550	9,118,040
Miscellaneous Revenue	81,020	86,500
Total Estimated Revenue	9,358,110	9,322,740
Operating Expenses		
Administration Services	1,928,790	1,897,400
Treatment Plants	3,050,270	3,088,200
Sewer Capital Projects	1,350,000	4,150,000
Public Works	2,440,720	2,674,680
Capital Expenses	698,420	126,300
Capital Projects	0	0
Total Operating Expenses	9,468,200	11,936,580
Net Operating Income (Loss)	-110,090	-2,613,840
Add:		
Depreciation	2,115,000	2,145,750
Deduct:		
Debt Service Principal	727,290	333,340
Capital Expenditures from Current Operating Funds	0	0
Contribution to City's General Fund	705,760	705,760
Contribution To(From) Retained Earnings	571,860	(1,507,190)

WASTEWATER FUND
ADOPTED BUDGET - CAPITAL & SPECIAL PROJECTS - FY 2021-2025

Project/Source	PL#	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	5 Yr Total
Public Works Sewers							
Sewer Line Reconstruction	60041	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 1,500,000
New Sewer Lines/Inflow & Infiltration Reduction	60048	250,000	250,000	250,000	250,000	250,000	1,250,000
Apple Branch Sewer Line Replacement		-	800,000	-	-	-	800,000
SOVA Megasite Sewer Improvement		3,600,000	-	-	-	-	3,600,000
Fall Creek Sewer Reconstruction		-	-	800,000	800,000	-	1,600,000
Luna Lake Road Sewers		-	-	-	-	800,000	800,000
Public Works Sewers Total		\$ 4,150,000	\$ 1,350,000	\$ 1,350,000	\$ 1,350,000	\$ 1,350,000	\$ 9,550,000
Total Projects:		\$ 4,150,000	\$ 1,350,000	\$ 1,350,000	\$ 1,350,000	\$ 1,350,000	\$ 9,550,000
Funding Source:							
Utility Fund Revenues		\$ 2,642,810	\$ 1,350,000	\$ 1,350,000	\$ 1,350,000	\$ 1,350,000	\$ 8,042,810
Fund Balance		1,507,190	-	-	-	-	1,507,190
Total Funding		\$ 4,150,000	\$ 1,350,000	\$ 1,350,000	\$ 1,350,000	\$ 1,350,000	\$ 9,550,000

WASTEWATER FUND
ADOPTED BUDGET - CAPITAL & SPECIAL PROJECTS - FY 2021
FUNDING SOURCES

	Current Revenues	Fund Balance	Debt Financing	Grants/CIA	Other	Project Total
<u>Public Works Sewers</u>						
Sewer Line Reconstruction	\$ 300,000	\$ -	\$ -	\$ -	\$ -	\$ 300,000
New Sewer Lines/Inflow Infiltration Red	250,000					250,000
SOVA Megasite Sewer Line Improvement	2,092,810	1,507,190	-	-	-	3,600,000
Total Water Distribution	\$ 2,642,810	\$ 1,507,190	\$ -	\$ -	\$ -	\$ 4,150,000
 Total Projects:	 \$ 2,642,810	 \$ 1,507,190	 \$ -	 \$ -	 \$ -	 \$ 4,150,000

(1) Reprogrammed Funds

Revenue categories for this fund are as follows:

REVENUE – USE OF MONEY/PROPERTY: This revenue category includes: **Interest on Investments** - All of the City's funds are invested in secured accounts in an attempt to earn the highest possible return. Investments earnings are a function of the money marketplace and swings in the revenues reflect higher or lower interest rates. **Sale-Salvage and Surplus Property** - This revenue represents the sale of surplus vehicles and equipment and funds received from the sale of scrap metal.

CHARGES FOR SERVICES: This revenue category include consumer fees and is the major revenue source for the Wastewater Fund. The residential category is the largest part of that revenue stream, representing 14,076 customers. The commercial base represents 2,009 customers and the industrial base has 31 customers. The municipal class represents charges to the City for its municipal facilities. Other revenues in this category include Industrial Pretreatment fees and Rural Strong Waste Surcharges, penalties for non-payment and reconnection fees. Other revenues in this category include penalties for non payment .

In the 2019 biennial rate study, the recommendation is for wastewater rates be lowered to directly offset the increase in water rates. The current wastewater consumption rate is \$2.58/100 cubic feet. The proposed FY20/21 rate is \$2.38/100 cubic feet. The wastewater fund is in good financial health and meets current unrestricted fund policies. The wastewater fund has also recently completed the majority of the plant improvements at the Northside Plant. There are annual distribution projects that Public Works plans for on an annual basis.

MISCELLANEOUS REVENUE

Miscellaneous revenue includes fees charged to customers who request alternation to their services, as well as fees collected from septic haulers.

REVENUES

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Revenues:					
Rev-Use Money & Property	\$ 149,661	\$ 211,864	\$ 118,540	\$ 118,200	\$ (340)
Charges for Services	9,588,633	9,956,337	9,158,550	9,118,040	(40,510)
Miscellaneous Rev	64,537	101,120	81,020	86,500	5,480
Totals	\$ 9,802,831	\$ 10,269,321	\$ 9,358,110	\$ 9,322,740	\$ (35,370)

Description

The Public Works Department Sanitary Sewer Maintenance Section of the Wastewater fund has the responsibility to maintain 381 miles of sanitary sewer lines. Sewer maintenance includes routine inspecting, televising, cleaning, and repairing. The Sanitary Sewer Maintenance Section also maintains over 9,000 manholes, several pump station outfall lines, as well as sewer easements throughout the City. Sewer Maintenance is supported by the Street Maintenance Division including the installation of sewer cap-offs, sanitary sewer taps, repairs to sanitary sewer lines, reconstruction/rehabilitation of sewer lines, and creek and river crossings.

Capital Projects include new sewer lines, sewer connections, inflow & infiltration reduction studies, and sewer line reconstruction and replacement as outlined in the CSP.

Expenditures

The increase in Capital Outlay reflects the addition of the SOVA Megasite Sewer Improvement Project.

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ 503,036	\$ 479,038	\$ 570,290	\$ 711,320	\$ 141,030
Employee Benefits	81,123	84,375	85,250	98,040	12,790
Purchased Services	1,129,615	441,602	201,860	202,180	320
Internal Service	189,116	206,300	275,460	214,570	(60,890)
Other Operating Exp	101,423	275,154	112,690	116,350	3,660
Cost Allocation	140,990	183,080	226,750	280,430	53,680
Capital Outlay	899	451,037	110,000	110,000	-
Capital Projects	-	-	1,350,000	4,150,000	2,800,000
Depreciation	789,108	808,169	900,000	972,710	72,710
Debt Service	105,279	77,250	66,840	25,380	(41,460)
Totals	\$ 3,040,589	\$ 3,006,005	\$ 3,899,140	\$ 6,880,980	\$ 2,981,840

Personnel

Sanitary Sewer Maintenance Section is funded by the Utilities Wastewater Fund and includes support staff from Street Maintenance Division.

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
SR PUBLIC WORKS GIS/CAD TECH	-	-	0.250
PUBLIC WORKS CHIEF ENGINEER	-	-	0.750
ASST DIR OF PUBLIC WRKS/CTY ENG	-	-	0.250
TRAINING & SAFETY MANAGER	0.070	0.070	0.075
PUBLIC SERVICE WORKER/OPERATOR	3.420	3.630	3.560
MOTOR EQUIPMENT OPERATOR I	2.560	3.490	1.420
MOTOR EQUIPMENT OPERATOR II	3.630	3.490	3.420
MOTOR EQUIPMENT OPERATOR III	0.210	0.280	1.070
HEAVY EQUIPMENT OPERATOR	-	-	0.280
CREW SUPERVISOR	1.210	1.210	1.140
GENERAL SUPERVISOR	1.140	1.140	1.140
DIVISION DIRECTOR OF STREETS	0.070	0.070	0.070
CCTV TECHNICIAN	1.000	1.000	1.000
DIVISION DIR OF SANITATION	0.300	0.300	0.300
BUSINESS ANALYST	-	-	0.070
Total	13.610	14.680	13.545

Description

Sewer Debt Service budgets and accounts for the retirement of principal for general obligation and revenue bonds for the Public Works portion of the Wastewater fund.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Debt Service	\$ 588,463	\$ 615,453	\$ 540,300	\$ 195,140	\$ (345,160)
Totals	\$ 588,463	\$ 615,453	\$ 540,300	\$ 195,140	\$ (345,160)

Description

Wastewater Debt Service budgets and accounts for the retirement of principal for general obligation and revenue bonds for the Wastewater fund.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Debt Service	\$ 556,724	\$ 422,971	\$ 186,990	\$ 138,200	\$ (48,790)
Totals	\$ 556,724	\$ 422,971	\$ 186,990	\$ 138,200	\$ (48,790)

Description

The Wastewater Fund's mission is to provide reliable wastewater services to Danville's customers and collect and treat wastewater as cost effectively as possible while complying with the Virginia Department of Environmental Quality and the Environmental Protection Agency permit.

The Wastewater Fund provides for the operations and maintenance of the Northside Wastewater Treatment Plant, the Southside Treatment Plant, nine wastewater pumping stations, and wastewater collection lines. The operation of treatment plants and pumping stations is the responsibility of the Utilities Department. The Public Works Department maintains 340 miles of sewer lines and handles customer connections. The Northside Plant is 20 million gallons per day facility built in the early 1970s. Due to a loss of major industrial customers through closures of tobacco and textile facilities, the plant is currently treating only 8.3 million gallons per day. The Southside Plant functions as a pumping station and storage facility for waste sludge biosolids.

The capital-funding request for FY2020 is for two RAS pumps at the Northside Wastewater Plant and a motor control center for the Airside Lift Station. The motor control center at Airside controls the wastewater pumps at that lift station that serves Nestle and Litehouse. The two RAS pumps requested are the last of six to be replaced at the Northside plant. They will be more reliable and operate more efficiently.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ 18,051	\$ 18,638	\$ 66,830	\$ 72,520	\$ 5,690
Employee Benefits	2,472	2,515	10,310	8,970	(1,340)
Purchased Services	2,281,264	2,193,905	2,787,690	2,560,900	(226,790)
Internal Service	526,119	540,648	492,980	522,000	29,020
Other Operating Exp	82,305	93,456	109,850	110,030	180
Cost Allocation	451,855	397,831	491,120	505,270	14,150
Capital Outlay	-	4,190	235,000	50,000	(185,000)
Depreciation	1,189,054	1,138,957	1,215,000	1,173,040	(41,960)
Debt Service	89,332	73,407	60,280	52,870	(7,410)
Transfer Out	693,760	693,760	705,760	705,760	-
Contingency Approp	-	-	100,000	-	(100,000)
Totals	\$ 5,334,212	\$ 5,157,307	\$ 6,274,820	\$ 5,761,360	\$ (513,460)

Personnel

The City of Danville owns the treatment facility, but contracts with INFRAMARK (previously known as Severn Trent) to operate the treatment process and nine wastewater pumping stations located throughout the service area.

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
SENIOR SECRETARY	0.500	0.500	0.500
DIVISION DIR WTR/WSTWTR TRTMNT	0.500	0.500	0.500
Total	1.000	1.000	1.000

Description

Wastewater Capital plans and budgets for the capital expenditures at the Wastewater Treatment Plant. There was not budget in FY 2018 nor any request for FY 2019.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Purchased Services	\$ 2,891	\$ -	\$ -	\$ -	\$ -
Totals	\$ 2,891	\$ -	\$ -	\$ -	\$ -

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN

PROJECT DESCRIPTION

Project Title: Sewer Line Reconstruction
Project No: 60041

Department: Public Works
Division: Sanitation
Section: N/A

Description:

This project is the reconstruction of various sewer lines that have major structural defects due to the age of the lines. These projects are heavily dependent on discovery of deteriorated sewer during routine sewer maintenance. Some projects require funding over multiple years and cannot be predicted. It is anticipated that the inflow and infiltration into the system will be re-evaluated in FY 2023.

Justification:

This provides funding for projects that will decrease sewer maintenance costs. The department makes repairs on sanitary sewers found to be leaking or deteriorated. This is mandated by the DEQ Consent Order to reduce infiltration/exfiltration.

Comments:

Study: October 2018 Sewer System Inflow and Infiltration Evaluation Report

Funding		FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Total
Utility Revenues		300,000	300,000	300,000	300,000	300,000	1,500,000
Total Funding Sources		300,000	300,000	300,000	300,000	300,000	1,500,000

Goals/Milestones:

FY 2020	Repairs to existing sanitary sewers.
FY 2021	Repairs to existing sanitary sewers.
FY 2022	Repairs to existing sanitary sewers.
FY 2023	Repairs to existing sanitary sewers.
FY 2024	Repairs to existing sanitary sewers.

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN

PROJECT DESCRIPTION

Project Title: New Sewer Lines/Inflow & Infiltration Reduction
Project No: 60048

Department: Public Works
Division: Sanitation
Section: N/A

Description:

This project is for short sanitary sewer extensions to serve areas in the City presently without sewer service which meet the City's extension guidelines. This project also provides funds for annual inspection and engineering costs for sewer projects and addressing sewer inflow and infiltration reduction studies and projects.

Justification:

Requests from property owners for sanitary sewer extensions are funded by this project. Increased sewer availability is provided and also reduction in sewer inflow and infiltration.

Comments:

Study: October 2018 Sewer System Inflow and Infiltration Evaluation Report.

Funding		FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Total
Utility Revenues		250,000	250,000	250,000	250,000	250,000	1,250,000
Total Funding Sources		250,000	250,000	250,000	250,000	250,000	1,250,000

Goals/Milestones:

FY 2020	Design and construct sewer line extension as petitioned / I & I reduction.
FY 2021	Design and construct sewer line extension as petitioned / I & I reduction.
FY 2022	Design and construct sewer line extension as petitioned / I & I reduction.
FY 2023	Design and construct sewer line extension as petitioned / I & I reduction.
FY 2024	Design and construct sewer line extension as petitioned / I & I reduction.

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN

PROJECT DESCRIPTION

Project Title: Apple Branch Sewer Line Replacement
Project No: TBD

Department: Public Works
Division: Sanitation
Section: N/A

Description:

This project is to reconstruct 4,700 feet of 12-inch sewer line which is in need of replacement. It is located on the Apple Branch stream from Guilford Street to Orchard Drive.

Justification:

The Apple Branch Sewer Reconstruction will increase sewer capacity and reduce infiltration of groundwater. The City is reconstructing old inadequate sewer main interceptors.

Comments:

Study: October 2018 Sewer System Inflow and Infiltration Evaluation Report

Funding		FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Total
Utility Revenues		800,000	800,000	-	-	-	1,600,000
Total Funding Sources		800,000	800,000	-	-	-	1,600,000

Goals/Milestones:

FY 2020	Reconstruct sanitary sewer lines.
FY 2021	Reconstruct sanitary sewer lines.
FY 2022	N/A
FY 2023	N/A
FY 2024	N/A

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN

PROJECT DESCRIPTION

Project Title: SOVA Megasite Sewer Improvement
Project No: TBD

Department: Public Works
Division: Sanitation
Section: N/A

Description:

Design and construct wastewater sewer lines in SOVA Megasite at Berry Hill Road. Project includes extending Trotters Creek gravity sewer and completing forcemain along Berry Hill Road.

Justification:

The City is providing wastewater service to Industrial Park for industry connection.

Comments:

Study: October 2018 Sewer System Inflow and Infiltration Evaluation Report

Funding		FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Total
Utility Revenues		2,092,810	-	-	-	-	2,092,810
Wastewater Fund Balance		1,507,190	-	-	-	-	1,507,190
Total Funding Sources		3,600,000	-	-	-	-	3,600,000

Goals/Milestones:

FY 2020	Construct sanitary sewer line in SOVA Megasite at Berry Hill Road.
FY 2021	N/A
FY 2022	N/A
FY 2023	N/A
FY 2024	N/A

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN

PROJECT DESCRIPTION

Project Title: Fall Creek Sewer Reconstruction
Project No: TBD

Department: Public Works
Division: Sanitation
Section: N/A

Description:

This project is for sewer reconstruction of Fall Creek sanitary sewers between the junction at Eagle Springs Road and Kentuck Road.

Justification:

The Fall Creek Sewer Reconstruction will increase sewer capacity and reduce infiltration of groundwater. The City is reconstructing old inadequate sewer main interceptors.

Comments:

Study: October 2018 Sewer System Inflow and Infiltration Evaluation Report.

Funding	Prior Years	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Total
Utility Revenues		-	-	800,000	800,000	-	1,600,000
Total Funding Sources		-	-	800,000	800,000	-	1,600,000

Goals/Milestones:

FY 2020	N/A
FY 2021	N/A
FY 2022	Reconstruct sanitary sewer lines
FY 2023	Reconstruct sanitary sewer lines
FY 2024	N/A

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN
PROJECT DESCRIPTION

Project Title: Luna Lake Road Sewers
Project No: TBD

Department: Public Works
Division: Sanitation
Section: N/A

Description:

This project is the construction of 5,000 feet of sanitary sewer lines to serve residences and businesses in the Luna Lake Road area

Justification:

This City is extending sewer to serve additional areas which will increase sewer availability.

Comments:

Study: City's 1989 Sewer Needs Assessment Study.

Funding		FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Total
Utility Revenues		-	-	-	-	800,000	800,000
Total Funding Sources		-	-	-	-	800,000	800,000

Goals/Milestones:

FY 2020	N/A
FY 2021	N/A
FY 2022	N/A
FY 2023	N/A
FY 2024	Construction of sanitary sewer lines.

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN

PROJECT DESCRIPTION

THIS PROJECT HAS BEEN ELIMINATED

Project Title: Northside Plant Process Modifications Phase III
Project No: 60911

Department: Utilities
Division: Wastewater Treatment
Section: N/A

Description:

Using current revenues and reprogrammed funds to add a digestion system to the Northside Wastewater Treatment Plant. This will allow the City to accept high BOD content waste that from large industrial companies and other areas. The digestion system will also be used in the daily plant processes to reduce the amount of treated sludge that is land applied.

Justification:

This project assists the City's economic development team in marketing to the food industry. We expect with the addition of the digestion system, that wastewater revenue will increase and to possibly save on electric costs at the plant. Staff believes that the additional revenue from tipping fees and power costs savings will pay for the plant in under ten years.

Comments:

Funding		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
Utility Revenues		-	-	-	-	-	-
Reprogrammed Funds		-	-	-	-	-	-
Total Funding Sources		-	-	-	-	-	-

Goals/Milestones:

FY 2021	Installation of a digestion system at the Wastewater Treatment Plant
FY 2022	N/A
FY 2023	N/A
FY 2024	N/A
FY 2025	N/A

Water Fund Highlights

Revenue

Charges for Services

Revenues are forecasted based upon results of the 2019 biennial rate review, which evaluated 2015 – 2017 statistics obtained from our customer information system and evaluation of FY 2019 realized revenue. A \$2.5 million contribution in aid is being made for the first phase of the Berry Hill Industrial Park Water Infrastructure Project.

Water Expenditures

Laboratory: Net decrease of \$930 which results from an increase of \$2,000 in supplies and materials and a decrease of \$1,120 in retirement expense.

Operations Main: Increase of \$36,410 for increase in heat, light and air expenses (53000)

Operations Industrial: Decrease of \$6,710 for decrease in heat, light and air expenses offset by an increase in general obligation bonds

Treatment Maintenance: Decrease of \$10,830 for retirement and wages

Administration Services: Increase of \$275,420 for internal allocations

Engineering: Decrease of \$62,560 for engineering and architect services

Distribution and Service: Decrease of \$52,170 for materials and supplies, vehicle expenses and salaries and benefits.

Meters & Regulators: Decrease of \$37,180 for contractors, small tools, uniforms and safety equipment.

Debt Service: Decrease of \$461,590 in principal payment on general obligation bonds

Capital Expenses

Regular Capital

Equipment and Vehicles

Shared with Gas Fund:

Vehicles: 3 vehicles (one service body truck and two quad cab)	\$76,500
Machinery & Equipment: Fusion equipment	\$2,500
Excavator	\$20,000

Other Regular Capital

Projects: Contractors, locators and other materials	\$379,520
Meters and modules	\$234,250

Water Treatment Plant Regular Capital

R&M Equipment: Repairs & Maintenance tanks and equipment	\$165,000
Water Treatment Plant equipment, upgrades and improvements	\$102,000
Improvements to pumps and motors	\$75,000

Projects

We propose \$5.5 million in CIPs:

- Water Line Reconstruction - \$1,000,000 (from Operating Revenue)
- Berry Hill Industrial Park Water Infrastructure - \$4,500,000
 - \$2,500,000 (from Contribution in aid)
 - \$1,000,000 (from fund balance)
 - \$1,000,000 (from reprogrammed funds)

We forecast the Water fund will withdraw \$496,380 from fund balance due to the Berry Hill Industrial Park Water Infrastructure project.

Adopted Budget - FY 2021

Water

Calculation of Contribution to(from) Fund Balance/General Fund

	Adopted Budget FY 2020	Adopted Budget FY 2021
Estimated Revenue		
Rev-Use Money/Property	238,260	284,940
Charges for Services	8,693,830	8,408,480
Miscellaneous Revenue	78,200	2,581,490
Recovered Cost	13,320	17,980
Total Estimated Revenue	9,023,610	11,292,890
Operating Expenses		
Administration Services	3,296,890	3,656,140
Engineering	371,830	309,270
Distribution	616,960	544,430
Service	222,230	242,590
Meters & Regulators	178,160	140,980
Treatment-Main	359,450	348,620
Laboratory	105,610	104,680
Operations-Main	1,265,960	1,302,370
Operations-Industrial	162,940	156,230
Capital Expenses	1,338,100	926,490
Capital Projects	1,000,000	4,500,000
Total Operating Expenses	8,918,130	12,231,800
Net Operating Income (Loss)	105,480	-938,910
Add:		
Depreciation	1,685,000	1,752,540
Deduct:		
Debt Service Principal	821,300	359,710
Capital Expenditures from Current Operating Funds	0	0
Contribution to City's General Fund	950,300	950,300
Contribution To(From) Retained Earnings	18,880	(496,380)

WATER FUND

ADOPTED BUDGET - CAPITAL & SPECIAL PROJECTS - FY 2021-2025

Project/Source	PL#	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	5 Yr Total
<hr/>							
Water Distribution							
Water Line Reconstruction	60053	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 5,000,000
Berry Hill Industrial Park Water Infrastructure		4,500,000	4,000,000	-	-	-	8,500,000
Water Distribution Total		\$ 5,500,000	\$ 5,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 13,500,000
 Funding Source:							
Utility Fund Revenues		\$ 1,503,620	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 5,503,620
Contribution In Aid		2,500,000	-	-	-	-	2,500,000
Water Fund Balance		496,380	-	-	-	-	496,380
Reprogrammed Funds		1,000,000	-	-	-	-	1,000,000
Bonds		-	4,000,000	-	-	-	4,000,000
Total Funding		\$ 5,500,000	\$ 5,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 13,500,000

WATER FUND
ADOPTED BUDGET - CAPITAL & SPECIAL PROJECTS - FY 2021
FUNDING SOURCES

	Current Revenues	Fund Balance	Debt Financing	Grants/CIA	Other	Project Total
<u>Water Distribution</u>						
Water Line Reconstruction	\$ 1,000,000					\$ 1,000,000
Berry Hill Industrial Park Water Infrastructure	503,620	496,380			3,500,000 (1,2)	4,500,000
Total Projects:	\$ 1,503,620	\$ 496,380	\$ -	\$ -	\$ 3,500,000	\$ 5,500,000

(1) Contribution in Aid (\$2,500,000)

(2) Reprogrammed Funds (1,000,000)

Revenue categories for this fund are as follows:

REVENUE – USE OF MONEY/PROPERTY: This revenue category includes: **Interest on Investments** - All of the City's funds are invested in secured accounts in an attempt to earn the highest possible return. Investments earnings are a function of the money marketplace and swings in the revenues reflect higher or lower interest rates. **Sale-Salvage and Surplus Property** - This revenue represents the sale of surplus vehicles and equipment and funds received from the sale of scrap metal. This category also includes income from the lease of antennas attached to water towers.

CHARGES FOR SERVICES: This revenue category include consumer fees and is the major revenue source for the Water Fund. The residential category is the largest part of that revenue stream, representing 15,000 customers. The commercial base represents 2,198 customers and the industrial base has 35 customers. The municipal class represents charges to the City for its municipal facilities. Other revenues in this category include penalties for non-payment and reconnection fees and charges for commercial, industrial and municipal firelines.

The water consumption charge was increased in FY20 from \$2.40/100 cubic feet to \$2.60/100 cubic feet to increase revenue for pending water capital projects and as recommend in the 2019 biennial rate study. There was a corresponding decrease in the wastewater consumption charge. The water fund has a long-term capital project to replace obsolete water mains, primarily cast iron, with new polyethylene mains. The goal is to increase reliability by decreasing the number of water main breaks and related outages.

MISCELLANEOUS REVENUE:

Miscellaneous revenue includes fees charged to customers who request alternation to their services and revenue for damages from third parties to property and equipment.

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Revenues:					
Rev-Use Money & Property	\$ 280,005	\$ 330,193	\$ 238,260	\$ 284,940	\$ 46,680
Charges for Services	7,935,549	7,760,918	8,693,830	8,408,480	(285,350)
Miscellaneous Rev	69,170	32,615	78,200	2,581,490	2,503,290
Recovered Cost	14,011	21,115	13,320	17,980	4,660
Totals	\$ 8,298,735	\$ 8,144,841	\$ 9,023,610	\$ 11,292,890	\$ 2,269,280

Description

The Water Fund's mission is to provide reliable high quality drinking and industrial process water at the lowest cost possible while complying with all local, state, and federal laws, regulations and standards. The City has owned and operated a potable supply system since 1876. The administrative division of water distribution provides leadership to the 42 employees who work within water distribution, service, engineering and metering.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ 61,654	\$ 58,392	\$ 118,180	\$ 211,610	\$ 93,430
Employee Benefits	49,833	22,971	18,270	33,490	15,220
Purchased Services	104,280	106,931	116,600	102,020	(14,580)
Internal Service	115,412	117,284	117,500	121,610	4,110
Other Operating Exp	61,212	66,053	48,740	54,360	5,620
Cost Allocation	(131,034)	(141,340)	49,260	164,270	115,010
Capital Outlay	-	-	-	-	-
Depreciation	1,419,075	1,432,737	1,464,000	1,489,020	25,020
Debt Service	-	-	-	-	-
Totals	\$ 1,680,432	\$ 1,663,028	\$ 1,932,550	\$ 2,176,380	\$ 243,830

Personnel

One position is shared between Water Distribution Administration and Gas Distribution Administration:

50% Division Director of Water and Gas

In FY2020, a Facilities and Fleet Manager (FFM) position was created from a reclassification of a vacant position in the Water & Gas Division. It is now an allocated position. This employee oversees the maintenance of all Utilities' buildings and of the 100+ utility vehicles in the Department's fleet.

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
DIVISION DIR OF WATER & GAS	0.500	0.500	0.500
FACILITIES & FLEET MANAGER	-	1.000	-
Total	0.500	1.500	0.500

Description

Water Engineering performs complex work managing the design, planning, and coordination of projects to ensure reliable, safe and efficient operation of Danville's water system. This is accomplished by managing projects for new main and service installations, main rehabilitation, economic development, roadway construction and relocations; performing system testing and calculations for adequate capacity; reviewing plans and engineering work performed by consultants and interpreting and implementing regulations related to construction of the water distribution system. In addition, Water Engineering maintains and supports the Water Geographic Information System and provides technical support to operations groups in the areas of measurement, asset management, valve maintenance and unidirectional flushing

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ 167,554	\$ 113,701	\$ 180,150	\$ 185,100	\$ 4,950
Employee Benefits	25,016	16,869	29,470	21,300	(8,170)
Purchased Services	59,984	45,772	133,610	70,300	(63,310)
Internal Service	13,770	13,860	11,050	14,000	2,950
Other Operating Exp	7,320	3,888	11,600	14,400	2,800
Capital Outlay	1,054	1,177	5,950	4,170	(1,780)
Totals	\$ 274,698	\$ 195,267	\$ 371,830	\$ 309,270	\$ (62,560)

Personnel

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
W&G CORROSION TECHNICIAN	-	1.000	-
W&G PROJECT ENGINEER	-	-	0.500
CONSTRUCTION INSPECTOR			0.500
WATER & GAS ENGINEERING AIDE	0.500	-	-
WG GIS ENGINEERING TECHNICIAN	0.500	1.000	1.000
W&G SR ENGINEERING TECHNICIAN	1.000	1.000	1.000
W&G CHIEF ENGINEER	0.500	0.500	0.500
SENIOR SECRETARY	0.250	0.250	0.250
Total	2.750	3.750	3.750

Description

Water Distribution Service installs meters, activates and deactivates AMI modules for meters, and performs field investigations for low and high consumption . Additionally, this division investigates reports of water leaks and responds to water emergencies.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ 26,715	\$ 33,690	\$ 94,030	\$ 97,550	\$ 3,520
Employee Benefits	3,717	4,536	14,600	11,590	(3,010)
Purchased Services	758	111	4,500	3,000	(1,500)
Internal Service	4,442	2,812	8,250	4,400	(3,850)
Other Operating Exp	11,129	7,817	15,000	8,400	(6,600)
Totals	\$ 46,761	\$ 48,966	\$ 136,380	\$ 124,940	\$ (11,440)

Personnel

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
PUBLIC SERVICE WORKER	0.650	0.390	0.130
CONSTRUCTION WORKER	0.780	-	-
MOTOR EQUIPMENT OPERATOR I	0.390	1.040	1.690
MOTOR EQUIPMENT OPERATOR II	0.260	0.130	0.130
MOTOR EQUIPMENT OPERATOR III	-	0.130	0.130
W&G CONSTRUCTION CREW SUPERVSR	0.260	-	-
W&G CREW SUPERVISOR	0.520	0.780	0.650
W&G WELDER/CREW SUPERVISOR	0.130	0.130	0.130
Total	2.990	2.600	2.860

Description

Water Distribution installs, maintains and constructs water mains, purges water lines and installs valves and fire hydrants. This group makes repairs to broken water mains and responds to other emergencies on the water system.

Expenditures

	FY 2018 Actual	FY 201 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ 353,914	\$ 333,141	\$ 371,620	\$ 354,210	\$ (17,410)
Employee Benefits	48,993	46,763	57,660	42,500	(15,160)
Purchased Services	121,620	49,591	73,900	74,150	250
Internal Service	47,775	42,410	49,100	49,800	700
Other Operating Exp	114,933	93,757	145,730	141,420	(4,310)
Capital Outlay	3,401	3,924	4,800	-	(4,800)
Totals	\$ 690,636	\$ 569,586	\$ 702,810	\$ 662,080	\$ (40,730)

Personnel

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
PUBLIC SERVICE WORKER	0.650	0.390	0.130
CONSTRUCTION WORKER	0.780	-	-
MOTOR EQUIPMENT OPERATOR I	0.390	1.040	1.690
MOTOR EQUIPMENT OPERATOR II	0.260	0.130	0.130
MOTOR EQUIPMENT OPERATOR III	-	0.130	0.130
DISPATCHER	0.500	0.500	0.500
W&G SERVICE TECHNICIAN	3.500	3.500	3.500
W&G CREW SUPERVISOR	0.520	0.780	0.650
W&G WELDER/CREW SUPERVISOR	0.130	0.130	0.130
W&G CONSTRUCTION CREW SUPERVSR	0.260	-	-
W&G DISTRIBUTION SUPERVISOR	0.500	0.500	0.500
W&G DISTRIBUTION SUPERINTENDEN	0.500	0.500	0.500
W&G CONSTRUCTION INSPECTOR	-	0.500	-
Total	7.990	8.100	7.860

Description

The Water metering and regulator division is responsible for the maintenance, operation, and installation of the automated meter reading modules and the physical meters. The team tests, calibrates and removes or installs all water meters in the distribution system. The group is responsible for meter disconnects and reconnections, and investigations and operating and maintaining water and fire hydrant valves.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ 74,166	\$ 80,120	\$ 99,030	\$ 101,550	\$ 2,520
Employee Benefits	11,073	11,869	16,150	13,100	(3,050)
Purchased Services	270	285	10,150	1,200	(8,950)
Internal Service	3,903	3,702	5,280	4,450	(830)
Other Operating Exp	11,483	18,303	46,590	20,680	(25,910)
Capital Outlay	706	314	960	-	(960)
Totals	\$ 101,601	\$ 114,593	\$ 178,160	\$ 140,980	\$ (37,180)

Personnel

Two water and gas meter technicians are shared with gas meters and regulators.

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
W&G METER TECHNICIAN	1.350	1.350	0.900
W&G SYSTEMS CONTROL SUPERINTEN	0.500	0.500	0.500
Total	1.850	1.850	1.400

Description

The purpose of the Capital Improvement Program is to ensure the orderly expansion, modification and repair to the water distribution system for improved customer reliability, to allow future growth, and improve operational efficiency. This mission is accomplished by systematic construction and/or modifications to the distribution system.

Expenditures

The increase in the Capital Projects reflects the addition of the Berry Hill Industrial Site Water Infrastructure Project.

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ 119,804	\$ 145,869	\$ 175,420	\$ 193,210	\$ 17,790
Employee Benefits	16,435	19,939	34,100	25,780	(8,320)
Purchased Services	319,348	2,070,287	102,000	-	(102,000)
Internal Service	33,603	32,687	27,900	-	(27,900)
Other Operating Exp	185,751	535,115	380,280	43,900	(336,380)
Capital Outlay	41,299	110,775	108,400	311,600	203,200
Capital Projects	-	-	1,000,000	4,500,000	3,500,000
Contingency Approp	-	-	100,000	-	(100,000)
Totals	\$ 716,240	\$ 2,914,672	\$ 1,928,100	\$ 5,074,490	\$ 3,146,390

Personnel

Hourly water fund employees are accounted for within capital projects through our work order system. Although there are no employees exclusively or specifically assigned to capital projects, we forecast the following results for FY 2019:

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
PUBLIC SERVICE WORKER	1.200	0.720	0.240
CONSTRUCTION WORKER	1.440	-	-
MOTOR EQUIPMENT OPERATOR I	0.720	1.920	3.120
MOTOR EQUIPMENT OPERATOR II	0.480	0.240	0.240
MOTOR EQUIPMENT OPERATOR III	-	0.240	0.240
W&G METER TECHNICIAN	0.150	0.150	0.100
W&G CREW SUPERVISOR	0.960	1.440	1.200
W&G CONSTRUCTION CREW SUPERVSR	0.480	-	-
W&G WELDER/CREW SUPERVISOR	0.240	0.240	0.240
Total	5.670	4.950	5.380

Description

The Water Fund's mission is to provide reliable high quality drinking and industrial process water at the lowest cost possible while complying with all local, state, and federal laws, regulations and standards. The City has owned and operated a potable supply system since 1876.

The administrative division processes accounts payable invoices and weekly and monthly payroll, establishes scheduling, contracts with vendors and plans the annual budget for the Water Treatment facility.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ 114,170	\$ 115,460	\$ 123,930	\$ 69,110	\$ (54,820)
Employee Benefits	16,598	16,735	21,100	8,970	(12,130)
Purchased Services	704	418	1,850	1,970	120
Internal Service	12,791	10,166	15,470	11,530	(3,940)
Other Operating Exp	76,763	88,059	95,990	96,560	570
Cost Allocation	679,225	669,586	775,070	964,840	189,770
Depreciation	120,504	120,478	221,000	263,520	42,520
Debt Service	187,399	151,781	109,930	63,260	(46,670)
Transfer Out	942,300	942,300	950,300	950,300	-
Totals	\$ 2,150,454	\$ 2,114,983	\$ 2,314,640	\$ 2,430,060	\$ 115,420

Personnel

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
SENIOR SECRETARY	0.500	0.500	0.500
WATER TREATMENT MANAGER	1.000	1.000	-
DIVISION DIR WTR/WSTWTR TRTMNT	0.500	0.500	0.500
Total	2.000	2.000	1.000

Description

The Division of Water Treatment is responsible for water supply and treatment including operation and maintenance of raw water intake facilities, the potable water treatment plant, industrial water treatment plant, water booster stations, and water storage facilities. In 1966, the City added an industrial water system to serve the Goodyear Tire & Rubber plant and the City's wastewater treatment plants.

The Water Treatment Plant is designed to purify up to 18 million gallons per day, but currently operates at approximately six million gallons per day.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ 445,634	\$ 464,954	\$ 495,990	\$ 550,650	\$ 54,660
Employee Benefits	64,390	67,628	79,900	69,090	(10,810)
Purchased Services	312,014	99,830	152,800	151,630	(1,170)
Internal Service	689,598	721,731	723,250	683,700	(39,550)
Other Operating Exp	286,482	283,327	440,750	442,650	1,900
Debt Service	2,893	2,112	1,270	14,180	12,910
Totals	\$ 1,801,011	\$ 1,639,582	\$ 1,893,960	\$ 1,911,900	\$ 17,940

Personnel

The Plumbing/Cross Connection Inspector is shared with Community Development.

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
PLUMBING/CROSS CNCTN INSPECTOR	0.500	0.500	0.500
WTR TRTMNT PLNT OPRTR TRAINEE	4.000	4.000	4.000
WATER TRTMNT PLNT OPERATOR III	-	1.000	2.000
WATER TRTMNT PLNT OPERATOR I	3.000	1.000	1.000
WATER TRTMNT PLNT OPERATR SUPV	2.000	3.000	2.000
UTILITY PLANT MAINTENANCE WORK	1.000	-	-
INDUSTRIAL MECHANIC	1.000	1.000	1.000
SENIOR INDUSTRIAL MECHANIC	1.000	2.000	2.000
WATER TREATMENT MANAGER	-	-	1.000
WATER CHEMIST	1.000	1.000	1.000
Total	13.500	13.500	14.500

Description

Water Treatment capital budgets and accounts for the repair and maintenance of equipment and tanks, repairs to the facilities and the replacement of vehicles, pumps, motors and equipment.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Purchased Services	\$ 302,591	\$ 439,672	\$ 290,000	\$ 175,000	\$ (115,000)
Other Operating Exp	14,806	-	-	-	-
Capital Outlay	30,690	46,697	120,000	177,000	57,000
Capital Projects	32,302	-	-	-	-
Totals	\$ 380,389	\$ 486,369	\$ 410,000	\$ 352,000	\$ (58,000)

Description

Water Debt Service budgets and accounts for the retirement of principal for general obligation bonds for the treatment division of the Water fund.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Debt Service	\$ 889,093	\$ 928,353	\$ 821,300	\$ 359,710	\$ (461,590)
Totals	\$ 889,093	\$ 928,353	\$ 821,300	\$ 359,710	\$ (461,590)

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN
PROJECT DESCRIPTION

Project Title: Water Line Reconstruction
Project No: 60053

Department: Utilities
Division: Water Distribution
Section: N/A

Description:

The City has 331 miles of water main in the system. Just over 150 miles are made of cast iron and 34 miles are more than 80 years old. Cast iron mains often fail catastrophically and the result is expensive, disruptive emergency repairs. The failure rate is increasing over time. Annual funding will allow for non-emergency, systematic replacement of these mains with an opportunity to improve water quality and system reliability.

Justification:

Study: Water Distribution Hydraulic Study

Comments:

The Water & Gas Division's Engineering Group models proposed replacements to ensure we are improving delivery if needed and yet not over-sizing (overspending) as well. This aids in water quality and optimizes our investment.

Funding		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
Utility Revenues		1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	5,000,000
Total Funding Sources		1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	5,000,000

Goals/Milestones:

FY 2021	Replace water mains: Cherry Lane-Fenton Pl; Riverside: Audobon-Locust, etc.
FY 2022	Replacement of water mains
FY 2023	Replacement of water mains
FY 2024	Replacement of water mains
FY 2025	Replacement of water mains

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN
PROJECT DESCRIPTION

Project Title: Berry Hill Industrial Park Water Infrastructure
Project No: TBA

Department: Utilities
Division: Water Distribution
Section: N/A

Description:

The first phase of this project will expand the water infrastructure at the Berry Hill Park tying served from the Pittsylvania County Service Authority on the east side. Water will be provided from Danville to Pittsylvania County Service Authority to the industrial park. We estimate approximately four miles of 16" and 20" water main will need to be installed inside the industrial park to serve tenants on the north and west sides of the industrial park.

Justification:

Dominion has announced a project to construct a electric peaking generation facility requiring 20,000 gallons per day but up to 500,000 gallons per day when using alternative fuels. They have requested that the water main be accessible by January 2022. This water main will also serve other parts of the industrial park for potential new tenants.

Comments:

Funding		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
Contribution In Aid		2,500,000	-	-	-	-	2,500,000
Water Fund Balance		496,380					496,380
Utility Fund Revenues		503,620					503,620
Reprogrammed Funds		1,000,000					1,000,000
Bonds		-	4,000,000				4,000,000
Total Funding Sources		4,500,000	4,000,000	-	-	-	8,500,000

Goals/Milestones:

FY 2021	Complete first phase of water main project in the industrial park
FY 2022	Phase two of the water main infrastructure project to connect into Eden water supply
FY 2023	N/A
FY 2024	N/A
FY 2025	N/A

Gas Fund Highlights

Revenue

Charges for Services

Revenues are forecasted based upon results of the 2019 Rate Study, which evaluated 2015-2017 statistics obtained from our customer information system, and further refined by staff to include actual FY 2019 revenue and the effect of an overall rate decrease in the distribution charge of 4% as recommended in the rate study. Charges for Services are within 4% of Budget 2020 and within 7% of Realized 2019 Charges for Services.

Gas expenditures

Engineering: Decrease of \$39,740 due primarily to a decrease in engineering services.

Distribution: Net decrease of \$41,010; decreases occur in essentially every line item with the exception of travel and training, materials and supplies and vehicle expense.

Service: Net increase of \$5,090 for safety equipment

Meters and Regulators: Net decrease of \$16,420 due to decreases in essentially every line item except wages and contractors

Gas Control: Net increase of \$13,850 due to an increase in legal services, travel and training and materials and supplies.

Debt Service: Decrease of \$98,230 in principal payment on general obligation bonds.

Capital Expenses

Regular Capital

Equipment and Vehicles

Shared with Water Fund:

Vehicles: 4 vehicles (one service body truck, two quad cabs and one SUV)	\$111,500
Machinery & Equipment: Fusion equipment	\$2,500
Excavator	\$20,000

Other Regular Capital

Meters and regulators	\$248,950
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Projects

We included \$3,500,000 in Capital Projects for the following:

- Replacement of gas mains and services - \$500,000
- Pittsylvania County Natural Gas Expansion - \$3,000,000
 - \$1,752,290 funded with revenues
 - \$1,247,710 funded from fund balance

We forecast the Gas Fund to withdraw \$1.25 million from fund balance.

Adopted Budget - FY 2021

Gas

Calculation of Contribution to(from) Fund Balance/General Fund

	Adopted Budget FY 2020	Adopted Budget FY 2021
Estimated Revenue		
Rev-Use Money/Property	468,880	459,900
Charges for Services	21,453,960	22,389,840
Miscellaneous Revenue	12,200	7,810
Total Estimated Revenue	21,935,040	22,857,550
Operating Expenses		
Administration Services	3,533,630	3,361,730
Engineering	438,250	398,510
Gas Control	13,324,930	13,274,510
Distribution	524,360	534,350
Service	246,450	251,540
Meters & Regulators	188,380	171,960
Capital Expenses	922,200	845,400
Capital Projects	1,500,000	3,500,000
Total Operating Expenses	20,678,200	22,338,000
Net Operating Income (Loss)	1,256,840	519,550
Add:		
Depreciation	1,556,000	1,542,230
Deduct:		
Debt Service Principal	221,390	123,160
Capital Expenditures from Current Operating Funds	0	0
Contribution to City's General Fund	3,186,330	3,186,330
Contribution To(From) Retained Earnings	(594,880)	(1,247,710)

GAS FUND**ADOPTED BUDGET - CAPITAL & SPECIAL PROJECTS - FY 2021-2025**

Project/Source	PL#	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	5 Yr Total
<hr/>							
Gas Distribution							
Cast Iron Main Replacement	60056	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 2,500,000
Pittsylvania County Natural Gas Expansion		3,000,000	1,000,000	1,000,000	1,000,000	1,000,000	7,000,000
Gas Distribution Total		\$ 3,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 9,500,000
Funding Source:							
Utility Fund Revenues		\$ 2,252,290	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 8,252,290
Fund Balance		1,247,710	-	-	-	-	1,247,710
Total Funding		\$ 3,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 9,500,000

GAS FUND
ADOPTED BUDGET - CAPITAL & SPECIAL PROJECTS - FY 2021
FUNDING SOURCES

	Current Revenues	Fund Balance	Debt Financing	Grants/CIA	Other	Project Total
<i><u>Gas Distribution</u></i>						
Cast Iron Main Replacement	\$ 500,000	\$ -	\$ -	\$ -	\$ -	\$ 500,000
Pittsylvania County Natural Gas Expansion	\$ 1,752,290	\$ 1,247,710	\$ -	\$ -	\$ -	\$ 3,000,000
Total Gas Distribution	\$ 2,252,290	\$ 1,247,710	\$ -	\$ -	\$ -	\$ 3,500,000

Revenue categories for this fund are as follows:

REVENUE – USE OF MONEY/PROPERTY: This revenue category includes: **Interest on Investments** - All of the City's funds are invested in secured accounts in an attempt to earn the highest possible return. Investments earnings are a function of the money marketplace and swings in the revenues reflect higher or lower interest rates. Other sources include: **Rental Income that is offset by vehicle and equipment charges to the divisions for daily and monthly usage.** **Sale-Salvage and Surplus Property** - This revenue represents the sale of surplus vehicles and equipment and funds received from the sale of scrap metal.

