WESTMORELAND COUNTY BOARD OF SUPERVISORS
MINUTES – JUNE 12, 2026

A regular meeting of the Westmoreland County Board of Supervisors was held on Monday, June 8, 2026, and was continued on Friday, June 12, 2026 at 12:00pm 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 (Virtual)
Woody Hynson

Staff
Donna Cogswell, Interim County Administrator

1. CALL TO ORDER

Chairman Trivett called the meeting to order at 12:00 p.m.

2. CONSIDERATION OF AMENDMENTS TO THE AGENDA

Chairman Trivett asked if there were any proposed changes to the agenda. No amendments were made to the agenda.

3. REQUEST FOR ADMINISTRATIVE APPROVALS

A. Appropriation – Westmoreland County Schools – Budget Transfer (Loans)

Superintendent Cathy Rice presented a request for reimbursement in the amount of $586,165.52 for previously approved Capital Improvement Plan (CIP) projects included in the School Division's approved financing plan. Mrs. Rice explained that the reimbursement request included projects funded through the Master Lease, Bank of America Bond Series 2025A, and Capital One Note proceeds.

Mrs. Rice reviewed the reimbursement request in detail, noting that the projects included consulting services for lighting behind the Westmoreland High School bleachers, HVAC improvements at Cople Elementary School, Westmoreland High School, Montross Middle

School, Washington District Elementary School, and the School Board Office, replacement of kitchen ceiling tiles required by the Health Department, replacement of gymnasium lighting at Montross Middle School, replacement of the Cople Elementary School marquee, roof repairs, and portions of the Washington & Lee High School renovation project. Mrs. Rice further explained that reimbursement requests had been submitted to the County as supporting documentation became available.

Mrs. Rice also presented a summary of capital projects for which funds had already been encumbered and obligated, totaling $3,385,958.08, and advised that future reimbursement requests would be forthcoming as those projects progressed. She noted that encumbered projects included additional HVAC improvements, exterior lighting, fencing, security improvements, school buses, the Washington District Elementary School security vestibule project, and architectural and engineering work associated with the Cople Elementary School gymnasium project.

Mrs. Rice further presented a list of School Division capital projects that had been postponed at the request of County officials due to ongoing financial concerns. Those postponed projects totaled approximately $205,000 and included generators, floor equipment, fitness room equipment, outdoor classroom improvements, stadium seating, an ADA stage lift, nutrient credits, field improvements, signage, and other capital projects.

Ms. Rice shared that the two unspent and unencumbered funds remaining is $5,545,697.45. Five million is earmarked for the construction of the gymnasium/multi-purpose building at Cople Elementary. Mr. Hynson questioned the need for the gymnasium at Cople Elementary, and Ms. Rice stated she does believe that it is a need.

Mr. McCormack stated that the County is in a difficult position, as the request is to reimburse $586,165.52 while the County is facing a $1.9 million deficit attributed to the schools. He noted that the County is considering a potential tax increase to address the shortfall. He further referenced the previous Memorandum of Understanding, which required Board approval for all financing. In his view, the funds have already been expended; therefore, the request would need to be approved.

Mrs. Rice stated that all projects included in the reimbursement request and encumbered project list had previously been approved by both the School Board and Board of Supervisors through the adopted Capital Improvement Plan and financing plan. She emphasized that no new projects had been initiated outside of those previously approved plans and that projects not yet started had been postponed following discussions with County officials. She further noted that the School Division maintains approximately $1.7 million in committed fund balance designated for capital improvement debt service obligations.

During discussion, Mr. Fisher expressed concern regarding the County's current financial position and the long-term impact of debt service obligations associated with the capital financing plan. He stated that while the reimbursement request before the Board represented expenditures that had already been approved and committed, future projects would likely require additional discussions between the Board of Supervisors and School Board. Mr. Fisher noted that financial conditions and repayment projections appear significantly different than originally anticipated when the financing plan was adopted and expressed concern regarding future impacts on County taxpayers.

Mr. Ingram requested that future reimbursement information be provided electronically to assist with review.

Chairman Trivett asked Ms. Rice whether the School Division pays any portion of the debt service or if it is paid entirely by the County. Ms. Rice responded that the County is responsible for the debt service; however, the School Division has committed $1.7 million toward repayment of capital project debt. During further discussion, Ms. Rice, with assistance from Ms. Cogswell, explained how the debt service payments are structured. The initial draw totaled $8.9 million, and the current payment schedule is based on that amount over the life of the loans. It was noted that if additional funds are drawn, the debt service payments will increase accordingly. It was later confirmed by Mr. McCormack that the debt service payments have been accounted for in the upcoming year's budget.

In response to Chairman Trivett's understanding that the intent of the meeting was to stop any further spending, Mrs. Rice stated all expenditures presented had been previously approved. She further noted that beginning in December 2025, the School Division initiated the process of securing and paying for projects scheduled for the 2025–2026 timeframe.

Discussion also occurred regarding the status of the Memorandum of Understanding (MOU) between the County and School Board. Chairman Trivett noted that the Board of Supervisors had previously voted to rescind the MOU and questioned whether the agreement remained in effect. Mrs. Rice responded that, while the Board of Supervisors had voted to rescind the agreement, the School Board had not taken similar action. Mrs. Rice stated that, in her opinion, the MOU remained an active agreement and described it as a "living document." She further stated that the School Board remained willing to continue collaborating with the Board of Supervisors and participate in future discussions regarding the financing plan and capital improvement projects.

