WESTMORELAND COUNTY BOARD OF SUPERVISORS DRAFT MINUTES – MARCH 2, 2026

A regular meeting of the Westmoreland County Board of Supervisors was held on Monday, March 2, 2026, in the public meeting room of the George D. English, Sr. Memorial Building, located at 111 Polk Street, Montross, Virginia.

Present: Board of Supervisors
Timothy J. Trivett, Chairman
Jeffrey McCormack, Vice Chairman
Darryl Fisher
Matthew Ingram
Woody Hynson

Staff
James P. Taylor, County Administrator
Richard Stuart, County Attorney

1. CALL TO ORDER
Chairman Trivett called the meeting to order at 5:37 p.m.

2. CONSIDERATION OF AMENDMENTS TO THE AGENDA

Chairman Trivett asked whether any Board member had any changes to the agenda.
Mr. Ingram asked to amend the agenda by adding action item **3, discussion of the approval of an appropriation in the amount of $1,459,798.01 to bring 8 delinquent rural development loans current.**
With no further discussion, upon motion by Mr. Ingram, seconded by Mr. Fisher, and with Mr. Ingram voting "aye", Mr. Fisher voting "aye", Mr. Hynson voting "nay", Mr. McCormack voting "nay", and the Chairman voting "aye", the motion passed 3-2 to amend the agenda.

Chairman Trivett then read an email that Mr. Taylor sent to all county department heads into the record. He noted that several department heads were directed not to attend the meeting.

3. Discussion of approving an appropriation of $1,459,798.01 to bring 8 delinquent rural development loans current.

Chairman Trivett stated that the appropriation in the amount of $1,459,798.01 from the Investment Fund to the General Fund to bring eight delinquent Rural Development loans current.

Bonnie Self, Treasurer, came to the podium to give additional information on the appropriation. She stated that the loans originate from the general fund account, but she lacks access to the pay schedule, which is managed by the Finance Department. Once the loans are issued from the account, she informs the Finance Department. Subsequently, a journal entry is made to a specific line item. The previous finance director informed her that the USDA account required updating. She told them that she would update it with the bank once she receives the necessary information. Any debits not on the authorized list will not be processed. She mentioned she requested the needed information several times but was never given it. She also noted there was a lot of back-and-forth trying to track down the USDA representative who handled it, but she cannot speak to what they did. In late December, the Finance Department asked her again how to fix the issue. She explained with the proper information she can set up positive pay, but for delinquent items, the Finance Department would need to work with the USDA to resolve them. After receiving the email requesting the information, the individual reached out and obtained the new originator's details, which were forwarded to the USDA. Since then, Ms. Self was given the information and then passed it on to the financial institution. She was told they would not proceed with the ACH debits for several months. At this point, they had to rectify everything that was delinquent, which was almost 2 million dollars delinquent. As of today, after speaking with the new finance director she has been provided with the documentation needed for the wire. She was able to obtain the information for her and she is going first thing in the morning to the bank, per the county's request, to rectify the past-due loans.

Mr. Taylor stated that he prepared a brief on the topic but did not realize it would be discussed at the meeting. He mentioned that no action is required from the Board because the funds have already been allocated. This relates to the USDA Rural Development loans and the steps being taken to bring the accounts current. In July 2025, Rural Development transitioned to a new accounting system, and as part of that update, they changed the account transaction details used for automatic payments. The USDA has indicated that the change affected other counties as well. The County became aware of the issue in August 2025 when USDA notified staff that the August 2025 payment was successful, but the July payment was not. Complicating this was a Federal furlough in 2025 that lasted six weeks, prior to the former finance director's retirement. She and the Treasurer tried to rectify the issue. The Treasurer reports trying to call USDA with assistance; however, calls were not answered and there was no ability to leave a voicemail. USDA has since stated that most of the communication on these issues was by phone, which contributed to limited documentation during the period of intermittent contact and reduced staff. On February 18, 2026, county administration became aware of the issue and that it was still unresolved, and the accounts were considered delinquent due to repeated ACH rejections and eventual cancellation of the auto draft arrangements by USDA finance. He stated that the status was that the USDA no longer recognized the revised transaction following the system change. USDA has indicated to the County that a new agreement cannot be established until April 2026 and that the monthly payment must be made by check. USDA has provided a Fed Wire approach for eight separate wire payments to bring the accounts current. Mr. Taylor worked with Davenport on the issue's legitimacy and the impact of the late payments. Davenport reported that the incremental cost is small. Davenport recommended confirming the amounts for the upcoming months after the catch-up payment is processed, they estimated $5,000.00 total. He then went over the steps the Treasurer had discussed earlier in the meeting. Staff is working directly with USDA to make sure the delinquent accounts are brought current. He stated that the new Director of Finance will track all payments and reconcile bank statements on a monthly basis, confirming each debt service to ensure everything is running properly. The county has debt service appropriations in place to meet these obligations, and there may be incremental interest associated with them.