CHARGES FOR SERVICES: The major revenue source for the Gas Fund is consumer fees. The residential category is the largest part of that revenue stream representing 13,168 customers. The commercial base represent 1509 customers and the industrial base represents 19 firms, six interruptible and five transport customers. There are 54 municipal class represents gas sold to the City for its municipal facilities. Other revenues in this category include penalties for non-payment and reconnection fees. The monthly charge for the Purchased Gas Adjustment is also included in Charges for Services. In FY20 a rate decrease for the natural gas fund was implemented based on the biennial Cost of Service Study. This rate decrease was implemented through the gas distribution charge based on the cost to serve for each customer class. The reduction in revenue for FY20 and moving forward was \$879,000. The decrease is possible due to the reduction in on-going capital projects. The gas fund is in the final years of a twenty-year gas main replacement project.

MISCELLANEOUS REVENUE: Miscellaneous revenue includes charges to customers who request alternation or expansion of their existing services and for amounts billed to third parties for damages to equipment and infrastructure.

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Revenues:					
Rev-Use Money & Property	\$ 481,369	\$ 539,551	\$ 468,880	\$ 459,900	\$ (8,980)
Charges for Services	21,846,999	23,844,228	21,453,960	22,389,840	935,880
Miscellaneous Rev	3,282	9,287	12,200	7,810	(4,390)
Totals	\$ 22,331,650	\$ 24,393,066	\$ 21,935,040	\$ 22,857,550	\$ 922,510

Description

Danville has been in the gas distribution business since 1876. In 1950, the City was the first to begin receiving natural gas from the new, Transcontinental Gas Pipeline allowing Danville access to gas produced along the Gulf Coast. Danville has a gas-purchasing contract with Muni-Gas of Houston, Texas to purchase wholesale gas discounted from the market price.

Danville's gas system includes more than 356 miles of mains that are 1 ¼ to 12 inches in diameter. Nineteen regulator stations allow Danville to supply just under 15,000 customers. Danville Utilities-Water and Gas is staffed with employees equipped to handle both natural gas and potable water distribution system construction, maintenance, and service.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ 64,059	\$ 59,155	\$ 59,780	\$ 124,280	\$ 64,500
Employee Benefits	49,951	21,367	18,470	27,610	9,140
Purchased Services	44,557	58,665	69,540	71,070	1,530
Internal Service	26,231	31,806	25,920	21,510	(4,410)
Other Operating Exp	226,091	672,001	255,550	247,430	(8,120)
Cost Allocation	1,501,666	1,447,379	1,501,030	1,268,920	(232,110)
Capital Outlay	995	-	-	500	500
Depreciation	1,561,023	1,559,902	1,556,000	1,542,230	(13,770)
Debt Service	67,229	58,054	47,340	58,180	10,840
Transfer Out	3,059,330	3,059,330	3,186,330	3,186,330	-
Totals	\$ 6,601,132	\$ 6,967,659	\$ 6,719,960	\$ 6,548,060	\$ (171,900)

Personnel

The Division Director position is allocated 50/50 to Water Distribution and Gas.

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
DIVISION DIR OF WATER & GAS	0.500	0.500	0.500
Total	0.500	0.500	0.500

Description

Gas Engineering performs complex work managing the design, planning, and coordination of projects to ensure reliable, safe and efficient operation of Danville's natural gas system. This is accomplished by managing projects for new main and service installations, main rehabilitation, economic development, roadway construction and relocations; performing system testing and calculations for adequate capacity; reviewing plans and engineering work performed by consultants and interpreting and implementing regulations related to construction of the gas distribution system. In addition, Gas Engineering maintains and supports the Gas Geographic Information System, ensures compliance with Pipeline Safety and various environmental regulations, including the Distribution Integrity Management Program (DIMP), and performs investigations for response to regulatory and compliance issues. The Gas Engineering group provides technical and operational support for measurement, leak survey and cathodic protection.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ 226,284	\$ 183,942	\$ 214,270	\$ 251,730	\$ 37,460
Employee Benefits	32,769	27,073	32,890	29,940	(2,950)
Purchased Services	112,305	45,250	150,230	74,540	(75,690)
Internal Service	14,747	15,796	14,650	15,000	350
Other Operating Exp	15,849	10,153	19,300	24,490	5,190
Capital Outlay	1,743	2,119	6,910	2,810	(4,100)
Totals	\$ 403,697	\$ 284,333	\$ 438,250	\$ 398,510	\$ (39,740)

Personnel

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
W&G PROJECT ENGINEER	-	-	0.500
W&G CONSTRUCTION INSPECTOR			0.500
WG GIS ENGINEERING TECHNICIAN	1.000	1.000	1.000
WATER & GAS ENGINEERING AIDE	0.500	-	-
W&G SR ENGINEERING TECHNICIAN	1.500	1.000	1.000
W&G CHIEF ENGINEER	0.500	0.500	0.500
W&G COMPLIANCE COORDINATOR	1.000	1.000	1.000
SENIOR SECRETARY	0.250	0.250	0.250
Total	4.750	3.750	3.750

Description

Gas Distribution group safely and properly installs and maintains gas mains, valves, and services. They repair leaks, inspect and repair valves, and demo services as needed. This group responds to natural gas emergencies affecting gas mains and services continuously throughout the year.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ 166,851	\$ 173,073	\$ 269,960	\$ 256,040	\$ (13,920)
Employee Benefits	23,500	24,423	40,850	30,330	(10,520)
Purchased Services	64,393	102,087	94,150	136,080	41,930
Internal Service	21,598	29,521	35,940	24,240	(11,700)
Other Operating Exp	64,889	89,467	81,540	87,660	6,120
Capital Outlay	1,884	1,884	1,920	-	(1,920)
Totals	\$ 343,115	\$ 420,455	\$ 524,360	\$ 534,350	\$ 9,990

Position Notes

Positions are allocated to Water Distribution and Gas Distribution.

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
PUBLIC SERVICE WORKER	1.300	0.780	0.520
CONSTRUCTION WORKER	1.560	-	-
MOTOR EQUIPMENT OPERATOR I	0.780	2.080	3.380
MOTOR EQUIPMENT OPERATOR II	0.520	0.260	0.260
MOTOR EQUIPMENT OPERATOR III	-	0.260	0.260
W&G CREW SUPERVISOR	1.040	1.560	1.300
W&G WELDER/CREW SUPERVISOR	0.260	0.260	0.260
W&G CONSTRUCTION CREW SUPERVSR	0.520	-	-
W&G CONSTRUCTION INSPECTOR	-	0.500	-
W&G DISTRIBUTION SUPERVISOR	0.500	0.500	0.500
W&G DISTRIBUTION SUPERINTENDEN	0.500	0.500	0.500
Total	6.980	6.700	6.980

Description

The Gas Control group manages the purchase and dispatch of the City's natural gas supply. The division participates in negotiations for acquiring gas and delivery contracts to meet system and customer needs and develops and administers cost-effective capacity and commodity procurement strategies. Gas control monitors system pressures, customer usage, capacity limits, and weather to optimize throughput and revenue. The technicians install, operate, and maintain electronic gas measurement equipment.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ 342,895	\$ 318,572	\$ 403,730	\$ 411,440	\$ 7,710
Employee Benefits	47,591	44,428	58,020	50,480	(7,540)
Purchased Services	1,816	7,731	14,720	22,770	8,050
Internal Service	12,783	14,208	13,010	13,000	(10)
Other Operating Exp	38,415	32,653	40,780	46,420	5,640
Source of Supply	13,269,136	14,010,316	12,794,670	12,730,400	(64,270)
Capital Outlay	160	127	-	-	-
Totals	\$ 13,712,796	\$ 14,428,035	\$ 13,324,930	\$ 13,274,510	\$ (50,420)

Personnel

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
GAS CONTROL TECHNICIAN	2.000	2.000	2.000
GAS CONTROL MANAGER	1.000	1.000	1.000
UTILITY OPERATOR	3.200	3.200	3.600
Total	6.200	6.200	6.600

Description

The Gas metering and regulator division is responsible for the maintenance, operation, and installation of the automated meter reading modules and the physical meters. The team tests, calibrates and removes or installs all gas meters in the distribution system. The group is responsible for meter disconnects and reconnections, and investigations and the operation and maintenance of gas valves.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ 89,060	\$ 100,076	\$ 107,730	\$ 107,900	\$ 170
Employee Benefits	13,086	14,631	15,750	13,560	(2,190)
Purchased Services	2,785	1,989	13,140	24,620	11,480
Internal Service	6,632	4,857	6,990	-	(6,990)
Other Operating Exp	22,786	32,755	43,810	25,880	(17,930)
Capital Outlay	706	314	960	-	(960)
Totals	\$ 135,055	\$ 154,622	\$ 188,380	\$ 171,960	\$ (16,420)

Personnel

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
W&G METER TECHNICIAN	1.350	1.350	0.900
W&G SYSTEMS CONTROL SUPERINTEN	0.500	0.500	0.500
	1.850	1.850	1.400

Description

The purpose of the Capital Improvement Program is to ensure the orderly expansion, modification and repair to the Gas distribution system for improved customer reliability, to allow future growth, and improve operational efficiency. This mission is accomplished by systematic construction and/or modifications to the distribution system.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ 208,410	\$ 168,371	\$ 177,940	\$ 192,290	\$ 14,350
Employee Benefits	29,744	23,407	34,990	22,690	(12,300)
Purchased Services	1,570,378	1,363,656	147,500	145,000	(2,500)
Internal Service	56,778	37,378	68,450	-	(68,450)
Other Operating Exp	194,903	157,729	284,920	336,920	52,000
Capital Outlay	41,416	127,397	108,400	148,500	40,100
Capital Projects	-	-	1,500,000	3,500,000	2,000,000
Contingency Approp	-	-	100,000	-	(100,000)
Totals	\$ 2,101,629	\$ 1,877,938	\$ 2,422,200	\$ 4,345,400	\$ 1,923,200

Personnel

Hourly Gas fund employees are accounted for within capital projects through our work order system. Although there are no employees exclusively or specifically assigned to capital projects, we forecast the following results for FY 2021:

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
PUBLIC SERVICE WORKER	1.300	1.280	0.480
CONSTRUCTION WORKER	1.560	-	-
MOTOR EQUIPMENT OPERATOR I	0.780	2.080	3.120
MOTOR EQUIPMENT OPERATOR II	0.520	0.260	0.240
MOTOR EQUIPMENT OPERATOR III	-	0.260	0.240
W&G METER TECHNICIAN	-	-	0.100
W&G CREW SUPERVISOR	1.040	1.560	1.200
W&G WELDER/CREW SUPERVISOR	0.260	0.260	0.240
W&G CONSTRUCTION CREW SUPERVSR	0.520	-	-
W&G DISTRIBUTION SUPERVISOR	0.500	0.500	-
W&G DISTRIBUTION SUPERINTENDEN	0.500	0.500	-
Total	6.980	6.700	5.620

Description

Gas Debt Service budgets and accounts for the retirement of principal for general obligation bonds for the Gas fund.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Debt Service	\$ 224,650	\$ 234,385	\$ 221,390	\$ 123,160	\$ (98,230)
Totals	\$ 224,650	\$ 234,385	\$ 221,390	\$ 123,160	\$ (98,230)

Description

The Gas Distribution Service group ensures that the system is safe and reliable by conducting leak surveys of the system and measuring cathodic protection and odorant levels. They install meters and the AMI equipment that allows remote meter reading for billing. The distribution group is trained to recognize abnormal operating conditions that might affect public safety and they investigate customers' fuel pipes and appliances for leaks and proper installation. This group provides first response to emergency calls continuously throughout the year.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ 166,239	\$ 183,497	\$ 178,920	\$ 185,320	\$ 6,400
Employee Benefits	23,290	25,797	25,790	22,970	(2,820)
Purchased Services	2,006	2,454	8,340	2,390	(5,950)
Internal Service	22,067	22,184	24,200	24,200	-
Other Operating Exp	9,121	9,732	9,200	16,660	7,460
Capital Outlay	1,517	2,040	-	-	-
Totals	\$ 224,240	\$ 245,704	\$ 246,450	\$ 251,540	\$ 5,090

Personnel

The Dispatcher is a shared position with the Electric Fund.

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
DISPATCHER	0.500	0.500	0.500
W&G SERVICE TECHNICIAN	3.500	3.500	3.500
	4.000	4.000	4.000

Accomplishments

Work with coordination with Customer Service to complete internal investigations and customer requests safely and efficiently.

Goals

Improve day-time response for leak investigations to an average response of less than ten minutes.

Improve over-all response time for leak investigations to an average response of less than thirty five minutes.

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN
PROJECT DESCRIPTION

Project Title: Cast Iron Main Replacement
Project No: 60056

Department: Utilities
Division: Gas Distribution
Section: N/A

Description:

Pipeline transportation is one of the safest and most cost-effective ways to transport natural gas. However, in 2011, following major natural gas pipeline incidents, DOT and PHMSA issued a Call to Action to accelerate the repair, rehabilitation, and replacement of the highest-risk pipeline infrastructure. Among other factors, pipeline age and material are significant risk indicators. Pipelines constructed of cast and wrought iron, as well as bare steel services, are the pipelines that pose the highest-risk for Danville.

This project provides funding for the continued replacement of our highest risk gas mains and steel service lines attached to them. The new pipe is polyethylene which does not corrode and has joints that are by design, stronger than the pipe.

Justification:

This project will increase public safety, reduce O&M by reducing the number of leak investigations and repairs, reduce gas loss, and reduce unplanned outages from hazardous leaks.

Comments:

The Cast Iron replacement study was originally completed in 1994 and revised in 2008.

The Distribution Integrity Management Plan helps captures the threat assessment for the gas system and mitigation measures.

Funding		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
Utility Revenues		500,000	500,000	500,000	-	-	1,500,000
Total Funding Sources		500,000	500,000	500,000	-	-	1,500,000

Goals/Milestones:

FY 2021	Replace cast iron mains that have reached the end of life resulting in potential gas leaks
FY 2022	Replace cast iron mains that have reached the end of life resulting in potential gas leaks
FY 2023	Replace ductile iron mains, aerial crossings, regulator stations and metersets that represent the highest risk or poorest performing assets remaining in the system.
FY 2024	N/A
FY 2025	N/A

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN
PROJECT DESCRIPTION

Project Title: Pittsylvania County Natural Gas Expansion
Project No: TBA

Department: Utilities
Division: Gas Distribution
Section: N/A

Description:

Expand natural gas service into Pittsylvania County regions in conjunction with PCSA and nDanville projects. This will increase gas consumption/revenue and potentially lower electric demand during winter months. Natural gas is a cheaper cleaner burning fuel than propane. The majority of the City's gas hedges will expire in March 2021 allowing for a very cost effective source of heating for these potential new customers.

Justification:

This project will expand natural gas coverage to areas allowed by the State Corporation Commission. It is our expectation that as more customers switch to natural gas heating, gas consumption will increase and customers will have access to a consistent lower cost of heating. The indirect benefits are that the electric fund will see less demand in the winter when transmission peaks usually occur if a significant number of customers convert from electric to natural gas for heating. This could help avoid increasing transmission costs on the electric side providing some rate relief.

Natural gas is often praised as a clean energy alternative. It burns more cleanly than other fossil fuels, emitting lower levels of harmful emissions such as carbon monoxide, carbon dioxide and nitrous oxides. Customers would likely see a lower cost of heating if they decided to switch from propane to natural gas. Propane is typically three times higher than the cost of natural gas.

Comments:

Funding		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
Utility Revenues		1,752,290	1,000,000	1,000,000	1,000,000	1,000,000	5,752,290
Gas Fund		1,247,710	-	-	-	-	1,247,710
Total Funding Sources		3,000,000	1,000,000	1,000,000	1,000,000	1,000,000	7,000,000

Goals/Milestones:

FY 2021	Expand Natural Gas Service
FY 2022	Expand Natural Gas Service
FY 2023	Expand Natural Gas Service
FY 2024	Expand Natural Gas Service
FY 2025	Expand Natural Gas Service

Electric Fund Highlights

Revenue

Charges for Services

Revenues are forecasted based upon our 2019 Rate Study data provided by our rate consultant and further adjusted for noted changes in consumption patterns. In total, our forecasted 2021 Charges for Services increased by \$834,310 from Charges for Services budgeted for FY 2020. We project the power cost adjustment (a component of revenue) to remain the same at \$.013 per kWh for FY 2021. The projection for gross revenue from customers in FY 2021 is \$130,044,100.

Electric expenditures

Administration Services: Net increase of \$26,790 resulting from an increase in salary adjustments and a decrease in internal allocations

Engineering: Increase of \$84,650 due to the net effect of an increase in salary and wages offset by a decrease in maintenance service contracts.

Distribution: Decrease of \$161,650 due to a decrease of \$195,000 in vehicle expense.

Meters: Net increase of \$3,880 for uniforms and maintenance service contracts offset by a decrease in computers and materials and supplies.

Substations: Decrease of \$84,460 composed of a decrease for contractors, building repairs, wages and benefits and materials and supplies.

Hydro-Electric: Increase of \$88,810 for engineering services, contractors and maintenance supplies

Generators: An increase of \$341,720 over all line items except for contractors.

Utility Administrative Services: Increase of \$518,340 for management consulting services of \$379,000 and rebate expense of \$168,000.

Support Services: Decrease of \$28,600 due to decreases in all line items except salaries.

Debt Service: \$235,890 increase represents debt service for 2018 general obligation bonds

Source of Supply: Purchased Power costs are projected to increase \$422,660.

Capital Expenses:

Regular Capital

The budget for system maintenance and new service installations of \$265,580 reflects a decrease of \$3,239,950 primarily due to the reductions of contractor expenses for tree trimming. This will be completed by hiring additional staff. In addition to system maintenance and new service installations, included in regular capital are:

Purchase of Transformers	\$780,000
Replacement of four line crew pickup trucks/ tree trimming equipment (skid steer)	\$219,000
Existing capital leases	\$146,530
Purchase of electric meters and sockets	\$119,520

Projects

We included \$5,800,000 in Capital Improvement Projects:

- Substation Upgrades - \$4,000,000
- Line Rebuilds/25kV Conversion - \$1,800,000

All projects will be financed with bonds.

We forecast the Electric Fund will contribute \$151,950 to its fund balance in fiscal 2021.

Adopted Budget - FY 2021

Electric

Calculation of Contribution to(from) Fund Balance/General Fund

	Adopted Budget FY 2020	Adopted Budget FY 2021
Estimated Revenue		
Rev-Use Money/Property	1,680,280	1,564,180
Charges for Services	127,509,640	128,343,950
Miscellaneous Revenue	168,000	130,000
Recovered Cost	6,000	5,970
Non-Revenue Receipts	0	0
Total Estimated Revenue	129,363,920	130,044,100
Operating Expenses		
Administration Services	6,270,960	6,338,960
Utility Administrative Services	778,630	1,296,970
Support Services	366,700	338,100
Engineering	959,840	1,044,490
Distribution	109,027,030	109,613,840
Meters	379,700	383,580
Transmissions	190,000	175,000
Substations	1,421,140	1,336,680
Hydro-Electric Plant	889,770	978,580
Generators	27,000	368,720
Customer Services	0	0
Capital Expenses	4,005,530	3,306,680
Capital Projects	500,000	0
Total Operating Expenses	124,816,300	125,181,600
Net Operating Income (Loss)	4,547,620	4,862,500
Add:		
Depreciation	8,573,000	8,871,610
Deduct:		
Debt Service Principal	2,916,660	3,152,550
Capital Expenditures from Current Operating Funds	0	0
Contribution to City's General Fund	10,429,610	10,429,610
Contribution To(From) Retained Earnings	(225,650)	151,950

ELECTRIC FUND
ADOPTED BUDGET - CAPITAL & SPECIAL PROJECTS - FY 2021-2025

Project/Source	PL#	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	5 Yr Total
<hr/>							
Distribution							
Line Rebuilds/25 kV Conversion	60654	\$ 1,800,000	\$ 1,600,000	\$ 1,600,000	\$ 1,600,000	\$ 1,500,000	\$ 8,100,000
Distribution Total		\$ 1,800,000	\$ 1,600,000	\$ 1,600,000	\$ 1,600,000	\$ 1,500,000	\$ 8,100,000
Substations							
Substation Upgrades	61029	\$ 4,000,000	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 16,000,000
Substations Total		\$ 4,000,000	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 16,000,000
Transmission							
AEP Fourth Delivery Point - West Fork	61251	\$ -	\$ 4,000,000	\$ -	\$ -	\$ -	\$ 4,000,000
Transmission Total		\$ -	\$ 4,000,000	\$ -	\$ -	\$ -	\$ 4,000,000
Fund Total		\$ 5,800,000	\$ 8,600,000	\$ 4,600,000	\$ 4,600,000	\$ 4,500,000	\$ 28,100,000
Funding Source:							
Bonds		\$ 5,800,000	\$ 8,600,000	\$ 4,600,000	\$ 4,600,000	\$ 4,500,000	\$ 28,100,000
Total Funding		\$ 5,800,000	\$ 8,600,000	\$ 4,600,000	\$ 4,600,000	\$ 4,500,000	\$ 28,100,000

ELECTRIC FUND
ADOPTED BUDGET - CAPITAL & SPECIAL PROJECTS - FY 2021-2025

Project/Source	PL#	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	5 Yr Total
Distribution							
Line Rebuilds/25 kV Conversion	60654	\$ 1,800,000	\$ 1,600,000	\$ 1,600,000	\$ 1,600,000	\$ 1,500,000	\$ 8,100,000
Distribution Total		\$ 1,800,000	\$ 1,600,000	\$ 1,600,000	\$ 1,600,000	\$ 1,500,000	\$ 8,100,000
Substations							
Substation Upgrades	61029	\$ 4,000,000	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 16,000,000
Substations Total		\$ 4,000,000	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 16,000,000
Transmission							
AEP Fourth Delivery Point - West Fork	61251	\$ -	\$ 4,000,000	\$ -	\$ -	\$ -	\$ 4,000,000
Transmission Total		\$ -	\$ 4,000,000	\$ -	\$ -	\$ -	\$ 4,000,000
Fund Total		\$ 5,800,000	\$ 8,600,000	\$ 4,600,000	\$ 4,600,000	\$ 4,500,000	\$ 28,100,000
Funding Source:							
Bonds		\$ 5,800,000	\$ 8,600,000	\$ 4,600,000	\$ 4,600,000	\$ 4,500,000	\$ 28,100,000
Total Funding		\$ 5,800,000	\$ 8,600,000	\$ 4,600,000	\$ 4,600,000	\$ 4,500,000	\$ 28,100,000

Revenue categories for this fund are as follows:

REVENUE – USE OF MONEY/PROPERTY: This revenue category includes: **Interest on Investments** - All of the City's funds are invested in secured accounts in an attempt to earn the highest possible return. Investments earnings are a function of the money marketplace and swings in the revenues reflect higher or lower interest rates.

Other sources include: **Rental Income** that is offset by vehicle and equipment charges to the divisions for daily and monthly usage and a warehouse administration fee charged to each utility division.... **Sale-Salvage and Surplus Property** - This revenue represents the sale of surplus vehicles and equipment and funds received from the sale of scrap metal. Also included are income for the lease of real property and pole attachment fees charged to other utility companies for permitting attachment of their utility lines to poles owned and maintained by the City of Danville.

CHARGES FOR SERVICES: This revenue category include consumer fees and is the major revenue source for the Electric Fund. The residential category is the largest part of that revenue stream, representing 37,117 customers. The commercial base represent 4,701 customers and the industrial base has 31 customers. Lighting revenue represents off-street and security lighting sales as well as municipal street lighting. The municipal class represents electricity sold to the City for its municipal facilities. Other revenues in this category include penalties for non-payment and reconnection fees and charges. In FY20, power costs are projected to be lower than in FY19 due to the improved production at Prairie State. This generation asset accounts for approximately 40% of Danville's power supply. Also, PJM capacity costs will be lower in FY20 than FY19 due to new generation being built in the PJM territory. This will also be the case in FY21 before returning to average capacity costs in FY22.

MISCELLANEOUS REVENUE: Miscellaneous revenue includes charges to customers who request alternation or expansion of their existing services and for amounts billed to third parties for damages to equipment and infrastructure.

RECOVERED COST: This revenue includes insurance reimbursements and restitution from third parties.

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Revenues:					
Revenue-Use Money & Property	\$ 1,374,906	\$ 2,012,606	\$ 1,680,280	\$ 1,564,180	\$ (116,100)
Charges for Services	128,311,755	117,994,168	127,509,640	128,343,950	834,310
Miscellaneous Rev	381,229	195,986	168,000	130,000	(38,000)
Loan Proceeds	6,517	189,762	-	5,970	5,970
Recovered Costs	-	-	6,000	-	(6,000)
Totals	\$ 130,074,407	\$ 120,392,522	\$ 129,363,920	\$ 130,044,100	\$ 680,180

Description

The mission of the Electric Fund is to provide reliable and affordable electric service to its customers. The Electric Fund includes the Division of Power and Light and functions as the cost allocation center for the Utilities Department's Administration, Customer Service, and Support Services Divisions that serve the Electric, Gas, Water, Wastewater, and Telecommunications Funds.

Expenditures

The majority of the increase in Cost Allocation represents the Electric Funds reimbursement to the General Fund for Customer Services costs. This division of the Electric Fund has been transferred to the Finance Department, Customer Accounting Division in the amount of \$1,370,590. The balance of the increase reflects the actual increase in other Cost Allocations.

Cost of the Pay Study and Pay-for-Performance are posted to this account to be distributed to operations after final approval of the budget.

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures					
Personnel Services	\$ 173,648	\$ 112,140	\$ 86,910	\$ 309,160	\$ 222,250
Employee Benefits	302,855	(5,056)	182,380	177,970	(4,410)
Purchased Services	372,970	395,973	360,310	395,310	35,000
Internal Service	61,792	88,567	59,230	59,860	630
Other Operating Exp	734,843	979,801	874,300	831,660	(42,640)
Cost Allocation	1,058,346	1,404,797	2,734,250	2,636,340	(97,910)
Capital Outlay	-	-	-	-	-
Depreciation	240,897	197,346	205,000	177,810	(27,190)
Debt Service	1,667,141	1,618,832	1,574,300	1,580,830	6,530
Transfer Out	10,021,610	10,021,610	10,429,610	10,429,610	-
Totals	\$ 14,634,102	\$ 14,814,010	\$ 16,506,290	\$ 16,598,550	\$ 92,260

Personnel

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
DIVISION DIR OF POWER & LIGHT	1.000	1.000	1.000
Total	1.000	1.000	1.000

Description

Electric engineering is responsible for engineering capital and maintenance projects, distribution upgrades, commercial and residential installations and any form of customer service request. The division also assists electric line crews with power restoration.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures					
Personnel Services	\$ 530,446	\$ 438,260	\$556,860	\$ 662,010	\$ 105,150
Employee Benefits	78,361	64,849	85,790	76,230	(9,560)
Purchased Services	45,277	106,240	122,580	134,420	11,840
Internal Service	40,386	43,183	40,490	490	(40,000)
Other Operating Exp	51,831	75,850	152,240	171,340	19,100
Capital Outlay	695	1,044	1,880	-	(1,880)
Totals	\$ 746,996	\$ 729,426	\$959,840	\$ 1,044,490	\$ 84,650

Personnel

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
SENIOR SECRETARY	0.500	0.500	0.500
ELECTRIC ENGINEERING AIDE	1.000	-	1.000
SR ELEC GIS/CAD TECHNICIAN	-	1.000	1.000
ELECTRIC ENGINEERING TECH	-	2.000	2.000
ELECTRIC SR ENGINEERING TECH	4.000	2.000	2.000
ELEC ENG TECH/ COMPLIANCE COOR	1.000	1.000	2.000
ELECTRIC ENGINEERING TECH SPVR	1.000	2.000	-
SENIOR ELECTRIC ENGINEER	-	-	1.000
ELECTRIC ENGINEER	2.000	2.000	1.000
ELCTRC DRAFTING/GIS TECH	1.000	-	1.000
Total	10.500	10.500	11.500

Description

The Electric Distribution Department installs and repairs streetlights and outdoor customer lights, repairs and replaces overhead and underground primary, repairs and replaces poles, conductors, switches and fuses and responds to customer outages twenty four hours per day. The Electric Distribution Department is also responsible for right of way clearing.

The electric distribution system covers approximately 500 square miles including the City and portions of three adjacent counties. Service is provided to approximately 42,000 customer locations through 1,400 miles of 12,470/7,200 volt distribution lines.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures					
Personnel Services	\$ 1,300,892	\$ 1,362,850	\$ 1,147,260	\$ 1,254,430	\$ 107,170
Employee Benefits	168,178	178,193	153,490	144,470	(9,020)
Purchased Services	2,718,854	2,366,774	2,610,650	2,534,720	(75,930)
Internal Service	205,869	199,003	220,200	24,500	(195,700)
Other Operating Exp	412,655	420,413	455,150	472,260	17,110
Source of Supply	101,622,531	92,238,654	96,067,000	96,489,660	422,660
Capital Outlay	4,721	5,683	5,280	-	(5,280)
Depreciation	7,758,634	7,930,890	8,368,000	8,693,800	325,800
Totals	\$ 114,192,334	\$ 104,702,460	\$ 109,027,030	\$ 109,613,840	\$ 586,810

Personnel

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
DISPATCHER	1.000	1.000	1.000
CREW SUPERVISOR	1.000	-	-
ELECTRIC GROUNDWORKER	-	0.420	0.420
ELECT LINE OH/UG EQUIP OPER	1.400	0.840	0.570
ELECTRIC LINE TECHNICIAN I	2.520	0.420	2.100
ELECTRIC LINE TECHNICIAN II	3.360	4.210	2.940
ELECTRIC LINE TECHNICIAN III	3.360	3.780	3.780
ELECTRIC LINE CREW SUPERVISOR	2.100	2.100	2.100
ELECTRIC VEGETATION ROW SUPER	-	0.420	0.420
ELECTRC DSTRBTN SUPERINTENDENT	1.000	1.000	1.000
ELECTRIC RIGHT OF WAY TRIMMER	3.000	1.170	1.260
INSPECTOR-CONTRACTOR MANAGER	1.000	1.000	2.000
Total	19.740	16.360	17.590

Description

Electric substations budgets and accounts for the maintenance, operation, and repair of seventeen substations, twenty one regulator sites and the electronic systems and devices associated with them. Substations' responsibilities also include the systems and software that monitor the electric system and dispatch personnel for maintenance and restoration services within the electric distribution territory. Additionally, electric substations tests and inspects substations and related facilities.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures					
Personnel Services	\$ 581,238	\$ 694,325	\$ 708,310	\$ 742,250	\$ 33,940
Employee Benefits	76,165	88,461	100,210	87,710	(12,500)
Purchased Services	50,982	260,076	327,790	198,270	(129,520)
Internal Service	136,081	147,948	106,100	125,830	19,730
Other Operating Expenses	311,303	191,615	177,770	182,620	4,850
Capital Outlay	224	611	960	-	(960)
Totals	\$ 1,155,993	\$ 1,383,036	\$ 1,421,140	\$ 1,336,680	\$ (84,460)

Personnel

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
IT SCADA SYSTEMS ANALYST	-	1.000	1.000
ELECTRIC GROUNDWORKER	-	0.010	0.010
ELECT LINE OH/UG EQUIP OPER	-	0.020	0.020
ELECTRIC LINE TECHNICIAN I	0.060	0.010	0.050
ELECTRIC LINE TECHNICIAN II	0.080	0.100	0.070
ELECTRIC LINE TECHNICIAN III	0.080	0.090	0.090
ELECTRIC LINE CREW SUPERVISOR	0.050	0.050	0.050
ELECTRIC VEGETATION ROW SUPER	-	0.010	0.010
ELECTRIC SUBSTATION TECHNICIAN	4.000	3.000	3.000
UTILITY OPERATOR	4.800	4.800	5.400
ELCTRC SUBSTN SUPERVISOR	-	1.000	1.000
ELCTRC SUBSTN SUPERINTENDENT	1.000	1.000	-
IT SCADA SYSTEMS ANALYST	1.000	-	-
ELECTRIC RIGHT OF WAY TRIMMER	-	0.030	0.030
Total	11.070	11.120	10.730

Description

The electric metering division is responsible for the maintenance and operation of the automated meter reading information and the physical meters. The team tests, calibrates and removes or installs any meter assigned within the 500 square miles of the system. Additionally, the group is responsible for meter disconnects and reconnects and investigations for meter tampering.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures					
Personnel Services	\$ 207,491	\$ 191,709	\$ 257,590	\$ 265,860	\$ 8,270
Employee Benefits	28,489	26,218	37,750	32,350	(5,400)
Purchased Services	4,832	8,915	12,790	12,390	(400)
Internal Service	28,947	26,853	28,000	30,000	2,000
Other Operating Expenses	16,945	34,240	40,690	42,980	2,290
Capital Outlay	3,027	2,825	2,880	-	(2,880)
Totals	\$ 289,731	\$ 290,760	\$ 379,700	\$ 383,580	\$ 3,880

Personnel

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
AMI SUPPORT TECHNICIAN	-	1.000	1.000
ELECTRIC METER TECHNICIAN II	2.000	1.000	1.000
ELECTRIC METER TECHNICIAN III	1.000	2.000	1.000
ELECTRIC METER SUPERVISOR	1.000	1.000	1.000
Total	4.000	5.000	4.000

Description

Electric Hydro section provides 10 MW of peaking power to the City of Danville power distribution grid .This is accomplished by operating hydro-electric generators and related equipment, and inspecting and maintaining facilities, dams, pipeline and reservoirs. Hydro Electric follows the guidelines, policies and regulations set by the Federal Energy Regulatory Commission.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures					
Personnel Services	\$ 355,944	\$ 349,053	\$ 387,290	\$ 382,160	\$ (5,130)
Employee Benefits	45,408	45,728	52,690	45,300	(7,390)
Purchased Services	152,699	192,234	351,310	742,730	391,420
Internal Service	20,719	20,640	20,640	20,540	(100)
Other Operating Expenses	69,612	76,495	104,840	156,570	51,730
Capital Outlay	-	278	-	-	-
Totals	\$ 644,382	\$ 684,428	\$ 916,770	\$ 1,347,300	\$ 430,530

Personnel

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
HYDRO-ELECTRIC ATTENDENT	1.000	1.000	1.000
HYDRO-ELECTRIC OPERATOR	4.000	4.000	4.000
HYDRO-ELECTRIC MAINTENANCE TEC	1.000	1.000	1.000
HYDRO-ELECTRIC SUPERINTENDENT	1.000	1.000	1.000
Total	7.000	7.000	7.000

Description

Electric transmission budgets and accounts for maintenance of the transmission line from the Pinnacles Hydro generation facility to the Westfork substation. Taxes on electric infrastructure and facilities located outside of the City of Danville are also included in electric transmission.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures					
Personnel Services	\$ -	\$ -	\$ -	\$ -	\$ -
Employee Benefits	-	-	-	-	-
Purchased Services	224,728	62,962	75,000	75,000	-
Other Operating Expenses	94,935	97,075	115,000	100,000	(15,000)
Totals	\$ 319,663	\$ 160,037	\$ 190,000	\$ 175,000	\$ (15,000)

Personnel

There are no employees specifically assigned to electric transmission. Hourly employees may charge a portion of their time to electric transmission through the work order system.

Description

Electric debt service budgets and accounts for the retirement of principal for general obligation bonds for the treatment division of the Electric fund.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures					
Debt Service	\$ 2,606,067	\$ 2,686,608	\$ 2,916,660	\$ 3,152,550	\$ 235,890
Totals	\$ 2,606,067	\$ 2,686,608	\$ 2,916,660	\$ 3,152,550	\$ 235,890

Description

The purpose of the Capital Improvement Program is to ensure the orderly expansion or modification to the electric system for improved customer reliability, to allow future growth, and improve operational efficiency. This is accomplished by construction and/ or modifications to the distribution system, transmission system, and substations and implementation of computer applications.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures					
Personnel Services	\$ 600,005	\$ 570,812	\$ 1,024,960	\$ 1,161,530	\$ 136,570
Employee Benefits	79,876	76,668	144,040	141,100	(2,940)
Purchased Services	4,543,445	7,833,386	355,000	40,000	(315,000)
Internal Service	144,269	118,565	185,300	1,000	(184,300)
Other Operating Exp	4,481,025	4,444,557	1,527,470	1,593,520	66,050
Capital Outlay	2,224,502	148,135	137,320	223,000	85,680
Debt Service	-	-	500,000	-	(500,000)
Transfer Out	7,329	7,329	131,440	146,530	15,090
Capital Projects	130,000	-	-	-	-
Contingency Approp	-	-	500,000	-	(500,000)
Totals	\$ 12,210,451	\$ 13,199,452	\$ 4,505,530	\$ 3,306,680	\$ (1,198,850)

Personnel

While there are no employees exclusively or specifically assigned to capital projects, hourly power and light employees are accounted for within capital projects through our work order system. Full-time Equivalents as budgeted are listed below.

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
ELECTRIC GROUNDWORKER	-	0.570	0.570
ELECT LINE OH/UG EQUIP OPER	0.600	1.140	1.140
ELECTRIC LINE TECHNICIAN I	3.420	0.570	2.850
ELECTRIC LINE TECHNICIAN II	4.560	5.700	3.990
ELECTRIC LINE TECHNICIAN III	4.560	5.130	5.130
ELECTRIC LINE CREW SUPERVISOR	2.850	2.850	2.850
ELECTRIC VEGETATION ROW SUPER	-	0.570	0.570
ELECTRIC RIGHT OF WAY TRIMMER	-	1.710	1.710
Total	15.990	18.240	18.810

Description

Electric Non-Capital accounts for Home\$ave, Danville Utilities' residential energy efficiency rebate program and Custom\$ave, Danville Utilities' commercial and industrial energy efficiency rebate program. In addition, to rebates, advertising, promotion and contractor expenses are accounted for within Electric Non-Capital. In Fiscal 2019, funding for the program was sourced from unexpended balances of closed capital projects.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures					
Purchased Services	\$ 228,169	\$ 262,590	\$ -	\$ -	\$ -
Other Operating Exp	1,682	421	-	-	
Debt Service	127,351	203,563	-	-	-
Totals	\$ 357,202	\$ 466,574	\$ -	\$ -	\$ -

Personnel

There are no employees accounted for within "Electric Non Capital" however the Key Accounts Manager administers Home\$ave and Custom\$ave, our energy efficiency programs.

Description

Utilities administration is responsible managing and providing leadership to all five utilities. Additional responsibilities include leveraging opportunities to make improvements to the City's water, wastewater treatment, natural gas, electric and telecommunication systems to benefit all ratepayers.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures					
Personnel Services	\$ 876,149	\$ 801,222	\$ 829,480	\$ 820,160	\$ (9,320)
Employee Benefits	129,049	117,801	175,320	104,950	(70,370)
Purchased Services	343,141	487,182	362,880	794,080	431,200
Internal Service	50,256	38,047	74,020	42,070	(31,950)
Other Operating Expenses	153,341	129,222	154,470	146,900	(7,570)
Cost Allocation	(308,086)	(272,533)	(307,490)	(280,000)	27,490
Capital Outlay	4,674	3,668	930	930	-
Debt Service	-	-	-	126,000	126,000
Reimbursement	50,000	50,000	50,000	50,000	-
Totals	\$ 1,298,524	\$ 1,354,609	\$ 1,339,610	\$ 1,805,090	\$ 465,480

Personnel

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
PUBLIC INFORMATION OFFICER	1.000	1.000	1.000
SR APPLICATION SUPPORT SPECLST	1.000	1.500	1.000
SENIOR SECRETARY	1.000	1.000	1.000
KEY ACCOUNTS MANAGER	1.000	1.000	1.000
DIRECTOR OF UTILITIES	1.000	1.000	1.000
SENIOR ACCOUNT CLERK	2.000	2.000	2.000
ACCOUNTANT II	1.000	1.000	1.000
TRAINING & SAFETY MANAGER	1.000	1.000	1.000
WAREHOUSE STOCK CLERK	3.000	3.000	3.000
UTILITIES WAREHOUSE MANAGER	1.000	1.000	1.000
DIVSN DIR OF SUPPORT SERVICES	1.000	1.000	1.000
FACILITY & FLEET MGR	-	-	1.000
SYSTEM ANALYST	-	-	0.500
Total	14.000	14.500	14.000

Description

This activity has been reassigned to the Finance Department, Customer Accounting Division in the General Fund. The Electric Fund reimburses the General Fund for the cost of this activity. See Electric Administration, Cost Allocation.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures					
Personnel Services	\$ 579,754	\$ 532,908	\$ -	\$ -	\$ -
Employee Benefits	88,753	173,353	-	-	-
Purchased Services	15,816	179,365	-	-	-
Internal Service	18,228	18,034	-	-	-
Other Operating Expenses	517,923	601,828	-	-	-
Capital Outlay	-	5,309	-	-	-
Debt Service	6,616	15,106	-	-	-
Totals	\$ 1,227,090	\$ 1,525,903	\$ -	\$ -	\$ -

Personnel

Effective FY 2020 Personnel have been reassigned to the Finance Department, Customer Accounts Division.

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
DIVSN DIR OF CUSTOMER SERVICE	1.000	-	-
CUSTOMER SERVICE REPRESENTATIV	8.000	-	-
SR CUS SERVICE/TRAINING REP	1.000	-	-
UTILITY BILLING CLERK	3.000	-	-
UTILITY SPECIAL BILLING CLERK	2.000	-	-
SENIOR UTILITY BILLING CLERK	1.000	-	-
AMI SUPPORT TECHNICIAN	1.000	-	-
TOTAL	17.000	-	-

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN

PROJECT DESCRIPTION

Project Title: Line Rebuilds/25 kV Conversion
Project No: TBD

Department: Utilities
Division: Power & Light
Section: Distribution

Description:

Rebuilds and Reconductoring or three phasing of various line sections will allow Danville Utilities to remediate loading and/or service problems, allow for areas to be alternately fed, and support future growth. The work for 25kV voltage conversion will reinsulate various line sections for operation at 25 kV. The project will help address the utility's low load density service territory to the east, west and north. The lines in these areas have small conductors with four to nine mile tap lines and high customer counts. The traditional means of reconductoring multi-phasing lines to address growth and quality of service are not cost effective at \$170,000 per mile. Reinsulating these areas to operate at 25kV/14.4 V is forecasted at \$10 - \$12 thousand per mile.

Justification:

Line rebuilds and reconductoring will provide electrical capacity for alternate feeds and to support future growth. The 25kV reconductoring work will improve the voltage profile and decrease load and losses on the circuit.

Comments:

N/A

Funding		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
Bonds		1,800,000	1,600,000	1,600,000	1,600,000	1,500,000	8,100,000
Total Funding Sources		1,800,000	1,600,000	1,600,000	1,600,000	1,500,000	8,100,000

Goals/Milestones:

FY 2021	Construct System improvements to maintain level of service and reliability standards
FY 2022	Construct System improvements to maintain level of service and reliability standards
FY 2023	Construct System improvements to maintain level of service and reliability standards
FY 2024	Construct System improvements to maintain level of service and reliability standards
FY 2025	Construct System improvements to maintain

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN
PROJECT DESCRIPTION

Project Title: Substation Upgrades
Project No: TBA

Department: Utilities
Division: Power & Light
Section: Substations

Description:

This project provides for the evaluation and replacement or rehabilitation of all substation transformers. This project proposes to rebuild substations to open air configuration due to age and equipment failure. Substations will be systematically evaluated and rehabilitated.

Justification:

Most of the substation transformers were installed in the 1970s. Many are approaching or have exceeded their life expectancy of thirty years. This project will initially evaluate the transformers and identify and prioritize potential problems. Additional subprojects will be developed for each replacement or rehabilitation.

Comments:

Proposed order of construction is based on age and independent substation evaluation
FY2020 Riverside
FY2021 Kentuck and Whitmell
FY2022 Southside
FY2023 Westover

Funding		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
Bonds		4,000,000	3,000,000	3,000,000	3,000,000	3,000,000	16,000,000
Total Funding Sources		4,000,000	3,000,000	3,000,000	3,000,000	3,000,000	16,000,000

Goals/Milestones:

FY 2021	Kentuck Substation
FY 2022	Southside substation
FY 2023	Westover Substation
FY 2024	Systematically replace the aged power transformer infrastructure identified in the study
FY 2025	Systematically replace the aged power transformer infrastructure identified in the study

FY 2021 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN
PROJECT DESCRIPTION

Project Title: AEP Fourth Delivery Point - West Fork
Project No: TBD

Department: Utilities
Division: Power & Light
Section: Transmission

Description:

System studies have indicated a need for a fourth delivery point on the west side of the City's electric service territory. AEP has completed their system impact study and determined the likely route to serve an interconnection point at West Fork substation. The interconnection would be a 138 kV transmission line that AEP would be responsible for building at their expense. The City would be required to acquire additional land for the interconnection and a new 138kV/69kV transformer.

Justification:

The project would increase reliability and allow for more flexibility when conducting maintenance on the system. During Hurricane Michael, the City lost two out of three interconnection points on AEP system because of faults on their system. This would allow for a fourth interconnection point out of a separate AEP substation 15 miles away from the closest City delivery point.