Mr. Fisher stated that he believed both Boards should continue working collaboratively to reevaluate the financing plan moving forward and expressed a desire to pause additional commitments beyond those already initiated until both governing bodies could review updated financial information and determine a sustainable path forward. Mr. Fisher further stated that, based upon discussions with School Board representatives, he believed both Boards could work together to establish a revised approach that balanced the needs of the School Division with the County's financial realities.

Upon motion by Mr. Fisher, seconded by Mr. Hynson, the Chairman asked for further discussion.

Mrs. Rice reiterated that the reimbursement request before the Board represented projects that had already been completed or contractually obligated and that the School Division was attempting to provide the Board with a complete picture of all paid, encumbered, and postponed projects so there would be no surprises regarding future reimbursement requests. Overall, the School Division's total approved amount is $3.8 million out of the $8.9 million, leaving $5.1 million available for County projects.

Mr. Hynson stated that the County's financial circumstances have changed significantly since adoption of the financing plan and noted concerns regarding declining revenues, increased costs, and the County's ability to sustain previously anticipated spending levels. Mr. Hynson explained that County revenues had not recovered as anticipated following economic impacts experienced during the COVID-19 pandemic and emphasized the importance of fiscal stewardship moving forward. He stated that future capital spending decisions would likely require a reassessment of priorities and available resources and cautioned against continuing to increase obligations that may ultimately require additional burdens on County taxpayers.

Mr. Ingram also questioned how the School Division's capital debt service obligations affect the overall percentage of County funding allocated to education and noted that the County's total cost for the School is 29%, which was found to not include debt service. The true percentage with debt service included would be provided later.

Following discussion, Mr. Fisher stated that, while concerns remained regarding future expenditures, the reimbursement request represented obligations that had already been incurred and therefore should be honored.

Upon motion by Mr. Fisher, seconded by Mr. Hynson, and carried by a vote of 4-0-1 (Mr. McCormack, Mr. Hynson, Mr. Fisher, and Chairman Trivett voting aye; Mr. Ingram abstained), the Board approved the School Division CIP reimbursement request in the amount of $586,165.52, as presented.

4. PRESENTATIONS

A. Budget Presentation – Fiscal Year 2026-2027

Interim County Administrator Donna Cogswell, accompanied by Finance Director Ms. Cox and Budget Manager Mr. Adams, presented the proposed Fiscal Year 2026–2027 Budget.

Ms. Cogswell opened the presentation by thanking County staff and department heads for their work throughout the budget development process. She expressed appreciation to Mr. Risavi for returning to assist the County and for sharing his extensive financial and budgeting experience during the preparation of the proposed budget.

Ms. Cogswell reviewed the factors that contributed to the County's current financial position, including increased spending during Fiscal Years 2024–2025 and 2025–2026, employee compensation adjustments that included market adjustments and the State's 2% salary increase, the County's decision to absorb increased employee health insurance costs, significantly higher consultant expenses, the addition of new positions, and issues identified with the County's sewer billing and flow calculations, which staff reported have since been corrected.

Ms. Cogswell outlined the County's primary budget goals, which include reducing expenditures, reprioritizing Capital Improvement Plan (CIP) projects by distinguishing between operational needs and wants, maintaining an unrestricted fund balance of at least 15 percent, strengthening financial oversight through additional internal controls and checks and balances, improving long-term financial stability, and restoring confidence in the County's financial management.

Ms. Cogswell presented an overview of the proposed budget, reporting estimated expenditures of approximately $50.2 million, estimated revenues of approximately $48.3 million, and an overall projected deficit of approximately $1.9 million. She explained that while the County's general operations reflected a positive balance of approximately $9,170, the deficit was primarily attributable to the required local funding for the School Division. She further advised that the proposed budget does not include current fiscal year carryover funds because those amounts had not yet been finalized.

Finance Director Ms. Cox presented the proposed allocation of each County tax dollar, explaining that approximately 30% supports public safety, 29% funds education, 13% supports general government, 9% funds capital projects and debt service, 8% supports county services, 7% funds maintenance operations, 3% supports community development, and 2% funds the local Department of Social Services contribution.

Ms. Cox reviewed proposed revenue enhancements for Fiscal Year 2026–2027, including recommended increases to Land Use fees, EMS fees, residential and commercial sewer rates, continued pursuit of grant funding, and modest growth in real estate tax revenues.

EMS Chief Byrd presented the proposed EMS fee adjustments. He explained that EMS transport fees had last been updated in March 2024, while operating costs have continued to rise significantly due to increased fuel prices, reductions in federal reimbursement programs, higher pharmaceutical costs, and changes to hospital supply replacement practices. He advised that Mary Washington Hospital had recently notified EMS that it would no longer replace medical supplies used during patient transports, resulting in additional operating costs for the County. To offset these increased costs, staff recommended approximately a 10% increase to Basic Life Support (BLS) and Advanced Life Support (ALS) transport fees, along with a $3.00 increase to the loaded mileage rate. The proposed increases are intended to recover costs through user fees and insurance reimbursements rather than increasing the financial burden on County taxpayers.

Ms. Cox reviewed local revenue projections, reporting total estimated local tax revenues of approximately $27.9 million, representing an increase of approximately $136,627 over the current fiscal year. She also presented historical information regarding the County's real estate tax rate, noting that the current rate of $0.68 per $100 remains below historical levels and has fluctuated between $0.44 and $0.86 since 1995.

Ms. Cox summarized expenditure reduction strategies incorporated into the proposed budget, including delaying the annual 2% salary increase until January 2027, reducing departmental operating budgets, eliminating consultant contracts where possible, renegotiating existing contracts, evaluating staffing levels, and limiting capital expenditures.

