



DANVILLE VIRGINIA

Fiscal Year
2025-2026
Proposed Budget



City of Danville Awards and Recognitions

- All America City – 2020 and 2024
- Great American Main Street - 2023
- VML President's Award 2019
- 3 VML Innovation Awards 2019 (2) & 2017
- GFOA Distinguished Budget Presentation Award Since 2016
- GFOA Achievement for Excellence in Financial Reporting Since 1987
- Governor's Excellence Award – ARPA Energy Efficiency Program – Bronze 2024
- Virginia Economic Developers Association Top Economic Development Award - 2024



City of Danville Awards and Recognitions

- PRSA Blue Ridge Awards – Runner Up - "Feels like Home" video - 2024
- VEDA Community Economic Development Award – 2020 (SVRA) & 2018
- Southern Economic Development Council Community Economic Development Award – 2020 & 2018
- Virginia Main Street Merit Award for Best Downtown Public Improvement Project – 2016
- Site Selection Magazine – Multiple recognitions ranking Danville as high as 6th Micropolitan area in the Country
- Playful City USA – 2007-2017
- 14 VRPS Awards between 2015-2024
- VA Main Street – Best Downtown Public Improvement Project – 2016
- Community Light Show – Top 20 Event to Attend in Southeast – four years
- Five NC Showfest Awards
- 2024 Nature Everywhere Community – Children's Nature Network and NLC
- 3 Telly Awards – River City TV

City of Danville Awards and Recognitions

- American Public Power Association (APPA) – Platinum (2025 & 2021) and Gold (2018 & 2015) Award as a Reliable Public Power Provider
- APPA EF Scattergood System Achievement Award 2019 – reliability & redundancy
- AMP Infrastructure Awards - 2018
- VEDA Community Economic Development Award – 2020 & 2018
- Southern Economic Development Council Community Economic Development Award – 2020
- National Gang Center Spirit Award – 2019
- Tree City USA Certification Since 1992
- Outstanding Community Program Award – Reserve A Ride – 2021
- Digital Cities Winner – 2019-22; 2024
- GMIS Best Practices – 2022
- Commonwealth of Virginia Innovative Technology Symposium Award – 2024
- 2 Thrive Challenge Awards -2017
- ISO 1 and CFAI International Accreditation for Fire Department

City of Danville Awards and Recognitions

- Commission on Accreditation for Law Enforcement Agencies – Police Department
- Virginia Law Enforcement Professional Standards Commission Accredited Police
- International Association of Chief's of Police Investigative Unit Award – 2024
- Virginia Crime Analyst Network New Analyst Award - 2024
- Virginia Association of Chief's of Police Valor Award – 2024, 2023
- Innovation in Government Award - 2022
- Radford University Center for Police Practice – Police and Research's Excellence in Policing Award – 2020
- Virginia Gang Investigators Gang Investigators of the Year - 2019
- Virginia Association of Chief's of Police Award for Lifesaving
- Multiple Individual Awards for Various Members of City's Leadership Team
- Alerted to others too soon to announce for 2025

Recommended Budget Strategy

- Take care of basic needs through delivery of core City services paid with traditional revenue streams
 - Health and wellness
 - Strong neighborhoods
 - Public safety
 - Maintain and invest in infrastructure
 - Efficient and effective service delivery
- Provide for quality lifelong education
 - Improve K-12 education
 - Workforce development
- Build, maintain, and attract great quality of life amenities
 - Retains existing residents
 - Attracts new residents
 - Retain our young people
- Attract new businesses and entrepreneurs and support existing business
 - Improves economic opportunity
 - Increases tax revenue

Focus on Investing In Our Youth

- Build a community with jobs and amenities that encourage our young people to stay/return home
- Promote life-long learning
 - Education
 - Workforce development
- Enhance quality of life amenities
- Improve housing and neighborhoods
- Economic opportunities for all



Budget Highlights

- Balanced budget with no tax rate increase - \$379,320,710
- Current year revenues paying for ongoing expenses
 - General Fund
 - Real estate tax rate is tied for 5th lowest in the state for cities
 - Real estate tax burden is 14th lowest among the 133 Virginia localities
 - Utility Funds
 - Implementation of Biennial Rate Study Recommended Adjustments
 - Continued investments in infrastructure and reliability
 - Other Funds
 - \$1 per month increase to Solid Waste Fee