Comments:

N/A

Funding		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
Bonds		-	4,000,000	-	-	-	4,000,000
Total Funding Sources		-	4,000,000	-	-	-	4,000,000

Goals/Milestones:

FY 2021	N/A
FY 2022	Construct new fourth delivery point on west side of electric territory
FY 2023	N/A
FY 2024	N/A
FY 2025	N/A

Telecommunications Fund Highlights

Revenue

Charges for Services

Revenues are forecasted based upon actual data from the prior fiscal year and known changes in contracts for Telecommunication services. For the FY 2020 budget, a 7% increase of \$45,140 is expected based on current market conditions and previous rate study information.

Telecommunications expenditures

Operations Decrease of \$4,590 primarily attributed to a decrease in internal allocations.

Source of Supply No change to expenses and includes phone service for City of Danville schools

Capital Expenses Regular Capital is used to repair any outside plant issues that arise. This is line work involved in maintaining the current cabling. The FY 2021 budget includes \$25,000 for contractor expenses.

Projects

We included \$1,500,000 in CIPs for the following:

nDanville Phase 3 Fiber to the Home

This project will be funded with \$208,730 from fund balance, \$41,270 from revenues and \$1,250,000 from Gas Fund balance as a loan.

Adopted Budget - FY 2021

Telecommunications

Calculation of Contribution to(from) Fund Balance/General Fund

	Adopted Budget FY 2020	Adopted Budget FY 2021
Estimated Revenue		
Rev-Use Money/Property	53,030	31,000
Charges for Services	557,600	624,770
Non-Revenue Receipts	0	0
Total Estimated Revenue	610,630	655,770
Operating Expenses		
Administration Services	12,320	7,980
Operations	907,090	925,750
Purchased Services	57,000	57,000
Capital Expenses	25,000	25,000
Capital Projects	250,000	250,000
Total Operating Expenses	<u>1,251,410</u>	<u>1,265,730</u>
Net Operating Income (Loss)	-640,780	-609,960
Add:		
Depreciation	476,620	482,230
Deduct:		
Debt Service Principal	0	0
Capital Expenditures from Current Operating Funds	0	0
Contribution to City's General Fund	81,000	81,000
Contribution To(From) Retained Earnings	<u>(245,160)</u>	<u>(208,730)</u>

TELECOMMUNICATION FUND
ADOPTED BUDGET - CAPITAL & SPECIAL PROJECTS - FY 2021-2025

Project/Source	PL#	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	5 Yr Total
<hr/>							
nDanville							
Fiber to the Home	60844	\$ 1,500,000	\$ 600,000	\$ 300,000	\$ 300,000	\$ 1,300,000	\$ 4,000,000
nDanville Total		\$ 1,500,000	\$ 600,000	\$ 300,000	\$ 300,000	\$ 1,300,000	\$ 4,000,000
Funding Source:							
Utility Fund Revenues		\$ 41,270	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 1,241,270
Loan From Gas Fund		1,250,000	-	-	-	-	1,250,000
To Be Determined		-	-	-	-	1,000,000	1,000,000
Telecommunication Fund Balance		208,730	300,000	-	-	-	508,730
Total Funding		\$ 1,500,000	\$ 600,000	\$ 300,000	\$ 300,000	\$ 1,300,000	\$ 4,000,000

TELECOMMUNICATIONS FUND
ADOPTED BUDGET - CAPITAL & SPECIAL PROJECTS - FY 2021
FUNDING SOURCES

	Current Revenues	Fund Balance	Debt Financing	Grants/CIA	Other	Project Total
<i>n Danville</i>						
Fiber to the Home	\$ 41,270	\$ 208,730	\$ -	\$ -	\$ 1,250,000 (1)	\$ 1,500,000
Total n Danville	\$ 41,270	\$ 208,730	\$ -	\$ -	\$ 1,250,000	\$ 1,500,000
Total Projects:	\$ 41,270	\$ 208,730	\$ -	\$ -	\$ 1,250,000	\$ 1,500,000

(1) Loan From Gas Fund

REVENUE – USE OF MONEY/PROPERTY: This revenue category includes: **Interest on Investments** - All of the City's funds are invested in secured accounts in an attempt to earn the highest possible return. Investments earnings are a function of the money marketplace and swings in the revenues reflect higher or lower interest rates. **Rental Income** that is offset by vehicle and equipment charges to the division for monthly usage... **Sale-Salvage and Surplus Property** - This revenue represents the sale of surplus vehicles and equipment and funds received from the sale of scrap metal.

CHARGES FOR SERVICES: This revenue category include consumer fees for services. Other revenues in this category include infrastructure charges to other divisions and departments of the City, charges for telephone and internet services to the School system and revenue for line charges, wide access network and internet service for the School systems reimbursed by the federal e-rate program. Other revenues in this category include penalties for non-payment. The change in revenue from FY18 to FY19 is from the loss of the Danville Public Schools e-rate contract. The loss of revenue from FY19-FY20 is from the updated proposed rates from the biennial rate study that will allow services to be closer to market.

MISCELLANEOUS REVENUE: This revenue represents contribution in aid received from the Virginia Department of Transportation.

TRANSFER FROM FUND BALANCE: The transfer from the Telecommunication fund balance is in support of Fiber to the Home, Telecommunication's Capital Project.

Revenues:	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Rev-Use Money & Property	\$ 40,214	\$ 38,900	\$ 53,030	\$ 31,000	\$ (22,030)
Charges for Services	1,558,172	886,955	557,600	624,770	67,170
Miscellaneous Rev	-	15,744	-	-	-
Totals	\$ 1,598,386	\$ 941,599	\$ 610,630	\$ 655,770	\$ 45,140

Description

The mission of the Telecommunications Fund is to provide premium network services at affordable costs. The Telecommunications Fund is an e-rate service provider to Pittsylvania County Schools and maintains and operates nDanville, a high-tech fiber optic network. nDanville is currently connected 100 government buildings, 200 businesses, and over 300 residential customers. The City serves its own needs, but is not a commercial telecommunications service provider. nDanville is open to any internet or telecommunications provider. The City and public school districts use nDanville to improve communications and data transmission, support shared use of computer applications and data files enable distance conferencing and learning, expand internet access, monitor and control equipment, and improve the reliability of utility systems.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ 123,978	\$ 124,713	\$ 127,640	\$ 135,680	\$ 8,040
Employee Benefits	18,381	18,541	24,600	21,900	(2,700)
Purchased Services	107,237	89,463	95,490	105,650	10,160
Internal Service	39,139	36,361	40,580	40,500	(80)
Other Operating Exp	26,352	15,778	17,170	16,370	(800)
Source of Supply	55,590	57,549	57,000	57,000	-
Cost Allocation	114,637	83,324	137,310	131,400	(5,910)
Depreciation	384,722	413,066	476,620	482,230	5,610
Transfer Out	302,000	81,000	81,000	81,000	-
Totals	\$ 1,172,036	\$ 919,795	\$ 1,057,410	\$ 1,071,730	\$ 14,320

Personnel

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
BROADBAND NETWORK ENGNRNG TECH	2.000	1.000	1.000
DIVSN DIR OF TELECOMMUNICATION	1.000	1.000	1.000
Total	3.000	2.000	2.000

Description

This project includes the expansion of fiber optics into residential communities. To date, nDanville has helped attract economic prospects to Southside Virginia and has passed over 2,000 homes. All industrial parks are nDanville fiber ready. The deployment will continue the residential expansion of nDanville. Revenue accumulated from residential and commercial connections will be reinvested into future neighborhood deployments pending City Council's approval. This project will act as an investment towards the future of our community that is driven by information and technology. The change in revenue from FY18 to FY19 is from the loss of the Danville Public Schools e-rate contract. The loss of revenue from FY19-FY20 is from the updated proposed rates from the biennial rate study that will allow services to be closer to market.

Expenditures

The capital project, nDanville, includes a loan from the Gas Fund in the amount of \$1,250,000. However, this is not reflected in the budget above as this is handled as an administrative entry and does not require a budget entry.

	FY 2017 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	Increase/ (Decrease)
Expenditures:					
Personnel Svcs	\$ 950	\$ -	\$ -	\$ -	
Employee Benefits	138	-	-	-	
Purchased Services	448,681	382,311	25,000	25,000	-
Internal Services	403	-	-	-	
Other Operating Exp	156,186	182,751	-	-	-
Capital Outlay	231,063	-	-	-	-
Capital Projects	-	-	250,000	250,000	-
Contingency Approp	-	-	-	-	-
Totals	\$ 836,333	\$ 565,062	\$ 275,000	\$ 275,000	\$ -

Personnel

There are no employees exclusively or specifically assigned to telecommunication capital projects. Installations are performed by contractors.

Goals

Continue to expand the nDanville network into the selected neighborhood based on the feasibility study. Staff is also reviewing newer wireless technologies that will allow nDanville to be deployed faster without having to deploy fiber in every neighborhood.

FY 2020 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN

PROJECT DESCRIPTION

Project Title: nDanville Ph 3 Fiber to the Home
Project No: TBd

Department: Utilities
Division: Telecommunications
Section: N/A

Description:

This project will involve installing nDanville fiber optics in residential neighborhoods that are considered unserved broadband areas. The Federal Communications Commission defines broadband as being able to have access to high-speed connection of at least 25 mbps down and 3 mbps upload. The deployment areas will be determined by surveys completed and areas that do not have access to broadband. The long term goal is to have fiber optic nDanville service to every address within the electric service territory. In FY2021, we expect to be able to fund \$250,000 from the Telecommunication fund balance and would request a \$1,250,000 loan from the gas fund.

Justification:

The deployment will continue to expand nDanville into residential neighborhoods. Revenue accumulated from these residential connections will be reinvested into future neighborhood deployments pending City Council's approval. This project will act as an investment towards the future of our community that is driven by information and technology.

Comments:

N/A

Funding		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
Utility Revenues		41,270	300,000	300,000	300,000	300,000	1,241,270
Loan from Gas Fund		1,250,000	-	-	-	-	1,250,000
To be Determined		-	-	-	-	1,000,000	1,000,000
Telecommunication Fund Balance		208,730	300,000	-	-	-	508,730
Total Funding Sources		1,500,000	600,000	300,000	300,000	1,300,000	4,000,000

Goals/Milestones:

FY 2021	To incrementally expand the nDanville network in order to provider broadband to every customer within our 500 square mile electric service territory. We will continue to utilize our partnership with Riverstreet Networks and other service providers to offer their services across the open access network.
FY 2022	To incrementally expand the nDanville network in order to provider broadband to every customer within our 500 square mile electric service territory. We will continue to utilize our partnership with Riverstreet Networks and other service providers to offer their services across the open access network.
FY 2023	To incrementally expand the nDanville network in order to provider broadband to every customer within our 500 square mile electric service territory. We will continue to utilize our partnership with Riverstreet Networks and other service providers to offer their services across the open access network.
FY 2024	To incrementally expand the nDanville network in order to provider broadband to every customer within our 500 square mile electric service territory. We will continue to utilize our partnership with Riverstreet Networks and other service providers to offer their services across the open access network.
FY 2025	To incrementally expand the nDanville network in order to provider broadband to every customer within our 500 square mile electric service territory. We will continue to utilize our partnership with Riverstreet Networks and other service providers to offer their services across the open access network.



Financial Policies

City of Danville, Virginia

11/15/2011
Revised May 5, 2015



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Approved by Resolution #2011-11.08 of the Danville City Council
November 15, 2011

Introduction: Written, adopted financial policies have many benefits, such as assisting elected officials and staff in the financial management of the City, saving time and energy when discussing financial matters, engendering public confidence, and providing continuity over time as elected officials and staff members change. While these policies will be amended periodically, they will provide the basic foundation and framework for many of the issues and decisions facing the City. They will promote sound financial management and assist in the City's stability, efficiency, and effectiveness. Policies are designed to conform to state and local regulations, generally accepted accounting standards, standards set by the Governmental Accounting Standards Board (GASB) and the Government Finance Officers Association (GFOA), and best practices employed by other local governments. The City Manager's "Administrative Policies & Procedures" and operating procedures maintained by municipal departments supplement these Financial Policies.

1. Guiding Principles

The City provides a wide variety of essential and desirable services and facilities to its residents, visitors, businesses, and institutions. The Danville City Council and staff are responsible for managing municipal finances wisely, ensuring adequate funding to meet current and future needs, appropriately accounting for all revenues and expenditures, and complying with all applicable regulations. To satisfy these obligations, the Council and staff are committed to developing a sound financial plan for municipal operations, maintenance, and capital improvements. To achieve this, the City Council:

- Establishes financial policies;
- Sets policy guidance for preparation of operating and capital improvement budgets;
- Adopts budgets for all funds based on adopted policies and in accordance with the City Charter and State laws; and
- Oversees the administration of finances and budgets undertaken by the City Manager.

2. Financial Structure

In accordance with the GASB, the financial structure of the City will be divided into tax-supported governmental funds (including a General Fund to support the governmental services of the City) and self-supporting proprietary funds established for nongovernmental purposes. Proprietary funds will include a series of enterprise funds, which shall be managed as business enterprises supported by

revenues derived by that enterprise. A list of funds with descriptions of each is provided in the Appendix of this document.

3. Budget

The Council will annually adopt a budget that includes funds as may be required by law or by sound financial practices and generally accepted accounting principles. The budget will control the levy of taxes and expenditures for all City purposes during the ensuing fiscal year. The City budget will be balanced using approved funding sources, including fund balances. The annual budget will serve as the official plan of services and facility operations intended to accomplish the City's goals and objectives.

3.1 Budget Preparation & Adoption

The budget process is one of the most important undertaken by the City each year. However, the City Charter provides only minimal guidance on how the budget is to be prepared, reviewed, and adopted.* It simply states that

- The City Manager is responsible for preparation of the budget;
- A proposed budget is to be presented to the City Council no later than April 1st;
- No more than 30 days later, after collaboration with the Council, the Manager is to introduce a completed budget;
- A brief synopsis of the budget is to be published in the newspaper and Council is to conduct a public hearing; and
- The budget is to be adopted before July 1st.

The City Council and City Manager will exceed the minimum requirements by starting the process earlier, providing more direct Council guidance along the way, and encouraging more active public engagement throughout the process, including during the City Manager's budget preparation process. The City Council will similarly exceed minimum requirements in conducting additional budget hearings and encouraging public input through not only providing testimony at hearings, but also through e-mails, social media tools, telephone calls, and direct discussion. The budget process undertaken by Council and staff will endeavor to

- Maintain a transparent process;
- Provide a steady flow of readily available information to the public;
- Inform, involve, and engage the public;
- Identify and consider issues and concerns of the public; and

* City Charter, §3-3, §8-6, and §8-7

- Achieve public understanding, if not acceptance, of trade-offs and decisions made in adopting a balanced budget.

3.2 Revenue & Expenditure Forecasts

Budget revenue estimates will be conservative, yet realistic. Expenditure estimates will fully cover, but not overstate, projected costs. A five-year forecast of General Fund revenues and expenses will be prepared at the beginning of each budget process to help determine if projected revenues can sustain current services. The City Council will consider the five-year forecast and other information provided and set priorities and offer guidance at the outset of the City Manager's annual budget preparation process. Council will additionally at that time make desired modifications to Financial Policies that might affect the budgeting process.

The City will avoid dependence on temporary or unstable revenues to fund mainstream municipal services. The City will not use one-time revenues to fund ongoing operational costs. Neither will debt be used to fund current expenditures. The City will strive to maintain a reasonable real estate tax rate and will only consider upward adjustments to the property tax as a last resort.

If a deficit is projected for the coming fiscal year, the City will take steps to reduce expenditures and/or increase revenues. If a deficit is caused by emergency or temporary economic conditions, Council may consider a transfer from the Budget Stabilization Fund or the Unassigned Fund Balance to balance the budget as described in Policy 4.

3.3 Service & Facility Charges

Many services and facility uses are allowed by the City without additional charge. Examples include general use of parks and emergency responses by police officers. Services or facility uses that solely benefit an individual or group and can be practicably controlled and priced will be provided at reasonable fees. The City will maximize the application of user charges rather than depending on general revenues and subsidies from other City funds for services so identified and where costs are directly related to the level of service provided. The following principles will apply in establishing user fees:

- City staff will provide services and facilities as efficiently as is possible to keep user fees reasonable and affordable.
- City Council will determine under what circumstances cost subsidies, discounts, or waivers will be granted.
- User fees will otherwise be set at levels that recover full costs, including all direct, capital and facility wear and tear, and overhead expenses.

- Reimbursable work performed by the City shall be billed at actual costs except in cases where firm estimates and/or “not-to-exceed” prices were quoted to a client.
- Where practical, user charges shall be comparable to other neighboring cities and private sector providers. In the interest doing no harm to other local service and facility providers, whether in the private or non-profit sectors, the City will avoid undercutting rates charged by others in Danville.

Departments that impose fees or service charges will prepare and/or update them for inclusion in the annual budget process. Responsibility for consideration and adoption of fees is assigned to the City Council or its boards and commissions as authorized*. The City will maintain a current schedule of fees and charges, showing when the fees were last reviewed and/or recalculated.

3.4 Budget Contingency Accounts

Annual budgets will be stripped of informal contingency accounts to protect against expenditure overruns. The City Manager will instead propose appropriation of Contingency Accounts in the General Fund and each utility fund to cover unanticipated expenditure needs. The Contingency Account for each applicable fund shall be established at a minimum of \$100,000. If approved by City Council through its appropriation of the budget, Contingency Accounts will be used at the direction and approval of the City Manager.

3.5 Capital Improvement Plan

In addition to the operating budget, the City Manager will annually submit a five-year Capital Improvement Plan (CIP) for review by Council. The CIP will include new or expanded facilities; infrastructure projects; extraordinary maintenance projects; land acquisition; special initiatives such as blight eradication or River District revitalization; large equipment items such as fire trucks; and large computer, telecommunications, and other technology investments. Normally, any such expenditure of \$50,000 or more will be included in the CIP. As with the operating budget, items included in the CIP are those considered necessary to maintain public services and facilities. The CIP will show proposed expenditures and associated revenue sources. Current revenues and grants are the preferred methods of financing rather than borrowing. Operating impacts of CIP elements will be will be reported in the plan.

3.6 Legal Level of Control

Budget appropriations shall be legally controlled at the fund level. The City Manager is delegated authority to administer the budget within appropriated fund levels. In accordance with state code, municipal appropriations made to the

* For example, by the Danville Utility Commission in the case of non-consumption fees and charges associated with the City's utilities.

Danville Public Schools (DPS) are administered independently under the authority of the School Board. The DPS is allowed to carry forward \$1 million of its unencumbered municipal appropriation at the end of each fiscal year without further consideration and approval by the City Council.

3.7 Budget Administration

The City Manager and department directors are responsible for continuously monitoring revenues and expenditures and for carefully administering adopted budgets. The City Council will receive monthly financial reports and briefings. Council's boards, commissions, and committees charged with budgeting responsibilities will similarly be kept informed.

The City will take immediate corrective actions if, at any time during the fiscal year, expenditure and revenue estimates are such that an operating deficit is projected at year-end. Corrective actions may include a hiring freeze, expenditure reductions, fee increases, or use of contingencies. The City Council may approve additional measures as appropriate.

4. Fund Balances

Sufficient reserves must be retained by the City at all times to provide financial stability. A properly sized and configured fund balance in each operating fund is essential in accomplishing this. The Governmental Accounting Standards Board requires that General Fund balance elements be structured in five categories that span a continuum of use constraints that classify a fund's net resources from those that have the most constraints placed on their use to the least. What was formally accounted for as the "unrestricted" fund balance is now separated into "assigned" and "unassigned" fund balance accounts.*

- Nonspendable Fund Balance -- amounts that cannot be spent because of form (such as inventory) or because of legally or contractual requirements (such as the principal of an endowment fund, pre-paid items, or long-term receivables).
- Restricted Fund Balance -- amounts that are constrained to being used for a specific purpose by external parties (such as grantors, bondholders, or the state or federal governments), through constitutional provisions, or by enabling legislation. Such restrictions normally cannot be removed by City Council.
- Committed Fund Balance -- amounts committed by ordinance for specific purposes by the City Council itself. Council can likewise remove such constraints through an amending ordinance. These relate to expenditures that are not expected to occur routinely. Examples

* GSAB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions," effective for fiscal periods beginning after June 15, 2010.

include reserves established by Council to construct a new facility or to purchase property for an industrial park.

- Assigned Fund Balance -- amounts that Council sets aside for specific purposes, but with fewer restrictions than intended with restricted or committed fund balance amounts. Examples include the City's special revenue, capital project, debt service, and budget or rate stabilization funds.
- Unassigned Fund Balance -- amounts that have not been restricted, committed, or assigned and are therefore available for any Council-authorized purpose.

In the case of municipal funds other than the General Fund (for example, utility and enterprise funds) assigned and unassigned fund balances remain combined in "unrestricted" fund balance accounts.

4.1 Unassigned & Unrestricted Fund Balances

Unassigned or unrestricted fund balances are important in maintaining financial stability and are considered by bond rating agencies as key indicators of credit-worthiness. They provide the financial resources to deal with emergencies, natural disasters, precipitous economic downturns, revenue shortfalls, and unanticipated expenditures. They also provide cash flow liquidity in responding to fluctuations in major revenue sources, such as with property tax receipts. Unassigned and unrestricted balances themselves generate revenue through investment interest earnings.

The City Council designates the following minimum levels for unassigned and unrestricted fund balances:

- General Fund -- The unassigned General Fund balance shall be maintained at a level not less than 20% of operating revenues.
- Utility Funds -- The Water, Wastewater, Gas, Electric, and Telecommunications Funds shall maintain unrestricted fund balances equal to at least 90 days of average operating and maintenance expenses, inclusive of transfers to the General Fund, plus 90 days of the next fiscal year's debt service payments.

During recent years, the Wastewater Fund has been running a deficit and has depleted its unrestricted fund balance. The City's goal is to bring the Wastewater Fund into compliance by FY 2017. During this time, the combined Utility Funds will collectively adhere to this unassigned fund balance policy, meaning the other utility funds will maintain higher than normal levels of cash reserves.

- Other Funds -- The City's other enterprise, internal service, special, and fiduciary funds will be budgeted to fully cover expenses but will not at this time be subjected to unassigned or unrestricted fund balance standards.

Actual fund balance levels may rise and fall during the fiscal year, but will be restored to designated levels during the annual budgeting process. An appropriation from an unassigned or unrestricted fund balance that would result in the balance falling below its designated level requires a majority plus one vote of Council (with six of nine members voting “aye”). No such vote shall be taken until the Council receives a briefing from the City Manager that identifies potential ramifications of the appropriation and includes a financial plan to restore the unassigned or unrestricted fund balance to its designated minimum level within two years.

Because the City’s budgets are based on appropriately conservative revenue and expenditure budget projections, it is to be expected that at least some surplus revenue will be added to fund balances at the end of each fiscal year. Surpluses may be appropriated for specific expenditures by the City Council or assigned to fund balance accounts, normally to unassigned or unrestricted fund balances. Unassigned and unrestricted fund balances in excess of established minimum levels may be appropriated by Council for nonrecurring expenditures such as unanticipated budget shortfalls, economic development incentive payments, special projects, acquisition of real property, capital purchases, local matches for grants, pre-payment of existing debt, prepayment of equipment maintenance contracts, and one-time employee pay bonuses. Except during periods of economic recession or under unusual circumstances, excess funds will not be used to support routine operating expenditures. Nor will availability of excess cash reserves be allowed to supplant prudent budgeting practices.

4.2 General Fund Budget Stabilization Reserve

Amended by Resolution 2015-05.03 of the Danville City Council, May 5, 2015

As part of the FY 2012 Budget process, the City Council authorized creation of a Budget Stabilization Fund as part of the General Fund’s assigned fund balance using revenues in excess of its designated 20% unassigned fund balance level. The Budget Stabilization Fund will not be used to finance new or expanded services. It is instead intended to help sustain municipal operations during times when revenue sources such as property, sales, meals, and business tax receipts are sluggish due to continuing effects of the economic recession or continuing response to emergencies. As it deems appropriate, the City Council will appropriate revenue from the Budget Stabilization Fund for use during the current or coming fiscal year to sustain current municipal service levels.

The fund is subject to the following restrictions:

- There is no designated minimum size for the Budget Stabilization Fund. It may, from time to time, be drawn down significantly or even depleted entirely. The fund does, however, have an upper limit. Its maximum size will not exceed a balance of \$3,000,000.
(R2015-05.03)

- The Budget Stabilization Fund will retain interest earnings on the balance of revenues held in the fund.
- After allocation of surplus revenues to designated fund balance reserves, up to one-half of remaining General Fund revenue surpluses will be transferred to the Budget Stabilization Fund at the closing of each fiscal year, subject to its aforementioned maximum size limit.
- The Budget Stabilization Fund is not to be used to offset minor revenue shortfalls. Appropriations from the fund to balance the coming year's budget will be made only in the event that total projected ongoing General Fund revenues are expected to decline more than one percent below the current year's estimated receipts.
- As the Budget Stabilization Fund has no direct revenue source of its own to replenish expended resources, care will be taken in its use.
- Use of the Budget Stabilization Fund will not take the place of prudent budgeting practices that carefully establish appropriate services and service levels, properly maintain municipal facilities, undertake important initiatives, and set fees, charges and taxes necessary to pay associated expenditures.
- Spending cuts or other cost-saving measures must be undertaken in combination with use of Budget Stabilization Fund revenues.

5. Utility Contributions to the General Fund

The Electric, Gas, Water, Wastewater, and Telecommunications Fund all make contributions to the General Fund at levels meant to approximate taxes that would be paid to the City were these enterprises run by private sector utilities, as well as profit that would be earned by shareholders. Total utility fund transfers budgeted for FY 2013 amount to \$14,382,000, constituting approximately 15% of General Fund revenues.

FY 2013 Utility Fund contributions to the General Fund are designated as the base rates for these transfers. Transfers from the Telecommunications Fund are handled separately because its primary customers are the City itself and the Danville Public Schools.

FY 2013 General Fund
Contribution Amounts

Electric Fund	\$	9,562,610
Gas Fund		2,906,330
Water Fund		933,300
Wastewater Fund		677,760

To emulate tax burdens imposed on taxable utilities in other communities, transfers from Utility Funds to the General Fund will be increased based on the growth in net fixed assets. The increase in the transferred amount from a utility fund will be calculated on the basis of half of the average proportional growth of that fund's net fixed assets (fixed assets less depreciation) over the previous five fiscal years, rounded to the nearest thousand. In order to preserve the City's credit score with American Municipal Power, the Electric Fund will have the additional requirement that a minimum of six months cash reserves be maintained.* In no event will contributions from the Electric, Gas, Water, and Wastewater Funds be reduced from one year to the next. Applicable adjustments in the General Fund contributions will be implemented every other year as part of the biennial utility rate studies.

* Cash reserves = [annual operating expense (excluding purchased power cost and depreciation) + regular capital maintenance + capital improvements] X (.50 or 180 days/ 360 days)

This does not change the City's Fund Balance Policy, but rather guarantees American Municipal Power the City's Policy will meet or exceed their requirements.

6. Biennial Utility Rate Studies

Under the direction of the Danville Utility Commission, the City shall undertake a utility cost-of-service and rate study every two years. The City will endeavor to set utility rates that are consistently

- Fair, just, and reasonable;
- As low as is prudently possible;
- Structured in a fashion consistent with best utility practices; and
- Generate revenue sufficient to
 - Support continued provision of reliable, safe, environmentally responsible, high quality service;
 - Sustain infrastructure required to accommodate economic development; and
 - Generate sufficient revenue to meet established General Fund contribution obligations.

7. Vehicle Replacement

The City's vehicles are to be used in a fashion that yields the highest possible return on investment. Factors taken into account in determining when each vehicle is replaced will include safety, cost of operation, and resale value. When prudent to do so, a vehicle may be transferred after a time from an organizational unit with intense vehicle operating requirements (i.e., Police Patrol) to another with lower operating demands (i.e., Police Detectives or Building Inspections). While each will be retained as long as it can be driven safely and cost-effectively, the following guidelines will be used for replacing vehicles and large equipment items.

Replacement Guidelines	
Sedans, & Bucket or Digger Derrick Trucks	10 years or 100,000 miles
Pickup Trucks & Vans	12 years or 100,000 miles
Other Equipment	12 years or 10,000 hours

Old vehicles replaced by new ones will be sold as soon as practicable. The City will avoid "fleet creep" wherein use of old, replaced vehicles is continued. If additions to the fleet can be justified, they will be included in the City Manager's proposed budget and considered by City Council.

The City's utilities finance their own fleets. Vehicles operated by General Fund departments and other funds are financed through the Motorized Equipment Fund. Vehicle rental rates are charged for applicable vehicles at rates established by the City Manager. Rental rates are reviewed annually and revised as needed to ensure that sufficient funds are available to replace vehicles.

8. Investments

Investment of revenues will be made in conformance with best practices to meet four primary objectives:

- Safety – to preserve invested funds with minimal risk of loss
- Diversity – to avoid excessive market risk
- Liquidity – to maintain sufficient to meet cash flow and operating requirements
- Yield – to produce maximum interest earnings

City Manager is responsible for control of City revenues. Responsibility for investing idle funds is delegated to the Finance Director.

All excess cash, except for cash in certain restricted and special accounts, will be pooled for investment purposes. The investment income derived from the pooled investment account shall be allocated to the contributing funds based upon the proportion of the respective average balances relative to the total pooled balance. Interest earnings shall be distributed to the individual funds not less than annually.

9. Debt Management

City recognizes the primary purpose of facilities and equipment is to support provision of public services. Using debt financing to meet the capital needs of the community, the City must balance between debt financing and "pay-as-you-go" methods. The City realizes failure to meet the demands of growth may inhibit its continued economic viability but also realizes too much debt may have detrimental effects.

9.1 General Authority

The Constitution of Virginia and State Code authorizes localities to issue debt within certain limitations. The Constitution restricts the amount of General Obligation debt – that is, debt payable from general municipal revenues and backed by the full faith and credit of a city – to 10% of the assessed valuation of real property in the jurisdiction plus any applicable limitations set forth in the city's charter. In determining the debt applicable to the 10% legal debt limit, the following types of debt are excluded:

- Notes issued in anticipation of the collection of revenue and maturing within 12 months;
- Bonds secured by the full faith and credit of the municipality, for which the principal and interest payments are made with revenues earned by the utility or facility (double-barrel bonds);
- Bonds of the municipality, the principal and interest on which are payable exclusively from the revenues and receipts of a utility system or other specific undertaking from which a city may derive a revenue (revenue bonds); and
- Financial instruments on which the debt service payments are contingent upon annual appropriations by the governing body (lease purchase agreements and reimbursable agreements).

With the following exceptions, the City Charter is more restrictive in providing that no debt shall be issued until approved by a majority of the qualified voters at an election. Issuance of the following may be authorized by City Council without voters' approval:

- Up to \$6 million of bonds in any one fiscal year to finance capital expenditures, excluding capital improvements related to water, sewer, gas, and/or electric improvements.
- Up to \$10 million of bonds in any one fiscal year to finance capital expenditures relating to the City's water, sewer, gas, or electric systems or other undertaking from which the City may derive a revenue.
- Up to \$25 million of bonds or notes in any one fiscal year for capital expenditures relating to the City's water treatment, wastewater treatment, stormwater treatment, solid waste disposal, or recycling facilities, and any extraordinary maintenance improvements or expansions of transmission, and distribution infrastructure for the electric or gas systems.
- Bonds of any amount necessary to pay costs or expenditures related to annexation.
- Refunding bonds issued to refinance existing debt.
- Notes issued in anticipation of revenue not to exceed \$500,000 with a maximum maturity of 24 months.
- Contractual obligations other than bonds and notes, such as lease-purchase contracts.

9.2 City of Danville Standards

The City will maintain the following standards to ensure a higher level of financial security than that afforded by meeting minimum State standards:

- Debt to Assessed Value: Debt supported by General Fund tax revenue will not exceed 3.0% of total taxable assessed value of property within City limits. For the purposes of calculating this ratio, assessed value shall include real property and personal property.
- Debt Service to Expenditures: Debt service paid from general tax revenue will not exceed 10% of total General Fund Expenditures, including transfers out.
- Debt Payout Ratio: The City will structure its bond issues to maintain an overall 10-year payout ratio (the amount of principal retired within 10 years) of not less than 60%.
- Derivatives: The City will not use interest rate exchange agreements, swaps, or other derivatives in managing its debt portfolio.

Other standards adhered to by the City of Danville include the following:

- No debt will be issued until an ordinance has been adopted by Council by affirmative vote of two-thirds (six of nine) of its members.

- Long-term borrowing for capital improvements will be confined to such improvements and projects that cannot be reasonably financed from current revenues.
- In consideration of bond issue cost, bond issues shall be appropriately sized, preferably not less than \$3 million. Several projects may be grouped together in a single bond issue. However, no single project element should cost less than \$100,000, as lower level expenditures will be included in operating budgets and financed with current revenues.
- Capital improvements that are financed by issuing general obligation bonds, revenue bonds, or other long-term debt, including lease-purchase obligations, will be repaid within a period not to exceed the expected useful life of the improvement.
- Unless required to be credited to a trustee held account by requirements of a trust indenture, it is the accounting policy of the City to recognize temporary investment earnings on bond proceeds in the General Fund in order to match transfers out to the Debt Service Fund for bond interest expenditures.
- To maintain a predictable debt service burden, the City will give preference to debt that carries a fixed interest rate. However, consideration may be given to variable rate debt. Conservative estimates will be used in budgeting variable rate debt service interest expenses. Variable rate debt will be limited to no more than 20% of total outstanding debt.

9.3 Long & Medium-Term Debt

The City makes use of general obligation and revenue bonds for debt financing normally extending over 20 to 30 years and lease-purchase financing for debt paid over five to 10 years.

- General Obligation Bonds -- General obligation bonds will be used for public improvement projects that have a direct benefit to the citizens of Danville. General obligation bonds may be used to finance utility projects if doing so is more cost effective than using revenue bonds. G
- Revenue Bonds -- The City uses revenue bonds to finance utility projects when general obligation bonds are not feasible or cost effective. R
- Lease-Purchases -- Lease-purchase obligations, bonds, or other debt instruments may be used as a medium-term (4 to 10 years) method of borrowing for the financing of vehicles, specialized L

equipment, or capital improvements. Assets with a longer useful life may be lease financed if it is determined it is in the City's best interest. The equipment or improvement must have an expected life of more than five years and cost in excess of \$100,000. Such debt will be paid before expiration of the expected life of the equipment or improvement acquired.

9.4 Short-Term Debt

The City's policies regarding fund balance and unrestricted cash reserves are designed to eliminate the need to borrow to meet operating cash flow requirements. However, from time to time, as part of an overall plan to stabilize utility rates and manage its utility business over a multi-year planning period, the City may borrow on a short-term basis through the issuance of short-term notes or through the procurement of a line of credit. Security for the notes or line of credit may include a pledge of utility revenues on a gross or net basis or the general obligation pledge of the City. Bond Anticipation Notes (BANs) may be issued for capital related cash purposes to reduce the debt service during the construction period of a project or to provide interim financing. BAN financing is limited to five years or less.

10. Capitalization

Capital costs are costs incurred on the purchase of land, buildings, construction and equipment to be used in the provision of municipal services. Capital costs do not include labor costs except for labor used for construction. Unlike operating costs, capital costs are one-time expenses, although payment may be spread out, or "capitalized," over many years in financial reports. Capital outlays are budgeted as expenditures during the applicable fiscal year and then as fixed assets in financial statements thereafter. The threshold for capitalizing capital assets is \$5,000 for equipment, \$25,000 for capital leases, and \$100,000 for infrastructure and buildings. Capitalization thresholds are applied to individual, rather than to groups of fixed assets. Fixed asset accounts are not treated as having cash value in governmental accounting.

The following policies apply to the capitalization of fixed assets:

- Capital assets are reported as the sum of the initial invoice cost, the value of any trade-in for equipment items, installation cost excluding in-house labor, and ancillary charges, such as freight and transportation charges, site preparation costs, and professional fees. Interest costs for borrowed funds are capitalized for construction projects only.
- Donated capital assets are valued at their estimated fair market value on the date donated.
- Maintenance, repairs, and minor equipment are charged to operations when incurred and are booked as fixed assets in the event

they materially change capacities or extend useful lives of capital assets.

- Depreciation of fixed assets is recorded over applicable useful lives on a straight-line basis.
- Upon the sale or retirement of land, buildings, and equipment, the cost and related accumulated depreciation, if applicable, are eliminated from the respective accounts, and any resulting gain or loss is included in current year's operations.

11. Grants

City departments will take full advantage of state, federal, business, and foundation grants to achieve municipal goals and objectives. The City Manager will ensure that required matching funds are available before making application for grants and that careful consideration is given to administrative and regulatory requirements, as well as accommodation of ongoing operating costs. Grants that require budget adjustments to authorize increased expenditures are taken to City Council in the form of proposed budget ordinance amendments.

12. Pay Adjustments for City Retirees

Amended by Resolution 2014-06.01 of the Danville City Council, June 3, 2014

Chapter 32 of the City Code establishes the Employees' Retirement System (ERS) of the City of Danville for the purpose of providing a pension benefit to City employees upon retirement. The City strives to provide a pension benefit that is competitive in order to hire and retain a highly skilled workforce. However, pension benefits must also be affordable and the ERS plan must maintain a healthy funded status with sufficient investment earnings and City contribution levels that are sustainable within the City's budget. This ensures the City's ability to provide a promised benefit to both current and future retirees.

The pension benefit shall be calculated according to Chapter 32, Article III of the City Code. The City will not grant post-retirement cost-of-living increases for its retirees through the ERS. However, in the event that the following criteria are met, lump sum ad-hoc pension bonuses of up to one-half of the retiree's base pension payment may be appropriated by City Council from current operating revenues as part of the annual personnel expense budget. Only those hired before July 1, 2014 are eligible to receive bonuses. The following criteria will be used to consider provision of such bonuses:

1. The cumulative inflation growth since the most recent pay adjustment for retirees as measured by the "All Urban Consumers Consumer Price Index" (CPI-U) has been at least 5%;

2. The Retirement System's funded status for the prior fiscal year is at least 90% (as calculated by dividing actuarial value of assets by the accrued liability as of the appropriate valuation date);
3. The City's contribution to fund the normal cost of the pension plan, as a percent of payroll, for the budgetary period under review is no more than 12%; and
4. Operating revenues from applicable funds are available to cover the cost.

The following chart will be used to determine the amount of bonus to be considered by Council based on varying levels of ERS funding contributions. The bonus amount will be calibrated against the City's combined contribution to fund the normal pension cost. In no event will the Council-authorized bonus exceed one-half of the retiree's normal monthly benefit payment.

<u>City's Combined ERS Contribution as % of Payroll*</u>	<u>% of Bonus Available</u>
> 12%	0
> 11% but ≤ 12%	25%
> 10% but ≤ 11%	50%
> 9% but ≤ 10%	75%
≤ 9%	100%

*As determined in the appropriate actuarial valuation

Retirees are not eligible for a bonus until the first year anniversary of their retirement date. The retirement date is defined as the first day of the month following the employee's separation date.

The cost of the bonus will be allocated to the various City funds based on each fund's full-time payroll budget.

The effective date of this plan provision is July 1, 2014.

Appendix

City of Danville Funds

Operating Funds

- The General Fund – The General Fund is the primary operating fund for government activities. Its most significant sources of funding are general property taxes, other local taxes and transfers from the various utility funds. The most significant expenditures from this fund are for public safety, public works programs including infrastructure maintenance, health and welfare programs and contributions to other funds for education and capital improvements. The accounting records are maintained on a modified accrual basis.

Enterprise Funds

Utility Funds: The Wastewater, Water, Gas, Electric, and Telecommunications Funds are all designed to be self-supporting with user fees that cover the expenses for the collection system and treatment facilities and contributions to the General Fund. All use an accrual basis of accounting.

- Wastewater Fund – This fund provides accountability for activities relation to the treatment of household, commercial, and industrial wastewater.
- Water Fund – This fund provides accountability for activities relating to the treatment and distribution of potable water to residential, commercial, and industrial users.
- Gas Fund – This fund provides accountability for activities relating to the purchase and distribution of natural gas to residential, commercial, and industrial users.
- Electric Fund – This fund provides accountability relating to the purchase of electricity, production of electricity, and operating and maintenance costs. The operating and maintenance costs cover the hydro-electric facilities, transmission system and the distribution system.
- Telecommunications Fund – The Telecommunications Fund is an e-Rate service provider to the Danville Public Schools and the Pittsylvania County Schools and maintains and operates nDanville, a high-tech fiber optic network.

Other Enterprise Funds:

- Transportation Fund – This fund provides for activities relating to mass transit bus services. The fund is on an accrual basis of accounting. However, the fund is not self-supporting. Operation and maintenance costs

are paid by user fees from passengers of the bus service, local federal and state grants and transfers from the General Fund.

- Sanitation Fund – This fund provides for activities relating to the collection and disposal of solid waste. This fund is self-supporting with user fees, which cover the operating and maintenance cost. The fund is on an accrual basis of accounting.
- Cemetery Services Fund – The Cemetery Fund provides for funeral services, sale of lots and record keeping. The staff provides services to local funeral homes and can assist residents and non-residents who are interested in purchasing at-need and pre-need burial lots. Additionally, this fund provides for the maintenance of the eight municipally owned cemeteries. The fund is designed to be self –supporting; however, an annual subsidy from the General Fund has been required. The fund is on an accrual basis of accounting.

Internal Service Funds:

- Insurance Fund – This fund provides accountability for all City costs relating to workers compensation on a self-insured basis, general insurance provided by outside insurance carriers – excluding group health and life, risks covered by statewide pools and risks other than worker compensation on a self-insured basis. The fund is supported by charges to the user departments on a cost-reimbursement basis and is on a modified accrual basis of accounting.
- Central Services Fund – This fund provides accountability for the acquisition of office supplies, the cost of interoffice mail, central mailroom and printing services, which are provided to the various department of the city. The fund is supported by charges to the user departments on a cost-reimbursement basis and is on a modified accrual basis of accounting.
- Motorized Equipment Fund – This fund provides accountability for the acquisition and maintenance of motorized vehicles for various departments of the City. The fund is supported by charges to the user department on a cost-reimbursement basis and is on a modified accrual basis.

Special Funds:

- Capital Projects Fund – General Government – This fund provides accountability for financial resources used for major construction projects relating to general government use. Funding resources include proceeds from the sale of bonds, federal and state grants and transfers from the General Fund. The fund operates on a modified accrual basis of accounting.
- Community Development Fund – This fund provides accountability for projects and programs involving Federal funds received through the Community Development Block Grant (CDBG) program. Funding

resources include CDBG funds and program income from some of the programs. The fund operates on a modified accrual basis.

Fiduciary Funds:

- Cemetery Maintenance Fund – This fund is a permanent fund used to account for funds set aside to provide for the perpetual care of the City cemeteries. Only the earnings from the investments of this fund may be expended.
- Retirement Fund – This fund is used to account for the investments of the City of Danville Employees Retirement System. This fund is audited and provides financial reports separate from all other City funds. Funding is provided by contributions from the City and investment earnings.

Council Letter

City of Danville, Virginia



CL-2326

Old Business Item #: A.

City Council Regular Meeting

Meeting Date: 05/21/2020

Subject: Consideration of the Fiscal Year 2021 Danville Public Schools Budget

From: Cynthia Thomasson, Budget
Director

COUNCIL ACTION

First Reading: 05/07/2020

Final Adoption: 05/21/2020

SUMMARY

The Public Hearing for the Fiscal Year 2021 Preliminary School Board Budget was scheduled for May 7, 2020. The City's Budget for Support of Schools includes \$22,812,500 for Support of Operations, and \$2,498,770 for Debt Service, for a grand total of \$25,311,270. In addition, the Capital and Special Projects Plan includes \$2,000,000 for capital improvements for various school facilities to be funded by General Obligation Bonds.

RECOMMENDATION

It is recommended the City Council approve the attached Resolution Approving the Fiscal Year 2021 Danville Public Schools Budget.

Attachments

Resolution

PRESENTED: May 7, 2020

ADOPTED: May 21, 2020

RESOLUTION NO. 2020 – 05.03

A RESOLUTION APPROVING THE BUDGET OF THE SCHOOL BOARD OF THE CITY OF DANVILLE FOR THE FISCAL YEAR ENDING JUNE 30, 2021.

WHEREAS, the School Board of the City of Danville presented to the Council its estimate of the amount of money needed for the support of the public schools of the City during Fiscal Year 2021 which estimate reflected total proposed expenditures in the amount of \$71,375,947; and

WHEREAS, the City shall contribute \$22,812,500 for School Operations and \$2,498,770 for School Debt Service for a total appropriation of \$25,311,270; and

WHEREAS, the City Council does not intend by this resolution to guarantee to the School Board of the City of Danville any contribution for support of schools in future fiscal years above that amount required by Virginia law for support of schools; and

WHEREAS, a brief synopsis of the proposed Budget of the School Board for Fiscal Year 2021 was duly published, and, after public notice duly given, a public hearing with respect thereto has been conducted by the Council, after due public notice thereof, and upon consideration of which it is now necessary and desirable to approve the same as prescribed by law.

NOW THEREFORE, BE IT RESOLVED, by the Council of the City of Danville, Virginia, that pursuant to Section 22.1-93 of the Code of Virginia, 1950, as amended, the attached budget of the School Board of the City of Danville for the Fiscal Year ending June 30, 2021 be, and the same is hereby, approved for educational purposes subject the above recited conditions.