Mr. Adams reviewed the School Division funding requirements for Fiscal Year 2026–2027, explaining that the County's required local effort would increase by 4.66% to approximately $14.81 million. He also explained the revenue sources used to fund education, including locally generated tax revenues and debt service obligations associated with previous school capital projects. Mr. Adams noted that annual debt service obligations, totaling approximately $2.24 million, must be paid before remaining revenues are applied toward the School Division's required local contribution, resulting in an estimated funding shortfall of approximately $1.9 million.

In closing, Mr. Adams presented staff's budget recommendations, which included advertising a public hearing on the proposed Fiscal Year 2026–2027 Budget; increasing the School District real estate tax rate by $0.07 per $100 of assessed value and increasing the personal property tax rate by $0.05 to address the School Division funding shortfall; delaying the 2% employee salary adjustment until January 2027; implementing proposed increases to Land Use, EMS, and utility fees; reducing funding for certain non-governmental organizations; processing reimbursements from previously approved capital financing; and considering workforce reductions if the proposed revenue measures are not adopted. Staff advised that departmental budgets had been reduced to the greatest extent practical without significantly affecting County services and that, absent additional revenue, personnel reductions would likely be the only remaining option to balance the budget.

Following the presentation, Mr. Fisher inquired whether the proposed budget adjustments included the use of fund balance transfers. In response, Mr. Adams explained that the proposed budget includes approximately $2.7 million in appropriations from the fund balance; however, those appropriations are designated solely for specific capital projects and expenditures already included within the proposed budget. He clarified that the appropriations do not represent additional revenue used to balance the budget, but rather authorization to expend previously reserved funds for their intended purposes. Mr. Adams further explained that, unlike the prior fiscal year, fund balance is not being used to offset the operating deficit, but instead is appropriated only for identified projects already reflected on the expenditure side of the budget.

Mr. McCormack expressed concern that, regardless of whether the fund balance is appropriated for specific projects or used to offset expenditures, those funds are still being expended and reduce the County's overall fund balance. He reiterated the Board's goal of maintaining an unrestricted fund balance of at least 15 percent and voiced concern about the County's long-term financial outlook if fund balance continues to decline. Mr. McCormack stated that future Boards may face difficult decisions regarding tax increases if current spending trends continue. Mr. Adams further clarified that not all fund balance appropriations represent unrestricted reserves. He explained that a portion of the appropriated funds has already been committed for specific purposes, including the Countywide reassessment, and therefore is not available for general operations. Mr. McCormack acknowledged that explanation but reiterated his concern regarding the projected decline in the County's available fund balance over the coming fiscal years. He stated that, absent significant economic development or alternative revenue sources, the County would need to carefully evaluate future expenditures to maintain the desired fund balance and avoid placing additional tax burdens on County residents. Mr. McCormack also referenced the possibility of implementing semiannual real estate tax billing as one option that could improve the County's cash flow and financial position moving forward.

Mr. Hynson commented that the Board and staff have to figure out how to spend less money.

Mr. Ingram agreed that the County needs to tighten its budget and suggested that one area for potential cost savings is the County's solid waste operations. He recommended conducting a comprehensive review of the convenience centers and transfer station operations to determine whether restructuring could produce significant savings. Mr. Ingram stated that identifying operational efficiencies in those areas could help reduce expenditures and potentially avoid the need for a tax increase for County residents.

Staff advised that several additional cost-saving measures are under consideration; however, time constraints associated with the statutory budget adoption schedule limited further analysis and implementation. Staff noted that, in order to remain compliant with applicable budget deadlines, the proposed Fiscal Year 2026–2027 Budget must be prepared and advertised in advance of June 30, leaving insufficient time to fully evaluate and incorporate additional reductions into the proposed budget.

Upon motion by Mr. Fisher, seconded by Mr. Hynson, and carried by a vote of 3-2 (Mr. McCormack, Mr. Hynson, and Mr. Fisher voting aye; Mr. Ingram and Chairman Trivett voting no), the Board authorized the Interim County Administrator to advertise the Fiscal Year 2026–2027 Budget and associated public hearing.

It was further noted that the proposed tax rates advertised with the budget represent the maximum rates under consideration. The Board may adopt lower tax rates during the budget adoption process; however, rates higher than those advertised cannot be adopted without additional public notice and hearing.

Mr. Fisher shared that he believes the challenges experienced throughout the budget process provided an opportunity for everyone involved to learn.

Closing the discussion, Chairman Trivett commended Interim County Administrator Donna Cogswell and County staff for their efforts in developing the proposed budget under challenging circumstances. He acknowledged the extensive work completed by staff, including weekend efforts to review the budget line by line, and stated that he appreciated their dedication. Chairman Trivett expressed disappointment that the County had not completed its budget within the timeframe required by law, noting that previous budgets had been prepared much more quickly. He stated that the delay was frustrating for both the Board and the public and emphasized the importance of completing the budget process in a timely manner. Chairman

Trivett clarified that his comments were not intended as criticism of the Finance Director, who had joined the County during the process, but rather reflected concerns regarding budget preparation and financial management leading up to the current fiscal year. Chairman Trivett further stated that the County's current financial challenges were the result of decisions and errors made during the previous fiscal year and stressed the importance of improving financial oversight, internal controls, and accountability moving forward. He referenced discussions with the County's auditors and financial advisors regarding the County's long-term financial outlook and noted that additional revenue measures may be necessary in future fiscal years if current trends continue. Chairman Trivett emphasized the importance of expanding economic development opportunities to broaden the County's tax base and reduce reliance on residential taxpayers. He stated that attracting new businesses and generating additional revenue would be critical to the County's long-term financial stability. In closing, Chairman Trivett stated that the current budget situation was unique during his tenure on the Board and expressed his expectation that stronger financial oversight and improved communication would help ensure similar circumstances do not occur in the future. He then invited additional comments from Board members.