Mr. Ingram asked Ms. Self about the accuracy of Mr. Taylor's statement.

Ms. Self answered yes, except for the statement that she called USDA, and she did not; it was all handled through Finance.

Mr. Taylor thought he had received an email from Ms. Self stating that she had tried to call the USDA.

Ms. Self replied that she does not have any direct contact with the USDA and that is handled through Finance or County Administration. Once the funds hit the bank account, it is part of her reconciliation. If anything comes up she is not familiar with, she notifies Finance, and they will make a journal entry to the appropriate line item.

Mr. Fisher asked to clarify the information that was presented regarding the process of the automatic payments.

Ms. Self explained when the loans were refinanced to get the lower rate, it was set up for an automatic withdrawal, but the bank has to have the originator identification number on the approval list so they know it is not fraudulent. When the notification was sent to the County, they would have to notify her to give the information to the bank, which she was not given.

Mr. Fisher stated that it seemed like a breakdown of communication for the process to continue. He stated that during the shutdown, certain things were hard to get a handle on, and appropriate action is being taken to rectify them. He mentioned that the money is there, it did not get to the right place when it was supposed to and that is a problem within the County's system that needs to be corrected. Mr. Fisher wanted to know how they got to this point because for the last 30 years, he has been on this board, he worked with the best financial person, who was the former county administrator, and never had this issue when he was in charge. He stated that issues like this should not happen but understood they could be due to role transitions within the County.

Mr. Ingram asked when the lender changes the way the money is routed, how long does it take to set it up through the Finance Department and the financial institution.

Ms. Self stated when she reached out to the bank on Thursday and Friday all documentation was acquired and signed.

Mr. Ingram stated that something that could have taken 24 hours to rectify somehow took seven (7) months. He noted that there is a clear issue with the systems and the way the County does things that needs to be fixed.

Chairman Trivett stated that he received an email from Grace Atwell, Loan Specialist, with Rural Development. He then explained the contents of the email and stated that she goes into detail about how the situation occurred, including who she spoke with. He states that she said the government shutdown should not have affected anything because it was in September. She had been working to resolve this matter for a while. Chairman Trivett contacted the former finance director and stated that she had immediately informed Mr. Taylor of this issue, was trying to rectify it then, and had passed along the information again in December. Chairman Trivett stated that delinquent notices were sent to the IDA and other departments, and he did not understand how they were unaware. Chairman Trivett agreed with Mr. Ingram that it should not have taken that long and that they will have to pay interest due to the delay. He stated that she acknowledged that we are not the only county where this has occurred, but all other counties took care of the change right away. He heard that Davenport is estimating around $5,000. He stated that Ms. Atwell noted that once the payment is made, they would notify the county in writing of the interest rate on the entire loan. Ms. Atwell also stated she would be surprised if the interest was that low.

Mr. McCormack asked Ms. Self who had asked her to be here tonight, as he had not seen this action item on the agenda prior to the meeting.

Ms. Self stated that Chairman Trivett asked her to come.

Mr. Taylor wanted to make it clear for the record that he was not aware of this issue until February 18, 2026, and that he also spoke to the former Director of Finance today about it and was trying to resolve it before she retired. He noted that she also said she spoke to the Treasurer four times about the issue, and the Treasurer kept telling her that it is not on the County side, it is on the USDA side. Mr. Taylor stated that he could not tell the Board why it was not resolved sooner.