APPROVED:

A. J. Jones
MAYOR

ATTEST:

Susan M. DeH
CLERK

Approved as to
Form and Legal Sufficiency:

[Signature]
City Attorney

2020-2021
Danville Public Schools APPROVED Budgeted Revenues
General Operating Fund

ADM = 5410

ACCOUNTS	APPROVED REVENUES 2019-2020	PROPOSED REVENUES 2020-2021	INCREASE (DECREASE)	% CHANGE
<u>STATE SOQ FUNDS</u>				
Basic Aid	17,462,899	18,959,821	1,496,922	8.57%
Textbooks	400,340	429,034	28,694	7.17%
Sales Tax	7,088,259	7,319,228	230,969	3.26%
Vocational Education - SOQ	528,803	714,590	185,787	35.13%
Gifted Education - SOQ	198,798	211,583	12,785	6.43%
Special Education - SOQ	2,039,669	2,335,393	295,724	14.50%
Remedial Education	1,622,193	1,892,267	270,074	16.65%
Retirement Reimbursement	2,691,727	3,081,921	390,194	14.50%
Social Security Reimbursement	1,220,621	1,321,393	100,772	8.26%
Group Life	83,495	91,819	8,324	9.97%
English as a Second Language	207,109	273,186	66,077	31.90%
Remedial Summer School	34,033	103,742	69,709	204.83%
SUBTOTAL - STATE SOQ	33,577,946	36,733,977	3,156,031	9.40%
<u>STATE CATEGORICAL</u>				
Vocational Education	36,901	42,046	5,145	13.94%
Homebound	72,172	59,114	(13,058)	-18.09%
Foster Care	40,143	28,599	(11,544)	-28.76%
SUBTOTAL STATE CATEGORICAL	149,216	129,759	(19,457)	-13.04%

5/26/2020

STATE INCENTIVE-BASED PROGRAMS

At Risk	2,293,617	3,037,982	744,365	32.45%
K-3 Primary Class Size Reduction	2,145,981	2,446,485	300,504	14.00%
Virginia Preschool Initiative	952,511	1,008,142	55,631	5.84%
Early Reading Intervention	216,767	246,551	29,784	13.74%
Early Reading Specialists Initiative	152,739	103,649	(49,090)	-32.14%
Math/Reading Instructional Specialists	262,962	209,535	(53,427)	-20.32%
ISAEP - Teen GED	25,065	25,159	94	0.38%
SOL Algebra Readiness	138,814	151,078	12,264	8.83%
Compensation Supplement	1,182,784	-	(1,182,784)	-100.00%
Supplemental Lottery Per Pupil Allocation	1,430,266	1,489,103	58,837	4.11%
Mentor Teacher Program	3,714	5,266	1,552	41.79%
Technology	488,400	336,000	(152,400)	-31.20%

SUBTOTAL - STATE INCENTIVE-BASED

9,293,620	9,058,950	(234,670)	-2.53%
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TOTAL - STATE FUNDS

43,020,782	45,922,686	2,901,904	6.75%
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OTHER FUNDS

Tuition (Summer School)	7,500	7,500	-	0.00%
Tuition (Non-Resident Students)	45,000	40,000	(5,000)	-11.11%
Tuition (Adult Education)	5,500	5,500	-	0.00%
Rentals (School Buses)	66,000	66,000	-	0.00%
Rentals (Café, Auditoriums, etc.)	33,000	40,000	7,000	21.21%
Refunds, Rebates, & Misc.	10,000	10,000	-	0.00%
Misc. Income Band & Music	1,800	1,800	-	0.00%
NJROTC	75,000	80,000	5,000	6.67%
Payment from Another Division (Alternative Pgm)	112,114	109,539	(2,575)	-2.30%
Medicaid Reimbursements	300,000	300,000	-	0.00%
Indirect Cost Allocation	350,000	400,000	50,000	14.29%
Use of State Carryover Funding		317,874	317,874	

TOTAL - OTHER FUNDS	1,005,914	1,378,213	372,299	0
 <u>CITY FUNDS</u>				
General Appropriation	22,662,500	22,812,500	150,000	0.66%
TOTAL - CITY FUNDS	22,662,500	22,812,500	150,000	0.66%
TOTAL RECEIPTS	66,689,196	70,113,399	3,424,203	5.13%

2020-2021
Danville Public Schools APPROVED Budgeted Expenditures
General Operating Fund Budget

	ACTUAL EXPENDITURES <u>2018-19</u>	BUDGET <u>2019-20</u>	PROPOSED BUDGET <u>2020-21</u>	INCREASE (DECREASE)	% CHANGE
I. INSTRUCTION					
A. Classroom Instruction					
1. Elementary Regular	16,341,753	17,406,731	17,683,453	276,721	1.59%
2. Elementary Special Ed	3,047,579	3,220,374	3,503,693	283,319	8.80%
3. Elementary Vocational	532,796	510,966	563,893	52,928	10.36%
4. Elementary Gifted & Talented	399,317	426,757	434,990	8,233	1.93%
5. Elementary Extra-Curricular	38,819	52,552	50,894	-1,658	-3.15%
6. Secondary Regular	8,982,424	8,985,766	9,341,817	356,051	3.96%
7. Secondary Special Ed	1,691,446	1,525,257	1,504,981	-20,276	-1.33%
8. Secondary Vocational	1,682,229	1,832,737	1,826,674	-6,063	-0.33%
9. Secondary Gifted & Talented	342,878	375,219	373,342	-1,877	-0.50%
10. Secondary Co-Curricular	456,589	460,866	516,899	56,033	12.16%
11. Extended Sessions	61,681	149,945	137,081	-12,864	-8.58%
12. Adult	112,054	103,511	96,063	-7,449	-7.20%
13. Preschool Handicapped	427,358	531,896	618,067	86,171	16.20%
14. Non-LEA Programs	41,310	28,732	28,732	0	0.00%
15. Alternative Education	921,661	1,057,139	1,097,243	40,104	3.79%
16. Virginia Preschool Initiative	1,894,430	1,984,854	2,033,166	48,312	2.43%
B. Guidance	1,235,749	1,251,035	1,590,608	339,572	27.14%
C. Social Workers	102,765	180,471	115,371	-65,101	-36.07%
D. Homebound	181,502	203,388	290,655	87,268	42.91%
E. Instructional Support	2,284,451	2,616,560	3,107,296	490,736	18.75%
F. Media	914,815	943,150	997,350	54,199	5.75%
G. School Administration	4,105,375	4,113,305	4,304,035	190,730	4.64%
<u>TOTAL INSTRUCTION</u>	<u>45,798,978</u>	<u>47,961,211</u>	<u>50,216,300</u>	<u>2,255,089</u>	<u>4.70%</u>

2020-2021
Danville Public Schools APPROVED Budgeted Expenditures
General Operating Fund Budget

	ACTUAL EXPENDITURES <u>2018-19</u>	BUDGET <u>2019-20</u>	PROPOSED BUDGET <u>2020-21</u>	INCREASE (DECREASE)	% CHANGE
II. <u>ADMINISTRATION AND ATTENDANCE AND HEALTH</u>					
A. Administration					
1. Board Services	116,055	115,915	118,915	3,000	2.59%
2. Executive Administration	473,592	376,225	351,576	-24,650	-6.55%
3. Insurances	250,532	294,178	306,880	12,702	4.32%
4. Administrative Services	285,526	303,782	340,097	36,316	11.95%
5. Information Services	113,941	117,201	145,887	28,686	24.48%
6. Human Resources	1,179,931	1,350,938	1,427,517	76,579	5.67%
7. Fiscal Services	584,382	578,247	639,893	61,646	10.66%
8. Reprographics Services	64,191	78,118	80,247	2,129	2.72%
B. Attendance & Health					
1. Attendance	157,274	127,518	223,634	96,116	75.37%
2. Health	1,173,996	1,218,521	1,232,630	14,109	1.16%
3. Psychological	353,308	469,772	484,134	14,361	3.06%
 <u>TOTAL ADM & ATT & HEALTH</u>	 <u>4,752,729</u>	 <u>5,030,416</u>	 <u>5,351,410</u>	 <u>320,994</u>	 <u>6.38%</u>
 III. <u>PUPIL TRANSPORTATION</u>					
A. Management	490,947	495,837	555,354	59,517	12.00%
B. Vehicle Operation	1,343,231	1,446,033	1,576,973	130,940	9.06%
C. Monitoring Services	25,092	25,163	31,259	6,096	24.23%
D. Vehicle Maintenance	514,647	495,446	535,544	40,098	8.09%
 <u>TOTAL PUPIL TRANSPORTATION</u>	 <u>2,373,917</u>	 <u>2,462,479</u>	 <u>2,699,130</u>	 <u>236,651</u>	 <u>9.61%</u>

2020-2021
Danville Public Schools APPROVED Budgeted Expenditures
General Operating Fund Budget

	ACTUAL EXPENDITURES <u>2018-19</u>	BUDGET <u>2019-20</u>	PROPOSED BUDGET <u>2020-21</u>	INCREASE (DECREASE)	% CHANGE
<u>IV. OPERATION AND MAINTENANCE SERVICES</u>					
A. Management	299,543	305,839	321,215	15,377	5.03%
B. Building Services	6,185,277	6,483,835	6,759,803	275,968	4.26%
C. Grounds Services	294,364	358,535	386,518	27,983	7.80%
D. Equipment Services	304,774	344,500	401,089	56,589	16.43%
E. Vehicle Services	51,250	81,500	83,000	1,500	1.84%
F. Security Services	614,626	657,422	698,712	41,290	6.28%
<u>TOTAL OPERATION AND MAINTENANCE</u>	<u>7,749,834</u>	<u>8,231,631</u>	<u>8,650,337</u>	<u>418,706</u>	<u>5.09%</u>
<u>V. NON-INSTRUCTIONAL OPERATIONS</u>					
A. Community Education					
<u>VI. FACILITIES</u>					
A. Site Improvements	0	0	0	0	#DIV/0!
B. Architecture and Engineering Services		0	0	0	#DIV/0!
C. Building Acquisition/Construction Services	0	0	0	0	#DIV/0!
D. Building Improvement Services	0	0	0	0	#DIV/0!
<u>TOTAL FACILITIES</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>#DIV/0!</u>
<u>VII. OTHER USES OF FUNDS</u>					
A. Fund Transfers	138,945	136,741	152,470	15,729	11.50%
A. Debt Service - Performance Contracting	233,757	283,118	293,780	10,662	3.77%
<u>TOTAL OTHER USES OF FUNDS</u>	<u>372,702</u>	<u>419,859</u>	<u>446,250</u>	<u>26,391</u>	<u>6.29%</u>

2020-2021
Danville Public Schools APPROVED Budgeted Expenditures
General Operating Fund Budget

	ACTUAL EXPENDITURES <u>2018-19</u>	BUDGET <u>2019-20</u>	PROPOSED BUDGET <u>2020-21</u>	INCREASE (DECREASE)	% CHANGE
<u>VIII. TECHNOLOGY</u>					
A. Technology-Classroom Instruction	587,357	559,000	453,697	-105,303	-18.84%
B. Technology - Instructional Support	858,948	1,015,535	1,062,570	47,035	4.63%
C. Technology - Administration	1,169,433	1,009,065	1,233,704	224,639	22.26%
<u>TOTAL TECHNOLOGY</u>	<u>2,615,738</u>	<u>2,583,600</u>	<u>2,749,971</u>	<u>166,371</u>	<u>6.44%</u>
 <u>IX. CONTINGENCY</u>	 <u>0</u>	 <u>0</u>	 <u>0</u>	 <u>0</u>	 <u>#DIV/0!</u>
 <u>TOTALS</u>	 <u>63,663,897</u>	 <u>66,689,196</u>	 <u>70,113,399</u>	 <u>3,424,203</u>	 <u>5.13%</u>

Council Letter

City of Danville, Virginia



CL-2333

Old Business Item #: A.

City Council Regular Meeting

Meeting Date: 06/02/2020

Subject: Real Estate Tax Rate

From: Cynthia Thomasson, Budget
Director

COUNCIL ACTION

First Reading: 05/21/2020

Final Adoption: 06/02/2020

SUMMARY

The Real Estate reassessment is currently underway. Current projections anticipate an overall increase of 3.05% in assessed values as compared to the current assessment. The majority of the anticipated increase, or 3.05%, relates to the reassessment of existing property, while approximately 0.5% is attributed to new construction.

BACKGROUND

The Commonwealth of Virginia Code requires that reassessments resulting in an increase in assessment of 1% or greater be advertised as a tax increase. The advertisement of the real estate tax has to be published 30 days in advance. At that time, the City advertised a real estate tax rate of \$0.84 per \$100 as an effective tax rate increase of no more than 3%. Current data anticipates that maintaining the current rate of \$0.84 would represent a 2.5 cent increase from a revenue neutral rate. For example, property assessed at \$100,000 in the current year would be reassessed at \$103,000 and the tax bill would increase from \$840.00 to \$865.20 annually, an increase of \$25.20 annually or \$12.60 per installment. The estimated increase is an overall average and individual properties may increase at a greater or lesser percentage. The increase in the general reassessment together with new construction is anticipated to generate a \$579,000 increase in real estate revenue for the FY 2021 Budget. The Proposed Budget includes an increase of \$180,000 representing an estimated 1.26% increase in assessed values.

RECOMMENDATION

It is recommended that Danville City Council adopt the attached Ordinance maintaining the current real estate tax rate.

Attachments

Ordinance

PRESENTED: May 21, 2020

ADOPTED: June 2, 2020

ORDINANCE NO. 2020 – 05.04

AN ORDINANCE AMENDING AND REORDAINING SECTIONS 37-27, 37-28 AND 37-29 OF THE DANVILLE CITY CODE THEREBY MAINTAINING THE REAL ESTATE TAX OF EIGHTY-FOUR (84) CENTS ON EVERY ONE HUNDRED DOLLARS OF ASSESSED VALUE EFFECTIVE JULY 1, 2020.

NOW THEREFORE, BE IT ORDAINED, by the Council of the City of Danville, Virginia, that for the purpose of imposing on all taxable real estate, land, and lots with improvements thereon, not exempt from taxation by law, maintaining the current annual tax of Eighty-four (\$0.84) on every One Hundred Dollars (\$100) of assessed value thereon, Section 37-27, entitled "Tax on real estate and improvements thereon generally," Section 37-28, entitled "Tax on real estate of railroads and utility companies," and Section 37-29, entitled "Tax on vehicles without motive power (manufactured homes)", of Article II, entitled "Levy and Rate of Tax on Real Estate, Tangible Personal Property, Etc.," of Chapter 37, entitled "Taxation," of the Code of the City of Danville, Virginia, 1986, as amended, be and the same are hereby, amended and reordained to read as follows:

Sec. 37-27. Tax on real estate and improvements thereon generally.

Pursuant to Section 58.1-3000 of the Code of Virginia on all taxable real estate, land and lots, with the improvements thereon, not exempt from taxation by law, maintaining the current annual tax of Eighty-four (\$0.84) on every One Hundred Dollars (\$100) of the assessed value thereof.

Sec. 37-28. Tax on real estate of railroads and utility companies.

Pursuant to Chapter 26 of Title 58.1 (Sections 58.1-2600 et seq.) of the Code of Virginia, maintaining the current annual tax of Eighty-four (\$0.84) on every One Hundred

Dollars (\$100) of the real estate of all railroad, telegraph, telephone, power, heat, and light companies.

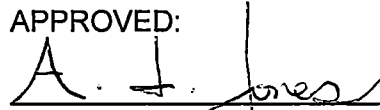
Sec. 37-29. Tax on vehicles without motive power (manufactured homes).

Pursuant to Section 58.1-3506 of the Code of Virginia, on all vehicles without motive power, as mentioned in such Section, maintaining the current tax of Eighty-four (\$0.84) on every One Hundred Dollars (\$100) of the assessed value thereof.

NOW BE IT ORDAINED that all other provisions and Sections of said Article, Chapter and Code be, and the same are hereby, continued in full force and effect unless and until the same are hereafter amended or repealed.

AND BE IT FURTHER ORDAINED that this Ordinance shall be and become effective on and as of July 1, 2020.

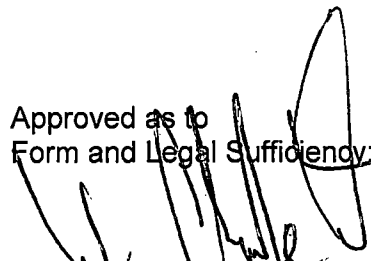
APPROVED:


MAYOR

ATTEST:


CLERK

Approved as to
Form and Legal Sufficiency:


CITY ATTORNEY

Council Letter

City of Danville, Virginia



CL-2337

Old Business Item #: A.

City Council Regular Meeting

Meeting Date: 06/16/2020

Subject: City of Danville Budget, Capital and Special Projects Plan, and Budget Appropriation Ordinance

From: Cynthia Thomasson, Budget Director

COUNCIL ACTION

First Reading: 06/02/2020

Final Adoption 06/16/2020

SUMMARY

The Public Hearing for the Budget of the City of Danville and Capital and Special Projects Plan (CSP) is scheduled to be held on June 2, 2020.

BACKGROUND

The City Manager presented the Fiscal Year 2021 Proposed Budget in early April 2020. A Public Hearing was held on May 21, 2020 to maintain the current Real Estate Tax Rate of \$0.84 per \$100 of assessed value.

The schedule of authorized full-time positions and full-time equivalent part-time positions is included.

RECOMMENDATION

It is recommended that City Council adopt the attached Resolutions approving the City and CSP Budgets, and the Budget Appropriation Ordinance to appropriate the budget to the various funds for Fiscal Year 2021.

Attachments

Resolution

Resolution

Ordinance

Authorized Positions

PRESENTED: June 2, 2020

ADOPTED: June 16, 2020

RESOLUTION NO. 2020 – 06.01

A RESOLUTION APPROVING THE BUDGETS OF THE VARIOUS FUNDS OF THE CITY OF DANVILLE FOR THE FISCAL YEAR ENDING JUNE 30, 2021.

WHEREAS, the Budget of and for the City of Danville for Fiscal year 2021 has been prepared and introduced by the City Manager and received and considered by the Council, including the Budgets for the following funds:

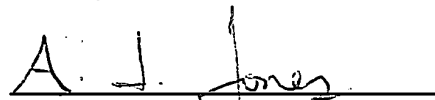
FUND NAME (FROM)	PROPOSED EXPENDITURE	CONTRIBUTION/ TRANSFER TO <u>GENERAL FUND</u>
General Fund	\$115,651,690	
VDOT Special Revenue Fund	11,369,690	
Wastewater	12,269,920	706,860
Water	12,591,510	\$ 950,300
Gas	22,461,430	3,186,330
Power & Light	128,334,150	10,429,610
Telecommunications	1,265,730	81,000
Transportation	4,709,770	-0-
Central Services	352,540	-0-
Motorized Equipment	4,455,710	-0-
Insurance Fund	3,491,950	-0-
Sanitation Fund	3,977,730	-0-
Cemetery Fund	1,022,980	0

AND WHEREAS, a brief synopsis of said Budget has been duly published and a public hearing with respect thereto has been conducted by the Council, after due

public notice thereof, and upon consideration of which it is now necessary and desirable to approve the same as prescribed by law.

NOW THEREFORE, BE IT RESOLVED, by the Council of the City of Danville, Virginia, that the attached Budgets for the City of Danville for the Fiscal Year Ending June 30, 2021 representing the General Fund, VDOT Special Revenue, Water, Wastewater, Gas, Power & Light, Telecommunications, Transportation, Central Services, Motorized Equipment, Insurance, Sanitation, and Cemetery Funds, be, and the same are hereby, approved for informative and fiscal planning purposes pursuant to the City Charter and Sections 15.2-2503 through 15.2-2506 of the Code of Virginia, 1950, as amended.

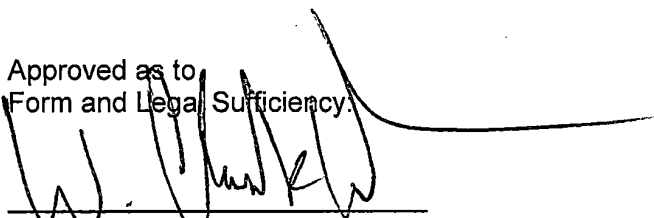
APPROVED:


MAYOR

ATTEST:


CLERK

Approved as to
Form and Legal Sufficiency.


CITY ATTORNEY

NOTICE OF PUBLIC HEARING BY DANVILLE CITY COUNCIL ON PROPOSED FISCAL YEAR 2021 BUDGETS – CITY OF DANVILLE

A Public Hearing will be held by the Council of the City of Danville, Virginia on Tuesday, June 2, 2020 at 7:00 P.M., or as soon after as may be heard, in the Council Chambers located on the Fourth Floor of City Hall, 427 Patton Street, on the proposed budgets of the City of Danville for the Year Ending June 30, 2021. At the above time and place, the Council will receive written and oral comments from Citizens. Due to COVID-19 restrictions, the proposed budgets can be examined at the City's website at <https://www.danvilleva.gov/2021Budget>.

Due to the closure of City Hall under COVID-19 restrictions, to have comments or concerns noted for the record, they must be submitted in writing at www.danvilleva.gov/council, or by phone, by calling 434-857-3348, up to 5 p.m. on June 1, 2020.

PUBLIC NOTICE

CITY COUNCIL'S REVISED INTRODUCTORY FY 2021 BUDGETS - CITY OF DANVILLE GENERAL & SPECIAL REVENUE FUNDS

REVENUES	GENERAL FUND	EXPENDITURES	GENERAL FUND
General Property Taxes	\$ 34,764,420	General Government Administration	\$ 10,886,940
Other Local Taxes	27,872,000	Judicial & Constitution Offices	7,189,000
Licenses, Permits & Privilege Fees	258,350	Public Safety	30,856,750
Fines and Forfeitures	410,550	Public Works	4,401,510
Revenue from Use of Money & Property	1,158,590	Health and Welfare	8,921,430
Charges for Services	3,328,360	Parks, Recreation & Cultural	5,187,540
Transfers from Other Funds	15,353,000	Community Development	1,925,950
Miscellaneous Revenue	125,400	Non-Departmental	12,415,360
Recovered Costs	7,958,250	Economic Development Incentives	1,660,950
Non-Categorical Aid (State)	5,865,000	Support of Other Entities	1,563,750
Shared Expenses (State)	5,174,940	Transfers of School Board:	
Categorical Aid (State)	9,424,830	Operations	22,812,500
Total Revenues	111,693,690	Debt Service	2,498,770
Transfer From Fund Balance	3,957,610	Transfers of RIFA	255,810
		Transfers of Transportation & Cemeteries	0
		Transfers of Capital Projects	3,655,040
		Transfers of Grants	1,420,000
Total General Fund	\$115,651,300	Total General Fund	\$115,651,300
VDOT Street Main Special Revenue	11,369,690	Street Maintenance Expenses	11,369,690
Total General & Special Revenue Funds	\$127,020,990		\$127,020,990

PROPRIETARY FUNDS

	Waste Water	Water	Gas	Electric	Telecommunications	Transportation	Sanitation	Cemetery	Internal Services	Grand Total
Operating Revenues	\$ 9,322,740	\$11,282,890	\$22,857,550	\$130,044,100	\$ 655,770	\$ 3,545,600	\$ 3,779,350	\$ 953,420	\$7,339,530	\$189,820,950
Expenditures	\$12,269,920	\$12,591,510	\$22,461,430	\$128,334,150	\$ 1,265,730	\$ 4,709,770	\$ 3,977,730	\$1,022,980	\$ 8,300,200	\$194,933,420
Excess of Revenues Over (Under) Expenditures	\$(2,947,180)	\$(1,298,620)	\$ 396,120	\$ 1,709,950	\$(609,960)	\$(1,164,170)	\$(198,380)	\$(39,560)	\$(960,670)	\$(5,112,470)
Add Depreciation	\$ 2,145,750	\$ 1,752,540	\$ 1,542,230	\$ 8,871,510	\$ 482,230	\$ 797,220	\$ 82,330	\$ -	\$ 854,230	\$ 16,528,140
Transfer From Fund Balance	\$ 1,507,490	\$ 496,380	\$ 1,247,980	\$ -	\$ 208,730	\$ 366,950	\$ 116,050	\$ 39,560	\$ 144,840	\$ 4,127,980
Transfer (to) Fund Balance	\$ -	\$ -	\$ -	\$(151,950)	\$ -	\$ -	\$ -	\$ -	\$(38,400)	\$(190,350)
Transfer To (From) General Fund	\$ 706,060	\$ 950,300	\$ 3,186,330	\$ 10,429,610	\$ 81,000	\$ -	\$ -	\$ -	\$ 0	\$ 15,353,300

COMBINED FUNDS

	REVENUES	EXPENDITURES
Government Fund	\$ 111,693,690	\$ 115,651,300
Special Revenue Fund	\$ 11,369,690	\$ 11,369,690
Proprietary Funds	\$ 189,820,950	\$ 194,933,420
Subtotal	\$ 312,884,330	\$ 321,954,410
Add:		
Transfers to General Fund	\$ -	\$ 15,353,000
Transfers From Fund Balance	\$ 8,085,590	\$ -
Deduct:		
Transfers from General Fund	\$ -	\$ -
Transfers To Fund Balance	\$ -	\$ 190,350
Depreciation	\$ -	\$ (16528,140)
Subtotal	\$ 320,969,920	\$ 320,969,920
Less:		
Interfund Transfers	\$ (15,353,000)	\$ (15,353,000)
Interfund Recoveries	\$ (4,958,250)	\$ (4,958,250)
Interfund Charges	\$ (8,040,870)	\$ (8,040,870)
Total Budget	\$ 292,617,800	\$ 292,617,800

BY AUTHORITY OF THE COUNCIL,
City of Danville, Virginia
Susan M. DeMasi, CMC City Clerk

PRESENTED: June 2, 2020

ADOPTED: June 16, 2020

RESOLUTION NO. 2020 – 06.02

A RESOLUTION APPROVING THE FISCAL YEAR 2021 CAPITAL AND SPECIAL PROJECTS PLAN FOR THE CITY OF DANVILLE, VIRGINIA.

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

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

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

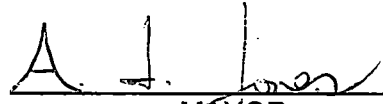
WHEREAS, projects proposed to be funded with proceeds from bonds are contingent upon City Council's approval of the issuance of such bonds; and

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

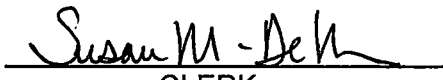
WHEREAS, it should be recognized that the plan beyond Fiscal Year 2021 is for planning purposes and does not obligate or commit the City to projects included in the plan beyond Fiscal Year 2021.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Danville, Virginia that the Fiscal Year 2021 Capital and Special Projects Plan referred to above and incorporated herein and made a part hereof by reference be, and the same is hereby approved.

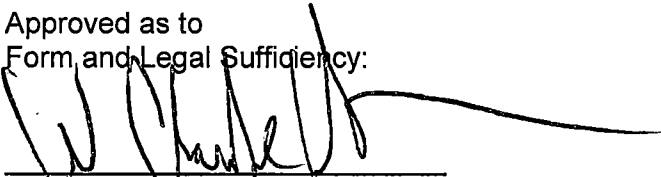
APPROVED:


MAYOR

ATTEST:


CLERK

Approved as to
Form and Legal Sufficiency:


CITY ATTORNEY

PRESENTED: June 2, 2020

ADOPTED: June 16, 2020

ORDINANCE NO. 2020 – 06. 03

**BUDGET APPROPRIATION ORDINANCE
FOR FISCAL YEAR 2021**

WHEREAS, the Budget of and for the City of Danville for Fiscal Year 2021 has been prepared by the City Manager and, after collaboration with the Council, completed and introduced and a brief synopsis thereof was duly published once in the newspaper having general circulation within the City and due notice given of a public hearing which was held on June 2, 2020 at 7:00 P.M., in the Council Chambers, at which any citizen of the City had a right and opportunity to attend and to state his views with regard to such Budget, and such public hearing having been held as advertised, all pursuant to the requirements and provisions of Sections 8-6 and 8-7 of the Charter of the City of Danville, Virginia, 1986, as amended, and of Chapter 25 of Title 15.2 of the Code of Virginia, 1950, as amended; and

WHEREAS, the Council, after having duly considered all views and opinions expressed at such public hearing, approved such budget and does now desire to appropriate funds necessary and available to finance the Budget for the operations of the City for Fiscal Year 2021.

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

1. The Estimated Revenues and Revenue Contributions and the appropriation of funds to finance the Budgets of and for the City of Danville, Virginia, for the period beginning July 1, 2020 and ending June 30, 2021, be, and the same hereby are, as follows:

I. GENERAL FUND

Estimated Revenue FY 2021	\$115,651,300
Appropriations	<u>115,651,300</u>
Unappropriated	<u>\$ -0-</u>

II. VDOT STREET MAINTENANCE FUND

Estimated Revenue FY 2021	\$ 11,369,690
Appropriations	<u>11,369,690</u>
Unappropriated	<u>\$ -0-</u>

II. UTILITY FUNDS

	Wastewater	Water	Gas	Electric	Telecommunications
Operating Revenues	\$ 9,322,740	11,292,890	22,857,550	130,044,100	655,770
Expenditures	<u>12,269,920</u>	<u>12,591,510</u>	<u>22,461,430</u>	<u>128,334,150</u>	<u>1,265,730</u>
Excess of Revenues Over (Under) Expenditures	(2,947,180)	(1,298,620)	396,120	1,709,950	(609,960)
Add:					
Depreciation	2,145,750	1,752,540	1,542,230	8,871,610	482,230
Contribution/Transfer (To)/From General Fund	<u>(705,760)</u>	<u>(950,300)</u>	<u>(3,186,330)</u>	<u>(10,429,610)</u>	<u>(81,000)</u>
Increase (Decrease) In Fund Balance	<u>\$ (1,507,190)</u>	<u>(496,380)</u>	<u>(1,247,980)</u>	<u>151,950</u>	<u>(208,730)</u>

III. OTHER FUNDS

SUMMARY	Transportation	Central Services	Motorized Equipment	Insurance	Sanitation	Cemetery
Operating Revenues	\$3,545,600	257,400	3,551,780	3,530,350	3,779,350	983,420
Expenditures	<u>4,709,770</u>	<u>352,540</u>	<u>4,455,710</u>	<u>3,491,950</u>	<u>3,977,730</u>	<u>1,022,980</u>
Excess of Revenues Over (Under) Expenditures	(1,164,170)	(95,174)	(903,930)	38,400	(198,380)	(39,560)
Add (Deduct):						
Depreciation	<u>797,220</u>	<u>21,810</u>	<u>832,420</u>	<u>-0-</u>	<u>82,330</u>	<u>-0-</u>
Contribution/Transfer (To) From General Fund	\$ -0-	-0-	-0-	-0-	-0-	-0-
Increase (Decrease) In Fund Balance	<u>\$ (366,950)</u>	<u>(73,330)</u>	<u>(71,510)</u>	<u>38,400</u>	<u>(116,050)</u>	<u>(39,560)</u>

2. Flexible budgets are hereby authorized whereby appropriations may be increased to the extent that actual revenues exceed the original revenue budget amount.

This provision shall apply to the following:

Appropriation

Purchased Power
Natural Gas Purchases
Cast Iron Main Replacement
Electric Capital Reserve
DMV Fees
Landscape Projects
Capital Expenditures
 from Grants-in-Aid
P/W Street Maintenance
Social Services

Mass Transit Fund

Police/Fire/PRT Departments
 Extra Pay

Police Department

Police Department
 Investigation Expense

Commonwealth Attorney
 Prosecution Expense-State
 Prosecution Expense-State

HAZMAT Reimbursable
 Expenditures
Older Americans Title IIIB
Older Americans Title IIID

Econ Development Projects

Revenue

Electric Revenues
Natural Gas Revenues
Gas Refunds
Electric Refunds
DMV Fees-P/Taxes
Donations - Grant Fund
Utility Grants-in-Aid
 of Construction
VDOT Street & Hwy Maint.
State Categorical Aid-
 Dept of Social Svcs.
State & Federal Categorical
 Aid – Transportation

Recoveries – Extra Pay

Forfeited Funds-
 State & Federal
Interest Earned-Unexpended
 Federal & State
 Forfeited Funds

Forfeited Funds
Interest earned on
 Forfeited Funds
Emergency Services Funds

Program Income
Program Income

Proceeds from Sale of
 Buildings or Property

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

3. For the operation of the several city departments, as set forth in the "Intra-governmental Service Fund" Budgets, the Council hereby authorizes transfers from the General Fund for cash deficits resulting from internal charges and credits for the Year Ended June 30, 2020.

4. The accounting for funds designated within the General Fund or Special Revenue Fund as unanticipated grants/donations not exceeding \$20,000 and requiring no local funding are authorized for expenditure/assignment within the General Fund or Special Grants Fund. Unanticipated grants/donations in excess of \$20,000 to be submitted as an additional appropriation ordinance for City Council approval and adoption.

5. Transfers of funds from the General Fund to the accounts in the "Special Grants Fund" of the City for the purpose of making temporary advances to the Special Grants Fund pending receipt of reimbursements of such grant funds and for the purpose of adjusting any cash deficits in such Special Grants Funds for the Fiscal Year Ending June 30, 2020, be, and the same are hereby, authorized.

6. Any deficit resulting from the operations of the Cemetery Enterprise Fund shall be financed by a transfer from the General Fund.

7. Authorization to transfer up to ½ the increase in Unassigned Fund Balance to the Budget Stabilization Fund at June 30, 2020 up to the maximum balance as prescribed by City Council's Financial Policy.

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

9. The FY 2021 Personnel Budget setting forth the Personal Services Detail showing approved as to the total number of authorized full-time and full-time equivalent part-time positions is attached. The City Manager be, and he is hereby, authorized to allocate positions within similar occupational groupings as he may deem necessary and appropriate for the operation of the City, provided that the total number of positions and the total expenditures therefore do not exceed the authorized numbers and amounts set forth in the Budget.

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

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

12. The funds appropriated in Fiscal Year 2020 and in prior years for the City or School System which were encumbered by purchase order or contract as of June 30, 2020, be, and the same are hereby, reappropriated for the purpose of liquidating said outstanding encumbrances.

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

Police Department - Investigation Expense

Commonwealth Attorney-Prosecution Expense-State Funds

Appropriations for Grants Funds - Federal, State, Local Share

Law Library

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

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

Sheriff's Office – Jail R& B Fee

Parks, Recreation & Tourism – Scholarship Funds & Revolving Accounts

Recoveries/Appropriations - Accident/Insurance Claims

CARES Act Funds

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

15. At the discretion of the City Manager or the Budget Director in collaboration with the Director of Finance, all expenditures in excess of amount budgeted for Group Health Insurance shall be financed by a transfer from the Insurance Fund.

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

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

18. Authorization to carry forward unencumbered appropriation for Support of Public Schools as of June 30, 2020.

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

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

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

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

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

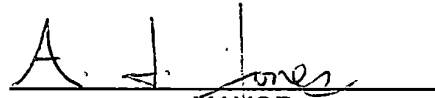
23. Budget Adjustments are hereby authorized for Bond Refundings as approved by City Council.

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

25. This Ordinance shall become and be effective on and as of July 1, 2020.

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


APPROVED:


MAYOR

ATTEST:


CLERK

Approved as to
Form and Legal Sufficiency:


City Attorney

CITY OF DANVILLE								
FY 2021 PROPOSED AUTHORIZED FULL-TIME AND PART-TIME FTE POSITIONS								
FTE = Full-time Equivalent								
Fiscal Year 2020			Fiscal Year 2021					
Full-Time Positions	Part-Time FTEs	Totals	Full-Time Positions	Part-Time FTEs	Totals	POSITION TITLE		
						City Manager's Office (01100)		
1		1.0	1		1.0	City Manager		
1		1.0	1		1.0	Deputy City Manager		
1		1.0	1		1.0	Assistant to the City Manager		
1		1.0	1		1.0	Clerk of Council		
1		1.0	1		1.0	Multi-media Design Manager		
1		1.0	1		1.0	Public Information Officer (Funded by Utilities)		
1		1.0	1		1.0	Youth & Gang Violence Coordinator (Funded by Grant)		
1		1.0	1		1.0	Director of Budget		
1		1.0	1		1.0	Executive Assistant		
1		1.0	1		1.0	Executive Secretary		
10	-	10.0	10	-	10.0	TOTAL CITY MANAGER'S OFFICE		
						City Attorney's Office (01105)		
1		1.0	1		1.0	City Attorney		
1		1.0	1		1.0	Assistant City Attorney I *		
1		1.0	1		1.0	Assistant City Attorney II		
1		1.0	1		1.0	Legal Assistant		
1		1.0	1		1.0	Legal Secretary		
5	-	5.0	5	-	5.0	TOTAL CITY ATTORNEY'S OFFICE		
						Assistant City Attorney I funded by Blight		
						COMMUNITY DEVELOPMENT DEPARTMENT		
						Community Development Fund (12110)		
1		1.0	1		1.0	Community Redevelopment Specialist		
2		2.0	2		2.0	Cost Estimator/Inspector		
1		1.0	1		1.0	Housing & Development Planning Specialist		
1		1.0	1		1.0	Senior Account Clerk		
1		1.0	1		1.0	Secretary		
6		6.0	6		6.0	Sub-Total		
						Director of Community Development (01700)		
1		1.0	1		1.0	Director of Community Development		
1		1.0	1		1.0	Accountant II		
1		1.0	1		1.0	Senior Secretary		
3	-	3.0	3	-	3.0	Sub-Total		
						Inspections Office (01710)		
1		1.0	1		1.0	Division Director of Inspections		
1		1.0	1		1.0	Inspections Supervisor		
1		1.0	1		1.0	Plumbing/Cross Connection Inspector		
1		1.0	1		1.0	Mechanical Inspector		
1		1.0	1		1.0	Electrical Inspector		
2		2.0	2		2.0	Building Inspector		
4		4.0	4		4.0	Property Maintenance Inspector		
1		1.0	1		1.0	Property Maintenance Code Coordinator		
1		1.0	1		1.0	Permit Technician		
13	-	13.0	13	-	13.0	Sub-Total		
						*Planning Office (01715)		
-		-	-		-	Division Director of Planning		
2		2.0	2		2.0	Combination of:		
						Senior Planner		
						Associate Planner		
						Planning Technician		
2	-	2.0	2	-	2.0	Sub-Total		
24	-	24	24	-	24	TOTAL COMMUNITY DEVELOPMENT DEPARTMENT		

CITY OF DANVILLE						
FY 2021 PROPOSED AUTHORIZED FULL-TIME AND PART-TIME FTE POSITIONS						
FTE = Full-time Equivalent						
Fiscal Year 2020			Fiscal Year 2021			POSITION TITLE
Full-Time Positions	Part-Time FTEs	Totals	Full-Time Positions	Part-Time FTEs	Totals	
						Social Services Department (01520)
1		1.0	1		1.0	Director of Social Services
1		1.0	1		1.0	Family Services Manager
1		1.0	1		1.0	Eligibility Services Manager
3		3.0	3		3.0	Family Services Supervisor
1		1.0	1		1.0	Accountant II
1		1.0	1		1.0	Employment Service Supervisor
3		3.0	3		3.0	Eligibility Supervisor
2		2.0	2		2.0	Senior Family Services Specialist
1		1.0	1		1.0	Comprehensive Services Coordinator (Grant Funded)
5		5.0	5		5.0	Child Protective Service Worker
15		15.0	15		15.0	Family Services Specialist
4		4.0	4		4.0	Senior Eligibility Worker
1		1.0	1		1.0	Fraud Investigator
2		2.0	2		2.0	Administrative Assistant (One Grant Funded)
7		7.0	7		7.0	Employment Services Worker
1		1.0	1		1.0	Sr Employment Services Worker
1		1.0	-		-	SNAPET Coordinator
32	1.8	33.8	32	1.8	33.8	Eligibility Worker
1		1.0	1		1.0	Senior Secretary
1		1.0	1		1.0	Senior Account Clerk
4		4.0	4		4.0	Senior Administrative Specialist
1		1.0	1		1.0	Social Service Aide
1		1.0	1		1.0	Employment Service Aide
8	0.6	8.6	8	0.6	8.6	Administrative Specialist
98	2.4	100.4	97	2.4	99.4	Sub-Total
						Economic Development Department (01180)
1		1.0	1		1.0	Director of Economic Development
1		1.0	1		1.0	Assistant Director of Economic Development
1		1.0	1		1.0	Economic Development Project Manager
1		1.0	1		1.0	Marketing & Research Manager
			1		1.0	Economic Development Specialist
1		1.0	-		-	Special Project Manager
5	-	5.0	5	-	5.0	TOTAL ECONOMIC DEVELOPMENT DEPARTMENT
						FINANCE DEPARTMENT
						Customer Accounts
1		1.0	1		1.0	Division Director of Customer Accounts
1		1.0	1		1.0	Collections Supervisor
1		1.0	1		1.0	Delinquent Collections Coordinator
2		2.0	2		2.0	Senior Collections Clerk
12		12.0	12		12.0	Combination of:
						Customer Service Representative
						Customer Account Representative
5		5.0	5		5.0	Cashier
1		1.0	1		1.0	Division Director of Customer Service
1		1.0	1		1.0	Sr Customer Service/Training Representative
6		6.0	6		6.0	Combination of:
						Senior Utility Billing Clerk
						Utility Special Billing Clerk
						Utility Billing Clerk
30	-	30	30	-	30	

CITY OF DANVILLE								
FY 2021 PROPOSED AUTHORIZED FULL-TIME AND PART-TIME FTE POSITIONS								
FTE = Full-time Equivalent								
Fiscal Year 2020			Fiscal Year 2021					
Full-Time Positions	Part-Time FTEs	Totals	Full-Time Positions	Part-Time FTEs	Totals	POSITION TITLE		
						Central Services Fund (42110)		
1		1.0	1		1.0	Print Shop Technician		
3		3.0	3		3.0	Combination of:		
						Senior Printer		
						Printer		
4	-	4.0	4	-	4.0	Sub-Total		
						Director of Finance (01200)		
1		1.0	1		1.0	Director of Finance		
1		1.0	1		1.0	Senior Secretary		
2	-	2.0	2	-	2.0	Sub-Total		
						Accounting (01205)		
1		1.0	1		1.0	Assistant Director of Finance		
1		1.0	1		1.0	Business Systems Accountant		
3		3.0	2		2.0	Accountant II		
1		1.0	1		1.0	Accountant III		
1		1.0	1		1.0	Payroll Technician		
			4		4.0	Combination of:		
						Account Clerk		
1		1.0				Senior Account Clerk		
2		2.0				Accountant I		
10	-	10.0	10	-	10.0	Sub-Total		
						Internal Auditor (01208)		
1	-	1.0	1	-	1.0	Senior Internal Auditor		
						Purchasing (01215)		
1		1.0	1		1.0	Division Director of Purchasing		
1		1.0	1		1.0	Buyer		
2		2.0	2		2.0	Combination of:		
						Senior Purchasing Clerk		
						Purchasing Clerk		
4	-	4.0	4	-	4.0	Sub-Total		
						Real Estate (01220)		
1		1.0	1		1.0	Division Director of Real Estate Assessment		
3		3.0	3		3.0	Combination of:		
						Real Estate Appraiser III		
						Real Estate Appraiser II		
						Real Estate Appraiser I		
1		1.0	1		1.0	Combination of:		
						Senior Real Estate Assessment Clerk		
						Real Estate Assessment Clerk		
5	-	5.0	5	-	5.0	Sub-Total		
56	-	56	56	-	56	TOTAL FINANCE DEPARTMENT		

CITY OF DANVILLE						
FY 2021 PROPOSED AUTHORIZED FULL-TIME AND PART-TIME FTE POSITIONS						
FTE = Full-time Equivalent						
Fiscal Year 2020			Fiscal Year 2021			POSITION TITLE
Full-Time Positions	Part-Time FTEs	Totals	Full-Time Positions	Part-Time FTEs	Totals	
						FIRE DEPARTMENT
						Emergency Communications (01330)
	0.5	0.5		0.5	0.5	CERT Coordinator
1		1.0	1		1.0	Emergency Communications Manager
4		4.0	4		4.0	Emergency Telecommunications Supervisor
16		16.0	16		16.0	Emergency Telecommunicator
21	0.5	21.5	21	0.5	21.5	Sub-Total
						Fire (01320)
1		1.0	1		1.0	Fire Chief
2		2.0	2		2.0	Assistant Fire Chief
4		4.0	4		4.0	Fire Battalion Chief
1		1.0	1		1.0	Fire Marshal
21		21.0	21		21.0	Fire Captain
1		1.0	1		1.0	Assistant Fire Marshal
1		1.0	1		1.0	Fire Code Inspector
6		6.0	6		6.0	Fire Lt./Asst. Training Officer
24		24.0	24		24.0	Fire Fighter/Engineer
1		1.0	1		1.0	Fire Support Analyst
60		60.0	60	7.2	67.2	Fire Fighter
1		1.0	1		1.0	Administrative Assistant
1		1.0	1		1.0	Senior Secretary
124	-	124.0	124	7.2	131.2	Sub-Total
145	0.5	145.5	145	7.7	152.7	TOTAL FIRE DEPARTMENT
						Circuit Court (01155)
1		1.0	1		1.0	Law Clerk
1		1.0	1		1.0	Judicial Assistant
1		1.0	1		1.0	Legal Secretary
3	-	3.0	3	-	3.0	TOTAL CIRCUIT COURT
						22nd District Court Services
1		1.0	1		1.0	Intake Diversion Specialist
1	-	1	1	-	1	TOTAL CIRCUIT COURT
						Human Resources (01110)
1		1.0	1		1.0	Director of Human Resources
4		4	4		4	Combination of:
		-			-	Organization Development Consultant
		-			-	HR Consultant
1		1.0	1		1.0	Human Resource Technician
1		1.0	1		1.0	Senior Secretary
7	-	7.0	7	-	7.0	TOTAL HUMAN RESOURCES