General Fund Highlights

- Budget: \$184,010,470
 - \$19.4 million increase
- Major revenue increases:
 - \$10 million – gaming tax revenue
 - \$3.7 million – real estate taxes
 - \$1.8 million – meals tax revenue
 - \$1 million – sales tax revenue
 - \$940,000 – business licenses
- Expenditure highlights:
 - Less than \$5 million in guaranteed gaming revenue used for recurring expenses
 - Increases in General Fund costs:
 - \$5 million – increased personnel costs, outside purchased services, maintenance service contracts, and other operational costs experiencing inflationary increases
 - \$2.2 million – pay for performance
 - \$513,000 – retirement system

Utility Fund Highlights

- Budget: \$190,772,470 - \$11,594,530 increase from the current year
 - Danville's electric rates are average when compared to others in the state
 - Gas, water, and sewer rates are well below average
 - Danville residents benefit from reliable services, with quick local response
- 40% of Electric revenue comes from outside City limits
- Includes funds to improve reliability of infrastructure

Biennial Rate Study

- Every two years, Danville Utilities conducts a rate study
 - Approved by Utility Commission
 - Ensures that the cost of service are appropriately assigned to correct customer classes
 - When adjustments are needed, they are typically modest
 - Makes sure that adequate funding is available to run and maintain the system
 - Considers fund balance policy minimums
 - Ensures adequate funding is available to make investments, which help with growth – keeping rates stable
 - Modest Rate Adjustments for Electric, Gas, Water, and Wastewater
 - Total of ~\$10 per month for typical residential customers
 - Equivalent to \$6.2 million in revenue per year

Danville Utilities – Innovation from Inception

- Gas and Water Works
 - Started in 1874 by a private company
 - Purchased by Danville in 1876
 - Gas mostly used for lighting
- Natural Gas
 - In 1950, Danville became the first customer of the Transcontinental Gas Pipe Line Corporation (TRANSCO)
- Electric Plants
 - Started in 1886 as first municipal-owned and operated electric plant in the USA - primarily for streetlights
 - Pinnacles Hydro - Completed in 1938
- Water Plant – Constructed in 1902
 - Several expansions and renovations in the decades since to meet additional demand and improve efficiencies
- Southside Wastewater Plant – 1957
 - Primarily serves Goodyear plant
- Northside Wastewater Plant – 1973
 - Serves residential, commercial, and industrial customers in and around Danville
- Danville Utilities has enabled economic development and opportunity for over 150 years!

Why Cities Own Electric Utilities?

- Lower Costs
 - Municipal utilities are not-for-profit, meaning they don't need to generate profits for shareholders
 - Currently, our rates are 25% lower than AEP
- Local Decision Making
 - City Council can set policies and make investments based on local priorities
- Improved Service Quality
 - Municipal utilities provide better customer service and quicker response due to local focus
- Promotes Efficient Growth, Prosperity, and Opportunity
 - Availability of reliable utilities is the foundation of any successful economic development effort



Utility Rate Comparisons

Average Residential Utility Rates - All Utilities



- Danville adjusts utility rates every two years
- Danville customer bills include Water, Sewer, Gas, and Electric in one bill
- Even considering proposed rate, Danville customers pay \$25.28 less per month than the next lowest city
- Danville customers would pay \$56.91 per month less than the average of the comparison cities

Powering Savings and Progress

- Economic Opportunity
 - River District Revitalization = more housing, restaurants, stores, etc.
 - More businesses = more jobs
 - Housing Density and Affordability
 - Reliable Service
 - Low Cost
- Reduced Tax Burden
 - \$15.6 million transfer =
 - 52 Cents on the Real Estate Tax Rate
 - General Fund cost for Economic Development, Parks and Recreation, and Public Works combined
- Project Specific Transfers
 - FY 2012 - \$3 million for River District and Coleman Industrial Site property purchases
 - FY 2013 - \$3 million for River District revitalization efforts
 - FY 2019 - \$3 million for Special Projects Loan Fund – Bee Hotel
 - FY 2022 - \$500,000 for Riverfront Park
 - FY 2025 - \$3 million for grading Coleman Industrial Site