Mr. Ingram stated that, although he was participating remotely, he wanted County residents to know that he had thoroughly reviewed the budget over the previous two weeks, including examining the Bright budget spreadsheets line by line. He commended Interim County Administrator Donna Cogswell, Finance Director Ms. Cox, and County staff for their extensive efforts in preparing the proposed budget, particularly their willingness to work extended hours and over the weekend to identify potential cost savings. Mr. Ingram noted that he had been in direct communication with Ms. Cogswell throughout the process to discuss specific budget line items and identify opportunities for additional reductions. Mr. Ingram acknowledged that the County faces significant financial challenges, including the costs associated with solid waste and refuse operations, but stated that he believes additional reductions can still be made to further reduce the projected budget deficit. Mr. Ingram reiterated his opposition to continued tax increases, stating that the County cannot continue asking residents to bear additional tax burdens. He emphasized that expanding the County's tax base through economic development, including new businesses, industry, and residential growth, is essential to the County's long-term financial stability and would help generate additional revenues while positively impacting the School funding formula. Mr. Ingram concluded by thanking the citizens of Westmoreland County for their patience throughout the budget process and again expressed his appreciation to Ms. Cogswell and County staff for their dedication, professionalism, and willingness to work beyond their normal hours to prepare the proposed budget.

5. ADJOURNMENT

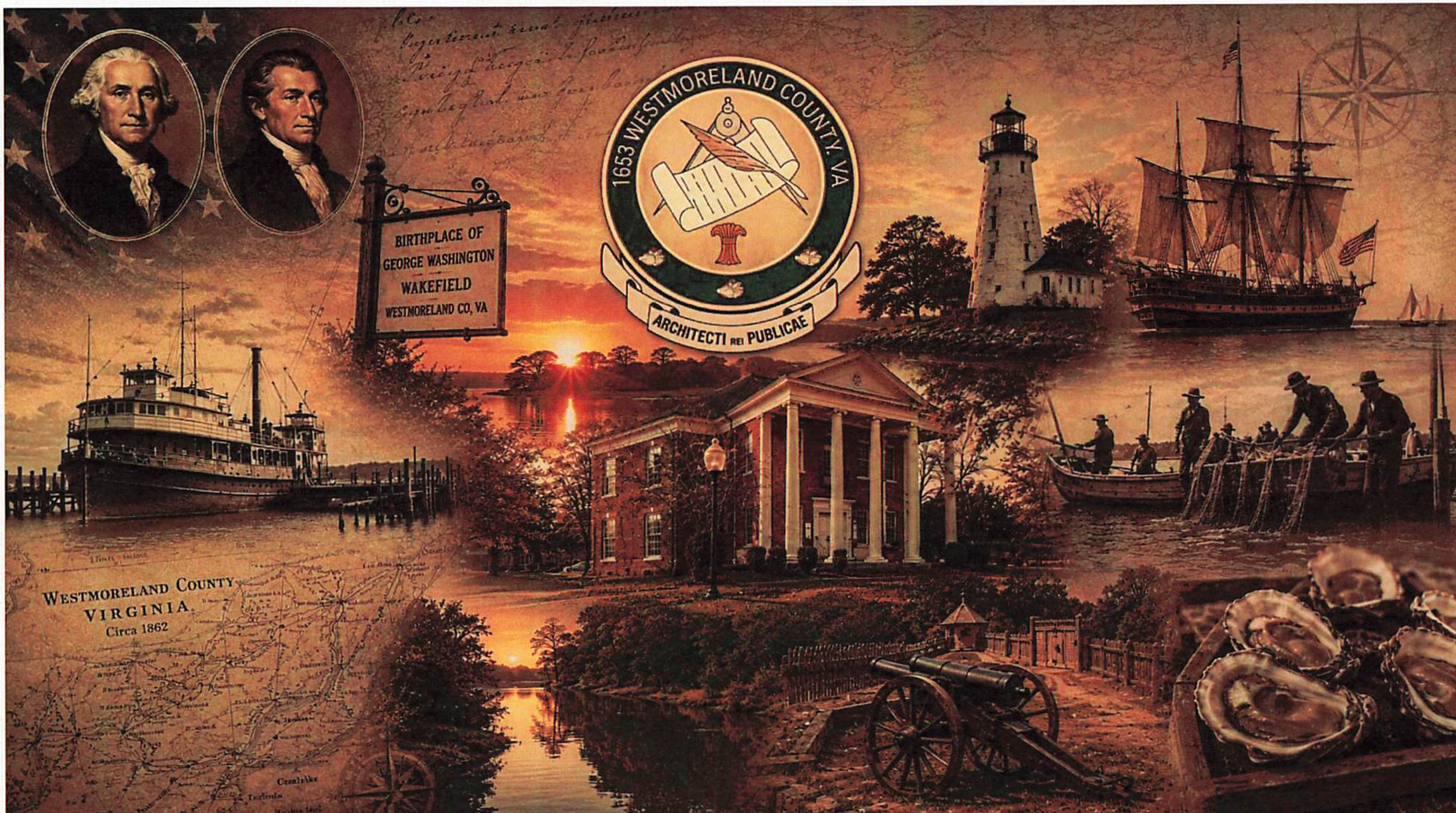
Chairman Trivett asked whether there was any further business to bring before the Board, if not, he asked for a motion to continue the meeting on Monday, June 22, 2026 at 6:00pm to review the budget presentation.