CITY OF DANVILLE									
FY 2021 PROPOSED AUTHORIZED FULL-TIME AND PART-TIME FTE POSITIONS									
FTE = Full-time Equivalent									
Fiscal Year 2020			Fiscal Year 2021			POSITION TITLE			
Full-Time Positions	Part-Time FTEs	Totals	Full-Time Positions	Part-Time FTEs	Totals				
						Information Technology (01250)			
1		1.0	1		1.0	Director of Information Technology			
3		3.0	3		3.0	Combination of:			
						Assistant Director of Information Technology			
						Division Director of Application Support			
						Division Director of Technical Services			
						IT Project Manager			
						IT Business Relationship Manager			
						IT Business Analyst			
7		7.0	7		7.0	Combination of:			
						Network Systems Engineer			
						Network Administrator			
						System Administrator			
						PC Administrator			
						Network Analyst			
						Sr. IT Support Technician			
						IT Support Technician			
10		10.0	10		10.0	Combination of:			
						Help Desk Manager			
						GIS Coordinator			
						IT Solutions Architect Manager			
						Sr. Applications Support Specialist			
						Sr. Database Administrator			
						IT Application Support Specialist			
						Sr. Programmer Analyst			
						Sr. GIS Programmer Analyst			
						Database Administrator			
						GIS Programmer Analyst			
						Programmer/Analyst			
						GIS Analyst			
1		1.0	1		1.0	Administrative Assistant			
22	-	22.0	22	-	22.0	TOTAL INFORMATION TECHNOLOGY			
						POLICE DEPARTMENT			
						Adult Detention Facility (01515)			
1		1.0	1		1.0	Division Director of Adult Detention			
1		1.0	1		1.0	Chief Correctional Officer			
1		1.0	1		1.0	Service Program Coordinator			
-		-	-		-	Health Services Administrator			
1		1.0	1		1.0	Administrative Lieutenant			
	0.1	0.1		0.1	0.1	Licensed Physician			
1		1.0	1		1.0	Work Program Coordinator			
2		2.0	2		2.0	Correctional Health Assistant			
4		4.0	4		4.0	Correctional Captain			
6		6.0	6		6.0	Correctional Lieutenant			
19	1.1	20.1	19	1.2	20.2	Combination of:			
						Correctional Officer I			
						Correctional Officer II			
2		2.0	2		2.0	Senior Account Clerk			
38	1.2	39.2	38	1.3	39.3	Sub-Total			

CITY OF DANVILLE								
FY 2021 PROPOSED AUTHORIZED FULL-TIME AND PART-TIME FTE POSITIONS								
FTE = Full-time Equivalent								
Fiscal Year 2020			Fiscal Year 2021					
Full-Time Positions	Part-Time FTEs	Totals	Full-Time Positions	Part-Time FTEs	Totals	POSITION TITLE		
						Juvenile Detention Facility (01510)		
1		1.0	1		1.0	Division Director of Juvenile Detention		
1		1.0	1		1.0	Assistant Division Director of Juvenile Detention		
	0.1	0.1		0.1	0.1	Licensed Physician		
1		1.0	1		1.0	Juvenile Program Coordinator		
1		1.0	1		1.0	Nurse		
4		4.0	4		4.0	Shift Supervisor		
1		1.0	1		1.0	Building Maintenance Mechanic I		
1		1.0	1		1.0	Post Dispositional Coordinacor		
4		4.0	4		4.0	Senior Youth Care Worker		
2		2.0	2		2.0	Alternative Detention Case Worker (Grant Funded)		
27	4.4	31.4	27	3.9	30.9	Youth Care Worker		
1		1.0	1		1.0	Senior Account Clerk		
2		2.0	2		2.0	Secretary		
1		1.0	1		1.0	Custodian		
47	4.5	51.5	47	4.0	51.0	Sub-Total		
						Police (01330)		
1		1.0	1		1.0	Police Chief		
1		1.0	1		1.0	Police Lieutenant Colonel		
2		2.0	2		2.0	Police Major		
4		4.0	4		4.0	Police Captain		
9		9.0	9		9.0	Police Lieutenant		
12		12.0	12		12.0	Police Sergeant		
17		17.0	17		17.0	Police Corporal		
89		89.0	88		88.0	Police Officer (Four positions unfunded)		
			1		1.0	Crime Prevention/Community Engagement Specialist		
1		1.0	1		1.0	Quarter Master		
1		1.0	1		1.0	Police Records Office Manager		
1		1.0	1		1.0	Police Video Technician		
1		1.0	1		1.0	Police Property & Evidence Technician		
1		1.0	1		1.0	Administrative Assistant		
2		2.0	2		2.0	Animal Control Officer		
2		2.0	2		2.0	Secretary		
1		1.0	1		1.0	Senior Secretary		
3		3.0	3		3.0	Police Records Clerk		
1		1.0	1		1.0	Crime Analyst		
	0.6	0.6		0.6	0.6	Parking Attendant		
	2.0	2.0		2.0	2.0	School Crossing Guard		
149	2.6	151.6	149	2.6	151.6	Sub-Total		
234	8.3	242.3	234	7.9	241.9	TOTAL POLICE DEPARTMENT		

CITY OF DANVILLE								
FY 2021 PROPOSED AUTHORIZED FULL-TIME AND PART-TIME FTE POSITIONS								
FTE = Full-time Equivalent								
Fiscal Year 2020			Fiscal Year 2021					
Full-Time Positions	Part-Time FTEs	Totals	Full-Time Positions	Part-Time FTEs	Totals	POSITION TITLE		
						PARKS & RECREATION DEPARTMENT		
						Parks & Recreation - Administration (01292)		
						Director of Parks & Recreation		
1		1.0	1		1.0	Division Director of Parks & Recreation Administration		
1		1.0	1		1.0	P&R Communications Specialist		
1		1.0	1		1.0	Program Coordinator		
1		1.0	1		1.0	Facilities & Services Planning Specialist		
1		1.0	1		1.0	Administrative Assistant		
1		1.0	1		1.0	Senior Secretary		
1		1.0	-		-	Secretary		
2		2.0	2		2.0	Custodian		
1	0.3	1.3	1		1.0	Administrative Specialist		
	0.6	0.6		0.7	0.7	Recreation Program Supervisor		
	0.3	0.3		0.3	0.3	Recreation Facility Operator		
1		1.0	1		1.0	Outdoor Recreation Program Supervisor		
	0.2	0.2		0.2	0.2	Intern		
11	1.4	12.4	11	1.2	12.2	Sub-Total		
						Athletics (01307)		
1		1.0	1		1.0	Division Director of Athletics		
1		1.0	1		1.0	Program Coordinator		
	0.6	0.6		0.6	0.6	Administrative Specialist		
	0.5	0.5		0.5	0.5	Custodian		
	0.9	0.9		0.9	0.9	Recreation Program Supervisor		
	0.7	0.7		0.7	0.7	Recreation Sports Official		
	1.4	1.4		1.4	1.4	Recreation Facility Operator		
2	4.1	6.1	2	4.1	6.1	Sub-Total		
						Community Recreation (01605)		
1		1.0	1		1.0	Division Director of Community Recreation		
4		4.0	4		4.0	Program Coordinator		
2		2.0	2		2.0	Recreation Grants Specialist (Grant Funded)		
-	0.9	0.9	-	0.9	0.9	Custodian		
1		1.0	1		1.0	Administrative Specialist		
	1.7	1.7		1.7	1.7	Recreation Aide		
	2.0	2.0		2.5	2.5	Recreation Leader		
1	1.5	2.5	1	2.5	3.5	Recreation Program Supervisor		
	0.2	0.2		0.1	0.1	Recreation Instructor		
	1.6	1.6		1.8	1.8	Recreation Site Supervisor		
	2.5	2.5		0.9	0.9	Recreation Facility Operator		
9.0	10.4	19.4	9.0	10.4	19.4	Sub-Total		
						Park Maintenance (01316)		
1		1.0	1		1.0	Division Director of Parks Maintenance		
1		1.0	1		1.0	Parks Supervisor		
1		1.0	1		1.0	Crew Supervisor		
11		11.0	11		11.0	Combination of:		
						Park Maintenance Technician		
						Parks Groundskeeper II		
						Parks Groundskeeper I		
						Motor Equipment Operator I		
1	1.8	2.8	-	5.5	5.5	Public Service Worker		
-		-	1		1.0	Public Service Worker/Operator		
15	1.8	16.8	15	5.5	20.5	Sub-Total		

CITY OF DANVILLE						
FY 2021 PROPOSED AUTHORIZED FULL-TIME AND PART-TIME FTE POSITIONS						
FTE = Full-time Equivalent						
Fiscal Year 2020			Fiscal Year 2021			POSITION TITLE
Full-Time Positions	Part-Time FTEs	Totals	Full-Time Positions	Part-Time FTEs	Totals	
						Special Recreation (01610)
1		1.0	1		1.0	Division Director of Special Recreation
3		3.0	3		3.0	Program Coordinator
1		1.0	1		1.0	Recreation Grants Specialist
1		1.0	1		1.0	Special Population Assistant
1	0.4	1.4	1	0.5	1.5	Custodian
1		1.0	-		-	Account Clerk
			1		1.0	Senior Account Clerk
	1.3	1.3		1.4	1.4	Administrative Specialist
	1.4	1.4		2.1	2.1	Recreation Leader
2	2.6	4.6	2	3.1	5.1	Recreation Program Supervisor
	0.6	0.6		0.3	0.3	Recreation Aide
	0.1	0.1		0.5	0.5	Van Driver
		-		0.2	0.2	Recreation Instructor
10	6.3	16.3	10	8.0	17.5	Sub-Total
						Public Library (01540)
1		1.0	1		1.0	Division Director of Library
1		1.0	1		1.0	Adult Services Librarian
1		1.0	1		1.0	Children's Librarian
1		1.0	1		1.0	Circulation Supervisor
1		1.0	1		1.0	Circulation Specialist
1		1.0	1		1.0	Technical Services Librarian
2		2.0	2		2.0	Library Services Specialist
4	3.2	7.2	4	4.8	8.8	Information Specialist
1		1.0	1		1.0	Senior Administrative Specialist
	0.6	0.6		0.6	0.6	Law Library Information Specialist
1		1.0	1		1.0	Library Technology Specialist
14	3.8	17.8	14	5.4	19.4	Sub-Total
61	27.8	88.8	61	34.7	95.2	TOTAL PARKS & RECREATION
						PUBLIC WORKS DEPARTMENT
						Cemetery Maintenance (fund 59) (59110)
1		1.0	1		1.0	General Supervisor
2		2.0	2		2.0	Cemetery Supervisor
10		10.0	10		10.0	Combination of:
						Groundskeeper
						Public Service Worker
						Public Service Worker/Operator
13	-	13.0	13	-	13.0	Sub-Total
						Public Works Administration (0125301) (01400)
1		1.0	1		1.0	Director of Public Works
1		1.0	1		1.0	Division Director Public Works Administration
1		1.0	1		1.0	Senior Administrative Assistant
1		1.0	1		1.0	Administrative Assistant
1		1.0	1		1.0	Senior Account Clerk
1		1.0	1		1.0	Senior Secretary
3		3.0	3		3.0	Account Clerk
9	-	9.0	9	-	9.0	Sub-Total

CITY OF DANVILLE								
FY 2021 PROPOSED AUTHORIZED FULL-TIME AND PART-TIME FTE POSITIONS								
FTE = Full-time Equivalent								
Fiscal Year 2020			Fiscal Year 2021					
Full-Time Positions	Part-Time FTEs	Totals	Full-Time Positions	Part-Time FTEs	Totals	POSITION TITLE		
						P/W Building Maintenance (01250) (01440)		
1		1.0	1		1.0	Division Director of Building & Grounds		
1		1.0	1		1.0	General Supervisor		
1		1.0	1		1.0	Custodian Supervisor		
7		7.0	7		7.0	Combination of:		
						Building Maintenance Mechanic III		
						Building Maintenance Mechanic II		
						Building Maintenance Mechanic I		
1		1.0	1		1.0	Senior Custodian		
8		8.0	8		8.0	Custodian		
19	-	19.0	19	-	19.0	Sub-Total		
						Motorized Equipment (Fund 44) (44110)		
2		2.0	2		2.0	Equipment Maintenance Supervisor		
2		2.0	2		2.0	Public Works Warehouse Stock Clerk		
16		16.0	16		16.0	Combination of:		
						Automotive Equipment Mechanic III		
						Welder		
						Automotive Equipment Mechanic II		
						Automotive Service Technician		
						Automotive Equipment Mechanic I		
						Transit Mechanic		
20	-	20.0	20	-	20.0	Sub-Total		
						Motorized Equipment-Communications (Fund 44) (44110)		
1		1.0	1		1.0	Communications Systems Manager		
						P/W Sewer Maintenance (Fund 51) (51220)		
1		1.0	1		1.0	General Supervisor		
1		1.0	1		1.0	P/W Crew Supervisor		
1		1.0	1		1.0	CCTV Technician		
8		8.0	8		8.0	Combination of:		
						Heavy Equipment Operator		
						Motor Equipment Operator III		
						Motor Equipment Operator II		
						Motor Equipment Operator I		
						Public Service Worker/ Operator		
11	-	11.0	11	-	11.0	Sub-Total		
						P/W Sanitation-Code Enforcement (Fund 58) (58150)		
2		2.0	2		2.0	Code Enforcement Inspector		
						P/W Sanitation-Composting (Fund 58) (58120)		
1		1.0	1		1.0	Sanitation Operator I		
						P/W Sanitation-Recycling (Fund 58) (58140)		
1		1.0	1		1.0	Recycling Center Operator		
2		2.0	2		2.0	Combination of:		
						Sanitation Operator I		
						Sanitation Operator II		
3	-	3.0	3	-	3.0	Sub-Total		

CITY OF DANVILLE						
FY 2021 PROPOSED AUTHORIZED FULL-TIME AND PART-TIME FTE POSITIONS						
FTE = Full-time Equivalent						
Fiscal Year 2020			Fiscal Year 2021			POSITION TITLE
Full-Time Positions	Part-Time FTEs	Totals	Full-Time Positions	Part-Time FTEs	Totals	
						P/W Sanitation-Residential Refuse Collection (Fund 58) (5811)
1		1.0	1		1.0	Division Director of Sanitation
1		1.0	1		1.0	General Supervisor
11		11.0	11		11.0	Combination of:
						Sanitation Operator II
						Sanitation Operator I
						Public Service Worker/Operator
						Solid Waste Collector
13	-	13.0	13	-	13.0	Sub-Total
						P/W Sanitation-Yardwaste (Fund 58) (58130)
8		8.0	8		8.0	Combination of:
						Sanitation Operator I
						Sanitation Operator II
						Public Service Worker/Operator
8		8.0	8		8.0	
						P/W VDOT-Engineering (Fund 15-244) (15110)
1		1.0	1		1.0	Assistant Director of P/W - City Engineer
4		4.0	4		4.0	Combination of:
						Public Works Chief Engineer
						Project Manager
7		7.0	7		7.0	Combination of:
						Construction Inspections Supervisor
						Survey Party Supervisor
						Public Works GIS/CAD Engineering Technician
						Public Works Project Engineer
						Construction Inspector
						Engineering Aide
						Engineering Technician
12	-	12.0	12	-	12.0	Sub-Total
						P/W VDOT- Grounds Maintenance (Fund 15-247) (15210)
1		1.0	1		1.0	General Supervisor
1		1.0	1		1.0	P/W Crew Supervisor
15		15.0	15		15.0	Combination of:
						Motor Equipment Operator II
						Motor Equipment Operator I
						Public Service Worker/ Operator
						Groundskeeper
17	-	17.0	17	-	17.0	Sub-Total
						P/W VDOT-Street Cleaning (Fund 15-247) (15125)
7		7.0	7		7.0	Combination of:
						Public Service Worker/ Operator
						Motor Equipment Operator II
						Motor Equipment Operator I
7	-	7.0	7	-	7.0	Sub-Total

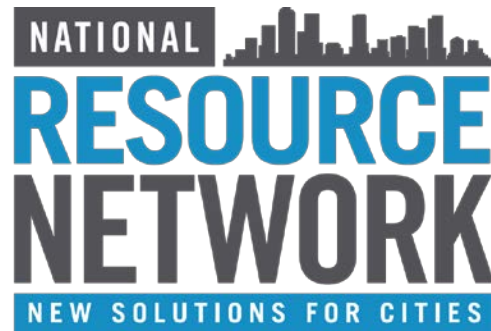
CITY OF DANVILLE								
FY 2021 PROPOSED AUTHORIZED FULL-TIME AND PART-TIME FTE POSITIONS								
FTE = Full-time Equivalent								
Fiscal Year 2020			Fiscal Year 2021					
Full-Time Positions	Part-Time FTEs	Totals	Full-Time Positions	Part-Time FTEs	Totals	POSITION TITLE		
						P/W VDOT-Street Maintenance (Fund 15-247) (15120)		
1		1.0	1		1.0	Division Director of Streets		
1		1.0	1		1.0	Training & Safety Manager		
2		2.0	2		2.0	General Supervisor		
3		3.0	3		3.0	P/W Crew Supervisor		
1		1.0	1		1.0	Code Enforcement Inspector		
			1		1.0	Business Analyst		
27		27.0	26		26.0	Combination of:		
						Heavy Equipment Operator		
						Motor Equipment Operator III		
						Motor Equipment Operator II		
						Motor Equipment Operator I		
						Public Service Worker/ Operator		
						Groundskeeper		
35	-	35.0	35	-	35.0	Sub-Total		
						P/W VDOT-Traffic Control (Fund 15-244) (15115)		
1		1.0	1		1.0	Traffic Control Superintendent		
1		1.0	1		1.0	Traffic Control Crew Supervisor		
1		1.0	1		1.0	Senior Traffic Signal Technician		
1		1.0	1		1.0	Traffic Signal Technician		
1		1.0	1		1.0	Sign Technician		
4		4.0	4		4.0	Combination of:		
						Motor Equipment Operator III		
						Motor Equipment Operator II		
						Motor Equipment Operator I		
						Public Service Worker/ Operator		
9	-	9.0	9	-	9.0	Sub-Total		
180	-	180	180	-	180	TOTAL PUBLIC WORKS DEPARTMENT		
						TRANSPORTATION DEPARTMENT		
						Airport (01350)		
1		1.0	1		1.0	Senior Administrative Assistant		
1		1.0	1		1.0	Transportation Building & Grounds Superintendent		
1		1.0	1		1.0	Airport Maintenance Security Tech II		
1	3.0	4.0	1	3.0	4.0	Airport Maintenance Security Tech I		
4	3.0	7.0	4	3.0	7.0	Sub-Total		
						Mass Transit (Fund 56) (56110)		
1		1.0	1		1.0	Director of Transportation Services		
1		1.0	1		1.0	Transportation Services Division Director		
2		2.0	2		2.0	Transportation Supervisor		
1		1.0	1		1.0	Transportation Dispatcher		
1		1.0	1		1.0	Senior Account Clerk		
1		1.0	1		1.0	Transportation Grants Specialist		
30	0.6	30.6	30	5.5	35.5	Combination of:		
						Transit Driver I		
						Transit Driver II		
1		1.0	1		1.0	Account Clerk		
38	0.6	38.6	38	5.5	43.5	Sub-Total		
42	3.6	45.6	42	8.5	50.5	TOTAL TRANSPORTATION DEPARTMENT		

CITY OF DANVILLE								
FY 2021 PROPOSED AUTHORIZED FULL-TIME AND PART-TIME FTE POSITIONS								
FTE = Full-time Equivalent								
Fiscal Year 2020			Fiscal Year 2021					
Full-Time Positions	Part-Time FTEs	Totals	Full-Time Positions	Part-Time FTEs	Totals	POSITION TITLE		
						UTILITIES DEPARTMENT		
						Utilities Administration (Fund 54) (50100)		
1		1.0	1		1.0	Utilities Director		
1		1.0	1		1.0	Key Accounts Manager		
1		1.0	1		1.0	SCADA Analyst		
2		2.0	2		2.0	Senior Secretary		
5	-	5.0	5	-	5.0	Sub-Total		
						Utilities - Fiscal Services (Fund 54) (50110)		
1		1.0	1		1.0	Division Director of Support Services		
1		1.0	1		1.0	Accountant II		
1		1.0	1		1.0	Training & Safety Manager		
1		1.0	1		1.0	Facilities & Fleet Manager		
1		1.0	1		1.0	Utilities Warehouse Manager		
2		2.0	2		2.0	Senior Account Clerk		
3		3.0	3		3.0	Warehouse Stock Clerk		
10	-	10.0	10	-	10.0	Sub-Total		
						Utilities - Customer Service (Fund 54) (50120)		
		-			-	Division Director of Customer Service		
		-			-	AMI Support Technician		
		-			-	Sr Customer Service/Training Representative		
		-			-	Combination of:		
						Senior Utility Billing Clerk		
						Utility Special Billing Clerk		
						Utility Billing Clerk		
		-			-	Customer Service Representative		
-	-	-	-	-	-	Sub-Total		
						Water Treatment Administration (Fund 52) (52100)		
1		1.0	1		1.0	Division Director of Water/Wastewater Treatment		
1		1.0	1		1.0	Senior Secretary		
2	-	2.0	2	-	2.0	Sub-Total		
						Water Treatment (Fund 52) (52130)		
1		1.0	1		1.0	Water Treatment Manager		
1		1.0	1		1.0	Water Chemist		
3		3.0	3		3.0	Combination of:		
						Bldg Maintenance Superintendent		
						Senior Industrial Mechanic		
						Industrial Mechanic		
9		9.0	9		9.0	Combination of:		
						Water Treatment Plant Operator Supervisor		
						Water Treatment Plant Operator III		
						Water Treatment Plant Operator II		
						Water Treatment Plant Operator I		
						Water Treatment Plant Operator Trainee		
-		-	-		-	Utility Plant Maintenance Worker		
14	-	14.0	14	-	14.0	Sub-Total		

CITY OF DANVILLE								
FY 2021 PROPOSED AUTHORIZED FULL-TIME AND PART-TIME FTE POSITIONS								
FTE = Full-time Equivalent								
Fiscal Year 2020			Fiscal Year 2021					
Full-Time Positions	Part-Time FTEs	Totals	Full-Time Positions	Part-Time FTEs	Totals	POSITION TITLE		
						Gas Administration (Fund 53) (53100)		
1		1.0	1		1.0	Division Director of Water & Gas		
1	-	1.0	1	-	1.0	Sub-Total		
						Gas Control (Fund 53) (53130)		
1		1.0	1		1.0	Gas Control Manager		
2		2.0	2		2.0	Gas Control Technician		
3	-	3.0	3	-	3.0	Sub-Total		
						Water & Gas Distribution (Fund 53) (53220)		
1		1.0	1		1.0	Water and Gas Distribution Superintendent		
1		1.0	1		1.0	Water and Gas Distribution Supervisor		
7		7.0	6		6.0	Combination of:		
						Water and Gas Crew Supervisor		
						W&G Construction Crew Supervisor		
						Water and Gas Welder/Crew Supervisor		
11		11.0	15		15.0	Combination of:		
						Heavy Equipment Operator		
						Motor Equipment Operator III		
						Motor Equipment Operator II		
						Motor Equipment Operator I		
						Construction Worker		
3		3.0	1		1.0	Public Service Worker		
23	-	23.0	24	-	24.0	Sub-Total		
						Water & Gas Engineering (Fund 53) (53210)		
1		1.0	1		1.0	W&G Chief Engineer		
2		2.0	2		2.0	Water and Gas Senior Engineer Tech.		
1		1.0	1		1.0	Water and Gas Compliance Coordinator		
-		-	1		1.0	Project Manager		
2		2.0	-		-	W&G Corrosion Technician		
-		-	1		1.0	Construction Inspector		
2		2.0	2		2.0	Water and Gas GIS Engineer Tech.		
8	-	8	8	-	8	Sub-Total		
						Water & Gas Meters & Regulators (Fund 53) (53240)		
1		1.0	1		1.0	Water & Gas Systems Control Superintendent		
3		3.0	2		2.0	Water and Gas Meter Tech.		
4	-	4.0	3	-	3.0	Sub-Total		
						Water & Gas Service (Fund 53) (53230)		
7		7.0	7		7.0	Water and Gas Service Tech.		
1		1.0	1		1.0	Dispatcher		
8	-	8.0	8	-	8.0	Sub-Total		
						Electric Administration (Fund 54) (54100)		
1		1.0	1		1.0	Division Director of Power & Light		
1	-	1.0	1	-	1.0			

CITY OF DANVILLE						
FY 2021 PROPOSED AUTHORIZED FULL-TIME AND PART-TIME FTE POSITIONS						
FTE = Full-time Equivalent						
Fiscal Year 2020			Fiscal Year 2021			POSITION TITLE
Full-Time Positions	Part-Time FTEs	Totals	Full-Time Positions	Part-Time FTEs	Totals	
						Electric Distribution (Fund 54) (54120)
1		1.0	1		1.0	Electric Distribution Superintendent
5		5.0	5		5.0	Electric Line Crew Supervisor
1		1.0	1		1.0	Inspector-Contractor Manager
1		1.0	1		1.0	Electric Vegetation Right of Way Supervisor
22		22.0	22		22.0	Combination of:
						Electric Line Technician III
						Electric Line Technician II
						Electric Line Technician I
						Electric Ground Worker
3		3.0	3		3.0	Electric OH/UG Equipment Operator
3		3.0	3		3.0	Electric Right of Way Trimmer
1		1.0	1		1.0	Dispatcher
37	-	37.0	37	-	37.0	Sub-Total
						Electric Engineering (Fund 54) (54110)
1		1.0	1		1.0	Electric Engineering Tech Supervisor
1		1.0	1		1.0	Electric Engineering & Operations Manager
1		1.0	1		1.0	Electric Engineering Technician/Compliance Coordinator
1		1.0	1		1.0	Senior Electric GIS/CAD Technician
5		5.0	5		5.0	Combination of:
						Electric Senior Engineering Technician
						Electric Engineering Technician
						Electric Engineering Aide
			1		1.0	Senior Electric Engineer
2		2.0	1		1.0	Electric Engineer
11	-	11.0	11	-	11.0	Sub-Total
						Electric Hydro (Fund 54) (54150)
1		1.0	1		1.0	Hydro-Electric Supt.
1		1.0	1		1.0	Hydro Electric Maintenance Technician
4		4.0	4		4.0	Hydro-Electric Operator
1		1.0	1		1.0	Hydro-Electric Attendant
7	-	7.0	7	-	7.0	Sub-Total
						Electric Meters (Fund 54) (54140)
1		1.0	1		1.0	Electric Meter Supervisor
1		1.0	1		1.0	AMI Support Technician
3		3.0	3		3.0	Combination of:
						Electric Meter Technician III
						Electric Meter Technician II
						Electric Meter Technician I
5	-	5.0	5	-	5.0	Sub-Total

CITY OF DANVILLE								
FY 2021 PROPOSED AUTHORIZED FULL-TIME AND PART-TIME FTE POSITIONS								
FTE = Full-time Equivalent								
Fiscal Year 2020			Fiscal Year 2021					
Full-Time Positions	Part-Time FTEs	Totals	Full-Time Positions	Part-Time FTEs	Totals	POSITION TITLE		
						Electric Substations (Fund 54) (54130)		
		-			-	Electric Substation Superintendent		
1		1.0	1		1.0	Electric Substation Supervisor		
12		12.0	12		12.0	Combination of:		
						Utility Operator		
						Electric T & D Equipment Technician		
						Electric Substation Technician		
13	-	13.0	13	-	13.0	Sub-Total		
						Telecommunications (Fund 55) (55110)		
1		1.0	1		1.0	Division Director of Telecommunications		
1		1.0	1		1.0	Broadband Network Engineering Technician		
2	-	2.0	2	-	2.0	Sub-Total		
154.0	-	154.0	154.0	-	154.0	TOTAL UTILITIES DEPARTMENT		
						CONSTITUTIONAL OFFICES		
2		2.0	2		2.0	Registrar		
9	1.5	10.5	9	1.5	10.5	Commissioner of the Revenue		
4		4.0	4		4.0	City Treasurer		
82		82.0	82		82.0	Sheriff's Office		
24		24.0	24		24.0	Commonwealth Attorney		
16		16.0	16		16.0	Clerk of Circuit Court		
137	1.5	138.5	137	1.5	138.5	TOTAL CONSTITUTIONAL OFFICES		
1,061	42	1,103	1,061	60	1,121	GRAND TOTAL		
						OTHER ELECTED OFFICIALS (Part-time)		
						Not included in totals below		
-	8.0	8.0	-	8.0	8.0	Council Members		
-	1.0	1.0	-	1.0	1.0	Mayor		
-	9.0	9.0	-	9.0	9.0	TOTAL OTHER ELECTED OFFICIALS		
						FUND TOTALS		
693	42.0	735.0	692	55.7	747.7	General Fund (does not include Constitutional Offices)		
80	-	80.0	80	-	80.0	VDOT Fund		
4	-	4.0	4	-	4.0	Central Services		
21	-	21.0	21	-	21.0	Motorized Equipment		
38	0.6	38.6	38	5.5	43.5	Transportation Fund		
27	-	27.0	27	-	27.0	Sanitation Fund		
13	-	13.0	13	-	13.0	Cemetery Fund		
11	-	11.0	11	-	11.0	Wastewater Fund (Sewers)		
16	-	16.0	16	-	16.0	Water Fund		
47	-	47.0	47	-	47.0	Gas Fund		
89	-	89.0	89	-	89.0	Electric Fund		
2	-	2.0	2	-	2.0	Telecommunications Fund		
1,041	42.6	1,083.6	1,040	61.2	1,101.2			
6	-	6.0	6	-	6.0	CDBG Fund		
137	1.5	138.5	137	1.5	138.5	Constitutional Officer		
1,184	44.1	1,228.1	1,183	62.7	1,245.7	GRAND TOTAL		



City of Danville Five Year Financial Plan

Final Presentation to Council
July 17, 2018





Introduction



The National Resource Network

- The National Resource Network, a core component of the federal government's Strong Cities, Strong Communities initiative, develops and delivers innovative solutions for American cities to help them address their toughest economic challenges
- Since its launch in 2013, the Network has worked with or is currently working in 50 cities nationally. Cities apply to the Network for assistance, the Network conducts an assessment to determine key challenges and opportunities, and cities and the Network work together to identify direct assistance
- In 2017, the work of the Network was continued with a \$4 million grant from the Laura and John Arnold Foundation, with a focus on supporting the Network's efforts to assist economically challenged cities by developing multi-year financial plans

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What is Multi-Year Financial Planning?



A multi-year financial plan helps city leaders think through budget position, structural position, and community goals in a quantified, analytical, logical way and communicate their thoughts and priorities to different audiences. It includes:

- **A baseline projection** is like the diagnosis your doctor gives you after a physical. It reflects the City's current condition, absent significant changes.
 - For revenues, this means no assumed changes in tax rates, new taxing powers, new grants, large fee increases, or reassessment.
 - For expenditures, this means no assumed new hiring, layoffs, or wage increases that deviate from recent trends.
- In response to this diagnosis, a multi-year financial plan will include a **menu of initiatives**. Like treatment options or corrective actions, these initiatives are designed to change the city's anticipated trajectory.
- **A dynamic, easy-to-update budget model** that will help decision-makers to balance policy and operations goals in future years, even when finance staffing is limited.

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A Plan for Danville



- In 2017, the City of Danville applied to the National Resource Network for assistance with multi-year financial planning. The Network had previously worked with City officials to establish a community development corporation.
- Based on an assessment, the Network recommended that the City develop a five-year financial plan to help stabilize the City's finances and increase its economic competitiveness.
- To frame the plan, the Network focused on three areas identified by the Danville City Council as priorities for community resources going forward.
 - Reduce Violent Crime
 - Improving education in City schools
 - Grow Danville
- Danville's application for Network assistance emphasized a need to think strategically on how to effect more change in the above focus areas while maintaining the current level of services to City residents.
- The multi-year financial plan and associated budget model tool will allow the City to project revenues and expenditures to better understand how discrete budget decisions may impact available resources in the future.

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Danville's Challenges



- Danville qualified for Network assistance based on:
 - 2016 poverty rate of 22.5 percent compared to 12.7 percent nationally.
 - Population peaked in 1990 – at approximately 53,000 – and has declined by nearly 20 percent since with an estimated population of 42,000 in 2016.
 - Significant declines in employment in both textile and tobacco industries: as of March 2018, the unemployment rate was 6.4 percent (compared to 4.1 percent nationally).
- Danville has an urgent need to reduce violent crime.
 - In 2016, the City experienced the highest number of murders (16) it has seen in many years, with a majority of those murders involving young African American males.
 - From 2013-2016, violent crime in Danville more than doubled.
 - With 335 violent crimes in 2016, Danville had more violent crimes in any single year than at any point in the last three decades.

A-73

Danville's Challenges



- Danville must take steps to improve the City's school system.
 - Eight of the City's 10 schools have failed to reach accreditation.
 - Thirty-six percent of children living in Danville are living at or below the federal poverty level. Seventy percent of students in Danville Public Schools qualify for free and reduced lunch.
 - Although the statewide graduation rate increased from 82.1 percent to 91.1 percent between 2008 and 2016, the graduation rate in Danville has dropped from approximately 77 percent to 73 percent.
 - Between 2006 and 2016, enrollment declined from 6,906 students to 5,956 students – a 16 percent decline in the last decade.
- Danville needs a comprehensive growth strategy.
 - In 2006, Danville lost its second largest employer, the Dan River, Inc. textile mill, when production moved overseas.
 - The City and Danville Regional Foundation (“DRF”) have actively partnered to spur the redevelopment of the River District.
 - The DRF has partnered with local higher education institutions such as Averett University and Danville Community College.
 - The City has also provided funding for the Danville Neighborhood Development Corporation.

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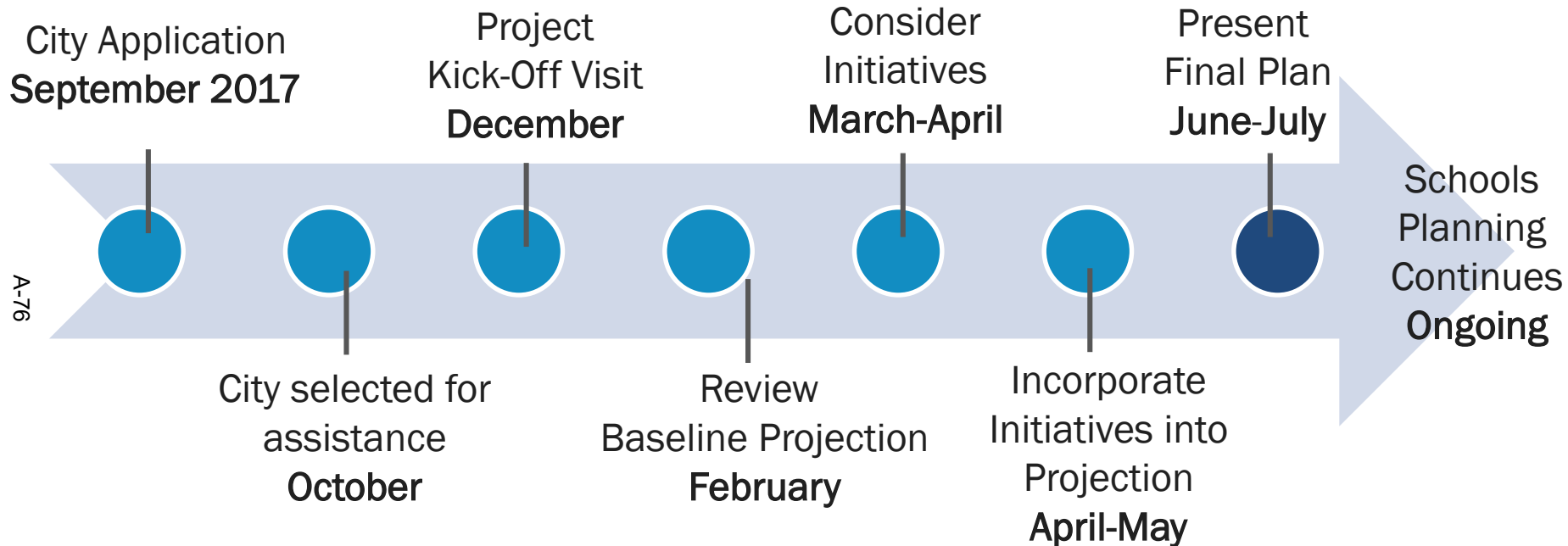
Project Timeline

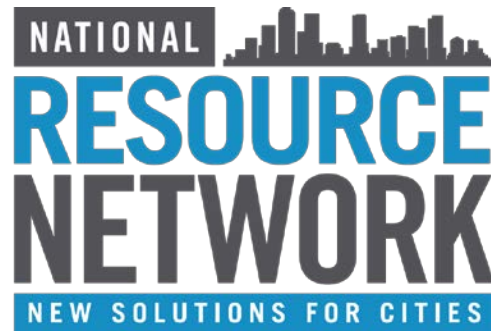


- In order to incorporate multi-year financial planning into the City's processes, the Network Team and the City jointly agreed to a project scope and timeline.
- First, the Network Team conducted research on City operations and comparable jurisdictions to better understand pressures on City resources and competitiveness.
- Second, a five-year baseline projection was created to model Danville's structural deficit in the event that City leadership does not implement needed reforms.
- Third, specific initiatives were analyzed using information and recommendations from City staff, the Advisory Committee, and best practices research.
- After a presentation to the City Council and the School Board, the City, School Board and Network agreed to move forward with a complementary multi-year planning process for Danville Public Schools.

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Danville Project Timeline





Summary of Findings

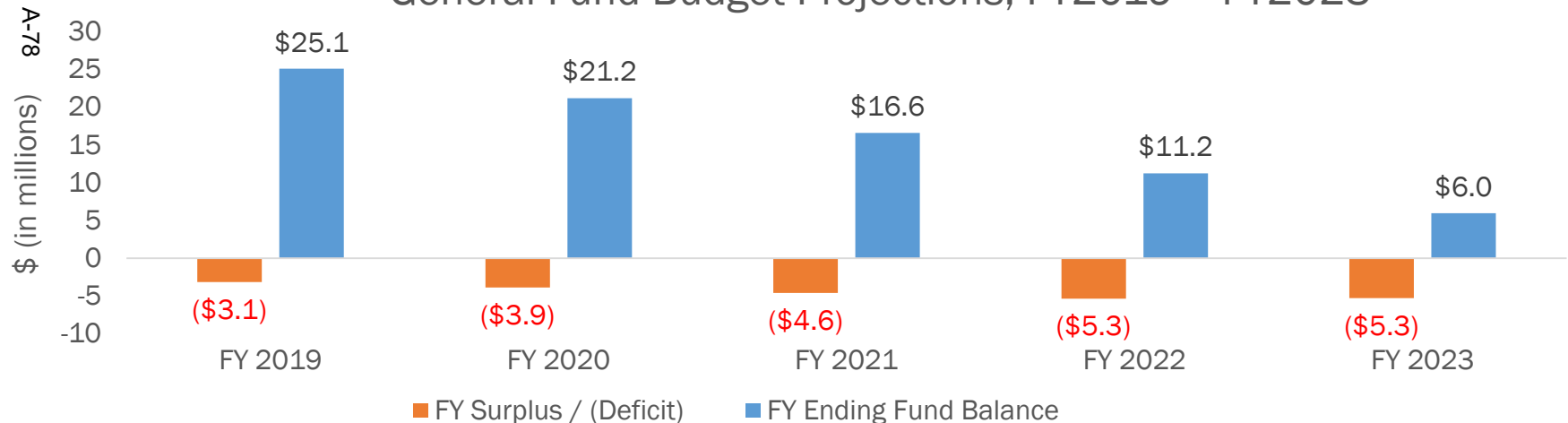


Danville's Fiscal Gap



- The Network baseline indicates Danville is projected to end FY 2023 with an annual General Fund deficit of \$5.3 million and a fund balance of \$6 million. The **projected cumulative deficit over the next five years is \$22.3 million.**

General Fund Budget Projections, FY2019 – FY2023



Danville's Urgent Challenge



- With a cumulative deficit of over \$22 million in the next five years, the City will completely run out of funds as early as FY 2024.
- The City government will need to make tough choices over the next five years to prevent insolvency. The Danville Plan is designed as a blueprint to provide City leadership with options to curb spending and implement targeted increases in revenue in order to bring the City budget back into balance.
- A-79 • The Plan does contain recommendations of program cuts and new taxes, but all initiatives are data-driven and based on benchmark research, best practices, and are sensitive to Danville's unique circumstances. Many initiatives would bring Danville's service delivery and revenue structure in line with those of other Virginia cities.
- Most importantly, the overarching goal of the Plan is to allow the City to make the changes necessary to begin to invest in its future in a sustainable way. The Plan also details options for investment in the priority areas identified by Council, but those investments will only be possible if the City first brings its budget into balance.

Building on Danville's Strengths



- Danville's downtown core is in the early stages of a renaissance with redevelopment of former warehouses, revitalization of commercial corridors and plans for redevelopment along the waterfront. The City – with the assistance of the Network – has also refocused on neighborhood redevelopment with the creation of a community development corporation.
- Danville has a record of financial controls and conservative budgeting. The City has strong liquidity, with total government available cash equal to 11.5 percent of total governmental fund expenditures and more than ten times greater than annual debt service payments. The City also has solid credit ratings and has historically taken steps to curb costs:
 - A 2011 “Organizational Effectiveness and Efficiency Study” that led to the elimination of 42 staff positions.
 - Elimination of cost of living increases for retirees in the City's pension system.
 - Annual savings from anticipated vacancies based on historic trends.

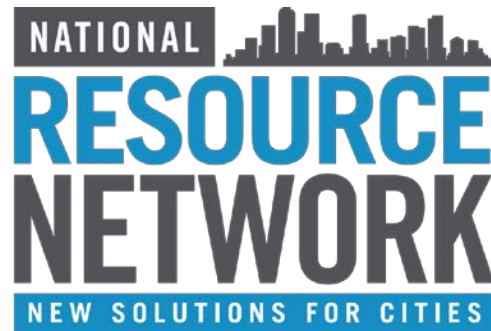
A-80

The Drivers of Danville's Deficit



- The City recently adopted a series of revenue increases to close their gap:
 - 7-cent increase to the real estate property tax rate.
 - 50-cent increase to the personal property tax rate.
 - 1 percent increase to the hotel occupancy rate.
 - 50-cent increase to the meals tax rate.
- However, the City's recent actions have not fully balanced the budget in the out-years. The City's structural deficit is driven by the following:
 - Year-to-year average growth in tax revenue is below inflation.
 - Annual contributions to the retirement system are increasing significantly.
 - Employee utilization of health insurance has been higher than projected.
 - The City has recently relied more on debt financing for capital projects.
 - The City has increased its use of fund balances to meet spending commitments and to promote economic development.

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Understanding Danville's Economic Challenges

A-82

Putting Danville's Condition in Context



- In order to create the best plan for Danville, the Network team researched comparable jurisdictions and examined their economic and demographic conditions as well as their budgeting and spending practices.
- The team also convened the citizen Advisory Committee to understand the community's needs. The Advisory Committee was established to:
 - Review the baseline five-year financial analysis.
 - Provide input on potential revenue and savings initiatives.
 - Advise City leadership on the impacts of various policy choices on the community.
 - Review and provide input on the five-year financial analysis incorporating various policy choices ("the Plan").
 - Support City leadership in explaining the Plan and creating buy-in among members of the community.

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Danville and Other Communities



- Seven benchmark local governments were selected based on population, land area, and proximity to Danville to provide for comparative analysis in developing the Plan.

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- Harrisonburg, VA
- Manassas, VA
- Martinsville, VA
- Lynchburg, VA
- Petersburg, VA
- Pittsylvania Co, VA
- Roanoke, VA

Comparative Local Government	Population
Roanoke, VA	99,329
Lynchburg, VA	78,755
Pittsylvania Co, VA	62,392
Harrisonburg, VA	51,979
Danville, VA	42,360
Manassas, VA	41,149
Petersburg, VA	31,997
Martinsville, VA	13,551
Median (excl. Danville)	47,170

Source: U.S. Census Bureau, 2016 American Community Survey 5-Year Estimates

Income



A-85

	Median Household Income
Manassas, VA	\$74,371
Pittsylvania Co, VA	\$43,087
Lynchburg, VA	\$40,728
Harrisonburg, VA	\$40,494
Roanoke, VA	\$39,201
Danville, VA	\$33,721
Petersburg, VA	\$32,169
Martinsville, VA	\$31,719
Danville Rank	6 of 8
Median (excl. Danville)	\$40,494

	Income Per Capita
Manassas, VA	\$29,365
Roanoke, VA	\$23,611
Pittsylvania Co, VA	\$22,650
Martinsville, VA	\$22,221
Lynchburg, VA	\$22,016
Danville, VA	\$21,742
Petersburg, VA	\$20,464
Harrisonburg, VA	\$18,892
Danville Rank	6 of 8
Median (excl. Danville)	\$22,221

Danville's median household income and per capita income are below average relative to comparative cities.