Danville Utilities Energy Efficiency Programs

- ARPA Energy Efficiency Program
 - \$1 million in funding
 - 64 customers assisted
 - Resulted in an average reduction of 4,500 kWhs per year, saving \$615 per year, per customer
- HVAC Tune Up Rebates
- Customer Outreach
 - Identified 3,676 residential customers using over 3,000 kWhs per month
 - Letters to be sent to each customer encouraging them to reach out to us for energy assistance



Assistance for Needy Families

- Neighbors Helping Neighbors
 - Round Up Program
 - Community Foundation Grants
- Pandemic Delinquent Bill Assistance
 - CARES Act - \$500,000
 - ARPA - \$568,766
- Energy Assistance Programs
 - Heating Program - \$1.5 million
 - Cooling Assistance - \$600 per qualifying customers



Proposed Utility Bill Relief Programs

- Appropriate \$3.1 million of unanticipated Casino Gaming Revenue
 - Up to \$10 per month credit on City customer utility bills - \$2.4 million
 - Energy Efficiency Program - \$500,000
 - Contribution to Neighbors Helping Neighbors - \$200,000



Investing in Danville – Casino Revenue

- \$9.5 million for Economic Opportunity
- \$5.2 million for Public Safety
- \$4.7 million for Operations
- \$4.3 million for Education
- \$4.1 million for Financial Stability
- \$2.7 million for Quality Housing
- \$2.7 million for Community Health
- \$1 million for Infrastructure
- \$927,000 for Quality of Life



Investing in Danville – Casino Revenue

- **Public Education**

- Bonuses and raises - \$1,225,000
- Security - \$620,000
- Early College/Dual Enrollment - \$560,000
- Behavioral Specialists - \$443,000
- Bus Aides/Monitors - \$426,000
- Social Workers - \$392,000
- F.A.C.E Specialists - \$347,000
- Summer Internships - \$237,000

- **Operations**

- City Pay for performance - \$1.6 million
- DPS Personnel Costs - \$2.7 million
- DPS Operations - \$448,000

- **Public Safety**

- Youth Violence Prevention - \$761,000
- Police Headquarters - \$1.5 million
- Police Equipment \$340,000
- Fire PPE - \$1.3 million
- Fire Station Improvement - \$336,000
- Courthouse Space Needs - \$250,000
- Jail Security Upgrades - \$650,000

- **Quality of Life**

- Parks Improvements - \$545,000
- Parks Maintenance - \$110,000
- Museum Upgrades - \$100,000
- Tree Plantings - \$100,000
- Arts Program - \$71,000

Investing in Danville – Casino Revenue

- **Economic Opportunity**

- Dan River Falls Debt - \$2.25 million
- Dan River Falls Phase 2 - \$2 million
- Schoolfield Smokestacks - \$2 million
- Tourism - \$1.3 million
- IDA/RIFA Support - \$480,000
- Enterprise Zone Grants - \$430,000
- Schoolfield Corridor Fund - \$415,000
- Community Business Launch - \$130,000
- Façade Grants Program - \$125,000
- Economic Mobility - \$110,000
- Small Business Support - \$60,000
- International Recruitment - \$50,000

- **Community Health**

- Park Improvements - \$2.7 million

- **Quality Housing**

- Housing Grants - \$1.4 million
- Demolition/Blight - \$850,000
- Rental Inspection - \$100,000
- DNDC - \$300,000

- **Infrastructure**

- Neighborhood Resurfacing - \$1 million

- **Financial Stability**

- IDA Debt Reduction - \$4 million
- Grant Administration - \$92,000

Education

- Budget: \$32,483,672 – a \$4,637,482 increase to pay for:
 - \$2,215,698 to fund pay increases resulting from pay study
 - \$956,658 to pay for the required local match of the state's 3% salary increase for Standards of Quality (SOQ) funded positions.
 - \$491,257 to pay for a \$1,000 bonus for non-SOQ positions.
 - \$170,372 to pay for an increase for health insurance premiums for DPS employees.
 - \$255,590 for bus aides
 - \$252,907 for increase utility expenses for new buildings
 - \$195,000 for increased transportation expenses
 - \$100,000 for security enhancements



Next Steps

- City Council Introductory Budget – April 30
- Public Hearing School Budget – May 6
- Utility Rate Adjustment Vote – May 6
- Final Adoption of School Budget – May 20
- Public Hearing on Budget – June 3
- Final Adoption of Budget – June 17



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