Staff advised that the public hearing for the Fiscal Year 2026–2027 Budget will be scheduled following publication of the required legal advertisement. In accordance with applicable notice requirements, the public hearing will be held after the advertisement has been published and remained in circulation for the required two-week notice period.

With no further business, upon motion by Mr. McCormack, seconded by Mr. Fisher, carried unanimously. The Board adjourned the meeting at 5:15 p.m.

The next scheduled meeting is Monday, June 22, 2026 at 6:00 p.m.in the George D. English, Sr. Memorial Building.

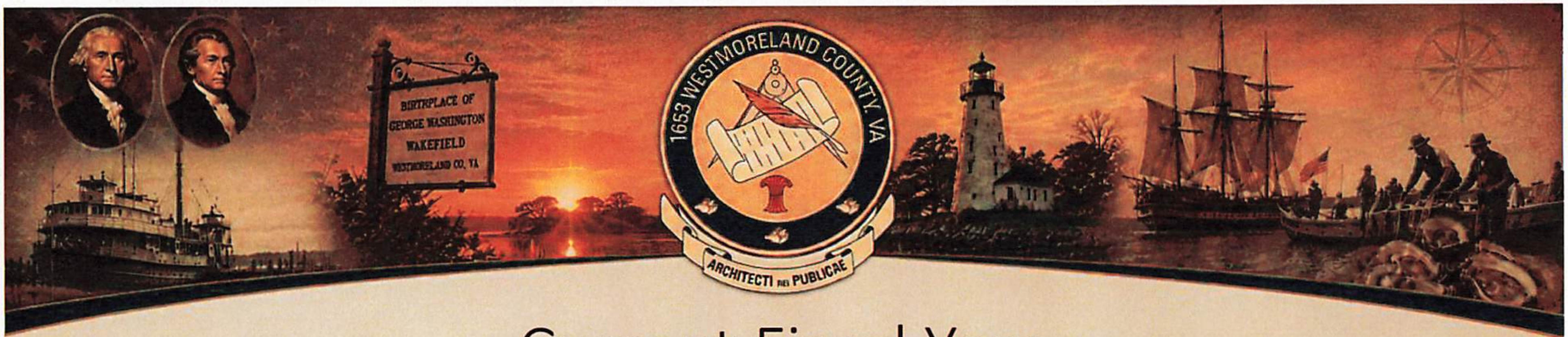
Chairman, Timothy J. Trivett



Westmoreland County, Virginia

Budget Review

June 12, 2026



Current Fiscal Year

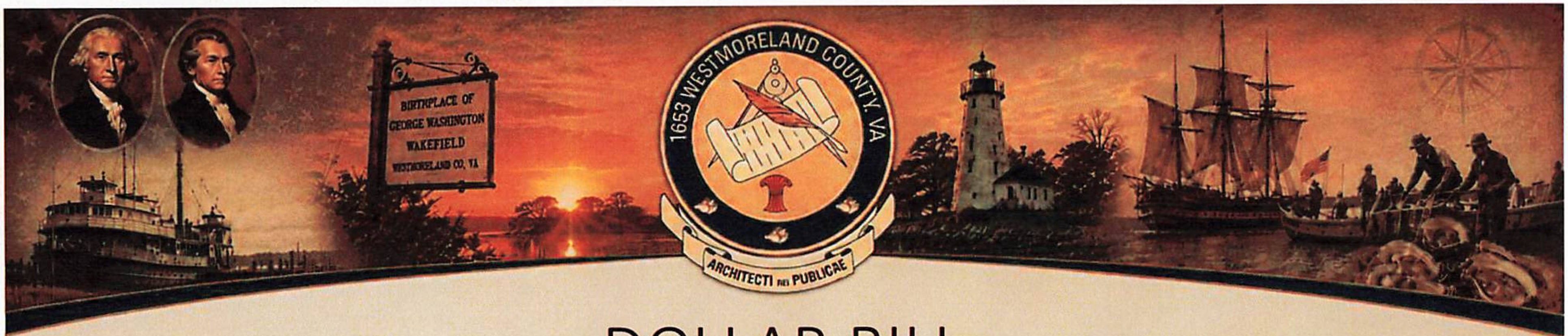
- Corrections to Current Budget and Processes
- Increased Spending in FY 24-25 and FY 25-26
- Compensation increases
  - Market Adjustment, plus additional % increase
  - Salary increase 2%
  - Health Insurance
- Increase in Consultant Costs
- New Positions
- Issues with sewer billing and flows