Source: U.S. Census Bureau, 2016 American Community Survey 5-Year Estimates

Poverty & Unemployment



A-86

	Poverty Level
Harrisonburg, VA	33%
Petersburg, VA	29%
Lynchburg, VA	24%
Martinsville, VA	24%
Danville, VA	23%
Roanoke, VA	22%
Pittsylvania Co, VA	15%
Manassas, VA	9%
Danville Rank	5 of 8
Median (excl. Danville)	24%

	Unemployment
Petersburg, VA	6.8%
Danville, VA	6.4%
Martinsville, VA	5.7%
Pittsylvania Co, VA	4.4%
Lynchburg, VA	4.2%
Roanoke, VA	3.7%
Harrisonburg, VA	3.7%
Manassas, VA	3.0%
Danville Rank	2 of 8
Median (excl. Danville)	4.2%

Danville's poverty rate is near the benchmark median and its unemployment rate is significantly higher than the benchmark.

Source: U.S. Census Bureau, 2016 American Community Survey 5-Year Estimates; Bureau of Labor Statistics

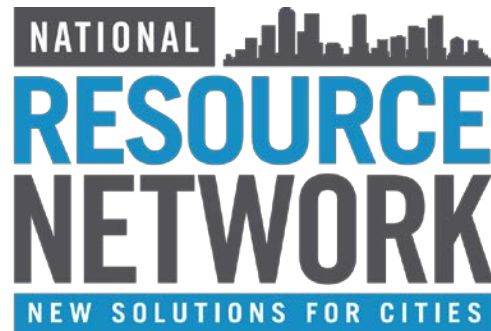
Home Values



	Median Home Value
Manassas, VA	\$293,500
Harrisonburg, VA	\$197,400
Lynchburg, VA	\$149,600
Roanoke, VA	\$133,000
Pittsylvania Co, VA	\$114,400
Petersburg, VA	\$111,300
Danville, VA	\$90,800
Martinsville, VA	\$88,700
Danville Rank	7 of 8
Median (excl. Danville)	\$133,000

***Danville's median home values are below average for benchmark communities.
This impacts property taxes as well as attractiveness to retailers.***

Source: U.S. Census Bureau, 2016 American Community Survey 5-Year Estimates



Initiative Areas



Opportunities for Reform



- To understand Danville's unique circumstances, the Network and the City solicited input from a citizen Advisory Committee, with representatives from members of the community with a stake in Danville's future.
- The plan ultimately combines projections of the City's fiscal future and focus area initiatives to articulate a strategic path forward for fiscal and economic growth. The plan will allow City leadership to make informed decisions to ensure that Danville has sufficient resources to invest in its future. Specific recommended initiatives for the City follow.
- **The Network team has identified initiatives with a total savings or new revenue impact of nearly \$75 million.** It is important to note that all initiatives should not (and, in some cases, cannot) be pursued simultaneously. However, the Plan provides the means to fix its structural deficit while identifying resources for re-investment.
- In other words, the City does not need to fully implement all of the recommended initiatives to achieve structural balance. But it does need to adopt a significant number of them to free up resources for future investment.

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Public Safety – DPD



Growing crime rates in Danville call for a comprehensive crime reduction plan. By shifting focus to prevention and increasing efficiency in both the City Farm and the Police Department, the City could use savings from the below to fund needed investments.

- Shift operations of the City Farm to the Sheriff and seek funding from the Commonwealth.
 - Cumulative Savings to FY 2023 - \$4.9 million
- Reduce City Farm population by expanding opportunities for community service sentencing.
 - Cumulative Savings to FY 2023 - \$1.6 million
- By consolidating span of control, the DPD could reduce the number of sworn officers by 9 positions.
 - Cumulative Savings through FY 2023 - \$2.6 million
- Reduce current surge in overtime spending
 - Cumulative Savings through FY 2023 - \$1.2 million

A-90

Public Safety – DFD and CSA



By reducing 911 calls through community paramedicine initiatives and Fire Prevention Predictive Analytics, the City can control costs of the Danville Fire Department to better serve the city.

- Eliminating the 9 FTEs currently assigned to fill in for Kelly shifts may lead to a higher overtime rate but would reduce overall DFD costs.
 - Cumulative Savings through FY 2023 – \$1.0 million
- After a thorough analysis of demand, response time, and facility age, the City could opt to close one of seven fire stations, subsequently eliminating 12 FTEs.
 - Cumulative Savings through FY 2023 - \$2.4 million

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By reducing foster care placement, the City can align more closely with best practices.

- Shifting from foster care placement towards the provision of community services would reduce costs from the estimated 20 children per day in foster care for truancy-related placements.
 - Cumulative Savings through FY 2023 - \$1.4 million

Workforce



The City's structural deficit is largely driven by growth in employee compensation outpacing growth in revenue. Ultimately, the City needs to match the growth in the cost of compensation to match the City's revenue growth.

- Rather than increasing wages at 2 percent annually, the City could either freeze wages at FY 2019 levels, or cap wage growth at 1 percent for three years (FY 2020 to FY 2023).
 - Citywide Wage Freeze Cumulative Savings to FY 2023 - \$9.9 million
 - Although this would lead to short-term savings, it may cause future compression issues that will be costly to address. Another potential risk is the loss of qualified employees that have other options available to them, and having a less engaged workforce overall.
 - Cap Citywide Wage Growth at 1 percent Cumulative Savings to FY 2023 - \$5.9 million
 - The risk of future compression issues are lower with this option, but savings associated with it are also lower.

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Workforce



Requiring employees to contribute more to Danville's Employee Retirement System (ERS), would mitigate costs.

- Incrementally increasing the employee contribution to Danville's Employee Retirement System from 1 percent to 5 percent would match the requirement for the Virginia Retirement System and reduce costs.
 - Cumulative Savings to FY 2023 - \$5.8 million
- One alternative is to apply this change only to new-hires in order to control costs in the future, depending on other steps taken as part of the Plan that have an impact on compensation.

A-93

Workforce



As health care premiums increase, the City should pursue options to reduce its health care costs while being mindful that such benefits are an important recruiting tool.

- For those employees that have access to other health benefit options, Danville could incentivize waiving City coverage by offering \$100 monthly stipends. This limits both the City's health care costs and liability.
 - Cumulative Savings to FY 2023 - \$3.1 million
- A-94 • Through either a spousal carve-out or buy-up program, the City could reduce the costs of coverage to spouses and families.
 - Cumulative Savings to FY 2023 - \$2.3 million
- Typically finding 8 percent of dependents ineligible, conducting a Dependent Eligibility Verification Audit (DEVA) could aid Danville in realizing savings by controlling dependent costs.
 - Cumulative Savings to FY 2023 range from \$1.2 - \$1.6 million
- Adjusting the employee contribution to health premiums from 11 percent to 30 percent would significantly reduce the City's annual health care burden.
 - Cumulative Savings to FY 2023 range from \$1.3 - \$1.9 million

Operational Efficiency



The City should explore alternative models of service provision – particularly in those areas where Danville’s number of FTEs associated with a discrete function exceeds those of its peers.

- Options include:
 - Departmental Reorganization
 - Managed Competition
 - Shared Services
- A-95 • Applying the managed competition model to facility maintenance and custodial services within Public Works could drive down costs.
 - Cumulative Savings to FY 2023 - \$200,000
- In some cases, it makes sense to consider ending City operation of underutilized services and/or infrastructure entirely, such as the Westover Branch Library and the Danville Regional Airport.
 - Cumulative Savings to FY 2023 - \$1.25 million
- As Danville attempts to bring its budget in structural balance, the City should review its direct appropriations to outside entities to appropriately prioritize City expenditures.

Utilities



Danville is the only municipality in Virginia to operate electricity, natural gas, water, wastewater, and telecommunications utilities. By adjusting General Fund contribution amounts, investing in energy efficiency, and conducting an independent review of utility assets the City would be able to act strategically in the interests of ratepayers.

- After reviewing the City's Utility Transfer Funding Formula, adjusting financial policies to allow the City to establish a multi-year minimum rather than a fixed transfer amount would allow the City to maintain reliability in the revenue stream while adding the flexibility to capture potential annual increases in the transfer formula. There is also the opportunity to do a one-time transfer of foregone revenue.
 - Cumulative Revenue to FY 2023 - \$2.75 million

A-96

Revenue



To address the City's structural deficit in a sustainable way, revenue options must be on the table. Adjusting Danville's tax rates and structure would allow for investment in the focus areas identified by the City Council.

- Danville has the lowest real estate tax among its peers and could significantly increase revenue through an increase in the tax rate to \$1.00.
 - Cumulative Revenue to FY 2023 - \$17.0 million
- By raising the personal property tax, the City could capitalize on the consistent upward trend of personal property value. Raising the tax rate by \$0.10 per year for five years would yield greater earnings without shocking the tax base.
 - Cumulative Revenue to FY 2023 - \$3.35 million
- Because Virginia allows local jurisdictions to levy an additional tax on cigarettes, the City could levy a tax on cigarettes and use the revenue to benefit school or health programs.
 - At \$0.30 per pack - Cumulative Revenue to FY 2023 - \$2.1 million
- Tax base expansion of the personal property tax and legal document taxes can increase revenue without necessarily increasing rates.
- Additionally, adjusting the City's investment strategy to increase returns from the City's holdings could result in increased revenue without raising taxes or affecting services.

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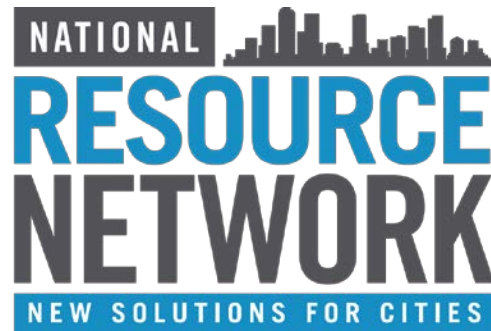
Potential Investments in Danville



Once the structural deficit is addressed, the City can begin to make investments to grow Danville. Various projects outlined by City officials, staff, and stakeholders include:

- Increasing funding for Danville Public Schools, including its capital program.
- Comprehensive crime reduction plan.
- Re-aligning economic development goals with GO Virginia and adopting a regional approach to development strategies.
- Fully funding the City's Capital Improvement Plan.
- Construct new parking structure in River District to facilitate redevelopment of large catalyst buildings
- Redeveloping the White Mill site and the Schoolfield Mill site.
- Building a new police station.
- Building a new sports arena and/or creating a sports commission.
- Reducing energy costs and creating jobs.

A-98



FY 2019 – FY 2023 Projection

Developing A Baseline Projection



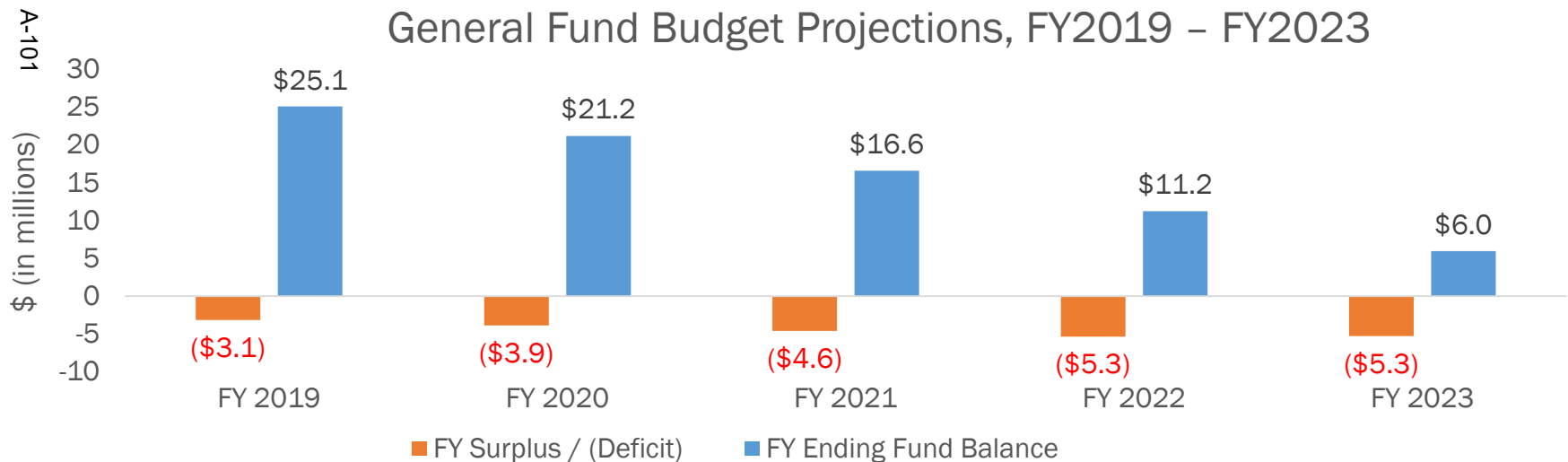
- The process of creating the five-year budget model starts with analyzing the City's historical General Fund actuals and budget data.
- Line-item detail is organized into categories representing the City's major revenues and expenses.
- Growth rates are applied to these categories to project revenues and expenses in future years. The project team works with the City to understand the drivers of revenues and expenses in order to select growth rates.
- For the baseline forecast, growth rates reflect inflation, known or assumed growth in revenues and expenditures, and other known events.
- The model uses the FY 2019 adopted budget in its baseline forecast and applies growth rates to those amounts to project future years.
- The baseline forecast is intended to show what the City's financial results could be with no corrective action.

A-100

Danville's Baseline Projected Deficit



- Danville is projected to end FY 2023 with a General Fund deficit of \$5.3 million and a fund balance of \$6.0 million.
- The **projected cumulative deficit over the next five years is \$22.3 million**, or approximately one year of real estate and business license tax collections combined.

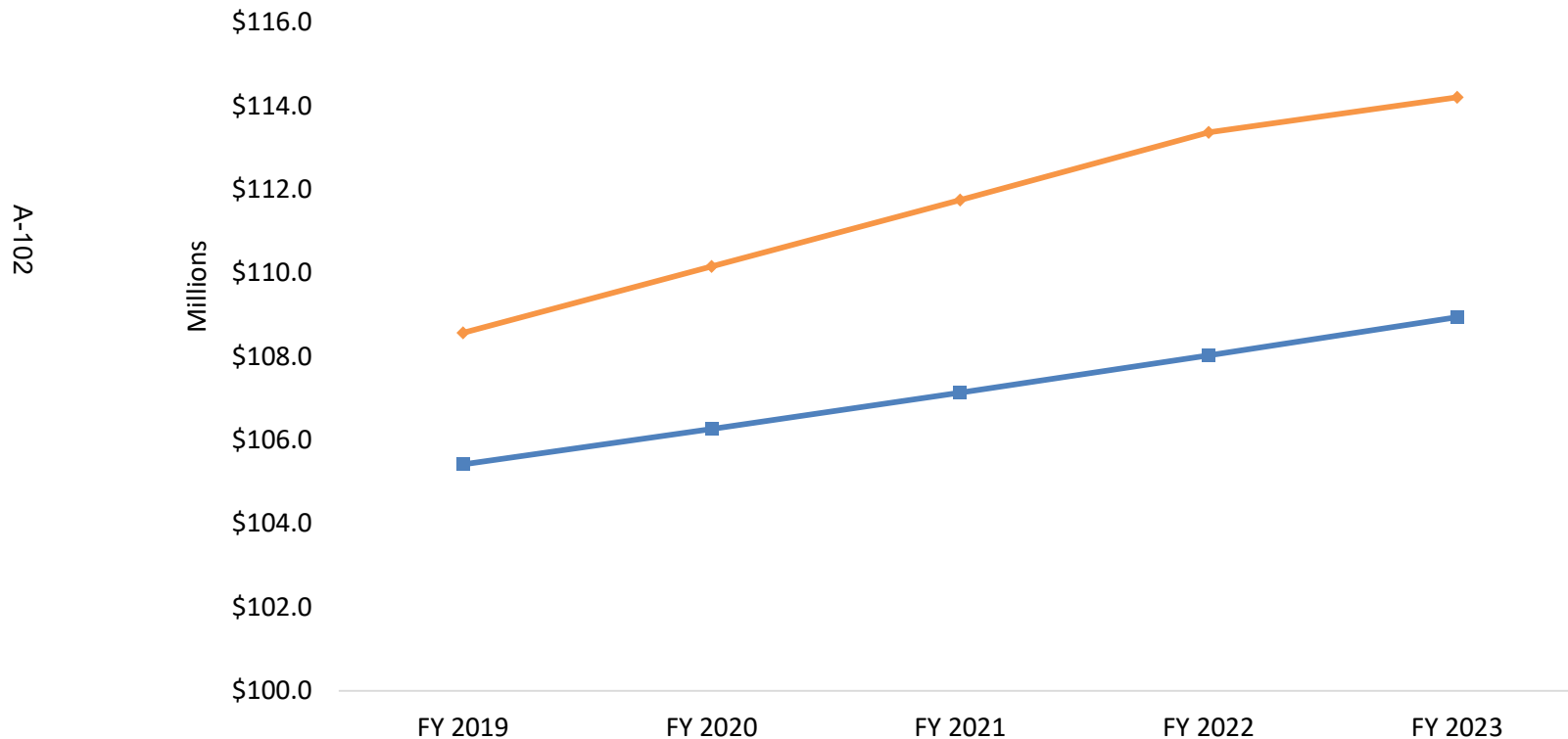


Unaligned Revenues and Expenditures



- Without corrective action, Danville is projected to experience annual deficits in each of the next five years.

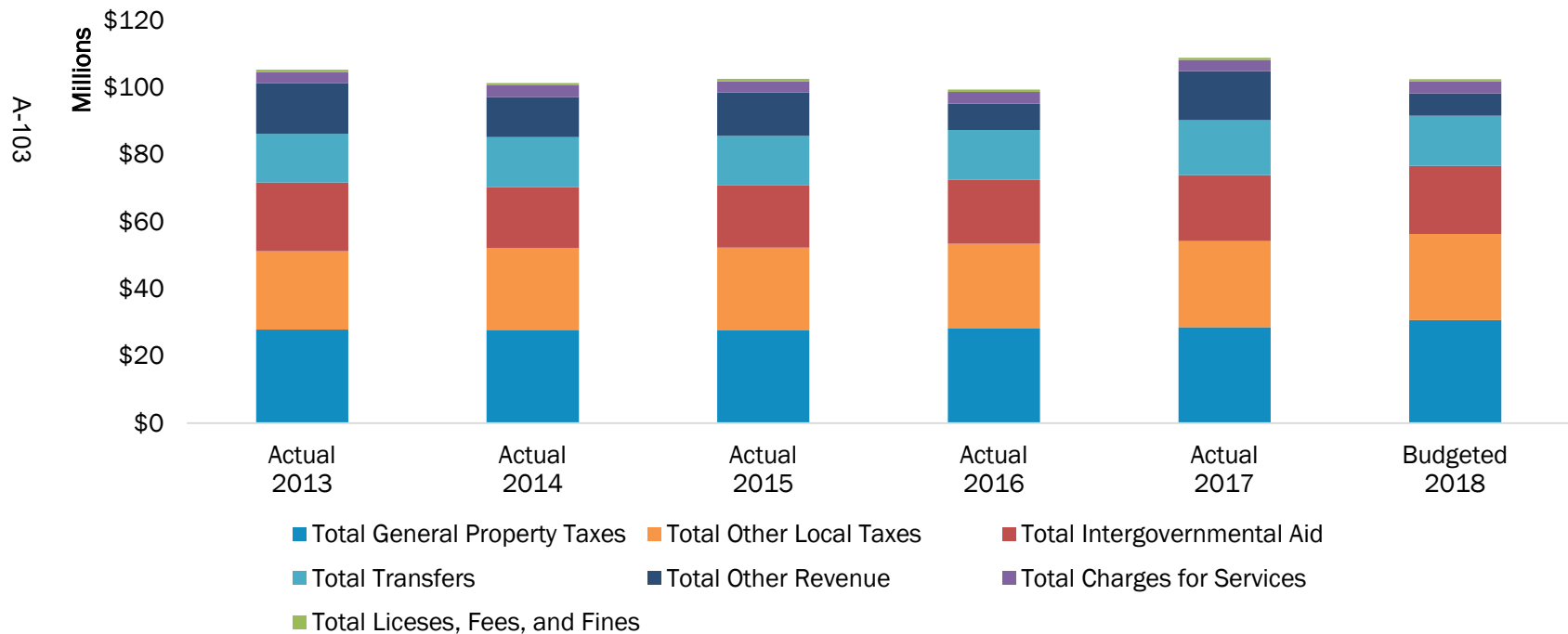
General Fund Budget Projections, FY 2019 – FY 2023



Historical General Fund Revenues

- Property tax (26 percent), Other Local taxes (24 percent) and Intergovernmental Aid (18 percent) make up 68 percent of Danville's historical General Fund revenue for FY 2017.

Historical General Fund Revenues
FY 2013 – FY 2018 Budget

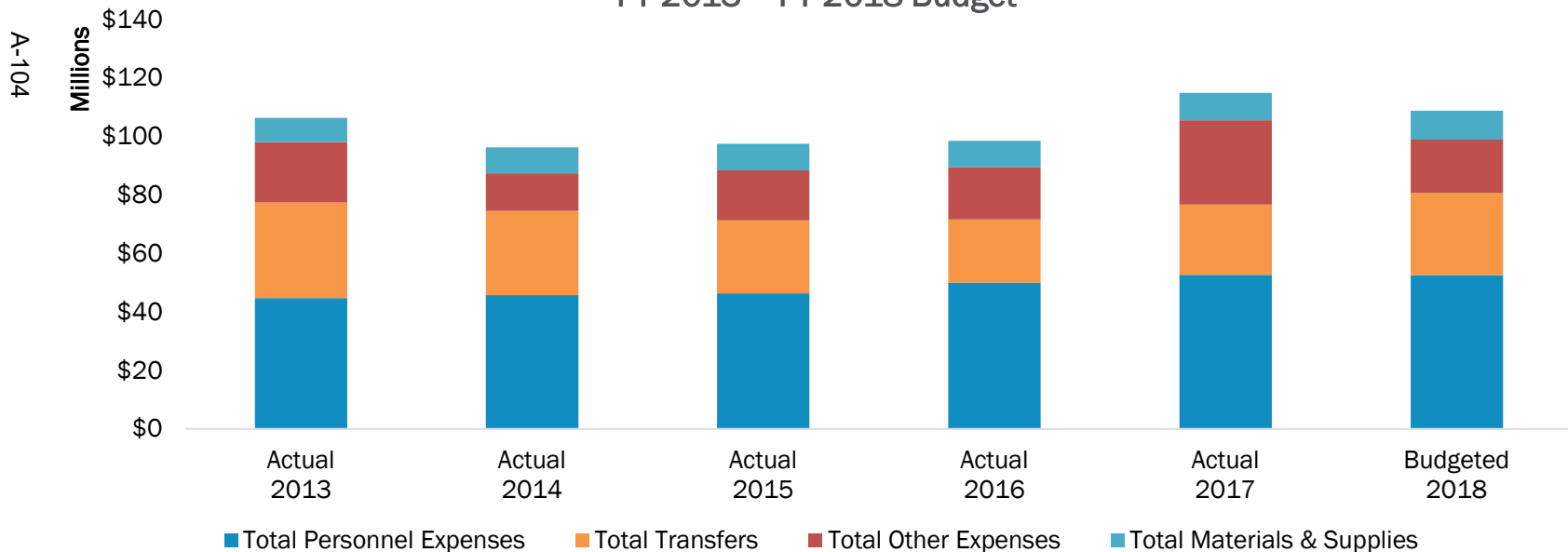


Historical General Fund Expenditures



- Personnel costs, primarily wages and benefits, make up 46 percent of the City's General Fund expenditures for FY 2017.
- The City also “transfers out” a significant amount each year. The City contribution to Danville Public Schools, most of which is used for personnel costs, was 15 percent of FY 2017 General Fund expenditures.

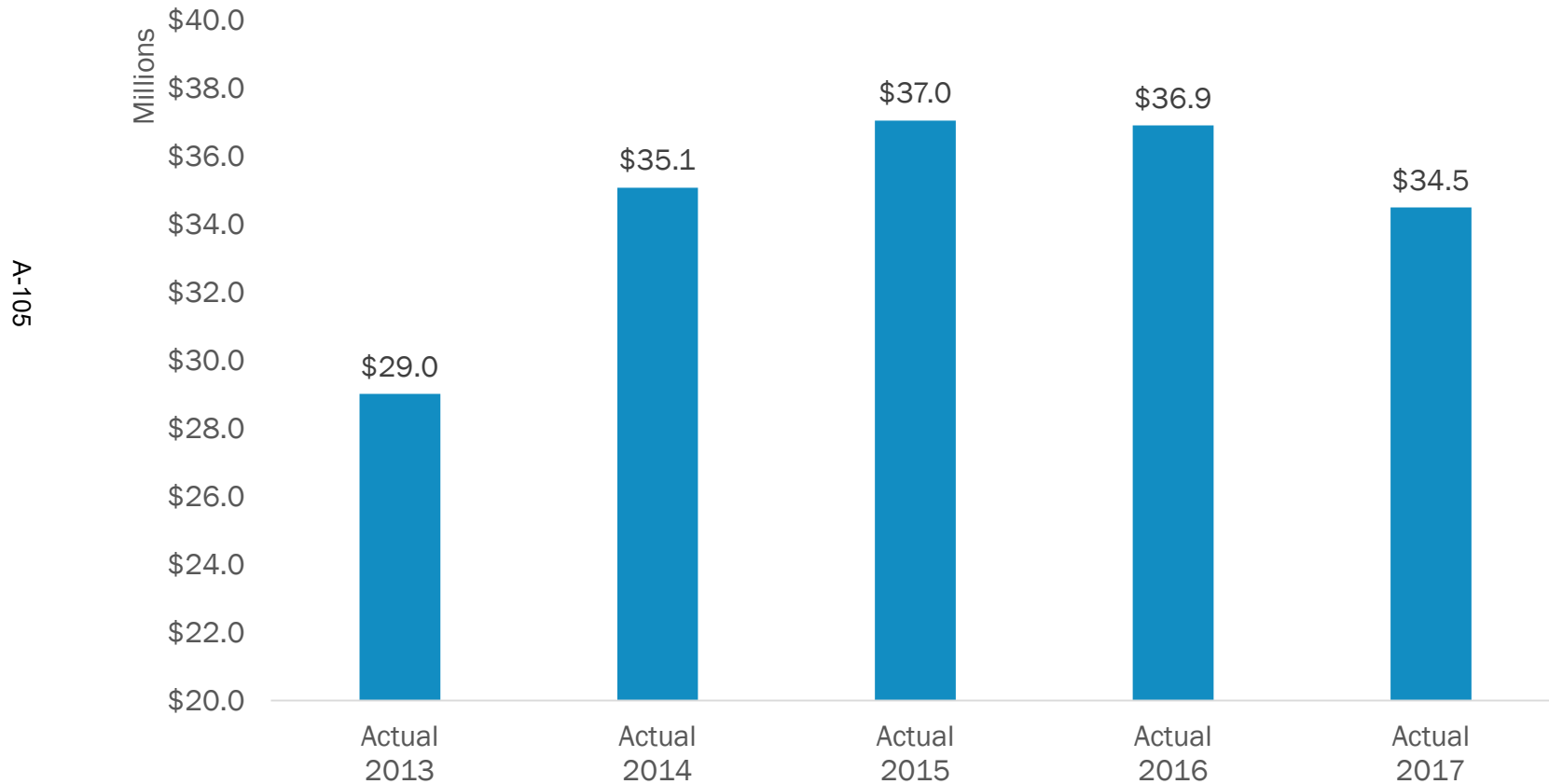
Historical General Fund Expenditures
FY 2013 – FY 2018 Budget



Historical Fund Balances



Historical Unassigned Fund Balance
FY 2013 – FY 2017

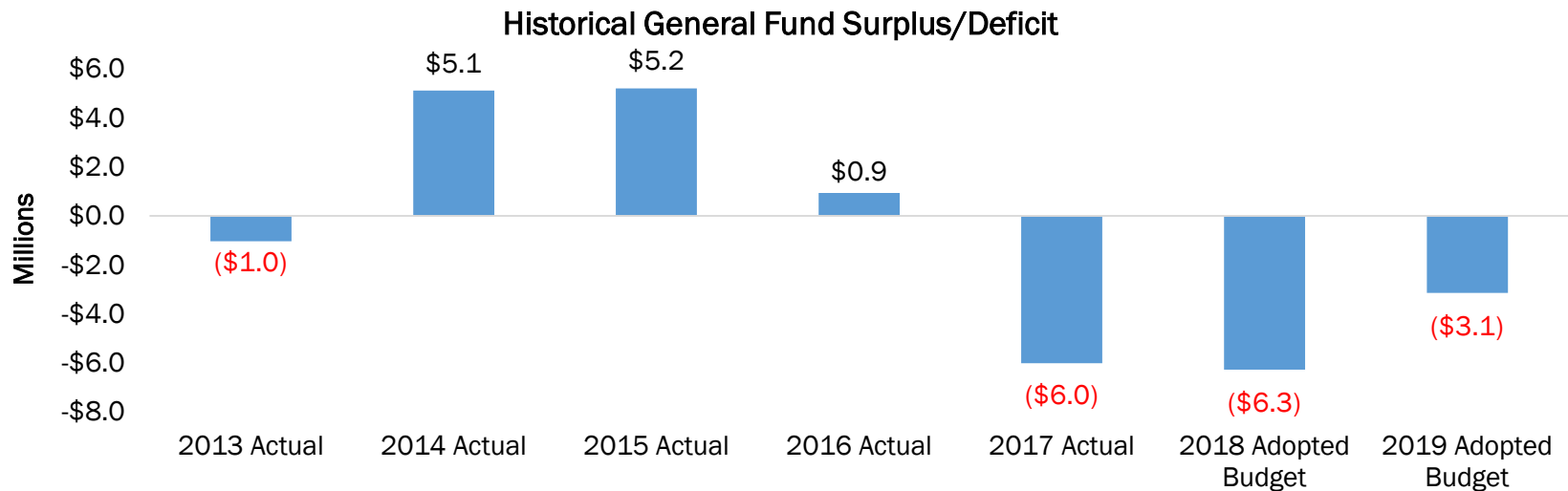


Danville's Structural Deficit



- After three consecutive fiscal years ending in a budget surplus, Danville ended FY 2017 with a \$6.0 million deficit.
- The FY 2018 budget is projected to result in a \$6.3 million deficit.
- Danville's baseline projection includes the aforementioned FY 2018 deficit and a deficit of \$3.1 million in the FY 2019 adopted budget. In other words, the City would be spending over \$15 million from fund balance in just three years.

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FY 2019 Adopted Budget

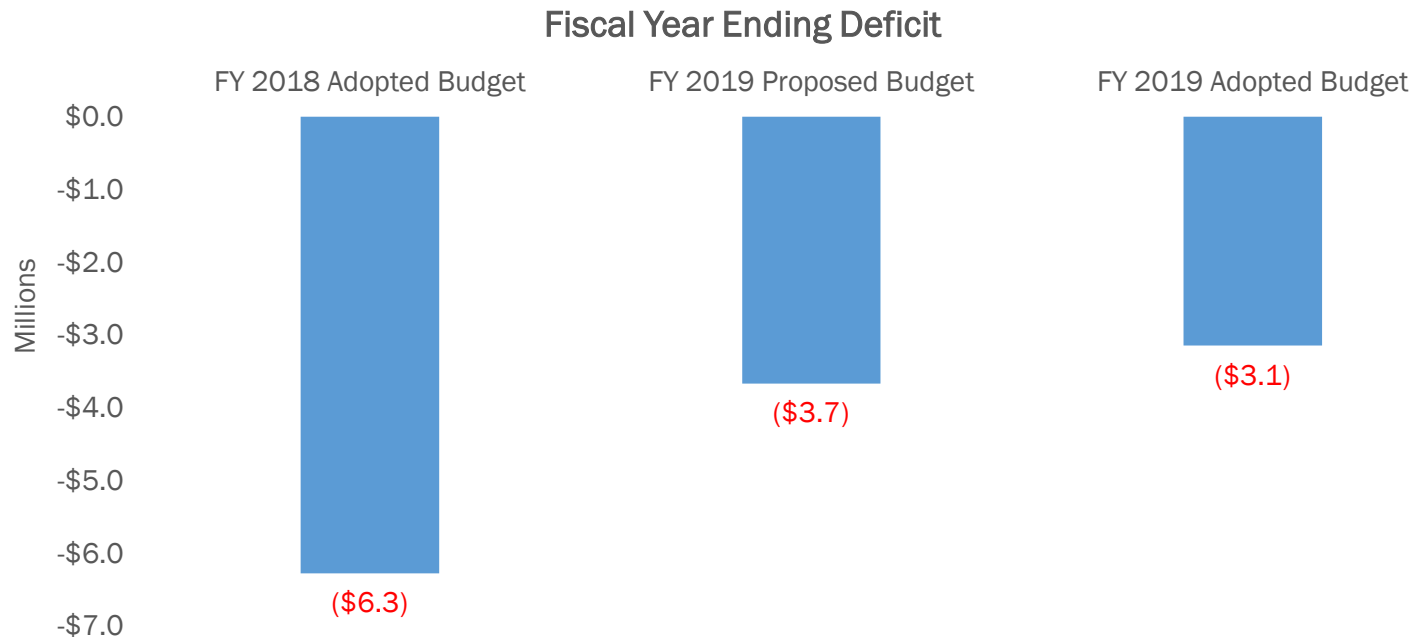
- The baseline includes the City's FY 2019 adopted budget in the five-year projection.
- Outlined below are changes in policy reflected in the FY 2019 adopted budget:
 - Prepared meals tax rate increase from 6 percent to 6.5 percent
 - Transfer to capital fund decrease of \$1.8 million
 - Changes to public safety retirement benefits
 - Retirement eligibility change from 55 with 30 years of service to 50 with 25 years of service
 - Retirement multiplier increase from 2 percent to 2.2 percent
 - A \$2.5 million investment in a new Riverfront Park

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FY 2019 Proposed vs. Adopted Budget

- The FY 2019 adopted budget results in a deficit of \$3.1 million
 - This is a reduction of \$600,000 from the FY 2019 proposed budget deficit and \$3.2 million less than the FY 2018 adopted budget deficit. However, this reduced deficit was largely obtained via the use of one-time cuts and capital spending deferrals.

A-108



Revenue Growth Rate Assumptions



- **Real Estate Tax**

- 14 percent of total General Fund revenue in FY 2017
- Held flat in the adopted FY 2019 budget
- 0.35 percent annual growth in subsequent years based on historical growth in assessed value, holding collection rates constant

- **Utility Transfers**

- 14 percent of total General Fund revenue in FY 2017
- No growth in utility transfer amounts (assumes the City makes no policy decision to increase the transfer)

- **Personal Property Tax**

- 8 percent of total General Fund revenue in FY2017
- 7.7 percent growth in FY 2019 due to the rate increase from \$3.00 to \$3.50 per \$100 valuation on January 1, 2019
- 2.1 percent annual growth in subsequent years based on historical growth in assessed value

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Revenue Growth Rate Assumptions



- **Local Sales Tax**

- 8 percent of total General Fund revenue in FY 2017
- 2.2 percent inflationary growth
- Assuming stable levels of sales in the City and tax collections will grow naturally along with inflation

- **Prepared Meals Tax**

- 7 percent of General Fund revenue in FY 2017
- Adopted FY 2019 budget includes an increase in prepared meals tax from 6 percent to 6.5 percent. The increase is expected to add \$0.7 million in revenue above FY 2018 budgeted levels.
- Following this increase in revenue, 1.3 percent inflationary growth is applied based on the City's expectations

- **Business/Occupation License Tax**

- 5 percent of General Fund revenue in FY 2017
- This revenue is held flat based on historical trends

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Expenditure Growth Rate Assumptions



- **Salaries and Wages**

- 32 percent of total General Fund spending in FY 2017
- 2.0 percent annual growth is assumed, consistent with the City's pay-for-performance policy

- **Transfer to Schools**

- 15 percent of total General Fund spending in FY 2017
- Schools transfer declines by \$221,000 from the FY 2018 and FY 2019 budgeted amount, then assumes the City does not make a policy choice to increase or decrease the transfer in any future years

A-111

Expenditure Growth Rate Assumptions



- **Health Insurance**

- 8 percent of General Fund spending in FY 2017
- 4.9 percent annual growth, based on Kaiser Family Foundation projections of growth in U.S. health care spending

- **Transfer to Capital**

- 5 percent of General Fund spending in FY 2017
- Held flat at the adopted FY 2019 level, which is a decrease from FY 2018

- **Debt Service**

- 4 percent of General Fund spending in FY 2017
- Projections made using the latest information from the City's debt service schedule
- Assumes no new debt issuances
 - Any capital expenditures above the \$4.8 million budgeted each year from current revenues are not in the baseline (and would have to be borrowed or spent from fund balance).

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A Plan for Fiscal Sustainability

A-113



A Plan for Fiscal Sustainability



- The fiscal challenges facing Danville are significant and serious. Without draconian measures, it is not possible to close the City's structural deficit in one year.
- And while the City needs to first ensure that existing revenue is being spent well and wisely, any plan for fiscal sustainability also needs to consider opportunities for increased revenue.
- Finally, the goal of a multi-year financial plan must be more than just a balanced budget. The City must have adequate resources to make necessary investments in infrastructure and continue to support the priorities outlined by the City Council: reducing crime, improving local education, and creating economic opportunity to grow Danville.

A-114

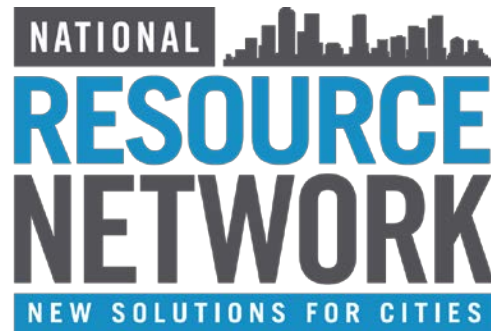
A Plan for Fiscal Sustainability



The Danville Plan focuses on the following areas:

- **Public Safety:** The Police and Fire Departments account for a substantial portion of General Fund spending. Without reducing costs in these areas, structural balance will be nearly impossible to achieve.
- **Workforce Issues:** Nearly half of all General Fund spending goes to employee compensation and benefits.
- **Operational Efficiency:** While efforts are focused on those areas where the City currently spends the most, the City cannot overlook opportunities for efficiency savings across all departments – including determining whether the City should be providing certain services at all.
- **Danville Utilities:** While the Utilities are self-sustaining Enterprise Funds, they provide a significant annual contribution to the City's General Fund.
- **Other Revenue Opportunities:** After expenditures are examined, the City will likely still need additional resources to re-invest in Danville.
- **Investing in Danville's Future:** Beyond achieving a balanced budget, the Plan frees up adequate resources for continued investment in education, economic development and crime reduction.

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More Efficient and Effective Public Safety



Reduce the Cost of the ADC (City Farm)



- The local incarceration rate in Danville is nearly five times the national rate and three times the rate for local jurisdictions in Virginia.
 - Danville is the only local government in Virginia that continues to run its own local detention center.
 - In 2016, the average daily population (ADP) for the Jail was 246, the ADP for the Juvenile Detention Facility was 24 and the ADP for the ADC was 135.
- Between FY 2013 and FY 2017, combined actual City spending (not including funding from the State) for the Jail, Adult Detention Center (ADC) and Juvenile Detention Facility has increased by 16.7 percent – compared to overall growth in non-public safety General Fund spending of 5.6 percent.
- When factoring in debt service related to the ADC, JDF and Jail and employee benefit costs accounted for in Non-Departmental spending, the combined FY 2018 cost of ADC, JDF and the Jail is \$9,768,026.
- Most of the cost of operating the Jail is borne by the Commonwealth of Virginia. The cost of the Juvenile Detention Center is shared with the other counties that house juvenile offenders.

A-117

Reduce the Cost of the ADC (City Farm)



- The ADC had 38 budgeted positions in FY 2017 and 38 budgeted positions for FY 2018.
- As of December 3, 2017, there were 131 offenders housed in the ADC.
 - The most prevalent charge for ADC housed offenders was revocation of probation – accounting for 52 percent of total inmates on that date. The next two most prevalent charges for ADC inmates were Larceny (7.6 percent) and Assault and Battery (6 percent).
 - For those inmates at ADC because of probation revocation, the charge on initial conviction was largely for non-violent offenses. Out of 68 inmates, 28 were originally arrested for charges related to theft or fraud and another 20 were initially arrested for charges related to drug possession or sale.

A-118

Reduce the Cost of the ADC (City Farm)



- The City should shift control of the operation of the ADC to the Sheriff.
 - The City Manager, Police Chief and Sheriff should convene a working group to develop a plan for the transition. The City would need to work with the Compensation Board and its legislative delegation to ensure the Commonwealth would provide additional funding for Sheriff staff assigned to the ADC.
- A-119 • The goal should be a full transition to the Sheriff by FY 2020. Assuming that the City receives funding from the Commonwealth for ADC staffing in proportion to current funding for the Sheriff and receives a \$4 per day per diem, net savings to the City would be \$1.2 million annually or \$4.9 million over the plan.

Transition control of ADC to Sheriff

- FY 2020 Savings – \$1.2 million
- Cumulative Savings to FY 2023– \$4.9 million

Reduce the Cost of the ADC (City Farm)



- While shifting control of the ADC to the Sheriff would reduce staffing costs to the City, Danville would still bear costs related to inmate custody such as food and medical costs. In addition, the City could bear long term costs related to the need for additional capital investment.
 - Other Virginia municipalities, local sheriffs and City governments operate community service programs where offenders are required to provide a certain, limited number of hours of community service.
 - While there is a risk of non-appearance, most offenders sentenced to community service do attend and participate. Because the programs are non-custodial, the costs are significantly lower.

A-120

Reduce the Cost of the ADC (City Farm)



- The City should work toward a goal of eliminating the ADC and replacing it with a community service alternative by Year 5 of the plan. A phased approach, beginning in FY 2021, would produce an additional \$1.6 million in savings by FY 2023.

A-121

Replacing ADC with Community Service Programs

- FY 2021 Savings - \$282,000
- Cumulative Savings to FY 2023 - \$1.6 million

Danville Police Department (DPD)



- The Police Department has more employees and a larger budget than any other City department. The FY 2018 budget calls for spending \$9.8 million on the DPD and there are 132 FTEs (NOTE: These figures do not include the ADC or JDF).
- Between FY 2013 and FY 2017, actual spending on the DPD increased by 22.6 percent – compared to an overall increase of 5.6 percent in non-public safety General Fund spending (NOTE: This does not include centrally budgeted benefits and debt service).
- When factoring in centrally budgeted employee benefit and debt service costs, the budgeted cost of the Police Department increases to \$10.8 million in FY 2018.
- As of December 2017, the DPD had 120 sworn positions and 12 civilians: there were 13 vacant positions.

A-122

Danville Police Department (DPD)



- Calls for Service to the DPD have been declining over the last ten years – dropping from a high of 89,762 in 2010 to a low of 58,385 in 2016.
- The majority of calls for service are for less serious offenses, alarms, traffic issues and animal control.

Call Type	Number of Calls For Service
Alarms	5,202
Disturbance of the Peace	3,429
Vehicle Crashes	2,395
Suspicious Person, Object, Vehicle, Circumstances	2,104
Theft	1,642
911 Hang Ups	1,798
Animal calls	1,188
Traffic Hazards	1,118
Trespassing Issues	1,060
Damage, Vandalism, Mischief	914

A-123

Cost Control at DPD



- Based on data from the 2016 UCR, Danville had:
 - 315.1 Police FTEs per 100,000 residents compared to an average of 297.9 for the following benchmarks (Harrisonburg, Lynchburg, Manassas, Martinsville, Petersburg, Pittsylvania County, Richmond, Roanoke)
 - 296 sworn officers per 100,000 residents compared to an average of 249.7 for the same benchmark cities
- But Danville has significantly fewer FTEs and officers than benchmarks when factoring in its very high violent crime rate:
 - 394 Police FTEs per 1,000 violent crimes compared to an average of 1,249.1 for the benchmark cities (excluding Richmond)
 - 370.1 sworn officers per 1,000 violent crimes compared to an average of 1,059.2 for the benchmark cities

A-124

Expand Arrest Diversion Options

- A comprehensive crime reduction plan should include alternative responses to lower level offenses to allow for a greater focus on violent crime and community policing.
- In 2017, DPD made 4,860 arrests – compared to a high of 5,850 arrests in the prior five years. Most DPD arrests, however, were for relatively low level offenses.

Top Ten Arrest Charges by Category, DPD, 2017

Related Charge	Frequency
Contempt	793
Assault	605
Parole, Probation, Supervision Violation	453
Marijuana	436
Drunk In Public	388
Larceny	181
Driving Under the Influence	167
Fail to Appear	131
Trespassing	129
Concealing or Taking Possession of Merchandise	123

A-125

Expand Arrest Diversion Options



- Other police departments treat relatively minor, non-violent offenses differently. For example, many police departments no longer make arrests for possession of small amounts of marijuana and instead cite and release offenders. The result is a reduction in police time needed for processing of the arrest – and in some cases a reduction in cost related to the Jail.
- By expanding the use of citation, the DPD can further increase the amount of sworn officer time available for patrol. In addition, to the extent that some arrests occur at the end of a shift, reducing arrest activity can also affect police overtime.