Mr. McCormack asked whether anyone had informed Mr. Taylor that the topic would be added to the agenda.

Chairman Trivett stated that the County Administrator was not in the office when he had a meeting about tonight's meeting, but he is the Chairman of the Board and decides what is on the agenda.

Mr. McCormack understood and appreciated that response, but felt that a Chairman and County Administrator should work together.

Chairman Trivett stated that he did ask Ms. Self to come due to Mr. Stuart advising him that an appropriation would need to be presented.

Mr. Stuart stated that when funds are not spent for their intended purpose, they are diverted to another account. He further stated that he was told the money had been transferred into the investment fund. Mr. Taylor stated that the money is available in the general fund and that there is no need to appropriate it. Chairman Trivett stated that it is not what Ms. Self told them, she stated the funds were moved to the investment funds.

The Chairman further stated that Mr. Stuart indicated if there is a question, you err on the side of caution and feel that it is better for the Board to appropriate the money so there is no question about it in the future.

Chairman Trivett asked Ms. Self to clarify where the money was moved.

Ms. Self stated that she keeps a certain amount in the general fund and the rest of the money is invested to earn more interest. Once a large amount is needed, she will move it from the investment fund to the general fund.

Mr. Taylor understood that Ms. Self was not the Finance Director but asked if it was more of a transfer of money instead of an appropriation.

Ms. Self stated that she will transfer the money from one fund to another and is unsure whether there is an appropriation, as those are handled by the Finance Department.

Mr. Fisher told Ms. Self that the issue was on their side and that he did not want her to think they were accusing her of anything, as they are just trying to get the information needed.

Chairman Trivett then asked for a motion for approval of an appropriation of $1,459,798.01 from the investment fund to the general fund to pay the balance owed on the eight (8) delinquent Rural Development loans.

With no further discussion, upon motion by Mr. Fisher, seconded by Mr. Ingram, with Mr. Ingram voting "aye", Mr. Fisher voting "aye", Mr. Hynson voting "aye", Mr. McCormack voting "aye", and the Chairman voting "aye". The Board approved the motion for approval of an appropriation of $1,459,798.01 from the investment fund to the general fund to pay the balance owed on the eight (8) delinquent Rural Development loans.

4. <u>Closed session to discuss the County Administrator's and other employees' performance pursuant to Virginia Code Section 2.2-3711(A)(1).</u>

Mr. Fisher asked for a Motion to go into Closed Session and asked the County Attorney, Mary Stuart, Donna Cogswell, Assistant County Administrator, Keri Cusick, Director of Social Services, Chief Blake Byrd, Keith McElfresh, Maintenance Director, and Interim Land Use Director, Richard Stuart Jr to potentially join the Board in Closed Session to obtain further information.

With no further discussion, upon Motion by Mr. Fisher Seconded by Mr. Ingram, and carried unanimously, the Board moved into Closed Session.

RECORDING WAS STOPPED, AND THE MEETING MOVED TO CLOSED SESSION

Chairman Trivett asked for a motion to return to Regular Session from Closed Session. Upon motion by Mr. Fisher, seconded by Mr. McCormack and carried unanimously, the Board returned to Regular Session from Closed Session.

Chairman Trivett then asked for a Certification Motion stating that nothing other than what was listed on the call under Sec 2.2-3711 (A)(1) was discussed during the Closed Session, and no action was taken.

Upon motion by Mr. Fisher, seconded by Mr. Hynson, and carried unanimously, Mr. Fisher, Mr. McCormack, Mr. Ingram, Mr. Hynson, and the Chairman voted "aye." The Certification Motion was approved.

5. <u>ADJOURNEMENT</u>

Chairman Trivett asked whether there was any further business to bring before the board if not he asked for a motion to adjourn.

With no further business, upon motion by Mr. McCormack, seconded by Mr. Hynson, carried unanimously. The Board adjourned the meeting at 11:00 p.m.

The next scheduled meeting is Monday March 9, 2026 at 6:00 p.m.in the George D. English, Sr. Memorial Building.

Chairman, Timothy J. Trivett