FY26-27 Budget Goals

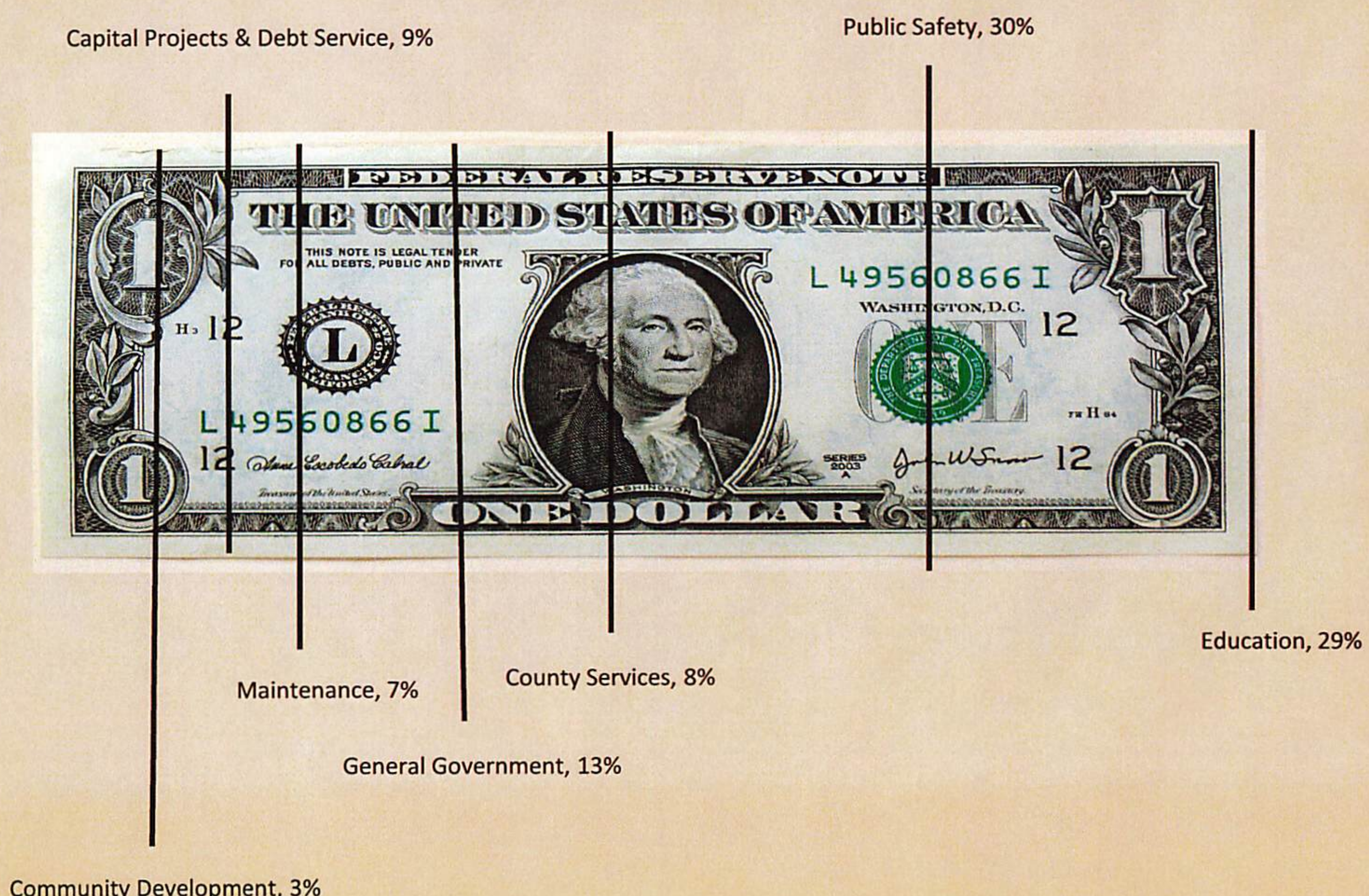
- Decrease Spending
- Capital Improvement Projects
- Needs vs Wants
- Keep Fund Balance above 15% ($7M)
- Add additional oversight by strengthening financial controls and implementing further checks and balances, positioning the County for improved long-term financial stability and increasing the confidence of both the Board and County residents.

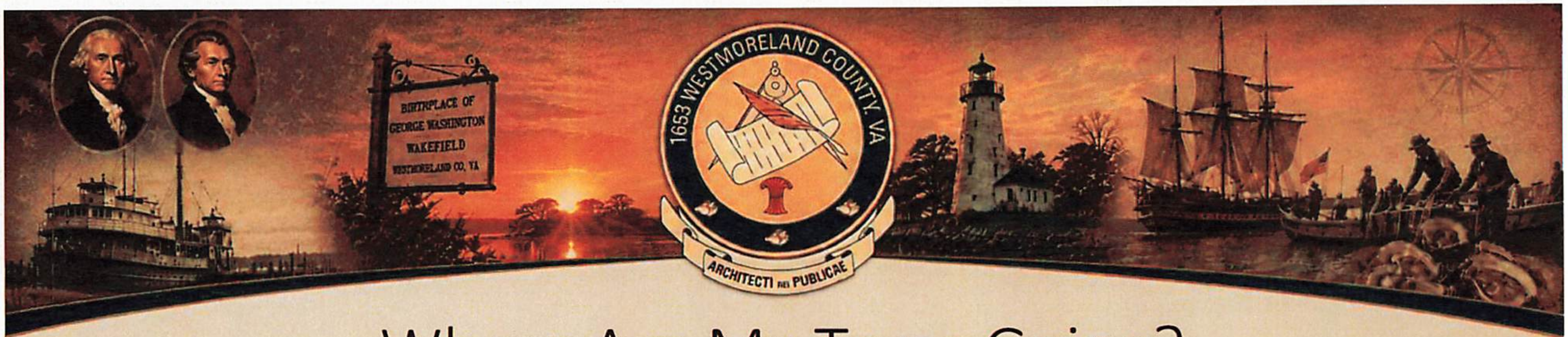
FY26-27 Budget Overview

- The proposed funding strategy offsets the initial projected deficit within the school formula and results in a modest projected surplus for the County while minimizing operational impacts.
- Estimated Expenditures: $50,212,010.00
- Estimated Revenue: $48,313,180.00
  - Projected Total Deficit: $1,898,830.00
  - County: $9,170.00
  - School Deficit: $1,908,000.00
- Balanced budget
  - Tax Increase (combination of taxes from school district)
  - Fund balance (15%)
  - No changes in fees for Sanitary Districts
  - Carryovers from FY 25-26, not included


BIRTHPLACE OF GEORGE WASHINGTON WAKEFIELD WESTMORELAND CO, VA
1653 WESTMORELAND COUNTY, VA
ARCHITECTI REI PUBLICAE

DOLLAR BILL


Capital Projects & Debt Service, 9%
Public Safety, 30%
FEDERAL RESERVE NOTE
THE UNITED STATES OF AMERICA
THIS NOTE IS LEGAL TENDER FOR ALL DEBTS, PUBLIC AND PRIVATE
L 49560866 I
WASHINGTON, D.C.
L 49560866 I
SERIES 2003 A
ONE DOLLAR
Education, 29%
Maintenance, 7%
County Services, 8%
General Government, 13%
Community Development, 3%



Where Are My Taxes Going?