A-126

Cost Control at DPD: Span of Control



- New DPD leadership has already recognized the need to flatten the organization, re-assigning captains from responsibility over individual shifts to geographic areas. The number of regional captains, however, could be reduced over time from four to two: this could be accomplished through attrition and would save two positions.
- Each of the four platoons has a Lieutenant, Sergeant, Corporal and 14 Officers. In other words, there are three supervisors for 14 officers. Eliminating a corporal for each platoon would save four additional positions.
- Within the Services Division, there is a Captain between the Lieutenant and the Major. Eliminating this position would save an additional position.
- The responsibilities of the Accreditation Corporal could be transferred to the Records Clerk, saving an additional position.
- The street crimes unit currently has a Lieutenant, 2 Sergeants and 6 officers assigned to it. One of the Sergeant positions can be eliminated.

A-127

Cost Control at DPD: Span of Control



- Together, these shifts in span of control could reduce the number of sworn officers by 9 positions and save \$2.6 million over the next five years.

Total Annual Savings

A-128

Rank	Salary	Benefits	Health Insurance	Total	# of FTEs	
Corporal	\$55,952.40	\$7,897.54	\$7,397.34	\$71,247.28	5	\$356,236.40
Captain	\$86,108.35	\$12,153.98	\$7,397.34	\$105,659.67	3	\$316,979.01
Sergeant	\$50,668.89	\$7,151.79	\$7,397.34	\$65,218.02	1	\$65,218.02
						\$738,433.43

Consolidate span of control

- FY 2019 Savings - \$369,000
- Cumulative Savings through FY 2023– \$2.6 million

Cost Control at DPD: Overtime

- Police Department overtime has increased from \$184,814 in FY 2013 to \$486,804 in FY 2017. Based on year-to-date spending in FY 2018, the Department is on track to spend \$492,970 for the full year. While Department officials indicate that overtime is funded out of unfilled salary costs, more effective management may also reduce cost.
- DPD officials indicate that a significant amount of this overtime is due to current on-going investigations that should be ending in the next few months.
- The Police Department should increase monitoring of overtime and leave with a goal of a twenty percent reduction in FY 2019 and a reduction to FY 2013 overtime levels by Year 3 of the plan. Total savings over five years would be \$1.2 million.

A-129

Reduction in overtime hours

- FY 2019 Savings - \$ 97,000
- Cumulative Savings through FY 2023– \$1.2 million

Cost Control at DPD: Civilianization



- DPD is a “full service” department. In other words, sworn officers respond to virtually all calls for service. Other police departments have recognized that non-sworn officers – civilians – can be used to respond to a number of non-emergency calls.
- These civilians – often known as Police Service Technicians (PST) – can respond to some calls for vehicle crashes, traffic hazards and disabled vehicles. In most cases, there is no requirement for a sworn officer for these calls.
- A-130 Civilians could also be deployed – instead of sworn officers – to support efforts at increased community policing. For example, the department could hire civilians focused and specialized in community engagement, outreach and problem solving.
- There are multiple benefits to a PST/Civilian program:
 - It allows sworn officers to spend more time engaged in proactive or community policing
 - It allows sworn officers to spend more time responding to more serious calls
 - It creates a pipeline for future candidates to become officers
 - It produces a cost savings benefit of the difference between the cost of a sworn officer and a PST

Cost Control at DPD: Civilianization



- Civilianization would occur at the DPD in two phases:
 - Under Phase I, DPD would work to civilianize certain functions in the Services Division that are currently handled by sworn officers but could be performed by civilians. Under this phase, the two lieutenants in the Services Division would be replaced first and they would oversee the transition of the crime scene unit to civilians.
 - Under Phase II, DPD would launch a PST program so that civilians would begin to respond to non-emergency calls that do not require law enforcement. The goal would be to reduce the number of sworn officers by 10 while hiring civilians to fill those positions at 75 percent of the cost.
- Total savings from civilianization over a five year period would be \$651,000.

Civilianization

- FY 2020 Savings – \$78,000
- Cumulative Savings through FY 2023– \$651,000

Danville Fire Department (DFD)



- The Fire Department has more employees and a larger budget than any other City department except the Police Department. When factoring in centrally budgeted employee benefit and debt service costs, the fully budgeted cost of the Fire Department is \$9,934,474 in FY 2018.
- Between FY 2013 and FY 2017, actual City spending for DFD has increased by 8.0 percent -- compared to overall growth in non-public safety General Fund spending of 5.6 percent.
- A-132 • As of December 2017, the DFD had 119.5 sworn positions and 25.5 civilians operating out of 7 fire stations.
- A 2017 NFPA survey found that for cities of 25,000 to 49,999, the median number of career firefighters per 1,000 residents was 1.0: in the South, the median was 1.64. If the South median were applied to Danville, DFD would have 70 firefighters.

Danville Fire Department (DFD)



- Just over 1 in 4 departments serving jurisdictions of 25,000 to 49,999 residents are mostly or all volunteer. Nationally, these same communities had an average of .095 stations per 1,000 residents. Applying this average to Danville, DFD would have 4 fire stations.
- An analysis comparing Danville to other specific benchmark cities also found that Danville has a large fire department relative to its population (290 FTE per 100,000 residents compared to 213 for the benchmark cities). In 2015, it was second only to Petersburg out of all comparable cities; Petersburg has since taken drastic steps to achieve fiscal solvency.
- However, when calls for service are factored in, benchmarking results in a different picture. As of 2015, Danville had 519 Fire FTEs per 1,000 fires compared to an average of 626 for the same benchmark cities (Manassas, Martinsville, Lynchburg, Petersburg, Roanoke, Richmond) and 299 Fire FTEs per 1,000 calls for service, compared to 544 for the same benchmark cities.

A-133

Danville Fire Department (DFD)



- Number of firefighters declined from 123 in FY 2007 to 121 in FY 2016 while the number of incidents (service calls, rescues, false alarms, etc.) increased.

Year	Total Incidents
2011	6,430
2012	6,610
2013	6,730
2014	7,196
2015	7,922
2016	8,216

Source: Danville Fire Department 2016 Annual Report

- In 2016, 69 percent of calls for service were medical. Among fire calls, just 217 calls were for structural fires and only 27 of those were declared working fires.
- While the majority of Fire Department calls are as first responder, the Fire Department does not provide ambulance or EMS service. Instead, the City provides funding for two EMS related activities. In FY 2018, the City allocated \$97,570 for Ambulance and Rescue and \$9,060 for the Western Virginia EMS Council.

A-134

Control DFD Cost



- In 2015, DFD responded to 186 total calls per 1,000 residents compared to 131 total calls per 1,000 residents as the average for other benchmark cities.

	2017	2016	2015	2014	2013
Fire Calls	1,560	1,576	1,423	1,357	1,320
Working Fires	26	27	42	47	NA
Inspections	1,361	1,170	1,499	1,070	896

A-135

Community Paramedicine



- Fire departments across the U.S. are working to reduce frequent 911 calls through community paramedicine initiatives. Under those initiatives, firefighters responding to frequent medical calls can refer residents to alternative health and social service programs or telecommunicate with doctors from the response scene to avoid the need for transport, emergency room care and future calls.
- Diversion programs are frequently supported by funding from hospitals and insurers as a means of cost aversion. Different diversion programs fall into three categories:
 - Post-Discharge Short-Term Follow Up programs are designed to drive down costly hospital readmission rates for patients with chronic conditions.
 - Frequent EMS User programs identify frequent 911 callers for intensive, short-term case management.
 - Alternative Destination programs empower paramedics to make onsite decisions to offer 911 callers transport to non-emergency room care, either through in-home hospice, health crisis centers, or urgent care facilities

A-136

Community Paramedicine



- Most calls to the DFD are as a first responder on medical calls and medical calls are what is driving the overall increase in DFD calls for service. Many calls to DFD for medical response are from individuals who frequently call 911. Many times these are calls for relatively minor medical incidents and many times calls for emergency response could be avoided by referring callers to medical care or social services.
- In November 2017, the Danville Life Saving Crew launched a Community Paramedicine service to reduce calls by frequent users who could be diverted to other services.
- As of May 2018, the community paramedicine program had identified 78 frequent users who accounted for nearly one-quarter of all calls to 911. DFD should work closely with DLSC, local hospitals and insurers on the current community paramedicine initiative and evaluate opportunities for expansion. Reducing call volume could potentially reduce some of the DFD's staff needs. More importantly, by diverting residents to more appropriate health interventions, it could improve overall health in the community.

A-137

Fire Prevention Predictive Analytics



- DFD can reduce the demand for service through fire calls as well. One step would be to reduce the number of false fire calls – calls where DFD begins a response only to find that there was in fact no fire. Out of 1,560 fire calls in 2017, 615 calls were false alarms.
- DFD could also use data to better predict the location of fires and to engage in fire prevention activities in those locations. The New Orleans Fire Department used data from the American Housing Survey and American Community Survey to identify New Orleans households without smoke detectors and most likely to have a structural fire – including income, age of structure, when resident moved in.
- DFD can utilize the same analytics through <http://labs.enigma.io/smoke-signals/>.

A-138

Control DFD Cost



- DFD has 114 fire suppression personnel working on 3 shifts, with each shift of 24 hours and 159 hours in a 21 day cycle.
- There are 7 stations, each with 1 captain, 1 Engineer and 2 Firefighters per shift: the exception is Station #1 with 1 captain, 2 Engineers and 8 Firefighters per shift. Each shift has a battalion chief and 2 lieutenants.
- Emergency Communications has 20 personnel with one supervisor and 4 tele-communicators per shift.
- During 2016, DFD had 4 retirements and 2 resignations from the Fire Division and 3 resignations and 1 dismissal from ECC.

A-139

Control DFD Cost



- **Eliminate staff currently assigned to fill in for Kelly shifts (9 FTEs).** These firefighters currently assigned to Station 1 primarily fill in for firefighters on Kelly days.
 - In lieu of these replacement staff, some stations would have to operate with 3 personnel per apparatus. In case of structural fires, it would require multiple stations to deploy.
 - Elimination of 9 firefighters at average compensation of \$54,500 per year (including average salary of \$40,945.85, with some of the savings offset with a need for additional overtime.

A-140

Control DFD Costs – Eliminate Kelly Shift Replacement

- FY 2020 Savings – \$161,000
- Cumulative Savings through FY 2023 – \$1.0 million

Control DFD Cost



- **Eliminate one station (12 FTEs):** The City could opt to close one of the seven fire stations. It would need to conduct an analysis in FY 2020 (\$75,000) that weighed both demand, response time and facility age.
 - The number of fire calls per station varies greatly, with Stations 4, 6 and 7 each accounting for less than 8 percent of total 2017 fire calls: by comparison, Station 2 accounted for 23.4 percent of fire calls.
 - This would also result in likely non-personnel savings and reduce potential future capital spending.
 - Closing one of the fire stations could affect the City's ISO 1 rating. Fewer than 1 percent of all fire departments have earned the ISO 1 rating. While ISO ratings may have an impact on insurance costs for jurisdictions with ratings of 5 or higher, there is little research demonstrating a cost impact between having an ISO 1 rating and an ISO 2 rating.

A-141

Control DFD Costs – Eliminate One Station

- FY 2020 Savings – (\$75,000)
- Cumulative Savings through FY 2023 – \$2.4 million

Create a Public Safety Officer Program



- In several U.S. cities, police and fire departments are housed in a single Department of Public Safety. Savings are realized by consolidating certain back office functions of the two departments into one organization – procurement, finance, HR and IT.
- Because of the relative small size of DFD and DPD, opportunities for savings from this type of back office consolidation are limited. The City might, however, consider a full consolidation of the functions of the DPD and DFD – with cross training of police officers and firefighters as public safety officers.
- In Sunnyvale, California, public safety officers have been cross trained since the 1950s. Fire apparatus are staffed with two on an apparatus and then can be supplemented by patrol officers who are trained and equipped on firefighting.

A-142

Create a Public Safety Officer Program



- A 2016 Department of Justice funded study found consolidated departments in more than 130 U.S. communities in 27 states – though none in Virginia. While noting that consolidation is “neither a panacea nor a one-size-fits-all solution,” the study found that “[I]n several communities we studied, consolidation has led to efficiencies and savings,”
- Implementing a Public Safety Officer program in Danville would require considerable study. Rather than trying to re-train existing firefighters and police officers, it might be more feasible to begin recruiting public safety officers in the future. As a result, the proposed initiative contemplates savings based on a reduced number of new hires in FY 2022.

A-143

Create Public Safety Officer Program

- FY 2022 Savings – \$150,000
- Cumulative Savings through FY 2023 – \$300,000

Reduce CSA Local Match Costs



- In FY 2017, the City expended nearly \$1 million in local match funds for services provided under the Children's Services Act (CSA). CSA provides funding for programs for at-risk youth, including children with severe emotional and/or behavioral problems, including but not limited to students with disabilities in private special education facilities and youth in foster care.
- The cost is driven by decisions to place children with multiple incidents of truancy in foster care rather than providing them with community services. Social Services estimates that the monthly cost of foster care is \$9,000 per child compared to a cost of \$3,000 for community services.
- The proposed initiative is based on a similar initiative by the City of Norfolk. Between 2013 and 2017, the number of children in foster care in Danville increased by 42 percent while declining by 37 percent in Norfolk. In 2017, there were 3.1 foster care placements per 1,000 children in Norfolk compared to 5.5 in Danville.

A-144

Reduce CSA Local Match Costs

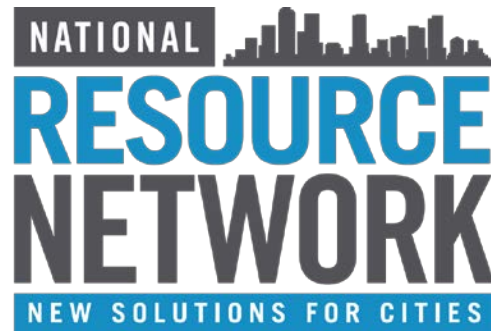


- An estimated 20 children per day are in foster care for truancy related placements. Shifting those children to community services would save the City (based on a 21 percent local match) \$1.4 million over the next five years.

A-145

Reduce Foster Care Placement

- FY 2019 Savings – \$150,000
- Cumulative Savings through FY 2023 – \$1.4 million



Align Compensation and Benefits to Available Revenue

A-146



Aligning Compensation to Revenue



- At its core, the City's structural deficit is driven by the fact that the growth in employee compensation is outpacing growth in revenue.
- This section of the plan outlines a series of options related to curbing the growth in the cost of compensation and more closely linking growth rates to growth in the City's ability to pay.
- The City should not adopt all of these recommendations. Instead, it should consider total compensation in determining the best steps to curb growth in personnel costs.
- For example, it may make sense to provide for a form of "gainsharing" where employees benefit from increased salary in return for savings in benefits and other related costs. In the alternative, decisions to keep current benefit levels might be directly tied to limits in salary compensation.

A-147

Implement Citywide Wage Freeze



- Instead of increasing wages at 2 percent annually, the City could freeze wages at FY 2019 levels or cap wage growth at 1 percent for the entirety of the FY 2020 to FY 2023 period.

Implement Citywide Wage Freeze

- FY 2020 Savings – \$1.2 million
- Cumulative Savings to FY 2023 – \$9.9 million

Cap Citywide Wage Growth at 1%

- FY 2020 Savings – \$800,000
- Cumulative Savings to FY 2023 – \$5.9 million

A-148

ERS Employee Contribution



- The City of Danville employees are part of the Employee Retirement System (ERS).
- Since March 1, 1979, employees' contributions have been paid by the City. Contributions for employees hired after September 30, 1991 are considered to be 100 percent City contributions.
- Total contributions to the pension plan for the year ended June 30, 2017 amounted to \$2,857,851, of which \$470,599 was made by the City on behalf of its employees.

A-149

Source: Danville ERS 2017 CAFR, PDF pg. 38

ERS Employee Contribution

- The City should require employees to pay the actuarially determined employee contribution of their pension up to 5 percent.
- Most benchmarks are in the Virginia Retirement System (VRS) which requires a 5 percent employee contribution. Though not in VRS, Roanoke still requires employees to contribute 5 percent of salary.

A-150

City	Retirement System	Employee Contribution
Harrisonburg, VA	VRS	5% of compensation
Manassas, VA	VRS	5% of compensation
Martinsville, VA	VRS	5% of compensation
Lynchburg, VA	VRS	5% of compensation
Pittsylvania Co. VA	VRS	5% of compensation
Richmond, VA	VRS	5% of compensation
Roanoke, VA	ERS	5% of compensation

ERS Employee Contribution

- If Danville employees were required to make a 1 percent contribution in FY 2019, the City would realize \$430,000 in savings.
- A 5 percent employee contribution to pension costs would realize approximately \$2.3 million in annual savings.
- The City should move to a 5 percent employee contribution over the five year plan period starting in FY 2020.
 - The plan recommends phasing-in the employee's contribution by increments of 25 percent starting in FY 2020 until employees are contributing the full 5 percent starting in FY 2023.

A-151

Require 5% Employee Contribution to ERS

- FY 2020 Savings – \$599,000
- Cumulative Savings to FY 2023 – \$5.8 million

Enhanced Vacancy Control



- Vacant positions offer leadership an opportunity to re-evaluate the performance and service level of their division or department.
- The City of Danville maintains 80 vacant positions on average and leverages an informal policy to guide the systematic filling of vacant positions.
 - The policy requires the City Manager to approve a position be filled or created.
 - The Human Resources Department then assists departments with the hiring process and provides a list of applicants to Department leadership.
 - Department leadership are then ultimately responsible for the selection of applicants.
- The FY 2018 approved budget includes a net increase of six new full-time equivalent (FTE) positions from the prior fiscal year.
- The City does not formally track the length of time positions are left vacant and does not have an additional review policy for positions vacant for extended periods of time.

A-152

Enhanced Vacancy Control



- Danville should consider creating a more informed and formalized process for reviewing vacant positions that requires departments to justify the need to fill positions with the HR Director and City Manager. The City should consider the following when determining the need:
 - Will failure to fill the position result in an increase in cost or loss of revenue to the city?
 - If the position is approved to be filled, is there another position in the Department that can be eliminated – either by attrition or layoff?
 - If the position is not approved, explain how the Department will continue to do the work that the current employee performs?
- Adjustments to the City's policy to fill and add positions may result in savings.
 - Ongoing vacancies with little impact on City service delivery may indicate an opportunity to realize savings for technology improvements or productivity.

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Enhanced Vacancy Control



- The City should also consider instituting a partial hiring freeze during the projected period.

Number of New Positions Added				
	FY 2015	FY 2016	FY 2017	FY 2018
Net Increase in FTE positions	3	2	0	6

A-154

- The hiring freeze would prohibit the hiring or creation of new positions that did not directly align to minimum levels of service delivery.
- The freeze would allow City and department leadership to evaluate the productivity and efficiency of current staffing levels to better inform future positions.

Active Health Benefits



- The City of Danville offers three options for healthcare coverage for active and retired employees.
- In addition to the traditional health and life insurance plan, Danville offers a competitive benefits package for employees to take advantage of at their own expense.
- Danville proactively managed its health care expenditures in recent years:
 - Required retirees on the City's health plan to pay the full premium cost of selected plans
 - Developed incentives for High Deductible Plans with Health Savings Accounts
 - Created premium differentials for non-smokers and wellness program
 - Plans to open an on-site clinic in FY 2019

A-155

Active Health Benefits



- Health insurance costs are the largest expenditure category in the General Fund budget outside of employee salaries and General Fund transfers.
- The cost of health care premiums have increased from \$7.5 million in FY 2016 to \$9.1 million in FY 2017 (a 20.1 percent increase), and are anticipated to grow to \$10.4 million (4.5 percent annually) by FY 2023.
- To address the growing structural deficit, the City should pursue options to reduce its health care costs:
 - Increase employee contributions for health insurance
 - Provide active employees with stipends to pay for benefits from another source
 - Create spousal carve-out or buy-up policy
 - Conduct regular dependent eligibility audits
 - Establish on-site health and wellness clinics for insured employees and dependents
 - Move to generic prescription drug coverage
 - Create targeted health management programs for City employees

A-156

Offer Health Benefit Buy-out

- A subset of City employees have access to other health benefit options (e.g. through a spouse, partner, or secondary employer).
- Danville could provide a monetary incentive to these employees for waiving City coverage and enrolling in other eligible coverage. This incentive would in-turn limit the City's health care costs and liability
 - New York, NY; Los Angeles, CA and Manchester, NH all offer incentives via a flat dollar amount to employees to opt-out of city coverage
- Danville could see year to year savings by offering \$100 monthly stipends to opt out of City coverage.

Offer \$100 Monthly Buy-out of City Health Insurance Coverage

- FY 2020 Savings – \$737,000
- Cumulative Savings to FY 2023 – \$3.1 million

Spousal Carve-out or Buy-up Program



- The City of Danville currently subsidizes 45 percent of the cost of health care coverage to the spouse and families of active employees regardless of their access to other plans.
- Danville should consider a spousal carve out to limit or deny coverage to employee spouses with access to another form of health benefits.
 - Shelby County, TN uses a spousal carve out for active and retiree health care.
- The City could also consider a spousal buy-up program that requires employees to cover their spouses at 100 percent of the cost difference between single coverage and their chosen enrollment (employee and spouse or family).

Mandate Spousal Carve-out or Buy-up

- FY 2020 Savings – \$532,000
- Cumulative Savings to FY 2023– \$2.3 million

Conduct Dependent Eligibility Audit



- The City has 757 spouses and dependents enrolled on the City's health plan. The City verifies the enrollment of dependents upon entering the City's plan and has mechanisms in place to monitor ongoing eligibility
- To continue to manage healthcare cost growth, the City should conduct a benefit audit, which will allow the City to remove non-qualified participants from plans.
- Dependent audits have become an increasingly common practice by large private employers and have become a popular strategy to reduce health care costs for local and state governments as well.
 - In recent years, local governments in Manassas, VA; Richmond, VA; Roanoke, VA; Pittsylvania County, VA; New York, NY; Providence, RI; and Boston, MA have conducted dependent eligibility audits

A-159

Source: Mark Mack, Controlling Health-Care Costs with Dependent Eligibility Audits (Government Financial Review, June 2015)

Conduct Dependent Eligibility Audit



- DEVA audits typically find approximately 8 percent of dependents ineligible.
- Danville could realize savings from reviewing all dependent plans or looking at dependent plans excluding spousal plans.

A-160

Conduct DEVA – All Dependents

- FY 2020 Savings – \$372,000
- Cumulative Savings to FY 2023– \$1.6 million

Conduct DEVA – Excluding Spousal Only Plans

- FY 2020 Savings – \$286,000
- Cumulative Savings to FY 2023 – \$1.2 million

Source: Mark Mack, Controlling Health-Care Costs with Dependent Eligibility Audits (Government Financial Review, June 2015)

Increase Employee Contribution to Health Premium



- Cities across the country are working to identify resources to address growing costs for health care coverage. According to the 2017 Kaiser survey, nationally, workers contribute **18 percent** of their average annual health insurance premium for individual coverage and **31 percent** of their average annual health insurance premium for family plans.*
- Many cities have moved to a 70 percent employer to 30 percent employee contribution.
 - In Virginia, Petersburg and Roanoke require employees to pay 34 percent of the cost of employee only coverage.
 - Dallas, TX; El Paso, TX; Fort Worth, TX; and Memphis, TN all utilize at least 70-30 percent cost shares

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*Source: 2017 Employer Health Benefits Survey

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Increase Employee Contribution to Health Premium



- Danville's traditional PPO is the highest enrolled plan (530 of 725 employees) over two high deductible plans with health savings accounts.
 - The City's covers 85 percent of the PPO premium cost for employee only health plans and 45 percent for employee plus dependent plans
- The City should increase the employee contribution to overall health care premiums to 30 percent by FY 2023 to reduce the City's growing health insurance costs.

A-162

Traditional PPO25 (Wellness)			
	Employee Contribution	City Contribution (% of Premium)	Total Premium
EE Only	\$86.79	\$491.48 (85%)	\$578.63
EE + Spouse	\$640.53	\$944.89 (45%)	\$1,585.42
EE + 1 Child	\$309.56	\$674.10 (45%)	\$983.66
EE + Family	\$723.28	\$1,012.60 (45%)	\$1,735.88

Increase Employee Contribution to Health Premium



A-163

City Contributions % of Premium for Highest Enrolled Plan		
	EE Only % of Premium	EE + Family % of Premium
Danville, VA	\$491.48 (85%)	\$1,012.60 (45%)
Manassas, VA	N/A	33%
Lynchburg, VA	95%	47%
Petersburg, VA	76%	59%
Pittsylvania Co, VA	97%	33%
Richmond, VA	89%	66%
Roanoke, VA	76%	33%

A-159

Increase Employee Contribution to Health Premium



- The City covers 410 lives on employee only plans. Across the three plans, employees contribute an average of 11 percent of the coverage cost.
- Adjusting the employee contribution to 30 percent for employee only plans would reduce the City's annual health care burden.
 - The plan recommends incremental increases starting in FY 2020 until the employee is contributing the full 30 percent in FY 2023.
 - The City could also realize savings by moving all plans to a 30 percent employee contribution, which would be a reduction in cost-sharing for most employees with family coverage.

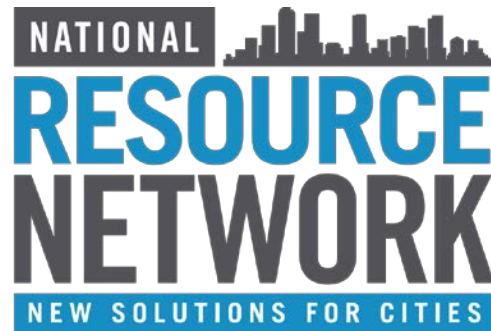
A-164

30/70 Employee Contribution – Employee Only Plans

- FY 2020 Savings – \$173,000
- Cumulative Savings to FY 2023 – \$1.9 million

30/70 Employee Contribution – All Plans

- FY 2020 Savings – \$119,000
- Cumulative Savings to FY 2023 – \$1.3 million



Operational Efficiency Across City Government

A-165



Danville's Practices and Priorities



In addition to analyzing public safety initiatives and workforce policy reforms, the Network team examined staffing and organizational structure across City government to inform specific recommendations about potential efficiencies and reforms according to best practices.

- The Network team:
 - Conducted a comparative analysis of staffing among Danville peers by Auditors of Public Accounts (APA) functional area.
 - APA functional areas do not necessarily align with the way cities organize departments. For example, the “Public Works” functional area as defined by APA is not equivalent to the Danville Public Works Department.
 - Conducted in-person and phone interviews with department heads to identify the feasibility of various initiatives.
 - Identified alternative methods of service provision for those functional areas where Danville is currently an outlier in terms of personnel (and associated costs).

A-166

Previous Study of Efficiency



- In 2011, Danville completed an “Organizational Effectiveness and Efficiency Study” of municipal operations and departments conducted by Municipal & Financial Services Group (MFSG). All departments under the City Manager were included in the study.
- The MFSG Group’s report resulted in hundreds of specific recommendations both large and small. The immediate goal of the study was to help inform the City Manager’s FY 2012 Proposed Budget while also examining potential longer-term reforms.
- The City did implement many of MFSG’s organizational recommendations, such as consolidating the public library and parks and recreation into one department, placing emergency communications under the fire department and creating a Cemetery Enterprise Fund. Certain span-of-control reforms were also adopted, particularly in the City Manager’s office. But some recommendations, including more collaboration across departments and consolidation or elimination of certain services remain unaddressed.

A-167

Staffing Changes



- After the completion of the Organizational Study, the City did reduce full-time positions as a result of various government reforms. Filled non-public safety General Fund positions were reduced from 380 to 365. However, Danville now has more FTEs in these positions than before the study was conducted.
- Positions have been added in “Parks, recreational and cultural”; and “Community Development” functional areas. (The increase of 13 FTEs shown in Public Works from FY 2016 to FY 2017 is a result of APA position regrouping – primarily from Public Safety. Danville’s Public Works Department has reduced its number of FTEs over the past several years.)

A-168

General Fund Full-Time Employee Count FY 2011 – FY 2017							
APA Functional Area	FY11	FY12	FY13	FY14	FY15	FY16	FY17
General government administration	99	95	95	99	96	101	93
Public Works	111	106	105	103	101	101	114
Health, welfare, and social services	101	98	99	99	99	99	100
Parks, recreational, and cultural	51	49	49	49	52	53	57
Community Development	18	17	17	17	17	17	19
Total	380	365	365	367	365	371	383

Danville Compared to Peer Cities



FY 2017 General Fund Full-Time Employee Count, Danville and Peer Cities

APA Functional Area	Danville	Roanoke	Harrisonburg	Manassas	Martinsville
General government administration	93	204	51	60	21
Public Works	114	126	77	53	43
Parks, recreational, and cultural	57	104	72	7	5
Community Development	19	52	17	30	3
Total	283	486	217	150	72

A-165

FY 2017 General Fund Full-Time Employee Count per 1,000 Residents

APA Functional Area	Danville	Roanoke	Harrisonburg	Manassas	Martinsville
General government administration	2.20	2.05	0.98	1.47	1.55
Public Works	2.69	1.27	1.48	1.29	3.17
Parks, recreational, and cultural	1.35	1.05	1.38	0.16	0.37
Community Development	0.45	0.52	0.32	0.72	0.22
Total	6.68	4.89	4.17	0.72	5.31

Danville Compared to Peer Cities



- In three of the four major functional areas, Danville generally has a higher number of FTEs per capita than its peer cities. In two of those areas, there are potential opportunities for efficiencies.

FY 2017 General Fund Full-Time Employee Count per 1,000 Residents			
APA Functional Area	Danville	Average Excluding Danville	Percent Variation
General government administration	2.20	1.51	45%
Public Works	2.69	1.80	49%
Parks, recreational, and cultural	1.35	0.74	82%
Community Development	0.45	0.45	0%
Total	6.68	4.50	6.68

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Danville Compared to Peer Cities



- The data indicates that Danville's Community Development functional area – which includes Planning, Code Enforcement (Zoning and Building), and Economic Development – is right-sized for its population.
- While Danville does have more general government administration FTEs than its peer group, this is primarily due to the fact that Danville has centralized functions within the General Fund that perform administrative services for non-General Fund functions, such as Utilities and Constitutional Offices.
 - Peer cities may have decentralized administrative functions and/or “charge” those FTEs to non-General Fund sources (such as enterprise funds), which artificially deflates the size of the general government administration function.
- Even accounting for the variance in service provision, the functional areas where Danville has the largest staffing deviation from its peer group are parks, recreational, and cultural and public works.

A-171

Service Provision Reforms



- The team has explored alternative models of service provision – particularly in those areas where Danville’s number of FTEs associated with a discrete function exceeds those of its peers.
- Options include:
 - Managed Competition
 - Shared Services
 - Consolidation
- In some cases, it makes sense to consider ending City operations of underutilized services and/or infrastructure entirely.
- As Danville attempts to bring its budget in structural balance, the City should review the City’s direct appropriations to outside entities to appropriately prioritize City expenditures.
- Finally, adjusting the City’s investment strategy to increase returns from the City’s holdings could result in increased revenue without raising taxes or affecting services.

A-172

Parks, Recreational, and Cultural



The APA functional area where Danville has the largest staffing deviation from its peer group is parks, recreational, and cultural.

- Danville has approximately 80 percent more FTEs than the comparison group.
- Some of this staffing deviation is due to providing more services, such as the City running its own public library system.
- However, staffing structures within the Parks and Recreation Department could be examined.
 - Seven Division Directors report to the Department Director.
 - Below the Division Directors, there are 17 Managers and Supervisors who report within their Division.
 - The department has 59 budgeted FTEs in FY 2018 (in addition to part-time staff).
 - Therefore, over 40 percent of Department FTEs are in management. Re-organization of the department organizational structure may allow the City to bring the department's staffing in line with the comparator group.

A-173

Danville Parks Conservancy



To maintain the City's current parks system without reforming the department's structure while lessening the cost to the General Fund, alternative funding could be identified. The City could explore the creation of a Danville Parks Conservancy to provide additional support to the City's parks. A Parks Conservancy could:

- Provide a new source of non-tax revenue to fund Parks facilities and programs from individuals and entities that might not otherwise fund projects of a government agency.
- With 501(c)3 tax status, would serve as the recipient of tax-deductible contributions or as a conduit ("pass-through") for payment of expenses for a parks project.
- Provide a formal, proactive approach to directly tap into the passion of individuals who use and care about parks, as well as corporations, other foundations, and grant agencies dedicated to quality of life enhancement.

A-174

Danville Parks Conservancy



Other jurisdictions in Virginia have found that outside parks conservancies can often operate with more flexibility than a government agency. In fact, the launch of a Danville Parks Foundation with its own trustees (and ultimately staff) can help build community support for projects and programs, resulting in a virtuous cycle of increased funding – ultimately allowing for offsetting reductions in General Fund spending.

Successful examples of Park Conservancies in Virginia include:

- Monroe Park Conservancy in the City of Richmond
 - Leases the Park from the City for 30 years (beginning in March 2014)
 - Helps to oversee and finance the renovation, enhancement, and operation of the Park
 - Raised \$3 million in private funds to renovate and maintain the Park
- Loudoun Wildlife Conservancy
 - Founded in 1995
 - Raised \$176,782 from contributions, grants, membership dues, fundraising events, sales, and investment income in 2017.
- Bull Run Mountains Conservancy in Broad Run
 - Founded in 1994
 - Member donations and contributions leveraged over \$57,000 in matching funds from private foundations in 2017.

Review Danville's Library System



- Within the parks, recreational, and cultural functional area, Danville spends over \$1 million annually on a public library system. Though the City receives State funding and levies library fines, in a typical year over eighty percent of library funding comes directly from the City's General Fund.
- Aside from Roanoke and Lynchburg, all of Danville's peer cities are served by County or regional library systems.
- Danville operates two library branches: the Main Branch located downtown and the Westover Branch located 7 miles away (13 minute drive) on Danville's west-side.
- Danville's libraries have total circulation of approximately 180,000 per year, but circulation is concentrated at the Main Branch.

A-176

Consider Closure of Westover Branch



- The City should consider consolidating the library system by closing the Westover Branch, which is located in a leased facility.
- The Main Branch offers over 30 programs and activities for children, families, and seniors, while the Westover Branch offers just three programs for children and hosts a Book Club.
- The majority of the City's library amenities are located at the Main Branch: an auditorium, computer lab, genealogy room, "Maker's lab," story time/activity room, and Law Library.
- According to the Director of Parks and Recreation, the majority of the patrons of the Westover Branch are not residents of Danville.
- By consolidating the system at one location, the City could potentially eliminate several of the system's 19 FTE.
- An alternative to branch closure could be exploration of a joint City-County library system as part of a broader discussion of shared services (explored further below).

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Public Works Alternative Models



The APA functional area where Danville has the second largest staffing deviation from its peer group is Public Works.

- Danville created a special revenue fund that separated street maintenance functions supported by VDOT funds from the General Fund in order to reduce reliance on General Fund revenues for street and right of way construction and maintenance
- Danville has already chosen to “outsource” several functions that would otherwise be performed by Public Works staff, including pest control, HVAC, painting, major electrical repairs, and complex lawn care.
- Danville could pursue outsourcing of additional functions such as facility maintenance and custodial services. Beginning in FY 2018, the City of Petersburg outsourced these functions, resulting in a reduction of 12 FTE and cost savings of seven percent.
- Outsourcing decisions can be subject to a “managed competition” process where City staff bids against private service providers to compete on cost.
 - The Government Finance Officers Association considers managed competition a best practice and recommends that governments identify and evaluate service level, cost, efficiency, effectiveness, quality, customer service, and the ability to monitor the service provider’s work.

A-178

Public Works Alternative Models



- A managed competition process allows the City to explore alternative models without committing to a particular course of action. For example, the City recently requested proposals for grounds maintenance functions and found that private providers were not competitive with City staff on cost.
 - Cities like Charlotte, NC and Phoenix, AZ have used managed competition and realized savings. Charlotte conducted approximately 60 competitions from 1994 to 2010 and saved \$10 million dollars in the areas of transportation, neighborhood development, garbage collection and water treatment. Phoenix has leveraged managed competition since 1979 and realize annual savings of \$1.2 million per year.
- For services that are cheaper to provide “in-house,” shared services arrangements across governmental entities should be explored.
 - The Government Finance Officers Association recommends shared services as a best practice: “shared services take advantage of economies of scale by aggregating like services across the organization or between organizations. They also promote best practices by organizing services into ‘shared-service centers’ that are focused on the most efficient/effective performance of that service and that are subject to result-based accountability via formal service-level agreements with customers.”

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Public Works Alternative Models



- The competitive process associated with Managed Competition helps to develop and ensure that maintenance costs remain low. Even in cases where the initial cost for contracting is higher, research indicates that a price differential of less than 10 percent between government in-house costs and private sector contract costs can encourage the process of cost savings.
- Danville staff identified facility maintenance and custodial services as areas that may realize savings through a competitive process. The City provides these services for the majority of public buildings, consisting of building repair, heating and air conditioning, equipment, electrical, and utilities.

A-180

Public Works Alternative Models



- Including the costs of salary, benefits, and operational costs associated with these services, the City could realize a 10 percent savings through the managed competition process.
 - Managed competition for facility maintenance and custodial services across the City could yield nearly \$200,000 in savings.
 - Alternately, the City could chose to subject specific buildings or locations to managed competition. Doing so would allow the City to focus resources for building maintenance and related custodial services in specific City facilities while allowing outside entities to manage other locations. Savings would depend on which buildings are selected for outsourcing.

Public Works Managed Competition: Buildings Maintenance and Custodial Services

- FY 2020 Savings – \$37,500
- Cumulative Savings to FY 2023 – \$192,200

A-181

Shared Services



- Danville has several potential partners for consolidation of services including Pittsylvania County, Danville Public Schools, and other regional agencies.
- Each of these opportunities need to be weighed for potential cost savings and to ensure fairness in funding and service delivery.
- The City recently started discussions with Pittsylvania County to potentially consolidate 911 call center functions. The City should formalize this process more broadly by creating a Shared Services Working Group that would review opportunities across both governments, particularly for public works functions, a City-County library system, or other regional authorities.
- The City of Danville and Danville Public Schools may have duplicative services and opportunities for coordination, consolidation or shared services in the following areas: Building Maintenance and Grounds, Fleet Maintenance, Human Resources, Information Technology, and Libraries. The NRN Schools Team is currently exploring these opportunities in depth.

A-182

End Direct City Operation of Airport



- For those areas where managed competition or shared services are not sufficient to provide affordability for the City, ending a service or the operation of certain infrastructure may be considered.
- Danville's Airport currently averages only about 60 general aviation operations per day, half "transient" and half local.
- Following a review of Danville Airport's runway in 2009, the length of the runway was shortened to 5,900 feet. In order to support most business transit, the runway should be between 6,000 and 6,500 feet for corporate jets, so growth potential is limited.
- Effectively, the General Fund is subsidizing the operations of a small portion of the City's residents who patronize the airport – residents who are likely disproportionately affluent.
- The City should consider operation by a third party or creation of a regional source of funding.

A-183

End Direct City Operation of Airport



- Any sale or significant change in operations must be negotiated with the FAA. Sale to a private entity would likely require the repayment of federal grant funds, and this cost may be prohibitive.
- In lieu of a sale, the City could negotiate a multi-year plan to phase out operations while maintaining nominal City ownership.

A-184

End Direct City Operation

- FY 2019 Savings – \$250,000
- Cumulative Savings to FY 2023 – \$1.25 million

Contributions To Other Entities



- The City of Danville spends \$2.01 million on annual contributions to independent organizations that promote the well being of its citizens.
 - 53% (\$1,069,650) to the health department and health services
 - 42% (\$850,630) to economic development and planning initiatives
 - 5% (\$91,830) to other groups
- While some of the City's contribution to other entities is required by state law or is a pass through contribution, the City should consider reducing or eliminating non-mandated funds.
- Reducing or eliminating the City's contribution to independent organizations will free up needed resources to close the City's growing structural deficit. In the alternative, it would allow the City to manage the use of these funds so that they are more directly tied to meeting the City's priorities
- An incremental phase out of non-mandated contributions will allow for local organizations to secure outside funding sources and free up critical City dollars for investment.

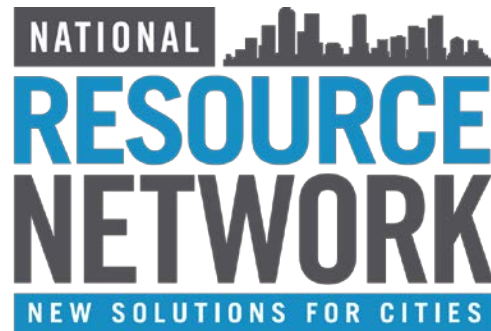
A-185

Contributions To Other Entities

- The City should evaluate the mandates and uses of the below contributions and potentially phase-out funding for those not legally required.

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Organization	2017 Contribution	2018 Contribution
Western Virginia EMS Council	\$9,060	\$9,060
Danville-Pittsylvania Community Services	\$329,860	\$361,050
Danville Health Department	\$601,970	\$601,970
Ambulance and Rescue	\$96,750	\$97,570
Metro Planning Organization	\$11,950	\$11,950
The Dan River Business Development Center	\$115,000	\$115,000
The Industrial Development Authority	\$689,390	\$650,000
Downtown Danville Association	\$50,000	\$50,000
The West Piedmont Planning District	\$24,130	\$23,680
Danville Community College	\$10,480	\$10,480
Southern Area Agency on Aging	\$5,460	\$5,460
Danville Area Humane Society	\$10,480	\$10,480
Virginia Cooperative Extension	\$64,750	\$65,410
Totals	\$2,019,280	\$2,012,110



Danville Utilities



Danville Utilities



- Danville is the only municipality in Virginia to operate electricity, natural gas, water, wastewater and telecommunications utilities.
- While investor-owned utilities set rates to provide return on investment for shareholders, in Danville the City is the shareholder.
- Biennial rate studies are performed to determine revenue requirements and rates for Gas, Electric, Wastewater, and Water utilities.
- Electric, natural gas, water, and wastewater enterprise funds make transfers to the General Fund in amounts meant to mirror what a private utility would pay in taxes. The total of these transfers account for a significant portion of the general fund budget.

A-188

Utility Fund Transfers	FY 2015	FY 2016	FY 2017	FY 2018
Electric	\$9,896,610	\$9,896,610	\$9,896,610	\$10,021,610
Gas	\$2,906,330	\$3,008,330	\$3,008,330	\$3,008,330
Water	\$937,300	\$937,300	\$937,300	\$942,300
Wastewater	\$685,760	\$685,760	\$685,760	\$693,760
Total	\$14,426,000	\$14,528,000	\$14,528,000	\$14,666,000
% of General Fund	14.8%	14.8%	12.6%	13.5%

Danville Utilities



- **Electric**

- Danville's electric distribution system serves about 42,000 customer locations and covers approximately 500 square miles including the City and portions of three adjacent counties.

- **Water**

- The water utility serves about 18,000 residential and commercial accounts in Danville. It also distributes water through to Caswell County, NC and the Pittsylvania County Service Authority.

- **Wastewater**

- Wastewater utility operates wastewater collection lines, two treatment plants and nine pumping stations.
- Northside plant has the capacity to process 24 million gallons per day but is treating only 7 million due to loss of industrial customers.

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Danville Utilities



- **Gas**

- The gas utility serves about 16,000 accounts.

- **Telecommunications**

- This utility provides e-rate service to Pittsylvania County Schools, but recently lost the Danville Public Schools contract.
- It also maintains and operates a fiber optic network in Danville.
- Danville telecomm is currently connected to 60 government buildings and 50 businesses.