	FY25-26	Percent of Total
General Government	$6,397,389.00	13%
Maintenance	$3,329,486.00	7%
Public Safety	$15,039,315.00	30%
Capital Projects & Debt Service	$4,289,096.00	9%
Education	$14,806,994.00	29%
County Services	$4,171,515.00	8%
DSS Local Effort	$1,095,954.00	2%
Community Development	$1,262,183.00	3%
Subtotal	**$50,391,932.00**	100%

Revenues Analysis

- Fees
  - Increase of Land Use Fees
  - Increase of EMS Fees
  - Increase Sewer Residential and Commercial Rates
- Use of Grants, Sheriff and EMS
- Real Estate Increased slightly

FY2026-2027 Tax Revenue Summary

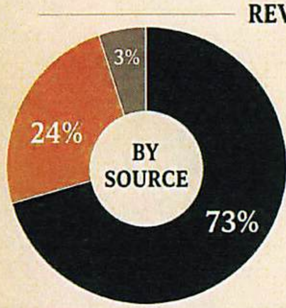
Steady Growth Driven by Business Investment & Personal Property Values

$27.9 MILLION

TOTAL LOCAL TAX REVENUE FY2026-2027

$136,627 INCREASE FROM FY2025-2026 | **0.5%** INCREASE

REVENUE COMPOSITION



Real Estate	$20.3M	73%
Personal Property	$6.7M	24%
All Other Taxes	$0.9M	3%

(Includes Mobile Homes, Farm Machinery, Machinery & Tools, Merchant's Capital, and Public Utilities)

LARGEST CHANGES (FY26-27 vs. FY25-26)

Machinery & Tools	+$111,940
Personal Property	+$94,826
Real Estate	($49,824)
Public Utilities	($24,283)
All Other Categories	+$3,968

FY2026 CURRENT REAL ESTATE TAX RATE

$0.68

Per $100 Assessed Value

21% LOWER
Than 1995 Rate

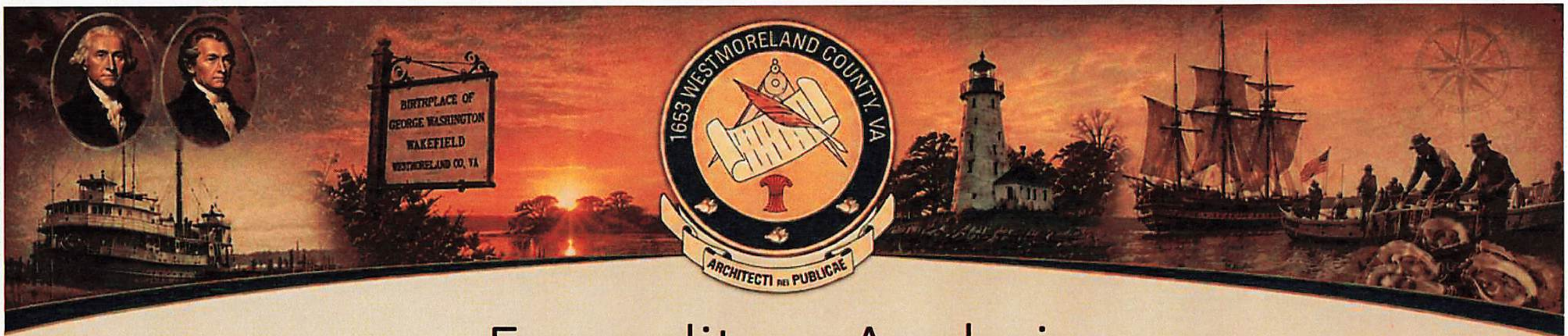
BELOW HISTORICAL HIGH
Current rate is below the 1995 high of $0.86