A-190

Review Utility Transfer Funding Formula



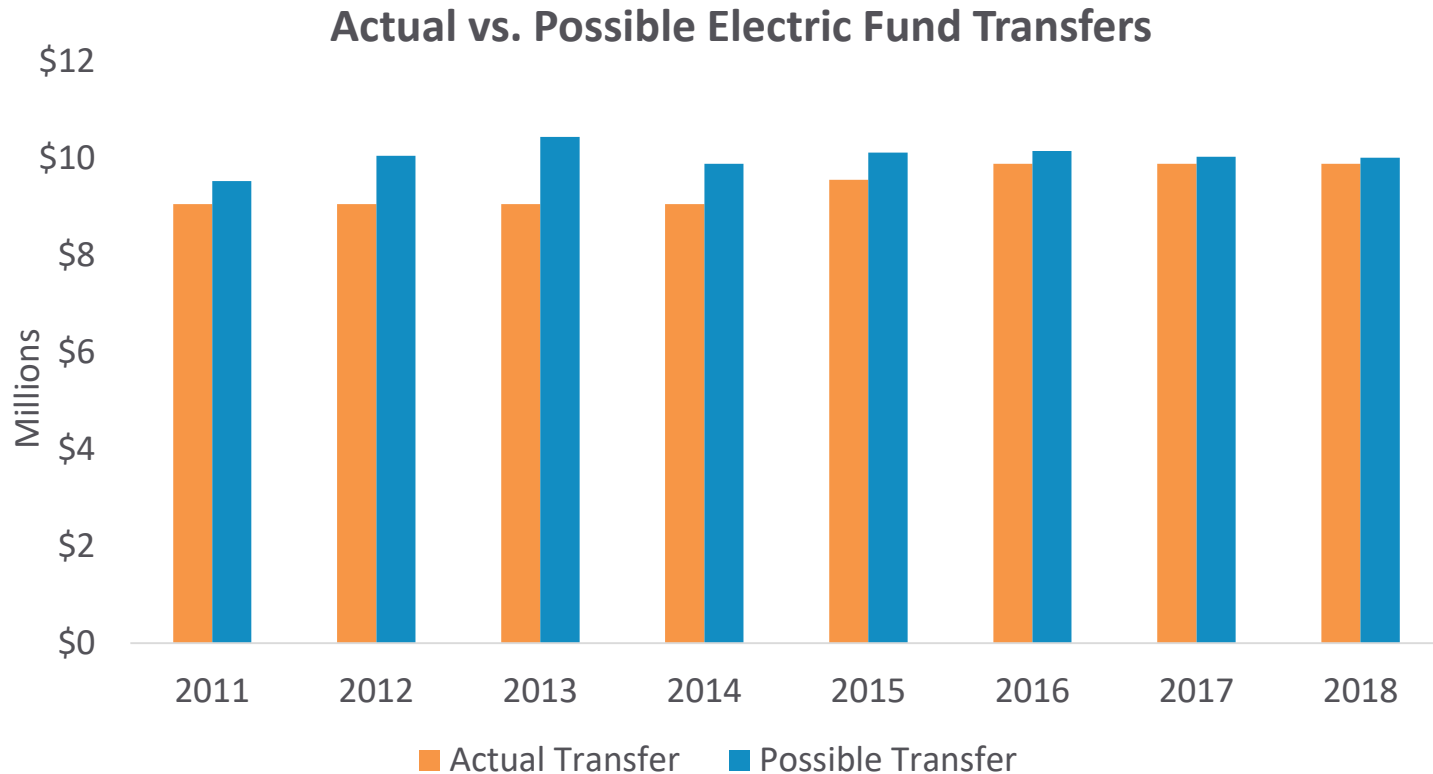
- City financial policies establish that fund transfers should increase by half the average percentage growth in the fund's net fixed assets over the previous five fiscal years.
- Once transfer amounts are set, they are typically fixed for at least a two-year period. Changes are slow to take effect because of the biennial schedule of rate studies and sensitivity around already-high utility rates. This delay does not allow the City to capture annual transfer increases calculated by the formula as they occur.
- Adjusting financial policies to allow the City to establish a multi-year *minimum* rather than a fixed transfer amount would allow the City to maintain reliability in the revenue stream while adding the flexibility to capture potential annual increases in the transfer formula.

A-191

Review Utility Transfer Formula



- The possible contribution amount, as calculated using the increase formula was higher than the actual contribution from the electric fund in every year since FY 2011.



A-192

Reform Utility Transfer Formula

- In FY 2013, the City transferred an additional \$5 million from the Electric Fund for economic development initiatives, but there were no “supplemental” transfers from FY 2018 to FY 2018.

Fiscal Year	Possible Contributions	Actual Contributions	Difference
2014	\$14,528,000	\$13,330,000	\$1,198,000
2015	\$14,857,000	\$14,083,000	\$774,000
2016	\$14,897,000	\$14,528,000	\$369,000
2017	\$14,750,000	\$14,528,000	\$222,000
2018	\$14,717,000	\$14,528,000	\$189,000
Total	\$73,749,000	\$70,997,000	\$2,752,000

- If the City was able to capture transfer formula increases each year for each utility fund, the General Fund would have received an additional \$2.7 million from FY 2014 to FY 2018.

One-time Utility Transfer Adjustment

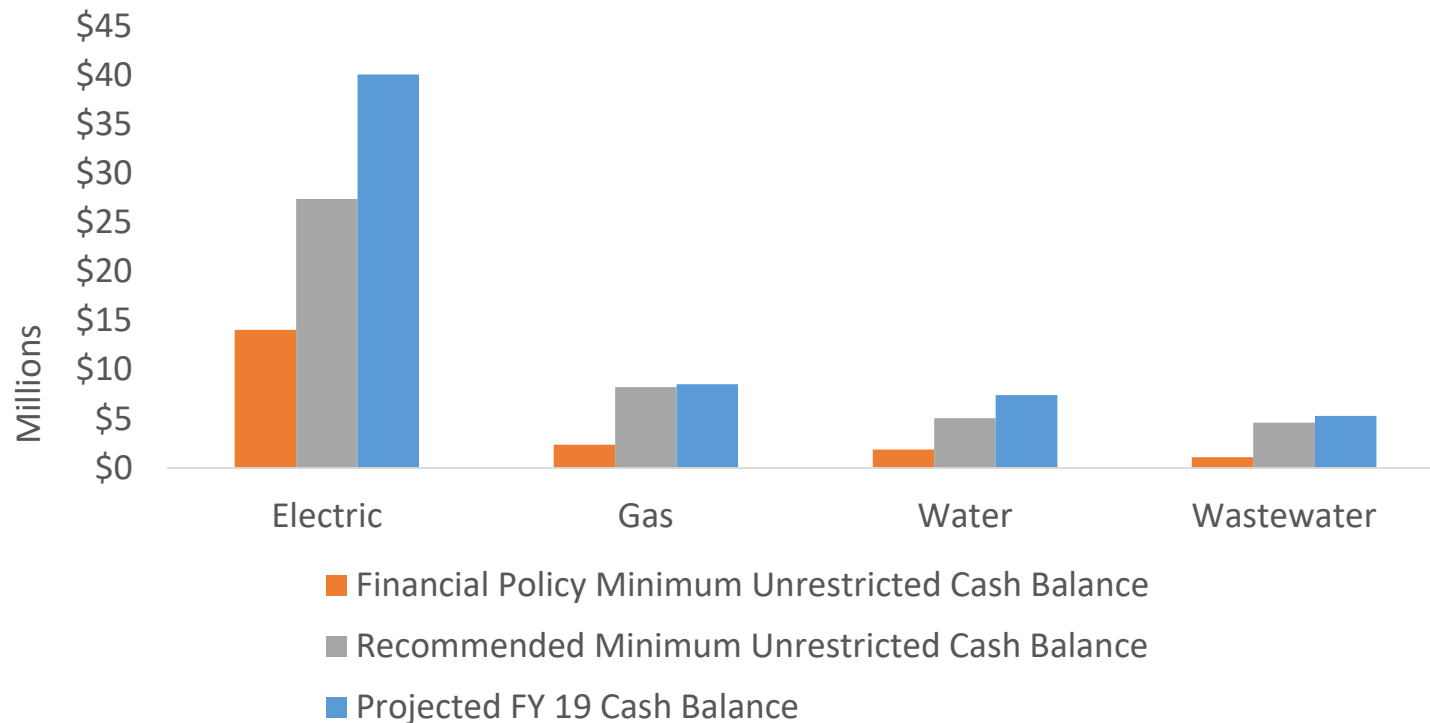
- FY 2020 Savings - \$2,752,000
- Cumulative Savings to FY 2023 - \$2,752,000

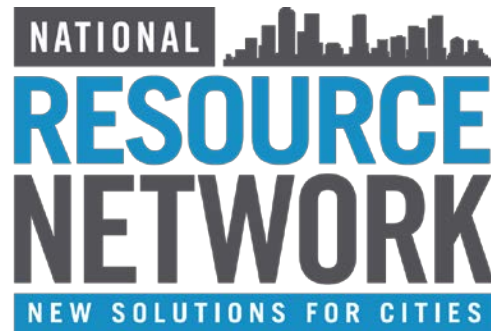
A-193

Review Use of Reserves



- Each utility fund is projected to have cash balances above amounts recommended by the biennial rate studies, and well above City financial policy minimums.





Other Opportunities for Increased Revenue



The Need for Additional Resources



- To address the City's structural deficit in a sustainable way, revenue options must be on the table, as the annual increase in Danville's aggregate revenue collections lags behind inflation.
- The priorities and focus areas identified by City Council will require substantial investment, which are not be possible with Danville's current tax rates and structure.
- Danville residents have experienced tax increases in recent years, with others proposed but not ultimately adopted.
- Some in the community have the perception that they are overtaxed relative to their neighbors. The Network team examined this issue in order to calibrate recommendations with an eye towards maintaining Danville's economic competitiveness.

A-196

Tax Burden for Danville Residents



- Local tax rates and structures are widely diverse: a family that moves from Arlington to Danville would find a significant change in how much they pay in taxes on their home, their car, and their everyday purchases.
- A tax burden analysis can:
 - Determine whether a city's tax structure is competitive and equitable compared to its peers.
 - Quantify how different municipal tax policies affect residents.
 - Control for outside factors, such as the real estate market and regional wage levels.
- The following tax burden analysis focuses on the most significant and most common taxes that vary across Virginia.
 - State income tax and federal taxes are excluded because Virginia residents' tax liabilities do not vary by place of residence.
 - Local personal property taxes on airplanes are excluded because it is not reasonable to assume that every family owns an airplane.
 - Local business taxes are excluded because this analysis focuses on residents.

A-197

Methodology: Real Property Tax Burden



Adjustment for different municipal assessment practices

Adjustment for real estate markets differences

Adjustment for differences in prevailing wages & employment opportunities

A-198

	[A] FY18 Statutory Tax Rate	[B] 2015 Median Assessment / Sales Ratio	[A]x[B] Effective Tax Rate	[C] Median Value of Owner- Occupied Homes	[D] Median Household income	[C]/[D] Median Home Value / Household Income Ratio	[A]x[B]x[C] Property Tax Burden Associated with the Median Home Value	[A]x[B]x[C] /[D] Median Property Tax Paid per \$100 in HH income
Danville	0.80%	98.27%	0.786%	\$90,800	\$33,721	\$2.69	\$713.50	\$2.12
Harrisonburg	0.85%	98.57%	0.838%	\$197,400	\$40,494	\$4.87	\$1,653.91	\$4.08
Manassas	1.44%	96.57%	1.391%	\$293,500	\$74,371	\$3.95	\$4,081.43	\$5.49
Martinsville	1.06%	97.03%	1.031%	\$88,700	\$31,719	\$2.80	\$914.10	\$2.88
Lynchburg	1.11%	96.51%	1.071%	\$149,600	\$40,728	\$3.67	\$1,602.61	\$3.93
Petersburg	1.35%	104.13%	1.406%	\$111,300	\$32,169	\$3.46	\$1,564.61	\$4.86
Pittsylvania County	0.62%	100.64%	0.624%	\$114,400	\$43,087	\$2.66	\$713.82	\$1.66
Roanoke	1.22%	94.98%	1.159%	\$133,000	\$39,201	\$3.39	\$1,541.15	\$3.93
Median	1.11%	97.03%	1.07%	\$133,000	\$40,494	\$3.46	\$1,564.61	\$3.93
Danville vs Median	-0.31%	1.24%	-0.29%	-\$42,200	-\$6,773	-\$0.77	-\$851.10	-\$1.82
Danville vs Median	-38.8%	1.3%	-36.3%	-46.5%	-20.1%	-28.5%	-119.3%	-86.0%
Danville rank	7	4	7	7	6	7	8	7

Source: Weldon Cooper Center, Virginia Local Tax Rates 2017; Virginia Dept of Taxation, May 2017 Virginia Assessment/Sales Ratio Study; 2012-2016 American Community Survey, Tables B25076, B25077, B25078

Methodology: Sales Tax Burden



2017 Mid-Atlantic estimates
of the average % of
household income allocated
to various purchases

x

Census estimates of
median household
income, by City

x

City + State
Statutory Sales &
Use Tax Rates

=

Estimated Sales and Use Taxes Paid Annually on a Median Household Income

	Median Household Income	Misc Taxable Purchases	Food for Home Consumption	Meals	Cigarette and Tobacco (a)	Gas	Total Annual Taxable Purchases	Sales tax per \$100 HH income
Danville	\$33,721	\$290	\$58	\$180	\$25.3	\$78	\$630	\$1.87
Harrisonburg	\$40,494	\$348	\$70	\$235	\$56.3	\$93	\$802	\$1.98
Manassas	\$74,371	\$683	\$117	\$377	\$106.7	\$155	\$1,438	\$1.93
Martinsville	\$31,719	\$272	\$54	\$177	\$37.3	\$73	\$614	\$1.94
Lynchburg	\$40,728	\$350	\$70	\$227	\$60.9	\$94	\$801	\$1.97
Petersburg	\$32,169	\$276	\$55	\$172	\$31.0	\$74	\$608	\$1.89
Pittsylvania County	\$43,087	\$342	\$65	\$157	\$30.1	\$102	\$695	\$1.61
Roanoke	\$39,201	\$337	\$67	\$191	\$74.5	\$90	\$759	\$1.94
Median	\$40,494	\$342	\$67	\$191	\$56	\$93	\$759	\$2
Danville vs Median	-\$6,773	-\$52	-\$9	-\$11	-\$31	-\$16	-\$129	\$0
Danville vs Median	-20.1%	-18.0%	-16.3%	-6.0%	-122.1%	-20.1%	-20.5%	-3.5%
Rank	6	6	6	5	8	6	6	7

(a) According to 2016 CDC data, the average pre-tax cost of a pack of 20 cigarettes in Virginia is \$3.792.

(b) According to the U.S. Energy Information Administration, the average gross price of gasoline in the Lower Atlantic Region is \$2.69/gallon as of 5/7/2018

Sources: *Virginia Local Tax Rates, 2017, Table 16.*; *Bureau of Labor Statistics' Consumer Expenditure Survey (CES), 2017*; *2012-2016 American Community Survey*; *Centers for Disease Control and Prevention, Tax Burden on Tobacco Volume 51, 1970-2016.*

Methodology: Personal Property Tax Burden



Motor Vehicle Ownership Assumptions

	Household Income: \$25k-\$50k	Household Income: \$50k - \$75k	
Description of Automobile	Sedan, 4 door 4-cylinder, Automatic	Car 1: Sedan, 4 door 4-cylinder, Automatic	Car 2: 4WD Utility, 4 Door 6-cylinder, Automatic
Engine Size (L)	1.8	2.5	3.5
Weight (lbs)	2,851	3,300	4,178
Retail Value	\$12,875	\$17,925	\$15,375

Source: 2016 Tax Rates and Tax Burdens in the District of Columbia: A Nationwide Comparison

Personal Property and License Tax Burden for Cars and Trucks

A-200

	Tangible Personal Property Tax Rate	Adjusted Effective Rate *	Local License Fee if		Tax Burden if	
			<4,000 lbs	>4,000 lbs	Household Income: \$25k-\$50k	Household Income: \$50k - \$75k
Danville	3.50%	2.98%	\$25.00	\$25.00	\$408.03	\$1,040.68
Harrisonburg	3.50%	2.98%	\$40.00	\$40.00	\$423.68	\$1,072.34
Manassas	3.60%	3.06%	\$25.00	\$25.00	\$418.98	\$1,068.98
Martinsville	2.30%	1.77%	\$29.00	\$29.00	\$256.89	\$647.41
Lynchburg	3.80%	3.23%	\$29.50	\$34.50	\$445.36	\$1,139.59
Petersburg	4.40%	3.39%	\$23.00	\$28.00	\$459.46	\$1,179.87
Pittsylvania County	8.75%	2.23%	\$38.75	\$38.75	\$325.86	\$820.09
Richmond	3.70%	3.15%	\$23.00	\$28.00	\$428.56	\$1,099.95
Roanoke	3.45%	2.66%	\$28.00	\$28.00	\$370.48	\$941.78
Median	3.65%	3.02%	\$28.50	\$28.50	\$421.33	\$1,070.66
Danville vs Median	-0.15%	-0.04%	-\$3.50	-\$3.50	-\$13.29	-\$29.98
Danville vs Median	-4.3%	-1.5%	-14.0%	-14.0%	-3.3%	-2.9%
Rank	6	6	6	8	6	6

* [Adjusted effective rate] = [statutory tax rate] x [relationship to retail value] x [assessment ratio]

Source: Virginia Local Tax Rates, 2017, Tables 9.1, 9.3, and 15.1

Findings: Household Tax Burden



Danville residents have a comparatively low local tax burden. A Danville household earning the median household income pays **\$900 less (34.4 percent less)** than the median household tax burden in peer communities, largely due to the City's relatively low property taxes.

A-201

	Real Property Tax	Sales and Excise Tax	Tangible Personal Property Tax	Total State and Local Annual Tax Liability	
				per Household	per Capita
Danville	\$713.50	\$630.40	\$408.03	\$1,751.94	\$771.46
Harrisonburg	\$1,653.91	\$802.01	\$423.68	\$2,879.59	\$921.07
Manassas	\$4,081.43	\$1,438.26	\$1068.98	\$6,588.67	\$1,990.26
Martinsville	\$914.10	\$613.97	\$256.89	\$1,784.96	\$762.27
Lynchburg	\$1,602.61	\$801.36	\$445.36	\$2,849.33	\$1,023.23
Petersburg	\$1,564.61	\$608.24	\$459.46	\$2,632.30	\$1,083.87
Pittsylvania County	\$713.82	\$695.06	\$325.86	\$1,734.75	\$732.00
Roanoke	\$1,541.15	\$759.38	\$370.48	\$2,671.00	\$1,096.11
Median	\$1,552.88	\$727.22	\$415.85	\$2,671.00	\$1,023.23
Danville vs Median	-\$839.37	-\$96.82	-\$7.82	-\$919.07	-\$251.78
Danville vs Median	-54.1%	-13.3%	-1.9%	-34.4%	-24.6%
Danville Rank (out of 8)	8	6	5	7	6

Note: Figures reflect the estimated tax burden for a family earning the median household income for the locality.

Sources: 2012-2016 American Community Survey; Weldon Cooper Center, Virginia Local Tax Rates 2017; Bureau of Labor Statistics, Consumer Expenditure Survey; District of Columbia, 2016 Tax Rates and Tax Burdens: A Nationwide Comparison;

Findings: Household Tax Burden



Danville residents' low tax burdens are largely due to the competitiveness of City's tax structure, not to the region's lower prevailing income levels. A household earning a set income would pay 27.7 percent less in taxes if they lived in Danville compared to the median of other peer cities.

Tax Burden for a Hypothetical Household living on \$33,721/year *

	Real Property Tax	Sales and Excise Tax	Tangible Personal Property Tax	Total State and Local Annual Tax Liability	
				per Household	per Capita
Danville	\$713.50	\$630.40	\$408.03	\$1,751.94	\$771.46
Harrisonburg	\$1,377.27	\$653.59	\$423.68	\$2,454.54	\$785.11
Manassas	\$1,850.59	\$638.19	\$418.98	\$2,907.75	\$878.35
Martinsville	\$971.80	\$638.77	\$256.89	\$1,867.45	\$797.50
Lynchburg	\$1,326.89	\$649.30	\$445.36	\$2,421.55	\$869.61
Petersburg	\$1,640.09	\$623.95	\$459.46	\$2,723.50	\$1,121.42
Pittsylvania County	\$558.65	\$532.34	\$325.86	\$1,416.86	\$597.86
Roanoke	\$1,325.71	\$639.26	\$370.48	\$2,335.44	\$958.40
Median	\$1,326.30	\$638.48	\$413.50	\$2,421.55	\$869.61
Danville vs Median	-\$612.80	-\$8.07	-\$5.47	-\$626.56	-\$62.10
Danville vs Median	-46.2%	-1.3%	-1.3%	-27.7%	-11.3%
Danville Rank (out of 8)	7	6	5	7	7

* According to the 2012-2016 American Community Survey, \$33,721 is the mean household income in Danville.

Sources: 2012-2016 American Community Survey; Weldon Cooper Center, Virginia Local Tax Rates 2017; Bureau of Labor Statistics, Consumer Expenditure Survey; District of Columbia, 2016 Tax Rates and Tax Burdens: A Nationwide Comparison;

Real Estate Tax Increase

- From FY 2013 to FY 2017, Danville collected an average of \$15.1 million per year in real estate taxes, typically accounting for about 15 percent of the General Fund budget.
- Assessed value of real estate in Danville has shown little growth in recent years, with a compound annual growth rate of 0.35 percent from FY 2013 to FY 2018.
- In FY 2018, the City increased real estate tax from \$0.73 to \$0.80 per \$100 of assessment, adding \$1.5 million to general fund revenues.
 - This increased rate still leaves Danville with the lowest Real Estate Tax rate among our benchmark group.

	Real Estate Tax per \$100 of Assessment
Manassas, VA	\$1.44
Petersburg, VA	\$1.35
Roanoke, VA	\$1.22
Lynchburg, VA	\$1.11
Martinsville, VA	\$1.06
Harrisonburg, VA	\$0.85
*Chatham/Pittsylvania County, VA	\$0.87 (\$0.62 County Tax + \$0.25 Local Tax)
Danville, VA	\$0.80

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Real Estate Tax Increase

- During the FY 2018 budget process, an increase in the real estate tax from \$0.73 to \$0.88 was proposed, but not passed by Council.
- This increase would have added \$3.3 million to the FY 2018 general fund budget.
- Raising the rate from \$0.80 to \$1.00 in FY 2020 may generate \$4.2 million in additional revenue.
- Raising the rate to \$1.00 would still leave the City below the median rate.

A-204

Raise Tax Rate to \$1.00

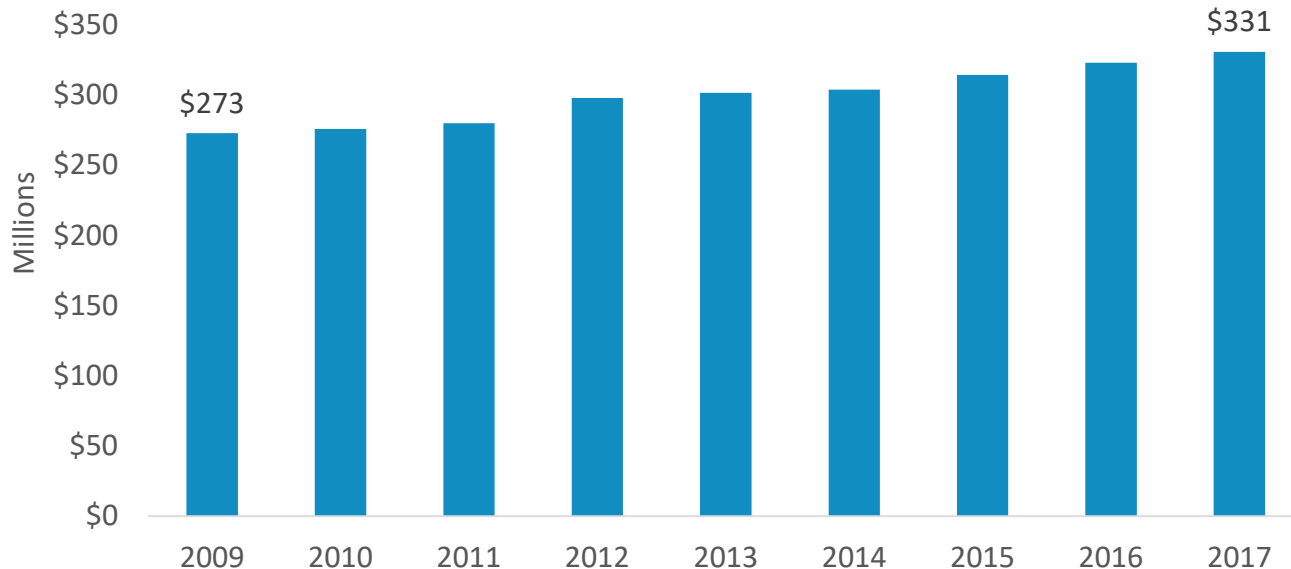
- FY 2020 Revenue - \$4.2 million
- Cumulative Revenue to FY 2023 - \$17.0 million

Personal Property Tax Increase



- Danville collected an average of \$8.7 million per year in personal property tax from FY 2013 to FY 2017, typically accounting for about 8.5 percent of the budget.
- Since FY 2009, assessed value of personal property has shown a consistent upward trend.

Assessed Value of Personal Property



Personal Property Tax Increase



- In FY 2018, the City increased Personal Property Tax from \$3.00 to \$3.50 starting January 1, 2018. This is projected to increase tax revenue by \$750,000 in FY 2018.
 - This new rate places Danville in the middle of our comparison group, but additional rate increases could be phased in.

	Personal Property Tax per \$100 valuation
Pittsylvania County, VA	\$8.75
Petersburg, VA	\$4.90
Lynchburg, VA	\$3.80
Manassas, VA	\$3.60
Danville, VA	\$3.50
Harrisonburg, VA	\$3.50
Roanoke, VA	\$3.45
Martinsville, VA	\$2.30

Raise Tax Rate by \$.10 Per Year for Four Years

- FY 2020 Revenue - \$321,000
- Cumulative Revenue to FY 2023 - \$3.35 million

Levy a Cigarette Tax

- Virginia has the lowest cigarette tax in the United States (30 cents per pack), but allows local jurisdictions to levy an additional tax.
- The City of Danville levies no tax on cigarettes. The City could dedicate this revenue to school or health programs. In particular, this revenue stream could help to fund teacher salary increases implemented last year.

	Cigarette Tax per Pack	FY 2016 Actual Cigarette Tax Revenue
Petersburg, VA	\$0.90	\$195,360
Manassas, VA	\$0.65	\$810,000
Roanoke, VA	\$0.54	\$2,371,201
Lynchburg, VA	\$0.35	\$900,484
Harrisonburg, VA	\$0.30	\$680,937
Martinsville, VA	\$0.30	\$150,776
Pittsylvania Co, VA	No Tax	No Tax

Levy \$.30 Per Pack

- FY 2020 Revenue - \$555,000
- Cumulative Revenue to FY 2023 - \$2.1 million

Tax Base Expansion



- Danville may be able to increase revenue by expanding the base of certain taxes to apply to additional property or services.
- It is difficult to project how much these changes may add to tax revenue, but tax base expansion can help the City to collect more revenue without necessarily increasing tax rates.
- Two examples of tax bases that can be expanded include personal property tax and legal document taxes.

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Tax Base Expansion



- Personal Property Tax
 - Unlike the cities in our comparison group, Danville does not apply Personal Property Taxes to:
 - Generating Equipment
 - Research & Development
 - Biotechnology
 - Livestock
 - Farm Equipment
 - Recreational vehicles
 - Horse trailers
 - Special fuel vehicles
 - Electric vehicles

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Tax Base Expansion



- Personal Property Tax

- The following table shows whether comparable jurisdictions levy property tax on certain items

	Generating Equipment	R & D	Bio-technology	Livestock	Farm Equipment	Recreational Vehicles	Horse Trailers	Special Fuel Vehicles	Electric Vehicles
Danville, VA	No	No	No	No	No	No	No	No	No
Harrisonburg, VA	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Lynchburg, VA	Yes	Yes	Yes	No	No	Yes	Yes	Yes	Yes
Manassas, VA	Yes	Yes	Yes	No	No	Yes	No	Yes	Yes
Martinsville, VA	Yes	Yes	Yes	No	No	Yes	Yes	No	No
Petersburg, VA	No	No	No	No	No	Yes	No	Yes	Yes
Pittsylvania Co, VA	Yes	Yes	Yes	No	No	Yes	Yes	No	No
Roanoke, VA	Yes	Yes	Yes	No	No	Yes	Yes	No	No
Total	6 of 8	6 of 8	6 of 8	1 of 8	1 of 8	7 of 8	5 of 8	4 of 8	4 of 8

Tax Base Expansion



- Legal Document Taxes
 - Danville levies a legal document recordation tax but does not levy a tax on wills and administration.
 - State law permits cities and counties to levy a 3.3-cent tax on the probate of every will or grant of administration.
 - A majority of comparable jurisdictions choose to levy this tax.

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	Will and Administration Tax Levied
Danville, VA	No
Harrisonburg, VA	No
Lynchburg, VA	Yes
Manassas, VA	No
Martinsville, VA	Yes
Petersburg, VA	Yes
Pittsylvania County, VA	Yes
Roanoke, VA	Yes
Total	5 of 8

Review Investment Policies



- The City typically realizes between \$500,000 and \$1.7 million in income per year from its cash holdings and investment portfolio. It is possible that with a different investment strategy the City could realize additional returns without assuming excessive risk.

Fiscal Year	Investment Income
2008	\$1,626,835
2009	\$1,327,296
2010	\$683,469
2011	\$591,487
2012	\$986,545
2013	\$521,402
2014	\$1,641,092
2015	\$1,020,884
2016	\$1,333,951
2017	\$632,649

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Review Investment Policies



- The City might reconsider their investment policy on permitted investments to ensure it aligns with the Commonwealth's guidelines.
- The City's investment policy appropriately differentiates funds needed for liquidity from funds available for investment; however, the investment strategy is relatively formulaic once the funds are segregated. It is possible that the City could consider longer-term strategies for a portion of the funds marked for investment by using an alternative cash flow scenario.
- The City could consider more aggressive investment performance benchmarks for third-party accountability and to realize higher returns.

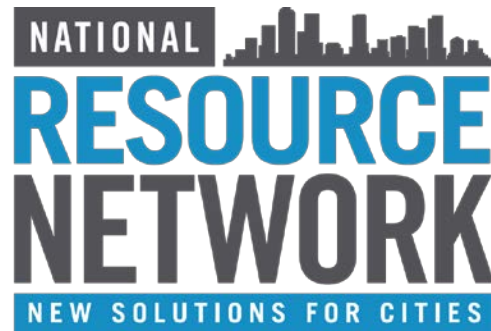
A-213

Review Investment Policies

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Investment	FY 2014	FY 2015	FY 2016	FY 2017	Weighted Average Maturity (FY 2017)
Municipal taxable bonds	\$23,438,225	\$16,131,371	\$12,475,353	\$8,757,393	0.97
Municipal non-taxable bonds	\$2,641,290	\$496,130	\$505,880	\$499,385	1.48
Corporate bonds	\$22,409,315	\$15,542,190	\$13,398,790	\$10,087,510	0.67
Corporate foreign bonds	-	\$2,536,820	\$2,516,255	\$2,000,710	0.41
U.S. Government bonds	\$9,074,420	\$25,345,680	\$25,092,590	\$29,789,840	7.73
Certificates of deposit	\$31,607,229	\$32,107,229	\$52,500,000	\$52,500,000	2.77
LGIP	\$5,060,391	\$5,066,055	\$5,082,418	\$5,120,813	-
SNAP	\$7,722,468	\$4,593,005	\$9,285,492	\$12,036,291	-
Total	\$101,953,338	\$101,818,480	\$120,856,778	\$120,791,942	

- Finally, the City may be able to get better pricing on their investment securities by soliciting multiple bids on each security.



Investing in Danville's Future

A-215



Investing in Danville's Future



- The goal of the Danville Plan is not just to achieve structural balance in the City's budget. The goal is to free resources for new investment in areas of focus identified by the City Council.
- The City Council's focus areas of reducing violent crime, improving education, and growing Danville are all designed to make Danville a more attractive place to live and work.
- By implementing recommendations for cost savings and revenue, the City should be able to begin to fund a Danville Future Fund so that there is a regular source of funding for these priority areas.
- Given its limited resources, the City should be vigilant about weighing the potential benefits and costs of each investment. In particular, the City should consider a formal, structured approach to evaluating re-development projects that may have complicated net impacts to the City's budget.

A-216

Danville Public Schools



- The City Council and Danville leaders have regularly cited the need to improve public education in Danville as the most important investment that can be made to improve quality of life and economic competitiveness.
- The City's FY 2018 budgeted contribution to DPS is \$22.5 million. By comparison, the City budgeted \$9.8 million for the Police Department and \$7.8 million for the Fire Department. This contribution:
 - Accounts for 21 percent of General Fund budgeted expenditures in FY 2018.
 - Is equal to \$3,700 per student.
 - Represents about one-third of the School District's total revenue.
- Danville's required Standard Of Quality (SOQ) contribution is \$9.5 million.
- In FY 2018, the City Council significantly increased City funding to DPS – up by 20% year to year. Still, when compared to benchmark jurisdictions, the City lags in its annual contribution to schools.
 - In order to meet the FY 2018 average per pupil local funding of the comparison group, Danville would need to spend \$24.6 million, or an increase of \$4.2 million over the FY 2019 Adopted Budget amount.

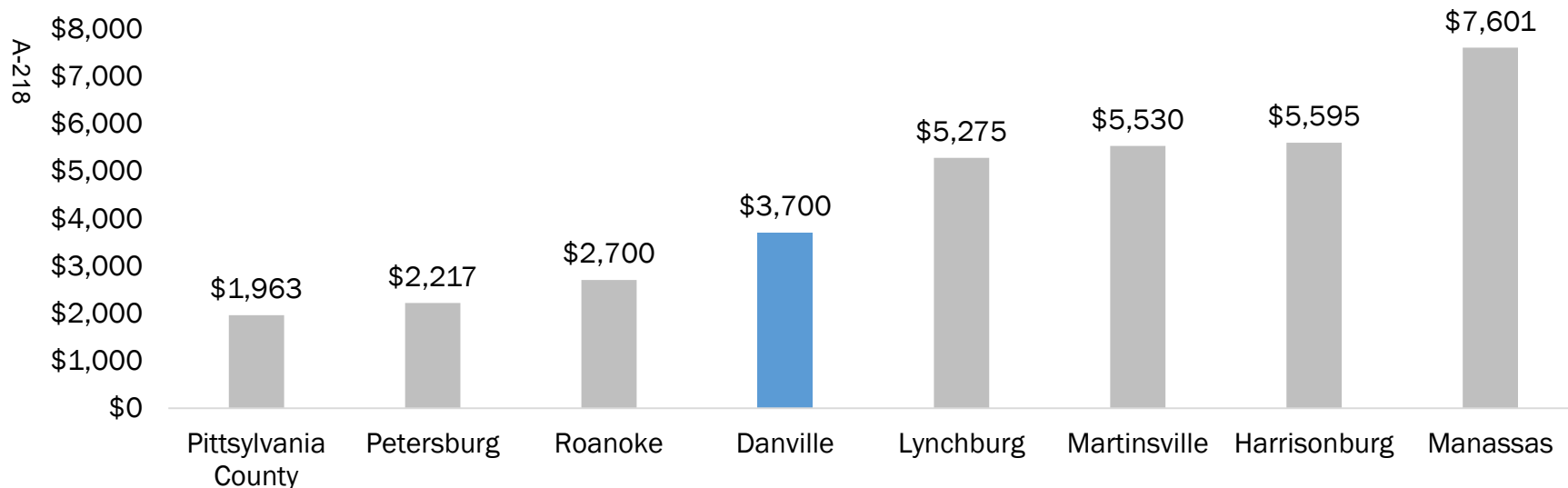
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Danville Public Schools



- In FY 2018, Danville contributed the fifth-highest amount of total and per pupil funding for local schools compared to the benchmark cities and county.

FY 2018 Local School Funding per Pupil



Danville Public Schools



- School officials have also suggested the need for significant new capital investment in DPS schools. The District has 12 school buildings with significant deferred maintenance, and has made initial proposals of \$119 million in new capital investment.
- At the request of DPS and the City, the Network is now also developing a multi-year financial plan for DPS.
- The multi-year financial plan will outline opportunities for savings, areas where DPS and the City can both save funds (shared services) and the need for new operating and capital investment in order to improve the quality of DPS schools consistent with Council's priorities.
- The plan will also likely call for initiatives that improve teacher recruitment and retention, stabilize base funding for IT and maintenance and community partnerships.
- Until the plan is complete, the fiscal impacts of these initiatives and the full need for new investment is not known.

A-219

Comprehensive Crime Reduction Plan



- Funding for the comprehensive crime reduction plan should come from savings resulting from increased efficiency in the DPD and the shift in cost for the City Farm.
- Danville has a significant crime issue.
 - Violent crimes (murder, robbery, abduction, forcible sex and aggravated assault) increased by approximately 24 percent, from 294 in 2015 to 366 in 2016.
 - Of the 72 additional violent crimes, 62 were an increase in aggravated assaults and 10 were an increase in murders. Robbery and abduction decreased by a total of 13 and rape increased by 13.
- Efforts to reduce crime in Danville have largely been focused on enforcement and incarceration. Danville has more officers per capita than any other Virginia city of 40,000 residents or more and a high rate of incarceration. There are very few alternative programs in the community and little in the way of juvenile crime prevention.
- The City has launched a different approach to crime reduction through the implementation of a Comprehensive Gang Model – a set of strategies supported by the Office of Juvenile Justice and Delinquency Prevention and the National Gang Center to prevent and reduce gang violence.

A-220

Comprehensive Crime Reduction Plan



- In addition to the implementation of the Comprehensive Gang Model, the City is well positioned to convene a criminal justice council focused on developing a comprehensive crime reduction plan that addresses prevention, policing, prosecution and punishment.
- Elements of a prevention focus might include: violence prevention, juvenile crime, gang activity, substance abuse, re-entry issues and family violence. To address these issues, the City would need to bring together non-law enforcement organizations with the DPD, the Sheriff, the Commonwealth Attorney and other leaders in law enforcement.
- Non-law enforcement approaches to crime reduction are often more cost effective in achieving crime reduction. For example, WIPPS found that research supported a \$13.91 benefit for every \$1 invested in drug offender sentencing alternatives – nearly two and a half times the ROI as for adding one police officer without targeted deployment.

A-221

Increase Funding for DPD Technology



- In the last five years, Danville has made a series of significant investments in new technology designed to be “force multipliers” – low cost ways to expand police coverage, particularly in high crime areas.
- A 2012 PERF brief identified a series of potential investments in cameras (red light, traffic, speed, crime), shot spotter technology and license plate readers as key investments. In addition, a number of police departments have developed real time crime centers as a way of proactively using technology for intelligence and crime fighting.
- The “force multiplier” aspects of technology investment mean that the DPD can have greater coverage with fewer officers. For example, instead of ten officers patrolling ten beat areas, the use of cameras may mean that only five officers are needed supported by a single officer monitoring 20 camera locations.

A-222

GO Virginia Regional Strategy



- The City should work to continue to align its efforts to create new jobs and economic opportunity with state and regional strategies.
- The Commonwealth has a regional development program focused on growth and opportunity (“GO Virginia”). Danville is a major population center of Region 3 (of nine regions) covering much of southwest Virginia. Last year, Region 3 released its growth and diversification plan focused on the following three areas:
 - **Workforce Talent Development and Recruitment** — Making sure we develop and retain people that have the hard and soft skills our region needs to advance economic opportunity and the growth of higher wages;
 - **Sectoral Development** — Given limited resources, what are the business sectors that have the greatest potential of growing the number of employees, the wage levels and the types of businesses in the region; and,
 - **Cyber Infrastructure** — In the 19th Century it was railroads, in the 20th Century it was roads; going forward it will be areas with internet and broadband that will be more competitive; all of this region must be "connected" with this infrastructure in order to sustain a healthy economy.

A-223

Danville's Capital Plan



- Continued, reliable, and prudent funding for redevelopment and maintaining the City's infrastructure is essential to meeting the Council's goal of job growth.
- The City has a \$144.6 million five-year Capital & Special Projects Plan ("CSP"), of which FY 2019 projects total \$31.4 million. This includes projects for all City departments and other funds (e.g. Utilities).
- Because of the City's structural deficit, current revenues from the General Fund do not cover annual needs. In each of the past two years, the General Fund has contributed between \$5 and \$6 million to the capital plan, but less than half of that amount has come from current revenues. The remainder is being drawn from fund balance, and that practice is not sustainable going forward.
- During the FY 2019 Budget process, additional cuts to capital funding were proposed, including ten percent cuts to the information technology, street improvements, and storm water capital budgets. Other projects were deferred or recommended for reduced funding, such as the Blight Removal Project, which is specifically designed to improve the City's image as a great place to live, work and raise a family.

A-224

Example: Mills



A-225

- The City has two main sites of former industrial mills: the White Mill site and the Schoolfield Mill site.
- The 650,000 sq. ft. White Mill (pictured) was built in 1920 and was part of the Dan River Inc. textile company. The mill was bought in 2009 by Gibbs International but development efforts stalled. Now, the City's Industrial Development Authority (IDA) owns the mill and is currently seeking tenants with a focus on mixed-use residential and retail.
- The City, through the IDA, purchased the Schoolfield site for \$5 million and is now marketing it to prospects who would be interested in the robust utility infrastructure that once supported extensive textile manufacturing.



A-221

Example: New DPD Headquarters



- While the CSP includes funding for certain police technology upgrades, it does not include funding for a new police headquarters.
- The Danville Police Department is housed on the bottom floor of Danville City Hall (pictured), which was built in 1926. The building lacks many features of modern police stations. Building a dedicated headquarters could improve efficiency and safety.
- The City continues to evaluate sites for the new headquarters, but there are currently no formal cost estimates for construction.
- Building a new headquarters would allow the City to choose a location that is proximate to crime hotspots and/or that could spur neighborhood revitalization efforts.



A-226

Example: Sports and Recreation



- Earlier this year, the Mayor's Committee on Sports Tourism recommended that the City Council pursue a feasibility study to construct a track for track-and-field events. The goal is to increase sports tourism to Danville.
- The City has been evaluating sites for the track (Langston Focus School), and preliminary cost estimates indicate the facility could cost about \$2 million.
- A-227 • Averett University completed a \$5.2 million stadium in 2016 (pictured), but the stadium does not include track-and-field infrastructure.



- The City should continue to explore partnerships with Averett and other local organizations to secure funding. Absent third-party support, a new track or arena should be weighed against the City's other capital needs and/or be formally incorporated into the City's CSP.

Reduce Energy Cost and Create Jobs



- A large portion of Danville's energy costs are outside the City's control. This increases the importance of energy efficiency, particularly due to the age of the City's housing stock and commercial infrastructure.
- The City currently has residential and commercial energy efficiency rebate programs (Home\$ave and Custom\$ave), but the programs combined have only about 250 annual participants with approximately \$125,000 rebated.
- The electric fund has a particularly high cash balance. The fund's FY 2019 projected cash balance is:
 - \$12.6 million above the minimum recommended by the biennial rate study.
 - \$26 million above the minimum recommended by the City's financial policy.
- Reserves could be used to seed an energy efficiency investment fund that would allow Danville residents and businesses to make significant capital investments with reduced up-front costs, with repayments added to utility bills (a structure attractive to potential banking partners).
 - Any use of these funds must be mindful of the electric utilities planned uses of part of fund balance to offset high industrial prices adopt a high load factor rate

A-228

Reduce Energy Cost and Create Jobs



- For example, Danville could potentially pursue the creation of a Property Assessed Clean Energy (“PACE”) program, which makes it possible for owners of commercial, industrial, multifamily, and nonprofit properties to obtain low-cost, long-term financing for energy efficiency, water conservation, and renewable energy projects.
- Businesses and organizations can obtain 100 percent financing for clean energy improvements from a local PACE program. Municipalities and counties work with private-sector lenders to provide this financing for qualified projects, such as solar panel installations, which is paid back through an annual assessment on the organization’s property tax bill. A marketing campaign directed toward landlords and other potential beneficiaries of the program can be used to boost participation.
- The Commonwealth is one of 34 states with PACE-enabling legislation. There is an active commercial PACE program in Arlington County, and a program in development in Loudoun County, but Danville could be the first municipality to launch a PACE program.
- A financial advisor with specialization in environmental finance or energy efficiency programs could recommend a specific program structure and the magnitude of the initial investment, but approximately \$2 million would be consistent with comparable programs for a City of Danville’s size.

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Reduce Energy Cost and Create Jobs



- Any capital investment could ultimately raise property values and property tax collections over time and would also reduce utility bills, freeing up capacity for additional revenue from other sources while holding the overall burden constant.
- Investment in energy efficiency would also yield short-term employment opportunities for local residents. “Green jobs” could be created from the accelerated design, installation, and maintenance of energy efficiency systems and retrofitting of Danville’s residential and commercial stock – and these jobs can often pay a higher wage than comparable construction jobs.
- Other potential alternative uses of utility fund reserves include:
 - Long term rate reductions through reduced reliance on debt
 - Targeted relief for low income ratepayers
 - Economic development investments designed to increase rate base

A-230

What's Next?



- The fiscal challenges facing Danville are significant and serious. Without draconian measures, it is not possible to close the City's \$22.3 million structural deficit in one year. The Plan is designed to be implemented over time.
- The Plan ultimately combines projections of the City's fiscal future and focus area initiatives to articulate a strategic path forward for fiscal and economic growth. The Plan will allow City leadership to make informed decisions to ensure that Danville has sufficient resources to invest in its future.
- While the City needs to first ensure that existing revenue is being spent well and wisely, a responsible path to fiscal sustainability also needs to consider opportunities for increased revenue.
- Finally, the goal of a multi-year financial plan must be more than just a balanced budget. The City must have adequate resources to make necessary investments in infrastructure and continue to support the priorities outlined by the City Council: reducing crime, improving local education, and creating economic opportunity to grow Danville.

A-231

What's Next?



- City Council, in consultation with the City Manager, should build up to a total “target” amount of savings and revenue necessary for the City to meet its goals:
 - Close the City’s structural deficit
 - Bring school spending in line with peer cities and true student need
 - Consistent funding for infrastructure and economic development
 - Other Council priorities over the next five years
- A-232 • The targets should be viewed from both an annual and cumulative perspective.
- City Council and City Manager should then categorize the various initiatives in order to reach the targets:
 - Implement immediately
 - Implement with a delay or over time
 - Requires further study
- Using the budget modeling tool, staff can model the impacts of the chosen initiatives to ensure that the City has the resources necessary to fund its priorities in a sustainable way.