STABLE & CONSISTENT
Rate has remained relatively stable over the long term

PROPOSED INCREASE
Proposed increase of .07

FY2026 RATE
FY2026 rate remains unchanged from FY2025

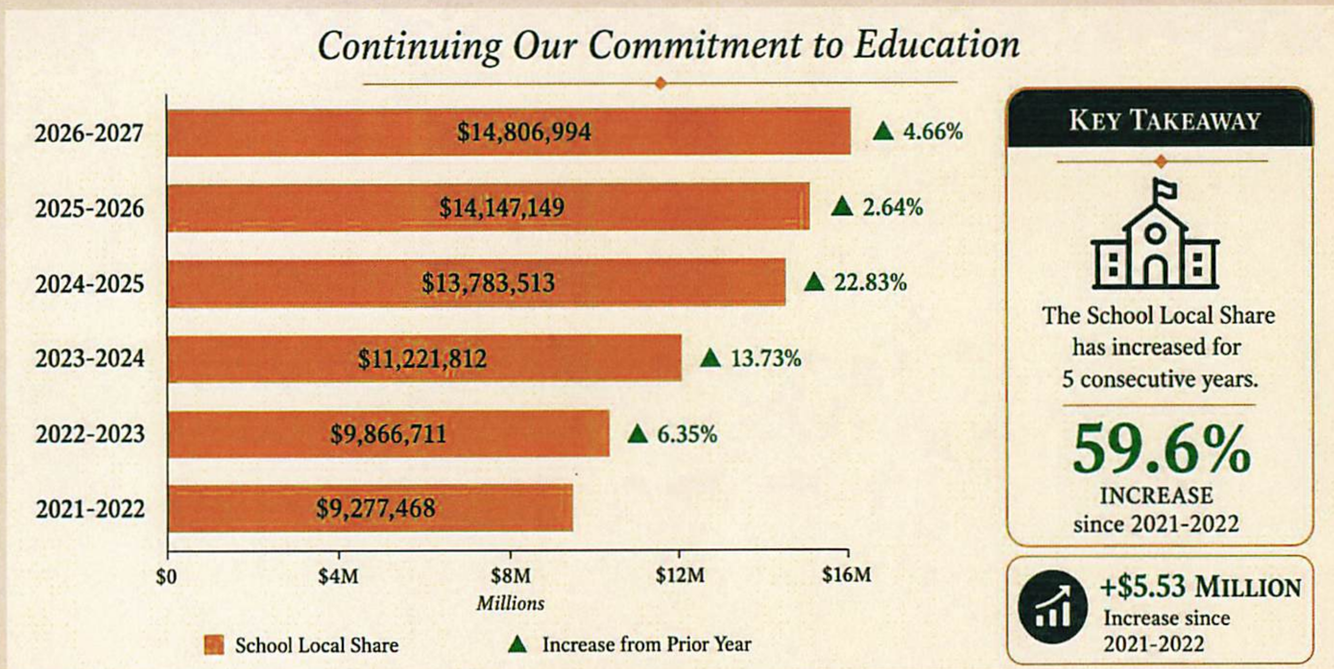
Committed to fiscal responsibility and long-term stability for Westmoreland County.



Expenditure Analysis

- Wants vs. Needs
- 2% salary increase in January
- Reduction in department budgets
- Eliminate consultants
- Eliminate some contracts
- Contract renegotiations
- Possible staff reduction

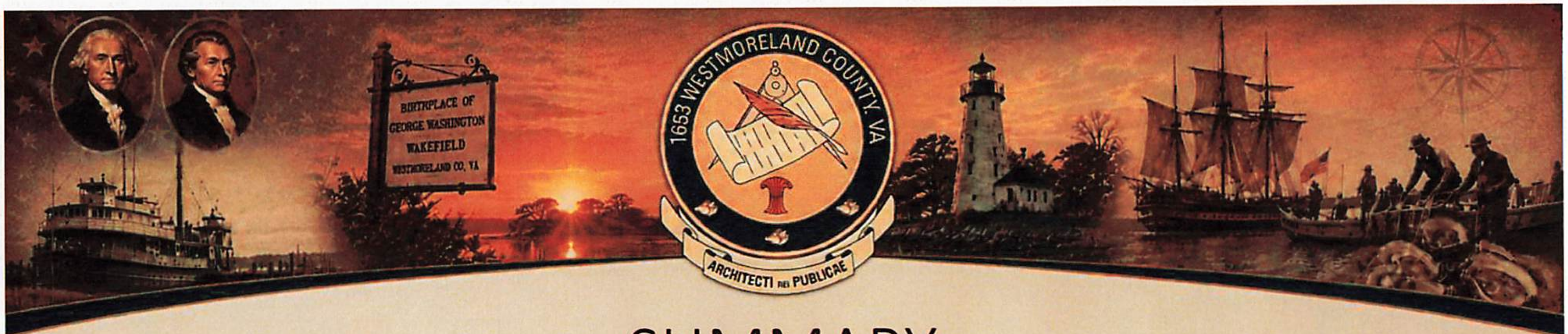
School Funding



Funding Source for Schools

WESTMORELAND FUNDING SOURCES FOR SCHOOL SYSTEM:	
School Fund Balance	234,381
Levy Revenues	9,910,548
Motor Vehicle Licenses	770,000
Local 1% Sales Tax	1,168,173
PILT	1,600
Auto Rental Tax	4,000
Mobile Home Titling Tax	33,543
Rollback Tax	7,000
Prior Year Taxes	315,000
Gross Receipts Tax	50,000
State Car Tax Reimbursement	423,233
Communications Tax	400,000
Utility Tax (Electric)	360,738
Tax Penalties & Interest	338,000
Interest Earnings	475,652
Late Filing Fee	50,000
Business Permit Fee	15,000
Cigarette Tax	155,000
Meals Tax	230,000
Lodging Tax	103,000
VSPA QSCB Int Subsidy	98,895
TOTALS	15,143,763

Subtract D/S Payments to be paid from GF	-2,244,853
Balance	12,898,910
<u>Required Local Effort</u>	14,806,994
Difference	-1,908,084



SUMMARY

Asking the Board to authorize advertisement for FY 26-27 budget to include:

- Tax increase (.07 real estate and .05 personal property from school district) to cover school funding shortage;
- 2% salary increase in January;
- Increase in Land Use Fees; Utility Fees and EMS Rates;
- Reduction in staff;
- Reduction in funding for Non-Governmental Organization Funding; and
- Transfer of initial loan funds to cover expenditures as noted in CIP.


BIRTHPLACE OF
GEORGE WASHINGTON
WAKEFIELD
WESTMORELAND CO, VA
1653 WESTMORELAND COUNTY, VA
ARCHITECTI REI PUBLICAE

Questions